

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR
PETITION NO. _____ OF 2023**

IN THE MATTER OF:

Petition under Section 86 (1) (b) and (e) of the Electricity Act 2003 for approval of amendments to the Power Purchase Agreement dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014 for procurement of power from 2X125 MW lignite based thermal power plant established by GMDC at Akrimota, Kutch, Gujarat.

Gujarat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhavan
Race Course,
Vadodara - 390 007

Petitioner

Versus

Gujarat Mineral Development Corporation Limited
Khanij Bhavan, 132 Feet Ring Road,
Near Gujarat University Ground, Vastrapur,
Ahmedabad, Gujarat 380 052 (Address)

Respondent

**PETITION UNDER SECTION 86 (1) (B) OF THE ELECTRICITY ACT 2003 FOR
APPROVAL OF AMENDMENTS TO THE POWER PURCHASE AGREEMENT DATED
19.02.2000 READ WITH SUPPLEMENTARY AGREEMENT DATED 17.12.2014**

MOST RESPECTFULLY SHOWETH:

1. The Government of Gujarat had notified the Gujarat Electricity Industry (Reorganization and Regulation) Act 2003 in May 2003 for the reorganization of the State Electricity utilities in the State of Gujarat. Pursuant to the Gujarat Electricity Industry Reorganization and Comprehensive Transfer Scheme, 2003 notified under the Gujarat Electricity Industry (Reorganization and Regulation) Act 2003, erstwhile Gujarat Electricity Board has been reorganised and its functions have been vested in different entities. The function of Bulk purchase and Bulk sale of power is assigned to the Petitioner - Gujarat Urja Vikas Nigam Ltd. (GUVNL) as per the re-organization scheme.
2. The Power Purchase Agreements entered into by erstwhile Gujarat Electricity Board had been vested in the GUVNL. One Such PPA was with the Respondent, Gujarat Mineral Development Corporation (hereinafter

“GMDC”) dated 19.02.2000 in relation to their 250 MW lignite based thermal power plant located at Akrimota, Kutch, Gujarat (hereinafter “**Akrimota Thermal Power Station**” or “**ATPS**”). A copy of the PPA dated 19.02.2000 is attached hereto and marked as **Annexure A**. The commencement of supply of power from ATPS started from May 2006.

3. The PPA was on cost plus tariff basis and the PPA, inter alia, provided for the parameters and formula for determination of tariff for sale of electricity.
4. The Hon’ble Gujarat Electricity Regulatory Commission (GERC), under its Order dated 10.10.2000 in case No. 19/1999 directed the GUVNL to attempt to reduce the cost of power purchase from the Independent Power Producers (IPPs) through consultative approach. The Government of Gujarat initiated actions in this regards by writing a letter dated 14.03.2002 to all IPPs including GMDC, emphasizing the need to reduce the cost of power being purchased by GUVNL from their Power Projects in the larger interests of the end users of electricity and also constituted a Negotiating Team to discuss various parameters of the PPAs with the IPPs. The Negotiating Committee constituted by the Government of Gujarat and GMDC discussed all issues relating to and / or arising from the PPA including but not limited to the claims / disputes of GMDC as also areas / parameters on which agreement can be reached between the Parties with a view to reduce tariff.
5. The Government of Gujarat constituted a second Negotiating Committee in order to further reduce the cost of power purchase by revising the tariff parameters under the PPA. Subsequent to discussions between the Negotiating Team and GMDC, understandings have been reached on the modifications of certain parameters of the PPA and resolution of the PPA related issues. The Negotiating Committee submitted their report to the Government of Gujarat and the same was approved by Government of Gujarat with certain modifications vide their letter No.PPA-2005-2949-K dated 6-10-2006.
6. Accordingly, both GUVNL and GMDC have agreed to revise the certain technical parameters stated in the PPA and thereafter, the Supplementary Agreement was executed between the parties on 17.12.2014. A copy of the

Supplementary Agreement dated 17.12.2014 is attached hereto and marked as Annexure B.

7. It is submitted that power from the ATPS is amongst the lowest of lignite based stations in Gujarat as per the merit order despatch, the availability from the project is not optimal leading to GUVNL to procure electricity from other sources. GUVNL is required to procure the shortfall in power from incremental costlier sources such as marginal generating stations, short term markets including power exchanges which results in increase in overall power purchase cost which burdens the end consumers. If there is improvement in the plant performance, the resultant increase in incremental generation by the GMDC will be cheaper power and GUVNL can avoid buying costlier power from other sources.
8. GMDC had filed a petition being Petition No. 2127 of 2022 in regard to the approval of the additional capital expenditure in relation to the compliances with the Notification dated 07.12.2015 issued by the Ministry of Environment, Forest and Climate Change (MOEFCC) notifying the Environment (Protection) Amendment Rules, 2015 and subsequent amendments thereto. The Hon'ble Commission passed the Order dated 17.01.2023 in the Petition no. 2127 of 2022 granted in principle approval for one time capital expenditure with certain directions including transparent and competitive procurement process.
9. That GMDC in the said Petition had raised certain issues in regard to the inability of the station to achieve the desired parameters and that GMDC has suffered substantial loss. In this regard, GMDC had stated that it would approach Government of Gujarat with respect to normative performance parameters and accordingly
10. GMDC had approached the Government of Gujarat and various meetings was held between GMDC and GUVNL officials under the Chairmanship of the Principal Secretary, Energy and Petrochemical Department, Government of Gujarat, regarding additional capitalization and renegotiation of the PPA entered into between GMDC and GUVNL.
11. GMDC informed that it is not able to achieve its stipulated availability / generation and is barely able to supply 40-50% of the intended power supply in a year which would lead to GUVNL purchasing costlier power from other

sources and GMDC itself is suffering heavy loss as it unable to recovery its actual cost of generation. GMDC sought relaxation in order to improve its performance and availability and supply more reliable and continuous power to GUVNL.

12. The submissions of GMDC as recorded in one the Minutes of Meeting is reproduced herein:

“GMDC submitted that the power supply from their plant is cheapest in merit order in the state and their plant is one of the best machines available for lignite based power generation. However, stringent norms of PPA executed with GUVNL and certain technical constraints lead to techno commercial issues which impacted the availability of their station. As a consequences, GMDC was not able to recover its Fixed Charges and at the same time GUVNL had to rely on costly power purchase from marginal supplier. GMDC has submitted broad summary of their proposal and compared various operational & tariff parameters of their plant with other lignite based power plants in the state. A statement showing comparison of parameters of different lignite based power plants, GMDC's request and applicable GERC norms was submitted by GUVNL.”

13. On 12.08.2022, in the meeting held between GMDC and GUVNL officials under the Chairmanship of the Principal Secretary, Energy and Petrochemical Department, Government of Gujarat, various issues on the renegotiation of the terms of the PPA was discussed. A copy of the Minutes of Meeting dated 12.08.2022 is attached hereto and marked as Annexure C.
14. In the meeting, discussions were held on additional capital expenditure claimed by GMDC wherein it was agreed that the GMDC shall approach this Hon'ble Commission for approval which is the subject matter of Petition No. 2127 of 2022. Further in regard to renegotiation of the PPA, various parameters were discussed and the agreement was reached for revision on certain parameters whereas revision of other parameters were not accepted. The parameters to be revised were as under:
 - a. Operation and Maintenance expenditure
 - b. Return on Equity
 - c. Station Heat Rate
 - d. Auxiliary Consumption

15. It was agreed that GUVNL and GMDC shall seek approval of the Board of Directors and sign the Supplementary Agreement which shall be subject to the approval of this Hon'ble Commission. The Minutes also recorded as under:

"Hon'ble Principal Secretary, EPD stated that GMDC shall endeavor to improve the performance parameters as well as the availability of the plant and bring them to better than normative levels in order to justify the additional capital cost and to increase the quantum of reliable power supply from Akrimota plant to GUVNL."

16. The Order dated 17.01.2023 in the Petition No. 2127 of 2022 also records the Minutes of Meeting held on 12.08.2022 and it was held that the parties may approach the Hon'ble Commission for approval of the Supplementary Agreement:

"8.43. We note that the 'Minutes of Meeting-MoM' for meeting held on 12.08.2022 in presence of senior officials of the (i) the Energy & Petrochemicals Department, (ii) the Petitioner GMDC and (iii) the Respondent GUVNL is filed by the Petitioner. It is submitted during the hearing by the Respondent GUVNL that aforesaid MoM dated 12.08.2022 is forwarded to Government of Gujarat for approval, which is awaited. It is also admitted / consented on behalf of both the parties that the decision in said MoM dated 12.08.2022 is with their consent and is acceptable to both parties. Thus, it has so emerged in present matter that both parties are ready & willing to abide as per the decision recorded in Minutes of Meeting held on 12.08.2022 post approval of same by the Government of Gujarat, wherein it is recorded that as against the request of GMDC for allowance of one-time additional capital expenditure of Rs. 293 Crores, it has been agreed that GMDC shall approach GERC for approval of same. Further, regarding renegotiation of the PPA, it has been decided that both parties will seek approval of their respective Board of Directors and accordingly sign Supplementary Agreement, which shall be subject to approval by GERC for which GUVNL shall file Petition before GERC for approval of said Supplementary Agreement signed with the Petitioner GMDC. Pending filing of such Petition, if any, it is premature to express any views or decision on it. The parties may approach the Commission for the same, if so desired."

17. That subsequent to the approval of the Board of Directors of GUVNL, the above revisions agreed in the Minutes of Meeting were sent to Government of Gujarat, Energy and Petrochemical Department for approval vide Letter dated 23.09.2022 and the Government of Gujarat vide Letter dated 06.01.2023 has stated as under:

"2. Accordingly, Government has accorded an approval to the proposal of GUVNL regarding Modification of terms of Power Purchase Agreement executed between GMDC and GUVNL for GMDC's Akrimota Thermal Power Station (ATPS) subject to the

approval of Hon'ble Gujarat Electricity Regulatory Commission(GERC).

Further, in implementation of the the same, any direct or indirect financial assistance towards increase in the project cost will not be provided by the State Government"

A copy of the Letter dated 06.01.2023 is attached hereto and marked as **Annexure D**.

18. That Article 19.1 of the PPA dated 19.02.2000 recognises that the PPA can be amended by written agreement. Article 19.1 reads as under:

"19.1 Amendments

This PPA shall not be amended except by written agreement between the Parties and no other purported amendment shall be effective."

19. Accordingly the Supplementary Agreement is entered into by GUVNL and GMDC on 06-09-2023 for amendments of the PPA dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014. A copy of the Supplementary Agreement is being submitted for approval of this Hon'ble Commission which is attached hereto and marked as **Annexure E**.

20. The details of the revision of the parameters are as under:

(A)Operation and Maintenance Expenses

21. The existing clause in the PPA dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014 was as under:

10.5.4 O&M Expenses and Insurance Expenses

The O&M Expenses and Insurance Expenses in any month "m" shall be calculated as under:

$$OME = \sum \left(\frac{CCu \times 0.02 \times d \times F_{ESC}}{365} \right) \times F_{ESC} + INS$$

$$\text{Such that } OME \leq \frac{(0.03 \times CCu) \times d \times F_{ESC}}{365}$$

$$INS \leq \frac{(0.01 \times CCu) \times d}{365}$$

$F_{ESC} = 1$ for the first full Year of operation after the Entry into Commercial Service of each Unit and

$F_{ESC} = (0.7WPI_n + 0.3CPI_n) \div (0.7WPI_b + 0.3CPI_b)$ or $(1.1)^{p-1}$ whichever is lower for each succeeding Year

22. In terms of the above, for the FY 2021-22, the Operation and maintenance expenses was computed as per the formula to Rs. 24.04 lakh per MW.
23. GMDC has sought revision in Operation and Maintenance expenses from Rs. 24.04 lakh per MW for FY 2021-22 with escalation based on WPI and CPI index to Rs. 32.50 Lakh per MW for FY 2022-23 with escalation of 5.72% in subsequent years.
24. It is submitted that the Gujarat Electricity Regulatory Commission (Multi-Year Tariff) Regulations, 2016 (hereinafter “MYT Regulations 2016”) provides as under for operation and maintenance expenses for thermal generating stations:

54. Operation and Maintenance expenses for thermal Generating Stations

Existing Generating Stations

a) The Operation and Maintenance expenses excluding water charges and including insurance, shall be derived on the basis of the average of the actual Operation and Maintenance expenses excluding water charges and including insurance for the three (3) years ending March 31, 2015, subject to prudence check by the Commission.

b) The average of such operation and maintenance expenses excluding water charges and including insurance shall be considered as operation and maintenance expenses excluding water charges and including insurance for the financial year ended March 31, 2014 and shall be escalated year on year at the escalation factor of 5.72% to arrive at operation and maintenance expenses excluding water charges and including insurance for subsequent years up to FY 2020-21:

Provided that water charges shall be allowed separately as per actuals, subject to prudence check:

Provided further that in case an existing generating station has been in operation for less than three (3) years as on the date of effectiveness of these Regulations, the O&M Expenses shall be allowed as specified under Regulation 55 for New Generating Stations.

55. New Generating Stations

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b) For lignite based generating stations:

Table 11: O&M Expense Norms of New Lignite based Generating Stations for the Control Period(Rs. Lakh/MW)

<i>Particulars</i>	<i>O&M Expense Norms</i>
<i>FY 2016-17</i>	<i>27.00</i>
<i>FY 2017-18</i>	<i>28.54</i>
<i>FY 2018-19</i>	<i>30.18</i>

FY 2019-20	31.90
FY 2020-21	33.72

25. Therefore the operation and maintenance expenses as per the MYT Regulations was Rs. 33.72 lakhs per MW for new stations with escalation of 5.72%. GMDC had sought Rs. 32.50 lakhs per MW for FY 2022-23 which was lower.
26. Further the Operation and Maintenance expenses allowed to other lignite based generating stations are as under:
- GIPCL SLPP I : Rs. 35.61 lakh per MW for the FY 2021-22 with escalation based on WPI and CPI Index
 - GIPCL SLPP II : Rs. 37.73 lakh per MW for FY 2021-22 with escalation of 5.72% for subsequent years
 - BLTPS: Rs.35.65 lakh per MW for FY 2021-22 with escalation of 5.72% for subsequent years
 - GSECL KLTPS 3: Rs.22.74 lakh per MW for FY 2021-22 with escalation of 5.72% subsequent years
 - GSECL KLTPS 4 : Rs.26.44 lakh per MW for FY 2021-22 with escalation of 5.72% for subsequent years
27. Considering the Operation and Maintenance expenses allowed for other lignite based plants and the norms under the MYT Regulations, it had been agreed to revise Operation and Maintenance expenses to Rs. 32.50 Lakhs per MW for FY 2022-23 with escalation of 5.72% p.a. in subsequent years.
28. The effective date for the above amendment for O&M expenses has been agreed to be considered from FY 2022-23.

(B)Return on Equity

29. The existing clause in the PPA dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014 was as under:

“10.5.5 Return on Equity

The Return on Equity shall be 13% and calculated as follows:

$$RoE = \sum_c [(Eq_c \times 0.13 \times d) \div 365] \times F_{CAP}$$

At the end of every Year, the rate of return on Equity, on the basis of profit and loss account related to the operation of the Project, shall be verified and shall be adjusted such that it does not exceed 20%(Post Tax)of the equity amount. Any increase over 20% over the period of entire Year shall be adjusted from the first Monthly Tariff Payment of the subsequent Year.”

30. GMDC had sought for allowing the return on equity at 14% instead of 13% with effect from the date of signing of the Supplementary Agreement.

31. MYT Regulations provides as under for return on equity:

“37.1 Return on equity shall be computed on the paid up equity capital determined in accordance with Regulation 33 on the assets put to use, for the Generating Company, Transmission Licensee, SLDC and Distribution Licensee as the case may be and shall be allowed at the rate of 14% for Generating Companies, including hydro generation stations above 25 MW, Transmission Licensee, SLDC and Distribution Licensee”:

32. In terms of the MYT Regulations, 2016, the parties agreed to the return on equity at 14% with effect from the date of signing of the Supplementary Agreement.

(C) Station Heat Rate

33. The existing clause in the PPA dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014 was as under:

Station Heat Rate	SHR	shall mean the Station Heat Rate of the Unit expressed in K.Cal. per Kwh. The relevant values shall be as under:	
		During Stabilisation Period	2800 K. Cal per KWh
		After Stabilisation Period	2400 K. Cal per KWh
		The values of SHR will be subject to correction as per following multiplying factors corresponding to different moisture contents of Lignite:	
		Moisture Contents of Lignite	Multiplying Factor
		00.0 %	1.00
		30.0%	1.04
		40.0%	1.07
		50.0%	1.10

34. GMDC had requested for revision in Station Heat rate from existing Station Heat Rate of 2400 KCal /KWh with moisture correction to 2900 KCal /KWh and 0.5% degradation every year.

35. MYT Regulations provided for Station Heat Rate for existing coal based stations and further for new stations:

“53.4 Gross Station Heat Rate - For new Generating Units or stations achieving COD after the effectiveness of these Regulations:

(i) Coal-based and lignite-fired Thermal Generating Stations

= 1.045 X Design Heat Rate (kcal/kWh)

Where the Design Heat Rate of a generating unit means the unit heat rate guaranteed by the supplier at conditions of 100% MCR, zero percent make up, design coal and design cooling water temperature/back pressure.

Provided that the design heat rate shall not exceed the following maximum design unit heat rates depending upon the pressure and temperature ratings of the units: Pressure Rating (Kg/cm2)	150	170	170	247
SHT/RHT (OC)	535/535	537/537	537/565	565/593
Type of BFP	Electrical Driven	Turbine Driven	Turbine Driven	Turbine Driven
Max Turbine Heat Rate (kcal/kWh)	1955	1950	1935	1850
Min. Boiler Efficiency				
Sub-Bituminous Indian Coal	0.86	0.86	0.86	0.86
Bituminous Imported Coal	0.89	0.89	0.89	0.89
Maximum Design Unit Heat Rate (kcal/kWh)				
Sub-Bituminous Indian Coal	2273	2267	2250	2151
Bituminous Imported Coal	2197	2191	2174	2078

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Provided also that in case of lignite-fired generating stations (including stations based on CFBC technology), maximum design heat rates shall be increased using the multiplying factors for moisture content as given below:

- (a) For lignite having 50% moisture: 1.10
- (b) For lignite having 40% moisture: 1.07
- (c) For lignite having 30% moisture: 1.04

(d) For other values of moisture content, multiplying factor shall be pro-rated for moisture content between 30-40% and 40-50% depending upon the rated values of multiplying factor for the respective range given under sub-clauses (a) to (c) above

36. GMDC's generating station was commissioned in 2006. The design heat rate was 2361.16 kcal/kwh and therefore the 1.045 X Design Heat Rate works out to 2467 kCal/Kwh.
37. That the PPA as well as the MYT Regulations also provide for the moisture content and the design heat rate/station heat rate would have to be increased to account for the same. The multiplying factors in the PPA and the MYT Regulations are the same.
38. GMDC had represented that corrosive oxides of sulphur and chlorides are present in the coastal saline atmosphere and hence the plant is exposed to very high deterioration rate. GMDC had further stated that the plant is designed for GCV of 3200 KCal / Kg of lignite whereas they are actually receiving GCV in the range of 2800 to 2900 KCal / Kg.
39. The maximum station heat rate which can be considered for the ATPS considering the maximum moisture correction of 1.10 is
 Design Heat Rate X 1.045 X 1.10
 i.e. $2361.16 \times 1.045 \times 1.10 = 2713 \text{ Kcal/KWh}$
40. The SHR of other lignite based power plants as per PPA and/ or approved by Hon'ble Commission are as under:

1. GIPCL SLPP	:	2400 Kcal / KWh with moisture correction
2. GIPCL SLPP Expansion	:	2461 Kcal / KWh with moisture correction
3. GSECL KLTPS -3	:	3231 Kcal /KWh
4. GSECL KLTPS-4	:	3000 Kcal /KWh
5. GSECL BLTPS	:	2623 Kcal /KWh
41. In view of the above, GUVNL had agreed to revise the Station Heat Rate to 2713 kcal/kwh irrespective of moisture content as against the proposal of GMDC being 2900 kcal/kWh with 0.5% degradation each year. This was agreed to by the GMDC and therefore the parties have agreed to revise Station Heat Rate to 2713 KCal /KWh irrespective of moisture content for

the balance period of the PPA with effect from the date of signing of the Supplementary Agreement.

(D)Auxiliary Consumption

42. The existing clause in the PPA dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014 was as under:

10.10.1

<i>Auxiliary Consumption</i>	<i>AC</i>	<i>shall mean the Energy consumed in the Auxiliaries of the Generating Station. The normative values will be as under :</i>	
		<i>During Stabilisation Period</i>	<i>10.0%</i>
		<i>After Stabilisation Period</i>	<i>11%</i>

43. GMDC has sought revision in Auxiliary Consumption from 11% to 12% from FY 2022-23 and 13% with effect from FY 2027-28 onwards. GMDC submitted that due to the issues already submitted relating to deterioration and life of the plant, the Auxiliary Consumption had increased heavily.
44. MYT Regulations provided for Station Heat Rate for existing coal based stations and further for new stations including lignite based stations:

53.7 Auxiliary Energy Consumption:

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(e) New lignite-fired thermal generating stations:

- (i) All generating stations with below 200 MW sets: 12%;*
(ii) All generating stations with 200 MW sets and above: 0.50% more than that allowed for coal based generating stations under Table 8 above: Provided that for the lignite fired stations using CFBC technology, the auxiliary energy consumption norms shall be 1.50% more than the auxiliary energy consumption norms of coal based generating stations as specified above.

45. In terms of the above, the auxiliary consumption for new lignite fired thermal generating stations is 12%. The ATPS was commissioned in 2006.
46. Initially, GUVNL had not agreed to the revision as GMDC had proposed capital expenditure to improve the performance parameters and therefore GMDC should be in a position to improve its auxiliary consumption; however the GMDC had insisted on the revision.
47. The Auxiliary Consumption allowed to other lignite based generating stations are as under:

- a. GIPCL SLPP II:11.5%
- b. GSECL KLTPS 3 and 4 -12%

48. In view of the above, GUVNL had agreed to revision limited to 11.5% as against 12% and 13% sought by GMDC. GMDC accepted the revision to 11.5%. The same is agreed to be with effect from the date of signing of the Supplementary Agreement.

(E) Effective date of the Supplementary Agreement

49. The parties have agreed that the Effective date of the Supplementary Agreement shall be date of signing of the agreement with regard to the aspects of Station Heat Rate, Auxiliary Consumption and Return on Equity and 01.04.2022 with regard to O&M expenses.

50. That even with the amended terms agreed to between the parties, it is anticipated that the power from the ATPS would be cheaper power as compared to other lignite based power stations and would fall within the merit order despatch.

51. That the Supplementary Agreement is subject to the approval of this Hon'ble Commission. Under the Electricity Act, 2003, this Hon'ble Commission is empowered to regulate the procurement process of the distribution licensees. Section 86 (1) (b) reads as under:

“(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.”

52. GUVNL is hereby filing the present Petition before Hon'ble Commission under Section 86 (1) (b) of the Electricity Act 2003 for approval of the Supplementary Agreement executed between GUVNL and GMDC in relation to amendments to the Power Purchase Agreement dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014. The above Supplementary Agreement shall be subject to approval by GERC.

53. The Petitioner craves relief of the Hon'ble Commission to allow further submissions, prayers, additions and alterations to this Petition as may be necessary from time to time.

54. PRAYER

It is therefore, respectfully prayed that this Hon'ble Commission may be pleased to :

- a) Admit this Petition.
- b) Approve the Supplementary Agreement at Annexure E for amendments to the Power Purchase Agreement dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014;
- c) Pass any other Order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case.

Date: 19-10-2023
Place: Vadodara


GUJARAT URJA VIKAS NIGAM LIMITED
PETITIONER
Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

DECLARATION

Declaration that subject matter of the Petition has not been raised by the Petitioner before any other competent forum and that no other competent forum is currently seized of the matter or has passed any order in relation thereto.

Date: 19-10-2023
Place: Vadodara


GUJARAT URJA VIKAS NIGAM LTD
PETITIONER
Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

1970-1971

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR
PETITION NO. _____ OF 2023**

IN THE MATTER OF:

Petition under Section 86 (1) (b) and (e) of the Electricity Act 2003 for approval of amendments to the Power Purchase Agreement dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014 for procurement of power from 2X125 MW lignite based thermal power plant established by GMDC at Akrimota, Kutch, Gujarat.

Gujarat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhavan
Race Course,
Vadodara - 390 007

Petitioner

Versus

Gujarat Mineral Development Corporation Limited
Khanij Bhavan, 132 Feet Ring Road,
Near Gujarat University Ground, Vastrapur,
Ahmedabad, Gujarat 380 052

Respondent

Regd. No.: 21596
Date: 19/10/2023

AFFIDAVIT VERIFYING THE PETITION

I, Hitesh Patel son of Prabhudas Patel, aged 49 years, residing at Vadodara, do hereby solemnly affirm and state as under:-

1. I say that I am Deputy Engineer of the Petitioner, Gujarat Urja Vikas Nigam Limited and am authorised on behalf of the Petitioner to swear this present affidavit.
2. I say that I have read the contents of the accompanying Petition and I have understood the contents of the same.
3. I say that the contents of the above Petition are based on information available from the records maintained in the ordinary course of business and I believe them to be true and correct.



4. I say that the Annexures to the Petition are true and correct copies of their Originals.



DEPONENT

Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

VERIFICATION

I, the deponent above-named, do hereby verify the contents of the above affidavit to be true to the best of my knowledge and belief and no part of it is false and nothing material has been concealed there from.

Verified at Vadodara on this 19th day of October, 2023.



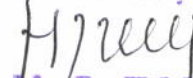
DEPONENT

Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara



Solemnly Affirmed/Declared

Sworn Before me by H.P. Patel



H. J. ZALA

NOTARY (Govt. of India)



POWER PURCHASE AGREEMENT

BETWEEN

GUJARAT ELECTRICITY BOARD

AND

**GUJARAT MINERAL DEVELOPMENT
CORPORATION LIMITED**

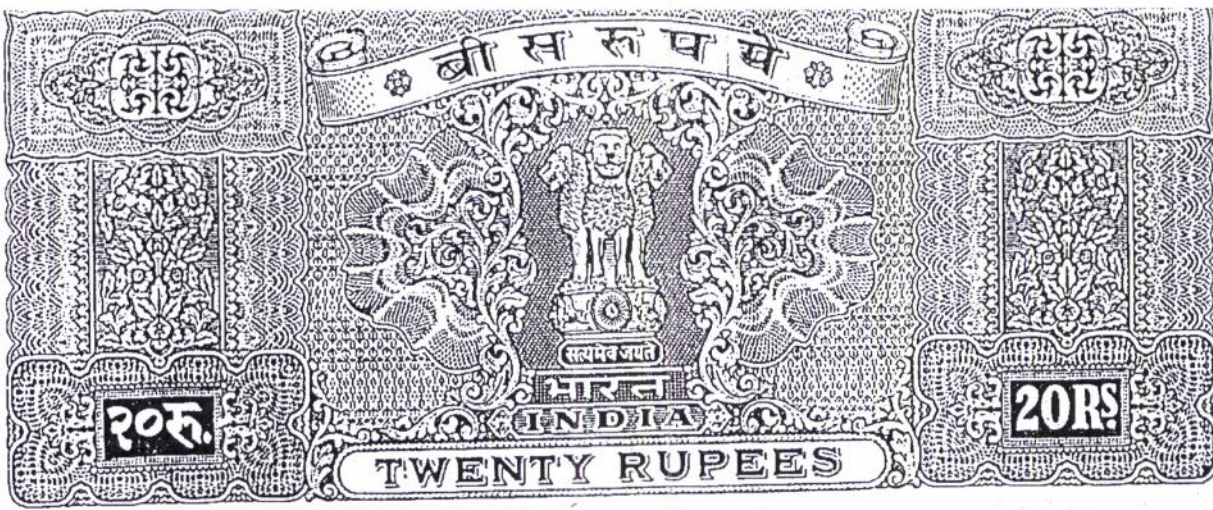


નામર ૧૭૭
 તારીખ ૨૫/૧/૨૦૨૦
 નામ ૦૭/૦૧/૨૦૨૦
 કને ૦૭/૦૧/૨૦૨૦
 કિ ૦૭/૦૧/૨૦૨૦
 નામ નંબર ૦૭/૦૧/૨૦૨૦
 તા. ૦૭/૦૧/૨૦૨૦
 સીટી સીટી સીટી, અમદાવાદ
 સેન્ટરની સહી

NOW THEREFORE in consideration of the premises, mutual agreements, covenants and conditions set forth in this PPA, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS

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મુદ્રાપત્રી ૨૪/૦૭/૧૯૯૫ ૧૬/૨/૨૦૦૦ ૨૧/૬

મસીદાના ૧૧ ગુજરાત ઇલેક્ટ્રીકલ કંપની લિમિટેડ

અધિકારી ... હેડ ક્વોર્ટર્સ ... વડોદરા

૧૯૯૫ ૨૪/૦૭/૧૯૯૫

ધનરખાસ હરીભાઈ મહેલ

૭, મેડર ૧૯૯૫,

સપ્તરાવ હોલ, ૧૩૫૨ રોડ,

૧૩૬૨ ૨૨૦૦૦૭

સા. નં ૬૬૬૦ તા. ૧૮-૪-૯૦

ANDWHEREAS GMDC has, amongst its objectives laid down in its Memorandum of Articles, incorporated the activities relating to the establishment, operation and maintenance of generating station, and is eligible to be identified as a Generating Company pursuant to the provisions of Clause 4-A of Section-2 of the Electricity (Supply) Act, 1948

AND WHEREAS the Government of Gujarat, at its meeting held on 15-6-94, determined to assign the work of implementation of a Lignite based, 250

MW Generating Station, at Village Chher-Nani in Kutchh Dist. of the State of Gujarat to GMDC, alongwith the leasing rights of mining of Lignite

AND WHEREUPON GMDC has undertaken to build, own, operate and maintain the said Generating Station having the configuration and specifications as incorporated under Schedule-I

ANDWHEREAS GEB, which is generating, transmitting, distributing and selling electrical energy in the State of Gujarat, intends to purchase from GMDC, such of the Capacity as mentioned hereinafter, commensurate with the detailed terms and conditions of this PPA

[Signature]

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महाराष्ट्र राज्य सरकार ... १८/२/२००० ... २०/-

महाराष्ट्र राज्य सरकार ... गुजरात ... २०/-

महाराष्ट्र राज्य सरकार ... २०/-

महाराष्ट्र राज्य सरकार ... २०/-

महाराष्ट्र राज्य सरकार ...
 ७. ...
 संपत्ति ...
 पंजीकरण ...
 डा. नं. ११६० डा. १८-४-८०

This Power Purchase Agreement (hereinafter referred to as the "PPA") is entered into on nineteenth day of the month February of the year two thousand at Gandhinagar

BETWEEN
GUJARAT ELECTRICITY BOARD

formed under the Electricity (Supply) Act, 1948, having its Head Office at Sardar Patel Vidyut Bhavan, Race Course, Vadodara, 390007 (hereinafter referred to as "GEB" or "Board") which expression shall mean and include its assigns and successors

AND

GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

incorporated under the Companies Act, 1956 (1 of 1956) having its registered office at Khanij Bhavan, Ashram Road, Opp. Nehru Bridge, PO Box No.4016, Ahmedabad, 380009, (hereinafter referred to as "GMDC") which expression shall mean and include its assigns and successors

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ARTICLES

INDEX OF ARTICLES GEB – GMDC PPA

Sr.No.	Title	Page No.
	Recital	
1.	Definitions and Interpretation	001
2.	Clearances	010
3.	Development Stage	012
4.	Construction Stage	015
5.	Insurances	017
6.	Synchronisation and Commissioning	020
7.	Operation and Maintenance	023
8.	Fuel Management	025
9.	Metering	027
10.	Tariff	030
11.	Force Majeure	044
12.	Term and Termination	049
13.	Liability and Indemnification	054
14.	Change in Law	056
15.	Assignment and Security	058
16.	Dispute Resolution	059
17.	Representations and Warranties	062
18.	Confidentiality	064
19.	Miscellaneous Provisions	066

