

RELIANCE

**Rosa Power Supply
Company Limited**

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19/05/2022

**The Secretary
Uttar Pradesh Electricity Regulatory Commission,
UPSLDC Complex
Vibhuti Khand, Gomti Nagar, Lucknow-226010**

Sub:- Revised Petition for fixation of transmission tariff of 7.2 KM 400 KV Transmission Line for the period 2020-21 to 2024-25 and true up of FY 2017-18 to 2019-20 as per directions of the Hon'ble Commission.

Ref – Petition no 1804 of 2021

Dear Sir,

This has reference to the petition no 1804 filed by RPSCL for fixation of transmission tariff of 7.2 KM 400 KV Transmission Line for the period 2020-21 to 2024-25 and true up of FY 2017-18 to 2019-20.

As per the directions of the Hon'ble Commission vide order no UPERC /Secy/D(T)/2022-857 dated 29.03.2022 in the referred petition, we hereby submit the revised petition for kind consideration of the Hon'ble Commission.

Kindly take this on record.

Thanking you,

Yours sincerely,

For Rosa Power Supply Company Ltd

(Sumeet Notani)
Authorized Signatory

Encl: As above.



1+5 Copy

BEFORE THE HON'BLE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

LUCKNOW, UTTAR PRADESH

PETITION NO. ____ OF 2022

IN THE MATTER OF:

Fixation Of Transmission Tariff For 7.2 Km 400 KV Dedicated Transmission Line, constructed to connect Rosa TPP To Central Transmission Utility (CTU) network as per Memorandum Of Understanding (MOU) signed between the Petitioner and the Respondent, for FY 2020-21 to FY 2024-25

AND

IN THE MATTER OF:

Rosa Power Supply Company Ltd.
19, Walchand Hirachand Marg,
Ballard Estate, Mumbai- 400001

...Petitioner

Versus

Uttar Pradesh Power Corporation Limited
Through the Chief Engineer(PPA),
7th floor, Shakti Bhawan, Ashok Marg, Lucknow- 226001.

....Respondents

AFFIDAVIT

I Sumeet Notani, S/o Shri D.P Notani, aged 50 years, Authorised Signatory, Rosa Power Supply Company Limited, having its office at 520- Kasmanda House, 2- Park Road, Hazratganj, Lucknow 226001, do hereby solemnly affirm and state as under.

1. That I am the Authorised Signatory of Rosa Power Supply Company Limited and am aware of the facts and circumstances of the present case and am otherwise authorized to swear and affirm the present Affidavit.

2. That I have gone through the contents thereto and state that same are true to my knowledge based on the records maintained by Rosa Power Supply Company Limited in ordinary course of its business,

3. That the annexure appended hereto are true copies of their respective originals.

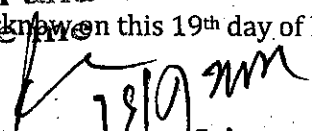

Deponent

VERIFICATION

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

Sworn and Verified
Verified at Lucknow on this 19th day of May 2022


Deponent


R.C. VERMA
Adv. & NOTARY
Lucknow U.P. INDIA
Regd No 31/64/2000

**BEFORE THE HON'BLE UTTAR PRADESH ELECTRICITY REGULATORY
COMMISSION, LUCKNOW**

PETITION NO. ____ OF 2021

IN THE MATTER OF:

Rosa Power Supply Company Limited

...Petitioner

Versus

Uttar Pradesh Power Corporation Limited

...Respondent

Fixation Of Transmission Tariff For 7.2 Km 400 KV Dedicated Transmission Line, constructed to connect Rosa TPP To Central Transmission Utility (CTU) network as per Memorandum Of Understanding (MOU) signed between the Petitioner and the Respondent, for FY 2020-21 to FY 2024-25

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BEFORE THE HON'BLE UTTAR PRADESH ELECTRICITY REGULATORY

COMMISSION, LUCKNOW, U.P.

PETITION NO. _____ OF 2021

IN THE MATTER OF

FIXATION OF TRANSMISSION TARIFF FOR 7.2 KM 400 KV DEDICATED TRANSMISSION LINE, CONSTRUCTED TO CONNECT ROSA TPP TO CENTRAL TRANSMISSION UTILITY (CTU) NETWORK AS PER MEMORANDUM OF UNDERSTANDING (MoU) SIGNED BETWEEN THE PETITIONER AND THE RESPONDENT, FOR FY 2020-21 to FY 2024-25

AND IN THE MATTER OF

Rosa Power Supply Company Limited

Regd. Office:

19, Walchand Hirachand Marg,

Ballard Estate, Mumbai - 400001

...Petitioner

AND

Uttar Pradesh Power Corporation Limited

(Through Chief Engineer, PPA)

Shakti Bhawan

14, Ashok Marg, Lucknow 226 001

...Respondent

MOST RESPECTFULLY SHEWETH:

I. CONSPECTUS

1. The Petitioner, i.e., Rosa Power Supply Company Limited ("RPSCL"/"Petitioner") is a generating company within the meaning of Section 2 (28) of the Electricity Act, 2003 ("the Act") and operates within the Regulatory supervision of this Hon'ble Commission. The Petitioner has set up a 1200 MW coal fired thermal generating station as an Independent Power Producer ("IPP") at Rosa in District Shahjahanpur, Uttar Pradesh


consisting of four units of 300 MW each. The Petitioner is filing the present petition for:-

- (a) Truing-up of Transmission Tariff for the period FY 2017-18 to FY 2019-20 under Uttar Pradesh Electricity Regulatory Commission ("Multi Year Tariff for Distribution and Transmission") Regulations 2019 ("**UPERC MYT Regulations 2019**") for its 7.2 KM 400 KV dedicated Transmission Line constructed for connecting Rosa Thermal Power Plant ("**TPP**") to Central Transmission Utility ("**CTU**") Network.
 - (b) Approval of Multi Year Tariff for the period FY 2020-21 to FY 2024-25 determined in accordance with the UPERC MYT Regulations 2019
2. The present Petition was filed before this Hon'ble Commission on 20.12.2021. However, owing to certain deficiencies in the present Petition a request for rectification was made before this Hon'ble Commission on 22.03.2022.
3. Pursuant to the above, this Hon'ble Commission *vide* its Order dated 25.03.2022, was pleased to grant liberty to the Petitioner to remove the deficiencies in the present Petition and file a revised Petition. Hence, the present Petition is being filed on behalf of the Petitioner.
4. The details of the Petition and justifications along with relevant supporting documents are given in the following Sections. For ease of reference, the present Petition has been bifurcated into the following parts:
 - (a) Factual Background and the MoU dated 19.08.2019 executed between the Petitioner and PGCIL
 - (b) The overall approach to present filings
 - (c) Truing-up of Transmission Tariff for the period FY 2017-18 to FY 2019-20
 - (d) Approval of Multi-Year Tariff for the period FY 2020-21 to FY 2024-25
 - (e) Prayer



II. FACTUAL BACKGROUND

Re Overview of the Project

5. Petitioner's Plant was set up as Special Power Project initiated by the Government of Uttar Pradesh ('GoUP') for catering to the demands of power supply in the State of Uttar Pradesh. In fact, when in the year 2006, M/s Reliance Power Limited acquired the Petitioner and decided to set up thermal based power plant project, the State of Uttar Pradesh was facing severe power deficit of over 17.4% in 2006 and no developer was willing to set up power projects within the State of Uttar Pradesh, considering the multiple construction, operational, regulatory risks and extremely high financial/ payment risk involved in the State of Uttar Pradesh.
- 5.1 On 12.11.2006, the Petitioner and UPPCL executed a PPA for Stage I of the Power Plant (2 x 300 MW) which was duly approved by this Hon'ble Commission *vide* its Orders dated 02.02.2006 and 01.11.2006 in Petition No. 306 of 2006 respectively. A True Copy of the PPA dated 12.11.2006 is hereby annexed and marked as **ANNEXURE P/1**.
- 5.2 On 30.05.2009, 27th Meeting of standing committee on Transmission System Planning of Northern Region was convened by CEA, wherein it was decided that the Petitioner will connect to Power Grid Corporation of India Limited ("PGCIL") network through a LILO and subsequently to the PGCIL substation at Shahjahanpur as and when it is commissioned. A True Copy of the minutes of meeting of the 27TH Standing Committee is hereby annexed and marked as **ANNEXURE P/2**.
- 5.3 Subsequently, on 11.09.2009, UPPCL and the Petitioner also signed a Supplementary PPA ("SPPA") for 300 MW Stage II. The SPPA got the approval of this Hon'ble Commission *vide* its Order dated 15.06.2009 in Petition No. 610 of 2009. A True Copy of the SPPA dated 11.09.2009 is hereby annexed and marked as **ANNEXURE P/3**.
- 5.4 On 12.03.2010, Unit 1 (Stage I) achieved the Commercial Operation Date ("COD") and on 30.06.2010, Unit 2 (Stage I) achieved COD.
- 

- 5.5 On 29.12.2010, 29th Meeting of the Standing Committee was convened, wherein it was decided that to avoid bypassing of series compensation of Unnao-Bareilly 400 KV UPPTCL Line, a dedicated 400 KV Double Circuit line of 7.2 Km will be constructed by RPSCL to connect to PGCIL substation at Shahjahanpur. A True Copy of the minutes of 29th meeting is hereby annexed and marked as **ANNEXURE P/4**.
- 5.6 On 31.05.2011, the Petitioner issued a letter to UPPCL thereby offering remaining 300 MW capacity of the Rosa TPP Stage II and in effect dedicating entire capacity of 1200 MW to UPPCL.
- 5.7 On 19.11.2011, Amendment to Supplemental PPA ("**ASPPA**") was executed between RPSCL and UPPCL for supply of remaining 300 MW capacity from Rosa TPP Stage II.
- 5.8 On 20.01.2012 a Memorandum of Understanding ("**MoU**") was signed between Petitioner and UPPCL. In terms of the said MoU, the transmission tariff for the 400 kV dedicated transmission line constructed by the Petitioner is to be determined by the Hon'ble Commission. Relevant extract of MoU dated 20.01.2012 mentioned below:

"2. UPPCL shall bear all applicable connectivity and transmission charges inclusive of all applicable taxes and duties and transmission losses for ISTS network including all the charges payable under the BPTA including charges for applicable Bank Guarantees by reimbursing the same to RPSCL.

4. UPPCL shall bear all transmission charges for 400 kV dedicated transmission line as determined by U.P. Electricity Regulatory Commission (UPERC) on a petition to be filed by RPSCL excluding the transmission losses for 400 kV dedicated line which shall be to RPSCL's account."

A true copy of the MoU dated 20.01.2012 is hereby annexed and marked as **ANNEXURE P/5**.

- 5.9 Further as per Clause 1 of the MoU dated 20.01.2012, both Petitioner and UPPCL agreed that Petitioner shall operate and maintain 400 kV dedicated transmission line connecting Stage - II switchyard of Petitioner with PGCIL network.

- 5.10 On 15.03.2012, the 400 KV DC Transmission Line of 7.2 Km was commissioned and on 01.04.2012, the 4th Unit of the Petitioner also commissioned. Transmission network details of Petitioner is as follows:

Table 1: Rosa Transmission network details

Particulars	Unit	Value
Total length of 400 kV line	Ckt Kms.	7.2
Total no. of 400 kV bays at PGCIL's Shahjahanpur Substation	Nos.	4

- 5.11 On 16.05.2012, in the petition filed by Petitioner for approval of additional capex incurred in Stage-II, this Hon'ble Commission directed Petitioner to file separate petition for 400 kV transmission line and associated works. The relevant extracts of this Commission order dated 16.05.2012 mentioned below:

"3. On the preliminary examination of RPSCL's petition on additional capital costs, the Commission discovered that the petition also includes capital cost on 400 KV transmission line and associated works. As the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 neither covers the capital cost nor the O&M expenditure of transmission line, it cannot be taken into consideration in this petition. Hence, the Petitioner is directed to file the cost on 400 KV transmission line and associated works through a separate petition."

- 5.12 On 18.08.2017, Petitioner and PGCIL executed a MoU for operation and maintenance of terminal equipment installed in switchyard of PGCIL, 400/220 KV Substation for Two nos. 400 kV Rosa Main Bays and Two nos. 400 kV Rosa Tie bays, from the date of commissioning of 400 KV Rosa – Shahjahanpur line 1 & 2 (Commissioning of SPN-Rosa Ckt-I and SPN-Rosa Ckt-II on 22.03.2017 and 04.03.2017 respectively) till 31.03.2019. The relevant terms of the MoU are as follows:-

"2.1 BAY UNDER CONSIDERATION

POWERGRID will be carrying out the operation and maintenance of all indoor and outdoor terminal equipment installed in the following RPSCL bays at POWERGRID switchyard

At 400/220 kV Shahjahanpur Substation Switchyard:

Two nos. 400 kV Rosa Main Bays and two nos. 400kV Rosa Tie bays of Rosa Power for connecting 400 kV D/C Shahjahanpur – Rosa Line at 400/220 kV Shahjahanpur Substation.

4. Compensation

4.1. RPSCL has 04 No. of Bays at Shahjahanpur substation, RPSCL will pay POWERGRID for each bay charges as per O&M of bays, which at present is Rs 24.46 Lakh/year/bay with year escalation @3.32% of O&M Charges, fixed for the previous year, thereafter till the validity period of this MoU or mutually agreed period after the expiry of the validity period. To elaborate, the year wise compensation is attached at **Annexure – I**. However, in case of any change of CERC norms in future, the revised charges for O&M of bays shall be paid by M/s. RPSCL to POWERGRID.

11.0 This MOU shall be valid up to 31.03.2019 i.e., for tariff block 2014-19. After expiry of above MoU, fresh agreement may be signed for new tariff block 2019-24, as per latest CERC norms/POWERGRID uniform rates."

5.13 On 19.08.2019, Petitioner and PGCIL executed a subsequent MoU for the operation and maintenance of terminal equipment in the switchyard of PGCIL, 400/220 KV Shahjahanpur Substation for Two nos. 400 kV Rosa Main Bays and Two nos. 400 kV Rosa Tie bays. The relevant terms of the MoU are as follows:-

2.1 BAY UNDER CONSIDERATION

POWERGRID will be carrying out the operation and maintenance of all indoor and outdoor terminal equipment installed in the following RPSCL bays at POWERGRID switchyard

At 400/220 kV Shahjahanpur Substation Switchyard:

Two nos. 400 kV Rosa Main Bays and two nos. 400kV Rosa Tie bays of Rosa Power for connecting 400 kV D/C Shahjahanpur – Rosa Line at 400/220 kV Shahjahanpur Substation.

4. Compensation

4.1. RPSCL has 04 No. of Bays at Shahjahanpur substation, RPSCL will pay POWERGRID for each bay charges as per O&M of bays, which at present is Rs 32.15 Lakh/year/bay with year escalation @3.51% of O&M Charges, fixed for the previous year, thereafter till the validity period of this MoU or mutually agreed period after the expiry of the validity period. To elaborate, the year wise compensation is attached at **Annexure – I**. However, in case of any change of CERC norms in future, the revised charges for O&M of bays shall be paid by M/s. RPSCL to POWERGRID.

11.0 This MOU shall be valid up to 31.03.2024 i.e., for tariff block 2019-24. After expiry of above MoU, fresh agreement may be

signed for new tariff block 2024-29, as per latest CERC norms/POWERGRID uniform rates.

- 5.14 It is apposite to state that as per the terms of the MoU dated 18.08.2017 and 19.08.2019, PGCIL shall be responsible for maintenance of all internal and outdoor terminal equipment installed in bays at PGCIL's Shajahanpur Substation and Petitioner will pay PGCIL for each bay charges as per Annexure - I of the said MoU. A true copy of MoU dated 18.08.2017 and 19.08.2019 are hereby annexed and marked as **ANNEXURE P/6 (Colly.)**.

Re History of filings

A. Orders of this Hon'ble Commission with respect to fixation of Tariff of 7.2 KM 400 KV DC Dedicated Transmission Line


- 5.15 In 2012, the Petitioner filed Petition No. 786 of 2012 for approval of additional cost incurred on Balance of Plant ("BoP") and 400 KV transmission line and associated works of 2 x 300 MW Stage II of Rosa TPP.
- 5.16 On 16.05.2012 and 25.06.2012, this Hon'ble Commission passed its Order in Petition No. 786 of 2012 and provisionally approved the additional capital of Rs. 550.02 Cr. on the BoP of the Project. Further, vide the same Order, this Hon'ble Commission also directed to file a separate petition for 400 KV transmission line. For ease of reference, the relevant extracts of the same is reproduced hereunder:

(a) This Hon'ble Commission's order dated 16.05.2012:

"3. On the preliminary examination of RPSCL's petition on additional capital costs, the Commission discovered that the petition also includes capital cost on 400 KV transmission line and associated works. As the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 neither covers the capitalcost nor the O&M expenditure of transmission line, it cannot be taken into consideration in this petition. Hence, the Petitioner is directed to file the cost on 400 KV

(b) This Hon'ble Commission's order dated 25.06.2012:

"1. M/s Rosa Power Supply Company Limited has filed the petition for approval of additional capital cost of Rs. 595.09 Crs incurred on Balance of Plant (BoP) and 400 kv transmission line and associated works of Rosa Thermal Power Station. In the matter, vide order dated 16.05 2012,



the Petitioner was directed to file the cost incurred by them on 400 KV transmission line and associated works through a separate petition and the Respondent in response to their request was given additional time for submission of their reply. The reply has not been filed by the Respondent so far.


2. Hence, the Hon'ble Commission is requested to approve provisionally, the additional capital of Rs. 550.02 Cr. (after reducing the cost of transmission system) subject to prudence check and final approval of the Commission.


3. In view of above; the Commission deems it appropriate to provisionally approve the additional capital cost of Rs. 550.02 Cr. on the BoP of the project subject to prudence check and final approval of the Commission under the provisions of PPA, Regulations and earlier orders of the Commission."

A True copy of Order dated 16.05.2012 and 25.06.2012 passed by the Hon'ble Commission in Petition No. 786 of 2012 is hereby annexed and marked as **ANNEXURE -P/7 (Colly.)**.

5.17 On 03.10.2012, after commissioning of 400 kV Double Circuit dedicated transmission line of 7.2 km connecting the Petitioner to CTU network and in accordance with the directions of this Hon'ble Commission, the Petitioner filed a separate Petition being **Petition No. 837 of 2012 for fixation of tariff for the transmission line**. By way of the said Petition, the Petitioner sought approval of capital cost capitalized till 31.03.2015 and tariff for construction of 400 kV transmission line and associated facilities; after considering the fact that this line would be used permanently for evacuation of power from Stage II of Rosa TPP and will be injected into CTU grid which will, in turn, be supplied to UPPCL.

5.18 This Hon'ble Commission vide order dated 29.06.2016 ("**Transmission Tariff Order 1**") as well as corrigendum dated 20.10.2016 approved Transmission Charges for the period from FY 2011-12 to FY 2016-17. Against the capitalized cost of Rs 28.79 Crore till 31.03.2013, the Hon'ble Commission has approved Rs. 21.82 Crores and approved Transmission Charges for the period from FY 2011-12 to FY 2016-17. A true Copy of Order dated 29.06.2016 is hereby annexed and marked as **ANNEXURE -P/8**



- 5.19 On 25.05.2017, the Petitioner filed Petition No. 1197 of 2017 for fixation of Transmission Tariff for FY 2017-18 to FY 2019-20.
- 5.20 Thereafter, on 29.01.2018 this Hon'ble Commission *vide* order in Petition No. 1197 of 2017 ("**Transmission Tariff Order 2**") approved a capital cost of Rs. 33.31 Crs. and Transmission tariff for FY 2017-18 to FY 2019-20 was determined by the Hon'ble Commission as per MoU dated 20.01.2012 executed between Petitioner and UPPCL. This Hon'ble Commission in the said Order did not allow True Up for FY 2014-15, 2015-16, 2016-17 since tariff for these years was determined by the Hon'ble UPERC *vide* Order dated 29.06.2016. A true Copy of Order dated 29.01.2018 is hereby annexed and marked as **ANNEXURE -P/9**
- 5.21 Further, after the commissioning of bays at PGCIL Shajahanpur Substation on 22.03.2017 (Circuit 1) & 04.03.2017 (Circuit 2), the Hon'ble Commission by way of Order dated 29.01.2018 in Petition No, 1197 of 2017 while determining the Tariff for the control period i.e., FY 2017-18 to FY 2019-20 approved as follows:
- (a) additional capital cost of Rs. 11.49 Crs.,
 - (b) Bay maintenance charge under O&M Expenses as per MoU between RPSCL and PGCIL dated 18.08.2017
 - (c) 70% of the O&M Expenses as claimed at the time by the Petitioner.
- 5.22 As the Tariff approved by the Hon'ble Commission in the aforesaid Order was till FY 2019-20, Petitioner is filing the present Petition for True-up of tariff for the period FY 2017-18 to FY 2019-20 and the approval of Multi Year Tariff for the period FY 2020-21 to FY 2024-25 to be determined in accordance with the UPERC MYT Regulations 2019.
- 5.23 Taking into consideration, the commissioning of bays at PGCIL sub-station at Shahjahanpur 30.03.2017 and revision of bay maintenance charges in new control period 2019-24, the Hon'ble Commission may allow recovery of actual bay maintenance charges incurred by Petitioner on account of MoU dated 19.08.2019 for true up of period from FY 2017-18 to FY 2019-20 as the
- 

bay maintenance charges for FY 2019-20 and FY 2020-21 mentioned in PGCIL MoU dated 18.08.2017 were subsequently revised considering new CERC Tariff norms for control period 2019-24. Summary of bay maintenance charges as per respective MoU between Petitioner and PGCIL mentioned below:

Financial Year	As per MoU with PGCIL dated 18.08.2017 (Rs Lakh/bay/year)	As per MoU with PGCIL dated 19.08.2019 (Rs Lakh/bay/year)
2016-17	24.460	
2017-18	25.272	
2018-19	26.111	
2019-20	26.978	32.150
2020-21	27.874	33.280
2021-22		34.450
2022-23		35.660
2023-24		36.910

5.24 In addition to the above, looking into the history of filings of the Petitioner, in relation to determination of tariff for its project, the following emerges:

- (a) Cost of 400 kV Transmission line originally included in Petition No. 786 of 2012 was removed as per the direction of this Hon'ble Commission *vide* order dated 16.05.2012 and 25.06.2012.
- (b) Accordingly, the Petitioner filed a separate petition for approval of Transmission Tariff, i.e., Petition No. 837 of 2012 wherein this Hon'ble Commission *vide* orders dated 29.06.2016 and 29.01.2018 approved Transmission Tariff for the period from FY 12 to FY 17 (Petition No 837 of 2012) and FY 18 to FY 20 (Petition No 1197 of 2017) respectively.
- (c) Further, the cost of 400 kV transmission line was not included in the Additional Capex approval petition filed by Petitioner in 2017 in Petition No. 1197 of 2017.
- (d) Therefore, the Petitioner is constrained to file the present petition in light orders passed by the Hon'ble Commission on 28.03.2011, 21.05.2012, 22.08.2017 & 24.04.2018 wherein only Generation Tariff

of the Petitioner's plant was approved, and cost of transmission line is not taken into consideration.

III. OVERALL APPROACH TO PRESENT FILING

A. Provisions from Act and MYT Regulations

6. The Act provides for approval of tariff of Transmission Assets within the State

"Section 86 Functions of State Commission -

(1) the State Commission shall discharge the following functions namely:-

(a) determine the tariff for generation, supply, transmission, and wheeling of electricity, wholesale, bulk, or retail, as the case may be, within the State;

Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;

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

(c) facilitate intra-State transmission and wheeling of electricity;"

- 6.1. Further, Regulation 6 of the UPERC MYT Regulations 2019 states that:

"6 True-Up:

6.1 The Licensee shall file Petition for True-Up as provided in Regulation 4.1 of these Regulations: Provided that the Petition shall include information in such form as may be stipulated by the Commission, together with the Accounting Statements, extracts of books of account and such other details, etc., as per the Guidelines and Formats as may be prescribed by the Commission.


6.2 The Commission shall carry out the Truing-Up exercise stipulated in the provisions of these Regulations. True-Up of Expenses and Revenue shall be on the basis of approved and actual expenses, revenue, etc., based on prudence check of Accounting Statements of the Licensee for the Financial Year.

6.3 The Distribution Licensee shall ensure that the Category/ Sub-category-wise billed revenue as per the Rate Schedule is included in its Accounting Statements."

- 6.2. Further, Regulation 11 of MYT Regulations 2019 provides for Application for determination of Tariff for the Control Period FY 2017-18 to FY 2019-20. The relevant extract of the Regulations is reproduced below for the ready reference of the Hon'ble Commission.

11 Determination of Tariff or Licensee:

11.1 The Commission shall determine the ARR and Tariff or the Licensee, upon consideration of a Petition filed by the Licensee in accordance with the procedure contained in these Regulations.



11.2 The Commission shall determine the ARR/Tariff or the Licensee for:

- (a) Transmission Licensees, in accordance with the terms and conditions contained in Part E of these Regulations;
- (b) Distribution Licensee, in accordance with the terms and conditions. Contained in Part F of these Regulations; and

6.3. Based on the above, the Petitioner is filing the present Tariff Petition. In terms of Regulation 6 & 11 quoted above, the Petitioner is filing the present Tariff Petition for True up and computation of Tariff based on actual capital expenditure incurred by the Petitioner.

IV. KEY ISSUES

Re MoU dated 19.08.2019 executed between the Petitioner and PGCIL

6.4. It is humbly submitted that Petitioner commenced operation and supply of power to UPPCL as per PPA dated 12.11.2006. In accordance with the terms of the PPA, UPPCL agreed to construct, own, and operate the External Interconnection Facilities. In this regard, relevant provisions of the PPA are reproduced below :-

"Section 9.2 Switchyard and Transmission Lines

...

(b) UPPCL shall design, construct, install, test , commission, operate, own, and maintain at no cost to Rosa, the 220 kV Transmission Line and the other External interconnection Facilities described in Schedule 5 and the UPPCL System.

(c) Ownership of facilities and the responsibility between Rosa and UPPCL shall be as described in Schedule 5 and in Section 6.13.

(d) Rosa will specify the requirements for protection, control and metering of the Internal Interconnection Facilities and External Interconnection Facilities to protect the station.

(e) UPPCL and ROSA shall use its reasonable efforts to ensure that power flows into the ROSA substation and/or the Switchyard do not result in metering inaccuracy."

Schedule - 5

Transmission and Interconnection Facilities

PART A -UPPCL's RESPONSIBILITY

The UPPCL Transmission System which will be used to evacuate Available Energy from the Station shall include the following power system hardware.

1. 2- Double Circuit 220 kV Rosa - Shahjahanpur Line
2. 1- Double Circuit 220 kV Rosa - Hardoi line
3. 1- Single Circuit 220 kV Rosa - Badaun line
4. 220/132 kV, 2 x 100 MVA Hardoi Sub - Station
5. Necessary 132 kV Inter - connectors between 220 kV and 132 kV Hardoi sub-station


UPPCL Shall build the above 7 nos, transmission lines and tie into the Station's 220 kV Switchyard Outgoing Gantry....

- 6.5. Further the above understanding also continued in the SPPA dated 11.09.2009 and the MoU dated 20.01.2012, same is evident from the relevant terms of the SPPA which are herein reproduced below :-

"7. Interconnection and Transmission

7.1. UPPCL shall at its own expense complete external interconnection facilities in accordance with the specifications as outlined in Schedule IIA, including connections to the 400 kV Systems of UPPCL in order to evacuate the contracted capacity under this Agreement.

7.2. UPPCL shall complete construction of external interconnection facilities Ninety (90) days before scheduled synchronization date of Unit II or any extension thereto due to any Force Majeure event in accordance with the construction Schedule of Unit - II..."

- 6.6. Thus, it is discernable from the above-stated clauses that the construction of the External Interconnection Facilities for evacuation of the power from Phase II of the project was the responsibility of UPPCL for which a LILO was planned on Unnao-Bareilly 400 KV Uttar Pradesh Power Transmission Corporation Limited ("UPPTCL") Line.
- 6.7. However, subsequently, it was decided in the 29th Meeting of the Standing Committee held on 29.12.2010 that to avoid bypassing of series, compensation of Unnao-Bareilly 400 KV UPPTCL Line, a dedicated 400 KV Double Circuit line of 7.2 KM will be constructed by Petitioner to connect to PGCIL substation at Shahjahanpur.
- 6.8. Considering the above, Petitioner entered into an agreement with PGCIL for construction of 400 kV bays at the substation of PGCIL at Shahjahanpur for interconnection to Network of PGCIL. However, to service the bays at the PGCIL Sub- station, Petitioner executed a subsequent MoU dated 19.08.2019, wherein PGCIL shall be responsible for maintenance of all internal and outdoor terminal equipment installed in bays at PGCIL's Shajahanpur Substation. However, for such services, the Petitioner shall be liable to make requisite payment to PGCIL.
- 6.9. Thus, basis the current situation and the need for Petitioner to operate and maintain 400 kV dedicated transmission line connecting Phase II switchyard
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with PGCIL network, Petitioner was constrained to pay revised bay maintenance charges as per the terms of MoU dated 19.08.2019, which were derived as per Regulation 35 (3) Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2019 ("**CERC Tariff Regulations 2019**") and were uniform PGCIL rates for bay maintenance.

- 6.10. It is humbly submitted that the payment to PGCIL is beyond the scope of tariff determined by the Hon'ble Commission and qualify within the meaning of Uncontrollable Factors under Tariff Order dated 29.01.2018 and itself is an uncontrollable factor and is beyond the control of the Petitioner and such expense hence needs to be trued up. In this regard it is apposite to state Regulation 8.1 (d) of MYT Regulation 2019 which provide for uncontrollable factors which cannot be mitigated by the Petitioner and should be adjusted in the ARR or Tariff of the Petitioner. The relevant excerpts of the Regulation are reproduced below.

8 Controllable and Uncontrollable Factors:

8.1 The "Uncontrollable Factors" shall comprise the following factors, which were beyond the control of, and could not be mitigated by the Licensee, as determined by the Commission:

- (a) Force Majeure events;
- (b) Change in Law;
- (c) Taxes, Duties and Statutory levies;
- (d) **Variation in the approved cost of power purchase from approved sources, subject to clauses in the power purchase agreement or arrangement approved by the Commission;**
- (e) Variation in interest rates for long-term loans; and
- (f) **Other expenses- It will cover expenses like salary revision effected because of Pay Commissions or any other expenses allowed by the Commission after prudence check....**

- 6.11. Further, Hon'ble Commission while approving the recovery of bay maintenance charges as per MoU with PGCIL dated 18.08.2017 has allowed recovery of 70% of O&M Charges only while approving Transmission Tariff for the period from FY 2017-18 to FY 2019-20. Thus, in the present matter excess bay maintenance charges paid by the Petitioner on account of MoU dated 18.08.2017 and 19.08.2019 to be treated as an uncontrollable factor. In this regard reliance is placed on the judgment passed by the Hon'ble Tribunal
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titled as *Torrent Power Limited v GERC* (Appeal no. 256 of 2016). The relevant excerpts of the judgment are reproduced below

"8.2 Admittedly, the variation in O&M expense on account of the cost of Rs. 4.54 Crore was incurred towards the network augmentation charge as required by the State Transmission Utility (STU) for laying connectivity to source power to cater to the demand of the consumers. This expense is, therefore, beyond the control of the Appellant and has been incurred at the instance of STU and therefore, we find force in the submissions made by the learned counsel for the Appellant that this expense is uncontrollable as being beyond the control of the Appellant.

8.3 We agree that O&M expense is to be treated as controllable & normative in normal circumstances but when Statutory Regulations provides for exception, the Statutory Regulations are to be followed to deal with those exceptions. Reference to this Tribunal's judgment in NTPC Ltd Vs Uttar Pradesh Power Corporation Limited in Appeal No. 148 of 2015, it is important to note that order is in relation to additional cost incurred for a tariff item and does not deal with exceptional situation which results in increase of O & M cost which falls within the third proviso of Regulation 23.1. Thus, this judgment is not applicable to the present case when seen in its entirety.

8.6 From the above, it is noticed that the estimated network growth and rise in demand in the Dahej SEZ did not arise as expected which resulted into severe mismatch between the scope of works and procurement of materials. It is not in dispute that the planning for 220 kV double circuit line for connectivity East to West sub-station was kept on hold by STU itself and later on, it directed the Appellant to construct part of the said 220 kV network on behalf of STU (GETCO). In execution of the said work, the materials which were available or procured were utilized to the maximum extent possible. However, certain items could not be used due to very distinct technical specifications. The part of materials which could be put to future use were transferred to stores and some items were scrapped. This written off materials valued at Rs.2.48 crores were part of the O & M expenses. We thus opine that the variation in O&M expenses which have arisen due to uncontrollable / extra ordinary reasons, ought to have been treated as uncontrollable. We are unable to accept the observations of the State Commission that "the same cannot be considered as efficient planning and the consumers cannot be burdened with such losses." In such a circumstances, when STU was closely involved for planning and execution of the said lines and substation, the Appellant cannot be penalized on account of the factors which were beyond its control and entirely uncontrollable. We are, therefore, of the considered opinion that the State Commission has not adopted judicious approach in dealing with the issue and has taken a decision of legal infirmity."

[Emphasis Supplied]



V. True-up for the period from FY 2017-18 to FY 2019-20

- 6.12. The Petitioner in the present petition is submitting the actual expenses for the purpose of True-up. In this regard, Petitioner humbly submits that the actual O&M Expenses of Transmission line incurred by Petitioner is more than what was approved by Hon'ble Commission under Tariff Order dated 29.01.2018. This Hon'ble Commission while approving tariff had only allowed 70% of claimed O&M expenses and difference of O&M Expenses in the year 2019-20 is on account of the "Uncontrollable Factors" as explained in Para 6.10 above. Details of the same are mentioned hereunder and the Petitioner consequently prays the Hon'ble Commission to allow recovery of the same and its impact on Working Capital from UPPCL.
- 6.13. **True-up of O&M Expenses:** Petitioner is maintaining combined account for O&M expenses of Generating Station and Transmission Line together. Considering this fact, Hon'ble Commission has approved normative O&M Charges of 2% of capital cost of transmission line *vide* its order dated 29.06.2016. Taking into consideration, the commissioning of bays at PGCIL sub-station at Shahjahanpur, the Hon'ble Commission allowed recovery of bay maintenance charges of PGCIL @ Rs. 24.46 Lakh/year/bay with 3.32% escalation in FY 2016-17 in addition to normative O&M expenses of 2% of capital cost as per MoU between Petitioner and PGCIL dated 18.08.2017.
- 6.14. Further, the Bay maintenance charges of PGCIL got revised w.e.f. 01.04.2019 as per MoU between the Petitioner and PGCIL dated 19.08.2019. Summary of the same mentioned below for ready reference.

Table 2: PGCIL Bay Maintenance Charges

	As per UPPCL Order dated 29.01.2018 and MoU with PGCIL dated 18.08.2017	As per MoU with PGCIL dated 19.08.2019
Bay Maintenance Charges for FY 2019-20	Rs. 26.978 Lakh/bay	Rs. 32.150 Lakh/bay

- 6.15. Based on the above facts, please find below summary of O&M Charges approved by Hon'ble Commission and actual incurred by the Petitioner on account of Uncontrollable Factors during FY 2017-18 to FY 2019-20 as follows:-

Table 3: O&M Charges – Approved in TO2 Vs Actual

Year	FY 2017-18	FY 2018-19	FY 2019-20
O&M Charges - Approved in Tariff Order 2) or TO2 (Rs. Crs)	1.17	1.19	1.21
Actual O&M Charges incurred:			
O&M Charges - PGCIL Bay maintenance cost (Rs. Lakh/Bay)	25.27	26.11	32.15
O&M Charges - PGCIL Bay maintenance cost for 4 bays (Rs. Crs)	1.01	1.04	1.29
Capital Cost of Transmission Line (Rs Crs)	33.31	33.31	33.31
O&M Charges @ 2% of capital cost (Rs Crs)	0.67	0.67	0.67
Total Actual O&M Charges (B)	1.68	1.71	1.95
True-up amount to be recovered from Procurers (B-A)	0.51	0.52	0.74

- 6.16. **True-up of Interest on Working Capital:** Working capital requirement has been calculated based on actual O&M Expenses which is in variance on account of uncontrollable factors and summary of the same is as follows:

Table 4: Interest on Working Capital – Approved in TO2 Vs Actual

Particulars	FY 2017-18		FY 2018-19		FY 2019-20	
	Approved (In TO2)	Claimed	Approved (In TO2)	Claimed	Approved (In TO2)	Claimed
Interest on Working Capital	0.15	0.17	0.15	0.17	0.14	0.17

- 6.17. It is humbly submitted that the working capital requirement is computed as per Regulation 25.1 of the MYT Regulations 2019. Thus, the Hon'ble Commission is requested to approve the above-mentioned interest on

working capital from FY 2017-18 to FY 2019-20 and allow the same to be recovered from UPPCL.

- 6.18. **Revenue Gap / Surplus for FY 2017-18 to FY 2019-20:** Basis the submissions made above, the Revenue gap / surplus for FY 2017-18 to FY 2019-20 calculated and summary of the same is follows:

Table 5: Summary of Transmission Charges: Approved in T02 Vs Actual

S. No.	Particulars	Rate Up/ APR					
		FY 2017-18		FY 2018-19		FY 2019-20	
		Approved (in T02)	Claimed	Approved (in T02)	Claimed	Approved (in T02)	Claimed
a	O&M expenses	1.17	1.68	1.19	1.71	1.21	1.95
b	Depreciation	1.39	1.39	1.32	1.32	1.25	1.25
c	Interest on Loan	1.79	1.79	1.64	1.64	1.49	1.49
d	Interest on Working Capital	0.15	0.17	0.15	0.17	0.14	0.17
e	Return on Equity	1.55	1.55	1.55	1.55	1.55	1.55
f	Income Tax	0				0.00	0.00
g	Total	6.05	6.58	5.85	6.38	5.64	6.41
h	Revenue Gap/Shortfall/ Surplus	0.00	0.53	0.00	0.53	0.00	0.77
	Approved Tariff						

- 6.19. The Hon'ble Commission is requested to approve the above-mentioned revenue gap from FY 2017-18 to FY 2019-20 and allow the same to be recovered from UPPCL.

Capital Cost

- 6.20. The Hon'ble Commission *vide* order dated 29.06.2016 approved the transmission line Capital Cost of Rs 21.82 Crore out of Capitalized cost of Rs 28.79 Crore which does not include the cost of dedicated bays at the PGCIL's substation at Shahjahanpur. Further, Hon'ble Commission *vide* order dated 29.01.2018 approved additional capital cost of Rs. 11.49 Crs towards bays at 400/220 KV Switchyard at PGCIL, Shahjahanpur Substation and the work has been undertaken by PGCIL on deposit work basis.

6.21. Summary of Capital Cost (in Rs Cr) is given in the table below:

TABLE 6: Capital Cost(Rs Crs)

Description	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Cost	33.31	33.31	33.31	33.31	33.31
Debt (70%)	23.32	23.32	23.32	23.32	23.32
Equity (30%)	9.99	9.99	9.99	9.99	9.99

VI. Approval of Multi Year Tariff for the period FY 2020-21 to FY 2024-25

6.22. It is submitted that as per the MoU signed between Petitioner and UPPCL on 20.01.2012, the transmission tariff for the 400 kV dedicated transmission line constructed by the Petitioner is to be determined by this Hon'ble Commission.

6.23. The transmission tariff has been calculated based on the UPERC (Multi Year Tariff for Distribution and Transmission) Regulations, 2019 ("MYT Regulations, 2019"). The components of tariff are as follows:

- (a) Return on equity;
- (b) Interest on loan capital;
- (c) Depreciation;
- (d) Interest on working capital;
- (e) Operation and maintenance expenses;
- (f) Income Tax;
- (g) Contribution to Contingency Reserves;**

6.24. **Return on Equity** is taken as 14.5% as per MYT Regulations 2019. The Petitioner submits that based on the Capital Cost and debt equity ratio approved by the Hon'ble Commission *vide* order in case No 1197 of 2017, Normative opening Equity has been calculated for FY 2020-21. The Return on Equity ("**RoE**") has been computed based on Regulation 22 of the MYT Regulations, 2019 i.e., at the rate of 14.5% and request the Hon'ble Commission to approve the same.

The workings of return on equity are given in the table below:

Table 7: Return on Equity FY 21 to FY 25(Rs Crs)

S.No.	Particulars	Control Period				
		FY	FY	FY	FY	FY
		2020 21	2021 22	2022 23	2023 24	2024 25
1	Equity (Opening Balance)	9.99	9.99	9.99	9.99	9.99
2	Net additions during the year					
3	Equity (Closing Balance)	9.99	9.99	9.99	9.99	9.99
4	Average Equity	9.99	9.99	9.99	9.99	9.99
5	Rate of Return on Equity	14.50%	14.50%	14.50%	14.50%	14.50%
6	Return on Equity	1.45	1.45	1.45	1.45	1.45

6.25. **Interest on Loan Capital:** The Petitioner is operating both Generating and Transmission assets in an integrated way and no separate loan account is maintained. Hence as per clause 23.5 UPERC MYT Regulations, 2019, weighted average rate of interest of Generation Business is to be considered. Relevant extract of UPERC MYT Regulations, 2019 mentioned below for ready reference:

"23.5 The rate of interest shall be weighted average rate of interest computed on the basis of the actual long-term loan portfolio at the beginning of each year:

Provided that at the time of Truing-up, the weighted average rate of interest of the actual long-term loan portfolio during the concerned year shall be considered as the rate of interest:

Provided further that if there is no actual long-term loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest for actual loan shall be considered:

Provided also that if the Licensee, does not have actual long-term loan even in past, the weighted average rate of interest of its other Businesses regulated by the Commission shall be considered:

Provided also that if the Licensee does not have actual long-term loan, and its other Businesses regulated by the Commission also do not have actual loan even in the past, then the weighted average rate of interest of the entity as a whole shall be considered:

Provided also that if the entity as a whole does not have actual long term loan because of which interest rate is not available, then the rate of interest for the purpose of allowing the interest on the normative

long-term loan should be the weighted average SBI MCLR (1 year) prevailing during the concerned year."

6.26. It is humbly submitted that this approach is completely in line with the provisions of the MYT Regulations, 2019 and requests the Hon'ble Commission to approve the same. A working of Interest on loan capital is shown in the table below.

Table 8: Interest Expenses FY 21 to FY 25 (Rs Crs.)

Sl. No.	Source of Loan	MYT Control Period				
		FY	FY	FY	FY	FY
		2020-21	2021-22	2022-23	2023-24	2024-25
1.	Opening Balance of Normative Loan	12.43	10.85	9.27	7.68	6.10
2.	Less: Reduction of Normative Loan due to retirement or replacement of assets					
3.	Addition of Normative Loan due to capitalisation during the year					
4.	Repayment of Normative loan during the year (Depreciation)	1.58	1.58	1.58	1.58	1.58
5.	Closing Balance of Normative Loan	10.85	9.27	7.68	6.10	4.52
6.	Average Balance of Normative Loan	11.64	10.06	8.48	6.89	5.31
7.	Weighted average Rate of Interest on actual Loans (%)*	11.01 %	11.67 %	11.06%	7.44%	7.44%
8.	Interest Expenses	1.28	1.17	0.94	0.51	0.40
9.	Interest on Security Deposit from Consumers and Distribution system Users					
10.	Total Interest Expenses	1.28	1.17	0.94	0.51	0.40

*As per RPSC Generation MYT Petition (1578 of 2020) for 2019-24 Control Period

- 6.27. **Debt and Equity** component in the transmission line cost is as per table 6 mentioned above as is claimed under Regulation 20 of the MYT Regulations 2019 which provides as under :-

20. Debt-Equity Ratio

20.1 For a capital investment Scheme declared under commercial operation on or after April 1, 2020, debt - equity ratio as on the date of commercial operation shall be 70:30 of the amount of capital cost approved by the Commission under Regulation 18, after making appropriate adjustment of Assets . funded by Consumer Contribution/ Deposit Works/ Capital Subsidies/ Grant subject to prudence check for determination of Tariff

Provided that if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan for the Licensee for determination of Tariff

Provided further that the Licensee shall submit documentary evidence for the actual deployment of equity and explain the source of funds for the equity

Provided also that where equity actually deployed is less than 30% of the capital cost of the capitalized asset, the actual equity shall be considered for determination of Tariff.

Provided also that the equity invested in foreign currency shall be designated on the date of each investment.

- 6.28. It is humbly submitted that this approach to claim debt and equity is completely in line with the provisions of the MYT Regulations, 2019 and Petitioner requests the Hon'ble Commission to approve the same.

- 6.29. **Depreciation:** The Petitioner submits that based on the capital cost approved by the Hon'ble Commission and considering the depreciation rates notified under MYT Regulations, 2019, the details of depreciation for Current Control Period is claimed under Regulation 21 of the MYT Regulation as follows:

Table 9: Depreciation FY 21 to FY 25

(Rs Crs)

Particulars	Control Period				
	FY	FY	FY	FY	FY
	2020-21	2021-22	2022-23	2023-24	2024-25
Capital Cost	33.31	33.31	33.31	33.31	33.31
Less: Value of Non Depreciable Asset					
Value of Depreciable Asset	33.31	33.31	33.31	33.31	33.31

Particulars	Control Period				
	FY	FY	FY	FY	FY
	2020-21	2021-22	2022-23	2023-24	2024-25
Less: Residual Value (10%)	3.33	3.33	3.33	3.33	3.33
Depreciable Value	29.98	29.98	29.98	29.98	29.98
Depreciation recovered upto Previous Year	10.88	12.47	14.05	15.63	17.22
Remaining Depreciable Value	19.09	17.51	15.93	14.35	12.76
Depreciation recovered/ to be recovered during the year (upto maximum of remaining depreciable value) (5.28%)	1.58	1.58	1.58	1.58	1.58
Advance Against Depreciation					
Balance Depreciable Value	17.51	15.93	14.35	12.76	11.18

6.30. **Interest on Working Capital:** Working capital requirement has been calculated as per Regulation 25 of the MYT Regulations, 2019.

Table 10: Interest on Working Capital FY 21 to FY 25

(Rs Crs)

S.No	Particulars	Control Period				
		FY	FY	FY	FY	FY
		2020-21	2021-22	2022-23	2023-24	2024-25
1	O&M expenses for 1 month	0.17	0.17	0.18	0.18	0.19
2	One and a half month equivalent of expected revenue from transmission charges at the prevailing Tariff	0.86	0.85	0.83	0.78	0.78
3	Maintenance spares at 40% of the R&M Expenses for two months	0.13	0.14	0.14	0.15	0.15
4	Less: Security deposits from consumers, if any					
	Total Working Capital	1.16	1.16	1.15	1.11	1.12
	Interest Rate (%) (SBI MCLR - 1 years as on 1 st Oct 2019 + 250 basis points)	10.65 %	10.65 %	10.65 %	10.65 %	10.65 %
	Interest on Working Capital	0.12	0.12	0.12	0.12	0.12

6.31. **Operation and maintenance expenses:** It is humbly submitted that O&M Expense are derived under Regulation 34 of MYT Regulations 2019 passed by the Hon'ble Commission which prescribes as follows

"34. Operation and Maintenance Expenses

- a) *The Operation and Maintenance expenses for the Transmission Business shall be computed as stipulated in with these Regulations.*
- b) *The Operation and Maintenance expenses shall be derived on the basis of the average of the Trued-Up values (without efficiency gain/loss) for the last five (5) financial years ending March 31, 2019, subject to prudence check by the Commission. However, if Trued-Up values (without efficiency gain/ loss) are not available for FY 2018-19, then last five (5) available Trued-Up values (without efficiency gain/ loss) will be considered and subsequently when the same are available the base year value (i.e., FY 2019-20) will be recomputed.*
- c) *The average of such operation and maintenance expenses shall be considered as Operation and Maintenance expenses for the middle year and shall be escalated year on year with the escalation factor considering CPI and WPI of respective years in the ratio of 60:40, for subsequent years up to FY 2019-20.*
- d) *The One-time expenses such as expense due to change in accounting policy, wage arrears paid due to Pay Commissions, etc., and the expenses beyond the control of the Transmission Licensee such as dearness allowance, terminal benefits, etc., in Employee cost, may be allowed by the Commission over and above normative Operation & Maintenance Expenses after prudence check.*
- e) *At the time of Truing-up of the O&M expenses, the actual point to point inflation over Wholesale Price Index numbers as per Office of Economic Advisor of Government of India and the actual Consumer Price Index for Industrial Workers (all India) as per Labour Bureau, Government of India, in the concerned year shall be considered..."*

6.32. Thus, considering the above Regulation, the O&M expenses shall be derived on the basis of the average of the Trued-Up values for last 5 financial years. In the present case there are no trued up value for last 5 financial years, thus the Hon'ble Commission may determine O&M expenses using the past O&M determined by Hon'ble Commission in its earlier orders dated 29.06.2016 & 29.01.2018 and escalating base O&M Charges of 2% of capital cost with WPI / CPI and fixing it as norm for the current control period for FY 2021 to FY 2025, incorporating the cost on PGCIL substation charges (bay maintenance charges) as explained in Para 6.4 – 6.11 of the present Petition.

6.33. It is humbly submitted that Petitioner in the present case is not a transmission licensee and tariff for transmission line is being determined

basis the directions of the Hon'ble Commission *vide* Order dated 29.06.2016. Thus, the O&M Expense being determined by the Hon'ble Commission is not a transmission business centric O&M expense. Hence the Hon'ble Commission in exercise of its powers under Section 86 of the Act and Regulation 55 of MYT Regulation may consider determining O&M expense for the current control period as detailed above and in light of the previous orders passed by this Hon'ble Commission. The relevant excerpts of the MYT Regulation are reproduced below for ease of convenience of this Hon'ble Tribunal

"55. Savings

55.1 *Nothing in these Regulations shall be deemed to limit or otherwise affect the power of the Commission to make such orders as may be necessary to meet the ends of justice.*

55.2 *Nothing in these Regulations shall bar the Commission from adopting in conformity with provisions of the Act, a procedure which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or a class of matters, deems it just or expedient for deciding such matter or class of matters.*

55.3 *Nothing in these Regulations shall, expressly or implied, bar the Commission dealing with any matter or exercising any power under the Act for which no Regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner, as it considers just and appropriate."*

- 6.34. Further, no separate break-up is maintained in terms of Employee Expenses, Repairs and Maintenance Expenses and Administrative and General Expenses for transmission line, as O&M expenses maintained by the Petitioner is combined for both generation and transmission business and approved by Hon'ble Commission in its earlier orders dated 29.06.2016 and 29.01.2018 are considered as Repairs and Maintenance Expenses.
- 6.35. In addition to above, PGCIL is charging around Rs 1.33 Crore at the rate of Rs. 32.15 Lakh / year / bay from FY 2019-20 with yearly escalation @ 3.51% till FY 2023-24 as O&M charges for the Operation & Maintenance of bays including routine testing of protection and PLCC as per PGCIL norms. Relevant provision of the MoU dated 19.08.2019 signed with PGCIL is reproduced below for ready reference:

"COMPENSATION as per MoU dated 19.08.2019"

4.1 RPSCL has 04 No of Bays at Shahjahanpur Substation. RPSCL will pay POWERGRID for each bay charges as per O&M of bays, which at present is Rs. 32.15 Lakh / year / bay with yearly escalation @ 3.51% of O&M charges, fixed for the previous year, thereafter till the validity period of this MOU or mutually agreed period after the expiry of the validity period. To elaborate, the year wise compensation is attached at Annexure-I. However, in case of any change of CERC norms in future, the revised charges for O&M of bays shall be paid by M/s RPSCL to POWERGRID.

4.2 Taxes GST (As per GST ACT 2017 applicable with effect from 01/07/2017), during this contractual period shall be paid additionally by RPSCL."

6.36. Summary of O&M Expenses is as follows:

Table 11: O&M Expenses FY21 to FY25

(Rs Crs)

S.No.	Particulars	MYT Control Period				
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	Employee Expenses	0.00	0.00	0.00	0.00	0.00
2	A&G Expenses	0.00	0.00	0.00	0.00	0.00
3a	R & M Expenses	0.67	0.68	0.70	0.72	0.74
3b	O&M Charges for bays constructed by PGCIL ^	1.33	1.38	1.43	1.48	1.53
4	Gross O&M Expenses	2.00	2.06	2.13	2.20	2.27
5	Expenses Capitalised	0.00	0.00	0.00	0.00	0.00
a.	Employee Expenses Capitalised	0.00	0.00	0.00	0.00	0.00
b.	A&G Expenses Capitalised	0.00	0.00	0.00	0.00	0.00
6	Net O&M Expenses	2.00	2.06	2.13	2.20	2.27

- 6.37. **Income tax** has been computed as per the mechanism defined in Regulation 26 of the MYT Regulations, 2019 which prescribes as follows:-

26. Income Tax

26.1 Income Tax, if any, on the licensed business of the Licensee shall be treated as expense and shall be recoverable from consumers through Tariff. However, tax on any income other than that through its Licensed business shall not be a pass through, and it shall be payable by the Licensee itself.

26.2 Notwithstanding anything contained in Regulation 26.1, total Income Tax payable by the Licensee, in any year, shall be lowest of the following.

(a) Actual payment made;

(b) $ROE \text{ allowed in that year} \times MAT (\%)$ or $ROE \text{ allowed in that year} \times \text{Corporate tax } (\%)$, whichever is applicable.

26.3 Any under recoveries or over recoveries of Tax on income shall be adjusted every year on the basis of Income Tax assessment under the Income Tax Act 1961, subject to Regulation 26.2 above, as certified by the Statutory Auditors.

- 6.38. It is humbly submitted that Petitioner is a corporate legal entity and hence is liable to pay tax. In the present matter, Petitioner is claiming Return on Equity by grossing up with MAT.
- 6.39. It is further submitted that MAT was introduced under Section 115JB of the Income Tax Act, w.e.f 01.04.2001. The intention behind the introduction of MAT was that where the income tax payable by a company on its total income, as computed under the Income Tax Act, for any financial year is less than a specified percentage of the book profit of the Company for that year, the book profit of the Company is deemed to be the total income of the Company for that year and income tax is payable at the specified rate on such total income which is known as the MAT.
- 6.40. Considering, the above reasons Petitioner is eligible to pay MAT and for this reason, the payment towards MAT for FY 2020-21 to FY 2024 -25 has been considered by the Petitioner which is as follows:-

Table 12: Income Tax FY 21 to FY 25

(Rs Crs)

S N o.	Particulars	Control Period				
		FY	FY	FY	FY	FY
		2020 21	2021 22	2022 23	2023 24	2024 25
A	Income of FY	6.85	6.81	6.63	6.28	6.23
	Less:					
	Income exempt from taxation					
	Credits for carry forward of losses					
	Income from Incentives					
	Net Taxable Income	6.85	6.81	6.63	6.28	6.23
	Tax Rate (MAT Rate)	17.16%	17.16%	17.16%	17.16%	17.16 %
	Tax Amount	1.17	1.17	1.14	1.08	1.07
	Sub-total					
B	Return on Equity	1.45	1.45	1.45	1.45	1.45
	Tax Rate	17.16%	17.16%	17.16%	17.16%	17.16 %
	Tax Amount	0.25	0.25	0.25	0.25	0.25
	Tax Recoverable from Consumers (Lower of A or B)	0.25	0.25	0.25	0.25	0.25

6.41. Contribution towards Contingency Fund has been computed as per the mechanism defined in Regulation 27 of MYT Regulations, 2019.

Table 13: Contribution towards Contingency Fund FY 21 to FY 25

(Rs Crs)

S.No.	Particulars	Control Period				
		FY	FY	FY	FY	FY
		2020 21	2021 22	2022 23	2023 24	2024 25
1	Contribution towards Contingency Fund (0.50% of the original cost of asset)	0.17	0.17	0.17	0.17	0.17

6.42. Fixed Charges (in Rs Cr) for the Transmission line are as follows:

TABLE 14 Fixed Charges for FY 21 to FY 25

(Rs Crs)

S.No.	Particulars	FY 2020- 21	FY 2021- 22	FY 2022- 23	FY 2023- 24	FY 2024- 25
		1	2	3	4	5
1	Depreciation	1.58	1.58	1.58	1.58	1.58
2	Interest on Loan	1.28	1.17	0.94	0.51	0.40
4	Interest on Working Capital	0.12	0.12	0.12	0.12	0.12
3	Return on Equity	1.45	1.45	1.45	1.45	1.45
5	O & M Expenses	2.00	2.06	2.13	2.20	2.27
6	Income Tax	0.25	0.25	0.25	0.25	0.25
7	Contribution towards Contingency Fund	0.17	0.17	0.17	0.17	0.17
	Total	6.85	6.81	6.63	6.28	6.23


7. Further, this Hon'ble Commission vide order dated 25.03.2022 also directed the Petitioner to submit a Single Line Diagram of the switchyard. Accordingly, the same is annexed hereto and marked as **ANNEXURE P/10**.
8. It is submitted that the Petitioner is not a transmission licensee and is not engaged in the business of transmission of power. However, considering the peculiarity of facts of the Petitioner's case, the Petitioner for the purposes of seeking determination of tariff needs to comply with the Hon'ble Commission's MYT Regulations for which Petitioner requires certain clarifications. Hence, considerable time was taken by the Petitioner to understand and evaluate the contours of the Hon'ble Commission MYT Regulations. In addition to above delay on account of limited functioning of workspaces including Hon'ble Commission due to COVID-19.

9. In addition to above, it is noteworthy that the Hon'ble Supreme Court after considering the difficulties posed by Covid -19 Pandemic, passed an Order on 10.01.2022 in *Suo Motu WP (c) No. 03 of 2020*, extending the limitation period to 28.02.2022 meaning thereby that the clock for computing limitation would only start after 28.02.2022. The relevant extract of the Order is reproduced as under:-

5. Taking into consideration the arguments advanced by learned counsel and the impact of the surge of the virus on public health and adversities faced by litigants in the prevailing conditions, we deem it appropriate to dispose of the M.A. No. 21 of 2022 with the following directions:

- i. The Order dated 23.03.2020 is restored and in continuation of the subsequent orders dated 08.03.2021, 27.04.2021 and 23.09.2021. It is directed that the period from 15.03.2020 till 28.02.2022 shall stand excluded for the purposes of limitation as may be prescribed under any general or special laws in respect of all judicial or quasi-judicial proceedings.*
- ii. Consequently, the balance period of limitation remaining as on 03.10.2021, if any, shall become available with effect from 01.03.2022.*
- iii. In cases where the limitation would have expired during the period between 15.03.2020 till 28.02.2022, notwithstanding the actual balance period of limitation remaining. All persons have a limitation period of 90 days from 01.03.2022. In the event the actual balance period of limitation remaining, with effect from 01.03.2022 is greater than 90 days, that longer period shall apply.*

[Emphasis Supplied]

10. Thus, from the above directions, following can be deduced:-
- (a) The balance period of limitation remaining from 03.10.2021, if any, shall become available with effect from 01.03.2022.
 - (b) In cases where the limitation would have expired during the period between 15.03.2020 till 28.02.2022, notwithstanding the actual balance period of limitation remaining, all persons shall have a limitation period of 90 days from 01.03.2022.
 - (c) Thus, the aforesaid directions are also applicable on quasi - judicial bodies such as this Hon'ble Commission. Therefore, the present Petition should be allowed in the interest of justice and equity.
- 

11. It is submitted that in view of the direction passed by the Hon'ble Supreme Court of India, the instant Petition is filed well within the extended period of limitation.
12. It is submitted that grave prejudice would be caused to Petitioner if the present Petition is not allowed.

PRAYER

13. In view of the above, facts and circumstances, Petitioner prays to the Hon'ble Commission to:
 - (a) Admit and condone the delay in submission of the petition;
 - (b) Approve and allow the recovery of revenue gap for FY 2017-18 to FY 2019-20 on account of O&M Charges and Interest on Working Capital.
 - (c) Approve Fixed Charges for the transmission line as per Table 14 of this petition, calculated on the basis of approved Capital Cost as per Table 6.
 - (d) Approve recovery of revenue gap pertaining to the period from FY 2020-21 to FY 2024-25
 - (e) Direct UPPCL to admit and pay bills for the aforementioned Fixed Charges for the respective years as per provision of UPERC MYT Regulations 2019 and in the interim till disposal of current Petition,
 - (f) Direct UPPCL to pay 90% of transmission charges as per earlier order of Hon'ble Commission dated 29.01.2018 for the year FY 2019-20 to FY 2021-22.
 - (g) Allow additions / alterations / modifications / changes to this Revised Petition at a future date;
 - (h) Condone any inadvertent errors / inconsistencies / omissions / rounding off differences, etc. as may be there in this Petition
 - (i) Allow any other relief, order, or direction, as the Hon'ble Commission may deem fit

For Rosa Power Supply Company Limited

Place: Lucknow

Date: 19.05.2022

(Sumeet Notani)
Authorized Signatory

**AMENDED AND RESTATED POWER PURCHASE AGREEMENT
DATED AS OF NOVEMBER 12, 2006**

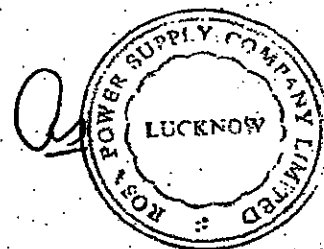
BETWEEN

UTTAR PRADESH POWER CORPORATION LIMITED

AND

ROSA POWER SUPPLY COMPANY LIMITED

**(AS APPROVED BY UTTAR PRADESH ELECTRICITY
REGULATORY COMMISSION)**



[Handwritten signature]



उत्तर प्रदेश UTTAR PRADESH

THIS AMENDED AND RESTATED POWER PURCHASE AGREEMENT (this "Agreement") entered into on the November 12, 2006 at Lucknow, between:

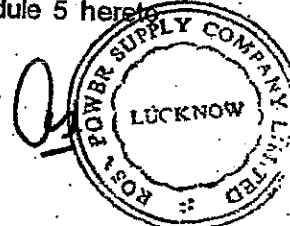
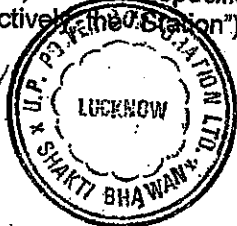
Uttar Pradesh Power Corporation Limited, a Company registered under the Companies Act, 1956, having its head office at 14, Ashok Marg, Shakti Bhawan, Lucknow, 226 001, Uttar Pradesh, India (hereinafter referred to as the "UPPCL" which expression shall, unless repugnant to the context or meaning thereof, include its legal successors, permitted assigns and legal representatives) of the First Part AND,

ROSA POWER SUPPLY COMPANY LIMITED, a Company incorporated under the Companies Act, 1956, having its Registered Office at 4th Floor, Trade Tower, 94 Mahatma Gandhi Marg, Lucknow, 226 001, Uttar Pradesh, India (hereinafter referred to as "ROSA", which expression shall, unless repugnant to the context or meaning thereof, include its successors, permitted assigns and legal representatives), of the Second Part;

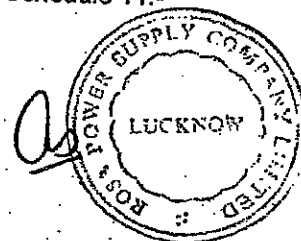
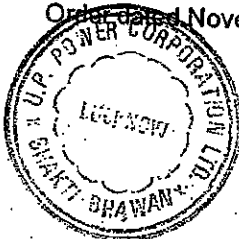
WITNESSETH

WHEREAS:

- A. ROSA intends to design, construct, own and operate a new coal-fired thermal power generation Station at ROSA in the Shahjahanpur District, in the State of Uttar Pradesh consisting of two steam turbines with aggregate Nameplate Capacity of 600 MW (2 x 300 MW) together with coal-fired boilers and other associated equipment including, without limitation, all improvements contemplated to be constructed on and/or made to the Site (as hereinafter defined) as more specifically described in Schedule 1 and Schedule 5 hereto (collectively, the "Station").



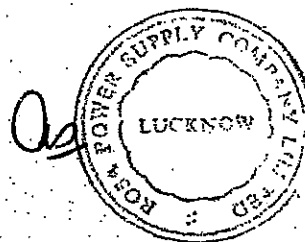
- B. The erstwhile Uttar Pradesh State Electricity Board (UPSEB) was unbundled into following corporations with effect from January 14, 2000:-
- (i) Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL);
 - (ii) Uttar Pradesh Jal Vidyut Nigam Limited (UPJVNL); and
 - (iii) Uttar Pradesh Power Corporation Limited (UPPCL).
- UPPCL is the successor of the erstwhile UPSEB's obligations under this Agreement and Implementation Agreement.
- C. The Station is to be implemented in accordance with the Power Purchase Agreement dated September 24, 1998 between ROSA and the UPSEB, the predecessor of UPPCL, as amended by the First Supplemental Agreement dated September 24, 1999 (collectively, the "PPA").
- D. The erstwhile UPSEB (now UPPCL) had agreed to construct, own and operate the proposed External Interconnection Facilities (as more particularly described in Schedule 5).
- E. The erstwhile UPSEB (now UPPCL) had agreed to purchase and accept delivery into the UPPCL System all electrical energy generated by the Station and to pay for the Capacity and electrical energy so generated and/or made available to UPSEB all upon and subject to the terms and conditions of this Agreement.
- F. The erstwhile UPSEB and ROSA had executed a Draft Power Purchase Agreement on December 27, 1996 which was ratified by the Government of Uttar Pradesh on June 24, 1998.
- G. ROSA had obtained the Techno Economic Clearance of Central Electricity Authority by its letter No.2/UP/22/94-PAC/11909-32 dated September 19, 1997.
- H. The Government of India has issued a Notification SC No.496 (E) dated June 9, 1998 affecting tariff calculations requiring changes in the Draft PPA dated December 27, 1996.
- I. Pursuant to the enactment of the Uttar Pradesh Electricity Reforms Act, 1999 and the Electricity Act, 2003, and the issue of Central Electricity Regulatory Commission Tariff Regulations on March 26, 2004, the Uttar Pradesh Electricity Regulatory Commission has issued terms and conditions for determination of generation tariff on June 7, 2005 and the UP Power Policy, 2003 (amended in June, 2004) has been promulgated by the Government of Uttar Pradesh (GoUP);
- J. In view of the above and keeping in mind the requirement of the Financing Parties who are providing the financial assistance for the Project, the Parties have mutually agreed to amend and restate the Provisions of the PPA;
- K. This Agreement has been approved by UPERC by way of following orders, a copy of which forming part of this Agreement are provided in Schedule 11:-
- (i) Order dated February 2, 2006
 - (ii) Order dated November 1, 2006
 - (iii) Order dated November 8, 2006



Both Parties hereby agree that in case of inconsistency between the provision of this Agreement and the aforesaid orders, if any, the aforesaid orders shall prevail.

- L. Availability Based Tariff (ABT) mechanism is currently applicable to the regional system and a similar mechanism would be made applicable to the generating plants within the state of Uttar Pradesh. The Parties hereby agree that as and when the relevant regulations about operationalization of ABT mechanism in Uttar Pradesh are made applicable by the UPERC, the same shall be followed by the parties.

NOW, THEREFORE, in view of the foregoing premises and in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the UPPCL and ROSA agree to amend and restate the PPA as follows:-



ARTICLE 1

DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions

As used herein, the following terms shall have the following meanings:

Abandonment A willful and unexcused cessation of performance of obligations by one Party under this Agreement for a continuous period of Ninety (90) days for reasons other than Force Majeure. Provided that termination of the Agreement due to default of the other Party or by mutual consent of both Parties or under Force Majeure conditions as provided herein shall not constitute Abandonment. Abandonment shall include construction Abandonment and operations Abandonment.

Accepted Industry Practice shall mean the practices, methods and standards, as changed from time to time, generally accepted internationally or use in electrical utility industry not inferior to Indian standards, in connection with the operation and maintenance of electric generating and transmission equipment of the type applicable to the Station and the Internal Interconnection Facilities, and which practices, methods and standards generally conform to operation and maintenance standards recommended by the Station's equipment suppliers and manufacturers having regard for the circumstances and operational requirements of the Station under this Agreement.

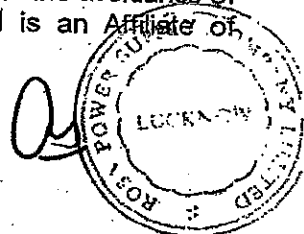
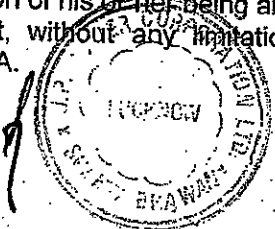
Achievable Plant Load Factor shall mean, with respect to a Unit or Station, Plant Load Factor of Eighty percent (80.00%).

Act shall mean the Electricity Act, 2003 as may be amended from time to time.

