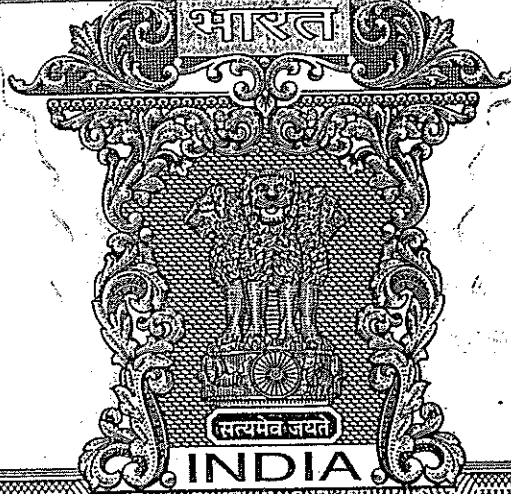


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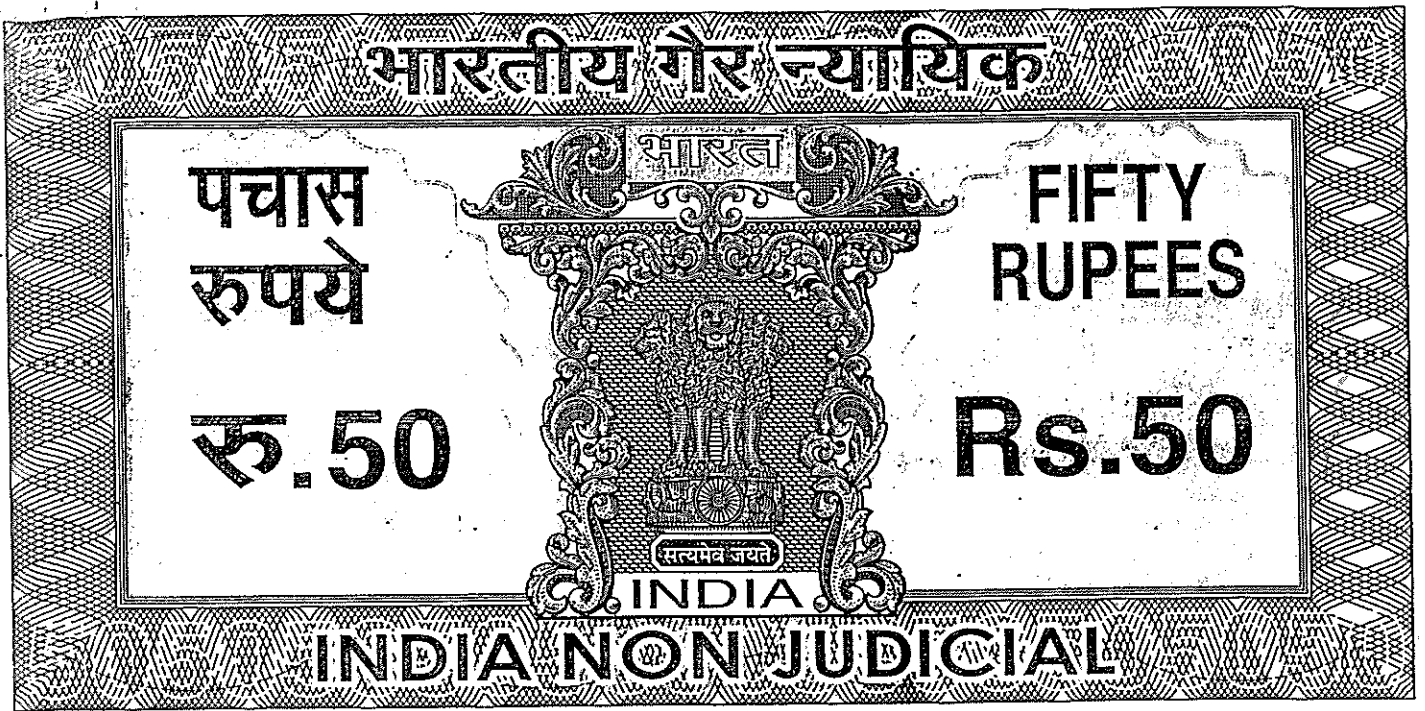
BH 524154

POWER PURCHASE AGREEMENT
BETWEEN
UTTAR PRADESH RAJYA VIDYUT UTPADAN NIGAM LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED

This Power Purchase Agreement (hereinafter referred to as "Agreement") entered into this 17 JANUARY day of 2017 between Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office, at "Shakti Bhawan Extn", 14 - Ashok Marg, Lucknow - 226001 (hereinafter referred to as "UPRVUNL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns), as party of the FIRST PART which is the party selling the power, and Uttar Pradesh Power Corporation Limited, a company incorporated under the Companies Act, 1956 having its registered office at "Shakti Bhawan " 14 - Ashok Marg, Lucknow-226001 (hereinafter referred to as "UPPCL", which expressions shall, unless repugnant to or inconsistent with the context or meaning thereof, include its successors and permitted assigns) as party of the SECOND PART, which is the party purchasing the power. This Agreement is subject to Uttar Pradesh Electricity Regulatory Commission's approval in terms of provisions, Section 10 (2) and (3), Section 86 (1) (a) and (b) of the Electricity Act, 2003 and Section 10 (1) (c) of the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act no. 24 of 1999).

