

BEFORE THE HIMACHAL PRADESH ELECTRICITY  
REGULATORY COMMISSION

PETITION NO.

IN THE MATTER OF:-

M/s Om Hydro Power Limited

..... Petitioner

VERSUS

Himachal Pradesh State Electricity Board Ltd.,

.....Respondent

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**BEFORE THE HIMACHAL PRADESH ELECTRICITY  
REGULATORY COMMISSION**

PETITION NO.

IN THE MATTER OF:-

M/s Om Hydro Power Limited (formerly M/s Om Power Corporation Ltd.,) having its registered Office at Kothari Bhawan, 16/121-1, Faiz Road, Karol Bag, New Delhi-110005, through Shri Dinesh Kumar, S/o. Shri Mehar Chand, Authorised Signatory as per the Board Resolution dated 20.12.2013.

..... Petitioner

VERSUS

Himachal Pradesh State Electricity Board Ltd.,  
Through its Executive Director (Personnel),  
Vidyut Bhawan, Shimla-4.

.....Respondent

**Petition u/s 61,62,86 and 94 of the Electricity Act, 2003 read with regulation 6 of the Himachal Pradesh Electricity Regulatory Commission (Power Procurement from renewal Sources and Co-generation by Distribution Licensee) Regulations, 2007. With a prayer to allow this petition and consequently determine the tariff.**

The Petitioner respectfully submits as under:-

1. That Petitioner is a Company registered under Companies Act. The name of the petitioner company has been changed from M/s Om Power Corporation Ltd., to Om Hydro Limited as certified and approved by the Ministry of Corporate Affairs vide order dated 21-9-2010, copy of which is submitted herewith as **Annexure-A**, which fact has been duly notified to the respondent. It is further

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petition before this Hon'ble Commission, copy of the resolution is submitted for consideration of this Hon'ble Commission as **Annexure-A/1**.

2. The present petition has been filed by the Petitioner, a "generating company" falling within the definition of Section 2(28) of the Electricity Act, 2003, seeking determination of "tariff" by this Hon'ble Commission for sale of electricity generated at the 15 MW Neogal Hydro Electric Project (for short "**the Project**") set up by the Petitioner on Neogal Khad, District Kangra, Himachal Pradesh to the Himachal Pradesh State Electricity Board Limited.
3. The Petition is setting out the following details with respect to the Project, which are relevant for the determination of tariff.
  - (a) **Facts leading to filing of the present petition;**
  - (b) **Factors relevant for determining the tariff for sale of electricity generated at the Project;**
  - (c) **Technical details and information of the Project;**
  - (d) **Details of fee enclosed vide draft, drawn in favour of the Secretary, Himachal Pradesh electricity Regulatory commission, payable at Shimla.**

3. **Facts leading to filing of the present petition**

- 3.1 A Memorandum of Understanding was signed between the Government of Himachal Pradesh ("**GOHP**") and M/s Om Power Corporation Limited ("**OPCL**") on 28<sup>th</sup> August

Project Report ("**DPR**") for the implementation of the Neogal Hydro Electric Project of 12 MW capacity (which was subsequently revised to 15 MW) located at Kangra district of Himachal Pradesh.

3.2 On 04<sup>th</sup> July, 1998, GoHP and the OPCL signed an Implementation Agreement ("**IA**") whereby OPCL was granted the right to build, own, operate and maintain at their cost the 15MW Neogal Hydro Electric Project (two units of 7.5 MW each) and sell power from the Project to the Himachal Pradesh State Electricity Board ("**Board**") for a period of 40 (forty) years from the Commercial Operation Date ("**COD**") of the Project. Subsequently Supplementary Implementation Agreements ("**SIAs**") were signed between the GoHP and OPCL on 08<sup>th</sup> October 2001, 04<sup>th</sup> April 2002, 03<sup>rd</sup> January 2003, 27<sup>th</sup> January 2006 and 30<sup>th</sup> May 2007. Copies of the said IA and SIAs are placed on record as **Annexure B to Annexure G**.

3.3 The Techno-Economic Clearance from the Board for the Project was received on 25.10.1999, under which the capital cost of the Project was approved at Rs. 61.74 Crores which was based on the price level of March 1998. The copy of the Techno-Economic Clearance ("**TEC**") is placed on record as **Annexure H**.

3.4 The Board and OPCL filed a joint petition (Petition no.138/2006) before the Hon'ble Commission for approval of Power Purchase Agreement ("**PPA**") in respect of the Neogal Hydro Electric Project.

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3.5 After considering the documents placed on record this Hon'ble Commission granted its approval to the PPA on 12<sup>th</sup> July, 2006 with one of the following observations:-

***“(iii) Tariff and other terms and conditions of the PPA shall be subject to the provisions of the Commission’s regulation on power procurement from renewable sources, as and when such regulations are framed”.***

3.6 The Power Purchase Agreement was entered into between the OPCL and the Board on 27.10.2006 for sale of the Electricity generated by the Project to the Board. The copy of the Power Purchase Agreement as entered into between the parties is placed on record as **Annexure I**.

3.7 The tariff of Rs.2.25 per unit for SHPPs upto 15 MW was fixed by the State Government way back vide notification dated 22<sup>nd</sup> November, 1994 . The copy of the said notification is placed on record as **Annexure J**. The tariff has been fixed on notional basis since the factors of production and viability of the project would be frozen only on completion of the project.

3.8 Subsequently the Regulatory Commission has notified the Regulations for determination of tariff on 18<sup>th</sup> June 2007. The regulation 6.1 provides for determination of tariff by a special order for small hydro projects of more than 5 MW capacity and not exceeding 25 MW capacity, on individual project basis. Regulation 6.3 specifies that while deciding the terms and conditions of tariff, the Commission shall, as far as possible, be guided by the principles and

regulations notified by the Central Commission. Regulation 6(4) mandates that while determining the tariff, the Commission may, to the extent possible consider permitting an allowance based on technology, fuel, market risk, environmental benefits and social contribution etc., of each type of renewable source. Regulation 6(5) provides that while determining the tariff, the Commission to consider appropriate operational and financial parameters.

3.9 The Regulation 9 of the CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2012, specifies that the tariff for renewable energy technologies shall be single part tariff consisting of the following fixed cost components. It is respectfully submitted that the parameters for fixation of tariff as per CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) have been same even prior to the CERC Regulation 2012

a	Return on equity	These guidelines are to be followed while fixing the tariff, since the tariff has been fixed on notional basis.
b	Interest on loan capital	
c	Depreciation	
d	Interest on working capital	
e	Operation and maintenance expenses	

3.10 The financial closure of the Project was done in 2008.

M/s Infrastructure Development Finance Company Limited ("**IDFC**") appraised the project cost at Rs 82 60

The balance funding requirement of Rs. 20.60 crore for the Capital cost of the Project was raised as equity by OPCL. Copy of the Loan Agreement is placed on record as **Annexure K.**

3.12As the revised cost estimate of the Project (March 2010 price level) increased to Rs. 123.80 crore and IDFC was not ready to provide the additional debt component, OPCL on 03.04.2010 filed with the Hon'ble Commission Petition No.48/2010 followed by interlocutory application (M. A. No 123/2010) for grant, as an interim measure, with the objective to secure additional loan for construction/implementation of the Project. The said Petition was disposed off by the Hon'ble Commission vide its Order dated 27.10.2010. A copy of the said order is placed on record as **Annexure L.**

The Commission observed that ***“Per Regulation 6 of the regulations (ibid) the tariff for small hydro projects of more than 5 MW not exceeding 25 MW capacity is required to be determined on individual project basis. The installed capacity of 15 MW of a project falls under the category where the tariff requires to be fixed, as project specific and the said tariff is likely to be much more than Rs. 2.25 per kwh as provided in the PPA dated 27<sup>th</sup> October 2006 executed with the Board”.***

The Commission also said that ***“in the present case the project is in the construction stage, the exercise of the project specific tariff determination is not feasible”.*** The Commission further held that

***financial institutions may be more considerate in choosing to leverage this project.”***

3.13 The Directorate of Energy, **GoHP** vide letter dated 13.09.2010 accepted the revised estimated project cost of Rs. 12380.00 lacs and asked the applicant to submit the completed cost of the Project to the HP Govt./DOE for revised concurrence/TEC within three months from COD of the plant. A copy of the said approval received from the Directorate of Energy, **GoHP** is placed on record **Annexure M**. It is respectfully submitted that the escalation in project cost has seriously affected the financial viability of the project, also resulting in delay.

3.14 The Petitioner submits that the construction of the Project was started by the Petitioner in time but due to circumstances beyond the control of the Petitioner the project was completed in 6.5.2013. The reasons for late completion of the project without any default on the part of the petitioner are placed on record as **Annexure N**.

3.15 Both the units of the Project viz., 7.5 MW each achieved commercial operation on 6<sup>th</sup> May 2013. The power generated from the Project is being sold to the Himachal Pradesh State Electricity Board Limited for which the Petitioner is presently paid by the respondent at the rate of Rs. 2.25 per unit since the rate is mentioned in the PPA.

3.16 The actual Project cost as per the audited balance sheet

May, 2013 (COD of the Project) of Rs. 147.71 crore is placed on record as **Annexure O**.

3.17 The Directorate of Energy, GoHP vide letter No. DOE/CE/TEC-Neogal/2013-5433-34 dated 19.10.2013 has approved the completion cost of the Project at Rs.152.70 crore. Copy of the said letter of the Director of Energy, GoHP is placed on record as **Annexure P**.

3.18 In view of the above, the Petitioner is filing this petition with a prayer to allow the petition & consequently determine the tariff for sale of electricity generated at the Project to the Himachal Pradesh State Electricity Board Limited.

**4. Factors relevant for determining the tariff for sale of electricity generated at the Project**

4.1 The CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2012 specifies the parameters to be followed in determining the tariff vide Annexure 2B for Small Hydro in the states of Himachal Pradesh, Uttarakhand and N E States and also furnished a model format for computation of tariff. According to these parameters and model the tariff for Neogal Hydro Electric Project of 15 MW capacity is computed as follows:

**PARAMETER DETAILS FOR TARIFF CALCULATIONS**

S.No.	Parameter	Value	Remarks
<b>A</b>	<b>PLANT DETAILS</b>		
1	Installed capacity	15 MW (2 x 7.5)	Actual and same as per DPR
2	Capacity utilisation factor	54.68%	The norm factor as per CERC (Terms and Conditions for Tariff determination from Renewable sources) Regulations, 2012 is 45%. However as per DPR, CUF

			tariff.
3	Auxiliary consumption	1%	Norm as per CERC 2012 regulations is 1%, which is similar to DPR and the same is considered.
4	Transmission losses	0.7%	CERC 2012 Regulations do not consider the transmission losses since tariff has been worked out at generation bus bars.  In absence of actual data, transmission losses based on line length (12 Km) and ACSR Coyote conductor size 26/2.54 mm+7/1.90mm, works out to 0.7% and the same has been considered.
5	Useful life of project	40 years	The useful life of as per CERC 2012 Regulations is 35 years. However useful life as per PPA and DPR is 40 years and the same is considered.
6	Free power to GoHP a. For first 12 years including 1% for LADA  b. For the balance period including 1% for LADA	16%  21%	As specified against Clause 6 (under para 2) of the 4th Supplementary Implementation Agreement with GoHP. 1% LADA taken as per GoHP policy.
7	Saleable Energy a. For first 12 years Total units generated (MU) Auxiliary consumption 1% Transmission losses 0.7% Saleable energy in MU Free power to GoHP 16%(MU) Net saleable energy (MU)  b. For the balance 28 years Total units generated (MU) Auxiliary consumption 1% Transmission losses 0.7% Saleable energy in MU Free power to GoHP 21%(MU) Net saleable energy (MU)	71.86 0.72 0.50 70.64 11.30 59.34  71.86 0.72 0.50 70.64 14.83 55.81	Total generation(71.86MU) corresponds to 75% dependable year after considering 15% mandatory water releases as per GoHP policy.
<b>B</b>	<b>FINANCIAL PARAMETERS</b>		
1	Total Project cost (Rs. Lakhs)	14771	As per CERC 2012 Regulations, actual project cost is to be considered for project specific tariff. Therefore Rs. 14771 lakhs as per C.A. Certificate dated 26.11.2013 has been considered.
2	Capital structure a. Debt	10550.00	The normative D/E ratio as per CERC 2012

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		(27.90%)	2012.
3	Repayment period (years)	12	Norm as per CERC 2012 Regulations. Actual as per loan agreement is also 12 years.
4	Interest rate	12.58%	As per CERC 2012 Regulation, the interest rate as on 1 <sup>st</sup> April of every year of SBI plus 300 basic points is to be considered. Accordingly the interest as on 01.04.2013 works out to 12.70% (9.7+3.0).  The actual interest rate as per the loan agreement is 12.58%, which is less than 12.70% and the same is adopted for tariff computations.
5	Return on equity a. For the first 10 years b. For the balance period	20% 24%	As per CERC 2012 Regulations. As per CERC 2012 Regulations.
6	Discount factor	10.64%	As per CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Order dated 25.10.2012 discount factor is 10.95% for 35 years useful life. The discount factor for 40 years project life works out to 10.64% and the same is adopted.
7	Depreciation For first 12 years For the balance period	5.83% 0.72%	Norm as per CERC 2012 Regulations. As per CERC 2012 Regulations depreciation works out to 0.87% for balance 23 years project life considering 10% salvage value. For 28 years remaining project life, the depreciation is 0.72%.
8	Operation & Maintenance Power plant (lakhs per MW)  Annual escalation	19.03  5.72%	Norm as per CERC 2012 Regulations  Norm as per CERC 2012 Regulations
9	Working capital a. O&M charges (months) b. Maintenance Spares (% of O&M expenses) c. Receivables for debtors (months)	1 15% 2	Norm as per CERC 2012 Regulations adopted
10	Interest on working capital	13.50%	The interest rate on working capital as per CERC Tariff Order dated 25.10.2012 is 13.50% per annum and the same is adopted
11	Taxes Corporate tax  Minimum Alternate tax (MAT)	30.00%  18.50%	As per CERC Tariff Order dated 25.10.2012

TARIFF to be fixed in respect of the Project as per the above detailed parameters are submitted in document **Annexure " Q"**:

The tariff is working out to Rs. 4.52 per kwh as per the financial model applying the above parameters. This tariff is applicable for a period of 13 years as per Regulation 6(a) of CERC Regulations 2012. Therefore the petitioner prays to allow a tariff of Rs. 4.52 per kwh for the first thirteen years from the date of COD i.e, 6-5-2013 and issue necessary orders for revision of the PPA.

4.5 Section 86(1) (e) of the Electricity Act, 2003 requires the State Commission to promote cogeneration and generation of electricity from renewable sources of energy. The APTEL in Rithwik Energy Systems case Appeal No. 90,91,92,93 and 111 of 2006), order dated 28<sup>th</sup> September, 2006, has held as follows:

***" 35. The preamble of the Act also recognizes the importance of promotion efficient and environmentally benign policies. It is not in dispute that non-conventional sources of energy are environmentally benign and do not cause environmental degradation. Even the tariff regulations u/s 61 are to be framed in such a manner that generation of electricity from renewable sources of energy receives a boost. Para 5.12 of the National Electricity Policy pertaining to non-conventional sources of energy provides that adequate promotional measures will have to be taken for development of technologies and a sustained growth of sources..***

**energy through renewable sources of energy. PPAs can be reopened only for the purpose of giving thrust to non-conventional energy projects and not for curtailing the incentives.”**

The aforesaid view was further confirmed by the Hon'ble APTEL in its order dated 18<sup>th</sup> May, 2007, in Appeals No 124 and Ors., where it held as follows:

**“14.....Section 61(h) of the EA, 2003 requires Regulatory Commissions to frame regulations to promote co-generation and generation of electricity from renewable sources of energy. In consonance with the preamble, Section 61(h) of the EA, 2003, spirit of the Constitution and concern for the environment, it is the bounden duty of the Commission to frame Regulations with a view to give fillip to the production of power through renewable sources of energy. While framing the Regulations, the Regulator commissions must have regard to the thrust and spirit of the aforesaid provisions of the Constitution and the EA, 2003, the National Electricity Policy and MNES guidelines. The Regulations should be fashioned in such a manner that it should be possible to built up sizable capacity through clean renewable sources of energy.”**

4.6 The Hon'ble Commission on 17<sup>th</sup> December, 2012 notified the Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the Renewable Energy Sources and Terms and Conditions of Tariff Determination) Regulations, 2012. Sub-regulation 3(b) of Regulation 3 of the said regulations provides that “

**Commission prior to the commencement of these regulations, the tariff shall be in accordance with the terms and conditions of such approved power purchase agreement read with the Himachal Pradesh Electricity Regulatory Commission (Power Procurement from Renewal Sources and Co-generation by Distribution Licensee) Regulations, 2007, irrespective of the date on which such agreement is actually executed."**

It is respectfully submitted that Regulation 11 (2) of the Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the Renewable Energy Sources and terms and Conditions of Tariff Determination) Regulations, 2012 provides for Tariff design which reads as under:

11(2) The following fixed cost components shall be included for determining the tariff:

- a) Return on equity;
- b) Interest on loan capital;
- c) Depreciation;
- d) Interest on working capital; and
- e) Operation and maintenance expenses.

It is submitted that Regulation 2(1) (w) of the Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the Renewable Energy Sources and terms and Conditions of Tariff Determination) Regulations, 2012 defines 'Small Hydro Project' or 'SHP'

including 25 MW and shall also include the project line (s) and the Interconnection Facilities.”

It is submitted that Regulation 13 of the Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the Renewable Energy Sources and terms and Conditions of Tariff Determination) Regulations, 2012 regarding Generic levelled tariff requires this Hon'ble Commission to determine separate generic levelled tariffs and associated terms and conditions for each category of SHPs mentioned in regulation 32, within 90 days from the date of commencement of these Regulations by taking into consideration the norms specified under these Regulations.

It is respectfully submitted that the additional capital cost incurred by the petitioner, has been duly approved by the Directorate of Energy from time to time, as submitted above, incurred before the COD.

It is submitted that Regulation 14 provides that this Hon'ble Commission, while taking into consideration – (i) prudent capital cost as may be admitted by the Commission, also to consider the capital over run due to delay caused to force majeure, (ii) the normative annual capacity utilization factor specified under Chapter-V worked out on the basis of data for 75% dependable year, (iii) technology specific parameters.

It is submitted that the above parameters are in line with the CERC guidelines regarding tariff fixation and as submitted above, taking into consideration the above parameters, the

4.7 In light of the above, it is humbly submitted that for the purpose of tariff determination of the Neogal Hydro Electric Project, Petitioner has attempted to adhere, as far as possible, to the tariff parameters & data formats prescribed in the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2012 and the principles & methodologies stated in the CERC generic tariff order dated 27.03.2012 for various renewable technologies. The tariff parameters considered alongwith deviation from applicable norms are annexed as Annexure Q.

5. The project has been commissioned on 6<sup>th</sup> May 2013 and selling power to the HPSEB. It is respectfully submitted that the petitioner has been put to severe financial stress and constraints, and when the petitioner offered to submit invoices at the rate of Rs.4.52 ps., per unit, the respondent refused to accept, and directed the invoices to be submitted as per the rates mentioned in the PPA dated 27-10-2006, otherwise they would not accept the same. It is respectfully submitted that having no other alternate option, the petitioner submitted invoices for the power supplied at the rates as mentioned in the PPA and not on actual tariff, to which the petitioner is entitled to. It is submitted that the invoices submitted at the rates mentioned in the PPA were under protest and duly intimating the respondent that the petitioner is to be paid as per the State and CERC Regulations. The revenue

return on equity, depreciation, operation and maintenance.

6. **Details of Fee enclosed vide draft, drawn in favour of the Secretary, Himachal Pradesh Electricity Regulatory Commission, payable at Shimla**

The applicant has enclosed a fee of Rs. 50,000 /- (Rupees Fifty Thousand only) vide demand draft for determining the tariff for the Term of the PPA. The Petitioner prays that the Cost incurred towards filing fee be allowed to be a pass through in the tariff.

7. It is respectfully prayed that the petition is filed within limitation.

8. **PRAYER**

In the aforesaid facts and circumstances, the Petitioner prays that the Hon'ble Commission may be pleased to:-

(1) Determine the Tariff at Rs. 4.52 per kwh w.e.f., 6-5-2013 for sale of power generated at the Project by the Petitioner to the Himachal Pradesh Electricity Board Limited, taking into account the submissions made in this Petition and the information contained in the data and documents furnished in support of this application or during the course of the hearing of this Petition with effect from the date of commercial operation;

(2) Award interest on all outstanding dues payable to the Petitioner by the Himachal Pradesh Electricity Board Limited, as per Article 8.3 of the PPA from the COD

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- (3) Pending final disposal of the above petition seeking determination of tariff, this Hon'ble Commission may direct the respondent to pay at the rate of Rs.4.52 ps., per unit for the invoices raised/ to be raised, in the interest of justice.
- (4) Pass such order/orders as the Hon'ble Commission may deem fit and proper in the facts and circumstances of the case.



**Petitioner**

Place: - Shimla  
Dated: 30/12/13

Verification: I, Dinesh Kumar son of Shri Mehar Chand aged 40 years, occupation Deputy Manager M/s Om Hydropower Ltd. do hereby verify and declare the contents of this petition as true and correct to the best of my knowledge, belief and information, hence I verify the same as true on this the 30<sup>th</sup> day of December, 2013 at Shimla

Place: Shimla

Date: 30.12.2013



**PETITIONER**

Through Counsel

  
(Satyen Vaidya & Ajay Kochhar)  
ADVOCATES

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Ann - "A"

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, पंजाब, हिमाचल प्रदेश एवं चण्डीगढ़

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या: U40101HP1994PLC014180

मैसर्स OM POWER CORPORATION LIMITED

के मामले में, मैं एतद्वारा स्थापित करता हूँ कि मैसर्स  
OM POWER CORPORATION LIMITED

को नए रूप में दिनांक एक फरवरी 1994 या चौदहवें को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स  
OM POWER CORPORATION LIMITED

के रूप में निर्गमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा  
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य  
विभाग, नई दिल्ली की अधिसूचना सं. सा का नि 507 (अ) दिनांक 24.6.1985 एम्.आर.एन. A94298957 दिनांक 21/09/2010 के द्वारा  
प्राप्त हो गया है, उस कम्पनी का नाम आज परिवर्तित रूप में मैसर्स  
OM HYDROPOWER LIMITED

हालांकि मैं इस तरह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अंतर्गत में जारी किया गया है।

यह प्रमाण-पत्र, मेरे इस्तफा द्वारा चण्डीगढ़ में आज दिनांक इकठ्ठास सितम्बर सा हजार दस को जारी किया गया है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, Punjab, Himachal Pradesh, and Chandigarh

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : U40101HP1994PLC014180

In the matter of M/s OM POWER CORPORATION LIMITED

I hereby certify that OM POWER CORPORATION LIMITED which was originally incorporated on First day of  
February Nineteen Hundred Ninety Four under the Companies Act, 1956 (No. 1 of 1956) as OM POWER  
CORPORATION LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act,  
1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21  
of the Companies Act, 1956 read with Government of India, Department of Company Affairs, New Delhi, Notification  
No. G.S.R. 507 (E) dated 24/06/1985 vide SRN A94298957 dated 21/09/2010 the name of the said company is this  
day changed to OM HYDROPOWER LIMITED and this Certificate is issued pursuant to Section 23(1) of the said  
Act.

Given under my hand at Chandigarh this Twenty First day of September Two Thousand Ten.

(Prahlad Meena)

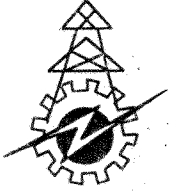
उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies  
पंजाब, हिमाचल प्रदेश एवं चण्डीगढ़  
Punjab, Himachal Pradesh, and Chandigarh

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :  
Mailing Address as per record available in Registrar of Companies office:

OM HYDROPOWER LIMITED  
ASTHA PALACE, (C/o.K.C.RANA), KESAR BAGH., NEAR INCOME TAX OFFICE, PALAMPUR, TEHSIL- PALAMPUR,  
PALAMPUR - 176061,  
Himachal Pradesh, INDIA

For OM HYDROPOWER LTD.

Sanjay  
SANJAY KUMAR GUPTA  
Wholesale Director



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Annexure A/1

# OM HYDROPOWER LTD.

Corporate Office : Plot No. 705, "Lakshmi Nivas", Road No. 3, Banjara Hills, Hyderabad - 500 034.  
Phone : 040 - 44565100, Fax : 040 - 23353947, E-mail : ho@omhydropower.com

**EXTRACTS OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF  
M/S OM HYDROPOWER LIMITED HELD ON 20<sup>TH</sup> DAY OF DECEMBER, 2013 AT ITS  
REGISTERED OFFICE:**

**AUTHORISATION TO DEAL WITH HIMACHAL PRADESH ELECTRICITY REGULATORY  
COMMISSION, HIMACHAL PRADESH:**

WHEREAS consent was accorded to authorize below mentioned executives / persons to deal with Himachal Pradesh Electricity Regulatory Commission, Himachal Pradesh on behalf of the Company for operational convenience.

AND WHEREAS it was then,

"RESOLVED THAT the following executives / persons be and are hereby severally authorized to deal with Himachal Pradesh Electricity Regulatory Commission, Himachal Pradesh from whom the company has to obtain various approvals, permissions or clearances from time to time and in this connection to sign / executive all necessary applications, agreements, returns, declarations, statements and such other documents for and on behalf of the company for administrative convenience and represent the company before the designated authorities of the above department.

S.NO.	NAME	DESIGNATION
1.	Mr. K. Papa Rao	Authorized Signatory
2.	Mr. Dinesh Kumar	Authorized Signatory

FURTHER RESOLVED THAT a certified copy of the above resolution be forwarded to the concerned departments for their records and be requested to act there upon."

**"Certified True Copy"**  
**For Om Hydropower Limited**

*Sanjay*  
**Sanjay Kumar Gupta**  
Whole-time Director

*Attested*  
*JH*

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"Annexure B"

~~ANNEXURE III~~ 10RS.



IMPLEMENTATION AGREEMENT  
FOR  
NEOGAL HYDRO ELECTRIC PROJECT

THIS AGREEMENT made on this the Fourth<sup>day</sup> of the month of July, 1998 BETWEEN THE GOVERNOR OF HIMACHAL PRADESH (H.P), through the Secretary, Multipurpose Projects and Power Department, having its office at Civil Secretariat, Shimla 171002 (hereinafter referred to as "Government", which expression shall, unless repugnant to the context or meaning thereof, include its successors, assigns and legal representatives) of the FIRST PART and M/S Om Power Corporation Ltd. a generating company within the meaning of Section 2(4 A) of Electricity (Supply) Act, 1948 and registered under Companies Act, 1956 having its Registered Office at Solan, and Head Office at Kothari Bhawan, 16/121-122, Faiz Road, Karol Bagh, New Delhi - 110005 (hereinafter referred to as "Company" which expression thereof includes its successors, administrators and assigns), through Sh. T.C. Kothari, Chairman, Om Power Corporation, who is duly authorised by the Company vide their resolution dated 2<sup>nd</sup> July, 1998 (Appendix-A) to execute this Agreement, of the OTHER PART:

WHEREAS the Government in accordance with the policy guidelines of Government of India (hereinafter referred to as "GOI") had entered into a Memorandum of Understanding (MOU) on August 28, 1993 with the Company to carry out detailed investigations of the Neogal Hydro-electric Project of 12 MW capacity and located in District Kangra, Himachal Pradesh (hereinafter referred to as "Project") and has submitted, within the stipulated period from the date of signing of the MOU, a Detailed Project Report (DPR) for the increased capacity of 15 MW.

