



NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

Corporate Office, # 2-5-31/2, Vidyut Bhavan, Nakkalagutta, Hanamkonda, Warangal – 506 001

From

Chief General Manager,
IPC & RAC,
TSNPDCL, Warangal.

To

The Secretary TSERC
11-4-660, 5th Floor,
Singarani Bhavan, Red Hills,
Hyderabad – 500 004.

Lr.No.CGM(IPC&RAC)/GM(IPC&RAC)/DE/ADE(IPC)/F.No.43/D.No.300/2,Dt.20.09.2021

Sir,

Sub:-TSNPDCL/IPC Wing – 2 MW Mini Hydro scheme on Kakatiya Canal situated at Velichala (V) Chintakunta (M), Karimnagar District of M/s. AAAL Power Private Limited - Draft Amendment PPA entered for extension of PPA Period for 5 years with tariff of Rs.2.15/kWh - Submitted for consent - Reg.



Ref:-1). Power Purchase Agreement dated.24.07.2001

2). Lr.No.L-45/8A/Secy/JD(law)-2/D.No.482/2020, Dt.28.12.2020

3). PPA 1st Amendment Dated on 05.01.2021

4). Lr.No.ED(Comml)/SE(IPC)/DE-2/RE/F.2MHAAAL/D.No.259/21, Dt.26.06.2021

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It is to submit that Transmission Corporation of Andhra Pradesh was entered into Power Purchase Agreement with M/s Saraswathi Power and Industries Private Limited for 2 MW MHS on Kakatiya Canal Situated at Velichala (V) Chintakunta (M), Karimnagar District on 24.07.2001 for a period of 20years and COD of the project declared on 02.10.2001 and this agreement is valid for period of 20 years from date of COD i.e **upto 01.10.2021**. Further the ownership of Mini Hydel Scheme stood transferred to M/s. AAAL Power Private Limited; with approval of Hon'ble commission vide reference cited (2) above Amendment to Change in Name PPA was signed and amended PPA was submitted to Hon'ble commission.

It is further submit that, M/s AAL Power Private Limited has given willingness to supply of power @Rs.2.15 per unit (fixed price without escalation) inclusive of all taxes, duties and other levies for a further period of 5 years i.e from 02.10.2021 to 01.10.2026 and requested for extension of PPA.

In view of the above, Draft Amendment to PPA entered with the developer for extending the period of Agreement for a further period of 5 years w.e.f 02.10.2021 to 01.10.2026 purchase of power @ fixed levelized tariff of Rs. 2.15/Kwh (inclusive of taxes, levies and duties) and the same is herewith submitted for approval.

Yours faithfully,


CHIEF GENERAL MANAGER
IPC & RAC/TSNPDCL/WGL

Encl: Signed draft amendment to PPA

Copy Submitted to:

The Executive Director (Comml.) TSPCC/TSTRANSCO/Vidyut Soudha, Hyderabad-500082.



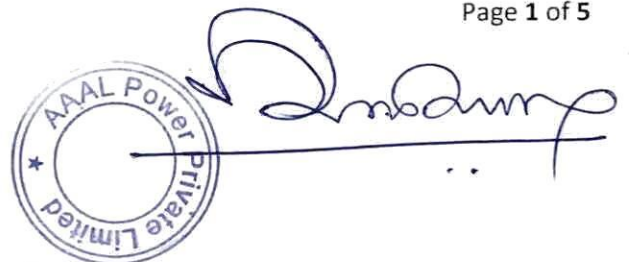
Draft Amendment

2nd Amendment to the Power Purchase Agreement dated 24.07.2001, between M/s. AAAL Power Private Limited (formerly M/s. Saraswathi Power and Industries Private Limited) and TSNPDCL (APTRANSCO)

This 2nd Amendment to the Power Purchase Agreement dated 24.07.2001 is made and executed between M/s. AAAL Power Private Limited (formerly M/s. Saraswathi Power and Industries Private Limited) represented by its and Telangana State Northern Power Distribution Company Limited (TSNPDCL) represented by its is made and executed on this the 16th day of September 2021.

1. **Whereas the** Transmission Corporation of Andhra Pradesh as it then was entered into a Power Purchase Agreement on 24.07.2001 for a period of 20years for the capacity as detailed in the Schedule-1 to the PPA. By efflux of time and due to legislative changes the said agreement has been transferred from time to time and Under the third transfer scheme, the PPA was handed over to then APNPDCL which is presently TSNPDCL and thus the said agreement stands vested in TSNPDCL.

2. **Whereas M/s. Saraswathi Power and Industries Private Limited** entered project transferred agreement with M/s. AAAL Power Private Limited on Kakatiya Canal situated at Velichala (V) Chintakunta (M), Karimnagar District and in pursuance thereof the ownership of Mini Hydel Scheme stood transferred to M/s. AAAL Power Private Limited due to transfer of the project w.e.from 01.06.2020 as shown in schedule-1 of the said transfer agreement.





3. Whereas the Telangana State Electricity Regulatory Commission was pleased to convey the consent vide Letter dated 07.11.2020 and permitted to make necessary amendment to PPA dated 24.07.2001. In pursuance thereof 1st Amendment to the PPA was made on 05.01.2021.

COD of the project was declared on 02.10.2001 and this agreement is valid for period of 20 years from date of COD, as per article 9 of PPA ie., up to 01.10.2021.

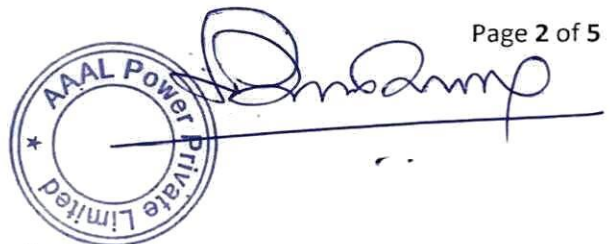
4. Whereas in accordance with Article 9 of the Power Purchase Agreement, the agreement may be renewed for such further period of time and on such terms and conditions as may be mutually agreed upon by the parties, 90 days prior to the expiry of the period of twenty years.

5. Whereas M/s. AAAL Power Private Limited vide letter dated 04.05.2021 has offered to supply power @ Rs. 2.15 per unit (fixed price without escalation) for a further period of 5 years i.e., from 02.10.2021 to 01.10.2026 and requested for extension of PPA.

