

भारतीय गैर न्यायिक

एक सौ रुपये

Rs. 100

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ONE
HUNDRED RUPEES

भारत INDIA
INDIA NON JUDICIAL

उत्तर प्रदेश UTTAR PRADESH

AM 491398

POWER PURCHASE AGREEMENT

BETWEEN

THDC INDIA LIMITED

AND

UTTAR PRADESH POWER CORPORATION LIMITED

FOR

KHURJA SUPER THERMAL POWER STATION (1320 MW)

This POWER PURCHASE AGREEMENT hereinafter called the "Agreement" entered into at LUCKNOW.....on the 31st..... day of DECEMBER, Two Thousand Ten (31.12.2010) between THDC India Limited, a Company incorporated under the Companies Act, 1956, having its registered office at Bhagirathi Bhawan, Bhagirathipuram, Tehri Garhwal - 249 001 (Uttarakhand), and its Corporate Office at Pragatipuram, Bye Pass Road, Rishikesh -249 201 (Uttarakhand) (hereinafter called 'THDCIL') which expression shall unless repugnant to the context or meaning thereof include its successors and assigns as party of the *First* part, and

D. V. SINGH
Director (Technical)
THDC India Limited

Uttar Pradesh Power Corporation Limited, having its Registered/Head office at Shakti Bhawan, 14, Ashok Marg, Lucknow -226 001 (hereinafter referred to as 'UPPCL') which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the **Second** part. Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS THDCIL is a Generating Company as defined under Section 2 (28) of the Electricity Act, 2003 and is a Govt. of India Enterprise.

AND WHEREAS THDCIL is setting up a coal based thermal power station named as Khurja Super Thermal Power Project (2x660 MW) subject to techno economical feasibility in Bulandshahar district of Uttar Pradesh hereinafter specifically referred to as "Khurja STPP" and generally be referred to as "Station" to be owned and operated by THDCIL.

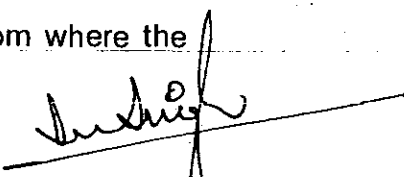
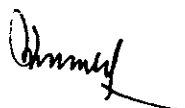
AND WHEREAS the UPPCL and other Bulk Power Customer(s) are desirous of purchasing electricity from Khurja STPP and THDCIL is willing to sell electricity from Khurja STPP to UPPCL and other Bulk Power Customer(s) of the Northern Region from the date of commissioning of Unit-I of Khurja STPP or the 'Station' on mutually agreed terms and conditions mentioned hereunder.

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

1.0 DEFINITIONS

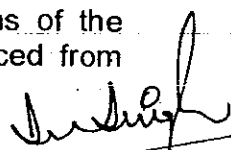
- a) The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under and Regulations issued by CERC from time to time.
- b) The words or expressions mentioned below shall have the meanings respectively as assigned hereunder:

Act, 2003	The Electricity Act, 2003 as amended or modified from time to time including any re-enactment thereof.
Availability	'Availability' as defined in the CERC (Terms and Conditions of Tariff) Regulations, 2009 as amended or replaced from time to time.
Billing Centre	The office/RHQ as intimated by THDCIL from where the bills will be raised on them.



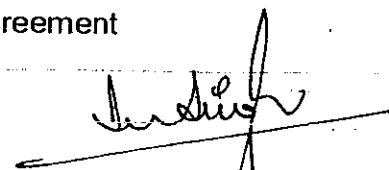
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THDC India Limited

