

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION AT
GANDHINAGAR**

PETITION NO.....OF 2025

IN THE MATTER OF:

Petition under Section 86 (i)(b) seeking approval of Hon'ble Commission for Amendment Agreement dated 20-05-2024 to the Amended PPA dated 28-02-2014 with GSPC Pipavav Power Company Limited in relation to 702 MW Gas Based power project at Village Kovaya .

AND

IN THE MATTER OF:

Gujarat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhawan,
Race Course, Vadodara 390007
Gujarat

- Petitioner

Versus

GSPC Pipavav Power Company Limited
GSPC Bhavan, Behind Udyog Bhavan,
Sector 11, Gandhinagar - 382 010

Registered Office

2nd floor, FF Shed Nos. A/78/3-8,
Beside Patni Computers (IGATE)
GIDC Electronic Estate, Sector 25,
Gandhinagar 382016

- Respondent

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Gandhinagar 382016

Respondent

MOST RESPECTFULLY SHOWETH:

1. The Petitioner, Gujarat Urja Vikas Nigam Limited (herein after referred to as 'GUVNL') is a Company incorporated under the provisions of the Companies Act, 1956 with registered office at Sardar Patel Vidyut Bhawan, Race Course, Vadodara (Gujarat). The Petitioner is engaged in the activities of bulk purchase and bulk supply of electricity and is a licensee for the said activities under the provisions of the Electricity Act, 2003.
2. The Respondent GSPC Pipavav Power Company Limited ('GPPCL') is a Company incorporated in 2006 under the provisions of the Companies Act, 1956 and having its registered office at GSPC Bhavan, Behind Udyog Bhavan, Sector 11, Gandhinagar-382010. The Respondent is a State Government PSU and is a generating company within the meaning of Section 2 (28) of the



Electricity Act, 2003. The Respondent has installed a 702 MW Gas Based Combined Cycle Power Plant at Village Kovaya.

3. Gujarat Urja Vikas Nigam Limited (GUVNL) had entered into Power Purchase Agreement dated 22.02.2008 with the GPPCL for procurement of power from their 702 MW Gas based Power Station. The Said Agreement was signed after the assurance was given for supply of gas by GSPC from Krishna Godavari (KG Basin) fields.

A copy of the Power Purchase Agreement dated 22.02.2008 with the GPPCL is attached hereto and marked as Annexure A.

4. That the PPA dated 22.02.2008 with GPPCL was placed for approval before the Hon'ble Commission in Petition No. 984 of 2009 wherein the Hon'ble Commission vide Order dated 03.05.2010 in Petition No. 984 of 2009 read with Order dated 01.09.2010 in Review Petition No. 1036 of 2010 passed certain directions.
5. That the affordable gas supply from KG Basin fields could not be arranged and the Respondents sought to declare the commercial operation without any availability of assured and affordable gas. GPPCL sought to declare COD of the first unit on 12.04.2013 and second unit on 05.02.2014 on the basis of spot gas.
6. Since the spot gas was costly, the commercial operation was not accepted by GUVNL. GUVNL had decided not to accept the COD as it would otherwise have been obliged to pay the fixed cost of about Rs 41.25 Crores per month to GPPCL at relevant time of COD even without taking any supply.
7. That in view of the situation and to resolve the issue related to COD of the GPPCL project and also another similarly situated project being Gujarat State Energy Generation Limited (GSEGL), there were a series of meetings at the Government level and the issue was discussed and in Minutes of Meeting held by Chief Secretary, GoG, on 07-01-2014, to discuss the matter relating to payment of Fixed Charges to GSEG and GPPC, it was recorded as under:



"After detailed discussion on the submissions of GSEG, GSPC and GUVNL following were agreed and decided:

"Both the companies have proceeded for the project in accordance with the requirement / decision of GoG and GUVNL. Both the company should not default in repayment of the loan and interest as it would adversely impact on all the Government of Gujarat entities. Hence, the bare minimum Fixed Charges need to be paid to GSEG and GPPC to meet the debt service obligations and minimum O&M expenditure for both the power projects. The PPA is valid and GUVNL to complete minor formalities at the earliest and pending that GUVNL to disburse ad-hoc fund to meet with exigency of GSEG and GPPC."

A copy of the minutes of meeting dated 07-01-2014 is attached hereto and marked as Annexure B.

8. That in the meantime, in terms of the directions of the Hon'ble Commission in the Orders dated 03.05.2010 read with Order dated 01.09.2010, the amended PPA were signed with GPPCL. A copy of the Amended PPA dated 28-02-2014 with GPPCL is attached hereto and marked as Annexure C.
28/02/2014
9. That the Amended PPA with GPPCL along with another Amended PPA related to GSEGL was submitted to the Hon'ble Commission vide Letter dated 10.03.2014 and thereafter a meeting was held on 21.07.2014 with the Hon'ble Commission on the same. The Hon'ble Commission approved all amendments except Clause 5.1.1. as amended was not approved. The Hon'ble Commission had directed "to alter the same to its original structure. Thereafter the aforesaid PPAs shall be approved by the Commission". A copy of the Letter dated 18.09.2014 by the Hon'ble Commission is attached hereto and marked as Annexure D.
10. Thus the Hon'ble Commission had disapproved the amendment relating to the payment of tariff only after acceptance of commercial operation. Further GPPCL was facing severe financial crisis and there could be issues of the projects being rendered NPAs as well as technical degradations of the Plant. Therefore GUVNL considered to accept the COD. However in view of the fact that there was no availability of the affordable fuel and to avoid the financial burden of full fixed cost which would have to be borne by the consumers in State of Gujarat, it was considered that GUVNL would make payment of bare minimum amount which is necessary for GPPCL to avoid becoming NPAs and to maintain the plant in working condition. This was



considered to be effective from 01.07.2014. This arrangement was to be applied until GPPCL ties up long term affordable gas and starts getting scheduled regularly under the Merit Order Dispatch.

11. Accordingly, GUVNL vide Letter dated 29.09.2014 wrote to GPPCL with the payment of bare minimum as under:

"This refers to your letter dated 19th September 2014 regarding acceptance of CoD and payment of fixed cost consequent to GERC's letter dated 18 Sept., 2014. In this regard, it is to inform you that we have noted the directives given by GERC with regard to the amended PPA dated 28th February 2014. You may please be informed that the matter was put up to our Board of Directors. In view of the severe financial crisis being faced by GPPC and considering the fact that if GPPC fails to service their debt and is declared NPA, it would have serious implications on State Government PSUs, it has been decided to make payment of the bare minimum amount which GPPC requires to avoid becoming a NPA and to maintain the plant in working condition. Therefore, interest on loans at actuals, principal repayment obligations at actuals and bare minimum O&M expenses shall be paid by GUVNL w.e.f 01-07-2014. This arrangement shall be applicable till GPPC ties up Long Term affordable gas and starts getting scheduled regularly under the Merit Order. You are therefore requested to send a confirmation stating that this payment of bare minimum amount made by GUVNL shall be the full and final payment and GPPC shall not raise any other claim under the provisions of the PPA in future till GPPC ties up long term affordable gas and starts getting scheduled regularly under the merit order.

You are also requested to provide us detailed working and supporting documents for the bare minimum requirement mentioned in your above referred letter dated 19-9-2014 to enable us to process your payment."

A copy of the Letter dated 29.09.2014 to GPPCL is attached hereto marked as Annexure E.

12. In response to the same, GUVNL had received the confirmation from GPPCL vide Letter dated 30.09.2014. A copy of the Letter dated 30.09.2014 from GPPCL is attached hereto and marked as Annexure F.
13. That GUVNL had forwarded the draft Amendment to the PPA incorporating the arrangement of payment of bare minimum vide email dated 18.10.2016 to GPPCL. While there were correspondences between the parties, finally the parties are agreed on the terms of the PPA in the meeting held on 17.03.2022.

Accordingly, the draft Amendment Agreement to the PPAs with GPPCL was prepared by GUVNL and placed for approval of the Board of Directors of



- GUVNL. The Board deliberated the matter and through B.R. No. 118.11 / 1879 of 118th Board Meeting accorded approval on 26-09-2022 subject to approval from Gujarat Electricity Regulatory Commission. A Copy of B.R. No. 118.11 / 1879 is attached hereto and marked as **Annexure G**.
15. Further the said draft has been accepted by GPPCL and the parties have signed the Amendment Agreement on 20-05-2024. A copy of Amendment Agreement signed by the parties which is subject to approval of Hon'ble Commission is placed as **Annexure H**.
 16. That the amendment agreement relates to Clause 5.1.1 of the PPA. All other clauses remain unchanged and already stand approved by the Hon'ble Commission.
 17. That GUVNL has been making payments on the above basis to GPPCL with effect from 01.07.2014. It may be noted that in view of the payment, the terms loans (i.e. interest on loan as well as loan repayment in lieu of depreciation) of GPPC are already being serviced and in fact all term of loan of GPPC will be serviced by next year i.e by June 2025. Once all the term loans are serviced, the payment in terms of the Amendment Agreement to be made by GUVNL would be only actual O&M charges (i.e. provisionally Rs. 5 Crores per month to GPPC subject to reconciliation at year end) and further if the plant is scheduled, Interest on Working Capital and Energy Charges.
 18. As per the provisions of the Power Purchase Agreement (PPA), it is the generator's responsibility to ensure fuel availability, including from alternative sources, throughout the term of the agreement. To balance the sustainability of GPPC with the interests of consumers, it is crucial that GPPC maintain their plant capacity at least to the extent of Normative Availability, ensuring the plant is operational in case of grid requirement / arrangement of cheaper high seas gas.
 19. Therefore the said Amended Agreement is to the interests of consumers at large and at the same time ensuring the payment of minimum charges required by GPPCL to avoid them becoming NPAs and maintain the plant in working condition.



20. 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 Amendment Agreement executed between GUVNL and GPPCL in relation to amendments to the Amended PPA dated 28-02-2014.
21. The Petitioner has paid the requisite court fees.
22. 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.
23. **PRAYER**

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

- Admit this Petition.
- Approve the Amendment Agreement dated 20-05-2024 at Annexure H for amendments to the Amended Power Purchase Agreement dated 28-02-2014;
- Pass any other Order as the Hon'ble Commission may deem fit and appropriate under the circumstances of the case.

Place: Vadodara
Dated:

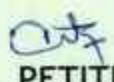

PETITIONER
Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

Declaration

The Petitioner has not filed any other petition or proceedings before this Hon'ble Commission or any other Court or Forum in regard to the relief sought for in the present petition, and that no other competent forum is currently seized of the matter or has passed any orders in relation thereto.

Place: Vadodara
Dated: 01.02.2025




PETITIONER
Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

S.R. No. 1316
Date: 12/2025

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GIDC Electronic Estate, Sector 25,
Gandhinagar 382016

- Respondent

AFFIDAVIT

Hitesh Patel son of Prabhudas Patel aged about 49 years resident of Vadodara hereby solemnly affirm and state as under:

I am the Deputy Engineer of the Petitioner and I am fully conversant with the facts of the case and able to depose to the present affidavit.

I have gone through the contents of the accompanying petition and I say that the facts stated therein are based on the records of the Petitioner and believed by the deponent to be true.

The annexures to the petition are true copies of their originals.

Solemnly Affirmed/Declared
Sworn Before me by.....
(Signature)

H. J. ZALA

Notary Public (Govt. of India)

(Signature)
DEPONENT
Deputy Engineer (IP)
Gujarat Urja Vikas Nigam Limited
Vadodara

VERIFICATION:

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

Verified at Vadodara on this.....^{1st} day of February 2025.

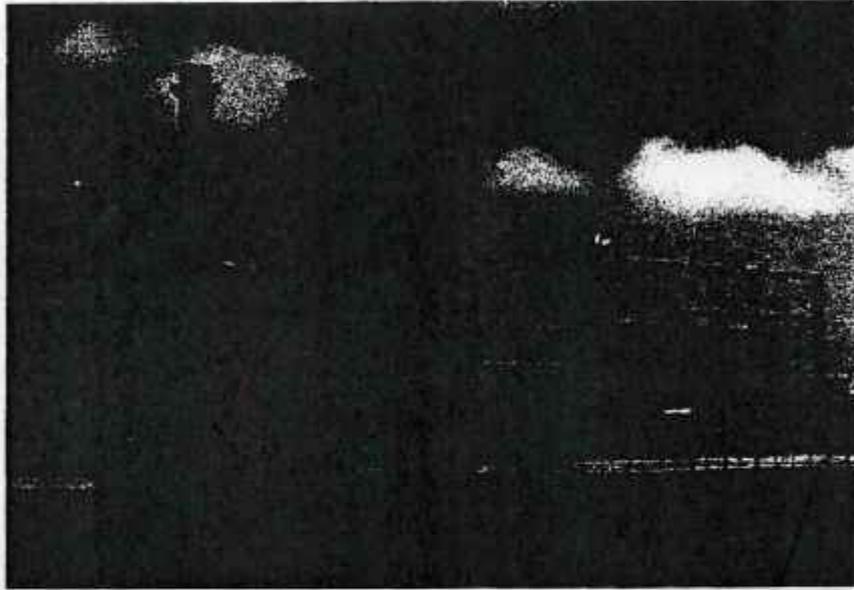
MY Commission Expires
On 04/07/2028



(Signature)
DEPONENT
Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

Annexure - A

Power Purchase Agreement



between

GSPC Pipavav Power Company Ltd.

and

Gujarat Urja Vikas Nigam Ltd.

February 2008

Power Purchase Agreement between

GSPC Pipavav Power Company Ltd.

(The Seller)

and

Gujarat Urja Vikas Nigam Limited

(The Procurer)

IN RESPECT OF

702 MW GAS BASED POWER STATION

SET UP AT PIPAVAV



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And

- (2) Gujarat Urja Vikas Nigam Limited (hereinafter referred to as the GUVNL), having its registered office at Sardar Patel Vidyut Bhavan, Race Course, Vadodara, 390007 hereinafter called "Procurer" which expressions unless repugnant to the context and meaning hereof shall include its successors and assigns

(Each of the "Procurer", and "Seller" are individually referred to as "Party" and collectively to as the "Parties")

Whereas:

- A. The Procurer intends to procure generation capacity and purchase electricity in bulk.
- B. The Seller has offered the generation capacity of its Gas Based Combined Cycle Power Plant at Pipavav in aggregate of 702 MW and sale and supply of electricity in bulk there from to the Procurer;
- C. The Seller being a State Government PSU, has been exempted from competitive bidding, as per the Government of India guidelines.
- D. The Seller intends to sell the generation capacity and supply of electricity in bulk to the Procurer to the extent of 702 MW capacity in aggregate on the terms and conditions contained in this Power Purchase Agreement (PPA) (the Agreement);
- E. Accordingly, the Parties have to sign this PPA setting out the terms and conditions of the sale of generation capacity and supply of electricity in bulk by the Seller to the Procurer.

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



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ARTICLE 1

DEFINITIONS AND INTERPRETATION

1.1 Definitions

The terms used in this Agreement, unless as defined below or repugnant to the context, shall have the same meaning as assigned to them by the Electricity Act, 2003 and the rules or regulations framed there under as amended or re-enacted from time to time:

"Act" or The Electricity Act 2003"	The Electricity Act 2003 or any further amendments made subsequent to the same;
"Additional Capitalisation"	shall have the meaning as described in Article 7.10.2.
"Affected Party"	Means, in respect of Force Majeure Events, procurer and/or Seller whosoever is prevented from performing its obligations under this PPA.
"Agreed Form"	means, in relation to any document, the form of the said document most recently agreed to by the Parties and initialed by them for identification;
"Agreement" or "Power Purchase Agreement" or "PPA"	means this document including its Schedules containing the terms and conditions for purchase of power by Procurer;
"Appropriate Commission"	means the Central Electricity Regulatory Commission or a State Electricity Regulatory Commission, as the case may be exercising the function to regulate sale of electricity by a generating company and the power purchase and procurement process of the Procurer under the Electricity Act, 2003;
"Applicable ABT"	means, Intra State ABT Regulations for Gujarat State;

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Regulations”	
“Availability Factor” or “Availability”	shall have the meaning ascribed thereto in Clause 4.3 of Schedule 4 of this Agreement;
“Available Capacity”	shall have the meaning ascribed thereto in Clause 4.4 of Schedule 4 of this Agreement;
“Bill Dispute Notice”	means the notice issued by a Party raising a dispute regarding a Monthly Bill or a Supplementary Bill issued by the other Party;
“Business Day”	means a day other than Sunday or a statutory holiday, on which the banks remain open for business in Vadodara ;
“Calendar Year”	Means the Georgian year beginning on the 1st Day of the month of January and ending on the 31st Day of the month of December
“Capacity Charge” or “Capacity Charges”	shall have meaning as specified in Schedule 5;
“Capacity Notice”	means a notice given pursuant to applicable Grid Code / Applicable ABT Regulations
“Capital Cost”	shall be as described in GERC/CERC regulations as amended from time to time and as approved by GERC & Procurer.
“CERC”	means the Central Electricity Regulatory Commission, as defined in the Electricity Act, 2003, or its successors;
“GERC/CERC Norms”	means the tariff fixation and other relevant regulations as announced by GERC/CERC from time to time;
“Change in Law”	has the meaning specified in Article 13.1.1;
“Check Meters” or “Check Meter”	shall have the meaning ascribed thereto in Schedule 8 and “Check Meter” shall mean a reference to any one of them;
“Commercial Operation	means, in relation to a Unit or the Power Station, as the case may be, the date declared by the Seller, after

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"Date" or "COD"	conducting the Trial Run Test as per Schedule 3 and meets the requirements of Article 6.3.
"Commissioning Tests" or "Commissioning Test"	"Commissioning Tests" means the Performance Test.
"Construction Contractor"	means one or more main contractors, appointed by the Seller to design, engineer, construct and Commission the Project;
"Construction Period"	means 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 Commercial Operations Date;
"Consultation Period"	means the period, commencing from the date of issue of a Seller Preliminary Termination Notice or a Procurer Preliminary Termination Notice, for consultation between the Parties to: (i) mitigate the consequence of the relevant event having regard to all the circumstances; and (ii) prevent termination of this Agreement;
"Contract Year"	Means a) the first contract year of this Agreement shall be the period beginning on the date of this Agreement and ending on ensuing 31 st March. Thereafter a contract year shall be each succeeding twelve (12) month period starting on 1 st April and ending on 31 st March of the next calendar year provided that; b) the Contract Year shall begin once again from the actual Commercial Operation Date of the first Unit and shall end on the ensuing 31 st March. Thereafter a contract year shall be each succeeding twelve (12) month period starting on 1 st April and ending on 31 st March of the next calendar year and provided further that c) the last Contract Year of this Agreement shall end on the last day of the term of this Agreement;

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"Control Centre" or "Nodal Agency" or "SLDC"	means the State Load Dispatch Centre located at Gotri, Vadodara or such other load control centre designated by the Appropriate Commission from time to time;
"Declared Capacity"	means the capability of the Unit or the Power Station, as the case may be, to deliver maximum electricity at Interconnection Point, in MW, declared by the Seller, in relation to any period of the day or whole of the day, duly taking into account the availability of fuel;
"Dispute"	means any dispute or difference of any kind between the Procurer and the Seller in connection with or arising out of this Agreement including any issue on the interpretation and scope of the terms of this Agreement;
"Dispatch Instruction"	at any time or for any period or time block means schedule of generation in MW at Interconnection Point, given by the Control Center; in accordance with the Grid Code and this Agreement.
"Due Date"	means the sixtieth (60 th) day after a Monthly Bill or a Supplementary Bill is received and duly acknowledged by Procurer (or, if such day is not a Business Day, the immediately succeeding day) by which date such bill is payable by Procurer;
"Electricity Laws"	means the Electricity Act, 2003 and the rules and regulations made there under from time to time along with amendments and replacements thereof in whole or in part and any other Law pertaining to electricity including regulations framed by the Appropriate Commission;
"Energy Output"	means the net electrical output of the Power Stations at the Interconnection Point, as expressed in kWh;
"Emergency"	means a condition or situation that, in the opinion of the Procurer or the agency tasked with operating and maintaining the Interconnection and Transmission Facilities or the transmission company, as the case may be, poses a significant threat to the Procurer's or the said agency's or transmission company's ability to

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	maintain safe, adequate and continuous electrical service to its customers, or seriously endangers the security of persons, plant or equipment;
"Equity"	shall mean the aggregate of the following amounts (denominated in Rupees and any other currencies) expended for the Project pursuant to this Agreement and forms part of the approved Financing Agreements:
	(a) all such amounts which have been and remain paid up to the capital of Seller, and
	(b) all the amounts which have been paid up to the capital of Seller to the extent that they result from an adjustment to the Project Cost ; and
	(c) Realised Premium ; and
	(d) Preferential shares actually paid up; and
	(e) investment of internal resources created out of free reserves.
	(f) In any case Equity amount shall not exceed 30% of the total approved Capital Cost. Any amount of Equity in excess of 30% of the Capital Cost shall be treated as a deemed loan repayable within a period of 10 years from the CoD and interest on the same shall be payable at the weighted average rate of the outstanding term loans.
"Expiry Date"	means the 20th anniversary of the Commercial Operation Date of the last Unit of the Project;
"Final Test Certificate"	<p>a) a certificate jointly signed by the Seller, & STU representative or Independent Engineer, certifying the results of a Commissioning Test in accordance with Article 6.2 of this Agreement; or</p> <p>b) a certificate jointly signed by the Seller, & STU representative or Independent Engineer by the Seller, certifying the result of a Repeat Performance Test in accordance with Article 8.2.1 of this Agreement;</p>

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"Financial Closure"	means the execution and delivery of all the Financing Agreements, for the total debt amount required for the Project and fulfillment of Conditions Precedent for the initial draw down of funds there under;
"Financing Agreements"	means all the loan agreements, notes, indentures, security agreements, letters of credit, share subscription agreements and other documents relating to the financing or re-financing of the Project at the Financial Closure, as may be amended, modified or replaced from time to time;
"Force Majeure"	means an event defined in Article 12;
"Forced Outage"	shall have the meaning ascribed there to in the Grid Code;
"Fuel"	means fuel used to generate electricity such as LNG, gas etc ;
"Fuel Supply Agreements"	means the agreements entered into, between Seller and the Fuel Supplier, for the purchase, transportation or handling of fuel required for the operation of the Power Station;
"Functional Specifications"	means the technical requirements and parameters described in Schedule 2 of this Agreement relating to the operation, maintenance and dispatch of the Unit and the Power Station,
"Grid Code"	means any set of regulations or codes as amended from time to time legally binding on the Seller and the Procurer and the Control Center, governing the operation of the Grid System;
"Grid System"	means the Interconnection and Transmission Facilities and any other transmission or distribution facilities through which the Procurer supply electricity to their customers or the transmission company transmits electricity to the Procurer or the Seller supplies electricity to the Procurer/ STU;

GUVNL



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"Independent Engineer"	<p>means an independent consulting engineering firm or group or STU representative that may be appointed jointly by the Procurer and the Seller to carry out the functions in accordance with Article 6, Article 8 and Article 12 herein.</p> <p>provided that separate Independent Engineer or STU representative may be appointed for the purposes of Article 6, Article 8 and Article 12;</p> <p>provided further that separate Independent Engineer or STU representative may be appointed for each financial year for the purposes of Article 8, and in such case, such Independent engineer shall be appointed at least ninety (90) days prior to the beginning of the financial year.</p>
"Indian Governmental Instrumentality"	means the Government of India, Government of Gujarat and any ministry, department, board, agency or other authority of Government of India or Government of Gujarat;
"Initial Performance Retest Period"	shall have the meaning ascribed thereto in Schedule 3 of this Agreement;
"Installed Capacity"	in relation to the Pipavav Gas Based Power Plant as a whole means 702 MW rated gross capacity, or such lower rated capacities as may be determined in accordance with Article 8.2 of this Agreement;
"Interconnection Facilities"	means the facilities on the Procurer's side of the Interconnection Point for receiving and metering Electrical Output in accordance with this Agreement and which shall include, without limitation, all other transmission and distribution lines and associated equipment, transformers and associated equipment, relay and switching equipment and protective devices, safety equipment and, subject to Schedule 8, the metering system required for the Project;
"Interconnection Point"/ "Delivery Point"	means the point of delivery of electrical output to the procurer and shall be at the outgoing bus bar / gantry

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	of the Power Station for fulfilling the obligation of the Seller to deliver the scheduled electrical energy;
"Invoice"	means either a Monthly Invoice, a Supplementary Invoice or a Procurer Invoice;
"Law"	means, in relation to this Agreement, all laws and Electricity Laws in force in India and would include any statute, ordinance, regulation, notice, circular, code, rule or direction, or any interpretation of any of them by a Governmental Instrumentality and having force of law and also includes all applicable rules, regulations, orders, directions, notifications by a Governmental Instrumentality pursuant to or under any of them and shall include all rules, regulations, decisions directions and orders of the Appropriate Commission ;
"Lenders"	means the banks, other financial institutions, RBI registered non banking financial companies, mutual funds and agents or trustees of debenture / bond holders, including their successors and assignees, who have agreed as at Financial Close to provide the Seller with the debt financing described in the Capital Structure Schedule, and any successor banks or financial institutions to whom their interests under the Financing Agreements may be transferred or assigned: Provided that, such assignment or transfer shall not relieve the Seller of its obligations to the Procurer under this Agreement in any manner;
"Main Meters"	means, such meters having the meanings ascribed thereto in Schedule 8.
"Maintenance Outage"	shall have the meaning ascribed there to in II:GC/ GEGC
"MCR"	shall have the meaning as defined in the Grid Code;
"Metering Date"	Means the 00:00 hours of the first day of each calendar month and initial meter reading will be taken on the Date of Installation of Meters.

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"Monthly Bill"	Will have the meaning ascribed to it in Article 11.
"Metering System"	shall have the meaning ascribed thereto in Article 9 and Schedule 8 of this Agreement;
"Month"	means a calendar month;
"Normative Availability"	means, 80% on annual basis.
"Normative Auxiliary Energy Consumption"	means for Combined Cycle, 3.5% of the energy generated if electrically driven Gas Booster is used which is required at present gas pressure. Efforts shall be made by the Seller to obtain Gas at adequate pressure in order to by pass the Gas Booster and in such a case the Auxiliary Consumption shall mean 3% for combined cycle operations. In case of Open cycle operation the same shall be 1.5% with Gas Booster and 1% without Gas Booster.
"Normative Station Heat Rate"	means, the heat energy input to the Project in terms of Gross Calorific Value, to generate one (1) kWh Energy Output for Combined Cycle operation: 1850 kCal / kWh means, for Open Cycle operation: 1850 x 1.5 kCal / kWh
"Notice"	shall mean a notice relating to any eventuality as prescribed under this PPA and shall be understood to have a Notice relating to that particular event in context of which used.
"Operation Period"	in relation to the Power Station means the period from its Commissioned Date until the expiry or earlier termination of this Agreement in accordance with Article 2 of this Agreement;
"Operating Procedures"	shall have the meaning ascribed thereto in IEGC/ GEGC;
"Operator"	means one or more contractors appointed as operator of power generation facilities of the Project pursuant to an O&M Contract, if any;

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"Outage(s)"	shall mean the event(s) of non-Availability of the Generating Stations.
"Party" and "Parties"	has the meaning specified in the recital to this Agreement;
"Performance Test "	means the test of a Unit's rated capacity and after commissioning of the Power Station, of the Power Station's rated capacity as a whole carried out in accordance with Schedule 3 of this Agreement and relevant Test Code(s);
"Preliminary Termination Notice"	shall have the meaning ascribed thereto in Article 14 of this Agreement;
"Project"	means the ownership, design, financing, engineering, procurement, construction, operation, maintenance, repair, refurbishment, development and insurance of the Power Station undertaken by the Seller in accordance with the terms and conditions of this Agreement;
"Project Documents"	Means Contract with Construction Contractor; Fuel Supply Agreements, including the Fuel Transportation Agreement, if any and any other agreement designated as such from time to time by the Procurer or the Seller;
"Prudent Practices" Utility	<p>means 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 power generation equipment of the type specified in this Agreement and which practices, methods and standards shall be adjusted as necessary, to take account of:</p> <p>a) operation and maintenance guidelines recommended by the manufacturers of the plant and equipment to be incorporated in the Power Station;</p> <p>b) the requirements of Indian Law; and</p> <p>c) the physical conditions at the Site</p>

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"Repeat Test "	Performance	shall have the meaning ascribed thereto in Article 8 and Schedule 3 of this Agreement and as per relevant Test Code(s);
"Revised Notice"	Capacity	means the revision in Capacity Notice, as per applicable Grid Code or Applicable ABT Regulations
"Reference Rate"	Exchange	means in relation to any currency other than Rupees in which debt or Equity component of the capital cost may be financed in accordance with the Financing Agreements, the weighted average selling rate in Rupee for relevant currency at which Seller purchased / converted such currency for raising debt and / or Equity, as the case may be, on the date on which Seller raised the debt, or as the case may be, the Equity, to finance the Project.
"Rupees" or "Rs."		means the lawful currency of India;
"SBI PLR"		means the prevailing prime lending rate per annum for loans with one (1) year maturity as fixed from time to time by the State Bank of India and in the absence of such rate, the average of the prime lending rates for loans with one (1) year maturity fixed by the Bank of India and the Bank of Baroda and failing that any other arrangement that substitutes such prime lending rate as mutually agreed to by the Parties;
"Scheduled CoD" or "Scheduled Commercial Operation Date"		means (i) for the first Unit, the date falling 30 months from the Zero Date ; and (ii) for the second Unit and the Power Station, the date falling 33 months from the Zero Date, as the same may be changed from time to time in accordance with the provisions herein
"Scheduled Connection Date"		shall mean the date falling 180 days before the Scheduled Synchronisation Date of first Unit for Two Transmission Lines, 30 days before the Scheduled COD of the first Unit for rest of the Transmission Lines;
"Scheduled Energy"		means the quantum of energy at the Interconnection point as scheduled by the State Load Dispatch Centre;

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"Scheduled Outage"	shall have the meaning ascribed thereto in IEGC/GEGC;
"Scheduled Synchronisation Date"	means the date which falls 30 days before the Scheduled CoD of the any Unit of the project;
"Settlement Period"	means the time block for issue of daily declaration, generation and drawal schedules as may be defined by IEGC/GEGC [presently fifteen (15) minute block];
"Site"	means the site of the Generating Stations, as more particularly described in Schedule-2
"State Transmission Utility" or "STU"	means the Utility as defined in the Electricity Act 2003;
"Supplementary Invoice"	means an Invoice other than a Monthly Invoice raised by either Party in accordance with Article 11;
"Tariff Payment"	means the payments under Monthly Invoices in Schedule 5 and the relevant Supplementary Invoices;
"Tariff"	means the tariff payable in accordance with Schedule 5;
"Technical Specifications"	means the technical requirements and parameters prescribed in relation to the Project, forming a part of the Construction Contract. Provided these shall always comply with the requirements of Schedule 2 of this Agreement;
"Tested Capacity"	in relation to a Commissioned Unit, or the Power Station as a whole (if the Power Station has been commissioned) means the results of the most recent Performance Test or Repeat Performance Test carried out in relation to the Power Station in accordance with Schedule 3 of this Agreement;
"Termination Notice"	shall have the meaning ascribed thereto in Article 14 of this Agreement;
"Term of Agreement"	Has the meaning specified in Article 2.1;
"Technical Limits"	means the limits of Grid conditions specified in Schedule 2;

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<p>“Total Debt Amount”</p>	<p>means the sum of the following amounts, expressed in Rupees (with all amounts denominated in currencies other than Rupees being converted to Rupees at the Reference Exchange Rate, the selling rate in Rupees for the Foreign Currency on the relevant day, as notified by the State Bank of India as its TT Rate at 12:00 noon on the date of notification of Force Majeure Event)</p> <p>(a) the principal amount of the debt incurred by the Seller (as per the terms of the Financing Agreements) to finance the Project according to the Capital Structure Schedule which remains outstanding on the date of notification of Force Majeure Event after taking account of any debt repayments which could have been made out of the Monthly Payments received by the Seller on or before the date of notification of Force Majeure Event as per the terms provided in the Financing Agreements ; and</p> <p>(b) all accrued interest and financing fees payable under the Financing Agreements on the amounts referred to in Article (a) above since the Fixed Charge Payment immediately preceding the date of notification of Force Majeure Event or, if Fixed Charges have not yet fallen due to be paid, from the most recent date when interest and financing fees were capitalised, and</p> <p>(c) if this Agreement is terminated during the Construction Period, any amounts owned to the Construction Contractor for work performed but not paid for under the Construction Contract (other than amounts falling due by reason of the Seller’s default or this Agreement being terminated);</p>
<p>“Unit” or “Power Station”</p>	<p>means a block of Steam Turbine, Gas Turbine and Waste Heat Recovery Boiler along with associated auxiliaries for a Combined Cycle Gas Based Plant ; and shall be called “Power Station” in case on single such Unit or in case of more than one Unit, all units taken together shall mean “Power Station”</p>

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"Unscheduled Interchange"	means as defined in relevant GERC / CERC Regulations;
"Variable Charge" or "Fuel Charge"	shall have meaning as specified in Schedule 5;
"Week"	means a calendar week commencing from 00:00 hours of Monday, and ending at 24:00 hours of the following Sunday;
"Wheeling Charges" or "Transmission Charges"	Are the charges paid by the Procurer to the STU or any other agency for the transfer of power from the Plant switchyard end to the Procurer's network
"Zero Date"	means 1 st April 2008;

1.2 Interpretation

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

- 1.2.1 A "Recital", an "Article", a "Schedule", a "Paragraph" and a "Clause" shall be construed as a reference to a Recital, an Article, a Schedule, a paragraph and a clause respectively of this Agreement.
- 1.2.2 An "affiliate" of any person shall be construed as a reference to a subsidiary or holding company, or a subsidiary of a holding company, of such person
- 1.2.3 "this Agreement" shall be construed as including a reference to its Schedules and Annexes;
- 1.2.4 A "crore" means a reference to ten million (10,000,000) and a "lakh" means a reference to one tenth of a million (1,00,000);
- 1.2.5 An "encumbrance" shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect.
- 1.2.6 "indebtedness" shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.2.7 A "person" shall be construed as a reference to any person, firm,

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company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests.

- 1.2.8 A "subsidiary" of a company or corporation shall be construed as a reference to any company or corporation:
- a) which is controlled, directly or indirectly, by the first-mentioned company or corporation; or
 - b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or
 - c) which is a subsidiary of another subsidiary of the first-mentioned company or corporation and, for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and / or to control the composition of its board of directors or equivalent body
- 1.2.9 The "winding-up", "dissolution", "insolvency", or "reorganization" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganization, dissolution, arrangement, protection or relief of debtors.
- 1.2.10 Words importing the singular shall include the plural and vice versa.
- 1.2.11 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented.
- 1.2.12 A Law shall be construed as a reference to such Law including its amendments or re-enactments from time to time.
- 1.2.13 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time.
- 1.2.14 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part.

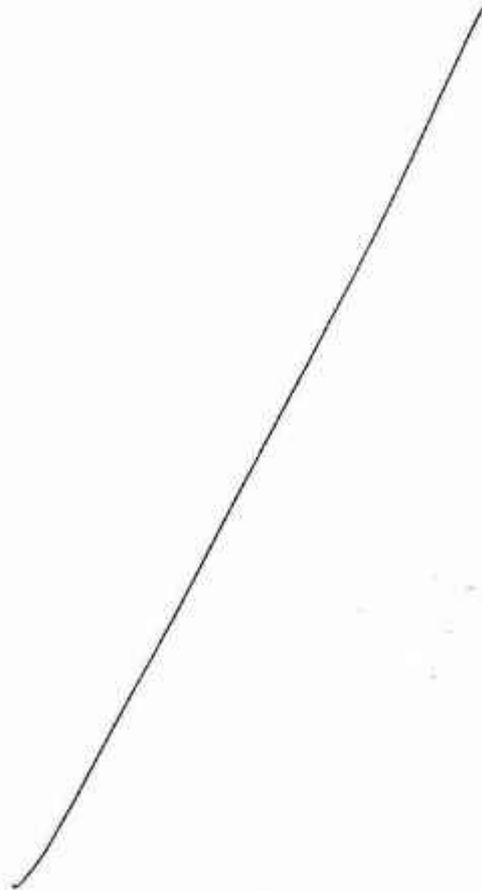
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- 1.2.15 The table of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement.
- 1.2.16 All interest payable under this Agreement shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty five (365) days.



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ARTICLE 2

TERM OF AGREEMENT

2.1 Effective Date and Term of Agreement

This Agreement is effective from the date of its signing by both the parties.

The Agreement shall have a term from such effective date until the Expiry Date ("Term of Agreement"), when it shall automatically terminate, unless:

- i. terminated earlier, pursuant to Article 2.2, or
- ii. extended, pursuant to Article 2.3.

2.2 Early Termination

This Agreement shall terminate before the Expiry Date:

- i. if either the Procurer or Seller exercises a right to terminate, pursuant to Article 14 or Article 3.3; or
- ii. in such other circumstances as the Seller and Procurer may subsequently agree, in writing.

2.3 Extension of Term

2.3.1 Prior to at least Three hundred and Sixty Five (365) days before the Expiry Date, Procurer may give a written notice to the Seller that it wishes to extend this Agreement for an additional period to be specified by that Procurer.

2.3.2 If such written notice is delivered to the Seller by the Procurer, this Agreement can be extended to such date. Upon the receipt of such notice, the Parties shall meet and discuss an extension of this Agreement, which may be extended on such terms including the period of extension, tariff, capacity and operating characteristics as the Parties may mutually agree in writing. Such extension shall commence upon the end of the last day of the Term of Agreement.

2.3.3 On Expiry of any extension of the Term under Article 2.3.2, the

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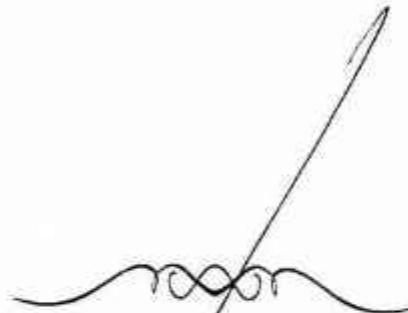
provisions of this Agreement, including this Article 2.3 itself shall apply mutatis mutandis in relation to either Party's right.

2.4 Consequences of Procurer or Seller not extending

- 2.4.1 In the event that the Procurer or Seller choose not to automatically extend the PPA under Article 2.3, the PPA shall expire and no rights and obligations by Procurer to the Seller or vice versa shall be owed by any party to another.

2.5 Survival

- 2.5.1 The expiry or termination of this Agreement shall not affect accrued rights and obligations of the Parties under this Agreement, nor shall it affect any continuing obligations for which this Agreement provides, either expressly or by necessary implication, the survival of, post its expiry or termination.



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ARTICLE 3

CONDITIONS SUBSEQUENT

3.1 *Satisfaction of conditions subsequent by the Seller*

Notwithstanding anything to the contrary specified in this Agreement and unless specifically waived in writing by either Party, the other Party agrees and undertakes to duly perform and complete the following within twelve (12) months from the effective date of this Agreement:

- i. the Seller shall have received the Initial Consents as mentioned in Schedule 1, either unconditionally or subject to conditions which do not materially prejudice its rights or the performance of its obligations under this Agreement ;
- ii. the Seller shall have appointed the Construction Contractors, if Seller itself is not the Construction Contractor, for the design, engineering, procurement, construction and Commissioning of the Project and shall have given to such Contractor an irrevocable notice to proceed.
- iii. the Seller shall have executed Fuel Supply Agreement and provided the copies of the same to the Procurer;
- iv. the Seller shall have achieved Financial Closure in relation to the Project;
- v. the specific Interconnection Point has been identified by Parties at the out-going gantry of the Power Station;
- vi. the Seller shall have got vacant possession of the Sites and shall have obtained valid, enforceable, unencumbered and insurable freehold or leasehold title thereto and such other real property rights including way-leaves as may be required for the Project or the performance of its obligations under this Agreement.

3.2 *Reports*

The Seller shall notify the Procurer in writing at least once a month on the progress made in satisfying the conditions in Article 3.1 and may also mention whether the actual Commercial Operation Date shall be as per the Scheduled Commercial Operation Date or is likely to be

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preponed or postponed and by how much time.

3.3 Consequences of non-fulfillment of conditions under Article 3.1

- 3.3.1 If any of the conditions specified in Article 3.1 is delayed beyond a period of one year (12) months then either Party may terminate this Agreement without any obligation or liability;
- 3.3.2 In case of Force Majeure affecting the Seller, the time period of twelve (12) months for Condition Subsequent, shall be extended for the purpose of termination as per Article 3.3 subject to a maximum extension period of 10 months continuous or non continuous in aggregate.



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ARTICLE 4

DEVELOPMENT OF THE PROJECT

4.1 The Seller's obligation to build, own and operate the Power Station

- 4.1.1 Subject to the terms and conditions of this Agreement, the Seller undertakes to be responsible at Seller's costs and risks for:
- a) obtaining and maintaining in full force and effect any Consents required by it pursuant to this Agreement and Indian law;
 - b) executing the Project in a timely manner so as to enable each of the Units and the Power Station as a whole to be Commissioned no later than its scheduled Commercial Operation Date and such that as much of the Installed Capacity as can be made available through the use of Prudent Utility Practices will be made available reliably to meet the Procurer's scheduling and dispatch requirements throughout the Operating Period of the Power Station;
 - c) owning the Power Station throughout the term of this Agreement free and clear of encumbrances except those expressly permitted by Article 18;
 - d) procure the requirements of electricity at the Power Station (including construction, commissioning and start-up power) to meet in a timely manner all formalities for getting such a supply of electricity;
 - e) fulfilling all other obligations undertaken by him under this Agreement.

4.2 Procurer' obligation

Subject to the terms and conditions of this Agreement, the Procurer:

- a) shall be responsible for informing to STU for procuring, installing and commissioning the Interconnection and Transmission Facilities to enable the Power Station to be connected to the Grid System not later than the Scheduled Connection Date;

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- b) endeavour its best (without any legal obligation) to assist the Seller in procuring the electricity required as per Article 4.1 (d); and
- c) using all reasonable endeavours to facilitate the commissioning and testing of the Units and after commissioning of the Power Station, as a whole that are within it's power to do.

4.3 Purchase and sale of Available Capacity and Electrical Output

- 4.3.1 Subject to the terms and conditions of this Agreement, the Seller undertakes to sell to the Procurer, and Procurer undertake to pay the Tariff for the Available Capacity and Electrical Output of the Power Station throughout its Operating Periods.
- 4.3.2 The Seller shall sell all the Available Capacity, unless otherwise instructed, of the Power Station to the Procurer pursuant to Dispatch Instructions given by the Procurer or SLDC.

4.4 Right to Available Capacity / Electrical Output

- 4.4.1 The available Capacity of the Unit or the Power Station, as the case may be, shall be used exclusively for the benefit of the Procurer and the Seller shall not grant to any third party or allow any third party to obtain any entitlement to the Available Capacity and Electrical Output.
- 4.4.2 The Seller shall not itself use any of the electricity generated by the Power Station during the term of this Agreement except for the purpose of meeting the Power Station's auxiliary load to the power plant and the Colony attached to the Power Plant if it is allowable as per the regulations for Distribution and it has to be within the overall ceiling of Normative Auxiliary Energy Consumption as provided in Article 1.

4.5 Extensions of time

- 4.5.1 In the event that:
 - (a) the Seller is prevented from performing its obligations under Article 4.1.1(b) by the required date because of any default of the Procurer; or
 - (b) a Unit, or the Power Station cannot be Commissioned by its Scheduled Commercial Operations Date because of Force Majeure

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Event; or

- (c) a Unit, or the Power Station cannot be Commissioned by its Scheduled Commercial Operations Date due to delay caused by relevant authority and situations beyond the control of the Seller, for the clearances to be obtained by the Seller as per Schedule 1.

the Scheduled Commercial Operations Date, the Scheduled Connection Date and the Expiry Date shall be deferred, subject to the limit prescribed in Article 4.5.3, for a reasonable period to permit the Seller through the use of due diligence, to overcome the effects of the Force Majeure Event or in the case of the Procurer's material default till such time the material default is rectified by the Procurer.

4.5.2 If the Parties have not agreed, within thirty (30) days after the affected Party's performance has ceased to be affected by the relevant circumstance on how long the Scheduled Commercial Operations Date, the Scheduled Connection Date or the Expiry Date should be deferred by, any Party may raise the Dispute in accordance with Article 17.

4.5.3 The Scheduled Commercial Operations Date of any Unit or the Scheduled Commercial Operations Date of the Power Station as a whole, may not be extended by more than a total of twelve (12) months from the Scheduled Commercial Operations Date first determined pursuant to this Agreement by reason of one or more Force Majeure Events, and the new date shall be deemed the Scheduled Commercial Operations Date for the purposes of this Agreement. If the original Scheduled Commercial Operations Date is delayed beyond twelve (12) months, this Agreement shall terminate as detailed in Article 14.

4.6 Liquidated damages for delay due to Procurer default

4.6.1 If

- a) a Unit cannot achieve COD by its Scheduled Commercial Operations Date, due to a Procurer Event of Default or
- b) a Unit is available for conducting Commissioning Tests and is anticipated to be capable of duly completing the Commissioning Tests, as certified by the STU representative or Independent Engineer, but the said Commissioning Tests are not undertaken or completed due to such Procurer Event of Default,

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such Unit shall, until the effects of the Procurer Event of Default no longer prevent the Seller from undertaking a Commissioning Test/s, be deemed to have, a Tested Capacity equal to the Contracted Capacity and to this extent, be deemed to have achieved COD with effect from the Scheduled COD without taking into account delay due to such Procurer Event of Default and shall be treated as follows.