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BH 524153

WHEREAS

- (i) UPRVUNL is a power generating company, which owns and operates an electric power generating station namely Panki ExtnThermal Power Station at Panki, District Kanpur and otherwise engaged in the business of the generation and sale of electricity so produced, and
- (ii) UPPCL is the holding company of the Distribution Companies (now distribution licensees in the State), as per section 4 of the Companies Act, 1956 and
- (iii) UPRVUNL wishes to sell to UPPCL who in turn wishes to purchase from UPRVUNL its electric energy and capacity from the aforementioned power generating station pursuant to the terms and conditions set forth herein. Further, the reallocation of generating capacity of UPRVUNL amongst various DisComs, as required, will be done as per approval from GoUP, without affecting upon the rights & obligations of UPRVUNL under this agreement. On such reallocation, the rights and obligations of UPPCL under this agreement shall stand transferred to the Distribution Companies, being the successor(s) of UPPCL as per provision in the PPA.

WHEREAS

UPRVUNL will own and operate the Panki Extn Thermal power station having installed capacity of 1x660 MW, to be synchronized later.

Panki(Extn.) 1x660MW - Expected synchronization date is five year from date of this PPA.

NOW THEREFORE in consideration of the foregoing and the respective covenants and agreements set forth in this Power Purchase Agreement (PPA) and other consideration, the receipt, sufficiency and adequacy of which is hereby acknowledged and intending to be legally bound hereby the Parties (as hereinafter defined) agree as follows:

1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

When used herein and in all of the Schedules hereto including, without limitation, the Tariff (as hereinafter defined) or any other document related to this Agreement, the defined terms set forth in this Article 1 shall have the meanings specified herein.

Any term used herein, but not defined herein, shall have the meanings provided in the U.P. Electricity Reforms Act, 1999 and The Electricity Act, 2003, as amended from time to time. Additional defined terms set forth in "The Uttar Pradesh Electricity Regulatory Commission (Terms and conditions of Generation Tariff) Regulations, 2014" shall have the meanings set forth therein.

Availability

In relation to the thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW, and shall be computed in accordance with the following formula:

$$\text{Availability (\%)} = 10000 \times \frac{\sum_{i=1}^N \text{DC}_i}{\{ N \times \text{IC} \times (100 - \text{AUX}_n) \}} \%$$

where,

IC = Installed Capacity of the generating station in MW,

DC_i = Average declared capacity for the *i*th day of the period in MW,

N = Number of days during the period

AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;



Bill shall have the meaning as described in clause 10 read with clause 6 of this Agreement.

Billing Date shall be the date on which the bill shall be raised. The UPRVUNL shall present the bills after the end of each calendar month as per UPERC Tariff Order for energy supplied to UPPCL from the Power Station as per Energy Account issued by SLDC/STU or any other Competent Authority/JMR at TPS.

Billing Month means the metering date of one calendar month to the metering date of the next calendar month.

Business Day shall construe as a reference to a date (other than Sunday and Public Holidays) on which Banks are open for business in Lucknow.

Business Hours means the period commencing from 10:30 hours to 17:00 hours on any Business day.

Cause means any fact or circumstances which legally entitles the issuing Government Agency, to withhold issuance or renewal of, revoke or amend a Permit, due to any failure by Seller or any of the Lenders, Investors or Contractors in whose name the Permit has been or is to be issued.

CEA means the Central Electricity Authority.

- (i) Any enactment or issuance of any new Law;
- (ii) Any change in the interpretation or application of an existing Law by any judicial or quasi-judicial or other authority (including a court, tribunal or regulatory commission) having the legal power to interpret or apply such Law;
- (iii) Any amendment, alteration, or modification of an existing Law;
- (iv) The repeal and re-enactment of any existing Law;
- (v) Any Change in Permits;
- (vi) Imposition (other than for Cause) of a requirement for a permit which did not exist as at the date of this Agreement;
- (vii) A change (other than for cause) in the terms and conditions attaching to a permit after it has been given;
- (viii) To the attachment of any new terms and conditions to such permit; or
- (ix) The revocation or cancellation (other than for Cause) of any permit.

Provided however, no Change in Tax shall qualify as "Change in Law". Law shall not include any "Tax Law" (as hereinafter defined).

Change in Permits means:

- (i) the imposition (other than for Cause) of any material requirement in connection with the issuance, renewal or extension of any Permit or the modification of any Permit after such Permit was issued, in either case subsequent to the date of signing of this Agreement;
- (ii) the imposition (other than for Cause) of a requirement for a Permit which did not exist as on the date of this Agreement;
- (iii) the revocation or cancellation (other than for Cause) of any Permit.

Change in Tax means any introduction, amendment, extension, repeal or authoritative change in interpretation or application of any Tax (including, without limitation, the time, rate, incentive, exemption or incidence applicable to any Tax) after the date hereof.

Check Import/Export Meters means meters for maintaining a check on performance of main import/export meters and shall be used for accounting and billing of electricity in case of failure of main meter.

CLDS means Central Load Dispatch Station of UPPTCL.

Date of effectiveness of Agreement shall be 1st April, 2016.

Day means the 24 (twenty four) hours period ending at 24:00 Hours midnight Indian Standard Time.

Declared Capacity or DC means the capability of the generating station to deliver ex-bus electricity in MW declared by such generating station in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;

Delivery of Bill: Shall have the meaning as defined in clause 10 of this agreement.