47

84

ARTICLE-1

DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS

The words/expressions used in this PPA, unless repugnant to the context, shall have the same meaning as assigned to them under the Indian Electricity Act, 1910 and the Electricity (Supply) Act, 1948, (as amended from time to time) and the rules framed thereunder. The words/expressions mentioned below shall have the meanings, respectively, as assigned hereunder:

Word(s)/Expression(s)	Meaning assigned
Affected Party	shall mean GEB or GMDC whichever is prevented from performing its obligations under this PPA on account of Force Majeure Events
Auxiliary Consumption	shall have the meaning as construed under Clause 10.10 of Article-10
Availability	shall mean the available Capacity
Board or GEB	shall mean the Gujarat Electricity Board constituted under Section-5 of the Electricity (Supply) Act, 1948
Board's Conditions of supply	shall mean the booklet titled "Board's Condition and Miscellaneous Charges for Supply of Electrical Energy" or any other document incorporating such terms and conditions
Calendar Year	shall mean the Georgian year beginning on the first day of the month of January and ending on the 31 st day of the month of December
Capacity	shall mean the capacity, expressed in MW, of any Unit or the Generating Station, offered for delivery at any point of time during operation
Capacity Demonstration Test	shall mean the Test required to be conducted by GMDC for the purpose of demonstrating the Capacity of the Unit and/or the Generating Station, as the case may be, during the Term of the PPA, as provided in Schedule-VI
Capacity Notice	shall mean a notice given pursuant to Schedule IV
Capital Cost	shall have the meaning as construed under Clause 10.3 of Article 10
Cause	shall mean, in relation to the revocation or amendment

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1

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	of any Consent, any fact or circumstance, including without limitation, any default, neglect or failure to abide by any of the terms and conditions of such Consent which legally entitles the issuing authority to revoke the Consent or make the relevant amendments in its terms and conditions
Change in Law	shall have the meaning as construed under Article 14
Characteristics Tests	shall mean the tests carried out in accordance with provisions of Schedule VI to determine the Unit's ability to operate consistently with its Contracted Operating Characteristics.
Commissioning Tests	shall mean, in relation to a Unit, either (a) the Performance Guarantee Test and (b) the Characteristic Test or both
Competent Government	shall mean the State Government in the jurisdiction of which the Generating Station is located
Completion of sale of Generating Station	shall mean the receipt by GMDC of the Buy-out Price in full and the transfer of the Generating Station to GEB in accordance with the provisions of Schedule XII
Clearances	shall mean the clearances to be obtained by the Parties as set out in Article-2
Consents	shall mean all or any one of : (i) the initial consents, (ii) the operating consents and (iii) any consent, license, permit, no objection certificate or any other authorisation which does not fall within (i) or (ii) above but which is required to be granted by any Indian Governmental Instrumentality for the purposes of the Project or with respect to GEB, the Interconnection Transmission Facility
Construction Period	shall mean the period from (and including) the date upon which the construction contractor is instructed or required to commence work under the construction contract up to (but not including) the Entry into Commercial Service of the Generating Station
Contracted Capacity	shall mean the rated nameplate capacity of 125 MW of each Unit and 250 MW of the Generating Station, as the case may be
Contracted Operating Characteristics	shall mean, in relation to a Unit, the minimum performance standards required for that Unit set out in the Technical Specifications as set out in Schedule-I
Date of Synchronisation	shall mean, in relation to each Unit, the date on which that Unit is synchronised with the Grid System for the

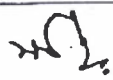
	first time
Declared Capacity	shall mean, in relation to any Unit at any time, the net Capacity of the Unit as declared available at the Delivery Point by GMDC in a Capacity Notice or Revised Capacity Notice at the relevant time (expressed in MW)
Default Notice	shall mean a notice to be given by one Party to the other Party in the Event of Default of the later as brought out under Clause 12.8 of Article-12
Delivery Point	shall mean the dead-end structure to be installed within the switchyard of the Generating Station provided by GMDC and to which GEB is to interconnect GEB's Grid System
Depreciation	shall have the meaning as construed under Clause 10.3 of Article 10
Derated Capacity	shall mean the derated capacity as determined by GMDC and duly approved by the CEA. The effective date shall be the one as approved by the CEA. In the event that the CEA does not specify such date, the same shall be fixed as mutually agreed
Dispatch Instruction(s)	shall mean the instruction(s) issued by the LDC to GMDC in accordance with the Dispatch Procedures set out in Schedule-IV
Dispatch Procedures	shall mean the procedures for Dispatching the Generating Station as set out in Schedule IV
Development Stage	shall mean the period beginning on the Effective Date of this PPA and ending on the day immediately preceding the start of the Construction Period or on the Termination of this PPA, if earlier
Dispute	shall mean any material dispute or material difference of any kind between GEB and GMDC in connection with, or arising out of, this PPA or the breach, Termination or invalidity of this PPA
Due Date	shall have the meaning as construed under Schedule X hercof
Dynamic Parameters	shall mean the Technical Characteristics of the Generating Station as identified in Schedule-I
Effective Date	shall mean the date of signing of this PPA
Emergency	shall mean, in respect to either Party, a condition or situation that, in the opinion of the concerned Party, poses a significant threat to its ability to maintain safe,

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3

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	adequate and continuous electrical service to the customers if such Party is GEB, or seriously endangers the security of persons, plant or equipment if such Party is GMDC
Energy	shall mean the electrical energy generated at the Generating Station by GMDC and delivered to GEB at the Delivery Point
Energy Charge	shall have the meaning as construed under Clause 10.10 of Article 10
Entry into Commercial Service or Commercial Operation	shall mean the eligibility of each Unit individually to operate on commercial basis pursuant to the provisions of Article-6
Event(s) of Default	shall mean any GMDC Event of Default or any GEB Event of Default or both as set out in Article-12
Expiry Date	shall mean the date falling before the 30 th (thirtieth) anniversary immediately of the Commercial Operations Date of the Final Unit
Final Commercial Operation Date	shall mean the Commercial Operation Date of the Final Unit
Final Unit	shall mean the Unit to be Commissioned last
First Unit	shall mean the Unit to be Commissioned first
Fixed Charges	shall have the meaning as construed under Clause 10.3 of Article 10
Force Majeure	shall have the meaning as construed under Article 11
Forced Outage	shall mean an interruption or reduction of the generating capability of a Unit or the Generating Station as elaborated under Schedule VII
Fuel	shall mean, the Primary and the Secondary Fuel to be used for generation of Energy
GEB Event of Default	shall have the meaning as construed under Article 12
GEB Weekly Schedule	shall have the meaning as construed under Schedule III
Generating Station or Power Station	shall mean the 250 MW station being set up by GMDC at village Chher-Nani in Kutch District of the State of Gujarat for generating electricity, including any building and plant (with step up transformer, switchgear, cables or other appurtenant equipment, if any) used for that purpose and the Site
GMDC	shall mean the Gujarat Mineral Development Corporation incorporated under the Companies Act, 1956
GMDC Event of Default	shall have the meaning as construed under Article 12



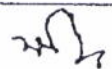
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4



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GoG	stands for the Government of Gujarat.
GoI	stands for the Government of India.
Good Industry Practice	shall mean the exercise of that degree of skill, diligence and prudence which would reasonably and ordinarily be expected from a reasonably skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances and acting generally in accordance with the Electricity Rules.
Governmental Instrumentality	shall mean GoG/GoI and any ministry, department, board, agency or other authority of GoG/GoI
Grid Code	shall mean any compendium of conditions, procedures, provisions and codes governing the operation of the Grid System
Grid System	shall mean GEB's interconnected electricity supply, distribution and transmission system, as modified or expanded from time to time, for the delivery of electricity to its customers
Incentive Charge	shall have the meaning as construed under Article 10
Indian Consumer Price Index	shall mean the "All India Consumer Price Index (CPI) for Industrial Workers" published monthly by the Centre for Monitoring of the Indian Economy or other acceptable agency
Infirm Power	shall mean the Energy generated and sold by GMDC to GEB prior to Commercial Operation of the Unit
Insurances	shall mean the insurance cover(s) to be maintained by GMDC in accordance with Article 5 read with Schedule-V
Interconnection and Transmission Facilities	shall mean all high pressure cables and overhead lines transmitting electricity from the Generating Station to another generating station or to a Sub-Station, together with any step-up or step-down transformer, switchgear and other works necessary to evacuate power from the Generating Station
Invoice	shall mean either a Monthly Tariff Invoice, a Supplementary Invoice or a GEB Invoice
Letter of Credit	shall have the meaning as construed under Schedule X
LDC	shall mean GEB's Load Dispatch Centre located at Jambuva near Vadodara or such other Load Dispatch Centre as may be designated by GEB from time to time for the purpose of monitoring the Dispatches and giving Dispatch Instructions to the Generating Station


 GEB

5


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Means of Finance	shall have the meaning as construed under Schedule XI hereof
Metering System	shall mean the network of meters described in Schedule IX
Meters	shall mean the meters which form part of the Metering System;
Monthly Availability Adjustment	shall have the meaning as construed under Schedule-X
Monthly Tariff Invoice	shall have the meaning as construed under Schedule-X hereof
Nominal Base Load Capacity	shall mean, the Installed Capacity of the Generating Station or such Derated Capacity as the case may be, less the specified Auxiliary Consumption.
Normative Plant Load Factor	shall mean the normative level of generation, which would be 4500 KWh/KW/Year during the Stabilisation Period and 6000 KWH/KW/Year during subsequent period
Operating Assets	shall mean the Generating Station and the Site agreement(s) as most specifically stated in Schedule-XII
Operating Characteristics	shall mean, in relation to a Unit, the technical performance characteristics of that Unit as incorporated under Schedule-I
Operating Period	shall mean, in relation to a Unit, the period from its Commercial Operation Date until the expiry or earlier Termination of this PPA, as the case may be
Operating Procedures	shall have the meaning as construed under Article 7
Outage(s)	shall have the meaning as elaborated under Schedule VI
Performance Guarantee Test	shall mean, in relation to any Unit, the tests of that Unit carried out in accordance with Schedule VI as part of the Commissioning Tests for that Unit
Plant Load Factor	shall mean the ratio, expressed as a percentage, of a) Energy computed at the Delivery Point to b) the Nominal Base Load Capacity during the period under consideration
Power Factor	shall mean the cosine of the phase angle between the voltage vector and the current vector
Primary Fuel	shall mean Lignite or any other primary fuel as provided under Article-8
Professional Appraiser	shall mean a firm of Chartered Accountants as agreed by the Parties

Prudent Utility Practice	shall mean the practices, methods and standards that are generally accepted internationally from time to time by electric utilities for the purpose of ensuring the safe, efficient and economic design, construction, commissioning, operation and maintenance of Generating Station
Revised Capacity Notice	shall have the meaning as construed under Schedule IV
Scheduled Target Date	shall mean the dates for accomplishment of different activities as provided under Schedule-II
Secondary Fuel	shall mean the secondary fuel as specified under Article 8
Security Package	shall mean the payment security (ies) as provided under this PPA
Settlement Period	shall have the meaning as construed under Article-10
Stabilisation Period	shall have the meaning as construed under Article-10
Sub-Station	shall mean a station for transforming or converting electricity for the transmission or distribution thereof and includes transformers, converters, switch-gear, capacitors, synchronous condensers, structures, cables and other appurtenant equipments and any buildings
Tariff	shall mean the basis of calculating the Monthly Tariff Payments and the Tax on Income as set out in Article 10
Tariff Change	shall have the meaning as construed under Article 10
Tax on Income	shall have the meaning as construed under Article 10
Technical Characteristics	shall mean the technical requirements and parameters covering the construction, operation and maintenance of the Generating Station
Techno Economic Clearance	shall mean the CEA's approval of the Project under Sections 29 and 31 of the Electricity (Supply) Act 1948
Term	shall mean the term of this PPA set out in Article 12
Termination	shall have the meaning as brought out in Article 12
Termination Notice	shall mean a written notice of Termination of this PPA issued by GMDC to GEB or GEB to GMDC, as the case may be
Test	shall mean a Characteristics Test, a Performance Guarantee Test, or (as the case may be) a Capacity Demonstration Test as applicable at any relevant point of time
Tested Capacity	shall mean the Capacity determined in a Performance Guarantee Test or a Repeat Performance Guarantee Test or a Capacity Demonstration Test
Total Debt Amount	shall have the meaning as construed under Schedule XII

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Transfer	shall mean a purchase by GEB or its designee of the Operating Assets pursuant to the issue of a Transfer Notice
Transfer Amount	shall mean the purchase price payable by GEB in respect of the Transfer as determined in accordance with the provisions of Schedule XII
Transfer Costs	shall have the meaning as construed under Schedule XII
Transfer Date	shall mean 60 (sixty) days after the date of Buy-out Notice, or such other date as the Parties may agree
Transfer Notice	shall mean the notice from one Party to the other Party exercising an option expressed to be in its favour under Schedule XII
Transfer Taxes	shall have the meaning as construed under Schedule XII
Unit(s)	shall mean a set consisting of a boiler, turbine, generator, mills and associated equipment(s) which meet the Technical Specifications
Var	shall mean volt-amperes reactive
Week	shall mean a period of seven consecutive days beginning at 00:00 hours on Sunday, Indian Standard Time
Weekly Capacity Notice	shall have the meaning as construed under Schedule IV
WPI	shall mean the "All Indian Wholesale Price Index" published monthly in the Index Numbers of Wholesale Prices and Consumer Prices" by the Centre for Monitoring of the Indian Economy or any other agency as mutually agreed
Year	shall mean the financial year, commencing from 1 st day of the month of April in any Calendar Year and ending on the 31 st of March of the immediate subsequent Calendar Year

1.2 INTERPRETATION

In this Agreement :

- a. "In agreed terms" means terms agreed between GMDC and GEB ;
- b. any reference to or any Section of, or schedule to, or other provision of an Act of Parliament shall be construed, at a particular time, as including a reference to any modification, extension or re-enactment thereof then in force and to all instruments, orders or regulations then in force and references to the laws of India or Indian law including the laws of any State forming part of the Union of India;

GEB

GMDC

- c. the singular shall include plural and vice versa, and words denoting neutral persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organisations or other legal entities;
- d. the headings are inserted for convenience and are to be ignored for the purposes of construction;
- e. terms defined in the Schedules hereto shall have the meanings ascribed thereto in the Schedules when used elsewhere in this PPA;
- f. the words "include" and "including" are to be construed without limitation;
- g. the Schedules to this PPA form part thereof and will be of full force and effect as though they were expressly set out in the body of the PPA.



ARTICLE-2

CLEARANCES

2.1 GENERAL

Setting up of electricity generation projects require a number of clearances from State/Central Government and their agencies. Some of these clearances are statutory in nature. A list of major clearances, as notified by the GoI under its Resolution No.237 dated 22.10.1991, is given herebelow.

2.2 MAJOR CLEARANCES.

Sr. No.	TITLE OF CLEARANCE	AGENCY TO BE OBTAINED FROM	TO BE OBTAINED BY
STATUTORY CLEARANCES			
1.	Publication	GMDC, State Government.	GMDC & GoG
2.	GEB Clearance	(i) GEB (ii) State Government	GMDC
3.	Techno-Economic Clearance/concurrence of CEA.	CEA	GMDC
4.	Cost Estimates	CEA and GEB.	GMDC
5.	Water Availability	State Government	GMDC
6.	Pollution Clearance Water and Air	State/Central Pollution Control Board.	GMDC
7.	Forest Clearance	(i) State Government. (ii) Ministry of Environment and Forest	GMDC
8.	Environment & Forest Clearance	(i) State Government. (ii) Ministry of Environment and Forest	GMDC
9.	Civil Aviation Clearance for Chimney Height	National Airport Authority.	GMDC
10.	Registration of Company	Registrar of Companies.	GMDC
11.	Rehabilitation and Resettlement of Displaced families by Land Acquisition	(i) Ministry of Environment and Forest (ii) State Government.	GMDC
NON STATUTORY CLEARANCES			

GEB

10

GMDC

GMDC shall be obliged to obtain all the clearances and keep them in place, duly renewed, throughout the Term of the PPA.

GMDC shall be responsible to obtain all the above clearances and others not listed hereinabove but as may be necessary.

2.3 SCHEDULE OF OBTAINING CLEARANCES.

The Development Milestones Schedules for obtaining the above clearances are brought out in Schedule-II .



ARTICLE-3

DEVELOPMENT STAGE

3.1 GMDC'S OBLIGATIONS

During the Development Stage, GMDC shall, at its own cost ;

- (i) identify and prepare applications for, and liaise with, all the Governmental Instrumentalities for obtaining the required statutory consents and way leaves for the construction, operation and maintenance of the Generating Station;
- (ii) finalise the EPC Contract in accordance with GoI guidelines;
- (iii) procure, finance for the Project;
- (iv) make such preliminary arrangements for the construction of the Generating Station including the commissioning of Site, soil, hydrographic and other surveys and the commencement of such preliminary engineering design work as may be necessary to enable the Construction Of the Generating Station and achieve the Commercial Operation on the Scheduled Target Date
- (v) provide, if so desired, reasonable support to GEB to procure finance for the Interconnection and Transmission Facilities for the purpose of evacuation of power from the Generating Station;
- (vi) apply for Construction Power as per rules and regulations of GEB in force at the relevant period of time, and
- (vii) submit the details of the Financing Plan and the Means of Finance thereof.

3.2 GEB'S OBLIGATIONS

During the Development Stage, GEB shall, at its own cost :

- (i) apply for and obtain all the consents and way leaves required for the construction, operation and maintenance of the Interconnection and Transmission facilities;
- (ii) assist GMDC in discharging its functions as stipulated in Clause 3.1 hereinabove. Non fulfilment of this obligation shall, however, not mean any breach of the PPA;
- (iii) assist GMDC in liaisoning with the GoG in connection with the permission by the GoG if any, and to assist GMDC in obtaining the

GEB

12

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rights to abstract water which GMDC may require for the construction, operation and cooling of the Generating Station and discharge the same after use. Non fulfilment of this obligation shall however, not mean any breach of the PPA;

3.3 CO-ORDINATION DURING THE DEVELOPMENT STAGE

The Parties shall fully co-ordinate with each other for the performance of their respective obligations as referred hitherto.

3.4 THE SITE

GMDC acknowledges that prior to entering into this PPA, it had had sufficient opportunity to investigate the Site and that GMDC accepts full responsibility for its conditions (including but not limited to its geological condition, any toxic contamination or archaeological remains on the Site, the adequacy of the road and rail links to the Site and the availability of adequate supplies of water). GMDC agrees that it shall not be relieved from its obligations under this PPA and that it shall not be relieved from any of its obligations hereunder or be entitled to any extension of time or financial compensation by the reasons of the non suitability of the Site for whatsoever reason.

3.5 LIABILITIES OF THE PARTIES

3.5.1 General

Neither Party shall have any liability to the other Party for failure to achieve the objectives referred to hereinabove except insofar as it has failed to use its reasonable endeavours to achieve those objectives.

3.5.2 No Claim

No claim shall be made by any Party against the other Party for any breach of its respective obligations to use the reasonable endeavours as aforesaid, unless notice of such breach is given by the other Party and the Party in breach fails to remedy the breach to the other Party's reasonable satisfaction within 30 (thirty) (as extended) days of the date of such notice.

3.6 FINANCING PLAN AND MEANS OF FINANCE

3.6.1 Financing Plan

3.6.1.1 Pursuant to GoI Resolution No.237 dated 22-10-1991, the Capital Cost to be incurred for the Project shall be provided through debt and equity components. Debt-Equity ratio of 4:1, i.e. 20% of the total outlay should be the Equity component and 80% shall be Debt component. Atleast 11% of the total outlay must come through Promoters' contribution.

GEB

13

GMDC

3.6.1.2 GMDC shall initially prepare and submit a tentative Financing Plan based on the Techno Economic Clearance (TEC) given by CEA within 60 (sixty) days' of signing of this PPA. In any case, care should be taken to ensure that the Financing Plan turns out to be the most economical one under the current fiscal environment. GEB shall interact with GMDC and advice about its acceptability within the next 60 (sixty) days' time thereafter. The Financing Plan should not be, in any case, inferior to the one as provisionally approved under the TEC.

3.6.2 Means of Finance

GMDC shall then proceed to devise the Means of Finance with various lenders and/or the financing institutions. The anticipated Means of Finance for the Financing Plan (generally in line with Clause 3.6.1), shall be submitted to GEB, desirably in the format as incorporated under Schedule XI, for the approval of GEB. GMDC shall provide all relevant documents for the scrutiny of GEB.

3.7 FINANCING CHANGE(S)

GMDC shall, at all times during the Term of the PPA, ensure that the financing of the Project is done with the cheapest Means of Finance available. For this purpose, it may continue to make Financing Change(s) to its original approved Means of Finance. Such Financing Changes shall, however, not be implemented without the prior written approval of GEB.

3.8 Nevertheless, both in respect of the provisions of Clauses 3.6 and 3.7 hereinabove, GMDC shall take all reasonable steps in accordance with Good Industry Practice to lessen the rates of interest and fees payable in respect of all its borrowings under the relevant Means of Finance and/or Financing Changes, as the case may be. GMDC shall, however, not be expected or obligated to take any steps to act under these provisions, where the terms of the financing agreement or other Indian Law requirements would materially restrict GMDC's ability to take any such steps and further provided that the obligations of GMDC under this clause shall not be amenable to Dispute Resolution pursuant to Article-14.

24/2



ARTICLE-4

CONSTRUCTION STAGE

4.1 GMDC'S OBLIGATIONS

4.1.1 General

GMDC shall, its own costs, arrange for the construction of the Generating Station and, upon Commissioning, to remedy the defects in accordance with

- (i) the Technical Specifications;
- (ii) the Techno Economic Clearance; and
- (iii) all applicable laws and Consents

4.1.2 Quality of Workmanship

GMDC shall ensure that the Generating Station is constructed in a good workmanlike manner, using sound engineering construction practices and only the materials and equipments that are new and are of international utility grade quality, to ensure efficient service life of the Generating Station as per this PPA.

4.1.3 Construction Power

GMDC shall avail the required construction power from GEB by following the procedures provided as per the Rules framed by GEB at the relevant point of time and incorporated under its book titled as "Conditions and Miscellaneous Charges For Supply of Electrical Energy" or any other document incorporating relevant Rules at the relevant point of time. GMDC shall abide to pay all the relevant charges on account of capital expenditure as well as other charges on account of tariffs as applicable to GEB's consumers using equivalent quantity of power at equivalent voltages. GMDC shall, however, be allowed to pay the relevant Demand Charges (by whatever name called) in phased manner progressively corresponding to the development of demand.

4.2 GEB'S OBLIGATIONS

4.2.1 General

GEB shall be responsible to discharge following obligations during the Construction Period:



GEB

15



GMDC

- i) meet with the requirement of electrical energy of the Generating Station for the construction purposes according to the provisions incorporated under its book titled as "Conditions and Miscellaneous Charges For Supply of Electrical Energy" as applicable at the relevant point of time, and subject to provision of 4.13 above, and
- ii) provide the Interconnection and Transmission Facilities for the purpose of connecting the Generating Station to the Grid System and for the purpose of evacuation of power as per the Development Milestone(s) set out under Schedule-II. GEB shall provide, from time to time, the information with regard to the Interconnection and Transmission Facilities as may be reasonably necessary to enable GMDC to design, install and operate all interconnection plant and apparatus on GMDC's side of the Delivery Point.

4.3 PROVISION AND AVAILABILITY OF DOCUMENTS.

GMDC and GEB shall provide to each other, copies of the documents of all permits, licenses, approvals and consents related to the construction of the Generating Station and the Interconnection and Transmission Facility as the case may be, for the purpose of records. Similarly, copies of the documents relating to operation, maintenance, insurance, interfacing etc. should also be provided. Moreover, the Parties shall make available the original documents for inspection if so desired by any of them. The Parties shall also be obliged at all times during the applicability of the PPA to update the relevant documents and furnish copies thereof to each other.

4.4 CO-ORDINATION OF CONSTRUCTION ACTIVITIES

Both the Parties shall co-ordinate the construction activities on their parts and keep each other posted of its status uptodate periodically, preferably once every three months. If necessary, the Parties shall designate, from time to time, their employees for co-ordinating the related activities. Such nominees shall be allowed full access to all the parts of the respective projects.





ARTICLE-5

INSURANCES

5.1 INSURANCE COVERAGE

GMDC shall effect and maintain or cause to be effected and maintained :

- (i) during the Construction Period, Insurances against such risks, with such deductibles and with such endorsements and additional insured as are specified in Paragraph V.1 of Schedule V; and
- (ii) during the Operating Period, Insurances against such risks, with such deductibles and with such endorsements and additional insured as are specified in Paragraph V.1 of Schedule V, and
- (iii) in addition, effect and maintain or cause to be effected and maintained throughout the Term of the PPA, such other Insurances and the Insurances referred to in previous paragraphs subject to such additional or more onerous conditions, as may be required under the financing agreements, the laws of India or in accordance with Prudent Utility Practice.

5.2 PROCUREMENT AND MAINTENANCE OF INSURANCE

GMDC shall obtain and maintain all insurance policies required under any statute or law at all times during the Term of this PPA. GMDC shall also obtain insurance policies to cover third party risks.

5.3 EXCUSE IN FAILING TO INSURE

GMDC shall not be in breach of its obligations to procure an insurance under Clause 5.1 to the extent, and only for the period, that:

- (i) the particular insurance is not available to it in the international and Indian insurance markets for reasons other than any negligence or default by, or condition (financial or otherwise) of GMDC or contractor; and
- (ii) GMDC effects and maintains, for the period referred to in Clause 5.1, comprehensive insurance cover having regard to the capacity of the international and Indian insurance markets.

provided, however, that GMDC shall not be absolved of its liabilities due to non procurement of Insurance.

GEB

17

GMDC

5.4 NO CHANGE TO INSURANCE

GMDC shall effect the changes to insurance covering different risks, deductibles, endorsements, co-insurers or other terms to those referred to in this Article, only with the prior written consent of GEB.

5.5 GEB AS ADDITIONAL INSURED

GMDC shall ensure that the benefit of the policies under which GEB is included as an additional insured shall be transferred into the sole name of GEB or its designee if and when the Generating Station is transferred to it as per Schedule XII.

5.6 NON PAYMENT OF PREMIUMS

GMDC shall ensure that each policy of Insurance contains an endorsement providing that it may not be cancelled (except for non-payment of premiums) or reduced without at least 30 (thirty) days' prior written notice being given by the insurer to GEB, provided that each such endorsement shall provide:

- (i) that the insurer may not cancel the coverage for non-payment of premiums without first giving GEB 30 (thirty) days' written notice that GMDC has failed to make timely payment of the premium (including details of the amount owing); and
- (ii) that GEB shall, after having received the notice referred to in the paragraph (i) above, have the option to pay such premium directly to the relevant insurer and which amount shall then be recovered from the next immediate Monthly Tariff Payment due to GMDC.

5.7 EVIDENCE OF INSURANCE COVER

5.7.1 GMDC shall furnish to GEB copies of certificates and policies of the Insurances as soon as they are effected and renewed by or on behalf of GMDC and from time to time (and at the request of GEB) shall furnish evidence to GEB that all relevant premiums have been paid as soon as they have been so paid, and that the relevant policy or policies remain in existence.

5.7.2 Failure by GMDC to obtain the insurance coverage or certificates of insurance required pursuant to this Article 5 shall not relieve or limit GMDC's obligations under any provision of this PPA.

5.8 APPLICATION OF INSURANCE PROCEEDS

The proceeds of any insurance claim made due to loss or damage to the Project or any part of the Project shall be first applied to reinstatement, replacement or renewal of such loss or damage.

GEB

18

GMDC

5.9 INSURANCE PAYMENT

GEB shall compensate GMDC for Insurance Payment as per provisions under Clause 10.5.4 of Article-10



ARTICLE-6

SYNCHRONISATION AND COMMISSIONING

6.1 SYNCHRONISATION.

6.1.1 The Criterion

GMDC, upon completing the Construction of each individual Unit, shall give GEB atleast 30 (thirty) days' advance written notice of the date on which the Unit would be synchronised with the Grid System. The date of synchronisation shall be, subject to provisions of Clauses 6.5, such that the ultimate Entry into Commercial Service of the relevant Unit does not occur prior to the specified Scheduled Target Date of relevant Development Milestone set out under Schedule-II. GEB shall, however, have the option to consider any written request from GMDC for advancing the date of Entry into Commercial Service upon completion of the Construction of any Unit.

6.1.2 Format of Notice

The written notice for synchronisation of any Unit shall, inter-alia, confirm that ;

- (i) it has been completed in accordance with the Technical Specifications;
- (ii) it meets all connection conditions prescribed in any Grid Code then in effect and otherwise meets all other Indian Legal requirements for synchronisation to the Grid System; and
- (iii) it is capable of being operated safely.

6.2 INSPECTION BY GEB

GEB, if so intended, shall arrange to inspect the Unit within 15 (fifteen) days' after being notified in writing by GMDC about the synchronisation thereof and determine whether the requirements of synchronisation to the Grid System as above have been met with or not. GMDC shall provide GEB's employees with such access to the Site as they may reasonably require to make such determination.

6.3 APPROVAL BY GEB

Subject to provisions under 6.1.1 above, GEB shall, if agreeable, with or without inspection of the Unit, promptly notify GMDC to Synchronise the Unit with the Grid System and provide GMDC with all reasonable assistance in synchronising the Unit as soon as reasonably practicable.

GEB



20

GMDC



6.4 ACCEPTANCE OF INFIRM POWER AND PAYMENT OF ENERGY CHARGES

GEB shall absorb the Infirm Power as may be mutually agreed with GMDC at the relevant point of time, into the Grid System and pay for the same to GMDC at the rate as set out in Clause 10.10 of Article-10 .

6.5 ENTRY INTO COMMERCIAL SERVICE OR COMMERCIAL OPERATION.

GMDC shall execute 72 Hours' continuous trial run test at full load to demonstrate the Capacity of the Unit upon synchronisation pursuant to provisions of Clause 6.1 above. Upon successful trial run test, GMDC may declare Entry into the Commercial Service of the relevant Unit. GMDC shall, within 180 (One hundred eighty) days' from the date of synchronisation, execute the Performance Guarantee Test as provided under para VI.1 of Schedule-VI. If such date of Entry into Commercial Service is likely to fall ahead of the date specified in Schedule-II, GMDC shall have to obtain a written prior consent of GEB in that regard.

6.6 EXTENSION OF TIME FOR COMMISSIONING OF THE PROJECT

6.6.1 Extension of time without Liquidated Damages

GMDC shall be eligible for extension of time for the Entry into Commercial Service of any Unit on day to day basis, without the implication of Liquidated Damages, if the delay occurs for reasons of Force Majeure.

6.6.2 Extension of time with Liquidated Damages

If, the Entry into Commercial Service of any Unit is delayed due to any other reasons whatsoever, then GMDC shall be liable to pay to GEB, the Liquidated Damages in proportion of Rs.5000 (Rs. five thousand) per MW per day of the Capacity not Commissioned on the specified date as provided under Schedule-II .

6.7 DELAY IN COMMISSIONING OF INTERCONNECTION AND TRANSMISSION FACILITIES:

6.7.1 Extension of time without Liquidated Damages

GEB shall be eligible for extension of time for the Commissioning of the Transmission and Interconnection Facilities, on day to day basis without the

GEB

21

GMDC

implication of Liquidated Damages, if the delay occurs for reasons of Force Majeure.

6.7.2 Extension of time with Liquidated Damages

If, however, the Commissioning of the Transmission and Interconnection Facilities is delayed due to any other reasons whatsoever, GEB shall be liable to pay to GMDC the Liquidated Damages for non evacuation of the power in proportion of Rs.5000 (Rs. five thousand) per MW per day of the Capacity on the date as provided under Schedule-II .



