

**BEFORE THE HON'BLE CENTRAL ELECTRICITY REGULATORY
COMMISSION**

PETITION NO. _____ OF 2022

IN THE MATTER OF: Petition under section 79(1)(f) of the Electricity Act 2003 for (i) approval of "Change in Law" and (ii) seeking an appropriate mechanism for grant of an appropriate adjustment/ compensation to offset financial/ commercial impact of change in law events on account of imposition of water tax as a result of operation of the "Uttarakhand Water Tax on Electricity Generation Act, 2012" (Adhiniyam Sankhya 09 of 2013) in terms Power Purchase Agreements entered by THDC India Limited in relation to Tehri Hydro Electric Power Project (1000 MW) and Koteshwar HEP (400 MW) with different beneficiaries read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and Order dated 12.07.2022 passed in Special Appeal No. 149 of 2021 by Hon'ble High Court of Uttarakhand.

AND

IN THE MATTER OF:

THDC India Limited

...Petitioner

Versus

Punjab State Power Corporation Limited and Ors.

...Respondents

INDEX

Sr. No.	Particular	Page No.
Volume-I		
1.	Index	1-4
2.	Application	5-6
3.	Letter of authorization	7

①


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, अरिक्केश
THDC India Limited, Rishikesh

4.	Petition seeking approval of change in law or appropriate mechanism for grant of an appropriate adjustment/compensation	8-34
5.	<u>Annexure-1:</u> Copy of the Uttarakhand Water Tax on Electricity Generation Act, 2012	35-53
6.	<u>Annexure-2:</u> A copy of the Notification dated 07.11.2015	54
7.	<u>Annexure-3:</u> Copy of the Power Purchase Agreements executed with beneficiaries of Tehri Hydro Electric Power Project (1000 MW) and Koteshwar HEP (400 MW)	55-243
8.	<u>Annexure-4:</u> Copy of the Petition No. 97/GT/2020 filed for determination of the tariff of Tehri Hydroelectric Power Project, Stage-I (4x250 MW) (the generating station) for the period from 1.4.2019 to 31.3.2024	244-273
Volume-II		
9.	<u>Annexure-5:</u> Copy of the Tariff Order dated 13.05.2022 passed in Petition No. 97/GT/2020 for determination of the tariff of Tehri Hydroelectric Power Project, Stage-I (4x250 MW) (the generating station) for the period from 1.4.2019 to 31.3.2024	274-338
10.	<u>Annexure-6:</u> A copy of Order dated 04.06.2019 passed in relation to the tariff of Koteshwar Hydroelectric Power Project, Stage-I (4x100 MW) (the generating station) for the period from 1.4.2014 to 31.3.2019	339-346
11.	<u>Annexure-7:</u>	347-377



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अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

	Copy of the Petition No. 244/GT/2020 for determination of the tariff of Koteshwar Hydroelectric Power Project, Stage-I (4x100 MW) (the generating station) for the period from 1.4.2019 to 31.3.2024	
12.	<u>Annexure-8:</u> A copy of the demand for recovery of water tax subsequent to the notification dated 07.11.2015	378-406
13.	<u>Annexure-9:</u> Copy of the Writ Petition No. 187/2016 filed by the Petitioner before Hon'ble High Court of Uttarakhand challenging the vires of the Uttarakhand Water Tax on Electricity Generation Act, 2012	407-556
Volume-III		
14.	<u>Annexure-10</u> A copy of the Order dated 18.05.2016 granting interim relief	557
15.	<u>Annexure-11:</u> Copy of the Order dated 12.02.2021 passed by Hon'ble High Court of Uttarakhand in the Writ Petition No. 187/2016	558-643
16.	<u>Annexure-12:</u> Copy of the Special Appeal No. 149 of 2021 filed by the Petitioner before Hon'ble High Court of Uttarakhand challenging the Order dated 12.02.2021	644-767
17.	<u>Annexure-13</u> Copy of the Order dated 12.07.2021 and 02.08.2021 passed by the Hon'ble High Court of Uttarakhand	768-771
18.	<u>Annexure-14</u> A copy of the citation notice dated 09.06.2022 and 10.06.2022	772-775
19.	<u>Annexure-15</u>	776-797



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THDC India Limited, Rishikesh

	Copy of the Order dated 12.07.2022 passed by the Hon'ble High Court of Uttarakhand in Special Appeal No. 149 of 2021	
20.	<u>Annexure-16:</u> Copies of Letters by the Petitioner on Respondents in relation to the Water Tax recovery	798-817
21.	<u>Annexure-17:</u> A copy of the relevant pages of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019	818-820
22.	<u>Annexure-18:</u> Copy of the Notification dated 27.08.2018	821-822
23.	Affidavit to the Petition	823-824
24.	Proof of Dispatch	825-826

THDC India Limited



Mukesh Kumar Verma
Addl. General Manager (Commercial)
THDCIL-Rishikesh

Place: ..Rishikesh
Date:13.09.2022

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



टीएचडीसी इंडिया लिमिटेड THDC INDIA LIMITED

(भारत सरकार एवं उ. प्र. सरकार का संयुक्त उपक्रम)
(A Joint Venture of Govt. of India & Govt. of U.P.)



पत्रांक: टीएचडीसी/ऋषि/वाणि./F-138 1166
CIN: U45203UR1988GOI009822

दि. 13.09.2022

सेवामें,

सचिव,
केंद्रीय विद्युत नियामक आयोग
तृतीय एवं चतुर्थ तल, चन्द्रलोक भवन
36, जनपथ, नई दिल्ली-110001

विषय: जल कर से सम्बंधित याचिका दायर करने के सम्बन्ध में -

Sir,

Please find enclosed herewith, under affidavit, the Petition under section 79(1)(f) of the Electricity Act 2003 for (i) approval of "Change in Law" and (ii) seeking an appropriate mechanism for grant of an appropriate adjustment/compensation to offset financial/ commercial impact of change in law events on account of imposition of water tax as a result of operation of the "Uttarakhand Water Tax on Electricity Generation Act, 2012" in terms Power Purchase Agreements entered by THDC India Limited in relation to Tehri Hydro Electric Power Project (1000 MW) and Koteshwar HEP (400 MW) with different beneficiaries read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and Order dated 12.07.2022 passed in Special Appeal No. 149 of 2021 by Hon'ble High Court of Uttarakhand.

'सादर'

भवदीय

टीएचडीसी इंडिया लिमिटेड की ओर से

(मुकेश कुमार वर्मा)

अपर महाप्रबंधक (वाणिज्यिक)

मुकेश कुमार वर्मा / M.K. VERMA

अपर महाप्रबंधक (वाणिज्यिक)

Addl. General Manager (Commercial)

टीएचडीसी इंडिया लिमिटेड, ऋषिकेश

THDC India Limited, Rishikesh

वितरण: सूची के अनुसार।

5

प्रधान कार्यालय : गंगा भवन, प्रगतपुरम, बाई पास रोड, ऋषिकेश-249 201

Corporate Office : GANGA BHAWAN, PRAGATIPURAM, BYPASS ROAD, RISHIKESH - 249201

पंजीकृत कार्यालय :- भागीरथी भवन (टॉप टेरिस) भागीरथीपुरम, टिहरी - गढ़वाल - 249124

Regd. Office : Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri-garhwal-249124

टेलीफोन- 0135-2439463, Telefax : 0135-2439463, Website Address : www.thdc.gov.in

("हिन्दी को राजभाषा बनाना, भाषा का प्रश्न नहीं अफिल्ट देशधियान का प्रश्न है")



सूचना का
अधिकार
RIGHT TO
INFORMATION

Distribution list:

1.	Chairman & Managing Director, Punjab State Power Corporation Limited, The Mall, Patiala - 147001 (Punjab)	9	The Chairman, HPSEB Limited, Vidyut Bhawan, Shimla-171004 (HP)
2.	The Chairman, Haryana Power Utilities (DHBVNL & UHBVNL), Shakti Bhawan, Sector 6, Panchkula - 134 109 (Haryana)	10	The Managing Director, Jaipur Vidyut Vitran Nigam Ltd., Vidyut Bhawan, Janpath, Jyotinagar, Jaipur-302005 (Rajasthan)
3	Chairman & Managing Director, Uttar Pradesh Power Corporation Limited, Shakti Bhawan, 14 Ashok Marg, Lucknow - 226001 (UP)	11	The Managing Director, Ajmer Vidyut Vitran Nigam Ltd., Old Power House, Hatthi Bhatta, Jaipur road, Ajmer-305001 (Rajasthan)
4	Chief Executive Officer, BSES Rajdhani Power Ltd., BSES Bhawan, Nehru Place, Behind Nehru Place Bus Terminal, New Delhi-110019	12	The Managing Director, Jodhpur Vidyut Vitran Nigam Ltd. , New Power House, Industrial Area Jodhpur-342003 (Rajasthan)
5	Chief Executive Officer, BSES Yamuna Power Ltd., 3rd Floor, Shakti Kiran Building, Karkardooma, Near Court, New Delhi-110092	13	Principal Secretary (Power) Power Development Department (PDD), Govt. of J&K, Civil Secretariat, Jammu -180001 (J&K)
6	Chief Executive Officer, TATA Power Delhi Distribution Ltd., 33 KV Grid Sub-Station Building, Hudson Lane, Kingsway Camp, Delhi-110009	14	The Chief General Manager (Commercial) ,Madhya Pradesh Power Management Company Limited (MPPMCL), 3rd Floor, Block No. 11 , Shakti Bhawan, Rampur Jabalpur- 482008 (MP)
7	Secretary (Engineering), Engineering Dept., Chandigarh Administration, 1st Floor, UT Secretariat, Sector 9-D, Chandigarh- 160009	15	The Managing Director, Rajasthan Urja Vikas Nigam Limited, Vidyut Bhawan, Jyoti Nagar, Jaipur- 302005 (Rajasthan)
8	Managing Director, Uttarakhand Power Corporation Ltd., Urja Bhawan, Kanwali Road, Dehradun-248001 (UK)	16	The Managing Director, Jammu and Kashmir State Power Trading Company Ltd., PDD Complex, Bemina ,Srinagar -190010 (J&K)

6



मुकुेश कुमार वर्मा / M.K. VERMA
अवर महासंचालक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, राशि
THDC India Limited, Rishi



टीएचडीसी इंडिया लिमिटेड THDC INDIA LIMITED

(भारत सरकार एवं उ. प्र. सरकार का संयुक्त उपक्रम)
(A Joint Venture of Govt. of India & Govt. of U.P.)
CIN : U45203UR1988GOI009822



पत्रांक:टीएचडीसी/ऋषि/वाणि./F-138/ 1167

दि. 13.09.2022

सेवामे,

सचिव,
केंद्रीय विद्युत नियामक आयोग
तृतीय एवं चतुर्थ तल, चन्द्रलोक भवन
36, जनपथ, नई दिल्ली-110001

Sub:Letter of authorization for filing of Petition.

Sir,

This is to inform you that Sh.Mukesh Kumar Verma, Addl. General Manager (Commercial), THDC India Limited is authorised to sign the Petition in respect of seeking an appropriate mechanism for grant of an appropriate adjustment/ compensation to offset financial/ commercial impact of "change in law" events on account of imposition of water tax as a result of operation of the "Uttarakhand Water Tax on Electricity Generation Act, 2012" in terms Power Purchase Agreements entered by THDC India Limited with beneficiaries of Tehri HPP (1000 MW) and Koteswar HEP (400 MW).

This is being issued with the approval of competent authority.

' सादर '

भवदीय

टीएचडीसी इंडिया लिमिटेड की ओर से

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

(राजेश शर्मा)

महाप्रबंधक (वाणिज्यिक)

राजेश शर्मा / RAJESH SHARMA
महाप्रबंधक (वाणिज्यिक)
General Manager (Commercial)

7

प्रधान कार्यालय : गंगा भवन, प्रगतपुरम, बाई पास रोड, ऋषिकेश - 249124
THDC India Limited, Rishikesh

Corporate Office : GANGA BHAWAN, PRAGATIPURAM, BYPASS ROAD, RISHIKESH - 249201

पंजीकृत कार्यालय :- भागीरथी भवन (टॉप टेरिस) भागीरथीपुरम, टिहरी - गढ़वाल - 249124

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सूचना का
अधिकार
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**BEFORE THE HON'BLE CENTRAL ELECTRICITY REGULATORY
COMMISSION**

PETITION NO. _____ OF 2022

IN THE MATTER OF: Petition under section 79(1) (f) of the Electricity Act 2003 for (i) approval of "Change in Law" and (ii) seeking an appropriate mechanism for grant of an appropriate adjustment/ compensation to offset financial/ commercial impact of change in law events on account of imposition of water tax as a result of operation of the "Uttarakhand Water Tax on Electricity Generation Act, 2012"(AdhinlyanSankhya 09 of 2013) in terms Power Purchase Agreements entered by THDC India Limited in relation to Tehri Hydro Electric Power Project (1000 MW) and Koteshwar HEP (400 MW) with different beneficiaries read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and Order dated 12.07.2022 passed in Special Appeal No. 149 of 2021 by Hon'ble High Court of Uttarakhand.

IN THE MATTER OF:

THDC India Limited,
Represented through

...Petitioner

Versus

1. Chairman & Managing Director,
Punjab State Power Corporation Limited,
The Mall,
Patiala – 147001 (Punjab)

(8)



मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

2. The Chairman,
Haryana Power Utilities(DHBNL & UHBNL),
Shakti Bhawan, Sector 6,
Panchkula - 134 109 (Haryana)
3. Chairman & Managing Director,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan, 14 Ashok Marg,
Lucknow - 226001 (UP)
4. Chief Executive Officer,
BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
Behind Nehru Place Bus Terminal,
New Delhi-110019
5. Chief Executive Officer,
BSES Yamuna Power Ltd.,
3rd Floor, Shakti Kiran Building,
Karkardooma, Near Court,
New Delhi-110092
6. Chief Executive Officer,
TATA Power Delhi Distribution Ltd.,
33 KV, Grid Sub-Station Building,
Hudson Lane, Kingsway Camp,
Delhi-110009
7. Secretary (Engineering),
Engineering Dept.,
Chandigarh Administration,
1st Floor, UT Secretariat,
Sector 9-D, Chandigarh-160009



मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

8. Managing Director,
Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road, Dehradun-248001 (UK)
9. The Chairman,
HPSEB Limited,
Vidyut Bhawan, Shimla-171004 (HP)
10. The Managing Director,
Jaipur Vidyut Vitran Nigam Ltd.,
Vidyut Bhawan,
Janpath, Jyotinagar, Jaipur-302005 (Rajasthan)
11. The Managing Director,
Ajmer Vidyut Vitran Nigam Ltd.,
Old Power House,
Hatthi Bhatta, Jaipur road, Ajmer-305001 (Rajasthan)
12. The Managing Director,
Jodhpur Vidyut Vitran Nigam Ltd.,
New Power House, Industrial Area
Jodhpur-342003 (Rajasthan)
13. Principal Secretary (Power),
Power Development Department (PDD),
Govt. of J&K, Civil Secretariat,
Jammu -180001 (J&K)
14. Chief General Manager (Commercial)
MPPMCL, 3rd Floor, Block No. 11
Shakti Bhawan, Rampur
Jabalpur-482008 (MP)

15. The Managing Director,
Rajasthan Urja Vikas Nigam Limited,
Vidyut Bhawan, Jyoti Nagar
Jaipur-302005 (Rajasthan)
16. The Managing Director,
Jammu and Kashmir State Power Trading Company Limited,
PDD Complex, Bemina
Srinagar-190010 (Jammu & Kashmir) - **Respondents**

MOST RESPECTFULLY SHOWETH:

I. CONSPECTUS OF THE PETITION

1. THDC India Limited ("**Petitioner**") is a company incorporated under the Companies Act, 1956, and a generating company within the meaning of Section 2(28) of the Electricity Act, 2003 ("**Electricity Act**") formed as a joint venture between Government of India and government of Uttar Pradesh.
2. The Petitioner has setup 1000 MW of Tehri Hydro Electric Power Project (4 X 250 MW) ("**Tehri HEP**") and 400 MW Koteshwar Hydroelectric Power Plant (4 X 100 MW) ("**Koteshwar HPP**") located in the district of Tehri - Garhwal ("**Projects**") in the State of Uttarakhand. In addition to said Projects, Petitioner is at advanced stage of commissioning of the Tehri Pumped Storage Generating Station of 1000 MW ("**Tehri PSP**"). The

(11)

मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएनडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

entire generating stations of the Petitioner are scheduled to have an aggregate capacity of 2400 MW.

3. The Petitioner is filing the instant petition on account of Change in Law event occasioned as a result of operation of "*The Uttarakhand Water Tax on Electricity Generation Act, 2012*" ("**Water Tax Act**"). A copy of the Water Tax is annexed hereto as **Annexure-1**.
4. The Petitioner states that the Government of Uttarakhand issued Notification No. 32/XXXVI (3)/2013/67(1)/2012 dated 28.01.2013 for Uttarakhand water tax on non-consumptive use of water for electricity generation. The same was passed by the State of Uttarakhand on 25.01.2013 which eventually came into force on 15.08.2015. Subsequently, Irrigation dept., Govt. of Uttarakhand vide Notification no. 2883/II-2015/01(50)/2011 dated 07thNov'2015 had fixed the rate of water tax. A copy of notification is annexed as **Annexure-2**.
5. Being aggrieved by Water Tax Act, Petitioner had preferred Writ Petition No. 187 of 2016 before the Hon'ble High Court of Uttarakhand ("**Hon'ble High Court**"). The said writ petition was dismissed vide order dated 12.02.2021. Against the said Order dated 12.02.2021, Petitioner had preferred Special Appeal No. 149 of 2021 before Division Bench of the Hon'ble High Court.
6. Vide the order dated 12.07.2021, Division Bench of Hon'ble High Court

12


मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

stayed the operation of the Order dated 12.02.2021.

7. Subsequently through an order dated 12.07.2022, Division Bench of the Hon'ble High Court modified the interim orders and directed as follows:

23) *We, therefore, direct that each of the appellants/ writ petitioner shall file their respective affidavits clearly stating, whether, or not, they have recovered and passed on the water tax levied by the State under the impugned legislation to their customers. They shall also place on record with their affidavits their applications made to the appropriate Commission for determination of tariff, and the orders passed thereon by the appropriate Commission to show, whether, or not, the said tax has been passed on by the appellants to their consumers. The affidavits shall be filed not later than two weeks. **The appellants / petitioner, who have collected the water tax levied under the impugned legislation from their customers, shall pay and deposit the entire tax with the respondents in terms of the demands raised. The arrears shall be deposited within four weeks, without prejudice to the rights and contentions of the parties. They shall also, henceforth, continue to pay the water tax payable under the impugned legislation during pendency of the present appeals, subject to final decision of these appeals / writ petition.***

24) ***In respect of the appellants / writ petitioner who establish by filing their affidavits, that they have not, in fact, collected water tax, and not passed on the said liability to their customers, there shall be stay of recovery of water tax till 31st of July, 2022. However, they shall commence paying the water tax dues levied under the impugned legislation from 1st of August 2022, onwards subject to final orders. All the applications stand disposed of in the aforesaid terms. This order shall bind all the parties in the aforementioned Special Appeals and Writ Petition.***

[emphasis supplied]

8. It is submitted as per aforesaid order two categories of generators have been carved out by the Hon'ble High Court for recovery and payment of the water tax.

(13)


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

9. First category of generators contains one who have collected water tax from its consumers/beneficiaries and second category contains generators who have not collected water tax from its beneficiaries till the date of issuance of the said order dated 12.07.2022.
10. Since, the Petitioner had not collected any payment from its beneficiaries, it falls under second category of generators as per the Order dated 12.07.2022 passed by the Hon'ble High Court, therefore, stay of recovery of water tax till 31.07.2022 has been granted to it. However, Petitioner has been directed to commence payment of water tax dues from 01.08.2022 subject to final orders of the Hon'ble High Court in terms of the Water Tax Act.
11. In light of the above, as the Petitioner is now liable to regularly make payment of water tax from 01.08.2022 as per the levy prescribed under the Water Tax Act, therefore, the same by operation of law qualify to be a change in law event. In view of the same, present Petition has been filed seeking recovery of the compensation on account of levy of water tax and appropriate mechanism for grant of compensation to offset financial/ commercial impact relating to the said levy on the Petitioner.
12. It is humbly prayed before this Hon'ble Commission to kindly allow the present petition and pass suitable directions in relation to the same.

(14)


मुकेश कुमार वर्मा / M.K. VERMA
अस. महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएनडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

II. FACTS OF THE CASE:

The facts leading to the filing of the instant Petition are briefly set out herein below:

13. That the Petitioner has developed Tehri Power Complex, which comprises of Tehri HEP, Koteshwar HPP, Tehri PSP. The entire Tehri Power Complex is scheduled to have an aggregate capacity of 2400 MW.
14. It is submitted that following are date of commercial operation of the units of Tehri HEP and Koteshwar HPP:

(A) Tehri HEP:

Unit-IV	22.09.2006
Unit-III	09.11.2006
Unit-II	30.03.2007
Unit-1	09.07.2007

(B) Koteshwar HPP:

Unit-I	01.04.2011
Unit-II	26.10.2011
Unit-III	13.02.2012
Unit-1V	01.04.2012

15. Respondent No. 1 to 16 are different power distribution utilities and power management companies for various States who have been purchasing power and are beneficiaries of the Projects of the Petitioner. The said Respondents are liable to make payment of water tax as per their respective proportionate share.
16. That the Petitioner has entered into different Power Purchase Agreements in relation sale of power from the Projects of the Petitioner. Copies of Power Purchase Agreements entered with Respondents are annexed hereto and marked as **Annexure-3.**

Re: Tariff Determination of Tehri HEP:

17. It is noteworthy that this Hon'ble Commission vide its order dated 29.03.2017 in Petition No. 178/GT/2015 had determined the tariff of the generating station for the 2014-19 tariff period. Thereafter, the Commission vide its order dated 05.12.2017 in Review Petition 20/RP/2017 (in Petition No. 172/GT/2015), revised the capital cost and annual fixed charges for the 2014-19 tariff period.
18. THDCIL has filed Civil Appeal No. 5975/2015 in the Hon'ble Supreme Court challenging some of the aspects pertaining to the tariff of Tehri HPP for the period of 2006-09. The Civil Appeal no. 5975/2015 is pending before the Hon'ble Supreme Court.
19. Further, this Hon'ble Commission vide its order dated 02.05.2022 in

16


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Petition No. 98/GT/2020 revised the tariff of the generating station for the 2014-19 tariff period after truing up exercise. Subsequently, this Hon'ble Commission vide corrigendum order dated 10.05.2022 in Petition No. 98/GT/2020 after rectification of certain clerical/arithmetical errors, revised the tariff of the generating station for 2014-19 tariff period.

20. On 28.10.2019, Petitioner filed petition No. 97/GT/2020 for determination of tariff of the generating station for the 2019-2024 tariff period in terms of the CERC 2019 Tariff Regulations.
21. It is also to mention here that the Petitioner in para 24 of the Petition 97/GT/2020 had specifically mentioned about the Govt. of Uttarakhand issued Notification No. 32/XXXVI(3)/2013/67(1)/2012 dated:28th January 2012 for Uttarakhand water tax on Electricity Generation Act on non consumptive use of water for electricity generation & Notification No.342 /XXXVI(3)/2015/79(1)/2014, Dated: 03rd January 2015 of Green Energy Cess. The Petitioner has filed writ petition before Hon'ble High Court of Uttarakhand challenging both these Taxes.
22. It may also be relevant to point out in the aforesaid petition No. 97/GT/2020, Petitioner has specifically mentioned that the said petition is exclusive of statutory taxes, levies, duties, cess, Environmental cess, water tax, green energy cess or any other kind of

17



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impositions whatsoever imposed/charged by any Central or State Government or by any other local bodies/authorities/regulatory authorities in relation to generation of electricity or any other types of consumption including water, transmission of power, environmental protection, sale or on supply of power/energy, and/or in respect of any of its installations associated with Generating Stations and/or on transmission system. Further, it was specifically averred by the Petitioner in the said Petition that the amount of such taxes/duties/cess/levies etc. payable by the petitioner to the authorities concerned in any month on account of the said taxes/duties/cess/levies etc. shall be required to be borne and additionally be paid by the Respondents.

23. As per the order dated 13.05.2022 in Petition No. 97/GT/2020, Hon'ble Commission had approved the AFC of Rs.1287.02 Cr., 979.38 Cr., 991.29 Cr., 1009.10Cr. and 1028.79 Cr. for FY- 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 respectively. It is submitted that the said tariff/ AFC doesnot include any amount/ compensation in relation to the water Tax.

A copy of the Petition No. 97/GT/2020 is annexed hereto and marked as **Annexure-4**.

A copy of the Order dated 13.05.2022 passed by the Hon'ble Commission in Petition No. 97/GT/2020 is annexed hereto and marked

(18)

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as **Annexure-5.**

Re: Tariff Determination of Koteshwar HPP:

24. This Hon'ble Commission has determined the Tariff for the Koteshwar HPP of the Petitioner for 2011-2014 in Petition No. 165/GT/2017 by order dated 05.09.2018. Thereafter, the Petitioner approached this Hon'ble Commission for determination of tariff of Koteshwar HPP for period from 2014-2019 vide Petition No. 117/GT/2018, this Hon'ble Commission determined the tariff for the said period vide order dated 09.10.2018 respectively.
25. The Petitioner preferred Petition No. 41/RP/2018 (In Petition No. 165/GT/2017) and Petition No. 47/RP/2018 (In Petition No. 117/GT/2018) seeking review of the above orders. That the revised orders were issued by this Hon'ble Commission vide order dated 16.04.2019 and 04.06.2019 respectively.
26. Petitioner has filed Appeal No. 236 of 2019 before Appellate Tribunal for Electricity on 31.05.2019 against the Order dated 16/04/2019 in Review Petition No. 41/RP/2018 in Petition No. 165/GT/2017. The Appeal is pending before the Appellate Tribunal.
27. Petitioner has filed Appeal being DFR No. 2215 of 2019, before Appellate Tribunal for Electricity on 23.07.2019 against the Order dated 09.10.2018 in Petition No. 117/GT/2018. The Appeal is pending before the Appellate Tribunal.

28. It is submitted that for the period 2019-2024, the Petitioner has filed Petition No. 244/GT/2020 dated 24.10.2019 for determination of tariff for Koteswar HPP.
29. It is also to mention here that the Petitioner in para 25 of the Petition 244/GT/2020 had specifically mentioned about the that Govt. of Uttarakhand issued Notification No. 32/XXXVI(3)/2013/67(1)/2012 dated:28thJanuary 2012 for Uttarakhand water tax on Electricity Generation Act on non consumptive use of water for electricity generation & Notification No.342 /XXXVI(3)/2015/79(1)/2014, Dated:03rd January 2015 of Green Energy Cess. The Petitioner has filed writ petition before Hon'ble High Court of Uttarakhand challenging both these Taxes.
30. It may also be relevant to point out in the aforesaid petition No. 244/GT/2020, Petitioner has specifically mentioned that the said petition is exclusive of statutory taxes, levies, duties, cess, Environmental cess, water tax, green energy cess or any other kind of impositions whatsoever imposed/charged by any Central or State Government or by any other local bodies/authorities/regulatory authorities in relation to generation of electricity or any other types of consumption including water, transmission of power, environmental protection, sale or on supply of power/energy, and/or in respect of any of its installations associated with Generating Stations and/or on

transmission system. Further, it was specifically averred by the Petitioner in the said Petition that the amount of such taxes/duties/cess/levies etc. payable by the petitioner to the authorities concerned in any month on account of the said taxes/duties/cess/levies etc. shall be required to be borne and additionally be paid by the Respondents.

31. It is a matter of record that Petition No. 244/GT/2020 for the period 2019-24 is reserved for final order by Hon'ble CERC. In view of the same, from 01.04.2019, the Petitioner is charging at the approved AFC of 465.52 Crores determined by the Hon'ble Commission vide order dated 04.06.2019. It is submitted that the said tariff does not include any amount/compensation in relation to the Water Tax.

A copy of Order dated 04.06.2019 is annexed hereto and marked as **Annexure-6**.

A copy of the Petition No. 244/GT/2020 is annexed hereto and marked as **Annexure-7**.

Re: Levy of the Water Tax:

32. The Petitioner humbly submits that the Government of Uttarakhand ("GoU") issued Uttarakhand Water Tax on Electricity Generation Act, 2012. That the rates of the water tax were fixed by the GoU in terms

(21)


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of Section 17 of the Water Act vide Notification bearing No. 2883/II-2015/01(50)/2011 dated 07.11.2015 and subsequently, the GoU started raising the demand for recovery of water tax from the Petitioner. The copy of the few demand letters for recovery of water tax from the Petitioner is annexed as **Annexure-8.**

33. That on 22.01.2016, in view of above, the Petitioner challenged the Water Tax Act before the Hon'ble High Court vide Writ Petition No. 187 of 2016. The Hon'ble Single Judge was pleased to allow interim relief to the Petitioner vide order dated 18.05.2016. Subsequently, the Writ Petition was dismissed by the Single Judge of the Hon'ble High Court on 12.02.2021.

A copy of the Writ Petition No. 187 of 2016 is annexed hereto as **Annexure-9.**

A copy of the Order dated 18.05.2016 is annexed hereto as **Annexure-10.**

A copy of the Order dated 12.02.2021 is annexed hereto as **Annexure-11**

34. The aforesaid order dated 12.02.2021 was challenged by the Petitioner before a Division Bench of the Hon'ble High Court by way of Special Appeal No. 149 of 2021.

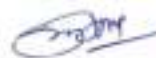
A copy of the Special Appeal No. 149 of 2021 is annexed hereto as

(22)


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Annexure-12.

35. Vide the order dated 12.07.2021, Division Bench of Hon'ble High Court stayed the operation of the Order dated 12.02.2021. Similar Order dated 02.08.2021 was also passed by the Hon'ble High Court. The matter of the Petitioner was tagged along with by virtue of the said orders. Copy of the Order dated 12.07.2021 and 02.08.2021 passed by the Hon'ble High Court in Special Appeal No. 149 of 2021 is annexed hereto as **Annexure-13.**
36. During the pendency of the Special Appeal No. 149 of 2021, Tehsildar Gaja issued a citation notice on 09.06.2022 and Tehsildar Tehri on 10.06.2022 for recovery of water tax of Rs. 319,83,56,000.00/- and Rs. 502,96,90,000.00/- for Koteshwar HEP and Tehri HPP respectively. The said citations states that in case of failure to deposit the amount, coercive recovery proceedings viz. arrest and auctioning of property for recovery of tax amount will be undertaken. Copy of the Notice dated 09.06.2022 and 10.06.2022 is annexed as **Annexure- 14.**
37. Aggrieved from above, Petitioner challenged aforesaid citation notices by way of filing stay Application and sought interim protection against the same. The said Application was listed 12.07.2022, wherein, Division Bench of the Hon'ble High Court modified the interim orders. In terms of the Order dated 12.07.2022, two categories of generators



have been carved out by Hon'ble High Court for recovery and payment of the water tax. A copy of the Order dated 12.07.2022 is annexed hereto as **Annexure-15.**

38. First category contains generators who have collected water tax from its consumers/beneficiaries and second category contains generators who have not collected water tax from its beneficiaries. Since, the Petitioner had not collected any payment from its beneficiaries, it falls under second category of generators as per the Order dated 12.07.2022 passed by the Hon'ble High Court, therefore, stay of recovery of water tax till 31.07.2022 has been granted to it. However, Petitioner has been directed to commence payment of water tax dues from 01.08.2022 subject to final orders of the Hon'ble High Court in terms of the Water Tax Act.
39. In light of the above, as the Petitioner is now liable to regularly make payment of water tax from 01.08.2022 as per the levy prescribed under the Water Tax Act, therefore, the same qualify to be a change in law event. In view of the same, present Petition has been filed seeking recovery of the compensation on account of levy of water tax and appropriate mechanism for grant of compensation to offset financial/commercial impact relating to the said levy on the Petitioner.
40. Further, considering aforesaid, Petitioner has also issued letter to

24


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beneficiaries about the imposition of Water Tax and raising of invoices in this regard in near future. Copy of letters are annexed hereto and marked as **Annexure-16.**

III. LEGAL SUBMISIONS:

41. In order to understand the scope of the 'change in law' provisions under the Power Purchase Agreements executed with Respondents and the relief that the Petitioner is entitled to get due to such change in law, the provision of one of such Power Purchase Agreement ("**PPA**") dated 12.03.2009 executed with Respondent No. 8 - Uttarakhand Power Corporation Limited has been analyzed for contextual and ease of reference. The Article 6 of the said PPA provides:

"6.0 TARIFF

6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/ orders/ directions issued / to be issued by CERC from time to time under the Electricity Act, 2003 and/ or any other Act/ Regulations as may be enacted substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/ directions issued by CERC from time to time.

6.2 In addition to the energy tariff set out, UPCL shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of


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generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval / orders of CERC from time to time.

6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/ order / direction of the Competent Authority is not finalised before that date, UPCL shall continue to pay to THDC for the power supplied from the Project beyond this date on adhoc basis in the manner detailed in the previous notification/ order/ direction"

Thus, as per the provision dealing with change in law under PPA:

- a. A change in law shall be levy of tax, duty, cess including environmental cess, levy, fees or other imposition etc levied by the Government or other authority.
- b. Such levy of tax, duty, cess etc. would be in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval of this Hon'ble Commission from time to time.
- c. The Petitioner can recover the said taxes etc. from its beneficiary or any other beneficiary to whom the unallocated power is being supplied and will be supplied in future as per approval of this Hon'ble Commission.