In case of delay on account of the Procurer Event of Default, the Procurer shall make payment to the Seller of Capacity Charges calculated on Normative Availability of Contracted Capacity of such Unit for and during the period of such delay.

4.6.2 In every case referred to in Article 4.6.1 hereinabove, the Seller shall undertake a Commissioning Test as soon as reasonably practicable after the point at which it is no longer prevented from doing so by the effects of Force Majeure Events or a Procurer Event of Default (as appropriate) and if such Commissioning Test is not duly completed and / or demonstrates a Tested Capacity which is less than ninety five percent (95%) of the Installed Capacity, then:

- a) The Unit which fails the Commissioning Test, shall be deemed to have not been Commissioned from the deemed commissioning date referred to in Article 4.6.1;
- b) The Seller shall repay to the Procurer, sums received by way of Capacity Charge pro-rata to the shortfall in Installed Capacity.

4.7 Liquidated damages for delay in providing Contracted Capacity

4.7.1 If any Unit does not achieve COD by its Scheduled Commercial Operation Date other than for the reasons specified in Article 4.5.1, the Seller shall pay to the Procurer liquidated damages for such delay in achieving COD. The sum total of the liquidated damages payable by the Seller to the Procurer for such delayed COD shall be calculated as follows:

$$SLDb = [CCun \times dn \times DR1], \text{ if } dn \leq 60$$

$$SLDb = [CCun \times 60 \times DR1] + [CCun \times (dn - 60) \times DR2], \text{ if } dn > 60$$

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Where:

- a) "SLDb" are the liquidated damages payable by the Seller during the period beginning with the day from the Scheduled Commercial Operation Date of a Unit up to and including the day on which Unit actually achieves COD;
- b) "CCun" is the Installed Capacity of Unit "n";
- c) "d" is the number of days in the period beginning with the day after the Scheduled Commercial Operation Date of Unit "n" up to and including the day on which such Unit actually achieves COD;
- d) "DR1" is Rs. Five Thousand (5,000) of damages per MW per day of delay in case "d" is less than 60 days and "DR2" is Rs. Ten Thousand (10,000) of damages per MW per day of delay in case "d" is equal to or more than 60 days.

4.7.2 The Seller's maximum liability under this Article 4.7 shall be limited to the amount of liquidated damages calculated in accordance with Article 4.7.1 for and upto twelve (12) Months of delay for Contracted Capacity of the Unit. Provided that in case of failure of the Seller to achieve COD of the Unit even after expiry of twelve (12) Months from its Scheduled Commercial Operation Date, the provisions of Article 14 shall apply.

4.7.3 The Seller shall pay the liquidated damages calculated pursuant to Article 4.7.1 to the Procurer within ten (10) days of the earlier of:

the date on which the Unit actually achieves COD ; or

the date of termination of this Agreement.

4.7.4 The Parties agree that the formula specified in Article 4.7.1 for calculation of liquidated damages payable by the Seller under this Article 4.7, read with Article 14 is a genuine and accurate pre-estimation of the actual loss that will be suffered by the Procurer in the event of Seller's delay in achieving COD of a Unit by its Scheduled COD.

4.7.5 If any Unit does not achieve COD by its revised scheduled COD other than for the reasons specified in Article 4.5.1, the Seller shall pay to the

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procurer liquidated damages for the delay in achieving such COD. The sum total of the liquidated damages payable by the Seller to the Procurer for such delayed commissioning shall be equivalent to the damages payable by the procurer to the Gujarat STU for the period of delay, as per the terms of the Agreement proposed to be entered into by the Procurer with Gujarat STU for establishment of transmission system. Provided, however, the liquidated damages payable by the Seller to the Procurer in case of delay under this Article 4.7.5 shall not be more than 20% of liquidated damages computed in the manner mentioned in Article 4.7.1. Provided further, in case of delay beyond scheduled commercial operation date, the provisions of Article 4.7.1 to 4.7.4 will apply for such delay.

4.8 Increased costs due to Procurer's default

The Parties expressly agree that the Procurer's only liability for any loss of profits or any other loss of any other kind or description whatsoever, suffered by the Seller by reason of the Procurer's failure to meet its obligations under Article 4.2 shall be the amounts specified in Article 4.6.

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ARTICLE 5

CONSTRUCTION

5.1 Seller's Construction Responsibilities

5.1.1 The Seller shall be responsible for designing, constructing, erecting, commissioning, completing and testing the Power Station in accordance with the following, it being clearly understood that in the event of inconsistency between two or more of the following, the order of priority as between them shall be the order in which they are placed, with 'applicable law' being the first:

- a) applicable Law;
- b) the Grid Code;
- c) the terms and conditions of this Agreement;
- d) the Functional Specifications; and
- e) Prudent Utility Practices.

Notwithstanding anything to the contrary contained in this PPA, the Seller shall ensure that the technical parameters or equipment limits of the Project shall always be subject to the requirements as specified in points (a) to (e) above and under no event shall over-ride or contradict the provisions of this Agreement and shall not excuse the Seller from the performance of his obligations under this Agreement.

5.2 The Site

5.2.1 *The Seller acknowledges that, before entering into this Agreement, it has had sufficient opportunity to investigate the Site and accepts full responsibility for its condition (including but not limited to its geological condition, on the Site, the adequacy of the road and rail links to the Site and the availability of adequate supplies of water) and agrees that it shall not be relieved from any of its obligations under this Agreement or be entitled to any extension of time or financial compensation by reason of the unsuitability of*

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the Site for whatever reason.

5.3 Information Regarding Interconnection Facilities

5.3.1 The Seller shall be responsible for establishing interconnection facilities for evacuation of power from the generating station to the Interconnection point.

5.4 Quality of Workmanship

5.4.1 The Seller shall ensure that the Power Station is designed, built and completed in a good workmanlike manner using sound engineering construction practices and using only materials and equipment that are new and of international utility grade quality such that, the useful life of the Power Station continues till the Expiry Date.

5.4.2 The Seller shall ensure that design, construction and testing of all equipment, facilities, components and systems of the Project shall be in accordance with Indian Standards and Codes issued by Bureau of Indian Standards and/or internationally recognised Standards and Codes, such as:

- i. American National Standards Institute (ANSI)
- ii. American Society of Testing and Materials (ASTM)
- iii. American Society of Mechanical Engineers (ASME)
- iv. American Petroleum Institute (API)
- v. Standards of the Hydraulic Institute, USA
- vi. International Organization for Standardization (ISO)
- vii. Japanese Industrial Standards (JIS)
- viii. Tubular Exchanger Manufacturer's Association (TEMA)
- ix. American Welding Society (AWS)
- x. National Electrical Manufacturers Association (NEMA)
- xi. National Fire Protection Association (NFPA)

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- xii. International Electro-Technical Commission (IEC)
- xiii. Expansion Joint Manufacturers Association (EJMA)
- xiv. Heat Exchange Institute (HEI)
- xv. American Water Works Association (AWWA)
- xvi. Deutsches Institut für Normung (DIN)

Other international standards, established to be equivalent or superior to the above standards shall also be acceptable. However, in the event of any conflict between the requirements of the international codes and standards and the requirements of the Indian standards/regulations, the latter shall prevail.

5.5 Consents

- 5.5.1 The Seller shall be responsible for obtaining all Consents required for developing, financing, constructing, operating and maintenance of the Project and maintaining/ renewing all such Consents in order to carry out its obligations under this Agreement in general and this Article-5 and Schedule I in particular and shall supply to the Procurer promptly with copies of each application that it submits, and copy/ies of each consent/approval/license which it obtains.

5.6 Construction Documents

- 5.6.1 The Seller shall retain at the Site and make available for inspection to the Procurer at all reasonable times copies of the results of all tests specified in Schedule 3 thereof.

5.7 Co-ordination of Construction Activities

- 5.7.1 Before the tenth (10th) day of each alternate Month, during the Construction Period:

- (a) the Seller shall prepare and submit to the Procurer a bi-monthly progress report, in the Agreed Form, which reviews the progress of the design, engineering, procurement, construction, completion, testing and commissioning of the Power Station; and



(b) The Seller shall prepare, in consultation with STU, and submit to the Procurer, a bi-monthly progress report in the Agreed Form which reviews the progress of the design, engineering, procurement, construction and installation of the Interconnection and Transmission Facilities upto the Interconnection Point. The same shall be submitted by the Seller to the Procurer.

5.7.2 The Seller and the Procurer individually shall designate from time to time, by giving a written notice to the other party up to five (5) of its employees who shall be responsible for coordinating all construction activities relating to the Project and who shall have access at all reasonable times to the other party's land for the purpose of appraising the progress of the work being carried on, subject to such designated persons or the party appointing them giving reasonable notice to the other party of such visit and subject to their complying with all reasonable safety procedures.

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ARTICLE 6

SYNCHRONISATION, COMMISSIONING AND COMMERCIAL OPERATION

6.1 Synchronisation

- 6.1.1 The Seller shall give the Procurer and SLDC at least sixty (60) days advance preliminary written notice and at least thirty (30) days advance final written notice, of the date on which it intends to synchronise a Unit to the Grid System.
- 6.1.2 Subject to Article 6.1.1, a Unit may be synchronised by the Seller to the Grid System when 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.

6.2 Commissioning

- 6.2.1 The Seller shall be responsible for ensuring that each Unit is commissioned in accordance with Schedule-3 at its own cost, risk and expense.
- 6.2.2 The Seller shall give the Procurer and the Independent Engineer not less than ten (10) days prior written notice of Commissioning Test of each Unit.
- 6.2.3 The Seller, the Procurer and the STU representative or the Independent Engineer (individually) shall each designate qualified and authorised representatives to witness and monitor Commissioning Test of each Unit.
- 6.2.4 Testing and measuring procedures applied during each Commissioning Test shall be in accordance with the codes, practices and procedures mentioned in Schedule 3 of this Agreement.
- 6.2.5 Within five (5) days of a Commissioning Test, the Seller shall provide the Procurer and the STU representative or the Independent Engineer with copies of the detailed Commissioning Test results. Within five (5) days of receipt of the Commissioning Test results, the STU

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representative or Independent Engineer shall provide to the Procurer and the Seller in writing, his findings from the evaluation of Commissioning Test results, either in the form of Final Test Certificate certifying the matters specified in Article or the reasons for non-issuance of Final Test Certificate.

6.2.6 A Unit shall be commissioned on the day after the date when the Procurer receives a Final Test Certificate of the STU representative or Independent Engineer stating that:

- (a) The Commissioning Tests have been carried out in accordance with Schedule 3; and are acceptable to him; and
- (b) The results of the Performance Test show that the Unit's Tested Capacity, is not less than ninety five (95) percent of its Rated Capacity as existing on the Effective Date

6.2.7 If a Unit fails a Commissioning Test, the Seller may retake the relevant test, within a reasonable period after the end of the previous test, with three (3) day's prior written notice to the Procurer and the STU representative or Independent Engineer. Provided however, the Procurer shall have a right to require deferment of any such re-tests for a period not exceeding fifteen (15) days, without incurring any liability for such deferment.

6.2.8 The Seller may retake the Performance Test by giving at least fifteen (15) days advance notice in writing to the Procurer, up to eight (8) times, during a period of one hundred and eighty (180) days ("Initial Performance Retest Period") from a Unit's COD in order to demonstrate an increased Tested Capacity over and above as provided in Article 6.2.6(b). Provided however, the Procurer shall have a right to require deferment of any such re-tests for a period not exceeding fifteen (15) days.

6.2.9 If a Unit's or Power Station's Tested Capacity at the end of the Initial Performance Retest Period is found to be more than it's Rated Capacity, the Rated Capacity shall be deemed to be the Unit's or Power Station's Tested Capacity for all purposes.

Provided that the Tested Capacity in excess of the Rated Capacity shall be ignored for all purposes of this Agreement but the Procurer shall have



the right over such excess. No capacity charges shall be payable for such excess capacity.

Provided further that in all the above events, the Seller shall be liable to obtain/maintain all the necessary consents (including Initial Consents), permits and approvals including those required under the environmental laws for generation of such excess Tested Capacity.

6.3 Commercial Operation

The Seller shall execute 72 Hours' continuous trial run test at full load to demonstrate the Rated Name Plate Capacity of the Unit upon Synchronisation pursuant to provisions of Clause 6.1 above. Upon successful trial run test, Seller may declare Entry into the Commercial Service of the relevant Unit. The Seller shall, within 180 (One hundred eighty) days' from the date of Synchronisation, execute the Performance Guarantee Test as provided under Schedule 3. If such date of Entry into Commercial Service is likely to fall ahead of the date specified in Article 1, the Seller shall have to obtain a written prior consent of the Procurer in that regard.

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ARTICLE 7

OPERATION AND MAINTENANCE

7.1 Operating Procedures

7.1.1 Not later than thirty (30) days before the Scheduled Synchronization Date of the first Unit, the Procurer shall provide the Seller with a draft Operating Procedure, in line with Applicable ABT regulations, dealing with all operation interfaces between Procurer and the Seller including, but not limited to:

- a) the method of day-to-day communication between the Procurer and the Seller;
- b) scheduling and dispatch;
- c) capacity and energy reporting;
- d) testing (including Performance Tests) and monitoring of the Units, if required.

7.1.2 The Operating Procedures shall be consistent with the following, it being clearly understood that in the event of inconsistency between two or more of the following, the order of priority as between them shall be the order in which they are placed, with 'applicable law' being the first:

- a) Applicable law;
- b) the Regulations, Grid Code; Terms and conditions of Tariff and ABT- as & when applicable;
- c) the terms and conditions of this Agreement;
- d) the Functional Specifications;
- e) the Technical Specifications; and
- f) Prudent Utility Practices.

7.2 Operation and Maintenance of the Power Station

7.2.1 The Seller shall be responsible at its own expense for ensuring that the Power Station is operated and maintained in accordance with all legal requirements, including the terms of all Consents and Prudent Utility

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Practices so as to meet its obligations under this Agreement, including without limitation its obligations under Article 4.1, and so as not to have an adverse effect on the Grid System.

7.2.2 The Seller shall be responsible at its own expense for obtaining and keeping in force all Consents required for the operation of a Unit, the Power Station and the Project in accordance with this Agreement throughout its Operating Period.

7.2.3 The Seller shall ensure that sufficiently competent and qualified personnel are always on hand at the Power Station to enable a Unit to be operated twenty four (24) hours a day, seven (7) days a week throughout the year.

7.3 Inspections

7.3.1 The Procurer shall have the right to designate, from time to time in a written notice to the Seller, up to five (5) of their representatives who shall be responsible for inspecting the Power Station for the purpose of verifying the Seller's compliance with this Article 7 and who shall have access to the Power Station:

- a) on no more than two (2) occasions in a Contract Year, upon giving not less than twenty four (24) hours notice of the inspection to the Seller;
- b) on occasions when the Seller has reported partial or full outage, to verify the other conditions reported by the Seller which in the reasonable opinion of the Procurer may affect the output of a Unit and / or the Power Station in the next twenty four (24) hours, by giving one (1) hour notice; and

at any other time for good cause, upon giving such notice as maybe reasonable in the circumstances;

subject, in all cases, to their complying with all reasonable safety precautions and standards.

7.3.2 In the exercise of any of its right under Article 7.3.1, the Procurer shall ensure that their representatives do not knowingly interfere with the proper operation or maintenance of the Power Station.

7.4 Dispatch Procedures

7.4.1 The Parties shall comply with the Dispatch Procedures in accordance with the Grid Code and / or Applicable ABT Regulations.

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7.5 SCHEDULED OUTAGES

- 7.5.1 Not later than sixty (60) days before the Entry into Commercial Service of each Unit and thereafter not later than the 31st January in each year (or by such other date as may be mutually agreed), Seller shall submit to Procurer its Maintenance Programme and the Scheduled Outages desired therefore for the relevant Unit(s) and for the relevant period(s).
- 7.5.2 Within two (2) months after receiving Seller's proposals, Procurer shall notify in writing whether the proposed Scheduled Outages are acceptable and, if not, and after discussing the matter with Seller, shall indicate the periods that would be acceptable, which shall be:
- (i) of the same duration as the periods requested by Seller;
 - (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.
- 7.5.3 Seller may only object to a Scheduled Outage proposed by Procurer on the grounds that it would be inconsistent with the requirements of above mentioned paragraph 7.5.2 of this Article.
- 7.5.4 The Scheduled Outages accepted by Procurer or agreed to by Seller pursuant to paragraph 7.5.3 of this Article 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.
- 7.5.5 In an Emergency, Procurer may require Seller to use its best efforts to reschedule a confirmed Scheduled Outage (including one which has already begun) to a more convenient time.
- 7.5.6 Seller 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 Procurer to utilise the full amount of that Unit's Declared Capacity.

7.6 MAINTENANCE OUTAGE

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- a) Whenever Seller needs a Maintenance outage, it shall advise Procurer 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 Seller'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 Seller advised Procurer of the need for the Maintenance Outage).
- b) After discussing the matter with Seller, Procurer 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 Seller). Seller shall use its reasonable endeavors consistent with Prudent Utility Practices to take the Unit out of service at the scheduled time.
- c) Procurer may require Seller to schedule the Maintenance Outage so as to remedy any requirement of the Unit's ability to meet its Operating Characteristics.

7.7 FORCED OUTAGE

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

7.8 Not used

7.9 Maintenance of Records

- 7.9.1 Each Party shall keep complete and accurate records and all data required by each of them for the purposes of proper administration of this Agreement including, without limitation, an accurate and up to date operating log at the Power Station with records of:
- (a) meter records and other records needed to reflect real and reactive energy generated for each Settlement Period and Electrical Output of the Power Station on a continuous real time basis;
 - (b) records of Available Capacity and Declared Capacity;
 - (c) the results of any tests;
 - (d) changes in operating status, Scheduled Outages, Maintenance Outages and Forced Outages (and any other restrictions or limitations affecting Available Capacity);
 - (e) any unusual conditions found during inspections; and
 - (f) records or primary and secondary fuel receipts, consumption and stocks.

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7.9.2 All records maintained pursuant to this Article 7.9.1 shall be maintained for minimum of sixty (60) months after the creation of such records or data:

Provided that, the Parties shall not dispose of or destroy any such records after such sixty (60) month period without thirty (30) days' prior written notice to the other parties or at any time during the continuation of any dispute in respect of any matter to which such records relate.

7.9.3 Every Party shall have the right, upon reasonable prior notice, to examine the records and data of the other Parties relating to this Agreement or the operation and maintenance of the Power Station at any time during normal office hours.

7.10 Modifications

7.10.1 Seller shall be entitled to carry out any modification, at no cost to Procurer, to the Power Station if and only if :

- (a) such modification does not contravene Prudent Utility Practices;
- (b) such modification will not result in the Power Station being unable to operate within the Functional Specifications as set out in Schedule 2;
- (c) such modification will not have an adverse effect upon the contracted levels of Availability; and

7.10.2 Notwithstanding the above, the Capital Cost shall be increased to include additional capitalization as may be admitted by the Appropriate Commission, to account for the cost of modifications, if any, in accordance with Article 13 and shall include:

- (i) Deferred liabilities;
- (ii) Works deferred for execution;
- (iii) Procurement of initial capital spares in the original scope of work, subject to ceiling specified by GERC/CERC;
- (iv) Liabilities to meet award of arbitration or for compliance of the order or decree of a court; and
- (v) On account of Change in Law.

[collectively "(Additional Capitalisation)"]

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7.10.3 Subject to the provisions of Article 7.10.4 hereunder, the Capital Cost of the following nature actually incurred after the Commercial Operations Date, as may be admitted by the Appropriate Commission shall also be considered as Additional Capitalization:

- (i) Deferred liabilities relating to works/services within the original scope of work;
- (ii) Liabilities to meet award of arbitration or for compliance of the order or decree of a court;
- (iii) On account of change in law;
- (iv) Any additional works/services which have become necessary for efficient and successful operation of the Unit or the Power Station, but not included in the original Capital Cost; and

7.10.4 Any expenditure on minor items/assets like normal tools and tackles, personal computers, furniture, air-conditioners, voltage stabilizers, refrigerators, fans, coolers, TV, washing machines, heat-convector, carpets, mattresses etc. brought after the Commercial Operations Date, shall not be considered for Additional Capitalization.

7.10.5 Any expenditure admitted on account of committed liabilities within the original scope of work and the expenditure deferred on techno-economic grounds but falling within the original scope of work shall be serviced in the debt-equity ratio as approved by the Appropriate Commission.

Any expenditure on replacement of old assets shall be considered after writing off the gross value of the original assets from the Capital Cost, except such items as are listed in Article 7.10.4.

Any expenditure admitted by the Appropriate Commission for determination of tariff on account of new works not in the original scope of work shall be serviced in the debt-equity ratio approved by the Appropriate Commission.

Any expenditure admitted by the Appropriate Commission for determination of tariff on renovation and modernization and life extension shall be serviced on debt-equity ratio approved by the Appropriate Commission, after writing off the original amount from the Capital Cost if any replacement of existing assets are involved.

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ARTICLE 8

CAPACITY, AVAILABILITY AND DESPATCH

8.1 Repeat Performance Tests

- 8.1.1 The Procurer may from time to time during the Operating Period, but only if the Available Capacity has not been Ninety Five per cent (95%) of the Installed Capacity of the commissioned units (excluding the unit(s) under planned outage for capital maintenance in consultation with the Regional Power Committee/State Power Committee, if any) for one continuous period of atleast three (3) hours during any three continuous months, require the Seller to demonstrate a Unit's or Units' Tested Capacity by carrying out a further Performance Test (a "Repeat Performance Test") in accordance with this Article 8.1. A Repeat Performance Test shall be carried out in accordance with Article 8.1 and Clause 3.4 of Schedule 3, save that the test shall last twenty-four (24) hours instead of seventy two (72) hours. Provided that if the Tested Capacity after such test is less than Ninety Five percent (95%) of the Rated Capacity (as existing on the Effective Date) of the Commissioned Units, the Seller shall also have a right to conduct not more than two Repeat Performance Test within a period six months, by giving a notice of not less than fifteen (15) days to the Procurer for each such test. Provided that the Procurer shall have a right to require deferment of each such re-tests for a period not exceeding five (5) days, without incurring any liability for such deferment.
- 8.1.2 The Procurer shall give the Seller not less than seven (7) days' advance written notice of the time when a Repeat Performance Test of a Unit or Units is to begin. A Repeat Performance Test may not be scheduled for any period when a Unit to be tested is due to undergo a Scheduled Outage.
- 8.1.3 The Procurer and Seller may jointly appoint the Independent Engineer or STU representative to monitor the Repeat Performance Test and to certify the results in accordance with Article 8.2 or get the same certified by the STU representative.
- 8.1.4 If the Seller wishes to take any Unit, out of service for repair before a Repeat Performance Test, it shall inform the Procurer in writing before its scheduled start of the repairs and the estimated time required to

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complete the repairs. The Parties shall then schedule a Maintenance Outage in accordance with the Grid Code to enable the Seller to carry out those repairs and in such a case, the Procurer shall defer the Repeat Performance Test until such Unit is returned to service following that Maintenance Outage.

- 8.1.5 The Procurer may, for reasonable cause, defer any Repeat Performance Test for up to fifteen (15) days from the date originally notified to the Seller in accordance with Article 8.1.2 if the Procurer notifies the Seller in writing at least Three (3) days before the Repeat Performance Test starts of the reason for the deferral and when the test is to be rescheduled.

Provided that, such deferment at the request of the Procurer shall be permitted only once in respect of each of the Repeat Performance Tests.

- 8.1.6 The Seller, the Procurer and the Independent Engineer or STU representative, individually, shall each have the right to designate qualified and authorised representatives (but not more than three each) to monitor the Repeat Performance Test.
- 8.1.7 Testing and measurement procedures applied during the Repeat Performance Test shall be in accordance with the relevant Test Codes, practices of procedures as generally/normally applied for the Performance Tests.
- 8.1.8 Within five (5) days of a Repeat Performance Test, the Seller shall provide the Procurer and the STU representative or Independent Engineer with copies of the detailed test results.
- 8.1.9 Within one (1) Month of the date by which all the Units have been commissioned, the Seller shall conduct a Performance Test of all the Units (hereinafter referred to as "Total Capacity Performance Test") whereafter the provisions of Article 8.2 shall apply. A Total Capacity Performance Test shall be carried out in accordance with Clause 3.1 of Schedule 3, save that the test shall last twenty-four (24) hours instead of seventy two (72) hours.

8.2 Derating

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- 8.2.1 A Repeat Performance Test shall be concluded when the Procurer receives the Final Test Certificate of the STU representative or Independent Engineer stating that the Repeat Performance Test has been carried out satisfactorily in accordance with Schedule 3.1 and certified the Unit's or Units' then current Tested Capacity as demonstrated by the results of the Repeat Performance Test.
- 8.2.2 (i) If a Unit's or Units' then current Tested Capacity as established by the Repeat Performance Test and the Final Test Certificate issued by the STU representative or Independent Engineer, is less than 95% of Rated Capacity of the Unit or Units as existing on the Effective Date, the Unit shall be de-rated with the following consequences in each case with effect from the date of completion of such most recent test:
- (a) the Unit's or Units' Contracted Capacity shall be reduced in proportion of the Tested Capacity to the Rated Capacity and Capacity Charges shall be paid with respect to such reduced Contracted Capacity.
 - (b) the Seller shall not be permitted to declare the Available Capacity of the Unit at a level greater than its Contracted Capacity;
 - (c) the Availability Factor of the derated Unit or Units shall be calculated by reference to the reduced Contracted Capacity, in each case with effect from date on which the Procurer first notified the Seller of their intention to carry out a Repeat Performance Test of the Unit or Units; and
 - (d) the Capital Cost and each element of the Capital Structure Schedule shall be reduced in proportion to the reduction in the Contracted Capacity of the Power Station as a result of that derating (taking into account the Contracted Capacity of any Unit which has yet to be Commissioned);
- (ii) The consequences mentioned in sub-Article 8.2.2(i) above shall apply from the completion date of each Repeat Performance Test. If at the end of second Repeat Performance Test conducted by the Seller or the last date of the end of the six month period referred to in Article 8.1.1, whichever is earlier, the Tested Capacity is less

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than the Rated Capacity, the consequences mentioned in Article 8.2.2 shall apply for a period of atleast one year after which the Seller shall have a right to undertake a Repeat Performance Test. Provided that, if the Seller carries out a maintenance Programme for the plant, within a period of one year, they shall be allowed to carry out another performance test. Provided that such consequences shall apply with respect to the Tested Capacity existing at the end of second Repeat Performance Test conducted by the Seller or the last date of the end of the six month period referred to in Article 8.1.1, whichever is earlier.

8.2.3 If the STU representative or Independent Engineer certifies that it is unable to give a Final Test Certificate because events or circumstances beyond the Seller's reasonable control have prevented the Repeat Performance Test from being carried out in accordance with Clause 3.4 of Schedule 3 the Procurer shall reschedule a Repeat Performance Test as soon as reasonably practicable.

8.2.4 If a Unit's or Units' Tested Capacity is found to be more than it's Rated Capacity, the provisions of Article 6.2.9 shall apply mutatis mutandis.

8.3 Availability

8.3.1 The Seller shall comply with the provisions of the applicable Law regarding Availability including, in particular, to the provisions of the ABT and Grid Code relating to intimation of Availability and the matters incidental thereto.

8.3.2 In case the Contracted Capacity of a Unit/Contracted Capacity as a whole is a part of the installed capacity of a power station; in the event of Availability from the Project in a Settlement Period being less than 100%, the capacity available to Procurer for despatch shall be reduced proportionately. However, the Seller has the option to offer more than such reduced capacity for despatch by Procurer but not lower than such proportionate availability.

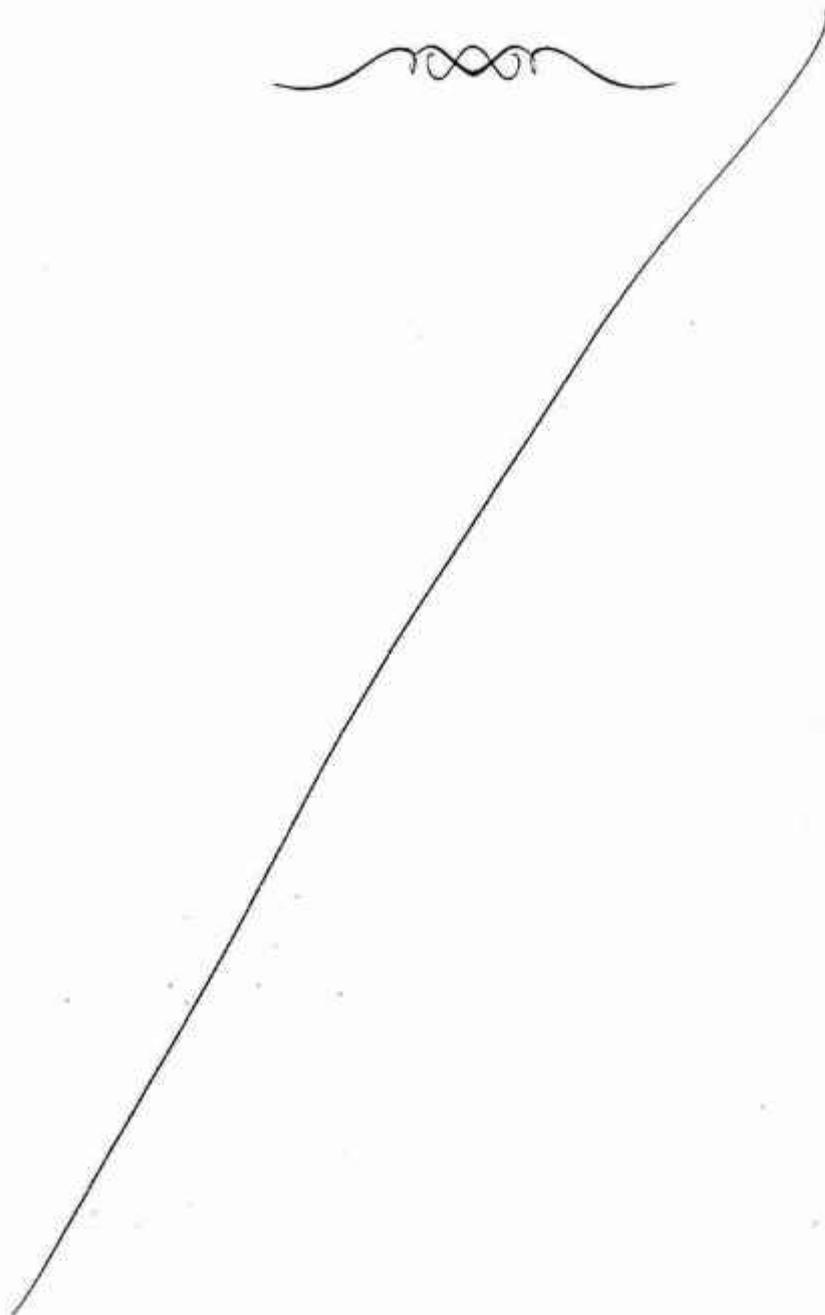
8.4 Dispatch

8.4.1 The Seller shall comply with the provisions of the applicable Law regarding Dispatch instructions, in particular, to the provisions of the

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ABT and Grid Code relating to Dispatch and the matters incidental thereto.



ARTICLE 9

METERING AND ENERGY ACCOUNTING

9.1 Metering system of the Project

9.1.1 The metering system for the Project (the "Metering System") shall be installed by the Seller in consultation with the STU/Procurer as per the Appropriate Electricity Grid Code and the Applicable ABT Regulations as outlined by the GERC/CERC and shall comprise of:

- a. a meter on each Unit (the "Generator Meters");
- b. a meter at each of the Interconnection Point (the "Interconnection Meter");
- c. a meter at each of the station transformer (the "Import Meter"); and
- d. check meters for the Generator Meters, the Interconnection Meter and the Import Meter (the "Check Meters").

9.1.2 The Metering System shall measure:

- a. in respect of the Generator Meters and the corresponding Check Meters, the Generator Capacity of each Unit at its generator terminal;
- b. in respect of the Interconnection Meters and the corresponding Check Meter, the Electrical Output delivered at the Interconnection Points; and
- c. in respect of the Import Meter and the corresponding Check Meter, energy imported by the Company into the Power Station at the station transformers.

9.2 Meters

9.2.1 For installation of Meters, Meter testing, Meter calibration, Meter reading, Energy accounting and Testing accuracy of meters and all matters incidental thereto, the Seller and the Procurer shall follow and be bound by the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, the Grid Code and ABT as amended and revised from time to time.

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9.3 SLDC Charges

9.3.1 All applicable scheduling and SLDC charges-

- (a) upto the Interconnection Point shall be borne by the Seller and
- (b) beyond the Interconnection Point shall be borne by the Procurer.

9.4 Inaccuracy of Meters

- 9.4.1 In the event that any Main Meter fails to register or, upon being tested, is found not to be accurate within $\pm 0.2\%$, the Generator Capacity, Electrical Output or imported energy, as the case may be, shall for the period referred to in Article 9.4.3, be measured on the basis of the value registered by the corresponding Check Meter.
- 9.4.2 In the event that both a Main Meter and the corresponding Check Meter both fail to register or, upon being tested, be found not to be accurate within $\pm 0.2\%$, Generator Capacity, Electrical Output, or imported energy, as the case may be, shall for the period referred to in Article 9.4.3, be adjusted by immediately restoring and recalibrating the Main Meter and the corresponding Check Meter and the correction applied to the consumption registered by the Main Meter.
- 9.4.3 The period referred to in Articles 9.4.1 and 9.4.2 above is the actual period during which inaccurate measurements were made if such period can be determined or, if not readily determinable, the shorter of:
- (a) the period since the immediately preceding test of the relevant Main Meter; or
 - (b) one hundred and eighty (180) days immediately preceding the test at which the relevant Main Meter was determined to be defective or inaccurate.

9.5 Meter Reading

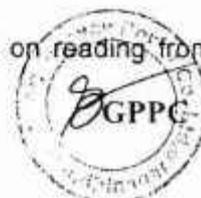
9.5.1 The readings of the meter shall be taken by STU as decided by RPC and SPC for preparation of Energy Account.

9.6 Energy Accounting

9.6.1 State Energy Account

Nodal Agency will issue State Energy Account based on reading from ABT

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compliant meters. The SEA is subject to subsequent revision / correction. The Seller shall bill the Procurer based on the Scheduled Energy and Capacity Availability as per the SEA. The SEA as finalized shall be binding on both the Parties.

9.7 POWER LINE CARRIER COMMUNICATION

9.7.1 Seller, at its sole cost and expense, shall provide:

- (i) Power Line Carrier channels to 220 KV 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 Despatch Centre; and
- (iv) equipment to allow the sending and receiving of tele copies.

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

9.8 Establishment of Proportionate Availability

9.8.1 The 'Generator Meters' shall be jointly read by the Procurer and Seller or their authorised representatives at the end of every quarter.

9.8.2 The Seller shall, using such quarterly readings of meters at Generators prove Procurer's proportionate right, as per Article 8.3.2, for each Settlement Period on Power and Energy Output of the Project up to the Contracted Capacity.

9.8.3 Procurer shall have the right to initiate such joint meter readings, at times other than the quarterly reading as per Article 9.8.1 of this Agreement, by giving a notice of at least 7 days to the Seller.

9.8.4 In case the Seller fails to establish Procurer's proportionate right as per provisions of Article 9.8.2 of this Agreement, the Seller shall be liable to be penalised. Such penalty shall be 1.5 (one and a half) times the difference between Highest Energy Charges for Industrial Category in Gujarat and Energy Charges Quoted by the Seller for each unit of energy for which Procurer's first right was breached. In case the UI Charges at 49.0 Hz, applicable during the period of such breach of Procurer's proportionate right is higher than the Highest Energy Charges for Industrial Category in Gujarat, the penalty shall be 1.5 (one and a half)

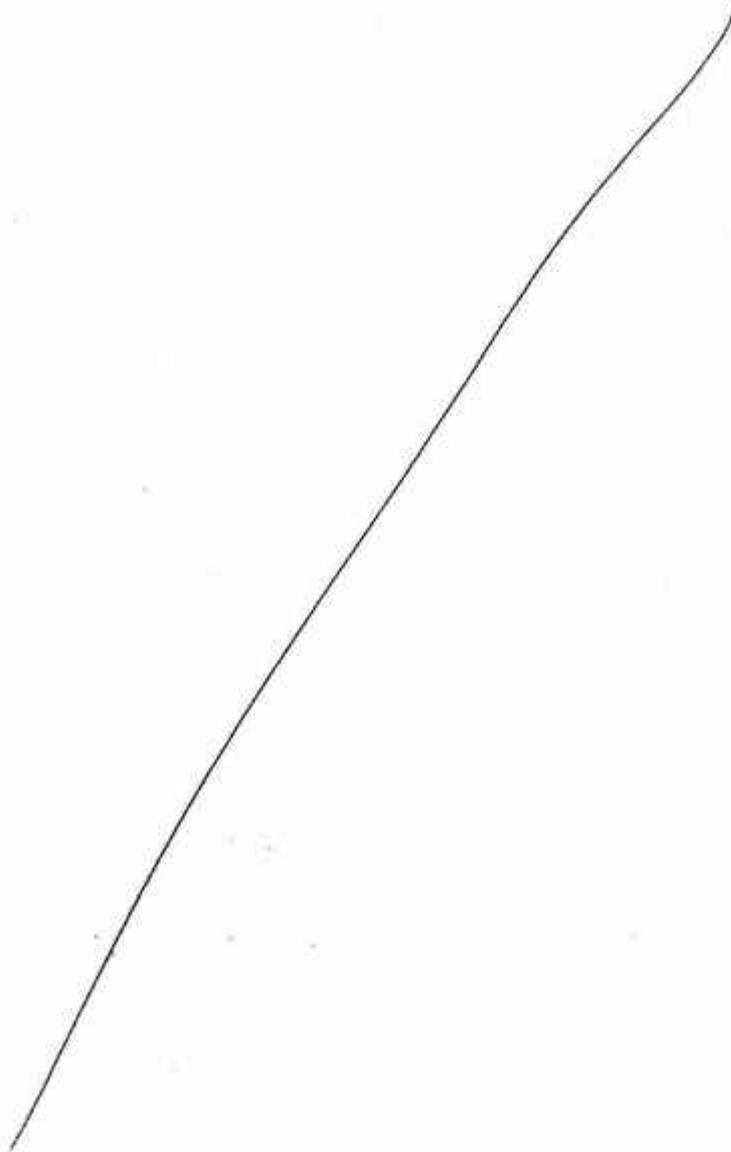
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times the difference between UI Charges at 49.0 Hz and Energy Charges quoted by the Seller for each unit of energy.



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ARTICLE 10

INSURANCES

10.1 Seller's OBLIGATIONS

Seller, subject to other provisions in this Article, shall be obliged to procure and maintain or cause to be procured and maintained Insurances in respect of the Generating Station during the Term of the PPA as may be necessary on account of:

- requirements under the statute
- requirements under the Good Industry Practice
- requirements under the EPC contract
- requirements under the Financing Agreements and
- requirements to provide security to the staff and the equipments

10.2 FAILURE TO INSURE

Seller shall not be in breach of its obligations to procure any insurance under Clause 10.1 to the extent, and only for the period, that 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 Seller. However, they will not be absolved of associated risk(s), if any.

10.3 NO CHANGE TO INSURANCE

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

10.4 Not Used

10.5 NON PAYMENT OF PREMIUMS

Seller 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 atleast 30 (thirty) days' prior written notice being given by the insurer to Procurer, provided that each such endorsement shall provide:

- (i) that the insurer may not cancel the coverage for non-payment of premiums without first giving Procurer 30 (thirty) days' written

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notice that Seller has failed to make timely payment of the premium (including details of the amount owing); and

- (ii) that Procurer 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 Seller.

10.6 EVIDENCE OF INSURANCE COVER

10.6.1 Seller shall furnish to Procurer copies of certificates and policies of the Insurances as soon as they are effected and renewed by or on behalf of Seller and from time to time shall furnish evidence to Procurer 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.

10.6.2 Failure by Seller to obtain the insurance coverage or certificates of insurance required pursuant to this Article 10 shall not relieve or limit Seller's obligations under any provision of this PPA.

10.7 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.



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ARTICLE 11

BILLING AND PAYMENT

11.1 MONTHLY TARIFF PAYMENT(S)

11.1.1 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

11.1.2 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.

11.1.3 Monthly Tariff Payments shall be payable in Rupees.

11.1.4 No payment, whatsoever, shall be made for any inadvertent flow (as defined in ABT norms) of Energy into Grid System.

11.2 Monthly Tariff Payments shall be calculated for periods of a full calendar month except:

- (i) when Energy is first accepted by Procurer into the 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 5.1.4 of Schedule 5 occur during the course of a month, the Monthly Tariff Payments for that month shall be calculated separately for

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- (a) the period from the beginning of the month until the day before the first Tariff Change occurred,
 - (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.

11.3 THE MONTHLY TARIFF INVOICE:

Upon Synchronisation of each Unit and after Completion of one full calendar month therefrom, Seller shall raise a Monthly Tariff Invoice for the purpose of recovering its dues in terms of this PPA. The date of raising Monthly Tariff Invoice shall not be earlier than 3rd working day of the next month. The Monthly Tariff Invoice shall be submitted in triplicate to the General Manager (Commerce) or any other Officer of Procurer designated. Seller shall also furnish the relevant supporting documents as may be required. Non submission of the Monthly Tariff 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 Monthly Tariff Invoice by Procurer.

11.4 THE DUE DATE:

The Due Date shall be the date on which the payments of the Monthly Tariff Invoice or the Supplementary Monthly Tariff Invoice of Seller shall become due. The Due Date in respect of the Monthly Tariff Invoice submitted pursuant to the provisions under 11.3 above shall be reckoned from the date of receipt of Monthly Tariff Invoice by the procurer, raised in accordance with Para 11.3. If, however, such Monthly Tariff Invoice is submitted at any later date, the Due Date shall be reckoned from such later date only. Procurer shall arrange to pay the eligible amounts of

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such Monthly Tariff Invoice(s) within a time limit of 60 (sixty) days following thereafter.

11.5 REBATE:

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

2.0% for payments to be made within 7 (seven) working days from the date of receipt of Invoice

1.0% for payments to be made from the 8th to 30th day from the date of receipt of Invoice

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

11.6 THE DELAYED PAYMENT CHARGES:

For non payment of the dues of Seller within the stipulated period, either partly or fully, unless any Monthly Tariff Invoice or any such amount thereof (as the case may be) is disputed, Procurer shall pay the Delayed Payment Charges to Seller. The Delayed Payment Charges shall be admissible from the 61st (sixty first) day of the period to which the Monthly Tariff Invoice pertains. The Delayed Payment Charges will be chargeable at the rate of SBI PLR as on 1st April of the respective Financial Year plus 2%.

11.7 DISPUTED MONTHLY TARIFF INVOICE(S):

If, within a period of 6 (six) months from the date of receipt of the Monthly Tariff Invoice, the receiving Party does not question or Dispute any of the claims made, such Monthly Tariff 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 willful default or negligence was committed by the Party raising the Monthly Tariff Invoice.

The Party raising the Dispute shall do so by serving a notice, the Monthly Tariff Invoice Dispute Notice, to the other Party, within a period of 6 (six) Months from the date of receipt of the Monthly Tariff Invoice. The receiving Party shall give necessary clarifications, along with relevant supporting documents, if any, to the issuing Party within a

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period of another 7 (Seven) working days thereafter or resubmit the Monthly Tariff 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 Monthly Tariff Invoice(s) as provided under this Schedule. The Due Date of payment of such Monthly Tariff 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 Monthly Tariff Invoice(s) is not Disputed, then in such case(s), the undisputed amount(s) shall be paid forthwith. Whereas the dispute could be raised for any sum, the payment to be held up shall, however, not exceed 30% (thirty percent) of the average amount of the previous three Monthly Tariff Invoice(s) at any time on a cumulative basis.

11.8 DISPUTE RESOLUTION:

The Parties shall endeavour to resolve the Dispute(s) related to the Monthly Tariff Invoice(s) within a period of 15 (fifteen) days from the date of receipt of necessary clarification(s) as provided under 11.7 hereinabove. If this is not done, the Dispute shall be resolved in accordance with the Dispute Resolution Mechanism as provided under Article-17 of this PPA.

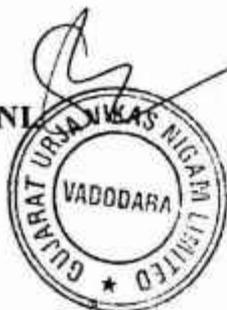
All the amounts considered payable at the end of the resolution of the Dispute, shall be paid by the owing Party to the other Party within a period of 10 (ten) Working days of the resolution of the Dispute. Such payments shall attract payment of Delayed Payment Charges as specified under para 11.6.

11.9 SUPPLEMENTARY MONTHLY TARIFF INVOICE:

The payments not identified to be incorporated under the Monthly Tariff Invoice, shall be recovered by raising the Supplementary Monthly Tariff Invoice(s), upon such payments becoming due. The provisions mentioned from 11.4 to 11.8 shall hold good for such Supplementary Monthly Tariff Invoice(s) also in respect of the relevant date(s) of the Supplementary Monthly Tariff Invoice(s).

11.10 THE MODE(S) OF PAYMENT:

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11.10.1 Direct Payment

The payments of any Monthly Tariff Invoice or the Supplementary Monthly Tariff Invoice of Seller shall be made by Procurer 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.