Bulk Power Customer(s)	Bulk Power Customer(s) in relation to the Station shall mean the person(s) including UPPCL to whom capacity is contracted from the station.
Busbars/ExBus	Busbars of the Station to which outgoing feeders are connected.
BPTA	Bulk Power Transmission Agreement
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission or any other competent Authority (for determination of tariff).
CTU	Central Transmission Utility
Capacity charges	Capacity Charges are Fixed Charges as determined by CERC and shall be paid in proportion to the Contracted Capacity from time to time.
Charges for Supply for Supply of Electricity	Mean and include all charges including the Tariff to be paid by the DISCOM/Bulk Power Customer(s) in respect of supply of electricity to them from the Station in accordance with the provisions of this Agreement.
Commercial Operation Date	'Date of Commercial Operation' or 'COD' in relation to a unit means the date declared by THDCIL after demonstrating the Maximum Continuous Rating (MCR) or Installed Capacity (IC) through a successful trial run after notice to the Bulk Power Customer(s) and in relation to the generating station the date of commercial operation means the date of commercial operation of the last unit of the station.
Contracted Capacity	Capacity contracted by the UPPCL/Bulk Power Customer(s) under this Agreement under Article 2.2.
Due Date	30 Days from the date of presentation of bill(s).
Effective Date	Means the date of signing of this Agreement including payment security as envisaged under Article 6.2.
Energy Charges	As defined in the CERC (Terms and Conditions of the Tariff Regulations, 2009) as amended or replaced from

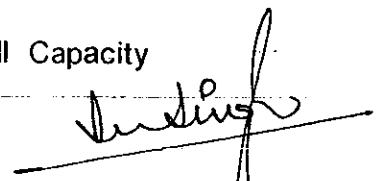
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	time to time.
Escrow Agreement	Shall have the meaning as ascribed under article 6.2.8 of this PPA
GOI	Government of India
IEGC	Indian Electricity Grid Code, as notified by CERC or any other competent authority and as amended from time to time.
Infirm Electricity	Means electricity generated prior to commercial operation of a Unit(s) of the Station.
Incremental Receivables	The amount of the Receivables in excess of the amounts which have been charged or agreed to be charged in favour of the Procurer's Financing Parties by way of a legally binding agreement, executed prior to the 'Effective Date', i.e., the date of signing of this PPA provided such charge of the Procurer's Financing Parties shall be limited to the extent of their outstanding exposure (including commitments for exposure) as on the 'Effective Date'.
LC	Irrevocable Revolving Letter(s) of Credit.
Main and Check Meter	Meter for measurement and checking of import/export of energy on the outgoing feeders of the Station Busbars for Energy Accounting.
Mega Power Policy	Mega Power Policy issued by GOI and amended from time to time.
Mega Power Project	Projects eligible for benefits under the Mega Power Policy of GOI.
Monthly Bill	Monthly Bill as raised by THDCIL as per REA in line with the CERC Regulations as amended from time to time. Provided that periodicity of billing may change as per CERC regulation from time to time.
Party/Parties	Shall have the meaning ascribed thereto in the recital to this agreement.
Permitted Assigns	Have the meaning as per Article 12 of this agreement

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Powergrid	Power Grid Corporation of India Ltd.
Procurers Financing Parties	"Procurers Financing Parties" shall mean the banks and/or financial institutions and/or power producers, which have provided or propose to provide financial assistance and/or facilities to the Procurer including in particular the Procurer's Banks and /or supply or propose to supply electricity to the Procurer and who have, for the repayment and/or discharge of obligations of the Procurer due to them, by way of a legally binding agreement been provided as on the Effective Date inter-alia, security by way of a charge on the Receivables of the Procurer.
Receivables	"Receivables" for this purpose shall mean all of the present and future payments, receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the UPPCL in respect of the sale by the UPPCL to the Consumers of electric capacity, energy and/ or services or for any other reason whatsoever and all proceeds thereof.
NRLDC	Northern Regional Load Despatch Centre.
NRPC	Northern Regional Power Committee established under Section 2(55) of the Electricity Act, 2003.
Regional Energy Account (REA)	Periodic Energy Account issued by NRPC/NRLDC including amendments thereof.
Scheduled Generation	Scheduled Generation as defined in the CERC (Terms and Conditions of Tariff) Regulations, 2009 as amended or replaced from time to time.
SLDC	State Load Despatch Centre
Station	Have the meaning as given in the recital
STU	State Transmission Utility
Supplementary Bill	Have the meaning under the Article 6.1.3
Target Availability	Availability of the Station for recovery of full Capacity (Fixed) charges on annual basis.

