

**POWER PURCHASE AGREEMENT**

**BETWEEN**

**MADHYANCHAL VIDYUT VITRAN NIGAM LTD.**

**AND**

**M/S DALMIA CHINI MILLS, UNIT RAMGARH  
(PROP.: DALMIA CEMENT (BHARAT) LTD.)**

**( AS APPROVED BY U.P.E.R.C. )**

भारतीय गैर न्यायिक

एक सौ रुपये

Rs. 100

रु. 100



सत्यमेव जयते

ONE  
HUNDRED RUPEES

भारत INDIA

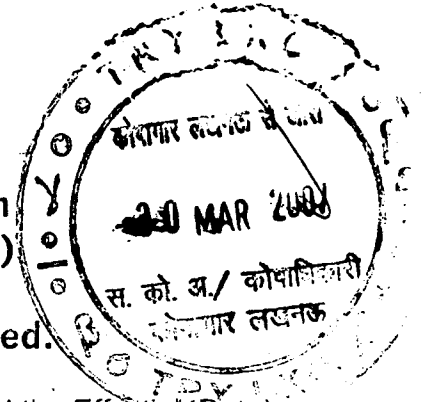
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POWER PURCHASE AGREEMENT  
BETWEENM/s Dalmia Chini Mills, Unit Ramgarh  
( Prop. Dalmia Cement (Bharat) Ltd.)  
AND

Madhyanchal Vidyut Vitran Nigam Limited.



**THIS AGREEMENT** is made on this day of, 05/04/07 (hereinafter called the Effective Date), by and between M/s Dalmia Chini Mills, Unit Ramgarh ( Prop. Dalmia Cement (Bharat) Ltd.) registered under the Companies Act., 1956 and having its registered office at Dalmia Puram - 621657 Distt. Tiruchirapalli Tamil Nadu hereinafter called the "Generating Company/Plant ", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees as party of the first part and Madhyanchal Vidyut Vitran Nigam Ltd. a Company registered under the Companies Act., 1956 having its Registered Office at 4A, Gokhle Marg, Lucknow hereinafter called Discom which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees as party of the second part.

WHEREAS, the Generating Company is engaged in the business of Sugar Manufacturing and other incidental businesses situated at Village Ramgarh, Tehsil Misrikh, Distt. Sitapur in the State of Uttar Pradesh, more particularly described in Annexure I attached hereto and made a part hereof and

AND WHEREAS, Discom is a distribution licensee operating in the State of Uttar Pradesh, and has license to supply power in ear marked part of the State and whereas the Discom in

For DALMIA CHINI MILLS

Authorized Signatory

CE. (PPA)  
U. P. C. L.  
Shakti Bhawan Extn

Dalmia Cement (Bharat) Limited

1.10 'State Transmission Utility (STU)' means Uttar Pradesh Power Corporation Limited being the Government Company specified so by the Government of Uttar Pradesh.

1.11 'TOD' means "Time of day", for the purpose of Metering.

1.12 'UPERC' means the U.P. Electricity Regulatory Commission.

1.13 'Wheeling' means the operation whereby the distribution system and associated facilities of a transmission licensee or distribution licensee, as the case may be, are used by another person for the conveyance of electricity on payment of charges to be determined under section 62 of the Electricity Act 2003.

1.14 'CNCE Regulations' means the Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Supply of Power and Fixation of Tariff for sale of power from Captive Generating Plants, Co-generation, Renewable Sources of Energy and Other Non-Conventional Sources of Energy based Plants to a Distribution Licensee) Regulations, 2005 as amended from time to time.