ARTICLE-7

OPERATION AND MAINTENANCE

7.1 GMDC'S DUTY TO OPERATE AND MAINTAIN.

7.1.1 Operation

GMDC shall operate and, if appropriate, modify and maintain the Generating Station, in accordance with the Good Industry Practice, the manuals, instruction and manufacturer's guidelines and the Dynamic Parameters.

provided, however, that GMDC shall be entitled to carry out such of the modifications to comply with the foregoing at no cost to GEB, subject to the conditions that:

- (i) such modifications do not contravene the Good Industry Practice;
- (ii) such modifications do not result into the inability of the Generating Station to operate within GEB Grid System parameters; and
- (iii) such modifications do not have any adverse effect upon the contracted levels, Availability or the Operating Characteristics.

Notwithstanding to the above, however, the provisions of Change in Laws incorporated under the Article 14 hereof, shall be applicable, as provided for.

7.1.2 Maintenance

GMDC shall carry out maintenance of the Generating Station in accordance with the set conventions and guidelines of the Authority, if any, existing or to be introduced, during the Term of the PPA. The necessary Outages will be arranged in consultation and with the consent of GEB as provided under Schedule VII .

7.2 STATION LOAD

GEB shall provide the necessary Start-up power for the Generating Station. GMDC shall compensate GEB with all associated charges and also pay the charges for the consumption of electrical energy at the rates, 1.1 times that of highest of its purchase rates from other sources effective as at the relevant time. All the taxes and duties, as may be payable to the GoG shall be paid extra. Such charges shall not be passed through to GEB under the Tariff as per this PPA. There will be no demand charges of any nature for the Station Load.

GEB

23

GMDC

7.3 COLONY LOAD

GMDC shall have to take independent Service Connection(s) for the purpose of supplying electrical energy to the residential premises housing the staff of the Generating Station. The relevant procedures and tariffs to be made applicable will be as per the Rules and the Regulations of the Board. All the applicable charges shall be to GMDC's account and will not be passed through to GEB through the Tariff under this PPA.



ARTICLE-8

FUEL MANAGEMENT

8.1 PRIMARY FUEL

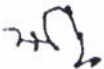
- 8.1.1 The Generating Station is designed to use Lignite as the Primary Fuel and Furnace Oil as the Start-up fuel. The GoG has granted the leasing rights for mining of lignite from nearby sources. GMDC shall arrange for transportation of lignite from these sources to the Generating Station and arrange for its storage facility(ies). The price of Lignite shall be determined in accordance with Fuel Price Mechanism (FPM) as per Schedule-VIII .
- 8.1.2 GMDC shall use Lime Stone as an Additive to Lignite. The GoG has also granted the leasing rights for mining of the Lime Stone to GMDC. GMDC shall arrange for transportation of Additive from these sources to the Generating Station and arrange for its storage facility(ies). The price of the Additive shall be determined in accordance with the Fuel Price Mechanism (FPM) as per Schedule-VIII.
- 8.1.3 GMDC shall, if so necessary, enter into a Fuel Supply Agreement (FSA) and an Additive Supply Agreement (ASA) with any Joint Venture Company (JVC), which might be specially incorporated for the purpose. Such FSA and ASA shall be subject to prior approval of GEB.
- 8.1.4 In the event of non availability of Lignite on a sustained basis, GMDC shall use equivalent Alternative Fuel as the Primary Fuel, subject to GEB's prior written approval only.

8.2 SECONDARY FUEL

- 8.2.1 GMDC shall use Fuel Oils (FO) and/or HSD as the Secondary Fuel for the purpose of start up and support fuel during low-load operation of the Generating Station.
- 8.2.2 GMDC shall procure Secondary Fuel as required for the operation of the Generating Station and shall use all reasonable endeavours to procure on best possible terms through the execution of relevant Secondary Fuel Supply Contract (SFSC) with prior approval of GEB.

8.3 AMENDMENT TO FPM, FSA, ASA AND SFSC.

- 8.3.1 Any amendment(s) to the Fuel Pricing Mechanism, FSA, ASA and/or SFSC shall be subject to the approval of GEB which shall be given or withheld by notice to GMDC within 30 (thirty) days' of receipt of the draft amendments

GEB 

23


GMDC

by GEB. If GEB does not give such notice within such 30 (thirty) days' period, GEB shall be deemed to have approved such amendment(s) to the proposal(s).

- 8.3.2 Where the relevant agreements are amended by GMDC without the prior approval of GEB in violation of the provisions of sub-clause 8.3.1 hereinabove and where such amendment(s) increase the costs to GEB in any respect, GEB shall be obliged to pay only such portion of costs in respect of the amended agreement(s) as would have been payable by GEB prior to the amendment(s).



ARTICLE-9

METERING

9.1 MEASUREMENT OF ENERGY

The Energy delivered by GMDC to GEB shall be measured every month at the Delivery Point in the manner as prescribed under this Article.

9.2 METERING :

9.2.1 Main Export Meter

GMDC shall own and install a set of meters at the Delivery Point to measure the Energy delivered from the Generating Station. These meters, to be known as the Main Export Meter, shall be of class 0.2 accuracy and as per the detailed specifications incorporated under Schedule V hereof. GMDC shall also be responsible for the repairing and testing of the Main Export Metres.

9.2.2 Check Export Meter

GEB shall, at its own cost, install, repair and maintain a set of Check Export Meter for the purpose of applying check on the correctness of meter readings of the said Main Export Meters. The Check Export Meter shall have the same accuracy and specifications as of the Main Export Meter.

9.2.3 Sealing of the Meter

Both the Main Export Meter and the Check Export Meter shall be jointly sealed upon calibration and prior to installation by the accredited representatives of the Parties. No Party shall break and/or open the seals except in the presence of the other Party.

9.3 PERIOD AND TIME OF METER READING :

The meter readings of both the Main Export Meter and the Check Export Meter shall be taken jointly by the designated Officials of GEB and GMDC on the agreed date and time of every month. A statement of such meter readings shall be prepared and jointly signed by the Officials. Such statement shall form the basis for the Monthly Tariff Payments.

9.4 TESTING OF METER :

Both the Main Export Meter and the Check Export Meter shall be test checked by the Parties for verifying their accuracy once in every three months. Each such Meter shall be deemed to be working satisfactorily if the errors are within specifications for such meter of 0.2% accuracy class. So far

GEB

27 -

GMDC

as the accuracy verified remains within the limits of the such error, the consumption registered by the Main Export Meter alone shall hold good for the purpose of billing. If, however, any error is found to be outside the specified limits, either in the Main Export Meter or the Check Export Meter or both, the provisions of Clauses 9.5, 9.6 and 9.7 shall apply. .

9.5 ERROR IN THE MAIN EXPORT METER

If, at any time, either during the Quarterly test checks or, otherwise, the error in the Main Export Meter is found to be beyond the permissible limits and the corresponding Check Export Meter is found to be operating within permissible limits, then the Main Export Meter shall be immediately tested and re-calibrated. The billing for the relevant month and thereafter up to the date and time of the re-calibration of the Main Export Meter shall be as per the Check Export Meter. There will be no revision in the bills for any prior period. The Main Export Meter shall be calibrated immediately and billing for the period thereafter until the next monthly meter reading shall be as per the re-calibrated Main Export Meter.

9.6 ERROR IN THE CHECK EXPORT METER

If, at any time, either during the Quarterly test checks or, otherwise, the error in the Check Export Meter is found to be beyond the permissible limits, but the corresponding Main Export Meter is found to be operating within permissible limits of error, then the Check Export Meter shall be tested and re-calibrated immediately. The billing for the period shall continue as per the Main Export Meter.

9.7 ERROR IN BOTH MAIN AND CHECK EXPORT METERS :

If, at any time, either during the quarterly test checks or, otherwise the error in both the Main and Check Export Meters are found to be beyond the permissible limits of error, then such Main and Check Export Meter shall be calibrated immediately. During this period of calibration, GMDC shall install set of spare Main Meter duly calibrated and jointly sealed. GMDC shall apply the correction to the measurement registered by the Main Export Meter to arrive at the correct measurement of Energy for billing purposes for the period from last calibration date/test check date whichever is later, up to the time of installation of the spare set of Main Export Meter. Soon upon recalibration, both the Main and Check Export Meter shall be reinstalled and the billing for the period thereafter shall be as per the normal conditions. The billing for the intervening period billing shall be done on the basis of such spare set of Main Export Meter.

9.8 INTERMEDIATE TESTING :

If at any time, either Party feels that any of these meters is not recording Energy delivery properly, it shall give notice to the other Party and the joint

testing shall be carried out within a week's time thereafter. The action on the results of such joint testing shall be taken as per Clauses 9.5, 9.6 and 9.7 as may be applicable.

9.9 MAIN AND CHECK IMPORT METERS

For the measurement of Energy imported by GMDC from GEB., a similar arrangement of Main Import and Check Import Meters shall be done. In this case the Main meter shall belong to GEB and the Check Meter shall belong to GMDC. All other stipulations and provisions in respect of the Export Meter shall hold good for the Import Meter also.

9.10 SUB STANDARD METER :

For the purpose of testing and calibration a sub-standard meter duly calibrated and sealed by an independent testing house/laboratory shall be utilised. This sub-standard meter shall be got calibrated every six months or at any other interval as may be mutually agreed.

9.11 POWER LINE CARRIER COMMUNICATION

9.11.1 GMDC, at its sole cost and expense, shall provide:

- (i) Power Line Carrier channels to GEB's 220 KV receiving substations for the purposes of telemetering, protection and communications, including the Repeater Terminals, as may be necessary.
- (ii) direct telephone line with STD facility;
- (iii) transducers and remote terminal unit for transmission of analogue data and digital output to the Load Dispatch Centre; and
- (iv) equipment to allow the sending and receiving of tele copies.

9.11.2 GEB may, in addition, require GMDC, at GMDC's expense, to install such additional remote monitoring equipment as GEB may reasonably require for the purpose of measuring and monitoring the performance of the Project.

9.11.3 Maintenance of PLCC Equipment

GEB shall undertake, at GMDC's cost to carry out the maintenance work of the PLCC equipment. GEB shall recover necessary charges as may be mutually agreed. Such charges, however, shall not be loaded to the Tariff of the supply of Energy by GMDC.





ARTICLE-10

TARIFF

10.1 THE TARIFF

The Tariff for the sale of Energy by GMDC to GEB shall be determined on two part tariff basis commensurate with GoI Notification No.SO-251-(E) Dated 30-3-1992 as amended upto date and to be amended hereafter through the Term of this PPA. The Tariff will consist of ;

- i) Fixed Charges;
- ii) Energy Charges; and
- iii) Incentive Charges.

10.2 TARIFF CHANGE

A Tariff Change shall mean :

- (i) any change in the Capacity;
- (ii) any change in the Capital Cost;
- (iii) the occurrence of the date of Entry into Commercial Service of any Unit.

10.3 DEFINITIONS AND SYMBOLS

Phrase	Symbol	Meaning
	CA_{cj}	shall mean the amount of debt financed in currency "c" on day "J" in accordance with the Means of Finance
	p	shall mean the number of Years from the first full Year after the Entry into Commercial Service of the Generating Station
	Eq_c	shall mean the amount of the equity component of the Capital Cost of the Project in month 'm' which is denominated in currency 'c' as shown in the Means of Finance
	Q_{sf}	is the average quantity of Secondary Fuel actually maintained in stock by GMDC at the Generating Station during the month (expressed in kilo-ltrs) or 60 (sixty) days

GEB

30

GMDC

		consumption corresponding to Normative PLF, whichever is lower
	Q_{ADD}	shall mean the average quantity of Additive actually maintained in stock by GMDC at the Generating Station during the month (expressed in metric tones) or 15 (fifteen) days' consumption corresponding to Normative PLF, whichever is lower
	MS	shall mean the cost of maintenance spares
Amount of Repayment of Loan Capital	P_{REP}	shall mean the principal amount of repayment of the Debt component of the Capital Cost which is repayable in relevant currency "c" in any month as shown in the Mean of Finance
Availability Factor	F_{AVA}	shall mean the ratio of the Cumulative Average Availability and the Normative Plant Load Factor, which shall be computed as per Clause 10.7.
Base Exchange Rate	RE_{BSE}	shall mean, in relation to any currency other than Indian currency in which debt or Equity component of the Capital Cost may be financed in accordance with the Means of Finance, the weighted average selling rate in Rupee for relevant currency at which GMDC purchased/converted such currency for raising Debt and/or Equity, as the case may be, on the date on which GMDC raised the Debt (CA_c), or as the case may be, the equity, to finance the Project. The Base Exchange Rate shall be calculated as per subparagraph 10.5.3 of Article-10
Capacity Factor	F_{CAP}	shall mean the ratio of the Tested Capacity and the Rated Name Plate Capacity of the Unit or the Generating Station as the case may be.
Capacity Tested	C_T	shall mean the Capacity determined pursuant to Tests
Capital Cost	CC	shall mean the cost of developing, designing, building, financing, insuring and commissioning the Units and all ancillary plant or apparatus comprising the Generating Station up to each Unit's, Entry into Commercial Service (including cost of initial

		spares but excluding margin money). The Capital Cost shall include the cost of assets obtained on lease/hire purchase. Capital Cost shall be denominated in the Indian Rupees and in Foreign Currency as the case may be. The Capital Cost for the purpose of this PPA shall be the one negotiated and approved by GEB The Capital Cost (CC₀) to be considered for fixation of tariff on Commercial Operation of progressive Unit shall be computed on prorata basis of the Capacity of the Unit(s) but in case of delay in commissioning of second or subsequent Unit(s) from the Schedule Date, the Capital Cost, for the period of delay, shall be retrospectively approved for the tariff purpose in the ratio of proportionate allocation of Unit(s). If the Capital Cost increases in comparison to the cost approved by GEB, on account of Foreign Exchange Variation or Change in Law or any other reason not attributable to GMDC or its supplier or contractors, GMDC may approach GEB for the mid term review of the Capital Cost. Provided that GEB may allow the mid term review of Capital Cost more than one in a Year. Any cost incurred towards additional facility required due to any Change in Law shall be included into the Capital Cost from date when such additional facility comes into operation subject to relevant provisions in Clause 14.5 of Article-14.
Consumer Price Index	CPI	shall mean the price level shown in the Indian Consumers Price Index of the month of April of the relevant Year. The CPI of the month during which any Unit has Entered into Commercial Service shall be denoted by CPI _b

		and that for the Year "n" shall be denoted by CPI_n
day	d	Is the number of days in the month
Debt	Db_c	Is the outstanding amount of the debt component of the Capital Cost of the Project in month "m" which is denominated in currency "c" as shown in the Means of Finance.
Depreciation	D	shall mean the depreciation of the assets of the Generating Station. They shall be computed as per Cl. 10.5.3 of Article-10.
Energy Charge	E	shall mean the charges related to the consumption of Fuel which shall be computed as per the provisions of Clause 10.10 hereunder
Escalation Factor for OME	F_{esc}	shall mean the escalation factor for the purpose of O&M expenses
Equity	E	shall mean that component of Capital Cost deployed by the Promoters of the Generating Company and/or raised by issuing share capital and/or the internal resources created out of the free reserves of the existing company, if any, for the funding of the Project. Any premium raised while issuing share capital shall also be reckoned as paid up capital for the purpose of computing Return on Equity provided, such premium amount and internal resources are actually utilised for meeting the Capital Expenditure of the Generating Station and form part of the approved Means of Finance.
Fixed Charges	FC	shall mean the charges related to the Capacity of the Unit or the Generating Station as the case may be. The Fixed Charges shall be computed as per Clause 10.5 hereunder.
Incentive Charge	INC	shall mean the charges payable for each percentage increase above the 68.5% PLF which shall be computed as per Clause 10.9
Initial Spares	IS	shall mean the cost of the initial spares included in the Capital Cost of the Project

Insurance Charge	INS	shall mean the charges payable for the cover of Insurance, which shall be admissible as per the provisions of sub paragraph 10.4.4 hereunder.
Interest on Loan Capital	I _{LC}	shall mean the interest on loan capital to be computed as per provisions under Sub-Clause 10.5.2. Interest on loan capital shall be computed on the outstanding loans according to the schedule of repayment, as per the Means of Finance approved by GEB. The Interest on Loan Capital shall include the rental charges payable for the assets obtained on lease/hire purchase.
Interest on Working Capital	I _{WC}	shall mean the interest payable on the Working Capital. This shall be calculated as per sub paragraph 10.5.6.
Monthly Availability Adjustment	MAA	shall mean the adjustment to be made to the Fixed Charges as per Clause 10.8 hereof
Monthly Tariff Payments	MTP	shall mean the payments due to GMDC corresponding to the Tariff determined as per this Article-10.
Normative PLF	PLF _{NORM}	shall mean the Normative Plant Load Factor which, during the Stabilisation Period shall be equivalent to 4500 KWH/KW/Year (51.37% PLF) and during the subsequent period shall be 6000 KWH/KW/Year (68.5% PLF).
O&M Expenses	OME	shall mean the Operation and Maintenance expenses allowed as per sub paragraph 10.5.4
Price of Additive	P _{ADD}	shall mean the cost of mining/purchasing, transporting and handling the Additives, as most recently supplied to the Generating Station before the beginning of the month (expressed in Rupees per metric tones), to be determined as per the relevant Fuel Pricing Mechanism/Additive Supply Agreement.
Price of Primary Fuel	P _{PF}	shall mean the cost of mining/purchasing, transporting and handling the Lignite, as most recently supplied to the Generating Station before the beginning of the month (expressed in Rupees per metric tones), to be

		determined as per the relevant Fuel Pricing Mechanism/Fuel Supply Agreement.
Price of Secondary Fuel	P_{SF}	shall mean the cost of purchasing, transporting and handling the fuel oil, as most recently supplied to the Generating Station before the beginning of the month (expressed in Rupees per kiloltr), determined on the basis of SFSC
Quantity of Primary Fuel	Q_{PF}	shall mean the average quantity of Lignite actually maintained in stock by GMDC at the Generating Station during the month but not exceeding the quantity required for 15 days' consumption corresponding to Normative PLF. This shall be expressed in MT.
Rate of Depreciation	R_{DEF}	shall mean the weighted average rate of Depreciation derived in accordance with GoI Notification No.266(E) dated 29-3-1994.
Rate of Interest of Loan Capital	RI_{LC}	Is the annual rate of interest on the first day of the month applicable to outstanding debt denominated in currency 'c' as shown in the Means of Finance.
Rate of Interest on Working Capital	RI_{WC}	shall mean the annual rate of interest charged by GMDC's Banker or Consortium of Bankers for the Working Capital facility.
Rated Name Plate Capacity	C_R	shall mean the Rated Name Plate Capacity as defined in Article 1.
Receivables	MR	shall mean twice the average amount of the Monthly Tariff Invoice Payment related to Fixed Charges plus Energy Charges computed at the generation level of Normative PLF. The corresponding average shall be worked out on Quarterly basis during the Year.
Reference Exchange Rate	RE_{REF}	shall mean the average of the quotations given at approximately 11.00 Hours on the first day of the relevant month by three Scheduled Banks (one of which should be the State Bank), as may be mutually agreed upon (each at their principle places of business for foreign exchange transaction in Amdavad or Vadodara) for the rate (including all applicable commissions and the like) at

		which each of the scheduled Banks would sell foreign currency (almost equal to the volume of FC amount involved for payments under consideration) in exchange for Indian Currency. The RE_{REF} shall be equal to 1(One) in respect of Indian Currency.
Return on Equity	RoE	shall mean the return on the Equity and shall be 16% thereof.
Settlement Period	S	shall mean each of the consecutive 60 (sixty) minute periods in each day, the first beginning at 00:00 hours and the last ending at 24:00 hours;
Summation of Debt in Currency "c"	Σ_{Cur}	is the sum of the relevant values for each currency "c" in which the Debt component of the Capital Cost may be denominated as shown in the Means of Finance.
Tariff Change		shall mean the changes as specified under Clause 10.2 relevant to the calculation of the Monthly Tariff Payments
Tax on Income	ToI	shall mean the tax on income, if any, and shall be computed as expense at actuals. Any under or over recoveries of Tax on Income shall be adjusted every Year on the basis of a certificate of Statutory Auditors. No tax on income shall be allowed on Incentive Charges.
Wholesale Price Index	WPI	shall mean the price level shown in the Indian Consumers Price Index of the month of April of the relevant Year. The CPI of the month during which any Unit has Entered into Commercial Service shall be denoted by WPI_b and that for the Year "n" shall be denoted by WPI_n
Working Capital	WC	shall mean the Working Capital during the month

10.4 FIXED CHARGES

The Fixed Charges shall be calculated as per details given under Clause 10.5. The relevant Definitions and Symbols used for this purpose are brought out in Clause 10.4.

10.5 CALCULATION OF FIXED CHARGES

10.5.1 Subject to Clause 10.6, the Fixed Charges in any month "m", which begins on or after the Entry into Commercial Service of the Unit(s), shall be calculated as follows:

$$FC = (I_{LC} + D + OME + RoE - I_{WC})$$

10.5.2 Interest on Loan Capital

The Interest on Loan Capital in any month 'm' shall be calculated as follows:

$$I_{LC} = \sum_C \{ [(Db_f \times RI_{LC} \times d \times RE_{REF}) \div 365] + \sum_{L/H} \} \times F_{CAP}$$

10.5.3 Depreciation

The Depreciation in any month "m" shall be calculated as follows

$$D = \{ [(CC \times R_{DEP} \times d)] \div 365 \} + \sum_C [(P_{REP} \times RE_{REF}) - (P_{REP} \times RE_{DSE})] \times F_{CAP}$$

where

$$RE_{DSE} = \sum_C (CA_c \times RE_{REF}) \div \sum_C CA_c$$

The Depreciation shall not be admissible on the value of the assets obtained on lease/hire purchase and the free hold land. The aggregate Depreciation shall not exceed 90% of the Capital Cost.

10.5.4 O&M Expenses and Insurance Expenses

The O&M Expenses and Insurance Expenses shall be calculated Unit-wise in any month "m" as under:

$$OME = \sum \left(\frac{CC_v \times 0.02 \times d \times F_{ESC}}{365} \right) \times F_{CAP} + INS$$

$$\text{such that } OME \leq \frac{(0.03 \times CC_v) \times d \times F_{ESC}}{365}$$

$$INS \leq \frac{(0.01 \times CC_v) \times d}{365}$$

$F_{ESC} = 1$ for the first Year of operation after the Entry into Commercial Service of each Unit and

$F_{ESC} = (0.7WPI_n + 0.3CPI_n) \div (0.7WPI_b + 0.3CPI_b)$ or $(1.1)^{p-1}$ whichever is lower, for each succeeding Year

10.5.5 Return on Equity

The Return on Equity shall be 16% and calculated as follows:

GEB

37

GMDC

$$RoE = \sum_C \left(\left((Eq_c \times 0.16 \times d \times RE_{REF}) \div 365 \right) \right) \times F_{CAP}$$

At the end of every Year, the rate of return on Equity, on the basis of profit and loss account related to the operation of the Project, shall be verified and shall be adjusted such that it does not exceed 20%(Post Tax). Any increase over 20% over the period of entire Year shall be adjusted from the first Monthly Tariff Payment of the subsequent Year.

10.5.6 Interest on Working Capital

The Working Capital in any month "m" shall be calculated as under subject to actually raising the same by GMDC :

$$WC = [(P_{PF} \times Q_{PF}) + (P_{SF} \times Q_{SF}) + (P_{ADD} \times Q_{ADD}) + (OME-INS) + [MS] + MR]$$

MS shall be at actual subject to maximum of 1% of Capital Cost but not exceeding 1 Year's requirement less value of one fifth of initial spares. already capitalised.

and the Interest on Working Capital will be

$$I_{WC} = WC \times d \times RI_{WC} \div 365$$

10.6. CAPACITY FACTOR (F_{CAP})

The Fixed Charges in respect of any Monthly Tariff Payment after the date of Entry into Commercial Service of a Unit shall be subject to adjustment corresponding to Capacity Adjustment Factor (F_{CAP}) as under :

$$F_{CAP} = \frac{C_T}{C_R} \quad (\text{if } C_T < C_R) \text{ and}$$

$$F_{CAP} = 1 \quad (\text{if } C_T > C_R)$$

10.7 AVAILABILITY FACTOR (F_{AVA})

The Availability of Capacity during any Settlement Period "S" shall be determined as under :

10.7.1 When Capacity Delivered (C_{DEL}) is equal to the Dispatch Instructions to be Delivered (C_{DI}) and also it is equal to the Capacity Declared (C_{DEC}), then,

$$\text{Availability "A"} = C_{DEC}$$

Subject to the condition that $\pm 2\%$ variation will be admissible in respect of C_{DEL}

10.7.2 When Capacity Delivered is less than the Dispatch Instructions to be delivered then, subject to the conditionality under Clause 10.7.1,

GEB

Availability "A" = C_{DEL}

- 10.7.3 When the Dispatch Instructions to be Delivered is less than the Capacity Declared and when the Capacity Delivered is greater than or equal to the Dispatch Instructions to be Delivered, then,

Availability "A" = C_{DEC}

and the Cumulative Average Availability (CAA) from the beginning of the Year upto the last day of the month under consideration shall be calculated as under :

$$CAA = \frac{\sum A}{\sum C}$$

where

$\sum A$ represents the Cumulative Availability of Capacity corresponding to 10.7.1, 10.7.2 and 10.7.3 and $\sum C$ represents sum of the Nominal Baseload Capacity for the each Settlement Period

- 10.7.4 The Fixed Charges shall be adjusted corresponding to the Availability Factor to be computed as under :

$$F_{AVA} = \frac{CAA}{PLF_{NORM}} = 1 \text{ (when } CAA \geq PLF_{NORM} \text{) or}$$

$$F_{AVA} = \frac{CAA}{PLF_{NORM}} \text{ when } (CAA < PLF_{NORM})$$

10.8 Monthly Availability Adjustments

- 10.8.1 Pursuant to determination of Availability Factor as per Clause 10.7 above, the Monthly Availability Adjustments (MAA) for determination of Monthly Tariff Payments in any month "m" shall be computed as under :

$$MAA_m = [\sum_n FC] \times [1 - F_{AVA}] - \sum_n MAA_{m-1}$$

- 10.8.2 If the Monthly Availability Adjustment for month 'm' is a positive number it shall be shown in the Monthly Tariff Invoice as a reduction in the amount payable by GEB to GMDC; if a negative number, it shall be shown as an additional amount payable by GEB to GMDC.

10.9 INCENTIVE PAYMENT

The Incentive Payment in any month "m" shall be calculated as follows:

$$INC_m = \sum_{p,n} \{ [(CAA - 68.5\%) \times 100 \times \sum_c (E_c \times RE_{BSE}) \times R_{inc} \times d'] \div 365 \} - \sum_n INC_{m-1}$$

GEB

GMDC

In the above formula, GEB shall be obliged to compensate GMDC for Incentive Payments on an hourly basis subject to reconciliation corresponding to the block periods and percentage Plant Load Factor as stated hereunder:

Period of Block	CAA %	KWh/KW Yr
April to June & Nov to March	85%	7446
July to Oct	70%	6132
Overall during the Year	80%	7008

The value of CAA shall be computed on actual basis in the event C_{DI} exceeds the specified values subject to compliance there off by GMDC. Moreover, relevant blocks of periods shall be subject to change by GEB upon advance intimation before the beginning of the Year.

In the above formula,

R_{INC} is the rate of Incentive Payment which shall be 0.575% for each percentage rise above the generation level of 6000 Kwh/KW/Year (i.e. 68.5% PLF).

d' is the number of days calculated for each specified months over all elapsed months in Year 'n' (including the month for which the Incentive Charge is being calculated)

If the Incentive Payment, subject to provisions of Clause 10.5.5 for month 'm' is a positive number it shall be shown in the Monthly Tariff Invoice as an additional amount payable by GEB to GMDC and if it is a negative number, it shall be shown as a reduction in the amount payable.

10.10 ENERGY CHARGE

10.10.1 Definitions and Symbols

Phrase	Symbol	Meaning
Auxiliary Consumption	AC	shall mean the Energy consumed in the Auxiliaries of the Generating Station. The normative values will be as under :
		During Stabilisation Period 10.0%
		After Stabilisation Period 9.5%
Energy Delivered	E_M	Energy Delivered at the Delivery Point during the month "m" duly reduce by the quantum of

GEB

40

GMDC

		Energy Delivered in excess of the Dispatch Instructions to be Delivered.	
Gross Calorific Value of Primary Fuel	GCV_{PF}	shall mean the gross calorific value of Lignite most recently delivered to the Generating Station before the beginning of the month and expressed in Kcal/Kg.	
Gross Calorific Value of Secondary Fuel	GCV_{SF}	shall mean the gross calorific value of the Secondary Fuel most recently delivered to the Generating Station before the beginning of month expressed in Kcal/ml	
Quantity of Additive	Q_{ADD}	shall mean the quantity of additives viz. the Lime Stone expressed in Metric Tonne.	
Quantity of Primary Fuel	Q_{PF}	shall mean the quantity of Lignite expressed in Metric Tonne.	
Limestone Consumption Rate	LCR	shall mean the quantity of Additive viz. Lime Stone required for capture of Sulphur contents of Lignite which shall be expressed in MT and shall be decided along with Fuel Price Mechanism	
Stabilisation Period		shall mean the period of 180 days commencing from the date of Entry into Commercial Service of each Unit for the purpose of the stabilisation of the Generating Station	
Station Heat Rate	SHR	shall mean the Station Heat Rate of the Unit, expressed in K.Cal. per Kwh. The relevant values shall be as under:	
		During Stabilisation Period	2800 K. Cal per KWh
		After Stabilisation Period	2400 K. Cal per KWh
		The values of SHR will be subject to correction as per following multiplying factors corresponding to different moisture contents of Lignite:	
		Moisture Contents of Lignite	Multiplying Factor
		00.0 %	1.00
		30.0%	1.04
		40.0%	1.07
		50.0%	1.10
Quantity of Secondary Fuel	Q_{SF}	shall mean the quantity of secondary fuel oil as provided under sub-para (b) hereof.	

10.10.2 Computation

Energy Charges shall be calculated as follows :

(a) Primary Fuel Viz. Lignite

Quantity

Quantity of Primary Fuel shall be computed on the basis of Station Heat Rate (less Heat contributed by Secondary Fuel Oil as below) and gross calorific value of Fuel actually fired.

The Quantity of Primary Fuel consumed during the month shall be :

$$Q_{PF} = \left[\left\{ \frac{SHR - (Q_{SF} \times GCV_{SF})}{GCV_{PF}} \times \frac{1}{(1 - AC)} \times \frac{E_m}{1000} \right\} \right] \text{M.T. and}$$

(b) Additive viz. Lime Stone

Quantity

The quantity of additive shall be computed as under :

$$Q_{LIM} = \left\{ \frac{LCR \times E_m}{1000 \times (1 - AC)} \right\}$$

(c) Secondary Fuel Oil :

The quantity of consumption of Secondary Fuel Oil will be considered as follows :

Period	Quantity Q_{SF} (ml/Kwh)
During Stabilisation Period	5
Subsequent Period	3.5

The Total quantity $Q_{SFT} = \frac{5}{10^6} \times E_M$ Kilo Ltr. during Stabilization Period
and

Total quantity $Q_{SFT} = \frac{3.5}{10^6} \times E_M$ Kilo Ltr. during the subsequent Period

- (d) The Energy Charge EC shall be calculated as follows :

$$EC = EC_{PF} + EC_{ADD} + EC_{SF}$$

Where

$$EC_{PF} = Q_{PF} \times P_{PF}$$

$$EC_{ADD} = Q_{ADD} \times P_{ADD} \text{ and}$$

$$EC_{SF} = Q_{SF} \times P_{SF}$$

- (e) Beginning on Entry into Commercial Service, every six (6) month after that and on the date on which this PPA expires or is terminated, GMDC shall provide GEB with a written statement of (i) the quantities of Fuel and fuel oil held in stock at the Generating Station as at the date of the report and the actual delivered cost of that fuel (determined using the last-in, first out method) and (ii) beginning with the second report, the quantities of Fuel and fuel oil actually consumed in the operation of the Generating Station since the previous report and the actual delivered cost of the fuel consumed during the period since the previous report is less than the aggregate of the Energy Charges owed by GEB over the same period, GMDC shall refund the difference to GEB within 30 days after receiving GEB Invoice for the relevant amount.