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AND WHEREAS the Company has carried out necessary detailed investigations for the Project and submitted a DPR for the Project to the Government and both the Government and the Company have satisfied themselves about the techno-economic feasibility of the Project.

AND WHEREAS the HPSEB has approved the basic project cost (March, 94 price level) and settled broad parameters for working out the tariff for entering into a Power Purchase Agreement.

AND WHEREAS the Company has agreed to maintain a Registered Office in Himachal Pradesh for the Implementation of the Project;

AND WHEREAS it is deemed necessary and expedient to enter into a detailed agreement between the parties hereto incorporating the terms and conditions of the agreement arrived at for the implementation of the Project (hereinafter referred to as "Agreement").

NOW THEREFORE THE PARTIES DO HEREBY AGREE AND AFFIRM HEREASUNDER AND THIS AGREEMENT AS FOLLOWS:

#### CLAUSE 1 STATEMENT OF IMPLEMENTATION OF PROJECT

Both the parties i.e. the Government and the Company agree that the Project shall be implemented, subject to the terms mentioned in the Agreement, as per the provisions of the DPR as approved by the Government. The parties also agree that the MOU signed on 28.8.93 shall stand superseded as on today the Fourth of July, 1998.

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## Himachal Government Judicial Paper

## CLAUSE 2 DEFINITIONS

For all purposes of this Agreement, the various terms shall have the following meanings, except where the context otherwise requires, definitions and other terms expressed in the singular shall include the plural and vice versa.

- 2.1 "Agent" means the Himachal Pradesh State Electricity Board (hereinafter referred to as HPSEB) or such other authority as may be appointed by the Government for the purpose of this Agreement.
- 2.2 "Agreement" shall mean this Agreement together with all its appendices and annexures and any amendments, additions, alterations, modifications thereto made in accordance with the provisions herein contained.
- 2.3 "Agreement Period" shall mean the duration for which the Government allows the Company to build, own, operate the Project and to sell power from the Project.
- 2.4 "CEA" means the Central Electricity Authority constituted under section 3 of the Electricity (Supply) Act, 1948.
- 2.5 "Board" means the Himachal Pradesh State Electricity Board.
- 2.6 "Commercial Operation" shall mean the state of unit/Project when Unit/Project is capable of delivering Active Power and Reactive Power on a regular basis as per the relevant provisions to be made in the Power Purchase Agreement.
- 2.7 "Commercial Operation Date" (COD) shall mean the date on which the commercial operation of unit/Project, as the case may be, is achieved by the Company.
- 2.8 "Construction Schedule" means the schedule of construction to be mutually agreed between the Company and the Government prior to Financial Closure of the Project which shall then form part of this Agreement and shall be attached as APPENDIX-'B'.
- 2.9 "Contractor" means any person, firm or body corporate engaged by the Company for the implementation of the Project.
- 2.10 "Deliverable Energy" shall mean 98.5% of the electrical energy generated by the Power Station, as measured at generator(s) terminals. ←

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- 2.11 "Effective Date" means the date on which this Agreement is signed by the parties hereto.
- 2.12 "Energy/Power" shall mean the electrical energy in Kwh/MW.
- 2.13 "Force Majeure" shall have the meaning as ascribed thereto in clause 18.2 hereunder. *(unavoidable circumstances)*
- 2.14 "Financial Closure" is the stage when the Company has received all required funding commitments and permission to draw these as needed by Company in order to fully and completely fund the construction and operation of the Project.
- 2.15 "Global Tariff" for a month shall mean the highest rate for sale of energy as determined by Northern Regional Electricity Board (NREB).
- 2.16 "Implementation of Project" shall mean an act to Build, own, operate and maintain the Project.
- 2.17 "Inter-connection Point" shall mean the physical touch point(s) where the Project's 33 KV transmission lines are connected to the Grid at 132 KV Sub Station at Dehan (Palampur) Distt. Kangra.
- 2.18 "Month" shall mean English Calendar month.
- 2.19 "Permanent Works" means the permanent works forming part of the Project and shall also include housing facilities for staff to be engaged for operation and maintenance of the Project.
- 2.20 "Plant" shall mean imported and indigenous machinery, equipment, spares and other items required for the Project and which shall form part of the permanent works of the Project.
- 2.21 "Power Purchase Agreement" (PPA) shall mean the agreement to be signed between the Company and the Board for the purchase of power generated at the Project.
- 2.22 "Project Cost" shall have the same meaning as shall be assigned to it in the Power Purchase Agreement.
- 2.23 "Prudent Utility Practices" shall mean those practices, methods, techniques and standards, as adopted/prevalent from time to time, that are generally accepted internationally for use in electric utility industries taking into account conditions in India, and commonly used in prudent electric utility engineering and operations to design, engineer, construct, test, operate and maintain equipment lawfully, safely, efficiently and economically as applicable to power stations of the size, service and type of the Project, and that generally conform to the manufacturers' operation and maintenance guidelines.

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- 2.24 "Scheduled Commercial Operation Date" shall mean the date by which the Company shall achieve the commercial operation of all the units of the Project and the same shall be sixty six (66) months from the Effective Date or any extensions authorised by the Government.
- 2.25 "Site" shall mean the site of Project components, generating Plants including land, waterways, roads and any rights acquired or to be acquired by Company for the purposes of the Project.
- 2.26 "State" shall mean the State of Himachal Pradesh.
- 2.27 "Temporary works" means all temporary works of any kind required in connection with the execution of the works of the Project and not forming part of permanent works.
- 2.28 "Works" means all works inclusive of the temporary works and permanent works including design, engineering services, supplies and other work activities required and necessary for the completion of the Project.
- 2.29 "Financial Package" shall have the meaning as ascribed to it in the PPA.
- 2.30 Any term used in this Agreement but not defined under this clause shall have the same meaning as assigned to such term under the Indian Electricity Act, 1910 or the Electricity (Supply) Act, 1948 or any other legislation, enactment or modification thereto.

CLAUSE 3 GRANT OF RIGHTS/PERMISSIONS BY GOVERNMENT

- 3.1 The Government agrees to grant necessary permission to the Company to establish, own, operate and maintain the Project and sell power from the Project to the Board for a period of 40 (forty) years from the Commercial Operation Date (COD) of the Project and thereafter transfer the Project to the Government. However the Government would have the option to grant a further extension for a maximum period of twenty years after re-negotiation of terms and conditions of this Agreement.
- 3.2 The Government shall provide all possible assistance and cooperate with the Company for expediting various statutory/ non-statutory clearances, required for the implementation of the Project, from various competent authorities of the Board/State Government/Central Government. The Government shall promptly forward all relevant proposals received from the Company to concerned GOI authorities. The basic responsibility for obtaining these sanctions shall, however, rest with the Company only.
- 3.3 The Government shall permit the Company in accordance with the Mining Rules prevalent in the State, to collect and use boulders, stones, etc.

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materials, except precious and semi-precious minerals, from the river beds and/or from the land acquired for or transferred to or leased out to the Company for the purpose of implementation of the Project, on payment of royalty payable as per the Government rules/rates in force from time to time. In case any object of archaeological importance is found by the Company or by any of its employees/contractors/sub-contractors during the course of the implementation of the Project, the Company shall arrange to hand over the same to the Government, free of cost.

CLAUSE 4 STARTING DATE OF PROJECT

4.1 Within one year from the Effective Date, <sup>4<sup>th</sup> July 48</sup> the Company shall start the construction of the Project after meeting the major requirements, e.g.:-

- a) Obtain techno-economic clearance from Government.
- b) Obtain environmental clearance from GOI, Ministry of Environment and Forests (MOEF).
- c) Sign Power Purchase Agreement with the Board.
- d) Commence detailed designs of Project components/structures.
- e) Finalise selection of Engineering, Procurement and Construction (EPC) contractor/ executing agencies, if required.
- f) Establish site office and take over the site from Government including the Government land or private land already acquired or to be acquired by Government on lease etc., for the purpose of carrying out preparatory works.
- g) Achieve Financial Closure.

Both parties acknowledge that fulfilment of activities enumerated at 4.1(a), 4.1(b), and 4.1(c) are not totally under the control of the Company, therefore, if the fulfilment of these activities is delayed beyond three (3) months from Effective Date, the stipulated period of one year, shall be extended by one month for each month of delay in fulfilment of any of the above mentioned activities beyond the control of the company, provided that the total monthly extensions shall not exceed twelve (12).

4.2 The Government shall constitute a multi-disciplinary Committee comprising representatives of the Government, the Board and the Company to monitor the progress of the Project periodically. The Committee shall meet quarterly. The Committee shall monitor the progress of steps taken /

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being taken by the Company as per requirements mentioned in clause 4.1 and also Implementation of the Project as per Schedule mentioned in clause 2.8 above. The Committee shall make its recommendations to the Government.

4.3 The Company shall furnish, within three (3) months of obtaining all of :-

- (i) techno-economic clearance from Government,
- (ii) environmental clearance from GOI, Ministry of Environment and Forests (MOEF) and
- (iii) a Power Purchase Agreement to be signed between the Board and the Company.

a security amounting to Rs. 44 lacs in the shape of an irrevocable Bank Guarantee issued in favour of Secretary (MPP&Power), Government of Himachal Pradesh. In case the Company fails to take effective steps to meet the requirements under clause 4.1 to the satisfaction of the Government and / or fails to commence the construction of the Project as per Clause 4.1 above, the Agreement shall be terminated after affording due opportunity to the Company and security amount deposited by the Company shall stand forfeited in favour of the Government and the Project site shall revert back to the Government without any liability and/or compensation whatsoever to be paid by the Government. The Security Deposit shall be converted into Performance Security after the start of construction of the Project and shall be valid upto the COD of the Project, as a guarantee for successful completion of the Project within the Construction Schedule.

4.4 The Bank Guarantee amounting to Rs. 5 lacs submitted by the Company to the Government in pursuance to Clause 17 of the MOU, shall be kept valid till the Company furnishes the security deposit as per Clause 4.3 above. The Company unequivocally agrees that in case of non fulfilment of the condition(s) specified in Clause 4.3, the Government shall be free to forfeit the said security of Rupees five lacs.

CLAUSE 5 LAND

5.1 The Government shall acquire at the request and expense of the Company, within the provisions of Land Acquisition Act, 1894, such private lands within the State of Himachal Pradesh as may be required by the Company and as considered appropriate by the Government for the implementation of the Project. The Company shall also be allowed to acquire such land through direct negotiations with the owners in accordance with the prevailing laws, rules and regulations in the State.

5.2 Subject to the provisions of laws in force, at the request of the Company, the Government shall, on such terms and conditions and rates as may be prescribed / fixed by the

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Government from time to time, grant long term lease of the Government land required for permanent works of the Project, as may be considered necessary, for the duration of the Agreement.

- 5.3 The Government upon request by the Company shall arrange for the short term lease, for a period not exceeding ten years, of Government land required by the Company for temporary works for the construction of the Project as considered appropriate by the Government on such terms, conditions and rates as may be prescribed/ fixed by the Government from time to time.

CLAUSE 6 TAKING OVER THE PROJECT BY THE GOVERNMENT

- 6.1 After the expiry of the period referred to in Clause 3.1, the Project including its all assets and works shall be transferred to the Government of Himachal Pradesh at Depreciated Book Value, as reflected in the Annual Accounts of the Company at the end of each financial year and maintained in accordance with the Companies Act, 1956. (40 yrs)

- 6.2 In the event of stoppage of construction on the main Project components by the Company, for a period of more than three months for reasons not covered under Force Majeure and for reasons attributable to the Company, the Government shall, after giving due opportunity to the Company to rectify the same, have the right to terminate this Agreement. In such event, the Performance Security furnished by the Company in the shape of Bank Guarantee as per clause 4.3 of this Agreement, shall stand forfeited. In the event of termination of this Agreement under this clause, the Government shall have the option to take over the Project after assuming all the debt servicing obligations of the Company, to the extent actually utilized on the Project, as on the date of termination as per the Financial Package approved by the Government provided further that no consideration shall be paid to the Company in respect of such a takeover. Notwithstanding any vestment in the State Government under this Clause, the Company shall be liable to pay all the dues owed to the Government by the Company in pursuant to this Agreement.

- 6.3 In the event of a delay in commissioning the project as per Construction Schedule or extensions authorised by the Government thereof for reasons solely attributable to the Company except circumstances beyond the control of the Company and Force Majeure, the Company shall pay to the Government liquidated damages per day calculated on the basis of 50% of the loss of revenue suffered by Government of Himachal Pradesh at the rate of (8) Global Tariff as applicable at the time of delay with effect from ninety (90) days after the Scheduled COD as per Construction Schedule or extensions authorised by the Government thereof, until actual COD of the Project. The

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total liquidated damages leviable on this account shall not however exceed 1% of the Project Cost. The liquidated damages shall be payable by the Company on monthly basis.

CLAUSE 7 ENVIRONMENTAL, FOREST & POLLUTION CONTROL BOARD REQUIREMENTS

- 7.1 The Company shall pay to the Forest Department of the Government, the price of the trees as are required to be felled or are damaged in the execution of the Project, at the prevailing market rates, as may be notified by the Government from time to time. The responsibility for felling and removal of trees shall be of the Forest Department of the Government. The net sale proceeds of the trees will be made over to the Company within ninety (90) days beyond which interest @ 18% per annum shall be payable by the Government to the Company.
- 7.2 The Company shall pay to the Government the cost of raising compensatory afforestation and its maintenance for a period of ten years over the extent of area, as may be determined by GOI, Ministry of Environment and Forests (MOEF).
- 7.3 The Company shall make suitable and adequate financial provisions in the Project Cost for the Catchment Area Treatment plans, as may be determined by the GOI, MOEF. The cost involved on this account shall be paid by the Company to the Government as per annual plans of the Forest Department of the Government for the Catchment Area Treatment.
- 7.4 In case the Company fails to deposit the cost of trees on handing over of the forest land so diverted within ninety (90) days then the Company will be liable to pay interest @ 18% per annum together with the principal amount from the date of handing over the possession of the forest land.
- 7.5 The Company shall be liable to carry out Environmental Impact Assessment as required under the Environmental (Protection) Act, 1986 in respect of pollution etc. through consultant(s) drawn from an organisation of national repute and obtain the consent of State Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974 or any other environmental law(s) as may be applicable.
- 7.6 The Company shall be responsible to maintain ecological balance by preventing deforestation other than that necessary for the construction of the Project, water pollution and defacement of natural landscape in the vicinity of works area. The Company shall take all reasonable measures to prevent any unnecessary destruction, scarring or defacement of the natural surroundings in the vicinity of the Project.

- 7.7 In order to monitor the progress of compensatory afforestation and Catchment Area Treatment plan, there will be following Committees to advise the Government and the Company to suggest measures for the over-all treatment of the catchment to repair the damages caused due to the construction of the Project:-
- (a) Project Level Committee comprising the local representatives of the Company, Board, Department of Environment/Pollution Control and the Department of Forests Farming and Conservation .
  - (b) State Level Committee to be constituted under High Level Officer of the Department of Environment and Forests with members drawn from various Departments as for the Project Level Committee.
- 7.8 A separate agreement on protection of fish culture shall be made between the Company and the Government if considered necessary by the Department of Fisheries, H.P. as per environmental requirements.
- 7.9 The excavated material from any component/ site of the Project shall be dumped in the area duly approved by the Government or its authorized agency.
- 7.10 All cost/expenses estimated to be paid/compensated in pursuance to clauses 7.1 to 7.6 hereof shall be communicated by the Government to the Company, before the date of start of the work and all such cost/expenses shall form part of the Project Cost.

#### CLAUSE 8 CONSTRUCTION POWER

The Government shall cause the Board to provide adequate construction power at the cost of the Project. The construction power shall be supplied at the Board's Bulk supply tariff as applicable from time to time. However, since the Government makes no commitment to ensure un-interrupted power supply, the Company shall also make its own arrangements for stand-by power supply during the period of shut down/power failure for the smooth execution of works of the Project.

#### CLAUSE 9 ROADS, BRIDGES, CULVERTS ETC.

The construction, widening and strengthening of roads or bridges within the State, if any is required by the Company, shall be executed by the Government on payment of cost by the Company. The Government, may however permit the Company to construct roads, bridges, culverts as required in the interest of the Project on case-to-case basis. The Project access/approach and haul roads will however be constructed by the Company for which permission of the Government will not be required.

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CLAUSE 10 REHABILITATION / RESETTLEMENT

- 10.1 The Government shall, in consultation with the Company, prepare and implement at the cost of the Project a Rehabilitation Plan for people resident at the Site as on the Effective Date and likely to be adversely affected or displaced due to construction of the Project.
- 10.2 The Company shall provide employment to one member of each of the displaced families or adversely affected as a result of the acquisition of land for the Project, as covered in the Rehabilitation Plan referred to in paragraph 10.1 above, during the construction of the Project. During the Operation & Maintenance stage the Company shall give preference in employment to members of displaced families.

CLAUSE 11 RESTORATION OF THE EXISTING FACILITIES

In case any existing facilities such as irrigation, water supplies, roads, bridges, buildings, communication systems, power systems and water mills are adversely affected because of the implementation of the Project, the cost of replacement thereof or of the remedial measures, as the case may be, shall be included in the Project Cost. Though such facilities shall be mutually identified, listed and finally fixed within four (4) months of signing of this Agreement the Company shall be responsible to make good the loss or provide remedial measures as are necessary even during implementation of the Project. The Company shall not interfere with any of the existing facilities, till alternate to the facility as is finally decided for replacement, is not created.

CLAUSE 12 EMPLOYMENT TO HIMACHALIS

Subject to availability and suitability, all the unskilled/ skilled staff and other non-executives as may be required for execution, operation and maintenance of the Project, shall be recruited through the local employment exchanges failing which through the Central Employment Cell at Shimla .

In regard to employment of the executives, other things being equal in terms of qualification, experience etc. the Company shall give preference to the residents of Himachal Pradesh. The Company will constitute a Recruitment Committee for employment in Executive Cadre, and to the maximum extent possible, select the required officers from the panel provided by the Government. A nominee of the Government shall assist the Recruitment Committee. However the final choice/right of selection shall rest with the Company.

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Whenever the Central Employment Cell to whom the vacancies have been notified in pursuance of the provisions of this clause of the Agreement, fails to sponsor suitable candidates for the posts so notified within four weeks of receipt of the request, then the recruiting agency (Company) may resort to other modes of recruitment.

CLAUSE 13 GOVERNMENT RIGHTS ON WATER

13.1 The Company agrees to provide, free of cost, twelve percent (12%) of the Deliverable Energy generated from the Project at the interconnection point, to the Government or its Agent. Further the Board shall purchase the whole of the remaining energy at the tariff worked out on the basis of Power Purchase Agreement. The energy including 12% free power shall be delivered by the Company at Dehan (Palampur) Sub Station. No wheeling/transmission charges shall be payable by Board for energy from Generating Station to the Interconnection point.

13.2 The fishing, recreational and navigational rights in the river, water channels, reservoirs, lakes etc. shall remain vested in the Government subject only to such restrictions as may be necessary for the operational requirements, safety and security of the Project.

13.3 The Company shall ensure minimum flow of water immediately downstream of the weir / barrage/ dam for downstream requirements as specified in the Environment Clearance issued by the GOI or as directed by the Government/State Pollution Control Board.

13.4 The Company shall ensure that the water requirement for construction of the Project including domestic needs for its residential colonies shall be arranged and harnessed by them from the river source only and the local sources of water supply shall not be disturbed.

13.5 The Government or its Agent shall be entitled to survey, investigate and implement any river valley scheme upstream or downstream of the Project, provided that such activities shall not interfere with the Implementation of the Project by the Company and shall not be detrimental to the Project.

CLAUSE 14 USE OF ROADS/HOSPITALS/POST OFFICES/SCHOOLS

Subject to availability, security, and operational factors being met, the Company shall permit free use by the Government and the general public of all service roads constructed and maintained by it for the Project. Other facilities like hospitals, post offices, schools etc. shall also be made available to the Government and the Public on the same terms and conditions as laid down for their own employees.

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## CLAUSE 15 OBLIGATIONS OF THE PARTIES

## Obligations of the COMPANY

- 15.1 The Company shall arrange for the financing of the Project from various sources in accordance with the GOI guidelines and as per the financial package which shall be got approved by the Company from the Government.
- 15.2 The Company shall ensure that all the works are executed at a minimum cost and in accordance with Prudent Utility Practices.
- 15.3 The Company shall ensure proper quality control and safety measures during implementation of the Project. The Government shall have the right to institute an appropriate mechanism to ensure the compliance by the Company in this regard.
- 15.4 The Company shall ensure that the execution, operation and maintenance of the Project is generally in accordance with the DPR approved by the Government. The Company shall also have no claim on account of development of any upstream and downstream project in future, which may be constructed with the approval of the Government unless such development adversely affects the scope of the Project.
- 15.5 The Company shall be fully responsible for any damage or loss arising out of the construction, operation or maintenance of the Project to any property or person and also undertake to indemnify the Government on such account. The Government shall then hold the Company harmless for any such damage or loss.

## Obligations of the Government

- 15.6 If any approval is required under the laws of India for the Company, the lenders, or any Contractor with respect to the Project, upon due and timely application therefor being made by the Company, Government shall take all reasonable and appropriate steps within its administrative power, as permissible by law, to ensure that such approval is granted expeditiously, if such grant is permissible under the law.
- 15.7 The Government shall ensure that the Planning /Design/Construction of any other Hydro- electric Project upstream /downstream of the Project shall not affect the annual energy generation at the Project adversely.

15.8 The Government agrees to provide necessary guarantee in respect of payments as per provisions of the Power Purchase Agreement. ←

#### CLAUSE 16 TAX DEDUCTION AT SOURCE

The Company agrees to make their payments for works within Himachal Pradesh and deposit the Tax Deducted at Source (TDS) with the offices of the Income Tax Department located within Himachal Pradesh. The Company also agrees to open or upgrade their offices in Himachal Pradesh, required for the purpose.

#### CLAUSE 17 POWER EVACUATION

17.1 Evacuation of power from the Project upto the Board's/ Regional Grid sub-station at Dehan, Palampur shall be the responsibility of the Company and shall be a part of the Project.

17.2 The Company shall follow the directives of Northern Regional Load Dispatch Centre (NRLDC) and State Load Dispatch Centre (SLDC) in the interest of the integrated grid operation. Any dispute with reference to the integrated operation will be referred to the CEA whose decision shall be final. Pending the decision of the CEA, the NRLDC's or SLDC's directions, as the case may be, shall prevail in the interest of smooth operation of the grid.

CEA - Central Electricity Authority

#### CLAUSE 18 FORCE MAJEURE

18.1 Notwithstanding the provisions of the clauses 4.3, 6.2, and 6.3 above, the Company shall not be liable for the forfeiture of its Performance Security, Liquidated Damages or termination for default, if the non-performance or the delay in the discharge of its obligations under this Agreement is the result of an event of Force Majeure.

18.2 For the purpose of this Agreement, "Force Majeure" shall mean an event which is unforeseeable, beyond the control of the Company and not involving the Company's fault or negligence. Such events shall include: acts of the Government/GOI either in its sovereign or its contractual capacity, war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine restrictions, freight embargoes, radioactivity and earthquakes.

18.3 If a Force Majeure situation arises, the Company shall promptly notify the Government in writing of such conditions and the cause thereof. Unless otherwise directed

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by the Government in writing, the Company shall continue to perform its obligations under the Agreement, as far as is reasonably practical, and shall seek all reasonable alternative means for performance, not prevented by the Force Majeure event.

CLAUSE 19 ARBITRATION

If any dispute or difference of any kind whatsoever shall arise between the parties hereto in connection with or arising out of this Agreement ( and whether before or after the termination or breach of this Agreement), such dispute or difference, other than a dispute or difference referred to CEA under Clause 17.2 of this Agreement, shall be referred to and settled by arbitration as hereinafter provided in accordance with the Arbitration and Conciliation Act ,1996 but the existence of any dispute or difference or the initiation or continuance of the arbitration proceedings shall not postpone or delay the performance by the Parties of their respective obligations pursuant to this Agreement.

The matter would be referred to arbitration of three(3) Arbitrators. The disputing Parties shall appoint one (1) Arbitrator each and the Chief Justice of the High Court of Himachal Pradesh shall, at the request of the parties, appoint a person, who is or has been a judge of the High Court or who is eligible to be appointed as the Judge of the High Court, act as the presiding arbitrator of the Arbitral Tribunal.

The decision of the majority of Arbitrators so appointed, shall be final and binding upon the disputing Parties. If any of the Arbitrators is unable or incapacitated to act as such by reason of resignation, death or otherwise, a new Arbitrator/Presiding Arbitrator shall be nominated/appointed by the Party or as the case may be Chief Justice which/who had nominated/appointed the Arbitrator who is no longer able to serve. The new Arbitrator so nominated shall continue with the Arbitration proceedings from the stage left by the outgoing Arbitrator and such proceedings shall not be recommenced de novo. The arbitration shall be held at Shimla or any other place as mutually agreed between the Company and the Government. The Judgement upon the award rendered by the Arbitrators may be entered in any court having jurisdiction thereof. The costs and expenses of such arbitration shall be allocated as determined by the arbitrators.

CLAUSE 20 MISCELLANEOUS

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hereunder without the prior consent in writing of the other party hereto.

20.2 Each party hereto agrees that it shall not divulge any trade, commercial or technical secrets or confidential matters of one another to any third party save and except for the purpose of implementation of the Project.

CLAUSE 21 NOTICE

Any notice required to be given to either party under this Agreement shall be deemed to be served if sent by Cable, Fax or Telex followed by a confirmation letter delivered by hand or sent by registered post to their respective addresses.

Addresses	For H.P. Government/HPSEB	For Company
i)	Secretary, Multipurpose Projects & Power, Civil Secretariat, SHIMLA-171002 (H.P)  Fax NO. 0177-221154 0177-221894	Kothari Bhawan, 16/121-122, Faiz Road Karol Bagh, New Delhi-110005.  FAX NO. 011-7776058 011-7532646
ii)	Chief Engineer (PSP), HPSEB, Vidyut Bhawan, Shimla-171004 (HP)  FAX NO. 0177-258984	

Either Party may change the address at which notice is to be delivered by duly notifying the other Party.

CLAUSE 22 GOVERNING LAW

The rights and obligations of the Parties under or pursuant to this Agreement shall be governed by and construed according to Indian Law. This Agreement shall be subject to the jurisdiction of the Himachal Pradesh High Court at Shimla.

*[Handwritten signature]*

*[Handwritten signature]*

No 1857013

Himachal Government Judicial Paper

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IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THESE PRESENTS TO BE SIGNED, SEALED AND DELIVERED BY THEIR DULY AUTHORISED REPRESENTATIVES ON THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN.

For and on behalf of Government of Himachal Pradesh

For and on behalf of M/S Om Power Corp. Ltd.

(A.K. Goswami) F.C.-cum-Secretary (Multi Purpose Projects & Power) to the Government of Himachal Pradesh.

(T. C. Kothari) Chairman, Om Power Corporation Ltd.