11.10.2 Payment Security Package

The Procurer shall provide following securities as fall back arrangement to the mode of payment stated under para 11.10.1.

11.10.2.1 Letter of Credit :

- Establishment of the L/C.

As provided under this Article 11, Procurer shall make direct payments of all the Monthly Tariff Invoices and Supplementary Monthly Tariff Invoices on the relevant Due Date(s). Procurer 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, Seller 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. Procurer shall be obliged to renew/replace any L/C., upon its expiration or operation, as the case may be prior to expiry of the same.

- Acceptability to Seller

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

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- 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 Seller.

11.11 Procurer INVOICE

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

11.12 Payment for Start up Power and Auxiliary Load

The Seller shall pay to Procurer or other entity directly for the power and energy consumed for start-up of the Project and sourced from such entity.

11.13 Order of Priority

Any payments to be received by Seller under this Agreement shall be applied in or towards the settlement of amounts payable against the principal amounts outstanding, the longest outstanding Monthly or Supplementary Bill, being settled first.

The Claim for interest on amounts outstanding or DPC shall be raised and paid separately and shall not be adjusted against any monthly payments.



ARTICLE 12

FORCE MAJEURE

12.1 Definitions

In this Article 12, the following terms shall have the following meanings:

12.2 Affected Party

An affected Party means the Procurer or the Seller whose performance has been affected by an event of Force Majeure.

An event of Force Majeure affecting the STU or any other agent of Procurer, which has affected the Interconnection and Transmission Facilities beyond the Interconnection Point, shall be deemed to be an event of Force Majeure affecting Procurer.

Similarly, any event of Force Majeure affecting the EPC contractor or any other agency employed by the Seller for the execution of the project has been affected to carryout the implementation work upto the Delivery Point, shall be deemed to be an event of Force Majeure affecting the Seller.

Any event of Force Majeure affecting the performance of the Seller's agent, shall be deemed to be an event of Force Majeure affecting Seller only if the Force Majeure event is affecting and resulting in:

- a. late Delivery of plant, machinery, equipment, materials, spare parts, water or consumables for the Project; or
- b. a delay in the performance of any of the Seller's contractors.

Similarly, any event of Force Majeure affecting the performance of the Seller's contractor for the setting up or operating Interconnection Facilities shall be deemed to be an event of Force Majeure affecting Seller only if the Force Majeure event is resulting in a delay in the Performance of Seller's contractors.

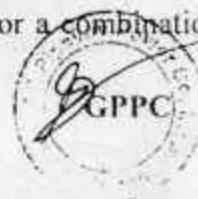
12.3 Force Majeure

A Force Majeure means any event or circumstance or a combination of

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events and circumstances referred to in following Article 12.3.1 which (or any consequences of which) adversely affects the performance by the Affected Party, of its obligations under this Agreement and to the extent that such events or circumstances are beyond the reasonable control of such Affected Party and which the Affected Party could not have prevented by Prudent Utility Practices or by the exercise of reasonable skill and care.

12.3.1 Events of Force Majeure

Force Majeure shall mean the following events and circumstances to the extent that they, or their consequences, have an effect described in Article 12.3:

- (i) Act of God, epidemic, lightning, earthquake, cyclone, whirlwind, flood, tempest, storm, drought, lack of water or other unusual or extreme adverse weather or environmental conditions, action of the elements, meteorites, objects falling from aircraft, pressure waves caused by aircraft or aerial devices traveling at supersonic speed, fire or explosion to the extent originated from the source external to the Power Station due to reasons other than, those caused by negligence of the Parties, chemical or radioactive contamination or ionising radiation;
- (ii) Act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo (resulting in non-availability or shortage of Fuel), revolution, riots, insurrection, civil commotion, act of terrorism, or sabotage;
- (iii) Air Crash, the impact of non-natural airborne objects with the ground or with objects or structures on the ground including, without restricting the generality of the foregoing, aeroplanes, helicopters, gliders, satellites and other similar objects;
- (iv) Strikes and Lock-Outs of general nature having a duration of not less than 7 consecutive days and not arising out of disputes between Seller or any Affiliate or any of their employees, contractors, subcontractors or agents;
- (v) The Expropriation or Compulsory Acquisition or seizure of the assets of Seller by Government of India, Government of Gujarat or any Government authority thereof, provided that this Article 12.3.1 shall not apply where such act (including expropriation or compulsory acquisition) constitutes a remedy or sanction lawfully exercised as a result of a breach by Seller of any Indian law or

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Indian directive but excluding any Change in Law;

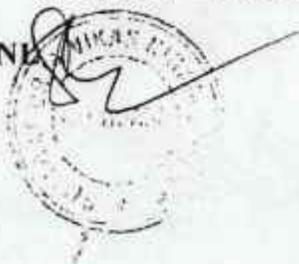
- (vi) Any exercise of a sovereign or executive prerogative by any of Government of India, Government of Gujarat or any Government authority thereof vested by law with such authority, provided that this Article 12.3.1 (vi) shall not apply where such act constitutes a remedy or sanction lawfully exercised as a result of a breach by Seller of any Indian Law or Indian directive but excluding any Change in Law;
- (vii) Any events or circumstances not specifically provided hereinabove but of a analogous nature and having same material and adverse effect on the performance of the Affected Party.

In addition to the above, the following shall be events of Force Majeure prior to Entry into Commercial Service of the Unit or the Unit(s) as the case may be:

- a. loss of or damage to marine cargo in the course of marine transit and intended for incorporation in the Power Station; and /or
- b. any decision or order of a court or tribunal which has the effect of restraining all or any of the activities concerning the construction of the Power Station, except to the extent that it constitute a remedy or sanction lawfully exercised as a result of a breach by Seller of any Indian law or Indian directive but excluding any Change in Law. In this connection due regard shall be had to the final determination of the Court or Tribunal and the question as to breach by Seller of any Indian law or Indian directive shall be determined on such basis; and/or
- c. any decision or order of a court or tribunal which has the effect of restraining all or any of the activities concerning the construction of the Transmission and Inter connection Facilities, except to the extent that it constitute a remedy or sanction lawfully exercised as a result of a breach by Seller of any Indian law or Indian directive but excluding any Change in Law. In this connection due regard shall be had to the final determination of the Court or Tribunal and the question as to breach by Seller of any Indian law or Indian directive shall be determined on such basis.

(viii) Any events of failure of Power Transmission System or Gas

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Transportation System

12.4 Force Majeure Exclusions

Force Majeure shall not include the following conditions, 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 consumables for the Project;
- b. Delay in the performance of any contractor, sub-contractors or their agents excluding the conditions as mentioned in Article 12.2;
- c. Non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;
- d. Strikes or labour disturbance specifically at the facilities of the Affected Party;
- e. Insufficiency of finances or funds or the agreement becoming onerous to perform; and
- f. Non-performance caused by, or connected with, the Affected Party's:
 - i. Negligent or Intentional acts, errors or omissions;
 - ii. Failure to comply with an Indian law or Indian Directive; or
 - iii. Breach of, or default under this Agreement or any Project Agreements or Government Agreements.

12.5 Notification of Force Majeure Event

12.5.1 The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than seven (7) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force Majeure results in a breakdown of communications rendering it not reasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed, and the Affected Party shall give the other Party regular (and

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not less than monthly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the situation.

12.5.2 The Affected Party shall give notice to the other Party of (i) the cessation of the relevant event of Force Majeure; and (ii) the cessation of the effects of such event of Force Majeure on the performance of its rights or obligations under this Agreement, as soon as practicable after becoming aware of each of these cessations.

12.6 Duty to perform and duty to mitigate

To the extent not prevented by a Force Majeure event pursuant to Article 12.3, the Affected Party shall continue to perform its obligations pursuant to this Agreement. The Affected Party shall use its reasonable efforts to mitigate the effect of any event of Force Majeure as soon as practicable.

12.7 Available Relief for a Force Majeure Event

12.7.1 Neither Party shall be responsible or liable for, or deemed to be in breach of any term of this Agreement because of any failure or delay in complying with its obligations under or pursuant to this Agreement 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 nevertheless been experienced by that Party had such Force Majeure event not occurred.

12.7.2 Notwithstanding anything in this Agreement :

(a) In respect of events of Force Majeure falling under Articles 12.3.1 (i), 12.3.1 (ii), or 12.3.1 (iii), Procurer 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 days thereafter. If the period of Force Majeure exceeds the above period of 7 days, the payments, if any, will be made by Procurer for the entire Force Majeure period commencing from the date of the occurrence of such event of Force Majeure.

(i) the increased cost of interest and commitment charges relating to the Power Station, due to the extension of time under Article 12.7.1 during the period of such Force Majeure event and calculated at the respective annual interest rate on each component of Total Debt, to the extent that such amounts were actually drawn

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down; and

(ii) the increased cost incurred by Procurer for the needs of the Power Station, due to inflation during the period of the Force Majeure event due to the extension of time under Article 12.7.1 calculated with reference to the Reserve Bank of India inflation index for Equity and Total Debt which is not included in the foreign exchange component in Total Debt and the relevant inflation index for the foreign exchange component in Total Debt and Equity.

12.8 The Scheduled CoD of the Unit or Power Station, 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 Agreement.

12.8.1 The Party, other than the Affected Party, shall not bear any liability for any loss or expense suffered by the Affected Party as a result of a Force Majeure except as provided in Article 12.7.2.

Consequences After Commissioning

The consequences on account of occurrence of any of the FM Event are mentioned in the following Table:

Event	Periodicity from the date of occurrence	Affected Party	Consequences
Act of God – Clause 12.3.1(i)	Upto 270 Days	Either or both	<ul style="list-style-type: none"> ▪ Performance excused; ▪ Financial liability: Nil
All other Clauses from 12.3.1(ii) to 12.3.1(viii)	Upto 7 Days		
Act of War – Clause 12.3.1(ii), Air Crash – Clause 12.3.1(iii), & Strikes and Lock Outs – Clause 12.3.1(iv) & Transmission System Failure – Clause 12.3.1(viii)	More than 7 Days and upto 270 Days	Seller	<ul style="list-style-type: none"> ▪ Seller excused of performance; ▪ Procurer to pay to Seller: <ul style="list-style-type: none"> ▪ 25% O&M plus ▪ 100% Interest on legitimate outstanding amount of Loan plus ▪ Depreciation to the extent of meeting the repayment obligation of Seller

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Event	Periodicity from the date of occurrence	Affected Party	Consequences
		Procurer	<ul style="list-style-type: none"> ▪ Procurer excused of performance; ▪ Procurer to pay to Seller: <ul style="list-style-type: none"> • 50% O&M plus • 100% Interest on legitimate outstanding amount of Loan plus • Depreciation to the extent of meeting the repayment obligation of Seller; • 50% of the Take or Pay liability towards FSA & FTA.
Expropriation Clause 12.3.1(v) & Exercise of Authority by Sovereign Executive -Clause 12.3.1(vi)	More than 7 Days and upto 270 Days	Seller	<ul style="list-style-type: none"> ▪ Seller excused of performance; ▪ Procurer not to pay any amount to Seller.
		Procurer	<ul style="list-style-type: none"> ▪ Procurer excused of performance; ▪ Procurer to pay 100% amount of Capacity Charge to Seller; ▪ Procurer to owe liability on account of Fuel Supply Agreement (FSA) and Fuel Transmission Agreement (FTA) as approved by Procurer.
Any other Clause Analogous to Clauses 12.3.1(i) to 12.3.1(vi) & 12.3.1(viii)	More than 7 Days and upto 270 Days	Seller &/or Procurer	<ul style="list-style-type: none"> ▪ Performance and Payment obligations as mentioned for respective Clause.

12.9 Liabilities for other losses, damages etc.

Save and except as expressly provided in this Article 12, neither Party hereto shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event.

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ARTICLE 13
CHANGE IN LAW

13.1 Definitions

In this Article 13, the following terms shall have the following meanings:

- 13.1.1 "Change in Law" means the occurrence of any of the following after the date, which is seven (7) days prior to the signing of this Agreement:
- i. the enactment, bringing into effect, adoption, promulgation, amendment, modification or repeal, of any statute, decree, ordinance or other law, regulation, notice, circular, code, rule or direction by any Governmental Instrumentality or a change in its interpretation by a Competent Court of law, tribunal, government or statutory authority or any of the above regulations, taxes, duties charges, levies, etc., or
 - ii. the imposition by any Governmental Instrumentality of any material condition in connection with the issuance, renewal, modification, revocation or non-renewal (other than for cause) of any Consent after the date of this Agreement.

that in either of the above cases results in any change with respect to any tax or surcharge or cess levied or similar charges by the Competent Government on the generation or sale of electricity;

but shall not include (i) any change in any withholding tax on income or dividends distributed to the shareholders of the Seller, or (ii) change in respect of UI Charges or frequency intervals by an Appropriate Commission.

- 13.1.2 "Competent Court" means:

the Supreme Court of India or any High Court, or any tribunal or any similar judicial or quasi-judicial body that has jurisdiction in relation to issues relating to the Project.

13.2 Tariff Adjustment Payment for Change in Law

- 13.2.1 If a Change in Law results in the Seller's revenue or costs directly attributable to the Project being decreased or increased by one percent (1%), on cumulative basis, of the estimated revenue from the Electricity for the Contract Year (calculated in that Contract Year and the energy corresponding to 80% of the Installed Capacity and for the purpose of above calculations the calculated tariff will be determined

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assuming the fuel indices notified by GERC / CERC at the time when it is being brought to the notice of other party as per Article 13.2.2) for which such adjustment becomes applicable or more, during Operation Period, the Tariff Payment to the Seller shall be proportionately increased or decreased.

- 13.2.2 The Procurer or the Seller, as the case may be, shall provide the other Party with a certificate stating that the adjustment in the Tariff Payment is directly as a result of the Change in Law and shall provide supporting documents to substantiate the same and such certificate shall correctly reflect all increases or decreases till the date of such certificate.
- 13.2.3 The adjustment in Monthly Capacity Payment for reasons attributable to Article 13.2.1 shall be effective from:
- (i) the date of adoption, promulgation, amendment, re-enactment or repeal of the Law;
 - (ii) the date of order/judgment of the Competent Court, if the Change in Law is on account of a change in interpretation of Law;
 - (iii) the date of impact resulting from the occurrence of Article 13.1.1(ii).
- 13.2.4 The payment for Changes in Law shall be through Supplementary bill as mentioned in Article 11.9.

13.3 Appeal against Change in Law

If the results stated in Article 13.1.1 are brought about by a change in the interpretation of Law by a court or tribunal that does not qualify as a Competent Court, the Seller agrees that it shall, at its own cost, appeal against such order/judgment up to the level of the appropriate Competent Court and the right of the Seller to recover the additional amount from the Procurer on account of Changes in Law shall, unless waived in writing by the Procurer, shall be dependent on the Sellers taking adequate steps to contest the increase.

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ARTICLE 14

EVENTS OF DEFAULT AND TERMINATION

14.1 Seller Event of Default

The occurrence and continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a default / breach by Procurer of its obligations under this Agreement, shall constitute a Seller Event of Default:

- (i) the failure of any Unit to be Commissioned by the date falling twelve (12) months after its Scheduled Commercial Operation Date, or
- (ii) if at any time following a Unit being Commissioned and during its retest, such Unit's Tested Capacity is less than ninety two (92%) percent of its Installed Capacity and such Tested Capacity remains below ninety two (92%) percent even three (3) months thereafter; or
- (iii) after Commercial Operation Date of the Project, the Seller fails to achieve Average Availability of sixty five (65%), for a period of twelve (12) consecutive months, or
- (iv) the Seller fails to make any payment more than Rs. 1 crore required to be made to Procurer under this Agreement within three (3) Months after the Due Date of a valid and undisputed invoice raised by the said Procurer on the Seller, or
- (v) any misrepresentation or untrue statement made in the representation and warranties made by the Seller in Schedule 9 of this Agreement; or
- (vi) if the Seller:
 - a) assigns or purports to assign its assets or rights in violation of this Agreement; or
 - b) transfers or novates any of its rights and/or obligations under this agreement, in violation of this Agreement; or
- (vii) if the Seller becomes voluntarily or involuntarily the subject of proceedings under any bankruptcy or insolvency laws or goes into

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liquidation or dissolution or has a receiver appointed over it or liquidator is appointed, pursuant to Law, except where such dissolution of the Seller is for the purpose of a merger, consolidation or reorganization and where the resulting entity has the financial standing to perform its obligations under this Agreement and creditworthiness similar to the Seller and expressly assumes all obligations under this Agreement and is in a position to perform them; or

- (viii) the Seller repudiates this Agreement; or
- (ix) except where due to the a Procurer's failure to comply with its obligations, the Seller is in material breach of any of its obligations pursuant to this Agreement.

14.2 Procurer Event of Default

The occurrence and the continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by the Seller of its obligations under this Agreement, shall constitute the Event of Default on the part of Procurer:

- (i) the Procurer fails to pay (with respect to a Monthly Bill or a Supplementary Bill or a Delayed Payment Charges Bill) an amount exceeding 15% of the most recent undisputed amount of Monthly Bill for a period of ninety (90) days after the Due Date and the Seller is unable to recover the amount outstanding to the Seller through the Letter of Credit; or
- (ii) the Procurer repudiates this Agreement; or
- (iii) the Procurer is otherwise in material breach of this Agreement which leads to inability of the Seller to perform its obligations under this Agreement; or
- (iv) any misrepresentation or untrue statement made in the representation and warranties made by the Procurer in Schedule 9 of this Agreement.
- (v) if the Procurer becomes voluntarily or involuntarily the subject of proceedings under any bankruptcy or insolvency laws or goes into liquidation or dissolution or has a receiver appointed over it or liquidator is appointed, pursuant to Law, except where such dissolution of the Procurer is for the purpose of a merger, consolidation or reorganization and where the resulting entity has the financial standing to perform its obligations under this

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Agreement and creditworthiness similar to the Procurer and expressly assumes all obligations under this Agreement and is in a position to perform them; or

- (vi) The Procurer fails to implement and maintain the Payment Security Mechanism in accordance with Article 11.10 of this Agreement.

14.3 Termination due to Force Majeure Events

Upon continuation of an event of Force Majeure for 270 consecutive days, either Party can Terminate the Agreement, without any liability or obligation on their part, by giving a notice of fifteen (15) days.

14.4 Termination procedure for Seller Event of Default

14.4.1 Upon the occurrence and continuation of any Seller Event of Default under Article 14.1, the Procurer shall have the right to deliver to the Seller a Procurer Preliminary Termination Notice, which shall specify in reasonable detail the circumstances giving rise to the issue of such notice.

14.4.2 Following the issue of Procurer Preliminary Termination Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree shall apply.

14.4.3 During the Consultation Period, the Parties shall, save as otherwise provided in this Agreement, continue to perform their respective obligations under this Agreement.

14.4.4 Within a period of seven (7) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed to the contrary or the Seller Event of Default giving rise to the Consultation Period shall have been remedied, Procurer may terminate this Agreement by delivering a Procurer Termination Notice, whereupon this Agreement shall terminate on the date of such notice.

14.4.5 Lenders option to assume obligations of Seller:

- (i) If, at any time following the service by Procurer, of a Procurer Termination Notice pursuant to Clause 14.4.4, the Lenders, on behalf and instead of Seller, pay all sums which are due and payable to Procurer as at the date of the said Procurer Termination Notice and / or perform or cause to be performed any unperformed obligations of Seller as at such date, then:



- a. such Procurer Termination Notice shall be revoked and all existing rights of termination in favour of Procurer under this Agreement shall terminate (but without prejudice to any rights of Procurer in respect of any future breach of this Agreement); and
- b. Procurer shall continue to perform its obligations under this Agreement as if its rights of Termination, had not arisen (but without prejudice to any rights of Procurer in respect of any such future breaches).

14.5 Termination procedure for Procurer Events of Default

14.5.1 Upon the occurrence and continuation of any Procurer Event of Default pursuant to Article 14.2(i) in making payment of the amount due to the Seller, the Seller shall have the option to follow the remedies provided under Article 11.10.

14.5.2 Without in any manner affecting the rights of the Seller under Article 14.5.1 in the event payment of any undisputed bill or amount due as per the direction of the Appropriate Commission remains outstanding for more than 10 days or in the event of default under Article 14.2 (ii), (iii), (iv), (v) and (vi) the Seller shall have the right to deliver to Procurer a Seller Preliminary Termination Notice, which notice shall specify in reasonable detail the circumstances giving rise to its issue.

14.5.3 Following the issue of a Seller Preliminary Termination Notice, the Consultation Period of 90 days shall apply.

14.5.4 Within a period of seven (7) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed or the Procurer Event of Default giving rise to the Consultation Period shall have been remedied, the Seller may terminate this Agreement by delivering a Seller Termination Notice, whereupon this Agreement shall terminate on the date of such notice.

14.6 Consequences of Termination

14.6.1 Consequence of Termination for Seller Event of Default

Where this Agreement is terminated by Procurer pursuant to Article 14 for any Seller Event of Default, the Seller shall pay as compensation to Procurer, an amount equivalent to twelve (12) months of the billing, at the tariff and energy corresponding to the 80% of the Installed Capacity.

14.6.2 Consequence of Termination for Procurer Event of Default

Where this Agreement is terminated by the Seller pursuant to Article 14 for any of the Procurer Event of Default, the following shall be the

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consequences:

- (i) the Seller shall offer to any person, the Capacity allocated to the Procurer at following terms:

The Seller shall be entitled to claim compensation from the Procurer the actual loss suffered by the Seller pending the sale of such Capacity and thereafter on the difference in the price payable under this Agreement by the Procurer and the possible price the Seller can procure on such resale of the Capacity.

- (ii) the Seller shall make every effort to mitigate the loss to the Procurer.
- (iii) Notwithstanding anything contained above, the aggregate liability of the Procurer shall not in any event exceed an amount equivalent to twelve (12) months of the billing, corresponding to 80% of the Installed Capacity, as liquidated damages.

The termination of the Agreement shall not affect the accrued rights and obligations of the parties.

14.6.3 Consequence of Termination at the end of the Term shall be governed by the provisions of Article 2.

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ARTICLE - 15

LIABILITY AND INDEMNIFICATION

15.1 Indemnity

15.1.1 The Seller shall indemnify, defend and hold Procurer harmless against:

- (a) any and all third party claims, actions, suits or proceedings for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the Seller of its obligations under this Agreement except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of Procurer; and
- (b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest suffered or incurred by Procurer by reason of a breach by the Seller of any of its obligations under this Agreement. (Provided that this Article 15 shall not apply to such breaches by the Seller, for which specific remedies have been provided for under this Agreement) except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of Procurer.

the above losses together shall constitute "Indemnifiable Losses".

15.1.2 Procurer shall indemnify, defend and hold the Seller harmless against:

- (a) any and all third party claims, actions, suits or proceedings for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by Procurer of its obligations under this Agreement except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of the Seller, its contractors, servants or agents; and
- (b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest suffered or incurred by the Seller by reason of a breach by Procurer of any of its obligations under this Agreement (Provided that this Article 15 shall not apply to such breaches by Procurer, for which specific remedies have been provided for under this Agreement.), except to the extent that

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any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of the Seller, its contractors, servants or agents

The above losses together shall constitute "Indemnifiable Losses".

15.2 Limitation of liability

A Party ("Indemnifying Party") shall not be liable to indemnify the other Party ("Indemnified Party") under this Article 15 for any indemnity claims made in a Contract Year until the aggregate of all indemnity claims of the Indemnified Party in a given Contract Year exceeds half a percent (0.5%) of the average annual Tariff Payment for all the Contract Years up to the Contract Year in which the indemnity claim is made.

15.3 Procedure for claiming indemnity

15.3.1 Third party claims

- (a) Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Article 15.1.1(a) or 15.1.2(a), the Indemnified Party shall promptly notify the Indemnifying Party of such claim, proceeding, action or suit referred to in Article 15.1.1(a) or 15.1.2(a) in respect of which it is entitled to be indemnified. Such notice shall be given as soon as reasonably practicable after the Indemnified Party becomes aware of such claim, proceeding, action or suit. The Indemnifying Party shall be liable to settle the indemnification claim within [30 days] of receipt of the above notice. Provided however that, if:
- (i) the Parties choose to contest, defend or litigate such claim, action, suit or proceedings in accordance with Article 15.3.1(b) below; and
 - (ii) the claim amount is not required to be paid/deposited to such third party pending the resolution of the dispute,
- the Indemnifying Party shall become liable to pay the claim amount to the Indemnified Party or to the third party, as the case may be, promptly following the resolution of the dispute, if such dispute is not settled in favour of the Indemnified Party.
- (b) The Indemnified Party may contest, defend and litigate a claim, action, suit or proceeding for which it is entitled to be indemnified under Article 15.1.1(a) or 15.1.2(a) and the indemnifying Party shall reimburse to the indemnified Party all reasonable costs and expenses incurred by the indemnified party. However, such indemnified Party shall not settle or compromise such claim, action, suit or proceedings without first getting the consent of the

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indemnifying Party, which consent shall not be unreasonably withheld or delayed.

An Indemnifying Party may, at its own expense, assume control of the defence of any proceedings brought against the Indemnified Party if it acknowledges its obligation to indemnify such Indemnified Party, gives such Indemnified Party prompt notice of its intention to assume control of the defence, and employs an independent legal counsel at its own cost that is reasonably satisfactory to the Indemnified Party.

15.4 Indemnifiable Losses

Where an Indemnified Party is entitled to Indemnifiable Losses from the Indemnifying Party pursuant to Article 15.1.1(b) or 15.1.2(b), the Indemnified Party shall promptly notify the Indemnifying Party of the Indemnifiable Losses. The Indemnifiable Losses shall be paid by the Indemnifying Party within [30] days of receipt of the notice seeking Indemnifiable Losses by the Indemnified Party.

15.5 Limitation on Liability

Except as expressly provided in this Agreement, neither the Seller nor Procurer nor their respective officers, directors, agents, employees or Affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its Affiliates, officers, directors, agents, employees, successors or assigns (or their respective insurers) for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and property due under this Agreement), any increased expense of, reduction in or loss of power generation production or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of the Board, the Seller or others), strict liability, contract, breach of statutory duty, operation of law or otherwise. Procurer shall have no recourse against any officer, director or shareholder of the Seller or any Affiliate of the Seller or any of its officers, directors or shareholders. The Seller shall have no recourse against any officer, director or shareholder of Procurer, or any affiliate of Procurer or any of its officers, directors or shareholders.

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ARTICLE - 16

ASSIGNMENTS AND CHARGES

16.1 Assignments

Subject to Article 16.2.2, this Agreement may not be assigned by any Party (and no Party shall create or permit to subsist any encumbrance over all or any of its rights and benefits under this Agreement) other than by mutual agreement between the Parties to be evidenced in writing:

Provided that, such consent shall not be unreasonably withheld if either of the Procurer seeks to transfer to any transferee all of its rights and obligations under this Agreement; and

- (a) such transferee is either the owner or Operator of all or substantially all of the distribution system for Gujarat and / or such transferee is a successor entity of any of the Procurer; and
- (b) all Agreements shall remain in place and shall be effective as to such successor.

16.2 Permitted Charges

16.2.1 Notwithstanding Article 16.1, the Seller may assign this Agreement or create any encumbrance over all or part of the Security Package or the other assets of the Project to the Lenders or the Lender's Representative or as required by the Lenders, on their behalf as security for:

- (a) amounts payable under the Financing Agreements; and
- (b) any other amounts agreed by the Parties.

16.2.2 Article 16.1 does not apply to:

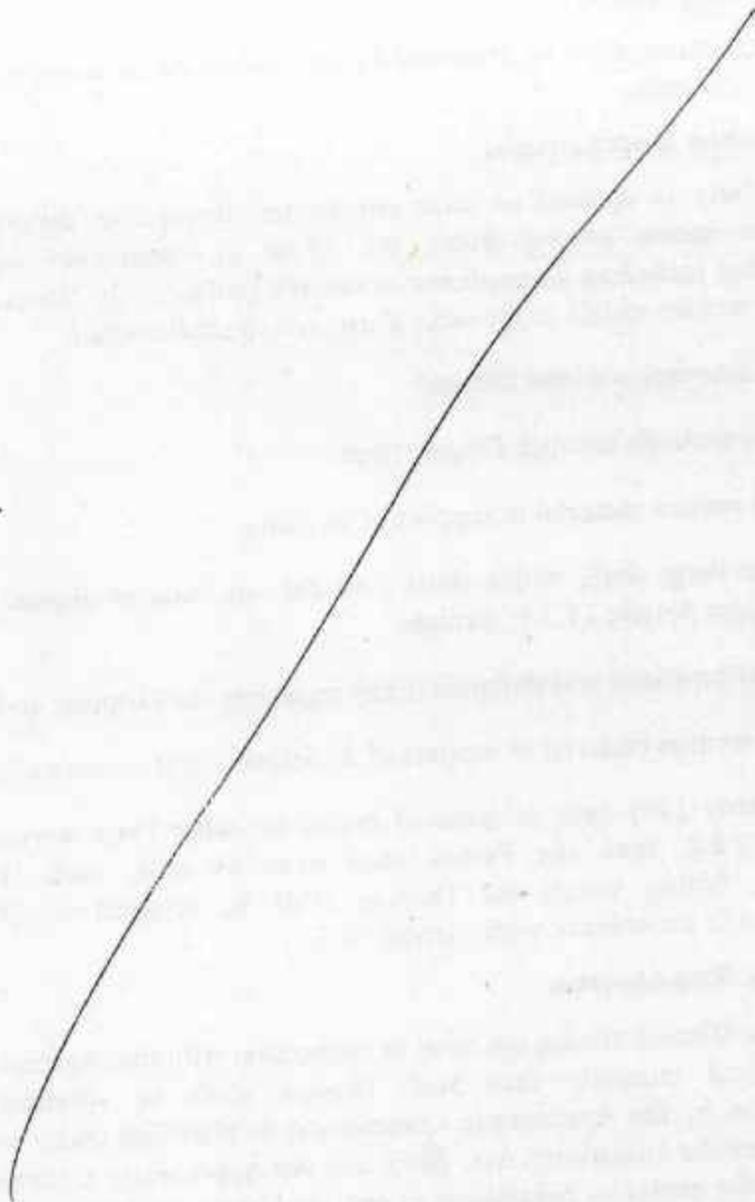
- (a) liens arising by operation of law (or by an agreement evidencing the same) in the ordinary course of the Seller carrying out the Project;
- (b) pledges of goods, the related documents of title and / or other related documents arising or created in the ordinary course of the Seller carrying out the Project; or
- (c) security arising out of retention of title provisions in relation to

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goods acquired in the ordinary course of the Seller carrying out the Project.



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ARTICLE - 17

GOVERNING LAW AND DISPUTE RESOLUTION

17.1 Governing Law

This Agreement shall be governed by and construed in accordance with the Laws of India.

17.2 Amicable Settlement

17.2.1 Either Party is entitled to raise any matter, dispute or difference of whatever nature arising under, out of or in connection with this Agreement including its existence or validity (collectively "Dispute") by giving a written notice to the other Party, which shall contain:

- (i) a description of the Dispute;
- (ii) the grounds for such Dispute; and
- (iii) all written material in support of its claim.

17.2.2 The other Party shall, within thirty (30) days of issue of dispute notice issued under Article 17.2.1, furnish:

- (i) counter-claim and defenses if any regarding the Dispute; and
- (ii) all written material in support of its defenses and counter-claim.

17.2.3 Within thirty (30) days of issue of notice by other Party pursuant to Article 17.2.2, both the Parties shall meet to settle such Dispute amicably, failing which the Dispute shall be referred to Dispute Resolution in accordance with Article 17.3.

17.3 Dispute Resolution

Where any Dispute arising out of or in connection with this Agreement is not resolved mutually then such Dispute shall be submitted to adjudication by the Appropriate Commission as provided under section 79 or 86 of the Electricity Act, 2003 and the Appropriate Commission may refer the matter to Arbitration as provided in the said provision read with section 158 of the said Act. For disputes beyond the power conferred upon the Appropriate Commission, such disputes shall be subject to the jurisdiction of the High Courts of Gujarat.

17.4 Parties to Perform Obligations

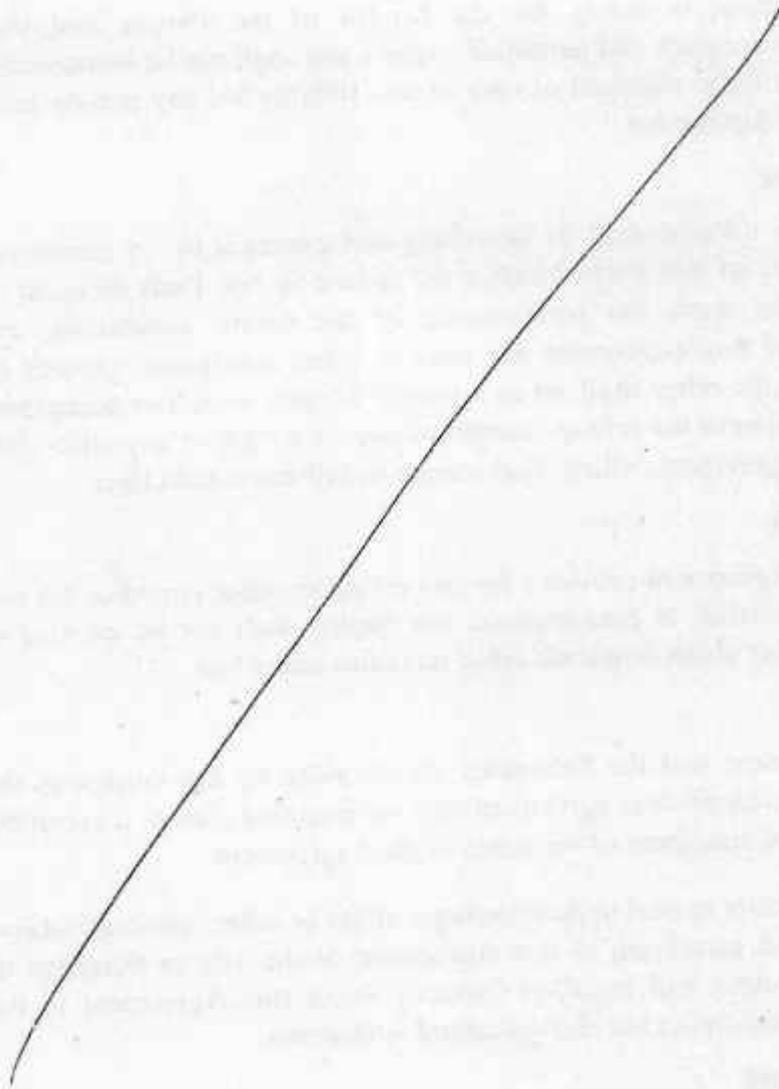
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Notwithstanding the existence of any dispute and difference referred to the Appropriate Commission as provided in Article 17.3 and save as the Appropriate Commission may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations under this Agreement, including making of payments by either Party.



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ARTICLE - 18**MISCELLANEOUS PROVISIONS****18.1 Amendment**

This Agreement may only be amended or supplemented by a written agreement between the Parties.

18.2 Third Party Beneficiaries

This Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns and shall not be construed as creating any duty, standard of care or any liability to any person not a party to this Agreement.

18.3 No Waiver

A waiver by a Party shall be in writing and executed by an authorized representative of that Party. Neither the failure by one Party to insist on any occasion upon the performance of the terms, conditions, and provisions of this Agreement nor time or other indulgence granted by one Party to the other shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other right under this Agreement, which shall remain in full force and effect.

18.4 Remedies

Where this Agreement provides for any rebate or other remedies for any breach or shortfall in performance, the Parties shall not be entitled to make any other claim or pursue other remedies under law.

18.5 Entirety

18.5.1 This Agreement and the Schedules 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.

18.5.2 All prior written or oral understandings, offers or other communications of every kind pertaining to this Agreement or the sale or purchase of Electrical Output and Installed Capacity under this Agreement to the Procurer by the Seller are abrogated and withdrawn.

18.6 Assignment

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

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18.7 Confidential Information

Subject to Article 18.8, all Parties shall at all times during the continuance of this Agreement:

- (a) use their reasonable endeavours to keep all information regarding the terms and conditions of this Agreement and any data or information acquired under or pursuant to this Agreement confidential and accordingly no Party shall disclose the same to any other person; and
- (b) not use any document or other information (whether technical or commercial) obtained by them respectively by virtue of this Agreement concerning another's undertaking for any purpose other than performance of that Party's obligations and exercise of its rights under this Agreement:

Provided that, the provisions of this Article 18.7 shall not apply to information which at the time of disclosure was in the public domain other than by breach of the foregoing obligations of confidentiality.

18.8 Disclosure of Confidential Information

18.8.1 Each of the Parties shall hold in confidence the agreements relating to the Project and all documents and other information (whether technical or commercial) which is of a confidential nature disclosed to it by or on behalf of the other Party or Parties relating to the Project and shall not, save as may be required by law or appropriate regulatory or statutory authorities, or to any Indian Governmental Instrumentality, or to prospective lenders to, or investors in, the Seller or to the professional advisers of the Parties or of those prospective lenders or investors, publish or otherwise disclose or use the same for its own purposes otherwise than as may be required to perform its obligations under this Agreement.

18.8.2 The provisions of Article 18.8.1 shall not apply to:

- (a) any information in the public domain otherwise than by breach of this Agreement;
- (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 or Parties 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.

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18.8.3 Every Party shall be entitled to disclose the terms and conditions of this Agreement and any data or information acquired by it under or pursuant to this Agreement without the prior written consent of the other Party or Parties, as the case may be, if such disclosure is made in good faith:

- (a) to any affiliate of such Party, having made it aware of the requirements of this Article 18.8, or to any Indian Governmental Instrumentality; or
- (b) 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 18.8; or
- (c) to the Lenders, the Lenders' Representative any security trustee, any bank or other financial institution and its advisers from which such Party is seeking or obtaining finance, having made them aware of the requirements of this Article 18.8; or
- (d) to the extent required by the rules of a relevant and recognised stock exchange; or
- (e) to the extent required by any applicable law of India or pursuant to an order of any court of competent jurisdiction; or
- (f) to any insurer under a policy of Insurance; or
- (g) to directors, employees and officers of such Party having made them aware of the requirements of this Article 18.8,

and is necessary to enable such Party to perform this Agreement or to protect or enforce its rights under this Agreement or any other Project Document or to enable it to comply with any requirement referred to in Articles 18.8.3(d) and 18.8.3(e) or to carry on its ordinary business.

18.9 Affirmation

The Seller and Procurer each affirm that:

- (i) neither it nor its respective directors, employees, or agents has paid or undertaken to pay or shall in the future pay any unlawful commission, bribe, pay-off or kick-back; and
- (ii) it has not in any other manner paid any sums, whether in Indian currency or foreign currency and whether in India or abroad to the other Party to procure this Agreement, and the

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Seller and Procurer hereby undertake not to engage in any similar acts during the Term of Agreement.

18.10 Severability

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

18.11 No Partnership

None of the provisions of this Agreement shall constitute a partnership or agency or any such similar relationship between the Seller and Procurer.

18.12 Survival

Notwithstanding anything to the contrary herein, the provisions under Article 12 (Force Majeure), Article 15 (Liability and Indemnification), Article 17 (Governing Law and Dispute Resolution), Article 14 (Events of Default and Termination), and Article 18 (Miscellaneous) shall continue and survive any expiry or termination of this Agreement.

18.13 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which collectively shall be deemed one and the same instrument.

18.14 Notices

18.14.1 All notices to be given under this Agreement shall be in writing and in the English Language.

18.14.2 All notices must be delivered personally, by registered or certified mail or facsimile to the addresses below:

For Procurer:

Attention:	General Manager (Commerce)
Address:	Sardar Patel Vidyut Bhavan, Race Course, Vadodara, Pin Code 390 007
Facsimile:	91-0265-2344543/2337918/2338164
Telex:	VIDYUT BRD 175-6254
Phone	91-0265-2340504, 2340289

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[Signature]
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For Seller :

Attention:	General Manager(Projects)
Address:	3 rd Floor, Block No. 15, Udyog Bhavan, Sector – 11, Gandhinagar – 382 011
Facsimile:	079-23245507
Phone	079-23245367

- 18.14.3 All notices or communications given by email or facsimile shall be confirmed by depositing a copy of the same in the post office in an envelope properly addressed to the appropriate Party for delivery by registered or certified mail. All Notices shall be deemed delivered upon receipt.
- 18.14.4 Any Party may by notice of at least fifteen (15) days to the other Parties change the address and / or addresses to which such notices and communications to it are to be delivered or mailed.

18.15 Language

The language of this Agreement and all written communication between the Parties relating to this Agreement shall be in English.

18.16 Breach of Obligations

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

18.17 Nomination Restriction

Notwithstanding anything contained to the contrary in this Agreement, wherever a reference is made to the right of a Procurer to nominate a third Party to receive benefits under this Agreement, such Third Party shall have a financial standing not less than to the Procurer in question.

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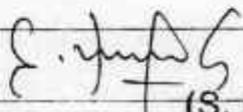
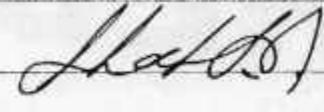
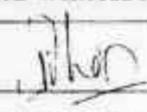
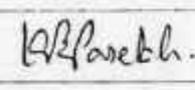
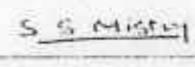
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18.18 Dispatch Instructions

Notwithstanding anything contained to the contrary in this Agreement, wherever a reference is made to a Procurer or Procurer issuing a Dispatch Instruction to the Seller, where law so requires that Dispatch Instruction be issued only by a control centre, such references shall be construed as being references to the Seller receiving Dispatch Instructions from the said control centre and the same shall apply in relation to any other functions being exercised by any other entity or organisation in the future, from time to time.

IN WITNESS WHEREOF the Parties have executed these presents through their authorized representatives at Vadodara.

For and on behalf of Procurer by	For and on behalf of Seller by
	
(S. B. KHYALIA) (S.B. Khyalia) General Manager (Commerce) GUVNL, BARODA.	(Sudhir Shah) SUDHIR SHAH General Manager (Projects) GSPC Pipavav Power Co. Ltd. Block No. 15, 3rd Floor, Udyog Bhavan, GANDHINAGAR-382 011.
General Manager (Commerce)	General Manager (Projects)
and witnessed by	
	
(S.V. Vachhrajani) Chief Finance Manager (IPP)	(Sanjeev Sharma) Manager (Electrical)
	
(K.B. Parekh) Deputy Engineer (IPP)	(S.S. MISTRY)

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SCHEDULES



SCHEDULE - 1**CONDITION SUBSEQUENT****1.1 Conditions subsequent to Seller**

Seller shall have been obtained all applicable pre-Zero Date clearances as listed here below, either unconditionally or subject to conditions which do not materially prejudice Seller's rights, the enjoyment of its benefits or the performance of its obligations under this Agreement and such clearances shall be in full force and effect;

S. No.	Regulatory / Statutory Clearance	Authority
1	Project Cost estimate including Financing Agreement and this Agreement approval.	GERC / CERC (if applicable).
2	Air and Water pollution.	Gujarat Pollution Control Board.
3	Sea Water drawal.	GMB
4	Sea Water discharge.	Forest and Environment deptt., Govt. of Gujarat /Ministry of Environment and Forest, Govt. of India, as applicable.
5	Environment Clearance.	Forest and Environment deptt., Govt. of Gujarat /Ministry of Environment and Forest, Govt. of India, as applicable.
6	Civil Aviation Clearance for Chimney height.	Airports Authority of India.
7	Company registration.	Registrar of Companies
8	Rehabilitation and resettlement of displaced families, if any, by land	Forest and Environment deptt.,

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	acquisition.	Govt. of Gujarat / Ministry of Environment and Forest, Govt. of India, as applicable..
9	Gas Supply and Transportation Arrangements.	Procurer
10	Approval for payments in foreign currency.	RBI, if required.
11	Land allocation.	Dist. Collector.
12	Real estate rights and rights to use the site.	Dist. Collector.

After Start of Construction, as applicable:

S. No.	Statutory Clearance	Authority
1	Boiler (HRSG) and other pressure parts including pipes and valves - Design aspects and inspection before light up.	The Chief Inspector of Boilers (Gujarat)
2	Chlorine storage Carbon Dioxide Hydrogen SF6 Acetelene Nirtogen Oxygen LPG Propane, etc. - Design / Installation	Dist. Collector / Dept. of Explosives (Gujarat / Mumbai / Nagpur)
3	Fire fighting / protection	Loss Prevention Agency / TAC
4	Electrical plant and equipment 220 kV installation - Design / installation with respect to back charging clearance and synchronizing clearance	The Chief Electrical Inspector (CEI) (Gujarat). Prior approval of CEI to be obtained before

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	- transformers, MV / LV switch gear motors, earthing / lighting arrestors.	installation.
5	Approval for stack obstruction light / painting.	Airports Authority of India.
6	Pre installation approval for buildings, pipe layout cable routes, acid and other chemical storage.	The Chief Inspector of Factories (Gujarat) / Concerned municipalities as applicable.
7	Approval for stack emission levels, water effluent quality, solid waste, etc.	Gujarat Pollution Control Board.
8	Approval for lifts, cranes and hoists, before hand over to the Employer.	Elevator and Lifts Inspector, (Gujarat).
9	Approval for frequency allocation for communication equipment like radio, PLCC, remote operated cranes etc.	NAVAL Wireless Center (NWC).
10	Import license and formalities.	Controller of Imports and Exports, Customs Authorities, Govt. of India
11	License for labour commissioner for construction labour pursuant to section 7 of the Contract Labour (Regulation and Abolition) Act, 1970.	Labour Commissioner, Govt. of Gujarat
12	Registration of workers required pursuant to Section 2 A of the Employees State Insurance Act, 1984, or exemption to be claimed if other group insurance is taken for Contractor's personnel.	Labour Commissioner, Govt. of Gujarat
13	Consent of the Commissioner of Explosives for the possession and use of explosives for the purpose of blasting, if any.	Govt. of Gujarat, Home Deptt.
14	Approval of temporary construction	Electrical



	power lines within the plant area.	Inspectorate. Govt. of Gujarat.
15	Approval of weigh bridge and weigh scales	Inspector of weights and measures, Govt. of Gujarat.
16	Collection, storage and disposal of waste, site clearance, safe report and safety audit.	Gujarat Pollution Control Board.
17	Approval of building proposals and layout.	Municipal Corporation, Executive Engineer, building proposal or concerned authorities.
18	Approval of building layout with fire safety concerns and receipt of No Objection Certificate.	Municipal Corporation, Chief Fire Officer or concerned authorities.
19	No Objection Certificate for storm water drainage design.	Municipal Corporation, Executive Engineer, storm water drainage design or concerned authorities.