6. Whereas the TSNPDCL having considered the request of M/s. AAAL Power Private Limited approved the extension of Agreement for a further period for 5 years at fixed levelized tariff of Rs.2.15 per KWH (all Inclusive of taxes, levies and duties)

7. Whereas this 2nd amendment of PPA is hereby entered extending the period of Agreement for a further period of 5 years w.e.f. 02.10.2021 to 01.10.2026 at a fixed levelized tariff of Rs.2.15 per KWH (all Inclusive of taxes, levies and duties)

8. The relevant amendments to articles 2.1, 2.2 & 7 of the agreement are incorporated in the APPENDIX.





8. The proposed amendment to the PPA is enforceable subject to the consent of Telangana State Electricity Regulatory Commission under section 21 of A.P. Electricity Reforms Act'1998.

9. The other terms and conditions of the Power Purchase Agreement Dated. 24.07.2001 and Amendment dated 05.01.2021 remain unaltered.

For and behalf of
Northern Power Distribution Company
of Telangana Limited

T. MADHUSUDHAN
Chief General Manager
IPC & RAC TSNPDCL,
Warangal.

By:

WITNESS

1.
GM/IPC&RAC/SPDCL/WG

2.

Its:

For and behalf of
M/s. AAAL Power Private Limited

For AAAL Power Private Limited

Director

By:

WITNESS

1.
(V. RAJESHWAR RAO)

2.

Its:



APPENDIX

Sl. No	Article No.	Existing	Amendment (New)
2.	2.1	All the Delivered energy at the interconnection point for sale to APTRANSCO will be purchased at the tariff provided for in Article 2.2 from and after the date of Commercial Operation of the project. Title to Delivered Energy purchased shall pass from the company to the APTRANSCO at the Interconnection point.	All the Delivered energy at the interconnection point for sale to TSNPDCL will be purchased at the tariff provided for in Article 2.2 from 02.10.2021 to 01.10.2026. Title to Delivered Energy purchased shall pass from the company to the TSNPDCL at the Interconnection point.
	2.2	The Company shall be paid the tariff for the Energy delivered at the interconnection point for sale to APTRANSCO at Rs.2.25 paise per unit with escalation at 5% per annum (with 1994-95 as base year and to be revised on 1 st April of every year up to the year 2003-2004. Beyond the year 2003-2004, the purchase by APTRANSCO will be decided by Andhra Pradesh Electricity Regulatory Commission. There will be further review of purchase price on completion of ten years from the date of commissioning of the project, when the purchase price will be reworked on the basis of Return on Equity , O&M expenses and the variable cost.	The Company shall be paid the tariff for the Energy delivered at the interconnection point for sale to TSNPDCL at fixed levelized tariff of Rs.2.15 per unit (Inclusive all taxes, levies & duties etc.) for the period of 5 years from 02.10.2021 to 01.10.2026. Any other additional claims for payment of MAT/IT/Water royalty charges etc., would not be paid. The energy delivered shall be eligible for meeting the RPPO by TSNPDCL

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NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA

Sl. No	Article No.	Existing	Amendment (New)
3.	7	<p>This Agreement shall be effective upon its execution and delivery thereof between parties hereto and shall continue in force from the Commercial Operation Date (COD) and until the twentieth (20th) anniversary that is for a period of twenty years from the Commercial Operation Date (COD). This Agreement may be renewed for such further period of time and on such terms and conditions as may be mutually agreed upon by the parties, 90 days prior to the expiry of the said period of twenty years subject to the consent of the APERC Any and all incentives /conditions envisaged in the Article s of this Agreement are subject to modification from time to time as per the directions of APERC, Government of Andhra Pradesh and APTRANSCO.</p>	<p>This Agreement shall be effective upon its execution and delivery thereof between parties hereto and shall continue in force further period of 5 years from 02.10.2021 to 01.10.2026 subject to the approval/consent of TSERC and this Agreement may be renewed for such further period of time and on such terms and conditions as may be mutually agreed upon by the parties, 90 days prior to the expiry of the said period subject to the approval/consent of TSERC for further renewal/extension.</p>

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100Rs.



S.No. 9128 DATE 20.07.2001 Rs. 100/-

77162

Srinivas V.S.

PURCHASER N. Janardhan Reddy

AP 231P

V.S. SRINIVAS

S/o. W/o. S/o. N. Anki Reddy, R/hood

STAMP VENDOR, L.NO. 67/93, R. NO. 78/90
Shop No. 5, Vardhaman Apartment,
Srinagar Colony, Hyderabad - 500 073.

For Whom : 10015 Saraswati Power Industries (P) Ltd, hood

**POWER PURCHASE AGREEMENT
BETWEEN**

**TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED
AND**

M/s SARASWATI POWER AND INDUSTRIES PVT. LIMITED

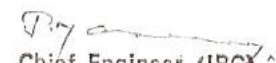
This Power Purchase Agreement (the "Agreement") entered into this 24th day of July, 2001, between Transmission Corporation of Andhra Pradesh Limited, incorporated by the Government of Andhra Pradesh in accordance with the Andhra Pradesh Electricity Reform Act 1998 (Act No.30 of 1998), under the provisions of Companies Act, 1956 in place of Andhra Pradesh State Electricity Board, having its office at Vidyut Soudha, Hyderabad - 500 082, India, hereinafter referred to as the "APTRANSCO" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as first party, and M/s Saraswati Power and Industries Pvt. Limited (a company incorporated under Indian Company's Act, 1956), having its registered office at 8-2-269/4/B, Banjara Hills, Hyderabad - 500 034, Andhra Pradesh, hereinafter referred to as the 'Company' (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as second party;

[Signature]
Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha
HYDERABAD-500 082

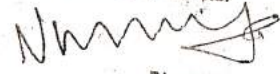
For Saraswati Power And Industries Pvt., Ltd.