42. In view of above, it is evident that as per the PPA, the Petitioner is allowed to recover the change in law related compensation/cost. In

this regard, it is submitted that provision of Change in law is inserted in a PPA to enable a generator to recover costs and to compensate the Petitioner.

43. Further, it is submitted that the Petitioner is entitled to recover change in law related cost from the Respondents. The essence of the said Clause is to restore the affected party, in this case the Petitioner herein, to the same economic position as if such change in law has not occurred.
44. In order to establish the levy of water tax would constitute a change in law event and required to be compensated, it is relevant to discuss following provisions of the Water Tax Act:

"3. (1) For the purpose of this Act, every water source in the State is, and shall remain, the property of the Government and any proprietary ownership, or any riparian or usage right, on such water resources vested in any individual, group of individuals or any other body, corporation, company, society or community shall, from the date of commencement of the Act, be deemed to have been terminated and vested with the Government. However, for rivers of interstate nature and rivers under the ambit of international treaties, the ownership right of Uttarakhand Government shall be limited to non-consumptive use of water.

.....

17 (1) The user shall be liable to pay the Water Tax under the Act at such rates as the Government may by notification fix in this behalf.

.....

29


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18. The Commission shall recover water tax as per the rates fixed by the State Government from every user whenever water is drawn by a user for generation of electricity."

45. The Water Tax Act in very explicit terms provides for imposition water tax for non-consumptive use of water for generation of electricity, at such rates as may be fixed by the Govt. of Uttarakhand. Based on the above provisions of the Water Tax Act, Govt. of Uttarakhand has levied water tax at the rate of 10 paisa/ cubic meter for Tehri HPP based on above 90 meter head and 7 paisa/ cubic meter for Koteshwar HEP based on head lies b/w 61m to 90 meter head.
46. Further, it is also noteworthy that in similar case, where State of Jammu and Kashmir has imposed water tax on Hydro Power Plants, this Hon'ble Commission has devised regulatory mechanism to collect charges from the beneficiaries. The same is evident from the perusal of Regulation 44 (10) of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 which provides:

"(10) In case of the hydro generating stations located in the State of Jammu and Kashmir, any expenditure incurred for payment of water usage charges to the State Water Resources Development Authority, Jammu under Jammu & Kashmir Water Resources (Regulations and Management) Act, 2010 shall be payable by the beneficiaries as additional energy charge in proportion of the supply of power from the generating stations on month to month basis:



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28

Provided that the provisions of this clause shall be subject to the decision of the Hon'ble High Court of Jammu & Kashmir in OWP No. 604/2011 and shall stand modified in accordance with the decision of the High Court."

A copy of the relevant pages of Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 is annexed hereto and marked as **Annexure- 17**.

47. It is submitted that this Hon'ble Commission has already recognized the levy of the water tax as "Change in Law" event. Further, this Hon'ble Commission has also provided for the regulatory mechanism and manner in which such levy needs to be collected. In view of the similarity between the water tax and the manner in which such levy needs to recover, it is humbly prayed to this Hon'ble Commission to provide for same regulatory mechanism for the Water Tax Act passed by the State of Uttarakhand.

48. It is submitted that the water tax imposition has considerably increased the generation costs for the Petitioner and same needs to be compensated and recovered from the beneficiaries to restore the Petitioner to the same economic condition.

49. It is relevant to point out that as per Ministry of Power's direction to this Hon'ble Commission vide letter bearing reference no. 23/43/2018-

R&R dated 27.08.2018, any change in domestic duties, levies, cess and taxes imposed by the Central Government / Union Territories or by any Government instrumentality leading to corresponding changes in cost, may be treated as "Change in Law" and may unless provided otherwise in the PPA, be allowed as pass through. Copy of the Notification is annexed as **Annexure-18**.

50. In this regard it is important to note that the Hon'ble Appellate Tribunal for Electricity ("**Hon'ble APTEL**") In its order dated 13.11.2019 in Appeal Nos. 77, 136 and 324 of 2016 was pleased to consider the levy of new taxes on the base price of inputs are allowed for compensation under Change in Law:

"17.12.6 We are inclined to agree with the views of the Central Commission that change in base prices are not eligible for compensation under change in law and only the new taxes and/or levies or changes in existing taxes and/or levies applicable on the base price of inputs are allowed for compensation under Change in Law."

51. Further, the Hon'ble APTEL vide its order dated 14.08.2018 passed in Appeal No. 111of 2017 in **GMR Warora Energy Limited Vs. Central Electricity Regulatory Commission and Others**, held that any tax levied through an Act of Parliament after cut-off date which results in additional expenditure, same is covered as "*Change in law.*" In the said judgment, it was also held that any tax or application of new tax on 'supply of power' covers the taxes on inputs required for such generation and supply of power to the Distribution Licensees.

52. The Petitioner, to further substantiate its argument, places reliance upon the decision of the Hon'ble Supreme Court in **Energy Watchdog v. CERC, reported as (2017) 14 SCC 80:**

*"57. Both the letter dated 31.07.2013 and revised Tariff Policy are statutory documents being issued under Section 3 of the Act and have the force of law. This being so, it is clear that so far as the procurement of India coal is concerned, to the extent that the supply from Coal India and other India sources is cut down, **the PPA read with these documents provides in Clause 13.2 that while determining the consequences of change in law, parties shall have due regard to the principle that the purpose of compensating the party affected by such change in law is to restore, through monthly tariff payments, the affected party to the economic position as if such change in law has not occurred. Further, for the operation period of the PPA, compensation for any increase/ decrease in cost to the seller shall be determined and be effective from such date as decided by the Central Electricity Regulatory Commission.** This being the case, we are of the view that change in Indonesian law would not qualify as a change in law under the guidelines read with PPA, change in Indian law certainly would."*

53. In view of above, it is evident that application of water tax being a change in law event needs to be passed through and the Petitioner may be allowed to recover the same from the Respondents in terms of the invoices raised on the Respondent.
54. It is submitted that if present Petition is not allowed the entire objective of having the change in law provision and as rule which enable a generator to recover costs would get defeated.

55. It is submitted that the Petitioner is entitled to recover change in law related cost from the Respondents as the essence of the same is to restore the affected party, in this case the Petitioner herein, to the same economic position as if such change in law has not occurred.
56. Further, Clause 6.2(4) of the Tariff Policy dated 28.01.2016 also recognizes the concept of Change in Law and provides as under:

"6.4(2) After the award of bids, if there is any change in domestic duties, levies, cess and taxes imposed by Central Government, State Governments/Union Territories or by any Government instrumentality leading to corresponding changes in the cost, the same may be treated as "Change in Law" and may unless provided otherwise in the PPA, be allowed as pass through subject to approval of Appropriate Commission."

57. It is humbly prayed that Petitioner may also be allowed to recover holding cost/carrying cost in relating to the change in law event. Further, Hon'ble APTEL in multiple cases such as A. No. 210 of 2017, A. No. 193 of 2017 and A. No. 111 of 2017 has allowed carrying cost upon the amount allowed as compensation for "Change in Law" events.
58. That in light of the above the Petitioner states that the imposition of water tax has adversely affected the economic position of the Petitioner and therefore, recovery of the same as change in law event may be allowed by this Hon'ble Tribunal. The principle of change in law

is premised on restitution and therefore, Petitioner is required to put on the same economic position as if no change in law event has occurred.

59. The Petitioner has not filed any other application / petition before any other court, tribunal or commission in relation to the issues raised herein.
60. The Petitioner pleads itself to file any further details as may be required by the Hon'ble Commission or to substantiate it's claims.
61. The present Petition is bonafide and filed in interest of justice.

PRAYER

The Petitioner therefore most humbly and respectfully prays that this Hon'ble Commission be pleased to adjudicate upon the present Petition to:-

- (a) Declare and hold that imposition of water tax by virtue of operation of The Uttarakhand Water Tax on Electricity Generation Act, 2012", which has resulted in increase in generation costs of the Petitioner, as 'Change in Law' and the Petitioner is entitled to consequent relief there under.
- (b) Pass such order to recover the water tax from the beneficiary or any other beneficiary to whom the unallocated power is being supplied and will be supplied in future(c) Provide a suitable mechanism to compensate the Petitioner for the adverse financial loss incurred by

the Petitioner on account of Change in Law by raising supplementary and additional invoices on Respondents;

- (d) Grant carrying cost from the date of incurring of the cost by the Petitioner till the date of disbursal of the compensation;
- (e) Provide for regulatory mechanism similar to the Jammu & Kashmir Water Resources (Regulations and Management) Act, 2010 as provided in the Regulation 44 (10) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 and
- (f) Pass any such order and further reliefs as this Hon'ble Commission deems fit and proper in the nature and circumstances of the present case.

Date: 13.09.2022

Place: Rishikesh



Petitioner

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THE UTTARAKHAND WATER TAX ON ELECTRICITY GENERATION ACT, 2012

[UTTARAKHAND ACT NO. 09 OF 2013]

INDEX

Sections	Particular	Page No.
1	2	3
CHAPTER 1		
PRELIMINARY		
1.	Short Title, Extent and Commencement	18
2.	Definitions	18-19
CHAPTER 2		
INTRODUCTION		
3.	General	19-20
CHAPTER 3		
USAGE OF WATER BY INSTALLATION OF HYDROELECTRIC GENERATING UNIT		
4.	Installation of Scheme for usage of water	20
5.	Submission of Sanctioned Scheme for usage of water by the user	20
6.	Acceptance of the Scheme	20
7.	Information to the User	20
8.	Prohibition on installation of a Scheme	20
9.	Registration for usage of water	21
10.	Grant of Registration Certificate	21
11.	Registered User not to do certain things	21
12.	Duties, obligations and responsibilities of the Registered User	21
13.	Control and safety provisions	22
CHAPTER 4		
ASSESSMENT OF WATER DRAWN BY USER		
14.	Assessment of water drawn by user	22
15.	Injuring the flow measuring device or any fitting	22
16.	Fraud in respect of flow measuring devices	23
CHAPTER 5		
WATER TAX		
17.	Fixation of water Tax	23
18.	Recovery of water Tax	23
19.	Procedure for assessment	23

CHAPTER 6
STATE COMMISSION FOR WATER TAX ON
ELECTRICITY GENERATION

20.	Establishment of Commission	23-24
21.	Qualifications for appointment of Chairperson and Members of the Commission	24-25
22.	Constitution of a search Committee	25
23.	Term of Office and Conditions of Service	26-27
24.	Removal of Chairperson or Member	27
25.	Officers and other Employees of the Commission	27
26.	Functions of the Commission	28
27.	Powers of the Commission	28
28.	Proceedings before Commission	28
29.	Power of entry and seizure	29
30.	Delegation	29
31.	Appeal to High Court	29
32.	Penalty for non-compliance of directions of Commission	29-30
33.	Power to adjudicate	30
34.	Factors to be taken in to account by adjudicating officer	30
35.	Penalty not to effect other liabilities	31
36.	Grants and loans by the Government	31
37.	Establishment of fund by the Government	31
38.	Accounts of Commission	31
39.	Annual Report of the Commission	32
40.	Budget of the Commission	32
41.	Directions by the Government	32
42.	Protection of action taken in good faith	32
43.	Members, officers etc. to be public servants	32
44.	Provisions of the act to be in addition to and not in derogation of other laws	32
45.	Powers of Government to make rules	33
46.	Powers of commission to make regulations	33
47.	Rules and regulations to be laid before the State legislature	34
48.	Power to remove difficulties	34


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No. 32/XXXVI(3)/2013/67(1)/2012

Dated Dehradun, January 28, 2013

NOTIFICATION**Miscellaneous**

In pursuance of the provisions of Clause (3) of Article 348 of the Constitution of India, the Governor is pleased to order the publication of the following English translation of 'The Uttarakhand Water Tax On Electricity Generation Act, 2012' (Adhiniyam Sankhya 09 of 2013).

As Passed by the Uttarakhand Legislative Assembly and assented to by the Governor on 25 January, 2013.

THE UTTARAKHAND WATER TAX ON ELECTRICITY GENERATION ACT, 2012
[UTTARAKHAND ACT NO. 09 OF 2013]

to levy water tax on electricity generation in the State of Uttarakhand

An**Act**

be it enacted in the Sixty-third Year of the Republic of India by the Uttarakhand State Legislative Assembly as follows:-

CHAPTER-1
PRELIMINARY

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| Short Title, Extent and Commencement | 1. | (1) This Act may be called the Uttarakhand Water Tax on Electricity Generation Act, 2012. |
| | | (2) It extends to the whole State of Uttarakhand. |
| | | (3) It shall come into force from such date as the State Government may by notification in the Gazette appoint. |
| | | (4) The provisions of this Act shall have effect notwithstanding anything inconsistent contained in any other law for the time being in force. |
| Definitions | 2. | In these rules, unless there is anything repugnant in the subject or context :- |
| | | (a) "Act" means the Uttarakhand Water Tax on Electricity Generation Act, 2012; |



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- (b) "Commission" means Uttarakhand State Commission for Water Tax on Electricity Generation established under section 21 of the Act;
- (c) "Electricity" means electrical energy generated by way of water drawn from any water source flowing within the territory of the State;
- (d) "Government" means Government of Uttarakhand;
- (e) "Notification" means a notification published in the Gazette of the State, and the term "notify" shall be construed accordingly;
- (f) "User" means any person, group of persons, local body, Government Department, company, corporation, society etc. drawing water or any other authority authorized under chapter -II of the Act to avail the facility to draw water from any source for generation of electricity;
- (g) "Water" means natural resource flowing in any river, stream, tributary, canal, nallah or any other natural course of water or stipulated upon the surface of any land like, pond, lagoon, swamp, spring;
- (h) "Water Source" means a river and its tributaries, stream, nallah, canal, spring, pond, lake, water course or any other source from which water is drawn to generate electricity;
- (i) "Water Tax" means the rate levied or charged for water drawn for generation of electricity and fixed under this Act.

CHAPTER-2
INTRODUCTION

General

3. (1) For the purpose of this Act, every water source in the State is, and shall remain, the property of the Government and any proprietary ownership, or any riparian or usage right, on such water resources vested in any individual, group of individuals or any other body, corporation, company, society or community shall, from the date of commencement of the Act, be deemed to have been terminated and vested with the Government. However, for rivers of interstate nature and rivers under the ambit of international treaties, the ownership right of Uttarakhand Government shall be limited to non-consumptive use of water.


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- (2) No person, group of persons, Government department, local authority, corporation, company, society or any other body shall draw water from any source for electricity generation except in accordance with the provisions of the Act.

CHAPTER-3
USAGE OF WATER BY INSTALLATION OF HYDROELECTRIC
GENERATING UNIT

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| Installation of Scheme for usage of water | 4. | No person, group of persons, Government department, local authority, corporation, company society or any other body, by whatever name called (hereinafter in this Chapter will be called the "user"), shall install a Scheme requiring usage of water (non consumptive use) of any water source for generating electricity except without being registered under the Commission in accordance with the provisions provided hereinafter in this Chapter. |
| Submission of Sanctioned Scheme for usage of water by the user | 5. | Any user intending to install a Scheme requiring usage of water (non consumptive use) for the purpose of generation of electricity shall submit Detailed Project Report of the scheme, duly sanctioned by authority competent to do so in this behalf to the Commission accompanied by such fee and charges as may be fixed by the Commission for registration. |
| Acceptance of the Scheme | 6. | After receipt of the scheme from a user, the Commission shall consider the acceptance of the scheme under this Act. |
| Information to the User | 7. | After the scheme is accepted by the Commission under section 6, the Commission shall register the scheme and inform the user to –
(a) Execute an agreement in such a form and manner with the Commission as may be prescribed; and
(b) Pay such fee and water Tax as fixed under chapter 4 of this Act. |
| Prohibition on installation of a Scheme | 8. | No user shall install a Scheme requiring usage of water without adhering to the requirements of section 10. |


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| Registration for usage of water | 9. | No person shall install a Scheme, requiring usage of water or in any other way use the water, unless he/she is authorized to do so by a registration certificate, issued under section 10. |
| Grant of Registration Certificate | 10. | An user intending to use water (non consumptive use) for generation of electricity shall be issued a registration certificate after the execution of an agreement between the user and the Commission under the Act. |
| Registered User not to do certain things | 11. | No registered user shall without prior approval of Commission :-
(a) Undertake any transaction to acquire by purchase or takeover or otherwise, the utility of any other user; or
(b) Merge his utility with the utility of any other user;
(c) No user shall at any time assign his registration or transfer his utility or any part thereof by sale, lease, exchange or otherwise without the prior approval of the Commission. |
| Duties, obligations and responsibilities of the Registered User | 12. | (1) The registered user shall be liable to pay water tax for the water drawn for electricity generation as per the provisions of the Act.
(2) Where any user has constructed a Hydropower scheme, for purpose of generation of electricity, prior to the commencement of the Act, such user shall, within a period of six month from the date of commencement of the Act, apply for registration under the Act and the Commission shall pass an order to register the user within a period of six months from the date of receipt of application in accordance with the provisions of the Act.
(3) If the user as mentioned in sub-section (2) fails to apply or register within time stipulated therein, the Commission shall forthwith impose suitable penalty which may be enhanced in case of prolonged default.
(4) Every registered user shall be under an obligation to ensure the safety of the life and property of inhabitants of the area under the operation of the scheme.
(5) Every registered user shall be bound to allow the authority or any other officer authorized by authority to have access at any time to the scheme for their satisfaction. |


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- Control and safety provisions**
13. (1) The Commission may, by notice in writing given to the user require him to :-
- (a) Cause periodic inspection carried out by an expert, to the satisfaction of the Commission and in accordance with the procedure and at such intervals, as the Commission may specify, for the Scheme;
- (2) The user shall pay such fee and such other charges as the State Water Commission may fix in this behalf, to the State Water Commission for undertaking the following activities :-
- (a) Periodical inspection of the scheme by the Commission or any other officer or expert empowered in the behalf;
- (b) Any other activity performed or caused to be performed by the Commission under this section in relation to the scheme of the user.

CHAPTER-4

ASSESSMENT OF WATER DRAWN BY USER

- Assessment of water drawn by user**
14. (1) The Commission shall install or cause to be installed flow measuring device within the premises of Scheme or at such other place where the Commission deems fit for purposes of measuring the water drawn for electricity generation or may adopt any indirect method for assessment of water drawn by the user.
- (2) The Commission may either install or, require a user to install a flow measuring device as per the specifications approved by the Commission at his premises or at his location or at such other place as the Commission may direct and thereafter adjust the expenditure incurred by such user on such installation towards the water Tax payable by the user.
- Injuring the flow measuring device or any fitting**
15. No person shall willfully injure or cause to be injured, any device or any of the fittings of the device.



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| Fraud in respect of flow measuring devices | 16. | No person shall fraudulently or dishonestly-
(a) alter the index of any flow measuring device, or prevent any device from recording the actual quantity of water supplied; or
(b) extract or draw water before it has been recorded by the measuring device set up for the purpose of recording the same; or
(c) tamper the measuring device, install or use a tampered device; or
(d) use any other device or method which interferes with accurate or proper registration, calibration or metering of water supplied; or |
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CHAPTER-5

WATER TAX

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| Fixation of water Tax | 17. | (1) The user shall be liable to pay the Water Tax under the Act at such rates as the Government may by notification fix in this behalf.
(2) The State Government may review, increase, decrease or vary the rates of the Water Tax fixed under this section from time to time in the manner it deems fit. |
| Recovery of water Tax | 18. | The Commission shall recover water tax as per the rates fixed by the State Government from every user whenever water is drawn by a user for generation of electricity. |
| Procedure for assessment | 19. | (1) The assessment of water drawn by the user for electricity generation and computation of water tax there of, shall be carried out by the Commission.
(2) The user shall pay the water Tax as assessed under sub-section (1) within such time as may be specified by the Commission.
(3) If any user fails to pay water Tax due on him, penalty shall be imposed on the user as determined by the Commission. The User has to pay Water Tax along with penalty within extended time as may be specified by the Commission. If the user again fails to pay Water Tax along with penalty within the extended time, the dues shall be recovered as arrears of land revenue. |

CHAPTER-6

STATE COMMISSION FOR WATER TAX ON ELECTRICITY GENERATION

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| Establishment of Commission | 20. | (1) The Government may, within three months from the date of commencement of the Act, by notification, establish an Commission to be known as the State Commission for tax on electricity generation to exercise the powers conferred on, and to |
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discharge the functions under this Act:

Provided that till the Commission is established under the section, the Principal Secretary/Secretary, Irrigation may exercise the powers and discharge the functions of the Commission under the Act.

- (2) The Commission established under sub-section (1) shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, be the said name, sue or be sued.
- (3) The Head Office of the Commission shall be at such place as the State Government fix in this behalf.
- (4) The Commission shall consist of a Chairperson and not more than two Members.
- (5) The Chairperson and Members of the Commission shall be appointed by the State Government on the recommendations of a search committee referred to in sub-section (1) of section 22.

Qualifications for appointment of Chairperson and Members of the Commission

21. (1) The Chairperson shall be appointed from amongst persons who are either holding or have held a post not below the rank of Secretary to State Government and have adequate knowledge of, or experience in, or have shown capacity in dealing with, problems relating to engineering, finance, commerce, economics, law, administration or management.
- (2) The Members of the Commission shall be persons of ability, integrity and standing who have adequate knowledge of, or experience in, or have shown capacity in dealing with, problems relating to engineering, finance, commerce, economics, law or management :

Provided that at least one Member shall be from amongst the persons who are either holding or have held a post not below the rank of Chief Engineer or equivalent and having qualification



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and experience in the field of Hydropower Engineering.

- (3) The Chairperson or any Member of the Commission shall not hold any other office of the profit.
- (4) The Chairperson shall be the Chief Executive Officer of the Commission.

Constitution of a search Committee

22. (1) The Government shall, for the purposes of selecting the Chairperson and Members of the Commission, constitute a search committee consisting of-
 - (a) Chief Secretary - Chairperson;
 - (b) Principal Secretary/ Secretary
Finance, Uttarakhand Government - Member;
 - (c) Principal Secretary/ Secretary
Irrigation, Uttarakhand Government - Member;
 - (d) Principal Secretary/ Secretary
Power, Uttarakhand Government - Member;
 - (e) Principal Secretary/ Secretary
Law, Uttarakhand Government - Member.
- (2) The Government shall, within one month from the date of occurrence of any vacancy by reason of death, resignation, or removal of the Chairperson or Member and six month before the superannuation or end of the tenure of the Chairperson or a Member make a reference to the search committee for filling up of the vacancy.
- (3) The search committee shall finalize the selection of Chairperson or the Members, within two months from the date on which the reference is made to it.
- (4) Before recommending any person for appointment as Chairperson or Member, the search committee shall satisfy itself that such person does not have any financial or other interest which is likely to affect prejudicially his function as such Chairperson or Member.


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**Term of
Office and
Conditions of
Service**

23. (1) The Chairperson and other Members shall hold office for a term of three years from the date they enter upon their office :

Provided that no Chairperson or Member shall hold office after he has attained the age of 65 years :

Provided further that the Government may, at any time for the reasons recorded in writing and after giving an reasonable opportunity of being heard, determine term of the Chairperson or Member before he completes three years term or attain age of 65 years, as the case may be :

Provided further that the Government may suspend the Chairperson or any Member of the Commission in respect of whom an order determining the term is proposed to be passed or in the opinion of the Government there are just and sufficient reasons to suspend the Chairperson or the Member.

(2) The salary, allowances and other terms and conditions of service of the Chairperson and the Members shall be such as may be prescribed :

Provided that the salary, allowances and other terms and condition of service of the Chairperson and the Members shall not be varied to their disadvantage after appointment.

(3) The Chairperson and Members shall, before entering upon their office, make and subscribe to an oath of office and secrecy in such form and in such manner and before such authority as may be prescribed.

(4) Notwithstanding anything contained in sub-section (1), the Chairperson or a Member may relinquish his office by giving in writing to the Government a notice of not less than three months.

(5) The Chairperson or any Member ceasing to hold office as such shall -

(a) not be eligible for further appointment under the Government for a period of two years from the date he ceases to hold such office; and


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- (b) not accept any commercial employment for a period of two years from the date he ceases to hold such office.

**Removal of
Chairperson
or Member**

24. (1) The Chairperson or the Member shall cease to hold his office as such if he-
- (a) has been adjudged as insolvent by the competent court; or
 - (b) has been convicted of an offence by the competent court.
 - (c) has become physically or mentally incapable of acting as such; or
 - (d) has acquired such financial or other interest as is likely to affect prejudicially his function in the Commission ;
- (2) Where a question arises as to if the Chairman or the member has become physically or mentally incapable of acting as such or has acquired such financial or other interest as is likely to affect prejudicially his function in the Commission, the decision in this regard shall be taken by the Government and shall be final.

**Officers and
other
Employees of
the
Commission**

25. (1) The Commission shall have a Secretary to exercise such powers and perform such duties under the control of the Chairperson, as may be prescribed.
- (2) The Secretary shall be appointed by the Government.
- (3) The number, nature and categories of other officers and employees required to assist the Commission, to discharge its functions, shall be such as may be prescribed.
- (4) The salaries and allowances payable to, and other term and conditions of the service of the Secretary, officers and other employees shall be such as may be prescribed.
- (5) The Commission shall engage the engineers and other staff of State Government to assess the water drawn by users and other technical activities to assist the Commission to discharge its functions on the terms and conditions as may be prescribed.



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- Functions of the Commission** 26. The Commission shall discharge the following functions; namely:
- Enforce the decisions and orders issued under the Act
 - Adjudicate upon the disputes regarding Water Tax.
 - Ensure transparency while exercising the powers and discharging its functions;
 - Establish a system of enforcement, monitoring and measurement of water drawn for electricity generation;
 - Such other functions as may be prescribed.
- Powers of the Commission** 27. (1) The Commission shall for the purposes of making any inquiry or initiating any proceedings under the Act, have the same powers as are vested in a Civil Court, under the Code of Civil Procedure, 1908 in respect of the following matters, namely,-
- summoning and enforcing the attendance of any witness and examining him on oath;
 - discovery and production of any document or other material object capable of being produced as evidence;
 - receiving of evidence on affidavits;
 - requisition of any public record;
 - issuing commission for examination of witnesses;
 - reviewing its decisions, directions and orders;
 - any other matter which may be prescribed.
- (2) The Commission shall have the powers to pass such interim order in any proceeding, hearing or matter before it, as it may consider appropriate.
- (3) The Commission may authorize any person, as it may deem fit, to represent the interest of the registered users in the proceedings before it.
- Proceedings before Commission** 28. All proceedings before the Commission shall deem to be judicial proceedings and the Commission shall deem to be a Civil Court for the purposes of offences affecting the administration of justice under the Indian Penal Code, 1860.


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| Power of entry and seizure | 29. | The Commission or any officer, not below the rank of Gazetted Officer specially authorized in this behalf by the Commission, may enter any building or place where the Commission has reason to believe that any document relating to the subject matter of the inquiry may be found, and may seize any such document or take extracts of copies there from subject to the provisions of Indian Penal Code. |
| Delegation | 30. | The Commission may, by general or special order in writing, delegate to the Chairman, any Member, Secretary, officer of the Commission or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under the Act, (except the powers to adjudicate disputes under clause (f) of sub-section (1) of section 26 and the powers to make regulations under section 48 as it may deem necessary. |
| Appeal to High Court | 31. | (1) Any person aggrieved by any decision or order of the Commission may file an appeal to the High Court.
(2) An appeal under sub-section (1) shall be preferred within ninety days from the date of communication of the decision or order of the Commission to the person aggrieved by such decision or order. |
| Penalty for non-compliance of directions of Commission | 32. | If any complaint is filed before the Commission that any person has contravened any provisions of the Act, or if the Commission is satisfied that any person has contravened any of the provisions of the Act or the rules or regulations or any direction issued by the Commission has not been complied with, the Commission may after giving such person an opportunity of being heard in the matter, by order in writing, direct that, without prejudice to any other penalty to which he may be liable under the Act, such person shall pay, by way of penalty, such amount which shall be prescribed by the Commission for each contravention and in case of a continuing |


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failure to pay such penalty, with an additional penalty which may be levied as deemed fit by the Commission for everyday from the day such failure commences until he pays such penalty.

**Power to
adjudicate**

33. (1) For the purpose of adjudicating under the Act, the Commission shall appoint any of its members to be an adjudicating officer for holding an inquiry in such manner as may be prescribed after giving the person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.
- (2) While holding any inquiry, the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or produce any document which, in the opinion of the adjudicating officer, may be useful for, or relevant to, the subject-matter of the inquiry, and if, on such inquiry, he is satisfied that the person has failed to comply with any provision of the Act, he may impose such penalty as he thinks fit in accordance with the provisions of the Act.
- (3) Any person aggrieved by an order under sub-section (2) may, within thirty days of the order, prefer an appeal before the Commission :

Provided that the Commission shall not pass any order without affording reasonable opportunity to the other party or parties, as the case may be.

**Factors to be
taken in to
account by
adjudicating
officer**

34. While adjudicating the quantum of penalty under section 35, the adjudicating officer shall have due regard to the following factors, namely:-
- (a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;
- (b) the repetitive nature of the default.


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- Penalty not to effect other liabilities** 35. The penalties imposed under the Act shall be in addition to, and not in derogation of, any liability in respect of payment of compensation or, in the case of a user, the revocation of his registration which the offender may have incurred.
- Grants and loans by the Govt.** 36. The Government may, after due appropriation made by State Legislature in this behalf, make to the Commission grants and loans of such sums of money as the Government may consider necessary.
- Establishment of fund by the Govt.** 37. (1) There shall be a fund constituted to be called the Commission fund and that shall be credited thereto,-
 (a) any grants and loans made to the Commission by the Government;
 (b) all fees received by the Commission under the Act;
 (c) all sums received by the Commission from such other sources as may be decided upon by the Government.
 (2) The fund shall be applied for meeting,-
 (a) the salary, allowances and other remuneration of Chairperson, Members, officers and other employees of the Commission;
 (b) the expenses of the Commission to discharge its function under the Act;
 (c) the expenses on objects and for purposes authorized by the Act.
 (3) The Government may prescribe the manner of applying the fund for meeting the expenses specified in clause (b) or clause (c) of sub-section (2).
- Accounts of Commission** 38. (1) The Commission shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed.
 (2) The annual accounts and balance-sheet of the Commission shall be forwarded to the Government and the Government shall cause the same to be laid, as soon as may be after it is received, before the State Legislature.


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- Annual Report of the Commission** 39. (1) The Commission shall prepare once every year, in such form and at such time as may be prescribed, an annual report giving a summary of its activities during the previous year and copies of the report shall be forwarded to the Government.
- (2) A copy of the report received under sub-section (1) shall be laid, as soon as may be after it is received, before the State Legislature.
- Budget of the Commission** 40. The Commission shall prepare, in such form and at such time in each financial year as may be prescribed, its budget for the next financial year, showing the estimate receipts and expenditure of the Commission and forward the same to the Government.
- Directions by the Government** 41. (1) To discharge its functions, the Commission shall be guided by such direction in matters of policy involving public interest as the State Government may from time to time give to it in writing.
- (2) If any question arises as to whether any such direction relates to a matter of policy involving public interest, the decision of the State Government thereon shall be final.
- Protection of action taken in good faith** 42. No suit, prosecution or other proceeding shall lie against the Government or the Commission or any officer of the Government, or any Member, officer or other employee of the Commission or any public servant for anything done or in good faith purporting to be done under the Act or the rules or regulations.
- Members, officers, etc. to be public servants** 43. The Chairperson, Members, officers and other employees of the Commission when acting or purporting to act in pursuance of any of the provisions of the Act, shall be deemed to be public servant within the meaning of the Indian Penal Code, 1860.
- Provisions of the act to be in addition to and not in derogation of other laws** 44. The provisions of the Act are in addition to and not in derogation of any other law for the time being in force in the State.


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Powers of Government to make rules

45. (1) The Government may, by notification, make rules for carrying out the provisions of the Act.
- (2) In particular and without prejudice to the generality of foregoing power, such rules may provide for all or any of the following matters, namely:-
- (a) the form and manner in which the agreement is to be executed under clause (b) of section 7;
 - (b) the form and manner of application and the fee to be paid for grant of registration certificate under section 10;
 - (c) the salary, allowances and other terms and conditions of service of the Chairperson and Members of the Commission under section 23;
 - (d) the form and manner in which and the authority before whom the Chairperson and Members shall make and subscribe oath under sub-section (3) of section 23;
 - (e) the powers to be exercised and duties to be performed by the Secretary of the Commission under sub-section (1) of section 25;
 - (f) the number, nature and categories of officers and employees of the Commission under sub-section (2) of section 25;
 - (g) the salaries, allowances and other terms and conditions of Secretary, officers and other employees of the Commission under sub-section (4) of section 25;
 - (h) the manner of applying the Commission Fund under sub-section (3) of section 40; and
 - (i) any other matter which is required to be, or may be prescribed.

Powers of commission to make regulations

46. (1) The Commission may, with the prior approval of the Government make regulations consistent with the Act and the rules made thereunder generally to carry out the provisions of the Act.
- (2) All regulations made by the Commission under the Act shall be subject to the condition of previous publication.


 मुकेश कुमार वर्मा / M.K. VERMA
 अवर महाप्रबंधक (व्यवसायिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

Rules and regulations to be laid before the State legislature

47. Every rule made by the Government and every regulation made by the Commission shall be laid, as soon as may be after it is made, before each House of the State Legislature.

Power to remove difficulties

48. (1) If any difficulty arises in giving effect to the provisions of the Act, the Government may, by order published in the Government Gazette, make such provisions not inconsistent with the provisions of the Act, as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of two years from the date of commencement of the Act.

- (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of the State Legislature.