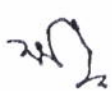
- (f) GMDC shall provide GEB with written evidence, including Monthly Tariff Invoices, to support the figures provided to GEB in the statements provided in accordance with (d) above. If GMDC fails to provide any such statement or any supporting evidence reasonably required by GEB, GEB may, at GMDC's expense, take any reasonable action to determine whether and, if so, what amount are owed to it under (d) hereinabove.

10.11 TAX ON INCOME

Subject to provision under Clause 10.5.5 the Tax on Income shall be reimbursed as expenses. GMDC shall be entitled to recover from GEB, in addition to the Monthly Tariff Payment.

10.12 MINIMISATION OF TAX LIABILITY

GMDC shall use all reasonable endeavours to minimise its liability for the Tax on Income that is recoverable from GEB under Clause 10.11.





ARTICLE-11

FORCE MAJEURE

11.0 FORCE MAJEURE

Force Majeure shall mean any event or circumstances or combination of events or circumstances that materially and adversely affects, prevents or delays any Party in performance of its obligation in accordance in terms of this PPA, but only if and to the extent that such events and circumstances are not within the affected party's reasonable control, directly or indirectly, and effects of which affected Party could have prevented through Good Industry Practice or, in the case of construction activities through reasonable skill and care, including through the expenditure of reasonable sums of money. Any events or circumstances meeting the description of the Force Majeure which have same effect upon the performance of any contractor shall constitute Force Majeure with respect to the GMDC. The Parties shall ensure compliance of the terms of this PPA unless affected by the Force Majeure Events.

11.1 FORCE MAJEURE EVENTS

The Force Majeure circumstances and events shall include without limitation the following events to the extent that such events or their consequences (it being understood that if a causing event is within the reasonable control of the affected party, the direct consequences shall also be deemed to be within such party's reasonable control) satisfy the definition as per Cl.11 of this Article.

The Force Majeure Events shall consist of war, rebellion, civil commotion, mutiny, riot, strike, lock out (both strike and lock out should be of global nature), fire, explosion, tempest, flood, lightening, earthquake or other forces, accident or any cause beyond the reasonable control of any Party, or Act of God or due to any restraint or regulations of the State or Central Government like expropriation or compulsory acquisition, any exercise of sovereign or executive prerogative and court stay order.

11.2 FORCE MAJEURE EXCLUSIONS

Force Majeure shall not include the following event(s) and/or circumstances, except to the extent that they are consequences of an event of Force Majeure:

- (a.) unavailability, late delivery, or changes in cost of the plant, machinery, equipment, materials, spare parts, Fuel or consumable for the Project;

GEB

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- (b.) delay in the performance of any contractor, sub-contractors or their agents;
- (c.) non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment; and
- (d.) non-performance caused by, or connected with, the Affected Party's:
 - (i) negligent or intentional acts, errors or omissions; and/or
 - (ii) failure to comply with an Indian law or Indian Directive; and/or
 - (iii) breach of, or default under this PPA

11.3 PROCEDURE FOR CALLING FORCE MAJEURE

11.3.1 The Affected Party shall notify to the other Party in writing of the occurrence of the Force Majeure as soon as reasonably practicable, and in any event within 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence and that the Force Majeure would be likely to have a material impact on the performance of its obligations under this PPA.

11.3.2 Any notice pursuant to Article 11.3.1 shall include full particulars of:

- (i) the nature of each Force Majeure Event which is the subject of any claim for relief under this PPA;
- (ii) the effect which such Force Majeure Event is having or is likely to have on the Affected Party's performance of its obligations under this PPA;
- (iii) the measures which the Affected Party is taking, or proposes to take, to alleviate the impact of the Force Majeure Event and restore the performance of its obligations under this PPA which are affected; and
- (iv) any other information relevant to the Affected Party's claim.

11.3.3 For so long as the Affected Party continues to claim to be affected by a Force Majeure Event, it shall provide to the other Party with regular (and not less than monthly) written reports of details of any significant developments relating to the Force Majeure Event and its progress in remedying its inability to perform its obligations under this PPA which remain affected.

11.4 PROCEDURE FOR CLAIMING RELIEF

11.4.1 Where an Affected Party claims relief on account of Force Majeure Event then, the rights and obligations of both Parties under this PPA shall be suspended to the extent that they are affected by such Force Majeure Events

11.4.2 In an Event of Force Majeure :

GEB

GMDC

- (a) the Affected Party shall use its best efforts to minimise the effects of Force Majeure and remedy any inability to perform due to Force Majeure;
- (b) the Affected Party shall provide weekly reports to the other Party regarding its progress in overcoming the adverse effects of the Force Majeure event;
- (c) the Affected Party shall as soon as reasonably practicable after claiming such relief, provide the other Party with written notice containing such information as may be reasonably required to justify the claim for relief due to Force Majeure;
- (d) the Affected Party shall ensure that any claims in respect of physical loss or damage resulting from the event constituting Force Majeure which are available against Insurances pursuant to any Insurance maintained by the Affected Party are made as soon as is reasonably possible and that the proceeds of any such Insurance claims are applied (subject to, in case of GMDC, obligations to its lenders) to remedy the effects of the event constituting Force Majeure as soon as is reasonably possible; and
- (e) the Affected Party shall, at its own cost, take all steps reasonably required to restore its ability to perform its obligations under this PPA as soon as possible, including the rebuilding of any affected part of the Generating Station and/or Interconnection and Transmission Facility, provided that the Affected Party shall not be obliged to take any steps which would not be in accordance with Good Industry Practice or beyond its reasonable control.

11.4.3 When the Affected Party is able to resume performance of its obligations under this PPA, it shall promptly give the other Party written notice to that effect provided that in no event shall the suspension of performance be of greater scope and of longer duration than is necessitated by Force Majeure.

11.5 EXTENSIONS DUE TO FORCE MAJEURE

Neither Party shall be responsible or liable for, or deemed to be in breach of this PPA because of any failure or delay in complying with its obligations under or pursuant to this PPA, due solely to one or more events of Force Majeure, and the periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-for-day basis from the date of the event of Force Majeure provided that no relief shall be granted to the Affected Party to the extent that such failure or delay would have

GEB

46

GMDC

nevertheless been experienced by that Party had such Force Majeure event not occurred.

11.6 GENERAL FORCE MAJEURE CONSEQUENCES

11.6.1. Notwithstanding anything in this PPA :

- (a) Subject to sub clause 11.6.1(b), in respect of the Force Majeure Events like war, strikes and lock-outs or acts of God, GEB shall not be liable to make any payments for the period of Force Majeure commencing from the date of occurrence of Force Majeure and upto 7 (seven) days thereafter. If the period of Force Majeure exceeds the above period of 7 days, the payments, if any, will be made by GEB for the entire Force Majeure period commencing from the date of the occurrence of such event of Force Majeure.
- (b) In respect of Force Majeure Events caused due to any restraint or regulations of the State or Central Government, GEB shall be liable to make payments, if any, for the entire Force Majeure period commencing from the date of occurrence of such event of Force Majeure.

11.6.2 The Scheduled Target Dates for Commissioning of the Unit or Units as the case may be and/or the Interconnection and Transmission Facilities shall be extended during the pendency of an event of Force Majeure on a day for a day basis to the extent that the event of Force Majeure is the cause of delay affecting the Party's' obligations under this PPA.

11.6.3 The Party, other than the Affected Party, shall not bear any liability for any loss or expense suffered by the Affected Party.

11.7 EFFECT ON TARIFF PAYMENTS

11.7.1 In respect of Force Majeure Events viz. War, Strikes and Lockouts:

In respect of payments for the period of Force Majeure Events viz. War, Strikes and Lockouts, the amount of the Monthly Period Tariff Payment calculated pursuant to Article 10 shall be at least equal to the sum of :

50% of the Operations and Maintenance Expenses, and

Debt Service;

- (a) except that amounts under Clauses (a) and (b) above shall be calculated on the basis that the value of CAA in Clause-10.7 of Article-10 used in the calculation of F_{AVA} for these purposes, be increased by the amount equivalent of the reductions in Declared Capacity caused by such

GEB

47

GMDC

events of Force Majeure calculated based on the last six months' Average Availability.

11.7.2 In respect of Force Majeure Events viz. Restraints or regulations of the State or Central Government

In respect of payments for the period of Force Majeure Events viz. Restraints or Regulations of the State or Central Government, the Monthly Period Tariff Payments shall be calculated on the basis that the value of CAA in Clause-10.7 of Article-10 used in the calculation of F_{AVA} for these purposes, be increased by the amount equivalent of the reductions in Declared Capacity caused by such events of Force Majeure calculated based on the last six months' Average Availability.

11.7.3 In respect of Force Majeure Events viz. Act of God :

In respect of payment for the period of Force Majeure Events viz. the Act of God, there will be no payment of Monthly Period Tariff Payment.



ARTICLE-12

TERM AND TERMINATION

12.1 THE EFFECTIVE DATE

The PPA will become effective from the date of signing hereof.

12.2 TERM.

This PPA will remain in force, subject to provisions laid down under Clause 12.3 and 12.4 hereof, upto and inclusive of the 30th (thirtieth) anniversary of the Commercial Operation of the Generating Station.

12.3 EVENTS OF TERMINATION

This PPA will be subject to Termination on account of any one or more of the following Events.

(i) an event of Default, either on the part of GMDC (hereinafter referred to as GMDC's Event of Default) or on the part of GEB (hereinafter referred to as GEB's Event of Default).

(ii) an event of Force Majeure

(iii) at the end of the Term, subject to provisions of Cl. 2.4 hereinunder.

12.4 EXTENSION

At the end of the Term, if desired, the Parties may decide to extend the Term of the PPA, either at the same terms and conditions hereof or novated terms and conditions, as may be mutually agreed. Such extension shall be subject to the approval of the Boards of GEB, GMDC and the GoG.

12.5 EVENT(S) OF DEFAULT

12.5.1 GMDC's Event(s) of Default(s):

The following shall be construed as the Event(s) of Default on the part of GMDC

(I) the failure, except for Force Majeure, to Commission each of its Units within 90 (ninety) Days' of the respective Scheduled Target Date(s) of Commissioning provided under Schedule II ;

(II) the unexcused, wilful or reckless breach of its obligations after the Commissioning of the First Unit;

GEB

49

GMDC

- (III) the tampering with the Interconnection and Transmission Facilities by GMDC or its contractors, unless same is done to prevent any imminent material danger to any person or any imminent danger of material damage to the Generating Station;
- (IV) the failure to demonstrate the Tested Capacity at the level upto 80% (eighty percentage points) of the Rated Capacity of each Unit during the Performance Guarantee Test and the Capacity Demonstration Test;
- (V) the action of GMDC to:
- ❖ assign, mortgage or charge or propose to assign, mortgage or charge any of its assets or rights; or
 - ❖ transfer or novation of any of its obligations pursuant to this PPA, which is otherwise contrary to the provisions thereto;
- (VI) the cessation of any initial investor to be an investor without the prior written consent of GEB;
- (VII) the transfer, pursuant to law, of either
- the rights and/or obligations of GMDC under any Project documents; or
 - all or a substantial portion of the assets or undertakings of GMDC; except where such transfer:
 - ❖ does not affect the ability of the transferee to perform, and that such transferee has the financial and technical capability to perform, its obligations under the Project documents;
 - ❖ is, to a transferee, of atleast equivalent financial standing to GMDC; and
 - ❖ such transferee, expressly assumes such obligations under the Project documents and that the same remain effective with respect to the transferee;
- (VIII) the dissolution, pursuant to law, except for the purpose of merger, consolidation, or re-organisation that does not affect the ability of the resulting entity to perform its obligations under this PPA and provided that such resulting entity expressly assumes such obligations;

- (IX) except where due to, GEB's failure to comply with any of its obligations, GMDC is in material breach of any of its obligations under this PPA.
- (X) continuation of an Event of Force Majeure for 270 (two hundred seventy) consecutive Days during which ;
 - ❖ GMDC is unable to commence or continue with the construction or Operation of the Generating Station to the extent affected by such Event of Force Majeure ; and/or
 - ❖ GMDC's performance under this PPA is affected.

12.5.2 GEB's Event(s) of Default(s)

The following shall be construed as the Event(s) of Default on the part of GEB.

- (i) the expropriation, compulsory acquisition, requisition or nationalisation by any Indian Governmental Instrumentality of any material assets of GMDC relating to the Project.
- (ii) the dissolution pursuant to law or transfer of property, assets and undertaking or any material part thereof (by one or a series of transaction) to an entity or successors - in - title, unless;
 - ❖ such dissolution is for the purpose of an amalgamation, consolidation or reconstruction; or
 - ❖ such transfer is part of reorganisation of the electricity industries in India or State of Gujarat or of the Regional Grid;
- (iii) and, in either case, a resulting entity or successor-in-title unconditionally assumes the obligations of GEB under this PPA and does not affect the ability of the resulting entity or successor in title to perform such obligations and provided that:
 - ❖ the resulting entity or successor in title has the technical capability and operation experience sufficient to continue the performance of its obligations under this PPA; and
 - ❖ the resulting entity or successor-in-title has the financial standing to perform its payment obligations under this PPA.
- (iv) commitment of a material breach of any material provision of this PPA by GEB which is not remedied within 90 (ninety) Days of receiving a Notice from GMDC specifying the breach committed and the steps it reasonably required GEB to take remedy thereof.

- (v) continuation of an Event of Force Majeure for 270 (two hundred seventy) consecutive Days during which ;
 - ❖ GEB is unable to commence or continue with the work of construction or operation of the Interconnection and Transmission Facilities to the extent affected by such Event of Force Majeure ; and/or
 - ❖ GEB's performance under this PPA is affected.
- (vi) Non establishment/ maintainance of Letter of Credit and/ or the Escrow Account.

12.6 FORCE MAJEURE EVENTS

The occurrence of any event of Force Majeure as described in Article 11.

12.7 END OF THE TERM

Upon expiry of the Term of this PPA.

12.8 DEFAULT NOTICE

Upon the occurrence of any Event(s) of Default, GEB or GMDC, as the case may be, may deliver a Default Notice to the other Party specifying in reasonable details the eventualities giving rise to the said Default Notice.

12.9 FOLLOW-UP PROCEDURES

12.9.1 Cure Period :

Following the issuance of a Default Notice, the Parties shall consult each other for a period of upto 2 (two) months (or such longer period as may be mutually agreed) so as to determine the actions to be taken with a view to mitigating the consequences of the relevant Event(s) of Default having regard to all the circumstances.

12.9.2 Rights And Remedies

In respect of the Event(s) of Default concerning to either Party or in the event of Force Majeure or at the End of the Term, the Parties, upon expiry of Cure Period, shall have the rights as specified in Schedule-XII .

12.9.3 Termination

Either Party shall proceed to terminate the PPA after following procedures laid down in Clauses 12.8.1 and 12.8.2 hereinabove. The Termination Procedures and determination of Buy-out Price are laid down in Schedule XII hereof.



ARTICLE-13

LIABILITY AND INDEMNIFICATION

13.1 LIMITATION OF LIABILITY

Except as required by Clause 13.2 neither Party shall be liable to the other Party in contract, tort, warranty, strict liability or any other legal theory for any indirect, consequential, incidental, punitive or exemplary damages. Neither Party shall have any liability to the other Party except pursuant to, or for breach of, this PPA provided, however, that this provision is not intended to constitute a waiver of any rights of one Party against the other with regard to matters related to this PPA or any activity contemplated thereby.

13.2 INDEMNIFICATION

- (a) GEB shall bear responsibility for loss of or damage to property, death or injury to person (or any claim against GMDC in respect thereof) and all expenses relating thereto suffered by GMDC in connection with the Generating Station resulting from any act of negligence or omission of GEB without recourse to GMDC. GEB will hold GMDC fully indemnified in respect thereof. The indemnity shall not extend to any loss, damage death or injury (or any claim in respect thereof) or any expenses relating thereto to the extent that it was caused by any willful act or willful omission of GMDC or the failure of GMDC to take reasonable steps in mitigation thereof. Notwithstanding anything to the contrary contained in the preceding sentence, nothing in this Clause 13.2 (a) shall apply to any loss, damage, cost or expense in respect of, and to the extent that GMDC is compensated pursuant to the terms of any Insurance.
- (b) GMDC shall bear responsibility for loss of or damage to property, death or injury to person (or any claim against GEB in respect thereof) and all expenses relating thereto suffered by GEB in connection with the Generating Station and its connected lines resulting from any negligent act or omission of GMDC, without recourse to GEB. GMDC will hold GEB fully indemnified in respect thereof. The said indemnity shall not extend to any loss, damage death or injury (or any claim in respect thereof) or any expenses relating thereto to the extent that it was caused by any act or omission of GEB or the failure of GEB to take reasonable steps in mitigation thereof. Notwithstanding anything to the contrary contained in the preceding sentence, nothing in this Clause 3.2(b) shall apply to any loss, damage, cost or expense in respect of, and to the extent that GEB is compensated pursuant to the terms of any Insurance.
- (c) Joint Negligence

In the event that such injury or damage results from the joint or concurrent willful negligence or intentional acts of the Parties, each shall be liable under

GEB

54

GMDC

this indemnification in proportion to its relative degree of fault. The proportion of act of negligence shall be mutually decided.

13.3 DEFENCE OF CLAIMS

The indemnified Party shall have the right, but not the obligation, to contest, defend, and liquidate any claim, action, suit or proceeding by any third party alleged or asserted against such indemnified Party in respect of, resulting from, related to or arising out of any matter for which it is entitled to be indemnified thereunder, and the reasonable costs and expenses thereof shall be subject to the indemnification obligations of the indemnifying Party thereunder. The indemnifying Party shall be liable for all payments, proceedings, liabilities including payment of counsel fees.



ARTICLE-14

CHANGE IN LAW

14.1 DEFINITION OF LAW :

For the purpose of this PPA, "law" means any act, rule, regulation, notification, order, policy, administrative guidelines, ruling or instruction having the force of Law enacted or issued by any competent legislature, Governmental Instrumentality or statutory authority in India.

14.2 CHANGE IN LAW :

For the purposes of this PPA, "Change in Law" shall mean:

an enactment or issuance of any new Law; and/or

any amendment, alternation, modification or repeal of any existing Law; and/or

any authoritative interpretation of any existing law issued by a competent court, tribunal, Governmental Instrumentality or legislature in India which is contrary to the existing accepted interpretation thereof, in each case coming into effect after the date of this PPA, provision for which has not been made elsewhere

Explanation : In the event of contradictory interpretations by two equivalent authorities on the same-subject, the interpretation of the authority having physical jurisdiction over the location of the Generating Station shall prevail.

14.3 THE PROCEDURE:

If there is any change in Laws applicable to either Party or changes in circumstances affecting either Party, the affected Party shall give prompt written notice to the other Party and such other written information as the other Party may reasonably require in order to assess the nature of change in question and its effect on the Parties. While giving such notice, the affected Party shall also provide the draft of the corresponding amendments to be made in the PPA, if so necessary.

14.4 DELAYS :

In the event of any Change in Law coming into force prior to the date of Entry into Commercial Service of the Unit or the commissioning of

Transmission and Interconnection Facility as the case may be causing delay in completion thereof, the corresponding Schedule target Dates shall be extended to the extent as may be necessary to compensate such delay. The concerned party shall however, have to provide relevant documents to justify such eventuality and the need for extension.

14.5 ADDITIONAL FACILITIES - MODIFICATIONS :

Where any Change in Law coming into force after the date of Commercial Operation of the Unit requires the construction of any additional facilities or modifications of any existing facility of the Project, GMDC may incur such expenditure thereon as may be reasonably required to comply with such Change in Law and such expenditure shall be added to the Capital Cost subject to approval by the Authority and GEB. Upon approval, to the extent that any such expenditure is funded with Debt, the increase in the Interest on the Loan Capital and Depreciation attributable thereto shall be reflected as an increase in the Tariff payable by GEB and to the extent that any such expenditure is funded with Equity, the increase in the Return on Equity.



ARTICLE-15

ASSIGNMENT AND SECURITY

15.1 ASSIGNMENT

This PPA may not be assigned by either Party, other than by mutual agreement between the Parties in writing, provided however that GMDC may assign this PPA to a newly organised, affiliated Corporation or to any other affiliate controlled by GMDC, in each case with the prior consent of GEB. Notwithstanding the foregoing, for the purpose of financing the Project, GMDC may assign or create security over its rights and interests under or pursuant to;

- (a) this PPA,
- (b) any agreement related to the Project,
- (c) the Generating Station,
- (d) the site,
- (e) the movable property and intellectual property of GMDC or
- (f) the revenues or any of the rights or assets of GMDC.

The holder of any security created under this Section shall not be prevented or impeded by GEB from enforcing such security in accordance with its terms, including without limitation, exercising any right it may have to re-assign this PPA to a new owner or operator of the Generating Station, provided however that such transferee agrees to perform its obligations under this PPA. GEB shall execute all such consents to assignment and/or acknowledgements of any security created in accordance with this Article as are reasonably required by GMDC to give effect to the foregoing. Notwithstanding the above, GEB shall have the right to assign this PPA to any entity assuming all or part of GEB's rights and obligations in connection with the distribution of electrical energy, provided however that such transferee agrees to perform its obligations under this PPA.

15.2 SUCCESSORS AND ASSIGNS

This PPA shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and assigns, if any.

ARTICLE-16

DISPUTE RESOLUTION

16.1 DISPUTE RESOLUTION

Save where expressly stated to the contrary in this PPA, any matter or dispute or difference of whatever nature howsoever arising under, out of or in connection with this PPA including its existence and validity (collectively *Disputes*) between the Parties shall be resolved as per the dispute resolution procedures described hereunder.

16.2 DISPUTE RESOLUTION BY PANEL

16.2.1 Each of GMDC and GEB shall, if required by the other Party to do so, select and appoint one high-level representative not concerned with the day-to-day performance of their appointor's obligations under this Agreement to form a panel (the *Panel*). Each Party shall notify the other of the name and relevant qualifications of the Panel member it has selected within 30 days of their selection. Each Party may appoint, substitute or replace Panel members from time to time and shall notify the other of the name and relevant qualifications of the substitute or replacement Panel members so appointed within 30 days of their appointment. The Panel shall meet as and when necessary from time to time in Vadodara for the purposes of resolution of Disputes under this PPA. Each Party shall bear the respective costs and expenses of the members of the Panel appointed by it.

16.2.2 All Disputes shall first be submitted to the Panel for resolution. Either Party shall give to the other a written notice setting out the material particulars of the Dispute and requiring the Panel to meet within 15 working days of the date of receipt of such notice by the relevant Party. The Panel will attempt in good faith and using its best endeavors at all times to resolve the Dispute and produce written terms of settlement. If the Panel cannot resolve a dispute within 30 days (or such longer period as is agreed between GEB and GMDC), or if the Panel fails to meet within 30 days (or such longer period as is agreed between GEB and GMDC), the procedures set out under Clause 16.4 shall apply.




16.3 DISPUTE RESOLUTION BY EXPERTS

Notwithstanding the provisions of Clause 16.2 hereinabove, the Parties may opt to refer the dispute to the Expert as follows:

for the resolution of Disputes relating to the technical matters, reference could be made to a Technical Expert. The appointment of such Technical Expert shall be done by mutual agreement through the Institution of Engineers or any other recognised Institutions.

for the resolution of Disputes relating to the financial matters, reference could be made to a Financial Expert. The appointment of such Financing Expert shall be done by mutual agreement through the Institution of Chartered Accountants of India or any other recognised Institutions.

The Parties will refer matters, differences or disputes in issue between them to whichever Expert is agreed or appointed. Save as otherwise provided in this PPA, the Expert will resolve or settle such matter or dispute in such a manner as he shall in his absolute discretion see fit. Save as otherwise provided in this PPA, the determination of the Expert will be final and binding on the Parties. The Expert shall be required to make, within 30 days of the matter being referred to him, his determination of the matter in dispute. The costs of the Expert in settling or determining such matter shall be borne equally by the Parties.

If GEB and GMDC fail to agree on the appointment of an Expert pursuant to Clause 16.3 of Article 16, either GEB or GMDC from time to time may apply to the Chairman, of the Indian Council of Arbitration in New Delhi, to appoint an Expert of the kind required and with the experience described in Clause 16.3 of Article 16.

16.4 DISPUTE RESOLUTION BY ARBITRATION

Notwithstanding the provisions under Clauses 16.2 & 16.3, the Parties may opt to refer the Dispute related to this PPA for resolution to Arbitration.

- (a) such Dispute shall be submitted to arbitration at the request of either Party, upon written notice to that effect to the other Party and be finally determined under the Arbitration And Conciliation Act, 1996 as amended from time to time. The rights and obligation of the Parties shall remain effective during the arbitration proceedings;
- (b) the place of arbitration shall be Vadodara, India;

GEB

60

GMDC

- (c) the language of the arbitration shall be English; and
- (d) any Dispute submitted to arbitration shall be considered by three arbitrators, two of whom shall be nominated one by GMDC and one by GEB. If within 30 days of the receipt of a Party's notification of the appointment of an arbitrator, the other Party has not notified the first Party of the arbitrator it has appointed, the first Party may apply for the appointment of the second arbitrator in accordance with the Arbitration And Conciliation Act, 1996 . The third arbitrator will be nominated by the two existing arbitrators.

16.5 ARBITRATION AWARDS TO BE BINDING

GMDC and GEB undertake to carry out any decision or award of the arbitrators relating to such Dispute without delay, and the Parties agree that there will be no appeal to any court of law or other judicial authority. Awards relating to any Dispute shall be final and binding on the Parties to such Dispute as from the date they are made. The arbitrators shall give reasoned decision or award keeping in view the provision under Section-76 of Electricity (Supply) Act, 1948. GMDC and GEB agree that such decision or award shall be final and binding. GMDC and GEB agree that decision or award may be enforced against GEB and GMDC, as the case may be. or their assets wherever situate.






ARTICLE-17

REPRESENTATIONS AND WARRANTIES

17.1 REPRESENTATIONS AND WARRANTIES BY GMDC

GMDC hereby represents and warrants to GEB that:

17.1.1 it is a Generating Company, duly incorporated, and has complied fully with requirements of all applicable laws;

17.1.2 it has full corporate power and authority to carry on its business as currently conducted and as proposed to be conducted under this PPA, and to enter into, legally bind itself by and perform its obligations under this PPA, the Project documents and all documents comprising the security package to which it is a Party;

17.1.3 this PPA, the Project documents and all documents comprising the security package to which it is a Party have been, or will be, duly authorised, executed, and delivered by it and constitute or when so authorised, executed and delivered, will constitute its legal, valid and binding obligations;

17.1.4 the execution, delivery, and performance of this PPA, the Project documents and all documents comprising the security package to which GMDC is a Party does not constitute a violation of:

- (i) any statute, judgement, order, decree or regulation or rule of any court, government authority or arbitrator of competent jurisdiction applicable or relating to GMDC, its assets or its businesses; or
- (ii) GMDC's Articles of Association or Memorandum of Articles or any other documents or any indenture, contract or agreement to which it is a Party or by which it or its property is bound;

17.1.5 there are no judgements outstanding against GMDC or its initial investors and to the best knowledge of GMDC no action, claim, suit or proceeding is pending or threatened against GMDC or its initial investors before any court, governmental authority or arbitrator of competent jurisdiction that could reasonably be expected to effect materially and adversely the financial condition or operations of GMDC or the ability of GMDC to perform its obligations under this PPA, the Project documents and all documents comprising the security package to which GMDC is a Party or which purports to effect the legality, validity or enforceability of those documents;

GEB

62

GMDC

17.1.6 GMDC is not in default under any agreement to which it is a Party or by which it or its property may be bound, nor in any material default of any obligation, which could have a material adverse effect on the ability of GMDC to perform its obligations under this PPA, the Project documents or any other document comprising the security package;

17.1.7 no information given by GMDC in relation to this PPA, the Project documents or any document comprising the security package contains any material mis-statement of fact or omits to state a fact which would be materially adverse to the enforcement of the rights and remedies of GEB or which would be necessary to make any statement, representation or warranty contained herein or therein true and correct; and

17.1.8 all equipment and machinery to be installed in the Generating Station or used by the Project before the Entry into Commercial Service shall be new. All such equipment and machinery shall conform to the codes, standards and regulations applicable to electricity production facilities and benefit from the usual manufactures' guarantees.

17.2 REPRESENTATIONS AND WARRANTIES BY GEB

GEB represents and warrants to GMDC that:

17.2.1 it has been duly created pursuant to a statute, is validly existing and has the full legal right, power and authority to conduct its business, to own its properties and to enter into and perform its obligations under this PPA and that there are no proceedings pending or, to the best of its knowledge, threatened for the dissolution of GEB;

17.2.2 this PPA has been duly authorised, executed and delivered by it and constitutes valid, legal and binding obligations on GEB; and

17.2.3 the execution and delivery of this PPA with GMDC does not violate any statutory judgement, order, decree or regulation right or obligation or rule of any court, government authority or arbitrator of competent jurisdiction applicable in relation to GEB, its assets or its businesses.





ARTICLE-18

CONFIDENTIALITY

18.1 CONFIDENTIAL INFORMATION

Subject to Article-12, both Parties shall, at all times both during the Term and for 5 (five) Years following the Termination or expiry of this PPA:

- (i) use their reasonable endeavours to keep all information regarding the terms and conditions of this PPA and any data or information acquired as a result of the negotiation and performance of this PPA confidential and accordingly neither Party shall disclose the same to any other person; and
- (ii) not use any document or other information (whether technical or commercial) obtained by them respectively as a result of the negotiation and performance of this PPA or concerning the other's undertaking for any purpose other than performance of the Party's obligations and exercise of its rights under this PPA,

provided that the provisions of this Clause 18.1 shall not apply to:

- (a) any information which at the time of disclosure was in the public domain other than by breach of the confidentiality obligations of this Clause 18.1;
- (b) information relating to the Project, in the possession of a Party before that information was disclosed to it by or on behalf of the other Party and which was not obtained under any obligation of confidentiality; and
- (c) information obtained from a third party who is free to disclose the same, and which is not obtained under any obligation of confidentiality.

18.2 DISCLOSURE OF CONFIDENTIAL INFORMATION

Either Party shall be entitled to disclose the terms and conditions of this PPA and any data or information acquired by it under or pursuant to this PPA without the prior written consent of the other Party if such disclosure is made in good faith:




- (i) to any affiliate of such Party, having made it aware of the requirements of this Article 18, or to any Indian Governmental Instrumentality; or
- (ii) to any outside consultants or advisers engaged by or on behalf of such Party and acting in that capacity, having made them aware of the requirements of this Article 18; or
- (iii) to the lenders, having made them aware of the requirements of this Article 18; or
- (iv) to the extent required by the rules of a relevant and recognised stock exchange; or
- (v) to the extent required by any applicable Law or pursuant to an order of any court of competent jurisdiction; or
- (vi) to any insurer under a policy of Insurance effected under Article 5; or
- (vii) to directors, employees and officers of such Party having made them aware of the requirements of this Article 18,

and is necessary to enable such Party to perform this PPA or to protect or enforce its rights under this PPA or to enable it to comply with any requirement referred to in paragraphs (iv) and (v) above or to carry on its ordinary business.



ARTICLE-19

MISCELLANEOUS PROVISIONS

19.1 AMENDMENTS

This PPA shall not be amended except by written agreement between the Parties and no other purported amendment shall be effective.

19.2 THIRD PARTIES

This PPA is intended solely for the benefit of the Parties and their respective successors and permitted assigns and nothing in this PPA shall be construed to create any duty to, standard of care with reference to, or any liability to, any person not a Party to this PPA.

19.3 NO WAIVER

19.3.1 No waiver by either Party of any Default or Defaults by the other Party in the performance of any of the provisions of this PPA:

- (i) shall operate or be construed as waiver of any other or further Default or Defaults whether of a like or different character; or
- (ii) shall be effective unless in writing duly executed by a duly authorised representative of such Party.

19.3.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this PPA nor time or other indulgence granted by one Party to the other shall act as a waiver of such breach of acceptance of any variation or the relinquishment of any such right or any other right under this PPA, which shall remain in full force and effect.