WITNESSED BY:

WITNESSED BY:

1. Er. M.L. GUPTA, Chief Engineer (PSP), HPSEB, Vidyut Bhawan, SHIMLA - 171004.

1. C. P. Kothari, Managing Director, Om Power Corporation Ltd., New Delhi

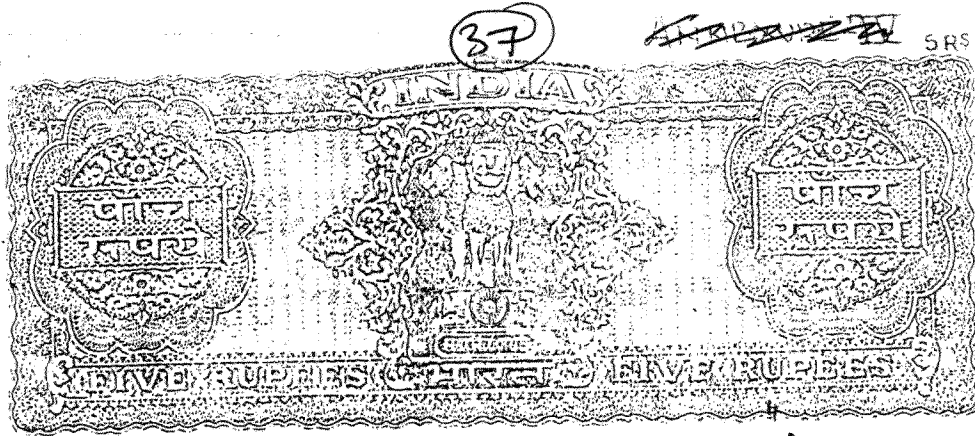
2. V.C. KATOCH, Joint Secretary (Power) H.P. Govt. Sectt., SHIMLA - 171004.

2. Anand Bhushan, Jt. Managing Director, Om Power Corporation Ltd., New Delhi.

\*nglfnl-wp-4798\*

Attested





SUPPLEMENTARY AGREEMENT

Annexure C

TO IMPLEMENTATION AGREEMENT

THIS SUPPLEMENTARY AGREEMENT made on 8<sup>th</sup> day of the month of October in the year Two thousand and one BETWEEN THE GOVERNOR OF HIMACHAL PRADESH ( H.P ) through the Secretary, Multi-purpose projects and Power Department, having its office at Civil Secretariat, Shimla-171002 (hereinafter referred to as "Government" which expression shall, unless repugnant to the context or meaning thereof, include its successors, assigns and legal representatives) of the FIRST PART and M/S OM POWER CORPORATION LTD, a generating company within the meaning of Section 2(4A) of the Electricity ( Supply) Act, 1948 and registered under Companies Act, 1956 having its Registered Office at Solan, and Head Office at Kothari Bhawan , 16/121-122, Faiz Road, Karol. Bagh, New Delhi-110005 ( hereinafter referred to as "Company" which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, assigns and legal representatives ) through Sunit Mahajan M/S Om Power Corporation Ltd, who is duly authorised by the Company vide their resolution dated 24.9.2001 (Appendix-A) to execute this Agreement of the OTHER PART.

*Sum*  
*H*

WHEREAS THE Government and the company had signed an implementation Agreement dated 4th July, 1998 for the

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Sr. No. 23220 Date 21/12/00  
Name M/S O.M. Power Corpn.  
Address 16/12/52 Farz Road  
Kawal Bagh, NAD Delhi-5  
Through Summit Charitable  
Purpose Cont. for Dist. HP Govt 2357

G. K. GUPTA  
Stamp V. for Dist. Courts, Shimla (H.P.)  
21/12/00

1000

Implementation of 12 MW capacity (which was subsequently, revised to 15 MW), Neogal Hydroelectric Project located in District Kangra, Himachal Pradesh (hereinafter referred to as "Project").

AND WHEREAS in accordance with clause-4.1 of the Implementation Agreement the Company was to start the construction of the Project within a maximum period of two years including a maximum of one year for extension from 4th July, 1998 i.e. by 4th July, 2000 after meeting all the major requirements enumerated under Clause-4.1 of the Implementation Agreement.

AND WHEREAS the company could not start the construction of the Project by 4th July, 2000. *Sam*

*Sam*  
*Sam*  
AND WHEREAS in accordance with Clause-4.1 of the Implementation Agreement, Government had agreed to grant an extension of time to the company for starting the construction work on the project upto 4th July, 2001 for delays beyond the control of the company.

AND WHEREAS the Company could not start the construction of the project by 4th July, 2001 mainly due to delays in accord of various clearance which were/ are beyond the control of company as explained by the Company in their letter No OPCL/DLI/2001/1398 dated 19-6-2001.

AND WHEREAS the company has now requested the government for allowing them time upto 4th January, 2002, for starting construction work on the Project, vide their letter No OPCL/ DLI/2001/1398, dated 19-6-2001, which forms the basis for this supplementary agreement.

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Himachal Government Judicial Paper

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AND WHEREAS on further consideration of the request of the company, the Government has agreed to give the extension of time to the company for starting the construction work upto 4th January, 2002.

NOW THIS AGREEMENT WITNESS AS UNDER:-

Both the parties hereby agree to amend Clause 4.1 of the implementation Agreement upto the following extent.

1) The Company shall start the construction of the Project latest by 4th January, 2002, after meeting the requirements as under:-

a) Obtain Environmental Clearance from GOI, Ministry of Environment and Forests (MOEF).

b) Finalise selection of Engineering, Procurement and Construction (EPC) contractor/ executing agencies, if required.

c) Establish <sup>SHE</sup> office and take over the site from Government including the Government land or private <sup>SHE</sup> land already acquired or to be acquired by Government on lease etc, for the purpose of carrying out preparatory works.

d) Achieve Financial Closure.

In the event of failure of the Company to start the Work on the Project by 4th January, 2002, this Agreement and the Implementation <sup>SHE</sup> Agreement dated 4th July, 1978, shall stand terminated and the security amount furnished by the Company shall stand forfeited in favour of Government without any Compensation whatsoever, to the Company, while the Company would make all possible efforts and pursue the case at all levels to achieve the environmental clearance and

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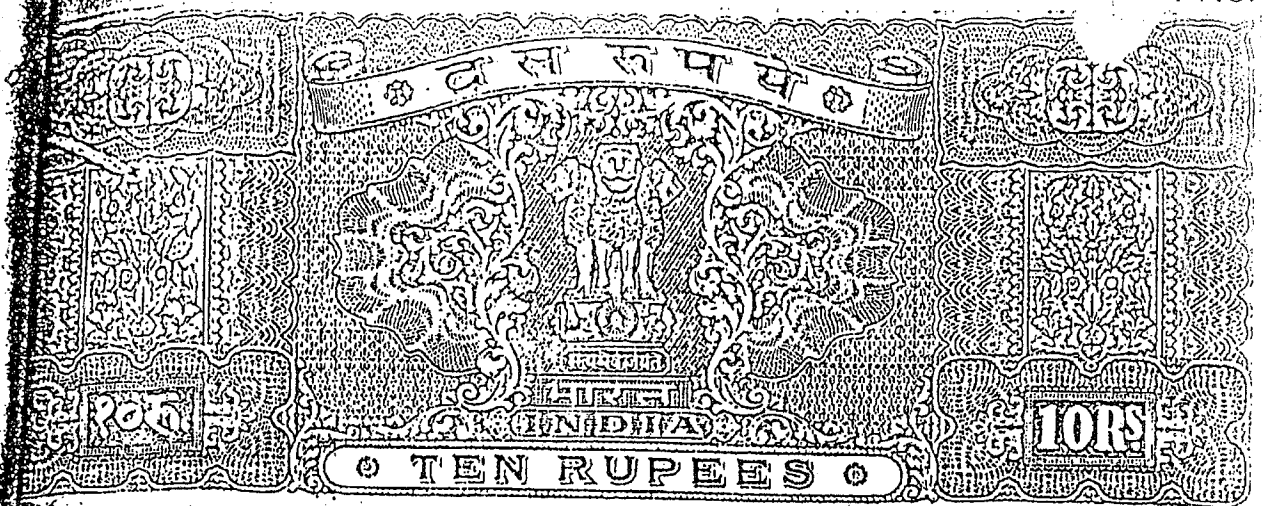
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~~ANNEXURE-D~~

of 10RS.



SECOND SUPPLEMENTARY AGREEMENT TO IMPLEMENTATION  
AGREEMENT

THIS SECOND SUPPLEMENTARY AGREEMENT is made on  
 4th day of the month of April In the year 2002 BETWEEN  
 THE GOVERNOR OF HIMACHAL PRADESH (H.P.), through the Secretary,  
 Multi Purpose Projects and Power Department, having its office at Civil  
 Secretariat, Shimla, -17002 (hereinafter referred to as 'GOVERNMENT' which  
 expression shall, unless repugnant to the context of meaning thereof, include its  
 successors, assigns and legal representatives) of the FIRST PART and M/s OM  
 POWER CORPORATION LTD., a Generating Company within the meaning of  
 Section 2, (4A) of the Electricity (Supply) Act, 1948 and registered under  
 Companies Act, 1956 having its Registered Office at Solan, and Head Office at  
 Kothari Bhawan, 16/121-122, Faiz Road, Karol Bagh, New Delhi- 110005  
 (hereinafter referred to as 'COMPANY' which expression shall, unless repugnant  
 to the context or meaning thereof, include its successors, administrators, assigns  
 and legal representatives) through Sh. Sumit Mahajan (Manager Business  
 Development), of M/s OM POWER CORPORATION LTD. who is duly  
 authorised by the Company vide their resolution dated 25-1-2002 to execute this  
 agreement of the OTHER PART.

WHEREAS the Government and the Company had signed an  
 Implementation Agreement dated 4th July, 1998 for the Implementation of 12  
 MW capacity (which was subsequently revised to 15 MW), Neogal Hydroelectric  
 Project located in Dist. Kangra, Himachal Pradesh (hereinafter referred to as  
 PROJECT).

No. 0218379

Himachal Government Judicial Paper

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AND WHEREAS in accordance with Clause -4.1 of the Implementation Agreement the Company was to start the construction of the Project within a maximum period of two years including a maximum of one year for extension from 4<sup>th</sup> July, 1998 i.e. by 4<sup>th</sup> July, 2000 after meeting all the major requirements enumerated under Clause-4.1 of the Implementation Agreement.

AND WHEREAS the Company could not start the construction of the Project by 4<sup>th</sup> July, 2000.

AND WHEREAS in accordance with Clause -4.1 of the Implementation agreement, Government had agreed to grant an extension of time to the Company for starting the construction work on the Project upto 4<sup>th</sup> July, 2001 for delays beyond the control of the company.

AND WHEREAS the Company could not start the construction of the Project by 4<sup>th</sup> July, 2001 mainly due to delays on account of various clearances which were/are beyond the control of Company as explained by the Company, in their letter no. OPCL/DLI/2001/1398 dated 19-6-2001.

AND WHEREAS the Company had requested the Government for allowing them time up to 4<sup>th</sup> January, 2002 for starting construction work on the Project, vide their letter No. OPCL/DLI/2001/1398 dated 19-6-2001.

AND WHEREAS on consideration of the request of the Company, the Government had agreed to give the extension of time to the Company for starting the construction work upto 4<sup>th</sup> January, 2002, but the Company could not start the work owing to delays in obtaining various clearances which are beyond the control of the Company.

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Ministry of Government Judicial Paper

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AND WHEREAS the company has now approached the Government for allowing them time upto 3<sup>rd</sup> Oct, 2002 for starting construction work on the Project vide their letter No, OPCL/DLI/2002-3815 dated 4-2-2002 which forms the basis for this second Supplementary Agreement.

AND WHEREAS on further consideration of the request of the Company, the Government has agreed to give extension of time to the Company for starting the construction work by 3<sup>rd</sup> October, 2002.

NOW THIS AGREEMENT WITNESSES AS UNDER:-

Both the parties, hereby agree to amend Clause 4.1 of Implementation Agreement upto the following extent:-

1) The Company shall start the construction of the Project by 3<sup>rd</sup> October, 2002, after meeting with the requirements as under:-

22/10/02  
44/10/02  
(a)  
(b)

- (a) Obtain Forest Clearance from GOI, Ministry of Environment and Forests (MOEF). ✓
- (b) Finalise Selection of Engineering, Procurement and Construction (EPC) contractor/ executing agencies, if required. ✓
- (c) Establish the office and take over the site from the Government including the Government land or private land already acquired or to be acquired by the Government on lease etc. for the purpose of carrying out preparatory works. ✓
- (d) Achieve Financial Closure. ✓

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Himachal Government Judicial Paper

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In the event of failure of the company to start the work on the Project by 3<sup>rd</sup> October, 2002, this agreement dated and the Implementation Agreement dated 4<sup>th</sup> July, 1998, shall stand terminated and the security amount furnished by the Company shall stand forfeited in favour of Government without any compensation, whatsoever, to the Company.

It is however made clear that while the Company would make all possible efforts and pursue the case at all levels to achieve the Forest clearance, finalise Selection of Engineering, Procurement and Construction (EPC) contractor/ executing agencies, taking over the site from the Government including the Government land or private land already acquired or to be acquired by Government on lease etc. for the purpose of carrying out of preparatory works and achieve financial closure. As these are absolutely beyond the control of the company and if they can not achieve the same within the stipulated period they can approach the Government for the further extension and the case will be decided as per merits.

on 4/11/02

All the other terms and conditions of the Implementation Agreement dated 4<sup>th</sup> July, 1998, between Government and the Company barring Clause -4.1 shall remain unchanged.

ii) This second supplementary agreement dated 4.11. April, 2002 and the Implementation Agreement dated 4<sup>th</sup> July, 1998, shall be in force Simultaneously till the validity of the Implementation agreement.

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No. 5216387

Municipal Government Judicial Paper

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IN WITNESS whereof the parties have set their hands as under:-

For and on behalf of  
Government of Himachal Pradesh.

For and on behalf of  
M/s Om Power Corporation Ltd.,

*Sanjay Kumar Das*  
Commissioner - ~~Camp~~ Secretary,  
4/4/2002  
(Multipurpose Projects & Power),  
to the Government of H.P.

*M. K. Das*  
Manager  
(Business Development)

WITNESSED BY:-

1) *M. K. Das*  
.....  
*M. K. Das*  
(Super Power)  
.....  
H.P. Sect.

2) *S. R. Mehta*  
.....  
(S.R. Mehta)  
Section Officer (Power)  
.....  
H.P. Sect.

WITNESSED BY:-

1) *B. K. Das*  
.....  
(B. K. Das Sharma)  
.....  
Karp - TARU Lower JAKES  
SHIMLA HP

2) *S. K. NAG*  
.....  
(S. K. NAG)  
Ashiana Chief Engineer (Retd)  
.....  
Ashiana, Elysium Hill  
Shimla - 171001

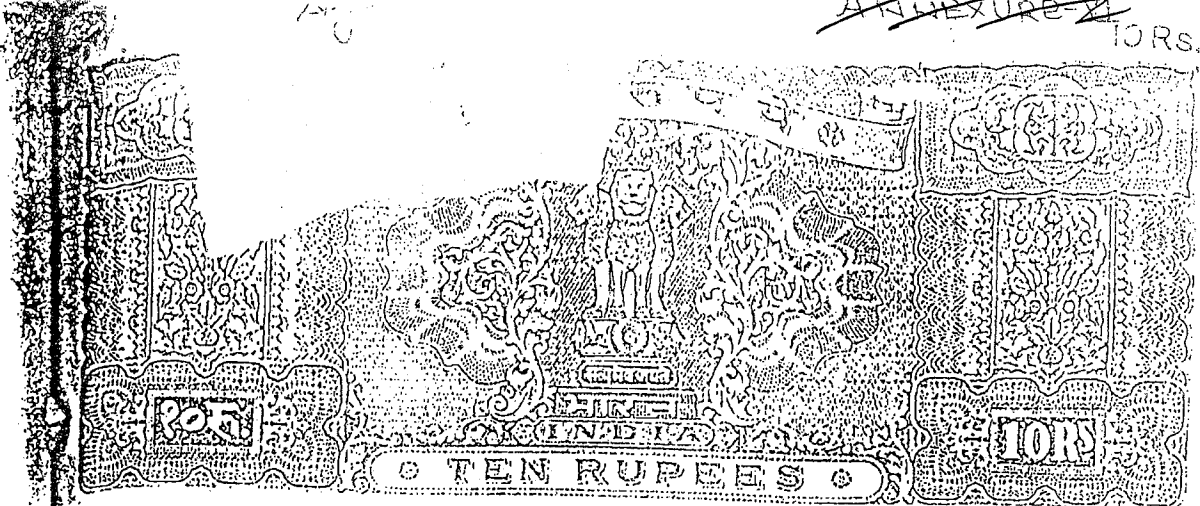
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*M. K. Das*

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"Annexure - E"

~~ANNEXURE~~ TORS.



THIRD SUPPLEMENTARY AGREEMENT TO IMPLEMENTATION AGREEMENT

THIS THIRD SUPPLEMENTARY AGREEMENT is made on Third day of the month of January in the year 2002 BETWEEN THE GOVERNOR OF HIMACHAL PRADESH (H.P.) through the Secretary, Multi-purpose Projects and Power Department, having its office at Civil Secretariat Shimla -171002 (hereinafter referred to as "GOVERNMENT" which expression shall unless repugnant to the context of meaning thereof. include its successors, assigns and legal representatives of the FIRST PART

AND

M/s OM POWER CORPORATION LTD, a Generating Company within the meaning of Section 2 (4A) of the Electricity (Supply) Act, 1948 and registered under Companies Act, 1956 having its Registered Office at Solan, and Head Office at Kothari Bhawan, 16/121-122, Faiz Road, Karol Bagh, New Delhi- 110005 (hereinafter referred to as 'COMPANY' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, assigns and legal representatives) through Sh. Sumit Mahajan (Manager Business Development) of M/s OM POWER CORPORATION LTD, who is duly authorised by the Company vide their resolution dated 17-12-02 to execute this agreement of the OTHER PART.

WHEREAS the Government and the Company had signed an Implementation Agreement dated 4th July, 1998 for the Implementation of 12 MW capacity (which was subsequently revised to 15 MW), Neogal Hydroelectric Project located in Distt. Kangra. Himachal Pradesh (hereinafter referred to as "PROJECT").

AND WHEREAS in accordance with clause 4.1 of the Implementation Agreement, the Company was to start the construction of the project within a maximum period of two years including a maximum of one year for extension from 4th July, 1998 i.e. by 4th

Singh

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No 1713591

Ministerial Government Judicial Paper

July, 2000 after meeting all the major requirements enumerated under Clause- 4.1 of the Implementation Agreement.

AND WHEREAS the company could not start the construction of the project by 4th July, 2000.

AND WHEREAS in accordance with Clause- 4.1 of the Implementation Agreement, Government had agreed to grant an extension of time to the Company for starting the construction work on the project up to 4th July, 2001 for delays beyond the control of the company.

AND WHEREAS the company could not start the construction of the Project by 4th July, 2001 mainly due to delays on account of various clearances which were/are beyond the control of company as explained by the company, in their letter No. OPCL/DLI/2001/1398 dated 19-06-2001.

AND WHEREAS the company had requested the Government for allowing them time up to 4th January, 2002 for starting construction work on the project, vide their letter No. OPCL/DLI/2001/1398 Dated 19-06-2001.

AND WHEREAS on consideration of the request of the company, the Government had agreed to give the extension of time to the company for starting the construction work up to 4th January, 2002, but the Company could not start the work owing to delays in obtaining various clearances which are beyond the control of the company.

AND WHEREAS the company had requested the Government for allowing them time up to 3<sup>rd</sup> Oct, 2002 for starting construction work on the project, vide their letter No. OPCL/DLI/2002/3815 dated 04-02-2002.

AND WHEREAS on consideration of request of the company, the Government had agreed to give the extension of time to the Company for starting the construction work by 3<sup>rd</sup> Oct, 2002, but the company could not start the work owing to delays in obtaining various clearance which are beyond the control of the Company.

AND WHEREAS the company has now approached the Govt. for allowing them time up to 3<sup>rd</sup> Oct, 2003 for starting construction work on the project vide their letter No. OPCL/DLI/2002/6008 dated 7<sup>th</sup> September, 2002, which forms the basis for this third Supplementary Agreement.

Singh Kumar  
Kumar

STATE GOVERNMENT JUDICIAL PAPER

AS WHEREAS on further consideration of the request of the Company, the Government has agreed to give extension of time to the Company for starting the construction work by 3rd October 2003.

NOW THIS AGREEMENT WITNESSES AS UNDER :-

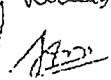
Both the parties, hereby agree to amend Clause 4.1 of Implementation Agreement upto the following extent :-

- (i) The company shall start the construction of the project by 3rd October, 2003, after meeting with the requirement as under :-
  - (a) Achieving Financial Closure
  - (b) Taking the possession of land from private owners.
  - (c) Obtaining the approval for payment of CAT plan in installment.

In the event of failure of the company to start the work on the project by 3rd October, 2003, this agreement dated 3-1-2003 and the Implementation Agreement dated 4th July 1998, shall stand terminated and the security amount furnished by the Company shall stand forfeited in favour of Government without any compensation whatsoever, to the company.

It is, however, made clear that while the Company would make all possible efforts and pursue the case at all levels to achieve the forest clearance, finalize selection of Engineering, Procurement and Construction (EPC) contractor/executing agencies, taking over the site from the government including the Government land or private land already or to be acquired by the Govt. on lease etc. for the purpose of carrying out of preparatory works and achieve financial closure. As these are absolutely beyond the control of the company and if they cannot achieve the same within the stipulated period they can approach the Government for the further extension and the case will be decided as per merits.

- (ii) Any extension in respect of Implementation Agreement will not have any barring on the PPA signed between HPSEB and the company and the company will not be entitled for any extension in the scheduled COD specified in the PPA.
- (iii) All the other terms and conditions of the Implementation Agreement dated 4th July 1998, between Government and the Company barring Clause- 4.1 shall remain unchanged.

Sany Kumar  


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No 1713597

Himachal Government Judicial Paper

(iv) This Third supplementary agreement dated 3-1-2003 and the Implementation Agreement dated 4th July, 1998, shall be in force simultaneously till the validity of the Implementation Agreement.

IN WITNESS whereof the parties have set their hands as under :-

For and on behalf of  
Government of Himachal Pradesh.

for and on behalf of  
M/s Om Power Corporation Ltd.

S.K. DASH 3/1/2003

SUMIT MAHAJAN 3/1/2003

Secretary(Power)

Manager

(Multipurpose projects & power)

(Business Development)

WITNESSED BY :-

WITNESSED BY :-

1) BAKESH CHANDAN  
MPP & Power  
H.P. Secy.  
Shimla-2.

1) DUNEVA KUMAR  
Om Power Corporation Ltd

2) J.K. SAHNI  
Secy. MPP & Power  
H.P. Secy. Shimla-2

2) B.S. BAKER  
Manager  
Punjab Hindu Bank  
Shimla

Attorney  
[Signature]

"Annexure - F"

~~ANNEXURE - F~~

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हिमाचल प्रदेश HIMACHAL PRADESH

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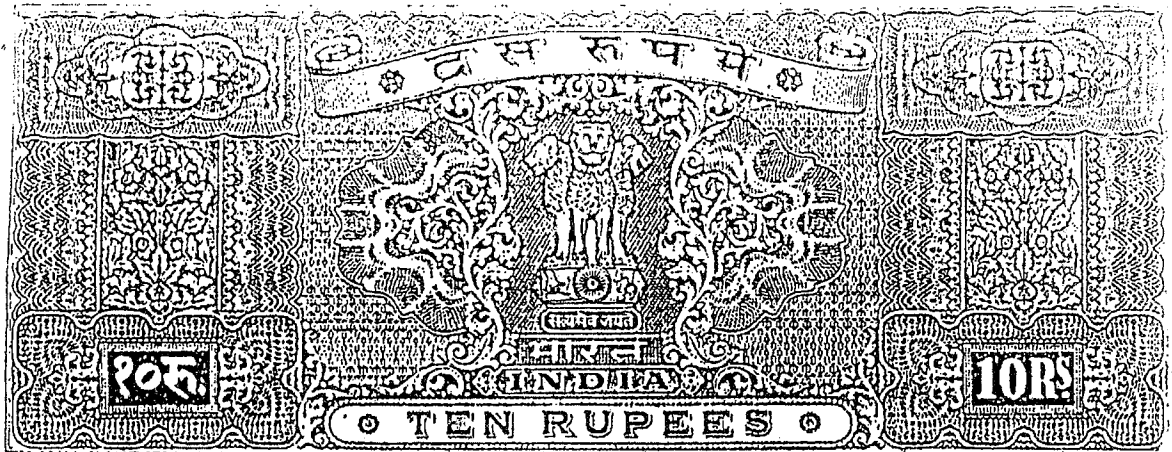
FOURTH SUPPLEMENTARY AGREEMENT TO IMPLEMENTATION  
AGREEMENT

THIS FOURTH SUPPLEMENTARY AGREEMENT is made on 27<sup>th</sup> day of the month of January in the year 2006 BETWEEN THE GOVERNOR OF HIMACHAL PRADESH (H.P.), through the Additional Chief Secretary, Multi - Purpose Projects and Power Department, having its office at Civil Secretariat, Shimla-171002 (hereinafter referred to as 'GOVERNMENT' which expression shall unless repugnant to the context of meaning thereof, include its successors, assigns and legal representatives) of the FIRST PART.

AND

M/s OM POWER CORPORATION LTD., a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 (Section 2 (4A) of the Electricity (Supply) Act, 1948) and registered under Companies Act, 1956 having its Registered Office at Solan, and Head Office at Kothari Bhawan, 16/121-122, Faiz Road, Karol Bagh, New Delhi-110005 (hereinafter referred to as 'COMPANY' which expression shall, unless repugnant to the context or meaning thereof include its successors, administrators, assigns and legal representatives) through Mr. Sharad Sogani of M/s OM POWER CORPORATION LTD., who is duly authorised by the Company vide their resolution dated 18<sup>th</sup>

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WHEREAS the Government and the Company had signed an Implementation Agreement dated 4<sup>th</sup> July, 1998 for the Implementation of 12 MW capacity (which was subsequently revised to 15 MW), Neogal Hydroelectric Project located in Distt. Kangra, Himachal Pradesh (hereinafter referred to as 'PROJECT').

AND WHEREAS in accordance with Clause 4.1 of the Implementation Agreement the Company was to start the construction of the Project within a maximum period of two years including a maximum of one year for extension from 4<sup>th</sup> July, 1998 i.e. by 4<sup>th</sup> July, 2000 after meeting all the major requirements enumerated under Clause- 4.1 of the Implementation Agreement.

AND WHEREAS the Company could not start the construction of the Project by 4<sup>th</sup> July, 2000.

AND WHEREAS in accordance with Clause - 4.1 of the Implementation Agreement, Government had agreed to grant an extension of time to the Company for starting the construction work on the Project upto 4<sup>th</sup> July, 2001 for delays beyond the control of the company.

AND WHEREAS the Company could not start the construction of the Project by 4<sup>th</sup> July, 2001 mainly due to delays on account of various clearances which were/are beyond the control of Company as explained by the Company, in their letter No.OPCL/DLI/2001/1398 dated 19.6.2001.

AND WHEREAS the Company had requested the Government for allowing them time up to 4<sup>th</sup> January, 2002 for starting construction work on the project, vide their letter No.OPCL/DLI/2001/1398 dated 19.6.2001.

*Handwritten signature*

No. 1781632

2005

## Himachal Government Judicial Paper

AND WHEREAS on consideration of the request of the Company, the Government had agreed to give the extension of time to the Company for starting the construction work upto 4<sup>th</sup> January, 2002, but the Company could not start the work owing to delays in obtaining various clearances which were beyond the control of the Company.

AND WHEREAS the Company had requested the Government for allowing them time up to 3<sup>rd</sup> October, 2002 for starting construction work on the project, vide their letter No. OPCL/DLI2001/3815 dated 4.2.2002.

AND WHEREAS on consideration of the request of the Company, the Government had agreed to give the further extension of time to the Company for starting the construction work by 3<sup>rd</sup> October, 2002, but the Company could not start the work owing to delays in obtaining various clearances which were beyond the control of the Company.

AND WHEREAS the company had approached the Govt. for allowing them time up to 3<sup>rd</sup> Oct., 2003 for starting construction work on the project vide their letter No. OPCL/DLI/2002/6008 dated 7<sup>th</sup> September, 2002.