By Order,

D. P. GAIROLA,
Principal Secretary.

पी०एस०ग० (आर०ई०) ०८ विघावी/76-2013-100+500 (कम्प्यूटर/रीजियो)।



मुकेश कुमार वर्मा / M.K. VERMA
अस. महासंचक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

उत्तराखण्ड शासन
सिंचाई अनुभाग-2
संख्या-2015/II-2015/01 (50)/2011
देहरादून दिनांक 11 नवम्बर, 2015
अधिसूचना

राज्यपाल, उत्तराखण्ड विद्युत उत्पादन पर जलकर अधिनियम, 2012 (उत्तराखण्ड अधिनियम सं० 09 संख्या 2013) की धारा 17 (1) में प्रदत्त शक्ति का प्रयोग करते हुये उत्तराखण्ड राज्य में अवस्थित पांच मेगावाट एवं उससे न्यून क्षमता की जल विद्युत परियोजनाओं को छोड़ते हुये शेष जल विद्युत परियोजनाओं पर इस अधिसूचना के प्रकाशन की तारीख से निम्नवत् जलकर निर्धारित कर अधिरोपित किये जाने की सहर्ष स्वीकृति प्रदान करते हैं -

	विद्युत उत्पादन हेतु उपलब्ध शीर्ष (हैड)	निर्धारित जलकर
1.	30.00 मीटर तक	02 पैसे प्रति घन मीटर
2.	31.00 से 60.00 मीटर तक	05 पैसे प्रति घन मीटर
3.	61.00 से 90.00 मीटर तक	07 पैसे प्रति घन मीटर
4.	90.00 मीटर से अधिक	10 पैसे प्रति घन मीटर

2- उक्तवत् जलकर लागू होने की तारीख से आगामी तीन वर्षों तक प्रभावी रहेगा।

(आनन्द बर्दान)
सचिव।

पू.संख्या-2015/II-2015/01 (50)/2011 तददिनांकित।

प्रतिलिपि - निम्नलिखित को सूचनाार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित।

1. निजी सचिव, मुख्यमंत्री, को मा० मुख्यमंत्री जी के सज्ञानार्थ।
2. निजी सचिव, मा० सिंचाई मंत्री को मा० मंत्री जी के सज्ञानार्थ।
3. निजी सचिव, मुख्य सचिव, को मुख्य सचिव महोदय के सज्ञानार्थ।
4. सम्स्त अपर मुख्य सचिव/प्रमुख सचिव/सचिव, उत्तराखण्ड शासन।
5. मण्डलायुक्त, गढ़वाल/कुमाऊं, पौड़ी/नैनीताल।
6. सम्स्त जिलाधिकारी, उत्तराखण्ड।
7. मुख्य अभियंता एवं विभागाध्यक्ष, सिंचाई विभाग, उत्तराखण्ड देहरादून।
8. निदेशक एन०आई०सी० सचिवालय परिसर देहरादून।
9. संयुक्त निदेशक, राजकीय मुद्रणालय, कड़की को इस आशय से प्रेषित कि उक्त अधिसूचना को असाधारण खण्ड के भाग-4 में प्रकाशित करते हुये 200 प्रतिपा शासन को उपलब्ध कराने का कष्ट करे।
10. गार्ड फाईल।

आज्ञा से

(सुनीलश्री पांधरी)
संयुक्त सचिव।

मुकेश कुमार वर्मा / M.K. VERMA
जनरल मैनेजर (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

DELHI TRANSCO LIMITED

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 27th day of April Two Thousand Four (27/04/2004) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Delhi Transco Limited, a statutory body constituted by Government of Delhi under the Delhi Electricity Reforms Act, 2000 having its Registered Office at Shakti Sadan, Kotla Marg, New Delhi-110002 (hereinafter referred to as "DTL" which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (Stage I-1000 MW) located in the district of Tehri-Garhwal in the State of Uttaranchal (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

[Handwritten signature]

[Handwritten signature]

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

5/12/24
27/03/24

100/-

श्री वरुण टि.डी.सी. लिमिटेड - काशी, उत्तर प्रदेश

Pinkash Chand Ramola
Stamp Vendor
Court Complex, Patkash



मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|--------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | GOI | : | Government of India. |
| e) | GOUP | : | Government of the State of Uttar Pradesh. |
| f) | GOUA | : | Government of the State of Uttaranchal. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MOP | : | Ministry of Power, Govt of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |

l) Power/Energy	:	Electrical power/energy.
m) POWER GRID	:	Power Grid Corporation of India Limited.
n) Regional Energy Account (REA)	:	Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.
o) NREB	:	Northern Regional Electricity Board.
p) NRLDC	:	Northern Regional Load Despatch Centre.
q) Year	:	Financial year commencing on 1 st April and ending on 31 st March.
r) Tripartite Agreement	:	The Agreement signed between the State Govt. (of beneficiary State), Govt. of India and the Reserve Bank of India for settlement of DTL's dues.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 1000MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement.

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 अपर महाप्रबंधक (व्यापारिक)
 Addl. General Manager (Commercial)
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3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. DTL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to DTL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.3.01, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of boards's transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion to their shares in saleable capacity of the station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time .



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टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to DTL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, DTL shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, DTL shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to DTL on the basis of REAs issued by NREB and DTL shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by DTL.



- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.
- 7.3.1 In case DTL has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by DTL. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that DTL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by DTL through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with DTL. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by DTL directly on presentation of bill(s). All the bank charges shall be borne by DTL.
- 8.2 THDC shall present bill(s) to the said Bankers with a copy to DTL. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by DTL to THDC within 60 days from the date of issue of the bill, THDC shall have



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Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

the authority to discontinue/reduce supply of power to DTL and inform NREB/NRLDC accordingly.

- 8.4 DTL, till such time they sign the Tripartite Agreement, shall pursue to obtain Guarantee in favour of THDC from the Government of NCT of Delhi as early as possible as per mutually agreed draft to guarantee the performance of the obligations of DTL to make regular payments of the energy bill presented by THDC for power supplied/to be supplied to DTL from THDC.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NREB shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.



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अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case DTL continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh-249201

To & by DTL General Manager (Commercial)

Delhi Transco Limited,
33 K.V. Grid Sub Station, I.P. Estate,
New Delhi-110002

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by DTL within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between DTL and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.






मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

Any Tripartite Agreement signed between the Govt. of India, Reserve Bank of India and the State Government, shall form an integral part of this Agreement. In case any of the provisions of this Agreement are inconsistent with the provisions of the Tripartite Agreement, mentioned above, then the provision of Tripartite Agreement shall prevail.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 23rd day of April, 2004 at Delhi.

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES

1.


23.04.2004
AJAY MATHUR
Dy. General Manager
T.H.D.C. Limited
Rishikesh

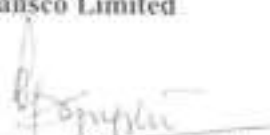

Director (Finance)



For and on behalf of
Delhi Transco Limited

2.


श. स. पी. गुप्ता
उप महाप्रबन्धक (वित्त) दिल्ली
दिल्ली ट्रांसको लिमिटेड
(दिल्ली सरकार की उद्योग)
एम्प्रेस एस्टेट, नए दिल्ली, 110002


General Manager (Commercial)
Sh. S. P. GUPTA
G.M. (Commercial)
Delhi Transco Limited
(A Govt. of NCT of Delhi Enterprise)
I.P. Estate, New Delhi-110002


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबन्धक (वित्त) दिल्ली
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



उत्तरांचल UTTARANCHAL

530471

POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

HIMACHAL PRADESH STATE ELECTRICITY BOARD

FOR

TEHRI HYDROELECTRIC PROJECT (1000 MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the ^{15th} day of Two Thousand six (2006) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhaswan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Himachal Pradesh State Electricity Board, a statutory body constituted by Government of Himachal Pradesh having its Head Office at Vidyut Bhaswan, Shimla-171004 (hereinafter referred to as "HPSEB" which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

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M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (Stage I-1000 MW) located in the district of Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|--------------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | GOI | : | Government of India. |
| e) | GOUP | : | Government of the State of Uttar Pradesh. |
| f) | GOUA | : | Government of the State of Uttarakhand. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MOP | : | Ministry of Power, Govt of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |
| l) | Power/Energy | : | Electrical power/energy. |

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m) POWER GRID	:	Power Grid Corporation of India Limited.
n) Regional Energy Account (REA)	:	Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.
o) NREB	:	Northern Regional Electricity Board.
p) NRLDC	:	Northern Regional Load Despatch Centre.
q) Year	:	Financial year commencing on 1 st April and ending on 31 st March.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 1000MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement.

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. HPSEB shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to HPSEB is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC.

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 अपर महाप्रबंधक (वणिज्यिक)
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- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

In case of reduced generation due to the reasons beyond the control of THDC or on account of non-availability of transmission lines or on receipt of backing down instructions from the Northern Regional Load Despatch Centre/NREB resulting in spillage of water, the energy charges on account of such spillage shall be payable to THDC as deemed generation. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than design energy.

Apportionment of energy charges for such deemed generation among the beneficiaries shall be in proportion to their shares in saleable capacity of the Project.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to HPSEB out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, HPSEB shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/direction of the Competent Authority is not finalised before that date, HPSEB shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification/order/direction.

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7.0 BILLING

7.1 THDC shall prepare monthly bills for the energy supplied to HPSEB on the basis of REAs issued by NREB and HPSEB shall accept these bills for payment. The bill shall be the aggregate of charges as approved/notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by HPSEB.

7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.

7.3.1 In case HPSEB has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by HPSEB. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).

7.3.2 If on such rectification, it is found that HPSEB has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).

7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

8.1 Payment of bills for supply of energy from the project shall be made by HPSEB through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed half yearly. THDC shall intimate the revised amount of LC. In case of first LC,

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Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

the amount of LC shall be as intimated by THDC. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by HPSEB directly on presentation of bill(s). All the bank charges shall be borne by HPSEB.

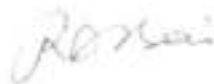
- 8.2 THDC shall present bill(s) to the said Bankers with a copy to HPSEB. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by the HPSEB to THDC within 60 days from the date of issue of the bill, THDC shall have the option to regulate the supply of energy to HPSEB in accordance with the directives/guidelines issued by CERC/GOI from time to time.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NRIIB shall be settled through arbitration as provided herein. However, before referring the matter for Arbitration, efforts shall be made by the parties to settle the dispute through conciliation.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The High Court of Himachal Pradesh, Shimla shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.



मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case HPSEB continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201

To & by HPSEB Chief Engineer (System Operation)
Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Block-III,
Shimla-171004

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by HPSEB within one month of signing of the Agreement.

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M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between HPSEB and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 22 day of July, 2006 at Shimla.

For and on behalf of
Tehri Hydro Development Corporation Limited


WITNESSES


1. 
AGM (Commercial)
THDC Ltd



R.S.T. SAI
Director (Finance), THDC
Tehri Hydro Development Corp. Ltd.
Ganga Bhawan, Bye Pass Road,
Pragatipuram, Rishikesh - 249 201

For and on behalf of
Himachal Pradesh State Electricity Board

2. 
DIRECTOR (HS)
HPSEB


Chief Engineer (System Operation)

Chief Engineer (S.O.)
HPSEB, Vidyut Bhawan
Shimla - 171004 (M.P.)


मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

HARYANA VIDYUT PRASARAN NIGAM LIMITED

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 14th day of May, Two Thousand Four (14/05/2004) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Haryana Vidyut Prasaran Nigam Limited, a statutory body constituted by Government of Haryana under the Haryana Electricity Reforms Act, 1997 having its Head Office at Shakti Bhawan, Panchkula, Haryana-134109 (hereinafter referred to as "HVPN" which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (Stage I-1000 MW) located in the district of Tehri-Garhwal in the State of Uttaranchal (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

मुकेश कुमार वर्मा / M.K. VERMA
अवर महासंचयक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

870/10
21/05/14

100/-

दीर्घकालिक लेखा/10
श्री अरुण जोशी लिमिटेड - बरिभस रोड इलाहाबाद

Prakash Chand Ramola
Stamp Vendor
C-202 Con. 200m, Rishikesh

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, बरिभस रोड
THDC India Limited, Rishikesh

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by The Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- a) BPTA : Bulk Power Transmission Agreement.
- b) CEA : Central Electricity Authority.
- c) CERC : Central Electricity Regulatory Commission.
- d) GOI : Government of India.
- e) GOUP : Government of the State of Uttar Pradesh.
- f) GOUA : Government of the State of Uttaranchal.
- g) IEGC : Indian Electricity Grid Code.
- h) LC : Irrevocable Revolving Letter(s) of Credit.
- i) Month : English Calendar month.
- j) MOP : Ministry of Power, Govt of India.
- k) Outage : The state of component when it is not available to perform its intended function due to some event directly associated with that component.

- l) Power/Energy : Electrical power/energy.
- m) POWER GRID : Power Grid Corporation of India Limited.
- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.
- o) NREB : Northern Regional Electricity Board.
- p) NRLDC : Northern Regional Load Despatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.
- r) Tripartite Agreement : The Agreement signed between the State Govt. (of beneficiary State), Govt. of India and the Reserve Bank of India for settlement of HVPN's dues.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 1000MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. HVPN, however, is prepared to purchase upto 250 MW of power from THDC.

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project/appropriate point as specified by NREB/NRLDC shall be the delivery point for supply of energy. HVPN shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to HVPN is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC. The scheduling and despatch shall be as per the provisions of the IEGC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.3.01, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion to their shares in saleable capacity of the station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to HVPN out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.


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THDC Limited, Rishikesh

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under The Electricity Act, 2003 and/ or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, HVPN shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, HVPN shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to HVPN on the basis of REAs issued by NREB and HVPN shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by HVPN. THDC, while rectifying the bills, will also supply documentary evidence, wherever necessary/available, resulting in such revision/rectification of the bill.

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.


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- 7.3.1 In case HVPN has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by HVPN. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that HVPN has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by HVPN through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed half yearly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by HVPN directly on presentation of bill(s). All the bank charges shall be borne by HVPN.
- 8.2 THDC shall present bill(s) to the said Bankers with a copy to HVPN. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by HVPN to THDC within 60 days from the date of issue of the bill, THDC shall have the option to discontinue/reduce supply of power to HVPN and inform NREB/NRLDC accordingly after following the procedure as notified by GOI/CERC..
- 8.4 THDC and HVPN shall endeavour for inclusion of THDC's name in the list of CPSUs covered by the Tripartite Agreement notified by the Government of India. In case the name of THDC is not included in the list of CPSUs covered by the Tripartite Agreement, HVPN shall move for issue of guarantee by the Government of Haryana to cover the payments of energy bills.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NREB shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the


मुकेश कुमार वर्मा / M.K. VERMA
अवर महासंचालक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case HVPN continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh-249201

To & by HVPN Chief Engineer(Commercial)
Haryana Vidyut Prasaran Nigam Ltd.,
Shakti Bhawan, Sector-6,
Panchkula-134109

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by HVPN within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between HVPN and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

Any Tripartite Agreement signed between the Govt. of India, Reserve Bank of India and the State Government, shall form an integral part of this Agreement. In case any of the provisions of this Agreement are inconsistent with the provisions of the Tripartite Agreement, mentioned above, then the provision of Tripartite Agreement shall prevail.

HVPN would obtain necessary approval / authorisation from appropriate authority on priority.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 14th day of May, 2004 at Panchkula (Haryana).

For and on behalf of
Tehri Hydro Development Corporation Limited


WITNESSES

1. 
(AJAY KUMAR)
Director (Comm.)
THDC LTD
RISHIKESH


Director (Finance), THDC

DIRECTOR (FINANCE)
TEHRI HYDRO DEVELOPMENT CORPN. LTD.
SECOND FLOOR, 4TH FLOOR
A-18, DELHI, RISHIKESH

For and on behalf of
Haryana Vidyut Prasaran Nigam Limited

2. 
(S.R. SINGLA)
Chief Executive
HVPN
Panchkula


Director (Commercial & Administration)

R. R. JAIS
Director (Commercial & Administration)
HVPN, Panchkula


मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

**POWER DEVELOPMENT DEPARTMENT, GOVT. OF
JAMMU & KASHMIR**

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 26th day of May (Month) Two Thousand Four (2004) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Power Development Department, Govt. of Jammu & Kashmir, having its offices at New Secretariat Building, Jammu-180004 and Civil Secretariat, Srinagar-190001 (hereinafter referred to as "PDD" which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (Stage I-1000 MW) located in the district of Tehri-Garhwal in the State of Uttaranchal (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

7090
 12-7-05
 Mr. Ajay Kumar S.H. Commercial Tehsi 49800 Development
 copair his Prayat Bhavn- 84 pass Road
 + chief Super Commercial Gang Singh
 Gunde Ni

Handwritten notes and a circular stamp. The stamp contains the text "THE HINDU UNIVERSITY" and "RISHIKESH". There is a signature over the stamp.

Handwritten initials "M.K.V."

मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|--------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | GOI | : | Government of India. |
| e) | GOUP | : | Government of the State of Uttar Pradesh. |
| f) | GOUA | : | Government of the State of Uttaranchal. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MOP | : | Ministry of Power, Govt of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |


मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

d) Power/Energy	:	Electrical power/energy.
m) POWER GRID	:	Power Grid Corporation of India Limited.
n) Regional Energy Account (REA)	:	Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.
o) NREB	:	Northern Regional Electricity Board.
p) NRLDC	:	Northern Regional Load Dispatch Centre.
q) Year	:	Financial year commencing on 1 st April and ending on 31 st March.
r) Tripartite Agreement	:	The Agreement signed between the State Govt. (of beneficiary State), Govt. of India and the Reserve Bank of India for settlement of PDD's dues.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 1000MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued/ to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement.

Handwritten signature

Handwritten signature

Handwritten signature

मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (वणिज्यिक)
 Aditi. General Manager (Commercial)
 टी.एच.डी.सी. इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

3.0 GENERAL OBLIGATIONS

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. PDD shall make arrangements separately for wheeling of power and payments of wheeling charges etc, and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to PDD is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.3.01, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of board's transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion to their shares in saleable capacity of the station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to PDD out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and /or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, PDD shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, PDD shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to PDD on the basis of REAs issued by NREB and PDD shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by PDD.

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.
- 7.3.1 In case PDD has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by PDD. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that PDD has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by PDD through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with PDD. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by PDD directly on presentation of bill(s). All the bank charges shall be borne by PDD.
- 8.2 THDC shall present bill(s) to the said Bankers with a copy to PDD. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by PDD to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to PDD and inform NREB/NRLDC accordingly.


मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

- 8.4 PDD, till such time they sign the Tripartite Agreement, shall obtain Guarantee in favour of THDC from their State Government within three months of signing of this Agreement as per mutually agreed draft to guarantee the performance of the obligations of PDD to make regular payments of the energy bill presented by THDC for power supplied/to be supplied to PDD from THDC.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NREB shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.


मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, राधिकेश
THDC India Limited, Rishikesh

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case PDD continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh-249201

To & by PDD Chief Engineer (Commercial & Survey Wing)
Power Development Department,
Govt. of Jammu & Kashmir,
Gladni Grid Station,
Narwal
Jammu-180004

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by PDD within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between PDD and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh


Any Tripartite Agreement signed between the Govt. of India, Reserve Bank of India and the State Government, shall form an integral part of this Agreement. In case any of the provisions of this Agreement are inconsistent with the provisions of the Tripartite Agreement, mentioned above, then the provision of Tripartite Agreement shall prevail.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 26th day of May 2004 at Srinagar, J&K.

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES

1. 
26/5/04
(Managing Director)
Manager (Genl)


Dy. General Manager (Commercial), THDC
Dy. General Manager
T.M.D.C. Limited
Rudhikesh

For and on behalf of
Power Development Department, Jammu & Kashmir

2. 
Executive Engineer
Genl. In-charge Monitoring &
Testing Division, Baramulla


Chief Engineer (Commercial & Survey Wing)
Power Development Department, Jammu & Kashmir
P.D.D.


मुकेश कुमार वर्मा / M.K. VERMA
अवर महासंचालक (वणिज्यिक)
अधी. General Manager (Commercial)
टी.एम.डी.सी. इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



दस्तावेजवाचिका

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वर्षिक (विद्युत)

POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 15th day of ~~October~~ 2003, Two Thousand Three (16/10/2003) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part 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 the context or meaning thereof include its successors and assigns) as party of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (Stage I-1000 MW) located in the district of Tehri-Garhwal in the State of Uttaranchal (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

[Signature]

[Signature]
Director / Commercial

DIRECTOR (COMMERCIAL)
TEHRI HYDRO DEVELOPMENT CORP. LTD.
TEHRI GARHWAL, UTTARANCHAL

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

688/1
21-8-2013

श्री गुरुदेव सिन्हा जी महाराज
श्री गुरुदेव सिन्हा जी महाराज

श्री गुरुदेव सिन्हा जी महाराज
श्री गुरुदेव सिन्हा जी महाराज

THDC India Limited
Rishikesh


मुकेरा कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Acts. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- a) BPTA : Bulk Power Transmission Agreement.
- b) CEA : Central Electricity Authority.
- c) CERC : Central Electricity Regulatory Commission.
- d) GOI : Government of India.
- e) GOUP : Government of the State of Uttar Pradesh.
- f) GOUA : Government of the State of Uttaranchal.
- g) IEGC : Indian Electricity Grid Code.
- h) LC : Irrevocable Revolving Letter(s) of Credit.
- i) Month : English Calendar month.
- j) MOP : Ministry of Power, Govt of India.
- k) Outage : The state of component when it is not available to perform its intended function due to some event directly associated with that component.
- l) Power/Energy : Electrical power/energy.
- m) POWER GRID : Power Grid Corporation of India Limited.

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मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
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- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.
- o) NREB : Northern Regional Electricity Board.
- p) NRLDC : Northern Regional Load Despatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.
- r) Tripartite Agreement : The Agreement signed between the State Govt. (of beneficiary State), Govt. of India and the Reserve Bank of India for settlement of UPPCL's dues.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 1000MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement.

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. UPPCL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to UPPCL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and

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duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC.

- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dttd. 26.3.01, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion to their shares in saleable capacity of the station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to UPPCL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, UPPCL shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.

Signature *Seal* *Stamp*

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6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, UPPCL shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

7.0 BILLING

7.1 THDC shall prepare monthly bills for the energy supplied to UPPCL on the basis of REAs issued by NREB and UPPCL shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by UPPCL.

7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.

7.3.1 In case UPPCL has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by UPPCL. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).

7.3.2 If on such rectification, it is found that UPPCL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).

7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

8.1 Payment of bills for supply of energy from the project shall be made by UPPCL through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from



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the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with UPPCL. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by UPPCL directly on presentation of bill(s). All the bank charges shall be borne by UPPCL.

- 8.2 THDC shall present bill(s) to the said Bankers with a copy to UPPCL. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by UPPCL to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to UPPCL and inform NREB/NRLDC accordingly.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NREB shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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,



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THDC India Limited, Rishikesh

rebellion, mutiny, civil commotion, riot, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty (30) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case UPPCL, continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by: THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201

To & by: UPPCL General Manager (EAD)
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226001

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by UPPCL within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between UPPCL and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the

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अवर महासंचालक (वाणिज्यिक)
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टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

Any Tripartite Agreement signed between the Govt. of India, Reserve Bank of India and the State Government, shall form an integral part of this Agreement after the name of THDC is included in the definition of CPSU's in the scheme notified by GOI vide notification no. 32012/10/2001-Fin dt. 20.05.2002. THDC will move to GOI for inclusion of their name in the list of CPSU's covered by the Tripartite Agreement and also for endorsement of this amendment by the State of U.P. In case any of the provisions of this Agreement are inconsistent with the provisions of the Tripartite Agreement, mentioned above, then the provision of Tripartite Agreement shall prevail. In case the name of THDC is not included in the list of CPSU's covered by the Tripartite Agreement within 180days, THDC shall move for issue of guarantee by Govt. of Uttar Pradesh to cover the payments of energy bills.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 16th day of October, 2003 at Lucknow (Uttar Pradesh).

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES

1. 
16.10.2003
(L. K. Verma)
DGM (Commercial),
THDC Ltd


(S. D. Gupta)
Director (Finance)

DIRECTOR (FINANCE)
TEHRI HYDRO DEVELOPMENT CORPN. LTD.
KIRINCO BHANJAL, 4TH FLOOR
A-16, SEC-1, NOIDA-201 301

For and on behalf of
Uttar Pradesh Power Corporation Limited

2. 
(V. K. Gaur)
CGM (Commercial),
UPPCL


(S. C. Goyal)
Director (Commercial)




मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



78 JUL 2003

वर्षिक (रिहकेश)

POWER PURCHASE AGREEMENT**BETWEEN****TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED****AND****PUNJAB STATE ELECTRICITY BOARD**

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 31ST day of July Two Thousand Three (31/07/2003) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Punjab State Electricity Board, a statutory body constituted by Government of Punjab under the Electricity (Supply) Act, 1948 having its Head Office at The Mall, Patiala-147001 (hereinafter referred to as "PSEB" which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (Stage I-1000 MW) located in the district of Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

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रिडी एड्सो स्वयंसेवा-2 कारपोरेशन लि.

Sawan Chand Ramola
2517103
SAWAN CHAND RAMOLA
Stamp Vendor
Tehsil-Rishikesh

M.K. Verma
मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टाएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Acts. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|--------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | GOI | : | Government of India. |
| e) | GOUP | : | Government of the State of Uttar Pradesh. |
| f) | GOUA | : | Government of the State of Uttaranchal. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MOP | : | Ministry of Power, Govt of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |

- l) Power/Energy : Electrical power/energy.
- m) POWER GRID : Power Grid Corporation of India Limited.
- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.
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2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 1000MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. PSEB, however, is prepared to purchase upto 400 MW of power from THDC.

3


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 THDC India Limited, Rishikesh

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. PSEB shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to PSEB is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.3.01, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of board transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion to their shares in saleable capacity of the station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy."

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5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to PSEB out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

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6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, PSEB shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, PSEB shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

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Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by PSEB.

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
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- 7.3.1 In case PSEB has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by PSEB. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).





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7.3.2 If on such rectification, it is found that PSEB has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).

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8.1 Payment of bills for supply of energy from the project shall be made by PSEB through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with PSEB. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by PSEB directly on presentation of bill(s). All the bank charges shall be borne by PSEB.

8.2 THDC shall present bill(s) to the said Bankers with a copy to PSEB. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.

8.3 Notwithstanding what is contained above, if the bill(s) are not paid by PSEB to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to PSEB and inform NREB/NRLDC accordingly.

8.4 PSEB, till such time they sign the Tripartite Agreement, shall obtain Guarantee in favour of THDC from their State Government within three months of signing of this Agreement as per mutually agreed draft to guarantee the performance of the obligations of PSEB to make regular payments of the energy bill presented by THDC for power supplied/to be supplied to PSEB from THDC.

9.0 ARBITRATION

9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NREB shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity

[Handwritten signature]

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मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case PSEB continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.



मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201

To & by PSEB Chief Engineer/SO&C,
SLDC Building, 220 KV Sub Station
P.S.E.B., Ablowal, Patiala- 147001

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by PSEB within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between PSEB and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

Any Tripartite Agreement signed between the Govt. of India, Reserve Bank of India and the State Government, shall form an integral part of this

Agreement. In case any of the provisions of this Agreement are inconsistent with the provisions of the Tripartite Agreement, mentioned above, then the provision of Tripartite Agreement shall prevail.

This PPA is subject to approval/ratification by PSEB.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 31st day of July, 2003 at Patiala (Punjab).


For and on behalf of
Tehri Hydro Development Corporation Limited


WITNESSES

1. 
DGM (Commercial)
THDC Ltd
(A. S. RAY KUMAR)


Director (Finance)
(P. D. TUTEJA)

For and on behalf of
Punjab State Electricity Board

2. 
Chief Engineer/S.O.&C,
Punjab State Electricity Board
(J. K. SINGH)


Member (Distribution)
(S. K. ANAND)


मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

JAIPUR VIDYUT VITRAN NIGAM LIMITED,

AJMER VIDYUT VITRAN NIGAM LIMITED

&

JODHPUR VIDYUT VITRAN NIGAM LIMITED

FOR

TEHRI HYDROELECTRIC PROJECT (1000MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 27th day of July, Two Thousand Five (27-7-2005) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and

Handwritten signatures and initials:
 1. A signature that appears to be "Jub".
 2. A signature that appears to be "S".
 3. A signature that appears to be "S".

Handwritten signature:
मुकेश कुमार वर्मा / M.K. VERMA
 अवर महाप्रबंधक (वणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

Jaipur Vidyut Vitran Nigam Limited, a Government of Rajasthan Undertaking and a company registered under the Companies Act, 1956 having its registered office at Vidyut Bhawan, Janpath, Jaipur-302005 (hereinafter referred to as "JVVN" which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) as party of the second part;

Ajmer Vidyut Vitran Nigam Limited, a Government of Rajasthan Undertaking and a company registered under the Companies Act, 1956 having its registered office at Old Power House, Hathi Bhata, Jaipur Road, Ajmer-305001 (hereinafter referred to as "AVVN" which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) as party of the third part;

Jodhpur Vidyut Vitran Nigam Limited, a Government of Rajasthan Undertaking and a company registered under the Companies Act, 1956 having its registered office at New Power House, Heavy Industrial Area, Jodhpur (hereinafter referred to as "JdVVN" which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) as party of the fourth part;

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (1000 MW) located in the district of Tehri Garhwal in the State of Uttaranchal (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003, as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|------|---|--|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | GOI | : | Government of India. |
| e) | GOUP | : | Government of the State of Uttar Pradesh. |



f) GOUA	:	Government of the State of Uttarakhand
g) IEGC	:	Indian Electricity Grid Code
h) LC	:	Irrevocable Revolving Letter(s) of Credit
i) Month	:	English Calendar month
j) MOP	:	Ministry of Power, Govt of India
k) Outage	:	The state of component when it is not available to perform its intended function due to some event directly associated with that component.
l) Power/Energy	:	Electrical power/energy
m) POWER GRID	:	Power Grid Corporation of India Limited
n) Regional Energy Account (REA)	:	Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.
o) NREB	:	Northern Regional Electricity Board
p) NRLDC	:	Northern Regional Load Dispatch Centre
q) Year	:	Financial year commencing on 1 st April and ending on 31 st March

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

2.1 The installed capacity of the Project is 1000MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.

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[Handwritten signature]
मुकेश कुमार वर्मा / M.K. VERMA
 अपर महासंचालक (व्यावसायिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. JVVN, AVVN & JdVVN, however, are prepared to purchase any surplus power out of this Project as per their requirement, which may be surrendered by any of the Northern Regional States/UT.

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. JVVN, AVVN & JdVVN shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to JVVN, AVVN & JdVVN is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.3.01, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion to their shares in saleable capacity of the station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.




मुकुंदा कुमार वर्मा / M.K. VERMA
जनरल म्यानेजर (कमर्शियल)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to JVVN, AVVN & JdVVN out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the project shall be as per the Tariff Notifications/orders/directions issued to be issued by CERC from time to time under the Electricity Act, 2003, and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, JVVN, AVVN & JdVVN shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/direction of the Competent Authority is not finalised before that date, JVVN, AVVN & JdVVN shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification/order/direction.

7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to JVVN, AVVN & JdVVN on the basis of REAs issued by NREB and JVVN, AVVN & JdVVN shall accept these bills for payment. The bill shall be the aggregate of charges as approved/notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by JVVN, AVVN & JdVVN.

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

2014


मुकेश कुमार वर्मा / M.K. VERMA
रजि. महासंचालक (वणिज्यिक)
Addl. General Manager (Commercial)
टी.एस.डी.ए. इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.
- 7.3.1 In case JVVN and/or AVVN and/or JdVVN have any objection as to the accuracy of any bill(s), they shall lodge a written objection with THDC within 45 days of presentation of such bill(s). However, the payment of such bill(s) shall be made in full by JVVN, AVVN & JdVVN. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that JVVN and/or AVVN and/or JdVVN have paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by JVVN, AVVN & JdVVN through a confirmed, revolving, irrevocable Letter of Credit to be established in favour of the THDC for an amount equivalent to their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed once a year. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with JVVN, AVVN & JdVVN. LC would be opened by JVVN, AVVN & JdVVN in such number of revolutions as required, not exceeding four in a month. The operation of subsequent LC will be subject to the recoupment of the amount invoked, if any, against the previous LC. JVVN, AVVN & JdVVN shall ensure that the monthly bill of THDC is fully paid during the month. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by JVVN, AVVN & JdVVN directly on presentation of bill(s). All the bank charges shall be borne by JVVN, AVVN & JdVVN.
- 8.2 THDC shall present bill(s) to the said Bankers with a copy to JVVN, AVVN & JdVVN. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if JVVN and/or AVVN and/or JdVVN do not pay the bill(s) to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to JVVN and/or AVVN and/or JdVVN and inform NREB/NRLDC accordingly.







मुकेश कुमार वर्मा / M.K. VERMA
 जूनियर म्यानेजर (वाणिज्यिक)
 Add'l Commercial Manager (Commercial)
 टि.डी.सी. लिमिटेड, राशिकेश
THDC India Limited, Rishikesh

- 8.4 The parties acknowledge and accept that there will be significant change in the payment security mechanism established in favour of THDC as soon as JVVN, AVVN or JdVVN, ceases to be a Government of Rajasthan Undertaking. The parties, therefore, agree that in the event of privatisation of JVVN, AVVN or JdVVN, the Govt. of Rajasthan and the JVVN, AVVN or JdVVN, as the case may be, shall ensure alternative equivalent payment security mechanism satisfactory to THDC.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NREB shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.