19.4 RELATIONSHIP OF THE PARTIES

This PPA shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party and neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.




19.5 LANGUAGE

The language of this PPA is English and all documents, notices, waivers and all other written communication or otherwise between the Parties in connection with this PPA shall be in English.

19.6 ENTIRETY

19.6.1 The Articles and the Schedules under this PPA are intended by the Parties as the final expression of their agreement and are intended also as a complete and exclusive statement of the terms of their agreement.

19.6.2 All information, tables, statements, documents, parameters and similar papers in connection with the technical aspects of the Generating Station furnished with or without modification to GOG and/or GEB and accepted by GOG and /or GEB, as the case may be, shall be deemed to be annexed as Schedules to this PPA and shall be considered to have become part of this PPA.

19.6.3 All prior written or oral understandings, offers or other communications of every kind pertaining to this PPA or the sale or purchase of Energy and Capacity under this PPA to GEB by GMDC are abrogated and withdrawn.

19.7 SUCCESSORS AND ASSIGNS

This PPA shall be binding upon, and inure to, the benefit of the Parties and their respective successors and permitted assigns.

19.8 COSTS AND FURTHER ASSISTANCE

Each Party shall pay its own costs and expenses in relation to the negotiation, preparation, execution, delivery and carrying into effect of this PPA. Each Party shall, from time to time, on being requested to do so, by and at the cost and expense of the other Party, do all such act or execute and deliver all such instruments and assurances as are reasonably necessary for carrying out or giving full effect to the terms of this PPA or are not otherwise provided for in this PPA.

19.9 COUNTERPARTS

This PPA is executed in two counterparts. Each Party has executed this PPA on a separate counterpart, both of which constitute the original. Both counterparts together constitute one and the same instrument.




19.10 ILLEGALITY

If for any reason:

- (a) any provision of this PPA is or becomes invalid, illegal or unenforceable, or is declared by any court of competent jurisdiction or any competent authority to be invalid, illegal or unenforceable; or
- (b) any competent authority:
 - (i) refuses or discontinues, or formally indicates an intention to refuse or discontinue, authorisation of, or exemption to, any of the provisions of or arrangements contained in this PPA; or
 - (ii) formally indicates that to continue to operate any provision of this PPA may expose the Parties to sanctions under any law or directive or requests either Party to give undertakings or to accept conditions as to future conduct in order that such Party may not be subject to such sanctions;

then, the Parties shall negotiate in good faith with a view to agreeing amendments to or replacements for the illegal, unenforceable or invalid provisions such that the amended or substituted provisions are satisfactory to all relevant competent authorities. Any amendment to this PPA so made shall re-establish and maintain as far as possible the balance of the commercial interests of the Parties under this PPA. No failure to agree any such amendment to this PPA shall be susceptible to the Dispute Resolution Procedures under Article 16. Pending such agreement, the invalidity, illegality or unenforceability in question shall not prejudice or affect the validity, legality or enforceability of any other provision of this PPA.

19.11 ANNUAL REPORTS AND ACCOUNTS OF GMDC

19.11.1 GMDC shall, as soon as possible after the end of Year, prepare a report giving an account of its activities during the previous Year and shall, within six months from the date of the closer of the year, forward to GEB and GoG, the report together with a statement of accounts, in such form and containing such particulars as may be specified by the recipient(s), a copy of the balance sheet and profit and loss account and the auditors' report, in relation to the accounts of the Year aforesaid.

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19.11.2 For the purpose of preparing the Statement(s) of accounts referred to in Clause 19.11.1, the Depreciation to be permitted every Year shall be calculated at such rate as specified by the GoI under its Notification No.266(E) dated 29-3-1994.

19.11.3 The provisions of Clause 19.11.1 shall be in addition to and not in derogation of the provisions contained in the Companies Act, 1956 (one of 1956) in relation to reports, statement of accounts and other documents required to be prepared or kept or submitted by a Company within the meaning of Section-3 of that Act.

19.12 AFFIRMATION

GMDC and GEB declare an affirmation that neither Party nor its directors, employees, any of its agents or, in the case of GMDC, its sponsors, has paid nor has it undertaken to pay and that it shall, in the future, not pay any unlawful commission, bribe, pay-offs, kick-backs and that it has not in any other way or manner paid any sums, whether in Indian currency or foreign currency and whether in India or abroad, or in any other manner given or offered to give any gifts and presents in India or abroad to any person or GMDC to procure this PPA and GMDC and GEB undertake not to engage in any of the said or similar acts during the Term of and relative to this PPA.

19.13 NOTICES

19.13.1 All notices, approvals, consents, endorsements, certificates, confirmations, determinations or other communications (together *Notices*) to be given or made by one Party to the other Party pursuant to this PPA shall be in writing, addressed for the attention of the person indicated below, and shall either be delivered personally or sent by registered mail (postage prepaid and return receipt requested), facsimile or telex. The addresses for service of the Parties and their respective facsimile and telex numbers shall be:

For GEB:

Attention:	General Manager (Commercial)
Address:	Sardar Patel Vidyut Bhavan, Race Course, Vadodara, Pin Code 390 007
Facsimile:	91-0265-337918/338164
Telex:	VIDYT BRD 175-6254
Phone	91-0265-338382, 340114

GEB

GMDC

For GMDC :

Attention:	General Manager (PR&D)
Address:	Khanij Bhavan, Opp. Nehru Bridge, Ashram Road, P.O.Box No.4016, Ahmedabad. Pin. 380 009
Facsimile:	079 - 658.1082
Phone	079 - 658 1468

or such other addresses, facsimile or telex numbers as either Party may notify to the other Party from time to time.

19.13.2 Save as provided expressly in this PPA, all Notices shall be deemed to have been given, (a) if delivered, when presented personally or by courier, (b) if sent by telex or by facsimile, on the day it is transmitted, if that day is a Business day and on the first Business day following the day it is transmitted if that day is not a Business day, provided that transmission is proved, in the case of a telex, by the appearance of the correct answer back code at the commencement and the end of the telex message and, in the case of a facsimile, by the appearance of the correct facsimile number on the facsimile transmission report generated by the sender's facsimile machine and if sent by registered mail, five (5) Business days after being deposited in a regularly maintained receptacle for the postal service in India, postage prepaid, return receipt requested. Any Notice given by telex or facsimile shall be confirmed in writing delivered personally or sent by registered mail, but the failure to so confirm shall not void or invalidate the original Notice if it is in fact received by the Party to which it is addressed.

19.14 GOVERNING LAW :

This PPA shall be construed in accordance with and governed by laws of India.





IN WITNESS WHEREOF, the Parties have entered into this PPA as of the date first above written.

For and on behalf of GEB by

for and on behalf of GMDC by



(NALIN BHATT)

CHAIRMAN



(V.R.S.COWLAGI)

MANAGING DIRECTOR

and witnessed by



(M.M.SRIVASTAV)

MEMBER FINANCE



(S.B.VORA)

GENERAL MANAGER (PR & D)



(H.B.PARIKH)

GENERAL MANAGER (COMMERCE)



(PIYUSH R. SHAH)

ASSISTANT MANAGER (GEOLOGY)

GEB

71

GMDC

SCHEDULES

INDEX OF SCHEDULES GEB – GMDC PPA

Sr.No	Title	Page No.
I.	Description of Generating Station	073
II.	Development Mile Stones	076
III.	Availability Declaration	077
IV.	Dispatch Procedures	078
V.	Insurance Covers	082
VI.	Testing & Consequences	086
VII.	Outages	089
VIII.	Fuel Price Mechanism	092
IX.	Metering System	093
X.	Billing and Payment	097
XI.	Means of Finance	109
XII.	Termination - Remedies and Buy-Out	114



SCHEDULE-I

DESCRIPTION OF GENERATING STATION

I.1 TECHNICAL FEATURES OF THE PLANT

A conventional layout has been proposed with 220 KV Switchyard in front of the Turbine House and Boiler, Electrostatic Precipitator and Chimney at the back.

To take care of emission of SO_2 and No_x from the Steam Generator, Circulating Fluidised Bed Combustion System, an environment friendly combustion technology adopted by the advanced countries, has been opted for the Generating Station.

I.2 STEAM GENERATING PLANT AND AUXILIARIES

The Steam Generator Units are semi outdoor, natural circulation, balanced draft, single drum, water tube type provided with atmospheric Circulating Fluidised Bed Combustion System. The combustion system will be provided with overbed lignite feeding arrangement to minimise any unburnt Carbon loss. Arrangement for addition of limestone on bed would be provided for on-bed fixation of Sulphur. Apart from conventional accessories, the Steam Generator will have proper ash cooling arrangement such as Ash Cooler. The salient features of the Steam Generator are as follows:

Item	Value at 100% BMCR
Rated Steam delivery capacity (per unit)	405 T per hour super heated steam
Rated steam temperature	538°C
Rated re-heat steam conditions at RH outlet	377 T/per hr. of re-heated steam at 35.7 Kg/cm ² at 537°C Temp.

I.3 TURBINE GENERATOR AND AUXILIARIES

The Steam Turbine would be standard 3000 RPM tandem compound, single re-heat, regenerative condensing type with combined HP/IP and LP cylinders. The machine will be equipped with uncontrolled extractions for regenerative feed heating. The Turbine is designed for main steam parameters of 130 bar (a) at 535°C before emergency stop valve of HP Turbine and re-heat steam parameters of 38.26 bar (a) and 535 °C at the inlet of IP Turbine. The LP Turbine will exhaust against a condenser pressure of

GEB

73

GMDC

76 mm Hg (a). The Turbo Generator will be equipped with Electro Hydraulic governing system ensuring stable operation under any grid fluctuation and load throw off condition. The generator will be directly coupled to Steam Turbine and will have a nominal rating of 125 MW at 0.85 power factor (Lagging). The generator will deliver power at standard voltage of 15.75 KV, 3 phase, 50 Hz. The Generator Stator winding, stator core and rotor core will be cooled by air.

The Generator excitation system will be static type and capable of maintaining a constant internal terminal voltage under variable load conditions. The excitation system will be complete with automatic voltage regulator. All auxiliaries like Turbine Oil Purification System, etc. have been suitably adopted.

I.4 UTILITIES

I.4.1 Electrical System

The electrical system consists of 220 KV sub-station through respective 150 MVA Generator Transformers. Each Unit will have one 25 MVA ONAF 11.5/6.6 KV unit auxiliary transformer. The Generating Station will have 220 KV switchyard with two Nos. 220 KV D/C lines to evacuate power to Nakhatrana/KLTPS sub-stations of GEB.

I.4.2 Water System

The Generating Station will have a make up consumptive water requirement of 2600 Cu.Mtr. per hour. This water will be drawn from sea. Desalination plant will be installed to get Raw Water. The turbidity of water will be clarified by a clariflocculator of capacity 2100 m³ per hr. and clarified water will be stored in the clarified water tank. This water will be used for various systems like DM plant and potable water. Cooling water will be in closed cycle configuration. Intake/outlet will be from sea away from Site boundary.

I.4.3 Ash Handling System

Ash generated in the boilers in the form of bottom ash and fly ash will be collected in the respective silos by suitable Conveyor System. From these silos ash will either be transported in trucks in the dry form for further use or will be disposed to fill mine voids.

I.4.4 Lignite Handling Systems

Approximately 5000 MT/day Lignite will be required for the plant. This will be fed through a belt conveyor system or other suitable mode of transportation as may be costwise economical. Lignite, will be brought to the storage area in the Power Plant and stacked in the stockyard by stacker cum

reclaimer and then crushed in the primary crushers and will be fed to the Boiler Bunkers through the in-plant conveyor system. Storage capacity at plant site will be adequate to cater to 15 (fifteen) days' fuel requirement.

I.4.5 Changes to the Technical Specifications

I.4.5.1 GMDC shall not make any material change to the Technical Specifications either before or after the Commissioning of any individual Unit and/or the Generating Station, as the case may be without the prior written approval of GEB.

I.4.5.2 If GMDC so desires to make a material change in Technical Specifications, it shall provide to GEB in writing, the full details of the proposed changes alongwith full explanation and the justification therefor. GMDC should also bring out the financial implication(s), if any, to occur on account of the proposed changes. The details of the financial impacts may be intimated in the accepted form of the Financing Plan and Means of Finance and shall provide to GEB all other information with documentary evidence, as may be required by GEB.

I.4.5.3 GEB, within 20 (twenty) days upon receipt of the information of the material changes in the Technical Specifications and the financial impact in that regard, shall respond to GMDC about its views on the same. If agreeable, GEB shall convey its consent in writing, to the proposal of GMDC, within this specified period. GEB's approval, however, shall be conditional on GMDC's obtaining all necessary Consents in respect of the changes, including the prior written approval of the CEA. Whereas the additional costs on account of such changes shall be borne by GEB through the Tariff or otherwise by way of reimbursement through a Supplementary Invoice any reduction in the cost shall also be passed over to GEB by way of giving a credit of like amount in the immediate subsequent Monthly Tariff Invoice or through a Credit Note in favour of GEB. GEB shall not withhold such approval unless, in the opinion of GEB ;

- ❖ the change(s) would prevent any Unit from meeting the Functional Specification or would in some other way, be inconsistent with this PPA.
- ❖ the reduction of cost(s) does not represent an equivalent reduction of the Capital Cost
- ❖ **NOTE : THE CONTENTS OF THIS SCHEDULE SHALL BE MODIFIED COMMENSURATE WITH FINAL SPECIFICATIONS TO BE DECIDED UPON AWARD OF EPC CONTRACT BY GMDC.**

GEB

75

GMDC

SCHEDULE-II

DEVELOPMENT MILESTONES

II.1 GENERAL.

The Scheduled Target Dates for achieving different milestones for the Development and Construction of the Project are as under:

Mile Stone	Scheduled Target Date(s) reckoned from the date of signing the PPA
For GMDC	
Statutory and Non-statutory clearances as per Article-2	12 (Twelve) months
Entry into Commercial Service of Unit No.I	42 months
Entry into Commercial Service of Unit No.II	48 months
For GEB	
Interconnection and Transmission facility including communication system	One line out of the 3 x 220 KV lines shall be constructed and commissioned 6 months prior to the date of Synchronisation of First Unit. The remaining two lines shall be constructed and commissioned at six months' intervals thereafter.
Construction Power	Within 6 months from the date of the relevant payments

Both GMDC and GEB shall keep each other informed about of the achievement of each of the Development Milestones on their sides and provide copy(ies) of the relevant documents to each other.





SCHEDULE-III

AVAILABILITY DECLARATION

III.1 AVAILABILITY DECLARATIONS

III.1.1 Dedication Of Capacity

GMDC undertakes that, it will fuel and operate the Generating Station during the Term of this PPA to provide to GEB the Capacity, upto the Nominal Baseload Capacity, in accordance with the provisions of this PPA and its Dynamic Parameters and otherwise so as to comply with the Operating Characteristics except to the extent :

- (i) as anticipated by the Maintenance Program during the period of Scheduled Outage
- (ii) that to do so would not be in accordance with Good Industry Practice
- (iii) necessary due to circumstances relating to safety (of personnel or plant or apparatus) as admissible under relevant rules and regulations, if any.
- (iv) that to do so would be unlawful, or
- (v) necessary for reasons of Force Majeure.

III.1.2 GMDC shall not grant to any third party, or allow any third party to obtain, any entitlement to the Energy generated by the Generating Station during the Term of the PPA except as provided under Article-12.

III.1.3 GMDC shall not itself use any of the Energy generated by the Generating Station during the Term except for the purpose of meeting the Generating Station's auxiliary load requirements for the purpose of fulfilling its obligations hereunder.

III.2 DELIVERY OF ENERGY

GMDC shall deliver Energy to GEB at the Delivery Point in accordance with Dispatch Instructions issued by GEB .

III.3 AVAILABILITY DECLARATIONS

GMDC shall make Availability Declarations as provided under the Dispatch Procedures.

GEB

77

GMDC

SCHEDULE-IV

DISPATCH PROCEDURES

IV.1 GENERAL

(A) The Dispatch Procedures set out the procedure for :

- (i) GMDC to issue Weekly Capacity Notice to GEB ; and
- (ii) GEB to issue Dispatch Instructions to GMDC.

(B) The objective of the Dispatch Procedures is to enable GEB to issue such Dispatch Instructions to GMDC which will ensure (so far as possible) the integrity of the Grid System, the security and quality of supply and to ensure that there is sufficient generation to meet demand on the Grid System at all times (to the extent possible).

IV.2 WEEKLY SCHEDULES

Each week, on Friday, GMDC shall submit to GEB's Load Dispatch Centre a written notice (a "Weekly Capacity Notice") declaring the expected Availability and any expected impairment of its Operating Characteristics in each Settlement Period of the week beginning from the following Monday. Unless the Generating Station is declared to be Available to the extent required in all Settlement Periods of the relevant week, the Weekly Capacity Notice must state the reasons why the Generating Station is expected not to be so Available.

IV.3 CAPACITY NOTICES

As soon as practicable before the first Unit Enters in to Commercial Service and thereafter not later than the Prescribed Time each week, GMDC shall deliver a notice (a "Capacity Notice") to GEB specifying :

- (I) the date and time that the Capacity Notice is issued;
- (II) the Scheduled Week to which it relates;
- (III) the Declared Capacity of the Generating Station for each Settlement Period in the relevant Scheduled Week (and if the Generating Station's Declared Capacity is expected to change, the date and time at which each change is expected to take effect alongwith the reasons for change);

GEB

78

GMDC

- (IV) the extent (if any) to which GMDC expects the Generating Station to be incapable of performing in accordance with its Operating Characteristics in any Settlement Period (and save for any exceptions noted in the Capacity Notice, GMDC shall be deemed to have declared the Generating Station to be capable of meeting its Operating Characteristics); and
- (V) the extent of reduction of Declared Capacity in each Settlement Period, if GMDC expects the performance of the Generating Station to be adversely affected in any Scheduled Week on account of any Force Majeure other than Act of God.

IV.4 REVISED CAPACITY NOTICE

IV.4.1 GMDC shall be obliged to deliver Energy in accordance with the Dispatch Instructions of GEB subject to provisions of computation of Availability Factor (Clause 10.7 of Article-10) during the relevant period. If, however, under any Emergency GMDC shall be eligible to revise the Weekly Capacity Notice by issuing a Revised Capacity Notice incorporating full particulars thereof to the receiving authority of GEB as stated hereinabove. GEB shall issue the necessary Revised Dispatch Instructions in confirmation of the acceptance of the Revised Capacity Notice

IV.4.2 GMDC shall not be eligible for increase in CAA if any upward revision is made on any account to the extent that GEB is not able to absorb increased quantity of power. GMDC shall, however, not be absolved for loss of generation pursuant to revised Capacity Notice if any. Notwithstanding the content of this paragraph, GEB shall be eligible to revise the Dispatch Instructions against the Weekly Capacity Notice under Emergency Conditions. The computation of Energy Charges in such event(s) under Clause 10.7 of Article-10 shall be made in accordance with such Revised Dispatch Instructions.

IV.4.3 Any conditional Weekly Capacity Notice or Revised Capacity Notice shall be invalid. In such cases, computation of CAA by GEB shall be final and binding to GMDC.

IV.5 DISPATCH INSTRUCTIONS

IV.5.1 Dispatch Instructions relating to the Weekly Capacity Notice and/or Revised Capacity Notice shall normally be issued at any time prior to twenty hours of the beginning of the week. GEB's LDC will issue Dispatch Instructions direct to GMDC for the Dispatch of Generating Station for each Settlement Period during the week.

GEB

GMDC

IV.5.2 Form Of Dispatch Instructions

- IV.5.2.1 Dispatch Instructions shall be in accordance with the Declared Capacity and the same could be subsequently varied.
- IV.5.2.2 Dispatch Instructions may be given by telephone or by an automatic instruction facility or any other convenient mode of communication.
- IV.5.2.3 Dispatch Instructions will indicate the target MW to be provided pursuant to the provisions of this PPA.
- IV.5.2.4 The form of Dispatch Instructions shall be as reasonably determined by GEB from time to time.
- IV.5.2.5 To preserve the Grid System stability under an Emergency, GEB may issue Dispatch Instructions to change a Unit's output even when this is outside the Operating Characteristics. A refusal to carry out the instructions may only be given on Safety grounds (relating to personnel or plant or apparatus) or the integrity of the Unit.

IV.6 COMPLIANCE OF DIRECTIONS

- IV.6.1 GMDC shall comply with such reasonable directions as GEB may, from time to time, give for the purpose of achieving the maximum of economy and efficiency in the operation of the Generating Station or any part thereof.
- IV.6.2 GMDC shall follow all the directions and conduct its operations in accordance with the instructions of the LDC so as to ensure integrated grid operations.
- IV.6.3 If any dispute arises with reference to the integrated grid operations as to whether the directions given under IV.6.1 or IV.6.2, are reasonable or not, it shall be referred to the Authority, whose decision thereon shall be final. However, pending the decision of the Authority, directions of LDC shall prevail in the interest of smooth operation of integrated grid.

IV.7 GENERATING UNIT CHANGES

- IV.7.1 GMDC shall, without delay, notify GEB by telephone of any change or loss (temporary or otherwise) in operational capability including any reduction in the Availability of a Unit and shall indicate the magnitude and the duration of the reduction. In the case of a Unit already synchronised to GEB System, GMDC must also state whether or not the reduction in Availability was instantaneous.
- IV.7.2 GMDC may request GEB's consent for a Unit to be operated under an increased risk of tripping. GEB's consent will be dependent on the risk to the Grid system that a trip of the Unit would constitute.

GEB

80

GMDC

IV.7.3 GMDC shall operate its synchronised Units with AVRs and VAR limiters in service at all times unless relieved from this obligation in respect of a particular Unit by GEB.



GEB

81

GMDC

SCHEDULE-V

INSURANCE COVERS

V.1 Pursuant to the provisions of Article-5, GMDC may obtain or caused to be obtained, without limitation, following of the Insurance Covers during the Construction and the Operation period(s):

- Marine and Air Cargo Insurance
- Loss of Revenue Profits Insurance
- Contractors all risks Insurance
- Public liability Insurance

V.2 THE INSURANCE COVERS SHOULD, INTERALIA, INCLUDE:

V.2.1 all materials, equipments, machinery, spares and other items for incorporation in the Generating Station and including contractors' plant, against all risks of physical loss or damage while in transit from the country of origin and upto the Site of Project or vice-a-versa, from the time of insured item leaving warehouse or factory or shipment to the Site;

V.2.2 loss of revenue following delay in the Commercial Operations Date of any Unit as a direct result of physical loss or damage to the materials, equipment, machinery and other items in transit by sea or air to the Site, to the extent covered under the Marine Cargo Insurance;

V.2.3 the works relating to Generating Station executed and in the course of execution, materials temporary works and GMDC's Contractors' plant while at the Site, including operational testing and maintenance periods, against all risks of physical loss or damage other than war and kindred risks, nuclear risks, unexplained shortage, cost of replacing or repairing items which are defective in workmanship, material or design (but cover would include items damaged as a consequence); cash; vehicles; vessels; aircraft. The Insurance Cover should provide the equivalent terms, conditions and perils/causes of loss provided under an "Erection All Risks" insurance policy;

V.2.4 loss of revenue following delay in the Commercial Operation Date of any Unit as a direct result of physical loss of or damage to the works during construction or testing to the extent that such loss or damage is covered under the Contractors' All Risks policy;

V.2.5 legal liability to third parties for bodily injury or damage to property arising out of the construction of the Generating Station in India or related activities elsewhere in the world;

- V.2.6 all building contents, machinery, stock, fixtures, fittings and all other personal property forming part of each Unit and the Generating Station against "All Risks" of physical loss or damage, including (but not limited to) those resulting from fire, lightning, explosion, spontaneous combustion, storm, wind, tempest, flood, hurricane, water damage, sprinkler leakage, riot, strike, malicious damage, aircraft, impact, earthquake, tsunami, collapse and/or loss of contents of tanks and bursting and overflowing of tanks, apparatus or pipes or debris removal;
- V.2.7 loss of revenue due to payment of liquidated damages for loss of or non achievement of capacity and/or output as a direct consequence of loss of or damage to the Generating Station and caused by a peril plus increased costs of work necessarily incurred to minimise any damages payable which would otherwise be insured;
- V.2.8 all machinery and equipment forming part of the Generating Station against sudden and unforeseen physical loss or damage resulting from mechanical and electrical breakdown or derangement, explosion or collapse of boilers and pressure vessels, including defective material, design, construction, operation or maintenance, electrical short circuits, vibration, misalignment, excessive current or voltage, abnormal stresses, centrifugal forces, failure of protective or regulating devices, overheating, entry of foreign bodies, impact, collision and other similar causes;
- V.2.9 loss of revenue due to payment of damages or loss of revenue for loss of capacity and/or output as a direct consequence of loss or damage to the Generating Station or any Unit caused by a peril plus increased costs of working necessarily incurred to minimise any liquidated damages payable which would otherwise be insured;
- V.2.10 legal liability of the insured for damage to property of third parties or injury to third parties arising out of the ownership, operation and maintenance of the Generating Station;
- V.2.11 other insurance as are customary, desirable or necessary to comply with the laws of India or other local requirements, such as Workmen Compensation Insurance in relation to all workmen employed at the Generating Station or in connection with its operation or maintenance, and Motor Insurance of any vehicle.

V.3 SUM INSURED

The sum to be insured should be adequate to compensate GMDC for amount equivalent to cost-freight, replacement cost, estimated fixed charges, total contract price etc. as may be necessary depending on the nature of the Insurance Covers.

V.4 DEDUCTIBLE

The deductible for any Insurance Covers shall be mutually decided by the Parties.

V.5 INSURED

The Insurance Covers should generally insure GMDC, its Contractors and Supplier to GMDC and to the Contractors, GEB, GEB's Contractors, GoG, the lenders etc. as may be necessary.

V.6 PERIOD

The Insurance Covers shall be effective for the entire Construction and Operation period of the Project.

V.7 GENERAL

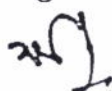
The Insurance Covers should include waiver of subrogation against GEB, GEB's Contractors and GoG. It should include transit within the country of the locally procured materials.

V.8 INDEXATION OF LIMITS

The sums insured applicable to the Insurances specified in this Schedule shall be adjusted at the Commercial Operation Date of the First Unit (to take account of the levels of the relevant variables referred to below at the Commercial Operation Date), and at the end of every two (2) Year period after that during the Term of this PPA (to take account of increases in the relevant variables referred to below since the most recent adjustment) as follows:

Under the Insurances in paragraph V.2.1 and paragraph V.2.3: the sums insured shall be adjusted based on the full replacement value or, as the case may be reinstatement value of the Generating Station, at the time of the adjustment with provision for escalation likely to reflect expected increases of such values over the following two (2) Years as determined by agreement between the Parties or, failing such agreement, by an Expert.

Under the Insurances in paragraph V.2.2 and paragraph V.2.4: sums insured shall be adjusted, by agreement between the Parties or, failing such agreement, by an Expert.




The Deductibles shall each be adjusted on the first day of each Year by applying the Indian Consumer Price Index for the month before the beginning of that Year which is most recently available and the corresponding value for the same month in the previous Year



SCHEDULE-VI

TESTING AND CONSEQUENCES

VI.1 PERFORMANCE GUARANTEE TESTS

GMDC shall execute the Performance Guarantee Test to demonstrate the Rated Name Plate Capacity of each Unit within 180 (one hundred eighty) days from the date of Entry into Commercial Service. The procedures for the execution of the Performance Guarantee Test and the consequences corresponding to the Tested Capacity as well as Capacity Demonstration Test are brought out in this Schedule-VI.

GMDC shall give 7 (seven) days' notice and shall invite GEB's representative to attend the Performance Guarantee Test. The failure of such representative to attend may, however, not cause the postponement or invalidation of any such test.

VI.2 SUCCESSFUL COMPLETION OF THE UNIT(S)

The Tested Capacity of the Unit/Generating Station established during the Performance Guarantee Test or Retest shall in no case be less than 90% of the Rated Name Plate Capacity so as to achieve Successful Completion thereof. If, however, such Tested Capacity is found to be below 90%, GMDC shall have the option to conduct Re-Testing as provided under paragraph VI.3 hereunder. Even after such Re-Testing, if the Tested Capacity continues to be found below 90%, GEB shall have the right to reject the Project besides its right to reduce the Fixed Charge payments.

VI.3 RETEST

GMDC shall carry out necessary improvement and modifications to achieve the Rated Name Plate Capacity pursuant to testing as per paragraph VI.1. GMDC, upon carrying out such improvements and modifications or otherwise, shall arrange for retest of the Unit(s) after following the procedure as laid down under paragraph VI.1. GEB, in order to facilitate the improvement and modifications, allow necessary Outages, as a part of the Commissioning activity to GMDC and issue Dispatch Instruction with due regard for such Outages. Such Retest shall be permissible to be carried out thrice and shall be carried out within a period not extending beyond 90 (ninety) days from the date of Stabilisation corresponding to the date of Entry into Commercial Service of the Unit, which period can be extended with mutual consent. The Stabilisation Period will be deemed to have been

GEB

86

GMDC

extended upto the point of the final Retest. The Capital Cost at the end of any or final Retest shall be updated corresponding to the achievement of Rated Name Plate Capacity or the Tested Capacity established.

VI.4 REPEAT PERFORMANCE GUARANTEE TEST AND/OR CAPACITY DEMONSTRATION TEST

GEB may, from time to time, during the Term of this PPA, but not more frequently than once every 12 (twelve) months, require GMDC to demonstrate the Unit's Tested Capacity by carrying out further Performance Guarantee Test (s) (the "Repeat Performance Test(s))" or the Capacity Demonstration Test (individually or together the Test) as provided hereunder. Such Test shall be carried out at no cost to GEB and in accordance with procedure laid down herebelow.

VI.4.1 GEB shall give GMDC not less than 7 (seven) days' advance written notice of the time when a Repeat Performance Guarantee Test or a Capacity Demonstration Test on the Unit(s) is to begin. No Test may be scheduled for any period when the Unit(s) to be tested is due to undergo a Scheduled Outage.

VI.4.2 If GMDC wishes to take the Unit out of service for repairs before it undertakes a Test, it shall inform GEB in writing before its scheduled start of the repairs to be carried out on the Unit and the estimated time required to complete the same. The Parties shall then schedule a Maintenance Outage to enable GMDC to carry out those repairs and GEB shall defer the Test until the Unit is returned to service following that Maintenance Outage.

VI.4.3 GEB may, for valid reasons and with due written notice 72 (seventy two) hours ahead of the scheduled date of the Test, defer same upto 15 (fifteen) days. The new date for Test should be simultaneously notified.

VI.4.4 GMDC and GEB shall each designate qualified and authorised representatives to monitor the Test.

VI.4.5 Testing and measurement procedures applied during the Test shall be the same as those for the Performance Guarantee Test.

VI.5 TEST RESULTS

Within 7 (seven) days of the completion of any Performance Guarantee Test. GMDC shall supply to GEB all completed test summary data sheets and other relevant data derived from such Performance Guarantee Test and or Test as specified in this Schedule VI. GEB shall notify GMDC within 7 days from its receipt of such completed test summary data sheets whether or not the relevant Unit has achieved Successful Completion.

GEB

87

GMDC

VI.6 GEB shall accept into GEB System all Energy and Reactive Power generated during synchronisation, Performance Guarantee Test s and any other testing or Successful Completion procedures required under the terms of this PPA.

VI.7 CONSEQUENCES OF PERFORMANCE GUARANTEE TEST AND TEST(S)

VI.7.1 If the Capacity demonstrated at the end of the Performance Guarantee Test and/or any other Test(s) specified under this Schedule is less than the Rated Name Plate Capacity or the DeRated Name Plate Capacity, as the case may be, of the Unit or the Generating Station as the case may be, the Capital Cost of the Project will be reduced pro-rata for the purpose of computation of the Fixed Charges under the Article 10 of this PPA till such time that the full or higher Capacity is demonstrated at any later date through relevant Test(s), provided, however, that no compensation of increased Fixed Charges shall be admissible from any retrospective date.