AND WHEREAS on further consideration of the request of the Company, the Government agreed to grant extension of time to the Company for starting the construction work by 3<sup>rd</sup> October 2003.

AND WHEREAS the company failed to start the construction work by the extended time limit granted by the Govt. i.e. upto 3<sup>rd</sup> Oct., 2003.

AND WHEREAS the Govt. terminated the Implementation Agreement dated 4<sup>th</sup> July, 1998 followed by the Supplementary Implementation Agreements dated 8<sup>th</sup> October, 2001, 4<sup>th</sup> April, 2002 and 3<sup>rd</sup> January, 2003 on 27.11.2004 signed between the Govt. and the Company.

AND WHEREAS on consideration of the request of the company vide letter No. OPCL/DLI/2005 dated 6.8.05 the Govt. has agreed to restore the Implementation Agreement dated 4.7.98 followed by the Supplementary Implementation Agreements dated 8<sup>th</sup> October, 2001, 4<sup>th</sup> April, 2002 and 3<sup>rd</sup> January, 2003 signed between the Govt. and the Company by signing of Supplementary Implementation Agreement.

## NOW THIS AGREEMENT WITNESSES AS UNDER:-

1. Both the Parties agree to substitute Clause 2.8, 2.24 and 4.1 of the Implementation Agreement upto the following extent:

A) Clause 2.8 --- "Construction Schedule" means the schedule of construction to be mutually agreed between the Company and the Government prior to

*Mu*  
*Signature*

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## Himachal Government Judicial Paper

Financial Closure of the Project which shall then form part of this Agreement and shall be attached as Appendix-B to this Agreement.

B) Clause 2.24 --- "Scheduled Commercial Operation Date" shall mean the date by which the Company shall achieve the Commercial Operation of all the units of the Project and the same shall be Forty Two (42) months from the date of signing of Power Purchase Agreement.

C) Clause 4.1 ---

- (i) Within Six (6) months from the date of signing of this Supplementary Implementation Agreement, the company shall obtain all statutory/non statutory clearances e.g.:-
  - (a) Sign Power Purchase Agreement with the Board/Govt.
  - (b) Commence detailed designs of Project components/Structures.
  - (c) Finalise Selection of Engineering, Procurement and Construction (EPC) Contractor/executing agencies, if required.
  - (d) Establish site office and take own site from Government including Govt. land or private land already acquired or to be acquired by Govt. on lease etc., for the purpose of carrying out preparatory works.
  - (e) Achieve Financial Closure.
- (ii) The Govt./HPSEB shall render all possible assistance to the Company including Power Purchase Agreement for the timely execution of the Project.
- (iii) The company shall adhere to the benchmarks to be fixed by the Govt. for speedy and timely execution of the project so that the time lost may be covered by squeezing the construction period for (42) Forty Two months from the date of signing of PPA. The Govt. shall be kept duly informed in this regard on monthly basis by the Company.

2. Both the parties agree to substitute clause 6.3 and add additional clause 6.4 under Clause 6 as under:-

Clause 6

6.3 If the Company fails to commission the Project within the stipulated period for solely attributable to the company except circumstances beyond the control of the company, the quantum of free power to the Government shall be enhanced and the Company agrees to provide, free of cost, fifteen percent (15%) of the Deliverable Energy generated from the Project for the 1<sup>st</sup> twelve years and Twenty percent (20%) of the Deliverable Energy generated from the Project for the next 28 years

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## Himachal Government Judicial Paper

3. Both the parties agree to substitute Clause 19 as under :-

### Clause 19 ARBITRATION

Any dispute or difference whatsoever arising between the parties to the agreement out of or relating to the construction, meaning, scope, operation or effect of this contract or the validity of the breach thereof shall be settled by the Secretary to the Government of Himachal Pradesh other than Secretary (MPP & Power) in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the award thereunder shall be final and binding upon the parties, subject to the legal remedies available under the law. Arbitration shall be conducted at Shimla in Himachal Pradesh.

4. Both the parties agree to add following additional Clauses as under:

### Clause 23 Monitoring Committee

The Government shall constitute a multi-disciplinary committee under the Chairmanship of the Chief Minister which comprises State Power Minister, representatives of the Company, representatives from various concerned departments of the Government, Chairman of the concerned Power Utility and Chairman LADA or his authorized representatives for monitoring the issues arising during the implementation of the Project, implementation of Catchment Area Treatment (CAT) Plan, Compensatory Afforestation, Environment Management Plan, Environment Impact Assessment (EIA) Plan and restoration of facilities which get damaged because of the implementation of the Project. The Committee shall also draw up the methodology to regulate the payments to be made by the Company to the various departments of the Government in connection with the implementation of the Project. The Committee shall meet at such intervals, preferably quarterly at such places as is decided by it.

The monitoring of the Project will be done by the HPSEB at periodical intervals to oversee the seriousness/performance of the Company so that the Project is completed within the stipulated period. This shall, however, not absolve the Company of their responsibility to complete the Project within 42 (Forty two) months of signing of PPA.

*[Handwritten signature]*

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## Himachal Government Judicial Paper

Employment Exchanges failing which through the Central Employment Cell at Shimla. However, the first preference will be given to oustees. In the event of non-availability of the requisite skilled manpower at various levels with requisite qualification and experience, non-availability certificates will be obtained from the Labour Commissioner/Director Employment, H.P. and only thereafter the Company will be free to recruit such persons from outside the State of H.P.

- 12.3 The Company agrees to ensure employment to bonafide Himachalis in all the unskilled/skilled and other non-executives categories of staff with the Contractors and sub-contractors as may be required for implementation of the Project. The Company shall ensure that all the unskilled / skilled staff and other non-executives as may be required for implementation of the project, after deployment of surplus workers from other projects of the Company located within Himachal Pradesh shall be recruited through Central Employment Cell to whom the vacancies have been notified in pursuance of the provisions of this clause fails to sponsor suitable candidates for the posts so notified within four weeks of receipt of the request, then the Company may resolve the other modes of recruitment. If it is not possible to recruit 100% from Himachalis for justifiable reasons, only then the Company shall maintain not less than 70% of the total employees/officers/executives from bonafide Himachalis persons.
- 12.4 In regard to direct recruitment of executives, other things being equal in terms of eligibility criteria, qualification, experience etc., the company shall give preference to the candidates well conversant with customs, culture, language and dialect of Himachal Pradesh. The advertisement regarding employment will be issued in two English dailies papers having wide circulation within Himachal Pradesh, besides advertising through Prasar Bharti and Giriraj.
- 12.5 The Company shall provide employment to one member of each of the displaced families or adversely affected as a result of the acquisition of land for the Project, during construction of the Project. During the operation and maintenance of the Project, the company shall be given preference to members of the displaced families for employment in the Project.
- 12.6 The Company shall ensure the deployment of Himachalis in respect of Executives/Non-executives/skilled/non-skilled categories at any stage of the project

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Himachal Government Judicial Paper

Implementation will not in any case be less than 70% of the total deployment on the project.

- 12.7 The Company shall associate a representative of the Department of MPP & Power, Government of H.P. in the process of recruitment for all categories of employees to be recruited for the Project.
- 12.8 The petty contract of the road work, retaining walls, buildings construction, carriage of construction material like sand, aggregate, cement, steel etc. engagement of all categories of other service providers, taxis for the staff deployed to the sites, engagement of all categories of other light and heavy vehicles, running of canteens, mess, engagement of security personnel (through ex-servicemen cell) be awarded to locals/Himachalis.
- 12.9 The Company shall also be required to provide in-house training or training from a reputed institute to the locals affected by the Project so that they are in a position to get employment against various technical/ administrative jobs in the project.
- 12.10 The Company shall ensure that the contractors/sub-contractors engaged by them for the project shall give employment to local people/Himachalis in respect of appointment of labour/workers in the Project subject to the fulfillment of qualification etc.
- 12.11 The IPPs will be compulsorily required to provide mandatory employment related information to the Labour Department of the H.P. Government of the lines of instructions issued by the Govt. in this regard within one month of signing of the IA and thereafter on monthly basis.
- 12.12 The entire skilled/unskilled/supervisory manpower required for the execution, operation and maintenance of the project by the developers or their sub-contractors shall be recruited through the local employment exchanges. In case skilled workers/ Personnel are not available locally the developer shall be required to recruit such personnel at the start of the project implementation from the local area only and provide to them the necessary job related training to acquire the required skills.
- 12.13 The Company shall inform the Police Station/Chowki and Labour Office about the labourers/persons engaged by them in execution of the Project from time to time. In case of additional financial burden, the company shall bear the costs on this account.

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## Himachal Government Judicial Paper

of the Project at the Interconnection Point, to the Government or its agent. Further the Board or the Agent of the Government shall purchase the whole of the remaining energy at the tariff worked out on the basis of Power Purchase Agreement. The free power shall be delivered by the Company at Dehan (Palampur) Sub-Station. No. wheeling/transmission charges shall be payable by Board for energy from generating Station to the Interconnection Point. It is again reiterated here that if the Company fails to execute the Project within stipulated period no further extension in time shall be given.

6.4 In case the Company is not able to execute the project within stipulated period, the Govt. will be at liberty to cancel the Implementation Agreement dated 4<sup>th</sup> July, 1998 and Supplementary Implementation Agreements dated 8<sup>th</sup> October, 2001, 4<sup>th</sup> April, 2002 and 3<sup>rd</sup> January, 2003 signed with the Company after affording due opportunity to the Company. The EMD/Security Deposit furnished by the Company shall also be liable to be forfeited and no compensation whatsoever shall be payable by the Govt. in this regard to the Company.

3. Both the parties agree to substitute the clause-12 of the Implementation Agreement signed on 4.7.1998 regarding employment to Himachalis as under:-

12 EMPLOYMENT TO HIMACHALIS

12.1 The implementation of the provisions in respect of recruitment of staff on the project will be monitored by the department of Labour & Employment and in case of infringement of provisions of employment clauses by the Company, the Labour and Employment department shall initiate any stringent legal action as the department may deem fit. The Secretary (MPP & Power) shall also simultaneously initiate any punitive action in the form of withdrawal of approvals clearances in respect of the project, including disconnection of power, water supply etc. to the project and other facilities in the project area.

12.2 The Company agrees to provide employment to bonafide Himachalis whose names are registered on live register of any Employment Exchange located in the State of Himachal Pradesh in respect of all the unskilled/skilled staff and other non-executives as may be required for execution, operation and maintenance of the project.

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## Himachal Government Judicial Paper

### Clause 24 Local Area Development Authority (LADA)

- i) The Government will constitute a Local Area Development Authority (LADA) for project(s) being implemented in each river, valley. The Deputy Commissioner, Kangra will be the Chairman of the LADA and representatives of the developers, HPSEB/State Utility, PWD, IPII, Forest, Pradhan of the affected Panchayats, Chairman Panchayat Samiti, Block Development Officer, Land Acquisition Officer and any other concerned department will be the other members of the LADA. Concerned SDM shall be the member Secretary. The LADA will be entrusted with but not limited to the following activities:-
  - (a) Oversee the restoration of facilities adversely affected due to implementation of the project.
  - (b) Oversee the implementation of Rehabilitation and Relief Plan.
  - (c) Oversee the implementation of Catchment's Area Treatment (CAT) Plan and Compensatory Afforestation.
  - (d) Local Development activities related to development of Agriculture, Horticulture, Animal Husbandry, I&PII, Health & Forest Departments and other social activities.
- ii) The activities of the LADA during execution will be financed by the project itself and for this purpose the developer shall make a provisions of 1.5% of total capital cost in the Detailed Project Report other than the funds required for R&R scheme and CAT Plan. The LADA activities should be financed from the 1.5% provision proposed in the DPR and not from free power royalty. The State Government will use the free power royalty.
- iii) The Company will build such infrastructural development works in the vicinity for the Project area that may be essentially required for benefit of local population. The expenditure on such works shall be incurred by the Company. These development works may be mutually decided with the Government of Himachal Pradesh.

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Himachal Government Judicial Paper

Clause 25 Ensuring Flow of Water

The company shall ensure minimum flow of 15% water immediately downstream of diversion structure of Hydel project throughout the year so as to protect the rights of local inhabitants for irrigation and drinking water requirements as per the norms of the National Water Policy.

Clause 26 Dumping of Excavated Material

The company shall ensure that the material excavated from the site shall be dumped in the area duly approved by the MOEF/State Pollution control Board/State Forest Department/State Wild Life Protection Department. The Company shall dump the muck debris in the designated dumping sites. Before any dumping is done, the site shall be provided with proper retaining structure. The muck and debris shall be transported from the construction sites to the designated dumping sites. Keeping the security and safety of the people in consideration and the proponent shall be liable for any public damage due to construction activities as may be determined by the competent authority.

Clause 27 Equity

The Company shall ensure that M/s. Om Power Corporation Ltd. shall retain 51% equity in the Project. The Principal promoter(s) of the Company shall retain at least 26% controlling stake/ interest in the equity of the Project/Company as well as in the Board of Directors upto the Commercial Operation Date of the Project and two years thereafter. Any contravention on this account shall lead to the termination of the Implementation Agreement/Supplementary Implementation Agreement.

Clause 28 Safety Measures

The Company shall share the detailed engineering drawings of the project and equipment installed whenever directed by the Government to do so to ensure transparency, safety, quality control and timely remedial action in case of operational problems.

The Company shall ensure proper quality control and safety measures during implementation of the Project including any geological study, construction and testing at the site. During execution of the work the company shall ensure all

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kind of safety measures as per standard practice for safety of manpower and property including all the required safety measures for underground works. The government at the cost of the company shall have the right to institute an appropriate mechanism to ensure the compliance by the company in this regard. Company shall also ensure essential first and facilities at all Project sites.

All the other terms and conditions of the Implementation Agreement dated 4th July 1998, between Government and the Company barring Clause- 2.8, 2.24, 4.1, 6.3, 12 and 19 shall remain unchanged.

This Fourth supplementary agreement dated 27th January, 2006 and the Implementation Agreement dated 4th July, 1998, shall be in force simultaneously till the validity of the Implementation Agreement.

IN WITNESS whereof the parties have set their hands as under:-

For and on behalf of Government of Himachal Pradesh.

for and on behalf of M/s. Om Power Corporation Ltd.

Additional Chief Secretary (MPP & Power)

(Shirad Sogani)

to the Government of Himachal Pradesh.

WITNESSED BY:-

WITNESSED BY:-

- 1) [Signature]
2) M. R. Verma, S-o (Power), Section Office - Power, H.P. Secret. Bldg. 119-2

- 1) [Signature]
2) [Signature] (V. PARTHASARATHY)

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"Annexure-9"



हिमाचल प्रदेश HIMACHAL PRADESH

00AA 032539

**FIFTH SUPPLEMENTARY IMPLEMENTATION AGREEMENT  
FOR  
NEOGAL HEP(15 MW)**

This Fifth Supplementary Agreement executed on 30<sup>TH</sup> day of the month of MAY, two thousand Seven between the Governor of Himachal Pradesh, through J.P. Negi, Principal Secretary, Department of Multipurpose Projects and Power, Government of Himachal Pradesh, having its office at Civil Secretariat, Shimla-171002, (hereinafter referred to as "First Party"), which expression unless repugnant to the context or meaning thereof, shall include its successor(s), administrator(s) or permitted assigns, of the **FIRST PART**;

**AND**

M/s OM Power Corporation Ltd., a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 (Section-2(4A) of the Electricity (Supply) Act, 1948) and registered under Companies Act, 1956 having its Registered Office at Solan, and Head Office at Kothari Bhawan, 16/121-122, Faiz Road, Karol Bagh, New Delhi-110005 (hereinafter referred to as "Second Party") which expression shall, unless repugnant to the context or meaning thereof, include its successor(s), administrator(s) or permitted assigns, through Mr Yogesh Kumar Tulshian of M/s Om Power Corporation Ltd., who has been duly authorised by the Second Party vide their resolution dated 22-02-2007 to execute this agreement, of the **SECOND PART**.

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हिमाचल प्रदेश HIMACHAL PRADESH

00AA 640829

WHEREAS the First Party in accordance with its power policy had entered into a Memorandum of Understanding (MOU) on 28.08.1993 with the Second Party to carry out detailed investigations, techno-economic studies, submission of a Detailed Project Report (DPR) for the implementation of Neogal Hydro Electric Project HEP 12 MW capacity (which was subsequently revised to 15 MW), Neogal Hydroelectric Project located in District Kangra of Himachal Pradesh (hereinafter referred to as the "Project"), and

WHEREAS the Second Party has carried out the necessary detailed investigations of the Project and submitted a Detailed Project Report for an enhanced installed capacity of 15 MW to the First Party and both the Parties have satisfied themselves about the techno-economic viability of the Project; and

WHEREAS the First Party and the Second Party had signed an Implementation Agreement dated 04.07.1998 (Fourth day of the month of July Nineteen hundred ninety eight) for the implementation of 15 MW capacity Neogal Hydro Electric Project located in District Kangra of Himachal Pradesh; and

WHEREAS the Techno-Economic Clearance (TEC) to the DPR of Neogal HEP (15 MW) was accorded by HPSEB on 25.10.1999; and

WHEREAS in accordance with Clause 4.1 of the Implementation Agreement the Second Party was to start the construction of the project within a

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maximum period of two years including a maximum of one year extension from 04.07.1998 i. e. by 04.07.2000 after meeting all the major requirements enumerated under Clause 4.1 of the Implementation Agreement; and

WHEREAS the Second Party could not start the construction of the Project by 04.07.2000 and requested the Govt. to grant an extension of time for starting the construction work of the Project up to 04.07.2001 vide their letter No. OPCL/DLI/2001/130-131 dated 17.01.2001; and

WHEREAS the Govt. had agreed to grant an extension of time to the Second Party for starting the construction work on the Project up to 04.07.2001; and

WHEREAS the Second Party could not start the construction of the Project by 04.07.2001 mainly due to delays on account of various clearances which were beyond the control of the Second Party as explained by the Second Party in their letter No. OPCL/DLI/2001/1398, dated 19.06.2001; and

WHEREAS the Second Party had requested the Government for allowing them time up to 04.01.2002 for starting construction work on the Project vide their letter No. OPCL/DLI/2001/1398, dated 19.06.2001; and

WHEREAS on the consideration of the request of the Second Party, the Government had agreed to give the time extension to the Second Party for starting the construction work by 04.01.2002 by signing a Supplementary Implementation Agreement on dated 08.10.2001; and

WHEREAS the Second Party could not start the construction work by 04.01.2002 owing to the delays in obtaining various clearances which were beyond the control of the Second Party and approached the Government for allowing them time up to 03.10.2002 for starting construction work on Project vide their letter No. OPCL/DLI/2002-3815 dated 04.02.2002; and

WHEREAS on the consideration of the request of the Second Party, the Government had agreed to give the time extension to the Second Party for starting the construction work by 03.10.2002 by signing a Second Supplementary Implementation Agreement on dated 04.04.2002; and

WHEREAS the Second Party could not start the construction work by 03.10.2002 owing to the delays in obtaining various clearances which were beyond the control of the Second Party and again approached the Government for allowing them time up to 03.10.2003 for starting construction work on Project vide their letter No. OPCL/DLI/2002/6008 dated 07.09.2002; and

WHEREAS on the consideration of the request of the Second Party, the Government had agreed to give the time extension to the Second Party for starting the construction work by 03.10.2003 by signing a Third Supplementary Implementation Agreement on dated 03.01.2003; and

WHEREAS the Second Party failed to start the construction work by the extended time limit granted by the Government, i. e. up to 03.10.2003; and

WHEREAS the First Party terminated the Implementation Agreement dated 04.07.1998 followed by the Supplementary implementation agreements dated 08.10.2001, 04.04.2002 and 03.01.2003 on 27.11.2004 signed between the First Party and the Second Party vide letter No. MPP-F(2)-1/91-VI dated 25.11.2004; and

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WHEREAS on consideration of the request of the Second Party vide their letter NO. OPCL/DLI/2005 dated 06.08.05 the Government agreed to restore the Implementation Agreement dated 04.07.1998 followed by the Supplementary Implementation Agreements dated 08.10.2001, 04.04.2002 and 03.01.2003, signed between the First party and the Second Party by signing the Fourth Supplementary Implementation Agreement between the First Party and The Second Party on dated 27.01.2006; and

**NOW THIS AGREEMENT WITNESSES AS UNDER**

Notwithstanding anything to the contrary contained in the Implementation Agreement dated 04.07.1998 followed by the Supplementary Implementation Agreements dated 08.10.2001, 04.04.2002, 03.01.2003 and 27.01.2006.

A. Both parties agree to add/amend/substitute following clauses of the Implementation Agreement signed on 04.07.1998 and the Supplementary Implementation Agreements signed on 08.10.2001, 04.04.2002, 03.01.2003 and 27.01.2006, to the following extent.

2.31 "Local Area Development Committee (LADC)" shall mean the Committee constituted by the Government and entrusted with the function as specified in clause No. 5.19.

2.32 "Project Affected Area" shall mean areas/villages surrounding/ falling in the Catchment/ Watershed areas extending from the Reservoir to the Tail Race of the Project.

11 Existing facilities:-In case any existing facilities including, but not limited to, irrigation systems, water supplies, roads, bridges, buildings, communication system(s), power systems and water mills are adversely affected because of the implementation of the Project, the Second Party shall be responsible for taking remedial measures to mitigate such adverse effects. The cost of the above remedial measures shall become a part of the project cost. Such facilities shall be as mutually identified and agreed upon between the Parties. The Second Party shall not interfere with any of the existing facilities till an alternate facility, as identified, is created.

The second party shall make suitable financial provisions for mitigation of adverse impacts as per the approved EIA plan and mitigation of degradation of environment due to disturbance of eco-system in watershed area, at the cost of Project.

12 Recruitment of Staff:-

12.1 The Implementation of the provisions in respect of recruitment of staff on the Project shall be monitored by the Department of Labour & Employment and in case of infringement of provisions of employment Clauses by the Second Party, the Labour and Employment Department shall initiate any stringent legal action as the Department may deem fit. The Secretary (MPP & Power) shall also simultaneously initiate any punitive action in the form of withdrawal of approvals clearances in respect of the Project, including disconnection of power, water supply etc. to the Project and other facilities in the Project area.

- 12.2 The Second Party agrees to provide employment to bonafide Himachalis whose names are registered on live register of any Employment Exchange located in the State of Himachal Pradesh, in respect of all the unskilled/skilled staff and other non-executives as may be required for execution, operation and maintenance of the Project, through the local Employment Exchanges or from other than such live registers from anywhere within the State or outside the State who are bonafide Himachalis or through the Central Employment Cell at Shimla. However, the first preference shall be given to oustees. In the event of non-availability of the requisite skilled manpower at various levels with requisite qualification and experience, non-availability certificates shall be obtained from the Labour Commissioner/Director Employment, Himachal Pradesh and only thereafter the Second Party will be free to recruit such persons from outside the State of Himachal Pradesh.
- 12.3 The Second Party agrees to ensure employment to bonafide Himachalis in all the unskilled/skilled and other non-executive categories of staff with the Contractors and Sub-Contractors as may be required for implementation of the Project. The Second Party shall ensure that all the unskilled/skilled staff and other non-executives as may be required for implementation of the Project, after deployment of surplus workers from other Projects of the Second Party located within Himachal Pradesh, shall be recruited through Central Employment Cell. Whenever, the Central Employment Exchange Cell to whom the vacancies have been notified in pursuance of the provisions of this Clause, fails to sponsor suitable candidates for the posts so notified within four weeks of receipt of the request, then the Second Party may resolve the other modes of recruitment. If it is not possible to recruit 100% staff from Himachalis for justifiable reasons, only then the Second Party shall maintain not less than 70% of the total employees/officers/executives from bonafide Himachalis persons.
- 12.4 In regard to direct recruitment of engineers and other executives, other things being equal in terms of eligibility criteria, qualification, experience etc, the Second Party shall give preference to the candidates well conversant with customs, culture, language and dialect of Himachal Pradesh. The advertisement regarding employment shall be issued in two English dailies and three Hindi daily papers having wide circulation within Himachal Pradesh, besides advertising through Parsar Bharti and Girraj.
- 12.5 The Second Party shall provide employment to one member of each of the displaced families or adversely affected as a result of the acquisition of land for the Project, during construction of the Project. During the operation and maintenance of the Project, the Second Party shall give preference to members of the displaced families for employment in the Project.
- 12.6 The Second Party shall ensure the deployment of Himachalis in respect of Executive/ Non-executive/skilled/non-skilled categories at any stage of the Project implementation. If it is not possible to recruit 100% staff from Himachalis for justifiable reasons, only then the Second Party shall maintain not less than 70% of the total employees/officers/executives from Bonafide Himachali persons.
- 12.7 The petty contracts of the road work, retaining walls, buildings construction, carriage of construction material like sand, aggregate, cement, steel etc, engagement of all categories of other service providers, taxis for the staff deployed to the sites, engagement of other light and heavy vehicles, running of canteens/mess, engagement of security personnel through ex-servicemen cell normally be awarded to locals/Himachalis.

*Y.K. Rishu*

No 0681977. 2004 Himachal Government Judicial Paper

- 12.8 The Second Party shall also be required to provide in-house training programme to the locals affected by the Project so that they are in a position to get employment against various technical/administrative jobs in the Project.
- 12.9 The Second Party shall ensure that the Contractors/Sub-Contractors engaged by them for the Project shall give employment to local people/Himachalis for appointment as supervisors, workmen and labourers/workers in the Project.
- 12.10 The Second Party shall provide mandatory employment related information to the Labour Department of the Himachal Pradesh Government on the lines of instructions issued by the First Party in this regard within one month of signing of IA and thereafter on monthly basis.
- 12.11 The entire skilled/unskilled/supervisory manpower required for the execution, operation and maintenance of the Project by the Second Party or their Sub-contractors shall be recruited through the local employment exchanges. In case skilled workers/Personnels are not available locally the Second Party shall be required to recruit such personnel at the start of the Project implementation from the local area only and provide to them the necessary job related training to acquire the required skills.
- 23 **Monitoring Committee:-** The First Party will constitute a Multi-Disciplinary Committee under the Chairmanship of Chief Minister. Other members shall be State Power Minister (Vice Chairman), Minister/MLAs of the area where Projects are being executed, representatives of the Second Party, representatives from various concerned departments of the Government, Chairman/Managing Director of the concerned Power Utility and Chairman, Local Area Development Committee (LADC). The Committee shall be monitoring the issues arising during the implementation of the Project. Employment related monitoring, Relief and Rehabilitation, review of Progress of LADC schemes, Implementation of Catchment Area Treatment (CAT) Plan, Compensatory Afforestation, Environmental Management Plan, Environment Impact Assessment (EIA) Plan, and restoration of facilities which get damaged because of the implementation of the Project, quality control mechanism of the Projects, the Committee shall also review the recommendations and implementation thereof of the Forum of Hydroelectric Power Producers. The Committee shall review the progress of all statutory clearances, time and cost overruns of the Project, if any. The Committee shall also draw up the methodology to regulate the payments to be made by the Company to the various departments of the Government in connection with the implementation of the Projects. The Committee shall meet at such intervals, preferably quarterly at such places as is decided by it.
- 24 **Local Area Development Committee:-** The First Party shall constitute a Local Area Development Committee (LADC) for Project (s) being implemented in each river valley. The Deputy Commissioners shall be the Chairman of the LADC and other members shall be nominated by the First Party, which will include the representatives of the HEPs also. Concerned SDM shall be the Member Secretary. The LADC shall be entrusted with, but not limited to, the following activities in the Project Affected Areas, which are those areas/ villages surrounding/ falling in the catchment/watershed areas extending from the Reservoir to the Tail Race of the Project:-

(a) Oversee the restoration of facilities adversely affected due to implementation of the Project.