मुकेश कुमार वर्मा / M.K. VERMA
अवर महासंचक (वाणिज्यिक)
Addl. General Manager (Commercial)
THDC Limited, ऋषिकेश
THDC Limited, Rishikesh

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case JVVN, AVVN & JdVVN continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC	Head of the Deptt. (Commercial) Tehri Hydro Development Corporation Ltd., Bypass Road, Rishikesh-249201
To & by JVVN	Managing Director Jaipur Vidyut Vitran Nigam Ltd., Vidyut Bhawan, Jangpath, Jaipur-302005
To & by AVVN	Managing Director Ajmer Vidyut Vitran Nigam Ltd., Old Power House, Hathu Bhata, Jaipur Road, Ajmer-305001
To & by JdVVN	Managing Director Jodhpur Vidyut Vitran Nigam Ltd., New Power House, Heavy Industrial Area, Jodhpur

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by JVVN, AVVN & JdVVN within one month of signing of the Agreement.

2/11/19

मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL), JVYN, AVVN & JdVYN and THDC in respect of this Agreement and any decisions arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

The Government of Rajasthan (Energy Department) vide their notification no. F.15(4)Energy/2003 dttd. 28.02.04 has transferred the rights and obligations relating to trading of electricity from Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RRVPNL) to the Distribution companies, namely Jaipur Vidyut Vitran Nigam Limited, Ajmer Vidyut Vitran Nigam Limited & Jodhpur Vidyut Vitran Nigam Limited w.e.f. 01.04.04.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 27th day of July, 2005 at Jaipur.

WITNESSES

- | | | |
|----|--|--|
| 1. | 
(D.K. Goyal)
AGM (Gen)
THDC Ltd. | For and on behalf of
Tehri Hydro Development Corporation Limited

Director (Technical)
TISH C. SHARMA
Director (Technical)
Tehri Hydro Development Corpn. Ltd. |
| 2. | 
(R.N. Ruffhead)
CE (RPOC) | For and on behalf of
Jaipur Vidyut Vitran Nigam Ltd.,

Managing Director |
| 3. | 
(S.P. Singh)
Superintending Engineer | For and on behalf of
Ajmer Vidyut Vitran Nigam Ltd.,

Managing Director
Managing Director
Ajmer Vidyut Vitran Nigam Ltd.
AJMER |
| 4. | 
(Superintending Engineer)
Superintending Engineer (RPPC),
Jodhpur Discom, JAIPUR. | For and on behalf of
Jodhpur Vidyut Vitran Nigam Ltd.,

Managing Director
Managing Director
Jodhpur Vidyut Vitran Nigam Ltd.
JODHPUR |


मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 टी.डी.सी. इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh



POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

UTTARANCHAL POWER CORPORATION LIMITED

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 21st day of April Two Thousand Four (21/04/2004) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Uttaranchal Power Corporation Limited, a company incorporated under the Companies Act, 1956, a statutory body constituted by Government of Uttaranchal under the Electricity (Supply) Act, 1948 having its Head Office at Urja Bhawan, Kanwali Road, Dehradun-248001 (hereinafter referred to as "UPCL" which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (Stage I-1000 MW) located in the district of Tehri-Garhwal in the State of Uttaranchal (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टी.पटीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

सं. क्र. /
दिनांक

श्री. वि. एन. ए. ए. लिमिटेड काईपल रोड, अरुणकोट

Harish Gupta Senia
Stamp Vendor
Court Compound, Rishikesh



मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (व्यावसायिक)
Addl. General Manager (Commercial)
टी.एन.ए. लिमिटेड, अरुणकोट
THDC Limited, Rishikesh

L0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- a) BPTA : Bulk Power Transmission Agreement.
- b) CEA : Central Electricity Authority.
- c) CEREC : Central Electricity Regulatory Commission.
- d) GOI : Government of India.
- e) GOUP : Government of the State of Uttar Pradesh.
- f) GOUA : Government of the State of Uttaranchal.
- g) IEGC : Indian Electricity Grid Code.
- h) LC : Irrevocable Revolving Letter(s) of Credit.
- i) Month : English Calendar month.
- j) MOP : Ministry of Power, Govt of India.
- k) Outage : The state of component when it is not available to perform its intended function due to some event directly associated with that component.
- l) Power/Energy : Electrical power/energy.
- m) POWER GRID : Power Grid Corporation of India Limited.
- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.

- o) NREB : Northern Regional Electricity Board.
- p) NRLDC : Northern Regional Load Despatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.
- r) Tripartite Agreement : The Agreement signed between the State Govt. (of beneficiary State), Govt. of India and the Reserve Bank of India for settlement of UPCL's dues.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 1000MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement.

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. UPCL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to UPCL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified in clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.


मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (वणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

4.0 DEEMED GENERATION

The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to UPCL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the project shall be as per the Tariff Notifications/orders/directions issued to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, UPCL shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/direction of the Competent Authority is not finalised before that date, UPCL shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification/order/direction.

7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to UPCL on the basis of REAs issued by NREB and UPCL shall accept these bills for payment. The bill shall be the aggregate of charges as approved/notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by UPCL.

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued to be issued by CERC/GOI from

time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.
- 7.3.1 In case UPCL has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by UPCL. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that UPCL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 7.3.3 If due to CERC notification / any other relevant order, the tariff amount already charged in the previous bills is modified and it is found that excess payment has been made to THDC, THDC shall refund the excess amount to UPCL within 30 days from the date of issue of relevant order. However, if as a result of such notification, any amount becomes due and payable to THDC, UPCL shall make the payment to THDC within 30 days from the date of issue of relevant order against necessary supplementary bills to be raised by THDC.
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by UPCL through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with UPCL. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by UPCL directly on presentation of bill(s). Bank charges relating to opening, advising and recoupment shall be borne by UPCL.
- 8.2 THDC shall present bill(s) to the said Bankers with a copy to UPCL. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.


मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टी. ए. सी. लिमिटेड, राधिकेश
THDC India Limited, Rishikesh

- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by UPCL to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to UPCL and inform NREB/NRLDC accordingly.
- 8.4 UPCL and THDC shall endeavour for inclusion of THDC's name in the list of CPSUs covered by the Tripartite Agreement notified by the Government of India. In case the name of THDC is not included in the list of CPSUs covered by the Tripartite Agreement, UPCL shall move for issue of guarantee by the Government of Uttaranchal to cover the payments of energy bills.

After the inclusion of THDC's name in Tripartite Agreement signed between the Govt. of India, Reserve Bank of India and the State Government, the Tripartite Agreement shall form an integral part of this Agreement. In case any of the provisions of this Agreement are inconsistent with the provisions of the Tripartite Agreement, mentioned above, then the provision of Tripartite Agreement shall prevail.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NREB shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction in Uttaranchal shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.


मुकेश कुमार वर्मा / M.K. VERMA
असिस्टेंट जनरल मैनेजर (कॉमर्शियल)
Addl. General Manager (Commercial)
टीएचडीसी एनईआ लिमिटेड, ऋषिकेश
Rishikesh

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case UPCL continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201

To & by UPCL Head of the Deptt. (Commercial)
Uttaranchal Power Corporation Limited,
Urja Bhawan, Karwali Road,
Dehradun-248001

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by UPCL within one month of signing of the Agreement.



मुकुंदा कुमार वर्मा / M.K. VERMA
अन्य महासंचालक (वणिज्यिक)
Addl. General Manager (Commercial)
सुपर टैरि इंडिया लिमिटेड, ऋषिकेश
ThDC India Limited, Rishikesh

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between UPCL and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

The agreement is subject to approval by Uttarnchal Electricity Regulatory Commission.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 21st day of April, 2004 at Dehradun (Uttaranchal)

WITNESSES

1.


(AJAY KUMAR)
DGM (Comm.)
THDC LTD. RISHI

For and on behalf of
Tehri Hydro Development Corporation Limited


(P. D. TUTEJA)
Director (Finance), THDC

2.


(Director (Finance),
UPCL)

For and on behalf of
Uttaranchal Power Corporation Limited


Director (Finance), UPCL



मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, राधिकेश
THDC India Limited, Rishikesh



POWER PURCHASE AGREEMENT

BETWEEN

THE TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

THE ENGINEERING DEPARTMENT, CHANDIGARH ADMINISTRATION

This POWER PURCHASE AGREEMENT is made on this 12th day of Dec. (Month) Two Thousand Three (12.12.2003) between the President of India through the Secretary, Engineering Department, Chandigarh Administration, Sector-9D, Chandigarh-160009 (hereinafter referred to as "CED" which expression shall unless repugnant to the context or meaning thereof include its successors and assignees) of the first part and the Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assignees) of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between the Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Tehri Hydroelectric Power Project (Stage I-1000 MW) located in the District of Tehri-Garhwal in the State of Uttaranchal (hereinafter specifically referred to as "Project") to be operated and maintained by the THDC.

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

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 मुकेश कुमार वर्मा / M.K. VERMA
 अवर महाप्रबंधक (वणिज्यिक)
 Addl. General Manager (Commercial)
 टी. डी. ए. लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

1.0 DEFINITIONS

The words/expressions used in this agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- a) BPTA : Bulk Power Transmission Agreement.
- b) CEA : Central Electricity Authority.
- c) CERC : Central Electricity Regulatory Commission.
- d) GOI : Government of India.
- e) GOUP : Government of the State of Uttar Pradesh.
- f) GOUA : Government of the State of Uttaranchal.
- g) IEGC : Indian Electricity Grid Code.
- h) LC : Irrevocable Revolving Letter(s) of Credit.
- i) Month : English Calendar month.
- j) MOP : Ministry of Power, Govt of India.
- k) Outage : The state of component when it is not available to perform its intended function due to some event directly associated with that component.

- l) Power/Energy : Electrical power/energy.
- m) POWER GRID : Power Grid Corporation of India Limited.
- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by the NREB showing exchange of energy among the various constituents of the NREB.
- o) NREB : Northern Regional Electricity Board.
- p) NRLDC : Northern Regional Load Despatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.
- r) Tripartite Agreement : The agreement signed between the State/UT Govt. (of beneficiary State/UT), Govt. of India and the Reserve Bank of India for settlement of CED's dues.

2.0 INSTALLED CAPACITY AND ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 1000 MW, having 4 units of 250 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by the CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India, from time to time, which shall form an integral part of this agreement. CED, however, is prepared to purchase upto 10 MW of power from the THDC.

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मुकुंद कुमार वर्मा / M.K. VERMA
 अपर महासंचालक (व्यावसायिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

(132)

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. CED shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and the THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in the IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of the THDC. The supply of energy to the CED is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by the THDC in consultation with the NREB/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified in clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by the CERC/CEA from time to time and as per the relevant provisions contained in the IEGC, as amended from time to time.

4.0 DEEMED GENERATION

In case of reduced generation due to the reasons beyond the control of the THDC or on account of non-availability of transmission lines or on receipt of backing down instructions from the Northern Regional Load Despatch Centre/NREB resulting in spillage of water, energy charges on account of such spillage shall be payable to the THDC as deemed generation. Energy charges on the above count shall not be admissible if the energy generated during the year is equal to or more than design energy.

If the Project has achieved the normative capacity index (85%) in a tariff year, but actual energy generation falls short of design energy, for reasons solely attributable to hydrology, energy charges upto design energy shall be treated as deemed generation and shall be payable by the CED to the THDC.

Apportionment of energy charges for such deemed generation among the beneficiaries shall be in proportion to their shares in saleable capacity of the Project.

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मुकेरा कुमार वर्मा / M.K. VERMA
अवर महासंचालक (वणिज्यिक)
Addl. General Manager (Commercial)
लिमिटेड, ऋषिकेश
imited, Rishikesh

133

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to the CED out of the energy available for sale shall be the energy as indicated in the REAs issued by the NREB/NRLDC. The REA including amendments, if any, as issued by the NREB/NRLDC shall form the basis for billing purposes and be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated terms and conditions for the energy to be supplied by the THDC from the project shall be as per the Tariff notifications/orders/directions issued/to be issued by the CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by the CERC from time to time.
- 6.2 In addition to the energy tariff set out, the CED shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto, as per approval/orders of the CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, the CED shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to the CED on the basis of REAs issued by the NREB and the CED shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by the CERC/GOI and also subject to all other related provisions wherever appearing in this agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by the THDC, if any amount becomes due and payable to THDC, the same shall be paid by the CED.



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134


मुकुंद कुमार वर्मा / M.K. VERMA
अपर महासंचालक (व्यावसायिक)
Adm General Manager (Commercial)
राजी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

- 7.2.1 The surcharge shall be levied by the THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by the CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by the CERC/GOI from time to time and the same shall form an integral part of this agreement.
- 7.3.1 In case CED has any objection as to the accuracy of any bill(s), it shall file a written objection with the THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by the CED. On such objection being upheld by the THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that the CED has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to the THDC, the THDC shall raise necessary supplementary bill(s).
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of the CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by the CED through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of the Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all time during the validity of this agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by the THDC. If the amount of energy supply bill is more than the amount of Letter of Credit, payment of the excess amount shall be made by the CED directly on presentation of bill(s). All the bank charges shall be borne by the CED.
- 8.2 THDC shall present bill(s) to the said Bankers with a copy to the CED. The bill(s) so presented by the THDC to the said Bankers shall be promptly paid on their presentation.



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मुकुेश कुमार वर्मा / M.K. VERMA
अन्य महासंचालक (व्यापारिक)
Joint General Manager (Commercial)
हिमा लिमिटेड, ऋषिकेश
Hima Limited, Rishikesh

- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by the CED to the THDC within 60 days from the date of issue of the bill, the THDC shall have the authority to discontinue/reduce supply of power to the CED and inform the NREB/NRLDC accordingly.
- 8.4 Chandigarh UT Government hereby guarantees the performance of the obligations of the CED to make regular payments of the energy bill presented by the THDC for power supplied / to be supplied to the CED from the project.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this agreement, save and except as provided under clause 5.0 above to the extent of power vested with the NREB, shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by the Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics,

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मुकुल कुमार वर्मा / M.K. VERMA
अधीन निदेशक (व्यावसायिक)
Addl. General Manager (Commercial)
एन.ए.ए. लिमिटेड, ऋषिकेश
T. N. A. E. India Limited, Rishikesh

landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This agreement shall come into force from the date of signing of this agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this agreement may be mutually extended, renewed, rescinded or replaced by another agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this agreement shall continue to operate till the same is formally renewed, extended or replaced, in case CED continue to get power from the Project even after expiry of this agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To and by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh-249201

To and by CED Chief Engineer,
Electricity Operation Circle,
UT Secretariat, New Additional office Building,
Sector-9D, Chandigarh-160009

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by the CED within one month of signing of the agreement.



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मुकुंदा कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
राष्ट्रीयता इंधन लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh


It is specifically agreed that this agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between the CED and the THDC in respect of this agreement and any decision(s) arrived at therein in the past and before signing of this agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this agreement or its implementation.


Any Tripartite Agreement signed between the Govt. of India, Reserve Bank of India and the Government of Union Territory of Chandigarh, shall form an integral part of this agreement. In case any of the provisions of this agreement are inconsistent with the provisions of the Tripartite Agreement, mentioned above, then the provisions of Tripartite Agreement shall prevail.


IN WITNESS thereof, the parties hereto have caused this agreement to be executed hereunder by their duly Authorised Representatives on this 12th day of DECEMBER, 2003 at ...3.P.M. at Chandigarh.

For and on behalf of the
Tehri Hydro Development Corporation Limited

WITNESSES

1. 
12.12.03 (A. JAY KUMAR)
DGM (Commercial)
THDC Ltd


(P.D. TUTEJA)
Director (Finance), THDC
P.D. TUTEJA
Director (Finance)
Tehri Hydro Development Corpn. Ltd.
KRISHNOO Sharma, 4th Floor
A-10, Sec. - 1, NOIDA - 201 301
For and on behalf of the
President of India

2. 
Engineering Deptt.
Chandigarh Administration
~~Superintending Engineer,~~
Electy. Operation Circle,
U.T. Chandigarh.

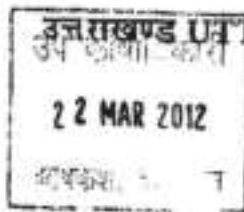

Secretary (Engineering),
Chandigarh Administration
Secretary (Engineering)
Chandigarh Administration

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मुकुंदा कुमार वर्मा / M.K. VERMA
अस. महासंचालक (वणिज्यिक)
A-44 General Manager (Commercial)
एच.डी.डी. इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

138



POWER PURCHASE AGREEMENT
BETWEEN
THDC INDIA LIMITED
AND
BSES RAJDHANI POWER LIMITED
FOR

G 278277

Tehri HPP (4 X 250 MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 30th day of March Two Thousand Twelve (30 / 03 / 2012) between:

THDC India Limited, a Generating Company, formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh, incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and permitted assigns) as party of the first part ;

BSES Rajdhani Power Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at BSES Bhawan, 2nd Floor, Nehru Place, New Delhi-110019 (hereinafter referred to as "BRPL" or "Procurer" which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns) as party of the second part;

Each of the parties of the first and second part above shall be individually referred to as "a Party" and collectively referred to as "the Parties".

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मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इण्डिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

AND WHEREAS:

- A. Delhi Transco Ltd. entered into Power Purchase Agreement with THDC India Ltd. for purchase of power from Tehri HPP (1000 MW) on mutually agreed terms and conditions contained in the said PPA on 27.04.2004.
- B. Power Purchase Agreement referred to as above of the recitals and given in Annexure-II is hereinafter referred to as the "Power Agreement", for the sake of brevity.
- C. BRPL, one of the distribution Licensees in the National Capital Territory of Delhi ("NCTD") as per Licence granted by the Delhi Electricity Regulatory Commission (the "DERC") is engaged in the distribution and retail supply of electricity in the specified area of distribution as provided under the Licence granted to it by the DERC.
- D. DTL has been buying Bulk Electricity from THDC under the above mentioned Power Agreement (from power stations where generation has commenced) for supply to various distribution Licensees of NCTD (collectively the "Distribution Companies"), which include BRPL.
- E. DTL has also been undertaking the functions of Transmission and related activities in the NCTD including the functions of the State Transmission Utility and State Load Dispatch Centre as provided under sections 39 and 32 respectively of the Electricity Act, 2003 (the "Electricity Act").
- F. DTL has thus been undertaking the Bulk Purchase, Bulk Supply and Transmission of electricity and for such activities, DTL is a transmission cum bulk supply Licensee in the Licence granted by the Delhi Electricity Regulatory Commission.
- G. The Electricity Act, 2003 came into force with effect from 10th June 2003 and in terms of the provisions of section 39 of the said Act, transmission Licensees including the State Transmission Utility are prohibited from undertaking trading in electricity.
- H. Govt. of India, vide letter no. 25/18/2004-R&R dated 06.05.2005 had conveyed its consent to allowing the DTL to continue to engage in the function of the bulk supply to Distribution Companies upto 31.03.2007 in accordance with the policy direction given by the GoNCTD under the Delhi Electricity Reforms Act, 2000.
- I. In compliance with the provisions of the Electricity Act, the GoNCTD has segregated the trading functions and the transmission functions of DTL and consequent thereto DTL was required to cease to undertake the Bulk Purchase and Bulk Supply namely the trading in electricity. Further,

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मुकेश कुमार वर्मा / M.K. VERMA
अपरा महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

GoNCTD vide its Policy directions dated 28.06.2006 has directed DERC to make arrangements on the various existing Power Agreements beyond 01.04.2007.

- J. Pursuant to the above, DERC vide their Order No. F.17 (115)Engg./DERC/2006-07/4757 dt. 31.03.2007, (hereinafter referred to as "the Order"), a true copy of which is annexed hereto as "Annexure-I", has allocated the capacities in Generating Stations including those of THDC under the above said Power Agreements to North Delhi Power Ltd. (NDPL), BSES Rajdhani Power Ltd. (BRPL), BSES Yamuna Power Ltd. (BYPL), New Delhi Municipal Council (NDMC) and Military Engineer Services (MES) with effect from 01.04.2007 and has, inter-alia, directed that from 01.04.2007, the supply of power from THDC stations under the above referred Power Agreements shall be made directly to NDPL, BRPL and BYPL Distribution Companies. The said date, i.e., 01.04.2007, effective from which the DERC has allocated the capacities from generating stations to the Distribution Companies of Delhi is hereinafter referred to as the "Effective Date".

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

1.0 DEFINITIONS :

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

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|------|---|---|---|
| i) | Act 2003 | : | The Electricity Act, 2003 as amended or modified from time to time including any re-enactment thereof. |
| ii) | Bulk Power Customer(s)/Beneficiary(ies) | : | Bulk Power Customer(s)/Beneficiary(ies) in relation to the Customer(s)/generating station shall mean the person to whom power is allocated from the station including BRPL. |
| iii) | Busbars | : | Busbars of the Station to which outgoing feeders are connected. |
| iv) | CEA | : | Central Electricity Authority. |
| v) | CERC | : | Central Electricity Regulatory Commission. |
| vi) | CTU | : | Central Transmission Utility. |

- vii) Capacity Charges : Capacity Charges are Fixed Charges as determined by CERC and shall be paid in proportion to the allocated capacity in accordance with the CERC Regulations.
- viii) Charges for Supply of Electricity : All charges to be paid by Beneficiary (ies) in respect of supply of electricity to them by THDC in accordance with the provisions of this Agreement.
- ix) COD : Date of Commercial Operation.
- x) DERC : Delhi Electricity Regulatory Commission.
- xi) GoI : Government of India.
- xii) IEGC : Indian Electricity Grid Code.
- xiii) LC : Irrevocable Revolving Letter(s) of Credit.
- xiv) Month : English Calendar month.
- xv) MoP : Ministry of Power, Govt of India.
- xvi) NRLDC : Northern Regional Load Despatch Centre.
- xvii) NRPC : Northern Regional Power Committee.
- xviii) Outage : The state of component when it is not available to perform its intended function due to some event directly associated with that component.
- xix) Power/Energy : Electrical power/energy.
- xx) POWER GRID/PGCIL : Power Grid Corporation of India Limited.
- xxi) Project : Generating station of THDC covered in Power Agreement.
- xxii) Receivables : All of the present and future payments, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to its Procurer in respect of the sale by the Procurer to the Consumers of electricity and all proceeds thereof but shall not include any capital receipts, including but not limited to consumer contribution for capital works, capital grants, consumption deposits, service line deposits, loans, etc.

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xxiii) Regional Energy Account (REA)	:	Periodic Energy Account including amendments thereof, if any, prepared by NRPC/ NRLDC showing exchange of energy among the various constituents of NRPC/ NRLDC.
xxiv) RLDC	:	Regional Load Despatch Centre.
xxv) RPC	:	Regional Power Committee.
xxvi) SLDC	:	State Load Despatch Centre.
xxvii) UI	:	Unscheduled Interchange.
xxviii) Year	:	Financial year commencing on 1 st April and ending on 31 st March.

2.0 The Parties to this Agreement acknowledge, accept and confirm the transfer and vesting of the rights and obligations of DTL to BRPL for procurement of power from THDC under the Power Agreements to the extent of the capacities allocated to it in terms of the DERC Order dated 31.03.07 from the Effective Date, as amended from time-to-time by DERC or such other competent authorities.

3.0 The Parties agree that from the Effective Date, BRPL shall for all intent and purposes be treated as a purchaser of power from THDC with both THDC and BRPL being entitled to enforce their respective rights and obligations under the Power Agreement and this Agreement.

4.0 Notwithstanding anything stated above, DTL and not BRPL shall be liable to pay and discharge all amounts due by it to THDC, including any other liabilities or adjustments that may arise in future for the period upto the Effective Date. Similarly any amounts owed by THDC to DTL for supplies prior to the Effective Date will be settled by THDC with DTL.

5.0 GENERAL OBLIGATIONS :

5.1 400KV (high voltage) side of the Generator Transformer/ Busbars of THDC's Generating Station shall be the delivery point for supply of energy. BRPL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.

5.2 The energy supplied by the Generating Station under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to BRPL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/NRLDC.

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- 5.3 Scheduling : Methodology of generation scheduling shall be as per Indian Electricity Grid Code (as revised from time to time), CERC Regulations and the decisions taken at NRPC forum. Any charges /fees towards scheduling of power shall be borne by BRPL.
- 5.4 Operation : The Stations/ Stages shall be operated as per CERC Regulations, Grid Code and any other statutory provisions as applicable or amended from time to time.
- 5.5 The metering will be at the delivery point of the Generating Station as specified at clause 5.1 above. Metering arrangements including its installation, testing, calibration, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.
- 6.0 DEEMED GENERATION :
- The charges on account of Deemed Generation shall be levied by THDC as per the notifications/directives/guidelines issued/to be issued by CERC/Gol from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 7.0 ACCOUNTING OF ENERGY:
- 7.1 The quantum of energy sold to BRPL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.
- 7.2 Any change in the methodology of Regional Energy Accounting shall be done only as per the decisions taken in the NRPC forums and the parties agree to abide by the methodology so finalised.
- 8.0 TARIFF:
- 8.1 THDC shall file a petition before CERC for tariff determination well in advance before the scheduled COD of respective unit of the Station. However, in case the tariff is not determined by CERC prior to the commencement of commercial operation of the respective unit of the Station, the parties agree that THDC shall charge the tariff based on petition filed before CERC as an interim measure, subject to appropriate adjustment as and when the provisional/final tariff is determined by CERC.

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मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

- 8.2 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions
- 8.3 **Tax on Income:** Billing and recovery of income tax shall be as per regulations of CERC as applicable from time to time.
- 8.4 Recovery of Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 8.5 **Other Taxes, Levies, Duties, Royalty, Cess, etc.:** Statutory taxes, levies, duties, royalty, cess or any other kind of imposition(s) imposed/charged by any Government (Central/State) and/or any other local bodies/authorities on generation of electricity including auxiliary consumption or any other type of consumption including water, environment protection, sale or on supply of power/electricity and/or in respect of any of its installations associated with the Station payable by THDC to the authorities concerned shall be borne and additionally paid on pro-rata basis by the BRPL to THDC as per CERC Regulations/Orders.
- 8.6 Any expenses on account of change in law as approved by CERC would be recovered through tariff.
- 8.7 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalized before that date, BRPL shall continue to pay to THDC for the power supplied from the project beyond this date provisionally as an interim measure in the manner detailed in the previous notification /order/direction.
- 8.8 Sale of infirm power i.e electricity prior to commercial operation of the unit, will be as per the guidelines of CERC applicable from time to time.
- 9.0 **BILLING:**
- 9.1.1 THDC shall prepare monthly bills for the energy supplied to BRPL on the basis of REAs issued by NRPC/ NRLDC or any other Competent Authority in accordance with the tariff orders issued by CERC. The bill shall be the aggregate of charges as approved /notified by CERC/GoI and also subject to all other related provisions wherever appearing in this Agreement.

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मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

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- 9.1.2 Billing Centre of THDC shall carry out billing and associated functions. THDC shall submit the bills to the Officer to be nominated by BRPL.
- 9.1.3 Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by BRPL.
- 9.2.1 In case BRPL has any objection as to the accuracy of any bill(s), it shall lodge a written objection (the Bill Dispute Notice) with THDC within 60 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by BRPL. On such objection being upheld by THDC, the same shall be rectified within a period of 45 days from the date of receipt of written objection (the Bill Dispute Notice) and necessary effect of the same shall be given in the subsequent bill(s).
- 9.2.2 If on such rectification, it is found that BRPL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 9.2.3 If the bills raised by THDC are not disputed within 60 days from receipt, such bills shall be taken as conclusive.
- 9.2.4 If THDC does not agree with the contention of BRPL, or vice-versa, at the lapse of thirty (30) days from the date of issuance of written objection (Bill Dispute Notice), either Party shall issue a Notice of Disagreement to the Bill Dispute Notice, pursuant to which the Dispute shall be resolved in the manner laid down hereinafter in Clause 12.0 on "Arbitration and Jurisdiction".
- 9.2.5 The settlement of all disputed current dues shall be governed as per the directives of CERC/Gol as issued/ to be issued from time to time and the same shall form an integral part of this Agreement.
- 9.3 The Late Payment Surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notifications/directives/guidelines issued/to be issued by CERC/Gol from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 9.4 The provision for allowing rebate shall be regulated as per the notifications/ directives/guidelines issued by CERC/Gol from time to time or any other rebate scheme as may be offered by THDC and agreed to by BRPL and the same shall form an integral part of this Agreement.

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10.0 PAYMENT :

- 10.1.1 BRPL shall provide to THDC, unconditional, revolving and irrevocable letter(s) of credit ("LC"), which shall be drawn in favour of THDC in accordance with this Agreement. The LC shall be made operational at least one month prior to the commencement of power supply from the Project. The LC shall be provided from appropriate bank and in a format acceptable to the parties. Notwithstanding anything to the contrary stated above, the LC would revolve every month and the amount negotiated under the LC would be reinstated to its original value upon funding of the prior withdrawal under LC, either directly by BRPL or through the Escrow arrangement.
- 10.1.2 BRPL shall cause the Bank(s) issuing the LC to intimate to THDC in writing, regarding establishing of such LC. All expenses including opening, maintenance, and negotiation etc., related to LC shall be borne by BRPL.
- 10.1.3 The Letter(s) of Credit shall have a minimum term of twelve (12) months and shall cover 105% of one month's average bill amount based on the preceding twelve months' billing. The amount of LC requirement would be reviewed once every six (6) months at the beginning of January and July based on 105 % of the average monthly bill amount for the preceding 12 months (hereinafter referred as 'LC amount'). The LC amount shall be accordingly increased or decreased with effect from not later than 1st of April and 1st of October of the year. If the amount of energy supply bill for any month is more than the amount of Letter of Credit, the payment of the excess amount shall be made by BRPL directly on presentation of bill(s).
- 10.1.4 Further, the LC amount so renewed every six months shall also include charges at 105% of one month's average billing for anticipated power supplies to BRPL from THDC's new unit(s)/stations expected to commence during the next six months, at normative operational levels as per CERC and for any additional allocations made or being made to BRPL from THDC's existing units/ stations. Initially, the LC shall cover 105% of the one month's estimated billing based on target availability as specified by CERC, in respect of the power to be supplied from the station to BRPL.
- 10.1.5 BRPL shall ensure that LC remains valid for all times during the entire validity of this Agreement or extended period and shall renew the same at least 30 (thirty) days before the expiry of its term, each time.
- 10.1.6 On each negotiation of Letter of Credit, the LC would be replenished by BRPL to the level required as per this Agreement by not later than seven days of such drawal and BRPL shall confirm the same to THDC duly supported by the Banker's certificate to this effect.
- 10.1.7 If the Letter of Credit is not maintained or the same is not replenished after drawal made therefrom by BRPL within a period of seven days from the date

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मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

of such drawal, the Escrow arrangement shall come into operation in the manner specified in the Default Escrow Agreement signed separately between the parties.

- 10.2.1 THDC would raise bills for monthly power supplies normally by the 7th day of the following month as per REA issued by NRPC or any other competent authority in accordance with tariff orders issued by CERC. BRPL shall accept these bills and shall make payment against the bills so raised by 60th day (hereinafter referred to as the "Due Date") from the date of billing.
- 10.2.2 THDC shall have the right to realise payment through the Letter of Credit only in the event the payment is not made by "Due Date".
- 10.2.3 The Bills shall be paid in full subject to the conditions that:
- There is no arithmetical error in the bill(s).
 - The bill(s) is/are claimed as per the agreed tariff.
 - They are in accordance with the REA issued by NRPC/NRLDC or any other competent authority.
- 10.3 All payments made by BRPL shall be appropriated by THDC for amounts due in the following order of priority:
- towards earlier unpaid, undisputed outstanding, if any.
 - towards the Capacity Charges, Energy Charges, Incentive and other charges in Current Bill on LIFO system.
- 10.4 Payment Security Mechanism:
- 10.4.1 BRPL shall secure the payment obligations of BRPL with respect to the electricity supplied by THDC by entering into an Agreement to Hypothecate cum Deed of Hypothecation with THDC and thereby hypothecate the Receivables equivalent to the LC amount in favour of THDC to create a first floating charge on the Receivables ranking *pari-passu* only with (i) other electricity generators and transmitters under power agreements or memorandum of understandings executed by them with BRPL / DTL / GoNCTD for supply/transmission of electricity to BRPL before the Effective Date, and (ii) working capital and term lenders extending fund and non fund based facilities to BRPL. The list of such generators of electricity along with the names and installed capacity of stations is at Annexure-II hereto. The charge aforesaid shall, however, be subservient to the charge in favour of the bank(s) issuing letter(s) of credit in favour of THDC and other suppliers/transmitters of energy listed at said Annexure-II hereto.
- 10.4.2 THDC agrees that so long as the amounts becoming due from BRPL to THDC under this Agreement are paid as described above and LC remains valid as required under this agreement, BRPL shall be entitled to utilize the Receivables in such manner as BRPL may consider appropriate and THDC

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agrees to maintain its first pari-passu charge over the receivables as a floating charge as set forth in Clause 10.4.1 herein above.