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Transmission Licensee	Have the meaning as per Electricity Act 2003
Tariff	Tariff shall constitute Capacity Charges, Energy charges, Incentive and other charges viz., taxes, cess etc. for supply of electricity from the Station as determined by CERC.
Third Party (ies)	Any person other than the person to whom electricity is contracted under this agreement.
Unit	Each Unit of the Station
UI	Unscheduled Interchange as defined in Central Electricity Regulatory Commission (Unscheduled Interchange charges and related matters) Regulations, 2010 as amended or replaced from time to time.

2.0 GENERAL

2.1 INSTALLED CAPACITY

- 2.1.1 The capacity of Khurja STPP is proposed to be 1320 MW (2x660 MW). The capacity of the Khurja STPP is subject to change after placement of orders from the main plant equipment.
- 2.1.2 The Station is being developed for the Bulk Power Customer(s) of Northern Region.
- 2.1.3 The Station is being developed as Mega Power Project under Mega Power Policy of Govt. of India for the benefit of the Bulk Power Customer(s) of the Station. One of the conditions of such Mega Power Policy is that the electricity be made available only to the Bulk Power Customer(s) which agree to comply with the terms and conditions of the Mega Power Policy of GOI.

2.2 ALLOCATION OF CAPACITY

- 2.2.1 Uttar Pradesh has requested for minimum 60% allocation of power from the Station subject to approval of the Govt. of India. THDCIL would take up allocation of power from the station, as above, with the Govt. of India. However, Allocation of Power from the Station to the State of Uttar Pradesh shall be as decided by GOI based on the prevailing policy of Govt of India.

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D. V. SINGH
 Director (Technical)
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2.2.2 Fifteen percent capacity of the Station shall be kept unallocated at the disposal of Govt. of India and shall be subject to allocation from time to time ~~as per the decision of GOI/Competent Authority and such further allocation will form part of contracted Capacity.~~ Out of the unallocated capacity, balance if any, after such allocation by GOI/Competent Authority, shall be deemed to have been allocated and thereby forming part of Contracted Capacity to various Bulk Power Customer(s) in proportion to their contracted shares.

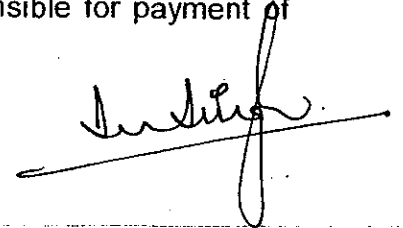
2.2.3 The allocation made from the Station by GOI or any other competent authority in favour of the UPPCL shall be contracted capacity subject to signing of the Agreement, opening of LC and providing appropriate payment security mechanism as provided at Article 6.2 in this Agreement. The UPPCL shall draw electricity against the above Contracted Capacity limited to the amount of LC opened and maintained by it. THDCIL shall intimate RLDC from time to time regarding the quantum of capacity UPPCL is eligible to draw.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY

3.1 Sale of electricity shall be at the busbars of the station and it shall be the obligation and responsibility of UPPCL to make the required arrangement for evacuation of electricity from such delivery points of the THDCIL.

3.2 For timely and expeditious development of the required transmission system for evacuation of power from the said project to its various beneficiaries, THDCIL shall initially make an application for connectivity and Long-Term Access to the CTU, POWERGRID on behalf of the beneficiaries. The UPPCL hereby consents for THDCIL to make the said application on its behalf. The UPPCL also agrees to subsequently sign all necessary agreements, including BPTA, with POWERGRID/other transmission licensees developing the identified transmission system, corresponding to their share of allocated capacity from the station.