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SCHEDULE - 2:**FUNCTIONAL SPECIFICATION****2.1.0 Introduction**

- 2.1.1 The Power Station is Approximately 702 MW (2 x 351 MW) combined cycle Power Station. The Power Station consists of 2 numbers of Advanced class Gas Turbines, Two Heat Recovery Steam Generators and Two Steam Turbines all with associated auxiliaries and balance of plant (consisting of DM water system, cooling water system, switchyard, pollution control and environment monitoring equipments, etc) and the Unit consists of one number each of the above main equipments, running on multi shaft configuration.
- 2.1.2 Fuel Facility shall include gas skid and internal gas transportation within the battery limits of the Power Station.

2.2.0 Project Site

- 2.2.1 The Power Station Site shall be located near Kovaya, district Amreli, Gujarat. The Fuel facility, as described below is located inside the Site.
- 2.2.2 Site development includes clearing, grubbing and grading as required; and provision of roads, parking lots fencing at Site and a green belt around the Site periphery.

2.3.0 General Description

- 2.3.1 The Power Station consists of two new and unused Gas Turbines, Two Heat Recovery Steam Generators (HRSGs) and Two Steam Turbines all with associated auxiliaries and balance of plant (consisting of DM water system, cooling water system, switchyard, pollution control and environment monitoring equipments, etc).
- 2.3.2 The Gas Turbines shall be fired with re-gasified liquid natural gas or natural gas, the exhaust of the Gas Turbines shall be used for steam generation in the HRSGs, feeding steam to the Steam Turbines. Each Gas Turbine shall be coupled with electric generator(s).

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2.3.3 The Steam Turbines are of condensing type units. Each Steam Turbine is coupled to an electric generator(s).

2.3.4 The following detailed information in relation to the Power Station is set out in Annexure 1.1 and 1.2 to this Schedule 3:

- Annex 1.1 : Site Plan and Power Station Layout
- Annex 1.2 : General design parameters and Grid System requirements.
- Annex 1.3 : Power Station Electrical One - Line Diagram.
- Annex 1.4 : Sub-station Electrical Diagram.

2.4.0 Water Facilities

2.4.1 Plant Water Supply System

2.4.1.1 Since there is no substantial sweet water source in the region sea water will be used for cooling & other consumptive needs. The requirement of sea water has been estimated as 1,28,000 cubic meters per day. The water is required mainly for cooling tower make-up and as feed to desalination / RO plant.

2.4.1.2 The desalination / RO plant will be provided to meet the sweet water requirement of process and other needs.

2.4.1.3 The sea water intake pump-house and sea water pipeline shall be constructed by the Seller. Sea water shall be pumped from a suitable intake point approximately (1/2 - 1 Kms.) offshore and supplied to the Power Station in accordance with a sea water scheme.

2.4.2 Cooling Water System

Sea water will be used in Closed circuit cooling system for plant cooling utilising cooling towers & heat exchangers.

2.4.3 Water treatment

(a) Cooling Water Treatment - The circulating cooling water is pre-treated by filtration. The cooling towers will be operated at maximum possible cycles of concentration to minimise water consumption.

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- (b) Desalinated / RO water treatment - The water is pre-treated through a clarifier and a mixed media filter (RO) system. A portion of filtrated water is further processed by Demineralizer trains to produce water of high purity to meet the requirements of steam cycle, including boiler makeup, and miscellaneous needs. De-mineralized water is stored in a storage tank.

Desalinated water shall also be used for colony requirements as well as miscellaneous Power Station needs. Potable water is chlorinated before use for drinking and other domestic uses. Filtered water will be stored in suitable tank.

2.4.4 Waste - water treatment.

2.4.4.1 The following waste-water is generated due to water treatment and actual operation of the Power Station.

- Cooling tower blowdown
- Desalination / RO plant blowdown.
- Filtration plant backwashes.
- Clarifier blowdown
- Demineralizer regeneration waste.
- Boiler blowdown
- Equipment washes and floor drains.
- Contaminated rain water runoff from the oil storage area.
- Domestic effluents.

2.4.4.2 The Demineralizer regeneration waste is neutralized in a separate tank before being transferred to the discharge line.

2.4.4.3 Equipment washes, floor drains and contaminated rainfall runoff from the oil storage areas is passed through an oil/water separator for treatment. The separator effluent is transferred to the discharge line. Oily sludge setting at the separator bottom and recovered oil will be properly disposed off, away from the Site, as per GPCB guidelines.

2.4.4.4 Clarified blowdown is sent to a sludge thickener. The decant from the sludge thickener is recycled to the clarifier. Filter backwashes will be sent to the sludge thickener. Blowdown from the sludge thickener is sent to the sludge pit. Decant from the sludge pit will also be recycled to the

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clarifier. Settled solids in the sludge pit shall be cleaned before being disposed off away from the Site. Blowdown from the boiler will be treated to acceptable level before being used for irrigation of the green belt.

- 2.4.4.5 Sanitary waste generated due to potable water use, showers, washes and flushing of toilets will be treated in a package sewage treatment plant. The treated effluent after chlorination also be used to irrigate the green belt.

2.5.0 Electrical Systems

- 2.5.1 The generated power is stepped up to 220 KV and delivered to the switchyard. Auxiliary transformers will be installed to provide station power. Subsequent transformers will provide power at 6.6 KV and 400 V for various motors, lighting, controls etc.
- 2.5.2 The open air switchyard is planned, with three 220 KV lines, having six circuits each to deliver power to the Grid System. Seller will provide breakers to isolate its generation systems from the Grid System when necessary to prevent damage to equipment during operation outside the Grid System Parameters or otherwise established in accordance with Prudent Utility Practice. A control building will house the switchyard controls, relaying and communication equipment.
- 2.5.3 Diagrams showing the electrical one-line system of the Power Station and sub-station are set out in Annexures 1.3, 1.4.

2.6.0 Multifuel Features

Presently, no liquid fuel firing facility has been envisaged in the Power Station.

2.7.0 Control System & Auxiliary systems including protection

The control and instrumentation systems will provide integrated operation of the Power Station and plant control is accomplished via a distributed control system (DCS). The DCS is interfaced with the unit controls for the Gas Turbine Generators, Steam Turbines Generators, HRSGs and balance of plant auxiliaries to facilitate control of the overall Power Station. A central control room is provided for the Power Station.

The system ensures adequate protection of the Power Station equipment as per Prudent Utility Practice.

2.8.0 Telecommunications

2.8.1 The Power Station control room and the Load Despatch Centre will be in constant communication with one another via appropriate communication like PLCC, P&T, mobile / cellular phones.

2.9.0 Auxiliary Systems

2.9.1 Necessary auxiliary system and facilities required for the Power Station will be provided. These include :

(a) Mechanical

- Main Steam System.
- Condensate and feed - water.
- Condenser
- Lube oil storage and transfer
- Raw water pretreatment and storage
- Makeup Demineralizer, demineralized water storage and transfer
- Desalination / RO plant
- Feed - water chemical treatment.
- Circulating water
- Service water
- Closed cooling water.
- Heating, ventilating and air conditioning.
- Compressed air
- Fire protection, detection and alarm
- Waste-water treatment.
- Hydrogen generator, storage and distribution.
- Nitrogen and carbon dioxide storage and distribution if required

(b) Electrical

- Main power generation.
- Medium and low voltage distribution.
- Batteries, inverters and station DC distribution.
- Uninterruptable AC power system.

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- Station lighting.
 - Grounding
 - Cathodic protection.
 - Communication System
 - Lightning protection
- (c) Civil / Structural Architectural
- Administrative Building
 - Plant Service Building
 - Gas Turbine and Steam Turbine building
 - Central control building
 - Site development
 - Sea water intake system
 - Sea water pipeline
 - Storage facilities; as required

2.10 Fuel Handling Facility

2.10.1 Re-gasified LNG / natural gas

Re-gasified LNG (RLNG) shall be sourced from one of the two existing LNG re-gasification terminals or from any other terminal if so constructed in future in the state of Gujarat.

The natural gas (NG) shall be sourced from the KG basin discovery. RLNG / NG and will be brought to the Power Station by underground buried pipelines. Separate contracts shall be entered by the Seller with Gas Supplier and Gas Transporter for the purpose of operations of the Power Station.

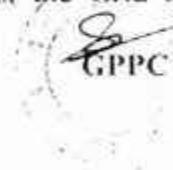
2.11.0 General Description Only

The description of the Power Station and the Fuel Facility contained in this Schedule 2 contains a general description only of the design anticipated as of the date of execution of this Agreement. The Parties acknowledge that changes may be necessary on the basis of further Site investigations and during the course of the development of the detailed design, subject always to compliance by the Power Station with the specific requirements of this Agreement with respect to the generation of Active Energy, the provision of Ancillary Services, the Grid System

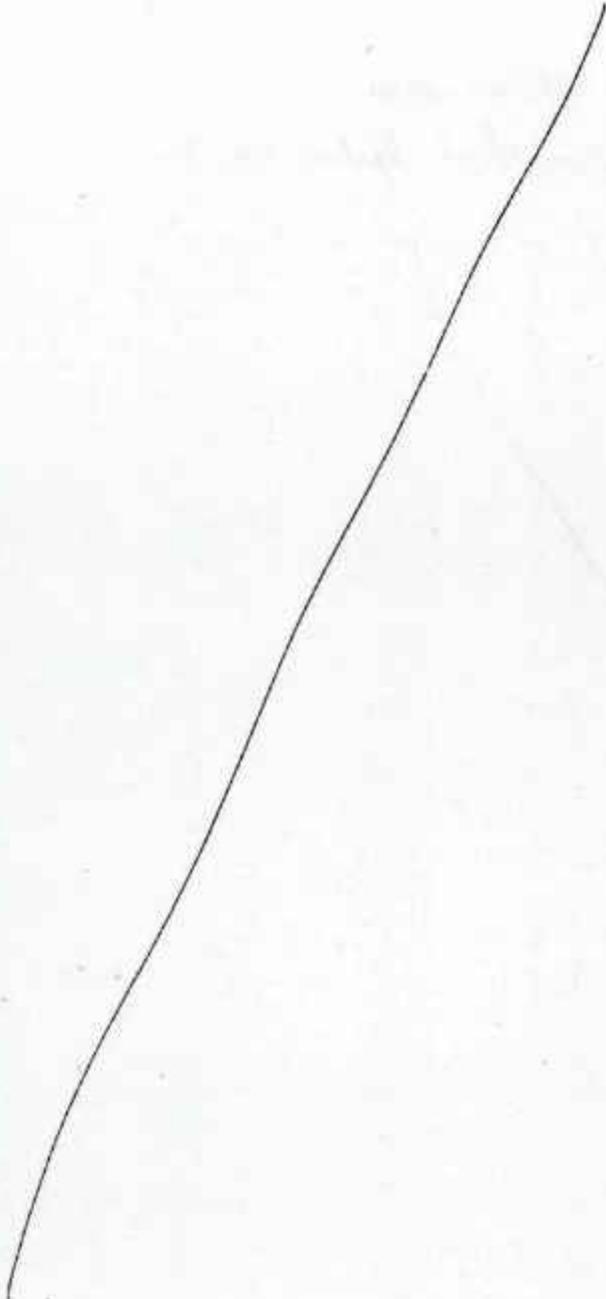
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Parameters and the Applicable ABT Regulations.



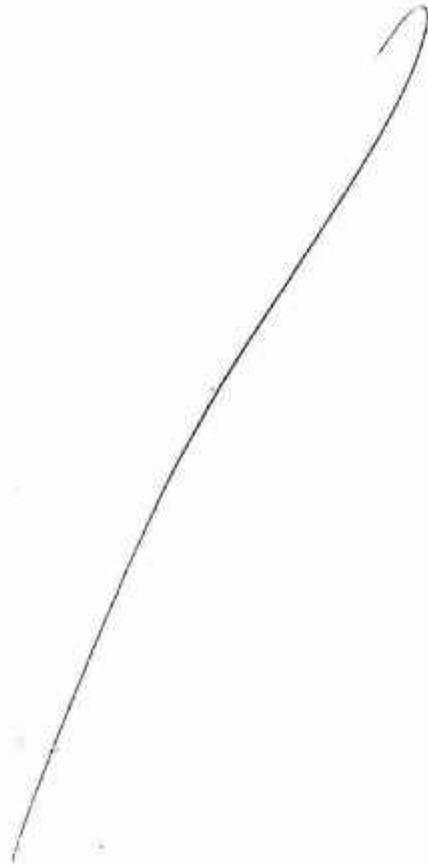
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Annexure 1.1

Site Plan And Plant Layout

(Will be submitted later on.)



Annexure - 1.2

General Design Parameters and Procurer Grid Requirements

1. Design Ambient Conditions:

Highest ever temperature recorded (Dry Bulb)	:	43.0 °C
Lowest ever temperature recorded (Dry Bulb)	:	10.0 °C
Maximum Daily Average (Dry Bulb)	:	33.0° C
Average Mean Dry bulb Temperature	:	33.0 °C
Average Mean Wet bulb temperature	:	28.0 °C
Average Mean Wet bulb temperature	:	28.5 °C (For Cooling Tower performance)
Design ambient for electrical equipment	:	50 °C
Average Relative Humidity (RH)		70%
Ambient Air Quality	:	The site is located close to Kovaya village and is bordering Birla group Cement plant and colony and the area is classified under semi-urban area.

2. Grid System Parameters

Frequency and Voltage Fluctuation

The Gas Turbines together with generators and Steam Turbine together with generators shall be capable of safe continuous operation at specified ambient temperature range without any limitation under following operating conditions:

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(a) Normal Frequency Range 50 Hz (+) 3% and (-) 5 %.

(b) Normal Voltage Range 209 KV to 231 KV. However, for variations within above limits, the reduction in output shall be as per the Operating Characteristics curve.

3. Subsynchronous Reactance / resonance

Seller will carry out a system analysis / study to identify any possible problem on the basis of information provided by Procurer / STU, including access to the existing model and associated data on the Western Region Grid. On the basis of this study Seller will provide equipment to provide alarm warnings and tripping in the event of reactance / resonance conditions that impact on the Power Station. The tripping of the Power Station due to subsynchronous reactance / resonance on the system shall be deemed to be operation of the system outside the Grid System Parameters.

4. Short Circuit and Basic Insulation Levels

4.1 Short Circuit

40,000 amps.

4.2 Basic Insulation Level (BIL.)

1,050 KV transformer winding and 1050 KV (bushings and equipment).

5. Grid System Requirement

(a) Power Station imposed harmonics on the Procurer System will not exceed

- 1% per generator
- 1.5% total harmonic distortion

(b) Phase voltage unbalance

- Less than 1%

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- (c) Symmetrical faults
 - Not less than 10
- (d) Total Fault clearance time:
 - 100 ms @ 220 KV
- (e) Stuck or local Breaker back-up protection:
 - within 300 ms
- (f) Protection dependability:
 - 99%
- (g) 220 KV breakers:
 - suitable for single phase and three phase tripping. The breakers shall be suitable for auto reclose only in case of line breaker.
- (h) Protective equipment and settings:
 - to be co-ordinated in consultations with Procurer



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SCHEDULE - 3**COMMISSIONING AND TESTING****3.1 PERFORMANCE GUARANTEE TESTS**

Seller 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. All the Tests to be performed i.e. Performance Guarantee Test/ Retest/ Repeat Performance Test shall be carried out as per relevant Test Code(s). 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-3.

Seller shall give 7 (seven) days' notice and shall invite Procurer'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.

3.2 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 95% of the Rated Name Plate Capacity so as to achieve Successful Completion thereof. If, however, such Tested Capacity is found to be below 95%, Seller shall have the option to conduct Re-Testing as provided under paragraph 3.3 hereunder. Even after such Re-Testing, if the Tested Capacity continues to be found below 95%, Procurer shall have the right to reject the Project besides its right to reduce the Fixed Charge payments.

3.3 RETEST

Seller shall carry out necessary improvement and modifications to achieve the Rated Name Plate Capacity pursuant to testing as per Clause 3.1 of Schedule 3. Seller, 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 Clause 3.1 of Schedule 3. Procurer, in order to facilitate the improvement and modifications, allow necessary Outages, as a part of the Commissioning activity to Seller and issue Despatch Instruction with

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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 Entry into Commercial Service of the Unit, which period can be extended with mutual consent. 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 so established.

3.4 REPEAT PERFORMANCE GUARANTEE TEST AND/OR CAPACITY DEMONSTRATION TEST

Procurer may, from time to time, during the Term of this PPA, but not more frequently than once every 12 (twelve) months, require Seller 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 Procurer and in accordance with procedure laid down here below.

- 3.4.1 Procurer shall give Seller 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.
- 3.4.2 If Seller wishes to take the Unit out of service for repairs before it undertakes a Test, it shall inform Procurer 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 Seller to carry out those repairs and Procurer shall defer the Test until the Unit is returned to service following that Maintenance Outage.
- 3.4.3 Procurer 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.
- 3.4.4 Seller and Procurer shall each designate qualified and authorised representatives to monitor the Test.
- 3.4.5 Testing and measurement procedures applied during the Test shall be the same as those for the Performance Guarantee Test.

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3.4.6 Test Results

Within 7 (seven) days of the completion of any Performance Guarantee Test, Seller shall supply to Procurer all completed test summary data sheets and other relevant data derived from such Performance Guarantee Test and or Test as specified in this Schedule 3. Procurer shall notify Seller within 7 days from its receipt of such completed test summary data sheets whether or not the relevant Unit has achieved Successful Completion.

3.4.7 Procurer shall accept into Procurer System all Energy and Reactive Power generated during synchronisation, Performance Guarantee Tests and any other testing or Successful Completion procedures required under the terms of this PPA.

3.4.8 Consequences of Performance Guarantee Test and test(s)

3.4.9 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 95% of Rated Name Plate Capacity or the De-Rated 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 Schedule 5 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.

3.4.10 If the Capacity demonstrated during the Performance Guarantee Test and/or the Repeat Test is greater than the Rated Name Plate Capacity or the De-Rated 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 Schedule 5 of this PPA.



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SCHEDULE - 4

AVAILABILITY FACTORS

4.1 Introduction

4.1.1 The Availability declaration or Revised Availability Declaration, if any, shall be governed by the GEGC / IEGC.

4.2 The Permitted Tolerance shall be as per Grid Code / Applicable ABT Regulations.

4.3 Cumulative Availability Factors

In any period, the cumulative availability factor (the "Availability Factor") of the Power Station shall be calculated as follows:

$$\% \text{Cum. Availability} = 10000 \times \sum_{i=1}^N DC_i + \sum_{i=1}^N [CC \times (100 - AUX_n)]$$

Where,

DC_i is the Average Declared Capacity for the settlement period 'i' in MW;

CC is the Installed Capacity of the generating station in MW

i is the relevant settlement period,

N is the total Number of settlement periods from the beginning of the operating year, till the end of the billing period, and

AUX_n is the Normative Auxiliary Energy Consumption as a percentage of gross generation

4.4 Available Capacity

4.4.1 The Power Station's available capacity in each Settlement Period (its "Available Capacity") shall be equal to its Declared Capacity in that Settlement Period, less any Capacity Reduction as per the applicable ABT regulation.

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SCHEDULE - 5

TARIFF

5.1 The Monthly Tariff Payment

5.1.1 General

Procurer shall pay the Monthly Tariff Payment for the period from the date on which Installed Capacity and / or electrical energy is first accepted by Procurer, until this Agreement expires or is terminated.

5.1.2 The Monthly Tariff Payment shall consist of the following elements:

- (i) The Capacity Charges plus or minus
- (ii) The Monthly Availability Adjustment plus or minus
- (iii) The Incentive Charge plus
- (iv) The Fuel Charge,

except that the Monthly Tariff Payment shall consist only of the Variable Charge which shall be the equivalent to the cost of fuel on normative basis, in those Months in which Installed Capacity and / or electrical energy is accepted by the Procurer before any Units are Commissioned.

5.1.3 Monthly Tariff Payments are payable in Rupees.

5.1.4 Monthly Tariff Payments shall be calculated for periods of a full Month, except:

- (i) If one or more Tariff Changes referred to during the course of a Month, the Monthly Tariff Payment 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, (b) each period (if any) from the date a 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
- (ii) If the term of this Agreement 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

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the day on which this Agreement expires or is terminated.

5.1.5 A Tariff Change means:

1. Any change in the Power Station's Installed Capacity
2. Any change in the Capital Cost;
3. The occurrence of a Unit's Commissioned Date; or
4. Any other event or circumstance which is relevant to the calculation of the Monthly Tariff Payments.

5.1.6 In calculating the Monthly Tariff Payment for any period before the Commercial Operations Date of the Power Station, the Capital Cost of the Power Station and its debt and equity elements shall be allocated to the Units then in service in the proportion that the most recent Tested Capacity of the Units bears to the Installed Capacity of the Power Station.

5.2 The Capacity Charge

5.2.1 Subject to Clause 5.1.6, the Fixed Charge in any Month which begins on or after the Commercial Operations Date shall be calculated as follows:

$$CC_m = A_m + B_m + C_m + D_m + E_m$$

Where,

CC_m is the Capacity Charge in Month m

A_m is the Interest on loan capital in the Month m

B_m is the Depreciation, including Advance Against Depreciation in Month m

C_m is the Operation and maintenance expenses in Month m

D_m is the Return on Equity in Month m

E_m is the Cost of Interest on working capital in Month m

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5.2.1.1 The Interest on loan capital in Month m shall be calculated as follows:

$$A_m = \frac{\left[\sum_c (D_m \times i_c \times d \times r_c) \right] \times (T_c \div C_c)}{bc}$$

Where,

- A_m is the Interest on Loan Capital in Month m (expressed in Rupees)
- Σc is the sum of the relevant values for each currency 'c' in which the debt Component of the Capital Cost may be denominated
- D_m is the outstanding amount of the debt component of the Capital Cost in Month m which is denominated in respective currency
- i_c is the actual Rate of Interest charged by the lender during Month m applicable to outstanding debt denominated in currency
- d is the number of days in Month m
- r_c is the actual Exchange Rate for currency, at the time of payment (or 1.0 if Currency is Rupee)
- bc number of days in a Contract Year
- T_c is the Tested Capacity
- C_c is the Installed Capacity
- and if $T_c/C_c \geq 0.95$, it shall be treated as 1.

5.2.1.2 The Depreciation, including Advance Against Depreciation in Month m shall be calculated as follows:

(A) Depreciation

For the purpose of tariff, depreciation shall be computed in the following manner, namely:

- (i) The value base for the purpose of depreciation shall be the

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historical cost of the asset;

- (ii) Depreciation shall be calculated annually, based on straight line method over the useful life of the asset and at the rates prescribed by GERC/CERC as on the date of signing of this Agreement.

The residual life of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the historical capital cost of the asset. Land is not a depreciable asset and its cost shall be excluded from the capital cost while computing 90% of the historical cost of the asset. The historical capital cost of the asset shall include Additional Capitalization on account of Foreign Exchange Rate Variation.

- (iii) On repayment of entire loan, the remaining depreciable value shall be spread over the balance useful life of the asset or pending Term of this Agreement, whichever is earlier.
- (iv) Depreciation shall be chargeable from the first year of operation. In case of operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

(B) Advance Against Depreciation

In addition to allowable depreciation, the Seller shall be entitled to Advance Against Depreciation, computed in the manner given hereunder:

AAD = Loan repayment amount subject to a ceiling of $1/10^{\text{th}}$ of loan amount minus Depreciation as per Schedule.

Provided that Advance Against Depreciation shall be permitted only if the cumulative repayment up to a particular year exceeds the cumulative depreciation up to that year;

Provided further that Advance Against Depreciation in a year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation up to that year.

The Monthly depreciation charges shall be calculated as follows:

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$$B_m = \left[\frac{(CCR \times tc \times d)}{bc} + \sum c[(Rc \times rc) - (Rc \times bre)] \right] \times (Tc \div Cc) + AAD$$

Where,

B_m	is the Depreciation for Power Station in Month m (expressed in Rupees)
CCR	is the Capital Cost in Month m expressed in Rupees
tc	is the weighted average rate for annual depreciation for the Power Station allowed by the CERC
d	is the number of days in Month.
Σc	is the sum of the relevant values for each currency, in which any part of the debt component of the Capital Cost is repayable. in Month
bc	number of days in a Contract Year
Rc	is the amount of any debt component of the Capital Cost which is repayable in currency, in Month m
rc	is the Reference Exchange Rate for currency, on the relevant repayment date in Month m (or 1.0 if currency is Rupee)
bre	is the Base Reference Exchange Rate for currency, (or 1.0 if currency is Rupees)
Tc	is the Tested Capacity
Cc	is the Installed Capacity and if $Tc/Cc \geq 0.95$, it shall be treated as 1.
AAD	is the Advance Against Depreciation

5.2.1.3 The Operation and Maintenance expenses in a Month m shall be calculated as under:

$$C_m = \left[\frac{(OMc \times Cc \times d)}{bc} \right] \times (Tc \div Cc)$$

Where,

C_m	is the O&M expenses for the Month m (expressed in Rupees)
OMc	is the O&M charges expressed in Rs/MW per year, as per prevailing GERC/CERC guidelines
Tc	is the Tested Capacity
Cc	is the Installed Capacity and if $Tc/Cc \geq 0.95$, it shall be treated as 1.
d	is the number of days in Month.
bc	number of days in a Contract Year

The OMc for the years subsequent to the first year shall be escalated with the escalation rate published by GERC/CERC from time to time and as applicable.

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If the rate of Water Charges actually incurred by the Seller, is higher than that considered by GERC/ CERC, the differential rate shall be reimbursed by the Procurer, keeping the quantum of Water Consumption per KWh the same as considered by GERC/ CERC.

5.2.1.4 The Return on Equity in Month m shall be calculated as follows:

$$D_m = \frac{\sum_c (Eqc \times 0.14 \times d \times rc)}{bc} \times (Tc \div Cc)$$

Where,

D_m is the Return on Equity in Month m (expressed in Rupees)

Σc is the sum of the relevant values for each currency in which the equity component of the Capital Cost (may be denominated as shown in the Capital Structure Schedule)

Eqc is the amount of the Equity component of the Capital Cost in Month m which is denominated in respective currency

d is the number of days in Month m

rc is the Reference Exchange Rate for currency, on the first day of Month m (or 1.0 if currency is Rupees)

Tc is the Tested Capacity

Cc is the Installed Capacity

and if $Tc/Cc \geq 0.95$, it shall be treated as 1.

bc number of days in a Contract Year

5.2.1.5 The Cost of Interest on Working Capital in Month m shall be calculated as follows:

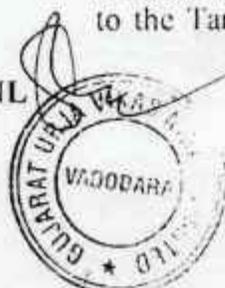
$$E_m = \frac{[Fc + Oc + Sc + Rcx] \times d \times w}{bc}$$

Where,

E_m is the Cost of Working Capital Allowance in Month m.

Fc is the Fuel cost for 30 days less the number of days for which credit has been allowed by the Fuel supplier, corresponding to the Target Availability achieved duly taking into account

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- the mode of operation of the Seller on gas fuel;
- Oc is the Operation and maintenance expenses for one Month;
- Sc is the cost of Maintenance spares at 1% of the historical cost escalated @ 6% per annum from the date of commercial operation
- Rex is the Receivables equivalent to two months of fixed, variable charges (including minimum take of pay charges under the Fuel Supply Agreement) for sale of electricity calculated on Target Availability.
- D is the number of days in Month m
- Bc number of days in a Contract Year
- w is the SBI PLR as on 1st April of the respective Financial Year.

5.3 Monthly Availability Adjustments

Subject to Clause 5.1.6, the Monthly Availability Adjustment in Month m shall be calculated as follows:

$$MA_m = \left\{ \frac{\sum_{i=1}^N nCC_m \times [(NAr - AV_n)]}{NAr} \right\} - \sum nMA_m$$

Where,

MA_m is the Monthly Availability Adjustment in Month m. (expressed in Rupees)

$\sum_{i=1}^N n$ is the sum of the relevant values (taking account of whether such values are positive or negative) for each relevant Month in Contract Year n (being the Contract Year in which Month falls)

i is the relevant Month

N is the cumulative number of Months

CC_m is the Capacity Charge in each elapsed Month in Contract Year n (including the Month for which the Monthly Availability Adjustment is being calculated)

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- NAr is Normative Availability,
- ΔV_n is the Availability Factor as calculated in Schedule 5 or 80%, whichever is lower
- MA_{m-1} is the Monthly Availability Adjustment in each elapsed Month in Contract Year prior to the Month for which the Monthly Adjustment is being calculated

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 the Procurer to the Seller; if a negative number, it shall be shown as an additional amount payable by the Procurer to the Seller.

5.4 Incentive Charge

Subject to Clause 5.1.6, the Incentive in Month m shall be calculated as follows:

Incentive shall be payable at a rate decided by CERC/GERC (presently 25.0 paise / kWh) for ex-bus scheduled energy corresponding to scheduled generation in excess of ex-bus energy corresponding to target Plant Load Factor.

$$ESDI_m = 0.25 \times \left[\sum_{i=1}^N \left(\frac{DI \times 1000 \times n}{60} \right) - \sum_{i=1}^N \left(\frac{80\% \times Cc \times (1 - AC) \times 1000 \times n}{60} \right) \right] \sum_{i=1}^N ESDI_{i-1}$$

Where,

$ESDI_m$ 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

DI Scheduled Dispatch Instruction received by Procurer expressed in MW;

i is the relevant Settlement Period

N is the cumulative number of Settlement Periods

n is the Settlement Period of 15 minutes;

Cc is the Installed Capacity expressed in MW;

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

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

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GPPC

If the Incentive Charge for Month 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.

5.5 The Variable Charge:

The Variable Charge shall be summation of energy charge as per Clause 5.5.1 and Supplementary Invoice raised for minimum fuel offtake charge as per Clause 5.5.2.

5.5.1 The energy charge for Month m shall be calculated as follows:

Energy (variable) Charges shall cover fuel costs and shall be worked out on the basis of ex-bus energy scheduled to be sent out from the generating station as per the following formula:

Energy Charges (Rs) = EC

$$EC = \frac{DI \times SHR_n \times LCF}{GCV \times (1 - AUX_n)}$$

Where,

EC is Energy Charges in Rs.

DI is the Dispatch Instruction expressed in KWh

LCF is the landed cost of fuel including system use gas, expressed in Rs/SCM

SHR_n is the Normative Station Heat Rate of the Power Station expressed in kCal / kWh

GCV is the Gross Calorific Value of fuel expressed in kCal/SCM

AUX_n is the Normative Auxiliary Energy Consumption as % of gross generation.

5.5.2 Minimum Fuel Off-take Charges

The Procurer shall reimburse the Seller for charges paid in respect of its failure to take delivery of minimum levels of Fuel, but only to the extent that the Seller's failure to take such Fuel is due to the Dispatch Instruction;

Provided that the Procurer shall reimburse such minimum Fuel offtake charges to the Seller only to the extent that such minimum fuel off-take charges (take-or-pay charge) were incurred in accordance with the Fuel Supply Agreement;

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5.6 **Unscheduled Interchange (UI) Charges:**

Variation between scheduled generation and actual generation shall be accounted for through Unscheduled Interchange (UI) Charges as detailed in section 24 of the GERC / CERC (Terms and Conditions of Tariff) Regulations, 2004 (as amended from time to time). The UI will be settled between the Seller and STU. Similarly for Procurer, the UI will be settled between the Procurer and the STU.

5.7 **Transmission/Wheeling Charges and Scheduling Charges**

The payment of Transmission/Wheeling Charges shall be settled between the STU and the Procurer. The Payment of scheduling charges to the respective Nodal Agency shall be the responsibility of Procurer.

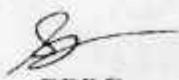
5.8 **Tax on Income:**

- 5.8.1 Tax on the income streams of the Seller, from its core business of sale of electrical energy to the Procurer, shall be computed as an expense and shall be recovered from the Procurer.
- 5.8.2 Under-recovery or over-recovery of any amount from the Procurer on account of such tax having been passed on to the Procurer shall be adjusted every year on the basis of income-tax assessment under the Income-Tax Act, 1961, as certified by the statutory auditors. The Seller, may make such adjustments directly and without making any application to the Commission in this regard.
- 5.8.3 Provided that tax on any income stream other than the core business of sale of electricity to the Procurer shall not constitute a pass through component in tariff and tax on such other income shall be borne by the Seller.
- 5.8.4 Provided further that the profit before tax of the Seller, as per the admitted books of accounts for the year shall constitute the basis for the corporate tax liability.
- 5.8.5 Provided further that the benefits of tax-holiday as applicable in accordance with the provisions of the Income-Tax Act, 1961 shall be passed on to the Procurer.
- 5.8.6 Provided further that income-tax shall be charged to the Procurer at the end of the year as a supplementary invoice along with copy of Income Tax return.

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5.9 Recovery of Income-tax and Foreign Exchange Rate Variation:

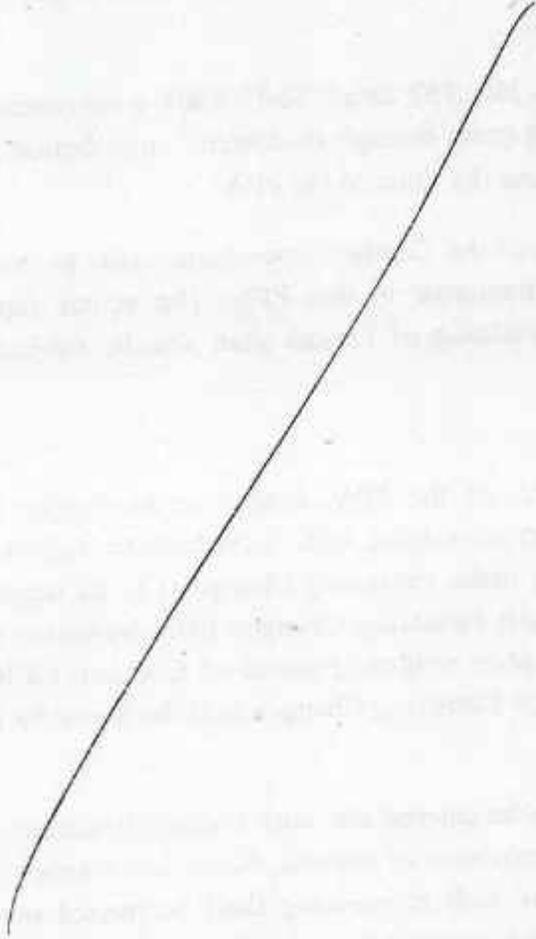
- 5.9.1 Adjustments for under-recovery or over-recovery of any amount from the Procurer on account of Foreign Exchange Rate variations shall also be adjusted every year, and the Seller, may make such adjustments directly and without making any application to the Commission in this regard.

Provided, however, that in case of any objections by the beneficiary to the amounts claimed on account any adjustments made for under-recovery or over-recovery either due to variation in actual tax liability or due to Foreign Exchange Rate Variation, the generating company shall make an appropriate application before the Commission for its decision.



SCHEDULE - 6

NOT USED



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SCHEDULE - 7

FINANCING PLAN

7.1 *Financing Plan*

The Capital Cost of the Project shall be subject to approval by Procurer/ GERC. However, the Debt:Equity ratio should not be less than 2.33.

The actual Financing Plan shall be subject to approval of Procurer/ GERC. The Tariff for sale of Electricity from the Project shall be determined on the basis of the final financial package and Project Cost approved by Procurer/ GERC.

Pursuant to GoI Resolution No. 237 dated 22-10-1991 a minimum of 11% of the total outlay must come through Promoters' contribution and shall be so retained through out the Term of the PPA.

Seller shall furnish breakup of the Capital Expenditure made by Seller for the power station as mentioned in this PPA. The actual capital expenditure incurred on completion of Project shall also be subject to approval of Procurer/ GERC.

7.2 *Financing Change(s)*

Seller shall, during the Term of the PPA, endeavour to employ the cheapest Means of Finance in accordance with Good Industry Practices. For this purpose, Seller may make Financing Change(s) to its original approved Financing Plan. Such Financing Changes shall, however, not be implemented without the prior written approval of Procurer/ GERC. The costs associated with such Financing Changes shall be borne by the Procurer.

The Financing Agreements to be entered into with Financial Institutions in this regard must have the provision of allowing Seller to refinance the Capital Cost. The benefits of such refinancing shall be passed on to Procurer. Notwithstanding this provision, the obligation of achieving Financial Closure within the stipulated date on the part of Seller shall not be mitigated.



SCHEDULE - 8
METERING SYSTEM

8.1 The metering system for the Project (the "Metering System") shall comprise of:

- (a) a meter on each Unit (the "Generator Meters");
- (b) a meter at each of the Interconnection Point (the "Interconnection Meter"), at the out going bus bar (gantry) of the Power Station
- (c) a meter at Interconnection Points (the "Import Meter"); and
- (d) check meters for the Generator Meters, the Interconnection Meter and the Import Meter (the "Check Meters").

8.2 Each meter comprising the Metering System shall have an accuracy class of ± 0.2 .

8.3 Each meter comprising the Metering System shall, as to their technical standards, description, accuracy and calibration, comply fully with any applicable requirements of the Electricity Rules and in particular the Metering System shall meet the following:

(i) Each of the Energy Meters:

- a) Shall be microprocessor based conforming to IEC:60687, IEC:1036, IEC:13779, IS:14697.
- b) Shall carry out measurement of active energy (both import and export) and reactive energy (both import and export) by 3 phase, 4 wire principle suitable for balanced/ unbalanced 3 phase load.
- c) Shall have accuracy of energy measurement of 0.2% for active energy and 0.5% for reactive energy.
- d) The active and reactive energy shall be directly computed in CT & VT primary ratings and stored in four different registers of memory of the meter as MWII(E), MWII(I), MVARII(E) and MVARH(I) along with a plus sign for export and minus

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sign for import. The VARH shall be computed and stored in four separate registers corresponding to various system voltage conditions, and these conditions shall be finalised during detailed engineering. Similarly, MWh shall be computed corresponding to grid frequency.

- c) Shall compute the energy sent out of the Power Station busbars during each successive Settlement Period and store in the respective register.
- f) Shall display on demand the energy sent out during previous Settlement Period.
- g) Shall continuously integrate the energy readings of each register upto the previous Settlement Period. All these readings shall be displayed on demand.
- h) Cumulative reading of each register shall be stored in a separate non-volatile memory and displayed on line.
- i) The reading shall be stored for a period of forty (40) days before being erased.
- j) Shall have a built in clock and calendar having an accuracy of atleast one minute per month or better without assistance of external time synchronizing pulse.
- k) Date/time shall be displayed on demand. The clock shall be synchronized by GPS time synchronization equipment
- l) Each meter shall have a unique identification code provided by Procurer and shall be marked permanently on the front and also in the non-volatile memory.
- m) The voltage monitoring of all the three voltages shall be provided. The meter shall normally operate with power drawn from the VT supplies.
- n) The power supply to the meter shall be healthy even with a single-phase VT supply. An automatic backup, in the event of non availability of voltage in all the phases, shall be provided by a built in long life battery and shall not need replacement for atleast 10 years with a continuous VT interruption of atleast 2 years. Date and time of VT interruption and restoration shall be automatically stored in a non-volatile

memory. It shall be possible to take the readings of the meter when no VT supply is available.

- o) Shall have an optical port on the front of the meter for data collection. Meter Reading Instrument (MRI) for downloading data from front optical ports on the meter shall be provided by the Seller.
- p) The stored data shall be continuously transferred through necessary serial/parallel ports to a local Personnel Computer to be provided by the Seller. Necessary hardware and software shall be provided for downloading data on the local PC for display of real time data and taking print out of the pages / reports.
- q) The necessary software shall be provided to accept the data on line and store in memory and on a floppy diskette and also to print the same.
- r) The meter shall have means to test MWI / MVArh accuracy and calibration at site and test terminal blocks shall be provided for the same.

8.4 The SLDC may require the Seller at the Sellers expense, to install such additional remote monitoring equipment as the SLDC may reasonably require for the purpose of measuring and monitoring the performance of the Power Station.

8.5 The Metering System shall measure:

- (a) in respect of the Generator Meters and the corresponding Check Meters, the Generator Output of each Unit at its generator terminal;
- (b) in respect of the Interconnection Meters and the corresponding Check Meter, the Electrical Output delivered at the Interconnection Points; and
- (c) in respect of the Import Meter and the corresponding Check Meter, energy imported by the Company into the Power Station at the station transformers.

8.6 The Main and Check Meters shall be installed by the Procurer and the Seller shall provide all co-operation and assistance (including by providing sufficient space and right of way) to the Procurer for the same.

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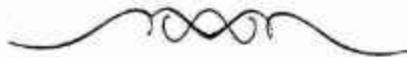


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8.7 Test/Calibration Equipment

- 8.7.1 Solid state standard meter suitable for checking the accuracy of class ± 0.2 meters shall be used. These shall be duly calibrated and sealed by government authorised meter testing house/lab or by a mutually agreed independent test house where such facilities are available.
- 8.7.2 Similarly, suitable primary/secondary injection sets should also be available at the Power Station.



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SCHEDULE - 9

REPRESENTATION AND WARRANTIES

9.1 Representations and Warranties by the Procurer

Procurer hereby represents and warrants to and agrees with the Seller as follows and acknowledges and confirms that the Seller is relying on such representations and warranties in connection with the transactions described in this Agreement:

- (i) The said Procurer has all requisite power authorising and has been duly authorised to execute and consummate this Agreement;
- (ii) This Agreement is enforceable against the said Procurer in accordance with its terms;
- (iii) The consummation of the transactions contemplated by this Agreement on the part of the said Procurer will not violate any provision of nor constitute a default under, nor give rise to a power to cancel any charter, mortgage, deed of trust or lien, lease, agreement, license, permit, evidence of indebtedness, restriction, or other contract to which the said Procurer is a party or to which said Procurer is bound, which violation, default or power has not been waived;
- (iv) The said Procurer is not insolvent and no insolvency proceedings have been instituted, nor threatened or pending by or against the said Procurer;
- (v) There are no actions, suits, claims, proceedings or investigations pending or, to the best of the said Procurer's knowledge, threatened in writing against the said Procurer at law, in equity, or otherwise, and whether civil or criminal in nature, before or by, any court, commission, arbitrator or governmental agency or authority, and there are no outstanding judgements, decrees or orders of any such courts, commission, arbitrator or governmental agencies or authorities, which materially adversely affect its ability to execute the Project or to comply with its obligations under this Agreement.

Event of Default: In the event that any representations and warranties offered by a Procurer in the Article above are not true or are incorrect, the occurrence of such event would amount to a Procurer Event of Default releasable to the Procurer making the false or incorrect representation and warranty under Article 14.2 of this Agreement and the Seller shall have the right to terminate this Agreement in accordance with Article 14 of this Agreement.

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9.2 Representation and Warranties of the Seller

The Seller hereby represents and warrants to and agrees with the Procurer as follows and acknowledges and confirms that the Procurer are relying on such representations and warranties in connection with the transactions described in this Agreement:

- (i) It has all requisite power authorising and has been duly authorised to execute and consummate this Agreement;
- (ii) This Agreement is enforceable against it in accordance with its terms;
- (iii) The consummation of the transactions contemplated by this Agreement on the part of the Seller will not violate any provision of nor constitute a default under, nor give rise to a power to cancel any charter, mortgage, deed of trust or lien, lease, agreement, license, permit, evidence of indebtedness, restriction, or other contract to which the Seller is a party or to which the Seller is bound which violation, default or power has not been waived;
- (iv) The Seller is not insolvent and no insolvency proceedings have been instituted, not threatened or pending by or against the Seller;
- (v) There are no actions, suits, claims, proceedings or investigations pending or, to the best of Seller's knowledge, threatened in writing against the Seller at law, in equity, or otherwise, and whether civil or criminal in nature, before or by, any court, commission, arbitrator or governmental agency or authority, and there are no outstanding judgments, decrees or orders of any such courts, commission, arbitrator or governmental agencies or authorities, which materially adversely affect its ability to execute the Project or to comply with its obligations under this Agreement.

Event of Default: In the event that any representations and warranties offered by the Seller in the Article above are not true or are incorrect, the occurrence of such event would amount to a Seller Event of Default under Article 14.1 of this Agreement and both Procurer shall have the right to terminate this Agreement in accordance with Article 14 of this Agreement.