[Signature]
Director,

- 2 WHEREAS, M/s Saritha Synthetics Ltd., has proposed to setup Mini Hydel Project to generate 3MW on an average basis, at KM 144/175 to 144/375 on Kakatiya Canal at Village Velchala, Chintakunta Mandal, Karimnagar District, Andhra Pradesh, hereafter called the project, and the erstwhile A.P.S.E.Board, hereafter called APTRANSCO, has issued allotment order to the above Project vide B.P(Proj-IPC)Ms.No.159 dated 11.1.99 in the name of M/s Saritha Synthetics Ltd. Copy whereof is attached herewith in Schedule 2;
- 3 WHEREAS, NEDCAP is made the Nodal Agency for dealing with Mini Hydel Projects as per G.O.Ms.No.37 Energy (Power-I) dated 1.2.99 and NEDCAP has issued amendment revising the allotment order in the name of M/s Sarswati Power and Industries Pvt. Ltd., vide Lr.No.NEDCAP/MHS/87/98-99 dated 1.6.99 in place of M/s Saritha Synthetics Ltd., and accorded sanction to M/s Saraswati Power and Industries Pvt. Ltd., vide Proceedings No.NEDCAP/MHS/87/99/2319 dated 11.10.99 copies whereof are attached herewith in Schedule 2;
- 4 WHEREAS, NEDCAP has entered into Agreement with M/s Saraswati Power and Industries Pvt. Ltd., on 9th day of November 1999 for setting up 3 MW Mini Hydel Project at KM 144/175 to 144/375 on Kakatiya Canal at Village Velchala, Chintakunta Mandal, Karimnagar District, Andhra Pradesh, as detailed in Schedule 1. Copy of Agreement is attached herewith in Schedule 3;
- 5 The Company shall fulfil the conditions of Agreement/MOU entered with NEDCAP and obtain extensions wherever required till the Project is completed. In the event of cancellation of the Project allotted to the Company by NEDCAP for any reason, the PPA with APTRANSCO will automatically get cancelled;
- 6 WHEREAS, it has been agreed that the Project will be designed, engineered and constructed and operated by or on behalf of the Company with reasonable diligence subject to all applicable Indian laws, rules, regulations and orders having the force of law;
- 7 This Agreement supercedes in its entirety the Power Purchase & Wheeling Agreement entered into on 27.1.2000 between APTRANSCO & M/s Saraswati Power & Industries Pvt. Ltd. This Agreement is enforceable subject to obtaining consent of Andhra Pradesh Electricity Regulatory Commission as per Section 21 of Andhra Pradesh Electricity Reform Act 1998 (Act No.30 of 1998);
- 8 NOW THEREFORE, in consideration of the foregoing premises and their mutual covenants herein, and for other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto, intending to be legally bound hereby agree as follows:


Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha
HYDERABAD-500 087

For Saraswati Power And Industries Pvt. Ltd.


Director.

ARTICLE I DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set forth hereinafter below. Defined terms of singular number shall include the plural and vice-versa.

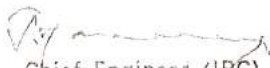
- 1.1 **Billing Date:** means the fifth (5th) day after the Metering Date.
- 1.2 **Billing Month:** means the period commencing from 25th of the calendar month and ending on the 24th of the next calendar month.
- 1.3 **Commercial Operation Date (COD):** means, with respect to each Generating unit, the date on which such Generating unit is declared by the company to be operational, provided that the company shall not declare a Generating unit to be operational until such Generating unit has completed its performance acceptance test as per standards prescribed.


Explanation: In respect of Non-conventional based power projects the date of synchronisation of the first unit of the project will be treated as the Commercial Operation Date of the project since Ministry of Non-conventional Energy Sources has specified any guide lines for declaration of the Commercial Operation Date (COD).

- 1.4 **Delivered Energy:** means, with respect to any Billing Month, the kilo watt hours (kWh) of electrical energy generated by the Project and delivered to the APTRANSCO at the Interconnection Point as defined in Article 1.8, as measured by the energy meters at the Interconnection Point during that Billing Month.

Explanation: For the purpose of clarification, Delivered Energy, excludes all energy consumed in the Project by the main plant and equipment, lighting and other loads of the Project from the energy generated and as recorded by energy meter at interconnection point.

- 1.5 **Due Date of Payment:** means the date on which the amount payable by the APTRANSCO to the Company hereunder for Delivered Energy, if any, supplied during a Billing Month becomes due for payment, which date shall be thirty (30) days from the Metering Date, and in the case of any supplemental or other bill or claim, if any, the due date of payment shall be thirty (30) days from the date of the presentation of such bill or claim to the designated officer of the APTRANSCO.
- 1.6 **Installed Capacity:** means the total rated capacity in mega-watts of all the generators installed.
- 1.7 **Interconnection Facilities:** means all the equipment and facilities, including, but not limited to, all metering facilities, switch gear, substation facilities, transmission lines and related infrastructure, to be installed by the APTRANSCO by laying independent line to the designated Substation of APTRANSCO at the voltage specified in Article 1.14 at the company's expense from time to time throughout the term of this Agreement, necessary to enable the APTRANSCO to economically, reliably and safely


Chief Engineer (IPC)
APTRANSCO, Vikram Sarabhai
HYDERABAD-500 007

For Saraswati Power Ltd. 
Director.

receive Delivered Energy from the Project in accordance with the terms of this Agreement.

Explanation 1: For Wind Farms the development charges shall be paid by the Company at Rs.10 lakhs per MW as per existing Government orders and APTRANSCO will provide evacuation facilities.

Explanation 2: The Company based on Non-Conventional Energy Projects viz., Biomass, Mini Hydel and Municipal/Industrial Waste, etc., have to bear the entire expenditure of interconnection facilities for power evacuation as per the sanctioned estimate by the respective field officers.

- 1.8 **Interconnection Point:** means the point or points where the Project and the APTRANSCO's grid system are interconnected at designated APTRANSCO sub-station. The metering for the Project will be provided at the interconnection point as per Article 4.1.

Explanation: In case of Biomass based Power Projects, Power Projects based on Waste to Energy and independent Mini Hydel/Wind Power Projects the Interconnection Point will be at designated APTRANSCO Substation.

- 1.9 **Metering Date:** means mid-day (i.e., noon) of the 24th (twenty-fourth) day of each calendar month, at the Interconnection Point.


- 1.10 **Project:** means Mini Hydel Project to generate 3 MW on an average basis, at KM 144/175 to 144/375 on Kakatiya Canal at Village Velchala, Chintakunta Mandal, Karimnagar District, Andhra Pradesh, entrusted to the Company for construction and operation as detailed in Agreement entered into with NEDCAP and shown in Schedule 3 attached herewith and includes the metering system.