Designated Officer means an officer designated by UPPCL/STU for matters relating to meter reading, billing and payment.

Dispute means any material dispute or material difference of any kind between Seller and Purchaser in connection with or arising out of this Agreement.

Due Date of Payment or Due Date means, in relation to any Bill, the date on which the amount referred to in such Bill becomes due for payment which shall be 30 days from the Billing Date to the Authorized Representative of Purchaser. If the due date is not a business day, the next business day will be the due date.

Energy Charges shall cover fuel costs and shall be worked out as specified in Tariff order.

Energy Account shall mean periodic energy account including amendments thereof, if any.

Energy Unit means one-kilowatt hour of electrical energy.

Fixed charges or Capacity Charge amount means the recoverable fixed charge for a Tariff period determined in accordance with the Tariff Order.

Force Majeure shall have the meaning set forth in clause 17 of this Agreement.



Force Outage means an interruption of generating capacity that is not the result of:

- (i) A Scheduled Outage;
- (ii) A Force Majeure event;
- (iii) Any event or condition caused by Purchaser or attributable to an event or condition on Purchaser Facility; or
- (iv) Any Emergency or other curtailment or reduction pursuant to clause 16 in this Agreement.

Generating Unit means Plant, consisting of boiler, turbo generator, and other auxiliaries, which is capable of generating the specified power, independently.

GOI means the Government of India.

GOUP means the Government of Uttar Pradesh and its successors.

Government Agency means the GOI, GOUP, UPERC, or any ministry, department, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with Seller) or commission under the direct or indirect control of the GOI or the GOUP or any political subdivision of either of them owned or controlled by GOI or GOUP or any of their subdivisions, or any court, tribunal or judicial body within India.

Grid means the total system of electrical generation using any means other than Seller's Generating Unit, evacuation and transmission circuits, transformers, switchgear and other equipment (including the interconnection Facility) on Purchaser's side of the Interconnection Point.

'Gross Calorific Value' or GCV' in relation to a thermal power generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel, as the case may be;

Interconnection Point means the point or points at which interconnection is made between the Unit and the Transmission Utility System and unless otherwise mutually decided, shall be at the outgoing sides of circuit breakers connecting the EHT/HT lines.

Installed Capacity or IC means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station reckoned at the generator terminals as approved by the Commission from time to time;

KW means kilowatt.

kWH means kilowatt hour.

Law means the Constitution of India and any Act, rule, regulation, notification, directive, ordinance, order or any interpretation thereof or instruction having the force of law enacted or issued by any Government Agency.



Main Import Meter shall mean meter for measurement of active energy import at TPS Busbar for energy accounting.

Main Export Meter shall mean meter for measurement of active energy export at TPS Busbar for energy accounting.

Metering Date shall mean mid-day (12:00 hrs) of the last day of each calendar month.

Monthly Fixed Charge amount means the prescribed recoverable fixed charges as per Tariff Order.

MU shall mean one million Units.

MW means Megawatts.

Net Electrical Energy is the energy, supplied by Panki TPS of UPRVUNL and measured in kWh, at the point of interconnection in accordance with the provisions of Clause 5.

O & M shall mean operation and maintenance.

Permit or Permits means any consent, license, approval, permit, no objection certificate or other authorization of any nature whatsoever, which is required to be granted to Purchaser or Seller, as the case may be, by any Government Agency for the purpose of owning, developing, designing, financing, insuring, constructing, operating or maintaining the Project as contemplated under this Agreement.

Plant Load Factor or PLF for a given period, means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula;

$$PLF (\%) = 10000 \times \frac{\sum_{i=1}^N SGi}{\{ N \times IC \times (100 - AUX_n) \}} \%$$

where,

- IC = Installed Capacity of the generating station in MW,
- SGi = Scheduled Generation in MW for the ith time block of the period,
- N = Number of time blocks during the period, and
- AUX_n = Normative Auxiliary Energy Consumption as a percentage of gross generation;

Power Grid means Power Grid Corporation Ltd.

Power Purchase Agreement means the Agreement for selling of power by UPRVUNL and purchase by UPPCL.



Primary Fuel shall mean coal (Indian/ Imported or both) to be used in TPS of UPRVUNL for generation of electricity as per UPERC regulations.

Pool Account means Regional account for payments regarding Charges for Deviation/ Unschedule Interchanges.

Scheduled Bank means any bank at Lucknow indicated by Purchaser and acceptable to Seller.

Secondary Fuel shall mean the heavy furnace oil (HFO) and/or light diesel oil (LDO) and or Low Sulphur High Speed (LSHS)

SLDC or State Load Dispatch Centre means the centre established under subsection (1) of section 31 of Electricity Act, 2003 as notified by GoUP

Schedule Generation: At any time or for any period or time block means Schedule of Generation in Mw or Mwh ex-bus given by the concerned Load Dispatch centre.

Target Availability or TA means availability as set by the Commission in its Tariff Order

Tariff means the amounts to be paid by Purchaser to the Seller under this Agreement and as determined by UPERC or any competent authority authorized from time to time.