Active Power shall mean the product of voltage and the current and the cosine of phase angle between them, measured in units of watts or standard multiples thereof.

Adjusted Plant Load Factor shall mean the ratio, expressed as a percentage of Available Energy plus Deemed Energy minus Declared Capacity Penalty and the maximum of such units (kWh) (subject to Political Force Majeure and UPPCL Force Majeure conditions) of electrical energy that could theoretically be generated by the Station with reference to the Established Baseload Capacity, in any operating period (month, year or fraction thereof).

Affiliate shall mean, as to any Person, any other Person which directly or indirectly controls or is controlled under common control with, or is controlled by such Person. As used in this definition "control" (including with its correlative meanings, "controlled by" and "under common control with") shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise), provided that, in any event, any Person which owns directly or indirectly Fifty per cent (50%) or more of the securities having ordinary voting power for the election of directors or other ownership interests of any other Person (other than as a limited partner of such other Person) will be deemed to control such corporation or other Person. Notwithstanding the foregoing no individual shall be deemed to be an affiliate of a corporation solely by reason of his or her being an officer or director of such corporation. For the avoidance of doubt, without any limitation, Reliance Energy Generation Limited is an Affiliate of ROSA.



[Handwritten signature]

Agreement shall mean this amended and restated Power Purchase Agreement, including all Schedules hereto.

Approval Date shall mean August 2, 1994, which is the date of the approval by UPSEB of the proposal submitted with respect to the development, construction and operation of the Station.

Auxiliary Consumption shall mean, in relation to a period, the quantum of energy consumed by auxiliary equipment of the generating station and transformer losses within the generating station, and shall be expressed as a percentage of the sum of gross energy generated at the generator terminals of all the units of the generating station. For the purpose of the PPA, the normative Auxiliary Consumption shall be 9.00% of gross units generated at generator terminals with cooling tower and motor driven boiler feed pumps.

Availability Declarations shall mean from the Unit 1 Commercial Operation Date, written declarations made by ROSA and delivered to UPPCL pursuant to Section 6.3 and Schedule 8 hereof.

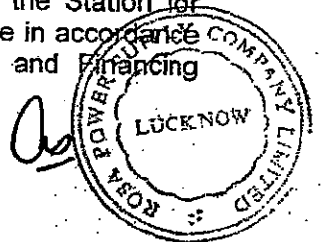
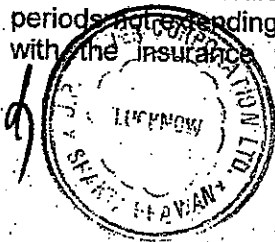
Available Energy shall mean with respect to any operating period (month, year or fraction thereof) the amount of Active Power that the "Station" generates (metered at the generator terminals) during such period.

Business Day shall mean any day other than a day on which commercial banks in Lucknow, Uttar Pradesh, India are authorized or required to be closed.

Capacity shall mean the capability of the Station measured in MW at any time to produce and deliver Active Power.

Capital Cost shall mean the total expenditure actually incurred by ROSA, in setting up and constructing the Station, on acquisition and development of land, on consultancy, design, supply, transport, construction, erection, testing, buildings including staff quarters, plant and equipment, material, work or facilities, required to enable the Station to deliver rated output, in accordance with the initial estimates approved by UPPCL/GOUP and the UPERC, and revised estimate (i) if due to Station Force Majeure (not insurable and not attributable to ROSA), UPPCL Force Majeure and Change in Law as commented upon by UPPCL/GOUP and approved by the UPERC (ii) if mutually agreed between UPPCL and ROSA as approved by the UPERC and (iii) if due to UPPCL default as approved by the UPERC, with due regard to efficiency and economy, and includes, inter alia.

1. Any development costs directly related to the Station.
2. Any reasonable financing costs (including all reasonable fees, premia and the like) to raise Debt and Equity (including reasonable standby loans to meet Station cost overrun, subject to ROSA subscribed to additional Equity) in accordance with the financial package approved by UPPCL and the UPERC.
3. Interest During Construction in accordance with the financial package approved by UPPCL and the UPERC.
4. All reasonable insurance costs relating to the construction of the Station for periods extending beyond Unit II Commercial Operation Date in accordance with the insurance package approved by UPPCL, UPERC, and Financing



Parties. ROSA shall use all reasonable endeavours to ensure that there is no unnecessary over insurance or duplicate of insurance cover for the Station.

5. All expenditure on outdoor yard equipment and switchgear, transformers and metering and protection equipment and the like, necessary to deliver the electrical energy from the Station to the UPPCL System in accordance with the grid technical limits.
6. Cost of spares procured along with the equipment, subject to the limitation that such cost does not exceed Two point Five per cent (2.5%) of the original project cost as on the date of first financial year closing after one year of the date of commercial operation of the generating station.
7. Cost of reasonable quantities of start-up fuels, no part of which is included in the cost of Infirm Power.
8. Cost of any capital additions as commented on by UPPCL/GOUP and thereafter approved by the UPERC subject to the provisions in Subsection 12.21, 12.22 and Article 14 or other relevant provisions.
9. Reasonable expenditure incurred at operation and maintenance charges in relation to each Unit after its Synchronisation Date but before its Commercial Operation Date no part of which is included in the cost of Infirm Power.

Explanation 1 :

Where ROSA has actually incurred any expenditure towards Capital Cost in one or more foreign currencies for the purpose of computing the Capital Cost, such expenditure shall be converted into the Rupee equivalent at the Current Rate of Exchange as on the dates on which the expenditure was incurred and no such adjustment for the purpose of Tariff fixation shall take place after the Unit II Commercial Operation Date except to the extent of Capital Expenditure as may be required due to Force Majeure or Change in Law. In respect of any such expenditure towards Capital Cost arising under the terms of any contract entered into prior to the Unit II Commercial Operation Date and payment for which is to be made following Commercial Operation Date the Current Rate of Exchange as on the actual due date of payment as approved by UPERC shall apply.

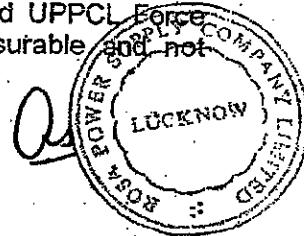
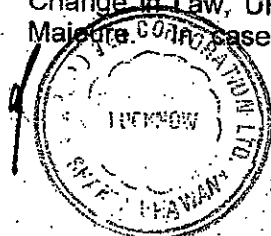
Explanation 2 :

For the purpose of clarification, the Capital Cost for the purpose of Tariff equals the sum of Debt and Equity reduced by the margin money towards Working Capital.

Explanation 3 :

It is clarified that Capital Cost means the lower of the following:

- (a) The total capital expenditure actually incurred on the Station.
- (b) Rs. 12,923 Million plus US \$ 296.6 Million, as approved and capped by the UPERC vide order dated November 1, 2006. This amount may be revised from time to time, to take into account any change in Capital Cost due to any expenditure resulting from Political Force Majeure Event and Change in Law, UPPCL default, mutual Agreement and UPPCL Force Majeure. Case of Station Force Majeure (not insurable) and not



attributable to ROSA) increase in Capital Cost will be commented by UPPCL/GOUP and approved by the UPERC.

Central Electricity Regulatory Commission or **CERC** shall mean the Central Commission constituted in accordance with section 76 of the Electricity Act, 2003.

Change in Law shall have the meaning as specified in Subsection 12.19.

Coal Supply Contract shall mean the Agreement between ROSA and the Central Coalfields Ltd., relating to the supply of Primary Fuel to the Station as approved by UPPCL (or such other Agreements for the supply of Primary Fuel as may be entered into between ROSA and Primary Fuel Supplier from time to time in consultation with UPPCL, including but not limited to any of the purchase orders to be placed by Rosa for procurement of coal on spot purchase or short term contracts for procurement of coal on short-term basis from both domestic / international suppliers).

Commercial Operation shall mean the State of a Unit when it is capable of delivering Active Power and Reactive Power on a commercial basis to UPPCL as so specified by ROSA.

Commercial Operation Date or **COD** shall mean with respect to each Unit, midnight next following UPPCL's receipt of the Performance Test Report specified in Schedule 6 by the designated engineer and the result of the performance test showing that the tested capacity is not less than 95% of the Nameplate Capacity and as declared by ROSA to be capable of commercial operation and which shall not be more than one hundred and eighty (180) days from the Scheduled Synchronisation Date or such extension provided due to Force Majeure Events occurring between Synchronisation Date and Scheduled Commercial Operation Date.

Explanation:

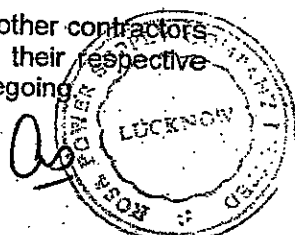
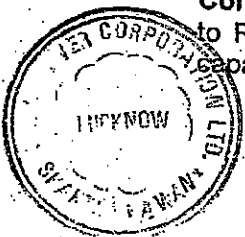
ROSA may, at any time by written notice to UPPCL but not later than one (1) month from the Date of Financial Closing, redesignate any date falling not more than nine (9) months before the Scheduled Commercial Operation Date of either Unit (as on the Effective Date) as the new Scheduled Commercial Operation Date for that Unit, and the expression 'Scheduled Commercial Operation Date' when used in this Agreement, including, without limitation, in the definition of Scheduled Synchronisation Date, shall mean the date so redesignated.

Construction Contract shall mean the fixed price contract entered into by ROSA with the EPC Contractor, for the design, supply, construction, commissioning and testing of the Station and placing the Station into Commercial Operation and containing the warranties with respect to the Capacity and performance of the Station. UPPCL will observe the finalisation of the Construction Contract. ROSA shall keep UPPCL advised about the details of the Construction Contract.

Construction Period shall mean with respect of each Unit the period from the Date of Financial Closing till the Commercial Operation Date of that Unit.

Construction Schedule shall mean the schedule setting forth the timing for the construction of the Station prepared by the EPC Contractor and approved by ROSA.

Contractor shall mean the EPC Contractor, O & M Contractor, and all other contractors to ROSA (and the respective sub-contractors of all the foregoing) in their respective capacities as such and the successors and permitted assigns of the foregoing.



Control Centre shall mean the relevant State Load Despatch Centre or Regional Load Despatch Centre as defined under the Act which shall issue Despatch Instructions to the Company.

Core Business shall mean the regulated activity of generation of electricity and shall exclude any unrelated business, such as consultancy services, etc., of ROSA.

Cost of Fuel shall mean the Cost of Primary Fuel plus the Cost of Secondary Fuel.

Cost of Primary Fuel shall have the meaning specified in Subsection 12.3(b) hereof.

Cost of Secondary Fuel shall have the meaning specified in Subsection 12.3(c).

Current Rate(s) of Exchange shall mean the market rate(s) of foreign exchange not exceeding the highest State Bank of India (SBI) TT selling rates applicable to any liability of ROSA in respect of any installment of the principal or any interest on any Foreign Debt or where applicable in respect of any Return on Foreign Equity as on the date on which such installment or as the case may be such Return on Foreign Equity becomes due.

Daily Declared Capacity shall be the Capacity of the Station at the generator terminals, declared by ROSA at 10.00 hours every day for the next 24 hours, or a modified declared Capacity through a written notice to UPPCL, for the purpose of calculating "Deemed Energy" and any "Declared Capacity Penalty" calculated pursuant to Schedule 8.

Date of Financial Closing shall mean the date upon which the Financing Documents relating to the Station have been executed and delivered by all the Parties thereto and the conditions precedent provided thereunder shall have been fulfilled or waived to such an extent as may be necessary to permit ROSA to have immediate access, subject only to giving notices of draw-down required thereby, to fund adequately the construction of the Station upon terms and subject to conditions satisfactory to ROSA and Financing Parties.

Day shall mean the 24 hour period beginning at 00:00 hours (New Delhi time).

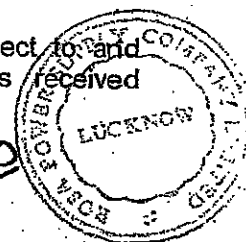
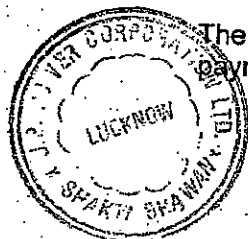
Debt means the amount of any loan, debenture or other similar obligation contracted or raised and received by ROSA under the Financing Documents, as more specifically set forth in Schedule 10 attached hereto, and actually expended (or to be expended), which shall not be greater than the principal amount of Debt specified in the applicable currency in the estimate of Capital Cost of the Station as set forth in the financial package to be approved by UPPCL/GOUP and the UPERC or any revised financial package as commented by UPPCL/GOUP and approved by the UPERC.

Explanation 1

Foreign Debt shall mean any Debt contracted or raised and received by ROSA under the Financing Documents, in a currency other than Rupees in cash or otherwise, the principal and interest on which is payable in such foreign currencies.

Explanation 2:

The principal amount of interest rates applicable to fees due with respect to and payment or amortization schedule for all Debt for which ROSA has received



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commitments from lenders as of the Date of Financial Closing shall be subject to approval by UPPCL/GOUP and the UPERC or before such date. Any additional Debt for which ROSA may receive commitments thereafter shall constitute debt for purposes of this Agreement if and to the extent provided to ROSA on commercially reasonable terms as to amounts, rates of interest, fees payable, schedules for repayment, as commented by UPPCL/GOUP and approved by the UPERC. Such approval will not be unreasonably withheld or delayed. In addition, any Debt greater than that set forth in the financial package (that is to be approved by UPPCL/GOUP and the UPERC) will be subject to comments by UPPCL/GOUP and approved by the UPERC.

Explanation 3:

Where any part of the Debt contracted is in the nature of the value of any asset or any valuable service of any nature, the valuation thereof shall be subject to approval by UPPCL/GOUP and the UPERC.

Debt Repayment means the amount of any liability of ROSA for the repayment of one or more installments of the principal of any Debt (and Foreign Debt Repayment means such liability in respect of Foreign Debt) and includes, with respect to any Foreign Debt, an amount equal to the actual Rupee equivalent of the amount of any such liability at the Current Rate of Exchange as specified in Schedule 10.

Explanation:

Where any part of Debt includes in whole or in part any redeemable debentures. Debt shall include such amounts of amortization, which together with appropriate interest thereon, on a compounding basis, would meet the obligation of redemption of the Debentures together with any premium on the specified date or dates of redemption of the said debentures.

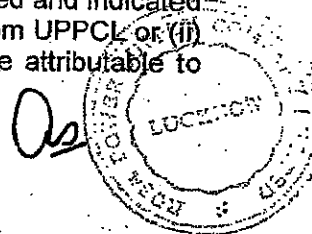
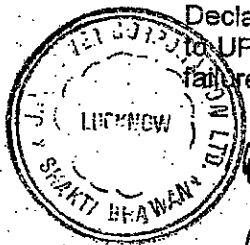
Debt Security shall mean the mortgages, hypothecation, security Agreements, guarantees and all other documents and instruments required by the Financing Parties as security for the Debt to be executed and delivered to the Financing Parties who provide the Debt.

Declared Capacity Penalty shall mean the penalty imposed on ROSA as a result of its failure to achieve the Capacity as instructed by UPPCL through Despatch Instructions, and which is less than or equal to the Daily Declared Capacity or most recent modification thereto as indicated to UPPCL or Control Centre in accordance with Section 6.2 and Schedule 8. The amount of any Declared Capacity Penalty will be calculated pursuant to Schedule 8.

Explanation:

In case of trip out of a unit or both the Units, and intimated to UPPCL in an hour's time, no Declared Capacity Penalty will be levied for failure to achieve the Capacity as instructed by UPPCL or Control Centre through Despatch Instruction during that period of one hour.

Deemed Energy shall mean, for any Operating Period, the number of units of energy (kWh) which ROSA was in a position to generate during such operating period, with reference to actual level of generation then existing and with reference to the Daily Declared Capacity or the most recent modification thereto as last modified and indicated to UPPCL, but did not generate as a result of (i) Despatch Instruction from UPPCL or (ii) failure to take delivery of electricity by UPPCL due to grid disturbance attributable to



UPPCL as determined by Northern Regional Electricity Board (NREB) or similar authority but not due to any Force Majeure Event or (iii) payment default by UPPCL including any failure to provide/sustain agreed security package.

Default Rate shall mean the Working Capital Interest Rate plus Two per cent (2%).

Demonstration Period shall mean the period of seventy two (72) consecutive hours selected by ROSA in its absolute discretion for conducting Tests contemplated by Schedule 6 hereof.

Depreciation shall mean the sum of amount of depreciation and Advance Against Depreciation calculated as per the provisions of Clause 12.2 (d) of this Agreement.

Explanation:

Land used for ash disposal shall be treated as depreciable asset if approved by the UPERC

Despatch Instruction shall mean the instructions from the Control Centre in accordance with the IEGC, Accepted Utility Practices and this Agreement to schedule and control the generation at the Project in order to commence or not commence generation, or increase, decrease or cease the electrical energy delivered by the Project

Development Stage shall mean the period from the Approval Date to Unit II Commercial Operation Date.

Directive shall mean any present or future requirement, instruction, direction, order, regulation or rule of any Governmental Authority which is legally binding or which would customarily be observed by a reasonable and prudent owner. Operator or Contractor of facilities such as the Station and any modification, extension or replacement thereof from time to time in force.

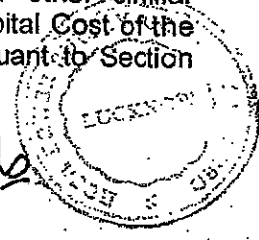
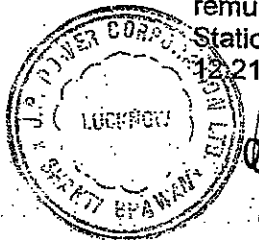
Dollar or \$ shall mean the lawful currency of the United States of America.

Due Date of Payment shall mean in relation to any amount the 30th day after the receipt of invoice of that amount by UPPCL.

Effective Date shall mean the date of execution and delivery of this Agreement by the Parties.

Emergency Conditions shall mean a condition or situation (including system tripping) as contemplated by SubSection 6.5 (a) and 6.5 (b) hereof.

Equity means the amount of paid-up and subscribed share capital (including any share premium) contributed by the promoters, public or any other towards the share capital of ROSA, but only to the extent that the proceeds of such capital contribution are exclusively utilized on the Capital Cost of the Station, including, without limitation, to fund any increases thereof pursuant to Section 12.21 or Section 12.22, required to be invested in accordance with the approval of UPPCL/GOUP, the UPERC and the requirements of Financing Parties. Any other contribution by the promoters or any others, not forming part of Debt and not bearing any interest or other similar remuneration, the proceeds of which are exclusively utilized on the Capital Cost of the Station including, without limitation, to fund any increase thereof pursuant to Section 12.21 or Section 12.22, shall also constitute Equity.



Explanation:

Foreign Equity shall mean Equity paid up or contributed in a currency other than Rupees.

Escrow Account shall have the meaning as specified in Section 12.15 (c).

Established Baseload Capacity shall mean the Tested Capacity or Nameplate Capacity in Mega Watt of each of the Units measured at the generator terminal, whichever is higher, and will remain unaltered over the Terms of the Agreement.

Event of Default shall mean an event specified in Article 16.

Experts shall mean the experts appointed by the Parties hereto pursuant to Subsection 17.2 (b) hereof.

External Interconnection Facilities shall mean all of the facilities to be installed, owned, operated and/or controlled by UPPCL, including the 220 KV transmission lines, metering equipment, transformers and associated equipment and telemetering equipment described in Schedule 5 hereto.

Financing Documents shall mean the Agreements and documents between ROSA and the Financing Parties (other than ROSA and its Affiliates), as approved by the UPERC in consultation with UPPCL/GOUP, relating to the financing of the design, construction, commissioning, operation and/or maintenance of the Station and any collateral security pledged to the Financing Parties in respect thereof (other than by way of Equity or quasi-Equity participation) and shall without limitation include the Debt security.

Financing Parties shall mean the lenders, export credit agencies, multilateral and/or bilateral institutions, and others providing financing and refinancing to or on behalf of ROSA pursuant to the Financing Documents for the design, construction, commissioning, operation and/or maintenance of the Station or any portion thereof and any trustee or agent acting on behalf of such Parties.

Fixed Charge shall have the meaning specified in Section 12.2 hereof.

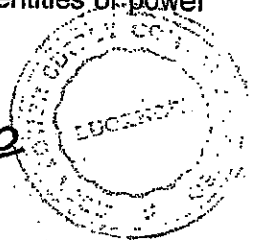
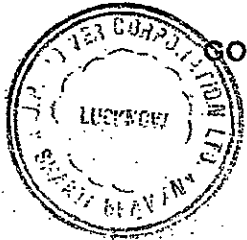
Force Majeure Events shall mean the events and circumstances described in Article 14 hereof.

Forced Outage shall mean, for any Unit or the Station, an interruption of such Unit's or the Station's generating Capacity, that is (i) not a Scheduled Outage; (ii) not the result of a Force Majeure Event; (iii) not the result of any act of or event or condition caused by UPPCL or the Control Centre or attributable to an event or condition on the UPPCL System; and (iv) not accruing due to Emergency Conditions.

Fuel shall mean the Primary Fuel and Secondary Fuel.

Gazette shall mean, for the purpose of Schedule 7, the Gazette of India which publishes from time to time resolutions passed under the authority of the Government of India relating to inter alia policies applicable to the development by private entities of power stations in India.

GOI shall mean the Government of the Republic of India.



GOI Guarantee and Support Agreement shall mean the guarantee and support Agreement if available, provided by GOI in respect of UPPCL's obligation under this Agreement.

GOUP shall mean the Government of the State of Uttar Pradesh.

GOUP Guarantee shall mean the guarantee provided by the Government of Uttar Pradesh in respect of UPPCL's obligation under this Agreement.

Government Approval shall mean any authorisation permit clearance license consent exemption or approval from or required by any Government Authority for the Station including without limitation those approvals set forth in Schedule 2 hereto.

Governmental Authority shall mean GOI, GOUP, the CERC, the UPERC or any regional municipal or local authority or regulatory department, body, political sub division, commission, agency, ministry, court judicial or administrative body, taxing authority or other authority having jurisdiction over either Party, the Station or the UPPCL System.

IEGC means the Indian Electricity Grid Code which sets out the rules, guidelines and standards notified from time to time by the CTU for the operation of the Grid System.

Implementation Agreement shall mean the Implementation Agreement dated February 23, 1999 as may be supplemented and/or amended from time to time.

Incentive Charge shall have the meaning specified in Section 12.4 hereof.

Infirm Power shall mean electrical energy produced by any Unit and delivered to UPPCL after Synchronisation Date and prior to the Commercial Operation Date of that Unit.

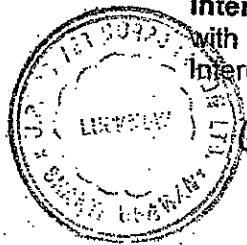
Initial Tariff Period shall mean the period from the Unit I Commercial Operation Date to Unit II Commercial Operation Date.

Interconnection Points shall mean the physical points identified in Schedule 5 hereto as the Interconnection Points adjacent to the Station which will be provided by ROSA and to which UPPCL is to interconnect the External Interconnection Facilities and the UPPCL System.

Interest During Construction (IDC) means the interest, if any, accrued on the Debt entered into by ROSA with the approval of UPERC, calculated on the balances of Debt actually remaining to be discharged, from time to time, as capitalised, at the rates of interest specified in terms of such Debt upto the Unit II Commercial Operation Date, as specified in Schedule 10.

Interest on Debt shall mean the actual interest payment liability devolving on ROSA arising after the Unit I Commercial Operation Date on the Debt of ROSA after taking into account the actual payment liability as regards Debt under the terms thereof as specified in Schedule 10, and includes the actual Rupee equivalent of such liability on Foreign Debt at the Current Rate of Exchange applicable thereto, and shall cease as soon as the Debt is fully redeemed.

Internal Interconnection Facilities shall mean all the facilities to be installed by ROSA with the Site to enable UPPCL to receive electrical energy from the Station at the Interconnection Points including all metering equipment, transformers and associated



equipment, relay and switching equipment, protective devices and safety equipment and telemetering equipment as more specifically described in Schedule 5 hereto.

kcal shall mean kilocalories

kV shall mean kilovolts

kW shall mean kilowatt

kWh shall mean kilowatt-hour

Law shall have the meaning as specified in Section 12.18.

Letter of Credit shall mean an irrevocable revolving Letter of Credit as described in Section 12.15(a) hereof.

MCR shall mean Maximum Continuous Rating of the Unit as specified by the equipment manufacturer.

Maintenance Programme shall mean with respect to each Unit a programme of scheduled maintenance as specified in Section 6.9 hereof.

Materially (in relation to a Force Majeure Event) shall mean the inability of the Station to run at a high enough Plant Load Factor to receive its full Fixed Charge.

Measured Energy shall mean the energy measured in KWH or standard multiples thereof as measured at the Interconnection Points of the Station over a specified period of time.

Metering Points shall mean the physical points as specified in Schedule 5, Part-C, where the ROSA Meters and the UPPCL Meters are installed.

MW shall mean megawatt.

MVA shall mean mega-volt amperes.

MWh shall mean megawatt-hour.

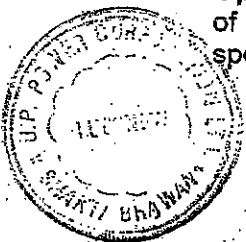
Month shall mean a calendar month according to the Gregorian calendar.

Nameplate Capacity shall mean with respect to each Unit, the Capacity of each Unit at the generator terminal, being 300 MW and with respect to the Station, the Capacity of the Station at the generator terminals, being 600 MW.

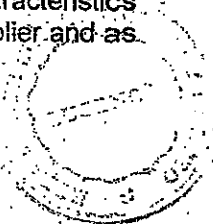
Net Electrical Output shall mean, for any Unit or the Station for any operating period, the Available Energy of such Unit or the Station during such operating period, net of Auxiliary Consumption.

O & M Expenses shall mean the total of plant operations, maintenance and insurance expenses as specified in Section 12.2 (e).

Operating Characteristics shall mean the major equipment and system characteristics of Unit I and Unit II as confirmed by the EPC Contractor and equipment supplier and as specified in Schedule 3.



Qs



Signature

Operating Month shall mean the period from the midnight following the Unit 1 Commercial Operation Date till the end of 2400 hours on the 14th Day of that Month if Commercial Operation Date of Unit 1 occurs before that date or till the end of 2400 hours of the 14th day of the next month if Commercial Operation Date occurs after 14th day of the particular Unit and thereafter the period commencing at 0000 hours on the 15th Day of the Month and ending at 2400 hours on the 14th day of the following Month.

Operator shall mean the company, if any, which will operate and maintain the Station pursuant to the O & M Agreement.

Parties shall mean, collectively, ROSA and UPPCL and individually either of them.

Performance Test means the test of a Unit's rated capacity carried out in accordance with paragraph II of Schedule 6 of the Power Purchase Agreement. Any reference to Tests in Section 5.6 or elsewhere shall include such Performance Tests.

Person shall mean any individual, corporation, company, partnership, joint venture, voluntary association, trust, un-incorporated organisation or Governmental Agency, instrumentality or political subdivision thereof.

Plant Load Factor shall mean the ratio, expressed as a percentage of the number of units (kWh) of electrical energy generated by the Station in any Tariff Year, to the maximum of such units (kWh) of electrical energy that could theoretically be generated by the Station with reference to the Established Baseload Capacity.

Primary Fuel shall mean coal.

Reactive Power shall mean the product of voltage and the current and the sine of the phase angle between them, measured in units of volt-amperes-reactive (VAR) and standard multiples thereof.

Return on Equity shall be computed on the equity base determined in accordance with Debt-Equity stipulation below @ 14% per annum.

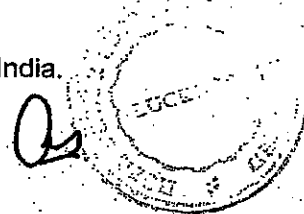
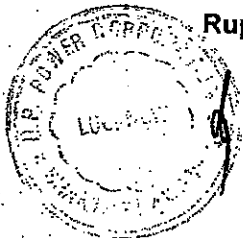
Debt-equity ratio as on the date of commercial operation shall be 70:30 for determination of tariff. If equity employed is more than 30%, the amount of equity for determination of tariff shall be limited to 30% and the balance amount shall be considered as the normative loan.

Provided that in case the actual equity employed is less than 30%, the actual debt and equity shall be considered for determination of tariff.

Provided that equity invested in foreign currency shall be allowed a return up to the prescribed limit in the same currency and the payment on this account shall be made in Indian Rupee based on the exchange rate prevailing on the due date of billing.

The premium, if any, raised by ROSA while issuing share capital and investment of internal resources created out of free reserve of the generating company, if any, for the funding of the project, shall also be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilised for meeting the capital expenditure of the generating station and forms part of the approved financial package.

Rupees or Rs. shall mean the lawful currency of the Republic of India.



Scheduled Unit I Commercial Operation Date shall mean such date as shall be not more than forty one (41) months from November 1, 2006, in accordance with UPERC Order dated November 8, 2006, subject to the extension of time by UPERC or due to Force Majeure Events.

Scheduled Unit II Commercial Operation Date shall mean such date as shall be not more than forty four (44) months from November 1, 2006, in accordance with UPERC Order dated November 8, 2006, subject to the extension of time by UPERC or due to Force Majeure Events.

Scheduled Bank shall mean any Scheduled Indian Bank as indicated by UPPCL and as reasonably acceptable to ROSA.

Scheduled Outage shall mean, as to any Unit, a planned interruption of the electric generating capability of such Unit for the performance of the Maintenance Programme pursuant to Section 6.9 hereof (including any interruption required for routine or other inspections of the Station or replacement of such Unit or any component thereof).

Scheduled Synchronisation Date shall mean with respect to each Unit such date as shall be declared by ROSA in writing, at least One Hundred and Twenty (120) days prior to such date, as being the date on which ROSA will attempt to cause a Unit to be electrically synchronised and connected to the UPPCL System and which shall not be more than one hundred and eighty (180) days prior to the Scheduled Commercial Operation Date for such Unit.

Secondary Fuel shall mean fuel oil and/or propane.

Secondary Fuel Contract shall mean a legally binding contract between ROSA and the Secondary Fuel supplier.

Secondary Fuel Transportation Contract shall mean the contract specified in Subsection 2.2(a) (vi).

Site shall mean the approximately 600 hectare Site known as ROSA near Rosa Village approximately 11 kms south of Shahjahanpur Town as more particularly defined in Schedule 1.

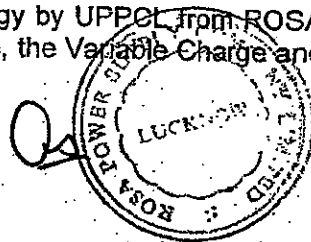
Stabilisation Period shall mean, as to any Unit, a period of One hundred Eighty (180) days commencing on the Commercial Operation Date of such Unit.

Station shall have the meaning specified in the first recital hereof.

Station Contract shall mean the Coal Supply Contract, Transportation Contract, Secondary Fuel Contract, Secondary Fuel Transportation Contract, Construction Contract, O & M Agreement (if any) and any other material contract to which ROSA is a Party relating to the development, construction, operation and/or maintenance of the Station.

Synchronisation Date shall mean, as to any Unit, the date upon which such Unit is synchronised into the UPPCL System via External Interconnection Facilities for the first time for commissioning, testing or initial start-up.

Tariff shall mean the rate for the purchase of electrical energy by UPPCL from ROSA under this Agreement, which shall comprise the Fixed Charge, the Variable Charge and the Incentive Charge as set forth in Article 12.



Tariff Year shall mean each twelve (12) Month period beginning at 00.00 hours on the 1st day of April of each year and ending Twelve (12) Months later (according to the Gregorian calendar) provided the First Tariff Year of the Term shall commence on the Unit II Commercial Operation Date and end at 2400 hours on the net 31st March and the last Tariff Year of the Term shall commence at 00.00 hours on the 1st day of April and end on the date of expiry of the Term. If any Tariff Year of the Term shall be less than Twelve (12) Months in duration all calculations relating to Tariff Year shall be adjusted on pro rata basis.

Taxes shall mean any tax, charge, cess, impost, tariff, duty or fee of any kind charged imposed or levied, directly or indirectly, by any Governmental Authority applicable to ROSA or the Station but excluding any tax or penalty imposed on ROSA by reason of ROSA's default.

Taxes on Income shall mean the taxes on the income streams of ROSA, from its core business, which shall be computed as an expense and shall be recovered from UPPCL.

Term shall have the meaning specified in Section 2.1 hereof.

Tests shall mean any one or more of the tests contemplated to be performed in accordance with this Agreement and referred to in Schedule 6 hereto and/or in Section 5.6 hereof.

Tested Capacity shall mean the Capacity of any Unit at the generator terminal established during the Tests carried out in the presence of both the Parties as specified in Schedule 6.

Transfer Date shall have the meaning as specified in Section 18.5

Unit shall mean either Unit I or Unit II

Unit I Commercial Operation Date shall mean the Commercial Operation Date of Unit I.

Unit II Commercial Operation Date shall mean the Commercial Operation Date of Unit II.

UPERC Approval Date shall mean the date of approval of this Agreement by the UPERC, i.e., November 1, 2006.

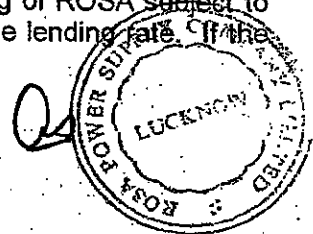
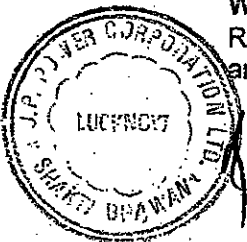
UPPCL System shall mean the electrical supply, distribution and transmission system owned, used or controlled by UPPCL and/or distribution companies in UP for the purpose of generating, transmitting and distributing electricity to UPPCL's customers.

Uttar Pradesh Electricity Regulatory Commission or UPERC shall mean the Uttar Pradesh Electricity Regulatory Commission referred to in Section 82 of the Act.

Variable Charge shall have the meaning as specified in Section 12.3.

Working Capital shall have the meaning specified in Section 12.2(c) hereof.

Working Capital Interest Rate shall mean the rates as may be actually obtained by ROSA from time to time based on lenders appropriate credit rating of ROSA subject to an upper limit of Two per cent (2%) over State Bank of India prime lending rate. If the



increase in the Working Capital Interest Rate is due to UPPCL default it shall be payable by UPPCL.

Section 1.2 Interpretation

Unless the context of this Agreement otherwise requires, the following rules of interpretation shall apply to this Agreement.

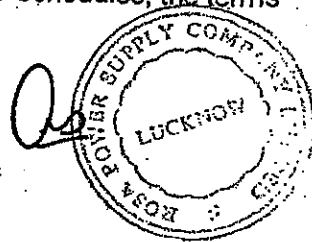
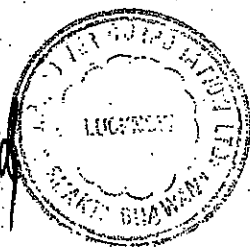
- (a) the singular includes the plural, and the plural includes the singular;
- (b) the words "hereof", "herein", "hereby", "hereto" and similar words refer to this entire Agreement and not any particular Article, Section, Schedule or any other Subsection of this Agreement;
- (c) a reference to any "Article", "Section", Sub-section" or "Schedule" is a reference to a specific Article, Section, Sub-section or Schedule of this Agreement.
- (d) a reference to any law, statute, regulation, notification or statutory provision includes any amendment, modification or re-enactment thereof.
- (e) a reference to any agreement, contract or other document includes any amendment, supplement or other modification thereto and
- (f) a reference to any Person includes such Person's successors and permitted assigns under any legislation, statutory scheme, agreement, contract or other document.

Section 1.3 Schedules

This Agreement includes the following attached Schedules

- | | | | |
|-----|-------------|---|---|
| (a) | Schedule 1 | - | Description of Station |
| (b) | Schedule 2 | - | Major Clearances |
| (c) | Schedule 3 | - | Generator Electrical Characteristics |
| (d) | Schedule 4 | - | Fuel Specifications |
| (e) | Schedule 5 | - | Transmission and Interconnection Procedures |
| (f) | Schedule 6 | - | Tests |
| (g) | Schedule 7 | - | Depreciation |
| (h) | Schedule 8 | - | Despatch Procedures |
| (i) | Schedule 9 | - | Metering Specifications |
| (j) | Schedule 10 | - | Capital Cost/Debt/Equity |
| (k) | Schedule 11 | - | UPERC Orders |

All such Schedules form an integral part of this Agreement, and this Agreement shall be construed in light of such Schedules, provided that, in the event of any inconsistency in the terms of the main body of this Agreement and the terms of the Schedules, the terms of the main body of this Agreement shall prevail.

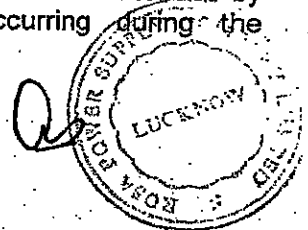
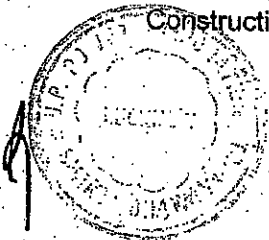


ARTICLE 2

TERM OF AGREEMENT AND CONDITIONS PRECEDENT

Section 2.1 Term

- (a) This Agreement shall become effective on the Effective Date and shall continue in full force and effect, subject to earlier termination pursuant to Article 16. Article 18 and Section 2.7 hereof, for a period of twenty five (25) years from the Unit II Commercial Operation Date (the "Initial Term").
- (b) The Term of this Agreement can be extended beyond the Initial Term by delivering written notice by either Party not later than two (2) years prior to the end of the Initial Term, in which event the Term of this Agreement shall extend by mutual Agreement of the Parties for a mutually agreed period with such amendments as shall be mutually agreed by ROSA and UPPCL. Should the period of negotiations for the extension of the Initial Term of the Agreement extend beyond the expiry of the Initial Term of the Agreement, then, the terms and conditions, for the spill over period, until the negotiations are ended, will be mutually agreed by both the Parties.
- (c) Notwithstanding anything to the contrary contained herein, if either Party exercises its right of renewal as aforesaid and if ROSA and UPPCL are unable to agree on the terms and conditions applicable during the mutually agreed period of the extended term, then the Term of this Agreement shall end on the date of expiry of the Initial Term.
- (d) If at the expiry of the Initial Term, the Term of this agreement is not extended pursuant to the provisions of Section 2.1(b), then ROSA may, subject to applicable law, sell the Capacity of and any Active Power generated by the Station to any third party, or sell the Station and related assets to any third party. In such an event, UPPCL shall wheel such Active Power and UPPCL shall be entitled to recover wheeling charges for the same as stipulated by the UPERC.
- Provided however that if ROSA exercises its option to sell the Station and related assets on expiry of this Agreement, UPPCL will have the first right to purchase the same from ROSA at a mutually agreed price, which shall not be lower than the market price of the Station and the related assets. The market price may be determined by Rosa by conducting a competitive bidding process for the assets.
- Further, in case any agreement on price or other terms and conditions of sale is not reached within three (3) months of receipt of notice of offer by UPPCL, ROSA shall be at liberty to sell the Station and related assets to any third party.
- (e) Notwithstanding anything to the contrary contained in this Agreement, the Scheduled Commercial Operation Date of any Unit shall be extended by the duration of any Force Majeure Event occurring during the Construction Period.



- (f) Term shall mean the Initial Term and any additional period during which this Agreement is in effect as herein before provided.

Section 2.2 Conditions Precedent

(a) Conditions Precedent for ROSA

The obligations of ROSA under this Agreement shall become effective on the date specified in a notice from ROSA to UPPCL stating that the following conditions precedent have been fulfilled to ROSA's satisfaction or waived entirely by ROSA.

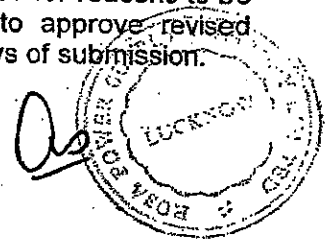
- (i) GOUP has executed and delivered to ROSA a legally binding GOUP Guarantee, in favour of ROSA, on terms satisfactory to ROSA, relating to:

- (1) the guarantee by GOUP of the obligations of UPPCL under this Agreement;
- (2) all tax and regulatory clarifications and approvals within the jurisdiction of GOUP, and
- (3) all necessary approvals, consents, exemptions, permits and agreements required by ROSA for the financing, design, construction, ownership, operation and maintenance of the Station at the Site under this Agreement and which are within the jurisdiction of GOUP.

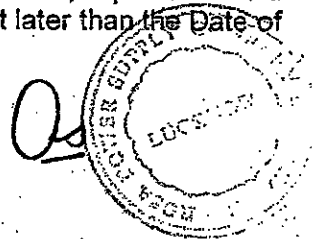
- (ii) UPPCL has agreed to deliver to ROSA on or before the Scheduled Synchronization Date of Unit 1, at its own cost, a revolving irrevocable Letter of Credit.

- (iii) Coal Supply Contract, ROSA and selected suppliers have entered into legally binding Coal Supply Contract, as approved by UPPCL, relating to the supply of Primary Fuel to the Station, UPPCL shall exercise its right of approval within Forty Five (45) days of receipt of the Coal Supply Contract from ROSA which can be extended by GOUP under unavoidable circumstances for a further period of 15 days failing which the Coal Supply Contract will be deemed approved by UPPCL. UPPCL may disapprove it within the said period for reasons to be recorded. UPPCL may exercise its right to approve revised contract as submitted within a period of 15 days of submission.

- (iv) Transportation Contract, ROSA and the Ministry of Railways have entered into a legally binding Transportation Contract as approved by UPPCL, relating to the transportation of Primary Fuel to the Station. UPPCL shall exercise its right of approval within Forty Five (45) days of receipt of the Transportation Contract from ROSA which can be extended by GOUP under unavoidable circumstances for a further period of 15 days failing which the Transportation Contract will be deemed approved by UPPCL. UPPCL may disapprove it within the said period for reasons to be recorded. UPPCL may exercise its right to approve revised contract as submitted within a period of 15 days of submission.

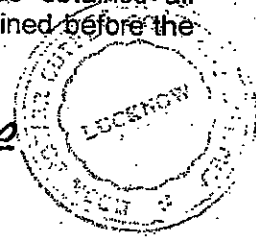


- (v) Secondary Fuel Contracts: ROSA and the selected suppliers have entered into legally binding Secondary Fuel Contract, as approved by UPPCL, relating to the supply of Secondary Fuel to the Station. UPPCL shall exercise its right of approval within Forty Five (45) days of receipt of the Secondary Fuel Contract from ROSA, which can be extended by GOUP under unavoidable circumstances for a further period of 15 days failing which the Secondary Fuel Contract will be deemed approved by UPPCL. UPPCL may disapprove it within the said period for reasons to be recorded. UPPCL may exercise its right to approve revised contract as submitted within a period of 15 days of submission.
- (vi) Secondary Fuel Transportation Contracts: ROSA and the selected transporter of Secondary Fuel have entered into legally binding Secondary Fuel Transportation Contract, as approved by UPPCL relating to the supply and transportation of Secondary Fuel to the Station. UPPCL shall exercise its right of approval within Forty Five (45) days of receipt of the Secondary Fuel Transportation Contract from ROSA, which can be extended by GOUP under unavoidable circumstances for a further period of 15 days failing which the Secondary Fuel Transportation Contract will be deemed approved by UPPCL. UPPCL may disapprove it within the said period for reasons to be recorded. UPPCL may exercise its right to approve revised contract as submitted within a period of 15 days of submission.
- (vii) Water Usage Contract: ROSA and the Department of Irrigation, GOUP have entered into legally binding Water Usage Contract relating to supply of water to the Station.
- (viii) UPPCL has agreed to establish an Escrow Account in favour of ROSA as a guarantee for the monthly reinstatement of the Letter of Credit as contemplated by Section 12.15 hereof and the terms of the Escrow Account are agreed to.
- (ix) ROSA shall have been granted all Governmental Approvals, either unconditionally or subject to conditions which do not materially prejudice ROSA's rights, benefits or its ability to perform its obligations under the Agreement, and such Governmental Approvals shall be in full force and effect, provided ROSA, subject to the approval of the Financing Parties, may in its discretion accept in lieu thereof, written confirmation from the relevant Government Authority that such Governmental Approvals will be granted and will be in full force and effect at such time or times as shall be required so as not to impede ROSA's construction of the Station.
- (x) To the extent same are within their respective jurisdiction, GOUP and/or UPPCL shall have provided, without cost to ROSA, all real property rights of access and agrees to and from the Station Site necessary and incidental to the construction, operation and maintenance of the Station commencing not later than the Date of Financial Closing.



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- (xi) To the extent same are within their respective jurisdiction, GOUP and/or UPPCL shall have provided or caused to be provided all necessary permits and Governmental Approvals for the electricity, and water supply required for the construction of the Station.
 - (xii) Financial Closing Date: Confirmation that the Date of Financial Closing has occurred or will occur on terms satisfactory to ROSA.
 - (xiii) Construction Contract: ROSA is satisfied it can enter into a legally binding Construction Contract for the design, engineering and construction of the Station on terms satisfactory to ROSA and the Capital Cost approved by UPERC and UPPCL. ROSA shall inform UPPCL and UPPCL shall have the option of sending a Person to observe the final specifications being agreed to in the Construction Contract between ROSA and the Contractor.
 - (xiv) O & M Contract: ROSA is satisfied it can enter into a legally binding O&M Contract (if required) for the operation and maintenance of the Station.
 - (xv) Other Approvals, Consents, Concessions and Exemptions: ROSA has obtained all Governmental Approvals, consents, concessions and exemptions required by the Financing Parties in relation to the development, construction and commercial operation of the Station.
 - (xvi) Site: ROSA is satisfied it can procure the Site for the Station on terms satisfactory to ROSA.
 - (xvii) Rosa shall have received copies of resolutions adopted by the UPPCL's Board of Directors authorizing the execution, delivery and performance by UPPCL of this Agreement, as certified by a director of UPPCL.
- (b) Except as may be waived by UPPCL, it shall be a condition precedent to the effectiveness of UPPCL's obligations under this Agreement other than UPPCL's obligations to use reasonable efforts to assist ROSA to achieve Financial Closing, that each of the following events shall have occurred.
- (i) UPPCL shall have received copies of the charter documents for ROSA as certified by ROSA's Company Secretary.
 - (ii) UPPCL shall have received copies of resolutions adopted by ROSA's Board of Directors authorizing the execution, delivery and performance to ROSA of this Agreement, as certified by ROSA's Company Secretary.
 - (iii) UPPCL shall have received an opinion of legal counsel to ROSA, reasonably satisfactory to UPPCL, with respect to ROSA's authority to enter into this Agreement and the enforceability of the provisions contained herein and that ROSA has obtained all Government Approval, if any, required to be obtained before the Date of Financial Closing.



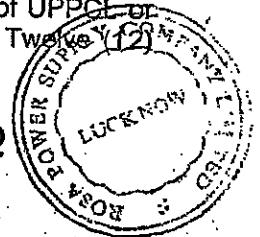
- (iv) UPPCL shall have received copies of the Financing Documents and confirmation letter from ROSA's financial advisor supporting the view that the Station can be financed as contemplated hereby.
- (c) Approval of Parties
 - (i) ROSA has received an opinion acceptable to it from the legal counsel of UPPCL relating to the enforceability of this Agreement against UPPCL and such other matters as ROSA may reasonably request in connection with the Station.
 - (ii) ROSA has received an opinion acceptable to it from the legal counsel of GOUP and GOI (if applicable) and the other respective Parties relating to the enforceability of the GOUP Guarantee, the Coal Supply Contract, the Transportation Contract, the Secondary Fuel Contract, Secondary Fuel Transportation Contract and any other contracts with GOUP and/or GOI and any respective departments or agencies thereof against GOUP, GOI and such other department and agencies respectively and such other matters as ROSA may reasonably request in connection with the Station.

Section 2.3 Obligation to use reasonable efforts to satisfy Conditions Precedent

- (a) UPPCL shall use all reasonable efforts to assist ROSA in obtaining all Governmental Approvals, the Site, import and duty clearances, local governmental assistance, construction and backup power, and other services required for the construction, operation and maintenance of the Station, in each case, as contemplated by this Agreement. In addition, UPPCL shall use all reasonable efforts to ensure satisfaction in full of the conditions precedent set forth in Section 2.2 (a) hereof to the extent the fulfillment or satisfaction of such condition falls within its responsibility, influence or control.
- (b) UPPCL shall, at the request of ROSA, afford all reasonable assistance to ROSA in achieving the Date of Financial Closing, including, without limitation, the prompt execution and delivery of all documents required by the Financing Parties to protect or secure their respective interests in this Agreement and/or the Station, as required.
- (c) ROSA shall use all reasonable efforts to assist UPPCL and to ensure satisfaction in full of the conditions precedent as set forth in Section 2.2 (b) hereof to the extent the fulfillment or satisfaction of such condition falls within its responsibility, influence or control.

Section 2.4 Notice of Satisfaction of Conditions Precedent

- (a) All conditions precedent specified in Section 2.2 (a) hereof shall be completed to the satisfaction of ROSA or waived in writing by ROSA prior to such date as shall be Twelve (12) months or mutually agreed extended period from the UPERC Approval Date. All conditions specified in Section 2.2(b) hereof shall be completed to the satisfaction of UPPCL or waived in writing by UPPCL prior to such date as shall be Twelve (12)



months or mutually agreed extended period from the UPERC Approval Date.

- (b) Upon the attainment or satisfaction of any conditions precedent, UPPCL or ROSA, as the case may be shall promptly deliver written notice thereof to the other.
- (c) The written notice shall include particulars and circumstances supporting ROSA's or UPPCL's conclusion that the relevant conditions precedent has been satisfied.
- (d) ROSA shall have the sole discretion to determine whether the conditions precedent to ROSA's obligations has been satisfied under this Agreement and UPPCL shall have the sole discretion to determine whether the conditions precedent to UPPCL's obligation has been satisfied under this Agreement.

Section 2.5 Non-fulfillment of Conditions Precedent

- (a) In the event of non-fulfillment of the conditions precedent:
 - (i) If the conditions precedent are not satisfied or waived within the time specified in Section 2.4 (a) and therefore subject to subsection 2.5(a) (ii) and Section 2.6, either Party may terminate this Agreement upon the expiry of Thirty (30) days after delivery of 'Intended Termination Notice' to the other Party.
 - (ii) UPPCL or ROSA may request that the deadline for completion of conditions precedent be extended to a date that is agreeable and consented to by the other Party. Neither Party will be unreasonable in giving or agreeing to any such extension.

Section 2.6 Waiver of Non-fulfillment of Conditions Precedent

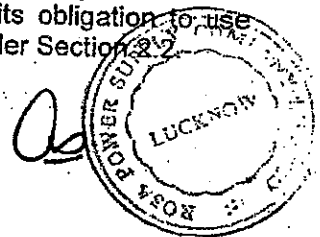
- (a) The conditions precedent as specified in Section 2.2(a) are for the sole benefit of ROSA and may be waived or removed by ROSA by written notice to UPPCL. UPPCL has the sole authority to waive conditions as specified under Section 2.2(b) of this Agreement by written notice to ROSA.

Section 2.7 Termination due to Non-fulfillment of Conditions Precedent

- (a) This Agreement shall terminate after the expiry of the "Intended Termination Notice" provided under Subsection 2.5 (a) (i) unless ROSA or UPPCL, as the case may be, waives non-fulfillment of the conditions precedent within the notice period.
- (b) Subject to Subsection 2.7 (c) neither Party shall have any liability or obligations to the other arising from the termination of this Agreement due to non-fulfillment of conditions precedent.
- (c) A Party shall be liable to the other for breach of its obligation to use reasonable efforts to satisfy conditions precedent under Section 2.2.



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ARTICLE 3
DEVELOPMENT STAGE

Section 3.1 General

- (a) The Development Stage shall comprise the period from the Approval Date until the Unit II Commercial Operation Date.

Section 3.2 ROSA's Obligations

- (a) ROSA will identify, prepare, negotiate and enter into such preliminary agreements as may be necessary for the procurement of equipment, design, engineering, construction, financing, commissioning, testing of the Station and the Internal Interconnection Facilities.
- (b) ROSA will identify and make arrangements, as may be necessary, for the construction of the Station and other Internal Interconnection Facilities, including the commissioning of necessary site, soil, geological, hydrographic and other surveys.
- (c) ROSA shall acquire from the relevant Governmental Authority and maintain in full force and effect all Government Approvals and complete or have completed all environmental impact studies, which are necessary for the construction, operation and maintenance of the Station.
- (d) ROSA will identify and make such arrangements, as may be necessary, for design and construction of road and rail access to the Site.
- (e) ROSA will identify and make such arrangements, as may be necessary, for the design and construction of a colony to house the Station's permanent staff and for use during the Development Stage.
- (f) ROSA shall ensure rehabilitation and resettlement of displaced Persons from the Site as per governing Law.
- (g) ROSA shall reach financial close within Four (4) months from November 1, 2006 in accordance with UPERC Order dated November 8, 2006 and extension for financial close may be granted by mutual consent and UPERC approval unless the project is proven to be non-viable. If the financial close is not achieved within the aforesaid period, UPPCL has the right to terminate the Agreement without any liability on either Party.

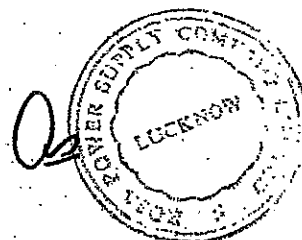
Section 3.3 UPPCL'S Obligation

- (a) UPPCL shall, at its own expense
- (i) complete the construction and testing not later than Three Hundred and Sixty – Five (365) days for (1) and One Hundred and Eighty (180) days for (2) and Ninety (90) days for (3) prior to Scheduled Synchronization Date for Unit 1 of :

- (1) the transient stability and load flow study on the UPPCL system;
- (2) the External Interconnection Facilities to the extent required for providing start-up power to the Station;
- (3) complete External Interconnection Facilities including connections to the 220 KV systems of UPPCL in order to evacuate the entire Capacity of the Station;
- (ii) maintain the External Interconnection Facilities including the 220 KV transmission line healthy at all times to ensure reliable evacuation of power generated and import of Station Start-up Power.
- (iii) acquire and maintain the transmission line right of way and advise ROSA of the location of the transmission line right of way;
- (iv) co-operate and assist ROSA in identifying, preparing necessary applications and to liaison with all relevant Governmental Authorities in order for ROSA to obtain the necessary Government Approvals; and
- (v) co-operate with and assist ROSA to liaison with all persons necessary for the procurement of equipment for, and the design, construction, financing, commissioning, testing of the Station; the electrical transmission facilities on the Stations' side of the Interconnection Points, and any other Internal Interconnection Facilities.

Section 3.4 Liability

- (a) Notwithstanding anything in this Article, neither Party shall have any liability for any delays under this Article caused by the other Party nor shall any such delay affect the validity of this Agreement or the obligations of the Parties thereunder, except as provided in Section 5.8 and Section 9.5.



ARTICLE 4**CONSTRUCTION****Section 4.1 ROSA's Construction Responsibilities**

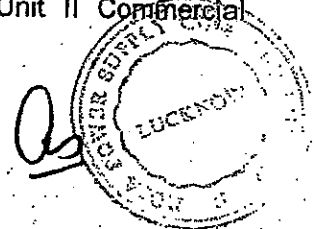
- (a) ROSA shall be responsible for the design, supply, construction, commissioning, testing and operation and warranty of
 - (i) the Station;
 - (ii) the 220 KV sub-Station Switchyard and electrical facilities on the Station side of the Interconnection Point.
 - (iii) Internal Interconnection Facilities; and
 - (iv) The colony to be constructed on the Site and supporting facilities
- (b) ROSA shall notify UPPCL of any anticipated material changes to or delays in :
 - (i) the Construction Schedule referred to in Section 4.3;
 - (ii) the commissioning and/or testing of any Unit of the Station or the Internal Interconnection Facilities; or
 - (iii) achieving the Scheduled Unit I Commercial Operation Date and/or the Scheduled Unit II Commercial Operation Date.
- (c) ROSA and UPPCL shall cooperate in good faith and use their best efforts to satisfy their obligations under this Agreement.

Section 4.2 The Site

- (a) The Station shall be located at the Site, which shall be purchased, leased or otherwise acquired by ROSA.

Section 4.3 Construction Schedule

- (a) ROSA shall provide notice to UPPCL of;
 - (i) the construction for the Station Thirty (30) days prior to starting construction of the Station;
 - (ii) a start-up and test schedule for the Station Forty-Five (45) days prior to start-up and testing of each Unit to be commissioned.
- (b) ROSA shall submit progress report on the status of construction of the Station to UPPCL on a monthly basis until the Unit II Commercial Operation Date.

Section 4.4 Construction Power

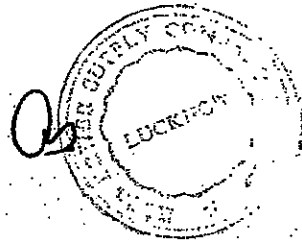
- (a) UPPCL shall install a transmission line to provide, deliver, maintain and sell subject to Section 6.13 hereof, electrical energy to ROSA at the Station Site in such quantities as ROSA may require and that UPPCL can make available to the best of its efforts for and after the Construction Period of the Station. ROSA shall provide for a back-up source of power as more specifically laid out in Schedule 5 which will be used for and after the Construction Period when UPPCL is unable to deliver power to the ROSA Site. UPPCL shall charge ROSA at UPPCL's most recently notified applicable tariff.

Section 4.5 Construction Services, Infrastructure and Utilities

- (a) UPPCL, if possible, will assist ROSA in procuring the services, facilities and equipment including fresh water supply and communications facilities needed in such quantities as ROSA may require both during and after the Construction Period.

Section 4.6 Liability

- (a) Notwithstanding anything in this Article, neither Party shall have any liability for any delays under this Article caused by the other Party nor shall any such delay affect the validity of this Agreement or the obligations of the Parties hereunder, except as provided in Section 5.8 and Section 9.5.



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ARTICLE 5

SYNCHRONIZATION, TESTING AND COMMISSIONING

Section 5.1 Synchronization

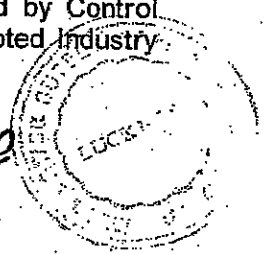
- (a) ROSA shall declare the Scheduled Synchronization Date of each Unit, in writing to UPPCL at least One Hundred and Twenty (120) days prior to such date. ROSA may change the Scheduled Synchronization Date for such Unit in writing no less than Four (4) weeks prior to the Scheduled Synchronization Date. However, this change will not affect the Scheduled Commercial Operation Date of the Unit except due to the occurrence of Force Majeure Events as specified in Article 14, occurring between the Synchronization Date and Scheduled Commercial Operation Date of the Unit.
- (b) ROSA shall give notice to UPPCL at least Seven (7) Days prior to the date of synchronization of each generating Unit. UPPCL shall have the right to have representatives present at the Station on each Synchronization Date.
- (c) UPPCL shall make such arrangements or changes to the External Interconnection Facilities or otherwise as shall be necessary to enable stable system operation and reliable power evacuation from the Station and power import into the Station as required, before the Scheduled Synchronization Date of any Unit.

Section 5.2 Procedures for Synchronization

- (a) ROSA and UPPCL shall mutually complete written procedures not later than one hundred and twenty (120) days prior to the Scheduled Synchronization Date of the Unit which will govern the integration of the Station and the output thereof into the UPPCL System.
- (b) The procedures will be mutually agreed upon based on the design of the Station and the design of the Internal Interconnection Facilities and External Interconnection Facilities. The procedures shall include Availability declarations for the Station (annual, monthly, weekly, and daily projections), dispatching procedures (which shall include monthly, weekly and daily dispatch schedules), the method of day-to-day communications, key personnel lists for both Station and the UPPCL Control, clearances and switching practices, outage scheduling, daily capacity and energy reports, Unit operations log and performance specifications of the Station.
- (c) ROSA will operate and maintain the Station in accordance with the procedures developed pursuant to this Section and Accepted Industry Practice.

Section 5.3 Voltage

- (a) ROSA shall operate the Station as per instructions issued by Control Centre and UPPCL subject to ROSA complying with Accepted Industry



Practice and conforming to the design values of the Station's electric generators specified in Schedule 3.

Section 5.4 Technical Parameters of Generating Equipment

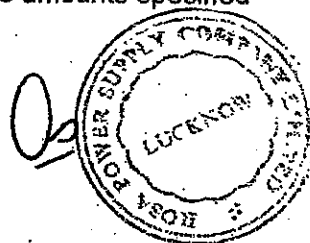
- (a) ROSA shall provide UPPCL with generator manufacturer's capability curves, relay types, and proposed relay settings for review and inspection by the UPPCL no later than twelve (12) months after the award of the Construction Contract.
- (b) UPPCL shall inform ROSA, in writing, within six (6) months after receiving any part of the above information, whether the proposed relay types and relay settings are acceptable. If these are not reasonably acceptable to UPPCL, ROSA agrees to cooperate with all reasonable requests of UPPCL to provide acceptable relay types and relay settings that are compatible with the UPPCL System and consistent with Accepted Industry Practice.
- (c) All information referred to in this Section 5.4 shall be submitted in a manner reasonably acceptable to UPPCL.
- (d) The generator and excitation data, shall be used for UPPCL's transient stability analysis.

Section 5.5 Fuel

- (a) ROSA shall procure and purchase pursuant to the Coal Supply Contract and the Secondary Fuel Contract respectively all Primary Fuel and Secondary Fuel required for the operation of the Station and generation of electric energy.
- (b) Nothing in this Agreement shall be construed to limit or prevent ROSA from purchasing additional spot-market Fuel from time to time in consultation with UPPCL.

Section 5.6 Tests

- (a) Pursuant to Schedule 6 hereof, ROSA will determine and prepare the test procedures necessary to demonstrate the performance and operational characteristics of the Station. All precautions shall be taken by ROSA to avoid disturbance to the UPPCL System during the Tests to the extent possible and in accordance with Accepted Industry Practices.
- (b) ROSA shall give not less than Seven (7) days prior written notice to UPPCL of any Tests to be performed at the Station.
- (c) UPPCL may send representatives at the Station during the Tests but the failure of such representatives to attend will not result in the postponement or failure of any such Test.
- (d) UPPCL shall accept into the UPPCL System all the electric energy generated during the Tests and shall pay to ROSA the amounts specified under this Agreement with respect to Infirm Power.



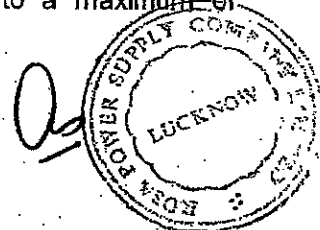
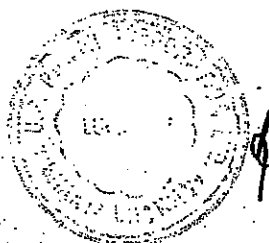
- (e) ROSA will provide UPPCL a summary of the Test results and other relevant data derived during the Tests as specified in Schedule 6.
- (f) UPPCL shall maintain the stability of the frequency, voltage and other electrical properties of the UPPCL System throughout the duration of the Tests so as to allow the Unit to be tested without distortion attributable to conditions prevailing on the UPPCL System. In the event of any instability affecting the voltage, frequency or other electrical properties of the UPPCL System during the Tests which has a materially adverse effect on the ability of a Unit to operate at the Capacity specified in the Construction Contract during the Tests, the results of the Tests shall, to the extent technically feasible, be adjusted to take account of such instability, but otherwise the Tests shall be void and shall be recommenced. In case the Test becomes void due to instability of frequency, voltage and other electric properties of UPPCL System, the cost of re-testing will be borne by UPPCL.

Section 5.7 Entry into Commercial Operation

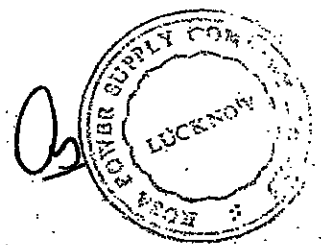
- (a) Each Unit shall go into commercial operation at midnight next following UPPCL's receipt of Performance Test report as specified in Schedule 6 by the designated engineer and the results of the performance tests showing that the Tested Capacity is not less than 95% of its Nameplate Capacity and as declared by ROSA to be capable of commercial operation. Such commencement of commercial operation shall not be more than One Hundred and Eighty (180) days from the Scheduled Synchronization Date or such extension provided due to Force Majeure Events occurring between Synchronization Date and Scheduled Commercial Operation Date.
- (b) The results from the Tests will be used to determine the Operating Characteristics of the Station.
- (c) As soon as practicable after the Commercial Operation Date, the Operating Characteristics of the Station, if required, shall be revised based on Test results.

Section 5.8 Liquidated Damages due to ROSA Default

- (a) Delay in Commissioning - If any Unit shall not achieve Scheduled Commercial Operation Date due to default on part of ROSA, but extended for such reasonable time as shall be required due to any Force Majeure Event, ROSA shall pay to UPPCL liquidated damages for such delay for an amount equal to as given below.
 - 1. For Unit I - Rs.1.65 lakh for each day delay for first 180 days and thereafter Rs.16.68 lakh per delay upto another 180 days subject to a maximum of Rs.33 crore.
 - 2. For Unit II - Rs.1.10 lakh for each day delay for first 180 days and thereafter Rs.11.12 lakh per day delay upto another 180 days, subject to a maximum of Rs.22 crore.



- (b) Capacity Shortfall Penalty: To the extent that the Tested Capacity of either Unit is less than the Nameplate Capacity at the end of the relevant Stabilisation Period, the Capital Cost of the Station shall be reduced on a pro rata basis by dividing the difference between the Nameplate Capacity and the Tested Capacity of such Unit by the Nameplate Capacity of the respective Unit. Further for either Unit, a liquidated damages of Rs.7000 per kilowatt of shortfall in Nameplate Capacity will be payable by ROSA if the shortfall in Nameplate Capacity is more than Two percent (2%) of the Nameplate Capacity, at the end of the relevant Stabilisation Period of either Unit.
- (c) ROSA shall pay the Capacity shortfall penalty within Twenty one (21) days from the date of the end of the Stabilisation Period.



ARTICLE 6

COMMERCIAL OPERATION AND MAINTENANCE

Section 6.1 Delivery of Capacity

- (a) ROSA hereby agrees with UPPCL that, subject to the provisions of this Agreement, it will operate and maintain the Station until the expiry of earlier termination of this Agreement so as to provide to UPPCL (Subject to any provision to the contrary contained in this Agreement) the Capacity capable of being supplied by the Station in accordance with the Operating Characteristics except to the extent:
- (i) anticipated by the Maintenance Programme during a period of Scheduled Outage as provided in Section 6.9 hereof;
 - (ii) that to do so would not be in accordance with Accepted Industry Practice;
 - (iii) necessary due to circumstances relating to safety (of either Personnel or Station or apparatus);
 - (iv) that to do so would be unlawful;
 - (v) provided for in Article 14 hereof;
 - (vi) necessary due to Forced Outage;
- or in any other circumstances that UPPCL so approves.
- (b) Subject to the provisions of Section 2.1 (d), Section 11.3 and Articles 16 and 18 and ROSA's internal requirements for electrical energy for its operation of the Station, ROSA shall not grant any other Party other than UPPCL right to the Capacity and Available Energy produced by the Station.

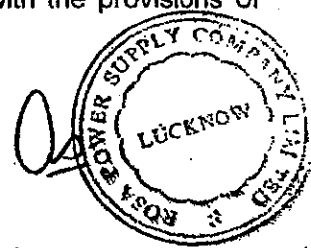
Section 6.2 Despatch Instructions and Delivery of Available Energy

- (a) ROSA shall deliver Active Power and Reactive Power to UPPCL at the Interconnection Points in accordance with Dispatch Instructions issued by UPPCL pursuant to Schedule 8 hereto. Notwithstanding anything to the contrary contained in this Agreement ROSA shall not be required to deliver Active Power and/or Reactive Power which is not within the range of the generator electrical characteristics set forth in Schedule 3 hereto.

Section 6.3 Availability Declaration

- (a) From the Unit 1 Commercial Operation Date ROSA shall submit to UPPCL "Capacity Availability Declarations" in accordance with the provisions of Schedule 8 hereto.