- 10.4.3 In the event of default on the part of BRPL to pay the amounts due to THDC by the Due Date or non availability/ non re-instatement of LC within 7 days of the drawal of LC, the aforesaid floating charge shall crystallize into a fixed charge automatically, without any further act, deed or thing to be done by BRPL or the bank or THDC or any other person.
- 10.4.4 In the event of default, the charge on Receivables shall, notwithstanding anything to the contrary contained in this Agreement, have a priority as described hereunder;
- i) First Pari-Passu Charge on the Receivables equivalent to the LC amount for power purchase in favour of all the Generators and its associated Transmitters of electricity for all the capacities as indicated at Annexure-II hereto. However, for the capacities which are yet to be commissioned, this First Pari-Passu Charge would come into force from the Date of Commercial Operation of such capacities. It is further expressly agreed that the Banks issuing the Letter(s) of Credit for supply against capacities as described at Annexure-II shall have a superior charge with respect to such LCs over the Receivables to that held by the Generators and its associated Transmitters of electricity.
 - ii) A Charge on the Receivables, subservient to that held by the banks issuing LCs for power purchase and transmitters of electricity to BRPL, would be available in favour of working capital bankers and term lenders extending fund based and non fund based loans and other facilities to BRPL.
- 10.4.5 THDC acknowledges and agrees that BRPL shall have the right to create a charge on the Receivables in excess of those charged to the Generators /associated transmitters as per Annexure-II in favour of any other supplier(s)/transmitter(s) of electricity for capacities in excess of aggregate capacities mentioned in Annexure-II.
- 10.4.6 BRPL shall, within ninety (90) days from the date of entering into this Agreement, also enter into the Default Escrow Agreement (referred to as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of THDC and other Generators and its associated Transmitters of electricity, through which the Receivables of BRPL upto the required LC amount shall be routed in the event of default under this Agreement, and used as per the terms of the Default Escrow Agreement being signed separately between the parties.
- 10.4.7 BRPL shall register, in favour of THDC, the above pari-passu charge on Receivables and the Agreement to Hypothecate-Cum-Deed of Hypothecation and the Default Escrow Agreement, with the Registrar of Companies at the

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मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

cost and expense of BRPL and shall execute all such documents as required from time to time to confirm such charge.

10.5 Third Party Sales on default:

In case of a default in making payment, the relevant CERC Regulations (Regulation of Power supply) shall be applicable.

11.0 QUARTERLY AND ANNUAL RECONCILIATION:

Both THDC and BRPL acknowledge that all payments made against all Bills shall be subject to quarterly reconciliation at the beginning of the following quarter and annual reconciliation at the end of each Year to take into account Tariff Adjustment Payments, Tariff Rebate Payments, Late Payment Surcharge, etc. to determine the amount due, if any. Both THDC and BRPL therefore, agree that as soon as all such data in respect of any quarter/year has been finally verified and adjusted, THDC and BRPL shall jointly sign such reconciliation statement. Within fifteen (15) days of signing of a reconciliation statement, THDC, if required, shall raise a Bill for Adjustments for the relevant quarter/year. Any dispute with regard to the above reconciliation shall be dealt with in accordance with the provisions of this Agreement.

12.0 ARBITRATION AND JURISDICTION :

12.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement shall be settled as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of sole Arbitrator to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

12.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be at Delhi.

12.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.

12.4 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.

12.5 The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.

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मुकेश कुमार वर्मा / M.K. VERMA
असद महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

13.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect. Generation/ Drawl shall be started as soon as possible by the parties concerned after such eventuality has come to an end or ceased to exist.

14.0 DURATION OF AGREEMENT:

- 14.1 This Agreement shall remain valid/operative for thirty five (35) years from the commercial operation date of the last unit of the respective Generating Station provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case BRPL continue to get power from the Generating Station even after expiry of this Agreement without further renewal or formal extension thereof.

The COD of the Generating Station is given as under:

- (a) Tehri HPP (1000 MW) --- 09.07.2007

- 14.2 Notwithstanding anything to the contrary contained in this Agreement and subject to the provisions of clause 14.3, in the event of whole or any part of the provisions of this Agreement on establishment of Escrow mechanism is declared invalid or not enforceable or is rendered ineffective or inoperative by any court or regulatory authority, THDC may exercise its right of appeal or appropriate remedy for seeking relief with regard to the above impugned order in the appellate court/authority.

- 14.2.1 Pending satisfactory resolution of the above said eventuality or in the absence of a stay order being granted by the appellate court/authority to the operation of the above impugned order BRPL shall, within 30 days of passing of the impugned order provide the following security arrangement in lieu of the Escrow arrangement:

The LC amount shall be enhanced from 105% to 150% of the average monthly billing and the 'Due Date of Payment' shall be advanced to 3 days

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after the 'Date of Presentation of the Bill' and in the event of invocation of the LC, BRPL shall recoup the LC within a period of 7 days and confirm the same to THDC duly supported by the Banker's certificate to this effect.

The above payment arrangement shall continue till an alternate payment security arrangement is established by BRPL to the satisfaction of THDC.

- 14.2.2 In the event of a default in Payment or Non-enhancement of LC or Non-recoupment of the LC during the period when Escrow mechanism or a satisfactory, alternate security arrangement in lieu of Escrow mechanism is not available to THDC, THDC shall serve a notice of 90 days on BRPL to remedy/rectify the default during which period the supply of power shall remain suspended and in the event of BRPL not being able to remedy/rectify the default within the notice period of 90 days, THDC shall have the right to terminate this Agreement with immediate effect by a communication in writing to BRPL.

Provided however that in the event of a non enhancement of LC, the supply during the above 90 days period, instead of being suspended, shall be reduced by a level in proportion to the amount of LC not funded or LC coverage shortfall.

- 14.3 Notwithstanding anything contained in Clause 14.2 or anything to the contrary contained in this Agreement upon occurrence of the following events enumerated at Clauses 14.3 (a) and (b) below, THDC shall have the right to terminate this Agreement with immediate effect by delivering a Notice of Termination:

- (a) any petition for winding up of BRPL has been admitted and ordered to be published in accordance with Company Court Rules or a resolution is passed for the winding up of BRPL; or
- (b) a receiver is appointed or attachment is levied on the whole or a material part of the assets of BRPL and the same is not removed within a period of ninety (90) days from the date of the order appointing such receiver, or the date attachment is levied, as the case may be.
- 14.4 (a) in the event of termination of the Agreement under Clause 14.2 and/or 14.3, THDC shall first offer BRPL's share of power to the other distribution licensees in Delhi (i.e. NDPL and BYPL) at the terms and conditions as power is being offered to the individual licensee under their respective Agreement with THDC.
- (b) On termination of the Agreement, the liability of BRPL to make payment for capacity charges shall cease forthwith except for the liabilities accrued upto the effective date of such termination.



मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

15.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
THDC India Limited,
Pragatipuram, Bypass Road,
Rishikesh- 249201
Ph.0135-2431945, 0135-2439401 (Fax)

To & by BRPL Chief Executive Officer
BSES Rajdhani Power Limited,
BSES Bhawan, 2nd Floor
Nehru Place,
New Delhi-110019
Ph.011-39999838, 011-26419833 (Fax)

16.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by BRPL within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between BRPL and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

- 17.1 In the event of any inconsistency between the provisions of this Agreement and any one or more of the Power Agreements signed earlier with DTL, the provisions of this Agreement shall prevail.
- 17.2 Notwithstanding the terms and conditions contained in this Agreement, THDC agrees that in case more favourable terms and conditions as

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M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

applicable for supply of power from the said station are agreed with the other beneficiaries, the same shall be deemed to be extended to BRPL also.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 30th day of March, 2012 at Kancharambi, Ghazipur.

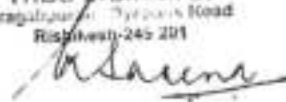
For and on behalf of
THDC India Limited


WITNESSES

1. THDC 
30.03.2012

अजय कुमार
अवर महासंचक (वाणिज्यिक)
टी एच डी सी लि.
रिश्किश


Director (Finance)
C.P. SINGH
DIRECTOR (FINANCE)
THDC INDIA LTD.
Pragatipuram, Durgam Road
Rishikesh-243 201


For and on behalf of
Rajendra Saxena
BSES Rajdhani Power Limited
BSES Rajdhani Power Ltd.
BSES Bhawan, Nehru Place
New Delhi - 110 019

2. BRPL 


मनोहर कुमार वर्मा / M.K. VERMA
अवर महासंचक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रिश्किश
THDC India Limited, Rishikesh



उत्तरांचल UTARANCHAL
17 JUN 2013
ऋषिकेश (दहरादून)

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**POWER PURCHASE AGREEMENT
BETWEEN
THDC INDIA LIMITED
AND
POWER DEVELOPMENT DEPARTMENT,
GOVT. OF JAMMU & KASHMIR
FOR**

KOTESHWAR HYDROELECTRIC POWER PLANT (400MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the ~~25th~~ day of ~~November~~ Two Thousand Ten (25/11/2010) between THDC INDIA LIMITED, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Power Development Department, Govt. of Jammu & Kashmir, having its offices at New Secretariat Building, Jammu-180004 and Civil Secretariat, Srinagar-190001 (hereinafter referred to as "PDD" which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh, THDC is setting up Koteswar Hydroelectric Power Plant (400 MW) located in the district of


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अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh


Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Indian Electricity Act, 2003 as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|-------------------------------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | Gol | : | Government of India. |
| e) | GoUP | : | Government of the State of Uttar Pradesh. |
| f) | GoUK | : | Government of the State of Uttarakhand. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MoP | : | Ministry of Power, Govt. of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |
| l) | Power/Energy | : | Electrical power/energy. |
| m) | POWER GRID | : | Power Grid Corporation of India Limited. |
| n) | Regional Energy Account (REA) | : | Periodic Energy Account including amendments thereof, if any, prepared by NRPC/NRLDC showing exchange of energy among the various constituents of NRPC. |


मुकेश कुमार वर्मा / M.K. VERMA
 अवर महाप्रबंधक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

- o) NRPC : Northern Regional Power Committee.
- p) NRLDC : Northern Regional Load Despatch Centre,
- q) Year : Financial year commencing on 1st April and ending on 31st March.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement.

3.0 GENERAL OBLIGATIONS

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. PDD shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to PDD is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

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 मुकेश कुमार वर्मा / M.K. VERMA
 ज्येष्ठ महाप्रबंधक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.03.04, the clause of deemed generation is applicable as under :
- "In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion of their shares in saleable capacity of generating station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy".
- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to PDD out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, PDD shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, PDD shall continue to pay to THDC for the power supplied from the project beyond this date on

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[Signature]
मुकेश कुमार वर्मा / M.K. VERMA
 अपर महासंचालक (व्यापारिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

ad hoc basis in the manner detailed in the previous notification /order/direction.

7.0 BILLING

7.1 THDC shall prepare monthly bills for the energy supplied to PDD on the basis of REAs issued by NRPC and PDD shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/Gol and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by PDD.

7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/Gol from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

7.2.2 The provision for allowing rebate shall be regulated as per the notification/ directives/guidelines issued by CERC/Gol from time to time and the same shall form an integral part of this Agreement.

7.3.1 In case PDD has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by PDD. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).

7.3.2 If on such rectification, it is found that PDD has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).

7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/Gol as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

8.1 Payment of bills for supply of energy from the project shall be made by PDD through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of THDC INDIA LIMITED for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the

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 THDC India Limited, Rishikesh

time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with PDD. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by PDD directly on presentation of bill(s). All the bank charges shall be borne by PDD.

- 8.2 THDC shall present bill(s) to the said Bankers with a copy to PDD. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by PDD to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to PDD and inform NRPC/NRLDC accordingly.
- 8.4 PDD shall obtain Guarantee in favour of THDC from their State Government within three months of signing of this Agreement as per mutually agreed draft to guarantee the performance of the obligations of PDD to make regular payments of the energy bill presented by THDC for power supplied/to be supplied to PDD from THDC.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NRPC shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.


मुकेश कुमार वर्मा / M.K. VERMA
 अवर महाप्रबंधक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case PDD continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC INDIA LIMITED	Head of the Deptt. (Commercial) THDC INDIA LIMITED Bypass Road, Rishikesh-249201
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To & by PDD	Chief Engineer (Commercial & Survey Wing) Power Development Department, Govt. of Jammu & Kashmir, Gladni Grid Station, Narwal Jammu-180004
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13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by PDD within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between PDD and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 25th day of November, 2010 at Jammu.

WITNESSES

For and on behalf of
THDC INDIA LIMITED

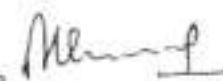

25.11.2010
1. AGM(Commercial),
THDC India Limited


अजय कुमार / Ajay Kumar
अपर महाप्रबंधक / Addl. General Manager
वाणिज्यिक विभाग / Commercial Deptt.
टी एच डी सी इण्डिया लि. / THDC India Ltd.
रिश्केश / Rishikesh


Director (Finance)

C.P. SINGH
DIRECTOR (FINANCE)
THDC INDIA LTD,
Pragatipuram, Roorkee Road
Rishikesh-249 201

For and on behalf of
Power Development Department,
Jammu & Kashmir

2. 
Executive Engineer,
Elect. Commercial Division
P.D.D. Jammu.


Chief Engineer
(Commercial & Survey Wing)
Power Development Department,
Jammu & Kashmir
Chief Engineer
Comm. & Survey Wing
J&K P.D.D. Jammu.

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रिश्केश
THDC India Limited, Rishikesh



POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

HARYANA POWER GENERATION CORPORATION LIMITED

FOR

KOTESHWER HYDRO-ELECTRIC POWER PLANT (400 MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on 8th February, Two Thousand Six (08/02/2006) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Haryana Power Generation Corporation Limited, a statutory body constituted by Government of Haryana under the Haryana Electricity Reforms Act, 1997 having its Head Office at Shakti Bhawan, Sector-6, Panchkula, Haryana-134109 (hereinafter referred to as "HPGCL" which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part;

R.D. Sai

[Signature]

मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (व्यापारिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Koteshwar Hydro-Electric Power Plant (400 MW) located in the district of Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by Indian Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|--------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | GOI | : | Government of India. |
| e) | GOUP | : | Government of the State of Uttar Pradesh. |
| f) | GOUA | : | Government of the State of Uttarakhand. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MOP | : | Ministry of Power, Govt of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |

Roshni

1/1

[Signature]

l) Power/Energy	:	Electrical power/energy.
m) POWER GRID	:	Power Grid Corporation of India Limited.
n) Regional Energy Account (REA)	:	Periodic Energy Account including amendments thereof, if any, prepared by NREB showing exchange of energy among the various constituents of NREB.
o) NREB	:	Northern Regional Electricity Board.
p) NRLDC	:	Northern Regional Load Despatch Centre.
q) Year	:	Financial year commencing on 1 st April and ending on 31 st March.
r) Tripartite Agreement	:	The agreement signed between the State Government (of beneficiary state), Govt. of India and the Reserve Bank of India for settlement of HPGCL's dues.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. HPGCL, however, is prepared to purchase 200 MW of power from the project.

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. HPGCL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.

Rohai

[Signature]

मुकेश कुमार वर्मा / M.K. VERMA
 अवर महाप्रबंधक (वणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to HPGCL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NREB/NRLDC. The scheduling and dispatch shall be as per the provisions of the IEGC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.03.04, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion to their shares in saleable capacity of the generating station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than the Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to HPGCL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NREB/NRLDC. The REA including amendments, if any, as issued by NREB/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.

R. Verma

I

M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

6.2 In addition to the energy tariff set out, HPGCL shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.

6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, HPGCL shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

7.0 BILLING

7.1 THDC shall prepare monthly bills for the energy supplied to HPGCL on the basis of REAs issued by NREB and HPGCL shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by HPGCL. THDC, while rectifying the bills will also supply documentary evidence, wherever necessary/available resulting in such revision/rectification of the bill.

7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.

7.3.1 In case HPGCL has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by HPGCL. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).

7.3.2 If on such rectification, it is found that HPGCL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).

Rohini

R. S.

[Signature]

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by HPGCL through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed half yearly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by HPGCL directly on presentation of bill(s). All the bank charges shall be borne by HPGCL.
- 8.2 THDC shall present bill(s) to the said Bankers with a copy to HPGCL. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by HPGCL to THDC within 60 days from the date of issue of the bill, THDC shall have the option to discontinue/reduce supply of power to HPGCL and inform NREB/NRLDC accordingly after following the procedure as notified by GOI/CERC.
- 8.4 THDC and HPGCL shall endeavour for inclusion of THDC's name in the list of CPSUs covered by the Tripartite Agreement notified by the Govt. of India. In case the name of THDC is not included in the list of CPSUs covered by the Tripartite Agreement, HPGCL shall move for issue of Guarantee by the Govt. of Haryana to cover the payment of energy bills.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NREB shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

Rishikesh

6

[Signature]

मुकेश कुमार वर्मा / M.K. VERMA
अवर महासंचयक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case HPGCL continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd.
Bypass Road, Rishikesh- 249201

To & by HPGCL Head of the Deptt. (Commercial)
Haryana Power Generation Corporation Limited,
Shakti Bhawan, Sector-6,
Panchkula-134109

R. Sharma

1/11/17

M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by HPGCL within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between HPGCL, Haryana Vidyut Prasaran Nigam Limited (HVPN) and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

Any Tripartite Agreement signed between the Govt. of India, Reserve Bank of India and the State Government incorporating the name of THDC, shall form an integral part of this Agreement. In case any of the provisions of this agreement are inconsistent with the provisions of the Tripartite Agreement mentioned above, then the provision of Tripartite Agreement shall prevail.

HPGCL would obtain necessary approval / authorization from appropriate authority on priority.


IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on 8th February, 2006 at Panchkula (Haryana).

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES


1.

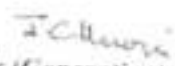

(Name of witness)
D.O. No. (Tehri)


Director (Finance), THDC
Tehri Hydro Development Corp. Ltd.

For and on behalf of
Haryana Power Generation Corporation Limited

2.


SO P.D. No.
H.P.G.C.L.
PILL


Director (Generations) HPGCL
Director (Generations)
HPGCL, Panchkula



मुकुंश कुमर वर्मा / M.K. VERMA
अपर महासंयक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



उप के
उत्तरांचल
27/08/2009

उत्तरांचल UTTARANCHAL

C 031623

POWER PURCHASE AGREEMENT
BETWEEN
THE TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED
AND
THE ENGINEERING DEPARTMENT, CHANDIGARH ADMINISTRATION
FOR
KOTESHWAR HYDROELECTRIC POWER PLANT (400MW)

This POWER PURCHASE AGREEMENT is made on this 11th day of August Two Thousand Nine (11/08/2009) between the President of India through the Secretary, Engineering Department, Chandigarh Administration, Sector-9D, Chandigarh-160009 (hereinafter referred to as "CED" which expression shall unless repugnant to the context or meaning thereof include its successors and assignees) of the first part and the Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assignees) of the second part.

[Handwritten signatures and initials]

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh


AND WHEREAS, THDC is a Generating Company formed as a joint venture between the Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Koteshwar Hydroelectric Power Plant (400 MW) located in the District of Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by the THDC.

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

1.0 DEFINITIONS

The words/expressions used in this agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/ expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | |
|-----------------|---|---|
| a) BPTA | : | Bulk Power Transmission Agreement. |
| b) CEA | : | Central Electricity Authority. |
| c) CERC | : | Central Electricity Regulatory Commission. |
| d) GOI | : | Government of India. |
| e) GOUP | : | Government of the State of Uttar Pradesh. |
| f) GOUA | : | Government of the State of Uttarakhand. |
| g) IEGC | : | Indian Electricity Grid Code. |
| h) LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) Month | : | English Calendar month. |
| j) MOP | : | Ministry of Power, Govt. of India. |
| k) Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |
| l) Power/Energy | : | Electrical power/energy. |
| m) POWER GRID | : | Power Grid Corporation of India Limited. |

 Chandra P.S. 

- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by the NRPC/ NRLDC showing exchange of energy among the various constituents of the NRPC.
- o) NRPC : Northern Regional Power Committee.
- p) NRLDC : Northern Regional Load Dispatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400 MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by the CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India, from time to time, which shall form an integral part of this agreement. CED, however, is prepared to purchase 20 MW of power from the project.

3.0 GENERAL OBLIGATIONS

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. CED shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and the THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this agreement shall be three phase 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in the IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of the THDC. The supply of energy to the CED is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by the THDC in consultation with the NRPC/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified in clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/ to be issued by the CERC/CEA from time to time and as per the relevant provisions contained in the IEGC, as amended from time to time.

[Handwritten signatures and initials]

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

4.0 DEEMED GENERATION

In case of reduced generation due to the reasons beyond the control of the THDC or on account of non-availability of transmission lines or on receipt of backing down instructions from the Northern Regional Load Despatch Centre/NRPC resulting in spillage of water, energy charges on account of such spillage shall be payable to the THDC as deemed generation. Energy charges on the above count shall not be admissible if the energy generated during the year is equal to or more than design energy.

If the Project has achieved the normative capacity index (85%) in a tariff year, but actual energy generation falls short of design energy, for reasons solely attributable to hydrology, energy charges upto design energy shall be treated as deemed generation and shall be payable by the CED to the THDC.

Apportionment of energy charges for such deemed generation among the beneficiaries shall be in proportion to their shares in saleable capacity of the Project.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to the CED out of the energy available for sale shall be the energy as indicated in the REAs issued by the NRPC/NRLDC. The REA including amendments, if any, as issued by the NRPC/NRLDC shall form the basis for billing purposes and be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated terms and conditions for the energy to be supplied by the THDC from the Project shall be as per the Tariff notifications/orders/directions issued/to be issued by the CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by the CERC from time to time.
- 6.2 In addition to the energy tariff set out, the CED shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto, as per approval/orders of the CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, the CED shall continue to pay to the THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.


मुकेश कुमार वर्मा / M.K. VERMA 4
अपर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

7.0 BILLING


- 7.1 THDC shall prepare monthly bills for the energy supplied to the CED on the basis of REAs issued by the NRPC and the CED shall accept these bills for payment. The bill shall be the aggregate of charges as approved / notified by the CERC/ GOI and also subject to all other related provisions wherever appearing in this agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by the THDC, if any amount becomes due and payable to THDC, the same shall be paid by the CED.

- 7.2.1 The surcharge shall be levied by the THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by the CERC/GOI, from time to time as per prevailing statutes and the same shall form an integral part of this agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by the CERC/GOI from time to time and the same shall form an integral part of this agreement.
- 7.3.1 In case CED has any objection as to the accuracy of any bill(s), it shall file a written objection with the THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by the CED. On such objection being upheld by the THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that the CED has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to the THDC, the THDC shall raise necessary supplementary bill(s).
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of the CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by the CED through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of the Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all time during the validity of this agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by the THDC. If the amount of energy supply bill is more than the amount of Letter of Credit, payment of the excess amount shall be made by the CED directly on presentation of bill(s). All the bank charges shall be borne by the CED.


मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

- 8.2 THDC shall present bill(s) to the said Bankers with a copy to the CED. The bill(s) so presented by the THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by the CED to the THDC within 60 days from the date of issue of the bill, the THDC shall have the authority to discontinue/reduce supply of power to the CED and inform the NRPC/ NRLDC accordingly.
- 8.4 Chandigarh UT Government hereby guarantees the performance of the obligations of the CED to make regular payments of the energy bill presented by the THDC for power supplied / to be supplied to the CED from the project.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this agreement, save and except as provided under clause 5.0 above to the extent of power vested with the NRPC, shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by the Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Deihl shall have exclusive jurisdiction in all matters arising under this agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.






मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक) 6
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause, who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This agreement shall come into force from the date of signing of this agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this agreement may be mutually extended, renewed, rescinded or replaced by another agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this agreement shall continue to operate till the same is formally renewed, extended or replaced, in case CED continue to get power from the Project even after expiry of this agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To and by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh-249201

To and by CED Superintending Engineer,
Electricity Operation Circle,
UT Secretariat, Deluxe Building,
Sector-9D, Chandigarh-160009

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by the CED within one month of signing of the agreement.


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

It is specifically agreed that this agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between the CED and the THDC in respect of this agreement and any decision(s) arrived at therein in the past and before signing of this agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this agreement or its implementation.

IN WITNESS thereof, the parties hereto have caused this agreement to be executed hereunder by their duly Authorised Representatives on this 17th day of August, 2009.

For and on behalf of the
Tehri Hydro Development Corporation Limited

WITNESSES

1.

महेश कुमार वर्मा M.K. Verma
अधीनस्थ प्रबन्धक (व्यापारिक)
अधीनस्थ प्रबन्धक (व्यापारिक)
टी.एच.डी.सी. लिमिटेड, रीशिकेश

Director (Finance)

C.P. SINGH
DIRECTOR (FINANCE)
TEHRI HYDRO DEVELOPMENT CORPN. LTD.
PRAGATIPURAM
RISHIKESH - 241001

2.

Chief Engineer,
U. T. GHANDI NAGH,

For and on behalf of the
President of India

Secretary (Engineering),
Chandigarh Administration

मुकेश कुमार वर्मा / M.K. VERMA
अधीनस्थ प्रबन्धक (व्यापारिक)
Addl. General Manager (Commercial)
टी.एच.डी.सी. लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh



उत्तरांचल UTTARANCHAL

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POWER PURCHASE AGREEMENT
BETWEEN
TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED
AND
PUNJAB STATE ELECTRICITY BOARD
FOR
KOTESHWAR HYDROELECTRIC POWER PLANT (400MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 16th day of February, Two Thousand Eight (16/02/2008) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Punjab State Electricity Board, a statutory body constituted by Government of Punjab under the Electricity (Supply) Act, 1948 having its Head Office at The Mall, Patiala-147001 (hereinafter referred to as "PSEB" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part;

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh, THDC is setting up Koteshwar Hydroelectric Power Plant (400 MW) located in the district of Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

a)	BPTA	:	Bulk Power Transmission Agreement.
b)	CEA	:	Central Electricity Authority.
c)	CERC	:	Central Electricity Regulatory Commission.
d)	GOI	:	Government of India.
e)	GOUP	:	Government of the State of Uttar Pradesh.
f)	GOUA	:	Government of the State of Uttarakhand.
g)	IEGC	:	Indian Electricity Grid Code.
h)	LC	:	Irrevocable Revolving Letter(s) of Credit.
i)	Month	:	English Calendar month.
j)	MOP	:	Ministry of Power, Govt of India.
k)	Outage	:	The state of component when it is not available to perform its intended function due to some event directly associated with that component.
l)	Power/Energy	:	Electrical power/energy.
m)	POWER GRID	:	Power Grid Corporation of India Limited.

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- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by NRPC/ NRLDC showing exchange of energy among the various constituents of NRPC.
- o) NRPC : Northern Regional Power Committee.
- p) NRLDC : Northern Regional Load Despatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400 MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. PSEB, however, is prepared to purchase upto 300 MW of power from the Project.

3.0 GENERAL OBLIGATIONS

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. PSEB shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to PSEB is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

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4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.03.04, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion of their shares in saleable capacity of the generating station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than the Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to PSEB out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, PSEB shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, PSEB shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

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7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to PSEB on the basis of REAs issued by NRPC and PSEB shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by PSEB.

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.
- 7.3.1 In case PSEB has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by PSEB. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that PSEB has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by PSEB through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall

be as intimated by THDC after consultation with PSEB. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by PSEB directly on presentation of bill(s). All the bank charges shall be borne by PSEB.

- 8.2 THDC shall present bill(s) to the said Bankers with a copy to PSEB. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by PSEB to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to PSEB and inform NRPC/NRLDC accordingly.
- 8.4 PSEB shall obtain Guarantee in favour of THDC from their State Government within three months of signing of this Agreement as per mutually agreed draft to guarantee the performance of the obligations of PSEB to make regular payments of the energy bill presented by THDC for power supplied/to be supplied to PSEB from THDC.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NRPC shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

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10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case PSEB continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201

To & by PSEB Chief Engineer(SO&C)
SLDC Building, 220 KV Sub Station
P.S.E.B., Ablawal, Patiala-147001

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13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by PSEB within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between PSEB and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 16th day of February 2008 at Amritsar.

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES

1. 
16-02-2008


AJAY KUMAR
Addl. General Manager (Commercial)
Tehri Hydro Development Corporation Ltd.
Rishikesh - 249 201 (Uttarakhand)


Director (Finance)

D.P. SINGH
DIRECTOR (FINANCE)
TEHRI HYDRO DEVELOPMENT CORPORATION LTD.
PRA. CAMPUS
RISHIKESH - 249 201

For and on behalf of
Punjab State Electricity Board

2. 
16/2/08
Director (S.E.)
P.S.R. PATHAK


Member (Distribution)

Member (Distribution)
Punjab State Electricity Board


मुकेश कुमार वर्मा / M.K. VERMA
अपरा महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



राजस्थान RAJASTHAN

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**POWER PURCHASE AGREEMENT
BETWEEN
TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED
AND
JAIPUR VIDYUT VITRAN NIGAM LIMITED,
AJMER VIDYUT VITRAN NIGAM LIMITED
&
JODHPUR VIDYUT VITRAN NIGAM LIMITED
FOR
KOTESHWAR HYDROELECTRIC POWER PLANT (400MW)**

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 22nd day of November Two Thousand Seven (22 / 11 / 2007) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and ;

Jaipur Vidyut Vitran Nigam Limited, a Government of Rajasthan Undertaking and a company registered under the Companies Act, 1956 having its registered office at Vidyut Bhawan, Janpath, Jaipur-302005 (hereinafter referred to as "JVVN" which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) as party of the second part;

Chandra Pal

M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

Ajmer Vidyut Vitran Nigam Limited, a Government of Rajasthan Undertaking and a company registered under the Companies Act, 1956 having its registered office at Old Power House, Mathi Bhata, Jaipur Road, Ajmer-305001 (hereinafter referred to as "**AVVN**" which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) as party of the third part;

Jodhpur Vidyut Vitran Nigam Limited, a Government of Rajasthan Undertaking and a company registered under the Companies Act, 1956 having its registered office at New Power House, Heavy Industrial Area, Jodhpur (hereinafter referred to as "**JdVVN**" which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) as party of the fourth part;

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Koteswar Hydroelectric Power Plant (400 MW) located in the district of Tehri Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003, as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|--------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | GOI | : | Government of India. |
| e) | GOUP | : | Government of the State of Uttar Pradesh. |
| f) | GOUA | : | Government of the State of Uttarakhand. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MOP | : | Ministry of Power, Govt of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |

Chandra Pal

- l) Power/Energy : Electrical power/energy.
- m) POWER GRID : Power Grid Corporation of India Limited.
- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by NRPC/ NRLDC showing exchange of energy among the various constituents of NRPC.
- o) NRPC : Northern Regional Power Committee.
- p) NRLDC : Northern Regional Load Dispatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. JVVN, AVVN & JdVVN, however, are prepared to purchase any surplus power out of this Project as per their requirement, which may be surrendered by any of the Northern Regional States/UT.

3.0 GENERAL OBLIGATIONS

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. JVVN, AVVN & JdVVN shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to JVVN, AVVN & JdVVN is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/NRLDC.

Chandra Pal

13-0

M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (व्यावसायिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.3.04, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of generating company or on account of non-availability of Board's/ transmission licensee's transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the generating company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion of their shares in saleable capacity of the generating station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than the Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to JVVN, AVVN & JdVVN out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003, and/ or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.

Chandrasekhar Patel

मुकेश कुमार वर्मा / M.K. VERMA
अपरा महासंचालक (व्यवसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

- 6.2 In addition to the energy tariff set out, JVVN, AVVN & JdVVN shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalized before that date, JVVN, AVVN & JdVVN shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to JVVN, AVVN & JdVVN on the basis of REAs issued by NRPC and JVVN, AVVN & JdVVN shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by JVVN, AVVN & JdVVN.

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.
- 7.3.1 In case JVVN and/or AVVN and/or JdVVN have any objection as to the accuracy of any bill(s), they shall lodge a written objection with THDC within 45 days of presentation of such bill(s). However, the payment of such bill(s) shall be made in full by JVVN, AVVN & JdVVN. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that JVVN and/or AVVN and/or JdVVN have paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).

Chandra Bel



मुकेश कुमार वर्मा / M.K. VERMA
अवर महासंचालक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी लीडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

8.1 Payment of bills for supply of energy from the project shall be made by JVVN, AVVN & JdVVN through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of the THDC for an amount equivalent to their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed once a year. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with JVVN, AVVN & JdVVN. LC would be opened by JVVN, AVVN & JdVVN in such number of revolutions as required, not exceeding four in a month. The operation of subsequent LC will be subject to the recoupment of the amount invoked, if any, against the previous LC. JVVN, AVVN & JdVVN shall ensure that the monthly bill of THDC is fully paid during the month. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by JVVN, AVVN & JdVVN directly on presentation of bill(s). All the bank charges shall be borne by JVVN, AVVN & JdVVN.

8.2 THDC shall present bill(s) to the said Bankers with a copy to JVVN, AVVN & JdVVN. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.

8.3 Notwithstanding what is contained above, if JVVN and/or AVVN and/or JdVVN do not pay the bill(s) to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to JVVN and/or AVVN and/or JdVVN and inform NRPC/NRLDC accordingly.

8.4 The parties acknowledge and accept that there will be significant change in the payment security mechanism established in favour of THDC as soon as JVVN, AVVN or JdVVN ceases to be a government of Rajasthan undertaking. The parties, therefore, agree that in the event of privatization of JVVN, AVVN or JdVVN, the Govt. of Rajasthan and the JVVN, AVVN or JdVVN, as the case may be, shall ensure alternative equivalent payment security mechanism satisfactory to THDC.

9.0 ARBITRATION

9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NRPC shall be settled through arbitration as provided herein.