Tariff Order means the Tariff Order passed by UPERC from time to time

Tariff Regulation means the regulations notified in exercise of powers conferred under Section 181 read with Section 61 of the Electricity Act, 2003 by the Uttar Pradesh Electricity Regulatory Commission [vide Notification No. UPERC/Secy/ Generation Regulation, 2014/1620, Lucknow dated 16.12.2014, titled as the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2014 and as amended from time to time


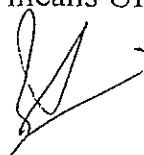
Tax means tax, cess, levy, toll, impost, excise, duty, fee or charge of any nature whatsoever levied by or payable to any Government Agency including but not limited to any withholding tax, income tax, corporate tax, VAT, excise tax, works contract tax, stamp duty, customs and import duties, octroi.

Thermal Power Station (TPS) means a thermal generating station having an installation of one or more thermal generating units and covered under this Agreement.

Transfer Scheme shall mean UP Electricity Reforms Transfer Scheme, 2000.

Unit means one kilowatt-hour.

UPERC or Commission means UP Electricity Regulatory Commission.



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1.2 INTERPRETATION AND GENERAL

1.2.1 Interpretation Any reference in this Agreement to:

this Agreement shall be construed as references to this Agreement together with all recitals and Schedules hereto;

Clause shall, subject to any contrary indication, be construed as a reference to a clause of this Agreement;

Encumbrance shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

Paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph in the Clause or Schedule in which such reference appears;

Person shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing,

1.2.2 General

Save where the contrary is indicated, any reference in this Agreement to:

- (i) **Rupee and Rs.** denote Indian Currency;
- (ii) words importing the singular shall include the plural and vice versa, any person shall be construed so as to include its and any subsequent successors, transferees and assigns in accordance with their respective interests;
- (iii) this Agreement or any other agreement or document shall be construed as a reference to each such agreement or, as the case may be, such other agreement or document as the same may have been, or may, from time to time, be amended, varied, novated, replaced or supplemented;
- (iv) a statute or enactment shall be construed as a reference to such statute as the same may have been, or may from time to time be, amended or re-enacted;
- (v) All orders so issued by UPERC shall be binding on both the parties from the date the same become applicable.
- (vi) In case either party goes in for any Review Petition/Appeal against the order of the UPERC before the competent authority, the order of the competent authority in that regard shall be applicable and binding on both the parties from the date the said order become applicable.

- (vii) A time of day shall, save as otherwise provided in any agreement or document, be construed as a reference to Indian Standard Time; and

Any word or expression used in this Agreement shall, unless otherwise defined or construed herein, bear its ordinary English meaning and, for these purposes, the General Clauses Act, 1897 shall not apply.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be for a period of twenty five years starting from 1st April, 2016 and ending on 31st March, 2041 extendable/renewable by mutual consent between UPPCL and UPRVUNL. In case UPPCL continue to get power from the Panki Extn. Thermal Power Station even after expiry of this agreement without further renewal or formal extension thereof, then all the provisions of this agreement shall continue to operate till this Agreement is formally renewed, extended or replaced except the Tariff, which will be applicable as per order of the UPERC as per provision of clause 6.3. This agreement shall be terminable even from any earlier date from which the PPA with different DisComs has been made effective.

3.0 INSTALLED CAPACITY

- 3.1 The installed capacity of Panki Extn. Thermal Power Station will be 660 MW. The installed capacity is, however, subject to de-rating/re-rating of the generating units as determined from time to time after following the prescribed procedure as laid down by CEA.

3.2 Allocation of Power

Full capacity of Panki Extn TPS shall be allocated to UPPCL unless reallocated by GOUP.

3.3 Drawal of Power

The power from Panki Extn TPS shall be drawn by UPPCL directly through its own or through the transmission system of other agencies on the basis of availability of capacity of the TPS.

3.4 Generation Schedule

UPRVUNL shall submit daily generation schedule of Panki Extn TPS to UPPCL or SLDC, as per UPERC Generation Regulation

3.5 Daily Declared Capacity Notice

UPRVUNL shall deliver to UPPCL or SLDC, as applicable, at each day a notice indicating daily declared capacity of Panki TPS as per regulation for next 24 hours. Any change in daily declared capacity notice due to minor or major breakdown in station shall be intimated to UPPCL or SLDC, as applicable as per regulation.



4.0 TRANSMISSION/WHEELING OF POWER

- 4.1 Power shall be made available by UPRVUNL at the busbars of the Station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of power from such delivery points of UPRVUNL.
- 4.2 UPPCL shall coordinate with the appropriate authorities/agencies including UPPTCL/STU or any other Licensees for power evacuation from the above delivery point.
- 4.3 UPPCL shall be responsible to coordinate with the UPPTCL/STU or any licensee or other agencies for implementation of the transmission system for evacuation of power from the station matching with the commissioning schedule of the station.
- 4.4 For wheeling of the power beyond busbars of the Station, charges for utilisation of transmission system(s) owned by UPPTCL/STU/other agencies shall be paid directly by UPPCL to the UPPTCL or other agencies. UPRVUNL shall not be responsible for payment of such charges.

5.0 SUPPLY OF POWER

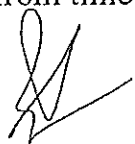
Power as generated by Panki Extn TPS will be supplied to UPPCL only unless mutually agreed otherwise. Terms and conditions as mutually agreed and approved/determined by UPERC from time to time would be applicable.