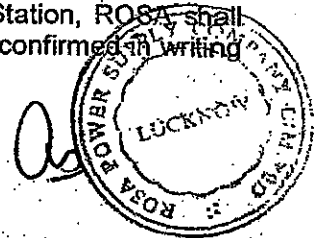
Section 6.4 Reduction and Resumption of Deliveries



- (a) UPPCL shall advise ROSA in the most expeditious manner, to be confirmed in writing, of any request for reduction or increase in the Station Capacity in the form of a Dispatch Instruction. Any reduction or increase required of ROSA hereunder shall be implemented and completed as soon as possible consistent with Accepted Industry Practice.
 - (b) No Unit shall be despatched at less than Fifty per cent (50%) of its Established Baseload Capacity unless mutually agreed between UPPCL and ROSA subject to Section(s) 6.5, 6.6 and 6.7.
 - (c) After a Unit has been off line due to a Scheduled Outage or in response to a Dispatch Instruction from UPPCL to reduce the Net Electrical Output of such Unit then :
 - (i) if such Unit and its associated boiler have been out of operation for an extended period of time and cooled to ambient temperature, such Unit will be capable of being synchronized within Eight (8) hours and achieve full electrical output within Twelve (12) hours following receipt by ROSA of a Dispatch Instruction from UPPCL to start up; and
 - (ii) if such Unit has been held in "stand-by" condition or up to Forty Eight (48) hours during which period the generating Unit and the boiler temperatures are maintained at appropriate levels, such Unit will be capable of being synchronized within Four (4) hours and achieve full electrical output within Six (6) hours following receipt by ROSA of a Dispatch Instruction from UPPCL to start-up.
 - (d) Once a Unit has been synchronized within the UPPCL System, and has achieved full electrical output, its output may be increased or decreased at the rate up to two per cent (2%) of its Established Baseload Capacity per minute.
- Note : All the above numbers specified in Section 6.4 (c) and (d), are nominal and may be revised based on manufacturer's recommendations.
- (e) It will be UPPCL's obligation to provide Start-up Power on a continuous basis subject to Force Majeure conditions as specified in Article 14. In case ROSA is prevented from re-start of a Unit or both the Units due to lack of start-up power ROSA will be entitled for Deemed Energy.

Section 6.5 Emergency Conditions

- (a) If, in the reasonable opinion of UPPCL, the condition or manner of operation of the UPPCL System or the Station poses an immediate threat of injury or material damage to any Person or to the UPPCL System, UPPCL shall be entitled to require ROSA by notice in the most expeditious manner and confirmed in writing to de-energise the Station if it is necessary or expedient to do so to avoid the occurrence of such injury or damage.
- (b) If in the reasonable opinion of ROSA, the condition or manner of operation of the UPPCL System or Station poses an immediate threat of injury or material damage to any Person or to the Station, ROSA shall inform UPPCL in the most expeditious manner to be confirmed in writing



and be entitled to de-energise the Station if it is necessary or expedient to do so to avoid the occurrence of such injury or damage.

- (c) ROSA shall re-energise the Station as quickly as practicable and in co-ordination with UPPCL after the circumstances leading to any de-energisation under this Section 6.5 have ceased to exist.

Section 6.6 Emergency Plans

- (a) ROSA will cooperate with UPPCL in establishing from time to time emergency plans, including recovery from a local or widespread electrical blackout voltage and frequency fluctuation in order to effect load curtailment and other similar plans which may be necessary.
- (b) ROSA will make available to UPPCL the technical references concerning start-up times and minimum load-carrying capability.

Section 6.7 Delivery during Emergencies

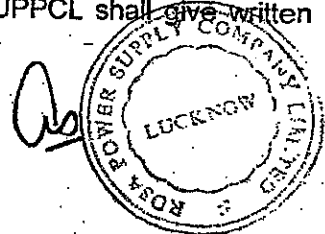
- (a) ROSA will during an Emergency Condition supply such power as the Station is able to generate and UPPCL is able to receive consistent with Accepted Industry Practice, ROSA will not be subject to any penalties or damages or be in breach of contract if it fails to generate power in excess of the lower of Nameplate Capacity and Tested Capacity.
- (b) If any Scheduled Outage occurs or would occur coincident with an Emergency Condition ROSA will make all good faith efforts to reschedule such Scheduled Outage or if such Scheduled Outage has commenced ROSA will, if so requested by UPPCL, attempt to expedite either the completion or temporary curtailment of the Scheduled Outage in accordance with Accepted Industry Practice.

Section 6.8 Operation and Maintenance of the Station

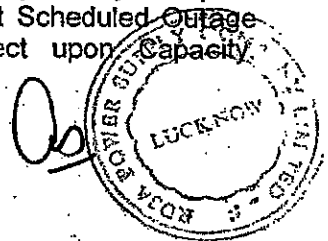
- (a) The Station will be operated and maintained in accordance with the O&M Agreement, if any, is entered into.
- (b) Subject to this Agreement, ROSA will operate and maintain the Station in accordance with Accepted Industry Practice and all applicable Laws.

Section 6.9 Scheduled Maintenance

- (a) Not later than Seventy (70) days before the beginning of each Tariff Year, ROSA shall submit to UPPCL and the Control Centre its proposed programme of maintenance for the Station for that Tariff Year and the following Four (4) Tariff Years which are to be mutually agreed to within Thirty (30) days in order to enable UPPCL to co-ordinate Scheduled Outages of other generating units, plant and equipment on the UPPCL System. UPPCL will not seek to determine or influence the nature of the maintenance which ROSA will carry out.
- (b) Within Thirty (30) days of its receipt of the proposal for the Maintenance Programme pursuant to paragraph (a) above UPPCL shall give written notice to ROSA and the Control Centre either:



- (i) that it is satisfied with such proposed Maintenance Programme in which case such proposed Maintenance Programme shall be the Maintenance Programme for the Tariff Year in question; or
- (ii) that it wishes certain adjustments to be made to such Maintenance Programme, provided that:
 - (1) such adjustments may relate only to the timing and not to the scope or nature of the proposed maintenance;
 - (2) UPPCL must have reasonable grounds for requesting such adjustments based on the overall operation and maintenance of the UPPCL System; and
 - (3) no adjustments may be requested if and to the extent that it might result in breach of any Law or result in the Station being operated other than in accordance with Accepted Industry Practice.
- (c) Where UPPCL has given notice under Section (b) (ii) above, ROSA shall, after full discussion with UPPCL, promptly revise its proposed Maintenance Programme to take account of the Agreement reached between UPPCL and ROSA. The revised Maintenance Programme shall be delivered to UPPCL as soon as practicable and shall be the Maintenance Programme for the Tariff Year in question.
- (d) Subsequent to the establishment of the Maintenance Programme pursuant to Sections (b) and (c) above, UPPCL or ROSA may at any time propose amendments to the Maintenance Programme and shall be obliged to make such a proposal as soon as it becomes aware that such an amendment will be necessary. Such amendments shall be made to the Maintenance Programme only if they are agreed by both UPPCL and ROSA. The Parties shall agree to attempt to make such amendments whenever reasonably practicable. Either Party may seek further adjustments to the Maintenance Programme determined in accordance with this Section 6.9(d) which shall be agreed between the Parties whenever reasonably practicable. The Party which has not requested the amendment shall be entitled to withhold its Agreement to the amendment unless it is fairly compensated for the additional costs reasonably and necessarily required to be incurred by it as a result of agreeing to any such amendment.
- (e) Notwithstanding Section 6.9 (d) above, UPPCL shall be entitled to require ROSA to make an amendment to the Maintenance Programme including the postponement of a Scheduled Outage, if and to the extent that UPPCL considers that the amendment is required in order to preserve the safety and security of the UPPCL System as a whole. UPPCL shall hold ROSA harmless against and shall reimburse ROSA for any reasonable additional costs which ROSA may necessarily incur as a result of complying with a requirement of UPPCL under this Section.
- (f) ROSA shall not carry out maintenance of the Station which is neither contemplated by the Maintenance Programme nor required by Accepted Industry Practice to be carried out prior to the next Scheduled Outage unless such maintenance has no adverse effect upon Capacity.



Notwithstanding anything in this Article, ROSA shall have the right to carry out maintenance or reschedule Maintenance Programme on the Station in the event of a Forced Outage or to prevent an imminent Forced Outage.

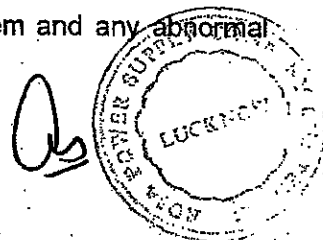
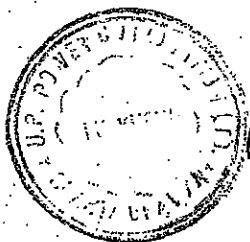
- (g) ROSA shall not without UPPCL's consent (such consent not to be unreasonably withheld or delayed) declare the Station to be available in excess of the levels anticipated by the Maintenance Programme during any period in which the Station is the subject of a Scheduled Outage.
- (h) UPPCL's right under this Section 6.9 may only be exercised reasonably, having due regard to all relevant factors, including the operational and economic interests of ROSA, those of other users of the UPPCL System, and those of UPPCL and the UPPCL System, but consistent with all applicable Laws and Directives and Accepted Industry Practice.

Section 6.10 Modifications to the Station

- (a) ROSA may modify the Station with prior approval of UPPCL provided :
 - (i) the modifications do not contravene Accepted Industry Practice; and
 - (ii) the modifications do not result in the Station being unable to operate within the UPPCL System and the modification should not be detrimental to the interest of UPPCL
- (b) Any benefits accrued in the form of Tariff as a result of the modification to the Station shall be shared between UPPCL and ROSA on mutually agreed terms and the cost of such modifications shall be added to the Capital Cost after approval of UPPCL and the UPERC.

Section 6.11 Operating Records

- (a) Each Party shall keep complete and accurate operating records and all other data required by each of them for the purpose of proper administration of this Agreement.
- (b) Subject to any Law to the contrary, all such records and data shall be maintained for a period of Five (5) years from the date such records or data were originally made.
- (c) ROSA will maintain an accurate and up to date operating log at the Station with records of but without limitation to
 - (i) Active Power and Reactive Power production for each clock hour;
 - (ii) Changes in operating status;
 - (iii) Scheduled Outages and Forced Outages;
 - (iv) All important events noticed during inspection; and
 - (v) Frequency and voltage in the UPPCL System and any abnormal conditions on the UPPCL System.



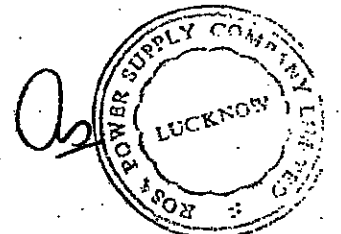
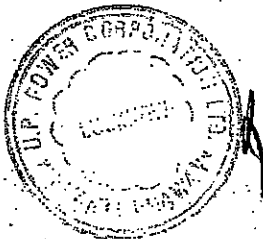
- (d) Either Party shall have the right from time to time, upon reasonable prior written notice to the other Party, to examine the said operating records and data of the other Party relating to this Agreement during normal business hours during the period such records and data are required to be maintained.

Section 6.12 Access to Station

- (a) Subject to Section 6.12 (b) hereof, ROSA will authorise specified representatives of UPPCL to have access to the Station, upon reasonable prior notice during normal business hours, as may be reasonably necessary for a purpose;
- (i) relating to the operation and maintenance of UPPCL System; or
 - (iii) of reading and maintaining UPPCL Meters.
- (b) ROSA may refuse or restrict access to representatives of UPPCL or any other Persons for reasons relating to safety or security and all visitors will comply with any safety regulations imposed by ROSA.
- (c) Notwithstanding Article 15 hereof, UPPCL shall indemnify and hold harmless ROSA and its officers, directors, agents and employees from and against and shall reimburse ROSA for any loss, cost, consequential damages and liability, incurred by any such indemnified Party as a result of the exercise of UPPCL's right of access under this Section, unless caused by the action, negligence or willful misconduct of an officer of ROSA or any officer, director, sub-contractor, agent or employee of ROSA.
- (d) Notwithstanding anything mentioned above in Section 6.12, the Chairman/Board Member of UPPCL can authorise a UPPCL officer to visit the Station for a special inspection.

Section 6.13 Control of Sub-Station

- (a) The 220 KV sub-station will be supplied and installed by ROSA. The 220 KV outgoing lines will be supplied and installed by UPPCL. To facilitate operation over the long term, ROSA will control the 220 KV sub-station.



ARTICLE 7

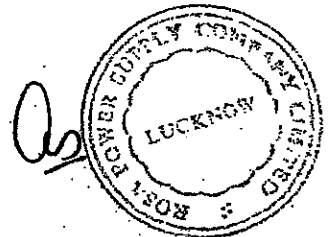
BASE LOAD CAPACITY

Section 7.1 Baseload

- (a) The Parties acknowledge and agree that the Station shall operate as a "Baseload Facility" and no Unit shall be despatched at less than Fifty per cent (50%) of its Established Capacity, unless mutually agreed by UPPCL and ROSA, subject to the terms and conditions of this Agreement and Accepted Industry Practice. In this Section 7.1 "Baseload Facility" means a power generating facility which is intended to be despatched at all times at its declared level of availability. If ROSA is asked to dispatch below 50%, it has option to shut down the plant and deemed generation will be provided as per availability declaration.

Section 7.2 Established Baseload Capacity

- (a) After the Stabilisation Period, the Tested Capacity or the Nameplate Capacity of the Unit at the generator terminals whichever is higher shall be taken as the Established Baseload Capacity and shall not be altered during the Term of this Agreement.

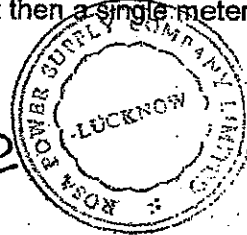


ARTICLE 8**METERING****Section 8.1 Installation of Meters**

- (a) ROSA shall at its cost provide install and maintain one set of dedicated instrument transformers and meters for each Metering Point as detailed below to measure Active Power and Reactive Power delivered to UPPCL by ROSA and Active Power and Reactive Power received by ROSA from UPPCL.
- (i) HT Terminals of Generator Transformer(s)
 - (ii) HT Terminals of Station Transformer(s)
 - (iii) HV Generator Terminals
 - (iv) Each outgoing 220 KV Line

Such meters (the "ROSA Meters") shall be connected to a current transformer voltage transformer of accuracy class as per IEC. The ROSA Meters shall be tested in an independent laboratory (agreed by the Parties) and ROSA shall supply to UPPCL a copy of the manufacturer's test certificate.

- (b) UPPCL will provide, install and maintain a set of meters identical to the ROSA Meters (the "UPPCL Meters") to take the same measurements at the Metering Points from the instrument transformers and meters referred to in Sub-section 8.1(a) above. The UPPCL Meters shall be connected to a current transformer and voltage transformer of accuracy class as per IEC. UPPCL may require ROSA to accommodate and provide the necessary space for and access to UPPCL Meters as it may require for the purpose of monitoring the Station, system conditions and output. ROSA shall also provide UPPCL access to the UPPCL Meters as UPPCL may reasonably require for the purpose of complying with its obligations under this Agreement in respect of the UPPCL Meters. The UPPCL Meters shall be installed in such a manner that they may be read by ROSA in accordance with this Agreement. The core selected for Instrument Transformers for UPPCL Meters shall be dedicated to these meters and no other load/meter shall be connected to the dedicated core of these Transformers.
- (c) Both the ROSA Meters and the UPPCL Meters and associated metering, CT/PT cable etc. shall as to their technical standards, description, accuracy and calibration comply fully with the requirements as specified in Schedule 9.
- (d) If the measurement of import and/or export of Active Power and/or Reactive Power can be combined into one instrument then a single meter (trivector meter) is acceptable.

Section 8.2 Inspection and Testing of Meters

- (a) The ROSA Meters shall be the property of ROSA and ROSA shall be responsible for the costs of their maintenance, replacement and calibration. The UPPCL Meters shall be the property of UPPCL and UPPCL shall be responsible for the costs of their maintenance, replacement and calibration.
- (b) Each Party shall, at its expense, inspect, calibrate and test the set of meters, monitors and where appropriate, associated circuits which it owns (including those at the ROSA substation) upon their installation and on a scheduled basis thereafter. These should be tested and calibrated atleast once every year. Each set of meters, monitors and where appropriate, associated circuits (including those at the ROSA substation) may also be inspected at any other reasonable time upon the request of the other Party and cost of such inspection shall be borne by the other Party.
- (c) If any set of meters, monitoring equipment or associated circuits (including those at the ROSA substation) is found not to comply with the requirements as specified in Schedule 9 they will be repaired or replaced at the expense of the Party which owns them as soon as practicably possible.
- (d) All the tests shall be conducted by the authorised staff of both the Parties jointly and the results and corrections so arrived at mutually will be applicable and binding on both the Parties.

Section 8.3 Sealing of Meters

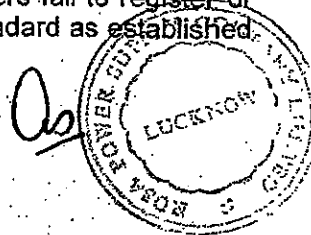
- (a) The ROSA Meters and the UPPCL Meters shall be sealed with a seal owned by each of the Parties and shall not be opened, calibrated or tested except in the presence of representatives of both UPPCL and ROSA. Each Party shall ensure (to the extent it is able to do so) that the meters, monitors and, where appropriate, associated circuits which it owns are sealed and kept secure between inspections and tests. If the seals need to be broken for repair or re-calibration the Party wishing to conduct such work may break the seals with the consent of the other Party which shall not be unreasonably withheld or unreasonably delayed.

Section 8.4 Metering of Energy

- (a) The electrical energy generated by the Station shall be measured at generator terminals and also at other points mentioned in Section 8.1 (a) subject to Section 8.5 and 8.6 on the basis of meter readings of UPPCL Meter.

Section 8.5 Inaccuracy of Meters

- (a) Should any one of the UPPCL Meters fail to register or upon test be found not to be within the accuracy standards as specified in Schedule 9, the billing for the period referred to in paragraph (c) below will be done on the basis of the value registered by the corresponding ROSA Meter.
- (b) Should both the UPPCL Meters and the ROSA Meters fail to register or upon test be found not to be within the accuracy standard as established



as specified in Schedule 9, the Measured Energy shall for the period referred to in paragraph (c) below be adjusted and agreed to between UPPCL and ROSA and in the absence of Agreement shall be referred to the Experts.

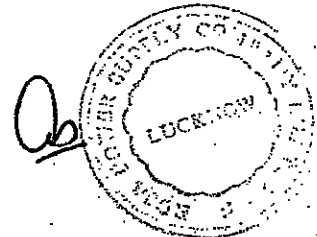
- (c) The period referred to in paragraphs (a) and (b) above is the actual period during which inaccurate measurements were made if such period can be determined or, if not readily determinable, the period between the date on which the error is detected and the date of the previous month's meter reading or the date of the last test of such meter, whichever occurs later. The correction shall be for the full value of the absolute error.

Section 8.6 Meter Reading

- (a) Representatives of both UPPCL and ROSA shall conduct joint visual readings of the UPPCL Meters and the ROSA Meters at 10:00 hours on the last day of each Operating Month. The Parties shall prepare joint statements recording the readings of such meters for the relevant Operating Month immediately following the reading of the meters and, if the readings are significantly different from each other and/or demonstrate a level of inaccuracy outside acceptable limits as specified in Schedule 9, the provisions of Section 8.5 shall immediately apply. If the representatives of UPPCL and ROSA are not available at the said hour, the meter(s) shall be read jointly at 10:00 hours on the following day, failing which the meter shall be read by ROSA in the presence of a notary who shall certify the meter readings.
- (b) As a safety measure the reading of both UPPCL Meters and ROSA Meters shall be taken daily at a fixed mutually agreed time and same shall be intimated daily by ROSA to UPPCL by phone/fax. UPPCL will compare these readings with the meter installed at the other end of the line and in case of any large deviation, joint inspection/testing will be carried out.

Section 8.7 Records

- (a) UPPCL and ROSA shall each compile and maintain meter records and other records needed to reflect the Available Energy and Measured Energy generated and delivered to UPPCL;
- (b) Such records will be subject to inspection by the other Party during normal business hours upon reasonable advance written notice.



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ARTICLE 9

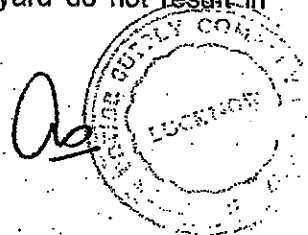
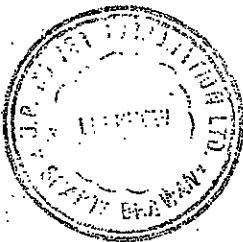
INTERCONNECTION AND TRANSMISSION

Section 9.1 UPPCL's Obligations

- (a) ROSA will provide the data reasonably required by UPPCL to perform an interconnection study within Three (3) months following the Effective Date.
- (b) UPPCL shall complete an interconnection study under conditions agreed upon by the Parties within Six (6) months after the receipt of complete data from ROSA pursuant to Section 9.1 (a).
- (c) UPPCL shall (except to the extent that any third party acceptable to ROSA assumed the obligation) design, construct, own and maintain, at its expense, the External Interconnection Facilities consistent with Accepted Industry Practice.
- (d) UPPCL shall complete construction of the External Interconnection Facilities Ninety (90) days prior to the Scheduled Synchronisation Date for Unit I or any extension thereto due to any Force Majeure Event, in accordance with the Construction Schedule of the Station. But, provision for Start-up Power will be as per Section 9.3(a).
- (e) The Parties agree and acknowledge that the Station cannot be synchronised, tested and commissioned unless the External Interconnection Facilities and Internal Interconnection Facilities are completed prior to the Synchronisation Date for Unit I.

Section 9.2 Switchyard and Transmission Lines

- (a) ROSA shall design, construct, install, test, commission, own and maintain the 220 KV substation and 220 KV switchyard. The 220 KV Switchyard shall distribute the energy generated to a total of Seven (7) 220 KV Transmission Lines.
- (b) UPPCL shall design, construct, install, test, commission, operate, own and maintain at no cost to ROSA, the 220 KV Transmission Line and the other External Interconnection Facilities described in Schedule 5 and the UPPCL System.
- (c) Ownership of facilities and the responsibility between ROSA and UPPCL shall be as described in Schedule 5 and in Section 6.13.
- (d) ROSA will specify the requirements for protection, control and metering of the Internal Interconnection Facilities and External Interconnection Facilities to protect the Station.
- (e) UPPCL and ROSA shall use its reasonable efforts to ensure that power flows into the ROSA substation and/or the Switchyard do not result in metering inaccuracy.

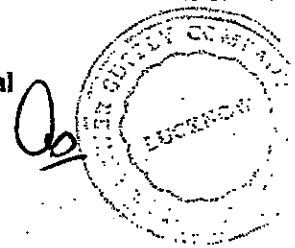
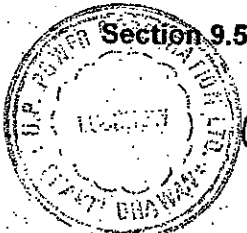


Section 9.3 Start up and Stand by Power

- (a) Normal Start-up and reserve stand-by power for the Station shall be provided by the ROSA Station Transformer. UPPCL shall make available Start-up Power One Hundred and Eighty (180) days prior to the Scheduled Synchronisation Date for Unit I or any extension thereto due to any Force Majeure Event in accordance with the Construction Schedule in the Station.
- (b) The Parties agree and acknowledge that completion and operation of the transmission lines and the Switchyard as provided in Schedule 5 hereto is essential for the Synchronisation, testing and commissioning of the Station.

Section 9.4 Construction of the External Interconnection Facilities

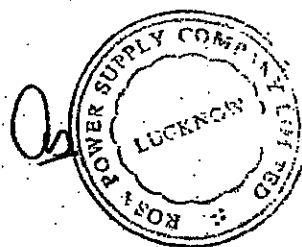
- (a) UPPCL shall provide to ROSA quarterly reports on the status of the construction of External Interconnection Facilities.
- (b) If it is determined by ROSA in consultation with UPPCL that any facilities under the External Interconnection Facilities will not be completed and operational at Ninety (90) days prior to the Scheduled Synchronisation Date for Unit I. ROSA shall have the right, but not the obligation, without prejudice to Section 9.5, to construct and install such facilities on behalf of UPPCL. ROSA shall exercise its right Ninety (90) days prior to the scheduled date of completion of the External Interconnection Facilities by UPPCL. In the event, ROSA agrees to assist UPPCL in completing the construction of External Interconnection Facilities, ROSA shall complete the construction of facilities within a period and cost as mutually agreed between ROSA and UPPCL. Ownership of the assets thus created will be with UPPCL.
- (c) Where ROSA exercises its rights under this section, UPPCL shall afford all reasonable assistance to ROSA to perform the foregoing and UPPCL shall be deemed to provide all Government Approvals necessary for ROSA to exercise its rights under this Section 9.4.
- (d) Where ROSA exercises its rights under this Section 9.4, UPPCL shall notwithstanding Article 15 hereof, be liable for and shall reimburse and indemnify ROSA for all the costs incurred by ROSA arising from the exercise of its rights under this Section 9.4.
- (e) ROSA shall submit every fortnight a written claim for payment indicating the Costs incurred by ROSA arising from the exercise of its rights under this Section 9.4.
- (f) UPPCL shall pay to ROSA all the amounts specified in any claim for payment within Twenty One (21) days from the time the claim for payment is submitted to UPPCL. ROSA shall have the right to revise or issue additional claims for payment under this Section based on additional or other information it may receive regarding the costs incurred by ROSA, within Thirty (30) days after the submission of relevant claim for payment to UPPCL.

Section 9.5 Consequences of delay in installation of External

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Interconnection Facilities.

- (a) Notwithstanding any other provision in this Agreement, if Unit I Scheduled Commercial Operation Date is delayed due to : (i) the External Interconnection Facilities described in Section 9.2 and 9.4, and Schedule 5 (which are the responsibility of UPPCL) not being completed and operational Ninety (90) days prior to the Scheduled Synchronisation Date of Unit I for any reason not attributable to a default by ROSA or any Force Majeure, or (ii) any other UPPCL default (e.g. non-supply of start-up power), and it is certified by the designated engineer that Unit I is ready for Synchronisation, Unit I shall be deemed commissioned on the Scheduled Commercial Operation Date of Unit I and UPPCL shall, from the Scheduled Date of Commercial Operation of Unit I, pay for first Forty Five (45) days Fixed Charges to ROSA. After the 45th day UPPCL shall pay an amount equivalent to full Fixed Charges plus the incentive for the units generated for plant operation at 85% Plant Load Factor.
- (b) UPPCL shall indemnify and hold harmless ROSA from and shall reimburse ROSA for any and all manner of action, demands, suits, contracts, claims, damages and cost of any nature or kind whatsoever, including legal costs, whether in Law or Equity brought by any person(s) against ROSA or involving ROSA arising from failure or delay in completion of any of the External Interconnection Facilities described in Section 9.2 and 9.4 which are the responsibility of UPPCL to provide and install Ninety (90) days prior to the Scheduled Synchronisation Date of Unit I due to UPPCL default.

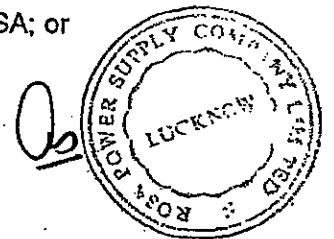


ARTICLE 10

REPRESENTATIONS, WARRANTIES, COVENANTS

Section 10.1 ROSA Representations and Warranties

- (a) ROSA represents and warrants that
- (i) ROSA is a corporation duly registered under the Companies Act, organised and validly existing under the Laws of the Republic of India and has all requisite power and authority to conduct its business, to own its properties and to execute and deliver and perform its obligations under this Agreement.
 - (ii) the execution, delivery and performance by ROSA of this Agreement has been duly authorised by all necessary corporate or partnership action;
 - (iii) the execution, delivery and performance by ROSA of this Agreement does not:
 - (1) require further consent or approval of ROSA's Board of Directors or shareholders;
 - (2) violate any Governmental Approval or any Law;
 - (3) result in a breach of or constitute a material default under ROSA's memorandum or any indenture, contract or agreement to which it is a party or by which its property may be bound, or
 - (4) place ROSA in material default under its memorandum and articles of association, or any indenture, contract or agreement to which it is a party or by which it or its property may be bound;
 - (iv) this Agreement is a legal, valid and binding obligation of ROSA, enforceable against ROSA in accordance with its terms, except as the enforceability may be created by applicable bankruptcy, insolvency, reorganisation, moratorium or other similar Laws affecting creditors' rights generally and to the extent that the remedies of specific performance, injunctive relief and other forms of equitable relief are subject to equitable defences, the discretion of the court before which any proceedings therefore may be brought, and the principles of equity in general;
 - (v) there are no pending or to the knowledge of ROSA, threatened legal actions or proceedings involving ROSA before any Court or Administrative Body or Arbitral Tribunal or Arbitrator that might materially and adversely affect:
 - (1) the financial condition or operation of ROSA; or

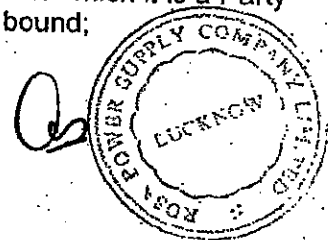


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- (2) the ability of ROSA to perform its obligations under this Agreement, or
 - (3) the legality, validity or enforceability of this Agreement.
 - (vi) the Station will be operated and maintained in accordance with operating procedures developed pursuant to Article 6 hereof, Accepted Industry Practice, and the Station will be operated in such a manner so as not to have a material adverse effect on the UPPCL's voltage level;
 - (vii) the Station will be capable of delivering during normal operation, electricity to UPPCL in the form of 3 - phase, 3 - wire, Alternating Current of 50 hertz, at a nominal Voltage of 220 KV and at a power factor consistent with the generator electrical characteristics set forth in Schedule 3 hereto;
 - (viii) the Station will be operated within a frequency range of 47.5 - 51.5 hertz. In the event that the frequency of the UPPCL System is or falls outside the above range ROSA shall isolate the Station from the UPPCL System.

Section 10.2 UPPCL Representation and Warranties

(a) UPPCL hereby represents and warrants that:

- (i) UPPCL is a body corporate duly organized and validly existing under the Laws of India and has all requisite legal power and authority to execute this Agreement and carry out the terms, conditions and provisions hereof;
- (ii) the execution, delivery and performance by UPPCL of this Agreement have been duly authorised by all necessary action, and UPPCL shall deliver proof and confirmation of such authorisation to ROSA promptly;
- (iii) the execution, delivery and performance by UPPCL of this Agreement does not and will not
 - (1) require any consent or approval of any Governmental Authority or other person or body, other than that which has been already obtained.
 - (2) violate any material provision of UPPCL's charter or other constitutive documents, any indenture, contract or Agreement to which it is a Party or by which it or its properties may be bound, or any material Law, rule, regulation, order, writ, judgement, injunction, decree, determination or award presently in effect having applicability to UPPCL.
 - (3) result in a breach of or constitute a material default under any indenture, contract or agreement to which it is a Party or by which it or its property may be bound;



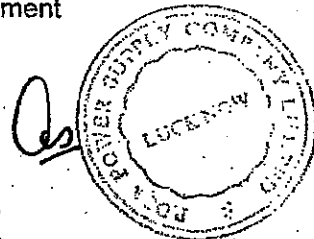
- (iv) UPPCL is not in material default under its charter or other constitutive documents or any indenture, contract or agreement to which it is a party or by which it or its property may be bound;
- (v) this Agreement is a legal, valid and binding obligation of UPPCL, enforceable against UPPCL in accordance with its terms, except as the enforceability may be created by applicable bankruptcy, insolvency, reorganisation, moratorium or other similar Laws affecting creditors' rights generally and to the extent that the remedies of specific performance, injunctive relief and other forms of equitable relief are subject to equitable defences, the discretion of the court before which any proceedings therefore may be brought, and the principles of equity in general.
- (vi) there is no pending, or to the knowledge of the UPPCL, threatened legal action or proceeding affecting UPPCL before any Court or Administrative Body or Arbitral Tribunal or Arbitrator that might materially and adversely affect:
 - (1) the financial condition or operations of UPPCL;
 - (2) the ability of UPPCL to perform its obligations under this Agreement, or
 - (3) the legality, validity or enforceability of this Agreement, and
- (vii) the External Interconnection Facilities will be operated and maintained in accordance with
 - (1) operating and maintenance standards recommended by the External Interconnection Facilities' equipment suppliers;
 - (2) operating procedures developed pursuant to Article 6 of this Agreement; and
 - (3) Accepted Industry Practice.

Section 10.3 Existence

- (a) Each Party agrees to preserve and keep in force and effect its organisational existence and all material franchises, licenses and permits necessary for the proper conduct of its business including, with respect to ROSA, the business of constructing, owning and operating the Station.

Section 10.4 Compliance with Laws

- (a) Each Party shall, at all times, comply with all material Laws applicable to it or in the event of any non-compliance, shall diligently contest any such Law in good faith if such non-compliance has no material adverse effect on the operation or maintenance of the Station. Each Party shall give all required notices and shall procure and maintain all Government Approvals necessary for its performance of this Agreement



ARTICLE 11

SALE AND PURCHASE OF CAPACITY AND ENERGY

Section 11.1 Capacity and Energy

- (a) From and after the Unit 1 Commercial Operation Date, ROSA agrees to sell and deliver, and UPPCL agrees to purchase the Capacity and Net Electrical Output of each Unit subject to such Dispatch Instructions as may be in effect and the terms and conditions of this Agreement. ROSA shall follow the directions of UPPCL or the Control Centre to back down generation and to resume generation, in each case consistent with the Station's technical limits, Accepted Industry Practice and this Agreement and the other arrangements between ROSA and UPPCL regarding communication and co-ordination of operations (Dispatch Instruction). UPPCL shall not be required to reimburse ROSA for any incremental costs or damages in respect of Dispatch Instructions issued in compliance with the foregoing.

Section 11.2 Sale and Purchase of Infirm Power

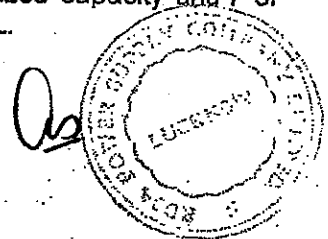
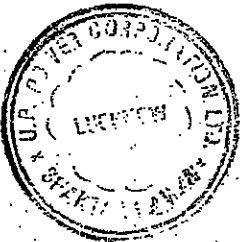
- (a) ROSA shall set and the UPPCL shall purchase all Infirm Power generated by a generating Unit prior to the Commercial Operation Date of such Unit.

Section 11.3 Sale of Power to Third Parties

- (a) In case of termination of this Agreement pursuant to Section 16.3 (d), ROSA will be allowed to sell any capacity and / or power generated by the Station to third parties after intimating UPPCL, in accordance with the laws applicable at the time of such termination.
- (b) In case of UPPCL default, ROSA will, without prejudice to UPPCL's obligation under this Agreement, be allowed to sell any capacity and / or power generated by the Station to third parties for so long as the Event of Default is continuing unremedied. From the proceeds of such sale, the surplus amount received over Variable Charges shall be adjusted against the Fixed Charge liability of the UPPCL in respect of the quantum of such capacity and / or power sold by ROSA to third parties as provided below.

In case the surplus amount over Variable Charges is higher than the Fixed Charge liability of the UPPCL in respect of the quantum of such capacity and / or power sold by ROSA to third parties, such excess amount shall be retained by the ROSA. In case the surplus amount over Variable Charges is lower than the Fixed Charge liability of the UPPCL in respect of the quantum of such capacity and / or power sold by ROSA to third parties, such shortfall amount shall be payable by the UPPCL.

- (c) If UPPCL, for any reason whatsoever, is unable to or elects not to / does not off take any capacity and / or power generated / to be generated by the Station, ROSA shall be free to sell the unutilized capacity and / or power to any other party under intimation to UPPCL.

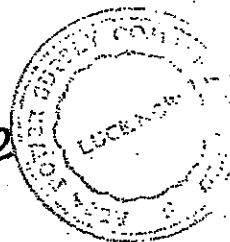


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From the proceeds of such sale, the surplus amount received over Variable Charges shall be adjusted against the Fixed Charge liability of the UPPCL in respect of the quantum of such capacity and / or power sold by ROSA to third parties as provided below.

In case the surplus amount over Variable Charges is higher than the Fixed Charge liability of the UPPCL in respect of the quantum of such capacity and / or power sold by ROSA to third parties, such excess amount shall be retained by the ROSA. In case the surplus amount over Variable Charges is lower than the Fixed Charge liability of the UPPCL in respect of the quantum of such capacity and / or power sold by ROSA to third parties, such shortfall amount shall be payable by the UPPCL."

UPPCL shall provide wheeling facilities on non discriminatory basis for such sale of power pursuant to Sections 11.3 (a), 11.3(b) and 11.3 (c) and ROSA will pay wheeling charges for the same as stipulated by the UPERC.



ARTICLE 12

TARIFF, BILLING & PAYMENT, CHANGE IN LAW

Section 12.1 Two-Part Tariff

- (a) UPPCL shall pay to ROSA the Tariff for each Tariff Year as set out in this Article. Tariff will be determined on a two-part basis comprising Fixed Charge and Variable Charge and shall be computed for each Tariff Year.

Section 12.2 Fixed Charge

- (a) The Fixed Charge shall mean with respect to any Tariff Year during the Term of the Agreement the aggregate of the following for such year;
- (i) Interest on Debt : at actuals as per the financial package approved by the UPERC;
 - (ii) Interest on Working Capital;
 - (iii) Depreciation; as per GOI guidelines (Schedule 7);
 - (iv) O & M Expenses;
 - (v) Taxes on Income (not including any tax/penalties, if any, imposed by reasons of ROSA default);
 - (vi) Return on Equity.

Not later than Ninety (90) days prior to the Unit I Commercial Operation Date, ROSA shall deliver to UPPCL a calculation of its estimate of the Fixed Charge (except Taxes on Income) for the Operating Months from the Unit I Commercial Operation Date till Unit II Commercial Operation Date ("Initial Tariff Period").

Not later than Thirty (30) days prior to the Unit II Commercial Operation Date, ROSA shall deliver to UPPCL a calculation of the estimated Fixed Charge for First Tariff Year and thereafter not later than Thirty (30) days prior to the commencement of each Tariff Year of the Term, ROSA shall deliver to UPPCL a calculation of the Fixed Charge (based on its best estimates) of the ensuing Tariff Year.

In estimating the various elements of the Fixed Charge, ROSA will calculate such estimate in the currency in which such element (or any part thereof) is denominated. Foreign currency amounts will be converted into Rupees at the Current Rate of Exchange as on the date of the said estimate.

The Fixed Charge (excluding Taxes on Income and any other Taxes) shall be payable every month as one twelfth (1/12) of the estimated amount for the Tariff Year. If the Initial Tariff Period or any Tariff Year is less than Twelve (12) months the amount of the Fixed Charge payable shall be reduced on a pro-rata basis.

- (b) Interest on Debt shall be computed on all outstanding loans, as included in the schedule of Debt Repayment, as per the Financing Document approved by the UPERC on the basis of actual rate of interest as specified in Schedule 10.
- (c) Working Capital shall be the aggregate of the following :
- i) Cost of Primary Fuel for two months consumption corresponding to Achievable Plant Load Factor that is a Plant Load Factor of 80%;
 - ii) Cost of Secondary Fuel for two months corresponding to Achievable Plant Load Factor that is a Plant Load Factor of 80%;
 - iii) O & M Expenses for One Month;
 - iv) Maintenance spares @ 1% of the Capital Cost escalated @ 6% per annum from the date of commercial operation; and
 - v) Receivables equivalent to two months of fixed and variable charges for sale of electricity calculated corresponding to Achievable Plant Load Factor that is a Plant Load Factor of 80%.

Rate of interest on Working Capital shall be on normative basis and shall be equal to the short term Prime Lending Rate of State Bank of India as on 1st April of the year in which ROSA is declared to be in commercial operation. Interest on working capital shall be payable on normative basis notwithstanding that ROSA has not taken working capital loan from any outside agency."

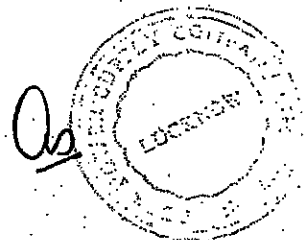
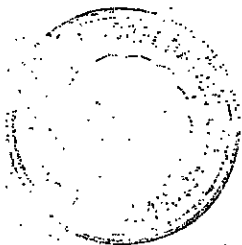
(d) **Depreciation**

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

- i) The value base for the purpose of depreciation shall be the historical cost of the asset;
- ii) Depreciation shall be calculated annually, based on straight line method over the useful life of the asset and at the rates prescribed in Schedule 7.

The residual life of the asset shall be considered as 10% and depreciation shall be allowed upto maximum of 90% of the historical capital cost of the asset. Land is not a depreciable asset and its cost shall be excluded from the capital cost while computing 90% of the historical cost of the asset.

- iii) On repayment of entire loan, the remaining depreciable value shall be spread over the balance useful life of the asset.



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- iv) Depreciation shall be chargeable from the first year of operation. In case of operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

Advance Against Depreciation (AAD)

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

AAD = Debt Repayment amount subject to a ceiling of $1/10^{\text{th}}$ of Debt minus Depreciation.

Provided that Advance Against Depreciation shall be permitted only if the cumulative Debt Repayment upto a particular year exceeds the cumulative Depreciation up to that year;

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

- (e) O & M Expenses

O & M Expenses shall be computed based on the appropriate guidelines of the appropriate electricity regulatory commission as applicable in the relevant Tariff Year.

- (f) The recovery of Fixed Charge will be allowed so long as the Adjusted Plant Load Factor is not less than the Achievable Plant Load Factor calculated at the end of each Tariff Year. If the Adjusted Plant Load Factor for the Station for any Tariff Year is lower than the Achievable Plant Load Factor for such Tariff Year, the actual amount payable to ROSA by UPPCL for such Tariff Year on account of Fixed Charge shall be reduced on pro-rata basis.

Explanation : Achievable Plant Load Factor shall be subject to UPPCL Force Majeure and Political Force Majeure.

- (g) The Tariff determined as above does not include any duties, taxes, cesses or other levies demanded by and legally payable to GOI or GOUP or UPPCL or any other statutory authorities in India on the generation and/or sale of energy, and if levied and legally payable shall be payable by UPPCL to ROSA additionally along with the monthly Tariff bills.

Section 12.3 Variable Charge

- (a) Variable Charge shall mean the cost of Primary Fuel and the cost of Secondary Fuel.
- (b) The Cost of Primary Fuel (CPF) shall mean, for any Operating Month, the cost of Primary Fuel, calculated in accordance with the following formula :

$$CPF = \frac{[FC * kWh * (HR - FR * OCV)] + MTP}{GCV}$$

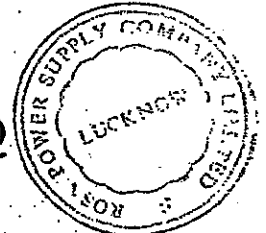
Where:



- (i) FC is the estimated average Unit cost of the Primary Fuel fired at the Station including the cost of procurement of Fuel under Coal Supply Contract and procurement of Fuel on spot purchase / short-term contract basis from domestic / international suppliers from time to time in consultation with UPPCL and expressed in Rs. per kg. The cost in Rs. per kg. shall include all costs of the Primary Fuel whether fixed or variable including any purchase costs, transportation charges, taxes, royalties, cost of handling and processing of the Primary Fuel. The computation of energy charges shall be arrived at after considering normative transit and handling losses as percentage of the quantity of coal dispatched by the coal supply company during the month at the rate of 0.8%. Notwithstanding anything to the contrary contained in this Agreement, the impact of the cost of 'Wagon Investment Scheme' shall be included as part of the cost of Primary Fuel, if it becomes necessary for executing legally enforceable Agreements with Indian Railways and Primary Fuel Supplier respectively, and for running the Station efficiently.
- (ii) KWh is the Measured Energy metered at the Interconnection Point during such Operating Month in Kilowatt hours.
- (iii) HR is the station heat rate at the Interconnection Point and shall be 2747 kcal/kWh based on normative gross station heat rate of 2500 kcal/kWh and normative Auxiliary Consumption of 9.0%.
- (iv) The normative Auxiliary Consumption for the purpose of tariff shall be 9.0%.
- (v) FR is the normative Secondary Fuel consumption rate at the Interconnection Point and shall be 2.20 ml/kWh based on normative secondary fuel consumption 2 ml/kWh and normative Auxiliary Consumption of 9.0%.
- (vi) OCV is the average gross calorific value of the Secondary Fuel fired at the Station expressed as Kcal/ml.
- (vii) GCV is the average gross calorific value of the Primary Fuel fired at the Station during the Operating Months expressed as Kcal/kg.
- (viii) MTP is the amount payable by ROSA by way of minimum take payments in respect of Primary Fuel and Secondary Fuel limited to the quantities required to achieve generation at Achievable Plant Load Factor (80%) in case of UPPCL Force Majeure, Political Force Majeure, UPPCL default and Despatch Instructions.
- (c) Cost of Secondary Fuel" (CSF) shall mean for any Operating Month the cost of Secondary Fuel calculated in accordance with the following formula:

$$CSF = KWH * FR * FO$$

Where :



- (i) KWh is the Measured Energy metered at the Interconnection Point during such Operating Month in Kilowatt hours.
- (ii) FR is the normative Secondary Fuel consumption rate at the Interconnection Point and shall be 2.20 ml/kWh based on normative secondary fuel consumption 2 ml/kWh and normative Auxiliary Consumption of 9.0%.
- (iii) FO is the estimated average unit cost of the Secondary Fuel fired at the Station expressed in Rs. per ml.

Section 12.4 Incentive Charge

- (a) For the Initial Tariff Period, the First Tariff Period and each subsequent Tariff Year of the Term UPPCL shall pay Incentive Charge at a flat rate of 25.0 paise / kwh for ex-bus energy generated in excess of ex-bus energy corresponding to Achievable Plant Load Factor.

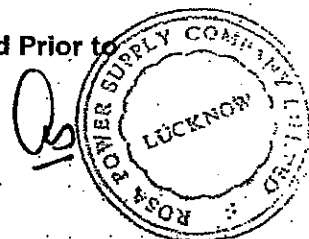
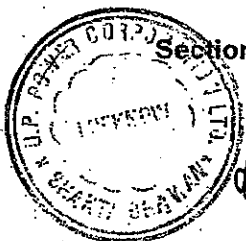
Section 12.5 Records

- (a) For the purposes of this Agreement, the assets, liabilities, Equity, revenue and expenses of ROSA shall be recorded and maintained in the accounts of ROSA in Foreign Currency and Rupees respectively based on the original source of the funds. For example, any portion of Capital Cost acquired from investment sources outside of India shall be denominated in Dollars and any Depreciation relating thereto shall be denominated in Dollars and any portion of Capital Cost acquired from investment sources within India shall be denominated in Rupees and any Depreciation relating thereto shall be denominated in Rupees. Likewise, Equity shall be recorded in the currency in which it was sourced.
- (b) Either Party shall have the right, upon reasonable prior written notice to the other Party, to examine and/or make copies of the records and data of the other Party relating to this Agreement (including without limitation, all records and data relating to or sustaining any payments made by or to ROSA) at any time during normal business hours during the period such records and data are required to be maintained. All such records and data shall be maintained for a maximum of Five (5) years after the creation of such record or data and for any additional time period required under Law or by regulatory agencies having jurisdiction over the Parties.

Section 12.6 Payment for Infirm Power

- (a) From the Synchronisation Date of each Unit to its Commercial Operation Date, UPPCL shall purchase all the Infirm Power generated by the Station. UPPCL shall pay to ROSA monthly payment of the Variable Charge for all Infirm Power purchased by UPPCL. Any payment agreed between the Parties and made by UPPCL other than the Variable Charge for the Infirm Power shall go towards reducing the Capital Cost of the Station.

Section 12.7 Payment after Unit I Commercial Operation Date and Prior to Unit II Commercial Operation Date



- (a) For the period commencing on the Unit I Commercial Operation Date upto the Unit II Commercial Operation Date, UPPCL shall pay to ROSA:

- (i) the Fixed Charge,
- (ii) the Variable Charge, and
- (iii) the Incentive Charge

calculated based on the assumption that Fifty per cent (50%) of the Capital Cost of the Station is attributable to Unit I.

Section 12.8 Payment after Unit II Commercial Operation Date

- (a) From the Unit II Commercial Operation Date and through out the Term, all as herein provided, UPPCL shall pay to ROSA, with respect to each Tariff Year of the Term the Fixed Charge, the Variable Charge and the Incentive Charge for the Station?

Section 12.9 Payment of Fixed Charge and Variable Charge

- (a) The Tariff shall be payable from the Unit I Commercial Operation Date, ROSA shall prepare and render to UPPCL within Five (5) days after the end of each Operating Month a statement detailing the UPPCL Meter Readings and ROSA's calculation of Fixed Charge, Variable Charge, Incentive Charge and any other amounts payable by UPPCL, pursuant to this Agreement. If, for any reason, UPPCL is unavailable to read UPPCL Meters on the last day of the Operating Month as provided in Section 8.6, ROSA and the notary as contemplated by Section 8.6 shall be entitled to read UPPCL Meters and the notary shall certify the reading for the purpose of enabling ROSA to prepare a statement of payment due to ROSA such Operating Month. If ROSA Meters are used for billing for any Operating Month, UPPCL and ROSA shall as soon as is practicable thereafter jointly read the UPPCL Meters at the Metering Points and make an equitable adjustment, if necessary, in the statement prepared by ROSA based on the ROSA Meters.

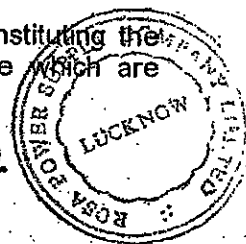
Section 12.10 Annual Adjustment for Fixed Charge / Variable Charge

- (a) Not later than Sixty (60) days after the end of each Tariff Year, ROSA shall deliver to UPPCL a statement of the calculation of the amount, if any, which UPPCL owes to ROSA or ROSA owes to UPPCL. This statement shall inter-alia include the following information with respect to such Tariff Year.

- (i) the annual Available Energy of the Station;
- (ii) the Measured Energy,
- (iii) the Fixed Charge,
- (iv) the Variable Charge,
- (v) the Incentive Charge,
- (vi) Achievable Plant Load Factor and the Adjusted Plant Load Factor.

With full particulars, assumption and calculations in respect thereof.

- (b) To the extent that the actual amounts of any element constituting the Fixed Charge, Variable Charge and the Incentive Charge which are



incurred during any Tariff Year in accordance with this Agreement are different from the forecast amount estimated in accordance with Section 12.2. ROSA shall credit to UPPCL or UPPCL shall pay, as the case may be, an amount equal to the difference resulting therefrom. ROSA will submit supplemental bills to UPPCL for any such amounts payable to it or by it not later than Sixty (60) days from the end the Tariff Year.

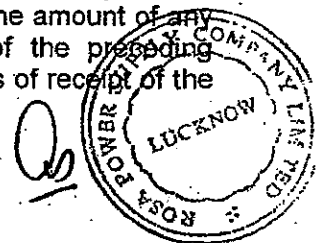
Section 12.11 Claims for Income Tax

- (a) The Parties agree that the Taxes on Income liability of ROSA will be billed by ROSA and paid by UPPCL. ROSA will present to UPPCL a supplemental bill for Taxes on Income by the third week of the month proceeding the Operating Month when the Taxes on Income payment is due. UPPCL shall pay ROSA invoice within Seven (7) days of receipt of the supplemental bill for Taxes on Income via a Letter of Credit or Bank Draft / Certified Cheque.
- (b) Any under-recoveries or over-recoveries of tax on income shall be adjusted every year on the basis of income-tax assessment under the Income-Tax Act, 1961, as certified by the statutory auditors.
- (c) Provided that tax on any income stream other than the core business shall not constitute a pass through component in tariff and tax on such other income shall be payable by ROSA.
- (d) Provided further that the benefits of tax-holiday as applicable in accordance with the provisions of the Income-Tax Act, 1961 shall be passed on to UPPCL.
- (e) The Parties agree that the Taxes on Income liability of ROSA payable by UPPCL shall not exceed the value of Taxes on Income calculated using the values and figures for calculating Tariff as specified in sections 12.2, 12.3 and 12.4. Further, the Taxes on Income shall be recovered directly by ROSA from UPPCL and not as a component of Fixed Charges for the purpose of computation of Fixed Charge recoverable from UPPCL under the provisions of Section 12.2 (f).

Section 12.12 Dollar Equivalency and Adjustment for variation in Exchange Rate

- (a) Extra Rupee liability towards interest payment and loan repayment corresponding to the normative Foreign Debt or actual Foreign Debt, as the case may be, in the relevant year shall be permissible provided it directly arises out of Foreign Exchange Rate Variation and is not attributable to Rosa or its suppliers or contractors. Rosa shall recover Foreign Exchange Rate Variation on a year to year basis as income or expense in the period in which it arises and Foreign Exchange Rate Variation shall be adjusted on a year to year basis.

As soon as practical, ROSA shall submit to UPPCL (i) in the event such difference is a positive number, a supplemental bill for an amount equal to such difference or (ii) in the event that such difference is negative, a statement setting forth the amount of such difference. The amount of any supplemental bill submitted in accordance with (i) of the preceding sentence shall be paid by UPPCL within Thirty (30) days of receipt of the



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supplemental bill by UPPCL and the amount of any statement described in (ii) of the preceding sentence shall be reflected as credit in the Tariff bill for the next Operating Month of ROSA to UPPCL."

NOTE:

ROSA will make all reasonable efforts in consultation with UPPCL to reduce the impact of foreign exchange fluctuation throughout the Term of this Agreement including use of suitable existing (e.g., hedging, at UPPCL's cost) or future instrumentalities towards this end. If at a future date, maintaining Dollar account is allowed for Indian companies, ROSA will convert Rupees into Dollars on the dates of payment by UPPCL and disburse interest on foreign debt foreign debt repayment and 14% Return on Foreign Equity from such account.

Section 12.13 Payment of Incentive Charge

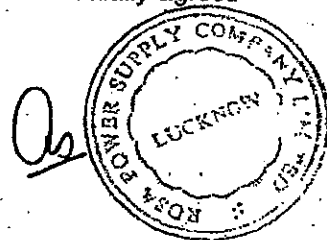
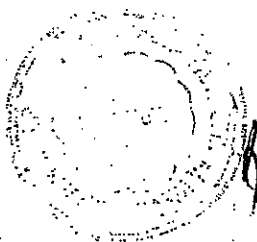
- (a) Incentive Charge as specified in Section 12.4 shall be payable monthly. ROSA shall compute the amounts due from UPPCL pursuant to Section 12.4 in each of the Operating Month in any Tariff Year once the Station achieves Plant Load Factor of Eighty per cent (80%). The obligation to pay Incentive Charge will be supported by a Letter of Credit.

Section 12.14 Billing Disputes

- (a) If either Party disputes the accuracy of a bill for any amount specified in this Article 12, the Parties shall use their best efforts to resolve the dispute in accordance with Article 17.
- (b) In case of any dispute in the bill amount the undisputed amount will be paid by UPPCL as per the agreed payment schedule. If the dispute is not resolved within five (5) working days of the receipt of the monthly bill, then the disputed amount shall be deposited in an Escrow Account. The dispute will be resolved by a Committee comprising the Chairman, UPPCL, the designated Director, ROSA and the Chairman UPERC (in the chair) within 25 days. The disputed amount shall be paid to ROSA on the 30th day irrespective of the decision and subsequently shall be adjusted in accordance with the decision of the committee.
- (c) Upon the resolution of the disputed amount in favour of UPPCL, such shall be due and payable to UPPCL with interest thereon, calculated at Default Rate, from the date on which such amount was paid by UPPCL to ROSA till the date of payment of amount due to UPPCL.
- (d) The existence of the dispute as to any bill shall not relieve either Party from compliance with other provisions of this Agreement.

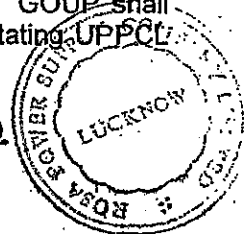
Section 12.15 Escrow Account and Letter of Credit

- (a) On or before the Scheduled Synchronisation Date of Unit I and at all times thereafter, UPPCL shall cause to effect an irrevocable revolving Letter of Credit that is :
 - (i) issued in favour of ROSA by a Scheduled Bank mutually agreed upon;



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- (ii) revolving to continue during the Term of this Agreement,
 - (iii) valid for atleast One (1) year and has a face value of one month's billing amount based on Eighty Five Per cent (85%) Plant Load Factor for first three Operating Months following Unit I Commercial Operation Date and thereafter average monthly billing for last Three (3) Operating Months. The Letter of Credit shall be reinstated within Five (5) days of drawdown;
 - (iv) charges for opening and operating the Letter of Credit shall be borne by UPPCL.
- (b) ROSA shall present the monthly Tariff bill and any Supplemental bill (in each case denominated in Rupees) for payment under Letter of Credit mechanism. Letter of Credit shall be payable upon the execution and presentation of the following documents :
- (i) A certificate by an authorised officer of ROSA stating that the amounts specified in the certificate are due and payable by UPPCL to ROSA under this Agreement and supported by a meter reading statement accepted and signed by both ROSA and UPPCL or a certification by ROSA that UPPCL failed to sign the meter reading statement as per Section 8.6 (a).
 - (ii) Monthly energy consumption bill in a mutually acceptable format (to be agreed before the Date of Financial Closing) indicating details of Tariff.
 - (iii) Certificate from ROSA that the bill has been prepared/ drawn strictly in conformity with the accepted Tariff and that all admissible rebates/discounts have been allowed.
- (c) On or before the Scheduled Synchronisation Date of Unit I, UPPCL shall establish an Escrow Account ("Escrow Account") at a Scheduled Bank mutually agreed by UPPCL and ROSA. UPPCL shall at all relevant times maintain funds in the Escrow Account equivalent to 1.25 times monthly Tariff amount based on Eighty Five per cent (85%) Plant Load Factor for the purposes of guaranteeing the reinstatement of the Letter of Credit on a monthly basis under this Agreement as and when same becomes due and payable hereunder. If the Parties cannot agree on the Scheduled Bank, the matter shall be resolved pursuant to Article 17 hereof. In case of a default by UPPCL, in payment of any of the bills due to ROSA on the due date, ROSA shall have recourse to the Escrow Account. ROSA may, by written notice to the said bank, request the bank not to honour any of the cheques, hundies and requisitions presented to it by UPPCL, until after the claim of ROSA is first discharged out of the revenues accumulated in the Escrow Account. As soon as the said bill is paid by the bank from the Escrow Account or by UPPCL directly, the said notice shall cease to be in effect.
- (d) In the case of payment default by UPPCL under the Escrow Account Mechanism, ROSA shall have recourse to the GOUP Guarantee after Thirty (30) days of default from the Due Date of Payment. GOUP shall make payment within Thirty (30) days of receipt of letter stating UPPCL



payment default from ROSA. In case of termination payment, the decision shall be taken by GOUP within 30 days of receipt of letter from ROSA and the payment shall be made. Any delayed payment will attract interest at Default Rate.

- (e) Right to cease generation – The title for the Station on termination will pass to UPPCL only after full payment is made. ROSA does not have any obligation to run or allow running of the Station till the payment is made by the UPPCL, but will continue to receive all monthly tariff payments including Deemed Generation.

Section 12.16 Direct Payment

- (a) Notwithstanding the fact that a Letter of Credit has been opened, UPPCL has a right to make direct payment of any bill, issued by ROSA to UPPCL by cheque or otherwise and when such direct payment is made, ROSA shall not present the same bill to the Scheduled Bank against the Letter of Credit.

Section 12.17 Rebates, Late Charges

- (a) For payment of bills of Fixed Charges and Variable Charges through a Letter of Credit on presentation, a rebate of 2% shall be allowed. If the payments are made by a mode other than through the Letter of Credit, but within a period of one month of presentation of bills by ROSA, the rebate of 1 % shall be allowed.
- (b) In case the payment of bills of Fixed Charges and Variable Charges by UPPCL is delayed beyond a period of 1 month from the date of billing, a late payment surcharge at the rate of 1.25% per month shall be levied by ROSA on the outstanding amount of the bills and payable by UPPCL.

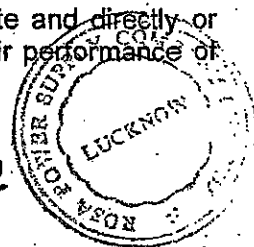
Section 12.18 Definition of Law

- (a) For the purpose of this Agreement, "Law" means any act, rule, regulation, notification, directive order or instruction having the force of Law enacted or issued by any Competent Legislature, Government or Statutory Authority of India, Court or Tribunal.

Section 12.19 Definition of Change in Law

- (a) For the purpose of this Agreement, "Change in Law" means :
- (i) any enactment and enforcement of any new Law;
 - (ii) any amendment, alteration, modification or repeal of any existing Law by a competent court, tribunal or legislature in India or,
 - (iii) any authoritative interpretation of an existing Law issued by a Competent Court, Tribunal, Government or Statutory Authority contrary to the existing official interpretation thereof.

in each case coming into effect after the Effective Date and directly or indirectly affecting the Parties to this Agreement in their performance of



their obligations under this Agreement and provision for which has not been made elsewhere in the Agreement.

Section 12.20 Delays due to Change in Law

- (a) In the event any Change in Law coming into force prior to the Scheduled Commercial Operation Date of any Unit causes any delay in Commercial Operation of the Unit, the Scheduled Commercial Operation Date of that Unit shall be extended by a reasonable time as mutually agreed between UPPCL and ROSA in accordance with Section 14.5

Section 12.21 Additional Expenditure

- (a) The amount of any additional expenditure incurred by ROSA with regard to the Station, which is reasonably necessary to comply with any Change in Law coming into force prior to Unit II Commercial Operation Date shall be added to the Capital Cost subject to comments by UPPCL/GOUP and approval of the UPERC. To the extent the amount of any such expenditure shall have been funded with Debt, Interest on Debt and Debt Repayment attributable thereto shall be reflected in the Tariff and to the extent the amount of any such expenditure shall have been funded with Equity the Return on Equity attributable thereto shall be reflected in the Tariff.

Section 12.22 Additional Facilities and Modifications

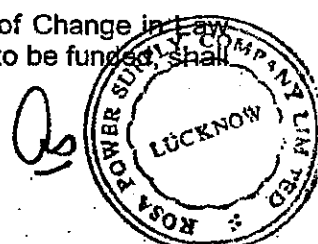
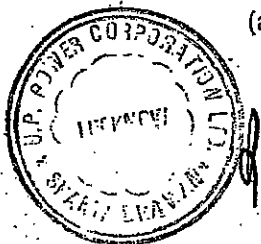
- (a) Where any Change in Law coming into force after the Unit II Commercial Operation Date requires the construction of any additional facilities or modifications of any existing facility of the Station, ROSA may incur such expenditure thereon as may be reasonably required to comply with such Change in Law and the amount of such expenditure shall be added to the Capital Cost subject to comments by UPPCL/GOUP and approval of the UPERC. ROSA shall provide UPPCL with as much prior notification of such additions or modifications and their costs as is reasonably practicable. To the extent the amount of any such expenditure shall have been funded with Debt, the Interest on Debt and Debt Repayment attributable thereto shall be reflected in the Tariff, and to the extent the amount of any such expenditure shall have been funded with Equity, the Return on Equity attributable thereto shall be reflected in the Tariff, benefits, if any, in the Tariff, accrued due to Change in Law shall go towards a reduction in the Tariff.

Section 12.23 Other Increased Costs

- (a) To the extent that ROSA incurs any other increase in costs, including operating and other Variable Costs, which are reasonably necessary to comply with any Change in Law and which are not covered by the escalation in the Tariff elsewhere provided in this Agreement, the amount of such costs, as approved by the UPERC, shall be paid by UPPCL to ROSA.

Section 12.24 General

- (a) The plan of remedial measures to mitigate the effect of Change in Law, including how and by whom the costs of mitigation are to be funded, shall



be as may be mutually agreed upon and ROSA will be under no obligation to incur any additional expenditure to mitigate the effect of Change in Law unless and until such an agreement is reached. If no such agreement is reached within Three (3) months from the date of Change in Law, then for the purpose of Section 14.1(b)(v), it is agreed that adequate and reasonable time will not have been provided to make additional investment and accordingly that the Change in Law will (with effect from the date it affects ROSA) constitute a Political Force Majeure Event.



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ARTICLE 13 INSURANCE

Section 13.1 Adequate Coverage

- (a) During the Construction Period of any Unit and thereafter for the entire Term of the Agreement, ROSA will take out, provide and maintain, or cause to be effected all such insurance coverage as may be required by the Financing Parties pursuant to the Financing Documents and such other insurance as may be available at reasonable rates of commercial premiums as ROSA shall think appropriate in the circumstances, as more specifically set forth in Schedule (all insurance premiums during the Construction Period shall be included as part of the Capital Cost). Such insurance to include without limitation:

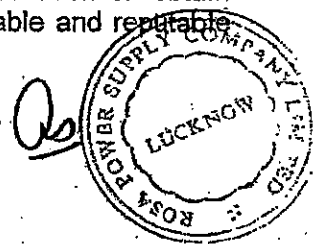
- (i) Builders All Risk Insurance;
- (ii) Comprehensive third Party Liability;
- (iii) Workers' Compensation, Employees Group, Health and Medical etc;
- (iv) Other such insurance coverage as may be required by the Financing Parties; and
- (v) Such other insurance coverage as may be required by Law.

For greater clarify, if for a particular Station Force Majeure condition or group of such conditions, insurance cover is available but at unreasonable terms then ROSA shall inform UPPCL the position and UPPCL will have the right to tell ROSA to take out such insurance, the entire costs of which shall be added to the Project Cost if it is for the Construction Period, and shall be reimbursed separately if it is for during commercial operation subsequent to Construction Period:-

- (b) Not later than Four (4) Months before the Scheduled Commercial Operation Date for each Unit, ROSA will seek to obtain quotations for insurance of the Station from such reliable and reputable insurers, as adequately covering such risks and in such amounts as ROSA shall in its discretion think fit, covering such risks and in such amounts as ROSA shall in its discretion determine, provided such insurance coverage shall be in such form, shall be in the amount and shall provide the coverage required by:

- (i) the Financing Documents; and
- (ii) the Law

- (c) Not later than Two (2) months prior to the expiry of any of the insurance from time to time in force in respect of any parts of the Station that have attained the Commercial Operation Date, ROSA will seek to obtain quotations for insurance of the Station from such reliable and reputable



insurers, as ROSA shall in its discretion think fit, covering such risks and in such amounts as ROSA shall in its discretion determine, provided such insurance coverage shall be in such form, shall be in the amount and shall provide the coverage required by :

- (i) the Financing Documents; and
- (ii) the Law
- (d) ROSA will provide to UPPCL, for information, a list of the proposed insurance policies and coverage intended for the Station within a reasonable time after obtaining the quotations for insurance of the Station.

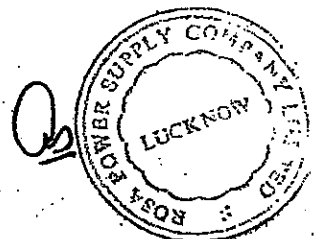
Section 13.2 Certificates

- (a) No later than Thirty (30) days following the first day of each Tariff Year or as soon as practicable after receipt of such certificates or confirmations from the insurers, ROSA will furnish to UPPCL copies of certificates evidencing proof of insurance coverage to this Section.
- (b) The certificates of proof of insurance coverage shall indicate, without limitation;
 - (i) the nature and extent of any risks covered;
 - (ii) the amount of coverage;
 - (iii) the level of deductible;
 - (iv) any significant exclusions from coverage;
 - (v) the name(s) of the insurers; and
 - (vi) the amount of the premiums.
- (c) ROSA will not cancel, fail to renew or change the terms of any of the insurance described in this Section 13.2 without Ten (10) days prior notice to UPPCL.

Section 13.3 Application of Proceeds

- (a) All insurance claims shall be made payable to ROSA, who may, subject to its obligations under the Financing Documents and other agreements, apply the proceeds of such claims to offset the Capital Cost increase to which the insurance coverage is related ROSA will make adequate insurance coverage consistent with ROSA's obligation under the Financing Documents and the Law. ROSA will fully bear the escalation in cost of insurance coverage, if any, over and above that addressed in Section 12.2 (e) with the passage of time, during the Term of this Agreement.

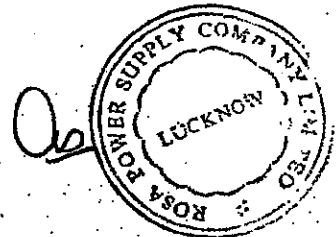
Section 13.4 Failure to Insure



- (a) A failure by ROSA to obtain the insurance coverage or certificates of insurance as required by this Article shall neither relieve ROSA of the insurance requirements set forth herein nor relieve or limit in any way ROSA's obligations and liabilities under any other provision of this Agreement.

Section 13.5 Assistance

- (a) UPPCL will use reasonable efforts to assist ROSA to obtain any insurance required to be placed in any insurance market outside India if so requested by ROSA.



