Old PPA 2004

भारतीय गैर-न्यायिक

एक सौ रुपये

Rs. 100

रु. 100

ONE HUNDRED RUPEES

सत्यमेव जयते

भारत INDIA

INDIA NON JUDICIAL

. PRADESH

POWER PURCHASE AGREEMENT
BETWEEN
M/s Bajaj Hindusthan Limited
AND
Paschimanchal Vidyut Vitran Nigam Limited.

* TRY. LKO. *
2 JUN 2005
TRY. LKO.

THIS AGREEMENT is made on this day of 14/06/05 (hereinafter called the EffectiveDate), by and between M/s Bajaj Hindusthan Ltd. registered under the Companies Act.,1956 and having its registered office at Bajaj Bhawan,Jamnalal Bajaj Marg, 226 Nariman Point, Mumbai – 400 021 hereinafter called the "Generating Company/Plant ", which expression shall unless repugnant to the context or meaning thereof, include its successors and assignees as party of the first part and *Paschimanchal Vidyut Vitran Nigam Ltd* .a Company registered under the Companies Act.,1956 having its Registered Office at *Victoria Park,Meerut* hereinafter called Discom which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees as party of the second part.

WHEREAS, the Generating Company is engaged in the business of *Sugar Manufacturing* and other incidental businesses situated at *Village Kinauni Distt. Meerut* in the State of Uttar Pradesh, more particularly described in Annexure I attached hereto and made a part hereof and

AND WHEREAS, *Discom* is a distribution licensee operating in the State of Uttar Pradesh, and has licence to supply power in ear marked part of the State and whereas the Discom in its Board of Directors meeting held on 24.08.05 has authorized U.P. Power Corporation Limited (herein after called UPPCL) to execute/Sign the Power Purchase Agreement and also authorized U.P. Power Corporation Limited to do the necessary relevant works on

GM (CRA)
U.P.P.C.L.
Shakti Bhawan Extn
Lucknow.

behalf of DISCOM. As such all the obligations under this agreement are being undertaken by UPPCL on behalf of DISCOM till further intimation by GOUP/DISCOM.

WHEREAS, the Generating Company owns and operates / intends to own and operate a *Bagasse based Co-generation Plant situated at Village Kinauni Distt. Meerut* (hereinafter referred to as the Plant) having a generating capacity *of 12 MW+ 16MW i.e. 28 MW* and generate electricity for his own consumption to the extent of *18 MW and 10MW* for supplying electricity so generated by the Generating Plant's facility to DISCOM and

WHEREAS, the Generating Company desires to sell **surplus power** generated in the Generating Plant's facility *10 MW during season and 12 MW during off season*, and DISCOM agrees to purchase electricity generated from such capacity by the Generating Plant for sale, under the terms and conditions set forth herein, and

WHEREAS the parties to this Agreement agree for prior consultation with the State Transmission Utility for the purpose of implementation of this agreement and seek its approval for permitting, inter alia, interconnection to the generating plant with the *Amin Nagar Sarai, Kinauni, Meerut* grid substation owned by STU and

WHEREAS the parties to the agreement bind themselves for compliance of all relevant provisions specified by the U.P. Electricity Regulatory Commission in different regulations regulating the functioning of State Transmission Utility, other transmission licensee and State Load Despatch Centre.

Now, therefore, in consideration of premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the parties as follows: -

1. Definitions

Other than those defined below, the words/expressions used in this agreement, unless repugnant to the context, shall have the meaning assigned to them in the Electricity Act, 2003, UP Electricity Reforms Act, 1999 and U.P. Electricity Grid Codeas amended from time to time, UPERC (Terms and Conditions for Supply of Power and Fixation of Tariff for Sale of Power to Distribution Licensee by Captive Generating Plants, Co-generation, Renewable Sources of Energy and Other Non-Conventional Sources of Energy based Plants) Regulations, 2005 as amended from time to time, and the rules framed there under. The words/expressions listed below shall have the meanings respectively assigned hereunder.

1.1 'Bill Meter' means ABT compatible Import and Export Meter on the basis of which energy bills shall be raised by the Generating Plant/Discom.

1.2 'Check Meter' means ABT compatible Import and Export Meter for performing a check on the accuracy of the Bill Meter.

1.3 'Date of Commissioning' means the date on which supply of Energy is commercially commenced by the Generating Plant to Discom and includes COD.

G.M. (P.P.A.)
U.P.P.C.L.
Shakti Bhawan Extn.
Lucknow.

1.4 'Export Meter' means Bill Meter installed at the grid substation *Amin Nagar Sarai,Kinauni* of STU for measurement of Active Energy, Maximum demand and Power factor for Energy exported to the Generating Plant from STU 's Grid Sub-Station *Amin Nagar Sarai,Kinauni.*

1.5 'Energy Account Month' means period from date of meter reading in previous month to date of meter reading in following month and such period should not exceed 35 days.

1.6 'Sub Station' means sub-station *Amin Nagar Sarai,Kinauni* of 33 KV or higher voltage owned, maintained and operated by Discom or UP Power Corporation Limited .

1.7 'Import Meter' means Bill Meter installed at the grid substation of STU for Measurement of Active Energy, Maximum demand and Power factor of Energy Imported to Discom from the Generating Plant.

1.8 'L.C.' means " revolving and self - replenishing Letter of Credit".

1.9 'Bill' means a bill raised, that includes all charges to be paid by Discom with respect to sale of Power by the Generating Plant to Discom.

1.10 'State Transmission Utility (STU)' means Uttar Pradesh Power Corporation Limited being the Government company specified so by the Government of Uttar Pradesh.

1.11 'TOD' means "Time of day", for the purpose of Metering.

1.12 'UPERC' means the U.P. Electricity Regulatory Commission.

1.13 'Wheeling' means the operation whereby the distribution system and associated facilities of a transmission licensee or distribution licensee, as the case may be, are used by another person for the conveyance of electricity on payment of charges to be determined under section 62 of the Electricity Act 2003.

1.14 'CNCE Regulations' means the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Supply of Power and Fixation of Tariff for sale of power from Captive Generating Plants, Co-generation, Renewable Sources of Energy and Other Non-Conventional Sources of Energy based Plants to a Distribution Licensee) Regulations, 2005 as amended from time to time..

