

**AGREEMENT
TO
PROCUREMENT OF POWER
FOR MEETING THE BASE LOAD REQUIREMENTS**

Between

Eastern Power Distribution Company of Andhra Pradesh Limited ("APEPDCL")

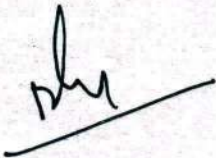
And

Southern Power Distribution Company of Andhra Pradesh Limited ("APSPDCL")

And

KSK Mahanadi Power Company Limited ("Seller")

12/19/12/14
GENERAL MANAGER
POWER PURCHASE
APEPDCL
VISA KHAPATNAM


CHIEF GENERAL MANAGER
P&M M&IPC
APSPDCL :: TIRUPATI





ఆంధ్రప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

S.No. 35985 Date: 02/12/2014

Sold to : A. Sreekanth

S/o : Late A. Venkatacharyulu, R/o Hyd.

For Whom : M/s. KSK Mahanadi Power Company Ltd., Hyd.

V. Srikanth

BK 968684

V. SRIKANTH

LICENCED STAMP VENDOR

LIC. No. 15-10-018/2000, REN No. 15-10-012/2012

P. No. 49, Sy. No. 10, Beside Swathi School,

Madhapur, Serilingampally, R.R. Dist.

Phone : 9493014949

THIS AGREEMENT IS MADE ON THE 19th DAY OF DECEMBER 2014
TO PURCHASE OF POWER

Between

(1) Eastern Power Distribution Company of Andhra Pradesh Limited ('APEPDCL')

(2) Southern Power Distribution Company of Andhra Pradesh Limited ('APSPDCL')

And

KSK Mahanadi Power Company Limited, (the "Seller")

[The "APEPDCL", "APSPDCL", "are (hereinafter collectively referred to as the "Procurers" and individually as a "Procurer"), and each of the "Procurer" and "the "Seller" are individually referred as "Party" and collectively to as the "Parties")]

Whereas

1. In accordance with the Competitive Bidding Guidelines, Procurers had initiated a competitive bidding process through issue of RFP for procurement of power for medium term under Case-1 bidding procedure for meeting the Procurer(s)'s base load power requirements and have entered into Power Purchase Agreement dated 31st July 2012 (referred as "PPA") for supply of 400 MW power;

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2. That vide order dated 18th June 2013, the Hon'ble Andhra Pradesh Electricity Regulatory Commission have adopted the tariff vide PPA dated 31.7.2012.
3. Pursuant to the above and in accordance with Andhra Pradesh State Reorganization Act, 2014 Procurers Eastern Power Distribution Company of Andhra Pradesh Limited and Southern Power Distribution Company of Andhra Pradesh Limited are the distribution companies for the State of Andhra Pradesh.
4. Considering the requirement of power off take by the Procurers herein and their further needs, in accordance with the clause 2.2.1, the Parties hereby agree to execute agreement setting out the additional terms and conditions for the sale of power by the Seller to the Procurer(s) to the power purchase agreement dated: 31.07.2012.
5. Save except as agreed by the Parties, herein the terms and conditions for fulfilment of obligations by the Parties shall be as per PPA dated 31.7.2012, for the period during 15.06.2016 to 31.03.2021.

Now therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties to revise the below mentioned clauses of the PPA Dt: 31.07.2012.

1. The Definition of Expiry Date at 1.1 of the PPA which reads as :

"Expiry Date" shall mean the date which is 15th June 2016 or such extended period as mutually agreed upon by both Parties;

shall now read as :

"Expiry Date" shall mean the date which is 31st March 2021 or such extended period as mutually agreed upon by both Parties;

2. Article 15.1.1 and 15.1.2 of the PPA, shall read as :

15.1.1 The Procurers hereby appoint and authorize Southern Power Distribution Company of Andhra Pradesh Limited [hereinafter referred to as the "**Lead Procurer**"] to represent all the Procurers for discharging the rights and obligations of the Procurers under this Agreement which are required to be undertaken by all the Procurers and specifically with respect to inter se distribution of the Aggregate Contracted Capacity between the Procurers, with effect from 16 June 2016. All the Procurers shall follow and be bound by the decisions of the Lead Procurer. Accordingly each Procurer agrees that any decision, communication, notice, action or inaction of the Lead Procurer on matters specified under this Agreement to be dealt with by the Lead Procurer shall be deemed to have been on its/his behalf and shall be binding on each of the Procurer. The Seller shall be entitled to rely upon any such action, decision or communication or notice from the Lead Procurer. It is clarified that provisions under this Article 15.1 are not intended to and shall not render the Lead Procurer liable to discharge Tariff Payments due to Seller from the other Procurers.