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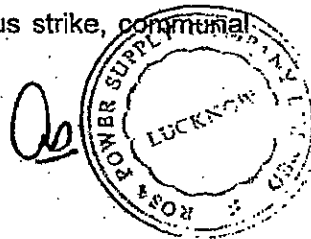
ARTICLE 14

FORCE MAJEURE

Section 14.1 Force Majeure Events

A "Force Majeure Event" shall mean any event or circumstance or a combination of events or circumstances, which are beyond the reasonable control, either directly or indirectly, of a Party claiming Force Majeure, occurring on or after the Date of Financial Closing, that Materially and adversely affects the performance by such affected Party of its obligation under or pursuant to this Agreement, provided however, that such material and adverse effect could not have been prevented, bypassed, overcome, or remedied by the affected Party through the exercise of due diligence and reasonable care or its compliance with Accepted Industry Practice. It is clarified that Materially in relation to Force Majeure shall mean the inability of the Station to operate at a high enough Plant Load Factor to meet its full Fixed Charge obligations. Force Majeure Events shall include, without limitation, the following events and circumstances, but only to the extent they satisfy the above requirements.

- (a) Station Force Majeure: events and circumstances of the following types (Station related Force Majeure), except to the extent they constitute or are caused by events and circumstances of Political Force Majeure;
 - (i) any material effect of the natural elements including lightening, drought, fire, earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado, or storms;
 - (ii) explosion, accident, breakage or breakdown of facilities, plant or equipment, structural collapse, failure of or defects in major forging or casting or other items or major equipment which require long lead time to obtain either a replacement or repair, or chemical contamination (other than resulting from an act of war), in each case not attributable to failure to follow Accepted Industry Practice;
 - (iii) geological or ground conditions that were not reasonably foreseeable, as a result of which construction is delayed or no longer financially or technically reasonably viable;
 - (iv) air crash, shipwreck, train wreck or failure or delay of transportation that were not reasonably foreseeable;
 - (v) strikes, work to rule actions, go slows or similar labour difficulties occurring outside of India (excluding such events which are Site specific and attributable to ROSA);
 - (vi) damage or loss caused by meteorities or objects falling from the sky including aircraft and other flying devices or vehicles including the effects caused by the pressure waves of aircraft or objects travelling at supersonic speeds;
 - (vii) riots, acts of terrorists, civil commotion, religious strike, communal violence or sabotage.



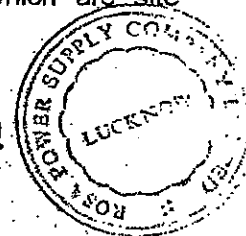
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- (viii) diseases, epidemics, plagues or quarantines specific to the Station or the station colony.
- (ix) any unavailability of equipment, facilities or materials that was not reasonably foreseeable, and
- (x) any event or circumstances of a nature analogous to any of the foregoing.

Explanation :

A Force Majeure Event shall include the effects or consequences of any event or circumstances, or a combination of events or circumstances, which materially or adversely affects the performance of ROSA's obligations under this Agreement. Any Force Majeure Event described in the foregoing clauses of this Section 14.1(a) affecting the performance of any person that is Party to any Station Contract shall also constitute Station Force Majeure.

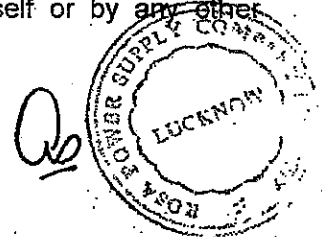
- (b) **Political force Majeure :** Political events or circumstances of the following types (Political Force Majeure) which involve India and/or the State of Uttar Pradesh;
 - (i) acts of war (whether declared or undeclared, actual or threatened), invasion, armed conflict, blockade, embargo, explosion, sanction, revolution, riot, communal or religious violence, sabotage, kidnapping or acts of terrorism;
 - (ii) actual or threat of chemical or radioactive contamination or ionising radiation resulting from acts of war at or near the Site not attributable to ROSA;
 - (iii) widespread diseases, epidemics, plagues or quarantines;
 - (iv) riots, acts of terrorists, civil, commotion, religious strike, communal violence or sabotage not attributable to ROSA;
 - (v) Change in Law which requires additional capital investment but does not provide for adequate and reasonable time to make the investments (only for such reasonable excess period which is required to make that investment).
 - (vi) expropriation, requisition confiscation, nationalisation export or import restrictions, requirements, action or omissions to act on the part of any Governmental Authority. GOI and/or GOUP preventing or impairing performance of this Agreement or any other Station Contract provided such adverse action or inaction did not result from ROSA's or any of its Contractors non-compliance with any applicable Law;
 - (vii) strikes, work-to-rule actions, go-slow or similar labour difficulties occurring inside India (excluding such events which are site specific and attributable to ROSA or UPPCL);



- (viii) inability despite due diligence to obtain, renew or maintain required licenses, permits or Governmental Approvals, provided such adverse action or inaction did not result from ROSA's or any of its Contractors non-compliance with any applicable Law;
- (ix) the failure of any Governmental Authority, whose failure to perform under their obligations to ROSA shall result in the Station's operations being affected Materially, provided such adverse action or inaction did not result from ROSA's or any of its Contractors non-compliance with any applicable Law. However, fuel supply risk shall not be attributable to UPPCL. Non-availability of water arising from any act or omission of any Governmental Authority will constitute Political Force Majeure;
- (x) any event or circumstance or a combination of the same of a nature analogous to any of the foregoing beyond the reasonable control of the Parties and affecting the performance of their obligations hereunder.
- (c) UPPCL Force Majeure : events or circumstances of the following types which affects the External Interconnection Facilities and prevents UPPCL from evacuating power produced by the Station, except to the extent they constitute or are caused by events and circumstances of Political Force Majeure;
- (i) any material effect of the natural elements including lightening, drought, fire, earthquake, volcanic eruption, landslide, flood, cyclone, typhoon, tornado or storms;
- (ii) any material effect of diseases, epidemics, plagues or quarantines;
- (iii) explosion, accident, breakage or breakdown of facilities structural collapse failure of or defects in major forging or casting or other items or major equipment which require long lead time to obtain either a replacement or repair, or chemical contamination (other than resulting from an act of war), in each case not attributable to failure to follow Accepted Industry Practice.
- (iv) any unavailability of equipment, facilities or materials that was not reasonably foreseeable.
- (v) air crash, shipwreck, train wreck or failure or delay of transportation that were not reasonably foreseeable; and
- (vi) any event or circumstance of a nature analogous to any of the foregoing.

Explanation:

UPPCL shall not be entitled to claim Force Majeure based upon an interruption of services due to action taken by itself or by any other Governmental Authority.

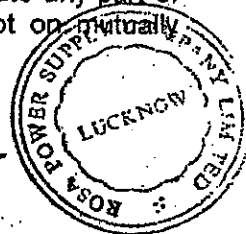


Section 14.2 Notification Obligations

- (a) Where a Party affected by any of the events described in Section 14.1 claims relief under this Agreement (the "affected Party"), the rights and obligations of both Parties shall be suspended for the duration of the Force Majeure Event subject to Section 14.3 and 14.5 hereof and subject as otherwise provided in this Agreement, provided that:
- (i) the affected Party gives the other Party written notice indicating its intention to claim relief under this Article and describing the particulars of the Force Majeure Event as soon as reasonably practicable, after its occurrence but not later than Five (5) days after the date on which such Party knew or should reasonably have known of the commencement of the Force Majeure Event. Notwithstanding the above if the Force Majeure Event results in a breakdown of communications rendering it not reasonably practicable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after the reinstatement of communications, but not later than Seven (7) days after such reinstatement.
 - (ii) the affected Party uses its reasonable efforts to remedy its inability to perform;
 - (iii) the affected Party prepares and provides weekly reports to the other Party indicating its progress in remedying the effects of the Force Majeure Event; and
 - (iv) the Force Majeure Event was not caused by the Affected Party's negligent or intentional acts, errors or omissions, or by its negligent failure to comply with, any material Law, rule, regulation, order or ordinance, or any material breach or default under this Agreement.
- (b) The suspension of performance shall not be greater in scope or longer in duration than that reasonably necessary due to the Force Majeure Event.
- (c) The Affected Party shall provide the other Party with written notice when it is able to resume performance of its obligations under this Agreement.
- (d) Nothing in this Article, shall:
- (i) excuse the obligations of a Party that are required to be completely performed prior to the occurrence of a Force Majeure Event; or
 - (ii) excuse the obligations of a Party to make payment under this Agreement.

Section 14.3 Parties Obligations in case of a Force Majeure Event

- (a) Neither Party shall be obliged to take any steps or actions that would, in the opinion of that Party, render its performance of this Agreement uneconomical, including, settlement of a labour dispute, or entering into Station Contracts. Neither Party shall be obliged to reinstate any part of the Station damaged by a Force Majeure Events, except on mutually agreed terms.



- (b) Wherever the affected Party's performance of any or all of its obligations under this Agreement has been rendered uneconomical due to a Force Majeure Event, the Parties shall seek to negotiate in good faith and develop and implement a plan of remedial and reasonable alternative measures to render the performance of the affected Party's obligations economical.
- (c) Where the Affected Party's performance of any or all of its obligations under this Agreement is deemed to be uneconomical by reason of a Force Majeure Event, the provisions of Article 18 under this Agreement shall, without prejudice to that Party's other obligations under this Agreement, apply.
- (d) In addition to the obligations of UPPCL to pay to ROSA all moneys which were payable and/or which accrued due prior to the commencement of the Force Majeure Event, UPPCL shall pay to ROSA during and/or with respect to the period of the duration of the Force Majeure Event the amount set forth in Section 14.5 hereof.

Section 14.4 Uneconomic Performance

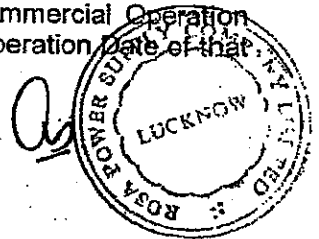
- (a) ROSA's performance of any or all of its obligations under this Agreement shall be deemed to be uneconomical by reason of a Force Majeure Event if the Remedying Cost exceeds the Additional Income that could be earned by ROSA, after remedying the effects of the Force Majeure Event.
- (b) UPPCL's performance of any or all of its obligation under this Agreement shall be deemed to be uneconomical by reason of a Force Majeure Event if the Remedying Cost exceeds economic benefits.
- (c) In this section, "Remedying Cost" means the net economic costs expected to be incurred by ROSA or UPPCL (as the case may be) after setting off the proceeds of any insurance claims received or reasonably expected to be received by ROSA or UPPCL (as the case may be) arising from the loss, damage or expense suffered by the Station or External Interconnection Facilities as a result of such Force Majeure Event.

"Additional Income" means the present value of incremental income (net of tax) that ROSA could reasonably expect to earn by remedying the adverse effects of such Force Majeure Event on the Station. It will be calculated from the date the Station is expected to overcome the adverse effects of such Force Majeure until expiry of the Term of this Agreement. It will be calculated in accordance with Generally Accepted Accountancy Principles.
- (d) Any dispute on account of a claim of uneconomic performance by either Party shall be resolved in pursuance of Article 17.

Section 14.5 Consequences of Force Majeure Event

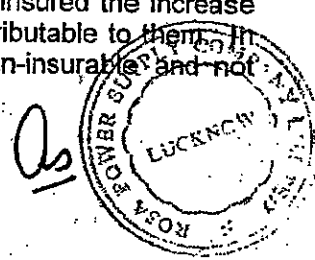
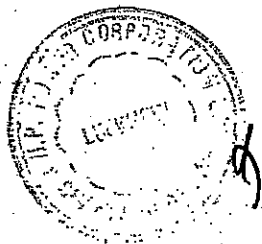
Notwithstanding anything contained in this Agreement:

If any Force Majeure Event occurs prior to the Commercial Operation Date of any Unit, then the Scheduled Commercial Operation Date of that



Unit shall be extended for a reasonable period of time relative to the duration and impact of such Force Majeure Event.

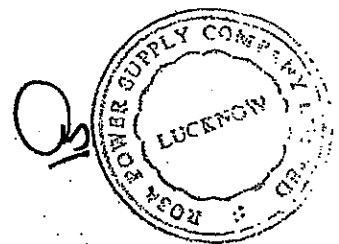
- (b) In the case of a Station Force Majeure Event, after Unit I Commercial Operation Date, UPPCL shall pay ROSA the Fixed Charge at Eighty per cent (80.00%) Plant Load Factor, for a period of not more than Forty Five (45) days. UPPCL shall be fully reimbursed for the above payment with interest from the insurance proceeds, within Twenty One (21) days following Forty-fifth (45th) day of the Station Force Majeure. The interest shall be payable by ROSA at the Working Capital Interest Rate and shall be payable for the number of days for which Fixed Charge is paid by UPPCL and for a period of Twenty One (21) days from the Forty-fifth (45th) day of the Station Force Majeure. In case the payment is made by ROSA prior to Twenty-first (21st) day after Forty-fifth (45th) day of the Station Force Majeure, interest payment shall be reduced on a pro-rata basis. In case of non-payment of the due amount by ROSA within Twenty One (21) days from the Forty-fifth (45th) day of the Station Force Majeure, the Default Rate of Interest shall be payable by ROSA for a period from the Twenty-first (21st) day till the actual date of payment by ROSA. If the insurance proceeds are not sufficient, then ROSA will pay the balance to UPPCL.
- (c) During any Force Majeure Event, if ROSA operates the Station at part load, UPPCL shall pay ROSA the Variable Charge, if any.
- (d) Following Unit I Commercial Operation Date, UPPCL shall pay to ROSA during the duration of any Political Force Majeure and UPPCL Force Majeure, Fixed Charge calculated on the basis that the Unit or Station shall be deemed during such period to be operating at Eighty per cent (80.00%) Plant Load Factor from the time of such Force Majeure Event. If any Political or UPPCL Force Majeure Event occurs prior to the Unit I Commercial Operation Date and the Financing Parties are not willing to reschedule Debt Repayments, UPPCL shall pay to ROSA the amount of Debt Repayment as it falls due as per the financing Documents. Any amount paid under this section in respect of Debt Repayment will be treated in accordance with Section 12.2(d).
- (e) For greater certainty, it is understood that periods of outage due to a Station Force Majeure Event, shall not be treated as deemed generation for the purpose of calculating Adjusted Plant Load Factor. Periods of outage due to Political and UPPCL Force Majeure Events shall be deducted from the total period of operation in that Tariff Year for the purpose of calculating Adjusted Plant Load Factor. During the period of a Political Force Majeure Event, or UPPCL Force Majeure Event, UPPCL shall pay the Fixed Charge at Eighty per cent (80.00%) Plant Load Factor.
- (f) The amount of additional capital expenditure incurred by ROSA with regard to the Station due to a Political Force Majeure Event shall be added to the Capital Cost, subject to UPERC Approval and net of any insurance proceeds received by ROSA. No increase in Capital Cost shall be allowed with regard to any expenditure incurred by ROSA on the Station due to any Station Force Majeure Events, if it is insurable. For such Station Force Majeure Event which cannot be insured the increase in Capital Cost shall be payable by ROSA if it is attributable to them. In case the Station Force Majeure is found to be un-insurable and not



attributable to ROSA the increase in Capital Cost will be as per the approval of the UPERC, provided the project remains commercially viable after the increase.



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ARTICLE 15

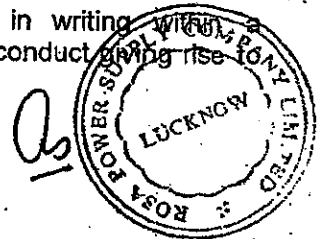
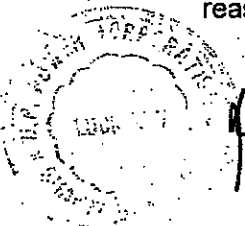
LIABILITY AND INDEMNITY

Section 15.1 Limitation on Liability

- (a) Except as expressly provided in this Agreement, neither ROSA nor UPPCL nor their respective officers, directors, agents, employees or Affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its Affiliates, officers, directors, agents employees, successors or assigns (or their respective insurers) for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation production or equipment used therefor, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of UPPCL, ROSA or others), strict liability, contract, breach of statutory duty, operation of Law or otherwise. UPPCL shall have no recourse against any officer, director or shareholder of ROSA or any Affiliate of ROSA or any of its officers, directors or shareholders. ROSA shall have no recourse against any officer of UPPCL, or any affiliate of UPPCL or any of its officers.
- (b) Notwithstanding this Article, a Party shall be liable to the other Party for any additional costs, Expenses or loss suffered, arising directly from a willful default of the Party's obligations under this Agreement.
- (c) For the purposes of this Article, 'Willful default' shall mean:
- (i) An intentional or reckless breach or disregard by a Party of its obligations under this Agreement;
 - (ii) a failure to take reasonable action to remedy a breach resulting from an error of judgement or mistake arising in good faith; or
 - (iii) a failure to remedy a breach resulting from an action in accordance with Accepted Industry Practice.

Section 15.2 ROSA Indemnity

- (a) ROSA agrees to defend, indemnify and save harmless UPPCL, its officers, directors, agents, employees and affiliates from and against any and all actions, claims, costs, demand, damages, expenses (including reasonable legal fees), judgements, liabilities, losses, proceedings and suits by any Person that are caused by or sustained on facilities owned or controlled by ROSA, unless caused by the action, negligence, or the willful misconduct of an officer of UPPCL, or any officer, director, subcontractor, agent or employee of UPPCL.
- (b) Any claims under this Section shall be made in writing within a reasonable period of time from the time of alleged conduct giving rise to the claim.



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the claim, or within such shorter period as may be prescribed by any limitation statute applicable at the Site and/or the Station.

Section 15.3 UPPCL Indemnity

- (a) UPPCL agrees and shall defend, indemnify and save harmless ROSA, its officers, directors, agents, employees and Affiliates (their respective officers, directors, agents and employees) from and against any and all actions, claims, costs, demands, damages, expenses (including reasonable legal fees), judgements, liabilities, losses, proceedings and suits by any Person that are caused by or sustained on facilities owned or controlled by UPPCL, unless caused by the action, negligence, or the willful misconduct of an officer of ROSA, or any officer, director, subcontractor, agent or employee of ROSA.
- (b) Any claim under this Section shall be made in writing within a reasonable period of time from the time of alleged conduct giving rise to the claim, or within such shorter period as may be prescribed by any limitation statute applicable at the Site and/or the Station.

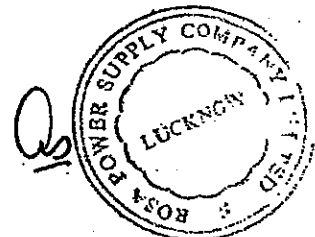
Section 15.4 Notice of Proceedings

- (a) Where a Party receives a claim from a third party in respect of which it is entitled to be indemnified under Sections 15.2 or 15.3, it shall promptly notify the other Party of such claims.
- (b) Neither Party shall settle or compromise any claim, action suit or proceeding in respect of which it is entitled to be indemnified by the other Party without the prior written consent of that Party, such consent shall not be unreasonably withheld or delayed.

Section 15.5 Conduct of Proceedings

- (a) A Party (the original Party) shall have the right, but not the obligation, to contest, defend and litigate any claim, action, suit or proceeding by the third party alleging or asserting against it arising out of any matter in respect of which it is entitled to be indemnified by the other Party (the "Indemnifying Party").
- (b) The reasonable costs incurred by the original Party to contest, defend and litigate any claim, action, suit or proceeding by any third party shall also be covered by the indemnity from the Indemnifying Party.
- (c) The Indemnifying Party shall be entitled, at its option, to assume and control the defence of such claim, action, suit or proceeding at its expense provided it gives prompt notice of its intention to do so to the original Party contesting or defending the suit or proceeding by the third party.
- (d) The Indemnifying Party shall reimburse the original Party for all reasonable costs previously incurred by it prior to the assumption of such defence by the Indemnifying Party.

Section 15.6 Representation



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- (a) The original Party shall have the right to employ its own counsel and such counsel may participate in such claim, action, suit or proceeding, but the fees and expenses of such counsel shall be at the expense of such original Party, when and as incurred, unless;
- (i) the employment of counsel by such original Party has been authorised in writing by the Indemnifying Party;
 - (ii) the original Party shall have reasonably concluded that there may be conflict of interest between the Indemnifying Party and the original Party in the conduct of the defence of such action;
 - (iii) the Indemnifying Party shall not in fact have employed independent counsel, reasonably satisfactory to the original Party, to assume the defence of such action and shall have been so notified by the original Party; or
 - (iv) the original Party shall have reasonably concluded and specifically notified the Indemnifying Party either that there may be a specific defence available to it which are different from or additional to those available to the Indemnifying Party or that such claim, action, suit or proceeding involves or could have a materially adverse effect upon it beyond the scope of this Agreement.

Section 15.7 Survival on Termination

- (a) The provisions of this Article shall survive the termination or expiry of this Agreement



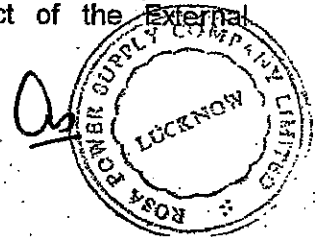
ARTICLE 16

DEFAULT AND REMEDIES

Section 16.1 Events of Default

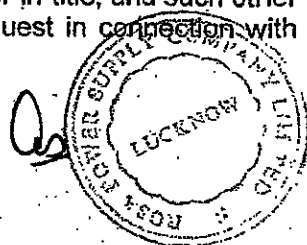
The occurrence of any one of the following shall constitute an Event of Default

- (a) Default by ROSA: ROSA will be in default of its obligations under this Agreement where;
 - (i) ROSA fails to perform any of its major obligations under this Agreement;
 - (ii) ROSA commits a material breach of this Agreement;
 - (iii) ROSA directly or indirectly repudiates this Agreement;
 - (iv) ROSA fails to commence Construction within 180 Days after the Date of Financial Closing (as such period may be extended for any delay caused by an event of Force Majeure);
 - (v) ROSA abandons the construction after the commencement of construction without written consent of UPPCL;
 - (vi) ROSA fails to enter into Commercial Operation within Twelve (12) months of the Scheduled Commercial Operation Date for reasons other than Force Majeure Events or delay caused by an UPPCL Event of Default. The Twelve (12) months period may be further extended by mutual agreement of the Parties;
 - (vii) The dissolution, pursuant to Law, of ROSA except for the purpose of merger, consolidation, liquidation, reconstitution or reorganisation that does not affect the ability of the resulting entity to perform its obligations under this Agreement and provided that such resulting entity expressly assumes such obligations;
 - (viii) ROSA fails to make payments for amounts due under this Agreement to UPPCL within Thirty (30) days after the date following receipt of notice by UPPCL of such non-payment;
 - (ix) Should the Station's monthly average Daily Declared Capacity less Capacity mis-declaration (if any in that month), in each of 12 consecutive Operating Months, (starting with the first month after the Stabilisation Period for Unit II) fall below Fifty percent (50%) then ROSA will be in default. Periods of Force Majeure and Scheduled Maintenance shall be excluded from such calculation;
 - (x) The tampering by ROSA or its Contractors, employees or agents with the External Interconnection Facilities or the Metering System without prior written consent of UPPCL, except in situations where such actions are taken to prevent immediate injury, death or property damage, provided that in respect of the External



Interconnection Facilities, such tampering must have been deliberate and has resulted in material damage to the External Interconnection Facilities.

- (xi) The failure of ROSA to procure or maintain all material insurance required pursuant to Article 13.
- (xii) Any assignment or transfer by ROSA in breach of Article 21.
- (b) Default by UPPCL: UPPCL shall be in default of its obligations under this Agreement where;
 - (i) UPPCL fails to perform any of its major obligations under this Agreement;
 - (ii) UPPCL commits material breach of this Agreement;
 - (iii) UPPCL directly or indirectly repudiates this Agreement;
 - (iv) UPPCL fails to make payments for monthly Tariff bills due under this Agreement to ROSA within Thirty (30) days after the due date, following the receipt of written notice by ROSA of such non-payment;
 - (v) UPPCL shall be deemed to be in default of its obligations under this Agreement where GOUP fails to perform any of this major obligations under GOUP Guarantee and Implementation Agreement;
 - (vi) If there is any direct or indirect dissolution of UPPCL, or the transfer of property, assets or undertaking or any material part thereof, by one or a series of transactions, to any other person, unless;
 - (1) such dissolution is for the purpose of amalgamation, reorganisation or reconstruction;
 - (2) the resulting entity, person or successor-in-title unconditionally assumes the obligations of UPPCL under this Agreement. Station Contracts and any other contracts to which UPPCL is a party and which affect the Station and/or ROSA.
 - (3) This Agreement the GOUP Guarantee and Implementation Agreement, the Letter of Credit and Escrow Account remain in full force and effect and enforceable against all the Parties to such agreements including the resulting entity, person, or successor-in-title to UPPCL.
 - (4) ROSA has received an opinion, acceptable to it from the legal counsel to the resulting entity, person, or successor-in-title to UPPCL relating to the enforceability of this Agreement against that resulting entity, person or successor-in-title, and such other matters as ROSA may reasonably request in connection with the Station;



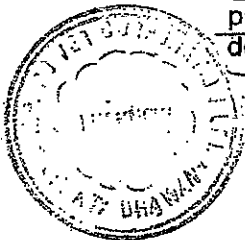
- (5) ROSA has received an opinion, acceptable to it from the legal counsel to GOUP relating to the enforceability of GOUP Guarantee and Implementation Agreement, the Coal Supply Contract, the Transportation contract, the Secondary Fuel Contract and any other contracts relating to the Station with GOUP and any respective departments or agencies thereof and such other matters as ROSA may reasonably request in connection with the Station;
- (6) The resulting entity, person or successor-in-title has the technical capability and operating experience sufficient to continue the performance of its obligations under this Agreement; and
- (7) The resulting entity, person, or successor-in-title has the financial standing to perform its obligations under this Agreement and a credit worthiness at least equal to that of UPPCL at the execution date of this Agreement.

Section 16.2 Rights Preserved

- (a) The duties and obligations imposed by this Agreement and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by Law;
- (b) No action or failure to act by any Party shall constitute a waiver of any right or duty afforded to any of them under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

Section 16.3 Remedies for Defaults

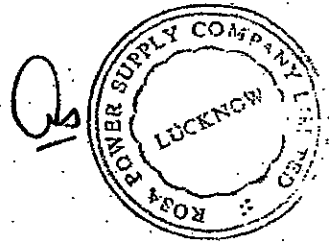
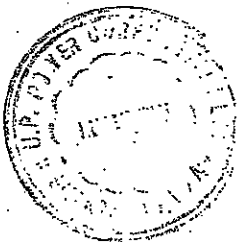
- (a) If the Event of Default is capable of rectification and the Party fails to cure the default within One Hundred and Eighty (180) days (and in case of payment default Thirty (30) days) of the receipt of notice of default from the other Party and such extended periods of time as mutually agreed upon between the Parties but not exceeding One Hundred and Eighty (180) days (except in case of payment default), the Party claiming remedy shall have the right to specific performance of this Agreement and/or terminate this Agreement by giving written notice ("Intended Termination Notice") to the defaulting Party of such default and non-defaulting Party's intention to terminate this Agreement;
- (b) The "Intended Termination Notice" by the non-defaulting Party shall be effective no earlier than One Hundred Eighty (180) days following the date of delivery of such notice to the defaulting Party.
- (c) Where an Event of Default is cured or remedied prior to the end of the One Hundred Eighty (180) days period or thirty (30) days in case of payment default following the date of delivery of such notice to the defaulting Party, then this Agreement shall not be terminated.



- (d) Where an Event of Default is not cured or remedied prior to the end of the One Hundred Eighty (180) days period (or in case of payment default Thirty (30) days period) following the date of delivery of the "Intended Termination Notice" to the defaulting Party, then this Agreement shall be terminated upon the expiry of the One Hundred Eighty (180) days notice period (or in case of payment default Thirty (30) days period), by the issuing of a "Termination Notice" by the non-defaulting Party;
- (e) Upon termination of this Agreement, the non-defaulting Party shall be excused and relieved of all obligations and liabilities under this Agreement, except for payment of amounts due before the Effective Date of such termination.
- (f) Upon termination of this Agreement, the non-defaulting Party, subject to the terms of this Agreement, may exercise any rights or remedies it has at Law or in Equity including any rights under Section 11.3 and / or under Article 18.

Section 16.4 Specific remedies

- (a) Except as expressly provided in this Agreement, if ROSA fails to generate and operate at the Achievable Plant Load Factor, then ROSA shall have no liability other than the pro-rata reduction in the Fixed Charge pursuant to section 12.2 that may be caused by such failure to generate.



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ARTICLE 17

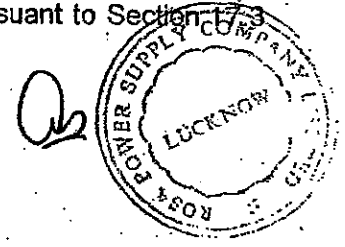
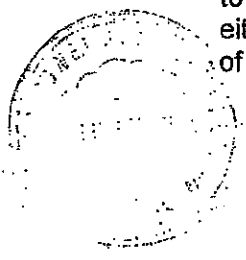
CHOICE OF LAW AND DISPUTE RESOLUTION

Section 17.1 Governing Law

- (a) This Agreement shall be governed by and construed in accordance with the Laws of the State of Uttar Pradesh, India in effect as of Effective Date and where applicable, the Laws of the Republic of India, in effect as of Effective Date, subject to such concessions as shall be provided to ROSA by GOI and/or GOUP. However, for Section 17.3, the Law of the Republic of India as of the Effective Date shall be applicable.

Section 17.2 Informal Dispute Resolution

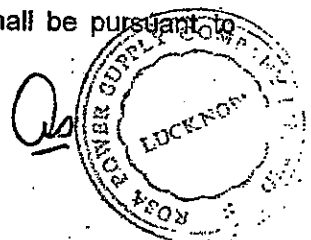
- (a) The Parties agree to attempt to resolve all disputes arising under this Agreement promptly, equitably, in good faith and using their best endeavours. To this end, the Parties agree to provide frank, candid and timely disclosure of all relevant facts, information and documents to facilitate discussions between them, their representatives or senior officer.
- (b) Each of ROSA and UPPCL shall designate, in writing from time to time, to the other Party representatives (hereinafter called the Parties "Experts") and a senior officer who shall unless otherwise expressly provided in this Agreement, be authorised in an equitable manner to exercise the authority of the Parties and to make decisions by mutual agreement. The full undisputed amount by either Party shall be paid in accordance with the terms of this Agreement.
- (c) Unless the Parties otherwise expressly agree, as a preliminary step to the commencement of arbitration pursuant to Section 17.3 of this Agreement, any dispute arising out of or in connection with this Agreement shall be referred, by either Party, to the parties "Experts", who shall commence discussions to resolve the dispute within Five (5) days of notification, in writing, of dispute.
- (d) If the "Experts" are unable to resolve the dispute under this Agreement within Fifteen (15) days of the commencement of discussions, such dispute shall be referred by such representatives, respectively, to a senior officer designated by ROSA and a senior officer designated by UPPCL who shall commence discussions within Five (5) days of notification of a dispute.
- (e) Notification of a dispute to senior officers designated by the Parties shall be in writing and shall state the circumstances and material facts giving rise to the dispute, the article or the articles of this Agreement in dispute and the remedy sought.
- (f) If the senior officers of the Parties are unable to resolve a dispute referred to them within Fifteen (15) days of the commencement of discussions either Party may refer the dispute to arbitration pursuant to Section 17.3 of this Agreement.



- (g) Each Party may appoint substitute or replacement Experts or senior officers from time to time and shall notify the other Party of the name, address and relevant qualifications of the substitute or replacement "Experts" or senior officers within Thirty (30) days of their appointment.
- (h) The "Experts" and senior officers appointed to resolve disputes under this Section shall meet as and when necessary. They shall use their best endeavours to meet in person, all discussion shall end up in a memorandum duly signed by both the Parties and/or their "Experts" and the same shall be binding on both the Parties.
- (i) Each Party shall bear the costs and Expenses of the "Experts" or senior officers appointed by it.

Section 17.3 Arbitration

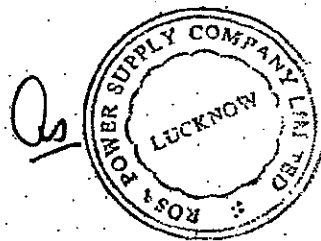
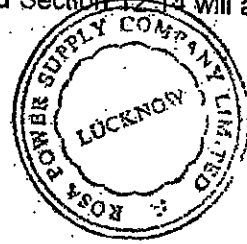
- (a) In the event any dispute cannot be resolved between the Parties pursuant to Section 17.2, then any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination or any question as to whether a matter is arbitrable, shall be referred to and governed by Arbitration & Conciliation Act, 1996.
- (b) The arbitration shall be conducted in New Delhi, India. The arbitration shall be conducted in English and all written documents used during the arbitration shall be in English. The award shall be speaking award.
- (c) The arbitral tribunal shall be composed of Three (3) arbitrators, appointed as follows :
 - (i) Each Party shall appoint an arbitrator, and the Two (2) arbitrators so appointed shall appoint a third arbitrator who shall act as Umpire of the tribunal;
 - (ii) If either Party fails to appoint an arbitrator within Thirty (30) days of receiving notice of the appointment of an arbitrator by the other Party, such arbitrator shall at the request of that Party, be appointed by such authority as to be decided in section 17.3(a).
 - (iii) If the Two (2) arbitrators to be appointed by the Parties fail to agree upon a third arbitrator within Thirty (30) days of the appointment of the second arbitrator, the third arbitrator shall be appointed by such authority as decided in Section 17.3 (a) at the written request of either Party.
- (d) The Parties agree that any decision or award of an arbitral tribunal pursuant to this Section 17.3 shall be a domestic award and final, conclusive and binding upon the Parties and any Person affected by it. The Parties also agree that any arbitration award rendered pursuant to this Section 17.3 may be enforced by any court of competent jurisdiction.
- (e) During any period of arbitration, there shall be no suspension of this Agreement.
- (f) The Parties specifically agree that any arbitration shall be pursuant to Section 17.3(a).



(g) This Section 17.3 is governed by Indian Law.

Section 17.4 Disputed Amount of Monthly Bills

N.D. If a dispute as to whether an amount is due arises and this Section 17.4 applies to that dispute, it will be referred to a Committee comprising the Chairman, UPPCL, the designated Director, ROSA and the Chairman UPERC (in the chair) within 5 days of the relevant invoice date. The disputed amount will be released from the Escrow Account into which it was placed pursuant to Section 12.14 and applied in accordance with the Committee's decision. If no ruling is given within 25 days the disputed amount will be paid to ROSA on the 30th day and Section 12.14 will apply once the dispute is finally resolved.



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ARTICLE 18

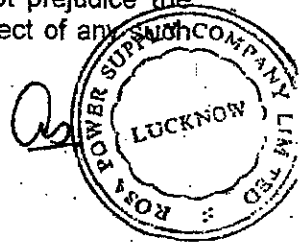
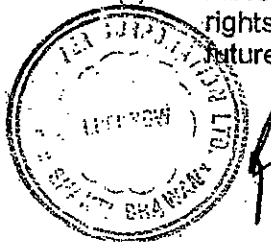
TERMINATION AND BUY OUT

Section 18.1 Triggering Events for Termination

- (a) ROSA shall have the right to require UPPCL to purchase the Station and upon ROSA exercising the same, UPPCL shall purchase the Station from ROSA at any time during the Term of this Agreement in the event of the following.
- (i) a Political Force Majeure Event or UPPCL Force Majeure Event as described in Section 14.1 which occurs and continues for One Hundred and Eighty (180) days, unless UPPCL is taking such steps as are appropriate and reasonably available to it to remedy the effect of the UPPCL Force Majeure or Political Force Majeure as in Section 14.1(b) and 14.1(c) subsisting for 360 days;
 - (ii) an event of UPPCL default as described in Section 16.1 (b).
- (b) UPPCL shall have the right to require ROSA to sell the Station and upon UPPCL exercising the same, UPPCL shall purchase the Station from ROSA any time during the Term of this Agreement in the event of the following:
- (i) a Station Force Majeure Event as described in Section 14.1 which occurs and continues for One Hundred and Eighty (180) days, unless ROSA is taking such steps as are appropriate and reasonably available to it to remedy the effect of the Station Force Majeure Event as per Section 14.1(a) subsisting for 360 days;
 - (ii) an event of ROSA default in accordance with Article 16.1(a)

Section 18.2 Termination Procedure

- (a) Where either Party exercises its right to require the other to purchase/sell the Station it will provide an "Intended Termination Notice" to the other in accordance with Article 16.3 and 19.
- (b) Following the issuance of the "Intended Termination Notice", the Parties shall meet and consult for a mutually agreed period, not exceeding Six (6) months (the "Suspension Period") for the purpose of mitigating the consequences of the events and circumstances giving rise to the "Intended Termination Notice".
- (c) Where the Parties resolve all matters giving rise to the issuance of the "Intended Termination Notice" to their mutual satisfaction during the "Suspension Period" the relevant Party will revoke the "Intended Termination Notice".
- (d) Revocation of the 'Intended Termination Notice' shall not prejudice the rights of the relevant Party under this Agreement in respect of any such future events or circumstances.



- (e) On expiry of the 'Suspension Period', if the Parties are unable to resolve all matters giving rise to the issuance of the 'Intended Termination Notice' the relevant Party will issue a 'Termination Notice'.

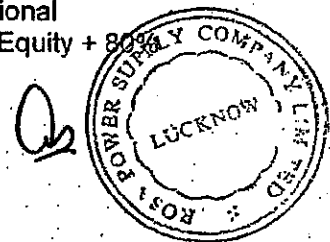
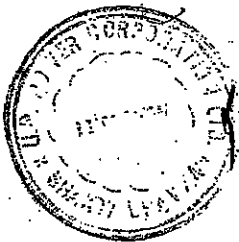
Section 18.3 Operation of the Station

- (a) ROSA shall have the right but not the obligation, to operate the Station following issuance of the 'Intended Termination Notice' under this Agreement.
- (b) Where ROSA exercises its right to continue to operate the Station, both Parties shall continue to perform their obligations under this Agreement.

Section 18.4 Compensation

- (a) The Buy-out price shall be the sum of any or all of the following, depending upon various events as described in Section 18.1;
- (i) Outstanding Debt – would include the outstanding Debt balance including the Working Capital facility, if any, plus accrued interest on Debt, plus any amounts in respect of break costs (including swap break costs) or pre-payment penalties by ROSA to its Financing Parties;
 - (ii) Equity – Shall mean the Equity amount that was approved by UPPCL/GOUP and the UPERC at the Date of Financial Closing or as subsequently approved by UPPCL/GOUP and the UPERC;
 - (iii) Net Present Value of future Return on Equity – Shall mean the net present value of Return on Equity which is calculated at 14% for the period from the year of termination till the end of the Term of the Agreement. The discount rate for calculating Net Present Value shall be the SBI prime lending rate at the time of Buy-out, but not less than 10% and more than 14%;
 - (iv) Additional Termination Payment would include any statutory taxes, and duties payable in respect of the transfer of assets to UPPCL following Termination.
- (b) Buy Out Price in case of the following termination events shall be as follows:

Station Force Majeure	Outstanding Debt + Additional Termination Payments + 40% of Equity
Political Force Majeure & UPPCL Force Majeure	Outstanding Debt + Additional Termination Payments + Equity + 40% of Net Present Value of future Return On Equity
UPPCL Default	Outstanding Debt + Additional Termination Payments + Equity + 80%



Of Net Present Value of future Return
On Equity

ROSA Default

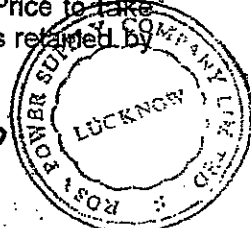
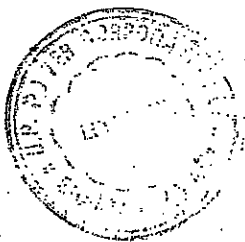
Outstanding Debt + Additional
Termination Payments

Section 18.5 Transfer

- (a) Following the issue of a "Termination Notice", under Section 18.2(a), wherein ROSA has exercised its right to sell the Station under Section 18.1(a) or wherein UPPCL has exercised its right to buy the Station under Section 18.1(b), UPPCL shall pay the Buy-out Price to ROSA within thirty (30) days of the receipt of the "Termination Notice" by the defaulting party, failing which ROSA shall be free to take such action regarding the Station and related assets as it deems fit. On the date the payment is made by UPPCL, i.e. the "Transfer Date", ROSA will deliver or make available to UPPCL such conveyance, transfer assignments and novation and other such documents reasonably required by UPPCL to vest in UPPCL the full benefits of the assets of the Station excluding the cash in hand and/or in Bank Accounts, trade and book debts or receivables accruing to ROSA prior to the transfer date as well as proceeds of any insurance or warranty claims made prior to the Transfer Date.

For greater clarity:

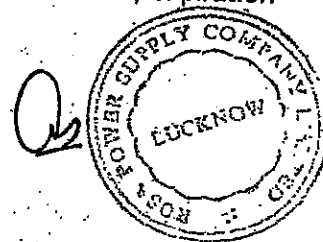
- (i) UPPCL shall only purchase the assets of the Company required to operate the project including land, plant and equipment, coal and oil stockpiles, spare parts, records, drawings and all other consumables. No warranties as to the condition of the property and assets of the Project shall be given except that ROSA agrees to assign to UPPCL the benefit of any warranties from third Parties existing on the Transfer Date;
- (ii) UPPCL shall not purchase any cash in hand and/or in bank accounts, trade and book Debt's or receivables accruing to the Company prior to the Transfer Date unless due consideration for these can be mutually determined by the Parties;
- (iii) all other assets existing at the Transfer Date that are not included in clauses (i) and (ii) above shall be for the benefit of the Company including the proceeds of any insurance or warranty claims made prior to the Transfer Date;
- (iv) the Company shall be responsible for all liabilities and obligations of the Company that have accrued prior to the Transfer Date. No Debt or other liability relating to the Project and incurred before the date of the Termination Notice will be assumed by UPPCL unless it chooses to and can reach Agreement of the same with the Company and, if necessary, the Financing Parties (where such Agreement is necessary in order to give legal effect to the assumption thereof by UPPCL) (subject to clause (v) below). Due allowance shall be made in computing the Buy-out Price to take account of liabilities assumed by UPPCL and liabilities retained by the Company;



- (v) the Company shall, if so required by UPPCL, use reasonable efforts to procure the novation (for failing that, assignment of the underlying rights held by the Company) to UPPCL of any Project Contracts on such terms as UPPCL may reasonably require.
- (b) On the "Transfer Date" the Station and all other equipment transferred pursuant to this Article 18 shall be transferred on an "as is" basis and any warranties, either expressed or implied by statute or otherwise, including warranties as to title, merchantability and/or fitness for any particular purpose, the absence of patent or inherent defects, description or otherwise of whatsoever nature, shall be excluded.
- (c) On the "Transfer Date", ROSA shall transfer all its rights, title and interest in the Station, free and clear of all liens, charges and encumbrances to UPPCL and this Agreement shall terminate.
- (d) After the "Transfer Date", ROSA shall be under no liability whatsoever to UPPCL in respect of the operation or otherwise of the Station by UPPCL or UPPCL's designee, and UPPCL shall indemnify and hold harmless ROSA against any liability to any person or entity arising from the use or operation of the Station after such transfer.

Section 18.6 Survival of Provisions

- (a) The provisions of this Article 18 shall survive the cancellation, expiration or termination of this Agreement.



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ARTICLE 19

NOTICES

Section 19.1 Notices

- (a) All notices and other communication provided for and required under this Agreement including without limitation any modification of or waivers or consents under this Agreement, shall
- (i) be given or made in writing, and
 - (ii) telexed, tele-copied, sent by facsimile, mailed or delivered to the attention of the person indicated below.

If to ROSA :

Attention

The Director
 Rosa Power Supply Company Limited
 4th Floor, Trade Tower,
 94, Mahatma Gandhi Marg,
 Lucknow-226 001, Uttar Pradesh, INDIA
 Fax No. 0522-3031005
 Tel.No. 0522-3031062

If to UPPCL:

Attention

The Chairman
 Uttar Pradesh Power Corporation Limited
 Shakti Bhawan,
 14, Ashok Marg
 Lucknow-226 001, Uttar Pradesh, INDIA

Fax No. 0522-2287827
 Tel No. 0522-2287785

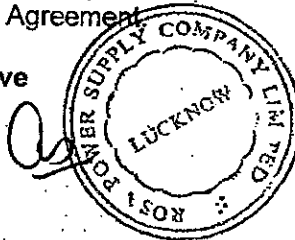
- (b) Each Party may designate such other address for Notices and/or the designated person for receipt of such notices. A Party changing its Address for Notices and/or the designated person shall give prompt notice of such change to the other Party.
- (c) Except as otherwise provided in this Agreement, all notices and communications shall be deemed to have been duly given and effective when made in accordance with this Section 19.1 and received by the other Party.

Section 19.2 UPPCL's Authorised Representative

- (a) UPPCL's Authorised Representative (or such other person as UPPCL shall notify to ROSA in writing) shall represent UPPCL in all matters relating to the administration of this Agreement.



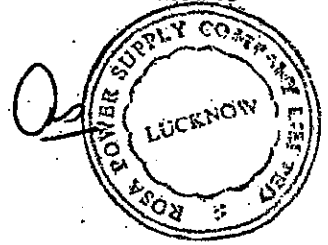
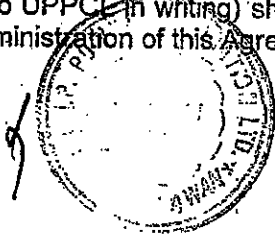
Section 19.3 ROSA's Authorised Representative



Power Purchase Agreement

Rosa Power Supply Company Limited

- (a) Authorised Representative of ROSA (or such other person as ROSA shall notify to UPPCL in writing) shall represent ROSA in all matters related to the administration of this Agreement.



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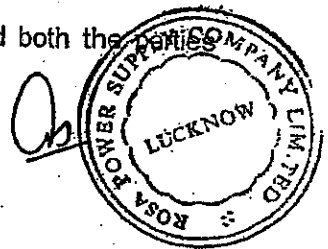
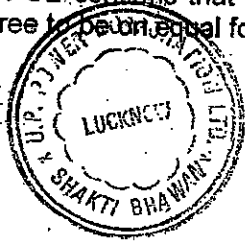
ARTICLE 20

WAIVER OF IMMUNITY FROM SUIT AND EXECUTION

Section 20.1 Waiver of Immunity

- (a) UPPCL hereby expressly and irrevocably agrees that it is without limitation subject to civil commercial and criminal Law with respect to the execution, delivery and performance of this Agreement and its obligations under this Agreement, UPPCL hereby irrevocably submits to the jurisdiction of Competent Courts from an introductory order or injunction, enforcement of such order from attachment before judgement, from attachment in aid of execution of any arbitral award or judgement or from any other legal process in respect of or against its revenues, assets or properties.

UPPCL confirms that it has no sovereign immunity and both the parties agree to be on equal footing.



ARTICLE 21

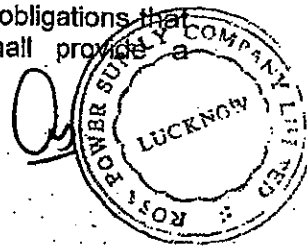
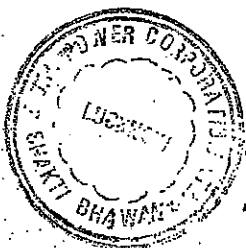
MISCELLANEOUS PROVISIONS

Section 21.1 Amendments

- (a) This Agreement, including the schedules under this Agreement may only be amended with the written consent of the Parties or their successors or where permitted, assignees, and no oral waiver or amendment shall be effective under any circumstances whatsoever. No amendment of this Agreement shall be effective if the effect thereof is to render invalid or render unenforceable the guarantee given by GOUP pursuant to the GOUP Guarantee and Support Agreement.

Section 21.2 Assignments

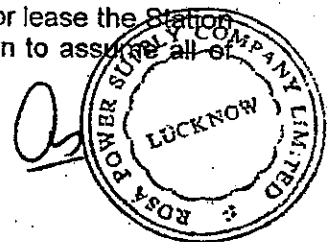
- (a) Neither Party shall assign this Agreement or any portion of this Agreement without the prior written consent of the other Party such consent not to be unreasonably withheld.
- (b) Notwithstanding the above, UPPCL shall have the right, with prior written notice to Rosa to assign this Agreement in whole or in part to any entity(ies) assuming all or part of UPPCL's rights and obligations hereunder, provided, however,
- (i) this Agreement, the Government Guarantee, the Implementation Agreement, the Letter of Credit, and the Escrow Agreement remains in full force and effect and enforceable by and against all the parties to such agreements including such assignee(s) and confirmation of the same has been received by Rosa;
 - (ii) Such assignee(s) has the technical capability and operating experience sufficient to continue the performance of its/their obligations under this Agreement;
 - (iii) Such assignee(s) has the financial standing to perform its obligations under this Agreement, and a creditworthiness at least equal to that of UPPCL at the Effective Date of this Agreement; and
 - (iv) Rosa shall be no worse off with respect to its rights under this Agreement.
- (c) Parties further agree that in case of assignment of all of the obligations under this Agreement by UPPCL, such assignee(s) shall provide a confirmation that they have assumed all obligations of UPPCL and shall be fully responsible for their performance under the Agreement.
- (d) In case only a portion of this Agreement is assigned such that certain obligations remain incumbent on UPPCL, UPPCL confirms that ROSA shall continue to be entitled to exercise its rights against UPPCL in respect of such unassigned portion and in respect of the obligations that are assigned, UPPCL alongwith the assignee(s) shall provide a



confirmation that co-ordinated efforts shall be taken to ensure that UPPCL alongwith such assignee(s) shall be fully responsible for the performance of the obligations hereunder and ROSA shall be entitled to exercise all rights in this regard.

- (e) Notwithstanding anything to the contrary contained herein, ROSA shall not require the consent of UPPCL for assignment of this Agreement or any portion of it to any co-developer or Affiliate prior to the Date of Financial Closing provided:
 - (i) the assignee shall expressly assume the assignor's obligations under this Agreement, and
 - (ii) no such assignment shall impair any security given by ROSA under this Agreement.
- (f) Except expressly agreed by the other Party, no assignment, whether or not consented to, shall relieve the assignor of its obligations under this Agreement.
- (g) UPPCL shall consent to the assignment by ROSA of its right under this Agreement to the Financing Parties or any persons, their successors and assignees in connection with any financing or refinancing related to the construction, operation and maintenance of the Station, and shall execute documents reasonably satisfactory to ROSA upon request by ROSA to evidence such consent.
- (h) UPPCL shall consent to the encumbrance by ROSA of all or part of ROSA's rights or interests under any agreements related to the construction operation and maintenance of the Station including the amounts payable under these agreements as security for other agreements.
- (i) UPPCL agrees and acknowledges that the Financing Documents may provide that upon an event of default by ROSA under the Financing Documents the Financing Parties may under certain circumstances assume the interests rights and obligations of ROSA arising under this Agreement.
- (j) If any of the Financing Parties assume obligations under this Agreement, they shall not be personally liable for the performance of such obligations, except to the extent of all their right, title and interest in and to the Station and any and all contracts (excluding the Financing Documents).
- (k) Notwithstanding any such assumption by the Financing Parties, ROSA will not be released and discharged from and shall remain liable for any and all obligations to UPPCL arising or accruing under this Agreement prior to such assumption, or after such assumption for obligations which expressly survive the termination or expiration of this Agreement.

UPPCL agrees and acknowledges that the Financing Documents shall provide that upon an event of default by ROSA under the Financing Documents, the Financing Parties, may in addition to the exercise of their rights as set forth in this Section, cause ROSA to sell or lease the Station and cause any new lessee or purchaser of the Station to assume all of



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the interests, rights and obligations of ROSA thereafter arising under this Agreement and UPPCL consents to such provisions.

- (l) This Clause may be amended to reflect the requirements of the Lenders and UPERC.

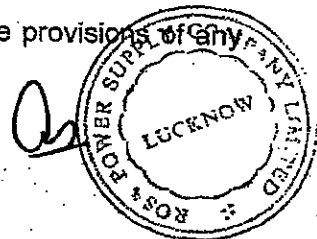
Section 21.3 Successors and Assignees

This Agreement shall ensure to the benefit of and be binding upon the Parties hereto, their respective heirs, legal representatives, successors, assignees, administrators, executors, etc.

If, as a result of a law or statutory scheme or any Order by a Government Authority, the obligations of UPPCL under this Agreement are to be performed in whole or in part by one or more successor entities, Parties agree that the rights available in this Agreement shall be available against such successor entities and/or UPPCL as the case may be and ROSA will be no worse off with respect to its rights under this agreement as a result of such law, statutory scheme or Order of Government Authority.

Section 21.4 Confidential Information

- (a) UPPCL acknowledges and understands that its position creates a relationship of confidence and trust between ROSA and UPPCL with respect to any confidential information which pertains to the business of ROSA to the business of any actual or potential client or customer of ROSA, and which may be made known to UPPCL by ROSA or by its Affiliate or obtained by UPPCL during the negotiation leading to this Agreement and during the Term of this Agreement.
- (b) Each Party agrees that except as directed by the other Party or a Court of competent jurisdiction it will not at any time during or after the Term of this Agreement disclose any confidential information to any person whatsoever or permit any person whatsoever to examine and/or make copies of this Agreement or any other reports, documents, computer programmes and source codes, that come into its possession or are under its control.
- (c) Each Party agrees to keep confidential in accordance with its customary procedures for handling confidential information of this nature, all non-public information provided to such Party by or on behalf of the other Party or any of its Affiliates in connection with this Agreement and identified as being confidential at the time the same is delivered to such Party.
- (d) A Party may disclose such confidential information :
- (i) at the request of any regulatory or other supervisory authority;
 - (ii) pursuant to subpoena or other judicial process;
 - (iii) when required to do so in accordance with the provisions of any applicable Law;



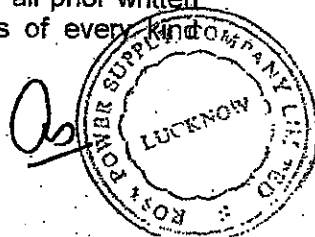
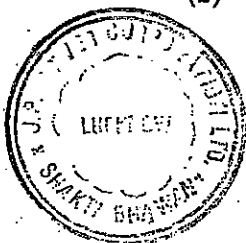
- (iv) to a Party's independent auditors, counsel and other professional advisors;
 - (v) to any other adviser or Financing Party involved in this Station;
 - (vi) to insurer(s) under any policy or policies of insurance under this Agreement or the Financing Documents;
 - (vii) in connection with any legal action or dispute arising out of any of the Station Contracts; and
 - (viii) to any assignee, or prospective assignee, so long as such assignee first executes and delivers to such Party a confidentiality agreement reflecting the foregoing terms and conditions.
- (e) For the purposes of this Agreement, "confidential information" includes trade secrets, processes, formulas, data and know-how, software, documentation, programme files, flow charts, drawings, techniques, source and object code, standards, specification improvements, inventions, techniques, customer information, financial and accounting data, statistical data, research projects, business development, financial and marketing plans, strategies, forecasts, computer programmes, customer lists, and information which has been assigned or otherwise conveyed to the Party and is of commercial or other value to the business in which the Party is engaged.
- (f) ROSA and UPPCL shall make available to each other such materials, documents and data except those protected by legal privilege or which is subject to any duty of confidentiality to any third party, as the other may reasonably request for the purposes of exercising its rights or carrying out its duties under this Agreement.

Section 21.5 Counterparts

- (a) This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and either Party may execute this Agreement by signing any such counterpart.
- (b) This Agreement shall come into full force and effect when all the Parties have executed any one such counterpart.

Section 21.6 Entirety

- (a) This Agreement represents the entire understanding of the Parties with respect to the specific subject matter of the Agreement, and is intended by the Parties to be the final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement with respect to the electric energy sold and purchased thereunder, and supersedes all prior written or oral understandings, offers or other communications of every kind pertaining to the sale or purchase of energy and power to UPPCL or vice versa.
- (b) Except for any implementation agreement respecting the Station which is duly executed and delivered between the Parties hereto, all prior written or oral understandings, offers or other communications of every kind



pertaining to the sale of electric energy thereunder to UPPCL by ROSA are hereby abrogated and withdrawn.

Section 21.7 Exclusion of Implied Warranties and Obligations

- (a) This Agreement expressly excludes any warranty, condition, duty, obligation or undertaking implied at or by Law, custom or otherwise arising out of any other agreement between the Parties, including any representation by either Party not contained expressly in a legally binding and enforceable document executed by both the Parties.
- (b) Each Party acknowledges, understands and confirms that it did not enter into this Agreement in reliance on any such warranty, condition, duty obligation or undertaking.

Section 21.8 Expenses of Negotiations and Further Assurances

- (a) Each Party shall pay its own costs and expenses in relation to the negotiation, preparation, execution, delivery and carrying into effect of this Agreement.
- (b) Each Party shall from time to time on being requested to do so by the other Party shall co-operate with the other Party for carrying out or giving full effect to the terms of this Agreement.

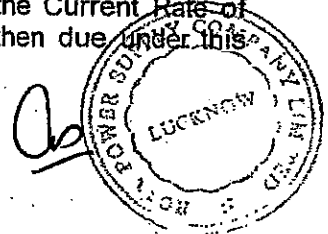
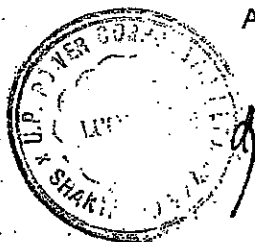
Section 21.9 Headings

The table of contents, captions and section headings appearing in this Agreement are included solely for convenience of reference and are not intended to affect the interpretation or be determinative of any provision of this Agreement.

Section 21.10 Judgement Currency

- (a) If, for the purpose of obtaining a judgement in any court with respect to any obligation of UPPCL under this Agreement, ROSA needs or requires to convert into foreign currency any amount payable in Rupees thereunder, then such conversion shall be made at the Current Rate of Exchange.
- (b) If pursuant to any such judgement;
 - (i) conversion is made on a day other than the day the payment is made by UPPCL; and
 - (ii) there is a change between the rate of exchange prevailing on the conversion date and that prevailing on the day of payment.

Then UPPCL shall pay any additional amounts, if any, that may be necessary to ensure that the amount paid in satisfaction of any judgement is the amount in Rupees that, when converted at the Current Rate of Exchange on the date of payment, is the amount then due under this Agreement in relevant currency.



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- (c) Any amount due from UPPCL under this section shall be due as a separate debt and is not to be affected by, or merged into, any judgement being obtained for any other sums due or under or in respect of this Agreement.

Section 21.11 Language

The Language of this Agreement is English. All notices, demands, requests, memorandum, statements, instruments, certificates or other communications given, delivered or made by, or on behalf of, either Party to the other Party, under or in connection with this Agreement shall be in English.

Section 21.12 Legal Advice

Both Parties acknowledge that they have each carefully read and understood the Term of this Agreement and have had the opportunity to consult legal advice prior to executing this Agreement. This Agreement is enforceable by and against both the Parties.

Section 21.13 No Partnership

- (a) The Parties are independent contractors.
- (b) Nothing in this Agreement creates, nor shall this Agreement or any other agreement or arrangement between the Parties be interpreted or construed to create an association, joint venture, or partnership between the Parties in this Agreement or between the Parties, or any one of them, and any other Person or Persons, nor shall any partnership, obligations or liability be imposed upon either Party.

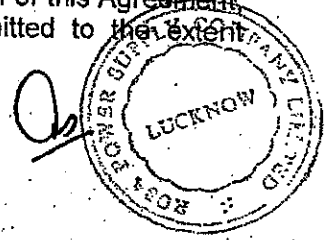
Neither Party shall have the right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

Section 21.14 Third Parties

- (a) This Agreement is intended solely for the benefit of the Parties hereto and shall not confer any right of suit or action whatsoever on any third Party. Nothing in this Agreement shall be construed to create any duty to, standard of care with reference to, or any liability to, any person not a party to this Agreement, except as expressly provided in this Agreement or by other agreement in writing.

Section 21.15 Severability

- (a) All provisions of this Agreement are intended to be interpreted and construed in a manner to make such provisions valid, legal and enforceable.
- (b) The invalidity or enforceability of any phrase or provision shall in no way affect the validity or enforceability of any other portion of this Agreement, which shall be deemed modified, restricted or omitted to the extent necessary to make the Agreement enforceable.



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- (c) Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall as to such jurisdiction be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and without affecting the validity or enforceability of such provision in any other jurisdiction.

Section 21.16 Survival of Obligations

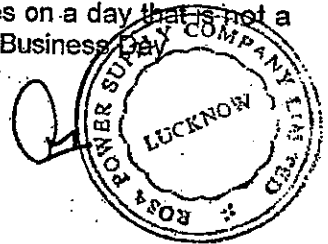
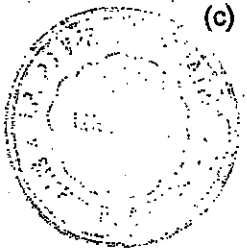
- (a) Cancellation, expiration or termination of this Agreement shall not relieve the Parties of their outstanding obligations under this Agreement.
- (b) The Parties outstanding obligations shall survive such cancellation, expiration or termination of this Agreement.

Section 21.17 Waiver and Preservation of Rights

- (a) No action or failure to act on the part of either Party to exercise, and no delay or forbearance in exercising, and no course of dealing with respect to, any right, power or privilege under this Agreement, shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, power, privilege or remedy under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power, privilege or remedy, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.
- (b) The duties and obligations imposed by this Agreement, and the rights and remedies available under this Agreement shall be cumulative and in addition to and not exclusive of or a limitation of any duties, obligations, rights and remedies otherwise imposed or available by Law.

Section 21.18 Time

- (a) Time referred to in this Agreement shall refer to the time in New Delhi, India.
- (b) In computing any period of time under this Agreement, the day of the act, event or default from which the prescribed or designated period begins to run, and the last day, shall be included.
- (c) Where the time for doing an act falls or expires on a day that is not a Business Day the time is extended to the next Business Day.



IN WITNESS WHEREOF, the Parties hereto have caused this Agreement executed as of the day, month and year first above written in the presence of the witness who have signed in their presence and in the presence of each other.

Signed and delivered by UPPCL (the First Part) by the hand of Shri S.K. Agarwal, Director (Finance)

(Signature)
(S. K. Agarwal)
Director (Finance) 12-11-06
UPPCL

Witness:

(Signature)
(S. P. PANDEY)
EXECUTIVE ENGINEER
PPA, Shakti Bhawan catn.
LUCKNOW.

Signed and delivered by Rosa Power Supply Company Limited (the Second Part) by the hand of Shri Ashwani Kumar, Director



(Signature)

Witness:

(Signature)
(ALOK MUKHERJEE)
Rosa Power Company Ltd.
94, M.G. Marg, Lucknow

SCHEDULE - 1**DESCRIPTION OF THE STATION**

The Description of the Station in this Schedule 1 contains a general description of the design of the Station as envisaged at the date of execution of this Power Purchase Agreement (in this schedule called the "Agreement"). The Parties acknowledge that changes may be necessary and/or required on the basis of further site investigations and during the development of the detailed design, construction and installation of the Station and its components and ROSA reserves the right to make any such changes in order to meet its overall objectives under the Agreement. To the extent there is any conflict between the provisions of the Schedule and the Agreement, the provisions of the Agreement shall prevail.

(a) Introduction

The Station will comprise two 300 MW (measured at the generator terminals) coal-fired thermal power plant units (the "Units") located at Rosa in the district of Shahjahanpur, in the State of Uttar Pradesh, India. The capacity and the power produced will be provided to UPPCL pursuant to this Agreement.

The Station will comprise the following facilities :

- i) Turbine Island containing two steam turbine generators with auxiliaries.
- ii) Boiler Island containing two steam generating units with auxiliaries.
- iii) Plant water facilities including river water abstraction facilities.
- iv) Waste water treatment and disposal
- v) Control Complex
- vi) Coal/Fuel facility including Waste disposal facility
- vii) Building and Support facilities
- viii) Electrical System and Switchyard; and
- ix) Housing Colony

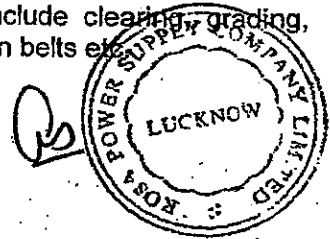
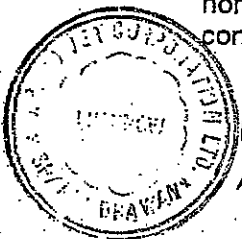
The two Units will be arranged in a slide-along configuration with one central control complex. This arrangement and layout will allow space for the addition of two more thermal generation units in the future.

The primary fuel for the Station will be coal supplied by Central Coalfields Limited/Coal India Limited from the Ashoka block of the North Karanpura Coal mines in Bihar, India. Heavy Oil (Low Sulphur Heavy Stock/Residual Fuel Oil) will be used as the secondary fuel for start-up and flame stabilisation at lower load. The ignition fuel will be Light Diesel Oil.

The Station will obtain water for its consumptive uses from the river Garrah flowing adjacent within 1 Km. from the site.

(c) The Station Site

Approximately 595 hectares of land will be developed for the plant, housing colony, water abstraction facility, rail link and the ash disposal area near the village of Rosa in the district of Shahjahanpur, in the State of Uttar Pradesh, having co-ordinates 27° 49' north and 79° 56' east (the "Site") Site development will include clearing, grading, construction of boundary walls/fencing roads, parking lots, green belts etc.



Access to the Site will be obtained from the Shahjahanpur – Hardoi SH-25 passing adjacent to the west of Site. Rail access will be obtained by constructing about 7.5 km. Spur line from the Lucknow-Moradabad section of the Northern Railway main line passing about 3 kms. east of Site (including a separate return spur including cross-over of the main line through a Flyover, as per directive of the Railways). The nearest Railway Station, Rosa Junction is about 4 kms. to the north – east of the Site.

(d) The Station

The Station will be oriented and located in a manner so as to minimise the drift from cooling towers and coal and ash particles blowing into the facilities.

Fly ash from the Station will be conveyed pneumatically and removed dry for commercial use or conditioned with recycled water and transported by covered tipper trucks/ high concentration slurry pumping to the ash disposal area site about 4.5 kms. away. Bottom ash will be dewatered at the station hydrobin and transported to the ash disposal site in similar manner.

The electric power generated 20KV will be stepped up to 220 KV and made available at the Station Switchyard from where UPPCL shall evacuate the power through the various 220 KV transmission lines to be constructed and terminated at the Station Switchyard by UPPCL.

Power for the Station start-up will be brought in through one of these 220 KV lines.

(i) Turbine Island

Each of the two steam turbine generators will be an indoor type tandem compound fully condensing turbine, single reheat, designed for operating steam conditions of 166 ata and 538 Deg. C. The gross output of each Unit at the generator terminals at maximum continuous rating (MCR) will be 300 MW.

The associated three phase, 50 Hz generator will be hydrogen / water-hydrogen cooled, rated at 370 MVA at 0.85 power factor.

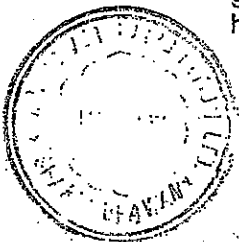
Each turbine generator will be provided with an automatic run-up and shut-down system complete with supervising instruments, seal oil unit, hydrogen system, controls and auxiliaries.

The condensate and feed water heating system for each unit will include one surface condenser, two 100% capacity condensate extraction pumps, six / seven stages of feed water heating, three 50% capacity boiler feed pumps and all auxiliaries.

One multi-cell mechanical draft / natural draft cooling tower constructed of fire-proof material per unit will be used to remove the latent heat energy from the condenser shell.

(ii) Boiler Island

Two (2) steam generating units shall be provided, each capable of delivering 1036 tph of steam at 175. ata and 541 Deg. C. at the superheater outlet at MCR. Each steam generating unit will be drum type, two pass, balanced draft, single reheat design and will have the necessary auxiliaries, including.



- * Fuel preparation equipment consisting of motor driven heavy duty pulverisers, gravimetric coal feeders, two primary air fans.
- * Heavy fuel oil burners
- * Steam sootblowers
- * Tri-sector type regenerative air preheaters with water washing devices.
- * Steam coil air preheaters
- * Draft plant consisting of Two 60% capacity each of ID and FD and PA fans
- * Full complement of boiler valves, drains, piping and instrumentation
- * Chemical feed systems
- * Electrostatic Precipitator
- * Bottom ash and mill rejects handling systems
- * Fly ash handling system

(iii) Plant Water Facilities

The Station will obtain water for its operation from the river Garrah flowing within 1 km west of the site through a river water abstraction facility to be created specially for the Station.