3.3 Charges for utilization of transmission system(s) owned by the Powergrid/other Transmission Licensee for wheeling of the electricity beyond busbar of the Station, shall be paid directly by UPPCL to the Powergrid or the Transmission Licensee as the case may be. THDCIL shall not be responsible for payment of such charges.



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Director (Technical)
Tamil Nadu Power Corporation Limited

4.0 SCHEDULING, METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

It is understood and agreed by and between the parties that THDCIL shall operate the Station as a base load station as per the manufacturers' guidelines, applicable grid operating standards, directions of the CERC and relevant statutory provisions, as applicable from time to time. Methodology of generation scheduling shall be as per IEGC and the decisions taken at NRPC forums.

All charges/fees related to scheduling and dispatch of electricity shall be borne by UPPCL.

THDCIL shall make declaration of the capacity at the busbars of the station after taking into account the capability of the Station to deliver Ex-Bus which shall be considered while calculating Declared Capability (DC).

4.2 DECLARED CAPABILITY

Declared Capability or 'DC' means the capability of the station to deliver Ex-Bus electricity in MW declared by the station in relation to any period of the day or whole of the day, duly taking into account the availability of coal as per the procedure laid down in IEGC.

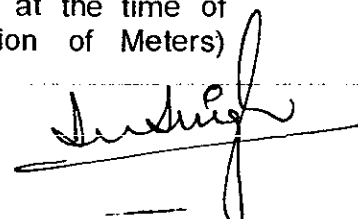
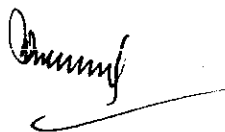
Notwithstanding the following, Station shall be deemed as available to the extent of DC declared by the Station for any time period:

- a) Failure on account of Bulk Power Customer(s) to transmit and wheel electricity from the Ex-Bus of the station.
- b) Any other reason not attributable to THDCIL restricting scheduling and dispatch of capacity at the Ex-Bus of the Station.

4.3 METERING

4.3.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & Operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU on all outgoing feeders of the station, UPPCL shall make all necessary arrangements for installation of meters of required accuracy and specifications, at all its drawal points.

4.3.2 The main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.



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4.3.3 Data shall be downloaded from the meters at regular intervals as decided by NRPC/NRLDC for preparation of REA/UI Account.

4.3.4 Regular cross checking and analysis of meter failure or discrepancies shall be reckoned as per CEA (installation & operation of meters) Regulations 2006 as amended from time to time. If the Main Meter or Check meter is found to be not working at the time of meter reading or at any other time, THDCIL shall inform the CTU/NRLDC of the same.

4.3.5 In case of failure of meters, energy/UI accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure in NRPC. In case of absence of any such procedure, the following procedure, the following procedure shall be followed :

In case of failure of Main meter, readings of check meter for the corresponding period shall be considered for energy/UI accounting. If both the Main and Check meter(s) fail to record or if any of the PT fuses is blown out, energy shall be computed based on standby meters. In case of dispute, the decision of Member Secretary of the NRPC would be final and binding.

4.3.6 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of THDCIL and [DISCOM or any of the Bulk Power Customer(s)] as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006. For any testing and/or replacement, notice of seven days will be given.

4.4 ENERGY ACCOUNTING

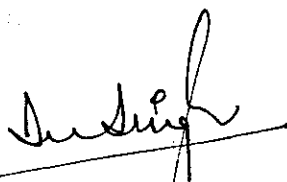
4.4.1 Both the parties agree to facilitate issue of Regional Energy Accounts by 1st day of every month.

4.4.2 Regional Energy Account issued by NRPC NRLDC or any other Competent Authority shall be binding on all the parties for billing and payment purposes.

4.4.3 Any change in the methodology of Regional Energy Account shall be done only as per the decisions taken in the NRPC forums and both the Parties agree to abide by the methodology so finalized.