Chandrich

[Signature]

[Signature]

[Signature]

मुकेश कुमार वर्मा / M.K. VERMA
ज्येष्ठ महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case JVVN, AVVN & JdVVN continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

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12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC	Head of the Deptt. (Commercial) Tehri Hydro Development Corporation Ltd, Bypass Road, Rishikesh- 249 201
To & by JVVN	Chairman & Managing Director Jaipur Vidyut Vitran Nigam Ltd., Vidyut Bhawan, Janpath, Jaipur 302 005
To & by AVVN	Chairman & Managing Director Ajmer Vidyut Vitran Nigam Ltd., Old Power House, Hathi Bata, Jaipur Road, Ajmer-305 001
To & by JdVVN	Chairman & Managing Director Jodhpur Vidyut Vitran Nigam Ltd., New Power House, Heavy Industrial Area, Jodhpur

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by JVVN, AVVN & JdVVN within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL), JVVN, AVVN & JdVVN and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

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1/10/20

M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

The Government of Rajasthan (Energy Department) vide their notification no. F.15 (4) Energy/2003 dtd. 28.02.04 has transferred the rights and obligations relating to trading of electricity from Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RRVPL) to the Distribution companies, namely Jaipur Vidyut Vitran Nigam Limited, Ajmer Vidyut Vitran Nigam Limited & Jodhpur Vidyut Vitran Nigam Limited w.e.f. 01.04.04.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 22nd day of December, 2007 at Jaipur.

WITNESSES

For and on behalf of
Tehri Hydro Development Corporation Limited

1. 
1.

AJAY KUMAR
Addl. General Manager (Commercial)
Tehri Hydro Development Corporation Ltd.
Rishikesh - 241 701 (Uttarakhand)


Chandra Pal

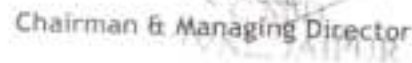
Director (Finance)

C.P. SINGH
DIRECTOR (FINANCE)
TEHRI HYDRO DEVELOPMENT CORPORATION LTD.
RISHIKESH

For and on behalf of
Jaipur Vidyut Vitran Nigam Ltd.,

2. 
2.


ptd. Eng. T.A. To M.D.
JVNL, Jaipur


Chairman & Managing Director

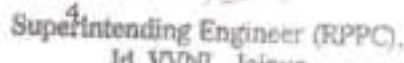
For and on behalf of
Ajmer Vidyut Vitran Nigam Ltd.,

Chairman & Managing Director
Ajmer Vidyut Vitran Nigam Ltd.
AJMER

Chairman & Managing Director

3. 
3.
Superintending Engineer (I.S.P.)
Rajasthan Rajya Vidyut Prasaran Nigam
JAIPUR

For and on behalf of
Jodhpur Vidyut Vitran Nigam Ltd.

4. 
4.
Superintending Engineer (RPPC),
Jd. VVNL, Jaipur


Chairman & Managing Director
Chairman & Managing Director
Jodhpur Vidyut Vitran Nigam Ltd.
JODHPUR

भारतीय गैर न्यायिक

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उत्तरांचल UTTARANCHAL

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POWER PURCHASE AGREEMENT

BETWEEN

TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED

AND

UTTARAKHAND POWER CORPORATION LIMITED

FOR

KOTESHWAR HYDROELECTRIC POWER PLANT(400MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the ~~12th~~ day of ~~March~~, Two Thousand Nine (12./9.3./2009) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Uttarakhand Power Corporation Limited, a company incorporated under the Companies Act, 1956, a statutory body constituted by Government of Uttarakhand under the Electricity (Supply) Act, 1948 having its Head Office at Urja Bhawan, Kanwali Road, Dehradun-248001 (hereinafter referred to as "UPCL" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

मुकेश कुमार वर्मा / M.K. VERMA

अपरा महाप्रबंधक (व्यापारिक)

Addl. General Manager (Commercial)

टीएचडीसी इंडिया लिमिटेड, ऋषिकेश

THDC India Limited, Rishikesh

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Koteshwar Hydroelectric Power Plant (400 MW) located in the district of Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Indian Electricity Act, 2003 as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/ expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|--------------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | Goi | : | Government of India. |
| e) | GoUP | : | Government of the State of Uttar Pradesh. |
| f) | GoU | : | Government of the State of Uttarakhand. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MoP | : | Ministry of Power, Govt of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |
| l) | Power/Energy | : | Electrical power/energy. |
| m) | POWER GRID | : | Power Grid Corporation of India Limited. |

Tehri-Garhwal, India

- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by the NRPC/ NRLDC showing exchange of energy among the various constituents of NRPC.
- o) NRPC : Northern Regional Power Committee.
- p) NRLDC : Northern Regional Load Despatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. UPCL, however, is prepared to purchase 100 MW of power from the Project.

3.0 GENERAL OBLIGATIONS

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. UPCL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to UPCL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

For and on behalf of


मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

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The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

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The quantum of energy sold to UPCL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

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- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, UPCL shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, UPCL shall continue to pay to THDC for the power supplied from the Project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

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- 7.1 THDC shall prepare monthly bills for the energy supplied to UPCL on the basis of REAs issued by NRPC and UPCL shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/Goi and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by UPCL.

Signature

Signature

4

मुकेश कुमार वर्मा / M.K. VERMA

अपर महाप्रबंधक (वाणिज्यिक)

Addl. General Manager (Commercial)

टीएचडीसी इंडिया लिमिटेड, ऋषिकेश

THDC India Limited, Rishikesh

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/Gol from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/Gol from time to time and the same shall form an integral part of this Agreement.
- 7.3.1 In case UPCL has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by UPCL. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that UPCL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 7.3.3 If due to CERC notification / any other relevant order, the tariff amount already charged in the previous bills is modified and it is found that excess payment has been made to THDC, THDC shall refund the excess amount to UPCL within 30 days from the date of issue of relevant order. However, if as a result of such notification, any amount becomes due and payable to THDC, UPCL shall make the payment to THDC within 30 days from the date of issue of relevant order against necessary supplementary bills to be raised by THDC.
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/Gol as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the Project shall be made by UPCL through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project.

The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with UPCL. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by UPCL directly on presentation of bill(s). Bank charges relating to opening, advising and recoupment shall be borne by UPCL.

5 मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, राषिकेश
THDC India Limited, Rishikesh

- 8.2 THDC shall present bill(s) to the said Bankers with a copy to UPCL. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by UPCL to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to UPCL and inform NRPC/NRLDC accordingly.
- 8.4 The parties acknowledge and accept that there will be significant change in the payment security mechanism established in favour of THDC as soon as UPCL ceases to be a government of Uttarakhand undertaking. The parties, therefore, agree that in the event of privatization of UPCL the Govt. of Uttarakhand and the UPCL as the case may be, shall ensure alternative equivalent payment security mechanism satisfactory to THDC.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NRPC shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award, The Arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction in Uttarakhand shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

Signature

Signature

6 मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएनटीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case UPCL continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201

To & by UPCL Head of the Deptt. (Commercial)
Uttarakhand Power Corporation Limited
Urja Bhawan, Kanwali Road,
Dehradun-248001

Signature

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by UPCL within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between UPCL and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation

The Agreement is subject to approval by Uttarakhand Electricity Regulatory Commission.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this ___ day of 12th March 2009 at Rishikesh (Uttarakhand).

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES

1.




अजय कुमार / Ajay Kumar
अपर महाप्रबंधक / Add. General Manager
व्यापारिक विभाग / Commercial Deptt.
टी.एच.डी.सी. लि. काठगढ़ / T.H.D.C. Ltd. Rishikesh


Director (Finance), THDC

C.P. SINGH
DIRECTOR (FINANCE)
TEHRI HYDRO DEVELOPMENT CORPN. LTD.
PRAGATIPIRAM,
RISHIKESH - 249 201

For and on behalf of
Uttarakhand Power Corporation Limited

2.


Imtiaz Ahmad
Executive Engineer

Uttarakhand Power Corporation Ltd.
Urja Bhawan, Kanwal Road, Dehradun


Director (Finance), UPCL

Director (Finance)
Uttarakhand Power Corporation Ltd.
Urja Bhawan, Kanwal Road,
Dehradun - 249 201

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Add. General Manager (Commercial)
टी.एच.डी.सी. इंडिया लिमिटेड, काठगढ़
THDC India Limited, Rishikesh



**POWER PURCHASE AGREEMENT
BETWEEN
TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED
AND
UTTAR PRADESH POWER CORPORATION LIMITED
FOR
KOTESHWAR HYDROELECTRIC POWER PLANT(400MW)**

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 25th day of July (Month) Two Thousand Seven (25/07/2007) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part 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 the context or meaning thereof include its successors and assigns) as party of the second part.


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबन्धक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, राजिकेश
THDC India Limited, Rishikesh



AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Koteshwar Hydroelectric Power Plant (400 MW) located in the district of Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Acts. The words / expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- a) BPTA : Bulk Power Transmission Agreement.
- b) CEA : Central Electricity Authority.
- c) CERC : Central Electricity Regulatory Commission.
- d) GOI : Government of India.
- e) GOUP : Government of the State of Uttar Pradesh.
- f) GOUA : Government of the State of Uttarakhand.
- g) IEGC : Indian Electricity Grid Code.
- h) LC : Irrevocable Revolving Letter(s) of Credit.
- i) Month : English Calendar month.
- j) MOP : Ministry of Power, Govt of India.
- k) Outage : The state of component when it is not available to perform its intended function due to some event directly associated with that component.
- l) Power/Energy : Electrical power/energy.
- m) POWER GRID : Power Grid Corporation of India Limited.

- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by NRPC/NRLDC showing exchange of energy among the various constituents of NRPC.
- o) NRPC : Northern Regional Power Committee.
- p) NRLDC : Northern Regional Load Dispatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. UPPCL, however, is prepared to purchase maximum additional power over and above 25% in lieu of equity from the project.

3.0 GENERAL OBLIGATIONS

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. UPPCL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to UPPCL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

4.0 DEEMED GENERATION

4.1 As per CERC's notification dtd. 26.03.04, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of Board's/ transmission licensee's transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion of their shares in saleable capacity of the generating station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy."

4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to UPPCL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.

6.2 In addition to the energy tariff set out, UPPCL shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.

6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, UPPCL shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.

मुकेश कुमार वर्मा / M.K. VERMA
अस. महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
रीश्कीश इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

7.0 BILLING

7.1 THDC shall prepare monthly bills for the energy supplied to UPPCL on the basis of REAs issued by NRPC and UPPCL shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by UPPCL.

7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

7.2.2 The provision for allowing rebate shall be regulated as per the notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.

7.3.1 In case UPPCL has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by UPPCL. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).

7.3.2 If on such rectification, it is found that UPPCL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).

7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

8.1 Payment of bills for supply of energy from the project shall be made by UPPCL through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed half yearly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with UPPCL. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by UPPCL directly on presentation of bill(s). All the bank charges shall be borne by UPPCL.

- 8.2 THDC shall present bill(s) to the said Bankers with a copy to UPPCL. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by UPPCL to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to UPPCL and inform NRPC/NRLDC accordingly.
- 8.4 UPPCL shall obtain Guarantee in favour of THDC from their State Government by 31.03.2008 as per mutually agreed draft to guarantee the performance of the obligations of UPPCL to make regular payments of the energy bill presented by THDC for power supplied/to be supplied to UPPCL from THDC.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NRPC shall be settled through arbitration as provided herein.
- In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.
- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty (30) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case UPPCL continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC
Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201

To & by UPPCL
Chief Engineer (Commercial)
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan, 14, Ashok Marg,
Lucknow-226001

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by UPPCL within one month of signing of the Agreement.


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between UPPCL and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 25th day of July, 2007 at Lucknow (Uttar Pradesh).

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES

1.


25.07.2007

ANIL KUMAR
Add. General Manager (Commercial)
Tehri Hydro Development Corporation Ltd.
Rishikesh - 249 201 (Uttaranchal)



Financial Controller

C.P. SINGH
Financial Controller
Tehri Hydro Development Corporation Ltd.
Rishikesh - 249 201 (Uttaranchal)

For and on behalf of
Uttar Pradesh Power Corporation Limited

2.


(T.K. Srivastava)
SE (SPATEC)


Director (Commercial)
(अधीन)
विभाग (वित्त)
एन.ए.पी.सी. लिमिटेड, राधिका
राजिद नगर, राधिका


मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Add. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, राधिका
THDC India Limited, Rishikesh



उत्तरांचल UTTARANCHAL

B 446418

**POWER PURCHASE AGREEMENT
BETWEEN
TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED
AND
HIMACHAL PRADESH STATE ELECTRICITY BOARD
FOR
KOTESHWAR HYDROELECTRIC POWER PLANT (400 MW)**

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 22nd day of December Two Thousand Seven (22/12/2007) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Himachal Pradesh State Electricity Board, a statutory body constituted by Government of Himachal Pradesh having its Head Office at Vidyut Bhawan, Shimla-171004 (hereinafter referred to as "HPSEB" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Koteshwar Hydroelectric Power Plant (400 MW) located in the district of Tehri-Garhwal in the State of Uttarakhand (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

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

1.0 DEFINITIONS

The words/ expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed there under or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/ expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

a)	BPTA	:	Bulk Power Transmission Agreement.
b)	CEA	:	Central Electricity Authority.
c)	CERC	:	Central Electricity Regulatory Commission.
d)	GOI	:	Government of India.
e)	GOUP	:	Government of the State of Uttar Pradesh.
f)	GOUA	:	Government of the State of Uttarakhand.
g)	IEGC	:	Indian Electricity Grid Code.
h)	LC	:	Irrevocable Revolving Letter(s) of Credit.
i)	Month	:	English Calendar month.
j)	MOP	:	Ministry of Power, Govt of India.
k)	Outage	:	The state of component when it is not available to perform its intended function due to some event directly associated with that component.
l)	Power/Energy	:	Electrical power/ energy.
m)	POWER GRID	:	Power Grid Corporation of India Limited.

- n) Regional Energy Account (REA) : Periodic Energy Account including amendments thereof, if any, prepared by NRPC / NRLDC showing exchange of energy among the various constituents of NRPC.
- o) NRPC : Northern Regional Power Committee.
- p) NRLDC : Northern Regional Load Despatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement.

3.0 GENERAL OBLIGATIONS:

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. HPSEB shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to HPSEB is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/ NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/ directives issued/ to be issued by CERC/ CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.




 3 मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (व्यावसायिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

4.0 DEEMED GENERATION

In case of reduced generation due to the reasons beyond the control of THDC or on account of non-availability of transmission lines or on receipt of backing down instructions from the Northern Regional Load Despatch Centre/ NRPC resulting in spillage of water, the energy charges on account of such spillage shall be payable to THDC as deemed generation. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than design energy.

Apportionment of energy charges for such deemed generation among the beneficiaries shall be in proportion to their shares in saleable capacity of the Project.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to HPSEB out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/ NRLDC. The REA including amendments, if any, as issued by NRPC/ NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/ orders/ directions issued/ to be issued by CERC from time to time under the Electricity Act, 2003 and/ or any other Act/ Regulations as may be enacted/ substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/ directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, HPSEB shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/ orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/ order/ direction of the Competent Authority is not finalised before that date, HPSEB shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification / order/ direction.



4

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

215

7.0 BILLING

7.1 THDC shall prepare monthly bills for the energy supplied to HPSEB on the basis of REAs issued by NRPC and HPSEB shall accept these bills for payment. The bill shall be the aggregate of charges as approved/ notified by CERC/ GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by HPSEB.

7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/ directives/ guidelines issued/ to be issued by CERC/ GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

7.2.2 The provision for allowing rebate shall be regulated as per the notification/ directives/ guidelines issued by CERC/ GOI from time to time and the same shall form an integral part of this Agreement.

7.3.1 In case HPSEB has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by HPSEB. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).

7.3.2 If on such rectification, it is found that HPSEB has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).

7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/ GOI as issued/ to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

8.1 Payment of bills for supply of energy from the project shall be made by HPSEB through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project.



5

216



मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed half yearly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by HPSEB directly on presentation of bill(s). All the bank charges shall be borne by HPSEB.

- 8.2 THDC shall present bill(s) to the said Bankers with a copy to HPSEB. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by the HPSEB to THDC within 60 days from the date of issue of the bill, THDC shall have the option to regulate the supply of energy to HPSEB in accordance with the directives/ guidelines issued by CERC/ GOI from time to time.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NRPC shall be settled through arbitration as provided herein. However, before referring the matter for Arbitration, efforts shall be made by the parties to settle the dispute through conciliation.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The High Court of Himachal Pradesh, Shimla shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.




मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced. In case HPSEB continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/ courier with an acknowledgement due to the other party.

To & by THDC

Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201

To & by HPSEB

Chief Engineer (System Operation)
Himachal Pradesh State Electricity Board,
Vidyut Bhawan, Block-III,
Shimla-171004




मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, अरिक्श
THDC India Limited Rishikesh

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by HPSEB within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between HPSEB and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.


IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 27th day of December 2007 at Shimla.

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES


1. 
27/12/2007

AJAY KUMAR
Addl. General Manager (Commercial)
Tehri Hydro Development Corporation Ltd
Rishikesh - 240 901 (Uttarakhand)



Director (Finance)

C.P. SHARMA
DIRECTOR (FINANCE)
TEHRI HYDRO DEVELOPMENT CORPN. LTD.
PRAGATIPIURAN
RISHIKESH - 240 201

For and on behalf of
Himachal Pradesh State Electricity Board

2. 
27/12/07
2007/12/27
CHIEF ENGINEER (SYSTEM OPERATION)
HPS&B, VIKRANT BHAWAN
RISHIKESH - 240 901

Chief Engineer (System Operation)


Chief Engineer (S.O.)
HPS&B, Vikrant Bhawan
RISHIKESH - 240 901


मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh



उत्तराखण्ड UTTARAKHAND

POWER PURCHASE AGREEMENT
BETWEEN

G 278274

22 MAR 2012

THDC INDIA LIMITED
AND

BSES RAJDHANI POWER LIMITED

FOR

KOTESHWAR HEP (4 X 100 MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 22nd day of March Two Thousand Twelve (22 / 03 / 2012) between:

THDC India Limited, a Generating Company, formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh, incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and permitted assigns) as party of the first part ;

BSES Rajdhani Power Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at BSES Bhawan, 2nd Floor, Nehru Place, New Delhi-110019 (hereinafter referred to as "BRPL" or "Procurer" which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns) as party of the second part;

Each of the parties of the first and second part above shall be individually referred to as "a Party" and collectively referred to as "the Parties".

Handwritten initials

Handwritten signature

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापिक) /
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

AND WHEREAS:

- A. Delhi Transco Ltd. entered into Power Purchase Agreement with THDC India Ltd. for purchase of power from Koteshwar HEP (400 MW) on mutually agreed terms and conditions contained in the said PPA on 27.10.2006.
- B. Power Purchase Agreement referred to as above of the recitals and given in Annexure-II is hereinafter referred to as the "Power Agreement", for the sake of brevity.
- C. BRPL, one of the distribution Licensees in the National Capital Territory of Delhi ("NCTD") as per Licence granted by the Delhi Electricity Regulatory Commission (the "DERC") is engaged in the distribution and retail supply of electricity in the specified area of distribution as provided under the Licence granted to it by the DERC.
- D. DTL has been buying Bulk Electricity from THDC under the above mentioned Power Agreement (from power stations where generation has commenced) for supply to various distribution Licensees of NCTD (collectively the "Distribution Companies"), which include BRPL.
- E. DTL has also been undertaking the functions of Transmission and related activities in the NCTD including the functions of the State Transmission Utility and State Load Dispatch Centre as provided under sections 39 and 32 respectively of the Electricity Act, 2003 (the "Electricity Act").
- F. DTL has thus been undertaking the Bulk Purchase, Bulk Supply and Transmission of electricity and for such activities, DTL is a transmission cum bulk supply Licensee in the Licence granted by the Delhi Electricity Regulatory Commission.
- G. The Electricity Act, 2003 came into force with effect from 10th June 2003 and in terms of the provisions of section 39 of the said Act, transmission Licensees including the State Transmission Utility are prohibited from undertaking trading in electricity.
- H. Govt. of India, vide letter no. 25/18/2004-R&R dated 06.05.2005 had conveyed its consent to allowing the DTL to continue to engage in the function of the bulk supply to Distribution Companies upto 31.03.2007 in accordance with the policy direction given by the GoNCTD under the Delhi Electricity Reforms Act, 2000.
- I. In compliance with the provisions of the Electricity Act, the GoNCTD has segregated the trading functions and the transmission functions of DTL and consequent thereto DTL was required to cease to undertake the Bulk Purchase and Bulk Supply namely the trading in electricity. Further,

GoNCTD vide its Policy directions dated 28.06.2006 has directed DERC to make arrangements on the various existing Power Agreements beyond 01.04.2007.

- J. Pursuant to the above, DERC vide their Order No. F.17 (115)Engg./DERC/2006-07/4757 dt. 31.03.2007, (hereinafter referred to as "the Order"), a true copy of which is annexed hereto as "Annexure-I", has allocated the capacities in Generating Stations including those of THDC under the above said Power Agreements to North Delhi Power Ltd. (NDPL), BSES Rajdhani Power Ltd. (BRPL), BSES Yamuna Power Ltd. (BYPL), New Delhi Municipal Council (NDMC) and Military Engineer Services (MES) with effect from 01.04.2007 and has, inter-alia, directed that from 01.04.2007, the supply of power from THDC stations under the above referred Power Agreements shall be made directly to NDPL, BRPL and BYPL Distribution Companies. The said date, i.e., 01.04.2007, effective from which the DERC has allocated the capacities from generating stations to the Distribution Companies of Delhi is hereinafter referred to as the "Effective Date".

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

1.0 DEFINITIONS :

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|------|---|---|---|
| i) | Act 2003 | : | The Electricity Act, 2003 as amended or modified from time to time including any re-enactment thereof. |
| ii) | Bulk Power Customer(s)/Beneficiary(ies) | : | Bulk Power Customer(s)/Beneficiary(ies) in relation to the Customer(s)/generating station shall mean the person to whom power is allocated from the station including BRPL. |
| iii) | Busbars | : | Busbars of the Station to which outgoing feeders are connected. |
| iv) | CEA | : | Central Electricity Authority. |
| v) | CERC | : | Central Electricity Regulatory Commission. |
| vi) | CTU | : | Central Transmission Utility. |

- vii) Capacity Charges : Capacity Charges are Fixed Charges as determined by CERC and shall be paid in proportion to the allocated capacity in accordance with the CERC Regulations.
- viii) Charges for Supply of Electricity : All charges to be paid by Beneficiary (ies) in respect of supply of electricity to them by THDC in accordance with the provisions of this Agreement.
- ix) COD : Date of Commercial Operation.
- x) DERC : Delhi Electricity Regulatory Commission.
- xi) Gov : Government of India.
- xii) IEGC : Indian Electricity Grid Code.
- xiii) LC : Irrevocable Revolving Letter(s) of Credit.
- xiv) Month : English Calendar month.
- xv) MoP : Ministry of Power, Govt of India.
- xvi) NRLDC : Northern Regional Load Despatch Centre.
- xvii) NRPC : Northern Regional Power Committee.
- xviii) Outage : The state of component when it is not available to perform its intended function due to some event directly associated with that component.
- xix) Power/Energy : Electrical power/energy.
- xx) POWER GRID/PGCIL : Power Grid Corporation of India Limited.
- xxi) Project : Generating station of THDC covered in Power Agreement.
- xxii) Receivables : All of the present and future payments, obligations monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to its Procurer in respect of the sale by the Procurer to the Consumers of electricity and all proceeds thereof but shall not include any capital receipts, including but not limited to consumer contribution for capital works, capital grants, consumption deposits, service line deposits, loans, etc.

xxiii) Regional Energy Account (REA)	:	Periodic Energy Account including amendments thereof, if any, prepared by NRPC/ NRLDC showing exchange of energy among the various constituents of NRPC/ NRLDC.
xxiv) RLDC	:	Regional Load Despatch Centre.
xxv) RPC	:	Regional Power Committee.
xxvi) SLDC	:	State Load Despatch Centre.
xxvii) UI	:	Unscheduled Interchange.
xxviii) Year	:	Financial year commencing on 1 st April and ending on 31 st March.

- 2.0 The Parties to this Agreement acknowledge, accept and confirm the transfer and vesting of the rights and obligations of DTL to BRPL for procurement of power from THDC under the Power Agreements to the extent of the capacities allocated to it in terms of the DERC Order dated 31.03.07 from the Effective Date, as amended from time-to-time by DERC or such other competent authorities.
- 3.0 The Parties agree that from the Effective Date, BRPL shall for all intent and purposes be treated as a purchaser of power from THDC with both THDC and BRPL being entitled to enforce their respective rights and obligations under the Power Agreement and this Agreement.
- 4.0 Notwithstanding anything stated above, DTL and not BRPL shall be liable to pay and discharge all amounts due by it to THDC, including any other liabilities or adjustments that may arise in future for the period upto the Effective Date. Similarly any amounts owed by THDC to DTL for supplies prior to the Effective Date will be settled by THDC with DTL.
- 5.0 **GENERAL OBLIGATIONS :**
- 5.1 400KV (high voltage) side of the Generator Transformer/ Busbars of THDC's Generating Station shall be the delivery point for supply of energy. BRPL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 5.2 The energy supplied by the Generating Station under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to BRPL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/NRLDC.

- 5.3 Scheduling : Methodology of generation scheduling shall be as per Indian Electricity Grid Code (as revised from time to time), CERC Regulations and the decisions taken at NRPC forum. Any charges /fees towards scheduling of power shall be borne by BRPL.
- 5.4 Operation : The Stations/ Stages shall be operated as per CERC Regulations, Grid Code and any other statutory provisions as applicable or amended from time to time.
- 5.5 The metering will be at the delivery point of the Generating Station as specified at clause 5.1 above. Metering arrangements including its installation, testing, calibration, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

6.0 DEEMED GENERATION :

The charges on account of Deemed Generation shall be levied by THDC as per the notifications/directives/guidelines issued/to be issued by CERC/Gol from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.

7.0 ACCOUNTING OF ENERGY:

- 7.1 The quantum of energy sold to BRPL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.
- 7.2 Any change in the methodology of Regional Energy Accounting shall be done only as per the decisions taken in the NRPC forums and the parties agree to abide by the methodology so finalised.

8.0 TARIFF:

- 8.1 THDC shall file a petition before CERC for tariff determination well in advance before the scheduled COD of respective unit of the Stations. However, in case the tariff is not determined by CERC prior to the commencement of commercial operation of the respective unit of the Station, the parties agree that THDC shall charge the tariff based on petition filed before CERC as an interim measure, subject to appropriate adjustment as and when the provisional/final tariff is determined by CERC.

- 8.2 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions
- 8.3 Tax on Income: Billing and recovery of income tax shall be as per regulations of CERC as applicable from time to time.
- 8.4 Recovery of Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 8.5 Other Taxes, Levies, Duties, Royalty, Cess, etc.: Statutory taxes, levies, duties, royalty, cess or any other kind of imposition(s) imposed/charged by any Government (Central/State) and/or any other local bodies/authorities on generation of electricity including auxiliary consumption or any other type of consumption including water, environment protection, sale or on supply of power/electricity and/or in respect of any of its installations associated with the Station payable by THDC to the authorities concerned shall be borne and additionally paid on pro-rata basis by the BRPL to THDC as per CERC Regulations/Orders.
- 8.6 Any expenses on account of change in law as approved by CERC would be recovered through tariff.
- 8.7 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalized before that date, BRPL shall continue to pay to THDC for the power supplied from the project beyond this date provisionally as an interim measure in the manner detailed in the previous notification /order/direction.
- 8.8 Sale of infirm power i.e electricity prior to commercial operation of the unit, will be as per the guidelines of CERC applicable from time to time.
- 9.0 BILLING:
- 9.1.1 THDC shall prepare monthly bills for the energy supplied to BRPL on the basis of REAs issued by NRPC/ NRLDC or any other Competent Authority in accordance with the tariff orders issued by CERC. The bill shall be the aggregate of charges as approved /notified by CERC/Gol and also subject to all other related provisions wherever appearing in this Agreement.

- 9.1.2 Billing Centre of THDC shall carry out billing and associated functions. THDC shall submit the bills to the Officer to be nominated by BRPL.
- 9.1.3 Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by BRPL.
- 9.2.1 In case BRPL has any objection as to the accuracy of any bill(s), it shall lodge a written objection (the Bill Dispute Notice) with THDC within 60 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by BRPL. On such objection being upheld by THDC, the same shall be rectified within a period of 45 days from the date of receipt of written objection (the Bill Dispute Notice) and necessary effect of the same shall be given in the subsequent bill(s).
- 9.2.2 If on such rectification, it is found that BRPL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 9.2.3 If the bills raised by THDC are not disputed within 60 days from receipt, such bills shall be taken as conclusive.
- 9.2.4 If THDC does not agree with the contention of BRPL, or vice-versa, at the lapse of thirty (30) days from the date of issuance of written objection (Bill Dispute Notice), either Party shall issue a Notice of Disagreement to the Bill Dispute Notice, pursuant to which the Dispute shall be resolved in the manner laid down hereinafter in Clause 12.0 on "Arbitration and Jurisdiction".
- 9.2.5 The settlement of all disputed current dues shall be governed as per the directives of CERC/Gol as issued/ to be issued from time to time and the same shall form an integral part of this Agreement.
- 9.3 The Late Payment Surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notifications/directives/guidelines issued/to be issued by CERC/Gol from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 9.4 The provision for allowing rebate shall be regulated as per the notifications/ directives/guidelines issued by CERC/Gol from time to time or any other rebate scheme as may be offered by THDC and agreed to by BRPL and the same shall form an integral part of this Agreement.

10.0 PAYMENT :

- 10.1.1 BRPL shall provide to THDC, unconditional, revolving and irrevocable letter(s) of credit ("LC"), which shall be drawn in favour of THDC in accordance with this Agreement. The LC shall be made operational at least one month prior to the commencement of power supply from the Project. The LC shall be provided from appropriate bank and in a format acceptable to the parties. Notwithstanding anything to the contrary stated above, the LC would revolve every month and the amount negotiated under the LC would be reinstated to its original value upon funding of the prior withdrawal under LC, either directly by BRPL or through the Escrow arrangement.
- 10.1.2 BRPL shall cause the Bank(s) issuing the LC to intimate to THDC in writing, regarding establishing of such LC. All expenses including opening, maintenance, and negotiation etc., related to LC shall be borne by BRPL.
- 10.1.3 The Letter(s) of Credit shall have a minimum term of twelve (12) months and shall cover 105% of one month's average bill amount based on the preceding twelve months' billing. The amount of LC requirement would be reviewed once every six (6) months at the beginning of January and July based on 105 % of the average monthly bill amount for the preceding 12 months (hereinafter referred as 'LC amount'). The LC amount shall be accordingly increased or decreased with effect from not later than 1st of April and 1st of October of the year. If the amount of energy supply bill for any month is more than the amount of Letter of Credit, the payment of the excess amount shall be made by BRPL directly on presentation of bill(s).
- 10.1.4 Further, the LC amount so renewed every six months shall also include charges at 105% of one month's average billing for anticipated power supplies to BRPL from THDC's new unit(s)/stations expected to commence during the next six months, at normative operational levels as per CERC and for any additional allocations made or being made to BRPL from THDC's existing units/ stations. Initially, the LC shall cover 105% of the one month's estimated billing based on target availability as specified by CERC, in respect of the power to be supplied from the station to BRPL.
- 10.1.5 BRPL shall ensure that LC remains valid for all times during the entire validity of this Agreement or extended period and shall renew the same at least 30 (thirty) days before the expiry of its term, each time.
- 10.1.6 On each negotiation of Letter of Credit, the LC would be replenished by BRPL to the level required as per this Agreement by not later than seven days of such drawal and BRPL shall confirm the same to THDC duly supported by the Banker's certificate to this effect.
- 10.1.7 If the Letter of Credit is not maintained or the same is not replenished after drawal made therefrom by BRPL within a period of seven days from the date

of such drawal, the Escrow arrangement shall come into operation in the manner specified in the Default Escrow Agreement signed separately between the parties.

- 10.2.1 THDC would raise bills for monthly power supplies normally by the 7th day of the following month as per REA issued by NRPC or any other competent authority in accordance with tariff orders issued by CERC. BRPL shall accept these bills and shall make payment against the bills so raised by 60th day (hereinafter referred to as the "Due Date") from the date of billing.
- 10.2.2 THDC shall have the right to realise payment through the Letter of Credit only in the event the payment is not made by "Due Date".
- 10.2.3 The Bills shall be paid in full subject to the conditions that:
- There is no arithmetical error in the bill(s).
 - The bill(s) is/are claimed as per the agreed tariff.
 - They are in accordance with the REA issued by NRPC/NRLDC or any other competent authority.
- 10.3 All payments made by BRPL shall be appropriated by THDC for amounts due in the following order of priority:
- towards earlier unpaid, undisputed outstanding, if any.
 - towards the Capacity Charges, Energy Charges, Incentive and other charges in Current Bill on LIFO system.
- 10.4 **Payment Security Mechanism:**
- 10.4.1 BRPL shall secure the payment obligations of BRPL with respect to the electricity supplied by THDC by entering into an Agreement to Hypothecate cum Deed of Hypothecation with THDC and thereby hypothecate the Receivables equivalent to the LC amount in favour of THDC to create a first floating charge on the Receivables ranking *pari-passu* only with (i) other electricity generators and transmitters under power agreements or memorandum of understandings executed by them with BRPL / DTL / GoNCTD for supply/transmission of electricity to BRPL before the Effective Date, and (ii) working capital and term lenders extending fund and non fund based facilities to BRPL. The list of such generators of electricity along with the names and installed capacity of stations is at Annexure-II hereto. The charge aforesaid shall, however, be subservient to the charge in favour of the bank(s) issuing letter(s) of credit in favour of THDC and other suppliers/transmitters of energy listed at said Annexure-II hereto.
- 10.4.2 THDC agrees that so long as the amounts becoming due from BRPL to THDC under this Agreement are paid as described above and LC remains valid as required under this agreement, BRPL shall be entitled to utilize the Receivables in such manner as BRPL may consider appropriate and THDC

agrees to maintain its first pari-passu charge over the receivables as a floating charge as set forth in Clause 10.4.1 herein above.