2. POWER PURCHASE, SALE

2.1 UPPCL on behalf of DISCOM shall accept and purchase 10 MW *during season and 12 MW during off-season* of power made available to Discom/STU 's system from the Generating Plant's bagasse based cogeneration in accordance with the terms and conditions of this Agreement, at the rate specified for such plant in Schedule II of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Supply of Power and Fixation of Tariff for Sale of Power from Captive Generating Plants, Co-generation, Renewable Sources of Energy and Other Non-Conventional Sources of Energy based

G.M. (P.P.A.)
U.P.P.C.L.
Shakti Bhawan Extn.
Lucknow.

Plants to a Distribution Licensee) Regulations, 2005 as amended from time to time and mentioned hereunder:-

Tariff Year

Year of Commissioning	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
FY 2006 or any earlier	2.86	2.89	2.93	2.97	3.02
FY 2007		2.98	3.02	3.06	3.10
FY 2008			3.11	3.15	3.20
FY 2009				3.25	3.29
FY 2010					3.38

The above purchase rates are applicable for sale of electricity during crushing season However, during off season, an incentive of 3 paisa per unit would be admissible subject to the following conditions :-

a) The plant has achieved the target PLF of above 60% for the respective financial year.
b) Units supplied in excess of the target PLF of 60% during the off season period shall be eligible for the incentive.
c) The payment of incentive shall be made alongwith the settlement of the bill for the units supplied in the month of March.

Except for Income Tax, all other taxes, duties and other levies imposed by the Central and/or State Government or other local authorities directly relating to generation shall be d payable by Discom on production of necessary supporting documents by the Generating Plant, while those relating to sale of electricity, shall be borne and payable by Discom.

2.2 The rate applicable for supply of electricity by Discom to the Generating Plant shall be as per the tariff determined by the Commission under appropriate 'Rate Schedule of Tariff' for the consumer category determined on the basis of the total load requirement of the plant and billing done in the manner as specified by the Commission in the Regulations.

2.3 The provisions set out in Annexure-II shall govern the Sale and accounting for power purchased by Discom.

2.4 The generating plant and Discom shall comply with all the regulations issued by UPERC from time to time including but not limited to UP Electricity Grid Code, Open Access Regulations, SLDC Regulations to the extent they are applicable to them.

3 MAINTENANCE REQUIREMENT OF THE GENERATING PLANT

3.1 The Generating Plant's annual maintenance schedule shall normally be from *May to Sept*. The Generating Plant shall inform Discom and the STU regarding the Maintenance schedule in accordance with provisions of the UP Electricity Grid Code as revised by the Commission from time to time.

C.M. (P.P.A.)
U.P.P.C.L.
Shakti Bhawan Extn
Lucknow.

3.2 Environmental Clearance and compliance of environmental standards shall be the sole responsibility of the generating plant.

4. SUPPLY SCHEDULE

The Generating Plant shall furnish to Discom and the State Transmission Utility (STU) or State Load Despatch Centre (SLDC), as the case may be, a month-wise Supply Schedule, schedule of banking and withdrawl of banked energy and other information, as required in the CNCE Regulation and UP Electricity Grid Code as amended from time to time or provisions of any other regulation in that regard or as desired otherwise.

5. BILLING PROCEDURE AND PAYMENTS

5.1 Discom shall raise monthly bill for electricity purchased by the Generating Plant as per its normal billing cycle after taking into account energy withdrawn from the banked energy and maximum recorded demand in the manner as specified by the Commission in the CNCE Regulations and such bill shall be payable within the time period stipulated in the General Conditions of Tariff.

5.2 The Generating Plant shall raise monthly bill based on the monthly joint meter reading in the Bill Meter at the grid substation *Amin Nagar Sarai,Kinauni.*

5.3 The Monthly Bill raised by the Generating Plant shall be delivered to UPPCL on behalf of Discom at its designated office *of Nodal Officer* on or before the fifth (5th) working day of the following month hereinafter called the Monthly Bill date.

5.4 UPPCL on behalf of Discom shall make full payment against such Monthly Bills to the Generating Plant within thirty (30) working days of the receipt of the Monthly Bill through irrevocable revolving & self-replenishing letter of credit of a value equal to the billable amount opened with a public sector bank in favour of the Generating Plant or through any other mode. The L.C. opening and maintenance charges shall be borne by the Distribution Licensee. The L.C. shall cover the average monthly billing for units indicated in the supply schedule furnished under para 4 above for the particular calendar quarter. The LC shall be updated by 5th working day of the calendar every quarter.

5.5 A rebate of 1.25 percent on the billed amount shall be allowed for payment made through LC within one month of the date of billing and for default in payment beyond one month from the date of billing, a surcharge at the rate of 1.25 percent per month or part thereof shall be levied on the billed amount. Format of the Monthly Bill to be raised by the Generating Plant is given in Annexure III attached hereto and made a part of this agreement. If the payment is made by a mode other than through LC but within a period of one month of presentation of bill by the generating company, a rebate of 1 percent shall be allowed. However, a surcharge at the rate of 1.25 percent per month of part thereof shall be levied on the billed amount in case of default by Discom payment in within 30 days.

5.6 The bills raised by the Generating Plant shall be paid in full subject to the conditions that:-

G.M. (P.P.A.)
U.P.P.C.L.
Shakti Bhawan Extn.
Lucknow.

i) There is no apparent arithmetical error in the bill(s).
ii) The bill(s) is/are claimed as per tariff referred to in Para 2 of this agreement.
iii) They are in accordance with the energy account referred to in Para 14 of this agreement.

5.7 In case of any dispute regarding the bill raised by the Generating Plant, UPPCL on behalf of Discom shall file a written objection with the Generating Plant within fifteen days of receipt of the bill giving full particulars of the disputed item(s), with full details/data and reasons of dispute and amount disputed against each item. The Generating Plant shall resolve the above dispute(s) with UPPCL within 30 days.

5.8 In case, the dispute is not resolved within 30 days as provided in para 5.7 above, and in the event it is decided to proceed with the Arbitration as provided in para 23 of this agreement, then UPPCL shall pay 100% of the disputed amount forthwith and refer the dispute for arbitration as provided in this agreement. The amount of excess / shortfall with respect to the said disputed amount on final award of arbitration shall be paid / adjusted; but in case of excess, the adjustment shall be made with interest at rate 1.25% per month from the date on which the amount in dispute was refundable by the generating company to UPPCL.