The water pre-treatment system will provide cooling tower make-up, service water, input to the demineralised water plant, fire protection water, potable water for the plant and housing colony etc. The system, to supply the treated water for two units shall be sized to meet the total water requirements of the plant and the housing colony

A demineralised water plant consisting of two 100% capacity streams to provide demineralised water for boiler make-up, auxiliary cooling circuit make-up, hydrogen generation plant, etc. will be provided.

(iv) Waste Water Treatment

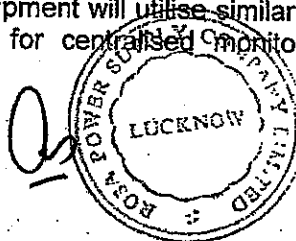
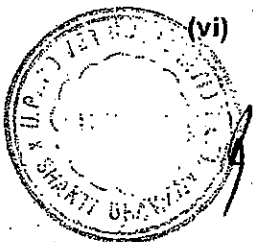
The waste water treatment system will treat the waste water from the DMW Plant regeneration, clariflocculator, cooling tower and boiler blowdowns, boiler/power house area and coal/ash handling plant area run-offs, sewage water etc., before releasing it to the natural stream, in order to ensure full compliance with CPCB/UPPCB norms. Storm water drainage shall be separately routed for the final discharge to the natural stream. Care will be taken to minimise the consumptive water requirement and surface water release by recirculating effluent from one system as input to another to the extent possible.

(v) Control Complex

A single centralised control room will be provided to control and monitor the Station. The control and instrumentation systems will provide integrated operation of the Station by means of microprocessor based distributed digital control system and instrumentation. The systems will be designed for safe and reliable performance and ease of operation and maintenance.

The local control systems with stand alone equipment will utilise similar technology and will be linked to the central control system for centralised monitoring and alarm purposes.

(vi) Coal/Fuel Facility



Coal Delivery

The annual coal consumption for the Station is anticipated to be 2.7 million tonnes of coal based on the Gross Calorific Value of 3760 Kcal/kg.

Coal will be supplied by Coal India Limited from the Ashoka Block of the North Karanpura field in Jharkhand.

Coal will be brought in through the existing rail system by Indian Railways from North Karanpura approximately 870 kms rail distance away.

A new rail spur from the Lucknow – Moradabad section of the Northern Railway mainline passing through east of the site as well as a return spur with a fly – over to cross the mainline (total length of 7.5 kms approximately) will be constructed to bring coal directly into the Station premises, which will have an internal receiving yard of about 5 km long rail system, track hopper, automatic weighing system, etc.

Coal Handling

The Station will have a two stream conveyor system along with screens, crushers, magnetic separators, automatic weighing and sampling systems up to the boiler bunkers for feeding sized coal. There will also be a stockyard for about 45 days storage of coal complete with Stacker – Reclaimer, emergency reclaim hoppers, etc. Each stream of the coal handling system will be of 1000 tph capacity.

Heavy Fuel Oil Handling

Heavy Fuel oil will be used for start-up as well as for support firing at lower loads. This will be brought in by road tankers and unloaded to twin fuel oil storage tanks.

The Fuel oil transfer system will be complete with fuel transfer pumps, strip heating, day tanks and delivery system for each of the two units.

(vii) Building and Support Facilities

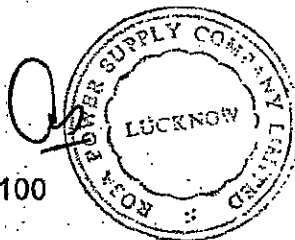
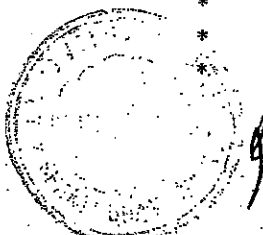
The boilers will be semi-open type. The penthouse, drum and burner level floors will be covered by metal cladding. Rest of the passages and walkways will be open to the elements. Chequered plates and anti-skid gratings will be provided excepting in the areas near the burners, which will have RCC floors.

An RCC dual-flue Chimney stack of 275 metres height will be provided for both the boilers.

The turbine building will be an all-steel frame structure with roof truss construction. The operating floors will be reinforced concrete slabs supported on permanent metal decking and steel framing.

In addition, the Station will include the following buildings and structures :-

- * Switchyard Control Room
- * Administrative Block
- * Station Maintenance Building
- * Water Treatment Building
- * Auxiliary Boiler Building



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- * Fire/Service Water Pumphouse
- * Diesel Generator Building
- * Warehouses
- * Storage Tanks, etc.

(viii) Electrical System and Switchyard

Each Generator will have its own 355MVA, 20/220 KV, three phase, 50 Hz. OFAF main output transformer (generator transformer) which will transfer power to the 220 kV section of the Switchyard. Isolated phase bus – ducts will connect the generators to the LV side of their respective generator transformers (GTs) and overhead line taps will connect the HV side of the GTs to the switchyard.

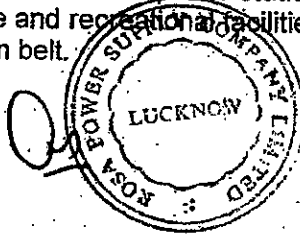
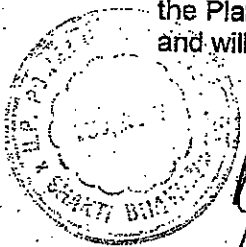
The unit auxiliary power system at each voltage level will have split bus, dual feed configuration, to be fed from the two Unit Auxiliary Transformers directly connected to generator output buses.

The common systems will normally receive power from the two station transformers (STs) connected to the 220 KV bus at the Switchyard.

The Station electrical system will consist of the 6.6 KV, 415V switchgear and other associated equipment to provide power to the plant auxiliary systems. It will also have a DC power source of different voltage levels for emergency services, C & I power supply etc.

(ix) Housing Colony

A housing colony for staff and officers of the power station will be built about 1 km from the Plant site. It will have service and recreational facilities apart from residential blocks and will be surrounded by a green belt.

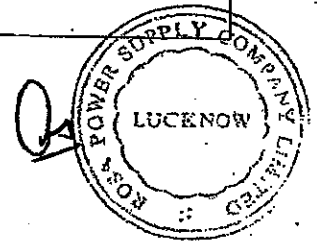
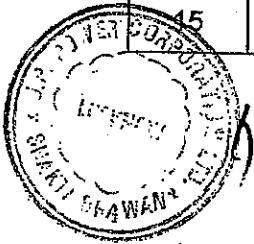


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SCHEDULE - 2
MAJOR CLEARANCES

The following clearances have been / will be obtained with respect to the Station: -

Sl. No.	Clearances	Clearing Authority
1.	Publication/Sec.29(2)	GOUP
2.	Water availability	CWC / GOUP
3.	State Government Clearance	GOUP / UPPCL
4.	Pollution Clearance (Water & Air)	UP Pollution Control Board
5.	Environmental Clearance	Ministry of Environment and Forests
6.	Forest Clearance	GOUP / Department of Forests
7.	Civil Aviation Clearance for Chimney Height	National Airport Authority
8.	Company Registration	Registrar of Companies
9.	Approval of PPA and various project agreements	UPPCL / UPERC
10.	Project Cost / Tariff Approval	UPPCL / UPERC
11.	Rehabilitation & Resettlement of displaced Families by Land Acquisition	GOUP / Ministry of Environment and Forests
12.	Land Availability	GOUP
13.	Fuel Linkage	Ministry of Coal
14.	Financing	UPERC/Ministry of Power/Dept. of Economic Affairs/Financial Institutions
15.	Transportation of Fuel	Ministry of Railways



SCHEDULE - 3

GENERATOR ELECTRICAL CHARACTERISTICS

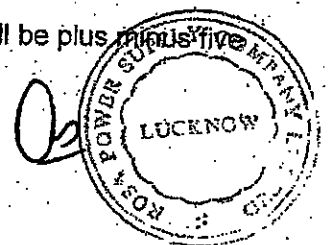
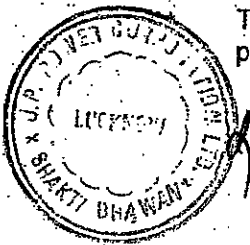
These will be finalised after concluding the Plant EPC contract.

A general description of the generator as specified is given below. The Parties acknowledge that changes may be necessary and/or required on during the development of the detailed design, construction and installation of the generator and its components. ROSA reserves the right to make any such changes in order to meet its overall objectives under the Agreement. To the extent there is any conflict between the provisions of this Schedule and the Agreement, the provisions of the Agreement will prevail.

The Unit I and the Unit II generators shall be capable of operating in parallel with each other and with the UPPCL System. Each Generator shall be

- * 50 Hz and able to operate within a frequency range of 47.5 Hz to 51.5 Hz.
- * Having Static Excitation System/ Brushless Excitation System
- * Having a Guaranteed Maximum Continuous Rating (MCR) of 300 MW at the Generator Terminals, at rated power factor of 0.85 lagging, rated terminal voltage, three phase, 50 Hz., and at rated Hydrogen pressure.
- * Capable of operating at MCR at power factors from 0.85 lag to 0.95 lead without loss of stability and control.
- * Provided with a Short Circuit Ratio between 0.55 and 0.60.

The Generator voltage range at rated frequency operation shall be plus minus five percent ($\pm 5\%$).



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SCHEDULE - 4

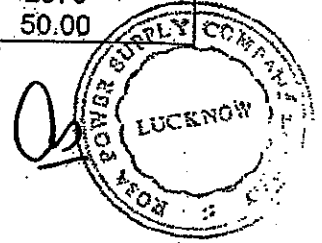
FUEL SPECIFICATIONS

COAL

The specification of coal will be finalised after concluding the Coal Supply Agreement with Central Coalfields Limited.

For the Station design the analysis for the range of coal considered is as follows :

COAL PROPERTIES		DESIGN COAL	WORST COAL
TOTAL MOISTURE	% ar	13.00	12.00
ASH	% ar	40.00	45.00
VOLATILE MATTER	% ar	17.50	15.30
FIXED CARBON	% ar	29.5	25.70
SULPHUR	% ar	0.28	0.24
GCV	Kcal/kg	3404	2970
HG INDEX (HGI)		50.00	50.00



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SCHEDULE - 5**TRANSMISSION AND INTERCONNECTION FACILITIES****PART A - UPPCL'S RESPONSIBILITY**

The UPPCL Transmission System which will be used to evacuate Available Energy from the Station shall include the following power system hardware.

1. 2 - Double Circuit 220 KV Rosa - Shahjahanpur line
2. 1 - Double Circuit 220 KV Rosa - Hardoi line
3. 1 - Single Circuit 220 KV Rosa - Badaun line
4. 220/132 KV, 2 x 100 MVA Hardoi Sub - Station
5. Necessary 132 KV Inter-connectors between 220 KV and 132 KV Hardoi Sub-Station

UPPCL shall build the above 7 nos., transmission lines and tie into the Station's 220 KV Switchyard Outgoing Gantry.

Start-up power will be imported from the 220 KV UPPCL System feeding the 220 KV Station Transformers. The Start-up power shall be made available to the Station on a continuous basis, whenever it is needed.

UPPCL shall be responsible for supplying and providing all materials, labour and equipment to complete the work from and after the ROSA 220 KV Switchyard Outgoing Gantry.

PART B - ROSA'S RESPONSIBILITY

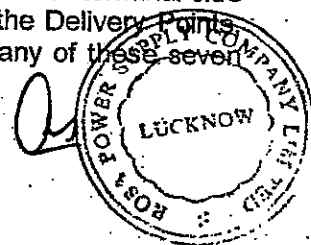
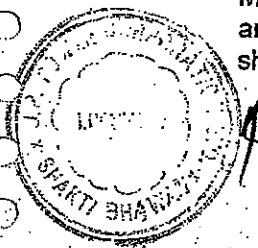
ROSA shall be responsible for supplying and providing all material, labour and equipment to complete the work of its 220 KV Station switchyard up to the terminal points at the Station Outgoing Gantry (the "Internal Connection Facilities").

The Station includes the 220 KV Switchyard that allows evacuation of the Available Energy via 7 (seven) 220 KV transmission lines identified above plus space only for terminating two more 220 KV lines in future. Included are the 220 KV circuit breakers, disconnecting switches, Station and Generator Transformers, all protection, control and metering associated with the 220 KV supply lines.

The Station shall have Stand-by power source in the form of Emergency DG Sets for safe shut-down of the Station in case of a system blackout. It should be clearly understood that the capacity of this stand - by power source will not be adequate for start - up of the Station after a trip - out or stoppage of generation and UPPCL will be responsible for providing the start - up power as and when it is required by the Station, failure in which shall be treated as inability on the part of UPPCL to evacuate power and Station will be eligible for getting Deemed Energy benefits.

PART C - METERING POINTS AND DELIVERY POINTS

Metering for the power generation and power evacuation at the generator terminal side and at each of the 7 (seven) nos. outgoing points, which shall be the Delivery Points, shall be provided. Import of power shall also be effected through any of these seven



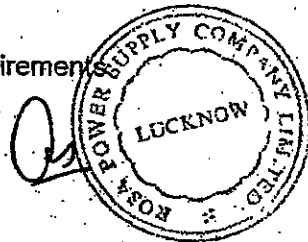
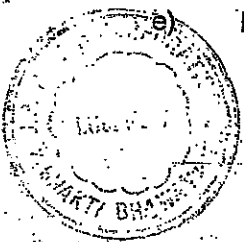
transmission lines and a set of Import and Export meters will be provided at each of these points to facilitate proper recording.

PART D – INTERCONNECTION PROCEDURES

To ensure that the Station 220 KV switchyard together with the transmission facilities will be in service at the agreed time, it shall be the responsibility of both ROSA and UPPCL to set-up interconnection procedures. These procedures shall be drawn up and executed by a coordinating team with representatives from both parties.

The Coordinating Team shall be responsible for the following:-

- a) Ensure that all work required for the proper design, construction, commissioning and testing of ROSA's Station Switchyard and UPPCL's transmission facilities including all technical information, design criteria co-ordination and studies are completed according to the ROSA's Construction Schedule.
- b) Ensure appropriate co-ordination of all construction activities at the Interconnection Points :
- c) Ensure that the review of relay settings and installation and calibration of the metering system is completed on schedule;
- d) Co-ordinate the commissioning activities to ensure that all necessary tests of the protection, control and communication system are completed to mutual satisfaction.
- e) Ensure compliance with IE Rules and Inspection requirements.



SCHEDULE - 6

PERFORMANCE TEST AND OTHER TESTS

I. Test Objectives

The objectives of the Performance Test and other tests are to establish and demonstrate the performance and operational characteristics of each Unit of the Station under this Agreement.

II. Tests

The following tests shall be carried out under the Performance Test and other tests:-

1. Performance Test :

The Performance Test of each unit shall be carried out under any and all ambient conditions that may exist during the time of the Performance Test. During the Test, the Nameplate Capacity shall be demonstrated with the specified range of fuels. Normal on-line plant instrumentation will be utilized for recording of operating parameters.

The Performance Test of each unit shall be deemed to have been completed, if the unit operates continuously for seventy two consecutive hours at or above ninety five (95) percent of its Nameplate Capacity and within the generator electrical characteristics given in Schedule 3.

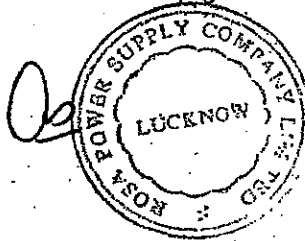
The Performance Test may be carried out as part of the Reliability Run Test described below depending on the convenience of the Construction Contractor.

UPPCL shall maintain the stability of the frequency, voltage and other electrical properties of the UPPCL System throughout the duration of the Performance Test and other Tests. In the event of any instability of voltage, frequency or other electrical properties of the UPPCL System during the Performance Test, which has an adverse effect on the ability of the Station to operate at its Nameplate Capacity, the test results shall to the extent technically feasible be adjusted to take account of such variations but otherwise the Tests shall be void and be recommenced.

ROSA shall give not less than seven (7) days written notice to UPPCL for the Performance Test to be performed at the Station. UPPCL may send its representatives to the Station for the purposes of witnessing the Performance Test.

2. Other Tests: The following other Tests shall be carried out on each unit before it is finally accepted by ROSA:-

- i) Functional Verification Test (i.e. Electrical Metering and Relaying)
- ii) Characteristics Test
- iii) Reliability Run Test
- iv) Performance Guarantee Test



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It is clarified that the obligation of Rosa with respect to the Construction Contract shall be limited to only undertaking these other Tests and providing a report thereof to UPPCL and shall not in any way require the witnessing of UPPCL of these Tests.

UPPCL shall accept into the UPPCL System all the electric energy generated during the Tests and shall pay to ROSA the amounts specified under this Agreement.

i) Functional Verification Tests

ROSA shall perform Functional Verification Tests of the protection, control and tariff metering system of the generating Station as well as the switchyard and transmission facilities. The objective of the Functional Verification Tests is to ensure that power equipment, protection and control system will perform as designed to protect the electrical power system in a reliable manner and not jeopardize ROSA's or UPPCL's facilities.

The design of the protection control and the tariff metering system shall include adequate test facilities so that functional tests can be properly performed.

The Functional Verification Tests on relays, meters and control equipment shall be in accordance with manufacturer's recommendations.

ii) Reliability Run Test

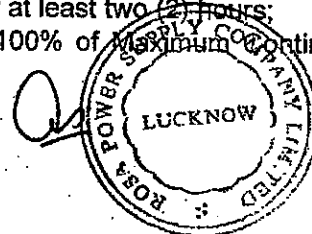
After first synchronization, stabilization of various sub-systems and carrying out various functional tests, each Unit shall be put to Reliability Run Test. It shall be carried out for a continuous period of 14 days at the prevailing ambient conditions, out of which 72 hours shall be in continuous operation on full load. During the test the Unit shall be operated under various operating modes and for the entire range of fuel inputs.

During the Reliability Run Test, but not during the 72 hours full load run, the various tests under the Characteristic Tests as below may also be performed.

iii) Characteristics Test

The following set of tests (the "Characteristics Test") shall be carried out in respect of each unit:-

- ◆ A representative samples of ramp rates, by ramping up or down the gross turbine load while maintaining the required temperatures and temperature differences associated with each ramp rate within the turbine while maintaining all other operational parameters within equipment limits;
- ◆ Response of a Unit to step load changes;
- ◆ Maximum capacity of each unit shall be tested with the turbine valves wide open (ie. 105% TMCR) at normal turbine operating pressure;
- ◆ Automatic voltage regulator droop test;
- ◆ Reactive capability test;
- ◆ Minimum load capability without oil support for at least two (2) hours;
- ◆ Load rejection test at 25%, 50%, 75% and 100% of Maximum Continuous Rating (MCR) load;
- ◆ House load operation;



- ♦ Tests for start up times for Cold, Warm and Hot Starts;

These tests shall be generally performed during the Reliability Run Test.

iv) Performance Guarantee Tests

The objective of the Performance Guarantee Tests is to verify the performance (efficiency) figures of each Unit

Boiler Performance Guarantee Test shall be carried out as per ASME PTC 4 based on gross calorific value and the Turbine Performance Guarantee Test shall be as per ASME PTC 6.

The Performance Guarantee Test shall be carried out at 100% of Maximum Continuous Rating to verify the Unit's Gross Plant Heat Rate and Auxiliary Power Consumption.

III. Test Procedures

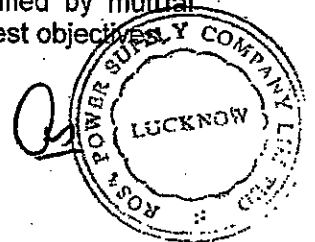
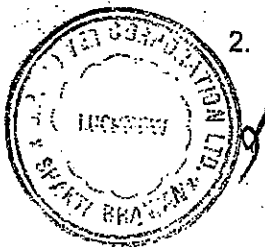
ROSA will determine and prepare the Test procedures. A test schedule for the Performance Test and other Tests will be agreed in not less than One Hundred and Twenty (120) days prior to the synchronization of each unit.

IV. Data Recording and Measurement

1. ROSA will provide the necessary labour, material, instrumentation and controls to record, observe and evaluate the Test data and maintain the logs of all data taken.
2. Where practical, the data will be recorded in both hard copy and electronic form.
3. ROSA shall specify the variables that will be recorded, the form of recording and the frequency of recording each variable during each Test.
4. All instruments and meters will be calibrated in accordance with Accepted Industry Practice prior to the Tests.

V. Test Reports

1. ROSA will provide to UPPCL report of the Tests results and other relevant data.
2. The format and contents of the test reports may be modified by mutual agreement between ROSA and UPPCL in order to meet the test objectives.



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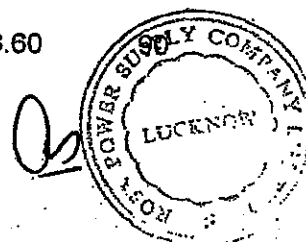
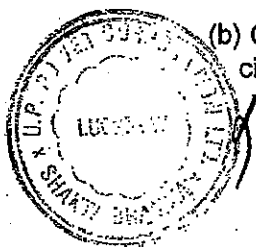
SCHEDULE - 7

DEPRECIATION

Appendix II to Central Electricity Regulatory Commission (CERC) (Terms and Conditions of Tariff) Regulations, 2004

Depreciation Schedule

Description of Assets	Useful Life(yrs)	Rate (Calculated w.r.t. 90%)	
	1	2	3=1*2
A. Land owned under full title	Infinity	---	
B. Land held under lease:			
(a) for investment in land.	The period of lease or the period remaining unexpired on the Assignment of the lease.	---	
(b) for cost of clearing site	The period of lease remaining unexpired at the date of clearing the site.	---	
C. Assets:			
Purchased new :			
(a) Plant and machinery in generating Stations including plant foundations :-			
(i) Hydro-electric	35	2.57	90
(ii) Steam-electric NHRS & Waste Heat Recovery Boilers/Plants	25	3.60	90
(iii) Diesel-electric & gas plant	15	6.00	90
(b) Cooling towers and circulating water systems	25	3.60	



(c) Hydraulic works forming
Part of hydro-electric system
including:-

(i) Dams, Spillways weirs, canals reinforced concrete Flumes & syphons	50	1.80	90
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(ii) Reinforced concrete pipelines and surge tanks, steel pipelines, sluice gates, steel surge (tanks) hydraulic control valves and other hydraulic works.	35	2.57	90
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(d) Building & civil engineering works of a
Permanent character, not mentioned above:-

(i) Offices & showrooms	50	1.80	90
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(ii) Containing thermo- electric generating plant	25	3.60	90
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(iii) Containing hydro- electric generating plant	35	2.57	90
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(iv) Temporary erection such as wooden structures	5	18.00	90
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(v) Roads other than kutchra roads	50	1.80	90
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(vi) Others	50	1.80	90
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(e) Transformers, transformer (Kiosk) sub- station equipment & other fixed apparatus (including plant foundations)			
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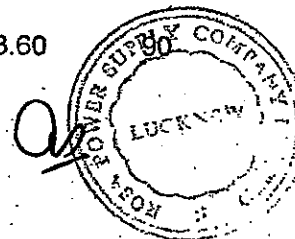
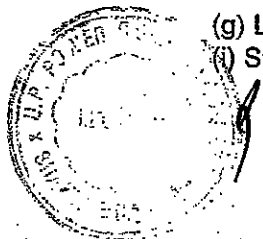
(i) Transformers (including foundations) having a rating of 100 kilo volt amperes and over	25	3.60	90
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(ii) Others	25	3.60	90
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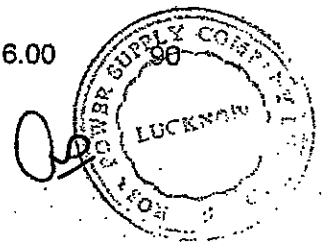
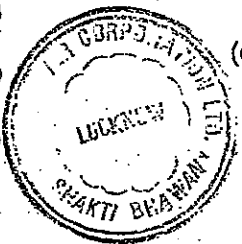
(f) Switchgear, including cable connections	25	3.60	90
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(g) Lightning arrestors:

(i) Station type	25	3.60	90
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(ii) Pole type	15	6.00	90
(iii) Synchronous condensor	35	2.57	90
(h) Batteries:	5	18.00	90
(i) Underground Cable Including joint boxes and disconnected boxes	35	2.57	90
(ii) Cable duct system	50	1.80	90
(I) Overhead lines including supports:			
(i) Lines on fabricated steel operating at nominal voltages higher than 66 KV.	35	2.57	90
(ii) Lines on steel supports operating at nominal voltages higher than 13.2 Kilo volts but not exceeding 66 Kilo vols	25	3.60	90
(iii) Lines on steel or reinforced concrete supports	25	3.60	90
(iv) Lines on treated wood supports	25	3.60	90
(j) Meters	15	6.00	90
(k) Self propelled vehicles	5	18.00	90
(l) Air conditioning plants:			
(i) Static	15	6.00	90
(ii) Portable	5	18.00	90
(m) (i) Office furniture and fittings	15	6.00	90
(ii) Office equipments:	15	6.00	90
(iii) Internal wiring including fittings and apparatus	15	6.00	90
(iv) Street light fittings	15	6.00	90
(o) Apparatus let on hire:			

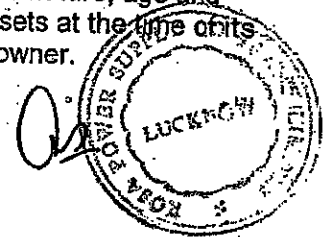
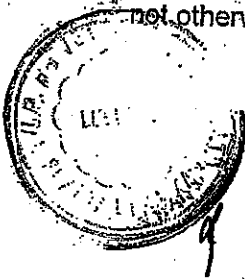


Power Purchase Agreement

Rosa Power Supply Company Limited

(i) Other than motors	5	18.00	90
(ii) Motors	15	6.00	90
(p) Communication equipment:			
(i) Radio and higher frequency carrier system	15	6.00	90
(ii) Telephone lines and telephones	15	6.00	90
(q) Assets purchased second hand and assets not otherwise provided for in the schedule			

Such reasonable period as the competent Government determines in each case having regard to the nature, age and condition of the assets at the time of its acquisition by the owner.



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SCHEDULE - 8

DISPATCH PROCEDURES

ROSA shall, whenever possible, subject to equipment and system limitations, control and operate the Station according to UPPCL's System control and dispatch requirement at or near base load. No Unit shall be despatched at less than Fifty per cent (50%) of its Established Baseload Capacity unless mutually agreed.

ROSA and UPPCL shall mutually develop written procedures not later than ninety (90) days prior to the Scheduled Synchronisation Date of the Unit(s) to

- Address availability projections for the Station (annual, monthly and weekly projections).
- Despatching procedures (which shall include monthly, weekly and daily Dispatch Schedules).
- Switching practices outage scheduling, Daily Capacity and energy reports, the method of day to day communications, list of personnel contacts for both Station and UPPCL operating centres.
- Unit operations log and performance specifications of the Station.

The dispatch procedures shall be based on the design of the Stations, the interconnection and the integration into UPPCL's electrical system. The purpose is to ensure system safety, security, stability, reliability and optimising generation to UPPCL's system. These procedures shall allow the Station to operate within its Technical Limits and at optimum efficiency points.

The Metering System will consist of Meters and Instrument transformers (ROSA and UPPCL) which shall satisfy the following :

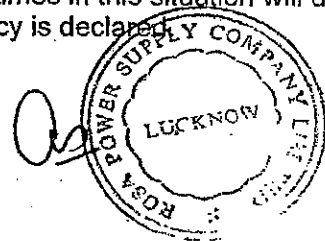
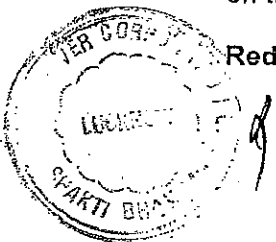
- Current transformers of nominal accuracy class as per IEC standard
- Potential transformers of nominal accuracy class as per IEC standard

Both the ROSA Meters and the UPPCL Meters shall comply fully with the requirement of the Electricity Rules with respect to technical specification, description, accuracy and calibration.

In the event of dispute of meter inaccuracies, the dispute shall be resolved by the Experts and failing this, it will be sent for Arbitration.

Emergency Plan

ROSA will co-operate with UPPCL in establishing emergency plans, including recovery from a local or widespread electrical blackout. Start-up times in this situation will depend on the Generating Facility conditions when the emergency is declared.

Reduction and Resumption of Deliveries

Dispatch Instructions by UPPCL for any reduction or increase of ROSA's deliveries shall be completed and communicated as soon as possible, in a manner consistent with Accepted Industry Practice. At least six (6) hours of notice of Dispatch Instruction is acceptable. However, only under emergency conditions the notice of Dispatch will be shorter.

Outage Schedule

Long term and short term Scheduled Outages must be jointly coordinated between ROSA and UPPCL in accordance with the Maintenance Programme.

Operating Records

Each Party shall keep complete and accurate operating records and all other data required for the purposes of proper administration.

ROSA will maintain an accurate and up to date operating log at the Station in accordance with Accepted Industry Practice with records of :

- (i) Active power and Reactive Power production for each clock hour;
- (ii) Changes in operating status;
- (iii) Scheduled Outages and Forced Outages;
- (iv) Frequency and voltage in the UPPCL System and any other abnormal conditions.

II ☒ DAILY DECLARED CAPACITY NOTICE

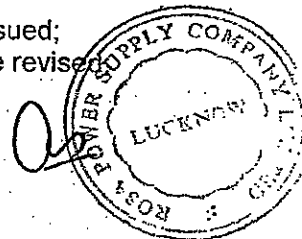
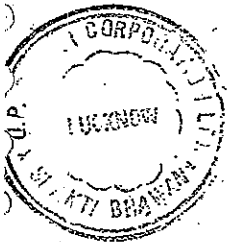
- (a) Following the Unit 1 Commercial Operation Date, ROSA shall deliver to UPPCL every day at 10.00 hours a notice indicating the Daily Declared Capacity available for a period of next 24 hours. The Notice of "Daily Declared Capacity" shall contain the following information :

- (vi) the date and time that the Notice is issued;
- (vii) the Scheduled Day to which it relates;
- (viii) the Daily Declared Capacity of the Station throughout the relevant Day (and where such Daily Declared Capacity changes, the time at which any change is expected to take effect);
- (ix) the Daily Declared Capacity of each Unit throughout the relevant day measured at the generator.
- (x) ROSA's expectation, if any, that the Station or a Unit may not be capable of safely operating within the Technical Limits and at optimum efficiency during the relevant Day, what modified limits should apply and for which time periods and a description of the situation.

- (b) Whenever ROSA believes that any information that it has provided to UPPCL pursuant to this Schedule no longer accurately reflects its expectations, it shall promptly deliver to the UPPCL Control Centre a written notice ('a Revised Daily Capacity Notice') revising that information.

- (c) A Revised Daily Capacity Notice shall contain the following information :

the date and time that the Revised Daily Capacity Notice is issued;
a reference to the previously provided information that is to be revised;



a statement of the changes required to be made to the declaration being modified by such Revised Daily Capacity Notice to reflect ROSA's revised expectations regarding the Units and the Project.

- (d) A declaration in a Daily Declared Capacity Notice or Revised Daily Capacity Notice increasing the Daily Declared Capacity from zero shall be taken to mean that the Station is capable of being synchronised to the transmission system at the time that the increase is stated to be effective.
- (e) When the ROSA has stated in a Daily Declared Capacity Notice or Revised Daily Capacity Notice that it expects the Station or a Unit to be incapable of safely operating in accordance with the Technical Limits, and for which ROSA has provided modified limits, UPPCL shall not request the Station to operate beyond such limits, except in an Emergency.
- (f) ROSA shall take reasonable care in preparing Daily Declared Capacity Notices or Revised Daily Capacity Notices with a view to declaring accurately ROSA's expectations regarding the performance of the Station and each of the Units.

Declared Capacity Penalty

UPPCL will dispatch ROSA's latest Declared Capacity

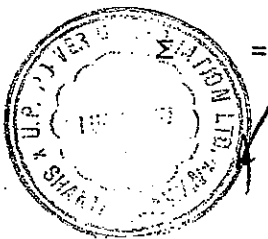
A Declared Capacity Penalty shall apply to ROSA whenever the dispatch Capacity thus requested by UPPCL is greater than the Capacity that the Station actually achieves but is within the Daily Declared Capacity as declared by ROSA in the Daily Declared Capacity Notice or latest Revised Daily Declared Capacity Notice (except where the shortfall constitutes Deemed Energy or is caused by a Force Majeure Event or UPPCL default). Declared Capacity Penalty shall be calculated as follows:

$$\text{Declared Capacity Penalty} = \sum (DC - AC) * T * 1.5$$

Where;

- DC = Latest Declared Capacity by ROSA in MW
- AC = Capacity actually achieved by the station at the time of receipt of the latest Dispatch Instructions in MW but is less than that desired as per latest Dispatch Instruction.
- T = Duration in hours between the time of latest Dispatch Instruction and the time when the Station had last achieved the capacity which is equal to or higher than that desired as per latest Dispatch Instruction or if more recent, the time of delivery of the latest Daily Declared Capacity Notice or Revised Daily Capacity Notice but in no event shall 'T' exceed 24.

= Summation



SCHEDULE - 9**METERING****Applicable Standards**

Latest versions of following Standards (or their equivalent India Standards) will be applicable.

IEC-687	for Static Energy Meters
ISS-13779	for Static Energy Meters
BIS- 2705	for Current Transformers
BIS- 3156	for Potential (Voltage) Transformers
CBIP	Report No.88 for Solid State Meters

Type of Meters

Meters shall be microprocessor based Tri-Vector Meters

Provision should also be made for remote reading and telemetering of energy consumed.

Accuracy Class

The meters shall be of accuracy class as per IEC -- 687 or its Indian equivalent standard.

Allowable Error in Accuracy

The allowable error in basic accuracy shall be as per latest IEC -- 687 or its Indian equivalent standard as applicable for type and accuracy of meters installed. Overall error of the metering system at 10% to 125% of rated current at Unit power factor shall not exceed $\pm 0.5\%$.

Meter Calibration, Testing, Sealing, Re-calibration Period etc.

New meters are to be initially calibrated in accordance with IEC -- 687 or its Indian equivalent.

The meter(s) shall be tested and calibrated at least once every year.

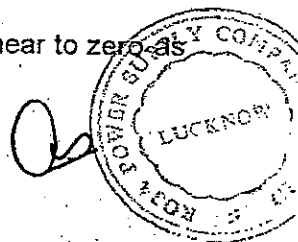
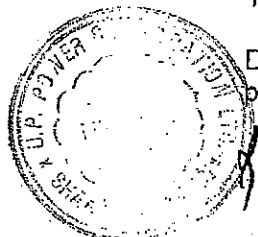
The metering circuit should also be checked by primary/secondary injection once every year or after every overhaul (whichever period is less).

Calibration, testing, sealing etc. is to be always done jointly in presence of authorised representatives of both the parties.

Each party will control issue of its own seals/sealing pliers and keep a register of all such pliers and the persons to whom these have been issued.

The CT/PT cubicles/kiosks should be also be suitably sealed.

During each calibration effort must be made to keep the error as near to zero as possible.



Test/Calibration Equipment

Solid state sub-standard meter suitable for checking the accuracy of class 0.2S meters should be used. These should be duly calibrated and sealed by Government authorised meter testing house/lab or by mutually agreed independent test house where such facilities are available.

Similarly suitable primary/secondary injection sets should also be available at the plant.

The test equipment be got calibrated jointly after every fixed period to be decided as per the recommendations of the testing equipment manufacturer.

Current Transformers (CTs) & Potential Transformers (PTs) for Metering Purpose:

The current Transformer(s) are to be as per BIS-2705 for minimum rated output of 15 VA.

The voltage Transformer(s) are to be as per BIS-3156 for minimum rated output of 100 VA.

The CT/PT secondary winding(s) supplying a main meter will be dedicated for that meter unless otherwise agreed. However, the secondary winding(s) supplying a check meter can be used for other purposes as long as there is no degradation of accuracy beyond the defined limits.

The burden on any CT/PT associated meters will not be modified without obtaining approval of other party.

Common return wire for two or more CT secondary circuits is not permitted.

Each meter shall be fed by a separate fused set of leads from the PT.

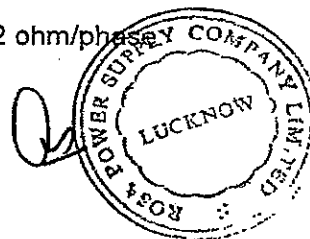
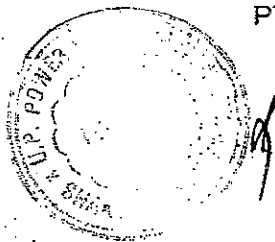
If main and check meters are to be connected to the same PT then separate fuses have to be provided for each circuit.

Each fuse in the PT circuit will be monitored and alarmed for voltage failure for loss of one or more phases of voltage supply to any meter.

Suitable standard test terminal blocks are to be provided to facilitate on site testing of the meter and metering circuit.

The CT cable size should not be less than 6 sq mm Copper.

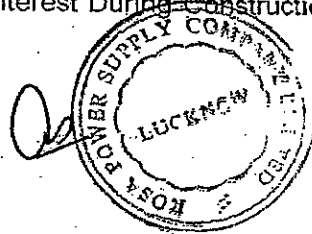
PT cable should not have resistance greater than 0.2 ohm/phase



SCHEDULE 10

CAPITAL COST / DEBT / EQUITY

This Schedule should lay out Interest Payment Schedule based on lenders agreement and as approved by UPERC. It should also list details of Interest During Construction, Interest on Domestic Debt and Interest on Foreign Debt etc.



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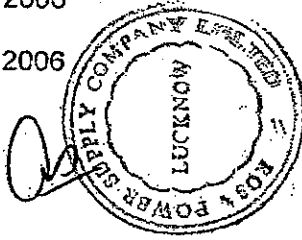
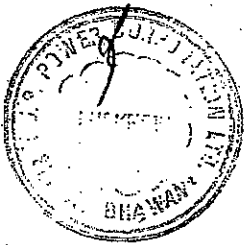
Power Purchase Agreement

Rosa Power Supply Company Limited

SCHEDULE - 11

UPERC Orders

- (a) Order dated February 2, 2006
- (b) Order dated November 1, 2006
- (c) Order dated November 8, 2006



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BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Petition No.306/2006

IN THE MATTER OF: Approval of Power Purchase Agreement signed with Rosa
Power Company Ltd. for purchase of 600 MW power

AND

IN THE MATTER OF:

UP Power Corporation Ltd.
(Through GM, PPA Directorate)
14, Ashok Marg,
Lucknow

:Petitioner

M/s Rosa Power Supply Company
14-A/5, Park Road,
Lucknow

:Respondent

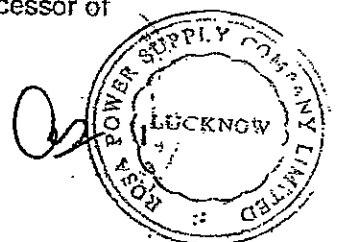
The following were present :

1. Sri. Rahul Misra, Sr. Analyst, IMACS
2. Sri. Rahul Sharma, AGM, IMACS
3. Sri. Ajay Kr. Singh, Sr. Specialist, IDFC Ltd.
4. Ms. Veena Ravi Shankar, TCE, Bangalore
5. Sri. S.S Rao, Rosa Power Company
6. Sri. Abhay Athalye, Rosa Power Company
7. Sri. R.G Rathor, RPSCL Ltd.
8. Sri. V.K Singh, RPSCL Ltd.
9. Sri. Atul Srivastava, RPSCL Ltd.
10. Sri. S.T Hasan, EE, PPA Directorate, UPPCL
11. Sri. O.P Malhotra, GM, PPA, UPPCL
12. Sri. S.K Agarwal, Director(Finance), UPPCL

ORDER

(Date of Hearing 2.2.06)

Through the said Petition, the Petitioner has sought approval of Power
Purchase Agreement(PPA) signed by UP State Electricity Board, the predecessor of



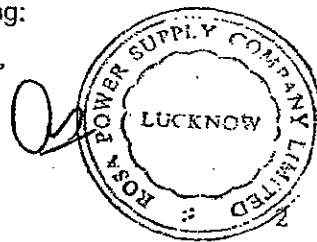
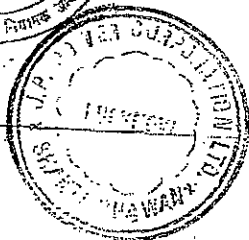
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UPPCL, with Rosa Power Company Ltd. on 24.9.98. It is stated that the original PPA signed on 24.9.98 has been amended in 24.9.99 and now second supplementary agreement has been agreed to be entered into on account of the Electricity Act, 2003, UPERC and CERC Regulations on terms and conditions of tariff coming into force as such the. After the filing of the said Petition, the Petitioner has submitted; revised cost estimates of Rosa Thermal Power Station as submitted by the Respondent by letter No.59/GM/PPA Rosa dated 18.1.06, a comparative statement of amendments made in the original PPA as submitted by Respondent by letter No.95/GM/PPA Rosa dated 28.1.06 and a consolidated draft of final PPA as submitted to the Petitioner by the Respondent by letter No.117/GM/PPA/Rosa dated 1.2.06.

The Respondent made a representation before the Commission in respect to the project, contractual arrangements, terms and conditions agreed with the Petitioner in deviation to UPERC Regulations, the revised cost of the project etc. The Respondent submitted that the revised cost of the project was Rs.2641.63 Cr. for 600 MW project against Rs.2713 Cr. approved by the CEA earlier for 567 MW capacity. It was contended by the Respondent that the cost of Rosa project was comparable with the cost of Nagarjun Sagar project cleared by CERC. The comparison of cost was discussed in detail and found reasonable. The Petitioner had also agreed to the revised cost estimate as put by the Respondent. Regarding foreign exchange component, it was stated by the Respondent that the said cost included a maximum of US \$296.6 m as debt at exchange rate of Rs.45.5 and there was no foreign equity. The Petitioner expressed no objection to the same. It was pointed out by the Respondent that it had agreed with the Petitioner to seek deviations from UPERC Regulations in respect to stock of coal, escalation on spares and receivables and decided to adopt the norms specified by CERC in that regard.

Besides above, the Respondents submitted the following:

1. the tax on incentives might be made a pass through,



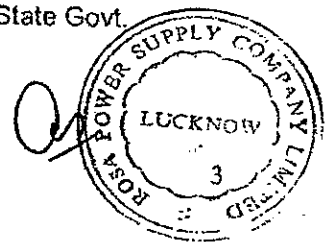
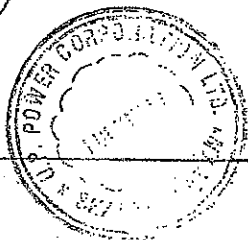
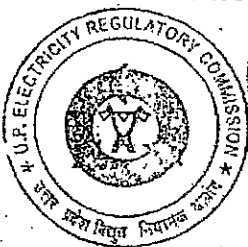
meb

2. auxiliary consumption should include consumption of the colony as per the order of the Central Govt.,
3. Impact of cost of purchase of coal, if any, beyond the availability higher than the target availability be allowed as pass through in tariff,
4. financial closure within 9 months
5. Commissioning of first unit within 37 months and 40 months for second unit from the date of financial closure.

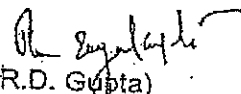
The Petitioner had not objected to any of the above proposals made by the Respondent.

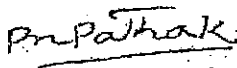
The Commission, in consideration of the mutual agreements arrived between the parties to the PPA and submissions made in the hearing, decides to accord in principle approval to the PPA subject to following conditions:

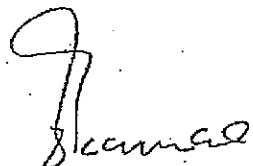
1. The terms and conditions in the PPA shall be governed by UPERC (Terms and Conditions of Generation Tariff), Regulations, 2004 subject to the exception that the stock of coal, escalation on spares and receivables shall be taken as per the CERC Regulations for the purpose of determination of interest on working capital.
2. The capital cost of the project shall be Rs.2641.63 Cr. as ceiling cost for the purpose of determination of tariff.
3. The foreign debt component shall be limited to US \$ 296.6 m.
4. There shall be no foreign equity in the project.
5. Financial closure should be made in 4 months from the date of this order, as agreed by the Respondent during the hearing.
6. The date of C.O.D of first unit shall be within 41 months and second unit within 44 months reckoned from the date of this order.
7. Since UPPCL being STU is not to engage in trading as per the provisions of the EA, 2003, as such the PPA in question shall be assigned to the concerned distribution companies as per the decision of the State Govt.



The Petitioner is directed to submit before the Commission final draft of the agreement duly agreed between the parties on an affidavit after incorporating the said decisions of the Commission for approval within one month of the date of this order.

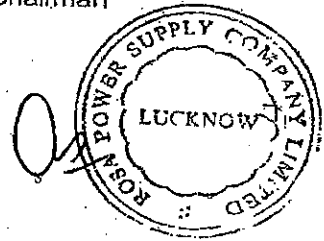
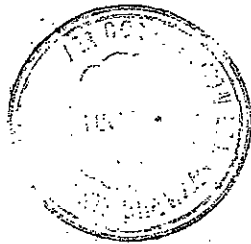

(R.D. Gupta)
Member


(P.N. Pathak)
Member


(Vijoy Kumar)
Chairman



Dated : 2nd Feb, 2006



BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Petition No. 306/2006

IN THE MATTER OF: Approval of Power Purchase Agreement signed with Rosa Power
Company Ltd. for purchase of 600 MW power.

AND

IN THE MATTER OF:

UP Power Corporation Ltd.
(Through GM, PPA Directorate)
14, Ashok Marg,
Lucknow

Petitioner

M/s Rosa Power Supply Company
14, A/5, Park Road,
Lucknow

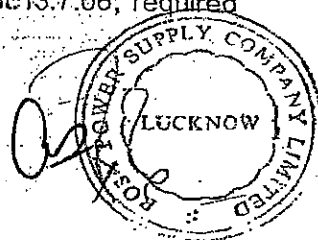
Respondent

ORDER

The Commission in its Order dated 2.2.06, directed UP Power Corporation Ltd. (UPPCL), the Petitioner, to submit final draft of Power Purchase Agreement (PPA) after incorporating the decisions of the Commission. The petitioner submitted, vide letter no. 278/GM/PPA/Rosa dt. 20.3.06, the final draft of PPA on an affidavit jointly signed on behalf of UPPCL and Rosa Power Supply Company Ltd. It is stated in the said affidavit that final draft of the amended and restated PPA is as per directions of the Commission in order dt. 2.2.06.

The petitioner, in an application received on 30.10.06, has stated that the Respondent has requested in their letter dt. 27.10.06 that the financial closure and other activities for starting the projects could not be taken up due to impending approval of PPA. It is also stated that the Respondent has requested for approval of PPA and making the timelines for financial closure and COD effective from the date of approval of final PPA.

The parties to the petition may note that in Order dt. 2.2.06, the financial closure and commissioning of units was to be achieved within 4 months and 41/44 months respectively from the date of the order as agreed by the Respondent in the hearing. These timelines had nothing to do with the approval of final PPA because the Commission had already accorded in-principle approval to PPA. The Commission, in its letter dt. 13.7.06, required

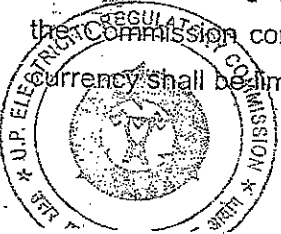


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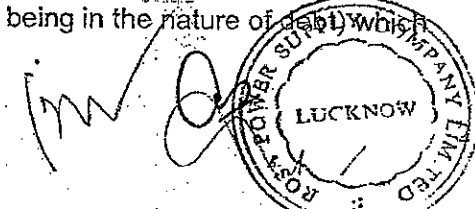
the Petitioner to inform the progress made by the Respondent in achieving financial closure and actual start of work. The Petitioner, in its letter dt.693/GM/PPA/Rosa dt.27.7.06 addressed to the Respondent and copy to Secretary, UPERC, conveyed that there had not been any positive development in respect of financial closure and signing of fuel supply agreement even after the expiry of schedule specified by UPERC. In another letter no.733/GM/PPA/D-3/Cogen1 dt.4.8.06 written in response to UPERC letter dt.13.7.06, the Petitioner informed that regular persuasion was being made with the developer for achieving the timelines specified by the Commission in Order dt.2.2.06 and the response of the Respondent in that matter was still awaited. It can not be presumed that all of a sudden on 27.10.06, the Respondent realized that impending approval of PPA was not allowing it to achieve financial closure and to start work at site because wake up calls had already been made by the Petitioner, through various letters mentioned in the said letter dt.27.7.06, which of course remained unanswered deliberately. Had that been not true, the Respondent could have approached the Petitioner much earlier with the request as has been made now.

It is evident from the mentioned facts that the Respondent had not been diligent in its endeavor to comply with the Order of the Commission and we could wish to have examined the Respondent for non-compliance. It appears from the affidavit filed by the Petitioner, on 30.10.06, that its interest would not be prejudiced if the time lines for financial closure and COD are made effective from the date of approval of final draft of PPA and therefore in view of this, we put the controversy of non-compliance by the Respondent to rest and approve the draft of final PPA subject to following: that,

- (a) the text 'provided that tax on incentives shall not be allowed as an expense and shall not be recovered' is deleted under definition, 'Taxes on Income' under Section 1.1 of Article 1 of draft PPA.
- (b) The Commission approved Rs.2641.63 Cr as capital cost of the project as ceiling cost with a foreign debt component limited to US\$296.6 M at exchange rate of Rs.45.5/US\$ and no foreign equity. It is observed, that in 'Explanation-3' under definition 'Capital Cost' under Section 1.1 of Article 1, the capital cost of the project is indicated as Rs.12923-M plus US\$ 296.6-M without specifying, whether the foreign component is debt or not. In absence of such qualification, the Commission considers that total expenditure in the capital cost in foreign currency shall be limited to US\$ 296.6 M (not being in the nature of debt) which



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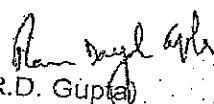
means that the foreign component of debt in the capital cost shall be nil. The said provision under said 'Explanation-3' shall accordingly be modified and to this extent order dt.2.2.06 stands modified.

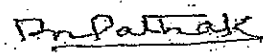
- (c) The text 'Rosa's internal requirement for electrical energy for its operation of the station' in section 6.1 of Article 6 is not in conformity with the mutual agreement, as recorded at point 2 of order dt.2.2.06, between the parties in respect to auxiliary consumption. It may be suitable replaced.

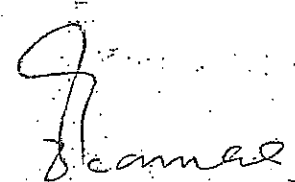
The parties to the case shall note that in case of controversy, if any, as to any provision of the Agreement, the order dt. 2.2.06 read with this order shall prevail. However in view of the submissions made by the Petitioner in application filed on 30.10.06, the Commission may consider change in timelines for financial closure and commissioning of units subject to proper justification shown in that regard.

A copy of the signed PPA shall be sent for information of the Commission.

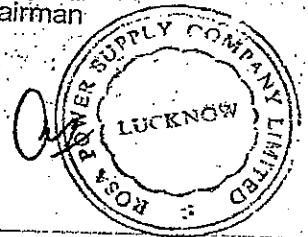
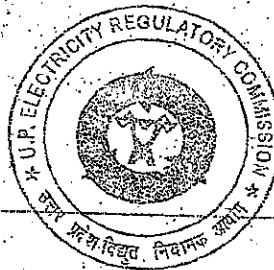
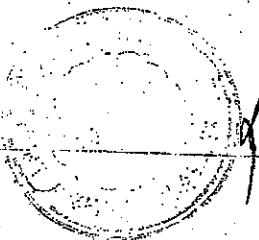
The petition is disposed of.


(R.D. Gupta)
Member


(P.N. Pathak)
Member


(Vijoy Kumar)
Chairman

Lucknow; Dated : 1st Nov, 2006



BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Petition No. 409/2006
in petition No. 306/06

IN THE MATTER OF: Review of Order dt. 2.2.06 passed in Petition no. 306/06 filed by UPPCL in the matter of Approval of Power Purchase Agreement signed with Rosa Power Company Ltd. for purchase of 600 MW power.

AND

IN THE MATTER OF:

M/s Rosa Power Supply Company
(Through Ashwani Kumar, Director)
14-A/5, Park Road,
Lucknow

V/s

: Petitioner

UP Power Corporation Ltd.
14, Ashok Marg,
Lucknow

The following were present:

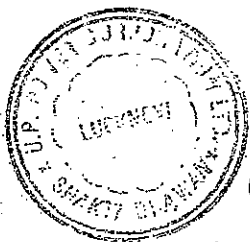
: Respondent

1. Sri. Ashwani Kumar, Director, M/s Rosa Power Supply Company
2. Sri. Ishwar Shandilya, M/s Rosa Power Supply Company
3. Sri. Vibhav Agarwal, M/s Rosa Power Supply Company
4. Sri. Sumeet Notani, RPSCL
5. Sri. S.K Agarwal, Director (Finance), UPPCL
6. Sri. S.N Dubey, Chief Engineer (PPA), UPPCL
7. Sri. S.P Pandey, EE (PPA), UPPCL

ORDER

(Date of hearing 7.11.06)

- (1) The Petitioner has stated in the petition that M/s Reliance Energy Generation Ltd. has acquired majority shareholding in Rosa Power Supply Company Ltd. from M/s Aditya Birla Power Company Ltd. on 1.11.06 and shall abide by the project completion cost of Rs.2641.63 Cr. as approved by the Commission. The petitioner has prayed that the date of commercial date of operation of unit no.1 & 2 might



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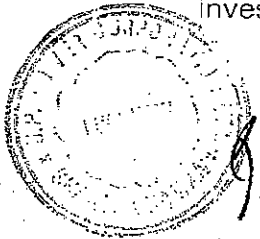
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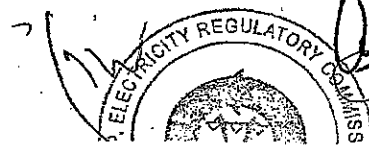
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made to take effect from the date of taking over instead of 2.2.06, the date of order passed in petition no, 306/06.

- (2) The representative of the Petitioner has prayed to allow the petition and permit changes along with the address of registered office in the PPA. Sri. S.K Agarwal, Director (Finance) has submitted on behalf of the Respondent that Reliance Energy Generation Ltd. (REGL) has taken over the management of the Petitioner company by acquiring majority shares and informed that the previous management of the Petitioner Company had not made any progress in the construction of the project and loss of time could not be compensated by the new management. Sri. Agarwal has also prayed that the date of Commissioning of units might be changed to take effect from the date of taking over of the Petitioner Company by the new management. Sri. Agarwal has submitted further that the new management of the Petitioner Company has requested for change in definition of 'affiliate' as requested; vide letter dt.2.11.06 taken on record in this matter. The parties to PPA, present in the hearing, were asked to propose the measures, including commercial disincentives, to be taken by the Commission so that change of management does not hamper with the development of the project and scheduled commissioning date undermining the interest of the State and consumers. Representative of the Petitioner has submitted that REGL is a subsidiary company of Reliance Energy Ltd. who has wide experience in power business since 1972 and it is not likely that it would fall short of its commitments. Sri. Agarwal on behalf of the Respondent has submitted that the financial closure of the company is in the advance stage and all clearances available as such there is no chance of further delay. It was felt during discussion, that it was necessary to have necessary control, in such circumstances of deliberate delay, to ensure that accrued benefits from the project see the light of the day and are not marred by disinterests of the developer, particularly in Regulatory regime. The Commission proposed the parties to petition to agree that the management of the Petitioner company should not be subject to change without prior approval of the Commission till the Commissioning of the project and the Commission shall not approve the project cost to include interest accrued on investments prior to 2.2.06 for the period between 2.2.06 and 1.11.06 as well as any



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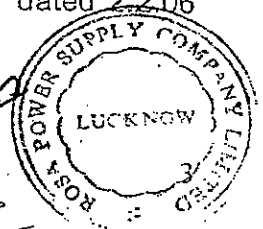
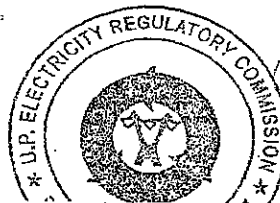


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expenses between 2.2.06 to 1.11.06 that were not committed prior to 2.2.06. . The Petitioner has agreed that the change in the management, if any, till the commissioning of the project, shall be subject to approval of the Commission and prayed that change in management within the affiliate companies of M/s Reliance Energy Ltd. might be permitted. The Representative of the Respondent also agreed to the proposal. Sri. Agarwal, Director (Finance), UPPCL also prayed not to allow tax on incentive in the tariff.

(3) The Commission required the UPPCL in its letter dt.13.7.06 to inform the progress made in the project. UPPCL subsequently informed in letter dt.27.7.06 that there was no positive development in respect to financial closure or signing of fuel supply agreements. In the correspondence dated 4.8.06, UPPCL apprised of the pursuance being with the developer. The project has already been delayed by eight months and UPPCL, being the beneficiary of the project, could have preempted this delay to a fair extent by bringing the material facts much before instead, of waiting till 1.11.06. Constraints have been developed by the parties to the agreement before the Commission to choose either late execution of the project or fresh negotiation of PPA ignoring the non-compliance of order by the previous management of the Petitioner Company. We are convinced that adequate safeguards must be exercised in execution of the project so that interests of the distribution licensee and consumer are not made hostage ^{due} to change in management change. Therefore, the management of the Petitioner Company shall not be subject to change in any manner without prior approval of the Commission and the Petitioner shall furnish a written and unconditional undertaking on an affidavit as agreed during hearing. Tax on incentives has already been approved being income from the core business as such no consideration is required at this stage. The new management has agreed to execute the project during the period specified for commissioning on the cost approved by the Commission. Therefore, in the public interest, the Commission agrees to allow the prayer of the Petitioner subject to:

- (i) the capital cost of the project not exceeding Rs.2641.63 Cr. and shall be a ceiling cost for the purpose of determination of tariff vide order dated 2.2.06 read with 1.11.06.



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- (ii) the date of COD for first unit not being beyond 41 months and second unit within 44 months reckoned from 1st Nov,06, the date of taking over of management by REGL.
- (iii) change in the definition of affiliate as proposed in letter dt.2.11.06, addressed to Chairman, UPPCL by the Petitioner Company.
- (iv) change in management within the affiliated companies of REGL is allowed.
- (v) change in ownership and address of the registered office.
- (vi) the interest on investment made prior to 2.2.06 shall not be considered for the purpose of the IDC in capital cost of the project for the period between 2.2.06 and 1.11.06.
- (vii) expenses made between 2.2.06 and 1.11.06 that were not committed prior to 2.2.06 shall not be taken in the project cost.

The PPA approved by order dt.1.11.06 shall be suitably modified accordingly and final PPA duly signed by parties sent for information.

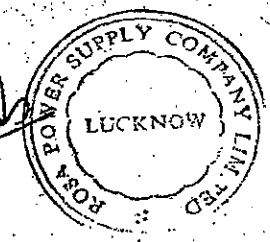
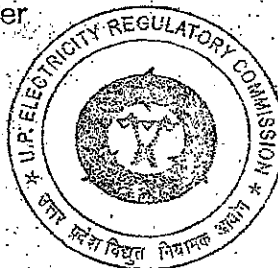
(4) The petition is disposed of.

(R.D. Gupta)
Member

(P.N. Pathak)
Member

(Vijay Kumar)
Chairman

Lucknow; Dated: 8th Nov 2006



Central Electricity Authority
Government of India
System Planning & Project Appraisal Division
Sewa Bhawan R K Puram,
New Delhi -110066

No.1/9/06-SP&PA/

Dated: 11.06.2009

-As per List enclosed-


Sub: Minutes of the 27th meeting of the Standing Committee on Transmission System Planning of Northern Region held on 30th May, 2009 at 1000 Hrs. in Nainital, Uttarakhand.

Sir,

Please find enclosed the minutes of the 27th meeting of the Standing Committee on Transmission System Planning of Northern Region held on 30th May, 2009 at 1000 Hrs in Nainital, Uttarakhand. This is for your kind information and further necessary action at your end please. The minutes is also be available on CEA website under PS wing/standing committee meeting/NR.

Yours faithfully

(Naresh Bhandari)
Director (SP&PA)



- Bareilly-Kashipur-Roorkee-Saharanpur 400 kV D/c (Quad conductor)

-- Lanco Hydro Energies Private Limited would coordinate with PTCUL for implementation of transmission system within the state of Uttarakhand.

6. Long Term Open Access to Rosa Power Supply Company Limited for transfer of 600 MW from their Rosa Thermal Power Project (Stage II) located at Shahjahanpur, Uttar Pradesh

Powergrid stated that an application dated 26/08/2008 has been received from M/s Rosa Power Supply Company Limited seeking Long-term Open Access for transfer of 300 MW power from Stage-II (2x300 MW) of Rosa Power Project located at Shahjahanpur, U.P. Out of 600 MW power, 300 MW power is allocated to Uttar Pradesh and balance 300 MW is to be distributed between Delhi(150 MW) and Haryana(150 MW). The Long Term Open Access has been sought for the power which is to be transmitted outside the state for 25 years.

Member (PS) enquired about the commissioning schedule of the Rosa generation project. Representative from Rosa Power Company informed that Unit-1 of Rosa stage-II is scheduled to be commissioned by December 2011 and Unit-2 by March 2012.

Powergrid informed that the margins available in Lucknow – Shahjahanpur – Bareilly – Mandaula 400 kV (Quad) corridor and Lucknow – Bareilly – Meerut 765 kV transmission corridor would be adequate for transfer of additional 300 MW power.

RRVPN submitted that the LTOA of Tapovan Vishnugadh, Rambara, Phatabyang and Rosa all are being linked to this strengthening and 765 kV system of North Karanpura and wanted to reconfirm about the requirement of strengthening scheme. Powergrid explained that the total power transfer due to LTOA would be about 800-900 MW and margins available in Lucknow– Shahjahanpur – Bareilly – Mandaula 400 kV (Quad) corridor and Lucknow – Bareilly – Meerut 765 kV transmission line shall be adequate for transfer of this power.

Member (PS) enquired about the time frame of Shahjahanpur 400 kV substation of Powergrid. Powergrid informed that land for the substation has already been identified the feasibility report is under preparation. Member (PS) stated that Powergrid should expedite the works to complete the Sahajahanpur substation by the time frame of the generation.

Concluding the discussions following was agreed:

Long-term Open Access can be granted for 25 years subject to following:

- Long Term Open Access to Rosa Power Company shall be granted after the commissioning of following strengthening scheme:
 - One ckt of Lucknow – Bareilly 765 kV line
 - Bareilly – Meerut 765 kV S/c
 - Bareilly-Kashipur-Roorkee-Saharanpur 400 kV D/c (Quad conductor)
 - For connectivity of Rosa Power Plant with the grid the following was agreed :
 - Rosa- Shahjahanpur 400 kV D/c
 - ~~For supply of power to Uttar Pradesh, Rosa Power Company shall provide 400/220 KV ICTs of adequate capacity at Rosa switchyard, therefore ISTS charges for supply of power to Uttar Pradesh would not be applicable.~~
 - M/s Rosa Power Company would sign the requisite BPTA for Northern regional Transmission system charges for 300 MW (150 MW for Delhi & 150 MW for Haryana).
- 7. Long-Term Open Access to Shri Bajrang Power & Ispat Ltd. for transfer of 22.5 MW power from Rupin HEP (45 MW) located in Himachal Pradesh**

Powergrid informed that Shri Bajrang Power & Ispat Ltd. vide letter dated 18.12.2008 has applied for long term Open Access in inter-state transmission system for transfer 22.5 MW of power from the proposed Rupin hydro power plant to be set up in Himachal



उत्तर प्रदेश UTTAR PRADESH
Supplemental Power Purchase Agreement

AA 147662

10 FEB 2010

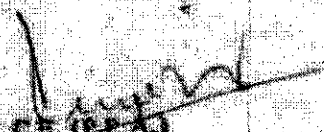
THIS SUPPLEMENTAL POWER PURCHASE AGREEMENT (this "Agreement") entered into on the September 11, 2009 at Lucknow, between:-

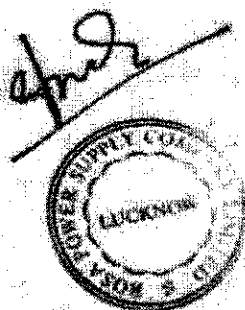
Uttar Pradesh Power Corporation Limited, a Company registered under the Companies Act, 1956, having its Registered office at 14, Ashok Marg, Shakti Bhawan, Lucknow 226-001 Uttar Pradesh, India (hereinafter referred to as the "UPPCL" which expression shall, unless repugnant to the context or meaning thereof, include its legal successors, permitted assigns and legal representatives) of the FIRST PART;

AND

Rosa Power Supply Company Limited, a company incorporated under the Companies Act, 1956, being a generating company within the meaning of section 2(28) of the Electricity Act, 2003 having its Registered office at Administrative Block, P.O. Rosar Kothi, Hardoi Road, Shahjahanpur 242 401, (hereinafter referred to as "ROSA" or the "Company"), which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assigns of the SECOND PART.

(Each of the parties of the FIRST PART and SECOND PART are individually referred to as a "Party" and collectively as the "Parties").


 C.E. (P.P.A.)
 U.P.P.C.L.
 Shakti Bhawan Bata
 Lucknow.

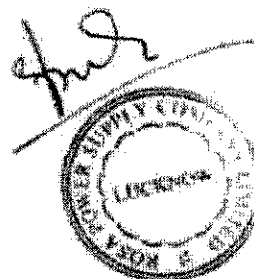




WHEREAS:

- A. ROSA had proposed to set up 567 MW coal fired thermal power generation station at Rosa, District Shahjahanpur in the state of Uttar Pradesh on the basis of a Memorandum of Understanding (MOU) between the promoters of the Company and the Government of Uttar Pradesh dated 17.11.1993 and signed a power purchase agreement with the then Uttar Pradesh State Electricity Board ('UPSEB') on 27.12.1996 for supply of power, as amended on 24.09.1999.
- B. Subsequently, the capacity of the above said thermal power generation station was reconfigured to 600 MW (2x300 MW) and the Company has executed an amended and restated Power Purchase Agreement on 12.11.2006 with Uttar Pradesh Power Corporation Ltd ('UPPCL'), a successor of erstwhile UPSEB and commenced the process of setting up of 600 MW capacity coal fired thermal power generation station.
- C. GoUP had agreed to support the development of the said coal fired thermal power generation station and accordingly signed an Implementation Agreement with the Company on 23.02.1999 (hereinafter referred to as "IA") and furnished a Guarantee dated 29.11.1999 towards the performance of UPSEB of its payment obligations under the power purchase agreement dated 24.09.1999 which Guarantee continues to remain in force.
- D. GoUP had further agreed to support the development of the said coal fired thermal power generation station by extending benefits of U.P. Power Policy 2003 (as amended) and Industrial Policy in addition to the promotional support provided in terms of the IA (which provided for Guarantee by GoUP towards the payment obligations of UPPCL under the Power Purchase Agreement dated 12.11.2006 and expediting all clearances /sanctions required for the Project) by Supplemental Implementation Agreement dated 12.11.2006 (hereinafter called "SIA").
- E. ROSA came up with a proposal to increase the capacity of the said coal fired thermal power generation station by adding additional 600 MW (Unit III and Unit IV of 300 MW each) which has been approved by GoUP vide letter dated 01.12.2006 with the condition that ROSA shall complete 600 MW project as per the schedule fixed by the UPERC and for additional capacity ROSA shall obtain necessary approvals from the UPERC, so that the total capacity of the said coal fired thermal power generation station is 1200 MW (hereinafter referred to as the said "Project").

[Signature]
 CHIEF
 U.P.P.C.L.
 Shri Bhanu Nath
 Lucknow.



[Handwritten signature]

- F. In addition to 600 MW capacity from the Unit I and Unit II of the Project, the Company proposes to supply/ sell power to the extent of 50% of Net Electrical Output subject to the maximum of 150 MW capacity each from Unit III & Unit IV (aggregating to 300 MW) of the Project to UPPCL or its nominees on the terms and condition to be determined by the UPERC.
- G. UPPCL has accepted the above proposal of the Company to purchase 300 MW capacity from Stage II of the Project which the Company intends to develop and for this purpose the Parties have decided to execute these presents, being Supplemental Power Purchase Agreement to the Amended and Restated Power Purchase Agreement dated 12.11.2006 in order to reflect the above understanding reached by the Parties.

NOW, THEREFORE, in view of the foregoing premises and in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the UPPCL and ROSA entered into this Supplemental Power Purchase Agreement as follows:

1. Definitions

Common Facilities shall mean the facilities setout as Common Facilities in Schedule IA of this Agreement.