VI.7.2 If the Capacity demonstrated during the Performance Guarantee Test and/or the Repeat Test is greater than the Rated Name Plate Capacity or the DeRated Name Plate Capacity, as the case may be, of the Unit or the Generating Station as the case may be, the Capital Cost of the Project will not be altered for the purpose of computation of the Fixed Charges under the Article 10 of this PPA.



SCHEDULE VII

OUTAGES

VII.1. SCHEDULED OUTAGES

VII.1.1 Not later than sixty (60) days before the Scheduled Commercial Operations Date for each Unit, GMDC shall submit to GEB in writing its firm proposals for the Scheduled Outages to be taken in the remainder of that Year and its provisional proposals for Scheduled Outages in each of the next two succeeding Years. Thereafter, not later than 31st January in each Year, (or by such other date as GEB may from time to time prescribe), GMDC shall submit to GEB, in writing, its firm proposals for the Scheduled Outages to be taken in the next Year and its provisional proposals for Scheduled Outages in each of the next two succeeding Years.

VII.1.2 Unless otherwise requested to do so by GEB, GMDC will not plan to take any Scheduled Outages during the months of February, March, July, September and October and will use all reasonable endeavours to plan to take Scheduled Outages during the other months of very low demand.

VII.1.3 Within two (2) months after receiving GMDC's proposals, GEB shall notify in writing whether the proposed Scheduled Outages are acceptable and, if not, and after discussing the matter with GMDC, shall indicate the periods that would be acceptable, which shall be:

- (i) of the same duration as the periods requested by GMDC;
- (ii) within the time limits required by any legal requirement relating to routine maintenance; and
- (iii) within the time limits required or recommended by the manufacturer or supplier of the plant which is to undergo maintenance.

VII.1.4 GMDC may only object to a Scheduled Outage proposed by GEB on the grounds that it would be inconsistent with the requirements of paragraph VII.1.3 of this Schedule.

VII.1.5 The Scheduled Outages accepted by GEB or agreed to by GMDC pursuant to paragraph VII.1.4 of this Schedule shall be confirmed to the extent that they relate to the next Year and shall be provisionally confirmed to the extent that they relate to subsequent Years. Provisionally confirmed Scheduled Outages may be changed by either Party for good cause.

GEB

89

GMDC

VII.1.6 In an Emergency, GEB may require GMDC to use its best efforts to reschedule a confirmed Scheduled Outage (including one which has already begun) to a more convenient time.

VII.1.7 GEB shall give notice to GMDC of its maintenance program for the Interconnection and Transmission Facilities and shall use its reasonable endeavours to co-ordinate such maintenance with the Scheduled Outages approved pursuant to this Schedule so as to minimise any disruption to the operation of the Project.

VII.1.8 GMDC shall not declare any Unit Available for Commercial Operation when it was scheduled to be undergoing a Scheduled Outage except to the extent that the Availability of the Interconnection and Transmission Facilities is sufficient to allow GEB to utilise the full amount of that Unit's Declared Capacity.

VII.2 MAINTENANCE OUTAGE

- a) Whenever GMDC needs a Maintenance outage, it shall advise GEB in accordance with the Operating Procedures of the nature of the work to be carried out, the estimated time required to complete it and the latest time by which, in GMDC's opinion, the work should begin consistent with Prudent Utility Practices (which shall not be earlier than 48 (forty eight) hours after the time when GMDC advised GEB of the need for the Maintenance Outage).
- b) After discussing the matter with GMDC, GEB shall advise as to when the requested Maintenance Outage can begin (which shall, as far as possible not be later than the latest time indicated by GMDC). GMDC shall use its reasonable endeavours consistent with Prudent Utility Practices to take the Unit out of service at the scheduled time.
- c) GEB may require GMDC to schedule the Maintenance Outage so as to remedy any requirement of the Unit's ability to meet its Operating Characteristics.

VII.3 FORCED OUTAGE

Any period, other than the Outage caused by reasons attributable to GEB and the Scheduled/Maintenance Outage in which the Generating Station is unable to meet the Dispatch Instruction will be considered as the Forced Outage.

VII.4 No period of outage(s) shall qualify for the purpose of computation of Plant Load Factor

SCHEDULE VIII

FUEL PRICE MECHANISM

VIII.1 PRIMARY FUEL

The Fuel Pricing Mechanism for Primary Fuel viz. the Lignite and Lime Stone shall be effective as mutually agreed by GEB and GMDC and approved by the GoG (if necessary) from time to time.

For use of any Alternative Primary Fuel pursuant to the provisions under Clause 8.1.3 of Article-8, the procurement shall be done through competitive bidding and the relevant Fuel Supply Agreement shall be subjected to prior approval of GEB and GoG.

VIII.2 ADDITIVE

GMDC shall enter into a Secondary Additive Supply Agreement (ASA) with appropriate agency after approval of relevant draft by GEB and GoG (if necessary).

VIII.3 SECONDARY FUEL

GMDC shall enter into a Secondary Fuel Supply Agreement (SFSA) with appropriate agency after approval of relevant draft by GEB and GoG (if necessary).



SCHEDULE IX

METERING SYSTEM

A typical Telemetry system comprises of three main Blocks viz.

1. Energy Meters
2. Telecounting System
3. Master Central Station

IX.1 STANDARD SPECIFICATION FOR ENERGY METERS.

The combined Energy and Demand meter shall consist of following

- A high precision three element 3 phase – 4 wire Active Energy Meter capable of maintaining an accuracy of Class 0.2 (as per IEC Standards) over a very long span of time having proven and established technology for low maintenance and long life. It is imperative that the accuracy achieved is by Hardwired means and not a software calibrated technology.
- A high precision energy meter similar to above but connected to a phase shifted device to produce a 90° lagging phase shift. This Reactive meter must have an Accuracy of Class 0.5.
- The Rated Basic current for meter shall be 1A or 5A, which will be specified at the time of placement of order with a overload capacity of 200%. The Rated voltage for meters shall be 110 V (Phase to Phase). However, the Pulse values, meter constant, primary adaptation to current and voltage ratio etc. can also be programmed by the user when required.
- For 200% loaded meters, the Starting Load must be

Active Energy $< 0.1\% P_n$
Reactive Energy $< 0.2\% Q_n$

- The combined Active and Reactive meters shall have an Electronic L.C.D. display with adequate lines for displaying the different time of day tariffication. The data recorded by the meters should be continuously stored on EEPROM, thus being able to retain the data in case of power failure without the aid of batteries. An optional power supply for reading the display register in the event of power failure is desirable.

- To perform necessary computations in combination with the above Active and Reactive meters, a separate Electronic Tariff attachment is to be provided for the computation of Demand values (KVA Element). This attachment shall be able to display/record the following essential parameters:
 - Total KWH
 - Total KVARH
 - Total KVAH
 - Present Demand in KVA
 - Maximum Demand in KVA over a user selectable Integrating period on average demand principle
 - Cumulative maximum demands in KVA
 - Reset counter/no. of rests.
 - The Basic meters and the tariff attachment must have Internal Diagnostic facility to monitor microcontroller functions to ensure correct operation of demand interval timing by quartz crystal timer only shall be accepted to make it independent of line frequency variation.
 - The meters shall be equipped with "re-set" and "read" facility separately with suitable sealing arrangement. An optical reading port classified as per IEC standards is essential for downloading the meter data or for reprogramming the meter from a computer.
 - An RS485 interface i.e. required for direct (serial) transmission of original meter readings, instead of pulses with a defined energy value. For reasons of compatibility, the meters shall have either rebound free Hg reed relays rl4 (switching contacts), or transistor contacts r44/r44 as well as working contacts per energy direction, for purpose of transmission of the energy pulses independent of meter registers to a Telecounting equipment.
 - The basic meters shall be housed in a 19" chassis, for mounting in panels.
- The Telecounting instrument shall carry out the function of summation metering and that of a Printer. It shall also function as a RTU for interfacing with a Central Station. A Telecounting system shall have a minimum of 24 inputs and 8 outputs. It should be capable of operating at 110V AC or on 24V DC. The Telecounting system shall accept 24 inputs from the transmitting contacts and shall have a set of key pad to carry out on site programming and shall have built in Thermal printer for printing out the various user selected values. The Telecounting should give the following values for each tariff Zone:

- Summated Kwh Export and Import
- Summated KVARh Export and import
- Net Kwh
- Net KVARh
- MD in KVA

The Telecounting instrument shall have minimum of six time zones for carrying out Time of the Day (TOD) functions. These time zones can be changed at site. All these values can be printed or for end of the billing period of end of the day, as required by the user.

After performing necessary calculations on the acquired values, the Telecounting instrument shall determine the following:

- Summated Values
- Import/Export and apparent energy values
- Average demand
- Maxima, Minima and Mean values

The Input and calculated values shall be readable on a built in display unit, printer and also recorded on a solid state memory module. The equipment shall have a lithium batter back up in case of power failures and also has a capacity to transmit and receive data through MODEMS on telephone lines, PLCC, Microwave etc.

The telecounting unit shall be equipped with 24 inputs and pulse value for each input shall be programmed individually. Upto 8 outputs can be freely assigned to telecounting pulses or control signals for alarms, integrating periods and tariff signals.

The protocol used for transmission of data values should be a well proven and reliable method for guaranteeing the greatest possible data security.

An RS232 serial interface to connect a PC for direct reading of the buffers in the event of communication problems is required.

A Master Control Station must primarily consist of :

- An IBM compatible computer with minimum of 4 MB RAM and a Maths Co-processor.
- A 132 column printer
- A resident load analysing and energy management software

GEB

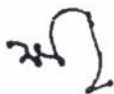
95-

GMDC

The Master control station shall accept input data from Telecounting instruments and with the help of the resident software shall calculate end values for the various feeder lines to which the energy meters are connected.

The main guiding features of the Resident software in the Master Station shall be as under

- Automatic Interrogation and Manual Data Acquisition
 - Cycle 1, every 24 Hours
 - Cycle 2, every 4,6,8,12 or 24 Hours
- Manual Entry of data via the keyboard or correction of existing "Ray Data" in the event of loss of data, e.g. due to a Power failure at the RTU.
- Data storage
 - Raw data 11-90 days
 - Results Min. One year
- Tariff definitions
 - Tariff variant tables 12-100
- Logs
 - Daily, weekly 64-225 (approx)
 - Monthly and yearly
- Static pictures to provide
 - Operational information on individual RTU 64 Approx.
- Daily Main/Check monitoring of minimum 100 meters with an Automatic Report print-out in the event of that the discrepancy exceeds pre-set and adjustable limits.
- Entry Protection Codes
 - Password levels
- Archiving of Raw Data, Long-term, Data Stores together with all Operating parameters, Reports and RTU Structure etc. floppy disks in the event of a major hardware fault.





SCHEDULE-X

BILLING AND PAYMENT

X.1 MONTHLY TARIFF PAYMENT(S)

X.1.1 From the date of Synchronisation and upto the Entry into Commercial Service of the Unit (Infirm Power)

The Monthly Tariff Payments during the captioned period will consist of Energy Charges only

X.1.2 From the date of Entry into Commercial Service and upto the Termination of the PPA.

The Monthly Tariff Payment during the captioned period will consist of :

- (i) the Fixed Charges;
- (ii) the Monthly Availability Adjustment;
- (iii) the Energy Charge; and
- (iv) the Incentive Charge.

as may be applicable.

X.1.3 Monthly Tariff Payments shall be payable in Rupees.

X.1.4 No payment, whatsoever, shall be made for any inadvertent flow of Energy (i.e. Energy delivered in excess of Capacity instructed to be delivered) into GEB Grid System.

X.2 Monthly Tariff Payments shall be calculated for periods of a full calendar month except:

- (i) when Energy is first accepted by the GEB into the GEB Grid System after the fifteenth day of a calendar month, the first month for which a Monthly Tariff Payment shall be calculated shall end on the last day of the next calendar month:
- (ii) when one or more Tariff Changes referred to in Clause 10.2 of Article-10 occur during the course of a month, the Monthly Tariff Payments for that month shall be calculated separately for
 - (a) the period from the beginning of the month until the day before the first Tariff Change occurred,

GEB

97

GMDC

- (b) each period (if any) from the date of Tariff Change occurred until the day before the next Tariff Change in that month occurred, and
- (c) the period from the date on which the last Tariff Change in that month occurred until the end of the month (as though each such period were a separate month) and the Monthly Tariff Payment for the month shall be the sum of those separate calculations; and
- (iii) when the Term of this PPA expires or is Terminated other than on the last day of a month, the last Monthly Tariff Payment shall be calculated for the period from the first day of that month until the day on which this PPA expires or is Terminated.

X.3 THE INVOICE:

Upon synchronisation of each Unit and after Completion of one full calendar month therefrom, the GMDC shall raise an Invoice, (the Invoice), for the purpose of recovering its dues in terms of this PPA, between the 1st to 4th Working day of the month (or any other days as may be mutually agreed). The Invoice shall be submitted in triplicate to the General Manager (Commerce) or any other Officer of the GEB designated for the purpose in a format as shown in Annexure 1.1 to this Schedule. The GMDC shall also furnish the relevant documents as specified in the Annexure 1.2 or other documents as may be required for. Non submission of the Invoice in the style and manner and non submission of the relevant supporting documents will be reckoned as incomplete submission for the purpose of reckoning the Due Date of the payment of the Invoice by the GEB.

X.4 THE DUE DATE:

The Due Date shall be the date on which the payments of the Invoice or the Supplementary Invoice of GMDC shall become due. The Due Date in respect of the Invoice submitted pursuant to the provisions under X.3 above shall be reckoned from the 5th working day of the month irrespective of it having been submitted on any day between the 1st to the 4th working day of the month. If, however, such Invoice is submitted at any later date, the Due Date shall be reckoned from such later date only. The GEB shall arrange to pay the eligible amounts of such Invoice(s) within a time limit of 30 (thirty) days following thereafter.

X.5 REBATE:

The GMDC shall, in respect of the payments made within the Due Date, allow rebates as under :

2.5% for payments to be made within 7 (seven) days

1.0% for payments to be made from the 8th to 30th day.

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The rebates shall be available for payments either made directly or through the L/C.

X.6 THE DELAYED PAYMENT CHARGES:

For non payment of the dues of the GMDC within the stipulated period, either partly or fully, unless any Invoice or any such amount thereof (as the case may be) is disputed, shall make the GEB pay the Delayed Payment Charges to the GMDC. The Delayed Payment Charges shall be admissible from the 61st (sixty first) day of the period to which the Invoice pertains. The Delayed Payment Charges will be chargeable at the rate of the average rate of interest charged by the GMDC's financiers on the Working Capital availed by it for the Project. Such interest rate shall be admissible upto a ceiling limit of 18% (eighteen percent) per annum. In case, however, the actual rate of such interest is less than that limit, the GMDC shall be eligible to claim interest at the actual rate plus 2% (two percent), subject, again, to the ceiling limit of 18% (eighteen percent) per annum. No Delayed Payment Charges shall be payable for any arithmetically incorrect Invoice and/or for the Disputed amounts paid at any later date.

X.7 DISPUTED INVOICE(S):

If, within a period of 6 (six) months from the date of receipt of the Invoice, the receiving Party does not question or Dispute any of the claims made, such Invoice shall be deemed to be correct, complete and conclusive as between the Parties except for the inaccuracy of the meter reading noticed at any point of time and the arithmetical mistakes. This provision shall, however, not be applicable where any wilful default or negligence was committed by the Party raising the Invoice.

The Party raising the Dispute shall do so by serving a notice, the Invoice Dispute Notice, to the other Party, within a period of 5 (five) working days from the date of receipt of the Invoice. The receiving Party shall give necessary clarifications, along with relevant supporting documents, if any, to the issuing Party within a period of another 5 (five) working days thereafter or resubmit the Invoice, duly corrected so as to remove the cause of Dispute. The disputing Party shall then, if so satisfied, arrange to release the payment of the Invoice(s) as provided under this Schedule. The Due Date of payment of such Invoice(s) shall be reckoned upon completion of the formalities as this. The provisions relating to the Rebate and the Delayed Payment Charges, as the case may be, shall then apply as aforesaid. In case(s) where the entire amount of the Invoice(s) is not Disputed, then in such case(s), the undisputed amount(s) shall be paid forthwith. Whereas the dispute could be

GEB

99

GMDC

raised for any sum, the payment to be held up shall, however, not exceed 40% (forty percent) of the total amount of the Invoice(s).

X.8 DISPUTE RESOLUTION:

The Parties shall endeavour to resolve the Dispute(s) related to the Invoice(s) within a period of 15 (fifteen) days from the date of receipt of necessary clarification(s) as provided under X.5 hereinabove. If this is not done, the Dispute shall be resolved in accordance with the Dispute Resolution Mechanism as provided under Article-16 of this PPA.

All the amounts considered payable at the end of the resolution of the Dispute, shall be paid by the owing Party to the other Party within a period of 10 (ten) Working days of the resolution of the Dispute. Such payments shall attract payment of Delayed Payment Charges as specified under X.6.

X.9 SUPPLEMENTARY INVOICE:

The payments not identified to be incorporated under the Invoice, shall be recovered by raising the Supplementary Invoice(s), upon such payments becoming due. The provisions mentioned from X.4 to X.8 shall hold good for such Supplementary Invoice(s) also in respect of the relevant date(s) of the Supplementary Invoice(s).

X.10 THE MODE(S) OF PAYMENT:

The payments of any Invoice or the Supplementary Invoice of the GMDC shall be made by the GEB on the stipulated Due Date(s) through one or more than one Account Payees' Cheque(s) drawn in favour of the drawee. The charges for upcountry clearings, if any, shall be borne by the drawee.

The GEB shall provide a fall back, stand-by Letter of Credit to safeguard GMDC against the non payment of any undisputed claim of the GMDC within the stipulated Due Date(s). The details of such Letter(s) of Credit is/are given hereunder. GMDC shall bear the L/C charges for opening, enhancing and negotiation.

X.10.1 Direct Payment

The payments of any Monthly Tariff Invoice or the Supplementary Monthly Tariff Invoice of GMDC shall be made by GEB on the stipulated Due Date(s) through one or more than one Account Payees' Cheque(s) drawn in favour of the drawee. The charges for upcountry clearings, if any, shall be borne by the drawee.




X.10.2 Payment Security Package

The GEB shall provide following securities as fall back arrangement to the mode of payment stated under para X.10.1.

- a. Letter of Credit
- b. Escrow Account
- c. State Government Guarantee

X.10.2.1 Letter of Credit :**Establishment of the L/C.**

As provided under this Schedule-X, GEB shall make direct payments of all the Monthly Tariff Invoices and Supplementary Monthly Tariff Invoices on the relevant Due Date(s). GEB shall establish Letter of Credit as detailed herein below 15 (fifteen) days ahead of the Entry into Commercial Service of the First Unit. In the event of non-payment, GMDC shall be eligible to draw upon the Letter of Credit.

Value of the L/C.

The value of the L/C, initially, shall be equivalent to the estimated Monthly Tariff Payment. Thereafter the value shall be updated corresponding to one month's average billing on Quarterly basis.

Description of the L/C.

The L/C(s) shall be irrevocable, revolving and stand-by in nature. The L/C(s) shall be valid for a period of 12 (twelve) months from the date of opening. GEB shall be obliged to renew/replace any L/C., upon its expiration or operation, as the case may be within a period of 30 (thirty) days thereafter.

Acceptability to GMDC

The L/C shall be opened on a Scheduled Bank acceptable to GMDC. Any replacement/renewals shall also be subject to the acceptability of GMDC.

Costs and Fees

All the reasonable Bank charges, fees commissions including all taxes and levies and reimbursement charges, if any, relating to a drawing on the L/C and extensions thereof, shall be borne by GMDC.




GEB

101

GMDC

X.10.2.2 Escrow Account

The Escrow Account facility shall be granted to cover GMDC's liability of Interest on Loan and Debt repayment corresponding to the Financing Plan. GEB shall sign actual Escrow Agreement for this purpose as may be considered necessary and at the negotiated terms and conditions thereof. The Escrow Account shall be established 30 days prior to the date of Commercial Operation.

X.10.2.3 State Government Guarantee

The Government of Gujarat has agreed to offer the guarantee for the coverage of Rs.600 Crores so as to give comfort to GMDC's lenders against the liability of interest and debt repayment. The same coverage shall be available till the time the total outstanding towards debt for the project continues to be above this level. For any other period, the coverage equivalent to the actual amount of outstanding debt only shall be made available.

X.11 GEB INVOICE

GEB shall serve GEB Invoice for the payments to be made by GMDC to GEB on account of its import of power from GEB for the purposes this PPA. The payment of GEB Invoices shall be reckoned due on the dates as specified in each of GEB Invoice. GMDC shall make payments of GEB's Invoices through account payee cheque drawn in favour of GEB.

27

SL



ANNEXURE-X.1.1

INVOICE FORMAT

(Sheet 1)

1.1 Summary of Charges:

Item	Amount Rs. Crores (rounded upto four decimal points)	Detailed calculation sheet reference	PPA Provisions reference
Fixed Charges			
Incentive Charges			
Variable Charges			
Total for the Month			
Past outstanding if any			
DPC accrued			
Grand Total			

(Sheet 2)

Computation of the Fixed charges

Details of the Financing Plan and the Means of Finance approved by the GEB
(Please state the reference No. & Date)

Details of the approved Financing Plan / Financing Change		
Item	Approval Reference No. & Date	Amount Rs. Crores

GEB

103

GMDC

Capital Cost		
Total Debt		
Foreign Debt		
Domestic Debt		
Total Equity		
Foreign Equity		
Domestic Equity		

Details of the approved Means of Finance			
Item	Amount	Exchange Rate	Rs. Crores
Loan Capital – Lending (agencywise)			
Leased Assets			
Equity – Investorwise			
Total Capital Cost			

Interest on Loan Capital:

(Please give Loanwise break-up)

Lease Rental:

(Please give leasewise break-up)

Depreciation:

(Depreciation not admissible on the Leased Assets)

Return on Equity:

Operation & Maintenance Expenses

Escalation

Insurance Expenses

GEB

[Signature]

(actual not exceeding 1% of the Capital Cost)

Working Capital:

- Cost of fuel
- Secondary Fuel Oil
- O&M Cash
- Receivable
- Maintenance Spares

Interest on Working Capital

TOTAL ANNUAL FIXED CHARGE

Annual Normative Generation:

Annual Fixed Charges per KWH:

*Actual Generation achieved during the month
including the Deemed Generation:*

Total Fixed Charges Payable for the month:

(Sheet 3)

Computation of Incentives:

Generation Data:

Sr.No.	Item	Quantity
1.	Energy delivered at the Delivery Point	(KWH)
2.	Less Energy dumped into the system	(KWH)
3.	plus Deemed Generation due to Backing Down ordered	(KWH)
4.	Less Deemed Non-Generation due to not supplying Energy as per Dispatch Instructions	(KWH)
5.	Net Energy Delivered (= 1 - 2 + 3 - 4)	(KWH)
6.	PLF for the month (Col.5/(NBLC x Days x Hours)	

GEB

105

GMDC

7.	Net Energy delivered as at the end of the previous month	
8.	Cumulative Energy delivered as at the end of the Billing Month (5 + 7)	
9.	Cumulative PLF achieved (Col.8/NBLCxTotal DaysxHours)	
10.	Net (+)/(-) with respect to the PLF _{NORM}	
11.	Incentive (+) / Dis-incentive (-)	

(Sheet 4).

Computation of Energy Charges:

Sr.No.	Item	Value
1.	Energy delivered during the month	
2.	Station Heat Rate as per PPA (Clause-____ Article____)	
3.	Weighted Average Calorific Value of the Fuel used during the month	
4.	Auxiliary Consumption as per the PPA (Clause____ of Article____)	
5.	Consumption of Fuel on Normative basis (SHR/GCV)x(1/(1-AC))	
6.	Weighted average cost of the Fuel received during the month	
7.	Variable charge for the month (5x6)	

207

ANNEXURE-X.1.2

List of Supporting Documents to be given alongwith the Invoice

- (1) Statement of Joint Meter Reading of Main and Check meter
 - (2) Printout of hourly energy export from Tariff Meter
 - (3) Copy of receipts of Insurances Covered
 - (4) Copy of Invoices and receipts of other charges paid, if any
 - (5) Certificate from Bank regarding Foreign Exchange Rate
 - (6) Certificate from Bank for Rate-of Interest on Working Capital
 - (7) Laboratory Certificate for calorific value measured for each consignment of primary fuel and secondary fuel
 - (8) Certificate for Fuel consumption
 - (9) Copy of invoices and Receipts of Secondary Fuel used
 - (10) Copy of challan for Income Tax paid, if any
 - (11) Copy of Invoice/receipts of Limestone purchased during the billing period
- Handwritten signature/initials on the left*
- Handwritten signature/initials on the right*

Standard Format for Weekly Generation Declaration

Ref No.	Date	Time
From : Name of the IPP		
To : Chief Engineer (LDC) GEB Jambuva		
Dear Sir,		
Sub : Weekly Generation Declaration.		
Our Schedule for Generation of power for the week commencing on date _____ and ending on dated _____ (7 days) will be as follows :		
Date	Hour	Availability at the Bus Bar in MW
	00 to 01	
	01 to 02	
	23 to 24	
Signature of the Head of IPP c.f.w.cs. to : GM(Comm) GEB H.O. Vadodara CE(Gen) GEB H.O. Vadodara		

SCHEDULE-XI

MEANS OF FINANCE

The submission of the details of Means of Finance for the approval of GE3 are preferred in the following formats ;

XI.1. Contributions to the Project

The following schedules are in respect of drawdowns of funds by GMDC from the lenders and the Initial Investors prior to the Commercial Operations Date.

Loan 1

Source: [Insert local source]

Currency: Indian Rupees

Draw Number:	1	2	etc	40	41	Total
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Draw Date:

Drawdown Amount (Rupees Crores):

Base Exchange Rate-Loan 1: 100

[Repeat Schedule for each Local Loan]

Loan 2

Source: [Insert foreign source]

Currency: [Insert foreign currency]

Draw Number:	1	2	etc	40	41	Total
1						
2						
3						
4						
5						
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Draw Date:

Drawdown Amount ([Insert foreign currency amount]):

Exchange Rate on Draw Date

((Insert exchange rate of rupees to foreign exchange)):

Drawdown Amount ([Insert foreign currency amount]):

Base Exchange Rate-Loan 2: $\therefore \frac{\text{Total Drawdown (insert total in rupees)}}{\text{Total Drawdown (insert foreign currency amount)}}$
(Rupees/US\$)

[Repeat Schedule for each Foreign Currency Loan]

GEB

GMDC

Source: [Insert foreign investor]

Currency: [Insert foreign currency]

Draw Number: 1 2 etc 40 41 Total

Draw Date:

Drawdown Amount ([Insert foreign currency amount]):

Exchange Rate on Draw Date

([Insert exchange rate of rupees to foreign exchange]):

Drawdown Amount ([Insert total amount in rupees]):

Base Exchange Rate-Equity

Source 1: $\frac{\text{Total Drawdown ([insert total amount in rupees])}}{\text{([insert base [Total Drawdown ([insert total amount in foreign currency])])}}$

exchange rate of rupees to foreign currency])

Base Paid Up Capital Equity

Source 1 [Total Drawdown ([Rupees MM])]

([insert total amount
in rupees])

[Repeat Schedule for each Foreign Investor]

Equity Source 2

Source: [Insert local investor]

Currency: Indian Rupees

Draw Number: 1 2 etc 40 41 Total

Draw Date:

Drawdown Amount (MM):

Base Paid Up Capital-Equity

Source 1

(Rupees MM): Total Drawdown (Rupees MM)

[Repeat Schedule for each Local Investor]

2. Payments from GMDC

The following schedules are in respect of payments by GMDC to lenders and Investor commencing after the Commercial Operations Date.

Loan 1

Source: [Insert local Lender]

Currency: Indian Rupees

GEB

110.

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Initial Principal
(Rupees MM)

Interest Rate Type: [Variable or Fixed]

Interest Rate: [Amount or Spread]

Guarantee Fee:

Commitment Fee:

Management Fee:

Other Fees:

Payment Number: 1 2 3 4 5 etc

Payment Date:

Committed Unborrowed Amts (Rupees MM):

Principal Outstanding (BOP) (Rupees MM):

Principal Repayment (Rupees MM):

Principal Outstanding (EOP) (Rupees MM):

Interest Payment (Rupees MM):

Guarantee Fee:

Commitment Fee:

Management Fee:

Other Fees:

[Repeat Schedule for each Local Lender]

Loan 2

Source: [Insert foreign Lender]

Currency: [Insert foreign currency]

Base Exchange Rate

(Rupees/[insert foreign currency]):

Initial Principal ([insert foreign currency] MM):
(Rupees MM)

Interest Rate Type: [Variable or Fixed]

Interest Rate: [Amount or Spread]

GEB

111

GMDC

Guarantee Fee:

Commitment Fee:

Management Fee:

Other Fees:

Payment Number: 1 2 3 4 5 etc

Payment Date:

Exchange Rate on Payment Date
(Rupees/[Insert foreign currency]):

Committed Unborrowed Amts ([Insert foreign currency] MM):

Principal Outstanding (BOP) ([Insert foreign currency] MM):

Principal Repayment ([Insert foreign currency] MM):

Principal Repayment (Rupees MM):

Principal Outstanding (EOP) ([Insert foreign currency] MM):

Interest Payment ([Insert foreign currency] MM):

Interest Payment (Rupees MM):

Commitment Fee ([Insert foreign currency] MM):

Commitment Fee (Rupees MM):

Guarantee Fee (Rupees MM):

Management Fee ([Insert foreign currency] MM):

Management Fee (Rupees MM):

Other Fees ([Insert foreign currency] MM):

Other Fees (Rupees MM):

[Repeat Schedule for each Foreign Lender]

Equity Source 1

Source: [Insert foreign investor]

Currency: [Insert foreign currency]

Base Exchange Rate

(Rupees/[insert foreign currency]):

Dividend Distribution Number: 1 2 3 4 5 etc

Dividend Distribution Date:

GEB



112



GMDC

[Repeat Schedule for each Foreign Investor]

Equity Source 2

Source: [Insert local investor]

Currency: Indian Rupees

Base Exchange Rate

(Rupees/[insert foreign currency]):

Dividend Distribution Number: 1 2 3 4 5 etc

Dividend Distribution Date:

[Repeat Schedule for each Local Investor]



SCHEDULE-XII

TERMINATION - REMEDIES AND BUY-OUT

XII.1 GENERAL

In the event of the failure of the Party under default to cure the Event of Default on its side, remedial measures and the ultimate Termination actions shall be taken as described under this Schedule.

XII.2 REMEDIAL MEASURES AGAINST GMDC'S EVENTS OF DEFAULTS

XII.2.1 Right of Operation of the Generating Station

GEB shall have the right (but not the obligation), by notice to GMDC (a "Steps-in-Notice"), to operate the Generating Station by itself or through an Operator (which could mean the GMDC or the operator or operators, if any, appointed to so act as Operator of the Generating Station). In such eventualities the Monthly Tariff Payment will be continued to be made by GEB in accordance with the provisions of this PPA after reducing any costs as may be reasonably incurred by GEB for such operation. GEB shall have no liability to GMDC for any damage to the Generating Station which would have occurred prior to the date of GEB's Step-in-Notice or which results from the breach by GMDC of its obligations under this PPA. GEB's rights under this Clause shall terminate as and when any novation of this PPA takes effect or as and when the circumstances necessitating the GEB to exercise this right no longer exist.

XII.2.2 Right of Substitution

Upon the giving of a Default Notice, GEB shall be entitled to substitute a company (Nominated Company). The selection of Nominated Company shall be made in mutual consultation subject to the condition that the final acceptability of Nominated Company shall rest with GEB. Upon selection of the Nominated Company, formalities relating to execution of novation to this PPA, if necessary, may be completed including the transfer of the Site to the Nominated Company. In such an eventuality, GEB's obligations under this PPA will continue for such Nominated Company.

GEB shall, however, have full right to reject any or all Nominated Company(ies). Upon such rejection, the PPA shall be liable to be Terminated.