6.0 TARIFF AND TERMS & CONDITIONS

- 6.1 The cost of infirm power shall be the energy charge calculated on the basis of cost of fuel and the norms of gross station heat rate, secondary fuel oil consumption and auxiliary energy consumption specified for calculation of variable charge during stabilization period as specified in Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2014
- 6.2 The tariff chargeable to UPPCL shall be as per the Tariff Order dated 20.01.11 or any amendment thereof issued by the UPERC.
- 6.3 The bill for the energy so supplied would be based on energy accounts as given under Clause 7 of this Agreement.
- 6.4 If Tariff for the period extending beyond 31.03.2014 is not approved by the U.P. Electricity Regulatory Commission the tariff order dated 20.01.11 approved by the Commission will be provisionally applicable till Tariff Order for the concerning period is approved by the UPERC.

7 SCHEDULING AND ENERGY ACCOUNTING

- 7.1 **Scheduling** Consequent to the implementation of ABT the methodology of generation schedule shall be as per Indian Electricity Grid Code/UP Electricity Grid Code (as revised from time to time) and UPERC orders.



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7.2 Charges for Deviation /Unschedule Interchange(UI).

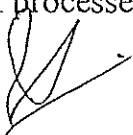
- 7.2.1 Charges for deviation/ UI for generating station shall be equal to its actual generation minus schedule generation. Charges for deviation/ UI should be worked out for each 15 min blocks. Charges for deviation/ UI shall be based on average frequency of the time block and rates as specified in notifications issued by UPERC from time to time.
- 7.2.2 In case of zero generation (tripping / shut down of all units) of a Thermal Power Station, the zero DC / Revision Schedule (drawl of power from grid) declared by TPS will be accepted by SLDC and the energy supplied from UPPCL system to the TPS during such period shall be charged at the same tariff or as mutually agreed with CERC/UPERC order.
- 7.2.3 For supply of startup or backup power to generating station of UPRVUNL, UPRVUNL should enter into a contract with distribution licensee for supply of a quantified startup or backup power. According to the contract, the distribution licensee shall submit a standing injection schedule with SLDC for supply of such power to generating station of UPRVUNL. Implemented schedule shall be made for the power drawn by the generating station by grossing up the power at the periphery of the distribution licensee with due accounting of transmission losses.
- 7.2.4 **Effective date of implementation of ABT:** The effective date of implementation of ABT for Panki Extn.of UPRVUNL will be as per UPERC guide lines.

7.3 Energy Accounting :

- 7.3.1 Energy drawal by UPPCL will be metered at the Panki Extn TPS. The energy account shall be prepared by UPRVUNL based on the monthly joint meter reading taken by the representatives of UPRVUNL and UPPCL/STU. The methodology for energy account would be on mutually agreed basis. The export and import of energy at the metering points shall be computed on net basis, i.e. by difference between export and import meter readings.

Provided that if and when provisions of ABT are implemented the Energy Accounts shall be governed by clause 33 of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions of Generation Tariff) Regulations, 2014 reproduced as under:

“Metering and Accounting - Metering arrangements, including installation, testing and operation and maintenance of meters and collection, transportation and processing of data required for accounting of energy exchanges and average frequency on 15 minute time block basis shall be organized by the State Transmission Utility in consultation with State Load Despatch Centre. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Despatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Despatch Centre. The State Load Despatch Centre, on the basis of processed data of meters along with data relating to declared



capability and schedules etc., shall issue the State Accounts for energy on monthly basis as well as UI charges on weekly basis. UI accounting procedures shall be governed by the orders of Central Commission.

Note: This provision shall be applicable with effect from the date these Regulations coming into force except for UI that shall come into force from such date specified by the Commission for implementation of ABT in the State”.

- 7.3.2 On implementation of ABT the Regional Energy Account issued by STU/SLDC or any competent authority shall be binding on all the parties for billing and payment purposes.
- 7.3.3 Such consumers other than establishment of Panki Extn TPS getting supply directly from Panki Extn TPS of UPRVUNL would be UPPCL consumers. The billing shall be done by UPPCL on the basis of joint meter reading taken by representative of UPRVUNL & representative of UPPCL/ STU concerned Division of DisComs. Such energy shall be treated as energy exported to UPPCL and accounted for accordingly.

8 POINTS OF METERING

The main and check meters at the 400 KV/220 KV/132 KV or other KV bus bars of generating transformers of the Panki Extn TPS to be installed by UPRVUNL shall be maintained by UPRVUNL. Installation and maintenance of main, standby and check meters at locations other than the meters installed and maintained by UPRVUNL shall be the responsibility of UPPCL. The meters shall be sealed after calibration by the concerned parties jointly. The points of metering for Panki Extn TPS are as under:

Export Points:-

1. Generator Transformer-5

Import Points:-

1. Station Transformer-5

Note: - The above points are subject to addition/alteration, if found necessary.

9.0 METERING SYSTEM

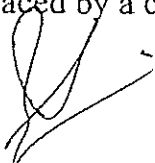
- 9.1 A set of CT/PT/Meters (Main, standby and check) of 0.2 accuracy class, as per IEGC/CEA (Installation & Operation of Meters) Regulations – 2006 as applicable, shall be installed on all outgoing feeders of the station. UPPCL/STU shall make all necessary arrangements for installation of CT/PT/Meters, at all its drawl points. So long as existing CT/PT/Meters of any other class are replaced by 0.2 class, the existing CT/PT/Meters will be used for energy accounting.
- 9.2 All the meters shall be jointly calibrated, inspected and sealed on behalf of the parties and shall not be interfered with except in the presence of other party or for

joint testing and calibration and/or replacement and/or any other purposes for which due notice of 7 (Seven) days will be given by UPRVUNL/STU/UPPCL so that this is done in the presence of the authorized representatives of the STU/UPPCL/UPRVUNL.