6. PARALLEL OPERATIONS

Grid substation *Amin Nagar Sarai,Kinauni* owned by STU shall allow the Generating Plant to interconnect its facility and operate in parallel with STU system, subject to the provisions of this Agreement, Electricity Act, 2003 and the UP Electricity Grid Code-2000 as amended from time to time.

7. GENERATION FACILITIES OWNED AND OPERATED BY THE GENERATING PLANT

7.1 The Generating Company shall own, install, operate, and maintain the generating plant equipments and associated transmission line described in Annexure I. The Generating Plant shall follow such operating procedures on its side of the electric interconnection with STUs system, as are consistent with applicable laws, rules and regulations, the terms and conditions of this Agreement, provisions of the UP Electricity Grid Code, and other related guidelines, if any, issued by UPERC, SLDC, DISCOM, STU.

7.2 In the event, any other non-conventional / renewable fuel or fuels are used by the Generating Plant to supplement bagasse, the fuel linkage shall be the responsibility of the Generating Plant. No pass through of cost on account of this shall be permitted.

7.3 All electrical equipments shall be installed in compliance with the requirements of the Director of Electrical Safety, Government of Uttar Pradesh and safety specifications of the Central Electricity Authority (CEA) under section 53 of the Electricity Act, 2003.

7.4 The Generating Plant further agrees to STU system, or amend the single-line diagram, relay list and/or trip scheme given in Annexure I, without DISCOM's prior written consent.

G.M. (P.P.A.)
U.P.P.C.L.
Shakti Bhawan Extn.
Lucknow

DISCOM agrees that such consent shall not be unreasonably withheld or given without the prior permission of STU.

7.5 Without prejudice to the foregoing, the Generating Plant shall install, operate, and maintain its facility in accordance with accepted prudent utility practices in the electricity industry. The Generating Plant's operation and Maintenance schedules and staffing shall be adequate to meet such standards at all times.

7.6 STU shall follow such operating procedures on its side of the electric interconnection point with the Generating Plant, as required to receive Power from the Generating Plant's facility, without avoidable interruptions or adverse consequences on the Generating Plant, and consistent with applicable laws, rules and regulations, and the terms and conditions of this Agreement.

8. INTERCONNECTION FACILITIES

8.1 Power from the Generating Plant shall be transmitted at 132 KV through a 132KV line from the Generating plant located at *Village Kinauni Distt. Meerut* . The power so transmitted shall be interfaced with UPPCL's grid substation located at *Amin Nagar Sarai,Kinauni* owned by STU .

8.2 The cost of the dedicated transmission line from the Generating Plant to the designated grid sub-station *Amin Nagar Sarai,Kinauni* of STU and the cost of interfacing at both ends (the Generating Plant and grid substation) including work at the STU Sub-Station, cost of bay, tie- line, terminal equipments and associated synchronizing equipments, shall be borne by the Generating Plant.

8.3 The construction of transmission line and other supporting works (Bay at Grid Sub-Station) for evacuation of power shall be undertaken by the Generating Company under approval and supervision of STU on payment of 15% of the cost of the work as per Corporation's estimate towards the supervision. The Generating Company may also entrust the above works to UPPCL on deposit works bass against payment as per Corporation's rule.

(Explanation: The technical and other specifications of the work shall be finalized with DISCOM's approval and be in accordance with standards and specifications laid by DISCOM construction of 132 KV or higher voltage line shall be done under the supervision of STU . The lines constructed for the evacuation of power from the Generating Plant, shall not be used for transmitting/supplying power for any other purpose, without a mutual agreement between the Generating Plant and DISCOM/ STU and without prior approval of UPERC. Existing transmission/distribution lines of DISCOM / STU may be utilized for evacuation of power from the Generating Plant to the Grid sub-station, on the basis of a mutual agreement between the Generating Plant and DISCOM and/or STU, with the approval of UPERC.

Notwithstanding the above, the work of interfacing at STU Sub-Station will be done by STU .

G.M. (P.P.A)
U. P. P. C. L.
Shakti Bhawan Extn
Lucknow.

8.4 The Generating Plant shall be responsible for the Maintenance of equipment on the generating end.

8.5 The Maintenance of 132 KV lines and terminal equipment at UPPCL Sub Station shall be done by UPPCL. The Generating Company shall be liable to pay Annual Maintenance charge @ 1.5% of the total cost incurred on Power Evacuation system inclusive of line to UPPCL for the first year. The Maintenance charges for subsequent years shall increase in the same proportion as the increase in the whole sale price index published by the authorized Agency of Govt. of India subject to the proviso that the increase shall not exceed 5% in an any year . The amount for Maintenance charges would be adjusted from the power purchase billed amount for the first month of financial year. The Maintenance of terminal equipments at Sub-Station end will be done by UPPCL and its cost will be pass through by the Commission, while determining the wheeling and Transmission charges.

8.6 Any work to be done by the Generating Plant shall be taken up only with a specific approval and on the basis of approved drawings and specifications from UPPCL on behalf of DISCOM and in compliance with the safety requirements as per the UP Electricity Grid Code. On the completion of work, final approval shall be obtained from STU before charging the line. The Generating Plant would obtain all statutory clearances/approvals required for this purpose.

8.7 The Generating Plant shall consult STU on the scheme of protection of the interconnecting line/s and the facilities at both ends, and accordingly provide the equipment at both ends. The protection system, installed by the Generating Plant, shall be checked by STU .

8.8 Without limiting the foregoing, the Generating Plant and STU shall, operate and maintain the interconnection and parallel operation facility in accordance with accepted good engineering practices in the electricity industry and the UP Electricity Grid Code as amended from time to time and directions of Director Electrical Safety (GOUP) and safety requirements as specified by the Authority under section 53 of the Act,2003.

8.9 The interconnection facilities, to be provided by the Generating Plant are set forth in Annexure IV attached hereto and made a part hereof.

9. PROTECTIVE EQUIPMENT & INTERLOCKING

9.1 The interconnection facilities shall include necessary protective equipment and interlocking devices, which shall be so coordinated that any malfunctioning or abnormality in the generators or in the bus of the Generating Plant shall not adversely reflect on or affect STU grid system. In event of any malfunctioning or abnormality, the system shall be designed to ensure that the Generating Plant's breaker trips first to protect the equipment. Prior to adopting it the Generating Plant shall obtain approval of STU for the protection logic of the generator system and the synchronisation scheme.