Contracted Capacity shall mean 150 MW capacity each from Unit III and Unit IV.

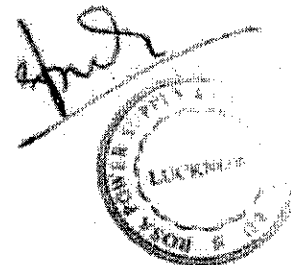
UPERC Approval Date for Stage II shall mean 15.06.2009 which is the date of the approval of this Agreement by UPERC order (enclosed as Schedule III A)

Effective Date shall mean the date of signing of this Agreement;

PPA shall mean the Amended and Restated Power Purchase Agreement dated 12.11.2006 and where the context admits shall mean to include and to be read with this Agreement.

Scheduled Unit III Commercial Operation Date ("SCOD for Unit III") shall mean the date 31.03.2012 subject to the extension of time by UPERC or due to Force Majeure Events


S. B. BATA
U. P. P. C. L.
Shakti Bhawan Bata,
Lucknow.





Scheduled Unit IV Commercial Operation Date ("SCOD for Unit IV") shall mean the date 31.07.2012 subject to the extension of time by UPERC or due to Force Majeure Events;

Stage I shall mean two Units of 300 MW each being distinguished as Unit I and Unit II, as described in Schedule I of the PPA;

Stage II shall mean two Units of 300 MW each being distinguished as Unit III and Unit IV, as described in Schedule I A;

Supplemental Power Purchase Agreement shall mean this Agreement;

Unit III Commercial Operation Date ("Unit III COD") shall mean the Commercial Operation Date of Unit III.

Unit IV Commercial Operation Date ("Unit IV COD") shall mean the Commercial Operation Date of Unit IV.

2. Interpretations

- 2.1. This Agreement shall form part of the PPA in so far as the sale by Rosa and purchase by UPPCL of the Capacity and Energy from Stage II is concerned and all terms and conditions contained in the PPA and not in manner inconsistent with the terms and conditions hereof shall apply, mutatis mutandis to Stage II also and shall be deemed to have been included herein.
- 2.2. The capitalized terms used in this Agreement but not defined herein shall have the same meaning as stated in the PPA with such appropriate modifications as may be required having regard to Stage II.
- 2.3. The PPA shall continue to be effective in respect of the Station (comprising Unit I and Unit II) and Stage II (comprising Unit III & Unit IV) shall be governed by the PPA and this Agreement
- 2.4. This Agreement shall be read in addition to the PPA. However, in the event of any inconsistency between this Agreement and the PPA, this Agreement shall prevail.

3. Term of this Agreement

- 3.1. This Agreement shall come into effect from the Effective Date and unless terminated earlier in accordance with this Agreement shall be valid for a period of 25 years from the Unit IV COD.


 E.E. (P.P.A.)
 U.P.P.C.L.
 Shakti Bhawan Bldg.
 Lucknow.



4. Construction of Stage II

- 4.1. ROSA shall be responsible for the design, supply, construction, commissioning, testing and operation and warranty of:
- a) the Unit III & Unit IV and their supporting facilities;
 - b) the 400 KV substation switchyard for Stage II and electrical facilities on the Project side of the Interconnection Point;
 - c) Internal Interconnection Facilities of Stage II.

5. Sale and Purchase of Capacity and Energy


- 5.1. In addition to the delivery of power in accordance with the PPA, during the term of this Agreement Rosa shall sell and deliver and UPPCL shall purchase the 50% of Net Electrical Output, not exceeding the Contracted Capacity, from Unit III and Unit IV in accordance with the Dispatch Instructions and subject to technical parameters as described in Schedule 5 of the PPA. It is hereby clarified that in addition to 100% of Net Electrical Output of Unit I and Unit II, 50% of Net Electrical Output, not exceeding the Contracted Capacity, from Unit III and Unit IV shall be dedicated to UPPCL.

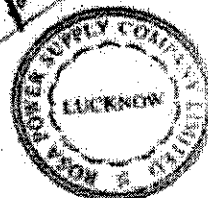
6. LIQUIDATED DAMAGES DUE TO ROSA DEFAULT

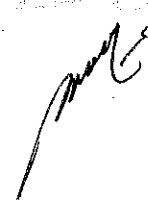
- 6.1. Liquidated damages due to delay in commissioning and capacity short fall penalty shall be as per Clause 5.8 (a), (b) and (c) of the PPA.

7. Interconnection and Transmission

- 7.1. UPPCL shall at its own expense complete External Interconnection Facilities in accordance with specifications as outlined in Schedule II A, including connections to the 400 KV systems of UPPCL in order to evacuate the Contracted Capacity under this Agreement.
- 7.2. UPPCL shall complete construction of the External Interconnection Facilities Ninety (90) days prior to the Scheduled Synchronisation Date of Unit III or any extension thereto due to any Force Majeure Event, in accordance with the Construction Schedule of Unit III.
- 7.3. In the event of failure of UPPCL to complete the construction of the External Interconnection Facilities for Unit III within the said period of 90 days and to evacuate power generated from Unit III leading to Rosa backing down the generation from Unit III, UPPCL shall be liable to Rosa in accordance with Sections 9.5 (a) and 9.5 (b) of the PPA mutatis mutandis for Unit III. If the construction of the External Interconnection Facilities is delayed beyond COD of Unit IV, then provisions of Sections 9.5 (a) and 9.5 (b) of the PPA shall apply mutatis mutandis for Unit IV also.


 S. Bhatnagar
 D.P.P.C.L.
 Shakti Bhatnagar Extn
 Lucknow.





8. Capital Cost of Stage II

- 8.1. UPERC has vide order dated 15.06.2009 approved the Capital Cost of Stage II of the Project at Re. 3098.60 crores (Rupees Three thousand ninety eight crores and sixty lakhs only). However, it shall be subject to prudence check at the time of determination of tariff.
- 8.2. All financial parameters in respect of determination of Fixed Charges for Contracted Capacity and the Net Electrical Output of Stage II including debt/ equity ratio, interest on debt, shall be in accordance with Financing Package approved by the UPERC.
- 8.3. Not less than 90 days prior to the Scheduled Synchronisation Date of Unit III, UPPCL shall extend the cover under existing Escrow Account by increasing the number of specified distribution sections of UPPCL or its distribution companies to maintain funds in the Escrow Account equivalent to 1.25 times monthly tariff amount based on Eighty Five per cent (85%) Plant Load Factor of Unit III and Unit IV and increase the face value of Letter of Credit by an amount equivalent to average monthly billing amount based on Eighty Five Per cent (85%) Plant Load Factor of Unit III and Unit IV.

9. Tariff, Billing, Payment and Change in Law

- 9.1. The terms & conditions of tariff approved by the UPERC for Stage I shall also apply to Stage II.
- 9.2. UPPCL shall pay Rosa Tariff towards supply of the Contracted Capacity and the Net Electrical Output of Stage II mutatis mutandis as set out in Article 12 of the PPA and as may be determined by UPERC through notifications of applicable guidelines as formulated by UPERC from time to time.
- 9.3. Any benefit or incentive received by Rosa consequent to grant of Mega Power status to the Project shall be pass through in Tariff to UPPCL.

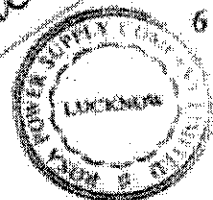
10. Infirm Power

- 10.1. From the Synchronisation Date of each Unit III and Unit IV to its Commercial Operation Date, UPPCL shall have the option to purchase upto 50% (Fifty percent) Infirm Power generated by these Units. The payment for the purchase of such Infirm Power shall be made by UPPCL to Rosa in accordance with the prevailing UPERC (Terms and Conditions of Tariff) Regulations.

11. Startup Power

- 11.1. Normal Start-up and reserve stand-by power for the Stage II shall be provided by the ROSA Station Transformer. If required and requested by Rosa, UPPCL shall make available Start-up Power One Hundred and Eighty (180) days prior to the Scheduled Synchronisation Date for Unit III or any extension thereto due to any Force Majeure Event in accordance with the Construction Schedule of Stage II.


 CL (P.P.A.)
 U.P.P.C.L.
 Shakti Bhawan Bata,
 Lucknow.



11.2. The payment for the purchase of such Start-up Power shall be made by Rosa to UPPCL in accordance with the prevailing UPERC approved tariff.

12. Common Facilities

- 12.1. Rosa at no time shall deprive Stage II of the Project of any shared or Common Facilities or resources and at all times give preference to Stage I over Stage II in matters of usage of the Common Facilities.
- 12.2. Parties shall follow the UPERC orders on sharing of capital cost of common facilities between Stage I and Stage II
- 12.3. On commissioning of Stage II, the capital cost of common facilities accounted for Stage I shall be shared by Stage I & Stage II in equal proportion.


13. Termination

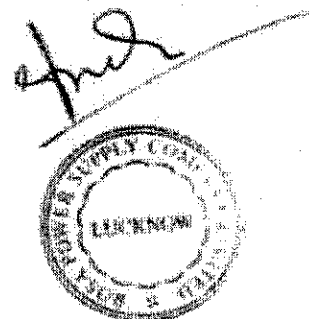
- 13.1. In case of Event of Default mentioned in the PPA occurs, either party shall have the right to terminate this Agreement without liability on either Party. However, the rights and obligations which subsist as on the date of termination shall survive such termination.
- 13.2. The termination of this Agreement shall not automatically bring the termination of the PPA.
- 13.3. In no event, UPPCL shall have the right to require Rosa to sell Stage II of the Project.
- 13.4. In the event of termination of the PPA followed by purchase of the Stage I by UPPCL or any third party, the purchaser shall enter into a "Common Services Sharing Agreement" with Rosa for the uninterrupted operation of Stage II after obtaining approval from UPERC. Pending grant of such approval by UPERC, UPPCL shall continue to provide common facilities including supply of water which are required for uninterrupted operation of Stage II of the Project.

14. Schedules

This Agreement shall be complete with the following Schedules.

- a) Schedule IA : Description of Stage II
- b) Schedule II A: Transmission and Interconnection
- c) Schedule III A: UPERC Order approving this Agreement


S.S. P.P. A.T.
U.P. P.C.L.
Shakti Bhawan Extn.
Lucknow.





IN WITNESS WHEREOF, the Parties hereto have caused this Agreement executed as of the day, month and year first above written in the presence of the witness who have signed in their presence and in the presence of each other.

Signed and delivered by UP Power Corporation Limited (the First Part) by the hand of Shri R.K. Johar, Chief Engineer, PPA

Witness:

[Signature]
(S.P. PANDEY)
LE, PPA

Signed and delivered by Rosa Power Supply Co Ltd (the Second Part) by the hand of Shri Ganesan Amudhan, Senior Vice President & Project Head

Witness:

[Signature]
SUMEET NOTANI
SENIOR MANAGER
ROSA POWER SUPPLY Co LTD

SCHEDULE - I A
DESCRIPTION OF STAGE II

1. The Description of the Stage II in this Schedule I A contain a general description of the design of the Stage II as envisaged at the date of execution of this Agreement. The Parties acknowledge that changes may be necessary and/or required on the basis of further site investigations and during the development of the detailed design, construction and installation of the Stage II and its components and Rosa reserves the right to make any such changes in order to meet its overall objectives under the PPA and this Agreement. To the extent there is any conflict between the provisions of the Schedule and the Agreement, the provisions of the Agreement shall prevail.
2. Introduction
 - (a) The Stage II will comprise two 300 MW (measured at the generator terminals) coal-fired thermal power plant units (Marked as Unit III and Unit IV) located at Rosa in the district of Shahjahanpur, in the State of Uttar Pradesh, India. 50% of Net Electrical Output, not exceeding the Contracted Capacity, from Unit III and Unit IV shall be dedicated to UPPCL.
 - (b) Stage II is the expansion stage of Rosa Power Project and will be set up on the land already available for setting up of Stage I.
 - (c) The Stage II will, inter alia, comprise the facilities including:
 - (i) Turbine Island containing two steam turbine generators with auxiliaries
 - (ii) Boiler Island containing two steam generating units with auxiliaries
 - (iii) Plant water facilities including river water pumps
 - (iv) Waste water treatment and disposal
 - (v) Control Complex
 - (vi) Coal/Fuel facility including waste disposal facility
 - (vii) Building and Support facilities
 - (viii) Electrical System and Switchyard, and
 - (ix) Part of Housing Colony
 - (d) Coal will be the primary fuel for the Stage II, which will be supplied by Central Coalfields Limited or other coal supplier. Heavy Fuel Oil (Low Sulphur Heavy Stock/ Residual Fuel Oil) will be used as the secondary fuel for start-up and flame stabilisation at lower load. The ignition fuel will be Light Diesel Oil.
 - (e) Water for the consumptive use of the Stage will be supplied from the river Garrah flowing adjacent within 1 Km. from the site.
 - (f) Fly ash generated by the Stage II will be conveyed pneumatically and removed dry for commercial use or conditioned with recycled water and transported through ash pipeline in the form of lean slurry pumping to the ash disposal area site about 4.5 KM away. Bottom ash will also be transported to the ash disposal site in similar manner.
 - (g) The electric power generated at 20 KV will be stepped up to 400 KV in case of Stage II comprising of Unit IV and made available at the Stage II switchyard from where UPPCL shall evacuate the power through the various 400 KV transmission lines to be constructed and terminated at the Stage II switchyard by UPPCL. Power for the Stage II start-up will be brought in through one of these 400 KV lines.

[Signature]
S.E. (P.P.A.)
U.P.P.C.L.
Shakti Bhawan Bldg.,
Lucknow.



3. Turbine Island

- (a) Each of the two steam turbine generators will be an indoor type tandem compound fully condensing turbine, single reheat, designed for operating steam conditions of 165 ata and 538 °C. The gross output of each Unit at the generator terminals at maximum continuous rating (MCR) will be 300 MW.
- (b) The associated three phase, 50 Hz generator will be hydrogen / water-hydrogen cooled, rated at 370 MVA at 0.85 power factor.
- (c) Each turbine generator will be provided with an automatic run-up and shut-down system complete with supervising instruments, seal oil unit, hydrogen system, controls and auxiliaries.
- (d) The condensate and feed water heating system for each unit will include one surface condenser, two 100% capacity condensate extraction pumps, six / seven stages of feed water heating, three 50% capacity boiler feed pumps and all auxiliaries.
- (e) One multi-cell mechanical draft / natural draft cooling tower constructed of fire-proof material per unit will be used to remove the latent heat energy from the condenser shell.

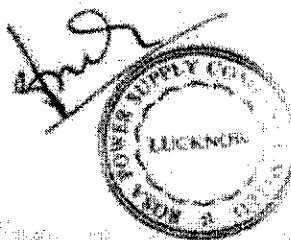
4. Boiler Island

- (a) Each of two steam generating units shall be capable of delivering 1036 tph of steam at 175 ata and 541 °C. at the superheater outlet at MCR. Each steam generating unit will be drum type, two pass, balanced draft, single reheat design and will have the necessary auxiliaries, including:
 - (i) Fuel preparation equipment consisting of motor driven heavy duty pulverisers, gravimetric coal feeders, two primary air fans.
 - (ii) Heavy fuel oil burners
 - (iii) Steam sootblowers
 - (iv) Tri-sector type regenerative air preheaters with water washing devices.
 - (v) Steam coil air preheaters
 - (vi) Draft plant consisting of Two 60% capacity each of ID and FD and PA fans
 - (vii) Full complement of boiler valves, drains, piping and instrumentation
 - (viii) Chemical feed systems
 - (ix) Electrostatic Precipitator
 - (x) Bottom ash and mill rejects handling systems
 - (xi) Fly ash handling system

5. Plant Water Facilities

- (a) The water for the operation will be drawn from the river Garrah flowing within 1 KM west of the site through a river water abstraction facility to be created specially for the Project.
- (b) The water pre-treatment system will provide cooling tower make-up, service water, input to the demineralised water plant, fire protection water, potable water for the plant and housing colony etc. The system, to supply the treated water for two units shall be sized to meet the total water requirements of the plant and the housing colony.
- (c) A De-Mineralised Water Plant (DMW Plant) consisting of two 100% capacity streams to provide demineralised water for boiler make-up, auxiliary cooling circuit make-up, hydrogen generation plant, etc. will be provided.

[Signature]
 G.E. (P.E.A.)
 D.P.F.C.L.
 Shakti Housing Estate,
 Lucknow.



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6. Waste Water Treatment

- (a) The waste water treatment system will treat the waste water from the DMW Plant regeneration, clariflocculator, cooling tower and boiler blowdowns, boiler/power house area and coal/ash handling plant area run-offs, sewage water etc., before releasing it to the natural stream, in order to ensure full compliance with CPCB/UPPCB norms. Storm water drainage shall be separately routed for the final discharge to the natural stream. Care will be taken to minimise the consumptive water requirement and surface water release by recirculating effluent from one system as input to another to the extent possible.

7. Control Complex

- (a) A single centralised control room will be provided to control and monitor the Stage II. The control and instrumentation systems will provide integrated operation of the Stage II by means of microprocessor based distributed digital control system and instrumentation. The systems will be designed for safe and reliable performance and ease of operation and maintenance.
- (b) The local control systems with stand alone equipment will utilise similar technology and will be linked to the central control system for centralised monitoring and alarm purposes.

8. Coal/ Fuel Facility

(a) Coal Delivery

- (i) The annual coal consumption for the Stage is anticipated to be 3.0 MTPA of coal based on the Gross Calorific Value of 4000 kCal/kg (Grade E) and operations at 85% PLF.
- (ii) A coal linkage for supply of 2.222 MTPA has been accorded to Stage II. Coal will be supplied by Central Coalfields Limited from its coal block/ mines in Jharkhand. Shortfall quantity will be arranged by Rosa either through imports or through e-auction of Coal India Limited.
- (iii) Coal will be brought in through the existing rail system by Indian Railways from Jharkhand approximately 870 KM rail distance away.

(b) Coal Handling

- (i) The Stage II will have a two stream conveyor system along with screens, crushers, magnetic separators, automatic weighing and sampling systems up to the boiler bunkers for feeding sized coal. There will also be a stockyard for about 45 days storage of coal with Stacker Reclaimer, emergency reclaim hoppers, etc. Each stream of the coal handling system will be of 1000 tph capacity.

(c) Heavy Fuel Oil Handling

- (i) Heavy Fuel oil will be used for start-up as well as for support firing at lower loads. This will be brought in by road tankers and unloaded to twin fuel oil storage tanks.
- (ii) The Fuel oil transfer system will be complete with fuel transfer pumps, strip heating, day tanks and delivery system for each of the two units.

[Signature]
S. P. C. L.
Shakti Shuman Bhan,
Lucknow.



[Signature]

9. Building and Support Facilities

- (a) The boilers will be semi-open type. The penthouse, drum and burner level floors will be covered by metal cladding. Rest of the passages and walkways will be open to the elements. Chequered plates and anti-skid gratings will be provided excepting in the areas near the burners, which will have RCC floors.
- (b) An RCC dual-flue Chimney stack of 275 meters height will be provided for both the boilers.
- (c) The turbine building will be an all-steel frame structure with roof truss construction. The operating floors will be reinforced concrete slabs supported on permanent metal decking and steel framing.
- (d) In addition, the Stage will, inter alia, include following buildings and structures :-
 - (i) Switchyard Control Room
 - (ii) Maintenance Building
 - (iii) Water Treatment Building
 - (iv) Fire/Service Water Pump house
 - (v) Diesel Generator Building
 - (vi) Warehouses
 - (vii) Storage Tanks, etc.

10. Electrical System and Switchyard

- (a) Each Generator will have its own 355 MVA, 20/400 KV, three phase, 50 Hz. OFAF main output transformer (generator transformer) which will transfer power to the 400 KV section of the Stage II switchyard. Isolated phase bus - ducts will connect the generators to the LV side of their respective generator transformers (GTs) and overhead line taps will connect the HV side of the GTs to the switchyard.
- (b) The unit auxiliary power system at each voltage level will have split bus, dual feed configuration, to be fed from the two Unit Auxiliary Transformers directly connected to generator output buses.
- (c) The common systems will normally receive power from the two station transformers (STs) connected to the 220 KV bus at the Stage II switchyard.
- (d) The station electrical system will consist of the 6.6 KV, 415 V switchgear and other associated equipment to provide power to the plant auxiliary systems. It will also have a DC power source of different voltage levels for emergency services, C & I power supply etc.

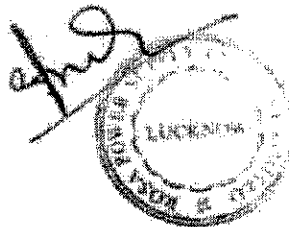
11. Housing Colony

- (a) A housing colony for staff and officers of the Project will be built about 1 KM from the Project site. It will have service and recreational facilities apart from residential blocks and will be surrounded by a green belt.

12. Common Facilities between Stage I and Stage II

- (a) Parties shall follow the UPERC orders on common facilities between Stage I and Stage.

[Signature]
 S.E. (P.P.A.)
 U.P.P.C.L.
 Shakti Bhawan Bata,
 Lucknow.



SCHEDULE - II A

TRANSMISSION AND INTERCONNECTION FACILITIES

PART A - UPPCL'S RESPONSIBILITY

The UPPCL Transmission System which will be used to evacuate Available Energy from Unit III and Unit IV of the Stage II and shall include the following power system hardware.

2 - Double Circuit 400 KV LILO connecting Unnao - Bareilly line

UPPCL shall build the above 2 nos. transmission lines and tie into the Stage II's 400 KV switchyard outgoing gantry.

Start-up power will be imported from the 400 KV UPPCL Transmission System feeding the 400 KV station transformers. The Start-up power shall be made available to the Stage II on a continuous basis, whenever it is needed.

UPPCL shall be responsible for supplying and providing all materials, labour and equipment to complete the work from and after the ROSA 400 KV switchyard outgoing gantry.

PART B - ROSA'S RESPONSIBILITY

ROSA shall be responsible for supplying and providing all material, labour and equipment to complete the work of its 400 KV switchyard up to the terminal points at the switchyard outgoing gantry (the "Internal Connection Facilities").

The Stage II includes the 400 KV switchyard that allows evacuation of the Available Energy via 2 (two) 400 KV transmission lines identified above plus space only for terminating two more 400 KV lines in future. Included are the 400 KV circuit breakers, disconnecting switches, station and generator transformers, all protection, control and metering associated with the 400 KV supply lines.

The Stage II shall have stand-by power source in the form of emergency DG sets for safe shut-down of the Stage II in case of a system blackout. It should be clearly understood that the capacity of this stand-by power source will not be adequate for start-up of the Stage II after a trip-out or stoppage of generation and UPPCL will be responsible for providing the start-up power as and when it is required by the Stage II, failure in which shall be treated as inability on the part of UPPCL to evacuate power and Rosa will be eligible for getting Deemed Energy benefits. However in the event of grid failure or transmission line outage, the UPPCL shall not be liable for any deemed generation.

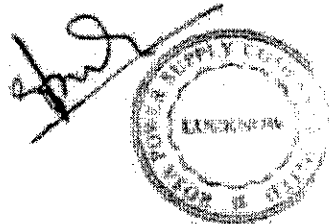
PART C - METERING POINTS AND DELIVERY POINTS

Metering for the power generation and power evacuation at the generator terminal side and at each of the 2 (two) nos. outgoing points, which shall be the Delivery Points, shall be provided. Import of power shall also be effected through any of these two transmission lines and a set of import and export meters will be provided at each of these points to facilitate proper recording.

PART D - INTERCONNECTION PROCEDURES

To ensure that the Stage II 400 KV switchyard together with the transmission facilities will be in service at the agreed time, it shall be the responsibility of both ROSA and UPPCL to set up


Shakti Bhawan Kato
Lucknow.

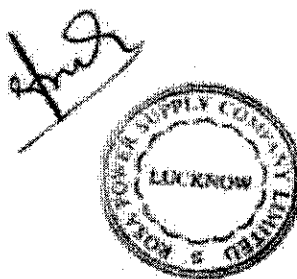


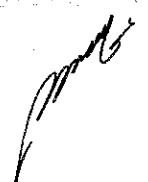
interconnection procedures. These procedures shall be drawn up and executed by a coordinating team with representatives from both parties.

The Coordinating Team shall be responsible for the following:-

- a) Ensure that all work required for the proper design, construction, commissioning and testing of Stage II switchyard and UPPCL's transmission facilities including all technical information, design criteria co-ordination and studies are completed according to the ROSA's Construction Schedule.
- b) Ensure appropriate co-ordination of all construction activities at the Interconnection Points.
- c) Ensure that the review of relay settings and installation and calibration of the metering system is completed on schedule.
- d) Co-ordinate the commissioning activities to ensure that all necessary tests of the protection, control and communication system are completed to mutual satisfaction.
- e) Ensure compliance with IE Rules and Inspection requirements.

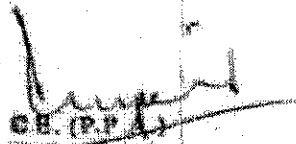

 S. P. P. A. I.
 U. P. P. C. L.
 Shakti Bhawan Site
 Lucknow

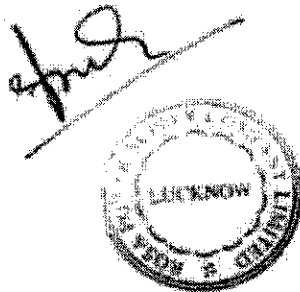


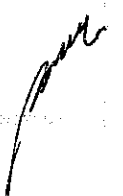


SCHEDULE - III A

UPERC ORDER DATED 15.06.2009


CH. (P.P.)
D.P.T.C.L.
Shakti Bhawan Bada,
Lucknow.





Uttar Pradesh Electricity Regulatory Commission

Kisan Mandi Bhawan, II Floor, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423 E-mail secretary@uperc.org

Ref: UPERC/D(G)/Secy/2009- 0566
Date: 16.6.09

1. Managing Director
UP Power Corporation Ltd.
Shakti Bhawan
14, Ashok Marg,
Lucknow

✓ 2. M/s Rosa Power Supply Company
519, Kasmanda Regent Apartment,
2, Park Road, Hazrat Ganj,
Lucknow

Sub: Approval of Supplementary Power Purchase Agreement and project cost of 2X300 MW Rosa Power Project Stage II

Sir,

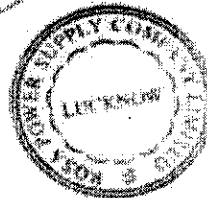
Kindly find enclosed herewith Order dated 15.6.09 passed in Pet.no.610/09 for your information.

Yours faithfully,

(Signature)
(A.K.Srivastava)
Secretary

Encl: A/a

(Signature)
S.P.C.L.
Shakti Bhawan Bldg,
Lucknow.



**BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

Petition No.610/2009

IN THE MATTER OF: Approval of Supplementary Power Purchase Agreement and
project cost of 2X300 MW Rosa Power Project Stage II

AND

IN THE MATTER OF:

M/s Rosa Power Supply Company
(Through Vibhav Agarwal)
519, Kaśmānda Regent Apartment,
2, Park Road, Hazarat Ganj,
Lucknow

: Petitioner

V/s

UP Power Corporation Ltd.
Shakti Bahwan
14, Ashok Marg,
Lucknow

: Respondent

The following were present:

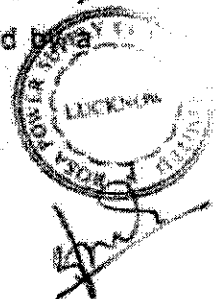
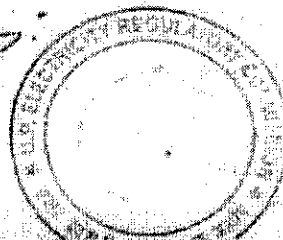
1. Sri. S.K Agarwal, Director(F), UPPCL
2. Sri. G. Amudhan, M/s Rosa Power Supply Company
3. Sri. Vibhav Agarwal, M/s Rosa Power Supply Company
4. Sri. Sumeet Notani, M/s Rosa Power Supply Company
5. Sri.S.N Dubey, CE, UPPCL
6. Sri. S.P Pandey, EE (PPA), UPPCL

ORDER

(Date of hearing 10.6.09)

1. The Petitioner has filed this petition for approval of a Supplementary Power Purchase Agreement for sale of 300 MW power to the Respondent from unit IV of Rosa Power Project Stage II. The approval of cost of the said project, Rs.3098.6 Cr., has also been sought.
2. Under section 86(1)(b) of the Electricity Act, 2003 and Regulation 126 of UPERC (Conduct of Business Rules) Regulations, 2004, a licensee is required to seek approval of power purchase agreement including the price at which the electricity shall be procured and the procurement process. As the petition was filed by a

EE (PPA)
UPPCL
Shakti Bahwan Ltd.
Lucknow.



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operates only where any remedy is not available under power purchase agreement (PPA) signed between them but it is available in the said Regulation. In such event, any party to PPA could approach the Commission. Therefore, the terms & conditions of tariff approved by the Commission for Stage I project shall also apply to Stage II project. It is to clarify that UPERC (Terms & Conditions of Generation Tariff) Regulations, 2009 as amended from time to time shall apply. On commissioning of stage II project, the capital cost of common facilities accounted for Stage I shall be shared by Stage I & II in equal proportion.

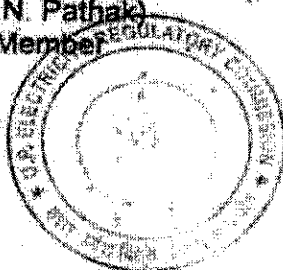
6. Subject to observations made and directions issued above, SPPA and cost of Stage II project are approved. This approval of cost is for comfort to all stakeholders; however, it shall be subject to prudence check at the time of determination of tariff. A final supplementary agreement shall be drawn and a copy be sent to the Commission for information. The Petitioner shall submit compliance of directions issued in respect to cost of Stage II project on an affidavit within 2 months of this order.
7. The petition is disposed of.

R. D. Gupta
(R.D. Gupta)
Member

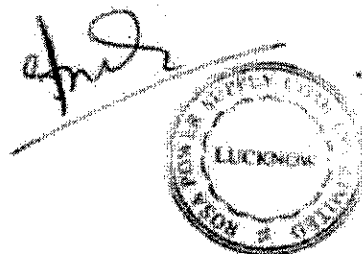
P.N. Pathak
(P.N. Pathak)
Member

Rajesh Awasthi
(Rajesh Awasthi)
Chairman

Lucknow, Dated: 15th June, 2009



[Signature]
S.D. Jha
S.D. Jha
Secretary



[Handwritten signature]

Page 1 of 23

Government of India
Central Electricity Authority
System Planning & Project Appraisal Division
Sewa Bhawan R K Puram,
New Delhi - 110066

No. 1/9/10-SP&PA/

Dated: 20.01.2011

-As per List enclosed-

Sub: Minutes of the 29th meeting of the Standing Committee on Transmission System Planning of Northern Region and Long Term Access meeting held on 29th December, 2010 at POWERGRID, Gurgaon.

Sir,

It is intimated that the minutes of the 29th meeting of the Standing Committee on Transmission System Planning of Northern Region and Long Term Access meeting held on 29th December, 2010 at POWERGRID, Gurgaon, have been uploaded on CEA website (under [www.cea.nic.in/PS wing/ standing committee meeting/NR](http://www.cea.nic.in/PS%20wing/standing%20committee%20meeting/NR)).

This is for your kind information and further necessary action at your end please.

Yours faithfully

(B. K. Sharma)
Director (SP&PA)

Minutes of 29th Standing Committee Meeting on power system planning of Northern Region held on 29th December 2010 at POWERGRID, New Delhi

List of participants is enclosed at Annexure.

Chief Engineer (SP&PA), CEA welcomed participants of the 29th Standing Committee meeting of the Northern Region of power system planning and thanked them for attending the meeting, despite inclement weather and problems in travelling due to road/air traffic disruptions.

The agenda item were thereafter taken up for discussion.

1. Confirmation of minutes of 28th Standing Committee Meeting held on 23.02.2010

Director (SP&PA), CEA stated that comments were received from PSEB and HVPN regarding the work of LILO of 400 kV Dehar-Bhiwani line at Rajpura and LILO of 400 kV Dehar-Panipat line at Panchkula. No other comment was received from members. He mentioned that this issue would be taken up for consideration later.

POWERGRID stated that they were facing problems in acquisition of a suitable land for establishment of 400/220 kV substation at Dehradun and stated that incase suitable land could not be arranged, POWERGRID might have to establish a GIS station at Dehradun. Members agreed for the same.

Director (RRVFN) stated that new 400 kV substations might be planned as GIS stations as it was becoming very difficult to get the land near the cities and land cost was very high. It was also suggested that techno-economic analysis of GIS v/s AIS should be carried out and based on the same the new substations might be planned as GIS stations.

As no other comment was received from members, the Minutes of 27th meeting were confirmed.

2. Augmentation of 400/220 kV transformation capacity at Dehar Generating Switchyard

POWERGRID intimated that overloading of existing 250 MVA, ICT at Dehar was experienced several times, particularly in low hydro period resulting in separation of 400 & 220 systems at Dehar. They proposed that a new 500 MVA ICT might be provided at Dehar by BBMB. In case of space constraint, it was suggested to replace existing 250 MVA, ICT by 500 MVA, ICT. BBMB representative confirmed that the feasibility of the proposed augmentation would be examined and they would revert to committee in the next meeting.

Members agreed for the same.

II. Common system strengthening for transfer of power from Phase-I generation projects in Jharkhand and West Bengal - Part-B

- New 2x1500 MVA, 765/400 kV substation at Kanpur
- Varanasi - Kanpur 765 kV D/c
- Kanpur - Jhatikra 765 kV S/c
- Kanpur (765/400kV) - Kanpur (Existing) 400kV D/C (Quad)
- 400kV connectivity for new 765/400kV S/s at Varanasi
 - ✓ Varanasi - Sarnath (UPPCL) 400kV D/c (quad)
 - ✓ LILCO of Sasaram - Allahabad 400kV line at Varanasi
 - ✓ Opening of LILCO of one ckt of Sasaram - Allahabad 400kV D/c line at Sarnath

III. Private Sector line: In addition to the above work to be undertaken by PGCIL, Dharanjaygarh - Jabalpur 765kV D/C line (2nd line) would be under the scope of private sector. Associated 765kV line bays at Dharanjaygarh and Jabalpur sub-station would be under the scope of POWERGRID.

The above was agreed by the constituents.

24. Evacuation of Power from Rosa generation project in Uttar Pradesh - Agenda by UPPTCL:

(a) Director (SP&PA), CEA stated that following transmission system was under operation for evacuation of power from Rosa TPS-Stage I (2x300 MW), which was in principle agreed in the 25th SCM held on 13/08/2010:

- Rosa - Shahjahanpur 220 kV D/c
- Rosa - Hardoi 220 kV D/c
- Rosa - Badaun 220 kV D/c

UPPTCL intimated that as per load distribution/ projection in that area they desired to revise the transmission system for Rosa Stage -I as follows:

- Rosa - Shahjahanpur 220 kV D/c
- Rosa - Badaun 220 kV D/c
- Rosa - Some Place near CBganj and Dohana line, then breaking it in to 2 Single circuit lines with one circuit to CBganj and second to Dohana (expected by Nov. 2011)

Chief Engineer (SP&PA), CEA stated that above transmission system comes under the purview of the UPPTCL (STU) CEA has no objection for the above change proposed by UPPTCL.

Members noted the same.

(b) POWERGRID informed that M/s Rosa Power Supply Company Limited had applied seeking Long Term Open Access for transfer of 300 MW power from Stage-II (2x300 MW) of Rosa Power Project located at Shahjahanpur, U.P. Out of 600 MW power, 300 MW power was allocated to Uttar Pradesh and balance 300 MW was to be transferred to Delhi (150MW) and Haryana (150 MW). The application was discussed in the Long Term Open Access

Page 19 of 23

Meeting held on 30/05/2009 at Nainital alongwith 27th Standing Committee Meeting of Northern Region. During the meeting, it was decided that Long-term Open Access could be granted subject to following:

Long Term Open Access to Rosa Power Company shall be granted after the commissioning of following strengthening scheme:

- Bareilly – Meerut 765 kV S/c
- One ckt of Lucknow – Bareilly 765 kV line
- Bareilly-Kashipur-Roorkee-Saharanpur 400 kV D/c (Quad conductor)

For connectivity of Rosa Power Plant with the grid, the following was agreed:

- Rosa- Shahjahanpur 400 kV D/c

POWERGRID further informed that Shahjahanpur (PG) S/s was expected to be commissioned by Nov. '12 whereas the first unit of Rosa Stage-II was to be commissioned by September '2011 and second unit by December '2011.

UPPTCL proposed to LILO one circuit of Unnao – Bareilly 400 kV D/c line at Rosa TPS alongwith bypassing of Series compensation of Unnao.

POWERGRID proposed that in view of the early commissioning schedule of the generation, Rosa generation might be connected to the grid by connecting the proposed Rosa-Shahjahanpur line to one circuit of Lucknow – Bareilly 400kV line i.e., LILO of Lucknow-Bareilly line at Rosa generation till the commissioning of Shahjahanpur S/s. Thereafter the system as envisaged originally would be restored.

POWERGRID would construct one D/c line (LILO portion upto proposed site of Shahjahanpur substation) and M/s Rosa would also bring their line upto proposed site of Shahjahanpur substation and both lines would be joined so as to make Rosa – Lucknow and Rosa –Bareilly 400 kV S/c lines. This would avoid any additional expenditure and avoid bypassing of the series compensation. It was assured by POWERGRID that they would implement the proposed arrangement matching with Rosa Stage-II first unit commissioning.

UPPTCL stated that while granting LTOA for Rosa stage-II, it was mentioned that M/s Rosa would provide adequate 400/220 kV ICT for delivery of 300 MW of UP share from the project. They requested that the capacity of 400/220 kV ICT to be provided at Rosa stage-II switchyard might be apportioned as 200 MW.

~~UPPTCL requested that the capacity of 400/220 kV ICT to be provided at Rosa stage-II switchyard might be apportioned as 200 MW.~~

Regarding request of UPPTCL for providing space for 2 nos., 400 KV line bays at Rosa switchyard for their future use, Chief Engineer (SP&PA), CEA advised UPPTCL to take up the matter with M/s Rosa Power Supply Company.

25. Kishenpur – New Wanpoh 400kV D/c:

Director (SP&PA), CEA stated that during the 23rd Standing Committee Meeting of NR Transmission Planning, establishment of New Wanpoh 400/220kV substation alongwith Kishenpur – New Wanpoh 400 kV D/c was agreed as a System Strengthening Scheme. While carrying out the route survey for Kishenpur-New Wanpoh 400kV D/c line, it was observed that there is serious Right of Way Problem for crossing the 7-8km Pir Panjal mountain range. During the 28th SCM of Northern Region held on 23/02/2010, the issue of ROW constraints

V. M. C.



उत्तर प्रदेश UTTAR PRADESH

**MEMORANDUM OF UNDERSTANDING BETWEEN RPSCL AND UPPCL FOR EVACUATION OF POWER
FROM 2X300 MW ROSA THERMAL POWER PLANT**

This Memorandum of Understanding (MoU) entered into on this 20th day of January, 2012, by and between:

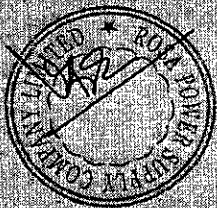
Rosa Power Supply Company Limited, a company registered under the Companies Act, 1956 and having its registered headquarters at Administrative Block, Rosar Kothi, Tehsil Sadar, Shahjahanpur Uttar Pradesh 242 201 (hereinafter referred to as "RPSCL" which expression, unless excluded by or repugnant to the subject or context, include its heirs, legal representatives, successors and permitted assignees) of the FIRST Part;

Uttar Pradesh Power Corporation Limited, a company registered under the Companies Act, 1956 and having its registered headquarters at Shakti Bhawan, Hazratganj, Lucknow 226 001 (hereinafter referred to as "UPPCL" which expression, unless excluded by or repugnant to the subject or context, include its heirs, legal representatives, successors and permitted assignees) of the SECOND Part.

RPSCL, UPPCL shall be individually referred to as "Party" and collectively as the "Parties"

Whereas:

- i. RPSCL is setting up a 1200 MW Rosa Thermal Power Plant (Rosa TPP) in District Shahjahanpur of Uttar Pradesh in two phases of 600 MW each (Phase I and Phase II)
- ii. Phase I of the project consists of Unit I and Unit II, while Phase II of the project consists of Unit III and Unit IV, where each of the four units have gross generation capacity of 300 MW.



[Signature]
EX. CE (P.P.A.)

- iii. RPSCL has entered into a Power Purchase Agreement (PPA) with UPPCL for supply of entire 600 MW capacity from Phase I on 12.11.2006.
- iv. RPSCL has further entered into a Supplemental Power Purchase Agreement (SPPA) with UPPCL for supply of 300 MW capacity from Phase II on 11.09.2009.
- v. The SPPA has been amended by RPSCL and UPPCL to provide for sale of entire 600 MW capacity of Phase II to UPPCL by an Amendment to the SPPA dated 19.11.2011. A copy of the aforementioned PPA, SPPA and Amendment to SPPA is attached herewith and shall form a part of this MoU.
- vi. As per the terms of the SPPA, the construction of the External Interconnection Facilities for evacuation of the power from Phase II is the responsibility of UPPCL.
- vii. RPSCL had submitted an application dated 26.08.2008 to Power Grid Corporation of India Limited (PGCIL) seeking Long Term Open Access (LTOA) for transfer of 300 MW power to beneficiaries outside of Uttar Pradesh and the same was granted by Standing Committee on Transmission System Planning of Northern Region held on 30.05.2009.
- viii. As per the condition of LTOA, RPSCL has entered into a Bulk Power Transmission Agreement (BPTA) with PGCIL on 23.11.2009 and has agreed to bear the applicable Inter State Transmission System (ISTS) charges for Northern Region corresponding to 300 MW from March 2012 or earlier subject to completion of interconnection bays at 400 kV sub-station at Shahjahanpur of PGCIL.
- ix. RPSCL has also entered into an agreement for construction of bays at 400 kV Substation of PGCIL at Shahjahanpur for inter-connection to the network of PGCIL. A copy of the aforementioned agreements including BPTA, Connectivity Agreement, Transmission Services Agreement and Agreement for Construction of Bays are attached herewith and shall form part of this MoU.
- x. As per the condition of LTOA, RPSCL is constructing a 400 kV dedicated transmission lines connecting Phase II switchyard with 400 kV Substation of PGCIL at Shahjahanpur.
- xi. UPPCL is desirous of evacuation of entire 300 MW power from Phase II using 400/220 kV ICT as well as ISTS network of PGCIL through above mentioned 400 kV dedicated transmission line.

NOW, THEREFORE, in view of the foregoing premises and in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, UPPCL and RPSCL entered into this MoU as follows:


1. RPSCL shall operate and maintain 400 kV dedicated transmission line connecting Phase II switchyard with the network of PGCIL, to the extent of capacity available and feasible, for evacuation and transmission of power from any of the units including Unit I, II, III and IV, of Rosa TPP.
2. UPPCL shall bear all applicable connectivity and transmission charges inclusive of all applicable taxes and duties and transmission losses for ISTS network including all the charges payable under the BPTA including charges for applicable Bank Guarantees by reimbursing the same to RPSCL.
3. Any subsequent change in charges payable arising out of revision of regulations for connectivity and LTOA in ISTS System shall also be on account of UPPCL.
4. UPPCL shall bear all transmission charges for 400 kV dedicated transmission line as determined by U.P. Electricity Regulatory Commission (UPERC) on a petition to be filed by RPSCL excluding the transmission losses for 400 kV dedicated transmission line which shall be to RPSCL's account.




[Signature]
 H.O. (PPA)

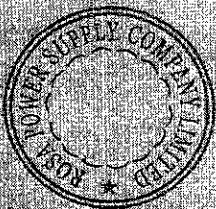
5. RPSCL shall extend its full cooperation to UPPCL in obtaining necessary permissions for evacuation of power through ISTS network to the extent required by UPPCL and permitted by appropriate authority. On signing of this MOU RPSCL shall forthwith apply to PGCIL for making UPPCL as target beneficiary under the BPTA signed by RPSCL with PGCIL.
 6. To enable UPPCL to draw the power at the point of drawl on ISTS network of PGCIL, UPPCL has given its consent to RPSCL to seek change from PGCIL in target beneficiaries as per clause 14 of BPTA.
 7. The cost of infrastructure developed by RPSCL towards 400 kV dedicated transmission line for connectivity of Rosa TPP with ISTS network shall be kept separate and put up to the UPERC for determination of tariff for transmission of power from Rosa TPP to interconnection point of PGCIL.
 8. RPSCL and UPPCL shall jointly develop the operating procedure for scheduling and dispatching the Energy through UPPCL's 220 kV network using 400/220 kV ICT and/ or through ISTS network using dedicated transmission network.
 9. The 400 KV DC network will be operated and maintained by RPSCL and UPPCL will not be liable for payment of any deemed energy charges in case of break-down of 400 kV dedicated transmission line affecting the evacuation of power.
 10. All relevant terms and conditions contained in the PPA, SPPA and amendments thereon, regarding sale of power by RPSCL, to the extent not in any manner inconsistent with the terms and conditions hereof shall be deemed to have been included or contained herein.
 11. This MoU shall become effective on the date on which the connectivity of Rosa TPP with the ISTS network is completed and power flow to ISTS network starts, including the commissioning of 400 kV dedicated transmission line.
 12. The MoU shall be co-terminus with the term of SPPA.
 13. This MOU will stand terminated in case of PGCIL not agreeing for change in target beneficiary under the BPTA already signed between RPSCL and PGCIL.
- In witness whereof, all parties signed this MoU this day, month and year first written above:

For RPSCL

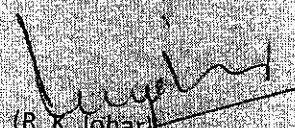

 (Vibhav Agarwal)
 Authorised Signatory

Witness



 (Ambuj Shukla)
 Manager - RPSCL



For UPPCL


 (R. K. Johar)
 Ex-Chief Engineer (PPA)

Witness


 (S.P. Pandey)
 S.E. (PPA)



उत्तर प्रदेश UTTAR PRADESH

MEMORANDUM OF UNDERSTANDING (MOU)

DH 409504

Between

M/s ROSA POWER SUPPLY COMPANY LTD. (RPSCL)

and

M/s POWERGRID CORPORATION OF INDIA LIMITED (POWERGRID)

For

OPERATION AND MAINTENANCE OF 400KV ROSA MAIN and TIE BAYS
at 400/220KV SUB-STATION, SHAHJAHANPUR, UP OF POWERGRID.

1.0 This MOU is made on, Date...18 Aug 2017..... between POWER GRID CORPORATION OF INDIA LIMITED, a company incorporated under the Indian companies act, 1956 and having its registered office at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110016 (Herein under referred to as POWERGRID) AND Rosa Power Supply Company Limited, (RPSCL) having its registered office at 3rd Floor, South Wing, Reliance Center, Near Prabhat Colony, Off Western Express Highway, Santacruz (East), Mumbai, Pin- 400054 (herein under referred to as RPSCL) for operation and maintenance of Two nos. 400 KV ROSA Main bays and Two nos. 400KV ROSA Tie bays of Rosa Power only at 400/220 KV Switchyard at POWERGRID, Shahjahanpur Substation.

This MOU is being executed for operation and maintenance of terminal equipments in the switchyard of POWERGRID, 400/220 KV Shahjahanpur Substation for Two nos. 400 KV ROSA Main bays and Two nos. 400KV ROSA Tie bays, whose asset owner ship is in the name of Rosa Power Supply Company Limited, (RPSCL). Now, this MOU becomes effectives from the Date of Commissioning of 400 kV Roja - Shahjahanpur line - 1 & 2 as below :

Page 1 of 3

[Signature]
(D.D.R. Kushwaha)
(DGM)

[Signature]
(H.S. Tomar)
VP - maint.

[Signature]

Sl. No.	Bay details	Date of commissioning
1.	400 KV Main (413) and Tie Bay (414) of SPN-ROSA Ckt-I	22.03.2017
2.	400 KV Main (416) and Tie Bay (417) of SPN-ROSA Ckt-II	04.03.2017

As per the following terms and condition.

2.0 SCOPE OF WORK

2.1 BAY UNDER CONSIDRATION


POWERGRID will be carrying out the operation and maintenance of all indoor and outdoor terminal equipment installed in following RPSCL bays at POWERGRID switchyard.

At 400/220KV Shahjahanpur Substation Switchyard:


Two nos. 400 KV ROSA Main bays and Two nos. 400KV ROSA Tie bays of Rosa Power for connecting 400 KV D/C Shahjahanpur-ROSA Line at 400/220KV Shahjahanpur Substation.

2.2 POWERGRID's RESPONSIBILITIES:

- i) Operation of the above bays.
 - ii) The total maintenance of equipment in the RPSCL bay including routine testing of protection and PLCC as per POWERGRID norms.
- 2.3 No hot line maintenance of the switchyard equipment would be undertaken.
- 2.4 Testing, repairing and maintenance of all common equipments, accessories like battery charger, illuminations etc. will be in POWERGRID's scope except for accessories especially installed for RPSCL bays.
- 2.5 i) POWERGRID shall carryout periodic maintenance, operation and testing of RPSCL bays as per POWERGRID practices and procedures.
- ii) The services of POWERGRID personal, testing equipment for the maintenance shall be within the scope of this contract. However expenses towards outsourced service like calling of OEM expert / hiring of special T&P shall be borne/provided/arranged by RPSCL.
- iii) The scope shall include work of replacement of all equipment, However, supply of the equipment / spares required for replacement during maintenance shall be in the scope of RPSCL.


(D.D.R. Kushwaha)
(DGM)

Page 2 of 2


(H.S. Tomar)
VP - Main



2.6 SCHEDULE OF MAINTENANCE

Maintenance and testing will be done as per the POWERGRID maintenance schedule. POWERGRID reserve the right to modify or suggest new tests, schedule subject to mutual MOU.


- 2.7 RPSCL will arrange for necessary shutdown for these bays on request from POWERGRID.
- 2.8 In case of POWERGRID is maintaining daily and monthly testing records in log books /computers, Same shall be open to RPSCL at the point of time for inspection and review with prior permission from POWERGRID.
- 2.9 Wherever the manufacturer's maintenance schedule is indicated for some additional activities not covered in POWERGRID, the same will be carried out by POWERGRID at RPSCL cost.
- 2.10 POWERGRID will maintain record of operation and maintenance, carried out by them. The programme of periodical testing equipment / switchyard in bays will be informed to RPSCL in advance in order to enable the later to send its representatives for witnessing the test work.
- 2.11 The work of attending to emergency breakdown like equipment failure incidents / gantry collapse etc. for whatever reason, is not included in the O&M charges and the expenditure incurred in these works shall be billed to RPSCL for payment at actual i.e. cost of materials, if any and man hour charges with centages.

The man-hour charge as per POWERGRID Management approval and centages @15% shall be arrived for such cases.
- 2.12 Drawing, like control and protection schematic, manufactures manuals and pre-commissioning test results, if any, by RPSCL are to be furnished to POWERGRID.
- 2.13 In case of theft of susceptible parts of bay equipment owned by RPSCL, POWERGRID shall provide necessary legal and administrative assistance to them.
- 2.14 In case of accident, payment to the Government agencies such as statutory bodies, compensation payable to third party shall be paid by the owner (as the case may be) of the equipment (which caused the accident). However to ensure the proper safety at work in RPSCL bays during Maintenance/Breakdown works Power grid to maintain the standard safety compliances.

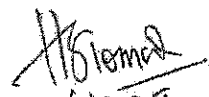
3.0 BAY UNDER CONSIDRATION

3.0 SPARES

- 3.1 Major spares and consumable for O&M, required for a period of at least two years as recommended by the suppliers and those proposed by POWERGRID will be reviewed, finalized and procured by RPSCL. These spares will be kept in custody of POWERGRID / RPSCL as may be mutually agreed upon. In case of custody of RPSCL, they will be made


(CD DR Kushwaha)
(DOM)

Page 2 of 6


(H.S. Jommal)
VP- Maint.



available to POWERGRID for utilization in RPSCL bays, on requisition from POWERGRID. In case of custody of POWERGRID, quarterly report on consumption of spares shall be furnished to RPSCL for replenishment. POWERGRID may use RPSCL spares for its own bays, in case of emergency with concurrence of RPSCL sub-coordinator and the same shall be replenished by POWERGRID at the earliest). List of mandatory spares procured by RPSCL and handed over to POWERGRID is enclosed as Annexure-A.

4.0 COMPENSATION


- 4.1 RPSCL has 04 No of Bays at Shahjahanpur Substation. RPSCL will pay POWERGRID for each bay charges as per O&M of bays, which at present is Rs. 24.46 Lakh / year / bay with yearly escalation @ 3.32% of O&M charges, fixed for the previous year, thereafter till the validity period of this MOU or mutually agreed period after the expiry of the validity period. To elaborate, the year wise compensation is attached at **Annexure-I**. However, in case of any change of CERC norms in future, the revised charges for O&M of bays shall be paid by M/s RPSCL to POWERGRID.
- 4.2 Applicable GST (As per GST ACT 2017 applicable with effect from 01/07/2017) during this contractual period shall be paid additionally by RPSCL.

5.0 MODE OF PAYMENT


- 5.1 POWERGRID shall submit quarterly O&M bills to M/s RPSCL in advance (1st week of quarter). Due date of payment shall be fifteen (15) days from the date of bill.
POWERGRID will submit along with the quarterly O&M bills, details of the maintenance work carried out in the previous quarter.
- 5.2 In case payment is made after due date, surcharge of 1.25% per month (i.e. 15% p.a) shall be charged upto the date of payment from the due date. Payment shall be made through NFFT / RTGS / local cheque / demand draft under intimation to POWERGRID coordinator. However in case of outstation cheque, the date of realization of cheque shall be considered as the date of payment.
- 5.3 One (1) % rebate will be applicable, if payment is made by RPSCL within 15 days from the date of bill.

6.0 POWERGRID's RESPONSIBILITY TOWARDS EQUIPMENT

- 6.1 POWERGRID would take all necessary care and precaution, while handling the RPSCL equipment for maintenance purpose. However, any accidental damages caused to the equipment during maintenance shall have to made good by RPSCL. POWERGRID shall not be responsible.


(C D D R Kishwaha)
(DGM)

Page 4 of 6


(H.S. Tomar)
V8- Maint.



INSURANCE

- 6.2 POWERGRID takes the responsibility to take care of equipments. Any accidental damage caused to equipments during operation and maintenance shall have to be made by RPSCL. POWERGRID shall not be responsible for any accidental damages. RPSCL may cover appropriate insurance for equipment at the RPSCL bays at their cost and lodging claim and processing them with insurance company for recovery. RPSCL will also take insurance coverage for any consequential loss to POWERGRID equipments. The responsibility of settlement of insurance claim will lie with RPSCL. However, POWERGRID will assist in this regard.

7.0 COORDINATION


- 7.1 RPSCL's authorized representative shall be permitted to visit control room and switchyard at the 400/220KV Shahjahanpur Substation and shall also be permitted to go through records of equipment pertaining to RPSCL bays with prior intimation to POWERGRID's coordinator details at Annexure - II.

8.0 SETTLEMENT OF DISPUTES & ARBITRATION

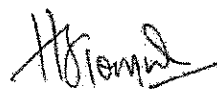
- 8.1 In case of any dispute or difference, whatsoever between RPSCL and POWERGRID in connection with the MOU, it shall be settled to the extent possible amicably between both the parties at operating level.
- 8.2 In case of non-settlement of dispute or difference, the matter shall within thirty days, be referred to the forum consisting of Executive Director, Northern Region-III, POWERGRID and Managing Director, RPSCL, who will resolve and / or decide the disputes or differences jointly and their decision in that regard shall be final and binding on parties. In case of Executive Director, Northern Region-III, POWERGRID and Managing Director, RPSCL differs on any dispute (s), the parties may appoint a mutually agreed Sole Arbitrator to resolve the said dispute(s) and the decision of the Sole Arbitrator shall be binding on parties. If there can be no MOU / Consensus on the appointment of the sole Arbitrator, the appointment will be done in accordance with the Arbitration and conciliation Act 1996.

9.0 FORCE MAJEURE

- 9.1 The parties shall ensure, due compliance with the terms of this MOU. However, no party shall be liable for any claim, for any loss of damage, whatsoever arising out of failure to carry out terms of the MOU to the extent that such a failure is due to force majored event such as war, rebellion, mutiny, civil commotion, riot, strike, lockout, forces of nature; accident, act of God, act of Govt. and any other reasons beyond the control of concerned party. But, any party claiming the benefit of this clause shall satisfy the other party of existence of such an event and give written notice within a reasonable time to the party to this effect.


(D. D. R. Kulkarni)
(DGM)

Page 5 of 8


(H. S. Tomal)

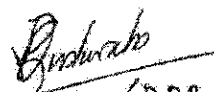



10.0 REPORTING

- 10.1 Concerned POWERGRID Sub-station will report as under daily Operation data as per Annexure - III.
- 10.2 Daily operational data will be intimated by shift in-charge over phone to the concern Sub-coordinator of RPSCL every morning.
- 10.3 In case of tripping, detailed report will be sent to NRLDC, Delhi with a copy to RPSCL local representative.
- 10.4 Quarterly maintenance report will be sent to main coordinator in duplicate.
- 11.0 This MOU shall be valid upto 31.03.2019 i.e. for tariff block 2014-19. After expiry of above MOU, fresh agreement may be signed for new tariff block of 2019-24, as per latest CERC norms / POWERGRID uniform rates.

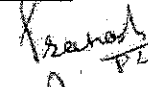

IN witness hereof, the parties hereto have annexed their signatures through their duly authorized representatives as here under.


POWERGRID**ROSA POWER SUPPLY COMPANY LIMITED**


For & On behalf of (DDR Keshwani)
POWERGRID (DGM)

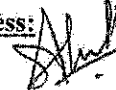
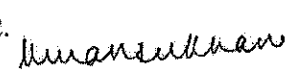

For & On behalf of (H.S. Tomar)
RPSCL V.P. Morit.

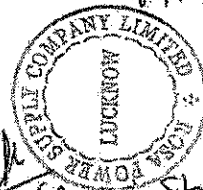
Witness:

1.  P. Kanapal
2.  M. J.


POWERGRID

Witness:

1.  (Amby) Shukla
2.  Kumananathan





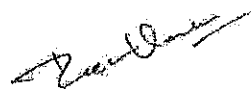
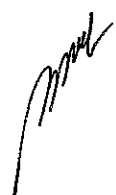
Annexure-I400KV BAY MAINTENANCE CHARGES

Year	O&M Charges -Per bay / Year			
	(Rs. in Lakh)	Escalation @ 3.32%	No. of Bays	Total Amount (Rs in Lakhs)
2016-17	24.460	0.812	4	*97.84
2017-18	25.272	0.839	4	101.09
2018-19	26.111	0.867	4	104.44
2019-20	26.978	0.896	4	107.91
2020-21	27.874	0.925	4	111.49

*As applicable from Date of commissioning.

Applicable GST (as per implemented GST rules by GOI) shall be payable by Owner (i.e. RPSCCL)

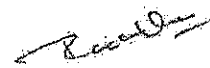
Total bays for Operation and maintenance at Shahjahanpur SS - 04 Nos

Annexure -2

CO-ORDINATORS

Sl. No.	Substation	RPSCL		POWERGRID	
		Main Co-Ordinator	Sub-Co Ordinator	Main Co-Ordinator	Sub-Co Ordinator
1	400/220 KV Shahjahanpur Substation	Sh. Hriday Tomar, Vice President, M/s RPSCL, Rosa, Shahjahanpur	Sh. Gaurav Gupta, DGM Electrical, M/s RPSCL, Rosa, Shahjahanpur	Sh. P. C Kandpal Manager, 400/220 kV Shahjahanpur Substation	Sh. Abhishek Singh, Dy. Manager, 400/220 kV Shahjahanpur Substation




Annexure-III

DAILY OPERATION DATA TO BE FURNISHED TO RPSCL AND LOCAL RPSCL REPRESENTATIVE.

Sl. No.	DATA
a)	MAXIMUM VOLTAGE IN KV/TIME
b)	MINIMUM VOLTAGE IN KV/TIME
c)	MAXIMUM FREQUENCY IN Hz/TIME
d)	MINIMUM FREQUENCY IN Hz/TIME
e)	**MAXIMUM FLOW IN MW/TIME
f)	**MINIMUM FLOW IN MW/TIME
g)	**MAXIMUM FLOW IN MVAR/TIME
h)	**MINIMUM FLOW IN MVAR/TIME

**DATA WILL BE IN RESPECT OF EACH CIRCUIT.

Details of tripping / shutdowns on RSPCL line(s), if any during the last twenty four hours.

[Signature]

[Signature]

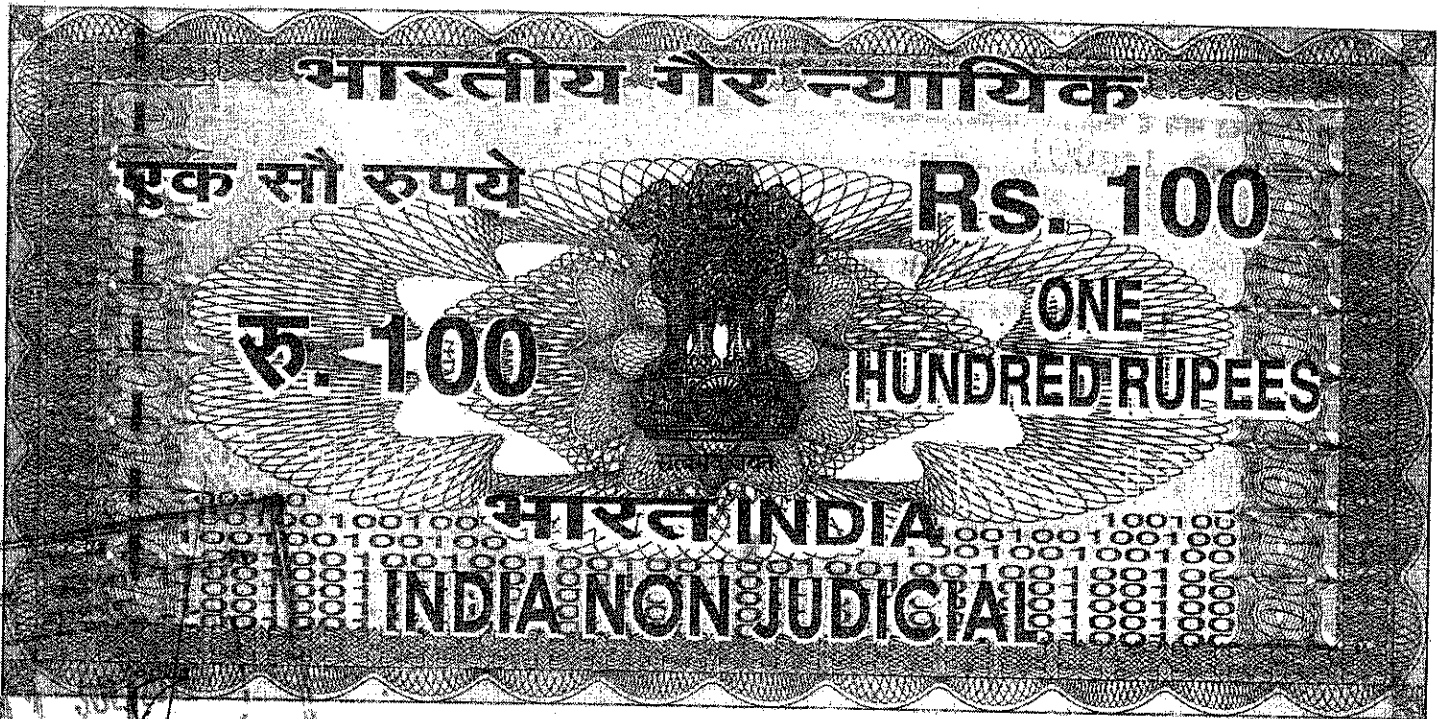
Annexure-A

**List of Mandatory Spares for O&M of 400KV ROSA bays at
400/220KV Shahjahanpur Substation of POWERGRID.**

Sr. No.	Description	Unit	Quantity
1	Circuit Breaker		
a	420 kV,3150 A,50 kA Circuit Breakers	Lot	1
2	Isolators-Three phase,Double Break		
a	420 kV 3150 A Isolators	Lot	1
3	Current Transformer-1 Ph		
a	420 kV ,2000 A,50 kA with 120% extended current rating	No	1
4	CVT		
a	420 kV,4400 pF	No	1
5	Surge Arrestor		
a	390 kV	No	1
6	Relay & Protection Panels - 400 kV	Lot	1
7	Substation Automation System	Lot	1
8	PLCC equipment spares	Lot	1
9	Erection hardware items	Lot	1

Paulson

Paulson



EX 239966

MEMORANDUM OF UNDERSTANDING (MOU)

Between

M/s ROSA POWER SUPPLY COMPANY LTD. (RPSCL)

and

M/s POWERGRID CORPORATION OF INDIA LIMITED (POWERGRID)

For

OPERATION AND MAINTENANCE OF 400KV ROSA MAIN and TIE BAYS
at 400/220KV SUB-STATION, SHAHJAHANPUR, UP OF POWERGRID.

1.0 This MOU is made on, Date 19 Aug 2019 between POWER GRID CORPORATION OF INDIA LIMITED, a company incorporated under the Indian companies act, 1956 and having its registered office at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi -110016 (Herein under referred to as POWERGRID) AND Rosa Power Supply Company Limited, (RPSCL) having its registered office at 3rd Floor, South Wing, Reliance Center, Near Prabhat Colony, Off Western Express Highway, Santacruz (East), Mumbai, Pin- 400054 (herein under referred to as RPSCL) for operation and maintenance of Two nos. 400 KV ROSA Main bays and Two nos. 400KV ROSA Tie bays of Rosa Power only at 400/220 KV Switchyard at POWERGRID, Shahjahanpur Substation.

This MOU is being executed for operation and maintenance of terminal equipments in the switchyard of POWERGRID, 400/220 KV Shahjahanpur Substation for Two nos. 400 KV ROSA Main bays and Two nos. 400KV ROSA Tie bays, whose asset owner ship is in the name of Rosa Power Supply Company Limited, (RPSCL). Now, this MOU becomes effective from 01.04.2019 as per the following terms and condition:

Page 1 of 8

19/8/2019
15000 (15000)
(15000)

Arunish Jain
3/9/19
(ASHISH JAIN)

[Signature]

स्टाम्प क्रमांक.....2561.....दिनांक.....16/8/09.....

स्टाम्प क्रय करने का प्रयोजन.....

स्टाम्प क्रेता का नाम व पता.....4/2/2 दि. 15. 2 का/पे 247 ऑफ इंडिया लि. शाहज

स्टाम्प की धनराशि.....100/-.....

Samal

शिवेन्द्र श्रीमाली
स्टाम्प विक्रेता, ला० सं० - 63
जजी कचहरी, शाहजहाँपुर

Samal

2.0 SCOPE OF WORK

2.1 BAY UNDER CONSIDRATION

POWERGRID will be carrying out the operation and maintenance of all indoor and outdoor terminal equipment installed in following RPSCL bays at POWERGRID switchyard.

At 400/220KV Shahjahanpur Substation Switchyard:

Two nos. 400 KV ROSA Main bays and Two nos. 400KV ROSA Tie bays of Rosa Power for connecting 400 KV D/C Shahjahanpur-ROSA Line, at 400/220KV Shahjahanpur Substation.

2.2 POWERGRID's RESPONSIBILITIES:

- i) Operation of the above bays.
 - ii) The total maintenance of equipment in the RPSCL bay including routine testing of protection and PLCC as per POWERGRID norms.
- 2.3 No hot line maintenance of the switchyard equipment would be undertaken.
- 2.4 Testing, repairing and maintenance of all common equipments, accessories like battery charger, illuminations etc. will be in POWERGRID's scope except for accessories especially installed for RPSCL bays.
- 2.5 i) POWERGRID shall carryout periodic maintenance, operation and testing of RPSCL bays as per POWERGRID practices and procedures.
- ii) The services of POWERGRID personal, testing equipment for the maintenance shall be within the scope of this contract. However expenses towards outsourced service like calling of OEM expert / hiring of special T&P shall be borne/provided/arranged by RPSCL.
- iii) The scope shall include work of replacement of all equipment, However, supply of the equipment / spares required for replacement during maintenance shall be in the scope of RPSCL.

2.6 SCHEDULE OF MAINTENANCE

Maintenance and testing will be done as per the POWERGRID maintenance schedule. POWERGRID reserve the right to modify or suggest new tests, schedule subject to mutual MOU.