- 9.3 Joint meter readings of the main as well as check meters at various energy accounting points as identified shall be taken by the parties as mentioned above at 12:00 hrs (noon) on the last day of each calendar month. In case any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party shall be binding on both the parties and shall be taken into account for preparation of Energy Accounts. UPPCL shall designate an officer for joint meter reading. On implementation of ABT the data shall be downloaded from the meters at regular interval as decided by STU/SLDC for preparation of REA/UI account.
- 9.4 If the main meter is found to be not working at the time of meter readings or any other time, UPRVUNL shall inform the STU/SLDC for the same and the data from check meters shall be considered by SLDC/STU for energy accounting for the period
- 9.5 If in any month the readings of the main energy meter(s) differ from the readings of corresponding check energy meter(s) by more than 0.4% (zero point four percent) the main and check energy meter(s) shall be tested in turn and the errors at various levels as per standard procedures would be determined. If on such testing main energy/check meter error is found to exceed $\pm 0.2\%$ (plus/minus zero point two percent) the energy figures recorded by the main energy/check meter(s) for the above month concerned shall be revised accordingly and the main energy/check meter(s) shall be recalibrated jointly or replaced by the correct energy meter(s). Pending the results of such testing, billing and payment shall continue to be based on the energy recorded by the check meter(s), provided its error is within the prescribed limit.
- 9.6 If both the main and check meter(s) fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis between UPRVUNL and UPPCL/STU for the period of defect. In case there is no mutual agreement, the computation of energy shall be on the basis of average of the billing of last three months.
- 9.7 Corrections in billing whenever necessary, shall be applicable for the period between the previous meter reading and the date and time of the replacement or recalibrated correct meter and this correction shall be for the full value of the absolute error. For the purpose of the correction to be applied, the meter shall be tested as per Indian Standard (British Standard where Indian Standard is not existing) The error at the load and power factor nearest to the average monthly load served at the point during the period shall be taken as the error to be applied for correction.
- 9.8 All the meters shall be checked for accuracy on quarterly basis by comparison of the readings of main and check meters by UPRVUNL and UPPCL/STU and shall

be treated as working satisfactorily so long as the errors are within the limits prescribed in relevant Indian Standard (or British Standard where Indian Standard is not existing) for meters of the said class. The meter readings of main meters shall form the basis of the Energy Accounts so long as the quarterly check results thereof are within prescribed limits. If the check meters are found to be defective during the quarterly checks, these shall be immediately calibrated jointly/ replaced. Where the quarterly checks indicate errors in the main meter(s) beyond limit but no error is noticed in check meter(s) during quarterly checking computation of total net energy sent out at 400 KV bus bars and/or 220 KV / 132 KV and/or other KV bus bars, as applicable, of the Panki Extn TPS for the month shall be done on the basis of check meter(s) and main meter(s) shall be calibrated jointly immediately. If during the quarterly test check, the difference in the main meter(s) and the corresponding check meters readings are found to be beyond the permissible limits of error, i.e. more than 0.40% both the meter(s) shall be immediately calibrated and the correction applicable to main meter shall be applied to the consumption registered by the main meter(s) to arrive at the correct consumption of energy for the purpose of Energy Accounts for the month from the date of last meter reading upto the time of replacement of correct main meter. Billing for the period thereafter, till the next monthly meter reading, shall be as per calibrated main meter. During this period of calibration of main and check meter(s) another set of main and check meters duly calibrated and sealed will be installed by UPRVUNL/STU/UPPCL at the TPS in the presence of UPPCL/STU/UPRVUNL and jointly sealed. The energy accounting during the period of calibration of original meters shall be as per the readings of the substituted main meter. In case spare meters are not available with UPRVUNL/STU/UPPCL the main/check meter shall be calibrated by rotation. During the period of removal of main meter, the energy accounting will be done based on check meter readings applied with correction factor of the check meter obtained during testing/calibration of check meter.

- 9.9 For the purpose of test and calibration, the standard meter calibrated and sealed by GOUP/GOI Authorized Meter Testing House/Laboratory shall be utilized. This standard meter shall be got calibrated once in every six months at the GOUP/GOI Authorized Meter Testing House/Laboratory.
- 9.10 If at any time any party to the Agreement feels that a meter is not recording correctly it shall give notice to the other party. UPRVUNL/STU/UPPCL shall then undertake testing and calibration of the meters owned by UPRVUNL/STU/UPPCL. If errors on such testing is found to exceed the error limits specified in the relevant Indian Standard (British Standard where Indian Standard is not existing) for this class of meters necessary adjustment in the bills shall be made from the date of notice or from such other date as can be satisfactorily established to be proper for such adjustment.
- 9.11 Once in every five years, both main and check meters shall be tested for accuracy by a substandard meter either at the station or at any approved testing laboratory. During testing in case of error is found to be more than the permissible limits, then the meter shall be replaced by a correct meter.