G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn
Lucknow.

"The Maintenance of 132 KV lines and terminal equipment at UPPCL Sub-Station shall be done by UPPCL. The Generating Company shall be liable to pay Annual Maintenance charge @ 1.5% of the total cost incurred on Power Evacuation system inclusive of line to UPPCL for the first year. The Maintenance charges for subsequent years shall increase in the same proportion as the increase in the whole sale price index published by the authorized Agency of Govt. of India subject to the proviso that the increase shall not exceed 5% in an any year . The amount for Maintenance charges would be adjusted from the power purchase billed amount for the first month of financial year. The Maintenance of terminal equipments at Sub-Station end will be done by UPPCL and its cost will be pass through by the Commission, while determining the wheeling and Transmission charges."

7- In light of the resolution from Board of Directors of DISCOM to undertake all the relevant works pertinent with execution of Agreements by UPPCL on their behalf, the following have been mentioned :-

(i) At Cl.(14.8), the meter reading on behalf of DISCOM will be taken by Executive Engineer, Electricity Transmission Division and Executive Engineer, Test and Commissioning Division jointly (132 KV Sub-Station falls under their jurisdiction).

(ii) At C. (23), Executive Engineer/Dy GM/GM of Transmission Wing have been nominated for Dispute resolution.

(iii) At Cl. (29), Executive Engineer, Electricity Transmission Division has been nominated as "Nodal Agency" on behalf of DISCOM.

(iv) At Cl. (32), Executive Engineer, Electricity Transmission Division, UPPCL has been nominated for Notice.

Encl.:- As above.

(Neeraj Kumar)
General Manager(Coordination)

(S.N. Dubey)
General Manager

Cc: M/s Bajaj Hindusthan Ltd. Lucknow.

9.2 The Generating Plant shall install necessary equipment to eliminate feeding of reverse power from the Grid to the Generating Plant's system in absence of any agreement for purchase of power with DISCOM.

10. TECHNICAL ASSISTANCE BY DISCOM & GENERATING PLANTS RESPONSIBILITY

10.1 On request, DISCOM., in consultation with STU, shall provide reasonable technical assistance to the Generating Plant in preparing the design and specifications of the required facilities and for laying down the standard operating and maintenance procedures. The Generating Plant, however, shall be responsible for procurement, installation, testing, maintenance and operation of the electrical system installed in the Generating Plant's premises.

10.2 Notwithstanding the above, DISCOM. shall not be responsible for any damage caused to the electrical system/generating set of the Generating Plant, on account of errors or defects in the design, procurement, installation, testing, maintenance and operation of the system.

11. ARRANGEMENTS AT THE POINT OF SUPPLY

The Generating Plant shall make all arrangements for paralleling the set/s with STU grid in consultation with and to the satisfaction of DISCOM and/or STU, subject to the approval of the Director of Electrical Safety, Government of Uttar Pradesh and safety specifications of the Central Electricity Authority (CEA) under Section 53 of the Electricity Act, 2003.

12. SYNCHRONISATION

12.1 The Generating Plant shall synchronise its power generating set in consultation with the Executive Engineer, Electricity Transmission Division,UPPCL In-charge of the *Amin Nagar Sarai,Kinauni* sub-station of STU and as per provisions of the UP Electricity Grid Code as amended from time to time. The Generating Plant shall give seven (7) days prior intimation of the synchronisation programme to the Nodal Officer:

(i) when commissioning the plant for the first-time,
(ii) when commissioning after completion of the annual Maintenance programme.

12.2 STU shall not be responsible for the damage, if any, caused to the plant and equipment of the Generating Plant due to failure of the synchronising or the protective system provided by the Generating Plant.

13. LIASON WITH & ASSISTANCE FROM DISCOM.

The Generating Plant shall closely liaise with the Nodal Officer of DISCOM. and the STU and shall inform the date of commencement of delivery of power to the designated officials of DISCOM. and STU one month in advance and also arrange for testing and commissioning of the protection system at least 15 days in advance. If requested by the Generating Plant, DISCOM., in consultation with STU as the case may be, shall extend

C.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn.
Lucknow.

assistance for testing, subject to the condition that the Generating Plant shall pay the charges for such assistance to DISCOM/STU, if so indicated by the concerned Testing Division of DISCOM/STU. This charge shall be reasonable and be based on the man-hours devoted by staff and their usual levels of remuneration, and equipment used.

14. METERING

14.1 The Generating Plant shall supply, two identical sets of ABT compliant meters, with the facility for downloading data to measure the quantity and time details of the Power exported from and imported by the Generating Plant, conforming to the specifications approved by STU, along with all necessary associated equipments. These meters shall be installed and maintained by STU . These meters shall be installed at the grid substation of STU at the interconnection point. One set of export/import meters shall be termed as Bill Meter and other set will serve as the Check Meter. The complete metering system consisting of meters, Current Transformers & Potential Transformers shall conform to the 0.2 accuracy class, individually and collectively, and shall comply with the technical standards, accuracy and calibration requirements of the Indian Electricity Rules and the specifications of the Bureau of Indian Standard and the guidelines of CEA for installation of meters .

14.2 The joint meter readings shall be recorded in the format given in Annexure V & VI.

14.3 The Meter/Metering system shall be properly sealed and made pilfer proof, to the satisfaction of both parties.

14.4 DISCOM (in consultation with STU if the generating plant is connected to the substation of STU) shall, test all the metering equipment for accuracy, in the presence of a representative of the Generating Plant, if the Generating Plant so elects, at least once every year while the agreement is in force. Either party may, however, elect to get the meters tested at any time they so desire, at their own cost, in the presence of the other party.

14.5 DISCOM/STU 's designated representative and the representative of the Generating Plant shall jointly certify the meter test results. After every testing all metering equipment and the Metering system shall be securely sealed jointly by the representatives of DISCOM and the Generating Plant.

14.6 The reading and testing of meters and associated equipment shall be in accordance with accepted good engineering practices in the electricity industry.

14.7 Calibration, inspection and testing of meters and the associated equipment shall be the responsibility of DISCOM, who shall bear the related costs. .