GEB



114

GMDC



XII.3 REMEDIAL MEASURES AGAINST GEB'S EVENTS OF DEFAULTS

XII.3.1 Right to sell Energy

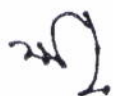
GMDC shall have the right (but not the obligation) to sell Energy to other Utilities identified as under :

- (i) industrials consumers, consuming electrical power either at high or low voltage pressures within the State of Gujarat, either existing or prospective; and/or
- (ii) designated areas; and/or
- (iii) other State Electricity Board

XII.3.1.1 Modus Oprandi :

GMDC shall notify the GEB of its intention to exercise its rights under this option. Upon receipt of such Notice, the GEB shall promptly accomplish the following;

- (i) recommend to the GoG to provide consent as required under Section 43-A of the Electricity (Supply) Act, 1948 and Section 28 of the Indian Electricity Act, 1910, in favour of GMDC, so as to enable it to sell Energy directly to other Utility(ies); and
- (ii) endeavour to obtain all other requisite clearances as may be necessary to facilitate GMDC for such sale of power to other Utility(ies), and
- (iii) at the request of GMDC, provide transmission and wheeling services for the purpose of such sale of Energy. GMDC shall pay to the GEB, such of the transmission and wheeling charges that the GEB might be recovering from its CPP units at the relevant point of time. In the absence of such mechanism in vogue, the wheeling charges shall be mutually decided. However, GEB on its part, shall compensate GMDC for transmission losses in accordance with the pooled losses in the grid system, at the rate of sale of energy by GMDC direct to the consumers. Such compensation would be in addition to the Energy Sale Compensation.




GEB

115

GMDC

XII.3.1.2 Pricing and Energy Sale Compensation.

- (i) GMDC shall use reasonable and appropriate measures to sell the electricity generated from the Generating Station to the Utility(ies) on such terms and conditions as it could best negotiate with the Utility(ies), having due regard to the circumstances at such time and the pricing of the electricity market at such time, and with the approval of the GEB.
- (ii) If the tariff realized from such third party sales is less than the tariff realizable under this PPA, the difference will be fully payable by the GEB for first 10 (ten) Years and thereafter the difference will be shared in an agreed proportion between the GEB and GMDC. Such amount shall be herein after known as the Energy Sale Compensation.

XII.3.1.3 Period

Such arrangement of sale of power by GMDC to the Utility(ies) shall continue, initially for a period of 24 (twenty four) months (the Period) from the date of its commencement, and thereafter at the discretion of GMDC and at the request of the GEB, subject however to GMDC's right to sell off the Generating Station as provided hitherto.

XII.4 TERMINATION

Subject to the provisions under Paragraphs XII.2 and XII.3, this PPA shall be liable to be Terminated in accordance with the provisions under this Paragraph.

XII.4.1 Termination due to GMDC's Event(s) of Default

GEB shall, subject to the provisions under Paragraph-XII.2, Terminate this PPA after issuing the Termination Notice to the GMDC.

GMDC shall give first option to the GEB to buy the Generating Station. If the GEB decides against the buying of the Generating Station, GMDC shall be entitled to sell the same to a third party. In such an event, the GEB shall have no liability to compensate GMDC for any short realisation against the Buy-out Price provided, that if GMDC was able to realise a price higher than the Buy-out price determined as per the provisions under this PPA, the benefit should be passed over to the GEB.

GEB

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XII.4.2 Termination due to GEB's Event(s) of Default

The GMDC shall, subject to the provisions under Paragraph XII.3, Terminate this PPA after issuing the Termination Notice to the GEB.

The GMDC shall be eligible to offer for sale, the Generating Station to any third party. If, the value realised for such sale of Generating Station is less than the Buy-out Price determined as per this PPA, GEB shall compensate GMDC for such shortfall amount provided that GEB shall not be liable to so compensate the GMDC if GMDC did not exercise reasonable efforts to sell the Generating Station at the Buy-out Price so determined. Furthermore, GEB shall have the obligation to purchase power from the new occupant of the Generating Station at the same or novated terms and conditions. Similarly, the new occupant of the Generating Station shall accrue no rights by default to sell Energy to any Utility in accordance with the provisions of this PPA.

XII.4.3 Termination due to Force Majeure

In case of occurrence of a Force Majeure Event(s) and its continuation beyond a period of 270 (Two hundred seventy) Days, and if GEB is the Affected Party, the GMDC shall have the right to exercise option for third party sale of Energy as provided under Paragraph XII.3.

In any case, either Party shall be eligible to Terminate the PPA after issuance of necessary Termination Notice upon the other Party being affected by any Force Majeure Event(s) and its continuation for a period exceeding 270 (two hundred seventy) days from the date of issue of written notice of its occurrence.

In the event of occurrence of Force Majeure on the part of GMDC, it will be obliged to offer first option to GEB for the purchase of Generating Station and proceed as per provisions under XII.4.1 and if GEB is the Affected Party, GMDC shall proceed to sell Generating Station to a third Party as per the provisions under Paragraph XII.4.2, provided that GEB shall not be obliged to compensate GMDC in the manner as stipulated under the said Paragraph.

XII.4.4 Termination At The End Of The Term

At the end of the Term, in case this PPA is not extended or novated, the Parties shall mutually discuss the further course of actions regarding the operation of the Generating Station and, if agreed upon, to transfer the Generating Station to the GEB.

GEB

117

GMDC

XII.5 CONTINUING OBLIGATIONS

In case of occurrence of the Event of Default on either side, neither Party shall be relieved of its liabilities or obligations hereunder, including, without limitation, the liability to pay the amounts in default, the GEB's obligations to pay the Fixed Charges as per this PPA and the Monthly Tariff Payments for the Energy to be delivered after the cure of such default, GMDC's obligations to generate and deliver Energy to the GEB after the cure of default and either Party shall have the right to recover any such amount. Either Party, in seeking to enforce any such right of recovery, may avail itself of the remedies as provided under Article 16.

XII.6 BUY-OUT PRICE

The Buy-out price shall form the basis to determine the consideration at which GMDC shall sell the Generating Station and claim Termination Compensation in case of sale to a third party as provided hereunder:

XII.6.1 Prior to entry into Commercial Service

XII.6.1.1 Under GMDC Event Of Default

In case of GMDC Event of Default occurring prior to the date of Entry into Commercial Service of the Unit(s), leading to the Termination of PPA, the Buy-Out price shall be:

sum amount of outstanding Debt utilised for the project and not re-paid by GMDC along with interest accrued thereupon provided such non payment and accrual of interest is not on account of any default by GMDC in term of the Financing Agreements.

Transfer cost and/or transfer taxes shall be borne by GMDC.

XII.6.1.2 Under GEB's Event of Default

In case of GEB's Event of Default occurring prior to the date of Entry into Commercial Service of the Unit(s), leading to the Termination of PPA, the Buy-Out price shall be:

sum amount of outstanding Debt utilised for the Project and not repaid by GMDC along with interest accrued thereupon, provided such non-payment and accrual of interest is not on account of any default by GMDC in terms of the Financing Agreements.

plus

the Equity of GMDC deployed for the Project

plus

GEB

118

GMDC

1.5 times, i.e. 150% of the positive difference between the value of the Generating Station as determined by the Professional Appraiser over the Debt utilised for the Project along with the interest accrued thereupon, and not repaid by GMDC, (which, provided, is not on account of any default by GMDC on account of any default by GMDC in term of Financing Agreement)

Transfer cost and/or transfer taxes shall be borne by GEB.

XII.6.2. : After Entry into Commercial Service

XII.6.2.1 Under GMDC Event of Default

In case of GMDC Event of Default occurring after the date of Entry into Commercial Service of the Unit(s), leading to the Termination of PPA, the Buy-Out price shall be:

- (a) sum amount of outstanding Debt utilised for the project and not repaid by GMDC along with interest accrued thereupon provided such non payment and accrual of interest is not on account of any default by GMDC in term of the Financing Agreements.
- (b) One fourth i.e. 25% of the total Equity deployed for the Project.

Transfer cost and/or transfer taxes shall be borne by GMDC.

XII.6.2.2 : Under GEB Event of Default

In case of GEB's Event of Default occurring prior to the date of Entry into Commercial Service of the Unit(s), leading to the Termination of PPA, the Buy-Out price shall be:

- a) Book value of the assets of the Project as reflected in the Books of Accounts of GMDC, duly certified by the Statutory Auditors of GMDC;
- plus
- b) The Net Present Value of the future Returns on Equity as if the Generating Station were allowed to operate till the end of the Term, but for GEB's Event of Default, discounted at the State Bank Advance Rate on the date of issue of Termination Notice by GMDC. For such a computation, the Generating Station shall be deemed to be operating at a level of the average level of Generation, which is equal to the average of previous three Years.

Transfer cost and/or transfer taxes shall be borne by GEB




XII.6.3 Buy-out Price in case of Force Majeure Event(s)

In case of Force Majeure Events, the Buy-Out price shall be:

- a) sum amount of outstanding Debt utilised for the Project and not repaid by GMDC along with interest accrued thereupon, provided such non-payment and accrual of interest is not on account of any default by GMDC in terms of the Financing Agreements.
plus
- b) the Equity deployed by this Project,
plus
- c) the positive difference between the market value of the Generating Station as assessed by the Professional Appraiser and the sum of any Debt utilised for the Project and not repaid by GMDC, which non payment shall not be due to default of GMDC in terms of Financing Agreement and the Equity plus reserves of GMDC in respect of this Project.

Transfer cost and/or transfer taxes shall be borne equiavally by GEB and GMDC

XII.6.4 Buy-out Price at the end of the Term

The Buy Out price at the end of the Term, shall be the Book value of the Generating Station

Transfer cost and/or transfer taxes shall be borne by GMDC

XII.7 SCOPE OF THE SALE

XII.7.1 GEB shall purchase all the assets of the GMDC required to operate the Generating Station including land, buildings, plant and equipment, lignite and oil stockpiles, spares parts, records, drawings and all other consumables.

XII.7.2 GEB shall not purchase any cash on hand and or in bank accounts, trade and book debts nor receivables accruing to the GMDC prior to the Transfer Date unless due consideration for these can be mutually agreed between the Parties.

XII.7.3 All other assets existing at the Transfer Date that are not included in Paragraph XII.7.1 and XII.7.2, above shall be for the benefit of the GMDC, including the proceeds of any insurance or warranty claims duly made prior to the Transfer Date.

XII.7.4 The GMDC shall be responsible for all liabilities and obligations that have accrued prior to the Transfer Date including any claim for damages made against the GMDC.

GEB



120

GMDC



XII.7.5 No warranties as to the condition of the property and assets of the Generating Station shall be given except that the GMDC agrees to assign to GEB the benefit of any warranties or guarantees from third parties (including the GMDC's contractors) existing at the Transfer Date.

XII.7.6 No debt, claim for damages or other liability (whether actual or contingent) relating to the Generating Station before the date of the Buy-out Notice will be assumed by GEB unless it chooses to and can reach agreement regarding such liability, with the GMDC and, if necessary, the lenders or other creditors (where such agreement is necessary in order to give legal effect to the assumption thereof by GEB (subject to Paragraph XII.7.7 below). Due allowance shall be made in computing the Buy-out Price to take account of any such liabilities assumed by GEB.

XII.7.7 The GMDC shall, if so required by GEB, use reasonable efforts to procure the novation (or failing that, assignment of the underlying rights held by the GMDC) to GEB of any relevant FPM/SFSA, operation and/or maintenance contract and the construction contract relating to the Generating Station on such terms as GEB may reasonably require.

XII.8 PROCEDURE FOR DETERMINATION OF THE BUY-OUT PRICE, GEB OPERATION AND TRANSFER

XII.8.1 Following an issue of Buy-out Notice, the GMDC shall select an independent firm of Chartered Accountants (the "Professional Appraiser") that is recognised as being competent and experienced in valuing projects similar to the Generating Station that is agreeable to GEB (such agreement not to be unreasonably withheld or delayed) to carry out a determination of the Buy-out Price (the "Valuation"). Failing agreement of a mutually acceptable firm of Chartered Accountants within 5 (five) Days of the issue of the Buy-out Notice, the Professional Appraiser shall be nominated by the President or Acting President for the time being of the Institute of Chartered Accountants of India. Provided that if the debt under the financing agreements has been repaid and the majority of the GMDC's shares are held by Indian domestic investors, the nomination of the firm of Chartered Accountants in case of disagreement shall be the President of Institute of the Chartered Accountants of India. The firm of Chartered Accountants appointed pursuant to this Paragraph XII.8.1 (the "Professional Appraiser") will begin work within 10 (ten) Days of the issue of the Buy-out Notice and shall be provided by the Parties with all such data and information it requires to carry out the valuation.

XII.8.2 The Professional Appraiser shall prepare the Valuation in accordance with the methodology described in Paragraph XII.5 and XII.6 of this Schedule-XII. Throughout the process, the Professional Appraiser shall consult with



GEB

121



GMDC

both Parties, update them of progress and analyse any commentary they may have on the Valuation.

The Professional Appraiser shall complete the Valuation within 45 (forty-five) Days of the issue of the Buy-out Notice and deliver a copy to both Parties.

XII.8.3 Following completion of the Valuation GEB shall be entitled to enter the Site and operate and maintain the Generating Station and the GMDC shall :

- i) ensure that all its employees, agents, contractors and subcontractors, the GMDC contractors and the Operator and their respective employees, agents, representatives and contractors have left the Site; and
- ii) provide GEB with any licence required to give effect to the foregoing.

XII.8.4 In the event that the GEB does not pay the Buy-out Price when due and payable in accordance with this Schedule-XII, the GMDC obligations and GEB's rights under Paragraph XII.8.3 shall cease and GEB and its employees, contractors, agents and representatives shall leave the Site within 1 (one) day's written notice from the GMDC to GEB to that effect.

XII.8.5 The Transfer Date shall occur within 15 (fifteen) Days after receipt of the Valuation by both Parties at a time and place that is mutually agreeable to both Parties. GEB shall pay the Buy-out Price to the GMDC and simultaneously therewith, the GMDC shall transfer and assign to GEB all of its right, title and interest in the Generating Station except to the extent excluded pursuant to Paragraph XII.7.2 of this Schedule. All payments shall be made in Rupees.

XII.8.6 Following Completion, GEB and the GMDC may each submit a statement (a "Post Closing Adjustment") to the other Party in line with Good Industry Practice for asset acquisitions to reflect differences between the assumptions used in the Valuation and the actual asset position on the Transfer Date, for example, a difference in inventory levels. Any dispute over the Post Closing Adjustment shall be referred to the Professional Appraiser, whose sole judgement shall be final and binding and shall not be open to dispute or arbitration.





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122

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SUPPLEMENTARY AGREEMENT
BETWEEN
GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED
AND
GUJARAT URJA VIKAS NIGAM LIMITED





गुजरात गुजरात GUJARAT

AP 511368

नं. १२२५८ डा.

तारीख: १५ भाद्रपद २०१४

नाम:

पता:

डॉ. ए. डी. शर्मा

ला. नं. अ.स.पी. ४२८, ४२८/१८८८

अ. ४, एन.ए. रोड, भवनगर, अमदावाद ना सख्त

लेखा नं. सख्त.....

This agreement (hereinafter referred to as "SUPPLEMENTARY AGREEMENT" "SA" in short) entered into on this 17th December 2014.

BETWEEN

GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED incorporated under the Companies Act, 1956 and having its Registered Office at Khanij Bhavan, University Ground, B/h Gandhi Labour Institute, 132 ft Ring Road, Ahmedabad 380 052 (hereinafter referred to as "GMDC" which expression shall mean and include its assigns and successors)



AND

GUJARAT URJA VIKAS NIGAM LIMITED incorporated under the Companies Act, 1956 having its Head Office at Sardar Patel Vidyut Bhavan, Race Course, Vadodara 390 007 (hereinafter referred to as "**GUVNL**" which expression shall mean and include its assigns and successors)

(Together referred to as "**Parties**")

WHEREAS GMDC and GUVNL have entered into a Power Purchase Agreement (hereinafter referred to as the PPA) on February 19, 2000 determining the terms and conditions for sale of power by GMDC generated from the 250 MW Generating Station located at village Akrimota, District Kutchh and purchase thereof by GUVNL;

AND WHEREAS the Gujarat Electricity Regulatory Commission (GERC), under its Order dated 10th October, 2000 in case No. 19/1999 directed the GUVNL to attempt to reduce the cost of power purchase from the Independent Power Producers (IPPs) through consultative approach;

AND WHEREAS the Government of Gujarat initiated actions in this regards by writing a letter dated 14th March 2002 to all IPPs including GMDC, emphasizing the need to reduce the cost of power being purchased by GUVNL from their Power Projects in the larger interests of the end users of electricity and also constituted a Negotiating Team to discuss various parameters of the PPAs with the IPPs;

AND WHEREAS the Negotiating Committee constituted by the Government of Gujarat and GMDC discussed all issues relating to and / or arising from the PPA including but not limited to the claims / disputes of GMDC as also areas / parameters on which agreement can be reached between the Parties with a view to reduce tariff;

AND WHEREAS the Government of Gujarat constituted a second Negotiating Committee in order to further reduce the cost of power purchase by revising the tariff parameters under the PPA;

AND WHEREAS subsequent to discussions between the Negotiating Team and GMDC, understandings have been reached



on the modifications of certain parameters of the PPA and resolution of the PPA related issues;

AND WHEREAS the Negotiating Committee submitted their report to the Government of Gujarat and the same was approved by Government of Gujarat with certain modifications vide their letter No.PPA-2005-2949-K dated 6-10-2006;

AND WHEREAS in terms of Article 19.1 of the PPA, the Parties have been granted the right to modify any of the terms and conditions of the PPA, provided such modification was made by written agreement between the Parties;

AND WHEREAS in terms of Article 19.1 of the PPA, GMDC and the GUVNL are desirous of recording the terms and conditions of their understanding which shall modify, amend and supplement the provisions of the PPA to the extent recorded in this S.A.;

AND WHEREAS the intra-state ABT has been implemented in the State of Gujarat w.e.f. 5-4-2010 vide ABT Order No.3 dated 01-04-2010 issued by the Gujarat Electricity Regulatory Commission;

NOW THEREFORE, in consideration of the premises, mutual agreements, covenants and conditions set forth in this **SUPPLEMENTARY AGREEMENT**, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

ARTICLE 1

This SUPPLEMENTARY AGREEMENT shall, for all purposes, be read with and considered as a part of the PPA.

ARTICLE 2

The terms and expressions used in this SUPPLEMENTARY AGREEMENT, unless specifically defined, shall have the same meaning as assigned to them in the PPA.

ARTICLE 3

The terms and expressions of the PPA, unless specifically amended or deleted by this SUPPLEMENTARY AGREEMENT, shall continue to be in force.



ARTICLE 4

Amendments to the different Clauses of the PPA

4.1 The Clause 10.3 of Article 10 is hereby modified and replaced and shall be read as under:

Phrase	Symbol	Meaning
Availability Factor	F_{AVA}	Shall mean the ratio of the Cumulative Average Availability and the Nominal Base Load Capacity, which shall be computed as certified by SLDC in SEA.
Capacity Factor	F_{CAP}	Shall mean the ratio of the Tested Capacity and the Rated Name Plate Capacity of the Unit or the Generating Station as the case may be
Capacity Tested	C_T	Shall mean the Capacity determined pursuant to Tests
Capital Cost	CC	Shall be Rs. 1357.11 Crores.
Consumer Price Index	CPI	Shall mean the price level shown in the Indian Consumers Price Index of the relevant year. The CPI for the month during which any Unit has entered into Commercial Service shall be denoted by CPI_b and that for the Year "n" shall be denoted by CPI_n
Days	d	Is the number of days in the month
Debt	Db_c	Is the outstanding amount of the debt component of the Capital Cost of the Project in month "m" which is denominated in currency "c" as shown in the Means of Finance.
Depreciation	D	Shall mean the depreciation of the assets of the Generating Station. They shall be computed as per Cl.10.5.3 of Article 10.
Energy Charge	E	Shall mean the charges related to the consumption of Fuel which shall be computed as per the provisions of Clause 10.10 of Article 10.
Equity	Eq_c	Shall be Rs. 271.4220 Cr.



Escalation Factor for OME	F_{Esc}	Shall mean the escalation factor for the purpose of O&M expenses
Fixed Charges	FC	Shall mean the charges related to the Capacity of the Unit or the Generating Station as the case may be. The Fixed Charges shall be computed as per Clause 10.5 hereunder.
Incentive Charge	INC	Shall mean the charges payable for SG in excess of ex-bus energy corresponding to Normative PLF and which shall be computed as per Clause 10.9 of Article 10.
Initial Spares	IS	Shall mean the cost of the initial spares included in the Capital Cost of the Project
Insurance Charge	INS	Shall mean the charges payable for the cover of Insurance, which shall be admissible as per the provisions of sub paragraph 10.4.4 of Article 10.
Interest on Loan Capital	I_{LC}	Shall mean the interest on loan capital to be computed as per provisions under Sub-Clause 10.5.2. Interest on loan capital shall be computed on the outstanding loans according to the schedule of repayment, as per the Means of Finance approved by GUVNL.
Interest on Working Capital	I_{wc}	Shall mean the interest payable on the Working Capital. This shall be calculated as per sub paragraph 10.5.6.
Maintenance Spares	MS	Shall mean the cost of maintenance spares
Monthly Availability Adjustment	MAA	Shall mean the adjustment to be made to Fixed Charges as per Clause 10.8 hereof
Monthly Tariff Payments	MTP	Shall mean the payments due to GMDC corresponding to the Tariff determined as per this Article-10.
Normative PAF	PAF_{NORM}	Shall mean the Normative Plant Availability Factor which shall be 75% on annual basis
Normative PLF	PLF_{NORM}	Shall mean the Normative Plant Load Factor which shall be 75% on annual basis



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O&M Expenses	OME	Shall mean the Operation and Maintenance expenses allowed as per sub paragraph 10.5.4
Period	p	Shall mean the number of Years from the first full Year after the Entry into Commercial Service of the Generating Station
Price of Additive	P _{ADD}	Shall mean the cost of mining/purchasing, transporting and handling the Additives, as most recently supplied to the Generating Station before the beginning of the month (expressed in Rupees per metric tons), to be determined as per the relevant Fuel Pricing Mechanism/Additive Supply Agreement.
Price of Primary Fuel	P _{PF}	Shall mean the cost of mining/purchasing, transporting and handling the Lignite, as most recently supplied to the Generating Station before the beginning of the month (expressed in Rupees per metric tons), to be determined as per the relevant Fuel Pricing Mechanism/Fuel Supply Agreement.
Price of Secondary Fuel	P _{SF}	Shall mean the cost of purchasing, transporting and handling the fuel oil, as most recently supplied to the Generating Station before the beginning of the month (expressed in Rupees per kilolitre), determined on the basis of SFSC.
Quantity of Additive	Q _{ADD}	Shall mean 15 (fifteen) days consumption of additive corresponding to Normative PLF.
Quantity of Primary Fuel	Q _{PF}	Shall mean the the quantity of Lignite required for 15 days consumption corresponding to Normative PLF. This shall be expressed in MT.
Quantity of Secondary Fuel	Q _{SF}	Shall mean 60 (sixty) days consumption of secondary fuel corresponding to Normative PLF.
Rate of Interest on Loan Capital	RI _{LC}	Is the annual rate of interest on the first day of the month applicable to outstanding debt denominated in currency 'c' as shown in the Means of Finance.



Rate of Interest on working Capital	RI_{wc}	Shall be the weighted average rate of Working Capital Loans of GUVNL or weighted average rate of GMDC's working Capital Loans whichever is lower.
Rated Name Plate Capacity	C_R	Shall mean the rated Name Plate capacity as defined in Article 1.
Receivables	MR	Shall mean two times the amount of the Monthly Invoice for sale of electricity which shall be calculated as two times the sum of Fixed Charges at normative level (75%) for the respective month and lower of actual fuel cost for that month or fuel costs for that one month at normative level.
Return on equity	RoE	Shall mean the Return on Equity and shall be 13% thereof
Settlement Period	S	Shall mean each of the consecutive 15 (fifteen) minute periods in each day, the first beginning at 00:00 hours and the last ending at 24:00 hours;
Scheduled Generation	SG	Dispatch Schedule certified by SLDC in the SEA.
Summation of Debt	Σ_c	Is the sum of the debt values.
Tariff Change		Shall mean the changes as specified under Clause 10.2 relevant to the calculation of the Monthly Tariff Payments
Tax on Income	Tol	Shall mean the tax on income, if any, and shall be computed as expense at actuals. Any under or over recoveries of Tax on Income shall be adjusted every Year on the basis of a certificate of Statutory Auditors. No tax on income shall be allowed on Incentive Charges.
Wholesale Price Index	WPI	Shall mean the price level shown in the Indian Wholesale Price Index of the relevant year. The WPI of the month during which any Unit has entered into Commercial Service shall be denoted by WPI_b and for the Year "n" by WPI_n
Working Capital	WC	Shall mean the Working Capital during the month



- 4.2 The Clause 10.4 of Article 10 shall be replaced by the following clause:

10.4 **FIXED CHARGES**

The Fixed Charges shall be calculated as per details given under Clause 10.5. The relevant Definitions and Symbols used for this purpose are brought out in Clause 10.3.

- 4.3 The No. of Days in the clause 10.5 of Article 10 shall be read as 365 or 366 (in case of a Leap Year) whichever is applicable in the relevant Year for the purpose of calculating all tariff parameters.

- 4.4 The Clause 10.5.2 of Article 10 is hereby replaced and shall be read as under:

10.5.2 **Interest on Loan Capital**

The Interest on Loan Capital in any month 'm' shall be calculated as follows:

$$I_{LC} = \sum_C [(Db_C \times RI_{LC} \times d) \div 365] \times F_{cap}$$

- 4.5 The Clause 10.5.3 of Article 10 shall be replaced by the following clause:

10.5.3 **Depreciation**

The Depreciation shall be paid @ 5% of the Depreciable Project Cost or actual repayment of outstanding loans in the respective financial year which ever is higher subject to ceiling as per Government of India norms.

Depreciation shall not be admissible on the value of assets obtained on lease/hire purchase and the free hold land. The aggregate Depreciation shall not exceed 90% of the Depreciable Project Cost. i.e. total capital cost less land and leased/hire purchase assets.



- 4.6 The Clause 10.5.5 of Article 10 shall be modified by the following clause:

10.5.5 Return on Equity

The Return on Equity shall be 13% and calculated as follows:

$$RoE = \sum_c [(Eq_c \times 0.13 \times d) \div 365] \times F_{CAP}$$

At the end of every Year, the rate of return on Equity, on the basis of profit and loss account related to the operation of the Project, shall be verified and shall be adjusted such that it does not exceed 20%(Post Tax) of the equity amount. Any increase over 20% over the period of entire Year shall be adjusted from the first Monthly Tariff Payment of the subsequent Year.

- 4.7 The Clause 10.7 of Article 10 is hereby replaced and shall be read as under:

10.7 AVAILABILITY FACTOR (F_{AVA})

10.7.1 The Availability (A) of Capacity during any Settlement Period "S" during a month or the cumulative availability shall be the availability in kwh certified in the State Energy Account (SEA) by the State Load Despatch Centre (SLDC).

10.7.2 The Cumulative Average Availability (CAA) from the beginning of the Year upto the last day of the month under consideration shall be calculated as under :

$$CAA = \frac{\sum A}{\sum C} \times 100$$

where

$\sum A$ represents the sum of Actual Availability 'A' in KWh for each Settlement Period from the beginning of the year upto the last day of the month under consideration as certified in the SEA by SLDC and

$\sum C$ represents sum of Nominal Base load Capacity in KWh for each Settlement Period for the corresponding period.

10.7.3 The Fixed Charges shall be adjusted corresponding to the Availability Factor to be computed as under :

$$F_{AVA} = \frac{CAA}{PAF_{NORM}} = 1 \text{ (when } CAA \geq PAF_{NORM} \text{) or}$$

$$F_{AVA} = \frac{CAA}{PAF_{NORM}} \text{ (when } CAA < PAF_{NORM} \text{)}$$



7/11

4.8 The Clause 10.9 of Article 10 is hereby replaced and shall be read as under:

157

10.9 INCENTIVE PAYMENT

The Incentive in Month 'm' shall be calculated as follows:

Incentive shall be payable at a rate of 25 paise / kWh for SG in excess of ex-bus energy corresponding to normative PLF.

$$INC_m = 0.25 \times \left[\sum_{i=1}^N (SGc) - \sum_{i=1}^N \frac{(PLF_{NORM} \times C_c \times (1 - AC) \times 1000) \times 15}{60} \right] - \sum_{i=1}^{N-1} INC_{m-1}$$

Where,

INC_m is the Incentive Charge in Month m (expressed in Rupees)

$\sum_{i=1}^N n$ is the sum of the relevant values for each Settlement Period from the beginning of the year upto the last day of the month 'm'

SGc Cumulative monthly Scheduled Generation in kwh certified by SLDC

i is the relevant Settlement Period

N is the cumulative number of Settlement Periods

Cc is the Installed Capacity expressed in MW;

AC is the Auxiliary power consumption as a ratio of Cc;

INC_{m-1} is the Incentive Charge in each elapsed Month of Contract Year n prior to the Month for which the Incentive Charge is being calculated;

If the Incentive Charge, subject to provisions of Clause 10.5.5 for month 'm' is a positive number it shall be shown in the Monthly Tariff Invoice as an additional amount payable by the Procurer to the Seller; if a negative number, it shall be deducted from the Monthly tariff invoice.

4.9 The Definition of Auxiliary Consumption (AC) under Clause 10.10.1 of Article 10 is hereby modified as under:

After Stabilisation Period	11%.
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- 4.10 The Clause X.6 of Schedule X is hereby modified and shall be read as under:

THE DELAYED PAYMENT CHARGES:

For non payment of dues of GMDC within the stipulated period, either partly or fully, unless any Invoice or any such amount thereof (as the case may be) is disputed, shall make GUVNL liable to pay Delayed Payment Charges to GMDC. The Delayed Payment Charges shall be admissible from 61st (sixty first) day from the date of receipt of the Invoice. The Delayed Payment Charges will be chargeable at the rate of Interest on Working Capital plus 1%. No Delayed Payment Charges shall be payable for any arithmetically incorrect Invoice and/or for the Disputed amounts paid at any later date.

ARTICLE 5

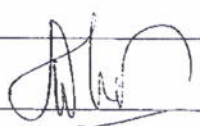
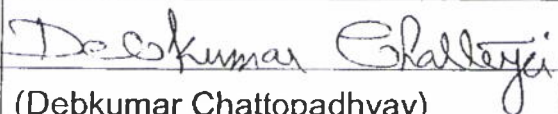
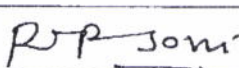
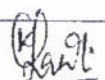
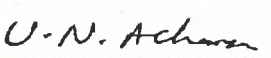
The Effective date of this Agreement shall be the date prescribed by the Government of Gujarat vide letter no. PPA-2005-2949-K dtd. 6/10/2006 i.e. April 1, 2006. However the amendment in computation of Availability Factor shall be effective from 1/4/2007, since Fixed Cost was agreed to be paid based on PLF up to 31/3/2007. The provisions related to Intra State ABT shall be effective from 5/4/2010.



5/4/10

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE DULY EXECUTED AND DELIVERED AS OF THE DAY AND YEAR FIRST ABOVE WRITTEN.

159

For and on behalf of Procurer (GUVNL) by	For and on behalf of Seller (GMDC) by
	
(Sailaja Vachhrajani)	(Debkumar Chattopadhyay)
Chief Finance Manager (IPP)	General Manager (Power)
and witnessed by	
	
(R.P. Soni)	(K.C. Lawti)
Deputy Engineer (IPP)	Manager (Costing)
	
(U.N Acharya)	(S.S. Mistry)
Deputy Engineer (IPP)	Deputy Engineer (IPP)





Annexure - C

MINUTES OF MEETING HELD on 12th August 2022 under the chairmanship of Principle Secretary – EPD at Energy & Petrochemical Department (EPD), Block No:5, 5th Floor, Sachivalaya, Gandhinagar to discuss the matter of Re-negotiation of Terms of Power Purchase Agreement executed between GMDC and GUVNL for GMDC's Akrimota Thermal Power Station (ATPS)

Following official of EPD, GUVNL, GMDC were present.