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All charges under this Agreement shall be billed by UPRVUNL as per Clause 6 and shall be paid by UPPCL in accordance with the following provisions:

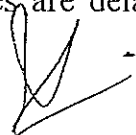
- (i) UPRVUNL shall deliver bills to the UPPCL generally within 5 days of the billing date for energy supplied for each month to UPPCL from Panki Extn TPS. The payments will be made by UPPCL within due date by cheque payable at Lucknow.
- (ii) UPRVUNL shall carry out billing and associated functions. The authority of UPPCL to whom the bills have to be submitted would be informed by UPPCL to UPRVUNL within a month of signing of the Agreement failing which UPRVUNL would submit the bills to the Director (Finance) of UPPCL.
- (iii) UPPCL shall make adequate provisions in their approved budget for respective years during which this PPA continues to ensure regular payment of power purchased by UPPCL from UPRVUNL and shall also furnish a copy of the approved budget to UPRVUNL.
- (iv) PFC conditions applicable for the agreement period are:-
 - (a) UPRVUNL can undertake third party sale of energy within the state or outside the state if the procurer of energy does not clear the dues as per schedule.
 - (b) Provided that revenue of the procurer shall be escrowed if favour of UPRVUNL and in turn in favour of lenders to UPRVUNL.
 - (c) In case of default to PFC by UPRVUNL, than PFC shall have right to transfer the project to themselves or their agents, operate the project and sell energy to third party.

Schedule of payment of Charges for Deviation/ UI Charges

Charges for Deviation /UI Charges Accounting: All payments on account of Charges for Deviation /UI charges including the additional charges for deviation/UI charges levied under the regulations and interest received on late payment thereof shall be credited to a fund called UI pool account fund which shall be maintained and operated in accordance with provisions of UPERC regulation / grid code or as mutually agreed.

Payment of charges for deviation/UI charges shall have a high priority and the concerned constituent shall pay the indicated amount within 10 days of the issue of statement of charges for deviation/UI charges including additional charges for deviation/UI charges into the UI pool account fund or as mutually agreed.

If payment against charges for deviation/ UI charges including additional charges for deviation/UI charges are delayed by more than two days i.e beyond 12 days




from the date of issue of statement by SLDC, the defaulting constituent shall have to pay simple interest @ .04% for each day of delay applicable as per UPERC order / any amendment time to time or as mutually agreed.

11 DISPUTES

In the event of any dispute as to all or any portion of an Invoice, Purchaser shall nevertheless pay the full amount of the undisputed charges subject to minimum 50% of the total amount of the invoice within due date and shall serve notice on the Seller that the amount of an Invoice is in dispute in which event the provisions of Clause 15 hereof shall be applicable.

12 REBATES AND SURCHARGE ON LATE PAYMENTS

12.1 **Rebate:** For payment of bills of capacity charges and energy charges through a letter of credit on presentation, or through NEFT/RTGS within a period of 2 days of presentation of bills by generating company a rebate of 2% shall be allowed.

2) Where payments are made on any day after 2 days and within a period of 30 days of presentation of bills by generating company a rebate of 1% shall be allowed.

12.2 **Late Payment and Default in Payment :** In case the payment of bills of capacity charges and energy charges by the purchaser is delayed beyond a period of 60 days from the date of billing, a Late Payment Surcharge at the rate of 1.25% per month shall be levied by the generating company (UPRVUNL).

12.3 **The "Rebate & Surcharge on late payment" as per clause 12.1 & 12.2 will not be applicable for a period of 05 years with effect from date of Commercial operation (COD) of plant.**

12.4 **The "Rebate & Surcharge on late payment" as per clause 12.1 & 12.2 will be modified for next balance period of the PPA after review as decided and mutually agreed by UPRVUNL & UPPCL.**

13 REGULATION OF SUPPLY

In the event any bill(s) remain unpaid for a period exceeding sixty (60) days, UPRVUNL shall serve a notice on UPPCL giving fifteen (15) days period for effecting regulation of supply from its Panki Extn Thermal Power Station with consent of GOUP, unless UPPCL makes full direct payment of the outstanding amount within the notice period. In case regulation of supply is effected, for resumption UPPCL shall pay all the outstanding dues.

14 LEVIES, TAXES, DUTIES, CESS, ETC.:

The amount of all lawful taxes/duties/cess, etc. payable by UPRVUNL to GOUP/GOI and/or any other local bodies/authorities on generation of electricity including auxiliary consumption, or any other types of consumption including

water, transmission, environment protection, sale or on supply of electricity and/or in respect of any of its installation associated with the TPS and/or Transmission system shall be billed on to UPPCL in the shape of supplementary bill raised by UPRVUNL and UPPCL will make payment accordingly at actuals.

14.1 **Income Tax** – Income tax on core activity to be charged separately through Tax Escrow Account.

15 INFORMAL DISPUTE RESOLUTION

15.1 The Authorized Representative appointed by the Parties in pursuance be authorized to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a “Dispute”) in an equitable manner.

15.2 Following notice by one Party to the other setting out the particulars of the Dispute, if the Authorized Representatives are unable to resolve the Dispute under this Agreement within 15 days, such Dispute shall be referred by such Authorized Representatives to a senior officer designated by Seller and a senior officer designated by Purchaser, respectively, who shall attempt to resolve the Dispute within a further period of 15 days.

15.3 The Parties hereto agree to use their best efforts to attempt for resolving all Disputes arising hereunder promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such Dispute.