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- (c) Oversee the implementation of Catchment Area Treatment (CAT) Plan and Compensatory Afforestation.
- (d) Local Development activities related to development of Agriculture, Horticulture, Animal Husbandry, Fisheries, Rural Development, I&PH, Health, Forest, Education, PWD, Power and other social, religious and cultural activities etc.  
However, PWD/ other roads leading to the Project areas shall not form part of LADC activities.

The Deputy Commissioner may co-opt any other member as he deems fit.

The activities of the LADC during execution shall be financed by the Project itself and for this purpose the Second Party shall make a provision of 1.5% of final cost of the Project. The LADC activities shall be financed from the above provision and not from free power as royalty.

The amount on account of Local Area Development shall be paid by the Second Party to the Deputy Commissioner of the Project Affected Areas (Chairman LADC) in equal annual instalments during the Construction Period of the Project and shall be payable in 1st quarter of every financial year, starting from the date of financial closure.

The Second Party shall keep the First Party informed of any change in the Construction cost of the Project and for any increase in the construction cost of the Project from time to time, the Second Party shall release the instalments accordingly

25 **Ensuring Flow of Water:-** The Second Party 'if ROR Project' shall ensure minimum flow of 15% water immediately downstream of the diversion structure of the Project all the times including lean seasons from November to March so as to protect the rights of the local inhabitants to ensure irrigation, drinking water, health, environmental requirements and also to preserve aquatic life, vegetation, wild life habitat and drinking water for the wild life etc. However, the Second Party is at liberty to install mini hydel Projects to harness such water for their captive use, for their utilities, systems and colonies.

26 **Dumping of Excavated Material:-** The Second Party shall follow environmental related issues concerning disposal of blasting muck and soil etc. In Himachal Pradesh because of the peculiar topography, the availability of land is scarce to have dumping sites. The Second Party agrees to use such material for the Project and the remaining material shall be allowed to be used by other development departments like PWD, I&PH and several others for the execution of their area developmental schemes including the channelization of rivers by the concerned development agencies. Not only this, even private crusher owners etc. and other private users shall also be allowed to remove such material from the site free of cost. The prescribed norms shall be available with the Pollution Control Board.

The Second Party agrees not to dump such material on the Project site or any other inappropriate place, which flows further to downstream rivers causing serious environmental concern, which shall attract punishment under various laws of Pollution Control Board. The Second Party shall ensure that the material excavated from the site shall be dumped in the area duly approved by the MOEF, GOI/State Pollution Control Board.

*Y. K. Bhatnagar*

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29. **Alternative facilities:-** In case any existing facilities including, but not limited to, irrigation systems, water supplies, roads, bridges, buildings, communication system(s), power systems and water mills are adversely affected because of the implementation of the Project, the Second Party shall be responsible for taking remedial measures to mitigate such adverse effects. The cost of the above remedial measures shall become a part of the Project cost. Such facilities shall be as mutually identified and agreed upon between the Second Party, the First Party and LADC. The Second Party shall not interfere with any of the existing facilities till an alternate facility, as identified, is created.

30. **Maintenance of Project/Project Safety:-** The agreement shall remain in force upto a period of 40 years from the Scheduled Commercial Operation Date of the Project, thereafter, the Project shall revert to the First Party free of cost and free from all encumbrances. The Project assets will be maintained by the Second Party in a condition that would ensure a residual life of the Project at the rated capacity for at least 30 years at any point of time during the 10<sup>th</sup>, 20<sup>th</sup>, 30<sup>th</sup> & 36<sup>th</sup> years of operations. The First Party or one of its appointed agencies would carry out a mandatory inspection of the Project site to ensure that the Project assets are maintained to the required standards to ensure the specified generation capability and residual life of the Project.

If such inspections find that the Project capacity and/or life are being undermined by inadequate maintenance, the First Party would be entitled to seek remedial measures from the Second Party. If the Second Party fails to comply with the requirement, the First Party would have the right to take over the commercial operation of the Project and shall have full right upon the sale of power including Second Party share. The cost on account of suggestive remedial measures shall be deducted including the operation & maintenance cost for such a period till the Project's assets are restored to the required standards to ensure the specified generation capability and residual life of the Project as specified above. Thereafter, the Project shall be handed over to the Second Party.

31. **Police Station/Chowki and Labour Office:-** The Second Party shall inform the local Police Station and the Labour Office about the details of the labourers and other work force engaged who are both from within the State, Country or outside the Country, regularly.

32. **Forum of Hydro Power Producers:-** It has been observed that after the setting up of various Hydroelectric Projects in Satluj basin, numbers of technical and socio-economic problems have arisen due to post effects of Hydroelectric Projects in the State. To mitigate any eventuality with regard to the execution of Hydroelectric Projects in the Satluj Valley, a forum of Hydro Power Producers of Satluj basin has come into existence on 6.11.2005. The main function of the forum relates to (i) Environment (ii) Operation of Power stations and Sharing of Technical Expertise & Experience (iii) Data Sharing (iv) Disaster Management and Planning and (v) Common Issues with First Party & Government of India. The guidelines of the forum wherever applicable, the attempt shall be made to abide by the recommendations of Forum and applicable to all the Power Producers/Second Parties in the State of H. P. If however, any such more forums are constituted for other river basins, the guidelines of the same shall also be applicable on developers / Power Producers, executing Projects in that area.

J.K. Tuli

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33 **Authority of Hydro Project Safety, Quality Control & Water Management:-**  
The First Party shall create an Authority of Hydro Project Safety, Quality Control & Management of water Flows and Discharge in due course. The First Party shall nominate suitable technical and professional persons in the Authority. The issues concerning Hydro Project's safety & management of water flows and discharges have assumed critical importance because of the recurrence of floods, earthquake, avalanches, glaciers, tunneling, piping, aging, terrorism etc. Un-regulated water flows and discharges particularly during the rainy seasons have been causing havoc downstream. The authority shall prepare safety regulations and guidelines and prepare safety management manual with respect to the Projects being executed by various Parties on the lines of International Commissions of Large Dams (ICOLD) and other Hydro Power Countries like Canada, US etc. The authority shall conduct continued surveillances on safety requirements right from the inception of the Project such as:-

- (a) Monitoring & access to quality of construction and designs of each Project and recommend the use of modern and appropriate technologies like Tunnel Boring Machines etc.
- (b) It shall ensure that such Hydro Projects operate normally and maintain emergency preparedness.
- (c) Shall ensure periodic Hydro Project Safety & Management System Audit.
- (d) Shall ensure dam safety assessment, traditional good practices and risk assessment.
- (e) Shall prepare regulatory environment and ensure dam owners accountability including corporate man slaughter.
- (f) To monitor the releases downstream of the diversion and ensure availability of minimum flow of water immediately downstream of the trench/barrage/dam for downstream requirements.
- (g) Shall impose fines/penalties for violations as may be prescribed by the First Party.
- (h) May resolve the inter Project disputes, if any.

The Second Party agrees to abide by the guidelines of above authority.

34 **Violation Penalty:-** Any violations of the above mentioned issues concerning policy parameters, MOU/IA may result into monetary penalty including cancellation of the project.

35 **Tentative Installed Capacity of the Project:-** The project has been allotted on the basis of tentative installed capacity as mentioned in the Notice Inviting Proposal. However, in case the capacity of the Project increases/ decreases upon firming up of the potential as per TEC accorded by the competent authority, the Second party shall be required to sign the fresh/ revised MOU/IA with the First party as the case may be. In all such cases, the royalty and other charges shall be levied according to the approved norms of the Government for the revised capacity.

36 **Green House Gas/ Carbon Credits :-** In Himachal Pradesh, electricity is generated only from Hydroelectric Project which help in reduction of emission of Green House Gases. The Second Party shall carryout development of the Project so that these qualify for carbon credits at the National / International levels. Sale of such equivalent Carbon Credits by the Second Party on account of development of Project shall be through competitive process amongst buyers, in order to derive the maximum benefits

*J. K. Jaiswal*

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N<sup>o</sup> 0935031 Himachal Government Judicial Paper

B. Both the parties agree to delete the following clauses in the Implementation Agreement signed on 04.07.1998.

- 4.2 Deleted
- 7.9 Deleted
- 10.2 Deleted
- 13.3 Deleted

All other terms and conditions of the Implementation Agreement dated 04.07.1998 followed by the four Supplementary Implementation Agreements dated 08.10.2001, 04.04.2002, 03.01.2003 and 27.01.2006, between First Party and the Second Party will remain unchanged.

The Fifth Supplementary Implementation Agreement dated 30-5-2007 and the Implementation Agreement dated 04.07.1998 followed by the four Supplementary Implementation Agreements dated 08.10.2001, 04.04.2002, 03.01.2003 and 27.01.2006, shall be in force simultaneously till the validity of the Implementation Agreement.

IN WITNESS where of the parties have set their hands as under:-

For and on behalf of Government of Himachal Pradesh

For and on behalf of M/s OM Power Corporation Limited.



(J.P.Nagil) Secretary (Power) to the Principal Secretary (Power) to the Government of Himachal Pradesh.

(Yogesh Kumar Tulshian) General Manager (Finance)

WITNESSED BY:-

WITNESSED BY:-

- 1) Section Officer MPP & Power Section, H.P. Sect. Shimla
- 2) Navneet Kapoor MPP & Power H.P. Sect. Shimla

- 1) Asst. Manager (Gen. Mgr. Office) Palampur, H.P.
- 2) Ramesh Lal Kishan Lal Palampur, H.P.

Attested

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7-11-77

Annexure - II

HIMACHAL PRADESH STATE ELECTRICITY BOARD

NO. HPSEB(Sectt)/CE(PSP)/NG/99-1102-8

Dated: 25-10-99

NOTIFICATION

Sub: 2x7.5 MW (15 MW) Neogal Hydro Electric Project, - Issue of 'Techno-economic Clearance.'

1. With reference to letter No.OPCL/DLI/99/2366 dated 28.8.99 from M/s Om Power Co. Ltd., and submitting Detailed Project Report of Neogal H.E.P for establishment of 2x7.5 (15 MW) power generating station proposed in District Kangra, the Himachal Pradesh State Electricity Board, under Section 18 A, Sub Section 1(c), of E(S) Act, 1948, accords techno-economic clearance to the aforesaid scheme at an estimated basic cost of Rs.6174 lacs (March 1998, price level).
2. The completed cost of the Project shall comprise the following components :-
  - a) Project Cost of Rs. 6174 lacs on March, 98 basis, as per Appendix-I.
  - b) Escalation on the un-spent amount of (a) above except pass through items, as per Appendix-II.
  - c) Interest during construction on the outstanding loan as per the Approved Financial Package.
  - d) Pass Through costs on Land, Environment related costs and cost of Terminal Equipment bound up on the actual payment made by the Company to Govt./Board as per Appendix-III.
  - e) Changes in cost resulting from change in law.
  - f) Costs incidental to occurrence of Force Majeure events.
  - g) Fund management charges at the rate of 1.5% of total component of loan and 8% on the equity portion to be raised through public.
  - h) The Salient Features of the Project are set-forth at Appendix-IV.

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- i) Tariff for sale of power to HPSEB shall be fixed in accordance with the Power Purchase Agreement to be signed between M/s Om Power Co. and HPSEB.
  - ii) The Company shall comply with the terms and conditions to be stipulated in the Ministry of Environment and Forest's (MOEF's) letter of clearance. Separate clearance for the forest land required for the associated transmission system if any, shall be obtained from MOEF.
  - iii) Any increase in the cost estimate due to design modification and geological surprises would be absorbed by M/s Om Power Corporation.
  - iv) The Company shall submit the financial package latest within eight months of the date of issue of this letter.
  - v) Article of Association of the company shall be amended with regard to the qualifications of each full time member of the Board of Directors to bring it in line with the provisions of Section 15A(5) of E(S) Act, 1948.
4. The Project shall be completed within a period of 54 months from the date of financial closure with Commercial Operating Dates(CODs) of :
- i) 52 months for unit 1
  - ii) 54 months for the Project.
5. The completion cost of the scheme shall be submitted to the Govt. of HP for approval within a period of 3 months from the COD of the Project.

DA/As above.

BY ORDER OF THE BOARD

- Sd -

Chief Engineer(PSP),  
HPSEB, Vidyut Bhawan,  
Shimla-4.

Copy to :

1. M/s Om Power Corporation, Kothari Bhawan, 16/121-122, Faiz Road, Karol Bagh, New Delhi - 110005.
2. ~~Chairman, HPSEB.~~
3. Comm.-cum-Secretary(Power) to the Govt. of H.P., Shimla-2
4. Chief Engineer(P&M), HPSEB, Vidyut Bhawan, Shimla-4.
5. Secretary, CEA, Sewa Bhawan, R.K.Puram, New Delhi.
6. ~~Secretary, HPSEB, Shimla-4.~~
7. Chief Accounts Officer, HPSEB, Shimla-4.
8. Chief Engineer (P&M), HPSEB, Shimla-4.

Chief Engineer(PSP),  
HPSEB, Vidyut Bhawan,  
Shimla-4.

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Appendix-I

Neogal HEP - Abstract of Cost Estimate  
(March, 1998 base level)

S.No.	Item	Cost (in Lacs of Rs.)
1.	Electro-mechanical works	Rs. 2731.56
2.	Civil Works	
i)	Cost of Items on which escalation shall be payable	Rs. 2865.48
ii)	Cost of items which shall be payable as per actuals	Rs. 126.26
	Sub-total (2)	Rs. 2991.74
3.	Associated Transmission system	
i)	Cost of items on which escalation shall be payable	Rs. 77.03
ii)	Cost of items which shall be payable as per actuals	Rs. 34.03
	Sub-total (3)	Rs. 113.08
4.	Expenditure incurred/to be incurred* by HPSFR (Not to be reimbursed)	Rs. 137.23
	Total (1,2,3 & 4)	Rs. 6173.83
		Say Rs. 6174/- lacs.

\*Expenditure, already incurred by the Board on investigations and to be incurred on account of its obligations of supervisions quality assurance and checking of vital designs. However, this shall not relieve the company of its obligations to ensure safe implementation of the project as per prudent utility practices and ensure commissioning by the scheduled commercial operation, date of project in a safe and reliable manner.

\*NEOGAL\*

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Appendix-II

ESCALATION

(i) Escalation shall be allowed on annual basis for the period starting from April, 1973 to the Scheduled Commercial Operation Date of the Project, or the Commercial Operation Date of the Project, whichever is earlier, on the unspent amount of the following costs:-

1. Electromechanical works	=	Rs. 2931 lacs
2. Civil works	=	Rs. 2846 lacs
3. Transmission works	=	Rs. 79 lacs.
Total	=	<u>Rs. 5876 lacs.</u>

(ii) Escalation shall be allowed as per the Financial Package to be approved by the Government at annual rate(s) to be determined on following basis:

- a) In case the annual rate of price inflation for a financial year, as determined on basis of the wholesale price index and consumer price index, exceeds 5% (five percent) per annum, a deflator of 3% (three percent) per annum shall be applied for that year, provided that the annual rate of escalation to be adopted for that year shall not be less than 5% (five percent) per annum. For example, if the actual annual rate of price inflation for a Financial Year works out to 9% (nine percent), the escalation shall be allowed at the rate of 6% (six percent) per annum but if actual price inflation for a Year is 7% (seven percent), the escalation shall be allowed at the rate of 5% (five percent) per annum.
- b) In case the annual rate of price inflation for a Financial Year as determined on the above basis is less than 5%, the escalation for that Year will be allowed at the rates of price inflation so determined for that Year.

\*NEOGAL\*

PASS THROUGH COSTS  
(March 1998 Price Level)

<p>A) B-Land (Acquisition of land, Compensation for cutting of trees, solatium charges @ 30% on cost of land, Interest charges @ 6%, Establishment charges @ 4.25% and legal charges @ 2% on cost of land and compensation for cutting of trees.</p>	<p>Rs. 30.17 lacs</p>
<p>B) X-Environment &amp; Ecology (Compensatory Afforestation, Catchment area treatment, Fish pool if required/prevention of Forest fires/publicity environmental awareness etc.)</p>	<p>Rs. 96.07 lacs</p>
<p>C) Transmission Works (Terminal equipment at Remote and Total</p>	<p>Rs. 34.03 lacs ~~~~~ Rs. 160.29 lacs. ~~~~~</p>

\*NEOGAL\*

SALIENT FEATURES

STATE:  
DISTRICT  
RIVER

Himalayas Pradesh  
Kangra  
Neogal Khad (Tributary  
of River Beas)  
Diversion weir at Nair Allah  
confluence with power  
House at Darklu village near  
Bandla (Palampur)

VICINITY

HYDROLOGY

Catchment area at  
i) diversion site  
ii) discharge site

32.2 Sq Kms  
44.8 Sq Kms

Design discharge

4.6 cumecs

Design flood

200 cumecs

DIVERSION WEIR

Type  
Length of trench - weir  
Bed level at diversion weir  
High flood  
Top level of structure  
bed slope of trench  
Trash rack level

Trench weir  
10 m across the flow  
E1 1925 m  
E1 1927.00 m  
E1 1928 m  
1 in 7  
E1 1925.30 m

WATER CONDUCTOR SYSTEM

Desilting Tank  
Type  
Size  
Particle size to be removed  
Flow - through velocity  
Flushing pipe diameter  
No. of Chambers

Surface  
64.5 x 6.5 x 4.45 m  
0.2 mm & above  
19.88 cm/sec  
0.20 m  
Three

HEADRACE TUNNEL

Type  
Size (finished)  
Design discharge  
Length  
Bed - slope

D-shaped, Pressure Flow  
1.8 m x 1.8 m, D-shaped  
4.6 cumecs  
+ 3057 m  
1 in 380'

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**ADIT**

Adit I  
SIZE  
Length

1.8 m x 1.8 m, D - shaped  
115 m

Adit II  
Size  
Length

1.8 m x 1.8 m, D - shaped  
90 m

**FOREBAY**

Size (finished)  
Minimum draw - down level  
Full supply level  
C/L of penstock

42 x 19 x 3.5 m  
EI 1914.0m  
EI 1917.50 m  
EI 1911.50 m

**PENSTOCK**

No & Type

One, surface circular steel  
penstock

Main penstock  
Type and thickness of  
Steel Liner  
Branch penstock

1.25 m dia, 625 long  
IS 2002 gr - IA  
8 mm to 28 mm thick  
2 Nos . 0.90m dia, 20 mm  
thick

**POWER HOUSE COMPLEX**

Power House

Type  
Size  
Type of turbine

Surface  
35 m x 22.5 m  
Pelton, horizontal axis

Generating units  
Center - line of unit  
Gross Head  
Net Head

2 of 7.5 MW each  
EI 1513.00 m.  
± 404.00 m  
± 398.00 m

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Type & Size  
Transformers

11KV/33KV, 3phase, 50Hz  
10MV Stepup Transformer  
- 2 Nos.

**TAILRACE CHANNEL.**

Type  
Size  
Bed slope

Open rectangular  
20 m length, 25 m width  
1 in 100

**POWER GENERATION**

Generation capacity  
Annual energy generation in

15 MW (2 x 7.5 MW)

- a) 50% dependable year
- b) 90% dependable year

84.57 M U  
81.56 M U

*Attested*  
*H.O.*



"Annexure I"

# POWER PURCHASE AGREEMENT

DATED 27<sup>th</sup> OCTOBER 2006

ENTERED BETWEEN

HIMACHAL PRADESH STATE ELECTRICITY BOARD



AND

M/s OM POWER CORPORATION LTD. NEW DELHI



NEOGAL HYDRO ELECTRIC PROJECT ( 2X 7.5 MW)

DISTT. KANGRA

HIMACHAL PRADESH

M/s OM POWER CORPORATION LTD.  
15/12/122, FAIZ ROAD, KAROL BAGH  
NEW DELHI-110005  
TELE FAX: 011-26111111

M/s OM POWER CORPORATION LTD  
PLOT NO. # 703, SRINIKETAN COLONY  
ROAD # 3 BANIARA HILLS

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## POWER PURCHASE AGREEMENT

Neogal HEP (15 MW)

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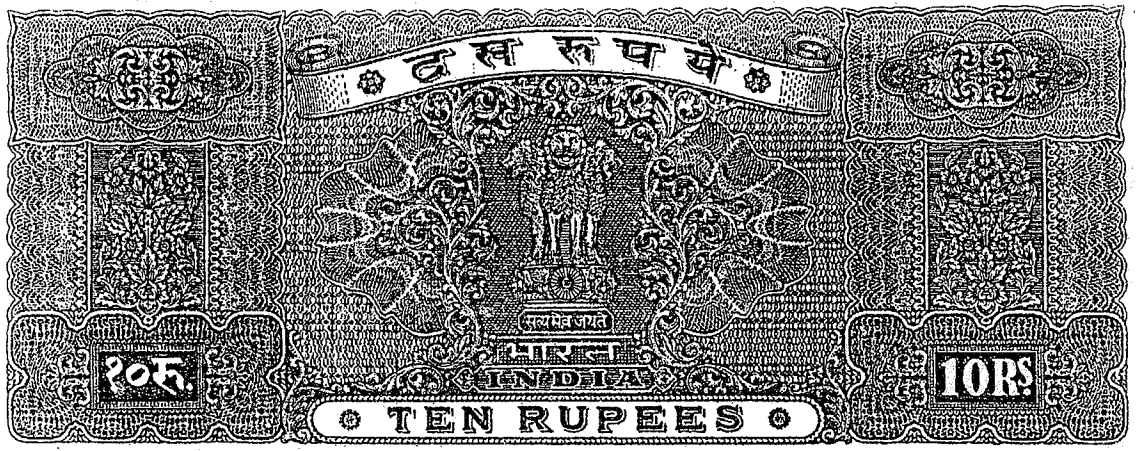
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*[Signature]*  
 Chief Engineer (PSP)  
 HPSEB, Vidvat Bhawan, Shimla

For M/s Om Power Corporation Ltd.  
*[Signature]*

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10RS.



**POWER PURCHASE AGREEMENT**

This Power Purchase Agreement (the Agreement) entered into on this 27<sup>th</sup> day of the month of October in the year, 2006 (Two Thousand Six).

**BETWEEN**

M/S Om Power Corporation Ltd., New Delhi-110005 a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003, and registered under the Companies Act, 1956, having its registered office at Sabathu Road, Saproon, Solan, Himachal Pradesh -173211 and head office at Kothari Bhawan, 16/121-122, Faiz Road, Karol Bag, New Delhi-110005 (hereinafter referred to as the "Company", which expression shall, unless repugnant to the context or meaning thereof, also include their successors, permitted assigns and legal representatives), through Sh. Dinesh Kumar, S/o Sh. Mehar Chand, General Manager (Projects) who is duly authorised by the Company vide their resolution dated 24<sup>th</sup> April, 2006 (Annexure-I) to execute this Agreement, of the First Part;

**AND**

Himachal Pradesh State Electricity Board, having their office at Vidhut Bhawan, Shimla-171004 (hereinafter referred to as "Board", which expression shall, unless repugnant to the context or meaning thereof, also include their successors, permitted assigns and legal representatives), through Er. R.K. Juneja, Chief Engineer (PSP), who is duly authorised by the Board vide their resolution dated 19.10.2002 (Annexure-II) to execute this Agreement, of the Second Part.

WHEREAS the Company has entered into an agreement dated 4<sup>th</sup> July, 1998 (hereinafter referred to as "Implementation Agreement"), and agreements dated 8<sup>th</sup> October 2001, 4<sup>th</sup> April 2002, 3<sup>rd</sup> January 2003 and 27<sup>th</sup> January 2006 (hereinafter referred to as "1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Supplementary Agreements to Implementation Agreements respectively"), with the Government of Himachal Pradesh, whereby the latter has agreed to grant to the Company the right to establish, operate and maintain, at their cost, Neogal Hydro Electric Project (hereinafter defined and referred to as Project) on Neogal khad, a tributary of Beas river in District Kangra of Himachal Pradesh with an installed capacity of 15 MW ("Contracted Capacity"), in the private sector;

*[Signature]*  
Chief Engineer (PSP)  
HPSEB, Vidhut Bhawan Shimla-1

For M/s Om Power Corporation Ltd  
*[Signature]*  
General Manager (Projects)

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30/11  
 Name Sh. Shri. Om Prakash  
 S/o W/o Shri. K. S. Singh  
 Address 81/22, P. O. 2, K. S. Singh  
 Teh M. B. Singh  
 Through Shri. K. S. Singh  
 Purpose Rs. 100/-

R. P. Chaudhary, Stamp Vendor  
 Dist. Court, Sonapatna

Shri. K. S. Singh

(929) 11/11/73 10/10  
 11/22/73 11/11/73 10/10

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28016 6/10/56  
No. 28016 Date 6/10/56  
Name of Party Mrs. M. P. ... Corporation (U.S.)  
S/o W/o D/o ...  
Address ... New York  
Ten ...  
Through ...  
Purpose ...  
R.P. ... Stamp ...  
Dist. ...