14.8 Meter readings shall be taken jointly by parties as indicated below:-

(i) DISCOM side –Executive Engineer, Electricity Transmission Division & Executive Engineer, Electricity Test & Commissioning Division jointly with the proviso that of the two may depute one of their Assistant Engineer if he is unable to be present due to an emergent situation.

G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn
Lucknow.

(ii) Generating Plant side - Authorised representative of the Generating Plant.

14.9 The reading of the Bill Meter shall form the basis for the energy account, provided that the magnitude (i.e. absolute value) of the difference between the Check and Bill Meter reading is within one percent of the Bill Meter reading.

14.10 If in any month the readings of the Bill Meter and Check Meter are found to be doubtful or beyond the permissible 1% deviation indicated above, both sets of meters shall be checked and calibrated in the presence of authorized representatives of both the parties. Corrections shall be made, if required, on the basis of the error detected during this process, in the Monthly Bill for the period between the previous meter readings and the date and time from which accurate readings become available through replacement or re-calibration. These corrections shall be full and final for the Bill of that month.

14.11 During the period of checking and calibration of both meters simultaneously another export and import meter duly calibrated would be installed by DISCOM (in consultation with STU if the plant is connected to the s/s of STU. For this purpose, one spare set of meters would be required to be available with the generating plant at all times.

14.12 If the Bill Meter is found to be defective, and the Check meter is found to be accurate then the reading from the latter shall be used for billing purpose and the Bill meters would be re-calibrated and re-installed or replaced by duly tested and calibrated meters, as necessary. Where error in the Check Meter is indicated beyond permissible limit but there is no error in the Bill Meter, monthly energy account would be prepared on the basis of the Bill Meter reading and the Check Meter shall be immediately re-calibrated and re-installed or replaced as necessary. If both meters are found to be defective, then the Bill will be revised on the basis of the in-accuracy discovered in the testing. The M.R.I. output from the meters shall be considered an authentic document for verification.

14.13 Metering at generating terminal of each unit of the generating plant shall be ensured as pert the guidelines of the Central Electricity Authority.

15. ACCEPTANCE AND APPROVAL OF DISCOM

DISCOM 's acceptance or approval for equipment, additions or changes to equipment, and their operational setting etc., would be required. Such acceptance/approval shall not be unreasonably withheld and shall be based on DISCOM 's existing policies and practices after the clearance of STU is obtained.

16. COMMISSIONING OF GENERATION FACILITIES

The Generating Plant shall commission the generation facility and synchronise it with STU system grid by *Oct. 2006*. In case, the plant is commissioned beyond the said dates of commissioning, the tariff applicable for sale of electricity from the plant to DISCOM shall be the rate corresponding to the year in which the Commissioning of the plant was agreed to as above in case of delay. However, in the case of delay in Commissioning of the plant for reasons beyond the reasonable control of the generating company, the provisions of para 26 of the Agreement shall apply.

G.M. (P.P.A.)
U.P.P.C.L.
Shakti Bhawan Extn.
Lucknow

17. CONTINUITY OF SERVICE

17.1 The supply of electricity by the Generating Plant shall be governed by instructions from the state load dispatch centre, as per the provisions of the UP Electricity Grid Code as amended from time to time. However, DISCOM /STU may require the Generating Plant to temporarily curtail or interrupt deliveries of power only when necessary in the following circumstances: -

a. Repair and/or Replacement and/or Removal of STU equipment or any part of its system that is associated with the Generating Plant's facility; and/or

b. Endangerment of Safety: If STU determines that the continued operation of the facility may endanger the safety of STU personnel or integrity of electric system, or have an adverse effect on the provision of electricity to STU other consumers/customers; and/or

c. Force Majeure Conditions as defined in para 26 below

Note: Any necessary inspection, investigation or maintenance of STU equipment or any part of its system that is associated with the Generating Plant's facility shall be planned by STU to coincide with the scheduled outage of the Generating Plant's generation system;

17.2 Before disconnecting the Generating Plant from system STU shall, except in the case of an emergent situation, give advance intimation to the Generating Plant through telephone/wireless or through other means of communication along with reasons for disconnection, and the likely period of the disconnection. However, subsequent to disconnection, STU shall immediately notify the Generating Plant by telephone and confirm in writing the reasons for, and the likely period of, disconnection. During the period so notified STU shall not be obligated to accept or pay for any power from the Generating Plant.

17.3 In any such event as described above, STU shall take all reasonable steps to minimise the frequency and duration of such interruptions, curtailments, or reductions.

17.4 STU shall avoid scheduling any event described in 17.1 above, to the extent reasonably practical, during the Generating Plant's operations. Where the scheduling of such an event during the Generating Plant's operations cannot be avoided, STU shall provide the Generating Plant with fifteen days advance notice in writing to enable the Generating Plant to cease delivery of Power to STU at the scheduled time.

17.5 In order to allow the Generating Plant's facility to remain on-line and to minimise interruptions to Generating Plant operations, the Generating Plant may provide automatic equipment that will isolate the Generating Plant's facility from STU system during major system disturbances.

G.M. (P.P.A.)
U. P. P. C. L.

18. DAILY/MONTHLY/ANNUAL REPORT

The Generating Plant shall submit daily/monthly/annual and other reports on the format, and as per the procedure, specified in the UP Electricity Grid Code as amended from time to time and under the CNCE Regulations or as desired by the STU and DISCOM.

19. CLEARANCES, PERMITS AND LICENCES

The Generating Plant shall obtain, at its own expense, all authorisations, permits, and licences required for the construction, installation and operation of the Generating Plant's facilities and any interconnection facilities, including but not limited to, rights-of-way or easements. DISCOM. shall provide reasonable assistance, including permissions, approvals and clearances from STU, to the Generating Plant if so requested by the Generating Plant.

20. DURATION

20.1 Unless terminated by default, this agreement shall be valid till the expiry of 20 years from the date of commissioning of the plant.

20.2 The agreement may be renewed or extended for such period as may be mutually agreed between the Generating Company and DISCOM. on expiry of initial term of 20 years.