SCHEDULE - 10
FUEL MANAGEMENT

10.1 FUEL

10.1.1 The Generating Station is designed to use Natural Gas/ RLNG as Fuel.

10.2 Fuel Procurement

Seller shall be solely responsible to ensure availability of Fuel and the Alternate Fuel of the required quantity and quality at all times during the Term of the PPA.

10.3 Fuel Agreements

The Fuel Supply/ Transportation Agreement(s) in relation to the procurement of Fuel shall be entered into only after prior written approval of Procurer. Any amendment(s) to the Fuel Supply/ Transportation Agreement(s) shall also be subject to prior written approval of Procurer. Notwithstanding this provision, where the relevant agreements are amended by Seller without the prior approval of Procurer, and where such amendment(s) result into increase of the Energy Charges in any respect, Procurer shall be obliged to pay only such portion of the Energy Charges in respect of the amended agreement(s) as would have been payable by Procurer prior to the amendment(s).

In case Seller has to pay penalty to the fuel supplier for not purchasing the Minimum Guaranteed Quantity (MGQ) of fuel mentioned in the Fuel Supply Agreement (FSA) and if during that year availability of the station is greater than the minimum offtake liability (MOL) of fuel but Procurer has not issued dispatch instructions for the energy corresponding to such MOL during that year then Seller will raise an invoice for the amount of Take or Pay liability as per the FSA to the extent Procurer has not issued the Dispatch Instructions.

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Annexure - B

Gujarat State Energy Generation Ltd.

A/7B/3-8, GIDC Electronic Estate,
Near Patni Computers (IGATE), Sector 25,
Gandhinagar - 382016, Gujarat, India
Tel : +91-79-23288210/250, 0261-2506101/102
Fax : +91-79-23288048
E-mail : md.gseg@gspc.in/md.dgvc@gebmil.com
www.gspcgroup.com

Ref: GSEG/351MW EXPN/170377

Date: 17th January 2014

Sub : **Draft Minutes of the High Power Committee Meeting held on 7th January 2014 regarding reimbursement of fixed charges for GSEG and GPPC Power projects.**

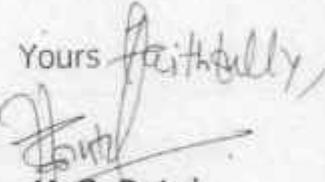
Ref : **GSEG letter no. 170335 dated 27th December 2013.**

Respected Shri *Sinha Saheb,*

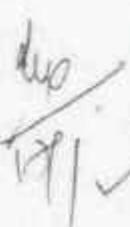
This is with reference to the High Power Committee Meeting held on 7th January 2014 to discuss and resolve the issue relating to payment of Fixed Charges under the PPAs for GSEG (351 MW) and GPPC (702 MW) gas based power projects.

Considering deliberation in the said meeting, a draft minutes prepared and attached herewith for your perusal and approval please. If the said minutes approved you are requested to sign the final minutes.

With kind regards,

Yours faithfully,

H S Patel


End: AS above


Dr. Varesh Sinha, IAS
Chief Secretary
Government of Gujarat
5th Floor, Block No.1,
New Sachivalaya,
Gandhinagar

Minutes of the meeting held by Chief Secretary, Government of Gujarat on 7th January 2014 to discuss the matter relating to payment of Fixed Charges to GSEG and GPPC.

Following were present during the meeting.

Government of Gujarat	GUVNL	GSPC, GSEG & GPPC
Dr. Varesh Sinha, IAS Chief Secretary, Government of Gujarat	Shri Raj Gopal, IAS Managing Director GUVNL	Shri Tapan Ray, IAS Managing Director GSPC
Shri D.J Pandian, IAS ACS, EPD	Smt. Sailaja Vachhrajani Chief Finance Manager	Shri H. S Patel, IAS Managing Director GSEG
Ms. S. Aparna, IAS Principal Secretary Finance Department	Shri Rakesh Soni Dy. Engineer	Shri S.B. Khyalia - Managing Director- GPPC
		Shri Manish Verma Executive Director (F&A) GSPC
		Shri Subhash Dave Executive Director (F&A) GSEG & GPPC
		Shri Sudhir Shah General Manager (Comml.) GSEG & GPPC
		Shri Santosh Joshi General Manager (TS) GSEG & GPPC

Hon'ble Chief Secretary presided over the meeting.

The meeting was held in pursuance of directives and decision taken during the GSEG's last Board Meeting to discuss and resolve the issue relating to payment of Fixed Charges under the PPAs for GSEG (351 MW) and GPPC (702 MW) gas based power projects.

A detailed presentation was made by GSEG & GPPC. It was informed that GSEG's 351 MW project was commissioned on 23rd March 2012 and GPPC's first unit is commissioned on 12th April 2013 and second unit is likely to be commissioned during this month, January 2014.

The PPAs have been approved by the GERC. GOI has not allotted the required gas for the projects and GUVNL has not agreed with the operation on RLNG.

As per the terms of PPAs, GUVNL is required to pay the annual Fixed Charges of Rs. 351 Core to GSEG and Rs. 803 Crore to GPPC. The payment of interest on loan and principal amount has already been started for both companies. Both companies are somehow managing the debt-servicing either through loan from GSFS or ICD/equity contribution from GSPC. However, it is virtually impossible to manage the debt-servicing this way for any more. Any default by these companies shall qualify as NPA which will have effect not only for these two companies but will have larger effect on GSPC group as well as GSFS and other GOG PSUs also. In order to avoid such situation at least minimum payment of Rs. 204 Crore required for GSEG and Rs.445 Crore for GPPC per annum for the debt-servicing and minimum O&M without any return on equity and interest on working capital.

GPPC representative mentioned that as per GOG directives, originally, the agreed equity participation was 34% by GSPC, 17% by GPCL and 49% by the private participation. The 49% partner, M/s. Swan Energy Ltd., withdrew from the project due to PIL in High Court and as per GOG directive, equity received from M/s. Swan Energy Ltd. was returned from the amount funded from GSFS. GPCL has now refused for equity investment in GPPC. As per GOG directive an exercise was carried out through SBI CAPS to select the private equity investor but could not materialize due to present gas and power scenario in Gujarat/India. So, GPPC has requested GOG to subscribe the balance 66% equity of app. Rs. 745 cr. in GPPC.

The chairman of the meeting inquired about minimum Fixed Charge and ad-hoc fund required till 31st March 2014. GSEG & GPPC representative informed that minimum Rs. 82 Cr. for GSEG and Rs. 170 Cr. for GPPC, total Rs. 252 Cr., is required till 31st March 2014.

After detailed discussion on the submissions of GSEG, GSPC and GUVNL, following were agreed and decided:

- Both the companies have proceeded for the project in accordance with the requirement/decision of GOG and GUVNL. Both the Company should not default in repayment of the loan and interest as it would adversely impact on all the Government of Gujarat entities. Hence, the bare minimum Fixed Charges need to be paid to GSEG and GPPC to meet the debt service obligations and minimum O&M expenditure for both the power projects. The PPA is valid and GUVNL to complete minor formalities at earliest and pending that GUVNL to disburse ad-hoc fund to meet with exigency of GSEG and GPPC.
- A Committee of the following is constituted to decide the modalities and procedure for fund infusion and disbursement to GSEG and GPPC for minimum Fixed Charge immediately.
- 1. Shri Hasmukh Adhia, IAS, ACS-Finance Dept.
 2. Shri D.J Pandian, IAS, ACS- Energy and Petrochemicals Dept
 3. Shri Tapan Ray, IAS, Managing Director, GSPC
 4. Shri Raj Gopal, IAS, Managing Director, GUVNL
 5. Shri H. S. Patel, IAS, Managing Director, GSEG
 6. Shri S. B. Khyalia, Managing Director, GPPC

Further, it was also decided to call Shri M. M. Srivastava, IAS (Retd.) as a special invitee to above committee.

Meeting ended with a vote of thanks to the Chair.


Chairman

Power Purchase Agreement between

GSPC Pipavav Power Company Ltd.

(The Seller)

and

Gujarat Urja Vikas Nigam Limited

(The Procurer)

IN RESPECT OF

702 MW GAS BASED POWER STATION

SET UP AT PIPAVAV



GPPC
[Handwritten signature]



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गुजरात गुजरात GUJARAT

AD 863056

अनुक्रम नंबर : ता. : 28/02/2014
 परीक्षणार्थ नाम :
 सरनाम :
 हस्त :
 स्टैम्प नंबर S-11 ता. नं. 3/2009
 श्रीमती वीजाजी देवीकुमार सोदावाल ता. 2/11/2009
 शोप नं. 301 इलेक्ट्रिक, इलाहाबाद रोड, काशी विवेक महादेव मंदिर
 काशी, उ.प्र. पी. सी. हेली रोड, वडीहरा - 360 004.
 फोन / मोबाइल नं. (0522) 2321100, सेल नं. 9702677440
 (M) : 94089 84057 e-mail : shivanistamps@yahoo.com

वेसादी,
 अक्षर 1

This Agreement is made on the 28th day of February, 2014

Between

- (1) GSPC Pipavav Power Company Limited (GPPC) having its registered office at 3rd floor, GSPC Bhavan, Near Udyog Bhavan, Sector-11, Gandhinagar – 382 011, hereinafter called "Seller" which expressions unless repugnant to the context and meaning hereof shall include its successors and assigns



GPPC
 (Signature)



And

- (2) Gujarat Urja Vikas Nigam Limited (hereinafter referred to as the GUVNL), having its registered office at Sardar Patel Vidyut Bhavan, Race Course, Vadodara, 390007 hereinafter called "Procurer" which expressions unless repugnant to the context and meaning hereof shall include its successors and assigns

(Each of the "Procurer", and "Seller" are individually referred to as "Party" and collectively to as the "Parties")

Whereas:

- A. The Procurer intends to procure generation capacity and purchase electricity in bulk.
- B. The Seller has offered the generation capacity of its Gas Based Combined Cycle Power Plant at Pipavav in aggregate of 702 MW and sale and supply of electricity in bulk there from to the Procurer;
- C. The Seller being a State Government PSU, has been exempted from competitive bidding, as per the Government of India guidelines.
- D. The Procurer has been authorised by the Distribution Licensees of the State viz. Madhya Gujarat Vij Co. Ltd. (MGVCL), Uttar Gujarat Vij Co. Ltd. (UGVCL), Dakshin Gujarat Vij Co. Ltd. (DGVCL) and Pashchim Gujarat Vij Co. Ltd. (PGVCL) to execute the PPA for Procurement of Power from the Seller. The Distribution Licensees also confer to the commitments given by the Procurer to the Seller and have agreed to be bound by the PPA and all decisions of the Procurer for the same.
- E. The Procurer and Seller have signed a Power Purchase Agreement on 22nd February, 2008 which was filed before the Gujarat Electricity Regulatory Commission (GERC) for Approval.
- F. The GERC has directed the Procurer and the Seller to modify the above PPA vide their Order in petition no. 984/2009 dated 3rd May 2010 and order in Review Petition No. 1036/2010 dated 1st September 2010.
- G. The Seller intends to sell the generation capacity and supply of electricity in bulk to the Procurer to the extent of 702 MW capacity in aggregate on the terms and conditions contained in this Power Purchase Agreement (PPA) (the Agreement);
- H. Accordingly, the Parties have to sign this AMENDED PPA setting out the terms and conditions of the sale of generation capacity and supply of electricity in bulk by the Seller to the Procurer and incorporating the modifications as directed by the GERC and certain other modifications mutually agreed by the parties.



- I. This Agreement shall be effective only if the GERC approves the same and on approval by GERC, this Agreement would supercede the earlier Agreement signed on 22.2.2008 and any other correspondence in this regard.

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

[A large, long, curved handwritten signature or scribble spans across the middle of the page.]



GPPC
1437



ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

The terms used in this Agreement, unless as defined below or repugnant to the context, shall have the same meaning as assigned to them by the Electricity Act, 2003 and the rules or regulations framed there under as amended or re-enacted from time to time:

"Act" or The Electricity Act 2003"	The Electricity Act 2003 or any further amendments made subsequent to the same;
"Additional Capitalisation"	shall have the meaning as described in Article 7.10.2.
"Affected Party"	Means, in respect of Force Majeure Events, procurer and/or Seller whosoever is prevented from performing its obligations under this PPA.
"Agreed Form"	means, in relation to any document, the form of the said document most recently agreed to by the Parties and initialed by them for identification;
"Agreement" or "Power Purchase Agreement" or "PPA"	means this document including its Schedules containing the terms and conditions for purchase of power by Procurer;
"Appropriate Commission"	means the State Electricity Regulatory Commission, exercising the function to regulate sale of electricity by a generating company and the power purchase and procurement process of the Procurer under the Electricity Act, 2003;
"Applicable ABT order"	means, Intra State ABT order for Gujarat State;
"Availability Factor" or "Availability"	shall have the meaning ascribed thereto in Clause 4.3 of Schedule 4 of this Agreement;
"Available Capacity"	shall have the meaning ascribed thereto in Clause 4.4



	of Schedule 4 of this Agreement;
"Bill Dispute Notice"	means the notice issued by a Party raising a dispute regarding a Monthly Bill or a Supplementary Bill issued by the other Party;
"Business Day"	means a day other than Sunday or a statutory holiday, on which the banks remain open for business in Vadodara ;
"Calendar Year"	Means the Georgian year beginning on the 1st Day of the month of January and ending on the 31st Day of the month of December
"Capacity Charge" or "Capacity Charges"	shall have meaning as specified in Schedule 5;
"Capacity Notice"	means a notice given pursuant to applicable Grid Code / Applicable ABT Orders.
"Capital Cost"	shall be as described in GERC regulations as amended from time to time and as approved by GERC & Procurer.
"Change in Law"	has the meaning specified in Article 13.1.1;
"Check Meters" or "Check Meter"	shall have the meaning as specified in CEA's (Installation and Operation of Meters) Regulation 2006 as amended and revised from time to time.
"Commercial Operation Date" or "COD"	means, in relation to a Unit or the Power Station, as the case may be, the date declared by the Seller, after conducting the Trial Run Test as per Schedule 3 and meets the requirements of Article 6.3.
"Commissioning Tests" or "Commissioning Test"	"Commissioning Tests" means the Performance Test.
"Construction Contractor"	means one or more main contractors, appointed by the Seller to design, engineer, construct and Commission the Project;
"Construction Period"	means 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 Commercial Operations Date;
"Consultation Period"	means the period, commencing from the date of issue of a Seller Preliminary Termination Notice or a Procurer Preliminary Termination Notice, for consultation between the Parties to: (i) mitigate the consequence of the relevant event having regard to all the circumstances; and (ii) prevent termination of this Agreement;
"Contracted Capacity"	Shall mean the rated name plate capacity of 702 MW of the Unit or such lower rated capacity as may be determined in accordance with article 8.2 of this agreement.
"Contract Year"	Means a) the first contract year of this Agreement shall be the period beginning on 22.2.2008 and ending on ensuing 31 st March. Thereafter a contract year shall be each succeeding twelve (12) month period starting on 1 st April and ending on 31 st March of the next calendar year provided that; b) the Contract Year shall begin once again from the actual Commercial Operation Date of the first Unit and shall end on the ensuing 31 st March. Thereafter a contract year shall be each succeeding twelve (12) month period starting on 1 st April and ending on 31 st March of the next calendar year and provided further that c) the last Contract Year of this Agreement shall end on the last day of the term of this Agreement;
"Control Centre" or "Nodal Agency" or "SLDC"	means the State Load Dispatch Centre located at Gotri, Vadodara or such other load control centre designated by the Appropriate Commission from time to time;
"Declared Capacity"	means the capability of the Unit or the Power Station, as the case may be, to deliver maximum electricity at Interconnection Point, in MW, declared by the Seller, in relation to any period of the day or whole of the



	day, duly taking into account the availability of fuel; and in accordance with the Grid Code and Scheduling procedures as per the Availability Based Tariff
"Dispute"	means any dispute or difference of any kind between the Procurer and the Seller in connection with or arising out of this Agreement including any issue on the interpretation and scope of the terms of this Agreement;
"Due Date"	means the sixtieth (60 th) day after a Monthly Bill or a Supplementary Bill is received and duly acknowledged by Procurer (or, if such day is not a Business Day, the immediately succeeding day) by which date such bill is payable by Procurer;
"Electricity Laws"	means the Electricity Act, 2003 and the rules and regulations made there under from time to time along with amendments and replacements thereof in whole or in part and any other Law pertaining to electricity including regulations framed by the Appropriate Commission;
"Energy Output"	means the net electrical output of the Power Stations at the Interconnection Point, as expressed in kWh;
"Emergency"	means a condition or situation that, in the opinion of the Procurer or the agency tasked with operating and maintaining the Interconnection and Transmission Facilities or the transmission company, as the case may be, poses a significant threat to the Procurer's or the said agency's or transmission company's ability to maintain safe, adequate and continuous electrical service to its customers, or seriously endangers the security of persons, plant or equipment;
"Equity"	shall mean the aggregate of the following amounts (denominated in Rupees and any other currencies) expended for the Project pursuant to this Agreement and forms part of the approved Financing Agreements:
(a)	all such amounts which have been and remain paid up to the capital of Seller, and



	(b) all the amounts which have been paid up to the capital of Seller to the extent that they result from an adjustment to the Project Cost ; and
	(c) Realised Premium ; and
	(d) Preferential shares actually paid up; and
	(e) investment of internal resources created out of free reserves.
	(f) In any case Equity amount shall not exceed 30% of the total approved Capital Cost. Any amount of Equity in excess of 30% of the Capital Cost shall be treated as a deemed loan repayable within a period of 10 years from the CoD and interest on the same shall be payable at the weighted average rate of the outstanding term loans.
"Expiry Date"	means the 20th anniversary of the Commercial Operation Date of the last Unit of the Project;
"Final Test Certificate"	a) a certificate jointly signed by the Seller, & Independent Engineer, certifying the results of a Commissioning Test in accordance with Article 6.2 of this Agreement; or b) a certificate jointly signed by the Seller, & Independent Engineer , certifying the result of a Repeat Performance Test in accordance with Article 8.2.1 of this Agreement;
"Financial Closure"	means the execution and delivery of all the Financing Agreements, for the total debt amount required for the Project and fulfillment of Conditions Precedent for the initial draw down of funds there under;
"Financing Agreements"	means all the loan agreements, notes, indentures, security agreements, letters of credit, share subscription agreements and other documents relating to the financing or re-financing of the Project at the Financial Closure, as may be amended, modified or replaced from time to time;
"Force Majeure"	means an event defined in Article 12;



"Forced Outage"	shall have the meaning ascribed there to in the Grid Code;
"Fuel"	means fuel used to generate electricity such as LNG, gas etc ;
"Fuel Supply Agreements"	means the agreements entered into, between Seller and the Fuel Supplier, for the purchase, transportation or handling of fuel required for the operation of the Power Station;
"Functional Specifications"	means the technical requirements and parameters described in Schedule 2 of this Agreement relating to the operation, maintenance and dispatch of the Unit and the Power Station,
"GERC Norms"	means the tariff fixation and other relevant regulations as announced by GERC from time to time;
"Grid Code"	means any set of regulations or codes IEGC or GEGC as amended from time to time legally binding on the Seller and the Procurer and the Control Center, governing the operation of the Grid System;
"Grid System"	means the Interconnection and Transmission Facilities and any other transmission or distribution facilities through which the Procurer supply electricity to their customers or the transmission company transmits electricity to the Procurer or the Seller supplies electricity to the Procurer/ STU;
"Independent Engineer"	<p>means an independent consulting engineering firm or group that may be appointed jointly by the Procurer and the Seller to carry out the functions in accordance with Article 6, Article 8 and Article 12 herein.</p> <p>provided that separate Independent Engineer may be appointed for the purposes of Article 6, Article 8 and Article 12;</p> <p>provided further that separate Independent Engineer may be appointed for each financial year for the purposes of Article 8, and in such case, such Independent engineer shall be appointed at least</p>



	ninety (90) days prior to the beginning of the financial year.
"Indian Governmental Instrumentality"	means the Government of India, Government of Gujarat and any ministry, department, board, agency or other authority of Government of India or Government of Gujarat;
"Initial Performance Retest Period"	shall have the meaning ascribed thereto in Schedule 3 of this Agreement;
"Installed Capacity"	in relation to the Pipavav Gas Based Power Plant as a whole means 702 MW rated gross capacity, or such lower rated capacities as may be determined in accordance with Article 8.2 of this Agreement;
"Interconnection Facilities"	means the facilities on the Procurer's side of the Interconnection Point for receiving and metering Electrical Output in accordance with this Agreement and which shall include, without limitation, all other transmission and distribution lines and associated equipment, transformers and associated equipment, relay and switching equipment and protective devices, safety equipment and, subject to Schedule 8, the metering system required for the Project;
"Interconnection Point"/ "Delivery Point"	means the point of delivery of electrical output to the procurer and shall be at the outgoing bus bar / gantry of the Power Station for fulfilling the obligation of the Seller to deliver the scheduled electrical energy;
"Invoice"	means either a Monthly Invoice, a Supplementary Invoice or a Procurer Invoice;
"Law"	means, in relation to this Agreement, all laws and Electricity Laws in force in India and would include any statute, ordinance, regulation, notice, circular, code, rule or direction, or any interpretation of any of them by a Governmental Instrumentality and having force of law and also includes all applicable rules, regulations, orders, directions, notifications by a Governmental Instrumentality pursuant to or under any of them and shall include all rules, regulations, decisions directions and orders of the Appropriate Commission ;



"Lenders"	means the banks, other financial institutions, RBI registered non banking financial companies, mutual funds and agents or trustees of debenture / bond holders, including their successors and assignees, who have agreed as at Financial Close to provide the Seller with the debt financing described in the Capital Structure Schedule, and any successor banks or financial institutions to whom their interests under the Financing Agreements may be transferred or assigned: Provided that, such assignment or transfer shall not relieve the Seller of its obligations to the Procurer under this Agreement in any manner and shall also not lead to an increase in the liability of the Procurer;;
"Main Meters"	shall have the meaning as specified in CEA's (Installation and Operation of Meters) Regulation 2006 as amended and revised from time to time.
"Maintenance Outage"	shall have the meaning ascribed there to in IEGC/ GEGC
"MCR"	shall have the meaning as defined in the Grid Code or GERC Regulation;
"Metering Date"	Means the 00:00 hours of the first day of each calendar month and initial meter reading will be taken on the Date of Installation of Meters.
"Monthly Bill"	Will have the meaning ascribed to it in Article 11.
"Metering System"	shall have the meaning as specified in CEA (Installation and Operation of Meters) Regulation 2006 as amended and revised from time to time;
"Month"	means a calendar month;
"Normative Availability"	means, 80% on annual basis.
"Normative Auxiliary Energy Consumption"	means for Combined Cycle operation 3.0% of the energy generated and for Open Cycle operation the same shall be 1% of the energy generated



"Normative Station Heat Rate"	means, the heat energy input to the Project in terms of Gross Calorific Value, to generate one (1) kWh Energy Output for Combined Cycle operation: 1850 kCal / kWh means, for Open Cycle operation: 2685 kCal / kWh
"Notice"	shall mean a notice relating to any eventuality as prescribed under this PPA and shall be understood to have a Notice relating to that particular event in context of which used.
"Operation Period"	in relation to the Power Station means the period from its Commissioned Date until the expiry or earlier termination of this Agreement in accordance with Article 2 of this Agreement;
"Operating Procedures"	shall have the meaning ascribed thereto in IEGC/ GEGC;
"Operator"	means one or more contractors appointed as operator of power generation facilities of the Project pursuant to an O&M Contract, if any;
"Outage(s)"	shall mean the event(s) of non-Availability of the Generating Stations.
"Party" and "Parties"	has the meaning specified in the recital to this Agreement;
"Performance Test "	means the test of a Unit's rated capacity and after commissioning of the Power Station, of the Power Station's rated capacity as a whole carried out in accordance with Schedule 3 of this Agreement and relevant Test Code(s);
"Preliminary Termination Notice"	shall have the meaning ascribed thereto in Article 14 of this Agreement;
"Project"	means the ownership, design, financing, engineering, procurement, construction, operation, maintenance, repair, refurbishment, development and insurance of the Power Station undertaken by the Seller in accordance with the terms and conditions of this Agreement;



"Project Documents"	Means Contract with Construction Contractor; Fuel Supply Agreements, including the Fuel Transportation Agreement, if any and any other agreement designated as such from time to time by the Procurer or the Seller;
"Prudent Practices" Utility	means 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 power generation equipment of the type specified in this Agreement and which practices, methods and standards shall be adjusted as necessary, to take account of: a) operation and maintenance guidelines recommended by the manufacturers of the plant and equipment to be incorporated in the Power Station; b) the requirements of Indian Law; and c) the physical conditions at the Site;
"Repeat Test " Performance	shall have the meaning ascribed thereto in Article 8 and Schedule 3 of this Agreement and as per relevant Test Code(s);
"Revised Notice" Capacity	means the revision in Capacity Notice, as per applicable Grid Code or Applicable ABT Orders.
"Reference Rate" Exchange	means in relation to any currency other than Rupees in which debt or Equity component of the capital cost may be financed in accordance with the Financing Agreements, the weighted average selling rate in Rupee for relevant currency at which Seller purchased / converted such currency for raising debt and / or Equity, as the case may be, on the date on which Seller raised the debt, or as the case may be, the Equity, to finance the Project.
"Rupees" or "Rs."	means the lawful currency of India;
"SBI BR"	means the prevailing Base rate per annum as fixed from time to time by the State Bank of India and in the absence of such rate, the average of the Base rates fixed by the Bank of India and the Bank of Baroda



	and failing that any other arrangement that substitutes such Base rate as mutually agreed to by the Parties;
"Scheduled CoD" or "Scheduled Commercial Operation Date"	means (i) for the first Unit, the date falling 30 months from the Zero Date ; and (ii) for the second Unit and the Power Station, the date falling 33 months from the Zero Date, as the same may be changed from time to time in accordance with the provisions herein
"Scheduled Connection Date"	shall mean the date falling 180 days before the Scheduled Synchronisation Date of first Unit for Two Transmission Lines, 30 days before the Scheduled COD of the first Unit for rest of the Transmission Lines;
"Scheduled Energy"	means the quantum of energy at the Interconnection point as scheduled by the State Load Dispatch Centre;
"Scheduled Outage"	shall have the meaning ascribed thereto in IEGC/GEGC;
"Scheduled Synchronisation Date"	means the date which falls 30 days before the Scheduled CoD of the any Unit of the project;
"Scheduled Generation"	at any time or for any period or time block means schedule of generation in MW at Interconnection Point, given by the Control Center; in accordance with the Grid Code and this Agreement.
"Settlement Period"	means the time block for issue of daily declaration, generation and drawal schedules as may be defined by IEGC/GEGC [presently fifteen (15) minute block];
"Site"	means the site of the Generating Stations, as more particularly described in Schedule-2
"State Transmission Utility" or "STU"	means the Utility as defined in the Electricity Act 2003;
"Supplementary Invoice"	means an Invoice other than a Monthly Invoice raised by either Party in accordance with Article 11;
"Tariff Payment"	means the payments under Monthly Invoices as specified in Schedule 5 and the relevant Supplementary Invoices;
"Tariff"	means the tariff payable in accordance with Schedule 5;



"Technical Specifications"	means the technical requirements and parameters prescribed in relation to the Project, forming a part of the Construction Contract. Provided these shall always comply with the requirements of Schedule 2 of this Agreement;
"Tested Capacity"	in relation to a Commissioned Unit, or the Power Station as a whole (if the Power Station has been commissioned) means the results of the most recent Performance Test or Repeat Performance Test carried out in relation to the Power Station in accordance with Schedule 3 of this Agreement;
"Termination Notice"	shall have the meaning ascribed thereto in Article 14 of this Agreement;
"Term of Agreement"	Has the meaning specified in Article 2.1;
"Technical Limits"	means the limits of Grid conditions specified in Schedule 2;
"Total Debt Amount"	<p>means the sum of the following amounts, expressed in Rupees (with all amounts denominated in currencies other than Rupees being converted to Rupees at the Reference Exchange Rate, the selling rate in Rupees for the Foreign Currency on the relevant day, as notified by the State Bank of India as its TT Rate at 12:00 noon on the date of notification of Force Majeure Event)</p> <p>(a) the principal amount of the debt incurred by the Seller (as per the terms of the Financing Agreements) to finance the Project according to the Capital Structure Schedule as approved by the Commission which remains outstanding on the date of notification of Force Majeure Event after taking account of any debt repayments which could have been made out of the Monthly Payments received by the Seller on or before the date of notification of Force Majeure Event as per the terms provided in the Financing Agreements ; and</p>



	(b) all accrued interest and financing fees payable under the Financing Agreements on the amounts referred to in Article (a) above since the Fixed Charge Payment immediately preceding the date of notification of Force Majeure Event or, if Fixed Charges have not yet fallen due to be paid, from the most recent date when interest and financing fees were capitalised, and (c) if this Agreement is terminated during the Construction Period, any amounts owned to the Construction Contractor for work performed but not paid for under the Construction Contract (other than amounts falling due by reason of the Seller's default or this Agreement being terminated);
"Unit" or "Power Station"	means a block of Steam Turbine, Gas Turbine and Waste Heat Recovery Boiler along with associated auxiliaries for a Combined Cycle Gas Based Plant ; and shall be called "Power Station" in case on single such Unit or in case of more than one Unit, all units taken together shall mean "Power Station"
"Unscheduled Interchange"	means as defined in relevant ABT Order
"Variable Charge" or "Fuel Charge"	shall have meaning as specified in Schedule 5;
"Week"	means a calendar week commencing from 00:00 hours of Monday, and ending at 24:00 hours of the following Sunday;
"Wheeling Charges" or "Transmission Charges"	Are the charges paid by the Procurer to the STU or any other agency for the transfer of power from the Plant switchyard end to the Procurer's network
"Zero Date"	means 1 st April 2008;

1.2 Interpretation

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

- 1.2.1 A "Recital", an "Article", a "Schedule", a "Paragraph" and a "Clause" shall be construed as a reference to a Recital, an Article, a Schedule, a paragraph and a clause respectively of this Agreement.



- 1.2.2 An "affiliate" of any person shall be construed as a reference to a subsidiary or holding company, or a subsidiary of a holding company, of such person
- 1.2.3 "this Agreement" shall be construed as including a reference to its Schedules and Annexes;
- 1.2.4 A "crore" means a reference to ten million (10,000,000) and a "lakh" means a reference to one tenth of a million (1,00,000);
- 1.2.5 An "encumbrance" shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect.
- 1.2.6 "indebtedness" shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.2.7 A "person" shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests.
- 1.2.8 A "subsidiary" of a company or corporation shall be construed as a reference to any company or corporation:
- a) which is controlled, directly or indirectly, by the first-mentioned company or corporation; or
 - b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the first-mentioned company or corporation; or
 - c) which is a subsidiary of another subsidiary of the first-mentioned company or corporation and, for these purposes, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and / or to control the composition of its board of directors or equivalent body
- 1.2.9 The "winding-up", "dissolution", "insolvency", or "reorganization" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganization, dissolution, arrangement, protection or relief of debtors.



- 1.2.10 Words importing the singular shall include the plural and vice versa.
- 1.2.11 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented.
- 1.2.12 A Law shall be construed as a reference to such Law including its amendments or re-enactments from time to time.
- 1.2.13 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time.
- 1.2.14 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part.
- 1.2.15 The table of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement.
- 1.2.16 All interest payable under this Agreement shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty five (365) days.



ARTICLE 2

TERM OF AGREEMENT

2.1 Effective Date and Term of Agreement

This Agreement shall be effective from 22.2.2008.

The Agreement shall have a term from such effective date until the Expiry Date ("Term of Agreement"), when it shall automatically terminate, unless:

- i. terminated earlier, pursuant to Article 2.2, or
- ii. extended, pursuant to Article 2.3.

2.2 Early Termination

This Agreement shall terminate before the Expiry Date:

- i. if either the Procurer or Seller exercises a right to terminate, pursuant to Article 14 or Article 3.3; or
- ii. in such other circumstances as the Seller and Procurer may subsequently agree, in writing.

2.3 Extension of Term

- 2.3.1 Prior to at least Three hundred and Sixty Five (365) days before the Expiry Date, Procurer may give a written notice to the Seller that it wishes to extend this Agreement for an additional period to be specified by that Procurer.
- 2.3.2 If such written notice is delivered to the Seller by the Procurer, this Agreement can be extended to such date. Upon the receipt of such notice, the Parties shall meet and discuss an extension of this Agreement, which may be extended on such terms including the period of extension, tariff, capacity and operating characteristics as the Parties may mutually agree in writing. Such extension shall commence upon the end of the last day of the Term of Agreement.
- 2.3.3 On Expiry of any extension of the Term under Article 2.3.2, the provisions of this Agreement, including this Article 2.3 itself shall apply mutatis mutandis in relation to either Party's right.

2.4 Consequences of Procurer or Seller not extending

- 2.4.1 In the event that the Procurer or Seller chooses not to automatically extend the PPA under Article 2.3, the PPA shall expire and no rights and obligations by Procurer to the Seller or vice versa shall be owed by any party to another.



2.5 Survival

2.5.1 The expiry or termination of this Agreement shall not affect accrued rights and obligations of the Parties under this Agreement, nor shall it affect any continuing obligations for which this Agreement provides, either expressly or by necessary implication, the survival of, post its expiry or termination.



GP. GPCC



ARTICLE 3

CONDITIONS SUBSEQUENT

3.1 Satisfaction of conditions subsequent by the Seller

Notwithstanding anything to the contrary specified in this Agreement and unless specifically waived in writing by either Party, the other Party agrees and undertakes to duly perform and complete the following within twelve (12) months from the effective date of this Agreement:

- i. the Seller shall have received the Initial Consents as mentioned in Schedule 1, either unconditionally or subject to conditions which do not materially prejudice its rights or the performance of its obligations under this Agreement ;
- ii. the Seller shall have appointed the Construction Contractors, if Seller itself is not the Construction Contractor, for the design, engineering, procurement, construction and Commissioning of the Project and shall have given to such Contractor an irrevocable notice to proceed.
- iii. the Seller shall have executed Fuel Supply Agreement and provided the copies of the same to the Procurer;
- iv. the Seller shall have achieved Financial Closure in relation to the Project;
- v. the specific Interconnection Point has been identified by Parties at the out going gantry of the Power Station;
- vi. the Seller shall have got vacant possession of the Sites and shall have obtained valid, enforceable, unencumbered and insurable freehold or leasehold title thereto and such other real property rights including way-leaves as may be required for the Project or the performance of its obligations under this Agreement.

3.2 Reports

The Seller shall notify the Procurer in writing at least once a month on the progress made in satisfying the conditions in Article 3.1 and may also mention whether the actual Commercial Operation Date shall be as per the Scheduled Commercial Operation Date or is likely to be preponed or postponed and by how much time.

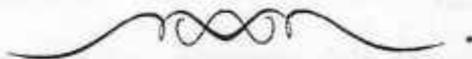
3.3 Consequences of non-fulfillment of conditions under Article 3.1

3.3.1 If any of the conditions specified in Article 3.1 is delayed beyond a



period of one year (12) months then either Party may terminate this Agreement without any obligation or liability;

3.3.2 In case of Force Majeure affecting the Seller, the time period of twelve (12) months for Condition Subsequent, shall be extended for the purpose of termination as per Article 3.3 subject to a maximum extension period of 10 months continuous or non continuous in aggregate.



GPPC
[Signature]



ARTICLE 4
DEVELOPMENT OF THE PROJECT

4.1 The Seller's obligation to build, own and operate the Power Station

- 4.1.1 Subject to the terms and conditions of this Agreement, the Seller undertakes to be responsible at Seller's costs and risks for:
- a) obtaining and maintaining in full force and effect any Consents required by it pursuant to this Agreement and Indian law;
 - b) executing the Project in a timely manner so as to enable each of the Units and the Power Station as a whole to be Commissioned no later than its scheduled Commercial Operation Date and such that as much of the Installed Capacity as can be made available through the use of Prudent Utility Practices will be made available reliably to meet the Procurer's scheduling requirements throughout the Operating Period of the Power Station;
 - c) owning the Power Station throughout the term of this Agreement free and clear of encumbrances except those expressly permitted by Article 18;
 - d) procure the requirements of electricity at the Power Station (including construction, commissioning and start-up power) to meet in a timely manner all formalities for getting such a supply of electricity;
 - e) fulfilling all other obligations undertaken by him under this Agreement.

4.2 Procurer's obligation

Subject to the terms and conditions of this Agreement, the Procurer:

- a) shall be responsible for informing to STU for procuring, installing and commissioning the Interconnection and Transmission Facilities to enable the Power Station to be connected to the Grid System not later than the Scheduled Connection Date;
- b) endeavour its best (without any legal obligation) to assist the Seller in procuring the electricity required as per Article 4.1 (d); and
- c) using all reasonable endeavours to facilitate the commissioning and testing of the Units and after commissioning of the Power Station, as a whole that are within it's power to do.



4.3 Purchase and sale of Available Capacity and Electrical Output

- 4.3.1 Subject to the terms and conditions of this Agreement, the Seller undertakes to sell to the Procurer, and Procurer undertake to pay the Tariff for the Available Capacity and Electrical Output of the Power Station throughout its Operating Periods.
- 4.3.2 The Seller shall sell all the Available Capacity of the Power Station to the Procurer, unless otherwise instructed, pursuant to Scheduled Generation given by the Procurer or SLDC.

4.4 Right to Available Capacity / Electrical Output

- 4.4.1 The available Capacity of the Unit or the Power Station, as the case may be, shall be used exclusively for the benefit of the Procurer and the Seller shall not grant to any third party or allow any third party to obtain any entitlement to the Available Capacity and Electrical Output.
- 4.4.2 The Seller shall not itself use any of the electricity generated by the Power Station during the term of this Agreement except for the purpose of meeting the Power Station's auxiliary load to the power plant and the Colony attached to the Power Plant if it is allowable as per the regulations for Distribution and it has to be within the overall ceiling of Normative Auxiliary Energy Consumption as provided in Article 1.

4.5 Extensions of time

- 4.5.1 In the event that:
- (a) the Seller is prevented from performing its obligations under Article 4.1.1(b) by the required date because of any default of the Procurer; or
 - (b) a Unit, or the Power Station cannot be Commissioned by its Scheduled Commercial Operations Date because of Force Majeure Event; or
 - (c) a Unit, or the Power Station cannot be Commissioned by its Scheduled Commercial Operations Date due to delay caused by relevant authority and situations beyond the control of the Seller, for the clearances to be obtained by the Seller as per Schedule 1 whereby, delay needs to be justified by the Seller.

the Scheduled Commercial Operations Date, the Scheduled Connection Date and the Expiry Date shall be deferred, subject to the limit prescribed in Article 4.5.3, for a reasonable period to permit the Seller through the use of due diligence, to overcome the effects of the Force Majeure Event or in the case of the Procurer's material default till such time the material default is rectified by the Procurer.



- 4.5.2 If the Parties have not agreed, within thirty (30) days after the affected Party's performance has ceased to be affected by the relevant circumstance on how long the Scheduled Commercial Operations Date, the Scheduled Connection Date or the Expiry Date should be deferred by, any Party may raise the Dispute in accordance with Article 17.
- 4.5.3 The Scheduled Commercial Operations Date of any Unit or the Scheduled Commercial Operations Date of the Power Station as a whole, may not be extended by more than a total of twelve (12) months from the Scheduled Commercial Operations Date first determined pursuant to this Agreement by reason of one or more Force Majeure Events, and the new date shall be deemed the Scheduled Commercial Operations Date for the purposes of this Agreement. If the original Scheduled Commercial Operations Date is delayed beyond twelve (12) months, this Agreement shall terminate as detailed in Article 14.

4.6 Liquidated damages for delay due to Procurer default

4.6.1 If

- a) a Unit cannot achieve COD by its Scheduled Commercial Operations Date, due to a Procurer Event of Default or
- b) a Unit is available for conducting Commissioning Tests and is anticipated to be capable of duly completing the Commissioning Tests, as certified by the Independent Engineer, but the said Commissioning Tests are not undertaken or completed due to such Procurer Event of Default;

such Unit shall, until the effects of the Procurer Event of Default no longer prevent the Seller from undertaking a Commissioning Test/s, be deemed to have, a Tested Capacity equal to the Contracted Capacity and to this extent, be deemed to have achieved COD with effect from the Scheduled COD without taking into account delay due to such Procurer Event of Default and shall be treated as follows.

In case of delay on account of the Procurer Event of Default, the Procurer shall make payment to the Seller of Capacity Charges calculated on Normative Availability of Contracted Capacity of such Unit for and during the period of such delay.

- 4.6.2 In every case referred to in Article 4.6.1 hereinabove, the Seller shall undertake a Commissioning Test as soon as reasonably practicable after the point at which it is no longer prevented from doing so by the effects of Force Majeure Events or a Procurer Event of Default (as appropriate) and if such Commissioning Test is not duly completed and / or demonstrates a Tested



Capacity which is less than ninety five percent (95%) of the Installed Capacity, then:

- a) The Unit which fails the Commissioning Test, shall be deemed to have not been Commissioned from the deemed commissioning date referred to in Article 4.6.1;
- b) The Seller shall refund to the Procurer, sums received by way of Capacity Charge pro-rata to the shortfall in Installed Capacity.

4.7 Liquidated damages for delay in providing Contracted Capacity

4.7.1 If any Unit does not achieve COD by its Scheduled Commercial Operation Date other than for the reasons specified in Article 4.5.1, the Seller shall pay to the Procurer liquidated damages for such delay in achieving COD. The sum total of the liquidated damages payable by the Seller to the Procurer for such delayed COD shall be calculated as follows:

$$SLDb = [CCun \times dn \times DR1], \text{ if } dn \leq 60$$

$$SLDb = [CCun \times 60 \times DR1] + [CCun \times (dn - 60) \times DR2], \text{ if } dn > 60$$

Where:

- a) "SLDb" are the liquidated damages payable by the Seller during the period beginning with the day from the Scheduled Commercial Operation Date of a Unit up to and including the day on which Unit actually achieves COD;
- b) "CCun" is the Installed Capacity of Unit "n";
- c) "d" is the number of days in the period beginning with the day after the Scheduled Commercial Operation Date of Unit "n" up to and including the day on which such Unit actually achieves COD;
- d) "DR1" is Rs. Five Thousand (5,000) of damages per MW per day of delay in case "d" is less than or equal to 60 days and "DR2" is Rs. Ten Thousand (10,000) of damages per MW per day of delay in case "d" is more than 60 days.

4.7.2 The Seller's maximum liability under this Article 4.7 shall be limited to the amount of liquidated damages calculated in accordance with Article 4.7.1 for and upto twelve (12) Months of delay for Contracted Capacity



of the Unit. Provided that in case of failure of the Seller to achieve COD of the Unit even after expiry of twelve (12) Months from its Scheduled Commercial Operation Date, the provisions of Article 14 shall apply.

4.7.3 The Seller shall pay the liquidated damages calculated pursuant to Article 4.7.1 to the Procurer within ten (10) days of the earlier of:
the date on which the Unit actually achieves COD ; or
the date of termination of this Agreement.

4.7.4 The Parties agree that the formula specified in Article 4.7.1 for calculation of liquidated damages payable by the Seller under this Article 4.7, read with Article 14 is a genuine and accurate pre-estimation of the actual loss that will be suffered by the Procurer in the event of Seller's delay in achieving COD of a Unit by its Scheduled COD.

4.7.5 If any Unit does not achieve COD by its revised scheduled COD other than for the reasons specified in Article 4.5.1, the Seller shall pay to the procurer liquidated damages for the delay in achieving such COD. The sum total of the liquidated damages payable by the Seller to the Procurer for such delayed commissioning shall be equivalent to the damages payable by the procurer to the Gujarat STU for the period of delay, as per the terms of the Agreement proposed to be entered into by the Procurer with Gujarat STU for establishment of transmission system. Provided, however, the liquidated damages payable by the Seller to the Procurer in case of delay under this Article 4.7.5 shall not be more than 20% of liquidated damages computed in the manner mentioned in Article 4.7.1. Provided further, in case of delay beyond scheduled commercial operation date, the provisions of Article 4.7.1 to 4.7.4 will apply for such delay.

4.8 Increased costs due to Procurer's default

The Parties expressly agree that the Procurer's only liability for any loss of profits or any other loss of any other kind or description whatsoever, suffered by the Seller by reason of the Procurer's failure to meet its obligations under Article 4.2 shall be the amounts specified in Article 4.6.



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ARTICLE 5 CONSTRUCTION

5.1 Seller's Construction Responsibilities

5.1.1 The Seller shall be responsible for designing, constructing, erecting, commissioning, completing and testing the Power Station in accordance with the following, it being clearly understood that in the event of inconsistency between two or more of the following, the order of priority as between them shall be the order in which they are placed, with 'applicable law' being the first:

- a) applicable Law;
- b) the Grid Code;
- c) the terms and conditions of this Agreement;
- d) the Functional Specifications; and
- e) Prudent Utility Practices.

Notwithstanding anything to the contrary contained in this PPA, the Seller shall ensure that the technical parameters or equipment limits of the Project shall always be subject to the requirements as specified in points (a) to (e) above and under no event shall over-ride or contradict the provisions of this Agreement and shall not excuse the Seller from the performance of his obligations under this Agreement.

5.2 The Site

5.2.1 *The Seller acknowledges that, before entering into this Agreement, it has had sufficient opportunity to investigate the Site and accepts full responsibility for its condition (including but not limited to its geological condition, on the Site, the adequacy of the road and rail links to the Site and the availability of adequate supplies of water) and agrees that it shall not be relieved from any of its obligations under this Agreement or be entitled to any extension of time or financial compensation by reason of the unsuitability of the Site for whatever reason.*

5.3 Establishment of Interconnection Facilities



5.3.1 The Seller shall be responsible for establishing interconnection facilities for evacuation of power from the generating station to the Interconnection point.