V. ...

- 2.2.36 "Generating Unit/Unit" means one turbine generator set and the associated equipment/ancillary thereto.
- 2.2.37 "Governmental Authorizations" mean all such permits, licenses and sanctions etc., as may be required to be obtained by the Company from the Government/ GOI/ governmental agencies for implementation of the Project.
- 2.2.38 "GOI" means the Government of India.
- 2.2.39 "Government/Govt." means the Government of Himachal Pradesh.
- 2.2.40 "Government Supply/Govt. Supply" means the quantum of Energy which will be supplied by the Company free of cost at the Interconnection Point to the Board, as per the Implementation Agreement.
- 2.2.41 "Grid/Grid System" means the network of power system interconnecting different power generating stations, transmission lines and sub-stations for transmitting the electrical output from the Interconnection Point upto main load centre(s).
- 2.2.42 "Implementation Agreement" means the agreement dated 4<sup>TH</sup> April 1998 and Supplementary Agreements dated 8<sup>th</sup> October, 2001, 4<sup>th</sup> April 2002, 3<sup>rd</sup> January 2003, and 27<sup>th</sup> January 2006, entered into between the Company and the Government for implementation of Nagoal Hydroelectric Project read with the subsequent amendments, if any, thereto.
- 2.2.43 "Independent Engineer" means the Independent consulting Engineer or consulting firm or group that is jointly qualified by the Company and the Board for the purposes of this Agreement who shall be appointed three months before the COD.
- 2.2.44 "Installed Capacity" means summation of the name plate kilowatt capacity(ies) of the Generating Unit(s) of the Project.
- 2.2.45 "Interconnection Facilities" mean all the facilities which shall include, without limitation, switching equipment, protection, control and metering devices etc. for the incoming bay(s) for the Project Line(s), to be installed and maintained by the Board at 132/33 kV sub-station at Dehan (Palampur), at the cost of the Company, to enable evacuation of electrical output from the Project in accordance with the Agreement.
- 2.2.46 "Interconnection Point" means the physical touch point where the Project Line(s) and the allied equipment forming a part of the Interconnection Facilities are connected to the 33 kV bus-bars on the 132/33 kV sub-station of the Board at Dehan (Palampur).
- 2.2.47 "Law" means any act, rule, regulation, notification, directive, order or instruction having the force of law enacted or issued by any competent legislature, Government, GOI or statutory authority of India.
- 2.2.48 "Main Meter" means all meter(s) and metering devices owned by the Company and installed at the Interconnection Point for measuring and recording the delivery and receipt of Energy and other parameters as per Section 7.2.
- 2.2.49 "Maintenance Outage" means an interruption or reduction in the generating capability of the Project that:
- is not a Scheduled Outage;
  - has been scheduled and allowed by Board in accordance with Article 5; and

*[Signature]*  
 Chief Engineer (PSP)  
 HPSEB, Vidyal Bhawan Shimla-1

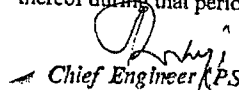
For M/s Om Power Corporation Ltd

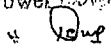
*[Signature]*  
 General Manager (Projects)

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N: 097883 Himachal Government Judicial Paper

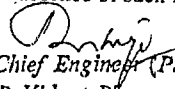
- (c) is for the purpose of performing work on specific components, which work could be postponed by atleast two (2) days but should not, in the reasonable opinion of the Company, be postponed until the next Scheduled Outage.
- 2.2.50 "Net Saleable Energy" means the electrical Energy in kWh, delivered by the Company at the Interconnection Point, less the Government Supply.
- 2.2.51 "Notice of Default" means the notice served by one Party on the other Party pursuant to Section 10.5(a).
- 2.2.52 "Operating Committee" bears the meaning as set out in Section 5.6.
- 2.2.53 "Operating Procedures" mean the operating procedures adopted by the Operating Committee from time to time pursuant to Section 5.6.
- 2.2.54 "Party" means the Board or the Company when referred to individually.
- 2.2.55 "Parties" mean the Board and the Company when referred to collectively.
- 2.2.56 "Project" means the Neogal Hydro Electric Project of 15 MW capacity, proposed to be established on, Neogal khad, a tributary of Beas river in Distt. Kangra in Himachal Pradesh, India, as approved by the Government, including complete hydro power generating facility covering all components such as diversion, intake works, water conductor system, head race tunnel, adits, forcbay, penstock, Station, switching, tailrace channel, Generating Unit(s), the Project Line(s), Interconnection Facilities and other connected facilities.
- 2.2.57 "Project Line" means 33 kV Double circuit transmission line from the Station to the 132/33 kV sub station of the Board at Dehan to be constructed, operated and maintained, as a part of the Project by the Company for the purpose of evacuation of power from the Project. This shall however not include the Interconnection Facilities.
- 2.2.58 "Prudent Utility Practices" mean those practices, methods, techniques and standards as prevalent from time to time, that are generally accepted internationally for use in electrical utility industries (taking into account conditions in India) and commonly used in prudent electric utility engineering and operations to design, engineer, construct, test, operate and maintain equipment lawfully, safely, efficiently and economically as applicable to power stations of size, service and type as that of the Project and that generally conforms to manufacturers' operation and maintenance guidelines.
- 2.2.59 "Reactive Energy" means the electrical Energy produced, flowing or supplied by an electric circuit during a time interval, measured in units of kVArh or standard multiples thereof.
- 2.2.60 "Reactive Power" means the product of voltage and quadrature component of current, measured in kVArh, which the Project shall provide to or absorb from the Grid System.
- 2.2.61 "Reactive Power Output" means the Reactive Power during a Demand Period in kVArh or multiples thereof, obtained by dividing Reactive Energy produced in kVArh or multiples thereof during that period by the time interval of the said demand in hours.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4


For M/s Om Power Corporation Ltd  
  
General Manager (Project)

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- 2.2.62 "Saleable Deemed Generation" means the loss in generation at the Station, after the Commercial Operation Date of the Project, attributed to the factors described in Section 6.4, for which the Board shall pay charges on the basis of the Deemed Generation after deducting, on deemed basis, the corresponding quantum of Government Supply, Auxiliary Consumption, Transformation Losses and Transmission Losses in deemed delivery of such Energy at the Interconnection Point. The Deemed Generation and the Saleable Deemed Generation shall be reconciled and signed by the designated officers of the Parties on monthly basis in accordance with Section 7.16. The determination of Energy quantum qualifying for payment(s) by the Board to the Company on account of Saleable Deemed Generation shall be strictly done in accordance with the stipulations under Section 6.4.
- 2.2.63 "Scheduled Commercial Operation Date of the Project/Scheduled COD of the Project" means the date by which the Company shall achieve Commercial Operation of the Project in accordance with Article-4 and commence power supply from all the Unit(s) on regular basis. The same shall be the date falling fifteen days after the Scheduled Synchronization Date of the last Unit.
- 2.2.64 "Scheduled Outage" means a planned interruption of the generating capability of the Project or a Generating Unit.
- for inspection, testing, preventive maintenance, corrective maintenance, repairs, replacements and improvement; and
  - which is not a Maintenance Outage and has been scheduled and allowed by the Board.
- 2.2.65 "Scheduled Synchronization Date/Scheduled Date of Synchronization" means the date by which the Company schedules to Synchronize Unit(s) as per the provisions of the Implementation Agreement.
- 2.2.66 "Station" means the 15000 kW Neogal Electric Station under the Project.
- 2.2.67 "Synchronization/Synchronise/Synchronizing" means an act to cause paralleling of two A.C. circuits/systems when they within the desired limits of frequency, phase angle and voltage.
- 2.2.68 "Synchronization Date(s)/Date of Synchronization" means with respect to each Unit, the date on which each such Unit is Synchronized and connected to the Grid System.
- 2.2.69 "Technical Limits" mean the limits and constraints and relating to the operation and maintenance of the Project, specified by the Board as per Schedule-II.
- 2.2.70 "TOD" means time of day for the purpose of metering.
- 2.2.71 "Transformation Losses" means the difference between
- The number of energy units supplied to the incoming terminals of step-up transformer(s) and
  - The number of energy units at the outgoing terminals of the step-up transformer(s). The Transformation Losses shall deemed to be 0.5% of energy generated for the purpose of computing the Saleable Deemed Generation.
- 2.2.72 "Transmission Losses" means the difference of the electrical energy measured at the sending end and receiving end of transmission lines (i.e. the Station and the Interconnection Point). Transmission Losses shall be deemed to be 4.5% of the energy to be generated for the purpose of computing the Saleable Deemed Generation.
- 2.2.73 "Water Spillage" means the amount of water spilled downstream of weir (without obtaining power generation benefits) on account of factors described in Section 6.4, but shall not include the minimum releases required to be ensured immediately downstream of the weir and shall also not include the water which would have spilled otherwise also even in absence of such factors.

  
Chief Engineer (PSP)  
HPSEB, Vidhyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd

  
General Manager (Projects)


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ARTICLE 3

CONSTRUCTION STAGE

- 3.1 The Company shall design and construct the Project in accordance with the Prudent Utility Practices, relevant technical standards and specification and also in line with the provisions of Approved DPR, after obtaining all requisite approvals. The Company shall achieve Commercial Operation of the Project within Scheduled Commercial Operation Date and ensure that the Project is capable of being Despatched delivering Active and Reactive Power as per Despatch Instructions and of being operated in parallel with the Grid System as per Prudent Utility Practices. The Company shall also ensure delivery of power at the Interconnection Point in a safe and reliable manner so as to avoid fluctuations and disturbances to the Grid System due to parallel operation.
- 3.2 For the purpose of this Article the construction period means a maximum period of 32 months from the date of Financial closure. The construction schedule to this effect is as per Schedule-I of this Agreement. The Company shall also furnish to the Board half yearly progress reports by 31st March and 30th September every year indicating achievement viz-a-viz the targets, spillages, if any, and the remedial actions intended to be taken.
- 3.3 The Company shall enter into a separate agreement with the Board within a period of six (6) months from the Effective Date for execution, operation and maintenance of the Interconnection Facilities. The agreement shall inter-alia lay down the details of the Interconnection Facilities and also the charges and other terms and conditions for the execution, operation and maintenance of the Interconnection Facilities.
- 3.4 The Company shall provide at the Station, at its cost, suitable arrangements, compatible with the Grid System and as may be approved by the Board, for parallel operation with the Grid System as per Prudent Utility Practices and also for automatic isolation of the Project from the Grid System in the event of any fault on the Grid System and ensure that no damage is caused to the Project due to aforesaid.
- 3.5 The Board shall provide adequate protection at the Interconnection Point, as a part of the Interconnection Facilities, to ensure that no damage is done to its system due to paralleling of the Station.
- 3.6 For proper and prompt co-ordination and efficient load management, the Company shall provide and maintain adequate and reliable communication system between the Station and 132/33 kV sub-station of the Board at Dehan.
- 3.7 Subject to availability, the Board shall provide adequate construction power to the Project at the cost of the Company. The construction power shall be supplied at the Board's bulk supply tariff as applicable from time to time. The Board shall however not be liable to pay any damage/ compensation to the Company in the event of non-supply of construction power for reasons beyond its control. The Company shall make its own standby arrangements for meeting the power requirements of the Project during the periods when Board is not in a position to make un-interrupted supply of power available to the Company.
- 3.8 At least three months before the scheduled date of start of construction work of the Project, the Parties shall establish a Construction Committee comprising of four (4) members. The Company and the Board shall appoint two (2) members each. The Board shall appoint one of the members, who shall be of the rank of Superintending Engineer, as Chairman of the Construction Committee. This Committee shall be responsible for the co-ordination of the respective construction programmes of the Project during construction.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-1

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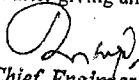
For M/s Om Power Corporation Ltd

  
General Manager (Projects)

COMMISSIONING AND ACHIEVING COMMERCIAL OPERATION

4.1 SYNCHRONISATION

- 4.1.1 The Company shall give the Board at least sixty (60) days advance written notice of the date on which it intends to Synchronize a Unit to the Grid System, the date being not earlier than the Scheduled Synchronization Date for the first Unit, unless otherwise agreed to by the Board.
- 4.1.2 Subject to Section 4.1.1, the Company shall declare a Unit to be ready for Synchronization with the Grid System when:
- (i) it has been installed in accordance with the required technical specifications and Prudent Utility Practices;
  - (ii) it meets all related conditions prescribed in applicable Indian Standard(s), Code(s) then in effect and otherwise meets the provisions of the Electricity Act, 2003/the Electricity Rules, 1956 or any other requirements for Synchronization to the Grid System; and
  - (iii) it is capable of being operated safely and the Company has obtained the approval of the Chief Electrical Inspector of the Government for energisation.
- 4.1.3 The Company shall notify the Board, as soon as the requirement of Section 4.1.2 have been met and the Unit is ready to be Synchronised to the Grid System in accordance with the Agreement.
- 4.1.4 The Board, and/or its authorised representative(s) shall inspect any Unit which the Company intends to Synchronise to the Grid System within five (5) days after being notified in writing by the Company pursuant to Section 4.1.3, to determine whether the requirements of Section 4.1.2 have been met. The Company shall provide the Board with such access to the Station as is reasonably required to make such determination.
- 4.1.5 If the Board is satisfied that the Unit is ready to be Synchronised in accordance with Section 4.1.2 and 4.1.4, it shall within three days of the completion of the inspection of the Unit(s) notify the Company to that effect and provide the Company with all reasonable assistance in Synchronising the Unit and also for conducting Commissioning Test(s).
- 4.1.6 The Company shall conduct Commissioning Tests within fifteen (15) days from the Date of Synchronisation, in the presence of an Independent Engineer appointed by both the Parties. The Independent Engineer shall submit a certificate of the tested capacity and necessary performance tests of the plant to the Board.
- 4.1.7 In continuation to notice as per section 4.1.1, the Company shall further give atleast seven (7) days notice by fax followed by registered mail to the Board of the exact date(s) on which Commissioning Test(s) will commence. The Board shall designate its authorised representative to observe these test(s). A copy of these test(s) results shall also be furnished by the Company to the Board.
- 4.1.8 The Commercial Operation of a Unit shall have occurred as on the date such Unit successfully passes the Commissioning Test(s) and have been duly certified by the Independent Engineer.
- 4.1.9 In case the Company fails to achieve Commercial Operation of the Unit(s) within 180 days from the first Synchronisation of the last Unit of the Project, the Company shall to the satisfaction of the Board, take off such Unit from the Station bus bar till such time the defect is removed, failing which the Board shall be free to disconnect the Project Line(s) from its Grid System after giving an opportunity to the Company to explain its position.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

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ARTICLE 5

PLANT OPERATION AND MAINTENANCE

5.1 Subject to the provisions of the Agreement, the Company shall organize operation and maintenance of the Project so as to ensure optimum utilization of the water potential and if required, affect improvement (within the overall scope of the Project implementation) in the Project in accordance with:

- (i) Prudent Utility Practices;
- (ii) all applicable Laws and directives;
- (iii) the manuals, instructions and manufacturers' guidelines supplied by construction contractors, manufacturers of equipments/suppliers etc;
- (iv) the Grid Technical Limits as described in Schedule-II;
- (v) Despatch Instructions; and
- (vi) rated capacity subject to normal derating/deterioration.

5.2 SCHEDULED OUTAGES

- (a) Atleast 45 days prior to the Scheduled Synchronisation Date of each Unit, the Company shall submit to the Board proposed plan of Scheduled Outage for that Unit for the balance period of the Year in which such date falls. Thereafter, by 15th February preceding each Year, the Company shall submit to the Control Centre its proposed plan of Scheduled Outages for Unit(s) of the Project for the following Year.
- (b) Within 30 days of submission of such Schedule by the Company, the Control Centre shall either notify the acceptance to the Company in writing or convey its views to the Company in writing. In case of non response by the Control Centre within the stipulated period, the Schedule submitted by the Company shall be deemed to be carrying the approval of the Control Centre. The plan of Schedule Outages shall then be finalised by the Operating Committee as per Prudent Utility Practices. The decision of the Control Centre with regard to scheduling of Scheduled Outages shall be final.


5.3 MAINTENANCE OUTAGES

When the circumstances warrant a Maintenance Outage, the Company shall inform the Control Centre of such circumstances and the proposed commencement and estimated duration of Maintenance Outage. The Control Centre shall grant the Company the right to schedule and conduct such Maintenance Outage at a time acceptable to the Parties. The decision of the Control Centre with regard to scheduling of Maintenance Outages shall be final.


5.4 OPERATION

The Control Centre may issue Despatch Instructions and the Company shall follow all such Despatch Instructions issued by the Control Centre as below:

- a) The Company shall keep the Control Centre informed about the availability of the Project. Further, the Company shall be under obligation to inform the Control Centre within 30 minutes of any change in the Availability. The entire Availability would be deemed to be applicable unless a declaration with respect to Availability is conveyed to the Control Centre.
- b) The operating staff of the Company shall carry out all switching operations as per the instructions of the Control Centre which are necessary to make the interconnection equipment/transmission lines dead for making them available for maintenance work during an outage.

  
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For M/s Om Power Corporation Ltd  
  
General Manager (Project)

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- (c) During an emergency, the Company shall act in accordance with the instructions of the Control Centre and the Power output increased/decreased subject to the 'Technical Limits' and the 'Water Availability.'

5.5 FORCED OUTAGES

In case of Forced Outage, the Company shall take all reasonable steps to bring back the equipment into service that is under Forced Outage, as early as may be reasonably practicable.

5.6 OPERATING COMMITTEE MEMBERSHIP AND DUTIES

- (a) Atleast six months before the Scheduled Synchronization Date of the first Unit, the Parties shall establish an Operating Committee comprising of four (4) members. The Company and the Board shall appoint two (2) members each. The Board shall appoint one of the members, who shall be of the rank of Superintending Engineer, as Chairman of the Operating Committee. The Operating Committee shall be responsible for the co-ordination of the operation of the Project with the Grid System. Without limiting the generality of foregoing, the duties of such committee shall include:

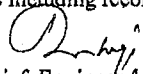
- (i) the discussion on the steps to be taken on the occurrence of any event of Force Majeure, or the shutdown or reduction in capacity or any other event of concern, relating to the Project, Interconnection Facilities and/or transmission facilities affecting the evacuation of power from the Project;
- (ii) the co-ordination of Scheduled Outages;
- (iii) the development of Operating Procedures and their periodic review. The Company shall submit the draft for such Operating Procedures to the Operating Committee at least 120 days before the Scheduled Synchronisation Date of the first Unit;
- (iv) safety matters affecting both the Parties or their contractors;
- (v) review of protection schemes and devices including relay settings etc.;
- (vi) matters relating to the co-ordination of the respective programmes of the Parties for the operation and maintenance of the Project and the Interconnection system and other matters arising out of the PPA; and
- (vii) any other mutually agreed matter(s) affecting the operation of the Project with the Grid System.

- (b) The Operating Committee may agree upon the timings and procedures for holding its meetings, the records of the meetings and appointment of sub-committees.

- (c) In case of matter(s) not resolved by consensus, the Committee or either Party may refer such matter(s) to the Chief Engineer (Commercial) of the Board or such authority designated by the Board for the purpose from time to time, to resolve the matter of disagreement.


5.7 MAINTENANCE OF RECORDS

Each Party shall keep complete and accurate records and all other data required by each of them for the purposes of proper administration of the Agreement. Among other records and data required hereby or elsewhere in the Agreement, the Parties shall maintain an accurate and up-to-date operating log at the Project/Interconnection Point as per Prudent Utility Practices including records of:

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd

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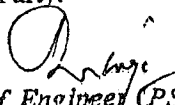
  
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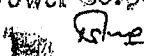
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- (a) Active and Reactive Power production for each hour at all times and the Energy generated/received on hourly basis;
- (b) Scheduled Outages, Maintenance Outages and Forced Outages;
- (c) Outage of the Generating Unit(s), other than the Scheduled Outage, Maintenance Outage and Forced Outage, but attributed to the following or any one of the following :-
  - i) Board Grid System failure.
  - ii) Non availability of evacuation system beyond the Interconnection Point.
  - iii) Receipt of backing down instructions from the Control Centre.
- (d) Any unusual condition observed during operation/ inspection(s).

All such records shall be maintained for a minimum of sixty (60) months after the creation of such record or data. Either Party shall have the right, upon reasonable prior notice to the other Party, and at reasonable times, to examine such records and data maintained by the other Party during the office hours only. Neither Party shall dispose off or destroy any records after the period of preservation, without giving thirty (30) days prior written notice to the other Party.

  
Chief Engineer (PSP)  
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For M/s Om Power Corporation Ltd.  
  
General Manager (Projects)

ARTICLE 6

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SALE AND PURCHASE OF THE ENERGY

6.1 From the Date of Synchronization of the first Unit of the Project, the Company shall supply the electrical Energy from the Project at the Interconnection Point. The Government Supply shall be delivered by the Company to the Board at the Interconnection Point free of cost. The Company shall sell and the Board shall purchase at the Interconnection Point the Net Saleable Energy i.e. the Energy received from the Project at the Interconnection Point less the Government Supply.

During such periods, as may occur from time to time, as the Project is partially or totally unable to operate, the Company may draw Energy required for startup and maintenance of the Project from the Board's system, which shall be metered at the Interconnection Point and adjusted against the Net Saleable Energy in corresponding month's bill. In case the quantum of such drawals by the Company during a month exceeds the Net Saleable Energy for that month, the excess drawals shall be paid for by the Company at the same rate as applicable for Net Saleable Energy as per Section 6.2.

6.2 TARIFF FOR NET SALEABLE ENERGY

The Board shall pay for the Net Saleable Energy delivered by the Company to the Board at the Interconnection Point at a fixed rate of Rs. 2.25 (Rupees two and paise twenty five ) per Killowatt hour. This rate is firm and fixed without indexation and escalation and shall not be changed due to any reason whatsoever.

6.3 SUPPLY OF ACTIVE AND REACTIVE POWER

The Company will produce and supply Active and Reactive Power to the Grid in accordance with the Despatch Instructions from time to time within the technical parameters of the Unit(s), declared capacity, water availability and Grid conditions.


6.4 DEEMED GENERATION


After the COD of the Project, loss of generation at the Station on account of reasons attributed to the following, or any one of the following, shall count towards Deemed Generation and it shall be paid/accounted for each time, if only there is Water Spillage:

- (a) Board Grid System failure;
- (b) non availability and partial availability of evacuation system beyond the Interconnection Point; and
- (c) receipt of backing down instructions from the Control Centre as a result of merit order despatch.

Provided that the following shall not count towards Deemed Generation:-

- (i) the loss of generation at the Station due to the interruptions/outages attributed to the aforesaid factor(s) lasting for a period of less than 20 minutes at a time;

  
 Chief Engineer (PSP)  
 HPSEB, Vidyut Bhawan Shimla-4

  
 General Manager (PSP)

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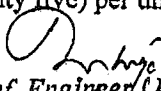
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
- (ii) the loss of generation at the Station on account of aforesaid factor(s) but attributed to the Force Majeure event(s);
- (iii) the loss of generation at the Station due to the interruptions/outages attributed to the aforesaid factor(s) during the period in which the total duration of such outages/interruptions, other than those excluded under (i) & (ii) above, is within the annual limit of 480 hours in a Year; and
- (iv) the loss of generation at the Station that would have taken place otherwise also even in the absence of the aforesaid factor(s).

The period of outage/interruption on account of such factor(s) shall be reconciled on monthly basis and the loss of generation at the Station counting towards Deemed Generation after accounting for the events (i) to (iv) above, shall be computed on following considerations:-

- (i) if such period falls within the first twelve months after the COD of the Project, the generation envisaged for the month in which such period falls, based on inflows relating to 75% dependable year, as per the hydrological data contained in the Approved DPR; and
- (ii) if such period falls subsequent to the first twelve months after the COD of the Project, the generation actually achieved including the Deemed Generation, if any, in the corresponding month of the previous Year or the one envisaged in that month based on inflows relating to 75% dependable year as per the hydrological data contained in the Approved DPR, whichever is less.

The Board shall pay for the Saleable Deemed Generation, worked out on the basis of the Deemed Generation on above lines, at a fixed rate of Rs. 2.25 (Rupees two & paise twenty five) per unit on monthly basis.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd.  
  
General Manager (Projects)

ARTICLE 7

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METERING STANDARDS AND TESTING

7.1 The Project Line(s) shall be constructed, operated and maintained by the Company as a part of the Project for evacuating power from the Project. The construction, operation and maintenance of the Interconnection Facilities shall be done by the Board at the cost of the Company for which a separate agreement will be entered into by the Company with the Board in accordance with Section 3.3.

For measuring the delivery/import of Energy by the Company at the Interconnection Point, one set of Main Meter (part of Interconnection Facilities) and Check Meter shall be provided by the Company and the Board respectively at the Interconnection Point. The general location of the metering equipment shall be communicated by the Company to the Board at least ninety (90) days prior to the Commercial Operation Date of the Project.

7.2 Main and Check Meter as per Section 7.1 above shall be capable of measuring and recording the following parameters for various time/frequency blocks as per Prudent Utility Practices:-


- i) Active Energy (kWh) and Reactive Energy (kVArh);
- ii) Instantaneous voltage, current and power factor;
- iii) Frequency;
- iv) Maximum demand in kVA/kW for each Demand Period and for the total period since last reset;
- v) kWh/kVArh since last reading;
- vi) Real time and time of day metering; and
- vii) Number of resets.


Meters will have facilities for reset. The metering system shall be independent of phase sequence reversal, C.T. polarity reversal and shall also give an indication in case of missing P.T. potential. The metering system shall also be capable to record export and import data separately. Accuracy class for Active Energy measurement shall be 0.2 as defined in applicable IEC/Indian standards. For all other values, the accuracy class shall be as per Prudent Utility Practices.

7.3 The copies of certified results of the factory calibration tests for the Main Meter and the Check Meter conducted in accordance with Prudent Utility Practices shall be provided by each concerned Party to the other Party. The Company as well as the Board shall keep requisite sets of metering equipment, duly tested/calibrated, as spares, for replacement as and when required. Main Meter or Check Meter shall be replaced by spare set of meter with mutual consent of the Parties whenever the Main Meter or the Check Meter is required to be removed.

Meter installed after replacement shall be treated as Main Meter or Check Meter, as the case may be.

7.4 The Main Meter and the Check Meter shall be maintained in accordance with Prudent Utility Practices. The meters installed at the Interconnection Point shall be jointly inspected and sealed on behalf of the Parties and shall not be interfered with by either Party except in the presence of the other Party or its accredited representative(s).

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd  
  
General Manager (Projects)

- 7.5 a) The Main Meter and Check Meter shall be test checked for accuracy insitu at least fifteen (15) days before Synchronization of the first Unit and every six months thereafter. The test for the Main Meter and the Check Meter shall be done with reference to a portable Sub Standard meter, which shall be of accuracy class compatible with the class of meter under test and as per the Prudent Utility Practices. Further the IPP shall at its own expense, have the Sub Standard meter tested, calibrated and certified by a recognised and independent Testing House/Laboratory, mutually acceptable to the Parties, once during every year (or more frequently upon the reasonable request of the Company or the Board) with reference to the relevant Indian standard or I.E.C. where Indian standard is not existing. Each such meter shall be deemed to be working satisfactorily so long as the errors are within the limits prescribed in the relevant Indian standard (or I.E.C. where Indian standard is not existing) for meters of the said accuracy class. The consumption registered by a Main Meter alone will hold good for the purpose of billing as long as the error in the Main Meter is within the permissible limits.
- (b) Any Party can request for additional metering test and the additional test shall be conducted within seven (7) days of receipt of such notice. The Parties shall agree to a mutually convenient time for such inspections or tests and the expense of any requested additional inspections or tests requested by a Party shall be borne by the Party requesting such additional test. However, if upon such testing, the metering equipment is found to register beyond the permissible limits of error, the expenses will be borne by the other Party.
- 7.6 If during the half yearly test checks, the Main Meter is found to be within the permissible limits of error and the corresponding Check Meter is found to be beyond the permissible limits of error, then billing will be as per the Main Meter as usual. The corresponding Check Meter shall, however, be calibrated or replaced with spare tested calibrated meter, as may be necessary.
- 7.7 If during the half yearly test checks, the Main Meter is found to be beyond permissible limits of error but the Check Meter is found to be within permissible limits of error, then the billing for the month and upto the date and time of the calibration/replacement of the defective Main Meter, shall be as per the Check Meter. Such meter shall be immediately calibrated or replaced with the spare tested/ calibrated meter, as may be necessary, whereafter billing shall be as per the Main Meter.
- 7.8 If during the half yearly test checks, the Main Meter and the Check Meter are both found to be beyond the permissible limits of error, then both the meters shall be immediately replaced with spare calibrated meters and the correction applied to the consumption registered by the Main Meter to arrive at the correct consumption of Energy for billing purposes for the period of two Billing Months prior to the month in which test check has been done and upto the time of calibration/replacement of the defective meter.
- 7.9 Corrections in billing, wherever necessary, shall be for the full value of the absolute error. For the purpose of the correction to be applied, the Main Meter shall be tested at (a) 100, (b) 50, (c) 20 and (d) 10 percent load at unity power factor as well as 0.9 power factor lagging. Of these eight values, the error at the load and power factor nearest to the average monthly load served through the meter at the Interconnection Point during the period shall be taken as the error to be applied for correction.

*[Signature]*  
 Chief Engineer (PSP)  
 HPSEB, Vidyut Bhawan Shimla-4

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- 7.10 If, when the joint meter readings are taken, the difference between consumption as per Main Meter and the Check Meter exceeds the maximum permissible error for such meters, then both meters shall be tested in turn.

Pending such calibration of the Main Meter, billing and payment shall be provisionally based on the Energy recorded by the Check Meter and will be subject to adjustment on testing of the Check Meter.

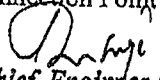
If on such testing, the error in both the Main Meter and the Check Meter is found to exceed the maximum permissible error for a meter of that accuracy class (0.2), the Energy figure recorded by such Main Meter for the previous Billing Month (i.e. the month for which final reading was taken as per first sub para of this Section) and upto the date of removal of such meter in the current month shall be corrected by applying correction factor as per Section 7.9.

If on testing, error in the Main Meter is within accuracy limit and the Check Meter is beyond the accuracy limit, the Main Meter reading shall be used for billing and Check Meter shall be recalibrated.