21. EVENTS OF DEFAULT AND TERMINATION

21.1 The occurrence of any of the following events at any time during the term of this agreement shall constitute a default by the Generating Plant:

(a) Failure on the part of the Generating Plant to use reasonable diligence in operating, maintaining, or repairing the Generating Plant's facility, such that the safety of persons and property, DISCOM./STU equipment, or DISCOM./STU service to others is adversely affected; or

(b) Failure or refusal by the Generating Plant to perform its material obligations under this agreement; or

(c) Abandonment of its interconnection facilities by the Generating Plant or the discontinuance by the Generating Plant of services covered under this agreement, unless such discontinuance is caused by force majeure, or an event of default by DISCOM, or

(d) Failure by the Generating Plant to abide by all statutory provisions, rules, regulations, directions and conditions for installation, operation, and supply of power and maintenance of co-generation units etc., enforced from time to time by the Union/State Government, UPERC or other empowered authorities, including compliance with the UP Electricity Grid Code-2000, or

G.M. (P.P.A.)
U.P.P.C.L.
Shakti Bhawan
Lucknow.

(e) Failure by the Generating Plant to pay DISCOM any amount payable and due under this agreement within sixty (60) working days of the demand being raised.

21.2 The occurrence of any of the following at any time during the term of this agreement shall constitute a default by DISCOM: -

(a) Failure to pay to the Generating Plant any amount payable and due under this agreement within sixty (60) working days of the receipt of the bill/monthly purchase bill; or

(b) Failure to use reasonable diligence in operating, maintaining, or repairing DISCOM/STU interconnecting facilities, such that the safety of persons or property in general, or the Generating Plants equipment or personnel are adversely affected; or

(c) Failure or refusal by DISCOM to perform its material obligations under this agreement; or

(d) Abandonment of its interconnection facilities by DISCOM /STU or the discontinuance by DISCOM of services covered under this agreement, unless such discontinuance is caused by force majeure or an event of default by the Generating Plant.

(e) Except for failure to make any payment due, within sixty (60) working days of receipt of the monthly purchase bill, if an event of default by including nonpayment of bills either party extends beyond a period of sixty (60) working days after receipt of written notice of such event of default from the nondefaulting party, then the non-defaulting party may, at its option, terminate this agreement by delivering written notice of such termination to the party in default.

(f) Failure by either DISCOM or the Generating Plant to exercise any of its rights under this agreement shall not constitute a waiver of such rights. Neither party shall be deemed to have waived the performance of any obligation by the other party under this agreement, unless such a waiver has specifically been made in writing and approved by the UPERC.

21.3 DISCOM reserves the right to terminate this agreement upon one months notice to the Generating Plant, if the Generating Plant's facility fails to commence production of electric power within three months from the planned commercial operation date shown in Annexure 1.

22. COMMUNICATION

In order to have effective co-ordination between DISCOM and the Generating Plant, a designated official shall be kept on duty round the clock by the Generating Plant and DISCOM in their respective premises, with information to each other about the name, location, telephone number etc., of the official. Without prejudice to discharge of their rightful duties by others, this duty official shall take necessary action on receiving information about developments from the other party. The Generating Plant shall provide reliable and effective communication through wireless/hotline etc., between the Generating

G.M. (P.P.A)
U.P.P.C.L.

Plant & the interconnecting substation of STU and between the Generating Plant and the SLDC. The Generating Plant shall make provision for an RTU for remote monitoring of voltage, current and other related electrical parameters, as may be required by the STU.

23. DISPUTES AND ARBITRATION

In the event of any dispute or difference between the parties concerning performance of this agreement and/or the rights and liabilities of the parties in respect of which a procedure for the resolution is not otherwise provided for in this agreement the following provisions shall apply:

a) Executive Engineer, Electricity Transmission Division,UPPCL on behalf of DISCOM, and the authorised representative of the Generating Plant would be empowered to indicate explicitly the nature and material particulars of the dispute/dissatisfaction and the relief sought, and serve notice thereof on the other, with copy to the UPPCL's Dy. General Manager of the Circle under whose jurisdiction the Generating Plants plant is located.

b) On receiving such information, the Dy. General Manager of the Circle in which the Generating Plant is located, shall be required to personally meet the authorised representative of the Generating Plant and Executive Engineer of the concerned Division, at his own office, separately and/or together, within 15 (Fifteen) days of the date of receipt of such notice, and attempt in good faith to resolve the dispute to the mutual satisfaction of the two parties, within the stipulations dictated by the letter and spirit of the agreement.

c) If the dispute is not resolved by way of a settlement being arrived at and duly signed by each of the above officers within (30) thirty days of the date of receipt of the notice described in clause (a) above, the matter may be referred by either or both the above designated officers of the two parties to the UPPCL's General Manager who has direct supervisory jurisdiction over the Dy. General Manager referred to above, with information to the Chief Executive of the Generating Plant Within 15 days of receipt of such notice, General Manager and the Chief Executive of the Generating Plant would be required to meet at the formers office and endeavour to settle the dispute within a further period of (30) thirty days, i.e. within a total period of 45 (forty Five) days from the initial date of receipt of the notice by the General Manager.

d) If the said dispute / dissatisfaction remains unresolved, either party can file a petition before UPERC, whose decision will be final and binding on both the parties. UPERC shall be empowered to determine the exact nature and modalities of the procedure to be adopted in resolving the matter.

24. INDEMNIFICATION

24.1 The Generating Plant shall indemnify, defend, and render harm free, DISCOM/STU, its members, directors, officers, employees and agents, and their respective heirs, successors, legal representatives and assignees, from and against any and all liabilities, damages, costs, expenses (including attorneys fees), losses, claims, demands, action, causes of action, suits, and proceedings of every kind, including those for damage to property of any

GM (PPA)
U.P.P.C.L.

person or entity (including the Generating Plant) and/or for injury to or death of any person (including the Generating Plant's employees and agents), which directly or indirectly result from or arise out of or in connection with negligence or wilful misconduct of the Generating Plant.

24.2 DISCOM/STU shall indemnify and render the Generating Plant, its directors, officers, employees and agents, and their respective heirs, successors, legal representatives and assignees harmless from and against any and all liabilities, damages, costs, expenses (including outside attorneys fees), losses, claims, demands, actions, causes of action, suits and proceedings of every kind, including those for damage to the property of any person or entity (including DISCOM) and/or injury to or death of any person (including DISCOM's employees and agents), which directly or indirectly result from or arise out of or in connection with negligence or wilful misconduct by DISCOM.