- 10.4.3 In the event of default on the part of BRPL to pay the amounts due to THDC by the Due Date or non availability/ non re-instatement of LC within 7 days of the drawal of LC, the aforesaid floating charge shall crystallize into a fixed charge automatically, without any further act, deed or thing to be done by BRPL or the bank or THDC or any other person.
- 10.4.4 In the event of default, the charge on Receivables shall, notwithstanding anything to the contrary contained in this Agreement, have a priority as described hereunder;
- i) First Pari-Passu Charge on the Receivables equivalent to the LC amount for power purchase in favour of all the Generators and its associated Transmitters of electricity for all the capacities as indicated at Annexure-II hereto. However, for the capacities which are yet to be commissioned, this First Pari-Passu Charge would come into force from the Date of Commercial Operation of such capacities. It is further expressly agreed that the Banks issuing the Letter(s) of Credit for supply against capacities as described at Annexure-II shall have a superior charge with respect to such LCs over the Receivables to that held by the Generators and its associated Transmitters of electricity.
 - ii) A Charge on the Receivables, subservient to that held by the banks issuing LCs for power purchase and transmitters of electricity to BRPL, would be available in favour of working capital bankers and term lenders extending fund based and non fund based loans and other facilities to BRPL.
- 10.4.5 THDC acknowledges and agrees that BRPL shall have the right to create a charge on the Receivables in excess of those charged to the Generators /associated transmitters as per Annexure-II in favour of any other supplier(s)/transmitter(s) of electricity for capacities in excess of aggregate capacities mentioned in Annexure-II.
- 10.4.6 BRPL shall, within ninety (90) days from the date of entering into this Agreement, also enter into the Default Escrow Agreement (referred to as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of THDC and other Generators and its associated Transmitters of electricity, through which the Receivables of BRPL upto the required LC amount shall be routed in the event of default under this Agreement, and used as per the terms of the Default Escrow Agreement being signed separately between the parties.
- 10.4.7 BRPL shall register, in favour of THDC, the above pari-passu charge on Receivables and the Agreement to Hypothecate-Cum-Deed of Hypothecation and the Default Escrow Agreement, with the Registrar of Companies at the

cost and expense of BRPL and shall execute all such documents as required from time to time to confirm such charge.

10.5 Third Party Sales on default:

In case of a default in making payment, the relevant CERC Regulations (Regulation of Power supply) shall be applicable.

11.0 QUARTERLY AND ANNUAL RECONCILIATION:

Both THDC and BRPL acknowledge that all payments made against all Bills shall be subject to quarterly reconciliation at the beginning of the following quarter and annual reconciliation at the end of each Year to take into account Tariff Adjustment Payments, Tariff Rebate Payments, Late Payment Surcharge, etc. to determine the amount due, if any. Both THDC and BRPL therefore, agree that as soon as all such data in respect of any quarter/year has been finally verified and adjusted, THDC and BRPL shall jointly sign such reconciliation statement. Within fifteen (15) days of signing of a reconciliation statement, THDC, if required, shall raise a Bill for Adjustments for the relevant quarter/year. Any dispute with regard to the above reconciliation shall be dealt with in accordance with the provisions of this Agreement.

12.0 ARBITRATION AND JURISDICTION :

12.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement shall be settled as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of sole Arbitrator to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

12.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be at Delhi.

12.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.

12.4 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.

12.5 The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.

13.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect. Generation/ Drawl shall be started as soon as possible by the parties concerned after such eventuality has come to an end or ceased to exist.

14.0 DURATION OF AGREEMENT:

- 14.1 This Agreement shall remain valid/operative for thirty five (35) years from the commercial operation date of the last unit of the respective Generating Station provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case BRPL continue to get power from the Generating Station even after expiry of this Agreement without further renewal or formal extension thereof.

The COD of the Generating Station is given as under:

- (a) Koteshwar HEP (400 MW) --- 01.05.2012 (Tentative)

- 14.2 Notwithstanding anything to the contrary contained in this Agreement and subject to the provisions of clause 14.3, in the event of whole or any part of the provisions of this Agreement on establishment of Escrow mechanism is declared invalid or not enforceable or is rendered ineffective or inoperative by any court or regulatory authority, THDC may exercise its right of appeal or appropriate remedy for seeking relief with regard to the above impugned order in the appellate court/authority.
- 14.2.1 Pending satisfactory resolution of the above said eventuality or in the absence of a stay order being granted by the appellate court/authority to the operation of the above impugned order BRPL shall, within 30 days of passing of the impugned order provide the following security arrangement in lieu of the Escrow arrangement:

The LC amount shall be enhanced from 105% to 150% of the average monthly billing and the 'Due Date of Payment' shall be advanced to 3 days

after the 'Date of Presentation of the Bill' and in the event of invocation of the LC, BRPL shall recoup the LC within a period of 7 days and confirm the same to THDC duly supported by the Banker's certificate to this effect.

The above payment arrangement shall continue till an alternate payment security arrangement is established by BRPL to the satisfaction of THDC.

- 14.2.2 In the event of a default in Payment or Non-enhancement of LC or Non-recoupment of the LC during the period when Escrow mechanism or a satisfactory, alternate security arrangement in lieu of Escrow mechanism is not available to THDC, THDC shall serve a notice of 90 days on BRPL to remedy/rectify the default during which period the supply of power shall remain suspended and in the event of BRPL not being able to remedy/rectify the default within the notice period of 90 days, THDC shall have the right to terminate this Agreement with immediate effect by a communication in writing to BRPL.

Provided however that in the event of a non enhancement of LC, the supply during the above 90 days period, instead of being suspended, shall be reduced by a level in proportion to the amount of LC not funded or LC coverage shortfall.

- 14.3 Notwithstanding anything contained in Clause 14.2 or anything to the contrary contained in this Agreement upon occurrence of the following events enumerated at Clauses 14.3 (a) and (b) below, THDC shall have the right to terminate this Agreement with immediate effect by delivering a Notice of Termination:

- (a) any petition for winding up of BRPL has been admitted and ordered to be published in accordance with Company Court Rules or a resolution is passed for the winding up of BRPL; or
- (b) a receiver is appointed or attachment is levied on the whole or a material part of the assets of BRPL and the same is not removed within a period of ninety (90) days from the date of the order appointing such receiver, or the date attachment is levied, as the case may be.

- 14.4 (a) In the event of termination of the Agreement under Clause 14.2 and/or 14.3, THDC shall first offer BRPL's share of power to the other distribution licensees in Delhi (i.e. NDPL and BYPL) at the terms and conditions as power is being offered to the individual licensee under their respective Agreement with THDC.
- (b) On termination of the Agreement, the liability of BRPL to make payment for capacity charges shall cease forthwith except for the liabilities accrued upto the effective date of such termination.

15.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
THDC India Limited,
Pragatipuram, Bypass Road,
Rishikesh- 249201
Ph.0135-2431945, 0135-2439401 (Fax)

To & by BRPL Chief Executive Officer
BSES Rajdhani Power Limited,
BSES Bhawan, 2nd Floor
Nehru Place,
New Delhi-110019
Ph.011-39999838, 011-26419833 (Fax)

16.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by BRPL within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between BRPL and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

- 17.1 In the event of any inconsistency between the provisions of this Agreement and any one or more of the Power Agreements signed earlier with DTL, the provisions of this Agreement shall prevail.
- 17.2 Notwithstanding the terms and conditions contained in this Agreement, THDC agrees that in case more favourable terms and conditions as

applicable for supply of power from the said station are agreed with the other beneficiaries, the same shall be deemed to be extended to BRPL also.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 30th day of March, 2012 at Kanheroli, Ghaziabad.

For and on behalf of
THDC India Limited

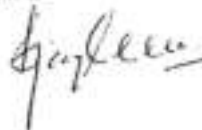
WITNESSES

1. THDC



अजय कुमार
अपर महाप्रबंधक (वाणिज्यिक)
टी एच डी सी लि

2. BRPL



Director (Finance)
C.P. SINGH
DIRECTOR (FINANCE)
THDC INDIA LTD.
Pragati Road, Ghaziabad Road
Rishikesh-249 301

For and on behalf of
BSES Rajdhani Power Limited
Gopal K Saxena
Chief Executive
BSES Rajdhani Power Ltd.
BSES Bhawan, Nehru Place
New Delhi - 110 019



मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh



उप कोषाधिकारी
17 OCT 2006
ऋषिकेश (देहरादून)

UTTARANCHAL

8 059168

POWER PURCHASE AGREEMENT
BETWEEN
TEHRI HYDRO DEVELOPMENT CORPORATION LIMITED
AND
DELHI TRANSCO LIMITED
FOR
KOTESHWAR HYDROELECTRIC POWER PLANT (400MW)

This POWER PURCHASE AGREEMENT hereinafter called "Agreement" entered into on the 27th day of October Two Thousand Six (27/10/2006) between Tehri Hydro Development Corporation Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal-249001 (hereinafter referred to as "THDC" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and Delhi Transco Limited, a statutory body constituted by Government of Delhi under the Delhi Electricity Reforms Act, 2000 having its Registered Office at Shakti Sadan, Kotla Marg, New Delhi-110002 (hereinafter referred to as "DTL" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the second part.

AND WHEREAS, THDC is a Generating Company formed as a joint venture between Govt. of India and Govt. of Uttar Pradesh. THDC is setting up Koteswar Hydroelectric Power Plant (400 MW) located in the district of Tehri-Garhwal in the State of Uttaranchal (hereinafter specifically referred to as "Project") to be operated and maintained by THDC.

Rossan

M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

236

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

1.0 DEFINITIONS

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act, 2003 as amended from time to time and the rules framed thereunder or by any new bill, rule and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below should have the same meanings as respectively assigned to them hereunder:

- | | | | |
|----|-------------------------------|---|---|
| a) | BPTA | : | Bulk Power Transmission Agreement. |
| b) | CEA | : | Central Electricity Authority. |
| c) | CERC | : | Central Electricity Regulatory Commission. |
| d) | GOI | : | Government of India. |
| e) | GOUP | : | Government of the State Uttar Pradesh. |
| f) | GOUA | : | Government of the State of Uttaranchal. |
| g) | IEGC | : | Indian Electricity Grid Code. |
| h) | LC | : | Irrevocable Revolving Letter(s) of Credit. |
| i) | Month | : | English Calendar month. |
| j) | MOP | : | Ministry of Power, Govt of India. |
| k) | Outage | : | The state of component when it is not available to perform its intended function due to some event directly associated with that component. |
| l) | Power/Energy | : | Electrical power/energy. |
| m) | POWER GRID | : | Power Grid Corporation of India Limited. |
| n) | Regional Energy Account (REA) | : | Periodic Energy Account including amendments thereof, if any, prepared by NRPC showing exchange of energy among the various constituents of NRPC. |

Rossari

S. S. Sethi

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh

- o) NRPC : Northern Regional Power Committee.
- p) NRLDC : Northern Regional Load Despatch Centre.
- q) Year : Financial year commencing on 1st April and ending on 31st March..

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER

- 2.1 The installed capacity of the Project is 400MW, having 4 units of 100 MW each. The installed capacity is, however, subject to derating/ uprating of the generating units as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the Project amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued / to be issued by the Ministry of Power, Govt. of India from time to time, which shall form an integral part of this Agreement. DTL, however, is prepared to purchase 40 MW power from the project.

3.0 GENERAL OBLIGATIONS

- 3.1 400KV (high voltage) side of the Generator Transformer of the Project shall be the delivery point for supply of energy. DTL shall make arrangements separately for wheeling of power and payments of wheeling charges etc. and THDC shall not be responsible for the same in any manner.
- 3.2 The energy supplied by the Project under this Agreement shall be three phase, 50 hertz alternating current at a voltage of 400KV at the delivery point. The frequency and voltage of energy shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of THDC. The supply of energy to DTL is subject to outages as may be necessary on account of shutdown of generating units of the Project. The periodicity and duration of such outages shall be such as may be determined by THDC in consultation with NRPC/NRLDC.
- 3.3 The metering will be at the delivery point of the Project as specified at clause 3.1 above. Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/directives issued/to be issued by CERC/CEA from time to time and as per the relevant provisions contained in IEGC as amended from time to time.

Rossai

[Signature]

[Signature]

मुकेश कुमार वर्मा / M.K. VERMA
अवर महासंचालक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

4.0 DEEMED GENERATION

- 4.1 As per CERC's notification dtd. 26.3.04, the clause of deemed generation is applicable as under:

"In case of reduced generation due to the reasons beyond the control of Generating Company or on account of non-availability of transmission lines or on receipt of backing down instructions from the concerned Regional Load Despatch Centre resulting in spillage of water, the energy charges on account of such spillage shall be payable to the Generating Company. Apportionment of energy charges for such spillage among the beneficiaries shall be in proportion of their shares in saleable capacity of the generating station. Energy charges on the above account shall not be admissible if the energy generated during the year is equal to or more than Design Energy."

- 4.2 The clause of deemed generation shall be applicable only if and as allowed by CERC in their tariff orders/ notifications issued from time to time.

5.0 ACCOUNTING OF ENERGY

The quantum of energy sold to DTL out of the energy available for sale shall be the energy as indicated in the REAs as issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

6.0 TARIFF

- 6.1 The tariff to be charged and its associated Terms and Conditions for the energy to be supplied by THDC from the Project shall be as per the Tariff Notifications/orders/directions issued/to be issued by CERC from time to time under the Electricity Act, 2003 and/or any other Act/Regulations as may be enacted/substituted by the Govt. of India in place of these provisions. Recovery of Income Tax and Foreign Exchange Rate Variation shall be governed as per orders/directions issued by CERC from time to time.
- 6.2 In addition to the energy tariff set out, DTL shall also be liable to pay to THDC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess including environmental cess, levy, fees or other imposition etc. levied or to be levied in future by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per approval/orders of CERC from time to time.
- 6.3 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/order/ direction of the Competent Authority is not finalised before that date, DTL shall continue to pay to THDC for the power supplied from the project beyond this date on adhoc basis in the manner detailed in the previous notification /order/direction.



मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

7.0 BILLING

- 7.1 THDC shall prepare monthly bills for the energy supplied to DTL on the basis of REAs issued by NRPC and DTL shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/GOI and also subject to all other related provisions wherever appearing in this Agreement.

Notwithstanding the above, THDC shall have the right to rectify any discrepancy in any bill, suo-moto if considered necessary, and as a result of such rectification by THDC, if any amount becomes due and payable to THDC, the same shall be paid by DTL.

- 7.2.1 The surcharge shall be levied by THDC in case of delayed payments. The provision for levy of surcharge in the monthly bills shall be governed as per notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and the same shall form an integral part of this Agreement.
- 7.2.2 The provision for allowing rebate shall be regulated as per the notification/ directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this Agreement.
- 7.3.1 In case DTL has any objection as to the accuracy of any bill(s), it shall lodge a written objection with THDC within 30 days on presentation of such bill(s). However, the payment of such bill(s) shall be made in full by DTL. On such objection being upheld by THDC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).
- 7.3.2 If on such rectification, it is found that DTL has paid an excess amount, such excess amount shall be adjusted in next bill(s). However, if as a result of such rectification, any amount becomes due and payable to THDC, THDC shall raise necessary supplementary bill(s).
- 7.4 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued/to be issued from time to time and the same shall form an integral part of this Agreement.

8.0 PAYMENT

- 8.1 Payment of bills for supply of energy from the project shall be made by DTL through a confirmed, revolving, irrevocable Letter of Credit (LC) to be established in favour of Tehri Hydro Development Corporation Ltd. for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties at least one month prior to the commencement of power supply from the Project. The LC shall be kept valid at all the time during the validity of this Agreement or extended period.

R. Saini

M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएनडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

The amount of LC shall be reviewed quarterly. THDC shall intimate the revised amount of LC. In case of first LC, the amount of LC shall be as intimated by THDC after consultation with DTL. If the amount of energy supply bill is more than the amount of Letter of Credit, the payment of the excess amount shall be made by DTL directly on presentation of bill(s). All the bank charges shall be borne by DTL.

- 8.2 THDC shall present bill(s) to the said Bankers with a copy to DTL. The bill(s) so presented by THDC to the said Bankers shall be promptly paid on their presentation.
- 8.3 Notwithstanding what is contained above, if the bill(s) are not paid by DTL to THDC within 60 days from the date of issue of the bill, THDC shall have the authority to discontinue/reduce supply of power to DTL and inform NRPC/NRLDC accordingly.
- 8.4 DTL shall pursue to obtain Guarantee in favour of THDC from Government of NCT of Delhi as early as possible as per mutually agreed draft to guarantee the performance of the obligations of DTL to make regular payments of the energy bill presented by THDC for power supplied/to be supplied to DTL from THDC.

9.0 ARBITRATION

- 9.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under clause 5.0 of this Agreement to the extent of power vested with NRPC shall be settled through arbitration as provided herein.

In the event of such differences or disputes between the parties, any party may by a written notice of 30 days to the other party request for appointment of Arbitrator(s) to be decided mutually by the parties and, in case of disagreement, to be decided by Chairman, Central Electricity Authority. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned award. The arbitrator shall publish the award within a reasonable time.

- 9.2 The decision of the Arbitrator shall be final and binding on the parties. The venue of the arbitration proceedings shall be as decided by the Arbitrator with the consent of the parties. The Court of competent jurisdiction at Delhi shall have exclusive jurisdiction in all matters arising under this Agreement.
- 9.3 The Arbitrator shall reasonably decide his fee. However, the Arbitrator's fees and the cost of arbitration proceedings shall be borne equally by the parties.
- 9.4 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.

Rossai

M.K. Verma

मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

10.0 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, strike, lock-out, epidemics, landslide, fire, explosion, flood, drought, cyclone, lightning, earthquake or other forces of nature, accident or Act of God. The onus of satisfying the other party of the existence of such an event(s) shall be on the party invoking this clause who will give a written notice within a reasonable time to the other party to this effect.

11.0 DURATION OF AGREEMENT

This Agreement shall come into force from the date of signing of this Agreement and shall remain operative for thirty five (35) years from the commercial operation date of the last unit of the Project provided that this Agreement may be mutually extended, renewed, rescinded or replaced by another Agreement on such terms and for such further period of time as the parties may mutually agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case DTL continue to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

12.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein below, unless otherwise notified. Each such notice shall be deemed to have been duly served if delivered, or sent by registered mail/courier with an acknowledgement due to the other party.

To & by THDC Head of the Deptt. (Commercial)
Tehri Hydro Development Corporation Ltd,
Bypass Road, Rishikesh- 249201
Ph.0135-2431945, 0135-2430764 (Fax)

To & by DTL General Manager (Commercial)
Delhi Transco Limited,
33 K.V. Grid Sub Station, I.P. Estate,
New Delhi-110002
Ph.011-23370409, 011-23370477 (Fax)

13.0 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 authorised representative(s) that each party may nominate in this behalf and notify in writing to the other




मुकेश कुमार वर्मा / M.K. VERMA
अपर महासंचालक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

party by Registered Post from time to time. The nomination of authorised representative(s) shall be informed likewise in writing by DTL within one month of signing of the Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence(s) exchanged between DTL and THDC in respect of this Agreement and any decision(s) arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting this Agreement or its implementation.

IN WITNESS thereof the parties hereto have caused this Agreement to be executed hereunder by their duly Authorised Representatives on this 27 day of October 2006 at Delhi .

For and on behalf of
Tehri Hydro Development Corporation Limited

WITNESSES

1. THDC


27.10.2006
AJAY KUMAR
Addl. General Manager (Commercial)
Tehri Hydro Development Corporation Limited


Director (Finance)

R.S.T. SAI
Director (Finance)
Tehri Hydro Development Corpn. Ltd.
Ganga Bhawan, Bye Pass Road,
Pragatipuram, Rishikesh - 249 201

For and on behalf of
Delhi Transco Limited

2. DTL


मुकुंश कुमर वरुण
अडल. जनरल मरनेजर (कमरेशल)
टीएचडीसी इंडिया लिमिटेड
रिशिकेश


SMITASH B. SETHI
Director (Operational)
DELHI TRANSCO LIMITED
State Subst. Rock Road
New Delhi-110002


मुकुंश कुमर वरुण / M.K. VERMA
अडल. जनरल मरनेजर (कमरेशल)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रिशिकेश
THDC India Limited, Rishikesh

BEFORE THE HON'BLE CENTRAL ELECTRICITY REGULATORY
COMMISSION, NEW DELHI
PETITION NO. 97/69T/2020

IN THE MATTER OF

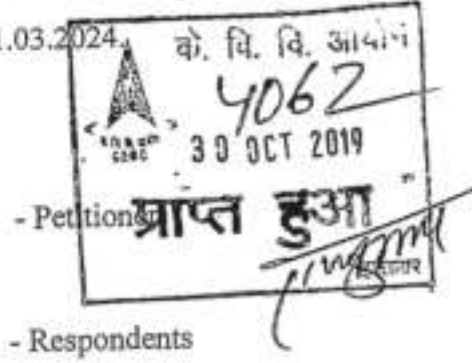
Approval of Generation Tariff of Tehri Hydroelectric Power Project (THPP)
Stage-I (4X250MW) for the period 01.04.2019 to 31.03.2024.

IN THE MATTER OF

THDC INDIA LIMITED

Versus

Punjab State Power Corporation Ltd & Ors



- Petitioners

- Respondents

Index

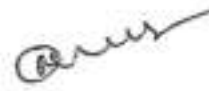
Sl. No.	Particulars	Page No.
1	Index Page	1-2
2	Application	3-7
3	Letter of authorization	8
4	Affidavit	9-11
5	Check list	12-14
6	Petition	15-30
7	Tariff Filing Forms (Annexure -A)	31-94
8	Copy of Hon'ble CERC Review Tariff Order for the period 2009-14 dated 05.12.2017 in the Review Petition No. 20/RP/2017 (Annexure -B)	95-108
9	Copy of Hon'ble CERC Tariff Order for the period 2014-19 dated 29.03.2017 (Annexure -C)	109-164

Rajiv Dhall
राजीव डल/ Rajiv Dhall
उप महाप्रबंधक (व्यापारिक)
Dy. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh

M.K. Verma
मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh

10	Copy of submission of tariff determination fees in the CERC for the period of 2019-20 (Annexure -D)	165-168
11	Statement of estimated Security expenses, Impact of pay revision and Memorandum of Understanding (MoU) for security requirement (Annexure-E)	169-193
13	Certificate for Disclosure of Copy of Tariff Petition on Website	194
14	Soft Copy of Petition & Excel Forms	195
15	Proof of Dispatch	196-201

THDC India Limited



(Rajiv Dhall)

Dy. General Manager (Commercial)

THDC INDIA LIMITED

RISHIKESH

Place : Rishikesh

Date: 28/10/2019

राजीव धल / Rajiv Dhall
उप महाप्रबंधक (वाणिज्यिक)
Dy. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh



मुकेश कुमार वर्मा / M.K. VERMA
उप महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh



टीएचडीसी इंडिया लिमिटेड THDC INDIA LIMITED

(भारत सरकार एवं उ.प्र.सरकार का संयुक्त उपक्रम)
(A Joint venture of Govt. of India & Govt. of UP)
CIN : U45203UR1988GOI009822



3

No: THDC/RKSH/COMML/C-02/03/1893-1909
Date: 28/10/2019

To,
The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Floor, Chanderlok Building,
36, Janpath,
New Delhi-110001

Subject: Petition for determination of tariff of Tehri HPP (1000 MW) for the period 2019-24.

Sir,
Kindly find enclosed herewith Tariff Petition along with its three copies for determination of tariff of Tehri HPP (1000 MW) for the period 01.04.2019 to 31.03.2024 on account of Additional Capital Expenditure.

With Regards,

Yours faithfully
For and on behalf of THDC India limited

Rajiv Dhall
Dy.General Manager (Commercial)

Distribution: As per list enclosed

राजीव धल / Rajiv Dhall
उप महाप्रबंधक (वाणिज्यिक)
Dy. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रूषिकेश
THDC India Limited, Rishikesh

3

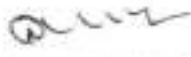
प्रधान कार्यालय : गंगा भवन, प्रगतिपुरम, बाईपास रोड, रुषिकेश- 249201
Corporate Office : GANGA BHAWAN, PRAGATIPURAM, BYPASS ROAD, RISHIKESH - 249201
अतिरिक्त कार्यालय : शशिभूष भवन (शीर्ष तल्ला), भागीरथीपुरम, तेहरी गढ़वाल-249001
Regd. Office: Bhagirathi Bhawan, (Top Terrace), Bhagirathipuram, Tehri Garhwal-249 001
दूरभाषन : 0135-2430463, टेलीफैक्स : 0135-2430463 Website Address : www.thdc.gov.in
(*हिन्दी को प्रथम भाषा माना, शेष भाषा में अनुवाद किया जाएगा।)

मुकुंश कुमार वर्मा / M.K. VERMA
उप महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रूषिकेश
THDC India Limited, Rishikesh

246

Distribution List :-

1. Chairman & Managing Director,
Punjab State Power Corporation Limited,
The Mall,
Patiala - 147001 (Punjab)
2. The Chairman,
Haryana Power Utilities(DHBNL & UHBNL),
Shakti Bhawan, Sector 6,
Panchkula - 134 109 (Haryana)
3. Chairman & Managing Director,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan, 14 Ashok Marg,
Lucknow - 226001 (UP)
4. Chief Executive Officer,
BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
Behind Nehru Place Bus Terminal,
New Delhi-110019
5. Chief Executive Officer,
BSES Yamuna Power Ltd.,
3rd Floor, Shakti Kiran Building,
Karkardooma, Near Court,
New Delhi-110092


राजीव धाल / Rajiv Dhali
उप महाप्रबन्धक (वाणिज्यिक)
Dy. General Manager (Commercial)
डी.एच.डी.सी. इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh

4


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
डी.एच.डी.सी. इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh

6. Chief Executive Officer,
TATA Power Delhi Distribution Ltd.,
33 KV, Grid Sub-Station Building,
Hudson Lane, Kingsway Camp,
Delhi-110009
7. Secretary (Engineering),
Engineering Deptt.,
Chandigarh Administration,
1st Floor, UT Secretariat,
Sector 9-D, Chandigarh-160009
8. Managing Director,
Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road, Dehradun-248001 (UK)
9. The Chairman ,
HPSEB Limited,
Vidyut Bhawan, Shimla-171004 (HP)
10. The Managing Director ,
Jaipur Vidyut Vitran Nigam Ltd.,
Vidyut Bhawan,
Janpath, Jyotinagar, Jaipur-302005 (Rajasthan)

aur

राजीव धल / Rajiv Dhall
उप महाप्रबन्धक (वाणिज्यिक)
Dy. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

5

उत्तम
मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

(248)

11. The Managing Director ,
Ajmer Vidyut Vitran Nigam Ltd.,
Old Power House,
Hatthi Bhatta, Jaipur road, Ajmer-305001 (Rajasthan)

12. The Managing Director ,
Jodhpur Vidyut Vitran Nigam Ltd.,
New Power House, Industrial Area
Jodhpur-342003 (Rajasthan)

13. Principal Secretary (Power),
Power Development Department (PDD),
Govt. of J&K, Civil Secretariat,
Jammu -180001 (J&K)

14. Chief General Manager (Commercial)
MPPMCL, 3rd Floor, Block No. 11
Shakti Bhawan, Rampur
Jabalpur-482008 (MP)

15. The Managing Director,
Rajasthan Urja Vikas Nigam Limited,
Vidyut Bhawan, Jyoti Nagar
Jaipur-302005 (Rajasthan)

Rajiv Dhall

राजीव धल / Rajiv Dhall
अवर महाप्रबंधक (वाणिज्यिक)
Dy. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh

6

M.K. Verma
मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रीशिकेश
THDC India Limited, Rishikesh

249

16. The Managing Director,
 Jammu and Kashmir State Power Trading Company Limited,
 PDD Complex, Bemina
 Srinagar-190010 (Jammu & Kashmir)



राजीव धल / Rajiv Dhali
 अवर महासंचालक (व्यावसायिक)
 Addl. General Manager (Commercial)
 टीएचडी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

7



मुकेश कुमार वर्मा / M.K. VERMA
 अवर महासंचालक (व्यावसायिक)
 Addl. General Manager (Commercial)
 टीएचडी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh



टीएचडीसी इंडिया लिमिटेड THDC INDIA LIMITED

(भारत सरकार एवं उ.प्र.सरकार का संयुक्त उपक्रम)
(A Joint venture of Govt. of India & Govt. of UP)
CIN : U45203UR1988GOI009822



8

No: THDC/RKSH/COMML/C-02/03(3)/187
Date: 24/10/2019

To,
The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Floor, Chanderlok Building,
36, Janpath,
New Delhi-110001

Subject: Letter of authorization for signing of Tariff Petition of Tehri HPP
(1000 MW) for the period 2019-24

Sir,

With reference to above subject it is to inform that Sh. Rajiv Dhal,
Dy. General Manager (Commercial), THDC India Limited is authorised to
sign the tariff Petition of Tehri HPP (1000MW) for the period of
01.04.2019 to 31.03.2024 in terms of the Tariff Regulation, 2019 with
due approval of the Competent Authority.

Thanking You.

Yours faithfully

(A K Porwal)

General Manager (Commercial)

राजीव धल/ Rajiv Dhal

उप महाप्रबंधक (व्यापारिक)
Dy. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रुड़की
THDC India Limited, Rishikesh

8

प्रधान कार्यालय : गंगा भवन, प्रगतिपुरम, बाईपास रोड, रुड़की- 249201
Corporate Office : GANGA BHAWAN, PRAGATIPURAM, BYPASS ROAD, RISHIKESH - 249201
अतिरिक्त कार्यालय : भगीरथी भवन (टॉप टर्रास), भगीरथीपुरम, तहरी गढ़वाल-249001
Regd. Office: Bhagirathi Bhawan, (Top Terrace), Bhagirathipuram, Tehri Garhwal-249 001
दूरभाषनम् - 0135-2430463. Telefax: 0135-2439463. Website Address: www.thdc.gov.in
(“किसी भी संदर्भ में प्रस्ताव, भंडा या अन्य भी अतिरिक्त विवरण का स्तर है”)

मुकुंदा कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यापारिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रुड़की
THDC India Limited, Rishikesh

251



सत्यमेव जयते

INDIA NON JUDICIAL
Government of Uttarakhand

e-Stamp

Certificate No. : IN-UK43815780871632R
 Certificate Issued Date : 16-Oct-2019 03:31 PM
 Account Reference : NONACC (SV) uk1207304/ RISHIKESH/ UK-DH
 Unique Doc. Reference : SUBIN-UKUK120730490025787550401R
 Purchased by : THDC INDIA LTD RISHIKESH
 Description of Document. : Article 5 Agreement or Memorandum of an agreement
 Property Description : -
 Consideration Price (Rs.) : 0
 (Zero)
 First Party : THDC INDIA LTD RISHIKESH
 Second Party : NA
 Stamp Duty Paid By : THDC INDIA LTD RISHIKESH
 Stamp Duty Amount(Rs.) : 10
 (Ten only)



Smt. S. Bisht
 Stamp Vendor
 Court Compound Rishikesh

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बहुमानकरी

The Affidavit Document has been attested on the strength and responsibility of personal Identification.

BEFORE THE HON'BLE CENTRAL ELECTRICITY REGULATORY COMMISSION, NEW DELHI

PETITION NO. OF 2019

IN THE MATTER OF

Approval of Generation Tariff of Tehri Hydroelectric Power Project (HPP) Stage-I (4X250 MW) for the period 01.04.2019 to 31.03.2024.

24/10/19
 राजीव धल/ Rajiv Dhall
 उप महाप्रबंधक (वाणिज्यिक)
 Dy. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

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1. The authenticity of this Stamp Certificate should be verified at www.stampsamp.com. Any discrepancy in the details on this Certificate and its available on the website renders it invalid.
2. The mode of checking the legitimacy is on the labels of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

9

252

मुकेश कुमार वर्मा / M.K. VERMA
 अवर महाप्रबंधक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

AND

IN THE MATTER OF

Petition under Sections 62, 64 and 79(1) (a) of the Electricity Act, 2003 read with Chapter-V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 and in terms of the Tariff Regulations, 2019 notified by the Hon'ble Commission.

AND

IN THE MATTER OF

THDC India Limited
(A Joint Venture of Govt. of India & Govt. of U.P.)
Pragatipuram, Bypass Road,
Rishikesh-249 201 (Uttarakhand)

Petitioner

Versus

Chairman & Managing Director,
Punjab State Power Corporation Limited,
The Mall,
Patiala -147 001 (Punjab)

& Others

Respondents



Rajiv Dhat
24/10/19
राजीव धत / Rajiv Dhat
अवर महाप्रबंधक (वाणिज्यिक)
Dy. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रूषिकेश
THDC India Limited, Rishikesh

10

M.K. Verma
मुकेश कुमार वर्मा / M.K. VERMA
अवर महाप्रबंधक (वाणिज्यिक)
Add. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, रूषिकेश
THDC India Limited, Rishikesh

AFFIDAVIT VERIFYING THE PETITION

I, Rajiv Dhall, S/o Late Shri M.M.Lal.Dhall, aged about 59 years, working as Dy. General Manager (Commercial) in THDC India Limited, the Petitioner in the above matter, do solemnly affirm and state as follows that:

1. I am working as Dy. General Manager (Commercial) in THDC India Limited and am well acquainted with the facts of the above matter.
2. The statements made in the Petition for approval of tariff for the period 2019-24 are based on documents/ records available with the petitioner maintained in the ordinary course of business and believed by me to be true.