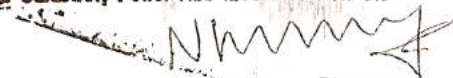
- 1.11 **System Emergency:** means a condition affecting the APTRANSCO's electrical system which threatens the safe and reliable operation of such system or which is likely to result in the disruption of safe, adequate and continuous electric supply by the APTRANSCO, or which endangers life or property, which condition is affected or aggravated by the continued delivery of Delivered Energy from the Project.

- 1.12 **Surcharge on Reactive Power drawn by Wind Farms/Mini Hydel Stations:** means the charges leviable on the reactive power drawn by Wind Electric Power Farms/Mini Hydel Stations at the rate of 10 paise (Ten paise only) per unit of reactive energy drawn from APTRANSCO's grid or such other charges fixed by the Commission from time to time.

Explanation 1: Induction generators used in Wind Electric Power Farms/Mini Hydel Stations draw reactive power from APTRANSCO's grid during generator mode and motor mode.

Explanation 2: Surcharge on reactive power drawn by Wind Farms/Mini Hydel stations will be levied on the Company.


Chief Engineer (IPC)
APTRANSCO, Vidyan Soudha
HYDERABAD-500 032

For Sarawati Power And in...

Director,

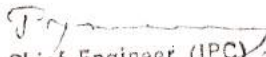
1.13 **Unit:** When used in relation to the generating equipment, means one set of turbine generator and auxiliary equipment, and facilities forming part of the project and when used in relation to electrical energy, means kilo watt hour (kWh).

1.14 **Voltage of Delivery:** means the voltage at which the electrical energy generated by the project is required to be delivered to the APTRANSCO at the Interconnection Point and the Voltage of Delivery is as detailed below.

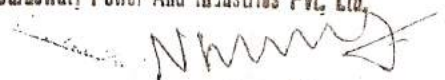
For Wind Farms, Mini Hydel Schemes, Biomass based power projects, Power projects based on Waste to Energy:

Capacity of the plant	Specified voltage level for interfacing with APTRANSCO grid
Upto 1500 KVA	11 KV
From 1501 KVA to 7500 KVA	33 KV
Above 7500 KVA	132 KV

1.15 All other words and expressions, used herein and not defined herein but defined in the Indian Electricity Act, 1910, Electricity (Supply) Act, 1948, Indian Electricity Rules, 1956 and AP Electricity Reform Act, 1998 shall have the meanings respectively assigned to them in the said Acts.


Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 032

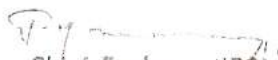
For Saraswati Power And Industries Pvt, Ltd,

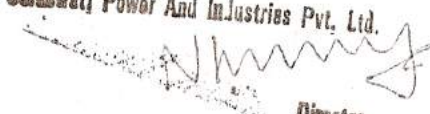

Director,

ARTICLE 2
PURCHASE OF DELIVERED ENERGY AND TARIFF

- 2.1 All the Delivered Energy at the interconnection point for sale to APTRANSCO will be purchased at the tariff provided for in Article 2.2 from and after the date of Commercial Operation of the Project. Title to Delivered Energy purchased shall pass from the Company to the APTRANSCO at the Interconnection Point.
- 2.2 The Company shall be paid the tariff for the energy delivered at the interconnection point for sale to APTRANSCO at Rs.2.25 paise per unit with escalation at 5% per annum with 1994-95 as base year and to be revised on 1st April of every year upto the year 2003-2004. Beyond the year 2003-2004, the purchase price by APTRANSCO will be decided by Andhra Pradesh Electricity Regulatory Commission. There will be further review of purchase price on completion of ten years from the date of commissioning of the project, when the purchase price will be reworked on the basis of Return on Equity, O&M expenses and the Variable Cost.
- 2.3 The tariff is inclusive of all taxes, duties and levies.
- 2.4 No wheeling charges or other charges or assessments shall be levied by the APTRANSCO on purchased energy.
- 2.5 Where in any Billing month, the energy supplied by the APTRANSCO to the Company, shall be billed by the APTRANSCO, and the Company shall pay the APTRANSCO for such electricity supplies, at the APTRANSCO's then-effective tariff applicable to High Tension Category-I Consumers. For this purpose, the maximum demand specified in such APTRANSCO's Tariff shall be computed by dividing the amount of such energy supplied by the APTRANSCO by the total hours in the Billing Month.

Explanation: The Generating Plants viz., Wind, Mini Hydel, Biomass during the plant shut down periods shall draw the energy from APTRANSCO only for the essential loads.



Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha
HYDERABAD-500 082

For Sarawati Power And Industries Pvt. Ltd.

Director,

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**ARTICLE 3
INTERCONNECTION FACILITIES**

- 3.1 Upon receipt of a requisition from the Company, the APTRANSCO will prepare an estimate for arranging interconnection facilities for power evacuation at the voltage level as per Article 1.14. The Company have to bear the entire cost of the interconnection facilities as per the sanctioned estimate. APTRANSCO shall evaluate, design, install, own, operate and maintain the Interconnection Facilities and perform all work, at the Company's expense, necessary to economically, reliably and safely connect the APTRANSCO's existing system to the Project switch yard.
- Explanation:** For Wind Farms the development charges shall be paid by the Company at Rs.10 lakhs per MW as per the existing Government orders and APTRANSCO will provide evacuation facilities.
- 3.2 APTRANSCO may also permit the Company to execute the interconnection facilities for power evacuation as per the sanctioned estimate at it's description duly collecting the supervision charges as per procedure invogue.
- 3.3 The maintenance expenses of the interconnection facilities from time to time have to be borne by the Company. The maintenance work on the Generating units has to be done in coordination with the APTRANSCO.
- 3.4 APTRANSCO has got the right to add any additional loads on the feeder without detrimental to the interests of the existing generating companies on the same feeder.
- 3.5 Any modifications or procedures or changes in arranging interconnection facilities for power evacuations rests with Government of Andhra Pradesh/APTRANSCO. The orders of Government of Andhra Pradesh for any changes in payment of developmental charges in respect of Wind Farms for power evacuation is applicable.
- 3.6 During the period prior to the Commercial Operation Date, on the request of the Company, the APTRANSCO will supply energy to the Project for any purpose, on the Terms and Conditions and at the tariff rates that are applicable from time to time to the category of consumers of the APTRANSCO to which the Company belongs, provided separate metering arrangements as may be required under the Terms and Conditions of such tariff have been installed at the Project.