16.0 ARBITRATION

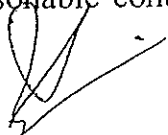
16.1 All differences or disputes between the parties arising out of or in connection with this Agreement remained unresolved as per clause 15 above shall be settled through arbitration as provided herein after.

16.2 In the event of such difference or disputes between the parties the matter shall be referred to UPERC for arbitration as per Section 158 of The Electricity Act, 2003 and Section 34 of the U.P. Electricity Reforms Act, 1999.

16.3 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

17.0 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God, strike, lock-out or any other reason beyond the reasonable control of concerned party. But any party claiming



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the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within 24 hours thereof to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

18.0 SYSTEM OPERATION

All instructions from SLDC / STU will be followed strictly regarding scheduling and operation of the Panki Extn TPS.

19.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by registered post/courier. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the Chairman and Managing Director UPRVUNL, Shakti Bhawan, 14, Ashok Marg, Lucknow /CE(L-2) of Panki Extn or their authorized representatives shall be authorized to act for and on behalf of UPRVUNL.

20.0 NOTICE

20.1 All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts/by Courier Service with an acknowledgement due to the other parties in terms of this Agreement.

20.2 All notices or communications given by telefax or telegram/FAX shall be confirmed by deposition of a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail or courier. All notices shall be deemed delivered upon receipt.

21.0 SUCCESSORS AND ASSIGNS

21.1 Neither party shall assign in full or part with any of its rights or obligations under this agreement to any third party without the prior approval in writing of other party.

21.2 In case any of the parties to this Agreement is restructured and/or its generation, transmission and distribution activities are taken over by other organization(s), agency(ies), partly or wholly, the Agreement shall be binding *mutatis mutandis* upon the successor organization(s)/ agency(ies), and shall ensure to the benefits of and shall also be guaranteed by the State Government and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies). In

such situation this agreement shall be suitably reviewed and modified as mutually agreed between the parties and shall be binding on all concerned.

22.0 JURISDICTION

All disputes arising out of or relating to this agreement shall be subject to the jurisdiction of High Court of Judicature of Allahabad at Lucknow Bench.

23.0 MISCELLANEOUS

23.1 Writing

No variation, waiver, amendment or modification of any of the terms of the Agreement shall be valid unless approved by UPERC and communicated in writing and signed by or on behalf of the Parties.

23.2 Severability

The invalidity or enforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder.

23.3 No Waiver

The failure of any Party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

23.4 Language

The language of this agreement shall be in English and all documents, notices, waivers and any other written communication or otherwise between the parties, in connection with the agreement, shall be in English/Hindi.

23.5 Entirety

This Agreement is intended by the parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

All prior written or oral understanding, offers or communications of every kind pertaining to this agreement or the sale or purchase of electrical output and contracted capacity under this agreement to Purchaser by Seller are abrogated and withdrawn.

23.6 Survival

Notwithstanding anything contained in this Agreement, clause 19 read with clause 2 shall survive this Agreement.

23.7 Waiver of Immunity

Purchaser and Seller are subject to Civil and Commercial Law with respect to their obligations under this Agreement, and the execution, delivery and performance



hereof by them constitutes (for the purposes of applicable Indian Law and otherwise) private and commercial acts rather than government and public acts.

To the extent that Purchaser or Seller may in any jurisdiction claim for itself or any of its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process, or to the extent that in any jurisdiction there may be attributed to Purchaser or its assets or revenues any such immunity (whether or not claimed), Purchaser and Seller hereby agree not to claim and irrevocably waive any such immunity.

23.8 Breach of Obligations

The parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The parties acknowledge the damages alone shall not be adequate remedy for such breach. Accordingly each party agrees that in addition to any other rights or remedy which the other party may have at Law or in equity, the non breaching party shall be entitled to specific performance and injunctive relief in any court of competent jurisdiction for any breach or threatened breach by the other party.

23.9 Inconsistency between the Provisions of PPA and Tariff Regulations/Tariff Order:

In the event of any inconsistency between the provisions of this PPA and the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2014 read with the UPERC Tariff Order dated 16.12.14 or any amendment thereof, the later shall prevail.

23.10 This PPA is subject to approval by UPERC.



IN WITNESS WHEREOF the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names as on the date first above written.

SIGNED AND DELIVERED by UPRVUNL (Seller)
by the hand of its authorized official.

(ई० श्याम नारायण)
Name: मुख्य अभियन्ता (वाणिज्य).....
Title: शक्ति भवन, लखनऊ.....

In the presence of:

1. Witness Name Mahendra Kumar
(MAHENDRA KUMAR)
SE (Com) UNL

2. Witness Name R. K. JAUHARI
(R. K. JAUHARI)
अधिसायी अभियन्ता (वाणिज्य)
उ० प्र० श० वि० उ० नि० वि०
शक्ति भवन, लखनऊ

SIGNED AND DELIVERED by UPPCL Purchaser)
by the hand of its authorized official.

Name: (VINAY PRAKASH S. SRIVASTAVA)
C.E. (P.P.A.),
Title: U.P. P.C.L.
Shakti Bhawan Extn
Lucknow.

In the presence of:

1. Witness Name V. K. Ashwari
V. K. Ashwari
SE (PPA)

2. Witness Name Aslam
(Haroon Aslam)
EE, PPA