If on testing, error in the Check Meter is within the accuracy limit and error in main Meter is beyond accuracy limit, then Check Meter reading shall be used for billing purposes for the previous Billing Month (i.e. the month for which final reading was taken as per first sub para of this Section) and the Main Meter shall be recalibrated. Till calibration/replacement of the Main Meter is done, the meter reading of the Check Meter shall continue to be used for billing purposes.

If on testing, the Main Meter and the Check Meter are both found to be within the accuracy limits, the readings of the Main Meter shall continue to be adopted for billing purposes.

- 7.11 If the Main Meter and the Check Meter fail to record or if any of the PT fuses have blown out, then the Energy will be computed on a mutually agreeable basis between the Company and the Board for that period of defect. In case there is no mutual agreement then the matter will be referred to the Chief Electrical Inspector to the Government of Himachal Pradesh whose decision would be final and binding on both the Parties.
- 7.12 All the tests on the Main and Check Meter shall be conducted in the presence of the authorised staff of the Parties and the results and correction so arrived at will be applicable and binding on both the Parties.
- 7.13 Any Dispute regarding measurement of Energy, which does not get resolved through mutual negotiations, shall be referred by the either Party to the Chief Electrical Inspector to the Government of Himachal Pradesh, whose decision shall be final and binding on both the Parties.
- 7.14 For the purpose of taking joint meter reading and other activities in pursuance of this Article, the Board as well as the Company will designate their official(s) within 15 days after issuance of the notice by the Company under Section 4.1.1. Either Party shall be entitled to change the nomination of its designated official(s) by giving a notice of atleast fifteen (15) days to the other Party.
- 7.15 Monthly joint meter readings of the Main Meter and Check Meter installed at the Interconnection Point shall be taken by the designated officials of the two Parties on the

  
Chief Engineer (PSP)

HPCER, Vidya Bhawan, Shimla

For M/a Om Power Corporation Ltd.

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Synchronisation Date of each Unit as well as at 12.00 hours on the first day of the next month in which the first Unit is Synchronised and subsequently also at 12.00 hours of the first day of each month. The joint meter readings shall be recorded and signed by the authorised representative(s) of both the Parties on each of the above instances. If the authorised representatives of the Board and the Company are not available for recording the readings of Main/Check Meter at the Interconnection Point, at the said hour, the meter(s) shall be read jointly at 12.00 hours on the following day; failing which the meter(s) shall be read by the Party present at the site, who shall certify the meter readings. If the representative of the Board does not attend to the verifications and certification of the statement, the certificate of the Company alone shall be considered sufficient for release of payment in the interim. Registers shall be maintained by the Company and the Board separately for the joint meter readings recorded at the Interconnection Point. Separate joint meter readings shall also be taken at the time of removal/replacement of any of the Main Meter/Check Meter.

- 7.16 On the last day of each month, the Company shall prepare a statement in respect of Water Spillage and loss of generation, if any, at the Station to be considered for determination of Saleable Deemed Generation during the month. The above statement duly signed together with the copies of the relevant log book(s) and other supporting data shall be supplied at the time of recording of joint meter reading on first day of each month. This statement shall be reconciled and signed by the designated officers of the Board and the Company.
- 7.17 After recording the meter readings referred to in Section 7.15, the designated officers of the Board and the Company or the Party present, as per provisions of Section 7.15, shall work out the total Energy delivered/imported by the Company at the Interconnection Point, the quantum of Govt. Supply & the Net Saleable Energy. The statement to this effect, shall be signed by said designated Officer(s) and will form the basis for preparation of monthly bills by the Board and the Company.

*[Signature]*  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-1

For M/s Om Power Corporation Ltd  
*[Signature]*  
General Manager (Projects)

## ARTICLE 8

## BILLING AND PAYMENT

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- 8.1 The Company shall prepare the monthly bills for the Saleable Deemed Generation and the Net Saleable Energy in accordance with the jointly signed statements as per Sections 7.16 and 7.17 respectively and shall furnish the same to the Board, in triplicate, on or after 5th day of each succeeding month. The bills for supply of Energy by the Board to the Company pursuant to Section 6.1 shall be prepared by the Board and served on the Company in the same manner.

The Board shall make payments of the bills raised on above basis within 30 days from the Date of Presentation of the Bill by the Company to the Board. The Date of Presentation of the Bill shall mean the date on which the bill is received by the designated office of the Board as notified from time to time. The payments shall be made through crossed cheques drawn on the banks acceptable to the Company and the Board.

As a backup arrangement for Board's payment obligation in respect of monthly bills under this Agreement, the Board shall also open and maintain, for the term of this Agreement, a confirmed irrevocable, revolving letter of credit (LC) in favour of the Company on any nationalised bank. This letter of credit shall be opened by the Board within a period of thirty days from the Commercial Operation Date of the Project. The charges for opening the LC shall be borne by the Company.

The value of the Letter of Credit due in the first year of operation shall be equal to the possible value of invoice based on the maximum generation in any one month, based upon the hydrological data provided in the DPR, relating to 75% dependable year. During subsequent years, however, the value of the Letter of Credit shall be equivalent of the highest invoiced amount in any one month during the previous years (say three years) of operation. Further the cost of reinstatement of the Letter of Credit shall be borne by the Board. In case the payment is not released by the Board on the Due Date of Payment the Company shall, on the working day immediately after to the Due Date of Payment (scheduled date of operation of LC), claim payment from the concerned bank through the LC for the undisputed/unpaid amount of the bill.


In the event of operation of LC by the Company, the Board shall restore the amount of letter of credit within the scheduled date of payment through LC for the next monthly bill. Other detailed modalities regarding operation and maintenance of LC shall be mutually decided by the Parties.

8.2 **REBATE**

If the payment of a bill is made before the Due Date of Payment, the Board shall be entitled for a rebate at normal prime-lending rate of interest of the State Bank of India calculated for each day of payment before the Due Date.

8.3 **LATE PAYMENTS**

In case the un-disputed amount of a bill is not paid within the Due Date of Payment, the unpaid and un-disputed amount shall bear penalty at a rate of 1.5% per month. For this purpose the month shall be considered to be comprising of thirty days. The penalty shall be payable for each day of delay in making such payment beyond the Due Date of Payment.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

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For M/s Om Power Corporation Ltd.

  
General Manager (Projects)

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8.4 SUPPLEMENTARY BILLS

The adjustments, if any, on account of errors and omissions in the billing for a month, shall be made through supplementary bills, which shall also be paid/adjusted on the above lines but through crossed cheques only.

8.5 BILLING DISPUTES

- (a) Notwithstanding any Dispute as to all or any portion of monthly bill/supplementary bill submitted by the Company to Board, the Board shall pay the undisputed amount of the bill by the Due Date of Payment, provided that the amount of the bills is based on joint meter readings/jointly signed statements and applicable tariff.
- (b) In case of Dispute on any of the bills, the Board shall notify the Company of any disputed amount within 15 days of receipt of bills, and the Company shall rectify the errors/shortcomings or otherwise notify its rejection of the disputed amount, with reasons thereto, within 5 days of the reference by the Board, failing agreement on which the provisions of Article 13 shall apply with respect to the disputed amount of such bill. If resolution of any Dispute requires the Company or the Board to reimburse to the Board or to the Company, the amount to be reimbursed shall bear interest, for the number of days from the Due Date of Payment by the Board or by the Company upto the Date of Reimbursement, at the rate equivalent to the prevailing prime lending rate of State Bank of India.


Following observation of auditors to the Board/Company, any error or discrepancy in any bill shall be referred to the other Party within a maximum period of three years from the Date of Presentation of that bill. The Company/Board shall rectify the error/shortcoming or otherwise notify its rejection of the claim with reasons thereto within fifteen (15) days of reference by the Board/Company. Failing agreement on such claims, provisions of Article 13 shall apply.

8.6 BILLING BY THE BOARD


The amount against supply of excess Energy pursuant to Section 6.1 shall be billed by the Board and paid for by the Company through crossed cheques only but on similar lines as applicable for the bills raised by the Company, as per the above provisions of this Article.

8.7 DATE OF PAYMENT/DATE OF REIMBURSEMENT

For the purpose of this Article, the Date of Payment/Date of Reimbursement shall mean the date on which the crossed cheque is delivered in person to the representative of the Company or the Board, as the case may be, or the day immediately succeeding the day on which such a cheque is sent through the registered post.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

Haryana Power Corporation Ltd.

  
General Manager (Projects)

## 8.8 LEVIES, TAXES, DUTIES, CESS ETC. (107)

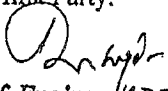
Any statutory taxes, levy, duties, cess or any other kind of imposition(s) including tax on generation of electricity whatsoever imposed/charged by any government (Central/State) and/or any other local bodies/authorities on generation of electricity, after the Effective Date, shall be reimbursed by the Board to the Company on the quantum of Net Saleable Energy.

## 8.9 TOD/FREQUENCY LINKED ENERGY ACCOUNT

Subject to the provisions of Section 7.15, all the adjustments under the Agreement shall be made on monthly basis. However, in case the Board adopts the TOD and/or frequency linked Energy account/tariff for its consumers, the adjustment under the Agreement shall also be made on such time blocks matching with the TOD/frequency accounting. Detailed modalities in this regard would be mutually agreed between the Parties, at an appropriate time, and a supplementary agreement will be executed.

## 8.10 SET OFF OF AMOUNT

Any amount due to one Party by the second Party may be set off against the amount(s) due to the second Party by the first Party. However, such set offs of amounts due to a Party may not be applied against amounts that may become due at a future date to the second Party by the first Party.

  
Chief Engineer/(PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Lt.

  
General Manager (Projects)

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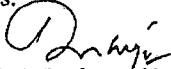
### ARTICLE 9

#### UNDERTAKINGS

##### 9.1 COMPANY'S UNDERTAKINGS

The Company hereby covenants to and agrees with the Board to:

- (a) Complete the execution of the Project within the scheduled time as per Section 3.1 and in accordance with the Agreement;
- (b) Design, install and commission the Project including transmission line upto Interconnection Point, in a good workman-like manner as per Prudent Utility Practices and in accordance with the provisions of Approved DPR with materials and equipment that are new and of utility-grade quality, in such a manner that the useful life of Project will be at least equal to the term of the Agreement;
- (c) work with and co-operate in good faith with the Board with respect to all of the Board's obligations and rights hereunder;
- (d) maintain the rated capacity throughout the term of the Agreement, subject to the normal derating/ deterioration during the life of the Project;
- (e) provide such periodic reports on the progress of the development and construction of the Project as may be required by the Board;
- (f) operate and maintain the Project in accordance with (i) Despatch Instructions (ii) Prudent Utility Practices within the Technical Limits (iii) all applicable Laws, rules, regulations, permits and licences and (iv) recommendations of manufacturers of the principal equipment of the Project;
- (g) enter into a separate agreement with the Board for the implementation of Interconnection Facilities;
- (h) buy and keep alive at its cost the following insurance policies during the entire Agreement period and schedule-III to this effect is attached.
  - i) Third Party Insurance;
  - ii) Natural Peril Insurance;
  - iii) Construction Insurance;
  - iv) Risks encountered during construction and operation and maintenance of the Project;
  - v) Business Interruption Insurance;
  - vi) Marine Transit Insurance (if required);
  - vii) Statutory Workers Compensation Insurance;
  - viii) Employer Liabilities Insurance; and
  - ix) Any other insurance as appropriate.
- (i) not to transfer/dispose off or otherwise alienate any asset of the Project without prior approval of the Board;
- (j) make its own arrangement for standby construction power, if considered necessary, for use during the period when the Board is unable to supply the same to the Company; and
- (k) furnish performance guarantee for Rs. twenty (20) lacs per mega watt in shape of irrevocable Bank Guarantee/Letter of Credit in favour of Board, on completion of debt servicing period or ten (10) years from the Commercial Operation Date, whichever is earlier and valid for the remaining period of the Agreement period of 40 years.

  
Chief Engineer (PSP)

For M/s Om Power Corporation Ltd  


## 9.2 THE BOARD'S UNDERTAKINGS

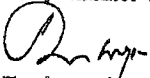
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The Board hereby covenants to and agrees with the Company to:


- (a) provide adequate construction power, subject to availability, to the Project work site at the cost of the Company including departmental charges as applicable to such category of consumers. The construction power shall be supplied at the Board's bulk supply tariff as applicable from time to time. The Board shall not be liable to pay any damages/ compensation to the Company in the event of non supply of construction power for reasons beyond its control;
- (b) provide such assistance and support as the Company may reasonably require in identifying and preparing the applications for Governmental Authorizations and in interfacing with governmental authorities in connection with obtaining Governmental Authorizations for the construction, completion and operation of the Project;
- (c) enter into a separate agreement with the Company as per Section 3.3 and make necessary arrangements to set up the Interconnection Facilities within the stipulated time schedule at the cost of the Company, subject to timely payment by the Company as per the payment schedules to be indicated by the Board from time to time;
- (d) work with and co-operate in good faith with the Company with respect to all of the Company's obligations and rights hereunder;
- (e) provide suitable transmission arrangements beyond the Interconnection Point for evacuation of power generated at Project and endeavour to minimise the loss of generation at the Project on account of transmission bottlenecks; and
- (f) make timely payments to the Company as per the provisions of this Agreement.

## 9.3 MUTUAL COVENANTS

Each Party will duly pay all rents, taxes, cess, fees, revenues, assessments, duties, other outgoings and other amounts owing by it and will observe all the rules and regulations pertaining to the same, and will not do or omit to do or suffer to be done anything which could reasonably be expected to adversely affect or prejudice the interest and rights of the other Party in any manner whatsoever.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd.

  
General Manager (Projects)

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## Himachal Government Judicial Paper

### ARTICLE 10

#### TERM, EVENTS OF DEFAULT AND TERMINATION

##### 10.1 TERM OF AGREEMENT

The Agreement shall become effective upon execution and delivery by the Parties hereto and unless earlier terminated pursuant to provisions of the Agreement, shall have a term from the date hereof until forty (40) years after the Synchronization Date of the first Unit of the Project.

10.2 In case the Government agrees to grant to the Company further extension beyond the aforesaid period in terms of the Implementation Agreement, the Board shall have the first right to continue purchasing the Net Saleable Energy from the Project during such extended period(s) also on the terms and conditions of the Agreement.

##### 10.3 COMPANY DEFAULT

The occurrence and continuation of any of the following events, unless any such event occurs as a result of Force Majeure event or a breach by the Board of its obligations under the Agreement, shall constitute a "Company Event of Default".

- (a) breach of Implementation Agreement by the Company;
- (b) if the Project is designed, constructed or completed:-
  - i) in a manner that materially deviates from the provisions of the 'Techno-Economic Clearance' accorded by the Board; or
  - ii) in violation of any applicable Law of India; or
  - iii) in a manner which deviates materially from Prudent Utility Practices;
- (c) if the Company wilfully or recklessly fails in material respect to operate and maintain the Project in accordance with Prudent Utility Practices or as per the requirements of the Agreement;
- (d) abandonment of the operation of the Project or failure by the Company to operate Project for a continuous period of thirty (30) days (other than due to a Force Majeure Event, capital maintenance or Board Event of Default);
- (e) if the Company, taking into account prevalent Grid conditions, regularly refuses to comply with Despatch Instructions;
- (f) bankruptcy, liquidation or dissolution of the Company pursuant to Law, except for the purpose of a merger, consolidation or reorganisation that does not affect the ability of the resulting entity to perform all its obligations under the Agreement and provided that such resulting entity expressly assumes all such obligations;
- (g) the transfer, pursuant to Law, of either the rights and/or obligations of the Company hereunder or all or a substantial portion of the assets or undertakings of the Company, except where such transfer, in the opinion of the Board, does not affect

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd


the ability of the transferee to perform all its obligations under the Agreement and provided that such transferee expressly assumes all such obligations;


- (h) the Company commits material breach of the Agreement;
- (i) the Company assigns or purports to assign its rights and transfers its obligations under the Agreement or transfers or changes its assets, in violation of Section 15.10;
- (j) failure of the Company to make any substantial payment due under the PPA after receipt of notice of non-payment, (Rs.1 lac or above);
- (k) failure of the Company to enter into Commercial Operation within 180 days of the Scheduled Date of Synchronization other than as a result of Force Majeure event or Board's Event of Default; and
- (l) transfer of equity of promoters below the acceptable level (35% of the equity) except to the extent permitted under the Financing Documents, provided that the prior approval of the Board has been obtained.

#### 10.4 BOARD DEFAULT

The occurrence and continuation of any of the following events, unless any such event occurs as a result of Force Majeure event or a breach by the Company of its obligations under the Agreement, shall constitute the "Board Event of Default";

- (a) bankruptcy, liquidation or the dissolution, pursuant to Law, of the Board except for purposes of a merger, consolidation, privatisation or reorganisation that does not affect the ability of the resulting Party to perform all its obligations under the Agreement and provided that the Board's successor under the Agreement expressly assumes the obligations of the Board under the Agreement.
- (b) the transfer, pursuant to Law, of either the rights and/or obligations of the Board hereunder or all or a substantial portion of the assets or undertakings of the Board except when such transfer does not affect the ability of transferee to perform all its obligations under the Agreement and provided that such transferee expressly assumes the obligations of the Board under the Agreement;
- (c) if the Board fails to make payment of undisputed amount of the monthly bill amounting to Rs. one lac and above within three months after the Due Date of Payment for that monthly bill;
- (d) the Board commits material breach of the Agreement;
- (e) the Board assigns or purports to assign its rights and transfers its obligations under the Agreement or transfers or changes its assets, in violation of Section 15.10; and
- (f) breach of Implementation Agreement by the Government of H.P.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s. Om Energy Corporation Ltd  


10.5 NOTICE OF DEFAULT

- (a) Upon the occurrence of a Company's Event of Default or a Board's Event of Default, as the case may be, the Board or the Company, as the case may be, shall deliver a notice to the other Party ("Notice of Default") which shall specify in reasonable detail the Company Event of Default or the Board Event of Default, as the case may be, giving rise to the Notice of Default to the other Party.
- (b) Following the giving of a Notice of Default, the Parties shall consult each other for a period upto thirty (30) days having regard to all the circumstances as to what steps shall be taken with a view to mitigate the consequences of the relevant event. The Parties may also mutually decide the cure period within which the defaults shall be remedied provided that if no mutual agreement is arrived at with regard to the duration of cure period, the defaulting Party shall be entitled to get a cure period of three months from the date on which the consultation period expires. The cure period shall be applicable only when there is an operational default in the Project which the Company/Board can cure. In the event of default where the Company/Board has transferred its rights and obligations to the third party and/or the Company/Board has been dissolved pursuant to law, bankruptcy etc. the consultation and cure period will not be applicable.

10.6 NOTICE OF TERMINATION

- (a) At the expiry of the cure period as per Section 10.5 (b) and unless the Parties shall have otherwise agreed or in the event of default giving rise to the Notice of Default having been remedied, the Party having given Notice of Default may give a termination notice (i.e. either a Board Termination Notice or Company Termination Notice, as the case may be) to the other Party stating that the Agreement shall stand terminated on the expiry of the notice period if the default is not remedied within that period. The period of notice in case of defaults shall be 7 (seven) days. The notice period(s) can however be extended with mutual agreement.
- (b) If at any time after the Company is entitled to deliver a Company termination notice but has not done so, the Company shall be entitled to deliver to the Board a notice (a "Company Termination Notice").
- (c) If at any time after the Board is entitled to deliver a Board termination notice but has not done so, the Board shall be entitled to deliver to the Company a notice (a "Board Termination Notice").
- (d) Following the delivery of a "Company Termination Notice" in respect of the Board default described in Section 10.4(c), the Company shall have the right to enter into agreements, with the approval of the Board (which permission will not be unreasonably withheld), to sell any portion of the Net Saleable Energy (ensuring Govt. Supply to Board) to any third party or to make captive use of such Energy, for as long as Board default continues. Company shall make arrangement with the Board or other utilities to wheel the power to third parties at mutually agreed wheeling charges. In case Company does not enforce its right under this clause, provisions of Section 10.8 shall apply.

10.7 CONSEQUENCES OF TERMINATION

10.7.1 TERMINATION ON ACCOUNT OF BOARD EVENT OF DEFAULT

If the Agreement is terminated in accordance with Section 10.6 on account of Board's Event of Default as per Section 10.4, the Company shall have the option to enter into a power sale agreement with any other utility ensuring, however, Govt. Supply to the Board. For this purpose, the Company shall be entitled to sell power to any other electricity

*[Signature]*  
Chief Engineer (PSP)  
HPSEB, Vidut Bhawan Shimla-4

board/utility or consumers to the extent permitted by Law at the rates agreed by the Company and the respective electricity board/utility/consumer. Electrical power shall be wheeled through the transmission system of the Board or other utilities on payment of mutually agreed wheeling charges. The term of such agreement for sale of power shall not, in any case, exceed the balance term of the Agreement.

#### 10.7.2 TERMINATION ON ACCOUNT OF COMPANY EVENT OF DEFAULT

- (a) If the Agreement is terminated in accordance with Section 10.6 on account of Company's Event of Default as per Section 10.3, the Company shall, at the Board's option, sell the Project to the Board. The Board shall have the option to buy the Project, which is at a price lower of :
- i) the sale price equal to the depreciated cost of the Project reduced on pro-rata basis in the ratio of capacity of the Unit(s) as tested and verified on date of termination of the Agreement/date of handing over the Project to the Board; or
  - ii) the fair market value of the plant to be assessed by independent valuer or institution of valuers as directed by the Commission and further subject to due diligence and prudence test by the Commission; or
  - iii) Sum of outstanding debts to scheduled and approved banks, financial institutions, alongwith the interest, if any, and foreign equity and Indian public equity but excluding the promoter's equity.

For this purpose, depreciated cost of the Project shall mean the cost of the completed works as per the Approved DPR, depreciated for the period falling between the Commercial Operation Date of the Project and the proposed date for taking over the Project from the Company @ 4% per annum.

- (b) The Board may exercise such option (Buy-Out Option), subject to the lenders' rights under the Agreement, at any time within 120 days after the Board delivers the Board Termination Notice to the Company,

Provided that, if the Commission is satisfied that there is doubt with regard to the genuineness of the Company Event of Default, it may apply due diligence and prudence test or alternatively adjudicate upon the matter or refer the matter to arbitration, in order to arrive at just and fair conclusion with regard to the genuineness of the Event.

#### 10.7.3 TERMINATION ON ACCOUNT OF TERMINATION OF IMPLEMENTATION AGREEMENT

The Agreement shall get terminated in the event of termination of Implementation Agreement without any liability to the either Party on this account. The Company shall however in such an event keep the Board informed of various stages of the process of termination of Implementation Agreement.

#### 10.7.4 PROCEDURES FOR DETERMINING PURCHASE PRICE AND TO EFFECT TRANSFER OF PROJECT TO THE BOARD

Once a Buy-Out Option has been exercised by the Board under the provisions of the Agreement, the Board will determine the sale price in accordance with Section 10.7.2 and make the payment thereof to the Company, and/or, directly to the lenders, if so required by the lenders, within a period of two months of termination of the Agreement and simultaneously therewith, the Company shall transfer and assign to the Board all of its

*[Signature]*  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

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For M/s Om Power Corporation Ltd

*[Signature]*  
General Manager (Projects)

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rights, title and interest in the Project except for the cash in hand or any amount to the credit of the Company in bank accounts, trade and book debts or receivables accruing to the Company prior to transfer date unless due consideration for these can be mutually agreed upon between the Parties. The Company, shall, however be responsible for all liabilities and obligations of the Company that have accrued prior to such transfer. Transfer of Project to Board pursuant to Buy-Out Option and subsequent payment by the Board of the sale price determined according to Section 10.7.2 (a), shall further be subjected to the following:

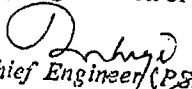
- a) No debt, claim for damages or other liability, whether actual or contingent, relating to the Project and incurred before the date of the Buy-Out Option will be assumed by the Board unless it chooses to and can reach agreement of the same with the Company and, if necessary, the lenders or other creditors (where such agreement is necessary in order to give legal effect to the assumption thereof by the Board), subject to clause (b) below. Due allowance shall be made in computing the sale price to take account of liabilities assumed by the Board and liabilities retained by the Company.
- b) The Company shall, if so required by the Board, make efforts to procure the novation (or failing that, assignment of the underlying rights held by the Company) to the Board of any relevant construction or any other contract relating to the Project on such terms as the Board may reasonably require.
- c) Upon the written request of Board, the Company shall sign, execute and deliver, or cause to be signed, executed and delivered, and do or make, any and all agreements, instruments, papers, deeds, acts to things, supplemental, confirmatory or otherwise as may reasonably be required by the Board for the purpose of or in connection with the transfer setforth, including without limitation, transferring to Board all items of equipment specifications, manufacturers' operation and maintenance manuals, schedules of protection schemes and protective relay settings, and signed and sealed copies of all as-built drawings for the Project, including the civil and architectural works.
- d) All taxes, stamp duties etc. pursuant to the transfer of the Project, in full, shall be borne by the Board.

### 10.8 CONTINUING POWER GENERATION AND PURCHASE

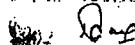
Notwithstanding provisions of Section 10.7, the Company shall continue to operate and maintain the Project as per provisions of the Agreement and the Board shall pay for the Net Saleable Energy as per provision of the Agreement till:-

- i) power sale agreement and flow of power to the third party pursuant to Section 10.7.1 comes into effect;
- ii) date of payment of sale price by the Board and assignment of the Project to the Board as per Section 10.7.4; and
- iii) date of transfer of the Project to the Government pursuant to provision of Implementation Agreement.

In case of default for non-payment as per Section 10.4(c), Company shall have the option to continue generation of electrical power or otherwise.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd.



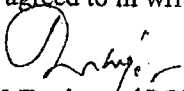
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
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Himachal Government Judicial Paper

10.9 RIGHTS PRESERVED

- (a) The duties and obligations imposed by the 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 the 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 to in writing.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s. Dm Power Corporation Ltd  
  
General Manager (Projects)

## ARTICLE 11

## REPRESENTATION AND WARRANTIES

## 11.1 REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants that as of the date hereof:

- (a) the Company is a company duly registered and validly existing under the Laws of India and has all requisite legal power and authority to execute the Agreement and carry out the terms, conditions and provisions hereof;
- (b) the Agreement constitutes the valid, legal and binding obligation of the Company, enforceable in accordance with the terms hereof except as the enforceability may be limited 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 defence, the discretion of the court before which any proceeding therefor may be brought, and the principles of equity in general;
- (c) there are no actions, suits or proceedings pending or, to the Company's knowledge, threatened against or affecting the Company before any court or administrative body or arbitral tribunal that might materially or adversely affect the ability of the Company to meet and carry out its obligations under the Agreement;
- (d) the Company has duly paid all rents, royalties and all public demands, including provident fund dues, gratuity dues, employees' state insurance dues, income tax, sales tax, corporate tax and all other taxes and revenues due and outstanding and that no attachments or warrants have been served on the Company in respect of sales tax, income tax, Government/GOI revenue and other taxes; and
- (e) the execution and delivery by the Company of the Agreement has been duly authorized by all requisite corporate or partnership action, and will not contravene any provision of, or constitute a default under, any other agreement or instrument to which it is a party or by which it or its property may be bound.