- 2.7 RPSCL will arrange for necessary shutdown for these bays on request from POWERGRID.
- 2.8 In case of POWERGRID is maintaining daily and monthly testing records in log books /computers, Same shall be open to RPSCL at the point of time for inspection and review with prior permission from POWERGRID.
- 2.9 Wherever the manufacturer's maintenance schedule is indicated for some additional activities not covered in POWERGRID, the same will be carried out by POWERGRID at RPSCL cost.

Ashish Jain
3/9/19
(ASHISH JAIN)

[Signature]

- 2.10 POWERGRID will maintain record of operation and maintenance, carried out by them. The programme of periodical testing equipment / switchyard in bays will be informed to RPSCL in advance in order to enable the later to send its representatives for witnessing the test work.
- 2.11 The work of attending to emergency breakdown like equipment failure incidents / gantry collapse etc. for whatever reason, is not included in the O&M charges and the expenditure incurred in these works shall be billed to RPSCL for payment at actual i.e. cost of materials, if any and man hour charges with centages.
- The man-hour charge as per POWERGRID Management approval and centages @15% shall be arrived for such cases.
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4.0 COMPENSATION

- 4.1 RPSCL has 04 No of Bays at Shahjahanpur Substation. RPSCL will pay POWERGRID for each bay charges as per O&M of bays, which at present is Rs. 32.15 Lakh / year / bay with yearly escalation @ 3.51% of O&M charges, fixed for the previous year, thereafter till the validity period of this MOU or mutually agreed period after the expiry of the validity period. To elaborate, the year wise compensation is attached at **Annexure-I**. However, in case of any change of CERC norms in future, the revised charges for O&M of bays shall be paid by M/s RPSCL to POWERGRID.

- 4.2 Applicable GST (As per GST ACT 2017 applicable with effect from 01/07/2017) during this contractual period shall be paid additionally by RPSCL.

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POWERGRID will submit along with the quarterly O&M bills, details of the maintenance work carried out in the previous quarter.

- 5.2 In case payment is made after due date, surcharge of 1.25% per month (i.e. 15% p.a) shall be charged upto the date of payment from the due date. Payment shall be made through NFFT / RTGS / local cheque / demand draft under intimation to POWERGRID coordinator. However in case of outstation cheque, the date of realization of cheque shall be considered as the date of payment.
- 5.3 One (1) % rebate will be applicable, if payment is made by RPSCL within 15 days from the date of bill.

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INSURANCE

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8.0 SETTLEMENT OF DISPUTES & ARBITRATION

- 8.1 In case of any dispute or difference, whatsoever between RPSCL and POWERGRID in connection with the MOU, it shall be settled to the extent possible amicably between both the parties at operating level.

Arunish Jain
3/9/19
(ASH/157/MW)

[Signature]

8.2 In case of non-settlement of dispute or difference, the matter shall within thirty days, be referred to the forum consisting of Executive Director, Northern Region-III, POWERGRID and Managing Director, RPSCL, who will resolve and / or decide the disputes or differences jointly and their decision in that regard shall be final and binding on parties. In case of Executive Director, Northern Region-III, POWERGRID and Managing Director, RPSCL differs on any dispute (s), the parties may appoint a mutually agreed Sole Arbitrator to resolve the said dispute(s) and the decision of the Sole Arbitrator shall be binding on parties. If there can be no MOU / Consensus on the appointment of the sole Arbitrator, the appointment will be done in accordance with the Arbitration and conciliation Act 1996.

9.0 FORCE MAJEURE

9.1 The parties shall ensure, due compliance with the terms of this MOU. However, no party shall be liable for any claim, for any loss of damage, whatsoever arising out of failure to carry out terms of the MOU to the extent that such a failure is due to force majored event such as war, rebellion, mutiny, civil commotion, riot, strike, lockout, forces of nature, accident, act of God, act of Govt. and any other reasons beyond the control of concerned party. But, any party claiming the benefit of this clause shall satisfy the other party of existence of such an event and give written notice within a reasonable time to the party to this effect.

10.0 REPORTING

10.1 Concerned POWERGRID Sub-station will report as under daily Operation data as per Annexure - III.

10.2 Daily operational data will be intimated by shift in-charge over phone to the concern Sub-coordinator of RPSCL every morning.

10.3 In case of tripping, detailed report will be sent to NRLDC, Delhi with a copy to RPSCL local representative.

10.4 Quarterly maintenance report will be sent to main coordinator in duplicate.

11.0 This MOU shall be valid upto 31.03.2024 i.e. for tariff block 2019-24. After expiry of above MOU, fresh agreement may be signed for new tariff block of 2024-29, as per latest CERC norms / POWERGRID uniform rates.

IN witness hereof, the parties hereto have annexed their signatures through their duly authorized representatives as here under.

POWERGRID

ROSA POWER SUPPLY COMPANY LIMITED

For & On behalf of

POWERGRID

Witness:

For & On behalf of

RPSCL

(H. S. Tomar)

Witness:

Ashish Jain
(ASHISH JAIN) 31/3/19

1.
2.

1.
2.

Annexure-1400KV ONE BAY MAINTENANCE CHARGES

Year	O&M Charges -Per bay / Year	
	(Rs. in Lakh)	Remarks
2019-20	32.150	
2020-21	33.280	
2021-22	34.450	
2022-23	35.660	
2023-24	36.910	



Amirul Islam
(Asstt. Engr) 3/9/19.



CO-ORDINATORS

Sl. No.	Substation	RPSCL		POWERGRID	
		Main Co-Ordinator	Sub-Co Ordinator	Main Co-Ordinator	Sub-Co Ordinator
1	400/220 KV Shahjahanpur Substation	Sh. Hriday Tomar, Vice President, M/s RPSCL, Rosa, Shahjahanpur	Sh. Ashish Jain, DGM Electrical, M/s RPSCL, Rosa, Shahjahanpur	Sh. Abhishek Singh, Ch. Manager, 400/220 kV Shahjahanpur Substation	Sh. Brijesh Verma, Dy. Manager, 400/220 kV Shahjahanpur Substation

m.l

Ashish Jain
(ASHISH JAIN) 3/3/12

Annexure-III

DAILY OPERATION DATA TO BE FURNISHED TO RPSCL AND LOCAL RPSCL REPRESENTATIVE.

Sl. No.	DATA
a)	MAXIMUM VOLTAGE IN KV/TIME
b)	MINIMUM VOLTAGE IN KV/TIME
c)	MAXIMUM FREQUENCY IN Hz/TIME
d)	MINIMUM FREQUENCY IN Hz/TIME
e)	**MAXIMUM FLOW IN MW/TIME
f)	**MINIMUM FLOW IN MW/TIME
g)	**MAXIMUM FLOW IN MVAR/TIME
h)	**MINIMUM FLOW IN MVAR/TIME

**DATA WILL BE IN RESPECT OF EACH CIRCUIT.
Details of tripping / shutdowns on RSPCL line(s), if any during the last twenty four hours.

2.1

Assign for
CASHIER JAIN
3/9/12



Petition No – 786 of 2012

BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW

Date of Order : 16.05.2012

PRESENT:

1. Hon'ble Shri Rajesh Awasthi, Chairman
2. Hon'ble Shri Shree Ram, Member
3. Hon'ble Smt. Meenakshi Singh, Member

IN THE MATTER OF: Approval of additional capital cost incurred on 2 x 300 MW (Stage-2) of Rosa Thermal Power Station

BETWEEN

M/s Rosa Power Supply Company Limited (RPSCL)
Administrative Block,
Hardoi Road, P.O. Rosar Kothi, Tehsil Sadar
Distt. Shahjahanpur. U.P. – 240401

----- Petitioner

AND

U.P. Power Corporation Limited
(through its Chairman and M.D.)
Shakti Bhawan, Ashok Marg,
Lucknow

----- Respondent

The following were present:

1. Sri S. K. Agarwal, Director (Finance) UPPCL
2. Sri A. K. Gandhi, CE (PPA), UPPCL
3. Sri S.P. Pandey, SE (PPA), UPPCL
4. Sri S. K. Sinha, EE (PPA) UPPCL
5. Sri Vibhav Agarwal, Director, RSPCL
6. Sri Sumeet Notani, DGM, RPSCL
7. Sri Ambuj Shukla, Manager, RPSCL
8. Sri Vivek Singh, Manager, RPSCL
9. Sri Sidharth Mohata, RSPCL





ORDER

(Date of Hearing 15.5.2012)

1. M/s Rosa Power Supply Company Limited has filed the petition for approval of additional capital cost incurred on 2x300 MW Stage-2 of Rosa Thermal Power Station. During the hearing, on 9.2.2012, UPPCL had requested the Commission to grant them some time to submit their response which the Commission allowed vide order dated 14.2.2012.
2. During the hearing, Sri S.K. Agarwal, Director (Finance), UPPCL requested that for examination and verification of the details of the additional cost submitted by RPSCL for stage II, they require some more time. Sri Vibhav Agarwal, Director, RSPCL requested early disposal of the matter.
3. On the preliminary examination of RPSCL's petition on additional capital costs, the Commission discovered that the petition also includes capital cost on 400 KV transmission line and associated works. As the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2009 neither covers the capital cost nor the O&M expenditure of transmission line, it cannot be taken into consideration in this petition. Hence, the Petitioner is directed to file the cost on 400 KV transmission line and associated works through a separate petition.
4. The Commission, considering UPPCL's request, allows them to submit their response by 27.5.2012.
5. Next hearing in the matter shall be held on 31.5.2012 at 16.00 hrs.

(Meenakshi Singh)
Member

Place : Lucknow
Dated: 16.05.2012

(Shree Ram)
Member

(Rajesh Awasthi)
Chairman



Petition No – 786 of 2012

**BEFORE
THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION
LUCKNOW**

Date of Order : 25.06.2012

PRESENT:

1. Hon'ble Shri Rajesh Awasthi, Chairman
2. Hon'ble Shri Shree Ram, Member
3. Hon'ble Smt. Meenakshi Singh, Member

IN THE MATTER OF: Approval of additional capital cost incurred on Rosa Thermal Power Station.

BETWEEN

M/s Rosa Power Supply Company Limited (RPSCL)
Administrative Block,
Hardoi Road, P.O. Rosar Kothi, Tehsil Sadar
Distt. Shahjahanpur. U.P. – 240401

----- Petitioner

AND

U.P. Power Corporation Limited
(through its Chairman and M.D.)
Shakti Bhawan, Ashok Marg,
Lucknow

----- Respondent

The following were present:

1. Sri S.P. Pandey, SE (PPA), UPPCL
2. Sri S. K. Sinha, EE (PPA) UPPCL
3. Sri Vibhav Agarwal, Director, RSPCL
4. Sri Sumeet Notani, DGM, RPSCL
5. Sri Ambuj Shukla, Manager, RPSCL
6. Sri Vivek Singh, Manager, RPSCL
7. Sri Sidharth Mohata, RSPCL



ORDER

(Date of Hearing 31.5.2012)

1. M/s Rosa Power Supply Company Limited has filed the petition for approval of additional capital cost of Rs. 595.09 Cr. incurred on Balance of Plant (BoP) and 400 kv transmission line and associated works of Rosa Thermal Power Station. In the matter, vide order dated 16.05 2012, the Petitioner was directed to file the cost incurred by them on 400 KV transmission line and associated works through a separate petition and the Respondent in response to their request was given additional time for submission of their reply. The reply has not been filed by the Respondent so far.
2. During the hearing, UPPCL submitted that the additional cost incurred on BoP has substantial impact on the tariff so it has to be examined under the provisions of PPA, Regulations and approved cost of stage I and stage II. The Petitioner submitted that since stage II of the plant has also become fully operational. To operate the plant on full capacity, they require immediate finances to meet the additional expenditure of capital nature. Hence, the Hon'ble Commission is requested to approve provisionally, the additional capital of Rs. 550.02 Cr. (after reducing the cost of transmission system) subject to prudence check and final approval of the Commission.
3. In view of above, the Commission deems it appropriate to provisionally approve the additional capital cost of Rs. 550.02 Cr. on the BoP of the project subject to prudence check and final approval of the Commission under the provisions of PPA, Regulations and earlier orders of the Commission.

(Meenakshi Singh)
Member
Place : Lucknow
Dated: 25.06.2012

(Shree Ram)
Member

(Rajesh Awasthi)
Chairman

**Uttar Pradesh Electricity Regulatory Commission**

Kisan Mandi Bhawan, II Floor, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423 E-mail secretary@uperc.org

No. UPERC/Secy/(VCA)/ 2016-113

Dated: 29.06.2016

Sir,

Kindly find enclosed herewith a copy of the Commission's Order dated 29.06.2016 for petition no. 837/2012 fixation of transmission tariff for 7.2 KM 400 KV dedicated transmission line constructed to connect Rosa TPP to PGCIL grid as per memorandum of understanding (MOU) signed between UPPCL and RPSCL.

Yours faithfully,

Secretary

Encls: As above

1. Managing Director, Uttar Pradesh Power Corporation Ltd., 14, Ashok Marg, Shakti Bhawan, Lucknow.
- ✓ 2. Rosa Power Supply Company Ltd. (the Company), Administrative Block, Hardoi Road, P.O. Rosar Kothi, Tehsil Sadar, District Shahjahanpur, UP-242401

BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

Quorum

Shri Desh Deepak Verma, Chairman
Shri I. B. Pandey, Member

Petition No. 837/2012

In the matter of:

Fixation of transmission tariff for 7.2 KM 400 KV dedicated transmission line constructed by Rosa Power Supply Company Ltd. to connect Rosa TPP to PGCIL grid as per memorandum of understanding (MOU) signed between UPPCL and RPSCL.

Petitioner

Rosa Power Supply Company Ltd. (the Company), Administrative Block, Hardoi
Road, P.O. Rosar Kothi, Tehsil Sadar, District Shahjahanpur, UP-242401

Petitioner

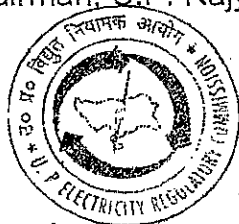
Uttar Pradesh Power Corporation Ltd., 14, Ashok Marg, Shakti Bhawan, Lucknow.

Respondent

Present in the Hearing:

1. Shri V. P. Srivastava, Chief Engineer, PPA, UPPCL
2. Shri R. Bhatnagar, Superintending Engineer, PPA, UPPCL
3. Shri Haroon Aslam, Executive Engineer, PPA, UPPCL
4. Shri Vibhav Agarwal, Rosa Power Supply Co. Ltd.
5. Shri Sumeet Notani, Rosa Power Supply Co. Ltd.
6. Shri Himanshu Agarwal, Rosa Power Supply Co. Ltd.
7. Shri Ambuj Shukla, Rosa Power Supply Co. Ltd.
8. Shri Santosh Singh, Rosa Power Supply Co. Ltd.
9. Shri Avadhesh Kumar Verma, Chairman, U.P. Rajya Vidyut Upbhokta Parishad
10. Shri Ramashankar Awasthi

Mandya



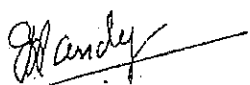
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Page 1 of 15

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ORDER(Hearing on 21.09.2015)**1. Background**

- 1.1 M/s Rosa Power Supply Company Ltd. filed Petition for fixation of Transmission Tariff for 7.2 KM 400 KV dedicated Transmission Line constructed for connecting. Rosa Thermal Power Plant to Power Grid Corporation of India Ltd. (PGCIL) grid as per memorandum of understanding (MOU) signed between U.P. Power Corporation Ltd. and Rosa Power Supply Company Ltd. for the tariff period 2011-14 on 20.01.2012.
- 1.2 The Petitioner M/s Rosa Power Supply Company Ltd. as well as the Respondent Uttar Pradesh Power Corporation Ltd. were required to appear before the Commission in person or through duly authorized representative to answer all material questions related with the matter along with relevant documents on 17.03.2015. which was attended by both the parties. The petition was admitted and the Respondent UPPCL was required to file its reply within one month.
- 1.3 The Petitioner filed the revised submission on Affidavit vide letter dated 15.07.2015 on the basis of which the date of Public Hearing was fixed to be held on 15.09.2015 at 11:30 hrs. in the office of the Commission vide Public Notice no. UPERC/Secy/VCA/ 2015-1126 dated 27/28.08.2015 which was also got published in Hindustan Times and Amar Ujala news papers on 29.08.2015. The Public Hearing so fixed on 15.09.2015 was, however, postponed and the new date of hearing was fixed on 21.09.2015 at 11:30 hrs. at the same venue, which was also got published in Hindustan Times and Amar Ujala news papers dated 15.09.2015. In the meantime the U.P. Power Corporation Ltd. being respondent in the matter filed an Affidavit dated 14.09.2015



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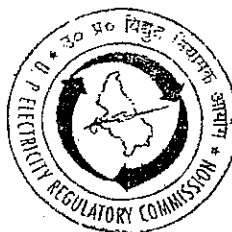
pointing out discrepancy in the affidavit of Petitioner which was dated 14.07.2015 while the Petition relating to revised submission was dated 15.07.2015. UPPCL therefore requested the Commission to direct the Petitioner to file a fresh petition for raising the grievances before the Commission.

1.4 In the Public Hearing held on 21.09.2015, Shri Rama Shankar Awasthi raised an objection that how a generating company can file a petition for Transmission Tariff when the company has no transmission licence. In this context his attention was invited to the provisions as contained in Ministry of Power Order dated 03.06.2005 wherein it was amply clarified that generating company or a person setting up a captive generating plant shall not be required to obtain a licence under the Act for establishing, operating or maintaining a dedicated Transmission Line if such company or person complies with the following:

- (a) Grid Code and standards of grid connectivity.
- (b) Technical standards for construction of electric lines.
- (c) System of operation of such a dedicated transmission line as per the norms of System of operation of the concerned State Load Despatch Centre (SLDC) or Regional Load Despatch Centre (RLDC)
- (d) Directions of concerned SLDC or RLDC regarding operation of the dedicated Transmission Line.

Since the Petitioner fulfills all these requirements and therefore "the transmission line so constructed was not required to obtain the Transmission Licence. The petition was admitted vide Commission's order dated 14.7.2015.

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1.5 The U.P. Power Corporation Ltd. being Respondent in the matter filed another Counter Affidavit wherein it was questioned whether approval of CEA/PGCIL was obtained for the construction of this transmission line; in response of which Petitioner has provided the copy of Minutes of connectivity/Long Term Access Meeting with Northern Region Constituents held on 02.01.2013 at Power Grid, Gurgaon according to which the connectivity was approved. The brief of the proceedings of Power Grid meeting held on 02.01.2013 are as under :

Long Term Open Access to Rosa Power Company

POWERGRID informed that M/s Rosa Power Supply Power Company Ltd. (RSPCL) had applied for LTOA for transfer of 300 MW of power from stage II (2x300 MW) of Rosa Power Project located at Shahjahanpur, U.P. As per the application the target beneficiaries of the project were Delhi (150 MW) and Haryana (150 MW). The LTOA application was discussed and agreed in the Long Term Open Access meeting held on 30.05.2009 along-with 27th Standing Committee Meeting of Northern Region Power from the generation project is to be injected at Shahjahanpur 400/200 KV sub station of POWERGRID. Accordingly, LTOA intimation was issued and BPTA was signed on 23.11.2009. RSPCL now has intimated that they have finalized the long term sale of power from Rosa TPP Phase II to UPPCL and also signed PPA with them. In view of this M/s RSPCL has requested for the modifications as follows:

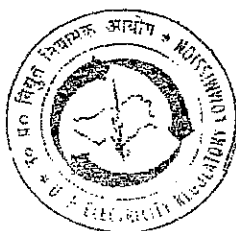
Name of beneficiary – Uttar Pradesh

Location – Interface point between ISTS and UPPCL grid in Uttar Pradesh

Region – Northern Region

Capacity – 300 MW

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POWERGRID proposed the beneficiary may be modified as Uttar Pradesh instead of Delhi and Haryana as requested by RSPCL. The total quantum of LTOA shall remain the same. As Uttar Pradesh is direct beneficiary it was preferred that transmission charges may be billed directly to UP. Representative of Uttar Pradesh agreed for the same.

Further, it was explained that Long Term Access was granted subject to commissioning of Lucknow- Bareilly-Meerut 765 KV one circuit and Bareilly-Kashipur-Roorkee-Shaharanpur 400 KV D/C (Quad Conductor), as the power was to be transferred outside the State to Delhi and Haryana. However as per the present scenario, power is to be delivered within Uttar Pradesh, it is therefore, proposed that Long Term Access would be subject to commissioning of Bareilly-Roorkee 400 KV D/C (Quad Conductor) and Commissioning of Shahjahanpur sub station.

Members discussed and concurred to the proposal.

- 1.6 Out of the total capacity of Rosa Thermal Power Plant setup by the Petitioner in District Shahjahanpur of U.P. in two phases of 600 MW each, phase 1 of the project consists of unit I and unit II each having gross generation capacity of 300 MW each was earmarked to U.P. Power Corporation Ltd. for supply of entire 600 MW as per the Power Purchase Agreement (PPA) entered on 12.11.2006. Through a Supplementary PPA entered on 11.09.2009, 300 MW capacity out of Phase II was also earmarked to U.P. Power Corporation Ltd. The remaining capacity of 300 MW of Phase II was retained by the Petitioner for Trading Purposes for which Long Term Open Access (LTOA) arrangement was entered into with POWERGRID for supply of power to Delhi and Haryana in the meeting held on 30.05.2009. Subsequently the

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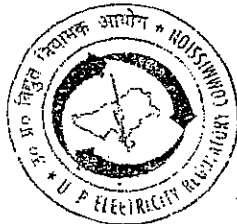
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300 MW capacity of Phase II of Rosa Thermal Power Plant retained by the Petitioner for Trading was also earmarked to UP Power Corporation Ltd. through an amendment to supplementary Power Purchase Agreement issued on 19.11.2011. For supply of 300 MW power retained by the Petitioner for Trading, the Petitioner entered into an agreement with PGCIL for constructions of bays at 400 KV sub station of PGCIL at Shahjahanpur for inter-connection to net work of PGCIL. Accordingly the Petitioner has constructed a 400 KV dedicated transmission line connecting Phase II switchyard of Rosa Power Plant with 400 KV sub station of PGCIL at Shahjahanpur.

1.7 Through a Memorandum of Understanding (MOU) entered between the Petitioner and U.P. Power Corporation Ltd. on 20.01.2012 entire 300 MW power from Phase II of Rosa Thermal Power Plant was agreed to be evacuated by using 400/220 KV ICT as well ISTS net work of PGCIL through the above mentioned 400 KV dedicated transmission line as follows:

- i. Petitioner shall operate and maintain 400 KV dedicated transmission line connecting Phase II switch yard with net work of PGCIL to the extent of capacity available and feasible for evacuation and transmission of power from any of the units including unit I, II, III and IV of Rosa Thermal Power Plant.
- ii. U.P. Power Corporation Ltd. shall bear all applicable connectivity and transmission charges inclusive of all applicable taxes and duties and transmission losses for ISTS network including all the charges payable under the Bulk Power

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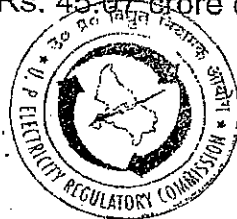
Transmission Agreement including charges for applicable Bank Guarantees by reimbursing the same to the Petitioner.

- iii. Any subsequent change in charges payable arising out revision of regulations for connectivity and Long Term Open Access (LTOA) in ISTS system shall also be on account of U.P. Power Corporation Ltd.
- iv. U.P. Power Corporation Ltd. shall bear all transmission charges for 400 KV dedicated transmission line as determined by UPERC on a petition to be filed by the Petitioner excluding the Transmission Losses for 400 KV dedicated line which shall be to Petitioner's account.

1.8 According to the Amendment to Supplementary Power Purchase Agreement dated 19.11.2011 for purchase of entire 600 MW capacity of Phase II of Rosa Thermal Power Plant and U.P. Power Corporation Ltd. desiring evacuation of entire 300 MW power from Phase II using 400/220 KV ICT as well as ISTS net work of PGCIL through the above mentioned 400 KV dedicated transmission line, the Petitioner has got constructed 7.2 Km dedicated transmission line from Rosa Thermal Power Plant to PGCIL net work at Shahjahanpur and has filed this ARR and Tariff petition before UPERC for fixation of Tariff from March 15, 2012 which is the date when the line was charged.

1.9 According to Petitioner the final cost of the line has been estimated to the extent of Rs. 45.07 crore out of which Rs. 25.49 crore has said to have been incurred till 01.04.2012. The Petitioner through its revised submission dated 15.07.2015 though maintained the final cost to the extent of Rs. 45.07 crore out of which the expenditure

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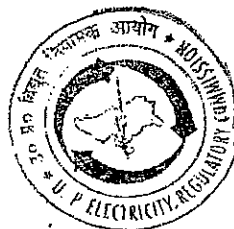
to the extent of Rs. 28.79 crore has been stated to be capitalized in 2012-13 and the balance of Rs.16.28 crore belonging primarily to the cost of dedicated bays at PGCIL Shahjahanpur substation which is being constructed on Deposit work basis was expected to be completed by the end of FY 2015-16. However as per the details of the capital expenditure incurred till FY 2011-12 is Rs. 27.65 crore and the balance of Rs. 1.14 crore incurred in FY 2012-13.

1.10 The Transmission Line so constructed by the Petitioner was connected to CTU network on 15.03.2012. The Tariff has therefore been claimed with effect from 15.03.2012 to the end of FY 2015-16 excluding the cost of dedicated Bays at PGCIL Sub station, Shahjahanpur scheduled to be constructed by 31.03.2016, the cost of which is worked out as Rs. 16.28 crore. The Tariff has therefore been claimed to be determined for 7.2 Km dedicated Transmission Line only for which the capital cost is worked out as Rs. 27.65 crore till end of FY 2011-12 and Rs. 28.79 crore from FY 2012-13 and onward. The Return on Equity, Interest on Loans, Depreciation and Operation and Maintenance express have been claimed at the rates given below:

Return on Equity	16.0%
Depreciation	3.63%
O & M Expenses	2.0%

Advance Against Deprecation and the Interest on working capital have been claimed as per Regulations and the Ratio of Debt & Equity has also been maintained at 70:30 as provided in the Regulations. The Abstract of the ARR and the Tariff claimed by the Petitioner for each Financial Year reckoning from FY 2011-12 to FY 2015-16 is as under:

G. Pandey



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Page 8 of 15

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11. ARR and Tariff as claimed by the Petitioner

In the petition the petitioner has proposed the capital cost of Transmission Line and the Transmission Charges as given in the table below:

(Rs Crore)

Sl. No.	Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
1	Total Cost	27.65	28.79	28.79	28.79	45.07
2	Debts	19.36	20.15	20.15	20.15	20.15
3	Equity	8.30	8.64	8.64	8.64	8.64
4	Depreciation	0.04	1.05	1.05	1.05	1.05
5	Interest on Loan	0.03	2.01	1.83	1.74	2.17
6	Return on Equity	0.06	1.38	1.38	1.38	1.38
7	Advance Against Depreciation	0.37	0.59	0.53	0.59	0.96
8	Interest on Working Capital	0.01	0.16	0.16	0.16	0.18
9	O & M Expense	0.02	0.58	0.58	0.58	0.58
	Total	0.53	5.77	5.58	5.50	6.31

11.1 The capital Cost so claimed by the Petitioner for the construction of 7.2 Km of Transmission Line is Rs. 28.79 crore which is worked out to Rs. 4.00 per Km.

When compared with per cktKm cost of Transmission Lines it appears to be higher side for which the Petitioner has put forth the following reasons:

- It may not be prudent to compare cost of such small transmission line, which has been set up hurriedly and under unusual circumstances with the long distance high capacity transmission line which are constructed by various State and Central Transmission utilities in past by Central and State Transmission utilities having core business of transmission system and also have long term contracts with the vendors to supply material and services in bulk at comparative prices and the works executed in a reasonable time

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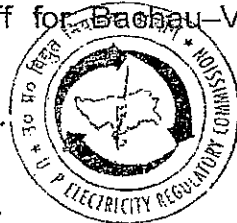
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frame. Obviously, this was not the case with this 400 KV D.C transmission line set up by the Petitioner.

- ii. The cost of transmission line can vary to a great extent with the terrain conditions, soil conditions and most important by Right of Way constraints. The constructions of this 7.2 Km Transmission Line was also fraught with various challenges, such as various highway crossings, forest crossings soil conditions which led to make use of more number of towers of various categories and building foundations to take care of highway crossings and railway crossings.
 - iii. For obtaining Right of Way, significant cost was incurred in providing crop compensation to the farmers since crop in all such fields were destroyed due to movement of construction material through dumpers and Trolley. There were about 2350 trees comprising 1400 Popular, 900 Eucalyptus and 50 others which were falling under the transmission line belonging to different land owners along side the route which were required to be cut permanently for line stringing and erection work for which Compensation was paid to the affected land owners.
12. The Commission while finalizing the cost decided to compare the rate of the Transmission Line constructed by the Petitioner with any such LILO Transmission Line of the same capacity and having more or less the same length. Incidentally the tariff for Baganu-Varsanol (GETCO) 400 KV D/C

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Transmission Line having length of 9.274 Km, got constructed by Power Grid Corporation of India Ltd. alongwith 2 Nos. Sub stations was determined by the Central Electricity Regulatory Commission vide order dated 22.3.2016 in petition no. 413/77/2014. The cost of 9.274 Km of Transmission Line excluding the cost of 2 nos, Sub stations was intimated to Rs. 34.82 crore as on 07.01.2015. As such the cost per Km is worked out to Rs. 3.75 crore per Km. Since it is the cost of FY 2014-15, therefore to work out the cost in FY 2011-12 by neutralizing the price escalation as per WPI & CPI in the ratio of 60: 40 index the cost per Km in FY 2011-12 has been worked out as mentioned below:

Sr	Financial Year	Cost per cktkm in Rs Cr	Escalation rate (CPI 60% & WPI 40%)
1	2014-15	3.75	4.02
2	2013-14	3.60	7.69
3	2012-13	3.32	8.75
4	2011-12	3.03	

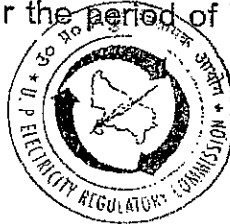
The Commission decided to determine the tariff of Transmission Lines considering the above rate of Rs. 3.03 crore per ckt Km and therefore the construction cost of 7.2 Km, dedicated Transmission Line is worked out to Rs. 21.82 crore which will be Gross fixed Asset value in FY 2011-12 The Tariff is therefore worked out taking the value of Gross Fixed Assets accordingly for which the norms as described here under would be applicable.

13. ARR and Tariff as determined by the Commission

- (a) The petitioner has filed petition for the period FY 2011-12 to FY 2015-16 only as FY 2015-16 is over, the Commission decided approve the same to end of FY 2016-17.

For determination of fixed charges for the period of FY 2011-12 to FY 2016-17, the

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Commission decided to allow the components of fixed charges as mentioned in the table below:

Component of fixed charges	Values	Remark
Return on Equity	14 %	As Per Regulations
Interest on Loan	11.43 %	As per Regulations weighted average of Interest on Loans
O & M Expense	2.0 %	As per clause 4.2 (3) 2.5% of capital addition during the current year but petitioner has claimed it as 2% so it is taken as 2%
Interest on working Capital	12.50 %	As per Regulations
Depreciation	3.63 %	As per Regulations
Advance against Depreciation	3.37%	As per Regulations

Regulation means "Uttar Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2006."

(b) Gross Fixed Assets (GFA) and its components

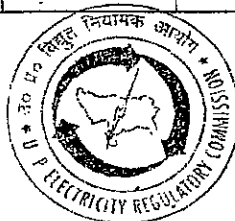
For the determination of Return on Equity, interest on balance loans and Depreciation it is essential to determine the value of GFA duly supported with the financing program and the value of Net Fixed Assets (NFA) at the end of each financial year. Hence, the GFA and NFA at the end of each financial year commencing from FY 2011-12 & FY 2016-17 have been worked out along with Equity and Debts base figures as allowed in the Financial Year 2011-12 and subsequent years thereafter.

Calculation of GFA and NFA including financing

(Rs Crore)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Opening GFA	-	20.95	21.82	21.82	21.82	21.82
Additions	20.95	0.87	-	-	-	-
Closing GFA	20.95	21.82	21.82	21.82	21.82	21.82
Financing:						
Opening Equity	-	6.28	6.54	6.54	6.54	6.54
Additions	6.28	0.26	-	-	-	-
Closing Equity	6.28	6.54	6.54	6.54	6.54	6.54
Opening Debts	-	14.60	13.84	12.46	11.09	9.71
Additions	14.66	0.61	-	-	-	-
Less Repayments	0.06	1.37	1.37	1.37	1.37	1.37

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Closing Debts	14.60	13.84	12.46	11.09	9.71	8.34
Opening Accumulated Depreciation	-	0.06	1.44	2.81	4.18	5.56
Depreciation during the year	0.03	0.71	0.71	0.71	0.71	0.71
Advance Against Depreciation	0.03	0.66	0.66	0.66	0.66	0.66
Closing Depreciation	0.06	1.44	2.81	4.18	5.56	6.93
Closing NFA	20.88	20.38	19.01	17.63	16.26	14.88

(c) ROE, Depreciation, O & M Charge and Interest on Loans

On the basis of decision of the Commission in foregoing paragraphs and the details of GFA, NFA and financing as above at the end of each financial year from FY 2011-12 to FY 2016-17 Return on Equity, Depreciation, Operation and Maintenance charges and Interest on Loans are worked out as under:

Details of ROE, Depreciation, O & M charges and Interest on loans

(Rs. Crore)

Sl. No.	Particulars	2011-12(w.e.f 15.03.12)	2012-13	2013-14	2014-15	2015-16	2016-17
1	Return on Equity	0.02	0.90	0.92	0.92	0.92	0.92
5	Interest on Loans	0.04	1.63	1.50	1.35	1.19	1.03
2	Depreciation	0.03	0.71	0.71	0.71	0.71	0.71
3	Advance Against Depreciation	0.03	0.66	0.66	0.66	0.66	0.66
4	O & M Charges	0.01	0.42	0.47	0.49	0.49	0.50
6	Interest on working capital	0.00	0.11	0.11	0.10	0.10	0.10
	Total	0.13	4.32	4.26	4.12	3.97	3.82

(d) Working Capital as determined by the Commission and computation of Interest thereon.

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(Rs Crore)

Sl. No.	Particulars	2011-12(w.e.f 15.03.12)	2012-13	2013-14	2014-15	2015-16	2016-17
1	One month's O & M Expenses	0.02	0.03	0.04	0.04	0.04	0.04
2	Maintenance Spares	0.10	0.10	0.10	0.10	0.10	0.10
3	Receivables for 2 months	0.47	0.72	0.71	0.69	0.66	0.64
4	Total working capital	0.58	0.85	0.85	0.83	0.80	0.78
5	Rates of interest	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%
		0.00	0.11	0.11	0.10	0.10	0.10

(e) Comparative table of Transmission charges as claimed by the petition vis. a vis as determined by the Commission

(Rs. Crore)

Sl. No.	Particulars	2011-12(w.e.f 15.03.12)			FY 2012-13		
		As claimed by RPSCL	As determined by Commission	Difference	As claimed by RPSCL	As determined by Commission	Difference
1	Return on Equity	0.06	0.02	(0.04)	1.38	0.90	(0.48)
2	Interest on Loans	0.03	0.04	0.01	2.01	1.63	(0.38)
3	Depreciation	0.04	0.03	(0.01)	1.05	0.71	(0.34)
4	Advance Against Deprecation	0.37	0.03	(0.34)	0.59	0.66	0.07
5	O & M Expenses	0.02	0.01	(0.01)	0.58	0.42	(0.16)
6	Interest on working capital	0.01	0.00	(0.01)	0.16	0.11	(0.05)
	Total	0.53	0.13	(0.40)	5.77	4.42	(1.35)

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(Rs. Crore)

Sl. No.	Particulars	FY 2013-14			FY 2014-15		
	Particulars	As claimed by RPSCL	As determined by Commission	Difference	As claimed by RPSCL	As determined by Commission	Difference
1	Return on Equity	1.38	0.92	(0.46)	1.38	0.92	(0.46)
2	Interest on Loans	1.83	1.50	(0.33)	1.74	1.35	(0.39)
3	Depreciation	1.05	0.71	(0.34)	1.05	0.71	(0.34)
4	Advance Against Deprecation	0.59	0.66	0.07	0.59	0.66	0.07
5	O & M Expenses	0.58	0.47	(0.11)	0.58	0.49	(0.09)
6	Interest on working capital	0.16	0.11	(0.05)	0.16	0.10	(0.06)
	Total	5.58	4.37	(1.21)	5.5	4.12	(1.38)

(Rs. Crore)

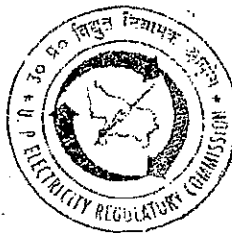
Sl. No.	Particulars	FY 2015-16			FY 2016-17		
	Particulars	As claimed by RPSCL	As determined by Commission	Difference	As claimed by RPSCL	As determined by Commission	Difference
1	Return on Equity	1.38	0.92	(0.46)	-	0.92	0.92
2	Interest on Loans	2.17	1.19	(0.98)	-	1.03	1.03
3	Depreciation	1.05	0.71	(0.34)	-	0.71	0.71
4	Advance Against Deprecation	0.96	0.66	(0.30)	-	0.66	0.66
5	O & M Expenses	0.58	0.49	(0.09)	-	0.50	0.50
6	Interest on working capital	0.18	0.10	(0.08)	-	0.10	0.10
	Total	6.31	4.07	(2.24)	-	3.92	3.92

The Petitioner, Rosa Power Supply Company Ltd. shall claim the Transmission Charges on half yearly basis from the Respondent, Uttar Pradesh Power Corporation Ltd.

The Petition is disposed off.

(Signature)
(I. B. Pandey)
Member

Dated: 29.06.2016



(Signature)
(Desh Deepak Verma)
Chairman

(Signature)



Uttar Pradesh Electricity Regulatory Commission

Kisan Mandi Bhawan, II Floor, Gomti Nagar, Lucknow-226010 Phone 2720426 Fax 2720423 E-mail secretary@uperc.org

No. UPERC/Secy/(VCA)/ 2018-566

Dated: 29.01.2018

Sir,

Kindly find enclosed herewith a copy of the Commission's Order dated 29.01.2018 for petition no. 837/2012 fixation of transmission tariff for 7.2 KM 400 KV dedicated transmission line constructed to connect Rosa TPP to PGCIL grid as per memorandum of understanding (MOU) signed between UPPCL and RPSCL.

Yours faithfully,

Secretary

Encls: As above

1. Managing Director, Uttar Pradesh Power Corporation Ltd., 14, Ashok Marg, Shakti Bhawan, Lucknow.
2. Chief Engineer (PPA), Uttar Pradesh Power Corporation Ltd., 14, Ashok Marg, Shakti Bhawan, Lucknow.
3. Rosa Power Supply Company Ltd. (the Company), 3rd Floor, South Wing, Reliance Centre, Near Prabhat Colony, Off Western Express Highway, Santacruz (East), Mumbai-400055.

BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

Quorum

Shri S. K. Agarwal, Chairman

In the matter of:

Fixation of transmission tariff for 7.2 KM 400 KV dedicated transmission line constructed by Rosa Power Supply Company Ltd. to connect Rosa TPP to PGCIL grid as per memorandum of understanding (MOU) signed between UPPCL and RPSCL.

Rosa Power Supply Co. Ltd.(the Company), 3rd Floor, South Wing, Reliance Centre, Near Prabhat Colony, Off Western Express Highway, Santacruz (East), Mumbai-400055.

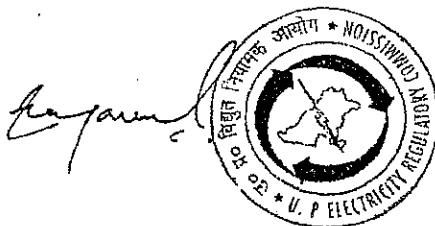
----- Petitioner

Chief Engineer (PPA) U.P Power Corporation Ltd., 14, Ashok Marg, Shakti Bhawan, Lucknow.

----- Respondent

Present in the hearing:

1. Shri V. P. Srivastava, Chief Engineer (PPA), UPPCL
2. Shri V. K. Asthana, Superintending Engineer (PPA), UPPCL
3. Shri Naeem Khan, Executive Engineer (PPA), UPPCL
4. Shri Manish Garg, Consultant, UPPCL
5. Shri Vibhav Agarwal, Director, RPSCL
6. Shri Sumeet Notani, General Manager, RPSCL
7. Shri Himanshu Agarwal, Sr. Manager, RPSCL
8. Shri Ambuj Shukla, Sr. Manager, RPSCL



ORDER

(Hearing on 06.07.2017)

1. Background

- 1.1 M/s Rosa Power Supply Company Ltd. filed Petition for fixation of Transmission Tariff for 7.2 KM 400 KV dedicated Transmission Line constructed for connecting Rosa TPP to CTU Network as per memorandum of understanding (MoU) signed between the petitioner and the respondent for FY 2017-18 to FY 2019-20.
- 1.2 Petitioner has set up Rosa Thermal Power Project in two stages of 600 MW each with each phase having two units of 300 MW each, at Rosa, District Shahjahanpur in the State of Uttar Pradesh.
- 1.3 Petitioner has commenced the commercial operation and are supplying power to the respondent as per Power Purchase Agreement (PPA) dated 12.11.2006, Supplemental Power Purchase Agreement (SPPA) dated 11.9.2009 and an Amendment to SPPA (ASPPA) dated 19.11.2011, all duly approved by this Hon'ble Commission.
- 1.4 After commissioning of 400 KV Double Circuit dedicated transmission line of 7.2 KM connecting Rosa TPP to CTU network on 15.3.2012, the Petitioner filed a petition on 3.10.2012, for fixation of tariff for the transmission line vide petition no 837 of 2012.
- 1.5 Further the Hon'ble Commission vide order dated 14.7.2015 directed Rosa Power Supply Company Ltd. (RPSCL) to make the revised submission with the updated capital cost of transmission line.



1.6 Subsequently, the petitioner filed the revised submission on 15.7.2015 and the Hon'ble Commission issued the Tariff Order on 29.6.2016 and further issued corrigendum of the Tariff Order on 20.10.2016 for the period FY 2011-12 to FY 2016-17.

1.7 The petitioner through this petition submitted the following prayers:

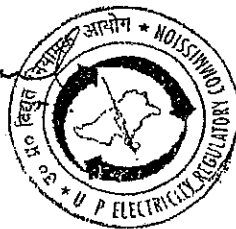
1. *The Hon'ble Commission may kindly approve the Capital Cost pertaining to 400 KV Bays.*
2. *This Hon'ble Commission may kindly approve the Fixed Charges for the transmission line.*
3. *This Hon'ble Commission may kindly direct UPPCL to admit bills for the aforementioned Fixed Charges for the respective years as per provision of UPERC Tariff Regulations 2004.*

1.8 Further respondent UPPCL filed the counter affidavit on 28.6.2017 on the petition filed with the following prayers:

- i. *Expenditure incurred on bays need to be accounted for separately and tariff recovered from the date of commissioning i.e. 30.3.2017.*
- ii. *Proof of commissioning of Bays by appropriate authorities may be furnished.*
- iii. *Incentive for timely completion of 0.5% may be disallowed as the commissioning of bays was inordinately delayed.*
- iv. *Petitioner may be directed to explain treatment of differential amount as the amount capitalized is Rs. 11.49 crore as against deposit made with PGCIL of Rs. 16.28 crore*

1.9 During the hearing on 6.7.2017 the respondent reiterated its submissions.

1.10 Shri Vibhav Agarwal appearing on behalf of Rosa Power Supply Company Ltd. submitted that the proof of Commissioning of bays by appropriate authority shall be furnished soon. He further submitted that the amount of Rs. 11.49 crore is the actual amount and it is final.



1.11 The Commission decided that 0.5 % incentive admissible for timely completion of bays shall not be permissible to RPSCIL. The Commission further directed that the transmission tariff for 7.2 KM 400 KV dedicated transmission line constructed to connect Rosa TPP to CTU Network for FY 2017-18 to FY 2019-20 will be finalized on submission of the desired information.

1.12 Further, the Petitioner submitted the Commissioning Certificate issued by the PGCIL for successful commissioning of two number of 400 KV ROSA Main bays and two number 400KV ROSA Tie bays of Rosa Power only at 400/220 KV Switchyard at POWERGRID, Shahjahanpur Substation.

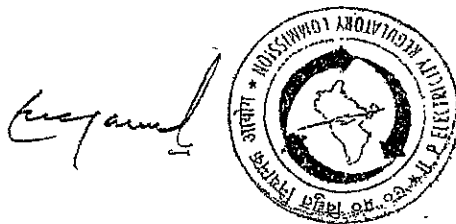
2. ARR and Tariff as claimed by the Petitioner

In the petition the petitioner has proposed the capital cost of Transmission Line and the Transmission Charges as given in the table below:

(Rs Crore)

Sl. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	Total Cost	21.82	21.82	33.31	33.31	33.31	33.31
2	Debts	15.27	15.27	23.32	23.32	23.32	23.32
3	Equity	6.55	6.55	9.99	9.99	9.99	9.99
4	Depreciation	0.71	0.71	0.92	1.58	1.58	1.58
5	Interest on Loan	1.35	1.20	1.04	1.73	1.50	1.26
6	Interest on Working Capital	0.11	0.10	0.10	0.21	0.21	0.21
7	Return on Equity	0.92	0.92	1.16	1.60	1.60	1.60
8	O & M Expense	0.49	0.49	0.67	1.67	1.73	1.79
9	Income Tax	0.00	0.00	0.00	0.34	0.34	0.34
10	Advance against depreciation	0.66	0.66	0.66			
	Total	4.23	4.08	4.55	7.13	6.95	6.78

2.1 The Petitioner submitted that the Commission vide order dated 29.06.2016 approved the transmission line Capital Cost at Rs 21.82 crore excluding the cost of dedicated



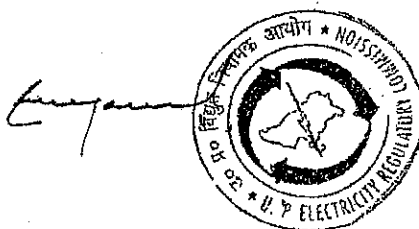
bays at the PGCIL's substation at Shahajanpur. PGCIL has now commissioned two number of 400 KV ROSA Main bays and two number 400KV ROSA Tie bays of Rosa Power only at 400/220 KV Switchyard at POWERGRID, Shahjahanpur Substation on 30.3.2017 and the work has been undertaken by PGCIL on deposit work basis.

2.2 The Petitioner has claimed as under:

- i. RoE as 16% as per UPERC Regulation,
- ii. Operation and maintenance expenses are computed as per UPERC Transmission Tariff Regulations, 2006 as O&M expenses incurred by RPSCL are combined for both generation and transmission business and no separate break up in terms of A&G, R&M and Employee expenses are maintained for transmission line.
- iii. Petitioner submitted that PGCIL is charging around Rs 1.15 Crore at the rate of Rs. 24.46 Lakh / year / bay with yearly escalation @ 3.32% of O&M charges for the Operation & maintenance of bays including routine testing of protection and PLCC as per PGCIL norms . Relevant provision of the MoU shared by PGCIL with RPSCL for signing is reproduced below:

"COMPENSATION

4.1 RPSCL will pay POWERGRID for each line bay charges as per O&M of bays, which at present is Rs. 24.46 Lakh / year / bay with yearly escalation @ 3.32% of O&M charges, fixed for the previous year, thereafter till the validity period of this MOU or mutually agreed period after the expiry of the validity period. To elaborate, the year wise compensation is attached at Annexure-I. However, in case of any change of CERC norms in future, the revised charges for O&M of bays shall be paid by M/s RPSCL to POWERGRID.



4.2 Taxes applicable and payable by POWERGRID on the services provided, during this contractual period shall be paid additionally by RPSCL."

3. ARR and Tariff as determined by the Commission

3.1 The Petitioner has filed petition for the FY 2014-15 to FY 2019-20. Since the tariffs for FY 2014-15, FY 2015-16 and FY 2016-17 were determined by the Commission vide order dated 29.6.2016 all the factors for these years were taken into consideration and therefore no True-up for the FY 2014-15, 2015-16 and FY 2016-17 is required to be issued. Taken into consideration the facts that two numbers dedicated bays at PGCIL's sub-station at Shahjahanpur were commissioned by PGCIL on 31.3.2017 the Commission has taken into consideration the additional capital cost incurred on installation of these independent bays for RPSCL w.e.f 1.4.2017 and accordingly tariff is being approved for FY 2017-18, FY 2018-19 and FY 2019-20 only. For determination of fixed charges for the period of FY 2017-18 to FY 2019-20, the Commission decided to allow the components of fixed charges as mentioned in the table given below:

Component of fixed charges	Values	Remark
Return on Equity	15.5 %	As per Regulations
Interest on Loan	11.43 %	Weighted average of Interest on Loans
O & M Expense	2.0 %	As claimed by the petitioner, Rs. 24.46 Lakh/year/bay with 3.32% escalation in FY 2016-17 onwards and 2% of Capital cost of Transmission Lines
Interest on working Capital	12.80 %	As per Regulations
Depreciation	5.27 %	As per Regulations



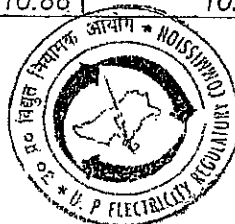
(a) Gross Fixed Assets (GFA) and its components

For the determination of Return on Equity, interest on balance loans and Depreciation it is essential to determine the value of GFA duly supported with the financing program and the value of Net Fixed Assets (NFA) at the end of each financial year. Hence, the GFA and NFA determined at the end of each financial year commencing from FY 2017-18 & FY 2019-20 is shown in the table below:

Calculation of GFA and NFA including financing thereof:

	(Rs Crore)		
	FY 2017-18	FY 2018-19	FY 2019-20
Opening GFA	21.82	33.31	33.31
Additions	11.49	0.00	0.00
Closing GFA	33.31	33.31	33.31
Opening Equity	6.54	9.99	9.99
Additions	3.45	0.00	0.00
Closing Equity	9.99	9.99	9.99
Opening Debt/Loan	8.34	14.99	13.68
Additions	8.04	0.00	0.00
Less Repayments	1.39	1.32	1.25
Closing Debt/Loan	14.99	13.68	12.43
Opening Accumulated Depreciation	6.93	8.32	9.64
Opening NFA/ WDW	14.89	24.99	23.67
(i) Lines	14.89	14.10	13.38
(ii) Bays	0	10.88	10.29
Addition during the year	11.49	0.00	0.00
(i) Lines	0.00	0.00	0.00
(ii) Bays	11.49	0.00	0.00
Depreciation during the year	1.39	1.32	1.25
(i) Lines	0.78	0.72	0.69
(ii) Bays	0.61	0.59	0.56
Closing Accumulated Depreciation	8.32	9.64	10.88
(i) Lines	7.71	8.44	9.12
(ii) Bays	0.61	1.20	1.76
Closing NFA	24.99	23.67	22.42
(i) Lines	14.10	13.38	12.69
(ii) Bays	10.88	10.29	9.73

Signature



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(b) ROE, Depreciation, O & M Charge and Interest on Loans

On the basis of decision of the Commission in foregoing paragraphs and the details of GFA, NFA and financing as above at the end of each financial year from FY 2017-18 to FY 2019-20 Return on Equity, Depreciation, Operation and Maintenance Charges and Interest on Loans are worked out as per MYT Transmission Tariff Regulations 2014, as under:

Details of ROE, Depreciation, O & M charges and Interest on Loans

	(Rs. Crore)		
	FY 2017-18	FY 2018-19	FY 2019-20
Opening Equity	6.54	9.99	9.99
Additions	3.45	0.00	0.00
Closing Equity	9.99	9.99	9.99
Return on Equity @15.5%	1.55	1.55	1.55
Opening Debt/Loan	8.34	14.99	13.68
Additions	8.04	0.00	0.00
Less Repayments	1.39	1.32	1.25
Closing Debt/Loan	14.99	13.68	12.43
Interest on Loan @ 11.43%	1.79	1.64	1.49
Opening Accumulated Depreciation	6.93	8.32	9.64
Opening NFA/ WDW	14.89	24.99	23.67
(i) Lines	14.89	14.10	13.38
(ii) Bays	0	10.88	10.29
Addition during the year	11.49	0.00	0.00
(i) Lines	0.00	0.00	0.00
(ii) Bays	11.49	0.00	0.00
Depreciation during the year	1.39	1.32	1.25
(i) Lines	0.78	0.72	0.69
(ii) Bays	0.61	0.59	0.56
Closing Accumulated Depreciation	8.32	9.64	10.88
(i) Lines	7.71	8.44	9.12
(ii) Bays	0.61	1.20	1.76
Closing NFA	24.99	23.67	22.42
(i) Lines	14.10	13.38	12.69
(ii) Bays	10.88	10.29	9.73
O&M Expenses	1.17	1.19	1.21



(c) Working Capital as determined by the Commission and computation of Interest thereon.

(Rs Crore)

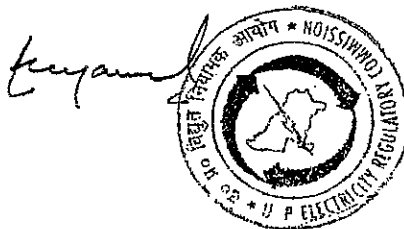
Sl. No.	Particulars	2017-18	2018-19	2019-20
1	One month's O & M Expenses	0.10	0.10	0.10
2	Maintenance Spares @ 40% of R. & M Expenses for two months	0.08	0.08	0.08
3	Receivables for 2 months	1.009	0.97	0.94
4	Total working capital	1.18	1.15	1.12
5	Rates of interest	12.80%	12.80%	12.80%
6	Interest on Working Capital	0.15	0.15	0.14

(d) Comparative table of Transmission charges as claimed by the petition vis. a vis as determined by the Commission

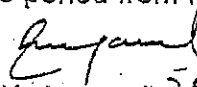
(Rs. Crore)

Sl. No.	Particulars	FY 2017-18			FY 2018-19		
		As claimed by RPSCL	As determined by Commission	Difference	As claimed by RPSCL	As determined by Commission	Difference
1	Return on Equity	1.60	1.17	-0.43	1.60	1.19	-0.41
2	Interest on Loans	1.73	1.55	-0.18	1.5	1.55	0.05
3	Depreciation	1.58	1.79	0.21	1.58	1.64	0.06
4	O & M Charges	1.67	1.39	-0.28	1.73	1.32	-0.41
5	Interest on working capital	0.21	0.15	-0.06	0.14	0.15	0.01
6	Income Tax	0.34	0.00	-0.34	0.34	0.00	-0.34
7	Total	7.13	6.06	-1.07	6.89	5.84	-1.05

Sl. No.	Particulars	FY 2019-20		
		As claimed by RPSCL	As determined by Commission	Difference
1	Return on Equity	1.60	1.21	-0.39
2	Interest on Loans	1.26	1.55	0.29
3	Depreciation	1.58	1.49	-0.09
4	O & M Charges	1.79	1.25	-0.54
5	Interest on working capital	0.21	0.14	-0.07
6	Income Tax	0.34	0.00	-0.34
7	Total	6.78	5.64	-1.14



The Commission directs RPSCL to claim the fixed charges for the period from FY 2017-18 to FY 2019-20 on quarterly basis.


(S.K. Agarwal) 29.1.18

Chairman

Dated: 29.01.2018





RELIANCE



FORMATS FOR TRUE-UP, APR and ARR/ TARIFF FILING BY TRANSMISSION LICENSEES

1	S1	Profit & Loss Account
2	S2	Balance Sheet
3	S3	Cash Flow Statement
4	F1	Annual Revenue Requirement
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Form No: S1

Name of Transmission Licensee

Rosa Power Supply Company Limited

Profit/Loss Account

Sl. No.	Particulars	Rs. Crores	
		Year	Years
		FY 2019-20	FY 2020-21
A	Revenue/Income		
1	Revenue from Transmission/ Wheeling charges	5.64	6.85
2	Income through SLDC Function (In case of STU when STU is operating the SLDC)		
3	Non-tariff income		
4	Revenues through subsidies & grants (if any)		
5	Any other Income		
	Total Revenue or Income	5.64	6.85
B	Expenditure (Pertaining to transmission business only)		
1	Repair and Maintenance Cost	1.95	2.00
2	Employee costs	0.00	0.00
3	Administration and General expenses	0.00	0.00
4	Bad Debts and Provisions		
5	Net prior period (credit)/ debit charges		
6	Other Debts/ Write-offs / (Credits, Write backs)		
7	Extraordinary Items (specify items)		
8	Less: Expenses Capitalized		
C	PBDIT (A-B)	3.69	4.85
D	Depreciation and related debits	1.25	1.58
E	PBIT (C-D)	2.44	3.27
1	Interest & Finance Charges	1.67	1.40
2	Less: Interest Capitalized		
F	Total Interest and Finance Charges	1.67	1.40
G	TOTAL EXPENDITURE (B+D+F)	4.87	4.98
H	Profit/ (Loss) before tax (A-G)	0.77	1.86
I	Income Tax		
J	Profit/Loss after Tax (A-G-I)		
K	Other comprehensive income		
L	Net income after other comprehensive income		

Form No: S2

Name of Transmission Licensee

Rosa Power Supply Company Limited

Balance Sheet

		Rs Crores	
S.No.	Particulars	Year	Year
		FY 2019-20	FY 2020-21
I.	ASSETS		
A)	Non-current Assets		
a)	Property plant & Equipment	23.67	22.43
b)	Capital Work-in progress		
c)	Other Intangible Assets		
B)	Current Assets		
a)	Inventories (Stores & Spares)		
b)	Financial Assets		
i)	Trade Receivables		
ii)	Cash and cash equivalents		
c)	Other Current Assets		
	TOTAL ASSETS (A+B)	23.67	22.43
II.	EQUITY AND LIABILITIES		
C)	Equity		
a)	Equity Share Capital	9.99	9.99
b)	Other Equity		
D)	Liabilities		
1	Non-current Liabilities		
a)	Financial Liabilities	13.68	12.43
b)	Provisions		
2	Current Liabilities		
a)	Financial Liabilities		
b)	Other Current Liabilities		
c)	Provisions		
	TOTAL EQUITY AND LIABILITIES (C+D)	23.67	22.42

me

		Rs. Crores	
Sl. No.	Particulars	Year	Year
		FY-2019-20	FY-2020-21
A	Net Funds from Operations:		
	Net (loss) / Profit before tax but after exceptional extraordinary items	0.77	1.86
	Adjustments For		
	i Depreciation and Amortisation	1.25	1.58
	ii Revenue recognized from consumer contribution		
	iii Proceeds from consumer contributions		
	iv Interest and Finance Charges	1.67	1.40
	v Income from Investment		
	vi (Profit)/ Losses on Fixed Assets sold		
	vii Miscellaneous Expenditure Written off		
	viii Deferred Revenue Expenditure written off		
	ix Debts/Advances written off		
	x Provision for losses due to theft of fixed assets		
	xi Provision for Bad & Doubtful Debts		
	xii Liability no longer required written back		
	Provision for obsolete/ unserviceable/ shortage/ loss of stores adjusted		
	xiii Provision for Gratuity & Leave Encashment		
	xv Interest Income		
	Exceptional/ Extraordinary items Expenses		
	xvi (Income)		
	xvii Diminution in Value of Investments		
	A.1 Operating Profit before Working Capital changes	1.67	1.40
	A.2 Adjustment for Changes in Working Capital		
	(i) (Increase)/Decrease in Sundry Debtors		
	(ii) (Increase)/Decrease in other receivables		
	(iii) (Increase)/Decrease in Inventories (Stores and Spares)		
	(iv) (Increase)/Decrease in Trade and Other Payables		
	(v) (Increase)/ Decrease in other current Assets		
	(vi) (Increase)/ Decrease in other current Liabilities		
	Cash Generated from Operations (A.1+A.2)	1.67	1.40
	A.3 Taxes (Paid)/ Received (Net of TDS)		
	A.4 Net Cash from Operating Activities	1.67	1.40
B	Cash Flow from Investing Activities		
	i Purchase of Fixed Assets:		
	i.a Addition during the Period		
	ii Capital Work in Progress:		
	ii.a Addition during the period		
	iii Proceeds from Sale of Fixed assets		
	iv Increase /Decrease in Intangible Assets		
	iv Proceed from Sale of Investments		
	v Purchase of Investments		
	vi Interest received (Revenue)		
	Net Cash used in Investing Activities		
C	Cash Flow from Financing Activities		
	i Proceeds /(Repayments) of long term borrowings (net)	-1.25	-1.58
	ii Proceeds from Share Capital		
	iii Proceeds from Share Application money		
	iv Capital contribution from consumers		
	v Consumer security deposit (if any)		
	vi Proceeds/(Repayment) from cash credit (net)		
	vii Other Long term Liabilities		
	viii Interest and Finance Charges	-1.67	-1.40
	Net Cash flow from Financing Activities	-2.91	-2.99
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	-1.25	-1.58
E	Cash & Cash Equivalents as at beginning of the Financial Year		-1.25
F	Cash & Cash Equivalents as at end of the Financial Year	-1.25	-2.83

* Previous year of the Trued- Up year

** Year being Trued- Up

m No: F1

Name of Transmission Licensee

Name of Revenue Regulator

Rosa Power Supply Company Limited

Particulars	FY 2018-19						FY 2019-20						Rs. Crores	
	FY 2018-19		FY 2018-19		FY 2018-19		FY 2019-20		FY 2019-20		FY 2019-20			
	Approved (A)	Revised (B)	Approved (C)	Revised (D)	Approved (E)	Revised (F)	Projected (G)	Projected (H)	Projected (I)	Projected (J)	Projected (K)			
Energy Available (MU)	4088	4088	4088	4088	4099	4099	4088	4088	4088	4099	4088			
Energy Transmitted/ Wheeled (MU)	4088	4088	4088	4088	4099	4099	4088	4088	4088	4099	4088			
Loss %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			
Transmission Tariff per unit (Rs./kWh)	0.015	0.015	0.014	0.014	0.014	0.014	0.017	0.017	0.016	0%	0%			
Total Transmission System Capacity (In MW)	600	600	600	600	600	600	600	600	600	0.015	0.015			
Transmission Cost per MW	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	600	600			
Max Demand handled by the transmission system (In MW)	600	600	600	600	600	600	600	600	600	0.0	0.0			
Income from Transmission Function										600	600			
Receipts														
Transmission/Wheeling Charges at current tariff rates	6.05	6.05	5.85	5.85	5.64	5.64	6.85	6.81	6.63	6.28	6.23			
Subsidy from Govt. (If any)														
Total Receipts (A)	6.05	6.05	5.85	5.85	5.64	5.64	6.85	6.81	6.63	6.28	6.23			
Expenditure														
Net O&M Expenses														
O&M Expense including PGCIL Bay maintenance charges	1.17	1.68	1.19	1.71	1.21	1.95	2.00	2.06	2.13	2.20	2.27			
Net Employee Expenses														
Net A&G Expense					0.00	0.00	0.00	0.00	0.00	0.00	0.00			
Total Net O&M expenses (H+I+J)	1.17	1.68	1.19	1.71	1.21	1.95	2.00	2.06	2.13	2.20	2.27			
Depreciation	1.39	1.39	1.32	1.32	1.25	1.25	1.58	1.58	1.58	1.58	1.58			
Interest on Loan	1.79	1.79	1.64	1.64	1.49	1.49	1.28	1.17	0.94	0.51	0.40			
Interest on Working Capital	0.15	0.17	0.15	0.17	0.14	0.17	0.12	0.12	0.12	0.12	0.12			
Contribution towards Contingency Fund							0.17	0.17	0.17	0.17	0.17			
Return on Equity	1.55	1.55	1.55	1.55	1.55	1.55	1.45	1.45	1.45	1.45	1.45			
Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25			
Total Expenditure (B)	6.05	6.59	5.85	6.90	5.64	6.41	6.85	6.81	6.63	6.28	6.23			
Other Deductions														
Income from other Business	0	0	0	0	0	0	0	0	0	0	0			
Non tariff Income	0	0	0	0	0	0	0	0	0	0	0			
75% of Charges recovered from Short Term open access customers	0	0	0	0	0	0	0	0	0	0	0			
Total Other Deductions (C)	0	0	0	0	0	0	0	0	0	0	0			
Net Income for Transmission Function (E1-E2)	6.05	6.59	5.85	6.90	5.64	6.41	6.85	6.81	6.63	6.28	6.23			
ARR for SLDC Function														
Revenue from SLDC Fee and Charges (When STU is operating the SLDC)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA			
SLDC Expenses (When STU is operating the SLDC)	0	0	0	0	0	0	0	0	0	0	0			
Net ARR for SLDC function (E1-E2)	0	0	0	0	0	0	0	0	0	0	0			
Net Annual Revenue Requirement of Licensee (D-E)	6.05	6.59	5.85	6.90	5.64	6.41	6.85	6.81	6.63	6.28	6.23			
Shortfall/ Excess before tariff revision impact (F-A)	0.00	0.54	0.00	0.33	0.00	0.77	0.00	0.00	0.00	0.00	0.00			
Tariff Revision Impact	6.05	6.59	5.85	6.90	5.64	6.41	6.85	6.81	6.63	6.28	6.23			
Shortfall/ Excess after tariff revision impact	0.00	0.54	0.00	0.33	0.00	0.77	0.00	0.00	0.00	0.00	0.00			
The ARR of SLDC shall be filed separately by SLDC.														
Wherever required rows may be inserted to accommodate extra data.														