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15.1.2 On the occurrence of any Event of Default specified in Article 11.2 by the Lead Procurer, the Seller may, at its option, within a period of fifteen (15) days from the date of issue of the Seller's Preliminary Default Notice referred to in Article 11.4.2 and if the said default by the Lead Procurer subsists, specify in writing to all the Procurers that the Eastern Power Distribution Company of Andhra Pradesh Limited shall be the new Lead Procurer, as per the provisions of this Article 15.1. In such a case, if the Seller so notifies, the new Lead Procurer shall, thereafter, act as Lead Procurer for the purposes of this Agreement, and the Lead Procurer earlier appointed under Article 15.1.1 shall automatically cease to be the Lead Procurer. It is clarified that all decisions taken by Southern Power Distribution Company of Andhra Pradesh Limited appointed under Article 15.1.1, in its capacity as Lead Procurer before such change, shall continue to be valid, in accordance with this Agreement.

Schedule 8 at Page 97 of the PPA shall be as per Annexure-1 to this agreement.

Save except the above referred changes, all other terms and conditions including obligations of Parties shall apply *mutatis mutandis* as per Power Purchase Agreement dated 31st July 2012.

IN WITNESS WHEREOF the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of
[APSPDCL]

Name, Designation and Address

Signature with seal
**CHIEF GENERAL MANAGER
P&M M&IPC**

Witness: **APSPDCL :: TIRUPATI**

1. *[Signature]*
2. *[Signature]*

For and on behalf of
[APEPDCL]

Name, Designation and Address

Signature with seal
**GENERAL MANAGER
POWER PURCHASE**

Witness: **APEPDCL
VISAKHAPATNAM**

1. *[Signature]*
2. *[Signature]*

For and on behalf of
KSK Mahanadi Power Company Limited

Name, Designation and Address

Signature with seal

Witness:

1. *[Signature]*
2. *[Signature]*



ANNEXURE -1

SCHEDULE 8: TARIFF FOR "AGREEMENT" PERIOD

The tariff for supply of power, from Effective Date of this Agreement, shall be:

Contract Year	Commence ment date of Contract Year	End date of Contract Year	Quoted Non Escalable Capacity Charges	Quoted Escalable capacity Charges	Quoted Non Escalable Energy Charges	Quoted Escalable Energy Charges	Quoted Non Escalable Inland Transportation Charges	Quoted Escalable Inland Transportation Charges	Quoted Non Escalable Overseas Transportation Charges	Quoted Escalable Overseas Transportation Charges	Quoted Non Escalable Fuel Handling Charges	Quoted Escalable Fuel Handling Charges
1	Scheduled Delivery date	31-Mar-14	1.5	-	2.300	-	-	-	-	-	-	-
2	1- Apr-14	31-Mar-15	1.5	Same as above	2.300	Same as above	-	Same as above	-	Same as above	-	Same as above
3	1- Apr-15	31-Mar-16	1.5	Same as above	2.220	Same as above	-	Same as above	-	Same as above	-	Same as above
4	1- Apr-16	15-Jun-16	1.5	Same as above	2.215	Same as above	-	Same as above	-	Same as above	-	Same as above
	16-Jun-16	31-Mar-17	1.5	Same as above	2.287	Same as above	-	Same as above	-	Same as above	-	Same as above
5	1- Apr-17	31-Mar-18	1.5	Same as above	2.438	Same as above	-	Same as above	-	Same as above	-	Same as above
6	1- Apr-18	31-Mar-19	1.5	Same as above	2.600	Same as above	-	Same as above	-	Same as above	-	Same as above
7	1- Apr-19	31-Mar-20	1.5	Same as above	2.772	Same as above	-	Same as above	-	Same as above	-	Same as above
8	1- Apr-20	31-Mar-21	1.5	Same as above	2.955	Same as above	-	Same as above	-	Same as above	-	Same as above

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