Solemnly affirmed at Rishikesh on the day of 24th October, 2019 that the contents of the above affidavit are true to the best of my knowledge and belief and nothing material has been concealed therefrom.



राजीव धल/ Rajiv Dhall
 Dy. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रूषिकेश

राजीव धल/ Rajiv Dhall
 Dy. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रूषिकेश

Deponent

Rajiv Dhall
 24/10/19

(Rajiv Dhall)
 (Authorised Signatory)

राजीव धल/ Rajiv Dhall
 Dy. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रूषिकेश
 THDC India Limited, Rishikesh

M.K. Verma
 मुकेश कुमार वर्मा / M.K. VERMA
 अवर महासंचालक (वणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रूषिकेश
 THDC India Limited, Rishikesh

TEHRI HYDRO POWER PROJECT (4X250)MW

Sl.No.	Particulars	Yes/No/NA	Page No.
Procedural			
1.	Whether the petition is posted on website? (a) If yes, details submitted	Yes	194
2.	Whether a copy of the petition is served on all the beneficiaries / respondents (a) If yes, whether proof of service has been filed	Yes	
3.	Whether notice of tariff petition published in newspapers in terms of the CERC Regulations. If yes, whether the details of the publication has been submitted	NO	-
Capital Cost			
4.	Whether unit-wise break-up of capital cost submitted	NA	-
5.	Whether Board Approval of Capital Cost /Revised Capital Cost submitted	NA	-
6.	Whether report of DIA on the vetting of capital cost submitted	NA	-
7.	Whether approval of capital cost/RCE by competent authority (MOP/CCEA/CEA) submitted	NA	-
8.	Whether break-up of common facilities in respective units in the original project estimate submitted	NA	-
9.	Whether Audited Financial Statement as on 31 st March of each year of the tariff period with all schedules as on COD of the units submitted	NA	
10.	Whether the details of liabilities discharged and un-discharged as on COD of each unit as well as on 31 st March of subsequent years of tariff period submitted	NO	
11.	Whether the details of party-wise and asset-wise un-discharged and discharged liabilities during each year, if any, submitted	NO	
12.	Whether the details of duty drawback/exemption availed, if any, submitted	NA	-
13.	Whether details of Infirm power as on COD submitted	NA	-
14.	Whether details of Local Area Development Expenses (LADA) along with related government notification, if any, submitted	NA	-
Time Overrun			
16.	Whether time overrun is involved in the commercial operation of the generating station. (a) If yes, the reasons/justification for time overrun, if submitted (b) Whether documents in support of time overrun is enclosed	NA	-
17.	Whether report of the Standing Committee appointed by GOI with respect to time and cost over-run enclosed	NA	-
18.	Whether the DIA report on time and cost over-run submitted	NA	-
Interest During Construction (IDC)			
19.	Detailed calculation of FERV claimed, if submitted	NA	-
20.	Whether soft copy in formula based Excel Sheet for calculation for IDC (including normative IDC), financing charges as on COD with date of drawl, date of repayment, rate of interest, etc submitted	NA	-
21.	Whether procedure and calculation of apportionment of unit wise IDC submitted	NA	-

12

Rajiv
 राजीव धल / Rajiv Dhali
 जन महाप्रबंधक (वाणिज्यिक)
 Dy. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

M.K. Verma
 मुकेश कुमार वर्मा / M.K. VERMA
 अपर महाप्रबंधक (वाणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh

255

Return on Equity (ROE)			
22.	Whether the details of the actual deployment of loan and equity submitted	NA	-
23.	Whether income tax holiday u/s 80 IA of the I.T. Act is available to the project/station, if yes, whether details thereof submitted	YES/NO	-
Additional Capital Expenditure			
24.	Whether Form-9 pertaining to additional capitalization after COD is complete in all respects including; (i) Justification for incurring projected additional capital expenditure (ii) Provision of regulation under which claimed (iii) De-capitalization value of old asset in case assets claimed under replacement (iv) Claims that do not include expenditure on minor assets and tools and tackles (v) Approval of additional capital expenditure by Board of Directors of Petitioner (vi) Documentary evidence like test results carried out by Independent Agency /OEM or Technical Committee in case of claims under Regulation 14(3)(vii) and (viii) for efficient operation	YES YES YES YES YES NO NO	49-68
25.	Whether additional capital expenditure is within the original scope of work and if so details given?	NA	-
26.	Whether additional capital expenditure claimed is within or beyond the cut-off date. If so, whether relevant provisions of the Regulations mentioned	YES	49-68
27.	Whether relaxation in cut-off date claimed. If so, whether detailed reasons/justifications submitted	NO	-
Interest on Loan			
28.	Whether loan agreement submitted	NA	-
29.	Whether documents relating to interest rate reset from the first drawl submitted	YES	83
30.	Whether any penalty for shortfall amount of loan paid, if so, details thereof submitted	NO	-
31.	Details of prepayment of loan, if any, submitted	NO	-
32.	Whether calculation of IOL as per Form 13 for each year submitted	YES	83
33.	Whether quarter-wise schedule with regard to loan and revision thereof submitted	NO	-
34.	Whether there are any commitment charges? If so, reasons thereof submitted?	NA	-
35.	Whether any penal rate of interest for default in repayment of loan is made. If yes, reasons thereof submitted?	NO	-
36.	Whether details of calculation of normative loan submitted	YES	83-84
Depreciation			
37.	Whether justification for claiming the working capital margin as per Form 5A submitted	NA	-
38.	Whether calculation of rate of depreciation for each year as per Form 11 submitted	YES	76-81
39.	Whether calculation of depreciation for each year as per Form 12 submitted	YES	82

13

राजीव धर/ Rajiv Dhar
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, राईकिश
 THDC India Limited, Rishikesh

मुकेश कुमार वर्मा / M.K. VERMA
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, राईकिश
 THDC India Limited, Rishikesh

256

Interest on Working Capital			
40.	Whether details of component-wise IWC as per Form 13B submitted	YES	85
General			
41.	Whether editable soft copy of all Forms and calculations submitted	YES	195
42.	Whether cost audit report for the last three financial years submitted	NA	
43.	Whether DPR submitted	NA	-
44.	Whether liability flow statement as per Form 16 submitted	YES	91
45.	Whether relaxation for NAPAF and Design Energy claimed, if so, whether reasons/justification along with documentary submitted	NA	-
O&M Expenses			
46.	Whether Income Tax liability and deferred tax liability is computed as per amended Tariff Regulation 2014-19?	NO	-
47.	Whether O&M Expenses claimed as per Regulations? If not, whether relaxation claimed	YES	34
48.	In case relaxation claimed, whether details submitted	NA	-

Note: Petitions in WS format and detailed calculations in Excel format shall be submitted in CD/Floppy Disk

14


 राजीव धल / Rajiv Dhall
 डी. जनरल मैनेजर (कॉमर्शियल)
 डी. जनरल मैनेजर (कॉमर्शियल)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh


 मुकेश कुमार वर्मा / M.K. VERMA
 अडि. जनरल मैनेजर (कॉमर्शियल)
 डी. जनरल मैनेजर (कॉमर्शियल)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

BEFORE THE HON'BLE CENTRAL ELECTRICITY REGULATORY
COMMISSION, NEW DELHI

PETITION NO. OF 2019

IN THE MATTER OF

Approval of Generation Tariff of Tehri Hydroelectric Power Project (HPP) Stage-I
(4X250 MW) for the period 01.04.2019 to 31.03.2024 in terms of the Tariff
Regulations, 2019.

AND

IN THE MATTER OF:

THDC India Limited

(A Joint Venture of Govt. of India & Govt. of U.P.)

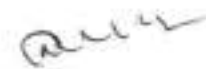
Pragatipuram, Bypass Road,

Rishikesh-249 201 (Uttarakhand)

- Petitioner

Versus

1. Chairman & Managing Director,
Punjab State Power Corporation Limited,
The Mall,
Patiala - 147001 (Punjab)
2. The Chairman,
Haryana Power Utilities(DHBNL & UHBNL),
Shakti Bhawan, Sector 6,
Panchkula - 134 109 (Haryana)


राजीव धाली / Rajiv Dhali
मुख्य प्रशासक (वणिज्यिक)
Dy. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

15


मुकेश कुमार वर्मा / M.K. VERMA
अवर प्रशासक (वणिज्यिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

258

3. Chairman & Managing Director,
Uttar Pradesh Power Corporation Limited,
Shakti Bhawan, 14 Ashok Marg,
Lucknow - 226001 (UP)
4. Chief Executive Officer,
BSES Rajdhani Power Ltd.,
BSES Bhawan, Nehru Place,
Behind Nehru Place Bus Terminal,
New Delhi-110019
5. Chief Executive Officer,
BSES Yamuna Power Ltd.,
3rd Floor, Shakti Kiran Building,
Karkardooma, Near Court,
New Delhi-110092
6. Chief Executive Officer,
TATA Power Delhi Distribution Ltd.,
33 KV, Grid Sub-Station Building,
Hudson Lane, Kingsway Camp,
Delhi-110009
7. Secretary (Engineering),
Engineering Deptt.,
Chandigarh Administration,
1st Floor, UT Secretariat,
Sector 9-D, Chandigarh-160009


राजीव धल / Rajiv Dhall
एन.ए.ए.सी. (व्यावसायिक)
By General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

16


मुकेश कुमार वर्मा / M.K. VERMA
अपर महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
THDC India Limited, Rishikesh

(259)

8. Managing Director,
Uttarakhand Power Corporation Ltd.,
Urja Bhawan, Kanwali Road, Dehradun-248001 (UK)
9. The Chairman ,
HPSEB Limited,
Vidyut Bhawan, Shimla-171004 (HP)
10. The Managing Director ,
Jaipur Vidyut Vitran Nigam Ltd.,
Vidyut Bhawan,
Janpath, Jyotinagar, Jaipur-302005 (Rajasthan)
11. The Managing Director ,
Ajmer Vidyut Vitran Nigam Ltd.,
Old Power House,
Hatthi Bhatta, Jaipur road, Ajmer-305001 (Rajasthan)
12. The Managing Director ,
Jodhpur Vidyut Vitran Nigam Ltd.,
New Power House, Industrial Area
Jodhpur-342003 (Rajasthan)
13. Principal Secretary (Power),
Power Development Department (PDD),
Govt. of J&K, Civil Secretariat,
Jammu -180001 (J&K)


राजिव धल / Rajiv Dhall
उप महाप्रबंधक (व्यावसायिक)
टीएचसी इंडिया लिमिटेड, रीशिकेश
THOC India Limited, Rishikesh

17


मुकेश कुमार वर्मा / M.K. VERMA
उप महाप्रबंधक (व्यावसायिक)
Addl. General Manager (Commercial)
टीएचसीसी इंडिया लिमिटेड, रीशिकेश
THOC India Limited, Rishikesh

14. Chief General Manager (Commercial)
MPPMCL, 3rd Floor, Block No. 11
Shakti Bhawan, Rampur
Jabalpur-482008 (MP)
15. The Managing Director,
Rajasthan Urja Vikas Nigam Limited,
Vidyut Bhawan, Jyoti Nagar
Jaipur-302005 (Rajasthan)
16. The Managing Director,
Jammu and Kashmir State Power Trading Company Limited,
PDD Complex, Bemina
Srinagar-190010 (Jammu & Kashmir)

- Respondents

The petitioner respectfully submits as under:

1. The petitioner herein, THDC India Limited (erstwhile Tehri Hydro Development Corpn. Ltd.) is a company incorporated under the Companies Act, 1956 with its registered office at Bhagirathi Bhawan (Top Terrace), Bhagirathipuram, Tehri Garhwal -249001 (Uttarakhand).
2. The petitioner is a Joint Venture Company of the Government of India and the Government of Uttar Pradesh. The Government of India holds 75% of the issued and paid up equity capital of the Petitioner.

Anil
 राजीव धाल / Anil Dhall
 अडल मलमलमल (मलमलमल)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

18

M.K. Verma
 मुकेश कुमार वर्मा / M.K. VERMA
 अडल मलमलमल (मलमलमल)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

261

3. The petitioner is a generating company owned and controlled by the Government of India within the meaning of Section 79(1) (a) of the Electricity Act, 2003 read with Section 2(31) of the Electricity Act, 2003. The tariff for generation and sale of electricity by the petitioner company to distribution licensees is, therefore, regulated by the Hon'ble Commission in terms of Section 79(1)(a) read with Sections 61, 62 and other applicable provisions of the Electricity Act, 2003.
4. The petitioner has commissioned Tehri Hydroelectric Power Project (HPP) Stage-I (1000 MW) in Tehri Garhwal in the State of Uttarakhand. The Tehri project had initially been accorded investment clearance by the Planning Commission in June 1972 for implementation by the Government of Uttar Pradesh. The construction of the Project was commenced by the State Government of Uttar Pradesh in 1978. The project was transferred to /the petitioner in the year 1989. The expenditure incurred by Uttar Pradesh till date of transfer to the petitioner was adjusted as equity contribution from Government of Uttar Pradesh.
5. The petitioner filed petition no. 250/2010 before Hon'ble Commission on 09.09.10 for the fixation of tariff for the above Tehri Hydroelectric Power Project (HPP) Stage-I (1000 MW) for the period 2006-09, considering expenditure incurred upto the COD of the generating station and actual additional capitalization upto 31.03.2009. The four units of Tehri HPP Stage-I (4 x 250 MW) were put under commercial operation w.e.f. 22.09.2006 (Unit-IV), 09.11.2006 (Unit-III), 30.03.2007 (Unit-II) and 09.07.2007 (Unit-I) respectively.
6. The Hon'ble Commission had determined the tariff of Tehri HPP for the tariff period 22.09.2006 to 31.03.2009 vide its Order dtd. 16.04.2013 in petition


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 अवर महाप्रबन्धक (वाणिज्यिक)
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 THDC India Limited, Rishikesh

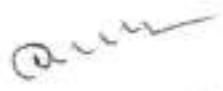
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 मुकेश कुमार वर्मा / M.K. VERMA
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 THDC India Limited, Rishikesh

No.250/2010. This Order was revised vide order dtd.07.01.2014 & 05.06.2014 in respect of review petition No.7/RP/2013 in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004 and subsequent amendments thereof.

7. The AFC approved by the Hon'ble Commission vide order dated 05.06.2014 was Rs. 246.25 Crs., Rs. 1011.45 Crs. and Rs. 1116.48 Crs. for FY 2006-07, 2007-08 & 2008-09 respectively.
8. The Petitioner has filed Civil Appeal No. 5975/2015 in the Hon'ble Supreme Court challenging some of the aspects pertaining to the tariff of Tehri HPP for the period of 2006-09. The Civil Appeal no. 5975/2015 is pending before the Hon'ble Supreme Court.
9. The Hon'ble Commission had determined the tariff of Tehri HPP for the tariff period 01.04.2009 to 31.03.2014 vide its Order dtd. 20.03.2017 in petition No.172/GT/2015. This Order was revised vide order dtd.05.12.2017 passed in review petition No.20/RP/2017 in accordance with the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 and subsequent amendments thereof. A copy of above Tariff Order dtd.05.12.2017 passed in review petition No.20/RP/2017 is annexed at **Annexure - B**.
10. The AFC approved by the Hon'ble Commission vide order dated 05.12.2017 is Rs. 1482.46 Crs., Rs. 1481.81 Crs., Rs. 1459.03 Crs., Rs. 1446.09 Crs. and Rs. 1461.62 Crs. for FY 2009-10, 2010-11, 2011-12, 2012-13 & 2013-14 respectively.

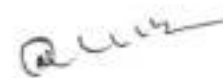
20


 राजीव धल / Rajiv Dhall
 जन सामर्थ्य (व्यावसायिक)
 Cy General Manager (Commercial)
 टि.एच.डी. इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh


 मुकुंश कुमार वर्मा / M.K. VERMA
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 Addl. General Manager (Commercial)
 टी.एच.डी. इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

11. The Hon'ble Commission has determined the tariff of Tehri HPP for the tariff period 01.04.2014 to 31.03.2019 vide its Order dtd. 29.03.2017 in petition No.178/GT/2015. The copy of above Tariff Order dated 29.3.2017 is annexed at **Annexure – C**. The AFC allowed by Hon'ble CERC vide Order dated 29.3.2017 was revised vide order dtd.05.12.2017 in respect of review petition No.20/RP/2017.
12. The AFC approved by the Hon'ble Commission vide order dated 05.12.2017 is Rs. 1398.39 Crs., Rs. 1372.97 Crs. , Rs. 1344.53 Crs. , Rs. 1316.60 Crs. and Rs. 1291.70 Crs. for FY 2014-15, 2015-16, 2016-17, 2017-18 & 2018-19 respectively.
13. The Petitioner states that the Truing-up petition for the period of 2014-19 has been filed before Hon'ble CERC on 24.10.2019.
14. The Petitioner states that a separate Miscellaneous Petition for the period 2014-19 for claiming the impact of Pay Revision, Minimum Wages and impact of GST and Security expenses shall be filed separately.
15. Petitioner states that the actuarial assumption for future salary increase @8% has been considered to the impact of Pay revision of 2018-19 to arrive at projected impact of Pay revision for the period from 01.04.2019 to 31.03.2024.
16. The present petition is being filed for determination of tariff for Tehri HPP (1000 MW) for the period of 2019-24 considering the projected additional capital

21


 रविश डाल / Rishi Dhall
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 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, ऋषिकेश
 THDC India Limited, Rishikesh


 मुकुंश कुमार वर्मा / M.K. VERMA
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 THDC India Limited, Rishikesh

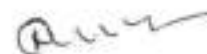
264

expenditure (Additional Capitalisation) for the FYs 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24.

17. The Petitioner has claimed additional capital expenditure on certain heads under Regulation 76 – ‘Power to Relax’ and Regulation 77- ‘Power to difficulty’ of CERC (Terms and Conditions of Tariff) Regulation 2019.
18. The power to remove difficulties and power to relax are well known methods of the legislative drafting. The basis for retaining such power is that it is not possible to envisage all situations and more particularly the implications of a general regulation notified for all persons as to how the same would affect in a peculiar circumstances concerning a particular generating station as in the present case. This is the purpose for which there is a power to exempt or power to relax. In this regard the basis of the power to exempt and power to relax have been considered by the Hon’ble Supreme Court in the following cases:

- a) Premium Granites & Anr.-v-State of Tamil Nadu & Ors (1994) 2 SCC 691:

"48. After considering the facts and circumstances of the case and giving our careful consideration to the arguments advanced by the learned Counsels for the respective parties, it appears to us that the MMRD Act was enacted by the Parliament under Entry 54 List 1 of the 7th Schedule to the Constitution. The aforesaid Entry enables the Central Government to regulate mines and mineral development in public interest by making such declaration and the Parliament, has, in fact, made such declaration by Section 2 of the MMRD Act. In respect of minor minerals, the Parliament by the said MMRD Act has left the powers of regulating minor minerals to the State Governments under Section 15 of the MMRD Act. Different State Governments have exercised such power under Section 15 of the MMRD Act and State of Tamil Nadu has enacted in 1959 the Mineral Concession Rules. There is no dispute that the MMRD Act and the rules framed thereunder either by the Central Government or by the State Government are for mineral development subserving the cause of public interest. It cannot also be disputed that mineral development is not a vague expression and the MMRD Act and the rules framed under it, clearly furnish the scope and purport of the word "mineral development".



राजिव धाल / Rajiv Dhall
 उपाध्यक्ष (व्यावसायिक)
 By General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, राशिकेश
 THDC India Limited, Rishikesh

22

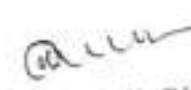

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 THDC India Limited, Rishikesh

It has been very reasonably contended that scientific exploitation of minerals without waste is undoubtedly a part of mineral development as envisaged by the MMRD Act and the rules framed thereunder. The expression "public interest" finds place in the Constitution and in many enactments which have since been noted and considered by this Court in various decisions. The said expression is, therefore, a word of definite concept. There is also force in the contention of the appellants that the guidelines need not be expressly found in the impugned provisions but such guidelines can be gathered from the setting of the Act and the rules framed thereunder. Such contention gets support from the decisions of this Court in *P.J. Irani (supra)*, *K. Kandaswamy Chettiar (supra)*, *Jalan Trading Co. (supra)*, *Workmen of Meenakshi Mills Ltd. (supra)*.

49. The power of relaxation under Rule 39 of Mineral Concession Rules is to be exercised for "mineral development" and "in public interest" after recording reasons for such exercise of power. In our view, it has been rightly contended by the learned Counsel in support of the validity of the Rule 39, that the exercise of power under the said Rule 39 cannot be made arbitrarily, capriciously and on subjective satisfaction of the concerned authority but the same is to be exercised within the parameters of "mineral development" and "in public interest" which as aforesaid, are not vague and indefinite concepts. Such exercise of power must satisfy the reasonableness of state action before a court of law if any challenge of improper action in exercise of the said power under Rule 39 in a given case is made. It has been held by the Constitution Bench of this Court in *Meenakshi Mill's case (supra)* that if a speaking order is required to be passed on objective consideration, such provision is not vitiated on the ground of absence of a provision for appeal or review because the remedy available by way of judicial review is by itself an adequate safeguard against improper and arbitrary exercise of power. It has also been held by this Court in the said decision that requirement of giving reasons for exercise of the power by itself excludes chances of arbitrariness.

50. The observation made in the majority decision in *Delhi Transport Corporation's case (supra)* as referred to hereinbefore should be appreciated with reference to the facts and circumstances of a case and the true import of a provision under which a discretionary power is to be exercised. While no exception can be made to the observation of this Court in the said decision that "it would be both unwise and impolitic to

23


 राजीव धल / Rajiv Dhall
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 Addl. General Manager (Commercial)
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 THDC India Limited, Rishikesh


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 अवर महाप्रबंधक (व्यापारिक)
 Addl. General Manager (Commercial)
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 THDC India Limited, Rishikesh

leave any aspect of its life to be governed by discretion when it can conveniently and easily be covered by the rule of law", it should also be borne in mind that it is not always feasible and practical to lay down such exhaustive written guidelines which can cover all contingencies. It has, therefore, become necessary to make provisions for exercise of discretion in appropriate cases by giving broad guidelines and indicating the parameters within which such power is to be exercised. In various decisions referred to hereinbefore, this Court has upheld such exercise of discretion if the same does not appear to be wholly uncontrolled, uncanalised and without any objective basis.

51. "Public interest" is a paramount consideration in the MMRD Act itself and the rules framed thereunder cannot but subserve 'public interest' in furthering the cause of mineral development. We are, therefore, unable to hold that Rule 39 is per se obnoxious and having contained unbridled, unguided and uncanalised discretionary power offends Article 14 of the Constitution."

b) Hindustan Paper Corporation Limited v. Government of Kerala (1986) 3 SCC 398:

"9. ... In almost all the statutes by which the fiscal or economic interests of the State are regulated, provision for granting exemption in appropriate cases would have necessarily to be there and the power to grant exemption is invariably conferred on the Government concerned. The Legislature which is burdened with heavy legislative and other types of work is not able to find time to consider in detail the hardships and difficulties that are likely to result by the enforcement of the statute concerned. It has, therefore, now become a well-recognised and constitutionally accepted legislative practice to incorporate provisions conferring the power of exemption on the Government in such statutes. Such exemptions cannot ordinarily be granted secretly. A notification would have to be issued and published in the Gazette and in the ordinary course it would be subject to the scrutiny by the Legislature. The power can be exercised only in the public interest as provided by the Section itself. The validity of provisions conferring the power of exemption has been consistently upheld by this Court in a number of decisions commencing with the State of Bombay and *Anr. v. F.N. Balsara* [1951]2SCR682."


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 THDC India Limited, Rishikesh

24


 मुकेश कुमार वर्मा / M.K. VERMA
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c. Hindustan Steels Ltd. v. A.K. Roy, (1969) 3 SCC 513:

"14. The question, however, still is whether the Tribunal was, in the circumstances of the case, justified in directing reinstatement. It is true that some of the decisions of this Court have laid down that where the discharge or dismissal of a workman is not legal or justified, the relief which would ordinarily follow be reinstatement. The Tribunal, however, has the discretion to award compensation instead of reinstatement if the circumstances of a particular case are unusual or exceptional so as to make reinstatement inexpedient or improper. The Tribunal has, therefore, to exercise its discretion judicially and in accordance with well-recognised principles in that regard and has to examine carefully the circumstances of each case and decide whether such a case is one of those exceptions to the general rule. If the Tribunal were to exercise its discretion in disregard of such circumstances or the principles laid down by this Court it would be a case either of no exercise of discretion or of one not legally exercised. In either case the High Court in exercise of its writ jurisdiction can interfere and cannot be content by simply saying that since the Tribunal has exercised its discretion it will not examine the circumstances of the case to ascertain whether or not such exercise was properly and in accordance with the well-settled principles made. If the High Court were to do so, it would be a refusal on its part to exercise jurisdiction.

In the present case, there could be no dispute that the company, in accordance with its practice, called for a verification report about the concerned workman. The report was made by the police after investigation and on that being adverse, the company's security officer recommended to the company that it was not in the interests of the company to retain the workman's services. There can be no doubt that the company terminated the service of the workman only because it felt that it was not desirable for reasons of security to continue the workman in its services. This is clear from the fact that it was otherwise not interested in terminating the workman's service and had in fact insisted that the workman should bind himself to serve it at least for five years. The termination of service was not on account of victimisation or unfair labour practice as was clearly found by the Tribunal. It is, therefore, abundantly clear that the company passed the impugned order of termination of service on account of the said adverse report, the recommendation of its own Security Officer and on being satisfied that it would not be in the company's interests to continue him in its service.

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 By General Manager (Commercial)
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 THDC India Limited, Rishikesh

25

मुकेश कुमार वर्मा / M.K. VERMA
 अतिरिक्त महाप्रबंधक (व्यापारिक)
 Addl. General Manager (Commercial)
 टीएचडी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

16. *On a consideration of all the circumstances, the present case, in our view, was one such case. The Tribunal exercised its discretion mechanically without weighing the circumstances of the case. That was no exercise of discretion at all. There is ample authority to the effect that if a statutory tribunal exercises its discretion on the basis of irrelevant considerations or without regard to relevant considerations, certiorari may properly issue to quash its order. [See S.A. de Simith, Judicial Review of Administrative Action, (2nd Edn.) (324-325)]. One such relevant considerations, the disregard of which would render its order amenable to interference, would be the well-settled principles laid down in decisions binding on the tribunal to whom the discretion is entrusted. The refusal by the High Court to interfere was equally mechanical and amounted to refusal to exercise its jurisdiction. Its order, therefore, becomes liable to interference."*

19. The present petition is being filed in accordance with Regulations 10, 26, 35(2), 76, 77 and other applicable Regulations of CERC (Terms and Conditions of Tariff) Regulation 2019.
20. Petitioner has stated Contingent Liabilities and interest thereon of approx. Rs. 132873.46 Lakh as on 31.3.2019.
21. The present petition is being filed in the tariff filing forms 1 to 19 as prescribed in the Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2019 (**Annexure - A**).
22. The details of projected additional capital expenditure for the FYs 2019-20, 2020-21, 2021-22, 2022-23 & 2023-24 considered in this petition have been given in Form-9A.
23. The Annual Fixed Charges in respect of Tehri HPP (1000 MW) for the period 01.04.2019 to 31.03.2024 based on the Central Electricity Regulatory

26


 राजीव धल / Rajiv Dhall
 उपाध्यक्ष (वणिज्यिक)
 By General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh


 मुकेश कुमार वर्मा / M.K. VERMA
 अवर महाप्रबंधक (वणिज्यिक)
 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रीशिकेश
 THDC India Limited, Rishikesh

Commission (Terms & Conditions of Tariff) Regulations, 2019 works out to Rs. 1300.41 Cr. , Rs. 996.29 Cr. , Rs.1012.95 Cr. , Rs. 1029.64 Cr. & Rs. 1050.91 Cr. for the year 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 respectively as per the details given in Form-I of **Annexure-A**.

24. The Petitioner states that Govt. of Uttarakhand issued Notification No. 32/XXXVI(3)/2013/67(1)/2012 dated:28th January 2012 for Uttarakhand water tax on Electricity Generation Act on non consumptive use of water for electricity generation & Notification No.342 /XXXVI(3)/2015/79(1)/2014, Dated: 03rd January 2015 of Green Energy Cess. The Petitioner has filed writ petition before Hon'ble High Court of Uttarakhand challenging both these Taxes. The writ Petition no. WPMS No. 187 of 2016 and WPMS No. 469 of 2016 is pending before the Hon'ble High Court of Uttarakhand.
25. Petitioner states that the Memorandum of Understanding (MoU) for Security requirement (CISF) and the estimated Security expenses for the period from 01.04.2019 to 31.03.2024 are annexed as **Annexure - E**.
26. The tariff proposals made in this petition are exclusive of any statutory taxes, levies, duties, cess, environmental cess, Water Tax, Green Energy Cess or any other kind of imposition(s) whatsoever imposed/charged by any Government (Central/State) and/or any other local bodies/authorities/ regulatory authorities in relation to generation of electricity including auxiliary consumption or any other types of consumption including water, transmission of power, environmental protection, sale or on supply of power/energy, and/or in respect of any of its installations associated with Generating Stations and/or on transmission system.

27

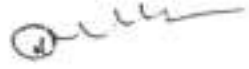

 राजीव धल/ Rajiv Dhall
 जन महाप्रबंधक (वाणिज्यिक)
 By: General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रुड़की
 THDC India Limited, Rishikesh


 मुकेश कुमार वर्मा / M.K. VERMA
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 Addl. General Manager (Commercial)
 टीएचडीसी इंडिया लिमिटेड, रुड़की
 THDC India Limited, Rishikesh

The amount of such taxes / duties / cess / levies etc. payable by the petitioner to the authorities concerned in any month on account of the said taxes / duties / cess / levies etc. as referred to above is required to be borne and additionally be paid by the respondents to the petitioner and the same may be permitted to be charged in the monthly bills raised by the petitioner on the respondents in proportion to Annual Capacity Charges payable by the respondents.

27. The amount of Rs.44,00,000/- (Forty Four Lakh only) for the period 2019-20 has already been deposited on 05.04.19 (**Annexure-D**). The filing fee amounting to Rs.44.0 lakhs per annum payable to the Hon'ble Commission every year may be allowed to be recovered by the petitioner from the respondents.
28. It is prayed that the AFC as per Form-1 for the financial year 2019-20, 2020-21, 2021-22, 2022-23 & 2023-24 may kindly be allowed to be paid by the beneficiaries.
29. The Tariff filing forms have been filled based on the audited accounts as on 31.03.2019 & projected additional capital expenditure during FY 2019-20 to 2023-24, which have been duly audited by the Statutory Auditors.
30. The expenditure incurred towards the publication of notice, for making the application for tariff in the newspapers as per CERC order no. L-7/25(7)/2004-CERC dated 29th July, 2004, may be allowed to be recovered by the petitioner from the respondents as per their allocation of power from Tehri HPP Stage-I.
31. The Complete tariff petition has been uploaded on Petitioner's web site (<thdc.co.in>) and copy of the same has been served to all the beneficiaries.

28


 राजीव धल / Rajiv Dhall
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 राष्ट्रीय नदी विकास एवं शक्ति निगम
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 THDC India Limited, Rishikesh

32. The respondents may kindly be directed to make the payments including other charges to the petitioner for the bills raised by the petitioner for supply of power/energy to them from Tehri HPP Stage-I in accordance with the terms and conditions notified by the Hon'ble Commission.
33. The petitioner craves the leave of the Hon'ble Commission to submit additional submission/documents in support and also craves the leave of the Hon'ble Commission to make oral submissions in this regard.
34. The following documents are annexed to this petition:
- i. Form No.1 to Form No.19 as prescribed in the CERC Regulations, 2019 and amendment thereof **(Annexure-A)**
 - ii. Hon'ble Commission's Revised Tariff Order for the period 2009-14 dated 5.12.2017 in the Review Petition No. 20/RP/2017. **(Annexure-B)**
 - iii. Hon'ble Commission's Tariff Order for the period 2014-19 dated 29.3.2017. **(Annexure-C)**
 - iv. Copy of submission of tariff determination fees for the FY 2019-20. **(Annexure-D)**
 - v. Statement of estimated Security expenses, Impact of pay revision and Memorandum of Understanding (MoU) for security requirement. **(Annexure-E)**

29

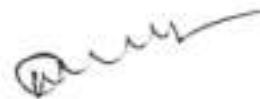

 राजीव धाली / Rajiv Dhali
 अवर महासंचालक (व्यावसायिक)
 अवर महासंचालक (व्यावसायिक)
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PRAYER

1. The Tariff of Tehri Hydroelectric Power Project Stage-I (1000 MW) may be determined for the period 2019-24, taking account of the submissions made herein above and in the form and the annexure filed herewith permitting the petitioner to recover Annual Fixed Cost of Rs. 1300.41 Cr. , Rs. 996.29 Cr. , Rs.1012.95 Cr. , Rs. 1029.64 Cr. & Rs. 1050.91 Cr. for the year 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 respectively, variable charges, taxes, levies and other charges, costs and expenses and reimbursements as more fully stated in the petition.
2. The Hon'ble Commission may pass such further order or orders as may deemed appropriate in the case.

For THDC India Limited.



(Rajiv Dhall)
Dy.General Manager(Commercial)

Place: Rishikesh
Date: 24/10/ 2019



राजिव धाल / Rajiv Dhall
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30



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