5.4 Quality of Workmanship

5.4.1 The Seller shall ensure that the Power Station is designed, built and completed in a good workmanlike manner using sound engineering construction practices and using only materials and equipment that are new and of international utility grade quality such that, the useful life of the Power Station continues till the Expiry Date.

5.4.2 The Seller shall ensure that design, construction and testing of all equipment, facilities, components and systems of the Project shall be in accordance with Indian Standards and Codes issued by Bureau of Indian Standards and/or internationally recognised Standards and Codes, such as:

- i. American National Standards Institute (ANSI)
- ii. American Society of Testing and Materials (ASTM)
- iii. American Society of Mechanical Engineers (ASME)
- iv. American Petroleum Institute (API)
- v. Standards of the Hydraulic Institute, USA
- vi. International Organization for Standardization (ISO)
- vii. Japanese Industrial Standards (JIS)
- viii. Tubular Exchanger Manufacturer's Association (TEMA)
- ix. American Welding Society (AWS)
- x. National Electrical Manufacturers Association (NEMA)
- xi. National Fire Protection Association (NFPA)
- xii. International Electro-Technical Commission (IEC)
- xiii. Expansion Joint Manufacturers Association (EJMA)
- xiv. Heat Exchange Institute (HEI)
- xv. American Water Works Association (AWWA)
- xvi. Deutsches Institut für Normung (DIN)

Other international standards, established to be equivalent or superior to



the above standards shall also be acceptable. However, in the event of any conflict between the requirements of the international codes and standards and the requirements of the Indian standards/regulations, the latter shall prevail.

5.5 Consents

- 5.5.1 The Seller shall be responsible for obtaining all Consents required for developing, financing, constructing, operating and maintenance of the Project and maintaining/ renewing all such Consents in order to carry out its obligations under this Agreement in general and this Article-5 and Schedule I in particular and shall supply to the Procurer promptly with copies of each application that it submits, and copy/ies of each consent/approval/license which it obtains.

5.6 Construction Documents

- 5.6.1 The Seller shall retain at the Site and make available for inspection to the Procurer at all reasonable times copies of the results of all tests specified in Schedule 3 thereof.

5.7 Co-ordination of Construction Activities

- 5.7.1 Before the tenth (10th) day of each alternate Month, during the Construction Period:
- (a) the Seller shall prepare and submit to the Procurer a bi-monthly progress report, in the Agreed Form, which reviews the progress of the design, engineering, procurement, construction, completion, testing and commissioning of the Power Station; and
 - (b) The Seller shall prepare, in consultation with STU, and submit to the Procurer, a bi-monthly progress report in the Agreed Form which reviews the progress of the design, engineering, procurement, construction and installation of the Interconnection and Transmission Facilities upto the Interconnection Point. The same shall be submitted by the Seller to the Procurer.
- 5.7.2 The Seller and the Procurer individually shall designate from time to time, by giving a written notice to the other party up to five (5) of its employees who shall be responsible for coordinating all construction activities relating to the Project and who shall have access at all reasonable times to the other party's land for the purpose of appraising the progress of the work being carried on, subject to such designated



persons or the party appointing them giving reasonable notice to the other party of such visit and subject to their complying with all reasonable safety procedures.



ARTICLE 6
SYNCHRONISATION, COMMISSIONING AND COMMERCIAL OPERATION

6.1 Synchronisation

- 6.1.1 The Seller shall give the Procurer and SLDC at least sixty (60) days advance preliminary written notice and at least thirty (30) days advance final written notice, of the date on which it intends to synchronise a Unit to the Grid System.
- 6.1.2 Subject to Article 6.1.1, a Unit may be synchronised by the Seller to the Grid System when 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.

6.2 Commissioning

- 6.2.1 The Seller shall be responsible for ensuring that each Unit is commissioned in accordance with Schedule-3 at its own cost, risk and expense.
- 6.2.2 The Seller shall give the Procurer and the Independent Engineer not less than ten (10) days prior written notice of Commissioning Test of each Unit.
- 6.2.3 The Seller, the Procurer and the Independent Engineer (individually) shall each designate qualified and authorised representatives to witness and monitor Commissioning Test of each Unit.
- 6.2.4 Testing and measuring procedures applied during each Commissioning Test shall be in accordance with the codes, practices and procedures mentioned in Schedule 3 of this Agreement.
- 6.2.5 Within five (5) days of a Commissioning Test, the Seller shall provide the Procurer and the Independent Engineer with copies of the detailed Commissioning Test results. Within five (5) days of receipt of the Commissioning Test results, the Independent Engineer shall provide to the Procurer and the Seller in writing, his findings from the evaluation of Commissioning Test results, either in the form of Final Test Certificate



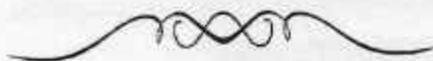
certifying the matters specified in Article or the reasons for non-issuance of Final Test Certificate.

- 6.2.6 A Unit shall be commissioned on the day after the date when the Procurer receives a Final Test Certificate of the Independent Engineer stating that:
- (a) The Commissioning Tests have been carried out in accordance with Schedule 3; and are acceptable to him; and
 - (b) The results of the Performance Test show that the Unit's Tested Capacity, is not less than ninety five (95) percent of its Rated Capacity as existing on the Effective Date
- 6.2.7 If a Unit fails a Commissioning Test, the Seller may retake the relevant test, within a reasonable period after the end of the previous test, with three (3) day's prior written notice to the Procurer and the Independent Engineer. Provided however, the Procurer shall have a right to require deferment of any such re-tests for a period not exceeding fifteen (15) days, without incurring any liability for such deferment.
- 6.2.8 The Seller may retake the Performance Test by giving at least fifteen (15) days advance notice in writing to the Procurer, up to eight (8) times, during a period of one hundred and eighty (180) days ("Initial Performance Retest Period") from a Unit's COD in order to demonstrate an increased Tested Capacity over and above as provided in Article 6.2.6(b). Provided however, the Procurer shall have a right to require deferment of any such re-tests for a period not exceeding fifteen (15) days.
- 6.2.9 If a Unit's or Power Station's Tested Capacity at the end of the Initial Performance Retest Period is found to be more than it's Rated Capacity, the Rated Capacity shall be deemed to be the Unit's or Power Station's Tested Capacity for all purposes.
- Provided that the Tested Capacity in excess of the Rated Capacity shall be ignored for all purposes of this Agreement but the Procurer shall have the right over such excess. No capacity charges shall be payable for such excess capacity.
- Provided further that in all the above events, the Seller shall be liable to obtain/maintain all the necessary consents (including Initial Consents), permits and approvals including those required under the environmental laws for generation of such excess Tested Capacity.



6.3 Commercial Operation

The Seller shall execute 72 Hours' continuous trial run test at full load to demonstrate the Rated Name Plate Capacity of the Unit upon Synchronisation pursuant to provisions of Clause 6.1 above. Upon successful trial run test, Seller may declare Entry into the Commercial Service of the relevant Unit. The Seller shall, within 180 (One hundred eighty) days' from the date of Synchronisation, execute the Performance Guarantee Test as provided under Schedule 3 If such date of Entry into Commercial Service is likely to fall ahead of the date specified in Article 1, the Seller shall have to obtain a written prior consent of the Procurer in that regard.



ARTICLE 7

OPERATION AND MAINTENANCE

7.1 Operating Procedures

- 7.1.1 The Operating Procedures shall be consistent with the following, it being clearly understood that in the event of inconsistency between two or more of the following, the order of priority as between them shall be the order in which they are placed, with 'applicable law' being the first:
- a) Applicable law;
 - b) the Regulations , Grid Code; Terms and conditions of Tariff and ABT-;
 - c) the terms and conditions of this Agreement;
 - d) the Functional Specifications;
 - e) the Technical Specifications; and
 - f) Prudent Utility Practices.

7.2 Operation and Maintenance of the Power Station

- 7.2.1 The Seller shall be responsible at its own expense for ensuring that the Power Station is operated and maintained in accordance with all legal requirements, including the terms of all Consents and Prudent Utility Practices so as to meet its obligations under this Agreement, including without limitation its obligations under Article 4.1, and so as not to have an adverse effect on the Grid System.
- 7.2.2 The Seller shall be responsible at its own expense for obtaining and keeping in force all Consents required for the operation of a Unit, the Power Station and the Project in accordance with this Agreement throughout its Operating Period.
- 7.2.3 The Seller shall ensure that sufficiently competent and qualified personnel are always on hand at the Power Station to enable a Unit to be operated twenty four (24) hours a day, seven (7) days a week throughout the year.

7.3 Inspections

- 7.3.1 The Procurer shall have the right to designate, from time to time in a written notice to the Seller, up to five (5) of their representatives who shall be responsible for inspecting the Power Station for the purpose of verifying the Seller's compliance with this Article 7 and who shall have access to the Power Station:
- a) on no more than two (2) occasions in a Contract Year, upon giving not



less than twenty four (24) hours notice of the inspection to the Seller;

- b) on occasions when the Seller has reported partial or full outage, to verify the other conditions reported by the Seller which in the reasonable opinion of the Procurer may affect the output of a Unit and / or the Power Station in the next twenty four (24) hours, by giving one (1) hour notice; and

at any other time for good cause, upon giving such notice as maybe reasonable in the circumstances;

subject, in all cases, to their complying with all reasonable safety precautions and standards.

- 7.3.2 In the exercise of any of its right under Article 7.3.1, the Procurer shall ensure that their representatives do not knowingly interfere with the proper operation or maintenance of the Power Station.

7.4 Scheduling Procedures

- 7.4.1 The Parties shall comply with the Scheduling Procedures in accordance with the Grid Code and / or Applicable ABT orders.

7.5 SCHEDULED OUTAGES

- 7.5.1 Not later than sixty (60) days before the Entry into Commercial Service of each Unit and thereafter not later than the 31st January in each year (or by such other date as may be mutually agreed), Seller shall submit to Procurer its Maintenance Programme and the Scheduled Outages desired therefore for the relevant Unit(s) and for the relevant period(s).

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

- (i) of the same duration as the periods requested by Seller;
- (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.

- 7.5.3 Seller may only object to a Scheduled Outage proposed by Procurer on the grounds that it would be inconsistent with the requirements of above mentioned paragraph 7.5.2 of this Article.

- 7.5.4 The Scheduled Outages accepted by Procurer or agreed to by Seller pursuant to paragraph 7.5.3 of this Article 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.

- 7.5.5 In an Emergency, Procurer may require Seller to use its best efforts to reschedule a confirmed Scheduled Outage (including one which has already begun) to a more convenient time.
- 7.5.6 The Procurer shall also give notice to the seller of the maintenance programme for the procurer's side of the Interconnection and Transmission facilities and shall use their reasonable endeavours to co ordinate such maintenance with the scheduled outages approved pursuant to this article 7.5 so as to minimise any disruption to the operation of the project.
- 7.5.7 The seller shall also co-ordinate with the STU for maintenance outage of transmission facilities up to delivery point to minimise any disruption to the operation of the Project.
- 7.5.8 The Seller 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 the Procurer to utilise the full amount of that Unit's Declared Capacity and the Procurer, in their sole discretion, choose to accept the Electrical Output made available during such settlement period.

7.6 MAINTENANCE OUTAGE

- a) Whenever Seller needs a Maintenance outage, it shall advise Procurer 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 Seller'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 Seller advised Procurer of the need for the Maintenance Outage).
- b) After discussing the matter with Seller, Procurer 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 Seller). Seller shall use its reasonable endeavors consistent with Prudent Utility Practices to take the Unit out of service at the scheduled time.
- c) Procurer may require Seller to schedule the Maintenance Outage so as to remedy any requirement of the Unit's ability to meet its Operating Characteristics.

7.7 FORCED OUTAGE



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

7.8 Not used

7.9 Maintenance of Records

7.9.1 Each Party shall keep complete and accurate records and all data required by each of them for the purposes of proper administration of this Agreement including, without limitation, an accurate and up to date operating log at the Power Station with records of:

- (a) meter records and other records needed to reflect real and reactive energy generated for each Settlement Period and Electrical Output of the Power Station on a continuous real time basis;
- (b) records of Available Capacity and Declared Capacity and scheduled Generation;
- (c) the results of any tests;
- (d) changes in operating status, Scheduled Outages, Maintenance Outages and Forced Outages (and any other restrictions or limitations affecting Available Capacity);
- (e) any unusual conditions found during inspections; and
- (f) records or primary and secondary fuel receipts, consumption and stocks.

7.9.2 All records maintained pursuant to this Article 7.9.1 shall be maintained for minimum of sixty (60) months after the creation of such records or data:

Provided that, the Parties shall not dispose of or destroy any such records after such sixty (60) month period without thirty (30) days' prior written notice to the other parties or at any time during the continuation of any dispute in respect of any matter to which such records relate.

7.9.3 Every Party shall have the right, upon reasonable prior notice, to examine the records and data of the other Parties relating to this Agreement or the operation and maintenance of the Power Station at any time during normal office hours.

7.10 Modifications

7.10.1 Seller shall be entitled to carry out any modification, at no cost to Procurer, to the Power Station if and only if:

- (a) such modification does not contravene Prudent Utility Practices;

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- (b) such modification will not result in the Power Station being unable to operate within the Functional Specifications as set out in Schedule 2;
- (c) such modification will not have an adverse effect upon the contracted levels of Availability; and

7.10.2 Notwithstanding the above, the Capital Cost shall be increased to include additional capitalization as may be admitted by the Appropriate Commission, to account for the cost of modifications, if any, in accordance with Article 13 and shall include:

- (i) Deferred liabilities;
 - (ii) Works deferred for execution;
 - (iii) Procurement of initial capital spares in the original scope of work, subject to ceiling specified by GERC;
 - (iv) Liabilities to meet award of arbitration or for compliance of the order or decree of a court; and
 - (v) On account of Change in Law.
- [collectively "(Additional Capitalisation)"]

7.10.3 Subject to the provisions of Article 7.10.4 hereunder, the Capital Cost of the following nature actually incurred after the Commercial Operations Date, as may be admitted by the Appropriate Commission shall also be considered as Additional Capitalization:

- (i) Deferred liabilities relating to works/services within the original scope of work;
- (ii) Liabilities to meet award of arbitration or for compliance of the order or decree of a court;
- (iii) On account of change in law;
- (iv) Any additional works/services which have become necessary for efficient and successful operation of the Unit or the Power Station, but not included in the original Capital Cost; and

7.10.4 Any expenditure on minor items/assets like normal tools and tackles, personal computers, furniture, air-conditioners, voltage stabilizers, refrigerators, fans, coolers, TV, washing machines, heat-convectors, carpets, mattresses etc. brought after the Commercial Operations Date, shall not be considered for Additional Capitalization.

7.10.5 Any expenditure admitted on account of committed liabilities within the original scope of work and the expenditure deferred on techno-economic

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grounds but falling within the original scope of work shall be serviced in the debt-equity ratio as approved by the Appropriate Commission.

Any expenditure on replacement of old assets shall be considered after writing off the gross value of the original assets from the Capital Cost, except such items as are listed in Article 7.10.4.

Any expenditure admitted by the Appropriate Commission for determination of tariff on account of new works not in the original scope of work shall be serviced in the debt-equity ratio approved by the Appropriate Commission.

Any expenditure admitted by the Appropriate Commission for determination of tariff on renovation and modernization and life extension shall be serviced on debt-equity ratio approved by the Appropriate Commission, after writing off the original amount from the Capital Cost if any replacement of existing assets are involved.



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ARTICLE 8

CAPACITY, AVAILABILITY AND SCHEDULING

8.1 Repeat Performance Tests

- 8.1.1 The Procurer may from time to time during the Operating Period, but only if the Available Capacity has not been Ninety Five per cent (95%) of the Installed Capacity of the commissioned units (excluding the unit(s) under planned outage for capital maintenance in consultation with the Regional Power Committee/State Power Committee, if any) for one continuous period of atleast three (3) hours during any three continuous months, require the Seller to demonstrate a Unit's or Units' Tested Capacity by carrying out a further Performance Test (a "Repeat Performance Test") in accordance with this Article 8.1. A Repeat Performance Test shall be carried out in accordance with Article 8.1 and Clause 3.4 of Schedule 3, save that the test shall last twenty-four (24) hours instead of seventy two (72) hours. Provided that if the Tested Capacity after such test is less than Ninety Five percent (95%) of the Rated Capacity (as existing on the Effective Date) of the Commissioned Units, the Seller shall also have a right to conduct not more than two Repeat Performance Test within a period six months, by giving a notice of not less than fifteen (15) days to the Procurer for each such test. Provided that the Procurer shall have a right to require deferment of each such re-tests for a period not exceeding five (5) days, without incurring any liability for such deferment.
- 8.1.2 The Procurer shall give the Seller not less than seven (7) days' advance written notice of the time when a Repeat Performance Test of a Unit or Units is to begin. A Repeat Performance Test may not be scheduled for any period when a Unit to be tested is due to undergo a Scheduled Outage.
- 8.1.3 The Procurer and Seller may jointly appoint the Independent Engineer to monitor the Repeat Performance Test and to certify the results in accordance with Article 8.2.
- 8.1.4 If the Seller wishes to take any Unit, out of service for repair before a Repeat Performance Test, it shall inform the Procurer in writing before its scheduled start of the repairs and the estimated time required to complete the repairs. The Parties shall then schedule a Maintenance Outage in accordance with the Grid Code to enable the Seller to carry out those repairs and in such a case, the Procurer shall defer the Repeat



Performance Test until such Unit is returned to service following that Maintenance Outage.

- 8.1.5 The Procurer may, for reasonable cause, defer any Repeat Performance Test for up to fifteen (15) days from the date originally notified to the Seller in accordance with Article 8.1.2 if the Procurer notifies the Seller in writing at least Three (3) days before the Repeat Performance Test starts of the reason for the deferral and when the test is to be rescheduled.

Provided that, such deferment at the request of the Procurer shall be permitted only once in respect of each of the Repeat Performance Tests.

- 8.1.6 The Seller, the Procurer and the Independent Engineer, individually, shall each have the right to designate qualified and authorised representatives (but not more than three each) to monitor the Repeat Performance Test.
- 8.1.7 Testing and measurement procedures applied during the Repeat Performance Test shall be in accordance with the relevant Test Codes, practices of procedures as generally/normally applied for the Performance Tests.
- 8.1.8 Within five (5) days of a Repeat Performance Test, the Seller shall provide the Procurer and the Independent Engineer with copies of the detailed test results.
- 8.1.9 Within one (1) Month of the date by which all the Units have been commissioned, the Seller shall conduct a Performance Test of all the Units (hereinafter referred to as "Total Capacity Performance Test") whereafter the provisions of Article 8.2 shall apply. A Total Capacity Performance Test shall be carried out in accordance with Clause 3.1 of Schedule 3, save that the test shall last twenty-four (24) hours instead of seventy two (72) hours.

8.2 Derating

- 8.2.1 A Repeat Performance Test shall be concluded when the Procurer receives the Final Test Certificate of the Independent Engineer stating that the Repeat Performance Test has been carried out satisfactorily in accordance with Schedule 3.1 and certified the Unit's or Units' then



current Tested Capacity as demonstrated by the results of the Repeat Performance Test.

- 8.2.2 (i) If a Unit's or Units' then current Tested Capacity as established by the Repeat Performance Test and the Final Test Certificate issued by the Independent Engineer, is less than 95% of Rated Capacity of the Unit or Units as existing on the Effective Date, the Unit shall be derated with the following consequences in each case with effect from the date of completion of such most recent test:
- (a) the Unit's or Units' Contracted Capacity shall be reduced in proportion of the Tested Capacity to the Rated Capacity and Capacity Charges shall be paid with respect to such reduced Contracted Capacity.
 - (b) the Seller shall not be permitted to declare the Available Capacity of the Unit at a level greater than its Contracted Capacity;
 - (c) the Availability Factor of the derated Unit or Units shall be calculated by reference to the reduced Contracted Capacity, in each case with effect from date on which the Procurer first notified the Seller of their intention to carry out a Repeat Performance Test of the Unit or Units; and
 - (d) the Capital Cost and each element of the Capital Structure Schedule shall be reduced in proportion to the reduction in the Contracted Capacity of the Power Station as a result of that derating (taking into account the Contracted Capacity of any Unit which has yet to be Commissioned);
- (ii) The consequences mentioned in sub-Article 8.2.2(i) above shall apply from the completion date of each Repeat Performance Test. If at the end of second Repeat Performance Test conducted by the Seller or the last date of the end of the six month period referred to in Article 8.1.1, whichever is earlier, the Tested Capacity is less than the Rated Capacity, the consequences mentioned in Article 8.2.2 shall apply for a period of atleast one year after which the Seller shall have a right to undertake a Repeat Performance Test. Provided that, if the Seller carries out a maintenance Programme for the plant, within a period of one year, they shall be allowed to carry out another performance test. Provided that such consequences shall apply with respect to the Tested Capacity existing at the end of second Repeat



Performance Test conducted by the Seller or the last date of the end of the six month period referred to in Article 8.1.1, whichever is earlier.

- 8.2.3 If the Independent Engineer certifies that it is unable to give a Final Test Certificate because events or circumstances beyond the Seller's reasonable control have prevented the Repeat Performance Test from being carried out in accordance with Clause 3.4 of Schedule 3 the Procurer shall reschedule a Repeat Performance Test as soon as reasonably practicable.
- 8.2.4 If a Unit's or Units' Tested Capacity is found to be more than it's Rated Capacity, the provisions of Article 6.2.9 shall apply mutatis mutandis.

8.3 Availability

- 8.3.1 The Seller shall comply with the provisions of the applicable Law regarding Availability including, in particular, to the provisions of the ABT and Grid Code relating to intimation of Availability and the matters incidental thereto.
- 8.3.2 In case the Contracted Capacity of a Unit/Contracted Capacity as a whole is a part of the installed capacity of a power station; in the event of Availability from the Project in a Settlement Period being less than 100%, the capacity available to Procurer for despatch shall be reduced proportionately. However, the Seller has the option to offer more than such reduced capacity for despatch by Procurer but not lower than such proportionate availability.

8.4 Scheduled Generation

- 8.4.1 The Seller shall comply with the provisions of the applicable Law regarding **Scheduled Generation**, in particular, to the provisions of the ABT and Grid Code relating to Scheduling and the matters incidental thereto.



ARTICLE 9

METERING ENERGY ACCOUNTING AND COMMUNICATION

9.1 Metering system of the Project

9.1.1 The metering system for the Project (the "Metering System") shall be installed by the Seller in consultation with the STU/Procurer as per the **Central Electricity Authority (Installation and Operation of Meters) Regulation 2006**, Appropriate Electricity Grid Code and the Applicable ABT order **as amended and revised from time to time** and shall comprise of:

- a. a meter on each Unit (the "Generator Meters");
- b. a meter at each of the Interconnection Point (the "Interconnection Meter");
- c. a meter at each of the station transformer (the "Import Meter"); and
- d. check meters for the Generator Meters, the Interconnection Meter and the Import Meter (the "Check Meters").

9.1.2 The Metering System shall measure:

- a. in respect of the Generator Meters and the corresponding Check Meters, the Generator Capacity of each Unit at its generator terminal;
- b. in respect of the Interconnection Meters and the corresponding Check Meter, the Electrical Output delivered at the Interconnection Points; and
- c. in respect of the Import Meter and the corresponding Check Meter, energy imported by the Company into the Power Station at the station transformers.

9.2 Meters

9.2.1 For installation of Meters, Meter testing, Meter calibration, Meter reading, Energy accounting and Testing accuracy of meters and all matters incidental thereto, the Seller and the Procurer shall follow and be bound by the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, the Grid Code and ABT as amended and revised from time to time.



9.3 SLDC Charges

9.3.1 All applicable scheduling and SLDC charges-

- (a) upto the Interconnection Point shall be borne by the Seller and
- (b) beyond the Interconnection Point shall be borne by the Procurer.

9.4 Meter Reading

9.4.1 The readings of the meter shall be taken by STU as decided by RPC and SPC for preparation of Energy Account

9.5 Energy Accounting

9.5.1 *State Energy Account*

Nodal Agency will issue State Energy Account based on reading from ABT compliant meters. The SEA is subject to subsequent revision / correction. The Seller shall bill the Procurer based on the Scheduled Energy and Capacity Availability as per the SEA. The SEA as finalized shall be binding on both the Parties.

9.6 COMMUNICATION

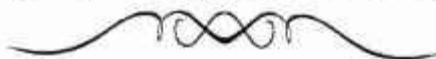
Seller, at its sole cost and expense, shall provide the Communication facilities as per the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 Appropriate Electricity Grid Code and the Applicable ABT Orders as amended and revised from time to time

9.7 Establishment of Proportionate Availability

- 9.7.1 The 'Generator Meters' shall be jointly read by the Procurer and Seller or their authorised representatives at the end of every quarter.
- 9.7.2 The Seller shall, using such quarterly readings of meters at Generators prove Procurer's proportionate right, as per Article 8.3.2, for each Settlement Period on Power and Energy Output of the Project up to the Contracted Capacity.
- 9.7.3 Procurer shall have the right to initiate such joint meter readings, at times other than the quarterly reading as per Article 9.8.1 of this Agreement, by giving a notice of at least 7 days to the Seller.
- 9.7.4 In case the Seller fails to establish Procurer's proportionate right as per provisions of Article 9.7.2 of this Agreement, the Seller shall be liable to be penalised. Such penalty shall be 1.5 (one and a half) times the difference between Highest Energy Charges for Industrial Category in Gujarat and Energy Charges Quoted by the Seller for each unit of



energy for which Procurer's first right was breached. In case the UI Charges at 49.0 Hz, applicable during the period of such breach of Procurer's proportionate right is higher than the Highest Energy Charges for Industrial Category in Gujarat, the penalty shall be 1.5 (one and a half) times the difference between UI Charges at 49.0 Hz and Energy Charges quoted by the Seller for each unit of energy.



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ARTICLE 10

INSURANCES

10.1 Seller's OBLIGATIONS

Seller, subject to other provisions in this Article, shall be obliged to procure and maintain or cause to be procured and maintained Insurances in respect of the Generating Station during the Term of the PPA as may be necessary on account of:

- requirements under the statute
- requirements under the Good Industry Practice
- requirements under the EPC contract
- requirements under the Financing Agreements and
- requirements to provide security to the staff and the equipments

10.2 FAILURE TO INSURE

Seller shall not be in breach of its obligations to procure any insurance under Clause 10.1 to the extent, and only for the period, that 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 Seller. However, they will not be absolved of associated risk(s), if any.

10.3 NO CHANGE TO INSURANCE

Seller shall effect the changes to Insurances covering different risks, deductibles, endorsements, co-insurers or other terms to those referred to in this Article if required.. However the changes should not dilute the coverage specified in Clause 9.1 above.

10.4 NON PAYMENT OF PREMIUMS

Seller 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 atleast 30 (thirty) days' prior written notice being given by the insurer to Procurer, provided that each such endorsement shall provide:

- (i) that the insurer may not cancel the coverage for non-payment of premiums without first giving Procurer 30 (thirty) days' written notice that Seller has failed to make timely payment of the premium (including details of the amount owing); and



- (ii) that Procurer 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 Seller.

10.5 EVIDENCE OF INSURANCE COVER

- 10.5.1 Seller shall furnish to Procurer copies of certificates and policies of the Insurances as soon as they are effected and renewed by or on behalf of Seller and from time to time shall furnish evidence to Procurer 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.
- 10.5.2 Failure by Seller to obtain the insurance coverage or certificates of insurance required pursuant to this Article 10 shall not relieve or limit Seller's obligations under any provision of this PPA.

10.6 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. If a Natural Force Majeure Event renders the Project no longer economically and technically viable and the insurers under the Insurances make payment on a "total loss" or equivalent basis, the Procurer(s) shall have no claim on such proceeds of such Insurance.



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ARTICLE 11

BILLING AND PAYMENT

11.1 MONTHLY TARIFF PAYMENT(S)

11.1.2 11.1.1 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.

11.1.3 Monthly Tariff Payments shall be payable in Rupees.

11.1.4 No payment, whatsoever, shall be made for any inadvertent flow (as defined in ABT norms) of Energy into Grid System.

11.2 Monthly Tariff Payments shall be calculated for periods of a full calendar month except:

- (i) when the actual Commercial Operation Date falls 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 5.1.4 of Schedule 5 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,
 - (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.

11.3 THE MONTHLY TARIFF INVOICE:

Upon acceptance of the Commercial Operation by the procurer of each Unit and after Completion of one full calendar month therefrom, Seller shall raise a Monthly Tariff Invoice for the purpose of recovering its dues in terms of this PPA. The Monthly Tariff Invoice shall be raised once State Energy Account (SEA) is finalized by the SLDC. The date of raising Monthly Tariff Invoice shall not be earlier than 3rd working day of the next month. The Monthly Tariff Invoice shall be submitted in triplicate to the Procurer designated. Seller shall also furnish the relevant supporting documents as may be required. Non submission of the Monthly Tariff 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 Monthly Tariff Invoice by Procurer.

11.4 THE DUE DATE:

The Due Date shall be the date on which the payments of the Monthly Tariff Invoice or the Supplementary Monthly Tariff Invoice of Seller shall become due. The Due Date in respect of the Monthly Tariff Invoice submitted pursuant to the provisions under 11.3 above shall be reckoned from the date of receipt of Monthly Tariff Invoice by the procurer, raised in accordance with Para 11.3. If, however, such Monthly Tariff Invoice is submitted at any later date, the Due Date shall be reckoned from such later date only. Procurer shall arrange to pay the eligible amounts of such Monthly Tariff Invoice(s) within a time limit of 60 (sixty) days following thereafter.

11.5 REBATE:

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

2.0% for payments to be made within 7 (seven) working days from the date of receipt of Invoice

1.0% for payments to be made from the 8th to 30th day from the date of receipt of Invoice



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

11.6 THE DELAYED PAYMENT CHARGES:

For non payment of the dues of Seller within the stipulated period, either partly or fully, unless any Monthly Tariff Invoice or any such amount thereof (as the case may be) is disputed, Procurer shall pay the Delayed Payment Charges to Seller. The Delayed Payment Charges shall be admissible from the 61st (sixty first) day from the date of receipt of the Monthly Tariff Invoice. The Delayed Payment Charges will be chargeable at the rate of SBI BR as on 1st April of the respective Financial Year plus 6.25%.

11.7 DISPUTED MONTHLY TARIFF INVOICE(S):

If, within a period of 6 (six) months from the date of receipt of the Monthly Tariff Invoice, the receiving Party does not question or Dispute any of the claims made, such Monthly Tariff 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 willful default or negligence was committed by the Party raising the Monthly Tariff Invoice.

The Party raising the Dispute shall do so by serving a notice, the Monthly Tariff Invoice Dispute Notice, to the other Party, within a period of 6 (six) Months from the date of receipt of the Monthly Tariff Invoice. The receiving Party shall give necessary clarifications, along with relevant supporting documents, if any, to the issuing Party within a period of another 7 (Seven) working days thereafter or resubmit the Monthly Tariff 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 Monthly Tariff Invoice(s) as provided under this Schedule. The Due Date of payment of such Monthly Tariff 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 Monthly Tariff Invoice(s) is not Disputed, then in such case(s), the undisputed amount(s) shall be paid forthwith. Whereas the dispute could be raised for any sum, the payment to be held up shall, however, not exceed 30% (thirty percent) of the average amount of the previous three



Monthly Tariff Invoice(s) at any time on a cumulative basis.

11.8 DISPUTE RESOLUTION:

The Parties shall endeavour to resolve the Dispute(s) related to the Monthly Tariff Invoice(s) within a period of 15 (fifteen) days from the date of receipt of necessary clarification(s) as provided under 11.7 hereinabove. If this is not done, the Dispute shall be resolved in accordance with the Dispute Resolution Mechanism as provided under Article-17 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 para 11.6.

11.9 SUPPLEMENTARY MONTHLY TARIFF INVOICE:

The payments not identified to be incorporated under the Monthly Tariff Invoice, shall be recovered by raising the Supplementary Monthly Tariff Invoice(s), upon such payments becoming due. The provisions mentioned from 11.4 to 11.8 shall hold good for such Supplementary Monthly Tariff Invoice(s) also in respect of the relevant date(s) of the Supplementary Monthly Tariff Invoice(s).

11.10 THE MODE(S) OF PAYMENT:

11.10.1 Direct Payment

The payments of any Monthly Tariff Invoice or the Supplementary Monthly Tariff Invoice of Seller shall be made by Procurer 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.

11.10.2 Payment Security Package

The Procurer shall provide following securities as fall back arrangement to the mode of payment stated under para 11.10.1.

11.10.2.1 Letter of Credit :

- Establishment of the L/C.

As provided under this Article 11, Procurer shall make direct payments of all the Monthly Tariff Invoices and Supplementary Monthly Tariff Invoices on the relevant Due Date(s). Procurer 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, Seller 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. Procurer shall be obliged to renew/replace any L/C., upon its expiration or operation, as the case may be prior to expiry of the same.

- Acceptability to Seller

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

- Costs and Fees

All costs relating to opening and maintenance of the Letter of Credit shall be borne by the Procurers; however, Letter of Credit negotiation charges shall be borne and paid by the Seller.

11.11 Procurer INVOICE

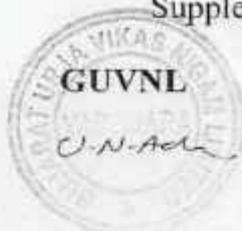
Procurer shall serve Procurer Invoice for the payments to be made by Seller to Procurer on account of its import of power from Procurer for the purposes this PPA or for any other purpose. The payment of Procurer Invoices shall be reckoned due on the dates as specified in each of Procurer Invoice. Seller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

11.12 Payment for Start up Power and Auxiliary Load

The Seller shall pay to Procurer or other entity directly for the power and energy consumed for start-up of the Project and sourced from such entity.

11.13 Order of Priority

Any payments to be received by Seller under this Agreement shall be applied in or towards the settlement of amounts payable against the principal amounts outstanding, the longest outstanding Monthly or Supplementary Bill, being settled first.



The Claim for interest on amounts outstanding or DPC shall be raised and paid separately and shall not be adjusted against any monthly payments.



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ARTICLE 12

FORCE MAJEURE

12.1 Definitions

In this Article 12, the following terms shall have the following meanings:

12.2 Affected Party

An affected Party means the Procurer or the Seller whose performance has been affected by an event of Force Majeure.

An event of Force Majeure affecting the STU or any other agent of Procurer, which has affected the Interconnection and Transmission Facilities beyond the Interconnection Point, shall be deemed to be an event of Force Majeure affecting Procurer.

Similarly, any event of Force Majeure affecting the EPC contractor or any other agency employed by the Seller for the execution of the project has been affected to carryout the implementation work upto the Delivery Point, shall be deemed to be an event of Force Majeure affecting the Seller.

Any event of Force Majeure affecting the performance of the Seller's agent, shall be deemed to be an event of Force Majeure affecting Seller only if the Force Majeure event is affecting and resulting in:

- a. late Delivery of plant, machinery, equipment, materials, spare parts, water or consumables for the Project; or
- b. a delay in the performance of any of the Seller's contractors.

Similarly, any event of Force Majeure affecting the performance of the Seller's contractor for the setting up or operating Interconnection Facilities shall be deemed to be an event of Force Majeure affecting Seller only if the Force Majeure event is resulting in a delay in the Performance of Seller's contractors.

12.3 Force Majeure

A Force Majeure means any event or circumstance or a combination of events and circumstances referred to in following Article 12.3.1 which (or any consequences of which) adversely affects the performance by the



Affected Party, of its obligations under this Agreement and to the extent that such events or circumstances are beyond the reasonable control of such Affected Party and which the Affected Party could not have prevented by Prudent Utility Practices or by the exercise of reasonable skill and care.

12.3.1 Events of Force Majeure

Force Majeure shall mean the following events and circumstances to the extent that they, or their consequences, have an effect described in Article 12.3:

- (i) Act of God, epidemic, lightning, earthquake, cyclone, whirlwind, flood, tempest, storm, drought, lack of water or other unusual or extreme adverse weather or environmental conditions, action of the elements, meteorites, objects falling from aircraft, pressure waves caused by aircraft or aerial devices traveling at supersonic speed, fire or explosion to the extent originated from the source external to the Power Station due to reasons other than, those caused by negligence of the Parties, chemical or radioactive contamination or ionising radiation;
- (ii) Act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo (resulting in non-availability or shortage of Fuel), revolution, riots, insurrection, civil commotion, act of terrorism, or sabotage;
- (iii) Air Crash, the impact of non-natural airborne objects with the ground or with objects or structures on the ground including, without restricting the generality of the foregoing, aeroplanes, helicopters, gliders, satellites and other similar objects;
- (iv) Strikes and Lock-Outs of general nature having a duration of not less than 7 consecutive days and not arising out of disputes between Seller or any Affiliate or any of their employees, contractors, subcontractors or agents;
- (v) The Expropriation or Compulsory Acquisition or seizure of the assets of Seller by Government of India, Government of Gujarat or any Government authority thereof, provided that this Article 12.3.1 shall not apply where such act (including expropriation or compulsory acquisition) constitutes a remedy or sanction lawfully exercised as a result of a breach by Seller of any Indian law or Indian directive but excluding any Change in Law;
- (vi) Any exercise of a sovereign or executive prerogative by any of Government of India, Government of Gujarat or any Government authority thereof vested by law with such authority, provided that



this Article 12.3.1 (vi) shall not apply where such act constitutes a remedy or sanction lawfully exercised as a result of a breach by Seller of any Indian Law or Indian directive but excluding any Change in Law;

- (vii) Any events or circumstances not specifically provided hereinabove but of a analogous nature and having same material and adverse effect on the performance of the Affected Party.

In addition to the above, the following shall be events of Force Majeure prior to Entry into Commercial Service of the Unit or the Unit(s) as the case may be:

- a. loss of or damage to marine cargo in the course of marine transit and intended for incorporation in the Power Station; and /or
- b. any decision or order of a court or tribunal which has the effect of restraining all or any of the activities concerning the construction of the Power Station, except to the extent that it constitute a remedy or sanction lawfully exercised as a result of a breach by Seller of any Indian law or Indian directive but excluding any Change in Law. In this connection due regard shall be had to the final determination of the Court or Tribunal and the question as to breach by Seller of any Indian law or Indian directive shall be determined on such basis; and/or
- c. any decision or order of a court or tribunal which has the effect of restraining all or any of the activities concerning the construction of the Transmission and Inter connection Facilities, except to the extent that it constitute a remedy or sanction lawfully exercised as a result of a breach by Seller of any Indian law or Indian directive but excluding any Change in Law. In this connection due regard shall be had to the final determination of the Court or Tribunal and the question as to breach by Seller of any Indian law or Indian directive shall be determined on such basis.

- (viii) Any events of failure of Power Transmission System or Gas Transportation System

12.4 Force Majeure Exclusions

Force Majeure shall not include the following conditions, 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 consumables



- for the Project;
- b. Delay in the performance of any contractor, sub-contractors or their agents excluding the conditions as mentioned in Article 12.2;
 - c. Non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;
 - d. Strikes or labour disturbance specifically at the facilities of the Affected Party;
 - e. Insufficiency of finances or funds or the agreement becoming onerous to perform; and
 - f. Non-performance caused by, or connected with, the Affected Party's:
 - i. Negligent or Intentional acts, errors or omissions;
 - ii. Failure to comply with an Indian law or Indian Directive; or
 - iii. Breach of, or default under this Agreement or any Project Agreements or Government Agreements.

12.5 Notification of Force Majeure Event

12.5.1 The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than seven (7) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force Majeure results in a breakdown of communications rendering it not reasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed, and the Affected Party shall give the other Party regular (and not less than monthly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the situation.

12.5.2 The Affected Party shall give notice to the other Party of (i) the cessation of the relevant event of Force Majeure; and (ii) the cessation of the effects of such event of Force Majeure on the performance of its rights or obligations under this Agreement, as soon as practicable after becoming aware of each of these cessations.

12.6 Duty to perform and duty to mitigate

To the extent not prevented by a Force Majeure event pursuant to Article

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12.3, the Affected Party shall continue to perform its obligations pursuant to this Agreement. The Affected Party shall use its reasonable efforts to mitigate the effect of any event of Force Majeure as soon as practicable.

12.7 Available Relief for a Force Majeure Event

12.7.1 Neither Party shall be responsible or liable for, or deemed to be in breach of any term of this Agreement because of any failure or delay in complying with its obligations under or pursuant to this Agreement 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 nevertheless been experienced by that Party had such Force Majeure event not occurred.

12.7.2 Consequences After Commissioning

The consequences on account of occurrence of any of the FM Event are mentioned in the following Table:

Event	Periodicity from the date of occurrence	Affected Party	Consequences
Act of God – Clause 12.3.1(i)	Upto 270 Days	Either or both	<ul style="list-style-type: none"> ▪ Performance excused; ▪ Financial liability: Nil
All other Clauses from 12.3.1(ii) to 12.3.1(viii)	Upto 7 Days		
Act of War – Clause 12.3.1(ii), Air Crash -Clause 12.3.1(iii), & Strikes and Lock Outs – Clause 12.3.1(iv) & Transmission System Failure – Clause 12.3.1(viii)	More than 7 Days and upto 270 Days	Seller	<ul style="list-style-type: none"> ▪ Seller excused of performance; ▪ Procurer to pay to Seller: <ul style="list-style-type: none"> ▪ 25% O&M plus ▪ 100% Interest on legitimate outstanding amount of Loan plus ▪ Depreciation to the extent of meeting the repayment obligation of Seller

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Event	Periodicity from the date of occurrence	Affected Party	Consequences
		Procurer	<ul style="list-style-type: none"> ▪ Procurer excused of performance; ▪ Procurer to pay to Seller: <ul style="list-style-type: none"> • 50% O&M plus • 100% Interest on legitimate outstanding amount of Loan plus • Depreciation to the extent of meeting the repayment obligation of Seller; • 50% of the Take or Pay liability towards FSA & FTA.
Expropriation Clause 12.3.1(v) & Exercise of Authority by Sovereign Executive -Clause 12.3.1(vi)	More than 7 Days and upto 270 Days	Seller	<ul style="list-style-type: none"> ▪ Seller excused of performance; ▪ Procurer not to pay any amount to Seller.
		Procurer	<ul style="list-style-type: none"> ▪ Procurer excused of performance; ▪ Procurer to pay 100% amount of Capacity Charge to Seller; ▪ Procurer to owe liability on account of Fuel Supply Agreement (FSA) and Fuel Transmission Agreement (FTA) as approved by Procurer.
Any other Clause Analogous to Clauses 12.3.1(i) to 12.3.1(vi) & 12.3.1(viii)	More than 7 Days and upto 270 Days	Seller &/or Procurer	<ul style="list-style-type: none"> ▪ Performance and Payment obligations as mentioned for respective Clause.

12.8 The Scheduled CoD of the Unit or Power Station, 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

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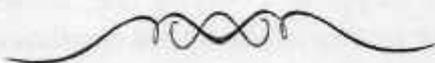
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basis to the extent that the event of Force Majeure is the cause of delay affecting the Party's obligations under this Agreement.

12.8.1 The Party, other than the Affected Party, shall not bear any liability for any loss or expense suffered by the Affected Party as a result of a Force Majeure except as provided in Article 12.7.2.

12.9 Liabilities for other losses, damages etc.

Save and except as expressly provided in this Article 12, neither Party hereto shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event.



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ARTICLE 13

CHANGE IN LAW

13.1 Definitions

In this Article 13, the following terms shall have the following meanings:

13.1.1 "Change in Law" means the occurrence of any of the following after the date, which is seven (7) days prior to the signing of this Agreement:

- i. the enactment, bringing into effect, adoption, promulgation, amendment, modification or repeal, of any statute, decree, ordinance or other law, regulation, notice, circular, code, rule or direction by any Governmental Instrumentality or a change in its interpretation by a Competent Court of law, tribunal, government or statutory authority or any of the above regulations, taxes, duties charges, levies, etc., or
- ii. the imposition by any Governmental Instrumentality of any material condition in connection with the issuance, renewal, modification, revocation or non-renewal (other than for cause) of any Consent after the date of this Agreement.

that in either of the above cases results in any change with respect to any tax or surcharge or cess levied or similar charges by the Competent Government on the generation or sale of electricity;

but shall not include (i) any change in any withholding tax on income or dividends distributed to the shareholders of the Seller, or (ii) change in respect of UI Charges or frequency intervals by an Appropriate Commission.

13.1.2 "Competent Court" means:

the Supreme Court of India or any High Court, or any tribunal or any similar judicial or quasi-judicial body that has jurisdiction in relation to issues relating to the Project.

13.2 Tariff Adjustment Payment for Change in Law

13.2.1 If a Change in Law results in the Seller's revenue or costs directly attributable to the Project being decreased or increased by one percent (1%), on cumulative basis, of the estimated revenue from the Electricity for the Contract Year (calculated in that Contract Year and the energy corresponding to 80% of the Installed Capacity and for the purpose of above calculations the calculated tariff will be determined assuming the fuel indices notified by CERC at the time when it is being brought to the notice of other party as per Article 13.2.2) for which such adjustment becomes applicable or more, during Operation



Period, the Tariff Payment to the Seller shall be proportionately increased or decreased.