Chief Engineer (IPC)
APTRANSCO, Widyut Soudha,
HYDERABAD-500 087

For Saraswati Power And Industries Pvt. Ltd.


Director.

ARTICLE 4
METERING AND PROTECTION


- 4.1 The Company shall install main meters of Static type 0.2 class accuracy at the Interconnection Point and the APTRANSCO shall install check meters of Static type at the same point and of the same accuracy. The main meters and check meters will each consist of a pair of export and import meters.
- 4.2 All of the meters required to be installed pursuant to Article 4.1 above shall be jointly inspected and sealed on behalf of both parties and shall not be interfered with, tested or checked except in the presence of representatives of both parties.
- 4.3 The meter readings from the main meters will form the basis of billing. If any of the meters required to be installed pursuant to Article 4.1 above are found to be registering inaccurately the affected meter will be immediately be replaced.
- 4.4 Where the half yearly meter check indicates an error in one of the main meter/meters beyond the limits for such meter but no such error is indicated in the corresponding check meter/meters, billing for the month will be done on the basis of the reading on the check meter/meters and the main meter will be replaced immediately.
- 4.5 If during the half yearly test checks, both the main meters and the corresponding check meters are found to be beyond permissible limits of error, both the meters shall be immediately replaced and the correction applied to the consumption registered by the main meter to arrive at the correct delivered energy for billing purposes for the period of the one month upto the time of such test check, computation of delivered energy for the period thereafter till the next monthly meter reading shall be as per the replaced main meter.
- 4.6 Corrections in delivered energy billing, whenever necessary, shall be applicable to the period between the previous monthly meter reading and the date and time of the test calibration in the current month when the error is observed and this correction shall be for the full value of the absolute error. For the purpose of determining the correction to be applied to any meter registering inaccurately, the meter shall be tested under conditions simulating 100, 50, 20 and 10 percent load at unity power factor and 0.5 power factor. Of these eight values, the error at the load and power factor nearest the average monthly load served at the Interconnection Point during the applicable period shall be taken as the error to be applied for correction.
- 4.7 If both the main and check meters fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis for that period of defect.
- 4.8 The main and check meters shall be tested and calibrated utilizing a Standard Meter. The Standard Meter shall be calibrated once in every year at the approved Laboratory by Government of India/Government of Andhra Pradesh, as per Terms and Conditions of supply.


Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 082

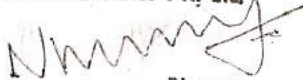
For Saraswati Power And Industries Pvt. Ltd.


Director,

- 4.9 All main and check meter tests shall be jointly conducted by the authorized representatives of both parties and the results and correction so arrived at mutually will be applicable and binding on both the parties.
- 4.10 On the Metering Date each month meter readings shall be taken (and an acknowledgement thereof signed) by the authorized representatives of both parties.
- 4.11 Within six (6) months following the execution of this Agreement, the Company and the APTRANSCO shall mutually agree to technical and performance specifications (including, but not limited to, the metering configuration for the Project) concerning the design and operation of the facilities required to be installed by the Company in order for the Company to operate in parallel with the APTRANSCO's grid. Thereafter, any change in such specifications shall be subject to mutual agreement of the parties.
- 4.12 The Project shall be operated and maintained in accordance with good and generally accepted utility standards with respect to synchronizing, voltage, frequency and reactive power control.
- 4.13 Voltage regulation shall be such as to enable continued paralleling and synchronisation with the grid voltage at the point of interconnection.
- 4.14 The equipment of the Company shall be designed for fluctuations in the frequency within limits of -5% and +3% of the standard frequency of 50 cycles per second.
- 4.15 The Company shall ensure that the power factor of the power delivered to the APTRANSCO is maintained at or above the Minimum Power Factor as per Tariff Notification, or otherwise pay Surcharge as per Tariff Notification in force.
- 4.16 Any change in rupturing capacity of switch-gear, settings of the relays, etc., shall be subject to approval of the APTRANSCO.
- 4.17 As the Project's generator may carry fault currents that may occur on the APTRANSCO's grid, the Company shall provide adequate generator and switchgear protection against such faults. The APTRANSCO is not responsible for damage, if any, caused to the Project's generator and allied equipment during parallel operation of the generator with the APTRANSCO's grid.
- 4.18 The Company shall make a good faith effort to operate the Project in such a manner as to avoid fluctuations and disturbances to the APTRANSCO's grid due to parallel operation with the grid.
- 4.19 The Company shall control and operate the Project. The APTRANSCO shall only be entitled to request the Company to reduce electric power and energy deliveries from the Project during a System Emergency, and then only to the extent that in the APTRANSCO's reasonable judgment such a reduction will alleviate the emergency. The APTRANSCO shall give the Company as much advance notice of such a reduction as is practicable under the circumstances and shall use all reasonable efforts to remedy the circumstance causing the reduction as soon as possible. Any reduction required of the Company hereunder shall be implemented in a manner consistent with safe operating procedures.



Chief Engineer (IPC)
APTRANSCO, Vidyan, Soudha
HYDERABAD-500 082

For Saraswati Power And Industries Pvt. Ltd.


Director.