EPD

Smt. Mamta Verma, IAS,
Principal Secretary-Energy &
Petrochemical Department

Shri Dipesh Raj,
Section Officer, Energy &
Petrochemical Department

GUVNL

Shri Jai Prakash Shivahare,
IAS, M.D. GUVNL

Smt. Sailaja Vachhrajani,
GM (RE& IPP)

GMDC

Shri Roopwant Singh, IAS,
M.D. GMDC

Shri H.K.Joshi, Sr.GM (Tech)

Shri J N Dave, GM (Power)

Smt Anupama Iyer, GM (Fin)

GUVNL has executed a Power Purchase Agreement with GMDC on 19th February 2000 for their 2x125 MW Lignite based power plant located at Akrimota, Kutchh on cost plus based tariff mechanism. MD, GMDC informed that they have been supplying power to GUVNL since 2006/2007 and the tariff has been the lowest amongst the overall power procurement portfolio of GUVNL. He further submitted that on account of the stringent terms in PPA and technical issues faced by GMDC the PPA has not been able to achieve its stipulated objectives. GMDC is barely able to supply 40 – 50% of the intended power supply in a year. Hence GUVNL would have purchased costlier power in the last 15 years. On the other side, GMDC has not been able to recover its actual cost of generation leading to heavy loss. It was further stated that given the grave difficulties in managing reliable supply in the recent past, it is critical that the state must ensure self sufficiency in its fuel and power related requirements. Therefore GMDC sought relaxation in operational and tariff parameters by way of renegotiation of the PPA executed with GUVNL. GMDC has also proposed to incur additional capital cost of about Rs.293 Crores in order to improve the availability and performance of the plant and supply more reliable and continuous power to GUVNL.

In this context, a meeting was held on 2-6-2022 under the chairmanship of Hon'ble Principle Secretary (EPD) wherein the various problems faced by GMDC were discussed and GMDC requested for renegotiation of the PPA executed with GUVNL. In view of the various difficulties being faced by GMDC and GUVNL's need for more firm and reliable supply of power from base load stations, it was felt that it is imperative to improve the performance of GMDC's ATPS at the earliest. Hon'ble PS(EPD) directed GUVNL and GMDC to discuss their issues and come to an

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amicable solution. Thus a meeting was held on 8-6-2022 in the chamber of M.D., GUVNL. Detailed discussion was held in the matter of various aspects of PPA. Subsequently another meeting was held on 12-08-2022 in the chamber of Principal Secretary – Energy & Petrochemical Department wherein the following issues were discussed in the matter of Renegotiation of Terms of PPA executed between GMDC and GUVNL.

1. Renegotiation of PPA between GMDC and GUVNL:

GMDC submitted that the power supply from their plant is cheapest in merit order in the state and their plant is one of the best machines available for lignite based power generation. However, stringent norms of PPA executed with GUVNL and certain technical constraints lead to techno commercial issues which impacted the availability of their station. As a consequences, GMDC was not able to recover its Fixed Charges and at the same time GUVNL had to rely on costly power purchase from marginal supplier. GMDC has submitted broad summary of their proposal and compared various operational & tariff parameters of their plant with other lignite based power plants in the state. A statement showing comparison of parameters of different lignite based power plants, GMDC's request and applicable GERC norms was submitted by GUVNL.

1.1. GMDC has sought revision in O&M expenses from Rs. 24.04 lakh / MW for FY 2021-22 with escalation based on WPI & CPI index to Rs. 32.50 Lakh / MW for FY 2022-23 with escalation of 5.72% in subsequent years. Considering the O&M expenses allowed for other lignite based plant such as GIPCL SLPP – I & II, BLTPS and GERC norms for the same under GERC Multi Year Tariff Regulation 2016 dated 27-3-2016, it was agreed to revise O&M expenses to Rs. 32.50 Lakh / MW for FY 2022-23 with escalation of 5.72% p.a. in subsequent years.

1.2. As regards to GMDC's request to allow Return on Equity @ 14% instead of 13%, the same was agreed keeping in view the existing GERC MYT 2016 Regulation.

1.3. GMDC has requested for revision in Station Heat rate from existing SHR of 2400 KCal /KWh with moisture correction to 2900 KCal /KWh and 0.5% degradation every year. GUVNL informed that the normative SHR as per GERC MYT Regulation 2016 is equal to $1.045 \times \text{Design Heat Rate}$. Since the design heat rate of GMDC is 2361.16 KCal /Kwh the allowable heat rate works out to 2467 KCal / KWh. GMDC represented that corrosive oxides of sulphur and chlorides are present in the coastal saline atmosphere and hence the plant is exposed to very high deterioration rate. It was further informed that the plant is designed for GCV of 3200 KCal / Kg of lignite whereas they are actually receiving GCV in the range of 2800 to 2900 KCal / Kg. GUVNL stated that the maximum SHR considering moisture correction as per the terms of the PPA works out to 2713 KCal /

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KWh (2467 * 1.10). It was therefore agreed to revise SHR to 2713 KCal /KWh irrespective of moisture content for the balance period of the PPA.

1.4. GMDC has sought revision in Auxiliary Consumption from 11% to 12% from FY 2022-23 & 13% w.e.f. FY 2027-28 onwards. GMDC once again submitted that due to the above stated issues relating to deterioration and life of the plant, the Auxiliary Consumption increased heavily. GUVNL stated that since huge capital expenditure is being proposed for improvement for performance parameters, GMDC should be in a position to improve the Auxiliary Consumption. In view of the same, no increase can be allowed. However upon insistence by GMDC and considering the Auxiliary Consumption allowed for other lignite based plant such as GIPCL SLPP II, GSECL KLTPS- 3 & 4, it was agreed to revise Auxiliary Consumption to 11.5%.

1.5. As against GMDC's request for allowance of one time capital expenditure of Rs. 293 Crores in FY 2022-23 and recurring additional expense of Rs. 1 crores per month with a limit of Rs. 12 Crores per annum from FY 2023-24 onwards, GMDC was advised to approach GERC for the approval for one time capital expenditure of Rs.293 Crores in FY 2022-23. With regard to proposal of recurring capital expenditure of Rs.12 crores per annum, it was agreed that there cannot be such recurring capex in cost plus PPAs. Since GUVNL has agreed to increase the payment towards O&M expenses substantially, such expenses may be met out of the same.

1.6. It is agreed that GMDC shall approach GERC for approval of additional capital expenditure of Rs.293 Crores. As far as renegotiation of PPA with GMDC is concerned, GUVNL and GMDC will seek approval of Board of Directors and accordingly sign supplementary agreement with GMDC which shall be subject to GERC's approval. GUVNL shall file petition before GERC for approval of the Supplementary Agreement signed with GMDC.

A summary of the negotiated parameters agreed during the meeting is as under:

No.	Parameter	Decision
01	GMDC requested for O&M Expenses (including Insurance Expense) to be provided as per GERC tariff regulation 2016	It was agreed to increase the O&M expenses to Rs. 32.50 Lakh/MW for FY 2022-23 (plus annual escalation of 5.72% p.a in subsequent years)
02	GMDC requested for Return on Equity to be revised to 14% from current level of 13%	All Members agreed to increase Return on Equity to 14%.
03	GMDC requested for relaxation in Station Heat Rate (SHR) to 2900 kCal/kWh from current level of 2400 kCal/kWh	All Members present agreed to revise SHR to a fixed rate of 2713 kCal/kWh including moisture correction

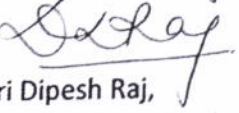
04	GMDC requested for relaxation in Auxiliary Power Consumption (APC) to 12% from current level of 11%	All Members present agreed to revise APC to 11.5%
05	GMDC requested to approve one-time additional Capital Expenditure of about Rs. 300 Cr	It was agreed that GMDC shall seek approval of Hon'ble GERC for additional project cost.
06	GMDC requested to approve additional CAPEX of Rs 1 Cr/Month for regular upkeep of power plant from FY2023-24 onwards	GUVNL stated that there cannot be such recurring capex in cost plus PPAs. It was agreed that GMDC shall meet such expenses out of the increased O&M expenses already agreed by GUVNL.
07	GMDC requested for relaxation in Rebate of 2.0% if payment within 7 days	GUVNL did not agree to the same.

Hon'ble Principal Secretary, EPD stated that GMDC shall endeavor to improve the performance parameters as well as the availability of the plant and bring them to better than normative levels in order to justify the additional capital cost and to increase the quantum of reliable power supply from Akrimota plant to GUVNL.

The meeting was concluded with vote of thanks.

EPD


Smt. Mamta Verma, IAS,
Principal Secretary-Energy &
Petrochemical Department


Shri Dipesh Raj,
Section Officer, Energy &
Petrochemical Department

GUVNL


Shri Jai Prakash Shivhare,
IAS, M.D. GUVNL


Smt. Sailaja Vachhrajani,
GM (RE& IPP)

GMDC


Shri Roopwant Singh, IAS,
M.D. GMDC


Shri H.K. Joshi, Sr.GM (Tech)


Shri J N Dave, GM (Power)


Smt Anupama Iyer, GM (Fin)



Bhakti Shamal
Officer on Special Duty
(Power)

No. GSE-12-2016-2213-K

GOVERNMENT OF GUJARAT

*Energy and Petrochemicals Department,
Block No. 5, 5th Floor, Sardar Bhavan,
Sachivalaya, Gandhinagar.*

To,
The Managing Director,
Gujarat Urja Vikas Nigam Ltd.
Sardar Patel vidyut Bhavan,
Race Course, Vadodara.

Sub: Modification of Terms of Power Purchase Agreement executed between GMDC and GUVNL for GMDC's Akrimota Thermal Power Station (ATPS)-reg.

Sir,

Please refer to your letter No. GUVNL-COM-GM(IPP)-1047 dated 23.09.2022 on the aforesaid subject, the proposal of GUVNL, in this regard, was under the consideration of the State Government.

2. Accordingly, Government has accorded an approval to the proposal of GUVNL regarding Modification of terms of Power Purchase Agreement executed between GMDC and GUVNL for GMDC's Akrimota Thermal Power Station (ATPS) subject to the approval of Hon'ble Gujarat Electricity Regulatory Commission(GERC).

Further, in implementation of the the same, any direct or indirect financial assistance towards increase in the project cost will not be provided by the State Government.

3. So, I request you to take necessary action and may kindly intimate the same to this Department at the earliest.

With regards,

Yours faithfully,

Bhakti Shamal

Officer on Special Duty(Power)
Energy and Petrochemicals Department

Copy forwarded with compliments to:-

- ACS to Hon. Chief Minister, Swarnim Sankul-1, Gandhinagar
- PS to Hon. Minister (Energy), Swarnim Sankul-1, Gandhinagar.
- AS to the Chief Secretary, Block no.1, 5th floor, Sachivalaya, Gandhinagar.
- Additional Chief Secretary, Industries and Mines Department, Block no. 5, 4th floor, Sachivalaya, Gandhinagar.

Signature Not Verified

Signed by: Bhakti Shamal
Date: 2023.01.06
17:50:19 +05:30

File No: EPCD/GSE/e-file/20/2022/0529/K Section

Approved By: Mamta Verma(PS,EPCD)

Open the document in Adobe Acrobat DC to verify the E-sign



- Managing Director, Gujarat Mineral Development Corporation, Khanij Bhavan, Gujarat University Ground, Ahmedabad.
- Select file.

Signature Not Verified

Signed by: Bhaarti Shamal
Date: 2023.01.06
17:50:19 +05:30

File No: EPCD/GSE/e-file/20/2022/0529/K Section

Approved By: Mamta Verma(PS,EPCD)

Open the document in Adobe Acrobat DC to verify the E-sign





सत्यमेव जयते

INDIA NON JUDICIAL

Government of Gujarat

Certificate of Stamp Duty

Certificate No. : IN-GJ37486539953233V

Certificate Issued Date : 05-Sep-2023 03:15 PM

Account Reference : IMPACC (SV)/ gj13226304/ GULBAI TEKRA/ GJ-AH

Unique Doc. Reference : SUBIN-GJGJ1322630499663063442728V

Purchased by : GUJARAT MINERAL DEVELOPMENT CORPORATION LTD

Description of Document : Article 5(h) Agreement (not otherwise provided for)

Description : AGREEMENT

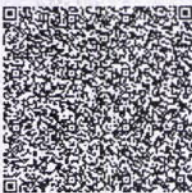
Consideration Price (Rs.) : 0
(Zero)

First Party : GUJARAT MINERAL DEVELOPMENT CORPORATION LTD

Second Party : Not Applicable

Stamp Duty Paid By : GUJARAT MINERAL DEVELOPMENT CORPORATION LTD

Stamp Duty Amount(Rs.) : 300
(Three Hundred only)



Page 1 of 7

IN-GJ37486539953233V

IE 0014918970

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate
3. In case of any discrepancy please inform the Competent Authority.

SUPPLEMENTARY AGREEMENT

BETWEEN

GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

AND

GUJARAT URJA VIKAS NIGAM LIMITED

This agreement (hereinafter referred to as "SUPPLEMENTARY AGREEMENT-2" "SA-2" in short) entered into on this 06.09.2023

BETWEEN

GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED incorporated under the Companies Act, 1956 and having its Registered Office at Khanij Bhavan, University Ground, B/h Gandhi Labour Institute, 132 ft Ring Road, Ahmedabad 380 052 (hereinafter referred to as "**GMDC**" which expression shall unless repugnant to the context or meaning thereof include its assigns and successors)

AND

GUJARAT URJA VIKAS NIGAM LIMITED incorporated under the Companies Act, 1956 having its Head Office at Sardar Patel Vidyut Bhavan, Race Course, Vadodara 390 007 (hereinafter referred to as "**GUVNL**" which expression shall unless repugnant to the context or meaning thereof include its assigns and successors)

(Collectively referred to as "**Parties**")

WHEREAS GMDC and erstwhile Gujarat Electricity Board had entered into a Power Purchase Agreement (hereinafter referred to as the PPA) on February 19, 2000 determining the terms and conditions for sale of power by GMDC generated from the 250 MW Generating Station located at village Akrimota, District Kutchh and purchase thereof by Gujarat Electricity Board and such PPA was vested in GUVNL under the Gujarat Electricity Industry Reorganization and Regulation) Act 2003;



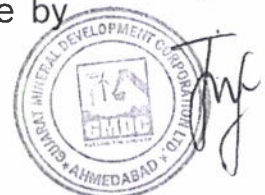
AND WHEREAS the Hon'ble Gujarat Electricity Regulatory Commission vide Order dated 10.10.2000 in Case No. 19/1999 had directed for attempt to be made to reduce the cost of power purchase from the Independent Power Producers and Negotiating Committee and thereafter Second Negotiating Committee was constituted to discuss various issues and to reduce cost of power purchase. Government of Gujarat, vide their letter No.PPA-2005-2949-K dated 6-10-2006, decided to implement the recommendations of second Negotiating Committee with certain modifications and accordingly a Supplementary Agreement dated 17-12-2014 was executed between GMDC and GUVNL amending certain terms and conditions of the PPA;

AND WHEREAS a meeting was held on 12-08-2022 under the chairmanship of Principal Secretary – Energy & Petrochemical Department (hereinafter referred to as "EPD") at EPD, Gandhinagar wherein the officials of EPD, GMDC and GUVNL were present and the matter related to modification of terms of Power Purchase Agreement (hereinafter referred to as "PPA") with GMDC for their Akrimota Thermal Power Station (hereinafter referred to as "ATPS") was discussed and decisions taken in this regards is recorded in Minutes of Meeting dated 12-08-2022 (hereinafter referred to as "MoM");

AND WHEREAS GUVNL ,vide letter no. GUVNL –COM- GM(IPP) -1047 dated 23-09-2022, submitted the decisions taken at Government of Gujarat level as recorded under MoM dated 12-08-2022 regarding modifications of terms of PPA executed with GMDC to EPD for the approval of Government of Gujarat;

AND WHEREAS EPD, vide letter no GSE-12-2016-2213-K dated 6-1-2023, has accorded an approval to the proposal of GUVNL regarding Modification of terms of PPA executed between GMDC and GUVNL for GMDC's ATPS subject to the approval of Hon'ble Gujarat Electricity Regulatory Commission (hereinafter referred to as "GERC") subject to condition that in implementation of the same, any direct or indirect financial assistance in the project cost will not be provided by State Government;

AND WHEREAS in terms of Article 19.1 of the PPA, the Parties have been granted the right to modify any of the terms and conditions of the PPA, provided such modification was made by written agreement between the Parties;



AND WHEREAS in terms of Article 19.1 of the PPA, GMDC and the GUVNL are desirous of recording the terms and conditions of their understanding which shall modify, amend and supplement the provisions of the PPA to the extent recorded in this SUPPLEMENTARY AGREEMENT -2.;

NOW THEREFORE, in consideration of the premises, mutual agreements, covenants and conditions set forth in this **SUPPLEMENTARY AGREEMENT - 2**, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

ARTICLE 1

This SUPPLEMENTARY AGREEMENT - 2 shall, for all purposes, be read with and considered as a part of the PPA.

ARTICLE 2

The terms and expressions used in this SUPPLEMENTARY AGREEMENT- 2, unless specifically defined, shall have the same meaning as assigned to them in the PPA.

ARTICLE 3

The terms and conditions of the PPA, unless specifically amended, modified, deleted or substituted by this SUPPLEMENTARY AGREEMENT - 2, shall remain unchanged and shall continue to be in force.

ARTICLE 4

Amendments to the different Clauses of the PPA

4.1 The Clause 10.5.4 of Article 10 is hereby modified and substituted and shall be read as under:

10.5.4 O&M Expenses and Insurance Expenses

The O&M Expenses and Insurance Expenses shall be calculated Unit –wise in any month "m" as under:

$$OME = \sum \left(\frac{CCu \times 0.02 \times d \times F_{ESC}}{365} \right) \times F_{ESC} + INS$$

$$\text{Such that } OME \leq \frac{(0.03 \times CCu) \times d \times F_{ESC}}{365}$$

$$INS \leq \frac{(0.01 \times CCu) \times d}{365}$$



$F_{ESC} = 1$ for the first full Year of operation after the Entry into Commercial Service of each Unit and

$F_{ESC} = (0.7WPI_n + 0.3CPI_n) \div (0.7WPI_b + 0.3CPI_b)$ or $(1.1)^{p-1}$ whichever is lower for each succeeding Year

The above formula shall be applicable up to 31-03-2022.

With effect from 01-04-2022, the O & M Expense shall be Rs.32.50 Lakh / MW for Financial Year 2022-23 with annual escalation of 5.72% per annum in subsequent years.

- 4.2 The Clause 10.5.5 of Article 10 is hereby modified and substituted and shall be read as under:

10.5.5 Return on Equity

The Return on Equity shall be 13% up to 05.09.2023 and calculated as follows:

$$RoE = \sum_c([(Eq_c \times 0.13 \times d) \div 365]) \times F_{CAP}$$

With effect from 06.09.2023, the Return on Equity shall be 14% and calculated as follows:

$$RoE = \sum_c([(Eq_c \times 0.14 \times d) \div 365]) \times F_{CAP}$$

At the end of every Year, the rate of return on Equity, on the basis of profit and loss account related to the operation of the Project, shall be verified and shall be adjusted such that it does not exceed 20%(Post Tax)of the equity amount. Any increase over 20% over the period of entire Year shall be adjusted from the first Monthly Tariff Payment of the subsequent Year.

- 4.3 The Definition of Auxiliary Consumption (AC) under Clause 10.10.1 of Article 10 is hereby substituted and shall be read as under:

Phrase	Symbol	Meaning	
Auxiliary Consumption	AC	Shall mean the Energy consumed in the Auxiliaries of the Generating Station. The normative values will be as under:	
		During Stabilization Period	10.0%



		After Stabilization Period and up to 05.09.2023	11.0%
		with effect from 06.09.2023	11.5%

4.4 The definition of "Station Heat Rate" in Clause 10.10.1 of Article 10 is substituted and shall be read as under:

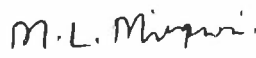
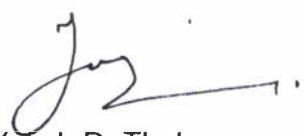
Phrase	Symbol	Meaning		
Station Heat Rate	SHR	shall mean the Station Heat Rate of the Unit, expressed in K.Cal per Kwh. The relevant values shall be as under :		
		During Stabilisation period	2800 K.Cal per KWh	
		After Stabilisation period and up to 05.09.2023	2400 K.Cal per KWh	
		The values of SHR for the period up to 05.09.2023 was subject to correction as per following multiplying factors corresponding to different moisture contents of Lignite. The multiplying factor corresponding to moisture contents of lignite shall not be applicable to SHR from 06.09.2023 onwards.		
		Moisture Contents of Lignite	Multiplying Factor	
		00.0%	1.00	
		30.0%	1.04	
		40.0%	1.07	
		50.0%	1.10	
		With effect from 06.09.2023	2713 K.Cal per KWh including Moisture correction	



ARTICLE 5

The Effective date of this Agreement shall be 06.09.2023 subject to the approval by Hon'ble Gujarat Electricity Regulatory Commission.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE DULY EXECUTED AND DELIVERED AS OF THE DAY AND YEAR FIRST ABOVE WRITTEN.

For and on behalf of Procurer (GUVNL) by	For and on behalf of Seller (GMDC) by
 Jasmin J. Gandhi General Manager (Commerce)	 Janardan N Dave General Manager (Power)
and witnessed by	
1  Pratik Joshi I/C Chief Finance Manager (Com.)	1  Mukesh L. Mirpuri Deputy General Manager (Account)
2  Hitesh Patel Deputy Engineer	2  Yaksh D. Thaker Assistant Manager (Legal)
3  Prerak Khamar Deputy Engineer	3  Mahesh P. Ingrodiya Assistant Engineer (Mechanical)



GUJARAT URJA VIKAS NIGAM LIMITED

CIN U40109GJ2004SGCO45195

ISO 9001-2008 Certified Company

Sardar Patel Vidyut Bhavan, Race Course, Vadodara (Gujarat) Pin-390007

Phone : Direct (0265) 2340289 PBX-(0265)2310582/83/84/85 86 Fax : (0265)-2344543

E.mail : cfmipp.guvnl@gebmil.com

Ref. No.GUVNL-COM-GM(IPP)- 1538

Date: 23/11/2023

Through RPAD:

To,
The Secretary,
Gujarat Electricity Regulatory Commission,
6th Floor, GIFT ONE, Road 5C, Zone 5, GIFT City,
Gandhinagar.

Inward No. 5549

Date : 29 NOV 2023

Subject: Petition dated 21.10.2023 filed by GUVNL under Section 86 (1) (b) of the Electricity Act, 2003 for approval of amendments to the PPA dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014 for procurement of power from 2x125 MW lignite based thermal power plant established by GMDC at Akrimota, Kutch, Gujarat.

Ref: Letter dated 03.11.2023 Ref: GERC/Legal/2023/No.-2113

Dear Sir,

This is in reference to your letter dated 03.11.2023 regarding deficiency in payment of filing fees in the Petition filed by GUVNL under Section 86 (1) (b) of the Electricity Act, 2003 for approval of amendments to the PPA dated 19.02.2000 read with Supplementary Agreement dated 17.12.2014 for procurement of power from 2x125 MW lignite based thermal power plant established by GMDC at Akrimota, Kutch, Gujarat.

In this regard, GUVNL vide Cheque No 000190552042 on 19.10.2023, in terms of Sr. No. 21 of the Schedule to the Gujarat Electricity Regulatory Commission (Fees, Fines and Charges) Regulations, 2005, GUVNL had paid Rs. 10,000 as filing fees to the said petition, seeking amendments to the PPA dated 19.02.2000 [Note: the letter dated 03.11.2023 notes the fees paid as Rs. 20,000 however the same had been paid by GUVNL for an Interlocutory Application filed by GUVNL in Petition No. 2129 of 2022, also on the same date].

In this regard it is submitted that S. No. 16 of the Fees, Fines and Charges Regulations, 2005 is applicable to Petition/ Application for approval of process or price for Power Purchase or procurement by distribution licensee. However, in the present case, GUVNL is only seeking approval of amendments to the PPA, under which power is already being procured by GUVNL. There is no fresh process for procurement of power.

In this regard GUVNL also craves reference to the Order dated 04.11.2022 passed by the Hon'ble Appellate Tribunal for Electricity in DFR No. 470 of 2020 and Appeal No. 246 of 2022 in the matter of Essar Power Gujarat Limited v. Gujarat Electricity

Regulatory Commission & Another. Therefore, GUVNL has paid filing fees of Rs. 10,000 in terms of S. No. 21 of the Schedule of the Fees, Fines and Charges Regulations, 2005.

In view of the same, no deficiency arises in payment of filing fees by GUVNL seeking approval of an amendment to the PPA and therefore is kindly requested that the petition filed by GUVNL may be numbered and listed.

Thanking You,

Yours Faithfully,



J J Gandhi

General Manager (Comm)

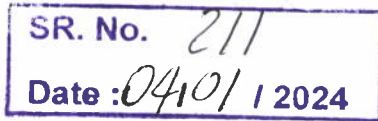
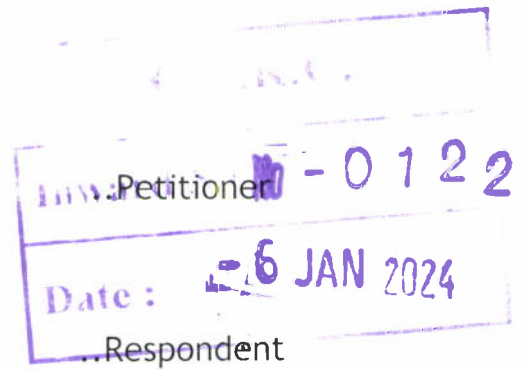
BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION AT
GANDHINAGAR
PETITION NO. 2279 OF 2023

IN THE MATTER OF:

Gujarat Urja Vikas Nigam Limited

Versus

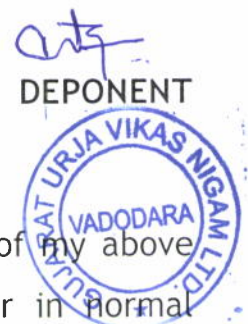
Gujarat Mineral Development Corporation Limited



AFFIDAVIT OF SERVICE

I, Hitesh Patel son of Prabhudas Patel aged about 48 years, resident of Vadodara, do hereby solemnly affirm and state as under:

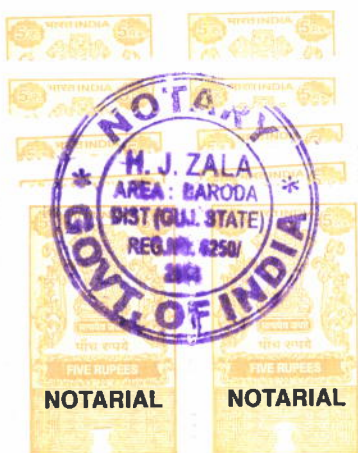
1. I say that I am the Deputy Engineer in the petitioner and I am competent to swear the present affidavit.
2. I say that pursuant to Daily Order 29.12.2023 by this Hon'ble Commission, GUVNL has caused publication of public notice in two daily Gujarat Newspaper (i.e. Gujarat Samachar and Sandesh) and one English Newspaper i.e. Indian Express. The copies of the relevant extracts of the newspapers with the said notices are attached hereto and marked as Annexure A (Colly).
3. I say that the Petition has been uploaded along with all documents on the website of the Petitioner.
4. I say that the above is in compliance with the directions of the Hon'ble Commission.



VERIFICATION:

I, the deponent above named do hereby verify that the contents of my above affidavit are based on the records maintained by the Petitioner in normal course, no part of it is false and nothing material has been concealed therefrom.

Verified at Vadodara on this ____ day of January, 2024.



MY Commission Expires
On 04/07/2028

Solemnly Affirmed/Declared
Sworn Before me by H. J. Zala
H. J. ZALA
NOTARY (Govt. of India)



બુધવાર, તા. ૩ જાન્યુઆરી ૨૦૨૪

પરને વર્ષ ૨૦૨૩ ફળ્યું : જીએસટીનું
શ માસિક કલેક્શન રૂ. ૧.૬૬ લાખ કરોડ

[illegible][illegible]

DAIIN 3. 14.16 करोडना वेवयाली

[illegible][illegible][illegible][illegible][illegible]

નું જીએસટી કલેક્શન રૂ. ૩.૫૮ કરોડ વધારે થયું છે. જાણીતા સંસ્કૃતિ સંરક્ષકો અને સંસ્કૃતિ સંરક્ષણ કમિટીના સભ્યોએ જણાવ્યું હતું કે, ગુજરાત સરકારે જીએસટીના દરોમાં સરકારી સંસ્કૃતિ સંસ્થાઓને ૩.૬૮%નો દર નક્કી કર્યો છે. આ દરને આધારે ગુજરાત સરકારે જીએસટી કલેક્શન રૂ. ૩.૫૮ કરોડ વધારે કર્યો છે. આ દરને આધારે ગુજરાત સરકારે જીએસટી કલેક્શન રૂ. ૩.૫૮ કરોડ વધારે કર્યો છે.

स्वस्थी पत्र बने छज्जरनी नोट मांकडी शकासे
ट टका नोट आरबीआईधरे परत मणी

[illegible][illegible][illegible]

१) कक्षा में प्रवेश करने वाले छात्रों की संख्या	२००	२००
२) कक्षा में प्रवेश करने वाली छात्रों की संख्या	२००	२००
३) कक्षा में प्रवेश करने वाले छात्रों की संख्या	२००	२००
४) कक्षा में प्रवेश करने वाली छात्रों की संख्या	२००	२००
५) कक्षा में प्रवेश करने वाले छात्रों की संख्या	२००	२००
६) कक्षा में प्रवेश करने वाली छात्रों की संख्या	२००	२००
७) कक्षा में प्रवेश करने वाले छात्रों की संख्या	२००	२००
८) कक्षा में प्रवेश करने वाली छात्रों की संख्या	२००	२००
९) कक्षा में प्रवेश करने वाले छात्रों की संख्या	२००	२००
१०) कक्षा में प्रवेश करने वाली छात्रों की संख्या	२००	२००

[illegible][illegible]

ગુજરાત પબ્લિક સર્વિસ ટ્રસ્ટ લિમિટેડ
સંસ્થાનું નામ: ગુજરાત પબ્લિક સર્વિસ ટ્રસ્ટ લિમિટેડ
સંસ્થાનું સ્થાન: ગુજરાત પબ્લિક સર્વિસ ટ્રસ્ટ લિમિટેડ
સંસ્થાનું સંપર્ક: 079-22222222

ગુજરાત રાજ્ય વિદ્યાર્થી સંસ્થાન
સંસ્થાનું નામ: ગુજરાત રાજ્ય વિદ્યાર્થી સંસ્થાન
સંસ્થાનું સ્થાન: ગુજરાત રાજ્ય વિદ્યાર્થી સંસ્થાન
સંસ્થાનું સંપર્ક: 079-22222222

SANDESH
સંસ્થાનું નામ: SANDESH
સંસ્થાનું સ્થાન: SANDESH
સંસ્થાનું સંપર્ક: 079-22222222

IDBI BANK
સંસ્થાનું નામ: IDBI BANK
સંસ્થાનું સ્થાન: IDBI BANK
સંસ્થાનું સંપર્ક: 079-22222222

સંદેશ ક્લાસિફાઈડ

સંદેશ ક્લાસિફાઈડ
સંસ્થાનું નામ: સંદેશ ક્લાસિફાઈડ
સંસ્થાનું સ્થાન: સંદેશ ક્લાસિફાઈડ
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સંદેશ ક્લાસિફાઈડ
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સંસ્થાનું સ્થાન: સંદેશ ક્લાસિફાઈડ
સંસ્થાનું સંપર્ક: 079-22222222

નામ દયુકડી કામ આપે મોડું... સંદેશ ક્લાસિફાઈડ (દયુકડી જાહેરખબર) માટે સંપર્ક: ૨૨૨૨૨૨૨૨, ૨૨૨૨૨૨૨૦