- 13.2.2 The Procurer or the Seller, as the case may be, shall provide the other Party with a certificate stating that the adjustment in the Tariff Payment is directly as a result of the Change in Law and shall provide supporting documents to substantiate the same and such certificate shall correctly reflect all increases or decreases till the date of such certificate.
- 13.2.3 The adjustment in Monthly Capacity Payment for reasons attributable to Article 13.2.1 shall be effective from:
- (i) the date of adoption, promulgation, amendment, re-enactment or repeal of the Law;
 - (ii) the date of order/judgment of the Competent Court, if the Change in Law is on account of a change in interpretation of Law;
 - (iii) the date of impact resulting from the occurrence of Article 13.1.1(ii).
- 13.2.4 The payment for Changes in Law shall be through Supplementary bill as mentioned in Article 11.9.

13.3 Appeal against Change in Law

If the results stated in Article 13.1.1 are brought about by a change in the interpretation of Law by a court or tribunal that does not qualify as a Competent Court, the Seller agrees that it shall, at its own cost, appeal against such order/judgment up to the level of the appropriate Competent Court and the right of the Seller to recover the additional amount from the Procurer on account of Changes in Law shall, unless waived in writing by the Procurer, shall be dependent on the Sellers taking adequate steps to contest the increase.



ARTICLE 14

EVENTS OF DEFAULT AND TERMINATION

14.1 Seller Event of Default

The occurrence and continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a default / breach by Procurer of its obligations under this Agreement, shall constitute a Seller Event of Default:

- (i) the failure of any Unit to be Commissioned by the date falling twelve (12) months after its Scheduled Commercial Operation Date, or
- (ii) if at any time following a Unit being Commissioned and during its retest, such Unit's Tested Capacity is less than ninety two (92%) percent of its Installed Capacity and such Tested Capacity remains below ninety two (92%) percent even three (3) months thereafter; or
- (iii) after Commercial Operation Date of the Project, the Seller fails to achieve Average Availability of sixty five (65%), for a period of twelve (12) consecutive months, or
- (iv) the Seller fails to make any payment more than Rs. 1 crore required to be made to Procurer under this Agreement within three (3) Months after the Due Date of a valid and undisputed invoice raised by the said Procurer on the Seller, or
- (v) any misrepresentation or untrue statement made in the representation and warranties made by the Seller in Schedule 9 of this Agreement; or
- (vi) if the Seller:
 - a) assigns or purports to assign its assets or rights in violation of this Agreement; or
 - b) transfers or novates any of its rights and/or obligations under this agreement, in violation of this Agreement; or
- (vii) if the Seller becomes voluntarily or involuntarily the subject of proceedings under any bankruptcy or insolvency laws or goes into liquidation or dissolution or has a receiver appointed over it or liquidator is appointed, pursuant to Law, except where such dissolution of the Seller is for the purpose of a merger, consolidation or reorganization and where the resulting entity has



the financial standing to perform its obligations under this Agreement and creditworthiness similar to the Seller and expressly assumes all obligations under this Agreement and is in a position to perform them; or

- (viii) the Seller repudiates this Agreement; or
- (ix) except where due to the a Procurer's failure to comply with its obligations, the Seller is in material breach of any of its obligations pursuant to this Agreement.

14.2 Procurer Event of Default

The occurrence and the continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by the Seller of its obligations under this Agreement, shall constitute the Event of Default on the part of Procurer:

- (i) the Procurer fails to pay (with respect to a Monthly Bill or a Supplementary Bill or a Delayed Payment Charges Bill) an amount exceeding 15% of the most recent undisputed Monthly Bill for a period of ninety (90) days after the Due Date and the Seller is unable to recover the amount outstanding to the Seller through the Letter of Credit; or
- (ii) the Procurer repudiates this Agreement; or
- (iii) the Procurer is otherwise in material breach of this Agreement which leads to inability of the Seller to perform its obligations under this Agreement; or
- (iv) any misrepresentation or untrue statement made in the representation and warranties made by the Procurer in Schedule 9 of this Agreement.
- (v) if the Procurer becomes voluntarily or involuntarily the subject of proceedings under any bankruptcy or insolvency laws or goes into liquidation or dissolution or has a receiver appointed over it or liquidator is appointed, pursuant to Law, except where such dissolution of the Procurer is for the purpose of a merger, consolidation or reorganization and where the resulting entity has the financial standing to perform its obligations under this Agreement and creditworthiness similar to the Procurer and expressly assumes all obligations under this Agreement and is in a position to perform them; or
- (vi) The Procurer fails to implement and maintain the Payment Security Mechanism in accordance with Article 11.10 of this Agreement.



14.3 Termination due to Force Majeure Events

Upon continuation of an event of Force Majeure for more than 270 consecutive days, either Party can Terminate the Agreement, without any liability or obligation on their part, by giving a notice of fifteen (15) days.

14.4 Termination procedure for Seller Event of Default

14.4.1 Upon the occurrence and continuation of any Seller Event of Default under Article 14.1, the Procurer shall have the right to deliver to the Seller a Procurer Preliminary Termination Notice, which shall specify in reasonable detail the circumstances giving rise to the issue of such notice.

14.4.2 Following the **issue** of Procurer Preliminary Termination Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree shall apply.

14.4.3 During the Consultation Period, the Parties shall, save as otherwise provided in this Agreement, continue to perform their respective obligations under this Agreement.

14.4.4 Within a period of seven (7) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed to the contrary or the Seller Event of Default giving rise to the Consultation Period shall have been remedied, Procurer may terminate this Agreement by delivering a Procurer Termination Notice, whereupon this Agreement shall terminate on the date of such notice.

14.4.5 Lenders option to assume obligations of Seller:

(i) If, at any time following the service by Procurer, of a Procurer Termination Notice pursuant to Clause 14.4.4, the Lenders, on behalf and instead of Seller, pay all sums which are due and payable to Procurer as at the date of the said Procurer Termination Notice and / or perform or cause to be performed any unperformed obligations of Seller as at such date, then:

- a. such Procurer Termination Notice shall be revoked and all existing rights of termination in favour of Procurer under this Agreement shall terminate (but without prejudice to any rights of Procurer in respect of any future breach of this Agreement); and
- b. Procurer shall continue to perform its obligations under this Agreement as if its rights of Termination, had not arisen (but without prejudice to any rights of Procurer in respect of any such future breaches).

14.5 Termination procedure for Procurer Events of Default

14.5.1 Upon the occurrence and continuation of any Procurer Event of Default pursuant to Article 14.2(i) in making payment of the amount due to the

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Seller, the Seller shall have the option to follow the remedies provided under Article 11.10.

- 14.5.2 Without in any manner affecting the rights of the Seller under Article 14.5.1 in the event payment of any undisputed bill or amount due as per the direction of the Appropriate Commission remains outstanding for more than 10 days or in the event of default under Article 14.2 (ii), (iii), (iv), (v) and (vi) the Seller shall have the right to deliver to Procurer a Seller Preliminary Termination Notice, which notice shall specify in reasonable detail the circumstances giving rise to its issue.
- 14.5.3 Following the issue of a Seller Preliminary Termination Notice, the Consultation Period of 90 days shall apply.
- 14.5.4 Within a period of seven (7) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed or the Procurer Event of Default giving rise to the Consultation Period shall have been remedied, the Seller may terminate this Agreement by delivering a Seller Termination Notice, whereupon this Agreement shall terminate on the date of such notice.

14.6 Consequences of Termination

14.6.1 Consequence of Termination for Seller Event of Default

Where this Agreement is terminated by Procurer pursuant to Article 14 for any Seller Event of Default, the Seller shall pay as compensation to Procurer, an amount equivalent to twelve (12) months of the billing, at the tariff and energy corresponding to the 80% of the Installed Capacity.

14.6.2 Consequence of Termination for Procurer Event of Default

Where this Agreement is terminated by the Seller pursuant to Article 14 for any of the Procurer Event of Default, the following shall be the consequences:

- (i) the Seller shall offer to any person, the Capacity allocated to the Procurer at following terms:
The Seller shall be entitled to claim compensation from the Procurer the actual loss suffered by the Seller pending the sale of such Capacity and thereafter on the difference in the price payable under this Agreement by the Procurer and the possible price the Seller can procure on such resale of the Capacity.
- (ii) the Seller shall make every effort to mitigate the loss to the Procurer.
- (iii) Notwithstanding anything contained above, the aggregate liability of the Procurer shall not in any event exceed an amount equivalent to twelve (12) months of the billing, corresponding to 80% of the



Installed Capacity, as liquidated damages.

The termination of the Agreement shall not affect the accrued rights and obligations of the parties.

14.6.3 Consequence of Termination at the end of the Term shall be governed by the provisions of Article 2.



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ARTICLE - 15

LIABILITY AND INDEMNIFICATION

15.1 Indemnity

15.1.1 The Seller shall indemnify, defend and hold Procurer harmless against:

- (a) any and all third party claims, actions, suits or proceedings for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the Seller of its obligations under this Agreement except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of Procurer; and
- (b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest suffered or incurred by Procurer by reason of a breach by the Seller of any of its obligations under this Agreement. (Provided that this Article 15 shall not apply to such breaches by the Seller, for which specific remedies have been provided for under this Agreement) except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of Procurer.

the above losses together shall constitute "Indemnifiable Losses".

15.1.2 Procurer shall indemnify, defend and hold the Seller harmless against:

- (a) any and all third party claims, actions, suits or proceedings for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by Procurer of its obligations under this Agreement except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of the Seller, its contractors, servants or agents; and
- (b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest suffered or incurred by the Seller by reason of a breach by Procurer of any of its obligations under this Agreement (Provided that this Article 15 shall not apply to such breaches by Procurer, for which specific remedies have been provided for under this Agreement.), except to the extent that any such claim, action, suit or proceeding has arisen due to a negligent act or omission, breach of this Agreement or breach of statutory duty on the part of the Seller, its contractors, servants or agents



The above losses together shall constitute "Indemnifiable Losses".

15.2 Limitation of liability

A Party ("Indemnifying Party") shall not be liable to indemnify the other Party ("Indemnified Party") under this Article 15 for any indemnity claims made in a Contract Year until the aggregate of all indemnity claims of the Indemnified Party in a given Contract Year exceeds half a percent (0.5%) of the average annual Tariff Payment for all the Contract Years up to the Contract Year in which the indemnity claim is made.

15.3 Procedure for claiming indemnity

15.3.1 Third party claims

- (a) Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Article 15.1.1(a) or 15.1.2(a), the Indemnified Party shall promptly notify the Indemnifying Party of such claim, proceeding, action or suit referred to in Article 15.1.1(a) or 15.1.2(a) in respect of which it is entitled to be indemnified. Such notice shall be given as soon as reasonably practicable after the Indemnified Party becomes aware of such claim, proceeding, action or suit. The Indemnifying Party shall be liable to settle the indemnification claim within [30 days] of receipt of the above notice. Provided however that, if:
- (i) the Parties choose to contest, defend or litigate such claim, action, suit or proceedings in accordance with Article 15.3.1(b) below; and
 - (ii) the claim amount is not required to be paid/deposited to such third party pending the resolution of the dispute,
- the Indemnifying Party shall become liable to pay the claim amount to the Indemnified Party or to the third party, as the case may be, promptly following the resolution of the dispute, if such dispute is not settled in favour of the Indemnified Party.
- (b) The Indemnified Party may contest, defend and litigate a claim, action, suit or proceeding for which it is entitled to be indemnified under Article 15.1.1(a) or 15.1.2(a) and the indemnifying Party shall reimburse to the indemnified Party all reasonable costs and expenses incurred by the indemnified party. However, such indemnified Party shall not settle or compromise such claim, action, suit or proceedings without first getting the consent of the indemnifying Party, which consent shall not be unreasonably withheld or delayed.

An Indemnifying Party may, at its own expense, assume control of the defence of any proceedings brought against the Indemnified Party if it acknowledges its obligation to indemnify such

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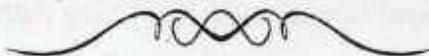
Indemnified Party, gives such Indemnified Party prompt notice of its intention to assume control of the defence, and employs an independent legal counsel at its own cost that is reasonably satisfactory to the Indemnified Party.

15.4 Indemnifiable Losses

Where an Indemnified Party is entitled to Indemnifiable Losses from the Indemnifying Party pursuant to Article 15.1.1(b) or 15.1.2(b), the Indemnified Party shall promptly notify the Indemnifying Party of the Indemnifiable Losses. The Indemnifiable Losses shall be paid by the Indemnifying Party within [30] days of receipt of the notice seeking Indemnifiable Losses by the Indemnified Party.

15.5 Limitation on Liability

Except as expressly provided in this Agreement, neither the Seller nor Procurer nor their respective officers, directors, agents, employees or Affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its Affiliates, officers, directors, agents, employees, successors or assigns (or their respective insurers) for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and property due under this Agreement), any increased expense of, reduction in or loss of power generation production or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of the procurer, the Seller or others), strict liability, contract, breach of statutory duty, operation of law or otherwise. Procurer shall have no recourse against any officer, director or shareholder of the Seller or any Affiliate of the Seller or any of its officers, directors or shareholders. The Seller shall have no recourse against any officer, director or shareholder of Procurer, or any affiliate of Procurer or any of its officers, directors or shareholders.



ARTICLE - 16

ASSIGNMENTS AND CHARGES

16.1 Assignments

Subject to Article 16.2.2, this Agreement may not be assigned by any Party (and no Party shall create or permit to subsist any encumbrance over all or any of its rights and benefits under this Agreement) other than by mutual agreement between the Parties to be evidenced in writing:

Provided that, such consent shall not be unreasonably withheld if either of the Procurer seeks to transfer to any transferee all of its rights and obligations under this Agreement; and

- (a) such transferee is either the owner or Operator of all or substantially all of the distribution system for Gujarat and / or such transferee is a successor entity of any of the Procurer; and
- (b) all Agreements shall remain in place and shall be effective as to such successor.

16.2 Permitted Charges

16.2.1 Notwithstanding Article 16.1, the Seller may assign this Agreement or create any encumbrance over all or part of the Security Package or the other assets of the Project to the Lenders or the Lender's Representative or as required by the Lenders, on their behalf as security for:

- (a) amounts payable under the Financing Agreements; and
- (b) any other amounts agreed by the Parties,

16.2.2 Article 16.1 does not apply to:

- (a) liens arising by operation of law (or by an agreement evidencing the same) in the ordinary course of the Seller carrying out the Project;
- (b) pledges of goods, the related documents of title and / or other related documents arising or created in the ordinary course of the Seller carrying out the Project; or
- (c) security arising out of retention of title provisions in relation to



goods acquired in the ordinary course of the Seller carrying out the Project.



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ARTICLE - 17

GOVERNING LAW AND DISPUTE RESOLUTION

17.1 Governing Law

This Agreement shall be governed by and construed in accordance with the Laws of India.

17.2 Amicable Settlement

17.2.1 Either Party is entitled to raise any matter, dispute or difference of whatever nature arising under, out of or in connection with this Agreement including its existence or validity (collectively "Dispute") by giving a written notice to the other Party, which shall contain:

- (i) a description of the Dispute;
- (ii) the grounds for such Dispute; and
- (iii) all written material in support of its claim.

17.2.2 The other Party shall, within thirty (30) days of issue of dispute notice issued under Article 17.2.1, furnish:

- (i) counter-claim and defenses if any regarding the Dispute; and
- (ii) all written material in support of its defenses and counter-claim.

17.2.3 Within thirty (30) days of issue of notice by other Party pursuant to Article 17.2.2, both the Parties shall meet to settle such Dispute amicably, failing which the Dispute shall be referred to Dispute Resolution in accordance with Article 17.3.

17.3 Dispute Resolution

Where any Dispute arising out of or in connection with this Agreement is not resolved mutually then such Dispute shall be submitted to adjudication by the Appropriate Commission as provided under section 86 of the Electricity Act, 2003 and the Appropriate Commission may if deemed fit refer the matter to Arbitration as provided in the said provision read with section 158 of the said Act. For disputes beyond the power conferred upon the Appropriate Commission, such disputes shall be subject to the jurisdiction of the High Courts of Gujarat.

17.4 Parties to Perform Obligations

Notwithstanding the existence of any dispute and difference referred to the Appropriate Commission as provided in Article 17.3 and save as the

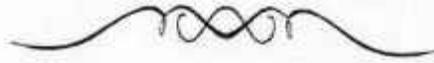
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Appropriate Commission may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations under this Agreement, including making of payments by either Party.



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ARTICLE - 18

MISCELLANEOUS PROVISIONS

18.1 Amendment

This Agreement may only be amended or supplemented by a written agreement between the Parties with necessary approval from the GERC.

18.2 Third Party Beneficiaries

This Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns and shall not be construed as creating any duty, standard of care or any liability to, any person not a party to this Agreement.

18.3 No Waiver

A waiver by a Party shall be in writing and executed by an authorized representative of that Party. Neither the failure by one Party to insist on any occasion upon the performance of the terms, conditions, and provisions of this Agreement nor time or other indulgence granted by one Party to the other shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other right under this Agreement, which shall remain in full force and effect.

18.4 Remedies

Where this Agreement provides for any rebate or other remedies for any breach or shortfall in performance, the Parties shall not be entitled to make any other claim or pursue other remedies under law.

18.5 Entirety

18.5.1 This Agreement and the Schedules 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.

18.5.2 All prior written or oral understandings, offers or other communications of every kind pertaining to this Agreement or the sale or purchase of Electrical Output and Installed Capacity under this Agreement to the Procurer by the Seller are abrogated and withdrawn.

18.6 Assignment

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



18.7 Confidential Information

Subject to Article 18.8, all Parties shall at all times during the continuance of this Agreement:

- (a) use their reasonable endeavours to keep all information regarding the terms and conditions of this Agreement and any data or information acquired under or pursuant to this Agreement confidential and accordingly no Party shall disclose the same to any other person; and
- (b) not use any document or other information (whether technical or commercial) obtained by them respectively by virtue of this Agreement concerning another's undertaking for any purpose other than performance of that Party's obligations and exercise of its rights under this Agreement:

Provided that, the provisions of this Article 18.7 shall not apply to information which at the time of disclosure was in the public domain other than by breach of the foregoing obligations of confidentiality.

18.8 Disclosure of Confidential Information

18.8.1 Each of the Parties shall hold in confidence the agreements relating to the Project and all documents and other information (whether technical or commercial) which is of a confidential nature disclosed to it by or on behalf of the other Party or Parties relating to the Project and shall not, save as may be required by law or appropriate regulatory or statutory authorities, or to any Indian Governmental Instrumentality, or to prospective lenders to, or investors in, the Seller or to the professional advisers of the Parties or of those prospective lenders or investors, publish or otherwise disclose or use the same for its own purposes otherwise than as may be required to perform its obligations under this Agreement.

18.8.2 The provisions of Article 18.8.1 shall not apply to:

- (a) any information in the public domain otherwise than by breach of this Agreement;
- (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 or Parties 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.

18.8.3 Every Party shall be entitled to disclose the terms and conditions of this

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Agreement and any data or information acquired by it under or pursuant to this Agreement without the prior written consent of the other Party or Parties, as the case may be, if such disclosure is made in good faith:

- (a) to any affiliate of such Party, having made it aware of the requirements of this Article 18.8, or to any Indian Governmental Instrumentality; or
- (b) 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 18.8; or
- (c) to the Lenders, the Lenders' Representative any security trustee, any bank or other financial institution and its advisers from which such Party is seeking or obtaining finance, having made them aware of the requirements of this Article 18.8; or
- (d) to the extent required by the rules of a relevant and recognised stock exchange; or
- (e) to the extent required by any applicable law of India or pursuant to an order of any court of competent jurisdiction; or
- (f) to any insurer under a policy of Insurance; or
- (g) to directors, employees and officers of such Party having made them aware of the requirements of this Article 18.8,

and is necessary to enable such Party to perform this Agreement or to protect or enforce its rights under this Agreement or any other Project Document or to enable it to comply with any requirement referred to in Articles 18.8.3(d) and 18.8.3(e) or to carry on its ordinary business.

18.9 Affirmation

The Seller and Procurer each affirm that:

- (i) neither it nor its respective directors, employees, or agents has paid or undertaken to pay or shall in the future pay any unlawful commission, bribe, pay-off or kick-back; and
- (ii) it has not in any other manner paid any sums, whether in Indian currency or foreign currency and whether in India or abroad to the other Party to procure this Agreement, and the Seller and Procurer hereby undertake not to engage in any similar acts during the Term of Agreement.

18.10 Severability

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

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unenforceable is fundamental to this Agreement..

18.11 No Partnership

None of the provisions of this Agreement shall constitute a partnership or agency or any such similar relationship between the Seller and Procurer.

18.12 Survival

Notwithstanding anything to the contrary herein, the provisions under Article 12 (Force Majeure), Article 15 (Liability and Indemnification), Article 17 (Governing Law and Dispute Resolution), Article 14 (Events of Default and Termination), and Article 18 (Miscellaneous) shall continue and survive any expiry or termination of this Agreement.

18.13 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which collectively shall be deemed one and the same instrument.

18.14 Notices

- 18.14.1 All notices to be given under this Agreement shall be in writing and in the English Language.
- 18.14.2 All notices must be delivered personally, by registered or certified mail or facsimile to the addresses below:

For Procurer:

Attention:	CFM (IPP)/General Manager (Commerce)
Address:	Sardar Patel Vidyut Bhavan, Race Course, Vadodara, Pin Code 390 007
Facsimile:	91-0265-2344543/2337918/2338164
Phone	91-0265-2340504, 2340289

For Seller :

Attention:	General Manager(Commercial)
Address:	FF Shed Nos. A/78/3-8, GIDC Electronic Estate, Near PATni Computers (iGATE), Sector - 25, Gandhinagar - 382 016
Facsimile:	079-23288056
Phone	079-66701686

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(Signature)



- 18.14.3 All notices or communications given by email or facsimile shall be confirmed by depositing a copy of the same in the post office in an envelope properly addressed to the appropriate Party for delivery by registered or certified mail. All Notices shall be deemed delivered upon receipt.
- 18.14.4 Any Party may by notice of at least fifteen (15) days to the other Parties change the address and / or addresses to which such notices and communications to it are to be delivered or mailed.

18.15 Language

The language of this Agreement and all written communication between the Parties relating to this Agreement shall be in English.

18.16 Breach of Obligations

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

18.17 Nomination Restriction

Notwithstanding anything contained to the contrary in this Agreement, wherever a reference is made to the right of a Procurer to nominate a third Party to receive benefits under this Agreement, such Third Party shall have a financial standing not less than to the Procurer in question.

18.18 Scheduled Generation

Notwithstanding anything contained to the contrary in this Agreement, wherever a reference is made to a Procurer or SLDC issuing a Scheduled Generation to the Seller, where law so requires that Scheduled Generation be issued only by a control centre, such references shall be construed as being references to the Seller receiving Scheduled Generation from the said control centre and the same shall apply in relation to any other functions being exercised by any other entity or organisation in the future, from time to time.

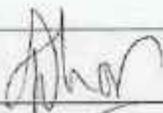
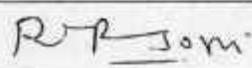
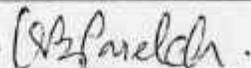
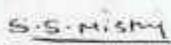
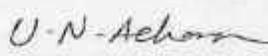


18.19 Sharing of Benefits from Clean Development Mechanism (CDM)

The proceeds of carbon credit from approved CDM project shall be shared in the following manner, namely-

- a. 100% of the gross proceeds on account of CDM to be retained by the project developer in the first year after the date of commercial operation of the generating station ;
- b. in the second year, the share of the beneficiaries shall be 10% which shall be progressively increased by 10% every year till it reaches 50%, whereafter the proceeds shall be shared in equal proportion, by the generating company , and the beneficiary.

IN WITNESS WHEREOF the Parties have executed these presents through their authorized representatives at Vadodara.

For and on behalf of Procurer by	For and on behalf of Seller by
	
(S.V. Vachhrajani) Chief Finance Manager (IPP)	(Sudhir Shah) General Manager (Commercial)
and witnessed by	
	
(R.P. Soni) Deputy Engineer (IPP)	(K.B. Parekh) AGM (Commercial)
	
(S. S. Mistry) Deputy Engineer (IPP)	(U.N. Acharya) Deputy Engineer (GUVNL)



SCHEDULES



SCHEDULE - 1**CONDITIONS SUBSEQUENT****1.1 Conditions subsequent to Seller**

Seller shall have been obtained all applicable pre-Zero Date clearances as listed here below, either unconditionally or subject to conditions which do not materially prejudice Seller's rights, the enjoyment of its benefits or the performance of its obligations under this Agreement and such clearances shall be in full force and effect;

S. No.	Regulatory / Statutory Clearance	Authority
1	Project Cost estimate including Financing Agreement and this Agreement approval.	GERC (if applicable).
2	Air and Water pollution.	Gujarat Pollution Control Board.
3	Sea Water drawal.	GMB
4	Sea Water discharge.	Forest and Environment deptt., Govt. of Gujarat /Ministry of Environment and Forest, Govt. of India, as applicable.
5	Environment Clearance.	Forest and Environment deptt., Govt. of Gujarat /Ministry of Environment and Forest, Govt. of India, as applicable.
6	Civil Aviation Clearance for Chimney height.	Airports Authority of India.
7	Company registration.	Registrar of Companies
8	Rehabilitation and resettlement of displaced families, if any, by land acquisition.	Forest and Environment deptt., Govt. of Gujarat / Ministry of Environment and Forest, Govt. of India, as applicable..



9	Gas Supply and Transportation Arrangements.	Procurer
10	Approval for payments in foreign currency.	RBI, if required.
11	Land allocation.	Dist. Collector.
12	Real estate rights and rights to use the site.	Dist. Collector.

After Start of Construction, as applicable:

S. No.	Statutory Clearance	Authority
1	Boiler (HRSG) and other pressure parts including pipes and valves - Design aspects and inspection before light up.	The Chief Inspector of Boilers (Gujarat)
2	Chlorine storage Carbon Dioxide Hydrogen SF6 Acetelene Nirtogen Oxygen LPG Propane, etc. - Design / Installation	Dist. Collector / Dept. of Explosives (Gujarat / Mumbai / Nagpur)
3	Fire fighting / protection	Loss Prevention Agency / TAC
4	Electrical plant and equipment 220 kV installation - Design / installation with respect to back charging clearance and synchronizing clearance - transformers, MV / LV switch gear motors, earthing / lighting arrestors.	The Chief Electrical Inspector (CEI) (Gujarat). Prior approval of CEI to be obtained before installation.
5	Approval for stack obstruction light / painting.	Airports Authority of India.
6	Pre installation approval for buildings, pipe layout cable routes,	The Chief Inspector of Factories



	acid and other chemical storage.	(Gujarat) / Concerned municipalities as applicable.
7	Approval for stack emission levels, water effluent quality, solid waste, etc.	Gujarat Pollution Control Board.
8	Approval for lifts, cranes and hoists, before hand over to the Employer.	Elevator and Lifts Inspector, (Gujarat).
9	Approval for frequency allocation for communication equipment like radio, PLCC, remote operated cranes etc.	NAVAL Wireless Center (NWC).
10	Import license and formalities.	Controller of Imports and Exports, Customs Authorities, Govt. of India
11	License for labour commissioner for construction labour pursuant to section 7 of the Contract Labour (Regulation and Abolition) Act, 1970.	Labour Commissioner, Govt. of Gujarat
12	Registration of workers required pursuant to Section 2 A of the Employees State Insurance Act, 1984, or exemption to be claimed if other group insurance is taken for Contractor's personnel.	Labour Commissioner, Govt. of Gujarat
13	Consent of the Commissioner of Explosives for the possession and use of explosives for the purpose of blasting, if any.	Govt. of Gujarat, Home Deptt.
14	Approval of temporary construction power lines within the plant area.	Electrical Inspectorate, Govt. of Gujarat.
15	Approval of weigh bridge and weigh scales	Inspector of weights and measures, Govt. of Gujarat.
16	Collection, storage and disposal of	Gujarat Pollution



	waste, site clearance, safe report and safety audit.	Control Board.
17	Approval of building proposals and layout.	Municipal Corporation, Executive Engineer, building proposal or concerned authorities.
18	Approval of building layout with fire safety concerns and receipt of No Objection Certificate.	Municipal Corporation, Chief Fire Officer or concerned authorities.
19	No Objection Certificate for storm water drainage design.	Municipal Corporation, Executive Engineer, storm water drainage design or concerned authorities.



SCHEDULE - 2

FUNCTIONAL SPECIFICATION

2.1.0 Introduction

2.1.1 The Power Station is Approximately 702 MW (2 x 351 MW) combined cycle Power Station. The Power Station consists of 2 numbers of Advanced class Gas Turbines, Two Heat Recovery Steam Generators and Two Steam Turbines all with associated auxiliaries and balance of plant (consisting of DM water system, cooling water system, switchyard, pollution control and environment monitoring equipments, etc) and the Unit consists of one number each of the above main equipments, running on multi shaft configuration.

2.1.2 Fuel Facility shall include gas skid and internal gas transportation within the battery limits of the Power Station.

2.2.0 Project Site

2.2.1 The Power Station Site shall be located near Kovaya, district Amreli, Gujarat. The Fuel facility, as described below is located inside the Site.

2.2.2 Site development includes clearing, grubbing and grading as required; and provision of roads, parking lots fencing at Site and a green belt around the Site periphery.

2.3.0 General Description

2.3.1 The Power Station consists of two new and unused Gas Turbines, Two Heat Recovery Steam Generators (HRSGs) and Two Steam Turbines all with associated auxiliaries and balance of plant (consisting of DM water system, cooling water system, switchyard, pollution control and environment monitoring equipments, etc).

2.3.2 The Gas Turbines shall be fired with re-gasified liquid natural gas or natural gas, the exhaust of the Gas Turbines shall be used for steam generation in the HRSGs, feeding steam to the Steam Turbines. Each Gas Turbine shall be coupled with electric generator(s).

2.3.3 The Steam Turbines are of condensing type units. Each Steam Turbine is coupled to an electric generator(s).

2.3.4 The following detailed information in relation to the Power Station is set



out in Annexure 1.1 and 1.2 to this Schedule 3:

- Annex 1.1 : Site Plan and Power Station Layout
- Annex 1.2 : General design parameters and Grid System requirements.
- Annex 1.3 : Power Station Electrical One - Line Diagram.
- Annex 1.4 : Sub-station Electrical Diagram.

2.4.0 Water Facilities

2.4.1 Plant Water Supply System

2.4.1.1 Since there is no substantial sweet water source in the region sea water will be used for cooling & other consumptive needs. The requirement of sea water has been estimated as 1,28,000 cubic meters per day. The water is required mainly for cooling tower make-up and as feed to desalination / RO plant.

2.4.1.2 The desalination / RO plant will be provided to meet the sweet water requirement of process and other needs.

2.4.1.3 The sea water intake pump-house and sea water pipeline shall be constructed by the Seller. Sea water shall be pumped from a suitable intake point approximately (1/2 - 1 Kms.) offshore and supplied to the Power Station in accordance with a sea water scheme.

2.4.2 Cooling Water System

Sea water will be used in Closed circuit cooling system for plant cooling utilising cooling towers & heat exchangers.

2.4.3 Water treatment

(a) Cooling Water Treatment - The circulating cooling water is pre-treated by filtration. The cooling towers will be operated at maximum possible cycles of concentration to minimise water consumption.

(b) Desalinated / RO water treatment - The water is pre-treated through a clarifier and a mixed media filter (RO) system. A portion



of filtrated water is further processed by Demineralizer trains to produce water of high purity to meet the requirements of steam cycle, including boiler makeup, and miscellaneous needs. Demineralized water is stored in a storage tank.

Desalinated water shall also be used for colony requirements as well as miscellaneous Power Station needs. Potable water is chlorinated before use for drinking and other domestic uses. Filtered water will be stored in suitable tank.

2.4.4 Waste - water treatment.

2.4.4.1 The following waste-water is generated due to water treatment and actual operation of the Power Station.

- Cooling tower blowdown
- Desalination / RO plant blowdown.
- Filtration plant backwashes.
- Clarifier blowdown
- Demineralizer regeneration waste.
- Boiler blowdown
- Equipment washes and floor drains.
- Contaminated rain water runoff from the oil storage area.
- Domestic effluents.

2.4.4.2 The Demineralizer regeneration waste is neutralized in a separate tank before being transferred to the discharge line.

2.4.4.3 Equipment washes, floor drains and contaminated rainfall runoff from the oil storage areas is passed through an oil/water separator for treatment. The separator effluent is transferred to the discharge line. Oily sludge setting at the separator bottom and recovered oil will be properly disposed off, away from the Site, as per GPCB guidelines.

2.4.4.4 Clarified blowdown is sent to a sludge thickener. The decant from the sludge thickener is recycled to the clarifier. Filter backwashes will be sent to the sludge thickener. Blowdown from the sludge thickener is sent to the sludge pit. Decant from the sludge pit will also be recycled to the clarifier. Settled solids in the sludge pit shall be cleaned before being disposed off away from the Site. Blowdown from the boiler will be treated to acceptable level before being used for irrigation of the green belt.

2.4.4.5 Sanitary waste generated due to potable water use, showers,



washes and flushing of toilets will be treated in a package sewage treatment plant. The treated effluent after chlorination also be used to irrigate the green belt.

2.5.0 Electrical Systems

2.5.1 The generated power is stepped up to 220 KV and delivered to the switchyard. Auxiliary transformers will be installed to provide station power. Subsequent transformers will provide power at 6.6 KV and 400 V for various motors, lighting, controls etc.

2.5.2 The open air switchyard is planned, with three 220 KV lines, having six circuits each to deliver power to the Grid System. Seller will provide breakers to isolate its generation systems from the Grid System when necessary to prevent damage to equipment during operation outside the Grid System Parameters or otherwise established in accordance with Prudent Utility Practice. A control building will house the switchyard controls, relaying and communication equipment.

2.5.3 Diagrams showing the electrical one-line system of the Power Station and sub-station are set out in Annexures 1.3, 1.4.

2.6.0 Multifuel Features

Presently, no liquid fuel firing facility has been envisaged in the Power Station.

2.7.0 Control System & Auxiliary systems including protection

The control and instrumentation systems will provide integrated operation of the Power Station and plant control is accomplished via a distributed control system (DCS). The DCS is interfaced with the unit controls for the Gas Turbine Generators, Steam Turbines Generators, HRSGs and balance of plant auxiliaries to facilitate control of the overall Power Station. A central control room is provided for the Power Station. The system ensures adequate protection of the Power Station equipment as per Prudent Utility Practice.

2.8.0 Telecommunications

2.8.1 The Power Station control room and the Load Despatch Centre will be in constant communication with one another via appropriate communication like PLCC, P&T, mobile / cellular phones.

2.8.2 Seller shall install a system to interface with the SLDC GETCO telephone



system.

2.9.0 Auxiliary Systems

2.9.1 Necessary auxiliary system and facilities required for the Power Station will be provided. These include :

(a) Mechanical

- Main Steam System.
- Condensate and feed - water.
- Condenser
- Lube oil storage and transfer
- Raw water pretreatment and storage
- Makeup Demineralizer, demineralized water storage and transfer
- Desalination / RO plant
- Feed - water chemical treatment.
- Circulating water
- Service water
- Closed cooling water.
- Heating, ventilating and air conditioning.
- Compressed air
- Fire protection, detection and alarm
- Waste-water treatment.
- Hydrogen generator, storage and distribution.
- Nitrogen and carbon dioxide storage and distribution if required

(b) Electrical

- Main power generation.
- Medium and low voltage distribution.
- Batteries, inverters and station DC distribution.
- Uninterruptable AC power system.
- Station lighting.
- Grounding
- Cathodic protection.
- Communication System
- Lightning protection

(c) Civil / Structural Architectural



- Administrative Building
- Plant Service Building
- Gas Turbine and Steam Turbine building
- Central control building
- Site development
- Sea water intake system
- Sea water pipeline
- Storage facilities; as required

2.10 Fuel Handling Facility

2.10.1 Re-gasified LNG / natural gas

Re-gasified LNG (RLNG) shall be sourced from one of the two existing LNG re-gasification terminals or from any other terminal if so constructed in future in the state of Gujarat.

The natural gas (NG) shall be sourced from the KG basin discovery. RLNG / NG and will be brought to the Power Station by underground buried pipelines. Separate contracts shall be entered by the Seller with Gas Supplier and Gas Transporter for the purpose of operations of the Power Station.

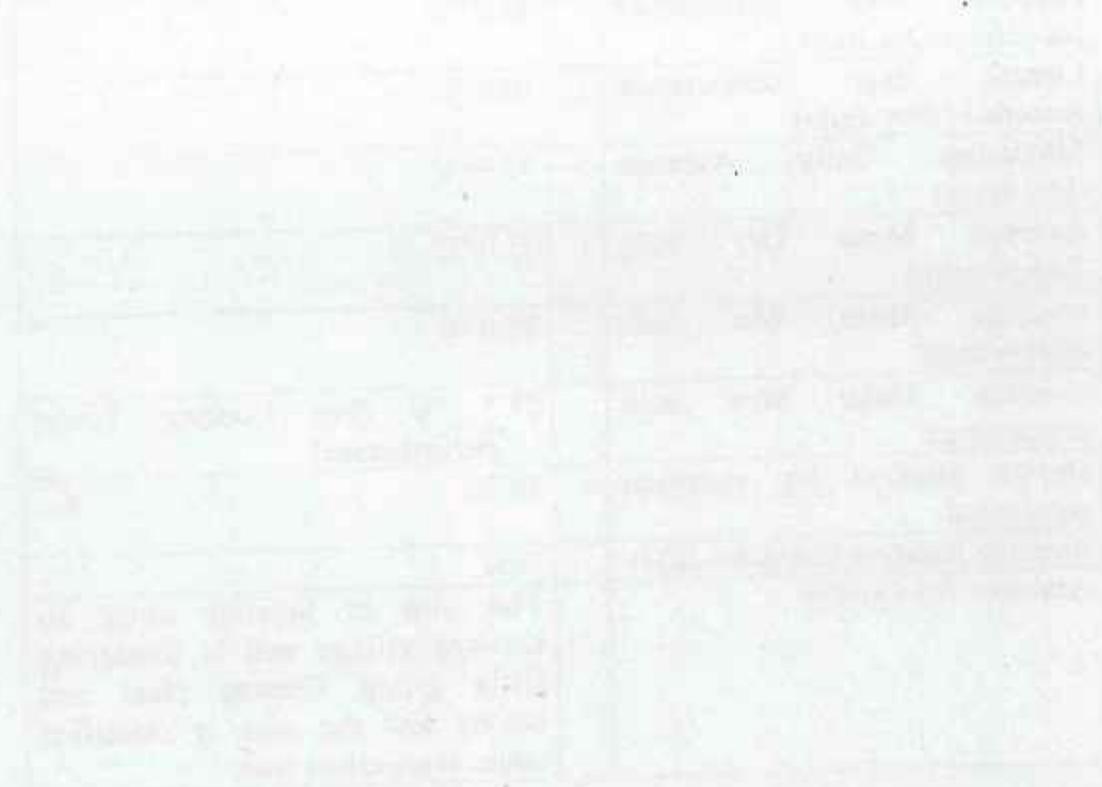
2.11.0 General Description Only

The description of the Power Station and the Fuel Facility contained in this Schedule 2 contains a general description only of the design anticipated as of the date of execution of this Agreement. The Parties acknowledge that changes may be necessary on the basis of further Site investigations and during the course of the development of the detailed design, subject always to compliance by the Power Station with the specific requirements of this Agreement with respect to the generation of Active Energy, the provision of Ancillary Services, the Grid System Parameters and the Applicable ABT Orders.



Annexure 1.1

Site Plan And Plant Layout



Annexure - 1.2

General Design Parameters and Procurer Grid Requirements

1. Design Ambient Conditions:

Highest ever temperature recorded (Dry Bulb)	:	43.0 °C
Lowest ever temperature recorded (Dry Bulb)	:	10.0 °C
Maximum Daily Average (Dry Bulb)	:	33.0° C
Average Mean Dry bulb Temperature	:	33.0 °C
Average Mean Wet bulb temperature	:	28.0 °C
Average Mean Wet bulb temperature	:	28.5 °C (For Cooling Tower performance)
Design ambient for electrical equipment	:	50 °C
Average Relative Humidity (RH)		70%
Ambient Air Quality	:	The site is located close to Kovaya village and is bordering Birla group Cement plant and colony and the area is classified under semi-urban area.

2. Grid System Parameters

Frequency and Voltage Fluctuation

The Gas Turbines together with generators and Steam Turbine together with generators shall be capable of safe continuous operation at specified ambient temperature range without any limitation under following operating conditions:

- (a) Normal Frequency Range 50 Hz (+) 3% and (-) 5 %.



(b) Normal Voltage Range 209 KV to 231 KV. However, for variations within above limits, the reduction in output shall be as per the Operating Characteristics curve.

3. Subsynchronous Reactance / resonance

Seller will carry out a system analysis / study to identify any possible problem on the basis of information provided by Procurer / STU, including access to the existing model and associated data on the Western Region Grid. On the basis of this study Seller will provide equipment to provide alarm warnings and tripping in the event of reactance / resonance conditions that impact on the Power Station. The tripping of the Power Station due to subsynchronous reactance / resonance on the system shall be deemed to be operation of the system outside the Grid System Parameters.

4. Short Circuit and Basic Insulation Levels

4.1 Short Circuit

40,000 amps.

4.2 Basic Insulation Level (BIL)

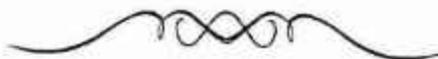
1,050 KV transformer winding and 1050 KV (bushings and equipment).

5. Grid System Requirement

- (a) Power Station imposed harmonics on the Procurer System will not exceed
- 1% per generator
 - 1.5% total harmonic distortion
- (b) Phase voltage unbalance
- Less than 1%



- (c) Symmetrical faults
 - Not less than 10
- (d) Total Fault clearance time:
 - 100 ms @ 220 KV
- (e) Stuck or local Breaker back-up protection:
 - within 300 ms
- (f) Protection dependability:
 - 99%
- (g) 220 KV breakers:
 - suitable for single phase and three phase tripping. The breakers shall be suitable for auto reclose only in case of line breaker.
- (h) Protective equipment and settings:
 - to be co-ordinated in consultations with Procurer



SCHEDULE - 3

COMMISSIONING AND TESTING

3.1 PERFORMANCE GUARANTEE TESTS

Seller 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. All the Tests to be performed i.e. Performance Guarantee Test/ Retest/ Repeat Performance Test shall be carried out as per relevant Test Code(s). 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-3.

Seller shall give 7 (seven) days' notice and shall invite Procurer'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.

3.2 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 95% of the Rated Name Plate Capacity so as to achieve Successful Completion thereof. If, however, such Tested Capacity is found to be below 95%, Seller shall have the option to conduct Re-Testing as provided under paragraph 3.3 hereunder. Even after such Re-Testing, if the Tested Capacity continues to be found below 95%, Procurer shall have the right to reject the Project besides its right to reduce the Fixed Charge payments.

3.3 RETEST

Seller shall carry out necessary improvement and modifications to achieve the Rated Name Plate Capacity pursuant to testing as per Clause 3.1 of Schedule 3. Seller, 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 Clause 3.1 of Schedule 3. Procurer, in order to facilitate the improvement and modifications, shall allow necessary Outages, as a part of the Commissioning activity to Seller and issue Scheduled Generation 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 first PG Test undertaken by the Unit, which period can be extended with mutual consent. 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 so established.

3.4 REPEAT PERFORMANCE GUARANTEE TEST AND/OR CAPACITY DEMONSTRATION TEST

Procurer may, from time to time, during the Term of this PPA, but not more frequently than once every 12 (twelve) months, require Seller 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 Procurer and in accordance with procedure laid down here below.

- 3.4.1 Procurer shall give Seller 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.
- 3.4.2 If Seller wishes to take the Unit out of service for repairs before it undertakes a Test, it shall inform Procurer 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 Seller to carry out those repairs and Procurer shall defer the Test until the Unit is returned to service following that Maintenance Outage.
- 3.4.3 Procurer 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.
- 3.4.4 Seller and Procurer shall each designate qualified and authorised representatives to monitor the Test.
- 3.4.5 Testing and measurement procedures applied during the Test shall be the same as those for the Performance Guarantee Test .
- 3.4.6 **Test Results**

Within 7 (seven) days of the completion of any Performance Guarantee



Test, Seller shall supply to Procurer all completed test summary data sheets and other relevant data derived from such Performance Guarantee Test and or Test as specified in this Schedule 3. Procurer shall notify Seller within 7 days from its receipt of such completed test summary data sheets whether or not the relevant Unit has achieved Successful Completion.

- 3.4.7 Procurer shall accept into Procurer System all Energy and Reactive Power generated during synchronisation, Performance Guarantee Tests and any other testing or Successful Completion procedures required under the terms of this PPA.
- 3.4.8 Consequences of Performance Guarantee Test and test(s)
- 3.4.9 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 95% of Rated Name Plate Capacity or the De-Rated 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 Schedule 5 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.
- 3.4.10 If the Capacity demonstrated during the Performance Guarantee Test and/or the Repeat Test is greater than the Rated Name Plate Capacity or the De-Rated 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 Schedule 5 of this PPA.



SCHEDULE - 4

AVAILABILITY FACTORS

4.1 Introduction

4.1.1 The Availability declaration or Revised Availability Declaration, if any, shall be governed by the GEGC / IEGC/Applicable ABT Order.