ARTICLE 5
BILLING AND PAYMENT

- 5.1 For Delivered Energy purchased, the Company shall furnish a bill to the APTRANSCO calculated at the rate provided for in Article 2.2, in such form as may be mutually agreed between the APTRANSCO and the Company, for the billing month on or before the 5th working day following the metering date.
- 5.2 Any payment made beyond the due date of payment, APTRANSCO shall pay interest at a rate of 10% per annum as per existing nationalised bank rate and in case this rate is reduced, such reduced rate is applicable from the date of reduction.
- 5.3 The APTRANSCO shall pay the bill on monthly basis as per Article 5.1, by opening a revolving Letter of Credit for a minimum period of one year in favour of the Company.
- 5.4 **Letter of Credit:** Not later than 30 days prior to the Scheduled COD of the first Generating Unit, APTRANSCO shall cause to be in effect an irrevocable revolving Letter of Credit issued in favour of the Company by a Scheduled Bank (the Letter of Credit). Each Letter of Credit shall
- (a) on the date it is issued, have a term of one year;
 - (b) be payable upon the execution and presentation by an officer of the Company of a sight draft to the issuer of such Letter of Credit supported by a meter reading statement accepted and signed by both parties or a certification from the Company that the APTRANSCO failed to sign the meter reading statements within five days of the metering date or that a supplemental bill has been issued and remains unpaid until the due date of payment;
 - (c) provide that the Company shall have the right to draw upon such Letter of Credit notwithstanding any failure by the APTRANSCO to reimburse the issuer thereof for any draw down made under; and
 - (d) not less than 30 days prior to the expiration of any Letter of Credit, the APTRANSCO shall provide a new or replacement Letter of Credit. Each monthly bill or supplemental bill shall be presented at the said Scheduled Bank for payment under the Letter of Credit and shall become payable thereunder. The opening charges for Letter of Credit (L/C) and Letter of Credit (L/C) negotiation charges will be borne by the beneficiary i.e., Company.
- 5.5 **Direct Payment:** Notwithstanding the fact that a Letter of Credit has been opened, in the event that through the actions of the APTRANSCO, the Company is not able to make a draw upon the Letter of Credit for the full amount of any bill, the Company shall have the right to require the APTRANSCO to make direct payment of any bill by cheque or otherwise on or before the due date of payment by delivering to the APTRANSCO on or prior to the due date of payment of such bill a notice requiring payment in the foregoing manner. Without prejudice to the right of the Company to draw upon the Letter of Credit if payment is not received in full, the APTRANSCO shall have the right to make direct payment by cheque or otherwise of any bill such


Chief Engineer (IPC)
APTRANSCO, Vaidya, Poudha,
MUMBAI-400 082

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For Sarnswati Power And Industries Pvt. Ltd.


Director,

that within 30 days after the date of its presentation to the designated officer of the APTRANSCO, the Company shall receive payment in full for such bill. When either such direct payment is made, the Company shall not present the same bill to the Scheduled Bank for payment against the Letter of Credit.

- 5.6 **Billing disputes:** The APTRANSCO shall pay the bills of the Company promptly subject to the clauses 5.1 and 5.2 above.


The APTRANSCO shall notify the Company in respect of any disallowed amount on account of any dispute as to all or any portion of the bill. The Company shall immediately take up issue with all relevant information with APTRANSCO which shall be rectified by the APTRANSCO, if found satisfactory. Otherwise notify its (APTRANSCO's) rejection of the disputed claim within reasonable time with reasons therefor. The dispute may also be decided by mutual agreement. If the resolution of any dispute requires the APTRANSCO to reimburse the Company, the amount to be reimbursed shall bear interest at 10% per annum from the date of disallowance to the date of reimbursement.

- 5.7 All payments by the APTRANSCO to the Company hereunder shall be made to such address as may be designated by the Company to the APTRANSCO in writing from time to time.

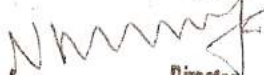
Address : M/s Sarswati Power and Industries Pvt. Ltd.
8-2-269/4/B, Road No.2,
Banjara Hills,
Hyderabad - 500 034.

Telephone : 040 - 3541566

Fax : 040 - 3322517


Chief Engineer (IPC)
APTRANSCO, Vidya Soudha,
HYDERABAD-500 032

For Sarswati Power And Industries Pvt. Ltd.


Director.


ARTICLE 6 UNDERTAKING

6.1 The Company shall be responsible:

- (i) for the proper maintenance of the project in accordance with established prudent utility practices.
- (ii) for the operation, maintenance, overhaul of the plant, equipment, works, switch yard and transmission lines and equipment up to the Interconnection Point of the project in close coordination with the APTRANSCO.
- (iii) for making all payments on account of any taxes, cesses, duties, or levies imposed by any Government or competent statutory authority on the land, equipment, material or works of the project or on the energy generated or consumed by the project or the Company or on the income or assets of the Company.
- (iv) for obtaining necessary approvals, permits or licences for operation of the project and sale of energy to APTRANSCO there from under the provision of the relevant laws.

6.2 The APTRANSCO agrees:

- (i) to make all reasonable efforts for making arrangements for evacuation of power from the project to be completed prior to the Commercial Operation Date of the Project subject to Article 3.
- (ii) for purchase of Delivered Energy from the project as per section 2.2.

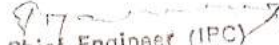

Chief Engineer (IPC)
APTRANSCO, Viduth Soudha,
HYDERABAD-600 002

For Sanswati Power And Industries Pvt. Ltd.

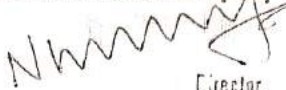

Director,

**ARTICLE 7
DURATION OF AGREEMENT**

This Agreement shall be effective upon its execution and delivery thereof between parties hereto and shall continue in force from the Commercial Operation Date (COD) and until the twentieth (20th) anniversary that is for a period of twenty years from the Commercial Operation Date (COD). This Agreement may be renewed for such further period of time and on such terms and conditions as may be mutually agreed upon by the parties, 90 days prior to the expiry of the said period of twenty years, subject to the consent of the APERC. Any and all incentives/conditions envisaged in the Articles of this Agreement are subject to modification from time to time as per the directions of APERC, Government of Andhra Pradesh and APTRANSCO.


Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 082

For Saraswati Power And Industries Pvt, Ltd,


Director.

**ARTICLE 8
NOTICES**

- 8.1 Except as otherwise expressly provided in this Agreement, all notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered personally or sent by registered or certified mail, telecopy, telex or telegram addressed as follows:

If to the Company:

Attention : M/s Saraswati Power and Industries Pvt. Ltd.
8-2-269/4/B, Road No.2,
Banjara Hills,
Hyderabad – 500 034.

Telephone No : 040 – 3541566

Fax No : 040 – 3322517

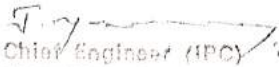
If to the APTRANSCO:

Attention : Chief Engineer,
Investment Promotion Cell,
APTRANSCO, Vidyut Soudha,
Hyderabad - 500 082.

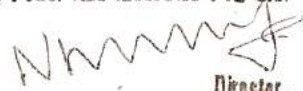
Fax No : 040 - 3313791

Telephone No : 040 - 3393304

- 8.2 All notices or communications given by telecopy, telex or telegram 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, including notices given by telecopy, telex or telegram regardless of the date the confirmation of such notice is received.
- 8.3 Any party may by written notice change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.



Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha
HYDERABAD-500 082

For Saraswati Power And Industries Pvt. Ltd.


Director.

**ARTICLE 9
SPECIAL PROVISIONS**

- 9.1 The waiver of any breach or failure to enforce any of the terms, covenants or conditions of this Agreement shall not in any way affect, limit, modify or waive the future enforcement of such terms, covenants or conditions.
- 9.2 No oral or written modification of this Agreement either before or after its execution shall be of any force or effect unless such modification is in writing and signed by the duly authorized representatives of the Company and the APTRANSCO, subject to the condition that any further modification of the Agreement shall be done only with the prior approval of Andhra Pradesh Electricity Regulatory Commission. However, the amendments to the Agreement as per the respective orders of APERC from time to time shall be carried out. All the conditions mentioned in the Agreement are with the consent of APERC.
- 9.3 However, in respect of power evacuation, the voltage levels for interfacing with APTRANSCO's Grid will be as per Article 1.14. The cost of interconnection facilities have to be borne by the Company as per Article 3.
- 9.4 The invalidity or unenforceability for any reason of any provision of this Agreement shall not prejudice or affect the validity or enforceability of any other provision of this Agreement.
- 9.5 The failure of any party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.
- 9.6 Unless the context otherwise requires, every arrangement, procedure or any other matter which is, under any of the provisions of this Agreement, required to be mutually agreed upon between the parties, shall be concluded by a written Agreement between the parties not later than the date specified in the concerned clause of this Agreement, subject to the consent of the APERC.
- 9.7 This Agreement, including Schedule 1, 2 & 3 attached hereto, constitute the entire agreement between the parties with respect to the subject matter hereof, and there are no oral or written understandings, representations or commitments of any kind, express or implied, not set forth herein.
- 9.8 The headings contained herein are included solely for the convenience of the parties and are not to be used as a basis for interpreting the various sections of this Agreement.
- 9.9 The parties each agree to act in good faith in implementing the terms and conditions of this Agreement and in carrying out their respective obligations hereunder.


Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 092

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For Saraswati Power And Industries Pvt. Ltd.



Director.

9.10 **Assignment and Financing:** Neither party shall assign this Agreement or any portion thereof to any third party without the prior written consent of the other party which consent shall not be unreasonably withheld.

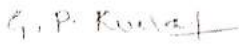
IN WITNESS WHEREOF, the Company and the APTRANSCO have caused this Agreement to be executed as of the date and the year first set forth above.

For and behalf of
TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

WITNESS

1. 
(N. UMA MAHESWAR)
DE/IPC

By:

2. 
(G. PRAVEEN KUMAR)
DE/IPC

Its:



Chief Engineer (IPC) 24/7/2001
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 082

For and behalf of
M/s SARASWATI POWER AND INDUSTRIES PVT. LIMITED

WITNESS

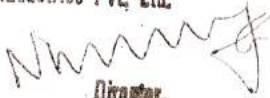
1. 
(D. PRABHAKAR REDDY)

By:

2. 
(D. PRABHAKAR REDDY)

Its:


For Saraswati Power And Industries Pvt. Ltd.


Director,
24/7/2001

SCHEDULE 1

Particulars of the Project (referred to in the Preamble to the Agreement)

Sl. No.	Name of the Project	Location	No. of Units	Capacities of each Generator	Capacity of the Station
1.	Mini Hydro Scheme by M/s Saraswati Power and Industries Pvt. Ltd.	At KM 144/175 to 144/375 on Kakatiya Canal at Velchala Village, Karimnagar Mandal and Dist.	3	1 MW Induction Generator	3 MW


Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha,
HYDERABAD-500 082

For Saraswati Power And Industries Pvt, Ltd.


Director,

SCHEDULE 2

**Copy of B.P(Proj-IPC)Ms.No.159 dated 11.1.1999
ANDHRA PRADESH STATE ELECTRICITY BOARD
ABSTRACT**

ELECTRICITY – Private Sector participation in Power Generation – Selection of private entrepreneurs for setting up 12 Mini Hydel Schemes in the State – Orders – Issued.

B.P(Proj-IPC)Ms.No.159

Dated 11.1.1999

Read the following:-

- (1) G.O.Ms.No.28 E&F (RES) Department dated 14.2.1994.
- (2) Board's Notification on 1.9.1997.
- (3) Corrigendum to Notification dated 17.10.1997.
- (4) G.O.Ms.No.149 Energy (Power-I) Department dated 15.11.1995.
- (5) Minutes of the Board Meeting held on 8.1.1999.

ORDER:

In the G.O 1st read above, Government has accorded approval to the Andhra Pradesh State Electricity Board to handle Mini Hydel Schemes in the State upto 20 MW either by themselves or through private sector participation for construction and operation subject to the terms and conditions indicated therein. Accordingly, the APSEB issued advertisement inviting offers from the prospective entrepreneurs for development of 36 Mini Hydel Schemes in the State, in reference (2) and (3) cited above. In response to the advertisement 19 (Nineteen) offers were received. Investment Promotion Cell of APSEB evaluated the offers and furnished its evaluation to A.P State Electricity Board. The APSEB decided to allot the following Mini Hydel Schemes noted against the prospective developer for captive use.

2. The APSEB, after careful consideration of the matter, hereby accord permission to the following private developer for construction, operation and maintenance of the Mini Hydel Projects noted against each subject to the following conditions:

- (i) Collection of hydraulic data solely rests with the developers.
- (ii) The developers shall have to come up with viable detailed project report within 120 days since the feasibility reports are yet to be furnished, failing which the allotment orders get cancelled automatically.
- (iii) The developer shall enter into Hydro Power Development Agreement with Board which is in line with G.O.Ms.No.149 dated 15.11.1995 cited above at (4), at the earliest with strong determination of commissioning the projects by January 2000 AD.

Sl. No.	Name of the Scheme	Name of the Developer
1.	Ongole Branch Canal M 3-3-004 M 3-4-140 2x300 KW	M/s Sreepathi Rao & Associates, 10-3-152/B, 203, East Maredpally, Secunderabad – 500 026.


D. J. ...
Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha
HYDERABAD-500 082

18

For Sarawati Power And Industries Pvt, Ltd.