25 ASSIGNMENT

This Agreement may not be assigned by either DISCOM or the Generating Plant without the consent in writing of the other party, except that either party may assign its rights under this Agreement, or transfer such rights by operation of law, to any corporation with which or into which such party shall merge or consolidate or to which such party shall transfer all or substantially all of its assets; provided that such assignee or transferee shall expressly assume, in writing, delivered to the other party to this Agreement, all the obligations of the assigning or transferring party under this Agreement.

26. FORCE MAJEURE

26.1 If any party hereto is wholly or partially prevented from performing any of its obligations under this agreement by reason of or due to lightning, earthquake, riots, fire, floods, invasion, insurrection, rebellion, mutiny, tidal wave, civil unrest, epidemics, explosion, the order of any court, judge or civil authority, change in State or National law, war, any act of God or a public enemy, or any other similar or dissimilar cause reasonably beyond its exclusive control and not attributable to its neglect , then in any such event, such party shall be excused from whatever performance is prevented by such event, to the extent so prevented , and such party shall not be liable for any damage, sanction or loss for not performing such obligations.

26.2 The party invoking this clause shall satisfy the other party of the occurrence of such an event and give written notice explaining the circumstances, within seven days to the other party, and take all possible steps to revert to normal conditions at the earliest.

26.3 Any payments that become/have become due under this agreement shall not be withheld, on grounds of force majeure conditions developing.

27. AUTHORITY TO EXECUTE

Each respective party represents and warrants as follows: -

(a) Each party has all necessary rights, powers and authority to execute, deliver

G.M. (P.P.A)
U.P.P.C.L

and perform this agreement.

(b) The execution, delivery and performance of this agreement by each respective party shall not result in a violation of any law or result in a breach of any government authority, or conflict with, or result in a breach of, or cause a default under, any agreement or instrument to which either respective party is a party or by which it is bound.

(c) No consent of any person or entity not a party to this agreement, including any governmental authority, is required for such execution, delivery and performance by each respective party. All necessary consents have been either obtained or shall be obtained in the future as and when they become due.

28. LIABILITY AND DEDICATION

28.1 Nothing in this agreement shall create any duty, standard of care, or liability to be discharged by any person not a party to it.

28.2 No undertaking by one party to the other under any provision of this Agreement shall constitute the dedication of that party's system or any portion thereof to the other party or to the public; or affect the status of DISCOM as a public utility or constitute the Generating Plant or the Generating Plant's facility as a public utility.

29. NODAL AGENCY OF DISCOM

The Executive Engineer, Electricity Trasmission Division,UPPCL, *Meeruti* on behalf of DISCOM shall act as a nodal agency for implementing this Agreement.

30. AMENDMENTS

Any waiver, alteration, amendment or modification of this Agreement or any part hereof shall not be valid unless it is in writing, signed by both the parties and approved by UPERC.

31. BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives, and permitted assignees.

32. NOTICES

Any written notice provided hereunder shall be delivered personally or sent by registered post, acknowledgement due, or by courier for delivery on written receipt, with pre-paid postage or courier charges, to the other party, at the following address:

THE Executive Engineer,
Electricity Transmission Division, UPPCL,
Meerut
GENERATING PLANT:
M/s Bajaj Hindusthan Ltd.
Villag ,Kinauni *Distt. Meerut*

G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn.

Notice delivered personally shall be deemed to have been given when it is delivered at the office of the Generating Plants or to the office of the Executive Engineer at address set forth above and actually delivered to such person or left with and received by a responsible person in that office. Notice sent by post or courier shall be deemed to have been given on the date of actual delivery as evidenced by the date appearing on the acknowledgement of delivery. Any party to this agreement may change its address for serving a written notice, by giving written notice of such change to the other party.

33. EFFECT OF SECTION AND ANNEXURE HEADINGS

The headings or titles of the various sections and annexures hereof are for convenient reference and shall not affect the construction or interpretation of any provision of this Agreement.

34. NON-WAIVER

No delay or forbearance by either party in the exercise of any remedy or right will constitute a waiver thereof, and the exercise or partial exercise of a remedy or right shall not preclude further exercise of the same or any other remedy or rights.

35. RELATIONSHIP OF THE PARTIES

Nothing in this Agreement shall be deemed to constitute either party hereto as partner, agent or representative of the other party or create any fiduciary relationship between the parties.

36. ENTIRE AGREEMENT

This agreement constitutes the entire understanding and agreement between the parties.

37. GOVERNING LAW

This agreement shall be governed by and construed in accordance with the laws applicable in the State of Uttar Pradesh

38. NO PARTY DEEMED DRAFTER

The parties agree that no party shall be deemed to be the drafter of this Agreement and that in the event this Agreement is ever construed by arbitrators, or by a court of law, no inference shall be drawn against either party on account of this Agreement or any provision hereof being drafted by them. DISCOM and the Generating Plant acknowledge that both parties have contributed substantially and materially to the preparation of this Agreement.

39. APPROVALS

Wherever approvals from either Discom or the Generating Plant are required in this Agreement, it is understood that such approvals shall not be unreasonably withheld.

G.M. (P.P.A)

40. ANNEXURES

ANNEXURES I to IX WOULD FORM PART OF THIS AGREEMENT.

41. STANDARD FOR DECISION MAKING

41.1 All operational decisions or approvals that are to be made at the discretion of either Discom or the Generating Plant, pursuant to the terms of this agreement, including specifications and design criteria etc., shall be made or performed according to good engineering practices prevailing in the electricity industry.

41.2 Professional decisions or activities undertaken by either party for the purpose of constructing, installing, removing, maintaining or operating any facility, which may affect the operations of the other party's facility or facilities, shall be made or performed according to good engineering practices prevailing in the electricity industry.

The provisions of UPERC's Regulation-2005, wherever required, will be applicable under this agreement.

This Agreement is subject to Approval by UPERC.

IN WITNESS:
WHEREOF, UPPCL on behalf of DISCOM and the Generating Plant have executed this agreement as of the 14th Day of June in the year 2006.

FOR THE GENERATING PLANT:

Neeraj

NAME: (Neeraj Kumar)
DESIGNATION: G.M.(Coordination)
ADDRESS: Bajaj Hindusthan Ltd.