## 2. POWER PURCHASE, SALE AND BANKING.

2.1 UPPCL on behalf of DISCOM shall accept and purchase upto 25 MW of power made available to Discom/STU 's system from the Generating Plant's bagasse based cogeneration in accordance with the terms and conditions of this Agreement, at the rate specified for such plant in Schedule II of Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Supply of Power and Fixation of Tariff for Sale of Power from Captive Generating Plants, Co-generation, Renewable Sources of Energy and Other Non-Conventional Sources of Energy based Plants to a Distribution Licensee) Regulations, 2005 as amended from time to time and mentioned hereunder:-

### Tariff Year

Year of Commissioning	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
FY 2006 or any earlier	2.86	2.89	2.93	2.97	3.02
FY 2007		2.98	3.02	3.06	3.10
FY 2008			3.11	3.15	3.20
FY 2009				3.25	3.29
FY 2010					3.38

The above purchase rates are applicable for sale of electricity during crushing season. However, during off-season, an incentive of 3 paise per unit would be admissible subject to the following conditions: -

- The plant has achieved the target PLF of above 60% for the respective financial year.
- Units supplied in excess of the target PLF of 60% during the off-season period shall be eligible for the incentive.

For DALEEN CHINNI/LLS

Authorised Signatory

CE (PPA)  
U.P.P.C.L.  
Shakti Bhawan Extn.  
Lucknow

For DALEEN CHINNI/LLS

#### 4. SUPPLY SCHEDULE

The Generating Plant shall furnish to Discom and the State Transmission Utility (STU) or State Load Dispatch Centre (SLDC), as the case may be, a month-wise Supply Schedule, schedule of banking and withdrawal of banked energy and other information, as required in the CNCE Regulation and UP Electricity Grid Code as amended from time to time or provisions of any other regulation in that regard or as desired otherwise.

#### 5. BILLING PROCEDURE AND PAYMENTS

5.1 Discom shall raise monthly bill for electricity purchased by the Generating Plant as per its normal billing cycle after taking into account energy withdrawn from the banked energy and maximum recorded demand in the manner as specified by the Commission in the CNCE Regulations and such bill shall be payable within the time period stipulated in the General Conditions of Tariff.

5.2 The Generating Plant shall raise monthly bill based on the monthly joint meter reading in the Bill Meter at the grid substation *Sidhauli*.

5.3 The Monthly Bill raised by the Generating Plant shall be delivered to UPPCL on behalf of Discom at its designated office of *Nodal Officer* on or before the fifth (5th) working day of the following month hereinafter called the Monthly Bill date.

5.4 UPPCL on behalf of Discom shall make full payment against such Monthly Bills to the Generating Plant within thirty (30) working days of the receipt of the Monthly Bill through irrevocable revolving & self-replenishing letter of credit of a value equal to the billable amount opened with a public sector bank in favour of the Generating Plant or through any other mode. The L.C. opening and maintenance charges shall be borne by the Distribution Licensee. The L.C. shall cover the average monthly billing for units indicated in the supply schedule furnished under para 4 above for the particular calendar quarter. The LC shall be updated by 5<sup>th</sup> working day of the calendar every quarter.

5.5 A rebate of 1.25 percent on the billed amount shall be allowed for payment made through LC within one month of the date of billing and for default in payment beyond one month from the date of billing, a surcharge at the rate of 1.25 percent per month or part thereof shall be levied on the billed amount. Format of the Monthly Bill to be raised by the Generating Plant is given in Annexure III attached hereto and made a part of this agreement. If the payment is made by a mode other than through LC but within a period of one month of presentation of bill by the generating company, a rebate of 1 percent shall be allowed. However, a surcharge at the rate of 1.25 percent per month of part thereof shall be levied on the billed amount in case of default by Discom payment in within 30 days.

5.6 The bills raised by the Generating Plant shall be paid in full subject to the conditions that: -

- i) There is no apparent arithmetical error in the bill(s).
- ii) The bill(s) is/are claimed as per tariff referred to in Para 2 of this agreement.

For DALMIA CHINNI MILLS

Authorized Signatory

CE (P.P.A.)  
U.P.P.C.L.

Shakti Bhawan Extn.

For Dalmia Cement (Bharat) Ltd.