N. M. ...
Director,

Sl. No.	Name of the Scheme	Name of the Developer
		M/s Sreepathi Rao & Associates should undertake to install 2x300 KW capacity without fail and in case of failure, the allotment will be cancelled automatically.
2.	Ongole Branch Canal M 4-6-030 M 4-6-580 2x300 KW	M/s Sreepathi Rao & Associates, 10-3-152/B, 203, East Maredpally, Secunderabad - 500 026. M/s Sreepathi Rao & Associates should undertake to install 2x300 KW capacity without fail and in case of failure, the allotment will be cancelled automatically.
3.	Ongole Branch Canal M 10-3-440 M 10-4-220 3x250 KW	M/s Sreepathi Rao & Associates, 10-3-152/B, 203, East Maredpally, Secunderabad - 500 026.
4.	Ongole Branch Canal M 13-3-330 1x550 KW	M/s Jahnvi Mini Steels, Kottur, Nellore Bit-I, Nellore Dist.
5.	M 14-1-350 M 14-5-211	
6.	D-83 Canal M 20-1-440 M 20-5-445 M 20-7-000 2x500 KW	M/s Biological E. Ltd., 18/1 & 3, Azamabad, Hyderabad - 500 020.
7.	Kakatiya Canal at in fall into Lower Manair Reservoir, Karimnagar KM 144/175 KM 144/375 2x1500 KW	M/s Saritha Synthetics Ltd., Plot No.28, Navodaya Colony, Road No.2, Banjara Hills, Hyderabad.
8.	On Srisaiflam Right Bank Canal at Gorakallu by-pass structure complex 2x2250 KW	M/s Shivani Power Spinners (P) Ltd., 6-3-347/17/5, Dwarakapuri Colony, Punjugutta, Hyderabad - 500 082. M/s Shivani Power Spinners (P) Ltd., should undertake to install 4.5 MW capacity without fail and in case of failure, the allotment will be cancelled automatically.
9.	At head Regulator on canal of Hiramandalam Reservoir of Vamsadhara Stage-II - Srikakulam Dist. 2x1000 KW	M/s Nagarjuna Agro Tech Ltd., Plot No.25, Nagarjuna Hills, Punjugutta, Hyderabad - 500 082.
10.	Vemulur Vagu Reservoir, Yethavakilla Village, Mattampalli Mandal, Nalgonda Dist. (a) At surplus weir 2x1000 KW	M/s Nagarjuna Agro Tech Ltd., Plot No.25, Nagarjuna Hills, Punjugutta, Hyderabad - 500 082.


 Chief Engineer (IPC)
 APTRANSCO, Vidyut S-udha.
 HYDERABAD-500 082

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For Saraswati Power And Industries Pvt. Ltd.


 Director.

Sl. No.	Name of the Scheme	Name of the Developer
	(b) At left canal head sluice 2x10 KW (c) At right canal head sluice 1x5 KW	
11.	Medapadu Lock at KM 15-10 Kakinada Canal 0.6 MW	P.B.Venkatapathi Raju & Associates, Kanchumarru (Via) Aravalli, West Godavari Dist.
12.	Alamuru Lock on Coringa Canal at M 22.86 0.5 MW	P.B.Venkatapathi Raju & Associates, Kanchumarru (Via) Aravalli, West Godavari Dist.

(BY ORDER AND IN THE NAME OF A.P.S.E.BOARD)

ANIL KUMAR KUTTY
MEMBER SECRETARY

To
M/s Sreepathi Rao & Associates,
10-3-152/B 203, East Maredpally,
Secunderabad – 500 026.

M/s Jahnvi Mini Steels,
Kottur, Nellore Bit-I,
Nellore Dist.


M/s Biological E. Ltd.,
18/1 & 3, Azamabad,
Hyderabad – 500 020.

M/s Saritha Synthetics Ltd.,
Plot No.28, Navodaya Colony,
Road No.2, Banjara Hills,
Hyderabad.

M/s Shivani Power Spinners (P) Ltd.,
6-3-347/17/5, Dwarakapuri Colony,
Punjagutta, Hyderabad – 500 082.

M/s Nagarjuna Agro Tech Ltd.,
Plot No.25, Nagarjuna Hills,
Punjagutta, Hyderabad – 500 082.

P.B.Venkatapathi Raju & Associates,
Kanchumarru (Via) Aravalli,
West Godavari Dist.


Chief Engineer (IPC)
TRANSCO, Vidut Soudha.
HYDERABAD-500 082

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For Sarawati Power And Industries Pvt. Ltd.
Director.


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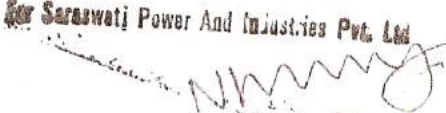
The Secretary to Government of India, Department of Power, Shramashakti Bhavan,
Rafi Marg, New Delhi.
The Secretary to Government of India, Ministry of Non-Conventional Energy Sources,
Block No.14, CGO Complex, Lodi Road, New Delhi – 110 003.
The Ministry of Non-Conventional Energy, Kundanbagh, Hyderabad.
The Secretary, Energy Department, GOAP, Hyderabad.
The Principal Secretary, Irrigation Department, Government of Andhra Pradesh,
The Special Officer/IPC/Vidyut Soudha/Hyderabad – 49.
The All Chief Engineers/APSEB.
The All F.A & C.C.As/APSEB.
The Administrator cum CE/N.S Right Canals/CADA Guntur.
The Chief Engineer/Major Irrigation/Errum Manzil/Hyderabad.
The Superintending Engineer/PWD Irrigation/Sir Aurthor Cotton Barrage/
Dowaleswaram.
The Chief Engineer/SRSP/Gagan Vihar/M.J.Road/Hyderabad.
The Superintending Engineer/I&CAD/NSRC/Lingamguntla/Narasaraopet.
The Superintending Engineer/R&CAD/NSRC/Ongole.
T.A to Chairman/APSEB.
T.As to All Members/APSEB.
Deputy Secretary/PR/Y Section/Vidyut Soudha/Hyderabad.
CRS two copies.

// Forwarded By Order //

Sd/-

Divisional Engineer/IPC


Chief Engineer (IPC)
AP/TRANSCO, Vidyut Soudha,
HYDERABAD-500 082


for Saraswati Power And Industries Pvt. Ltd.
Director,