4.2 The Permitted Tolerance shall be as per Grid Code / Applicable ABT Orders.

4.3 Cumulative Availability Factors

In any period, the cumulative availability factor (the "Availability Factor") of the Power Station shall be calculated as follows:

$$\% \text{Cum. Availability} = 10000 \times \sum_{i=1}^N DCi + \sum_{i=1}^N [CCx(100 - AUX_n)]$$

Where,

DCi is the Average Declared Capacity for the settlement period 'i' in MW;

CC is the Installed Capacity of the generating station in MW

i is the relevant settlement period,

N is the total Number of settlement periods from the beginning of the operating year, till the end of the billing period, and

AUX_n is the Normative Auxiliary Energy Consumption as a percentage of gross generation

4.4 Available Capacity

4.4.1 The Power Station's available capacity in each Settlement Period (its "Available Capacity") shall be equal to its Declared Capacity in that Settlement Period, less any Capacity Reduction as per the applicable ABT Orders..



SCHEDULE - 5

TARIFF

5.1 The Monthly Tariff Payment

5.1.1 General

Procurer shall pay the Monthly Tariff Payment for the period from the date on which Installed Capacity and / or electrical energy is first accepted by Procurer after acceptance of the Commercial Operation, until this Agreement expires or is terminated.

5.1.2 The Monthly Tariff Payment shall consist of the following elements:

- (i) The Capacity Charges plus or minus
- (ii) The Monthly Availability Adjustment plus or minus
- (iii) The Incentive Charge plus
- (iv) The Fuel Charge,

From the date of Synchronisation and upto the Entry into Commercial Service of the Unit (Infirm Power), Supply of power shall be accounted as Unscheduled Interchange (UI) and paid for from the regional or state UI pool account at the applicable frequency-linked UI rate by the STU:

Provided that any revenue earned by the generating company from sale of infirm power after accounting for the fuel expenses shall be applied for reduction in capital cost.

5.1.3 Monthly Tariff Payments are payable in Rupees.

5.1.4 Monthly Tariff Payments shall be calculated for periods of a full Month, except:

- (i) If one or more Tariff Changes referred to during the course of a Month, the Monthly Tariff Payment 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, (b) each period (if any) from the date a 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



- (ii) If the term of this Agreement 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 Agreement expires or is terminated.

5.1.5 A Tariff Change means:

1. Any change in the Power Station's Installed Capacity
2. Any change in the Capital Cost;
3. The occurrence of a Unit's Commissioned Date; or
4. Any other event or circumstance which is relevant to the calculation of the Monthly Tariff Payments.

5.1.6 If one of the units is declared and accepted as Commercially Operational, the Capital Cost of the Power Station and its debt and equity elements shall be allocated to the Units then in service in the proportion that the most recent Tested Capacity of the Units bears to the Installed Capacity of the Power Station.

5.2 The Capacity Charge

5.2.1 Subject to Clause 5.1.6, the Fixed Charge in any Month which begins on or after the Commercial Operations Date shall be calculated as follows:

$$CC_m = A_m + B_m + C_m + D_m + E_m$$

Where,

CC_m is the Capacity Charge in Month m

A_m is the Interest on loan capital in the Month m

B_m is the Depreciation, including Advance Against Depreciation in Month m

C_m is the Operation and maintenance expenses in Month m

D_m is the Return on Equity in Month m

E_m is the Cost of Interest on working capital in Month m

5.2.1.1 The Interest on loan capital in Month m shall be calculated as follows:



$$A_m = \frac{\left[\sum c(D_m \times ic \times d \times rc) \right]}{bc} \times (T_c \div C_c)$$

Where,

A_m is the Interest on Loan Capital in Month m (expressed in Rupees)

Σc is the sum of the relevant values for each currency 'c' in which the debt Component of the Capital Cost may be denominated

D_m is the outstanding amount of the debt component of the Capital Cost in Month m which is denominated in respective currency

ic is the actual Rate of Interest charged by the lender during Month m applicable to outstanding debt denominated in currency

d is the number of days in Month m

rc is the actual Exchange Rate for currency, at the time of payment (or 1.0 if Currency is Rupee)

bc number of days in a Contract Year

T_c is the Tested Capacity

C_c is the Installed Capacity

and if $T_c/C_c \geq 0.95$, it shall be treated as 1.

5.2.1.2 The Depreciation, including Advance Against Depreciation in Month m shall be calculated as follows:

(A) Depreciation

For the purpose of tariff, depreciation shall be computed in the following manner, namely:

- (i) The value base for the purpose of depreciation shall be the historical cost of the asset;
- (ii) Depreciation shall be calculated annually, based on straight line method over the useful life of the asset and at the rate of 4.5% p.a. .

The residual life of the asset shall be considered as 10% and



depreciation shall be allowed up to maximum of 90% of the historical capital cost of the asset. Land is not a depreciable asset and its cost shall be excluded from the capital cost while computing 90% of the historical cost of the asset. The historical capital cost of the asset shall include Additional Capitalization on account of Foreign Exchange Rate Variation.

- (iii) On repayment of entire loan, the remaining depreciable value shall be spread over the balance useful life of the asset or pending Term of this Agreement, which ever is earlier.
- (iv) Depreciation shall be chargeable from the first year of operation. In case of operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

(B) Advance Against Depreciation

In addition to allowable depreciation, the Seller shall be entitled to Advance Against Depreciation, computed in the manner given hereunder:

AAD = Loan repayment amount subject to a ceiling of 1/10th of loan amount minus Depreciation as per Schedule.

Provided that Advance Against Depreciation shall be permitted only if the cumulative repayment up to a particular year exceeds the cumulative depreciation up to that year;

Provided further that Advance Against Depreciation in a year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation up to that year.

The Monthly depreciation charges shall be calculated as follows:

$$B_m = [(CCR \times tc \times d) \div bc + \sum c[(Rc \times rc) - (Rc \times hrc)]] \times (Tc + Cc) + AAD$$

Where,

- B_m is the Depreciation for Power Station in Month m (expressed in Rupees)
- CCR is the Capital Cost in Month m expressed in Rupees
- Tc 4.5%
- D is the number of days in Month.
- Σc is the sum of the relevant values for each currency, in which any part of the debt component of the Capital Cost is repayable. in Month



Bc	number of days in a Contract Year
Rc	is the amount of any debt component of the Capital Cost which is repayable in currency, in Month m
Rc	is the Reference Exchange Rate for currency, on the relevant repayment date in Month m (or 1.0 if currency is Rupee)
Brc	is the Base Reference Exchange Rate for currency, (or 1.0 if currency is Rupees)
Tc	is the Tested Capacity
Cc	is the Installed Capacity and if $Tc/Cc \geq 0.95$, it shall be treated as 1.
AAD	is the Advance Against Depreciation

5.2.1.3 The Operation and Maintenance expenses in a Month m shall be calculated as under:

$$C_m = \left[\frac{(OMc \times Cc \times d)}{bc} \right] \times (Tc \div Cc)$$

Where,

C_m	is the O&M expenses for the Month m (expressed in Rupees)
OMc	is the O&M charges expressed in Rs/MW per year, as per prevailing GERC/ guidelines
Tc	is the Tested Capacity
Cc	is the Installed Capacity and if $Tc/Cc \geq 0.95$, it shall be treated as 1.
d	is the number of days in Month.
bc	number of days in a Contract Year

The OMc for the years subsequent to the first year shall be escalated with the escalation rate published by GERC from time to time and as applicable.

If the rate of Water Charges actually incurred by the Seller, is higher than that considered by GERC, the differential rate shall be reimbursed by the Procurer, keeping the quantum of Water Consumption per KWh the same as considered by GERC.

5.2.1.4 The Return on Equity in Month m shall be calculated as follows:

$$D_m = \frac{\sum c (Eqc \times 0.14 \times d \times rc)}{bc} \times (Tc \div Cc)$$

Where,

D_m	is the Return on Equity in Month m (expressed in Rupees)
$\sum c$	is the sum of the relevant values for each currency in which the equity component of the Capital Cost (may be denominated as shown in the Capital Structure Schedule)



Eqc is the amount of the Equity component of the Capital Cost in Month m which is denominated in respective currency

d is the number of days in Month m

rc is the Reference Exchange Rate for currency, on the first day of Month m (or 1.0 if currency is Rupees)

Tc is the Tested Capacity

Cc is the Installed Capacity

and if $Tc/Cc \geq 0.95$, it shall be treated as 1.

bc number of days in a Contract Year

5.2.1.5 The Cost of Interest on Working Capital in Month m shall be calculated as follows:

$$E_m = \frac{[F_c + O_c + S_c + R_{cx}] \times d \times w}{bc}$$

Where,

E_m is the Cost of Working Capital Allowance in Month m.

F_c is the Fuel cost for 30 days less the number of days for which credit has been allowed by the Fuel supplier, corresponding to the Target Availability achieved duly taking into account the mode of operation of the Seller on gas fuel;

O_c is the Operation and maintenance expenses for one Month;

S_c is the cost of Maintenance spares at 1% of the historical cost escalated @ 6% per annum from the date of commercial operation

R_{cx} is the Receivables equivalent to two months of fixed, variable charges (including minimum take of pay charges under the Fuel Supply Agreement) for sale of electricity calculated on Target Availability.

D is the number of days in Month m

Bc number of days in a Contract Year

W is the SBI BR + 6.25% as on 1st April of the respective Financial Year.



5.3 Monthly Availability Adjustments

Subject to Clause 5.1.6, the Monthly Availability Adjustment in Month m shall be calculated as follows:

$$MA_m = \left\{ \frac{\sum_{i=1}^N nCC_m \times [(NAr - AV_n)]}{NAr} \right\} - \sum nMA_{m-1}$$

Where,

MA_m is the Monthly Availability Adjustment in Month m .
(expressed in Rupees)

$\sum_{i=1}^N n$ is the sum of the relevant values (taking account of whether such values are positive or negative) for each relevant Month in Contract Year n (being the Contract Year in which Month falls)

i is the relevant Month

N is the cumulative number of Months

CC_m is the Capacity Charge in each elapsed Month in Contract Year n (including the Month for which the Monthly Availability Adjustment is being calculated)

Nar is Normative Availability,

AV_n is the Availability Factor as calculated in Schedule 4 or 80%, whichever is lower

MA_{m-1} is the Monthly Availability Adjustment in each elapsed Month in Contract Year prior to the Month for which the Monthly Adjustment is being calculated

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 the Procurer to the Seller; if a negative number, it shall be shown as an additional amount payable by the Procurer to the Seller.

5.4 Incentive Charge

Subject to Clause 5.1.6, the Incentive in Month m shall be calculated as follows:

Incentive shall be payable at a rate decided by GERC (presently 25.0 paise / kWh) for ex-bus scheduled energy corresponding to scheduled



generation in excess of ex-bus energy corresponding to target Plant Load Factor.

$$ESDI_m = 0.25 \times \left[\sum_{i=1}^N \left(\frac{SG \times 1000 \times n}{60} \right) - \sum_{i=1}^N \left(\frac{80\% \times Cc \times (1 - AC) \times 1000 \times n}{60} \right) \right] - \sum_{i=1}^{N-1} ESDI_{m-1}$$

Where,

$ESDI_m$ 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

SG Scheduled Generation issued by Procurer/SLDC expressed in MW;

i is the relevant Settlement Period

N is the cumulative number of Settlement Periods

n is the Settlement Period of 15 minutes;

Cc is the Installed Capacity expressed in MW;

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

$ESDI_{m-1}$ 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 for Month 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.

5.5 The Variable Charge:

The Variable Charge shall be summation of energy charge as per Clause 5.5.1 and Supplementary Invoice raised for minimum fuel offtake charge as per Clause 5.5.2.

5.5.1 The energy charge for Month m shall be calculated as follows:

Energy (variable) Charges shall cover fuel costs and shall be worked out on the basis of ex-bus energy scheduled to be sent out from the generating station as per the following formula:

Energy Charges (Rs) = EC

$$EC = \frac{SG \times SHR_n \times LCF}{GCV \times (1 - AUX_n)}$$

Where,

EC is Energy Charges in Rs.

SG is the Scheduled Generation expressed in KWh



- LCF is the landed cost of fuel including system use gas, expressed in Rs/SCM
- SHRn is the Normative Station Heat Rate of the Power Station expressed in kCal / kWh
- GCV is the Gross Calorific Value of fuel expressed in kCal/SCM
- AUXn is the Normative Auxiliary Energy Consumption as % of gross generation.

5.5.2 Minimum Fuel Off-take Charges

The Procurer shall reimburse the Seller for charges paid in respect of its failure to take delivery of minimum levels of Fuel, but only to the extent that the Seller's failure to take such Fuel is due to the Scheduled Generation;

Provided that the Procurer shall reimburse such minimum Fuel offtake charges to the Seller only to the extent that such minimum fuel off-take charges (take-or-pay charge) were incurred in accordance with the Fuel Supply Agreement;

5.6 Unscheduled Interchange (UI) Charges:

Variation between scheduled generation and actual generation shall be accounted for through Unscheduled Interchange (UI) Charges as detailed in relevant ABT Order of the GERC (as amended from time to time). The UI will be settled between the Seller and STU. Similarly for Procurer, the UI will be settled between the Procurer and the STU.

5.7 Transmission/Wheeling Charges

The payment of Transmission/Wheeling Charges shall be settled between the STU and the Procurer. The Payment of scheduling charges to the respective Nodal Agency shall be the responsibility of Procurer.

5.8 Tax on Income:

- 5.8.1 Tax on the income streams of the Seller, from its core business of sale of electrical energy to the Procurer, shall be computed as an expense and shall be recovered from the Procurer.
- 5.8.2 Under-recovery or over-recovery of any amount from the Procurer on account of such tax having been passed on to the Procurer shall be adjusted every year on the basis of income-tax assessment under the Income-Tax Act, 1961, as certified by the statutory auditors. The Seller, may make such adjustments directly and without making any application to the Commission in this regard.
- 5.8.3 Provided that tax on any income stream other than the core business of sale of electricity to the Procurer shall not constitute a pass through



component in tariff and tax on such other income shall be borne by the Seller.

- 5.8.4 Provided further that the profit before tax of the Seller, as per the admitted books of accounts for the year shall constitute the basis for the corporate tax liability.
- 5.8.5 Provided further that the benefits of tax-holiday as applicable in accordance with the provisions of the Income-Tax Act, 1961 shall be passed on to the Procurer.
- 5.8.6 Provided further that income-tax shall be charged to the Procurer at the end of the year as a supplementary invoice along with copy of Income Tax return.

5.9 Recovery of Income-tax and Foreign Exchange Rate Variation:

- 5.9.1 Adjustments for under-recovery or over-recovery of any amount from the Procurer on account of Foreign Exchange Rate variations shall also be adjusted every year, and the Seller, may make such adjustments directly and without making any application to the Commission in this regard.

Provided, however, that in case of any objections by the beneficiary to the amounts claimed on account any adjustments made for under-recovery or over-recovery either due to variation in actual tax liability or due to Foreign Exchange Rate Variation, the generating company shall make an appropriate application before the Commission for its decision.



SCHEDULE - 6

NOT USED

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GPPC
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SCHEDULE - 7

FINANCING PLAN

7.1 Financing Plan

The Capital Cost of the Project shall be subject to approval by Procurer/ GERC. However, the Debt:Equity ratio should not be less than 2.33.

The actual Financing Plan shall be subject to approval of Procurer/ GERC. The Tariff for sale of Electricity from the Project shall be determined on the basis of the final financial package and Project Cost approved by Procurer/ GERC.

Pursuant to GoI Resolution No. 237 dated 22-10-1991 a minimum of 11% of the total outlay must come through Promoters' contribution and shall be so retained through out the Term of the PPA.

Seller shall furnish break-up of the Capital Expenditure made by Seller for the power station as mentioned in this PPA. The actual capital expenditure incurred on completion of Project shall also be subject to approval of Procurer/ GERC.

7.2 Financing Change(s)

Seller shall, during the Term of the PPA, endeavour to employ the cheapest Means of Finance in accordance with Good Industry Practices. For this purpose, Seller may make Financing Change(s) to its original approved Financing Plan. Such Financing Changes shall, however, not be implemented without the prior written approval of Procurer/ GERC. The costs associated with such Financing Changes shall be borne by the Procurer.

The Financing Agreements to be entered into with Financial Institutions in this regard must have the provision of allowing Seller to refinance the Capital Cost. The benefits of such refinancing shall be passed on to Procurer. Notwithstanding this provision, the obligation of achieving Financial Closure within the stipulated date on the part of Seller shall not be mitigated.



SCHEDULE - 8

METERING SYSTEM

- 8.1 The metering system for the Project (the “**Metering System**”) shall comprise of:
- (a) a meter on each Unit (the “**Generator Meters**”);
 - (b) a meter at each of the Interconnection Point (the “**Interconnection Meter**”), at the out going bus bar (gantry) of the Power Station
 - (c) a meter at Interconnection Points (the “**Import Meter**”); and
 - (d) check meters for the Generator Meters, the Interconnection Meter and the Import Meter (the “**Check Meters**”).
- 8.2 Each meter comprising the Metering System shall have an accuracy class of ± 0.2 .
- 8.3 Each meter comprising the Metering System shall, as to their technical standards, description, accuracy and calibration, comply fully with any applicable requirements of the Electricity Rules and in particular the Metering System shall meet the following:
- (i) Each of the Energy Meters:
 - a) Shall be microprocessor based conforming to IEC:60687, IEC:1036, IEC:13779, IS:14697.
 - b) Shall carry out measurement of active energy (both import and export) and reactive energy (both import and export) by 3 phase, 4 wire principle suitable for balanced/ unbalanced 3 phase load.
 - c) Shall have accuracy of energy measurement of 0.2% for active energy and 0.5% for reactive energy.
 - d) The active and reactive energy shall be directly computed in CT & VT primary ratings and stored in four different registers of memory of the meter as MWH(E), MWH(I), MVARH(E) and MVARH(I) along with a plus sign for export and minus sign for import. The VARH shall be computed and stored in four separate registers corresponding to various system voltage conditions, and these conditions shall be finalised during detailed engineering. Similarly, MWh shall be computed corresponding to grid frequency.
 - e) Shall compute the energy sent out of the Power Station busbars during each successive Settlement Period and store in the respective register.



- f) Shall display on demand the energy sent out during previous Settlement Period.
- g) Shall continuously integrate the energy readings of each register upto the previous Settlement Period. All these readings shall be displayed on demand.
- h) Cumulative reading of each register shall be stored in a separate non-volatile memory and displayed on line.
- i) The reading shall be stored for a period of forty (40) days before being erased.
- j) Shall have a built in clock and calendar having an accuracy of atleast one minute per month or better without assistance of external time synchronizing pulse.
- k) Date/time shall be displayed on demand. The clock shall be synchronized by GPS time synchronization equipment
- l) Each meter shall have a unique identification code provided by Procurer and shall be marked permanently on the front and also in the non-volatile memory.
- m) The voltage monitoring of all the three voltages shall be provided. The meter shall normally operate with power drawn from the VT supplies.
- n) The power supply to the meter shall be healthy even with a single-phase VT supply. An automatic backup, in the event of non availability of voltage in all the phases, shall be provided by a built in long life battery and shall not need replacement for atleast 10 years with a continuous VT interruption of atleast 2 years. Date and time of VT interruption and restoration shall be automatically stored in a non-volatile memory. It shall be possible to take the readings of the meter when no VT supply is available.
- o) Shall have an optical port on the front of the meter for data collection. Meter Reading Instrument (MRI) for downloading data from front optical ports on the meter shall be provided by the Seller.
- p) The stored data shall be continuously transferred through necessary serial/parallel ports to a local Personnel Computer to be provided by the Seller. Necessary hardware and software shall be provided for downloading data on the local PC for display of real time data and taking print out of the pages / reports.
- q) The necessary software shall be provided to accept the data on



line and store in memory and on a floppy diskette and also to print the same.

- r) The meter shall have means to test MWH / MVARh accuracy and calibration at site and test terminal blocks shall be provided for the same.

8.4 The SLDC may require the Seller at the Sellers expense, to install such additional remote monitoring equipment as the SLDC may reasonably require for the purpose of measuring and monitoring the performance of the Power Station.

8.5 The Metering System shall measure:

- (a) in respect of the Generator Meters and the corresponding Check Meters, the Generator Output of each Unit at its generator terminal;
- (b) in respect of the Interconnection Meters and the corresponding Check Meter, the Electrical Output delivered at the Interconnection Points; and
- (c) in respect of the Import Meter and the corresponding Check Meter, energy imported by the Company into the Power Station at the station transformers.

8.6 The Main and Check Meters shall be installed by the Seller and the Seller shall provide all co-operation and assistance (including by providing sufficient space and right of way) to the Procurer for the same.

8.7 Test/Calibration Equipment

8.7.1 Solid state standard meter suitable for checking the accuracy of class ± 0.2 meters shall be used. These shall be duly calibrated and sealed by government authorised meter testing house/lab or by a mutually agreed independent test house where such facilities are available.

8.7.2 Similarly, suitable primary/secondary injection sets should also be available at the Power Station.

8.8 Notwithstanding anything given herein above, the provision of the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, the Grid Code and ABT Orders as amended and revised from time to time would prevail in the matter of metering.



SCHEDULE - 9

REPRESENTATION AND WARRANTIES

9.1 Representations and Warranties by the Procurer

Procurer hereby represents and warrants to and agrees with the Seller as follows and acknowledges and confirms that the Seller is relying on such representations and warranties in connection with the transactions described in this Agreement:

- (i) The said Procurer has all requisite power authorising and has been duly authorised to execute and consummate this Agreement;
- (ii) This Agreement is enforceable against the said Procurer in accordance with its terms;
- (iii) The consummation of the transactions contemplated by this Agreement on the part of the said Procurer will not violate any provision of nor constitute a default under, nor give rise to a power to cancel any charter, mortgage, deed of trust or lien, lease, agreement, license, permit, evidence of indebtedness, restriction, or other contract to which the said Procurer is a party or to which said Procurer is bound, which violation, default or power has not been waived;
- (iv) The said Procurer is not insolvent and no insolvency proceedings have been instituted, nor threatened or pending by or against the said Procurer;
- (v) There are no actions, suits, claims, proceedings or investigations pending or, to the best of the said Procurer's knowledge, threatened in writing against the said Procurer at law, in equity, or otherwise, and whether civil or criminal in nature, before or by, any court, commission, arbitrator or governmental agency or authority, and there are no outstanding judgements, decrees or orders of any such courts, commission, arbitrator or governmental agencies or authorities, which materially adversely affect its ability to execute the Project or to comply with its obligations under this Agreement.

Event of Default: In the event that any representations and warranties offered by a Procurer in the Article above are not true or are incorrect, the occurrence of such event would amount to a Procurer Event of Default releasable to the Procurer making the false or incorrect representation and warranty under Article 14.2 of this Agreement and the Seller shall have the right to terminate this Agreement in accordance with Article 14 of this Agreement.

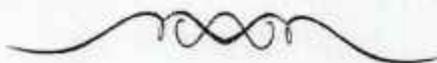


9.2 Representation and Warranties of the Seller

The Seller hereby represents and warrants to and agrees with the Procurer as follows and acknowledges and confirms that the Procurer are relying on such representations and warranties in connection with the transactions described in this Agreement:

- (i) It has all requisite power authorising and has been duly authorised to execute and consummate this Agreement;
- (ii) This Agreement is enforceable against it in accordance with its terms;
- (iii) The consummation of the transactions contemplated by this Agreement on the part of the Seller will not violate any provision of nor constitute a default under, nor give rise to a power to cancel any charter, mortgage, deed of trust or lien, lease, agreement, license, permit, evidence of indebtedness, restriction, or other contract to which the Seller is a party or to which the Seller is bound which violation, default or power has not been waived;
- (iv) The Seller is not insolvent and no insolvency proceedings have been instituted, not threatened or pending by or against the Seller;
- (v) There are no actions, suits, claims, proceedings or investigations pending or, to the best of Seller's knowledge, threatened in writing against the Seller at law, in equity, or otherwise, and whether civil or criminal in nature, before or by, any court, commission, arbitrator or governmental agency or authority, and there are no outstanding judgments, decrees or orders of any such courts, commission, arbitrator or governmental agencies or authorities, which materially adversely affect its ability to execute the Project or to comply with its obligations under this Agreement.

Event of Default: In the event that any representations and warranties offered by the Seller in the Article above are not true or are incorrect, the occurrence of such event would amount to a Seller Event of Default under Article 14.1 of this Agreement and both Procurer shall have the right to terminate this Agreement in accordance with Article 14 of this Agreement.



SCHEDULE - 10

FUEL MANAGEMENT

10.1 FUEL

10.1.1 The Generating Station is designed to use Natural Gas/ RLNG as Fuel.

10.2 Fuel Procurement

Seller shall be solely responsible to ensure availability of Fuel and the Alternate Fuel of the required quantity and quality at all times during the Term of the PPA.

10.3 Fuel Agreements

The Fuel Supply/ Transportation Agreement(s) in relation to the procurement of Fuel shall be entered into only after prior written approval of Procurer. Any amendment(s) to the Fuel Supply/ Transportation Agreement(s) shall also be subject to prior written approval of Procurer. Notwithstanding this provision, where the relevant agreements are amended by Seller without the prior approval of Procurer, and where such amendment(s) result into increase of the Energy Charges in any respect, Procurer shall be obliged to pay only such portion of the Energy Charges in respect of the amended agreement(s) as would have been payable by Procurer prior to the amendment(s).

In case Seller has to pay penalty to the fuel supplier for not purchasing the Minimum Guaranteed Quantity (MGQ) of fuel mentioned in the Fuel Supply Agreement (FSA) and if during that year availability of the station is greater than the minimum offtake liability (MOL) of fuel but Procurer has not issued Scheduled Generation for the energy corresponding to such MOL during that year then Seller will raise an invoice for the amount of Take or Pay liability as per the FSA to the extent Procurer has not issued the Scheduled Generation.



No - 20551
IERC/Legal/2014/No.



Gujarat Electricity Regulatory Commission

6th Floor, GIFT ONE,
Road 5-C, Zone 5, GIFT CITY,
Gandhinagar-382 355, GUJARAT, INDIA
Ph. : +91-79-2360 2000 Fax : +91-79-2360 2054/55
E-mail : gerc@gercin.org Website : www.gercin.org

Date: 17.09.2014.

17 SEP 2014

Through : Speed Post.

To,

The Managing Directors,

1. Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhavan, Race Course, Vadodara-390 007.
2. Gujarat State Energy Generation Limited,
3. GSPC Pipavav Power Company Limited,
FF Shed Nos. A/78/3-8, GIDC Electronic Estate,
Nr. Patni Computers, Sector 25, Gandhinagar-382 016.

Sub: Amended PPAs signed by Gujarat Urja Vikas Nigam Limited with Gujarat State Energy Generation Limited and GSPC Pipavav Power Company Limited.

Ref: Your letter No. GUVNL/COM/CFM (IPP)/414 dated 10.3.2014 and meeting with this office dated 21.07.2014.

With reference to the above mentioned letter regarding submission of the amended PPAs signed with GSEG and GPPC by GUVNL for approval, we note that the said PPAs have been amended incorporating the directions given by the Commission in Petitions No. 982 of 2009 and 1039 of 2010 in case of GSEG and Petition No. 984 of 2009 and 1036 of 2010 in case of GPPC. However, as far as the certain modification done on mutually agreed basis, the same have been discussed vide meeting with this office on 21.07.2014. After the perusal by the Commission, all such modifications done on mutually basis have been approved but Clause 5.1.1 of the PPAs amended between the parties is not approved. Hence, you are directed to alter the same to its original structure. Thereafter, the aforesaid PPAs shall be approved by the Commission.


Secretary

→ DEC 2014
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10/10/1914

	GUJARAT URJA VIKAS NIGAM LIMITED	
	Sardar Patel Vidyut Bhavan, Second Floor, Commerce Deptt., Race Course, Vadodara -390007 Phone (0265) 2340239(Direct) Fax : (0265) 2344543, 2337918, 2338164 PBX : (0265) 2310582-86 (Ext) 3221, Web : gseb.com Corporate Identity No. CIN U40109GJ2004SGC045195	
Ref. No. GUVNL/COM/CFM(IPP)/GPPC 1371		Date: 29/09/2014

To,
 Shri Sudhir Shah
 General Manager (Commercial)
 GSPC Pipavav Power Company Limited
 FF Shed Nos. A/78/3-8 GIDC Electronic Estate
 Near Patni Computers (IGATE)
 Sector-25, GANDHINAGAR 382016 Fax : 079-23288056

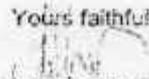
Sub : Acceptance of COD and Payment of Fixed Charge 2x351.43 MW Combined Cycle Power Plant.

Dear sir,

This refers to your letter dated 19th September 2014 regarding acceptance of CoD and payment of fixed cost consequent to GERC's letter dated 18th Sept., 2014. In this regard, it is to inform you that we have noted the directives given by GERC with regard to the amended PPA dated 28th February 2014. You may please be informed that the matter was put up to our Board of Directors. In view of the severe financial crisis being faced by GPPC and considering the fact that if GPPC fails to service their debt and is declared NPA, it would have serious implications on State Government PSUs, it has been decided to make payment of the bare minimum amount which GPPC requires to avoid becoming a NPA and to maintain the plant in working condition. Therefore, interest on loans at actuals, principal repayment obligations at actuals and bare minimum O&M expenses shall be paid by GUVNL w.e.f 01-07-2014. This arrangement shall be applicable till GPPC ties up Long Term affordable gas and starts getting scheduled regularly under the Merit Order. You are therefore requested to send a confirmation stating that this payment of bare minimum amount made by GUVNL shall be the full and final payment and GPPC shall not raise any other claim under the provisions of the PPA in future till GPPC ties up long term affordable gas and starts getting scheduled regularly under the merit order.

You are also requested to provide us detailed working and supporting documents for the bare minimum requirement mentioned in your above referred letter dated 19-9-2014 to enable us to process your payment.

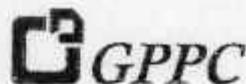
Thanking you,

Yours faithfully,

 (Sallaja Vachhrajani)
 Chief Finance Manager (IPP)

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GSPC Pipavav Power Company Limited

FF Shed Nos. A/76/3-8, GIDC Electronic Estate,
Near Patel Computers (iGATE), Sector 25,
Gandhinagar - 382016, Gujarat, India.

Tel. : +91 79 66701688

Fax : +91 79 23288058

E-mail : sudhir@gspc.in

Website : www.gppc.co.in

CIN:U40100GJ2006SGC047783

GPPC/GUVNL/702MW/ 7183

Dt.30th September, 2014**Sudhir Shah**

General Manager (Commercial)

To,
Ms. Sailaja Vachhrajani,
Chief Finance Manager (IPP),
Gujarat Urja Vikas Nigam Limited,
Sardar Patel Vidyut Bhavan,
Race Course,
Baroda 390 007.

Sub.: Acceptance of COD and payment of Fixed Cost for 2 x 351.43 MW CCPP.

Ref: Your letter No.GUVNL/COM/CFM (IPP)/GPPC/1371 dated 29.09.2014.

Dear Madam,

This refers to your above letter dated 29.09.2014 seeking confirmation from GPPC that the payment of amount as per your above stated letter shall be the full and final payment.

In this regard, we hereby confirm that the payment of bare minimum amount by GUVNL as per your letter dated 29.09.2014 shall be the full and final payment and neither party (GPPC as well as GUVNL) shall raise any other claim under the provisions of the PPA in future for the period prior to 1.7.2014 and till GPPC ties-up long term affordable gas and starts getting schedule regularly.

Further, as regards to providing detailed working and supporting documents for the bare minimum requirement mentioned in our letter dated 19.9.2014 is concerned, we shall provide the same alongwith the claim for the month of September, 2014. Meanwhile, we request you to kindly pay Rs.82.5 crore for the months of July and August, 2014 immediately so as to make the payment to the Banks and Financial Institutions in order to avoid default/NPA. Any excess or short payment shall be adjusted while raising the claim for the month of September, 2014 considering the actual supporting documents for the months of July, August and September, 2014.

Thanking you,

Yours Sincerely,

(Sudhir Shah)
General Manager (Commercial)

...

...

...

GUJARAT URJA VIKAS NIGAM LIMITED**CIN U40109GJ2004GCO45195**

CERTIFIED EXTRACTS OF THE MINUTES OF THE 118TH MEETING OF THE BOARD OF DIRECTORS OF GUJARAT URJA VIKAS NIGAM LIMITED HELD ON MONDAY, THE 26TH SEPTEMBER, 2022 AT 11.30 A.M. AT CONFERENCE ROOM, ENERGY AND PETROCHEMICALS DEPARTMENT, 5TH FLOOR, BLOCK NO.-5, NEW SACHIVALAYA, GANDHINAGAR.

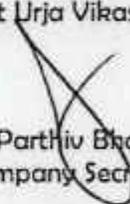
118.11/1879

AMENDMENT AGREEMENTS TO PPAs SIGNED BY GUVNL WITH GPPC AND GSEG.

"**RESOLVED THAT** the Board perused the note, deliberated the matter and approval of the Board be and is hereby accorded to the draft amendment to clause 5.1.1 of the amended PPA for GSEG and GPPC incorporating the arrangement of bare minimum Fixed Cost.

RESOLVED FURTHER THAT M.D. GUVNL / Director (Admin & Finance), GUVNL / General Manager (RE & IPP) be and are hereby authorized to execute the Supplementary Agreements with GSEG and GPPC in this matter. GUVNL shall submit the Supplementary Agreement executed with GSEG and GPPC for approval of GERC."

Certified True Copy
For Gujarat Urja Vikas Nigam Ltd.


Parthiv Bhatt
Company Secretary

AMERICAN
MUSIC COMPANY

THE AMERICAN MUSIC COMPANY
125 N. WASHINGTON ST.
NEW YORK, N. Y.

AMERICAN MUSIC COMPANY
125 N. WASHINGTON ST.
NEW YORK, N. Y.

AMERICAN MUSIC COMPANY
125 N. WASHINGTON ST.
NEW YORK, N. Y.

AMERICAN MUSIC COMPANY
125 N. WASHINGTON ST.
NEW YORK, N. Y.

Annexure - H



IN-GJ55178160817446W

268



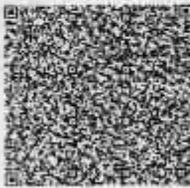
सत्यमेव जयते

INDIA NON JUDICIAL
Government of Gujarat
Certificate of Stamp Duty

₹300

₹300 ₹300 ₹300

Certificate No. : IN-GJ55178160817446W
Certificate Issued Date : 26-Mar-2024 02:22 PM
Account Reference : IMPACC (SV)/ gj13251104/ GANDHINAGAR01/ GJ-GN
Unique Doc. Reference : SUBIN-GJGJ1325110431619504053074W
Purchased by : GSPC PIPAVAV POWER COMPANY LTD
Description of Document : Article 5(h) Agreement (not otherwise provided for)
Description : AMENDMENT AGREEMENT
Consideration Price (Rs.) : 0
(Zero)
First Party : GSPC PIPAVAV POWER COMPANY LTD
Second Party : GUJARAT URJA VIKAS NIGAM LIMITED
Stamp Duty Paid By : GSPC PIPAVAV POWER COMPANY LTD
Stamp Duty Amount(Rs.) : 300
(Three Hundred only)



IN-GJ55178160817446W

IE 0027956950

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using a-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 misuse of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

Amendment Agreement

This Amendment (hereinafter referred to as "Amendment Agreement") entered into on this 20th day of May 2024 between:

- (1) GSPC Pipavav Power Company Limited (hereinafter referred to as the "GPPC") having its registered office at 3rd floor, GSPC Bhavan, Near Udyog Bhavan, Sector-11, Gandhinagar – 382 011, hereinafter called "Seller" which expressions unless repugnant to the context and meaning hereof shall include its successors and assigns.

And

- (2) Gujarat Urja Vikas Nigam Limited (hereinafter referred to as the "GUVNL"), having its registered office at Sardar Patel Vidyut Bhavan, Race Course, Vadodara, 390007 hereinafter called "Procurer" which expressions unless repugnant to the context and meaning hereof shall include its successors and assigns.

(Each of the "Procurer", and "Seller" are individually referred to as "Party" and collectively as the "Parties")

WHEREAS:

- A. The Parties have executed the Power Purchase Agreement (PPA) on 22nd February, 2008 setting out the terms and conditions of the sale of generation capacity from their 702 MW gas based combined cycle power plant at Pipavav. The said PPA was filed before the Gujarat Electricity Regulatory Commission (GERC) for approval.
- B. The GERC directed the Procurer and the Seller to modify the above PPA vide their order in Petition no. 984 / 2009 dated 3rd May 2010 and order in Review Petition no. 1036 / 2010 dated 1st September 2010.
- C. Accordingly, the Parties had signed an Amended Power Purchase Agreement (PPA) on 28th February 2014;
- D. GUVNL vide letter no. GUVNL/COM/CFM (IPP)/414 dated 10th March, 2014 submitted the amended PPA to Hon'ble Gujarat Electricity Regulatory Commission (GERC) for approval;

GUVNL



Page 2 of 4

W.D.



- E. Hon'ble GERC vide letter no. GERC/legal/2014/No. 2055 dtd.18th September, 2014, approved modifications incorporated as per their directives in orders dated 3rd May 2010 and 1st September 2010 as well as certain modifications done on mutually agreed basis but did not approve clause 5.1.1 of the Amended PPA and directed the parties to alter the same to its original structure.

However, reinstatement of clause 5.1.1 of Schedule 5 of the original PPA shall result in passing of Normative Fixed Cost of this plant to the end consumers and increase in power purchase cost. In order to avoid this huge financial burden and to reduce the cost of power to the end consumers, the parties have mutually agreed to an alternate arrangement in consultation with Government of Gujarat.

Now, **THEREFORE**, in consideration of the mutual agreements, covenants and conditions set forth herein it is hereby agreed by and between the parties to amend the Amended PPA dated 28th February, 2014 as follows:

1. The existing Clause 5.1.1 of Schedule – 5 of the Amended PPA shall be deleted and replaced as follows:

“5.1.1 GENERAL

- i. The Commercial Operation of the plant shall be considered with effect from 1st July 2014.
- ii. GUVNL shall pay the bare minimum amount which includes interest on loan, principal repayment obligations at actuals in lieu of Depreciation and bare minimum O & M expenses including Interest on Working Capital on admissible fuel cost in order to keep the plant operational to GPPC with effect from 01-07-2014 till GPPC ties up long term affordable gas and starts getting scheduled regularly under the merit order.
- iii. The payment of bare minimum amount by GUVNL shall be the full and final payment and neither party (GPPC as well as GUVNL) shall raise any other claim under the provisions of the PPA in future for the period prior



to 1st July, 2014.

- iv. GPPC has given a written undertaking in this regard vide their letter dated 30th September, 2014."
2. This Amendment Agreement is hereby incorporated and shall be an integral part of the PPA dated 22nd February 2008.
3. All other terms and conditions of the Amended PPA dated 28th February 2014 shall remain unchanged.

IN WITNESS WHEREOF the Parties have executed these presents hereinabove written through their authorized representatives at Vadodara.

For and on behalf of the Procurer by

GUVNL



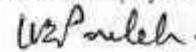
Sanjay Mathur
General Manager (Commerce)
Gujarat Urja Vikas Nigam Ltd.
Vadodara - 390 007

Signature with seal

For and on behalf of the Seller by

GPPC

For GSPC Pipavav Power Company Ltd., Gandhinagar



Ketan Parekh
 (Asst. General Manager-Commercial)

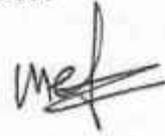
Signature with seal

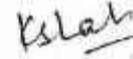
Witness:

1. 

2. 

Witness:

1. 

2. 



BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR
PETITION NO. 2449 of 2025

IN THE MATTER OF:

Gujarat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhawan,
Race Course, Vadodara 390007
Gujarat

- Petitioner

Versus

GSPC Pipavav Power Company Limited
GSPC Bhavan, Behind Udyog Bhavan,
Sector 11, Gandhinagar - 382 010

Registered Office

2nd floor, FF Shed Nos. A/78/3-8,
Beside Patni Computers (IGATE)
GIDC Electronic Estate, Sector 25,
Gandhinagar 382016

	G.E.R.C.
Inward No.	10-0971
Date:	21 FEB 2025

- Respondent

AFFIDAVIT-FOR CONFIRMATION OF SERVICE TO RESPONDENT

MOST RESPECTFULLY SHOWETH:

1. Hon'ble Commission vide letter dated 10.02.2025 (receipt on 20.02.2025) has directed Petitioner to serve a copy of Petition to the Respondent within 7 days from receipt of the letter and to file Proof of Service.
2. It is humbly submitted that GUVNL has served the copy of Petition to respondents on 03.02.2025. The proof of service is enclosed hereto and marked as Annexure A.


GUJARAT URJA VIKAS NIGAM LIMITED
PETITIONER/APPLICANT

DATED: 21.02.2025
PLACE: VADODARA

Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

G.E.R.C.	
Inward No:	11-0973
Date:	21 FEB 1952

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR
PETITION NO. 2449 of 2025

IN THE MATTER OF:

Gujarat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhawan,
Race Course, Vadodara 390007
Gujarat.

Petitioner

Versus

GSPC Pipavav Power Company Limited
GSPC Bhavan, Behind Udyog Bhavan,
Sector 11, Gandhinagar - 382 010

Registered Office

2nd floor, FF Shed Nos. A/78/3-8,
Beside Patni Computers (IGATE)
GIDC Electronic Estate, Sector 25,
Gandhinagar 382016

S.R. No. 2222
Date 21/12/2025

Respondent

AFFIDAVIT

I, Hitesh, son of Prabhudas Patel, aged about 50 years, having office at Sardar Patel Vidhyut Bhavan, Race course road, Vadodara, do hereby solemnly affirm and state as under:

1. I say that I am Deputy Engineer (Commerce), in the Petitioner/Applicant Company and am competent to swear to the present Affidavit.
2. I have gone through the contents of the accompanying application for urgent listing, and I state that the contents stated therein are based on the information and records of the Petitioner/Applicant Company maintained in the normal course of business and believed by the deponent to be true.

Solemnly Affirmed/Declared
Sworn Before me by.....

Hitesh Patel
H. J. ZALA
NOTARY (Govt. of India)

[Signature]

DEPONENT
Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

VERIFICATION:

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

Verified at Vadodara on this 21st day of February, 2025.

MY Commission Expires
On 04/07/2028

[Signature]

DEPONENT

Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara



Annexure - A

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION AT
GANDHINAGAR

PETITION NO.....OF 2025

IN THE MATTER OF:

Petition under Section 86 (i)(b) seeking approval of Hon'ble Commission for Amendment Agreement dated 20-05-2024 to the Amended PPA dated 28-02-2014 with GSPC Pipavav Power Company Limited in relation to 702 MW Gas Based power project at Village Kovaya .

AND

IN THE MATTER OF:

Gujarat Urja Vikas Nigam Limited
Sardar Patel Vidyut Bhawan,
Race Course, Vadodara 390007
Gujarat

- Petitioner

Versus

GSPC Pipavav Power Company Limited
GSPC Bhavan, Behind Udyog Bhavan,
Sector 11, Gandhinagar - 382 010

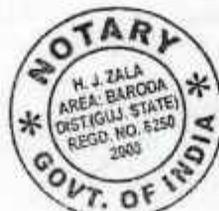
Registered Office

2nd floor, FF Shed Nos. A/78/3-8,
Beside Patni Computers (IGATE)
GIDC Electronic Estate, Sector 25,
Gandhinagar 382016

- Respondent

INDEX OF PAPERS

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3	Annex-B Minutes of meeting dated 07-01-2014	138-141
4	Annex-C Amended PPA dated 28-02-2014 with GPPCL	142-263
5	Annex-D A copy of the Letter dated 18.09.2014 by the Hon'ble Commission	264-264
6	Annex-E A copy of GUVNL Letter dated 29.09.2014	265-265
7	Annex-F A copy of GPPCL Letter dated 30.09.2014	266-266
8	Annex-G A copy of B.R. No. 118.11 / 1879	267-267
9	Annex-H A copy of Amendment Agreement dated 20.05.2024	268-271



Sent for uploading on website
Vadodra 27/7/25

275

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION AT
GANDHINAGAR
PETITION NO. 2449 OF 2025

ole
27/7/25

IN THE MATTER OF:

Gujarat Urja Vikas Nigam Limited

Versus

GSPC Pipavav Power Company Limited

 G.E.R.C.	
Inward No.	3795
Date:	31 JUL 2025
Legal	Tech.
Tariff	Admin
RA/CA	Acct.
IT Respondent	

S.R. No. 3594
Date: 29/7/2025

AFFIDAVIT OF SERVICE

I, Rashmi Fumakia daughter of Dhirajlal Fumakia aged about 48 years, resident of Vadodara, do hereby solemnly affirm and state as under:

- I say that I am the Deputy Engineer in the petitioner and I am competent to swear the present affidavit.
- I say that pursuant to Daily Order 23.07.2025 by this Hon'ble Commission, GUVNL has caused publication of public notice in two daily Gujarat Newspaper (i.e. Sandesh and Divya Bhaskar) and one English Newspaper (i.e. Indian Express) in 26.07.2025 addition. The copies of the relevant extracts of the newspapers with the said notices are attached hereto and marked as Annexure A (Colly).
- I say that the Petition has been uploaded along with all documents on the website of the Petitioner on 26.07.2025.
- I say that the above is in compliance with the directions of the Hon'ble Commission.

R.D. Fumakia

DEPONENT
Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara

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 29th day of July 2025.

R.D. Fumakia

DEPONENT
Deputy Engineer (IPP)
Gujarat Urja Vikas Nigam Limited
Vadodara



MY Commission Expires
On 04/07/2028

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