5.0 TARIFF

5.1 Terms and conditions:



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THDC India Limited

5.1.1 The Tariff for the electricity supplied from the Station would be as determined by CERC from time to time.

5.1.2 Tariff for sale of electricity from the Station shall comprise of Capacity Charge, Energy Charge, Incentive, UI and all other taxes/charges.

5.1.3 ADHOC TARIFF

THDCIL shall approach CERC for determination of Tariff before commercial operation date of any unit of the station. In case this Tariff is not determined for any reason by CERC prior to commencement of commercial operation of such unit of the Station, the parties agree that billing and payment shall be done on ad hoc basis as per the proposal of THDCIL submitted to CERC for Tariff and the parties agree that UPPCL shall duly make 95% of such Tariff pending determination of such tariff by CERC, subject to adjustment based on applicable rate as per CERC Regulations as and when such Tariff is determined by CERC.

5.2 SALE OF INFIRM ELECTRICITY:

Infirm electricity, i.e. sale of electricity prior to commercial operation of the unit, will be treated by THDCIL based on methodology as notified by CERC from time to time.

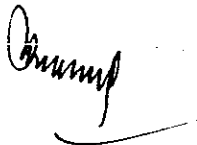
5.3 TAXES, LEVIES, DUTIES, ROYALTY, CESS ETC.

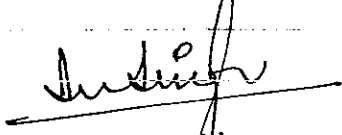
5.3.1 Tax on Income:

Tax on the income derived from generation of electricity shall be treated as per prevailing regulations of CERC as applicable from time to time.

5.3.2 Other Taxes, Levies, Duties, Royalty, Cess etc:

Statutory taxes, levies, duties, royalty, cess or any other kind of levies imposed/charged by any Government (Central/State) and/or any other local bodies/authorities on generation of electricity including auxiliary consumption or any other type of consumption including water, environment protection, sale of electricity and/or in respect of any of its installations associated with the Station payable by THDCIL to the authorities concerned shall be governed by the Regulations/Orders of CERC/Appropriate Govt./Local Bodies from time to time.



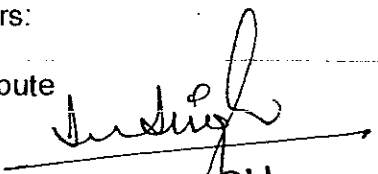
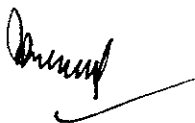

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THDC India Limited

6.0 BILLING AND PAYMENT

6.1 BILLING:

The Charges for supply of electricity under this agreement shall be billed by THDCIL as determined from time to time by the Central Electricity Regulatory Commission and the same shall be paid by the UPPCL in accordance with the following provisions:

- 6.1.1 THDCIL shall present the bills for electricity supplied to UPPCL from the Station for the previous month based on Regional Energy Account issued by NRPC/NRLDC or any other Competent Authority.
- 6.1.2 Billing Centre of THDCIL shall carry out billing and associated functions. THDCIL would submit the bills to the officer to be nominated by UPPCL.
- 6.1.3 The Monthly Bill for the Station shall include the charges for supply of Electricity under this agreement, taxes, duties, cess etc. including additional bill(s) for the past period(s) on account of orders of CERC/Appellate Tribunal for Electricity/Other Courts/other Competent Authority(ies), If for certain reasons some of the charges which otherwise are in accordance with this agreement, cannot be included in the main Monthly Bills, such charges shall be billed as soon as possible through Supplementary Bill(s).
- 6.1.4 UPPCL shall arrange payment of such Monthly bill(s)/Supplementary Bill(s) raised as per orders/regulation of CERC, promptly on presentation through electronic fund-transfer or other mutually acceptable instrument(s) at the designated account of the Seller. The date of transfer of payment to THDCIL account shall be considered as the date of payment for computation of rebate or late payment of surcharge in respect of such payment. The bill(s) of THDCIL shall be paid in full subject to the condition that –
- i) There is no apparent arithmetical error in the bill(s)
 - ii) The bill(s) are claimed as per the notified/agreed tariff
 - iii) They are in accordance with the Regional Energy Accounts issued by NRPC/NRLDC or any other Competent Authority.
- 6.1.5 In case UPPCL disputes any amount, even then, it shall pay 95% of the disputed amount forthwith and file a written objection with THDCIL within 30 days of presentation of the bill, giving following particulars:
- i) Item disputed, with full details/data and reasons of dispute



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ii) Amount disputed against each item.