Form No: F2

Name of Transmission Licensee

Rosa Power Supply Company Limited

Allotted Transmission Capacity (MW) for the period of transmission customers

S.No.	Particulars	FY 2019-20		FY 2020-21		Forecast Period		
		Approved (MW)	Revised Estimate	Projected	Projected	FY 2021-22	FY 2022-23	FY 2023-24
A	Distribution Licensees							
1	Madhayanchal Vidyut Vitran Nigam Limited, Lucknow							
2	Paschimanchal Vidyut Vitran Nigam Limited, Meerut							
3	Purvanchal Vidyut Vitran Nigam Limited, Varanasi	600	600	600	600	600	600	600
4	Dakshinanchal Vidyut Vitran Nigam Limited, Agra							
5	Noida Power Company Limited							
6	KESCO							
7	Others							
	I.							
	II.							
	Sum of Total Allotted Transmission Capacity for Distribution Licensees	600	600	600	600	600	600	600
B	Bulk Consumers/Long Term Open Access Customers (If any)							
1								
2								
3								
	Sum of Total Allotted Transmission Capacity for Bulk Consumers/Long Term Open Access Customers (If any)	0	0	0	0	0	0	0
	Total (A+B)	600	600	600	600	600	600	600

Form No: F3A

Name of Transmission Licensee

Rosa Power Supply Company Limited

Charges to be paid by Long Term Transmission Customers

S.No.	Particulars	Rs. Crores						
		APR		Control Period				
		FY 2019-20		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Approved (In Cro)	Revised Estimate	Projected	Projected	Projected	Projected	Projected
A	Distribution Licensees							
1	Madhayanchal Vidyut Vitran Nigam Limited, Lucknow	5.64	6.41	6.85	6.81	6.63	6.28	6.23
2	Paschimanchal Vidyut Vitran Nigam Limited, Meerut							
3	Purvanchal Vidyut Vitran Nigam Limited, Varansi							
4	Dakshinanchal Vidyut Vitran Nigam Limited, Agra							
5	Nolda Power Company Limited							
6	KESCO							
7	Others							
	i.							
	ii.							
B	Bulk Consumers/Long Term Open Access Consumers (If any)							
1								
2								
3								
	Total	5.64	6.41	6.85	6.81	6.63	6.28	6.23

Form No: F4

Name of Transmission Licensee

Rosa Power Supply Company Limited

Energy Transmitted/Wheeled (MU)

A) Energy Transmitted/ Wheeled (MU)

S.No	Particulars	APR		Control Period				
		FY 2023-24		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Approved (in 0)	Revised Estimates	Projected	Projected	Projected	Projected	Projected
A	Distribution Licensees							
1	MVVNL (Lucknow)	4099	4099	4088	4088	4088	4099	4088
2	PVVNL (Meerut)							
3	PVVNL (Varanasi)							
4	DVVNL (Agra)							
5	NPCL							
6	KESCO							
7	Others							
B	Bulk Consumers/Long Term Open Access Consumers (If any)							
1								
2								
	TOTAL	4099	4099	4088	4088	4088	4099	4088

Form No: F4A

Name of Transmission Licensee

Rosa Power Supply Company Limited

Section of Expected Revenue at Current Tariff Rates

S.No.	Particulars	Rs. Crores						
		APR		Control Period				
		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
		Approved in FY	Revised Estimates	Projected	Projected	Projected	Projected	Projected
A	Distribution Licensees							
1	Madhayanchal Vidyut Vitran Nigam Limited, Lucknow	5.64	6.41					
2	Paschimanchal Vidyut Vitran Nigam Limited, Meerut							
3	Purvanchal Vidyut Vitran Nigam Limited, Varanasi							
4	Dakshinanchal Vidyut Vitran Nigam Limited, Agra							
5	Noida Power Company Limited							
6	KESCO							
7	Others							
	i.							
	ii.							
	TOTAL	5.64	6.41	0.00	0.00	0.00	0.00	0.00
B	Bulk Consumers/Long Term Open Access Consumers (if any)							
1								
2								
	TOTAL	0	0	0	0	0	0	0
	Grand Total	5.64	6.41	0.00	0.00	0.00	0.00	0.00

Form No. F4B

Name of the Transmission Licensee

Rosa Power Supply Company Limited

Break-up of Revenue

Long Term TSUs

Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Transmission Capacity utilised in MW	600	600	600	600	600	600	600	600	600	600	600	600	600
FY 21 Revenue in Rs. Crore	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	6.85
FY 22 Revenue in Rs. Crore	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	6.81
FY 23 Revenue in Rs. Crore	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	6.63
FY 24 Revenue in Rs. Crore	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	6.28
FY 25 Revenue in Rs. Crore	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	6.23

Medium Term TSUs

Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Transmission Capacity utilised in MW													
Revenue in Rs. Crore													

Short Term TSUs

Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Transmission Capacity utilised in MW													
Revenue in Rs. Crore													

Total

Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total (A)	Projected in the next month (B)	Deviation (A) - (B)
Transmission Capacity utilised in MW	600	600	600	600	600	600	600	600	600	600	600	600	600	600	0
FY 21 Revenue in Rs. Crore	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	6.85	6.85	-6.85
FY 22 Revenue in Rs. Crore	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	6.81	6.81	-6.81
FY 23 Revenue in Rs. Crore	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	6.63	6.63	-6.63
FY 24 Revenue in Rs. Crore	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	6.28	6.28	-6.28
FY 25 Revenue in Rs. Crore	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	6.23	6.23	-6.23

Note: Where transmission charges for Intra-state System payable for a month by a Long-Term, Medium-Term and Short-Term transmission customer shall be computed as per Regulation 33.2 of UPERC MYT Distribution & Transmission Regulations, 2019.

mm

Form No: F4C

Name of Transmission Licensee

Rosa Power Supply Company Limited

Projection of Expected Revenue at Proposed Tariff Rates

S.No.	Particulars	Rs. Crores				
		Control Region				
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Projected	Projected	Projected	Projected	Projected
A	Distribution Licensees					
1	Madhayanchal Vidyut Vitran Nigam Limited, Lucknow	6.85	6.81	6.63	6.28	6.23
2	Paschimanchal Vidyut Vitran Nigam Limited, Meerut					
3	Purvanchal Vidyut Vitran Nigam Limited, Varansi					
4	Dakshinanchal Vidyut Vitran Nigam Limited, Agra					
5	Noida Power Company Limited					
6	KESCO					
7	Others					
i.						
ii.						
	TOTAL	6.85	6.81	6.63	6.28	6.23
B	Bulk Consumers/Long Term Open Access Consumers (If any)					
1						
2						
	TOTAL					
	Grand Total	6.85	6.81	6.63	6.28	6.23
Less	Tariff at Current Rates	0.00	0.00	0.00	0.00	0.00
	Impact of Tariff Revision	6.85	6.81	6.63	6.28	6.23

m/s

m No: F5

Name of Transmission Licensee

Rosa Power Supply Company Limited

Details of Transmission Lines and Substations

Details of Transmission Lines							
No.	Name of line	Type of line AC/ HVDC	S/C or D/C	No. of Sub-conductors	Voltage level (kv)	Line length (km)	Date of Commercial operation
1	Rosa TPP to PGCIL Network	AC	D/C	2 (Twin Moose)	400	7.2	15.03.2012
2							
3							
-							
-							
-							
-							

Details of Substations							
No.	Name of Sub-station	Type of Substation conventional/ etc	Voltage level (kv)	No. of transformer Reactors/ SVCs etc (with capacity)	No. of Bays	Date of commercial operation	Covered in this petition (Yes/No)
1	400/220 KV PGCIL Substation Shahjahanpur, Uttar Pradesh	Conventional	400/220		4	Ckt 1: 22 Mar 2017 Ckt 2: 04 Mar 2017	Yes
2							
3							
4							
-							
-							
-							

Note:- Information to be provided for past year, True-Up year and APR year.

n No: F6

ie of Transmission Licensee

Rosa Power Supply Company Limited

ative Parameters Considered for tariff computations

No.	Particulars	Units	DAAR		Control Period				
			FY 2019-20		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
			Approved (in %)	Revised estimate	Projected	Projected	Projected	Projected	Projected
1	Base Rate of Return on Equity	%	15.5%	15.5%	14.5%	14.5%	14.5%	14.5%	14.5%
2	Tax Rate	%		21.55%	17.16%	17.16%	17.16%	17.16%	17.16%
3	Target Availability	%							
	AC System	%		98	98	98	98	98	98
	HVDC bi-pole links	%							
	HVDC back-to-back Stations	%							
4	Normative O&M per ckt.km	Rs. Crores							
5	Normative O&M per bay	Rs. Crores							
6	Normative A&G expenses per ckt.km	Rs. Crores							
7	Normative A&G per bay	Rs. Crores							
8	Normative R&M expenses	% of GFA							
9	Maintenance Spares for Working Capital	% of O&M		40%	40%	40%	40%	40%	40%
	Receivables for Working Capital	In Months		2	1.5	1.5	1.5	1.5	1.5
1	SBI-MCLR (1-year) as on 01 Oct 2019 + 250 basis points (Applicable Rate of Interest for IOWC)	%			10.65%	10.65%	10.65%	10.65%	10.65%

Form No: F7

Name of Transmission Licensee

Rosa Power Supply Company Limited

Abstract of Capital Cost

Rs Crores

S/N	Particulars	Past Years					APR		Control Period				
		FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	Approved (in 10)	Revised Estimates	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	Capital Cost as admitted by UPERC	21.82	21.82	21.82	33.31	33.31	33.31		33.31	33.31	33.31	33.31	33.31
	Capital cost admitted as on 15 Mar 2012	21.82											
	(Give reference of the UPERC relevant Order with Petition No. & Date)	UPERC Order in Petition No 837/2012 dated 29 Jun 2016 and Corregendum dated 20 Oct 2016			UPERC Order in Petition No 1197 of 2017 dated 29 Jan 2018								
2	Less : Gross Block of Assets not in use												
3	Less : Consumer Contribution and Grants												
4	Less: Capital liabilities												
5	Total Capital Cost admitted	21.82	21.82	21.82	33.31	33.31	33.31	0.00	33.31	33.31	33.31	33.31	33.31
6	Less: Deductions during the year												
7	Increase /Decrease due to Additional Capital Expenditure (ACE)			11.49	0.00								
8	Increase /Decrease due to FERV												
9	Less: Capital liabilities on account of ACE												
10	Add: Capital Liabilities Paid during the year												
11	Capital Cost for Purpose of ARR	21.82	21.82	33.31	33.31	33.31	33.31	0.00	33.31	33.31	33.31	33.31	33.31

Form No: F8

Name of Transmission Licensee

Rosa Power Supply Company Limited

Reconciliation of Capital Cost with Gross Block

S.No	Particulars	Past Years					APR FY 2019-20 Approved (in 10)	Control Period					Rs. Crores
		FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	
		Trued Up	Trued Up	Trued Up	Trued Up	Trued Up		Projected	Projected	Projected	Projected	Projected	
A	Gross Block (Opening)	28.79	21.82	21.82	33.31	33.31	33.31	33.31	33.31	33.31	33.31	33.31	
B	Add: Expenditure allowed but not capitalized												
C	Less :Expenditure Capitalized but not allowed	6.97											
D	Capital cost Admitted (A+B-C)	21.82	21.82	21.82	33.31	33.31	33.31	33.31	33.31	33.31	33.31	33.31	33.31

[Signature]

Form No. F8B

Name of the Transmission Licensee

Rosa Power Supply Company Limited

Project Details Capital Work in Progress Project wise details

Sr. No.	Project Code	Cumulative		Opening CWIP	Investment during the year	Capital Work in Progress				Rs. Crore
		Expenditure Incurred	Expenditure Capitalised			Works Capitalised	Interest Capitalised	Expense Capitalised	Total Capitalisation	
	FY 2017-18									
	a) Scheme 1									
	b) Scheme 2									
	...									
	FY 2018-19									
	a) Scheme 1									
	b) Scheme 2									
	...									
	FY 2019-20									
	a) Scheme 1									
	b) Scheme 2									
	...									
	FY 2020-21									
	a) Scheme 1									
	b) Scheme 2									
	...									
	FY 2021-22									
	...									
	...									
	FY 2022-23									
	...									
	...									
	FY 2023-24									
	...									
	...									
	FY 2024-25									
	...									
	...									
	...									
	TOTAL									

Not Applicable

Note: Separate Forms shall be submitted for each Renovation and Modernisation Scheme

[Handwritten Signature]

Form No: F9

Name of Transmission Licensee Rosa Power Supply Company Limited

Statement of Assets Not in Use

Financial Year*						Rs. Crores
Sl. No.	Date of Acquisition/Installation	Historical Cost/Cost of Acquisition	Date of withdrawal operations	Accumulated Depreciation on date of withdrawal	Written down value on date of withdrawal	
Not Applicable						
Note:- Information to be provided for past year, True-Up year, APR year and for whole Control Period						

[Handwritten signature]

Form No: F10

Name of Transmission licensee: Rosa Power Supply Company Limited

Consumer contributions and grant towards

Sl. No.		Particulars		APR		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27		FY 2027-28		FY 2028-29		FY 2029-30		FY 2030-31		FY 2031-32		FY 2032-33		FY 2033-34		FY 2034-35		FY 2035-36		FY 2036-37		FY 2037-38		FY 2038-39		FY 2039-40		FY 2040-41		FY 2041-42		FY 2042-43		FY 2043-44		FY 2044-45		FY 2045-46		FY 2046-47		FY 2047-48		FY 2048-49		FY 2049-50		FY 2050-51		FY 2051-52		FY 2052-53		FY 2053-54		FY 2054-55		FY 2055-56		FY 2056-57		FY 2057-58		FY 2058-59		FY 2059-60		FY 2060-61		FY 2061-62		FY 2062-63		FY 2063-64		FY 2064-65		FY 2065-66		FY 2066-67		FY 2067-68		FY 2068-69		FY 2069-70		FY 2070-71		FY 2071-72		FY 2072-73		FY 2073-74		FY 2074-75		FY 2075-76		FY 2076-77		FY 2077-78		FY 2078-79		FY 2079-80		FY 2080-81		FY 2081-82		FY 2082-83		FY 2083-84		FY 2084-85		FY 2085-86		FY 2086-87		FY 2087-88		FY 2088-89		FY 2089-90		FY 2090-91		FY 2091-92		FY 2092-93		FY 2093-94		FY 2094-95		FY 2095-96		FY 2096-97		FY 2097-98		FY 2098-99		FY 2099-00		FY 2100-01		FY 2101-02		FY 2102-03		FY 2103-04		FY 2104-05		FY 2105-06		FY 2106-07		FY 2107-08		FY 2108-09		FY 2109-10		FY 2110-11		FY 2111-12		FY 2112-13		FY 2113-14		FY 2114-15		FY 2115-16		FY 2116-17		FY 2117-18		FY 2118-19		FY 2119-20		FY 2120-21		FY 2121-22		FY 2122-23		FY 2123-24		FY 2124-25		FY 2125-26		FY 2126-27		FY 2127-28		FY 2128-29		FY 2129-30		FY 2130-31		FY 2131-32		FY 2132-33		FY 2133-34		FY 2134-35		FY 2135-36		FY 2136-37		FY 2137-38		FY 2138-39		FY 2139-40		FY 2140-41		FY 2141-42		FY 2142-43		FY 2143-44		FY 2144-45		FY 2145-46		FY 2146-47		FY 2147-48		FY 2148-49		FY 2149-50		FY 2150-51		FY 2151-52		FY 2152-53		FY 2153-54		FY 2154-55		FY 2155-56		FY 2156-57		FY 2157-58		FY 2158-59		FY 2159-60		FY 2160-61		FY 2161-62		FY 2162-63		FY 2163-64		FY 2164-65		FY 2165-66		FY 2166-67		FY 2167-68		FY 2168-69		FY 2169-70		FY 2170-71		FY 2171-72		FY 2172-73		FY 2173-74		FY 2174-75		FY 2175-76		FY 2176-77		FY 2177-78		FY 2178-79		FY 2179-80		FY 2180-81		FY 2181-82		FY 2182-83		FY 2183-84		FY 2184-85		FY 2185-86		FY 2186-87		FY 2187-88		FY 2188-89		FY 2189-90		FY 2190-91		FY 2191-92		FY 2192-93		FY 2193-94		FY 2194-95		FY 2195-96		FY 2196-97		FY 2197-98		FY 2198-99		FY 2199-00		FY 2200-01		FY 2201-02		FY 2202-03		FY 2203-04		FY 2204-05		FY 2205-06		FY 2206-07		FY 2207-08		FY 2208-09		FY 2209-10		FY 2210-11		FY 2211-12		FY 2212-13		FY 2213-14		FY 2214-15		FY 2215-16		FY 2216-17		FY 2217-18		FY 2218-19		FY 2219-20		FY 2220-21		FY 2221-22		FY 2222-23		FY 2223-24		FY 2224-25		FY 2225-26		FY 2226-27		FY 2227-28		FY 2228-29		FY 2229-30		FY 2230-31		FY 2231-32		FY 2232-33		FY 2233-34		FY 2234-35		FY 2235-36		FY 2236-37		FY 2237-38		FY 2238-39		FY 2239-40		FY 2240-41		FY 2241-42		FY 2242-43		FY 2243-44		FY 2244-45		FY 2245-46		FY 2246-47		FY 2247-48		FY 2248-49		FY 2249-50		FY 2250-51		FY 2251-52		FY 2252-53		FY 2253-54		FY 2254-55		FY 2255-56		FY 2256-57		FY 2257-58		FY 2258-59		FY 2259-60		FY 2260-61		FY 2261-62		FY 2262-63		FY 2263-64		FY 2264-65		FY 2265-66		FY 2266-67		FY 2267-68		FY 2268-69		FY 2269-70		FY 2270-71		FY 2271-72		FY 2272-73		FY 2273-74		FY 2274-75		FY 2275-76		FY 2276-77		FY 2277-78		FY 2278-79		FY 2279-80		FY 2280-81		FY 2281-82		FY 2282-83		FY 2283-84		FY 2284-85		FY 2285-86		FY 2286-87		FY 2287-88		FY 2288-89		FY 2289-90		FY 2290-91		FY 2291-92		FY 2292-93		FY 2293-94		FY 2294-95		FY 2295-96		FY 2296-97		FY 2297-98		FY 2298-99		FY 2299-00		FY 2300-01		FY 2301-02		FY 2302-03		FY 2303-04		FY 2304-05		FY 2305-06		FY 2306-07		FY 2307-08		FY 2308-09		FY 2309-10		FY 2310-11		FY 2311-12		FY 2312-13		FY 2313-14		FY 2314-15		FY 2315-16		FY 2316-17		FY 2317-18		FY 2318-19		FY 2319-20		FY 2320-21		FY 2321-22		FY 2322-23		FY 2323-24		FY 2324-25		FY 2325-26		FY 2326-27		FY 2327-28		FY 2328-29		FY 2329-30		FY 2330-31		FY 2331-32		FY 2332-33		FY 2333-34		FY 2334-35		FY 2335-36		FY 2336-37		FY 2337-38		FY 2338-39		FY 2339-40		FY 2340-41		FY 2341-42		FY 2342-43		FY 2343-44		FY 2344-45		FY 2345-46		FY 2346-47		FY 2347-48		FY 2348-49		FY 2349-50		FY 2350-51		FY 2351-52		FY 2352-53		FY 2353-54		FY 2354-55		FY 2355-56		FY 2356-57		FY 2357-58		FY 2358-59		FY 2359-60		FY 2360-61		FY 2361-62		FY 2362-63		FY 2363-64		FY 2364-65		FY 2365-66		FY 2366-67		FY 2367-68		FY 2368-69		FY 2369-70		FY 2370-71		FY 2371-72		FY 2372-73		FY 2373-74		FY 2374-75		FY 2375-76		FY 2376-77		FY 2377-78		FY 2378-79		FY 2379-80		FY 2380-81		FY 2381-82		FY 2382-83		FY 2383-84		FY 2384-85		FY 2385-86		FY 2386-87		FY 2387-88		FY 2388-89		FY 2389-90		FY 2390-91		FY 2391-92		FY 2392-93		FY 2393-94		FY 2394-95		FY 2395-96		FY 2396-97		FY 2397-98		FY 2398-99		FY 2399-00		FY 2400-01		FY 2401-02		FY 2402-03		FY 2403-04		FY 2404-05		FY 2405-06		FY 2406-07		FY 2407-08		FY 2408-09		FY 2409-10		FY 2410-11		FY 2411-12		FY 2412-13		FY 2413-14		FY 2414-15		FY 2415-16		FY 2416-17		FY 2417-18		FY 2418-19		FY 2419-20		FY 2420-21		FY 2421-22		FY 2422-23		FY 2423-24		FY 2424-25		FY 2425-26		FY 2426-27		FY 2427-28		FY 2428-29		FY 2429-30		FY 2430-31		FY 2431-32		FY 2432-33		FY 2433-34		FY 2434-35		FY 2435-36		FY 2436-37		FY 2437-38		FY 2438-39		FY 2439-40		FY 2440-41		FY 2441-42		FY 2442-43		FY 2443-44		FY 2444-45		FY 2445-46		FY 2446-47		FY 2447-48		FY 2448-49		FY 2449-50		FY 2450-51		FY 2451-52		FY 2452-53		FY 2453-54		FY 2454-55		FY 2455-56		FY 2456-57		FY 2457-58		FY 2458-59		FY 2459-60		FY 2460-61		FY 2461-62		FY 2462-63		FY 2463-64		FY 2464-65		FY 2465-66		FY 2466-67		FY 2467-68		FY 2468-69		FY 2469-70		FY 2470-71		FY 2471-72		FY 2472-73		FY 2473-74		FY 2474-75		FY 2475-76		FY 2476-77		FY 2477-78		FY 2478-79		FY 2479-80		FY 2480-81		FY 2481-82		FY 2482-83		FY 2483-84		FY 2484-85		FY 2485-86		FY 2486-87		FY 2487-88		FY 2488-89		FY 2489-90		FY 2490-91		FY 2491-92		FY 2492-93		FY 2493-94		FY 2494-95		FY 2495-96		FY 2496-97		FY 2497-98		FY 2498-99		FY 2499-00		FY 2500-01		FY 2501-02		FY 2502-03		FY 2503-04		FY 2504-05		FY 2505-06		FY 2506-07		FY 2507-08		FY 2508-09		FY 2509-10		FY 2510-11		FY 2511-12		FY 2512-13		FY 2513-14		FY 2514-15		FY 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2598-99		FY 2599-00		FY 2600-01		FY 2601-02		FY 2602-03		FY 2603-04		FY 2604-05		FY 2605-06		FY 2606-07		FY 2607-08		FY 2608-09		FY 2609-10		FY 2610-11		FY 2611-12		FY 2612-13		FY 2613-14		FY 2614-15		FY 2615-16		FY 2616-17		FY 2617-18		FY 2618-19		FY 2619-20		FY 2620-21		FY 2621-22		FY 2622-23		FY 2623-24		FY 2624-25		FY 2625-26		FY 2626-27		FY 2627-28		FY 2628-29		FY 2629-30		FY 2630-31		FY 2631-32		FY 2632-33		FY 2633-34		FY 2634-35		FY 2635-36		FY 2636-37		FY 2637-38		FY 2638-39		FY 2639-40		FY 2640-41		FY 2641-42		FY 2642-43		FY 2643-44		FY 2644-45		FY 2645-46		FY 2646-47		FY 2647-48		FY 2648-49		FY 2649-50		FY 2650-51		FY 2651-52		FY 2652-53		FY 2653-54		FY 2654-55		FY 2655-56		FY 2656-57		FY 2657-58		FY 2658-59		FY 2659-60		FY 2660-61		FY 2661-62		FY 2662-63		FY 2663-64		FY 2664-65		FY 2665-66		FY 2666-67		FY 2667-68		FY 2668-69		FY 2669-70		FY 2670-71		FY 2671-72		FY 2672-73		FY 2673-74		FY 2674-75		FY 2675-76		FY 2676-77		FY 2677-78		FY 2678-79		FY 2679-80		FY 2680-81		FY 2681-82		FY 2682-83		FY 2683-84		FY 2684-85		FY 2685-86		FY 2686-87		FY 2687-88		FY 2688-89		FY 2689-90		FY 2690-91		FY 2691-92		FY 2692-93		FY 2693-94		FY 2694-95		FY 2695-96		FY 2696-97		FY 2697-98		FY 2698-99		FY 2699-00		FY 2700-01		FY 2701-02		FY 2702-03		FY 2703-04		FY 2704-05		FY 2705-06		FY 2706-07		FY 2707-08		FY 2708-09		FY 2709-10		FY 2710-11		FY 2711-12		FY 2712-13		FY 2713-14		FY 2714-15		FY 2715-16		FY 2716-17		FY 2717-18		FY 2718-19		FY 2719-20		FY 2720-21		FY 2721-22		FY 2722-23		FY 2723-24		FY 2724-25		FY 2725-26		FY 2726-27		FY 2727-28		FY 2728-29		FY 2729-30		FY 2730-31		FY 2731-32		FY 2732-33		FY 2733-34		FY 2734-35		FY 2735-36		FY 2736-37		FY 2737-38		FY 2738-39		FY 2739-40		FY 2740-41		FY 2741-42		FY 2742-43		FY 2743-44		FY 2744-45		FY	
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Form No: F11

Name of Transmission Licensee

Rosa Power Supply Company

Capital Cost Estimates and Schedule of Commissioning for New Projects

Board of Director/ Agency approving the Capital cost estimates:			
Date of approval of the Capital cost estimates:			
		Present Day Cost	Completed Cost
		As of End of	As on
		Qtr. Of the	Scheduled
		year	COD
			of the
			Station
	Price level of approved estimates		
	Foreign Exchange rate considered for the Capital cost estimates		
Capital Cost excluding IDC, FC, FERC & Hedging Cost			
	Foreign Component, if any (In Million US \$ or the relevant Currency)		
	Domestic Component (Rs. crores)		33.31
	Capital cost excluding IDC, FC, FERC & Hedging Cost (Rs. crores)	0	33.31
IDC, FC, FERC & Hedging Cost			
	Foreign Component, if any (In Million US \$ or the relevant Currency)		
	Domestic Component (Rs. crores)		
	Total IDC, FC, FERC & Hedging Cost (Rs. crores)	0	0
	Rate of taxes & duties considered		
Capital cost Including IDC, FC, FERC & Hedging Cost			
	Foreign Component, if any (In Million US \$ or the relevant Currency)	0	0
	Domestic Component (Rs. crores)	0	33.31
	Capital cost Including IDC, FC, FERC & Hedging Cost (Rs. crores)	0	33.31
Schedule of Commissioning			
	COD of Unit-I/ Block-I		
	COD of Unit-II/ Block-II		

	COD of last Unit/ Block		
	Note:		
1. Copy of approval letter should be enclosed.			
2. Information to be provided for past year, True-Up year and APR year.			
3. Details of Capital cost are to be furnished as per Form 14.			

Name of Transmission Licensee

Rosa Power Supply Company Limited

Name of Project/ Cost of Transmission System

No	Break Down	As per original estimates	Actual capital expenditure (Opening)	Liabilities/ provisions	Variation (B-C-D)	Rs. Crores Reasons for Variation
A	B	C	D	E	F	
1	Transmission Line					
1.1	Preliminary works					
1.1.1	Design & Engineering					
1.1.2	Preliminary investigation, Right of way, forest clearance, PTCC, general civil works etc.					
1.2	Total Preliminary works					
2	Transmission Lines material					
2.1	Towers Steel					
2.2	Conductor					
2.3	Earth Wire					
2.4	Insulators					
2.5	Hardware/Fittings					
2.6	Conductor & Earthwire accessories					
2.7	Spares					
2.8	Erection, Stringing & Civil works including foundation					
	Total Transmission Line Material					
3	Taxes and Duties					
3.1	Custom Duty					
3.2	Other Taxes & Duties					
	Total Taxes & Duties					
	Total Transmission Line					
B.	Substations					
4	Preliminary works & land					
4.1	Design & Engineering					
4.2	Land					
4.3	Site preparation					
	Total Preliminary works & land					
5	Civil Works					
5.1	Control Room & Office Building including HVAC					
5.2	Township & Colony					
5.3	Roads and Drainage					
5.4	Foundation for structures					
5.5	Misc. civil works					
	Total Civil Work					
6	Substation Equipments					
6.1	Switchgear (CT, PT, Circuit Breaker, Isolator etc)					
6.2	Transformers					
6.3	Compensating Equipment (Reactor, SVCs etc)					
6.4	Control, Relay & Protection Panel					
6.5	PLCC					
6.6	HVDC package					
6.7	Bus Bars/ conductors/insulators					
6.8	Outdoor lighting					
6.9	Emergency D.G. Set					
6.10	Grounding System					
6.11	Structure for switchyard					
	Total Substation Equipments					
7	Spares					
8	Taxes and Duties					
8.1	Custom Duty					
8.2	Other Taxes & Duties					
	Total Taxes & Duties					
	Total (Substation)					
9	Construction and pre-commissioning expenses					
9.1	Site supervision & site admin. etc.					
9.2	Tools and Plants					
9.3	Construction Insurance					
	Total Construction and pre-commissioning expenses					
10	Overheads					
10.1	Establishment					
10.2	Audit & Accounts					
10.3	Contingency					
	Total Overheads					
11	Total Cost					
12	IDC, FC, PERV & Hedging Cost					
12.1	Interest During Construction (IDC)					
12.2	Financing Charges (FC)					
12.3	Foreign Exchange Rate Variation (FERV)					
12.4	Hedging Cost					
	Total IDC, FC, FERV & Hedging Cost					
13	Total Cost including IDC, FC, FERV & Hedging Cost					

Note:

1. In case of time & Cost over run, a detailed note giving reasons of such time and cost over run should be submitted clearly bring out the agency responsible and whether such time & cost over run was beyond the control of the transmission licensee.
2. Above statement to be provided separately for each transmission line commissioned during the ARR period

Signature of Petitioner



Form No: F13

Name of Transmission Licensee

Rosa Power Supply Company Limited

Statement of Additional Capitalization

No	Year	Work/ Equipment proposed to be added after COB up to Cutoff Date/ Beyond Cutoff Date	Amount Capitalised and Proposed to be Capitalised	Justification	Regulations under which covered	Rs. Crores
						Admitted Cost
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						

Note:

1. To be filed for True- Up year, APR year and for the whole control period.
2. Fill the form in chronological order year wise along with detailed justification clearly bring out the necessity and the benefits accruing to the beneficiaries.
3. In case initial spares are purchased alongwith any equipment, then the cost of such spares should be indicated separately.

Form No: F14

Name of Transmission Licensee

Rosa Power Supply Company Limited

Statement of Capital Cost

S.No.		Particulars	Past year's Date		Rs. Crores		
			FY		True-Up		
			True-Up	True-Up	Approved (in To)	Added	Gained
A	a	Opening Gross Block Amount as per books					
	b	Amount of IDC, FC, FERV & Hedging cost included in A(a) above					
B	a	Additions in Gross Block Amount as per books					
	b	Amount of IDC, FC, FERV & Hedging cost included in B(a) above					
C	a	Closing Gross Block Amount as per books					
	b	Amount of IDC, FC, FERV & Hedging cost included in C(a) above					

Not Applicable

Form No.F14A
Name of Transmission Licensee
Rosa Power Supply Company Limited

Capex and Capitalisation Details		FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25	
Particulars		Investment	Capitalisation	Investment	Capitalisation	Investment	Capitalisation	Investment	Capitalisation	Investment	Capitalisation	Investment	Capitalisation	Investment	Capitalisation	Investment	Capitalisation
Scheme wise																	
Scheme 1																	
Scheme 2																	
Scheme 3																	
...																	
Total including Interest and Employee Cost capitalised (A)																	
Employee Cost Capitalised (B)																	
Interest Expenses Capitalised (C)																	
Total (D= A + B + C)																	
Asset not belonging to Discoms (E)																	
Total (F= D+E)																	

Not Applicable

[Signature]

Form No: F1E

Name of Transmission Licensee
Statement of Capital Work in Progress
Rosa Power Supply Company Limited

S.No.	Particulars	APR		Control Periods					Rs. Crores	
		FY 2019-20		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	Actual	Projected
		Approved (in TO)	Revised Estimate	Projected	Projected	Projected	Projected	Projected		
A	Opening CWIP Amount as per books									
B	Addition/Adjustment in CWIP Amount during the period									
C	Capitalization/Transfer to Fixed asset of CWIP Amount during the period									
D	Closing CWIP Amount as per books									

Not Applicable

[Signature]

Form No: F16

Name of Transmission Licensee **Rosa Power Supply Company Limited**

Reconciliation of Capital Liabilities with Financial Accounts

S.No	Particulars	Past Years Data		Rs Crs		
		FY		FY		
		ended-Up	ended-Up	Approved (In TO)	Audited	Claimed
A.	Capital Liability for Capital Cost Admitted (opening)					
i	Capital Liabilities as per Books (Opening)					
	Less:					
ii	Capital Liabilities for CWIP					
iii	Capital Liabilities for expenditure not allowed					
iv	Capital Liability for Capital Cost allowed by the Commission vide Tariff Order (i-(ii+iii))					
v	Liability paid during current year					
v	Capital Liability of Opening Capital Cost admitted (at year end)(iv-v)					
B	Capital Liability for ACE during the year					
C	Total Capital Liability					

Not Applicable

mb

Form No:F17

Name of Transmission Licensee: Rosa Power Supply Company Limited

Details of Rosa Power Supply Company Limited Stage-II loans:

Particulars	Rs. Crores					
	Package 1	Package 2	Package 3	Package 4	Package 5	Package 6
Source of Loan	Lending Consortium led by IDBI	Axis Bank	Allahabad bank	Syndicate Bank	IDBI	ICICI
Currency	INR	US \$	US \$	US \$	US \$	US \$
Amount of Loan sanctioned	1554	2	1.5	1.5	3.5	9.9
Amount of Gross Loan drawn	1554	2	1.5	1.5	3.5	9.9
Interest Type (Fixed/ Floating)	Floating	Floating	Floating	Floating	Floating	Floating
Fixed Interest Rate, if applicable	-	-	-	-	-	-
Base Rate, if Floating Interest	IDBI base rate	3 month LIBOR	6 month LIBOR	3 month LIBOR	3 Month LIBOR	3 month LIBOR
Margin, if Floating Interest	0.0175	0.0425	0.0415	0.0415	0.0475	0.04535
Are there any Caps/ Floor	No	No	No	No	No	No
If above is yes, specify caps/ floor						
Moratorium Period						
Moratorium effective from						
Repayment Period	12 years	12 years	12 years	12 years	12 years	4 years (starting from 20.02.2018)
Repayment effective from	01-Apr-12	01-Apr-12	01-Jan-12	01-Jan-12	01-Apr-12	20-Feb-18
Repayment Frequency	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Repayment Instalment	32.38	0.04	0.03	0.03	0.07	0.62
Base Exchange Rate	-	50.586	50.586	50.586	50.586	50.586
** No separate loans availed for Transmission Line and is integral part of Rosa Power Supply Company Limited Stage-II debt						

Form No: F18

Name of Transmission Licensee **Rosa Power Supply Company Limited**
Financing of Additional Capitalisation

Particulars	APR		Control Period					Rs Crores
	FY 2019-20		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	
	Approved (in TO)	Revised Estimate	Projected	Projected	Projected	Projected	Projected	
Amount capitalised in Work/ Equipment								
Financing Details								
Loan-1								
Loan-2								
Loan-3 and so on								
Total Loan*								
Equity								
Internal Resources								
Others								
Total								

Not Applicable

prb

Form No: F19

Name of Transmission Licensee

Rosa Power Supply Company Limited

Consumer Price Inflation

Particulars	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Annual Average CPI Index	275.92	284.42	299.92	322.50

Note

1. CPI Index shall be considered from the Website of Ministry of Labour Bureau, Government of India.

Month	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Apr	271	277	288	312
May	275	278	289	314
Jun	277	280	291	316
Jul	280	285	301	319
Aug	278	285	301	320
Sep	277	285	301	322
Oct	278	287	302	325
Nov	277	288	302	328
Dec	275	286	301	330
Jan	274	288	307	330
Feb	274	287	307	328
Mar	275	287	309	326
Average	275.92	284.42	299.92	322.5

Form No: F20

Name of Transmission Licensee

Rosa Power Supply Company Limited

Wholesale Price Inflation

Particulars	Past years					
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Annual Average WPI Index	113.9	109.7	111.6	114.9	119.8	121.8

Note

1. WPI Index shall be considered from the Website of Office of Economic Advisor of Government of India.

Form No.: F21

Name of Transmission Licensee: Rosa Power Supply Company Limited

O&M Expenses:

Sl. No.	Particulars	Tried Up O&M Expenses (Without Inflation Gains/Loss)						MYE Control Period								
		FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
		(a)	(b)	(c)	(d)	(e)	(f) (a)/(b) for (c)/(d)/5 (Average of Gross O&M Expenses)	Regulation factor for FY 2017 (18)	Regulation factor for FY 2018 (19)	Regulation factor for FY 2019 (20)	Normatives	Normatives	Normatives	Normatives	Normatives	Normatives
1	Employee Expenses						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	A&G Expenses						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3a	R & M Expenses	0.48	0.49	0.5	0.67	0.67	0.56	0.58	0.61	0.65	0.67	0.68	0.70	0.72	0.74	0.74
3b	O&M Charges for bays constructed by PGCIL *				1.01	1.04		1.01	1.04	1.29	1.33	1.38	1.43	1.48	1.53	1.53
4	Gross O&M Expenses	0.48	0.49	0.50	1.68	1.71	0.56	1.59	1.65	1.93	2.00	2.06	2.13	2.20	2.27	2.27
5	Expenses Capitalised						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a.	Employee Expenses Capitalised						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b.	A&G Expenses Capitalised						0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Net O&M Expenses	0.48	0.49	0.50	1.68	1.71	0.56	1.59	1.65	1.93	2.00	2.06	2.13	2.20	2.27	2.27

Note: Escalation Factor shall be computed considering CPI: WPI: 60: 40

* Bay maintenance cost and escalation considered at actuals as charged by PGCIL as per MoU dated 18.08.2017 and 19.08.2019

* Basis for calculation of Escalation Factor

Year	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
60 Annual Average CPI Index	276	284	300	323					
40 Annual Average WPI Index	112	115	120	122					
100 Composite Index	210	217	228	242					
Wtd average escalation		3.06%	5.20%	6.30%					

\$ Calculation of CPI and WPI YoY Escalation factor

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
CPI YoY Escalation	3%	5%	8%	5%	6%	6%	6%	6%
WPI YoY Escalation	3%	4%	2%	3%	3%	3%	3%	3%

Year	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
O&M Charges - Approved in TO (A) (Rs. Crs)									
O&M Charges - PGCIL Bays (Rs. Lakh/Bay)									
O&M Charges - PGCIL Bays (Rs. Crs)									
Capital Cost of Transmission Line (Rs Crs)									
O&M Charges @ 2% of capital cost (Rs Crs)									
Total O&M Charges (B)									

Form No: F22A

Name of Transmission Licensee

Rosa Power Supply Company Limited

Employee Expenses

Particulars	Rs. Crores				
	Control Period				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
	Projected	Projected	Projected	Projected	Projected
Gross Employee Expenses	0.00	0.00	0.00	0.00	0.00
Less:					
Employee Expenses Capitalised	0	0	0	0	0
Net Employee Expenses	0.00	0.00	0.00	0.00	0.00

Form No: F223

Name of Transmission Licensee

Rosa Power Supply Company Limited

Name of Project/Line

Rs. Crores											
A Norms per ckt/km											
765 KV HVDC											
400 KV											
220 KV											
132 KV											
66 KV											
Others											
B Length of ckt/km											
765 KV HVDC											
400 KV											
220 KV											
132 KV											
66 KV											
Others											
C Employee Expenses (ckt/km)											
765 KV HVDC											
400 KV											
220 KV											
132 KV											
66 KV											
Others											
Total											
D Norms per bay											
765 KV HVDC											
220 KV											
132 KV											
66 KV											
Others											
E Number of bay											
765 KV HVDC											
220 KV											
132 KV											
66 KV											
Others											
F Employee Expenses (bay)											
765 KV HVDC											
220 KV											
132 KV											
66 KV											
Others											
Total											
G Total Employee Expenses (ckt/km)											

Not Applicable

me

Form No: F22C

Name of Transmission User(s)

Rota Power Supply Company Limited

[illegible]

Form No: F22D

Name of Transmission Licensee: Rosa Power Supply Company Limited

R&M Expenses

		Rs. Crores				
S.No	Particulars	Control Period				
		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Projected	Projected	Projected	Projected	Projected
1.	Repair & Maintenance Expenses	0.67	0.68	0.70	0.72	0.74

[Handwritten signature]

Form No: F22E

Name of Transmission Licensee

Rosa Power Supply Company Limited

Administration and General Expenses

Particulars	Control Period				
	Rs. Crores				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
	Projected	Projected	Projected	Projected	Projected
Gross A&G Expenses	0.00	0.00	0.00	0.00	0.00
Less:					
A&G Expenses Capitalised	0.00	0.00	0.00	0.00	0.00
Net A&G Expenses	0.00	0.00	0.00	0.00	0.00

Form No: F22F

Name of Transmission Licensee

Rosa Power Supply Company Limited

Componentwise Breakdown of Administrative & General Expenses

Sl. No.	Particulars	Year 2017-18										Rs. Crores		
		Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual	Estimated	Actual
1	Lease/ Rent													
2	Insurance													
3	Revenue Stamp Expenses Account													
4	Telephone, Postage, Telegram & Telex Charges													
5	Incentive & Award To Employees/Outsiders													
6	Consultancy Charges													
7	Technical Fees													
8	Other Professional Charges													
9	Conveyance And Travelling													
10	License and Registration Fees													
11	Vehicle Expenses													
12	Security / Service Charges Paid To Outside Agencies													
13	Fee And Subscriptions Books And Periodicals													
14	Printing And Stationery													
15	Advertisement Expenses													
16	Contributions/Donations To Outside Institutes / Associations													
17	Electricity Charges To Offices													
18	Water Charges													
19	Entertainment Charges													
20	Miscellaneous Expenses													
21	Legal Charges													
22	Auditor's Fee													
23	Freight On Capital Equipments													
24	Purchase Related Advertisement Expenses													
25	Vehicle Running Expenses Truck / Delivery Van													
26	Vehicle Hiring Expenses Truck / Delivery Van													
27	Other Freight													
28	Transit Insurance													
29	Octroi													
30	Incidental Stores Expenses													
31	Fabrication Charges													
	Interest and Finance charges such as Credit Rating charges, collection facilitation charges, financing cost of Delayed Payment charge and other finance charges													
	Total A&G Expenses													
	Less: A&G Expenses Capitalised													
	Total A&G Expenses													

Not Applicable

Form No: F22G

Name of Transmission Licensee

Rosa Power Supply Company Limited

Normative Administration & General Expense

S.No.	Particulars	FY 2014-15		FY 2015-16		FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	FY 2036-37	FY 2037-38	FY 2038-39	FY 2039-40	FY 2040-41	FY 2041-42	FY 2042-43	FY 2043-44	FY 2044-45	FY 2045-46	FY 2046-47	FY 2047-48	FY 2048-49	FY 2049-50	FY 2050-51	FY 2051-52	FY 2052-53	FY 2053-54	FY 2054-55	FY 2055-56	FY 2056-57	FY 2057-58	FY 2058-59	FY 2059-60	FY 2060-61	FY 2061-62	FY 2062-63	FY 2063-64	FY 2064-65	FY 2065-66	FY 2066-67	FY 2067-68	FY 2068-69	FY 2069-70	FY 2070-71	FY 2071-72	FY 2072-73	FY 2073-74	FY 2074-75	FY 2075-76	FY 2076-77	FY 2077-78	FY 2078-79	FY 2079-80	FY 2080-81	FY 2081-82	FY 2082-83	FY 2083-84	FY 2084-85	FY 2085-86	FY 2086-87	FY 2087-88	FY 2088-89	FY 2089-90	FY 2090-91	FY 2091-92	FY 2092-93	FY 2093-94	FY 2094-95	FY 2095-96	FY 2096-97	FY 2097-98	FY 2098-99	FY 2099-00	FY 2100-01	FY 2101-02	FY 2102-03	FY 2103-04	FY 2104-05	FY 2105-06	FY 2106-07	FY 2107-08	FY 2108-09	FY 2109-10	FY 2110-11	FY 2111-12	FY 2112-13	FY 2113-14	FY 2114-15	FY 2115-16	FY 2116-17	FY 2117-18	FY 2118-19	FY 2119-20	FY 2120-21	FY 2121-22	FY 2122-23	FY 2123-24	FY 2124-25	FY 2125-26	FY 2126-27	FY 2127-28	FY 2128-29	FY 2129-30	FY 2130-31	FY 2131-32	FY 2132-33	FY 2133-34	FY 2134-35	FY 2135-36	FY 2136-37	FY 2137-38	FY 2138-39	FY 2139-40	FY 2140-41	FY 2141-42	FY 2142-43	FY 2143-44	FY 2144-45	FY 2145-46	FY 2146-47	FY 2147-48	FY 2148-49	FY 2149-50	FY 2150-51	FY 2151-52	FY 2152-53	FY 2153-54	FY 2154-55	FY 2155-56	FY 2156-57	FY 2157-58	FY 2158-59	FY 2159-60	FY 2160-61	FY 2161-62	FY 2162-63	FY 2163-64	FY 2164-65	FY 2165-66	FY 2166-67	FY 2167-68	FY 2168-69	FY 2169-70	FY 2170-71	FY 2171-72	FY 2172-73	FY 2173-74	FY 2174-75	FY 2175-76	FY 2176-77	FY 2177-78	FY 2178-79	FY 2179-80	FY 2180-81	FY 2181-82	FY 2182-83	FY 2183-84	FY 2184-85	FY 2185-86	FY 2186-87	FY 2187-88	FY 2188-89	FY 2189-90	FY 2190-91	FY 2191-92	FY 2192-93	FY 2193-94	FY 2194-95	FY 2195-96	FY 2196-97	FY 2197-98	FY 2198-99	FY 2199-00	FY 2200-01	FY 2201-02	FY 2202-03	FY 2203-04	FY 2204-05	FY 2205-06	FY 2206-07	FY 2207-08	FY 2208-09	FY 2209-10	FY 2210-11	FY 2211-12	FY 2212-13	FY 2213-14	FY 2214-15	FY 2215-16	FY 2216-17	FY 2217-18	FY 2218-19	FY 2219-20	FY 2220-21	FY 2221-22	FY 2222-23	FY 2223-24	FY 2224-25	FY 2225-26	FY 2226-27	FY 2227-28	FY 2228-29	FY 2229-30	FY 2230-31	FY 2231-32	FY 2232-33	FY 2233-34	FY 2234-35	FY 2235-36	FY 2236-37	FY 2237-38	FY 2238-39	FY 2239-40	FY 2240-41	FY 2241-42	FY 2242-43	FY 2243-44	FY 2244-45	FY 2245-46	FY 2246-47	FY 2247-48	FY 2248-49	FY 2249-50	FY 2250-51	FY 2251-52	FY 2252-53	FY 2253-54	FY 2254-55	FY 2255-56	FY 2256-57	FY 2257-58	FY 2258-59	FY 2259-60	FY 2260-61	FY 2261-62	FY 2262-63	FY 2263-64	FY 2264-65	FY 2265-66	FY 2266-67	FY 2267-68	FY 2268-69	FY 2269-70	FY 2270-71	FY 2271-72	FY 2272-73	FY 2273-74	FY 2274-75	FY 2275-76	FY 2276-77	FY 2277-78	FY 2278-79	FY 2279-80	FY 2280-81	FY 2281-82	FY 2282-83	FY 2283-84	FY 2284-85	FY 2285-86	FY 2286-87	FY 2287-88	FY 2288-89	FY 2289-90	FY 2290-91	FY 2291-92	FY 2292-93	FY 2293-94	FY 2294-95	FY 2295-96	FY 2296-97	FY 2297-98	FY 2298-99	FY 2299-00	FY 2300-01	FY 2301-02	FY 2302-03	FY 2303-04	FY 2304-05	FY 2305-06	FY 2306-07	FY 2307-08	FY 2308-09	FY 2309-10	FY 2310-11	FY 2311-12	FY 2312-13	FY 2313-14	FY 2314-15	FY 2315-16	FY 2316-17	FY 2317-18	FY 2318-19	FY 2319-20	FY 2320-21	FY 2321-22	FY 2322-23	FY 2323-24	FY 2324-25	FY 2325-26	FY 2326-27	FY 2327-28	FY 2328-29	FY 2329-30	FY 2330-31	FY 2331-32	FY 2332-33	FY 2333-34	FY 2334-35	FY 2335-36	FY 2336-37	FY 2337-38	FY 2338-39	FY 2339-40	FY 2340-41	FY 2341-42	FY 2342-43	FY 2343-44	FY 2344-45	FY 2345-46	FY 2346-47	FY 2347-48	FY 2348-49	FY 2349-50	FY 2350-51	FY 2351-52	FY 2352-53	FY 2353-54	FY 2354-55	FY 2355-56	FY 2356-57	FY 2357-58	FY 2358-59	FY 2359-60	FY 2360-61	FY 2361-62	FY 2362-63	FY 2363-64	FY 2364-65	FY 2365-66	FY 2366-67	FY 2367-68	FY 2368-69	FY 2369-70	FY 2370-71	FY 2371-72	FY 2372-73	FY 2373-74	FY 2374-75	FY 2375-76	FY 2376-77	FY 2377-78	FY 2378-79	FY 2379-80	FY 2380-81	FY 2381-82	FY 2382-83	FY 2383-84	FY 2384-85	FY 2385-86	FY 2386-87	FY 2387-88	FY 2388-89	FY 2389-90	FY 2390-91	FY 2391-92	FY 2392-93	FY 2393-94	FY 2394-95	FY 2395-96	FY 2396-97	FY 2397-98	FY 2398-99	FY 2399-00	FY 2400-01	FY 2401-02	FY 2402-03	FY 2403-04	FY 2404-05	FY 2405-06	FY 2406-07	FY 2407-08	FY 2408-09	FY 2409-10	FY 2410-11	FY 2411-12	FY 2412-13	FY 2413-14	FY 2414-15	FY 2415-16	FY 2416-17	FY 2417-18	FY 2418-19	FY 2419-20	FY 2420-21	FY 2421-22	FY 2422-23	FY 2423-24	FY 2424-25	FY 2425-26	FY 2426-27	FY 2427-28	FY 2428-29	FY 2429-30	FY 2430-31	FY 2431-32	FY 2432-33	FY 2433-34	FY 2434-35	FY 2435-36	FY 2436-37	FY 2437-38	FY 2438-39	FY 2439-40	FY 2440-41	FY 2441-42	FY 2442-43	FY 2443-44	FY 2444-45	FY 2445-46	FY 2446-47	FY 2447-48	FY 2448-49	FY 2449-50	FY 2450-51	FY 2451-52	FY 2452-53	FY 2453-54	FY 2454-55	FY 2455-56	FY 2456-57	FY 2457-58	FY 2458-59	FY 2459-60	FY 2460-61	FY 2461-62	FY 2462-63	FY 2463-64	FY 2464-65	FY 2465-66	FY 2466-67	FY 2467-68	FY 2468-69	FY 2469-70	FY 2470-71	FY 2471-72	FY 2472-73	FY 2473-74	FY 2474-75	FY 2475-76	FY 2476-77	FY 2477-78	FY 2478-79	FY 2479-80	FY 2480-81	FY 2481-82	FY 2482-83	FY 2483-84	FY 2484-85	FY 2485-86	FY 2486-87	FY 2487-88	FY 2488-89	FY 2489-90	FY 2490-91	FY 2491-92	FY 2492-93	FY 2493-94	FY 2494-95	FY 2495-96	FY 2496-97	FY 2497-98	FY 2498-99	FY 2499-00	FY 2500-01	FY 2501-02	FY 2502-03	FY 2503-04	FY 2504-05	FY 2505-06	FY 2506-07	FY 2507-08	FY 2508-09	FY 2509-10	FY 2510-11	FY 2511-12	FY 2512-13	FY 2513-14	FY 2514-15	FY 2515-16	FY 2516-17	FY 2517-18	FY 2518-19	FY 2519-20	FY 2520-21	FY 2521-22	FY 2522-23	FY 2523-24	FY 2524-25	FY 2525-26	FY 2526-27	FY 2527-28	FY 2528-29	FY 2529-30	FY 2530-31	FY 2531-32	FY 2532-33	FY 2533-34	FY 2534-35	FY 2535-36	FY 2536-37	FY 2537-38	FY 2538-39	FY 2539-40	FY 2540-41	FY 2541-42	FY 2542-43	FY 2543-44	FY 2544-45	FY 2545-46	FY 2546-47	FY 2547-48	FY 2548-49	FY 2549-50	FY 2550-51	FY 2551-52	FY 2552-53	FY 2553-54	FY 2554-55	FY 2555-56	FY 2556-57	FY 2557-58	FY 2558-59	FY 2559-60	FY 2560-61	FY 2561-62	FY 2562-63	FY 2563-64	FY 2564-65	FY 2565-66	FY 2566-67	FY 2567-68	FY 2568-69	FY 2569-70	FY 2570-71	FY 2571-72	FY 2572-73	FY 2573-74	FY 2574-75	FY 2575-76	FY 2576-77	FY 2577-78	FY 2578-79	FY 2579-80	FY 2580-81	FY 2581-82	FY 2582-83	FY 2583-84	FY 2584-85	FY 2585-86	FY 2586-87	FY 2587-88	FY 2588-89	FY 2589-90	FY 2590-91	FY 2591-92	FY 2592-93	FY 2593-94	FY 2594-95	FY 2595-96	FY 2596-97	FY 2597-98	FY 2598-99	FY 2599-00	FY 2600-01	FY 2601-02	FY 2602-03	FY 2603-04	FY 2604-05	FY 2605-06	FY 2606-07	FY 2607-08	FY 2608-09	FY 2609-10	FY 2610-11	FY 2611-12	FY 2612-13	FY 2613-14	FY 2614-15	FY 2615-16	FY 2616-17	FY 2617-18	FY 2618-19	FY 2619-20	FY 2620-21	FY 2621-22	FY 2622-23	FY 2623-24	FY 2624-25	FY 2625-26	FY 2626-27	FY 2627-28	FY 2628-29	FY 2629-30	FY 2630-31	FY 2631-32	FY 2632-33	FY 2633-34	FY 2634-35	FY 2635-36	FY 2636-37	FY 2637-38	FY 2638-39	FY 2639-40	FY 2640-41	FY 2641-42	FY 2642-43	FY 2643-44	FY 2644-45	FY 2645-46	FY 2646-47	FY 2647-48	FY 2648-49	FY 2649-50	FY 2650-51	FY 2651-52	FY 2652-53	FY 2653-54	FY 2654-55	FY 2655-56	FY 2656-57	FY 2657-58	FY 2658-59	FY 2659-60	FY 2660-61	FY 2661-62	FY 2662-63	FY 2663-64	FY 2664-65	FY 2665-66	FY 2666-67	FY 2667-68	FY 2668-69	FY 2669-70	FY 2670-71	FY 2671-72	FY 2672-73	FY 2673-74	FY 2674-75	FY 2675-76	FY 2676-77	FY 2677-78	FY 2678-79	FY 2679-80	FY 2680-81	FY 2681-82	FY 2682-83	FY 2683-84	FY 2684-85	FY 2685-86	FY 2686-87	FY 2687-88	FY 2688-89	FY 2689-90	FY 2690-91	FY 2691-92	FY 2692-93	FY 2693-94	FY 2694-95	FY 2695-96	FY 2696-97	FY 2697-98	FY 2698-99	FY 2699-00	FY 2700-01	FY 2701-02	FY 2702-03	FY 2703-04	FY 2704-05	FY 2705-06	FY 2706-07	FY 2707-08	FY 2708-09	FY 2709-10	FY 2710-11	FY 2711-12	FY 2712-13	FY 2713-14	FY 2714-15	FY 2715-16	FY 2716-17	FY 2717-18	FY 2718-19	FY 2719-20	FY 2720-21	FY 2721-22	FY 2722-23	FY 2723-24	FY 2724-25	FY 2725-26	FY 2726-27	FY 2727-28	FY 2728-29	FY 2729-30	FY 2730-31	FY 2731-32	FY 2732-33	FY 2733-34	FY 2734-35	FY 2735-36	FY 2736-37	FY 2737-38	FY 2738-39	FY 2739-40	FY 2740-41
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Form No: F23

Name of Transmission Licensee Rosa Power Supply Company Limited

Calculation of Depreciation Rate

Fixed Assets and Depreciation For past year, True-Up year, APR year and for each Year of MVT Control Period

Particulars	NFA / WDV FY 2019-20				Depreciation FY 2019-20				(Rs. Crore)	
	As at the beginning of the Financial Year	Additions	Deductions	As at the end of the financial year	As at the beginning of the financial year	Additions	Deductions	As at the end of the financial year	As at the beginning of the financial year	As at the end of the financial year
Land										
Buildings										
Hydraulic works										
Other Civil Works										
Plant & Machinery	23.67	0		23.673	9.64	1.25		10.88	23.67	22.43
Lines & Cables										
Vehicles										
Furniture & Fixtures										
Office Equipments										
Capital Expenditure on Assets not belonging to utility										
Spare Units										
Capital Spares										
TOTAL	23.67	0.00	0.00	23.67	9.64	1.25	0.00	10.88	23.67	22.43
Total as per Audited Account (for True up year only)										

* The particular of asset and rate of depreciation should match with those provided in the applicable Tariff Regulations

Form No. F23A

Name of Transmission Licensee Rosa Power Supply Company Limited

Statement of Depreciation

Rs. Crores

Particulars	Past Years						Control Period				
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	APR FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Capital Cost	21.82	21.82	21.82	33.31	33.31	33.31	33.31	33.31	33.31	33.31	33.31
Less: Value of Non Depreciable Asset											
Value of Depreciable Asset	21.82	21.82	21.82	33.31	33.31	33.31	33.31	33.31	33.31	33.31	33.31
Less: Residual Value (10%)	2.18	2.18	2.18	3.33	3.33	3.33	3.33	3.33	3.33	3.33	3.33
Depreciable Value	19.64	19.64	19.64	29.98	29.98	29.98	29.98	29.98	29.98	29.98	29.98
Depreciation recovered upto Previous Year	2.81	4.18	5.56	6.93	8.32	9.64	10.88	14.05	15.63	17.22	
Remaining Depreciable Value	16.83	15.46	14.08	23.05	21.66	20.34	19.09	17.51	14.35	12.76	
Depreciation recovered/ to be recovered during the year (upto maximum of remaining depreciable value)	0.71	0.71	0.71	1.39	1.32	1.25	1.58	1.58	1.58	1.58	
Advance Against Depreciation	0.66	0.66	0.66								
Balance Depreciable Value	16.12	14.75	13.37	21.66	20.34	19.09	17.51	15.93	14.35	12.76	11.18

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me of Transmission Licensee

Normative Loan

Rosa Power Supply Company Limited

Sl. No.	Particulars	Financial Year 2019-20						Remarks
		Approved	2019-20	2020-21	2021-22	2022-23	2023-24	
1	Opening Balance of Normative Loan							
2	Less: Reduction of Normative Loan due to retirement or replacement of assets	13.68	12.43	10.85	9.27	7.68	6.10	
3	Addition of Normative Loan due to capitalisation during the year							
4	Repayment of Normative Loan during the year							
5	Closing Balance of Normative Loan	1.25	1.58	1.58	1.58	1.58	1.58	
6	Average Balance of Normative Loan	12.43	10.85	9.27	7.68	6.10	4.52	
7	Weighted average Rate of Interest on actual Loans (%)	13.06	11.64	10.06	8.48	6.89	5.31	
8	Interest Expenses	11.43%	11.01%	11.67%	11.06%	7.44%	7.44%	As per Generation MYT Petition for 2019-24 Control Period
9	Interest on Security Deposit from Consumers and Distribution system Users	1.49	1.28	1.17	0.94	0.51	0.40	
10	Total Interest Expenses	1.49	1.28	1.17	0.94	0.51	0.40	

Sl. No. Actual Long-term Loans

Sl. No.	Particulars	Formula	Financial Year 2019-20						Remarks
			2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
1	Source 1								
2	Opening Balance of Loan	A1							
3	Addition of Loan during the year	B1							
4	Loan Repayment during the year	C1							
5	Closing Balance of Loan	D1=A1+B1-C1							
6	Average Loan Balance	E1=(A1+D1)/2							
7	Applicable Rate of Interest for the Financial Year	F1							
8	Interest Amount Paid in Rs. Crore	G1							
9	Source 2								
10	Opening Balance of Loan	A2							
11	Addition of Loan during the year	B2							
12	Loan Repayment during the year	C2							
13	Closing Balance of Loan	D2=A2+B2-C2							
14	Average Loan Balance	E2=(A2+D2)/2							
15	Applicable Rate of Interest for the Financial Year	F2							
16	Interest Amount Paid in Rs. Crore	G2							
17	Source 3								
18	Opening Balance of Loan	A3							
19	Addition of Loan during the year	B3							
20	Loan Repayment during the year	C3							
21	Closing Balance of Loan	D3=A3+B3-C3							
22	Average Loan Balance	E3=(A3+D3)/2							
23	Applicable Rate of Interest for the Financial Year	F3							
24	Interest Amount Paid in Rs. Crore	G3							
25	Total								
26	Opening Balance of Loan = A1+A2+...	A							
27	Addition of Loan during the year = B1+B2+...	B							
28	Loan Repayment during the year = C1+C2+...	C							
29	Closing Balance of Loan	D=A+B-C							
30	Average Loan Balance	E=(A+D)/2							
31	Interest Amount Paid in Rs. Crore (for all the sources) = G1+G2+...	G							
32	Effective Wt. Avg. Rate of Interest	H=G/E * 100							
33	Gross Interest Expenses								
34	Less: Expenses Capitalised								
35	Net Interest Expenses								

Since Transmission line is integral part of Rosa Project, separate Loan account is not available.

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Form No: F25

Name of Transmission Licensee

Rosa Power Supply Company Limited

Statement of Equity

S.No.	Particulars	Particulars						Consolidated Period						Rs Crores	
		15/2014-15	15/2015-16	15/2016-17	15/2017-18	15/2018-19	15/2019-20	15/2020-21	15/2021-22	15/2022-23	15/2023-24	15/2024-25	15/2025-26	15/2026-27	15/2027-28
1	Equity (Opening Balance)	6.54	6.54	6.54	9.987	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99
2	Net additions during the year			3.45	0.00										
3	Equity (Closing Balance)	6.54	6.54	9.987	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99
4	Average Equity	6.54	6.54	8.2635	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99	9.99
5	Rate of Return on Equity	14%	14%	14%	15.5%	15.5%	15.5%	15.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%
6	Return on Equity	0.92	0.92	1.16	1.55	1.55	1.55	1.55	1.45	1.45	1.45	1.45	1.45	1.45	1.45

Form No: F26

Name of Transmission Licensee **Rosa Power Supply Company Limited**

Working Capital Requirements

S.No	Particulars	Past 5 years					APR		Control Period					Rs. Crores	
		FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Approved (in 10)	Revised Estimates	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	
1	O&M expenses for 1 month.	0.04	0.04	0.04	0.14	0.14	0.10		0.16	0.17	0.17	0.18	0.18	0.19	
	One and a half month equivalent of expected revenue from transmission charges at the prevailing Tariff				1.10	1.06	0.94	1.07		0.86	0.85	0.83	0.78	0.78	
2	Maintenance spares at 40% of the R&M Expenses for two months				0.11	0.11	0.08	0.13		0.13	0.14	0.14	0.15	0.15	
3	Less: Security deposits from consumers, if any														
4	Total Working Capital	0.04	0.04	0.04	1.35	1.32	1.12	1.36		1.16	1.16	1.15	1.11	1.11	
	Interest Rate (%)	12.50%	12.50%	12.50%	12.80%	12.80%	12.80%	12.80%	12.80%	10.65%	10.65%	10.65%	10.65%	10.65%	
	Interest on Working Capital	0.01	0.01	0.01	0.17	0.17	0.14	0.17	0.17	0.12	0.12	0.12	0.12	0.12	

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Form No: F27

Name of Transmission Licensee: Rosa Power Supply Company Limited

Details of Non-Tariff Income:

S No.	Particulars	Past Years						Tried Up						Control Period						Rs. Cores			
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
1	Income from rent of land or buildings;																						
2	Income from sale of scrap;																						
3	Income from investments;																						
4	Interest income on advances to suppliers/contractors;																						
5	Interest income on loans / advances to employees;																						
6	Income from rental from staff quarters;																						
7	Income from rental from contractors;																						
8	Income from hire charges from contractors and others;																						
9	Supervision charges for capital works;																						
10	Income from advertisements;																						
11	Income from sale of tender documents;																						
12	Excess found on physical verification;																						
13	Prior Period Income;																						
14	Miscellaneous receipts; and																						
15	Any other Non-Tariff Income:																						
16	Miscellaneous receipts; and																						
17	Any other Non-Tariff Income:																						

Form No: F28

Name of Transmission Licensee: Rosa Power Supply Company Limited

Short term / Medium term Open Access consumers

Particulars	Rs. Crores							
	Provisional	Value Up			Controlled by			
	By	At	For	By	By	By	By	By
	Provisional	Approved (in	Claim		Projected	Projected	Projected	Projected
Number of Short/ Medium Term Open Access Customers		(L)						
Short/ Medium term transmission tariff approved by the Commission								
Revenue from Short/ Medium term OA customers								

Not Applicable

Form No: F29

Name of Transmission Licensee **Rosa Power Supply Company Limited**

Details of Income from other business

Sl.No.	Particulars	Formulae	Past Year				Tide Up				APR				Control Period				N	
			FY	Trace-Up	FY	Trace-Up	FY	Trace-Up	FY	Trace-Up	FY	Trace-Up	FY	Trace-Up	FY	Trace-Up	FY	Trace-Up		
I	Receipts from other Business	I																		
	Less: Expenses from other business	E																		
	Income from other Business	Rel-E																		
	Assets of licensed business utilized in other business	A																		
	Total assets of other business (including the assets utilized of the licensed Business)	C																		
	Allocation of Revenue to Licensed Business decided by the Commission	X																		
	Revenue due to licensed Business (to be deducted from A/C)	A/C																		
III																				

Form No: F30

Name of Transmission Licensee

Rosa Power Supply Company Limited

Details of Expenses Capitalised

Sl No.	Particulars	Past Years						APR		Control Period						Rs. Crores	
		FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2019-20	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2024-25	Projected	Projected
		Traced Up	Traced Up	Traced Up	Traced Up	Traced Up	Approved (in TO)	Re	Re	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
1	Interest & Finance charges Capitalised																
2	Other Expenses Capitalised:																
	a. Employee Expenses																
	b. R&M Expenses																
	c. A&G Expenses																
	d. Depreciation																
	e. Others, if any																
	Total of 2																
	Grand total																

Nil

Form No F31

Name of Transmission Licensee

Rosa Power Supply Company Limited

Income Tax Provisions

S.No.	Particulars	Rs. Crores					
		APR	Control Period				
		FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
		Revised Estimates	Projected	Projected	Projected	Projected	Projected
A	Income of FY	5.64	6.85	6.81	6.63	6.28	6.23
	Less:						
	Income exempt from taxation						
	Credits for carry forward of losses						
	Income from Incentives						
	Net Taxable Income	5.64	6.85	6.81	6.63	6.28	6.23
	Tax Rate	21.55%	17.16%	17.16%	17.16%	17.16%	17.16%
	Tax Amount	1.22	1.17	1.17	1.14	1.08	1.07
	Deposited by Challan1						
	Deposited by Challan2						
	Sub-total						
B	Return on Equity	1.55	1.45	1.45	1.45	1.45	1.45
	Tax Rate	21.55%	17.16%	17.16%	17.16%	17.16%	17.16%
	Tax Amount	0.33	0.25	0.25	0.25	0.25	0.25
	Tax Recoverable from Consumers (Lower of A or B)	0.33	0.25	0.25	0.25	0.25	0.25

Form No: F32

Name of Transmission Licensee
Rosa Power Supply Company Limited

Extraordinary Items

Sl.No.	Particulars	Past Year					Rs. Crores				
		AY 2019-20			AY 2020-21		Control Period				
		Actual	Revised	Final	Actual	Estimated	Projected	Projected	Projected	Projected	Projected
1	Extraordinary Credits										
	Subsidies against losses due to natural disasters										
	TOTAL CREDITS										
2	Extraordinary Debits										
	Subsidies against losses due to natural disasters										
	TOTAL DEBITS										
	Grand Total										

Not Applicable

[Signature]

Form No: F33		CY - 2019-20									
Name of Transmission Licensee		Rosa Power Supply Company Limited									
Allocation Statement of Expenses of SLDC											
Particulars		PY 2					PY 1				
		Total Expenses of STU	Allocated % of Transmission	Transmission Share	Allocated % of SLDC	SLDC Share	Total Expenses of STU	Allocated % of Transmission	Transmission Share	Allocated % of SLDC	SLDC Share
Expenditure											
a Net O&M Expenses											
i R&M Expense											
ii Net Employee Expenses											
iii Net A&G Expense											
Total Net O&M expenses (i+ii+iii)											
b Depreciation											
c Interest on Loan											
f Return on Equity											
g Capital Expenditure											
h Other Expenditure											
i Non-tariff Income											
j Income Tax											
Total Expenditure											

Not Applicable

Note: Whenever required rows may be inserted to accommodate extra data.

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Form No: F34

Name of Transmission Licensee

Rosa Power Supply Company Limited

True-up snapshot

Particulars	Unit	Approved in	Actual as	Claimed	% Change of G&S compared to RAI	Remarks	True-up	% Change of G&S compared to (B)	Remarks
		Tariff Order	per Audited Accounts				of Previous Year		
(A)		(B)	(C)	(D)	(E) = (C)/A		(F) = (B)/E	(G) = (F)/E	
Gross O&M Expenses	Rs Crore								
Employee expenses	Rs Crore								
A&G expenses	Rs Crore								
R&M expenses	Rs Crore								
Interest on Loan Capital	Rs Crore								
Interest on Working Capital	Rs Crore								
Finance Charges*	Rs Crore								
Depreciation	Rs Crore								
Gross Expenditure	Rs Crore								
Less: Employee expenses capitalised	Rs Crore								
Less: A&G expenses capitalised	Rs Crore								
Less: Interest expenses capitalised	Rs Crore								
Net Expenditure	Rs Crore								
Bad Debts & Provisions	Rs Crore								
Prior Period expenses	Rs Crore								
Net Expenditure with provisions	Rs Crore								
Add: Return on Equity (2%)	Rs Crore								
Less: Non-Tariff Income	Rs Crore								
Aggregate Revenue Requirement	Rs Crore								
Revenue from Operations	Rs Crore								
Net Gap/(Surplus)	Rs Crore								
Investments	Rs Crore								
Transferred to GFA (total capitalisation)	Rs Crore								
Energy Handled	MU								
Transmission Tariff	Rs/kWh								
Transmission Loss	%								

Not Applicable

* However, as per the MYT 2019 Regulations, the same will be part of A&G.

Particulars	True-up		Previous Year True-up	
	Rs Crore	%	Rs Crore	%
Net O&M Expenses		100%		100%
a) Net Employee costs				
b) Net A&G expenses				
c) Net R&M expenses				

Particulars	True-up (Rs Crore)	Previous Year True-up
Average Equity		
Rate of Return (%)		
Return on Equity		

Parameters	GMP - GFA Details			True-up Claimed		
	Approved in Tariff Order	Audited Accounts	Approved in True-up	Approved in Tariff Order	Audited Accounts	True-up claimed
Opening V/IP as on 1st April						
Investments						
Employee Expense Capitalisation						
A&G Expense Capitalisation						
Interest Capitalisation						
Transferred to GFA (total capitalisation)						
Closing WIP as on 31st March						
Opening GFA as on 1st April						
Additions						
Deductions						
Closing GFA as on 31st March						
Gross allowable Depreciation						
Net allowable Depreciation						