WITNESSED BY: V. Bhat

NAME: VIJAY BHAT
DESIGNATION: 7.56A, Raja
ADDRESS: Gardens, Vidyadhar

FOR UPPCL:

14/6/06

NAME: (S.N. Dubey)
DESIGNATION G.M.(PPA)
ADDRESS : UPPCL,Shakti Bhawan,Lko

WITNESSED BY:

NAME S.P. PANDEY
DESIGNATION: EE, PPA
ADDRESS:

ANNEXURE I

THE GENERATING COMPANY'S GENERATION FACILITIES

1. THE GENERATING PLANT:

NAME:	Bajaj Hindusthan Ltd.
LOCATION:	Village Kinauni Distt. Meerut
CHIEF EXECUTIVE:	Mr. I.D. Mittal
CONTACT PERSON:	Mr. K.N. Sharma
MAILING ADDRESS:	(1) Bajaj Hindusthan Ltd.,Bajaj Bhawan, B-10,Sector-3,Noida-210310 (2) Bajaj Hindusthan Ltd.B-2/355, Vishal Khan,Gomti Nagar] Lucknow-226010(U.P.)
TELEPHONE NUMBER:	0120-2543939/40,2539501(Noida) 0522-2303712/2396520(Lko)
FAX NUMBER:	0120-2444559(Noida) 0522-2396489(Lucknow)(U.P.)
EMERGENCY TELEPHONE NUMBER:	-

2. GENERATING EQUIPMENT:

BOILERS:	2x40TPH+1x80 TPH+1x90 TPH, 45 Kg./Cm²,450°C
TURBO-GENERATOR SETS:	4x3 MWExisting)+ 1x10MW (Proposed)
GENERATION VOLTAGE:	11KV
SPEED:	1500rpm(ALT)
TYPE OF GOVERNOR:	Electonic
TRANSFORMER:	15 MVA,132/11KV,Delta/Star,Ynd. 3Ph 50 Hz,2 Windings with OLTC,RTCC Pannel with AVR,suitable Connector etc. Complete filled with Mineral Insulating Oil.

G.M. (P.P.A)
U.P.P.C.L.
Shakti Bhawan Extn.

FIRST SYNCHRONISATION WITH 132 KV LINE (INITIAL OPERATION DATE): Oct.2006

TRANSMISSION LINE:132KV line connecting 132KV Sub-station of STU

COMMERCIAL OPERATION DATE: Nov. 2006

3. STIPULATIONS RELATING TO THE FACILITIES:

3.1 For the purpose of this agreement the Generating Plant's facility includes all real estate, fixtures, and property owned, controlled, operated or managed by the Generating Plant in connection with or to facilitate generation, transmission, delivery, or furnishing of electricity or required to interconnect and deliver the electricity to STU's system.

(Explanation: A single-line diagram relay list and trip scheme of the Generating Plant's facility, reviewed and accepted by STU at the time the Agreement is signed, shall be attached to this agreement and made part hereof. The single-line diagram, relay list, and trip scheme shall expressly identify the point of electrical interconnection of the Generating Plant's facility to STU system. Material changes or additions to the Generating Plant's generating and interconnection facilities reflected in the single-line diagram, relay list, and trip scheme shall be approved by STU.)

3.2 The Generating Plant shall furnish, install, operate and maintain facilities such as breakers, relays, switches, synchronising equipment, monitoring equipment, and control and protective devices as suitable for parallel operation with STU system and acceptable to DISCOM. Such facilities shall be accessible to authorised DISCOM/STU personnel for inspection, with prior intimation to the Generating Plant.

3.3 The Generating Plant shall furnish, in accordance with STU requirements, all conductors, service switches, fuses, meter sockets, meter and instrument transformer housings and mountings, switches, meter buses, meter panels, and similar devices required for the service connection and meter installation at STU premises. This equipment shall be installed and Commissioned by STU.

3.4 STU shall review and approve the design drawings and Bill of Material for the Generating Plant's electrical equipment, required to interconnect with STU system. The type of electrical equipment, the type of protective relaying equipment and the settings affecting the reliability and safety of operation of STU and the Generating Plant's interconnected system shall be approved by STU . STU at its option, may request witnessing operation of the control, synchronising, and protection schemes.

3.5 The Generating Plant shall provide a manual isolating device, which provides a visible break to separate the Generating Plant's facilities from STU system. Such a disconnecting device shall be lockable in the OPEN position and be readily accessible to STU personnel at all times.

GM (P L A)
U. P. P. C. L.
Shakti Bhawan Extn.
Lucknow.

4. Operating Procedures:

4.1 The Generating Plant shall operate its plant when interconnected with the grid as per the procedure given in the UP Electricity Grid Code as amended from time to time. The overall responsibility of operation and implementation of the UP Electricity Grid Code rests with the State Load Despatch Centre and the State Transmission Utility under the provisions of the Act,2003.

4.2 The Generating Plant's normal annual Maintenance shall be carried out from May to September.

4.3 The Generating Plant shall notify DISCOM/STU interconnecting sub station and SLDC prior to synchronising a generator on to or taking a generator off of the system. Such notification should be as far in advance as reasonably possible under the circumstances causing the action.

5. Single Line Diagram (Enclosed)

G.M. (P.P.A.)
U. P. P. C. L.
Shakti Bhawan Extn
Lucknow.

Annexure II

1.0 Sale and Accounting for Power

1. In case the Generating Plant is not a consumer of DISCOM , protective gear at STU ubstation would be designed to ensure that reverse flow of power from STU's system to the Generating Plant is totally blocked out and the circuit breaker at the Substation gets opened automatically when required. However, notwithstanding this provision, if any export to the Generating Plant takes place, it would be paid for by the Generating Pla..t in accordance with the terms of of this agreement.

2. On the first day of the Energy Account Month, the Generating Plant shall provide information in writing or Generation Schedule to SLDC and DISCOM .

3. The purchase of electricity by DISCOM shall be subject to the provisions of the Distribution Licence, CNCE Regulations & Directions of UPERC and other statutory authorities. and requirements of the state load dispatch centre.

4. Power accounting and Billing would be done on the basis of the section titled "Metering" in the main agreement (Clause No. 14.0)

G.M. (P P.A)
U. P. P C. L.
Shakti Bhawan Extn
Lucknow.