Provided that non-acceptance of tariffs determined/approved by CERC shall not be a valid ground for dispute.

6.1.6 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 7 shall be paid/adjusted with the applicable interest from the date on which the amount in dispute was payable/refundable.

6.1.7 REBATE AND LATE PAYMENT SURCHARGE

Rebate and Late Payment Surcharge shall be as per Terms and Conditions of Tariff issued by CERC as applicable from time to time. No rebate shall be payable on the bills raised on account of taxes, duties, royalty/cess etc. but subject to the orders of Competent Authorities.

6.2 ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM :

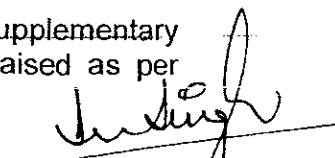
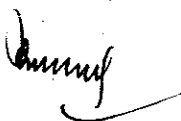
6.2.1 UPPCL shall establish one or more irrevocable revolving Letters of Credit (LC) in favour of THDCIL with any public sector/scheduled commercial bank (as per list supplied by THDCIL) at least one month prior to the commencement of electricity supply from the first unit of the Station.

6.2.2 The LC shall cover 105% of the one month's estimated billing in respect of electricity supplied from the Station to UPPCL. This shall be in addition to the obligation of the UPPCL to establish similar letters of credit for supply of electricity to the UPPCL from all other generating Stations of THDCIL.

6.2.3 The amount of LC shall be reviewed each half-year commencing April and October in a financial year on the basis of the average of billing of previous 12 months and the LC amount shall be enhanced/reduced accordingly not later than 1st July and 1st January respectively of the same financial year.

6.2.4 The LCs shall be established for a minimum period of one year. UPPCL shall ensure that a valid LC is made available at all times during the entire/extended validity of this Agreement. New LCs shall be furnished/existing LCs reinstated not alter than 30 days prior of expiry of existing LCs.

6.2.5 LC shall specify the manner and dates when Monthly and Supplementary Bill(s) can be presented to Bank by THDCIL. The bills raised as per



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orders/regulations of CERC or such other competent authorities, so presented by THDCIL to the Bank shall be promptly paid on their presentation through Electronic Fund Transfer or other mutually acceptable instrument(s). In case of non receipt of any part of Monthly and Supplementary Bill(s) on the above specified dates, LC shall be operated on the same day for unpaid portion of Monthly and Supplementary Bill(s).

6.2.6 All costs relating to opening and maintenance and negotiation of LC shall be borne by the UPPCL.

6.2.7 In case of drawal of the LC amount by THDCIL in accordance with the terms of this Article, the amount of the LC shall be reinstated before the next due date.

6.2.8 Notwithstanding the obligations of UPPCL to pay all the dues as per this Agreement; in the event of default in opening of LC of requisite amount in favour of THDCIL or non-payment of bills within a period of 60 days of billing. THDCIL shall be entitled to regulate/divert the contracted capacity of the UPPCL to any other Bulk Power Customer(s)/Third Party(ies) as per the provisions of generic procedure for regulation of power supply issued by CERC from time to time read with the provisions of TPA (during the validity of TPA) till the time default is set right.

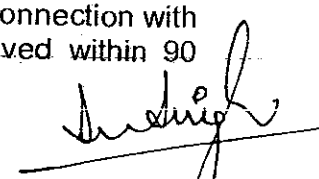
In case of default in payment of bills beyond a period of 90 days of billing, THDCIL shall have the right to re-allocate power to other Bulk Power Customer(s).

It is clarified that the above arrangement shall not be construed as relieving UPPCL of any of its obligations to THDCIL including obligation of payment of Capacity Charges.

For the removal of any doubt it is clarified that in case of default, UPPCL shall continue to be liable to pay the Capacity Charges in proportion to its Contracted Capacity during the period of regulation/diversion of capacity or till the capacity is re-allocated to other Bulk Power Customer(s)/Third Party(ies).

7.0 SETTLEMENT OF DISPUTES

7.1 All differences or disputes between the parties arising out of or in connection with this Agreement shall be mutually discussed and amicably resolved within 90 days.



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7.2 Arbitration

7.2.1 In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt as per the provisions of the Electricity Act, 2003. The place of Arbitration shall be at New Delhi.

8.0 FORCE MAJEURE

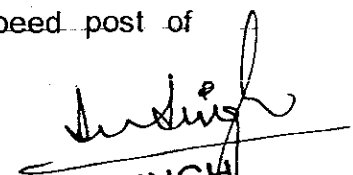
Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to force majeure events such as war, rebellion, mutiny, civil commotion, riot, strike, lock-out, forces of nature, accident, act of God or any other such reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

9.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorized representative(s) shall be informed likewise in writing to/by UPPCL within one month of signing of the Agreement. Notwithstanding any nomination, the General Manager (Lucknow), THDC India Limited, as well as Add. General Manager (Commercial) THDC India Limited, Rishikesh or their authorized representative(s) at its Corporate Office first above mentioned shall be authorized to act severally for and on behalf of THDCIL.

10.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorized signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of



D. V. SINGH
Director (Technical)
THDC India Limited

Department of Posts with an acknowledgement due to the other parties in terms of IMPLEMENTATION OF THE AGREEMENT at Article 9 above.

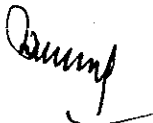
11.0 EFFECTIVE DATE AND DURATION OF AGREEMENT

The agreement shall come into effect for all purposes and intent from the date of signing of the Agreement Subject to establishment and maintaining of payment security as envisaged under Article 6.2 under ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM, the Agreement shall remain operative upto completion of twenty five (25) years from COD of the Station.

The Agreement could be specifically extended on mutually agreed terms.

12.0 SUCCESSORS AND PERMITTED ASSIGNS

- 12.1 In case the functions of UPPCL are reorganized and/or this Agreement is assigned to other organization(s)/agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor Distribution/Trading organisation(s)/agency(ies)/entities and shall continue to remain valid with respect to the obligations of the successor organization(s)/agency(ies)/entities provided that the successor organisation(s)/agency(ies) is/are owner or controlled by the Government of Uttar Pradesh.
- 12.2 In the event the functions of UPPCL are reorganized and/or privatized or this Agreement is assigned to Private organization(s)/agency(ies), partly or wholly, UPPCL shall ensure that the agreements namely 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' as mentioned at Article 6.2 under ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM are signed by the assignees before assignment of this Agreement.
- 12.3 Only such of the successor entities who fulfill the above requirements and execute the requisite documents as above shall be termed as the permitted assigns.
- 12.4 In other cases THDCIL shall have the right to terminate this Agreement. In the event of termination of this Agreement, UPPCL shall be liable and continue to



D. V. SINGH
Director (Technical)
THDC India Limited

pay the Capacity Charges each month till firm arrangement for sale of UPPCL's share with alternate customers substituting the UPPCL is tied up.

IN WITNESS WHEREOF the parties have executed these presents through their authorized representatives on the date mentioned above.

WITNESS

1. [Signature]

2. [Signature]

[Signature]

For and on behalf of THDCIL Ltd.

D. V. SINGH
Director (Technical)
THDC India Limited

WITNESS

1. [Signature]

2. [Signature]

[Signature]

For and on behalf of
Uttar Pradesh Power Corporation Limited