## 11.2 REPRESENTATIONS AND WARRANTIES OF THE BOARD


The Board represents and warrants that as of the date hereof:

- (a) the Board is a statutory body constituted under the Electricity (Supply) Act, 1948 and validly existing under the Laws of India and has all requisite legal power and authority to execute the Agreement and to carry out the terms, conditions and provisions hereof;
- (b) the Agreement constitutes the valid, legal and binding obligation of the Board, enforceable in accordance with the terms hereof except as the enforceability may be limited 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 the reforms of equitable relief are subject to equitable defence, the discretion of the court before which any proceeding therefor may be brought, and the principles of equity in general;
- (c) there are no actions, suits or proceedings pending or, to the Board's knowledge, threatened against or affecting the Board before any court or administrative body or arbitral tribunal which might materially or adversely affect the ability of the Board to meet and carry out its obligations under the Agreement: and


## ARTICLE 12

## FORCE MAJEURE

- 12.1 In the event a Party is rendered unable to perform any obligations required to be performed by it under the Agreement by Force Majeure, the particular obligations shall, upon notification to the other Party, be suspended for the period of Force Majeure.
- 12.2 Subject to Section 12.6, Force Majeure shall mean any event or circumstances or combination of events or circumstances that wholly or partly prevents or unavoidably delays any Party in the performance of its obligations under the Agreement, but only if and to the extent that such events and circumstances are not within the reasonable control, directly or indirectly, of the affected Party and could not have been avoided even if the affected Party had taken reasonable care. Such events may include acts of the Government/GOI in its sovereign capacity, war, civil war, quarantine restrictions, freight embargoes, radioactivity and earthquakes to the extent they, or their consequences, satisfy the above requirements.
- 12.3 Upon the occurrence of an event of Force Majeure, the Party claiming that it has been rendered unable to perform any of its material obligations under the Agreement, shall notify the other Party in writing within five (5) days of the commencement thereof giving the particulars and satisfactory evidence in support of its claim. Upon termination of such event of Force Majeure, the affected Party shall, within twenty four (24) hours of its termination, intimate the other Party of such termination.
- 12.4 Time for performance of the relative obligations suspended by Force Majeure shall then stand extended by the period of delay which is directly attributable to Force Majeure. The Party giving such notice shall be excused from timely performance of its obligations under the Agreement, for so long as the relevant event of Force Majeure continues and to the extent that such Party's performance is prevented, hindered or delayed, provided the Party or Parties affected by the event of Force Majeure shall use reasonable efforts to mitigate the effect thereof upon its performance of the obligations under the Agreement.
- 12.5 Delay or non-performance by a Party hereto caused by the occurrence of an event of Force Majeure shall not:
- constitute a default or breach of the Agreement; and
  - give rise to any claim for damages or additional cost of expenses occasioned thereby.
- 12.6 Force Majeure shall expressly not include the following, except to the extent resulting from a Force Majeure:
- unavailability, late delivery or changes in cost of plant, machinery, equipment, materials, spare parts, fuel or consumables for the Project;
  - a delay in the performance by any contractor(s);
  - non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment; and

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd

  
General Manager (Projects)

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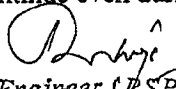
## Himachal Government Judicial Paper

- d) non-performance caused by, or connected with, non-performing Party's (i) negligent or intentional acts, errors or omissions, (ii) failure to comply with any of the Laws of India, or (iii) breach of, or default under the Agreement.


### 12.7 PROLONGED FORCE MAJEURE

In the event of a Force Majeure event occurring after the COD of the first Unit and if such event continues beyond one year from date of its occurrence or such other period as may be mutually agreed to by the Parties, the matter shall be resolved by the Parties in mutual consultation with each other.

- 12.8 The obligation by a Party to pay any undisputed amount which is due to the other Party shall continue even during the occurrence of a Force Majeure event.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd

  
General Manager (PSP)

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Himachal Government Judicial Paper

ARTICLE 13

RESOLUTION OF DISPUTES

13.1 GOOD FAITH NEGOTIATIONS

In the event of a dispute, disagreement or difference (a "Dispute"), arising out of or relating to the Agreement between the Parties, in respect of which a procedure for the resolution of the Dispute is not otherwise provided for in this Agreement, the following provisions shall apply:

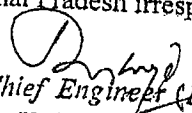
- (a) either Party shall give to the other a written notice setting out the material particulars of the Dispute and requiring an authorized senior executive officer each from the Board and the Company, to meet personally at Shimla, Himachal Pradesh, India or at any other mutually agreed place within twenty (20) working days of the date of receipt of such notice by the relevant Party to attempt, in good faith, negotiation and using their best endeavors at all times, to resolve the Dispute;
- (b) if the Dispute is not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the senior executive officers of both the Parties within 30 (Thirty) working days after the date of receipt of the notice described in Section 13.1(a), then the provisions of Section 13.1(c) shall apply, unless the above period is mutually extended; and
- (c) the chief executive officers of both the Parties shall meet at Shimla or at any other mutually agreed place within thirty (30) working days after the expiry of the period as mentioned in Section 13.1(b), to attempt, in good faith, negotiation and using their best endeavor at all times to resolve the Dispute within a further period of 30 (thirty) days and if the Dispute is still not resolved as evidenced by the terms of the settlement being reduced to writing and signed by both the chief executive officers, then the provisions of Section 13.2 shall apply, unless the said period is mutually extended.


13.2 ARBITRATION

- (a) Except as otherwise provided in the Agreement, all Disputes arising out of or relating to the Agreement, as are not resolved during the period as per Section 13.1, shall be adjudicated upon or referred to arbitration by the Commission as per Section 86 (1) (f) of the Electricity Act, 2003.
- (b) The arbitration shall be initiated/conducted in accordance with the provisions of the "Arbitration and Conciliation Act, 1996" or any amendment thereof.
- (c) The arbitration shall be initiated/conducted at Shimla, India. The Laws of India shall govern the validity, interpretation, provisions contained in the Agreement.
- (d) The language to be used in the arbitration shall be the English language.
- (e) Judgement upon the award rendered in such arbitration and/or for any interim relief or direction or otherwise, during the pendency of arbitration proceedings and upto the date of making of the award in such arbitration, may be entered in any court of competent jurisdiction, at Shimla, having jurisdiction in respect of any application made for the filing of the arbitration agreement.

13.3 JURISDICTION

All legal proceedings arising and in connection with this Agreement shall be subject to the jurisdiction of the Himachal Pradesh High Court and its subordinate courts in the state of Himachal Pradesh irrespective of the place of performance/execution of the Agreement.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/ On Power Corporation Ltd  
  
General Manager (Projects)

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Himachal Government Judicial Paper

ARTICLE 14  
NOTICES

14.1 Except as otherwise expressly provided in the Agreement, all notices or other communications which are required or permitted hereunder shall be in writing and considered as adequately served if delivered personally (under acknowledgement) or sent by registered or certified mail, telefax, telex or telegram addressed as follows :

a) If to the Company

Address:-

Head Office:-

M/s Om Power Corporation Ltd.  
Kothari Bhawan ,16/121-122, Faiz Road  
Karol Bag, New Delhi-110005.

Corporate Office:-

M/s Om Power Corporation Ltd.  
Plot # 703, Sriniketan Colony  
Road # 3, Banjara Hills,  
Hyderabad – 500 034.

Fax No.:-

040-23355942 / 01894-235385

Phones No.:-

040-23353945/23353950

Email:

venupetluru@gmail.com

b) If to the Board:

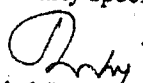
Address:

Chief Engineer (PSP),  
HPSEB, Vidyut Bhawan,  
Shimla - 171004.  
Fax No. 0177- 2803253  
Tel. No. 0177 - 2803253

All notices or communications given by telefax, telex or telegram shall be confirmed by delivering confirmation letter by hand or by registered mail to the respective address. All notices shall be deemed delivered upon receipt.

14.2 Any Party may by notice to the other Party, change the address and/or addressees to which such notices and communications are to be delivered or mailed.

14.3 The Party sending the notice shall also send a copy to the designated officer, if any, of the other Party specified in respect of that notice in the Agreement.

  
Chief Engineer

M/s Om Power Corporation Ltd.

## ARTICLE 15

## MISCELLANEOUS PROVISIONS

## 15.1 AMENDMENT

The Agreement can be amended only with the written consent of both the Parties.

## 15.2 HEADINGS

The headings contained in the Agreement are used solely for convenience and shall not be construed to assign any meaning to the Agreement nor shall such headings be used in any manner to aid in the construing of the Agreement.

## 15.3 THIRD PARTIES

The Agreement is intended solely for the benefit of the Parties hereto. Nothing in the 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 the Agreement.

## 15.4 NO WAIVER

(a) No waiver by either Party of any default or defaults by the other Party in the performance of any of the provisions of the Agreement:

- i) shall operate or be construed as a waiver of any other or further default or defaults whether of a like or different character; or
- ii) shall be effective unless duly executed in writing by a duly authorised representative of such Party.


(b) Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of the Agreement nor time or other indulgence granted by one Party to the other shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other rights hereunder, which shall remain in full force and effect.

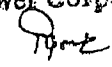
## 15.5 RELATIONSHIP OF THE PARTIES

The Agreement shall not be interpreted or construed or create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party. Neither Party shall have any 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.

## 15.6 SURVIVAL

Cancellation, expiration or earlier termination of the Agreement shall not relieve the Parties of obligations that by their nature should survive such cancellation, expiration or termination, including, without limitations, warranties, remedies, promises of indemnity and confidentiality; provided, however, that all obligations surviving the cancellation, expiration or early termination of the Agreement shall only survive for a period of 5 (five) years.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-1

For M/s Om Power Corporation Ltd  
  
General Manager (PSP)

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## Himachal Government Judicial Paper

### 15.7 LANGUAGE

The language of the Agreement shall be English. All documents, notices, waivers and all other communications, written or otherwise, between the Parties in connection with the Agreement shall be in English language.

### 15.8 GOVERNING LAWS

The Agreement and the rights and obligations hereunder shall be interpreted, construed and governed by the Laws of India, as in force, from time to time.

### 15.9 ENTIRETY

The Agreement and the Schedules attached hereto are intended by the Parties as the final expression of their agreement and are intended also as a complete and exclusive statement. All prior written or oral understandings, offers or other communications of every kind pertaining to the sale or purchase of electrical output hereunder between the Board and the Company are hereby abrogated and withdrawn except for the Implementation Agreement.

### 15.10 ASSIGNMENT

The Agreement shall not be assigned by either Party other than by mutual agreement between the Parties in writing.

Notwithstanding the foregoing, for the purpose of financing the Project, the Company may assign or create security over its rights and interests under or pursuant to the Agreement. The holder of any security created under this Section shall not be prevented or impeded by the Board from enforcing such security in accordance with its terms, including, without limitation, exercising any right it may have to reassign the Agreement to a new qualified owner or operator of the Project. The Board shall execute all such consents to assignment and/or acknowledgements of any security created in accordance with this Section as are reasonably requested by the Company to give effect to the foregoing.

Notwithstanding the above, the Board shall have the right to assign the Agreement to any entity assuming all or part of the Board's rights and obligations in connection with the purchase of electrical output provided, however, that such transfer does not materially and adversely affect the ability of the transferee to perform its obligations under the Agreement.

### 15.11 CONFIDENTIALITY

(a) Each of the Parties shall hold in confidence the copyright documents and other secret technical or commercial information supplied to it by or on behalf of the other Party relating to the design, construction, insurance, operation, maintenance, management and financing of the Project. The Parties shall use the confidential information only for the performance of their obligations under the PPA and not disclose or use the confidential information for any other purpose.

(b) The provision of paragraph (a) above shall not apply to:

- i) any information in the public domain otherwise than by breach of the Agreement;
- ii) information in the possession of the receiving Party thereof before divulgence as aforesaid, and which was not obtained under any obligation of confidentiality;
- iii) information obtained from a third party who is free to divulge the same, and which is not obtained under any obligation of confidentiality; and
- iv) information relating to the Project after the Board has acquired the Project from the Company.

#### 15.12 SUCCESSORS AND ASSIGNS

The Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

#### 15.13 NO THIRD PARTY BENEFICIARIES

The Agreement shall not confer any right of suit or action, whatsoever, on any third party.

#### 15.14 AFFIRMATION

The Company and the Board declare and affirm that neither Party nor its directors, employees, any of its agents, or in the case of the Company, its sponsors, has paid nor has it undertaken to pay and that it shall in the future not pay any unlawful commission, bribe, pay-offs, kick-backs and that it has not in any other way or manner paid any sums, whether in Indian currency or foreign currency and whether in India or abroad, or in any other manner given or offered to give any gifts and presents in India or abroad to any person or company to procure the Agreement. The Company and the Board undertake not to engage in any of the said or similar acts during the term of and relative to the Agreement.


#### 15.15 THE BOARD'S OBSERVATION VISITS

The Board's engineers or its authorised representatives shall have at all reasonable times access to the Project to observe construction, testing, commissioning, operation and maintenance of the Project. The Company shall assist in arranging any such observation visits to the Project. All persons visiting the Project on behalf of the Board shall comply with the reasonable instructions and directions of the Company or its contractors.

#### 15.16 NO ADVERSE DISCRIMINATION

The Board shall not practice any adverse discrimination against the Company in the exercise of its discretion or authority under the Agreement with respect to Despatching of the Energy generated by the Project and approval of Scheduled Outages and Maintenance Outages vis-a-vis other generating companies and stations. The Company shall not unfairly discriminate against the Board under the Agreement with respect to its obligations and discretion hereunder.

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s Om Power Corporation Ltd  
  
General Manager (Projects)

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## Himachal Government Judicial Paper

### 15.17 INDEMNITY

- a) The Company shall bear responsibility for loss of or damage to property, death or injury to person including third party (or any claim against the Board and/or its Contractors in respect thereof) and all claims, demands, losses, damages, costs & expenses of whatsoever nature relating thereto (including without limitation reasonable legal fees) suffered by the Board in connection with the construction, operation and the maintenance of the Project resulting from any negligent act or omission of the Company and/or its Contractors, without recourse to the Board. The Company will hold the Board fully indemnified in respect thereof.
- b) The Board shall bear responsibility for loss of or damage to property, death or injury to person (or any claim against the Company and/or its Contractors in respect thereof) and all claims, demands, losses, damages, costs & expenses of whatsoever nature relating thereto (including without limitation reasonable legal fees) suffered by the Company and/or its Contractors and/or third party in connection with the construction, operation and the maintenance of the Project resulting from any negligent act or omission of the Board, without recourse to the Company and/or its Contractors. The Board will hold the Company and/or its Contractors fully indemnified in respect thereof.


### 15.18 TRIPARTITE AGREEMENT

Both the Parties agree that if the Company, in terms of the provisions under Implementation Agreement, considers necessary to incorporate a new public/private limited company or the implementation and operation of the Project and a tripartite agreement is entered amongst the Government, Company and the newly formed company, whereby all the rights and obligations of the Company under the Implementation Agreement are transferred to such newly formed company, a similar tripartite agreement shall also be entered into amongst the Board, the Company and the newly formed company in respect of this Agreement.

### 15.19 CAPTIVE USE

If the Company opts to make captive use of the Net Saleable Energy at a subsequent time during the Agreement period, both the Parties agree that a supplementary agreement shall be executed for the purpose, the period of such an agreement not exceeding the term specified under Article 10.

In the event of a tripartite agreement as per Section 15.18, if the Company and the newly formed company request the Board for allowing captive use of power by the Company, the same shall be allowed by the Board so long as the Company holds equity share of not less than 51% in the newly formed company. Such captive use shall also be governed by the terms and conditions of the supplementary agreement.

  
Chief Engineer (PSP)

For M/s Om Power Corporation Ltd

ARTICLE 16

LIQUIDATED DAMAGES

16.1 Upon the occurrence of any of the event described below, the Company shall pay to the Board the Liquidated Damages as per Section 16.2, 16.3 & 16.5 hereunder:-

16.2 DELAY IN SYNCHRONIZATION OF UNITS

If all the generating units are not synchronized on or before the Scheduled Date of Synchronization specified for different generating units, the Company shall be liable to pay to the Board Liquidated Damages for the delay @ Rs. 1000/- (one thousand) per MW for each day of delay beyond the Scheduled Date of Synchronization subject to maximum of 180 days after which it would constitute Company Event of Default.

16.3 SHORTFALL IN THE TESTED CAPACITIES


If the Company fails to achieve the required contracted capacity within a period of 90 days from the date of Commercial Operation of the Unit/Project, the Company shall be liable to pay Liquidated Damages to the Board @ Rs. 4000/- per kW for the shortfall between the contracted and the tested capacities. For fractional values of the shortfall in percentage, the Liquidated Damages will be computed on prorata basis. In the event of the shortfall between the contracted capacity and the tested capacity exceeding 4%, it will constitute Company Event of Default as it would amount to deviating materially from Prudent Utility Practices.

16.4 BANK GUARANTEE

The Company, shall furnish an irrevocable bank guarantee amounting to Rs. 3.5 (three and half) lacs per MW in favour of the Board, atleast 3 months before the Scheduled Date of Synchronization, which may be encashed by the Board in case of failure on the part of the Company to pay Liquidated Damages within a period of 90 days of the date of demand from the Board. In case of achieving successfully testing and commissioning of the Project, the Bank Guarantee shall be returned to the Company duly cancelled, provided no Liquidated Damages are due and payable to the Board under the PPA.

16.5 MIS - DECLARATION OF AVAILABILITY

In the case of mis-declaration of Available Capacity, the Company shall be liable to pay Liquidated Damages for double of the difference between declared availability and the actual availability for the entire period with effect from the time of declaration of the present availability @ Rs. 2.25 per kWh.

  
Chief Engineer (PSP)  
HPSEB, Vidut Bhawan Shimla-4

For M/s Om Power Corporation Ltd.  
  
General Manager (Priority)

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# Himachal Government Judicial Paper

IN WITNESS WHEREOF, the Parties have executed and delivered this Power Purchase Agreement as of the date first above written.

**COMPANY**  
M/s Om Power Corporation Ltd.

**BOARD**  
Himachal Pradesh State Electricity Board

By:

By:

Name: DINESH KUMAR.

Name: E.Y. R.K. Juneja.

Title:

For M/s Om Power Corporation Ltd

*D.K.*

General Manager (Projects)

(Party of the first part)

Title:

*R.K. Juneja*

Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan, Shimla-4

(Party of the second part)

Witness:

*V. Parthasarathy*

(V. PARTHASARATHY)

1. General Manager  
M/s. Om Power Corpn Ltd  
New - Delhi

2. Jeevan Kumar  
(JEEVAN KUMAR)

Witness:

*M.S. Thakur*

E.Y. M.S. THAKUR.  
Sr. Executive Engineer  
O/o C.E. (P.S.P.)  
HPSEB, Shimla-171004

2.

*[Signature]*

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SCHEDULE-I

PERT CHART/CONSTRUCTION SCHEDULE  
 OM POWER CORPORATION LTD.  
 NEOGAL HEP (2 x 7.5 MW)

Task Name	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D												
Fourth Supplementary I.A.	2	0	0	0	6								2	0	0	0	8								2	0	0	0	9								2	0	0	0	9								2	0	0	0	9								2	0	0	0	9								2	0	0	0	9							
P.P.A. with HPSEB																																																																																				
Obtaining Balance Clearance as Per Govt. Policies																																																																																				
Application and Financial Closure																																																																																				
Detail Design of Project Component & Order Placement																																																																																				
Road Work																																																																																				
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Power House																																																																																				
E&M work																																																																																				
Schedule Date of Synchronization																																																																																				
Schedule Date of Commercial run																																																																																				

*[Signature]*  
 Chief Engineer (PSP)  
 HPSEB, Vidyut Bhawan Shimla-4

FOR MR. O.P. PUNJ  
*[Signature]*  
 General Manager (P) (S)

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**SCHEDULE-II**  
**TECHNICAL LIMITS**

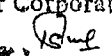
1. **Electrical System Characteristics.**
  - (i) Grid Voltage:
  - (ii) Grid Frequency:
  - (iii) Power Factor:
  
2. **Capacity of Generating Equipment**

With respect to each generating Unit, continuous capacity shall be as under:

  - (i) Rated Capacity:
  - (ii) Rated Load:
  - (iii) Maximum reactive load:
  
3. **Minimum stable load for a Unit:**
  
4. **Startup Time:**
  - (i) Maximum time for cold start:
  - (ii) Maximum start-up time:
  - (iii) Maximum interval for restart of each time:

**Note:** The above schedule/parameters shall be finalized by the Board within a period of 18 months from the Effective Date or any such period as may be decided mutually by the Parties.

  
Chief Engineer (PSP)  
HPSEB, Vidhyut Bhawan Shimla-4

For M/s \_\_\_\_\_ Power Corporation Ltd.  
  
General Manager (Projects)

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Himachal Government Judicial Paper

SCHEDULE-III


INSURANCE SCHEDULE

SCHEDULE OF INSURANCE FOR NEOGAL HEP (15MW)

Sr. No.	Description of Type of Insurance
I	Third Party Insurance
II	Natural Peril Insurance
III	Construction Insurance
IV	Risks encountered during construction and operation and maintenance of the Project.
V	Business Interruption Insurance
VI	Marine Transit Insurance (if required)
VII	Statutory Workers Compensation Insurance
VIII	Employer Liabilities Insurance
IX	And any other insurance as appropriate

  
Chief Engineer (PSP)  
HPSEB, Vidyut Bhawan Shimla-4

For M/s. Om Power Corporation Ltd

  
General Manager (Projects)

1308

**PERT CHART /  
CONSTRUCTION SCHEDULE**

NEOPOWER CORPORATION LTD.  
NEOGAL HEP-7582 MW

Enclosed to Mr. Secretary (to  
Letter No: NPT - 123 - 1991 - 11  
Dated: 2nd May, 2006  
*[Signature]*

Task Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fourth Supplementary LA																								
P.P.A with HPSEB																								
Obtaining Balance Clearance as Per Govt. Policies																								
Application And Financial Closure																								
Detail Design of project Component, & order Placement																								
Road Work																								
Tunnel Work																								
Penstock and Penstock Mec. work																								
Diversion weir civil work & H&M or Desilting work																								
Factory work																								
Transmission LINE																								
Power House																								
ECM work																								
Schedule Date of Synchronization																								
Schedule Date of Commercial run																								

*Approved*

Director  
Chief Engineer (CSP)

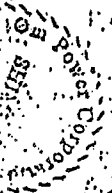
HPSEB, Shimla-4.

Sr. Executive Engineer  
O/o C.E. (P.S.P.)

HPSEB, Shimla-171004

Asstt. Executive Engineer (Civil)  
Chief Engineer (CSP)

HPSEB, Shimla-171004

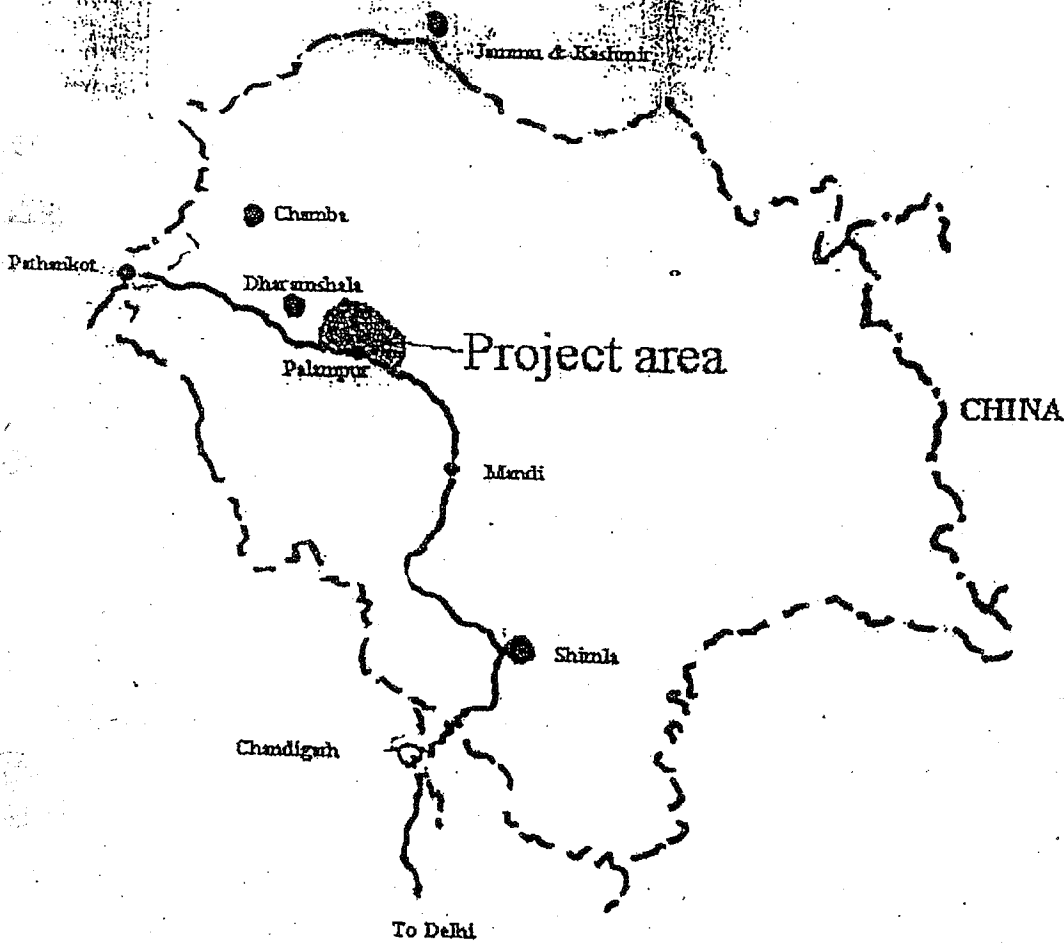


For O.M. Porosi

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# Location Map Neugal Hydro Electric Project 15MW



## Himachal Pradesh

→ PPA

CEEC →

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Normative capital cost for all C.P 2012-13

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**FOR THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION**  
Keonthal Commercial Complex, Khalini, Shimla-171 002

Petition No. 138/2006

Coram  
Yogesh Khanna

In the matter of:

Approval of Power Purchase Agreement to be executed by Himachal Pradesh State Electricity Board with M/s Om Power Corporation Ltd., New Delhi-110 005 in respect of Neogal Hydro Electric Power Project (15 MW capacity), situated in Kangra District of Himachal Pradesh under Section 86 (1) (b) of the Electricity Act, 2003.

And

In the matter of:

1. Himachal Pradesh State Electricity Board,  
Vidyut Bhawan, Shimla-171 004.
2. M/s Om Power Corporation Ltd.,  
Kothari Bhawan, 16/121-122, Faiz Road,  
Karol Bagh, New Delhi-110005.

Petitioners

**ORDER**

Himachal Pradesh State Electricity Board and M/s Om Power Corporation Ltd., Kothari Bhawan, 16/121-122, Faiz Road, Karol Bagh, New Delhi-110 005 (hereinafter referred to as the Company) have filed a joint petition for the approval of Power Purchase Agreement (hereinafter called the PPA) under section 86 (1) (b) of the Electricity Act, 2003 read with draft guidelines issued by the Himachal Pradesh Electricity Regulatory Commission (hereinafter referred to as the Commission) in respect of Neogal Hydro Electric Power Project (15 MW capacity) situated in Kangra district of Himachal Pradesh.

The Commission under sub section (1) (b) of Section 86 of the Electricity Act, 2003 grants consent to the said PPA, subject to the following observations: -

- (i) The Model PPA approved by the Commission vide its order dated 24<sup>th</sup> March, 2003 provides for Government Guarantee and the same can only be omitted from the PPA with the approval of the Commission for which purpose the parties need to file a joint application.
- (ii) As per the Model PPA, the construction period in Article 3.2 is to be reckoned from the date of financial closure and not from the date of signing of the PPA. The construction when reckoned from the date of financial closure as per the construction schedule attached with the PPA is 32 months. This needs reconciliation.

**ATTESTED**

(133)

(iii) Tariff and other terms and conditions of the PPA shall be subject to the provisions of the Commission's regulations on power procurement from renewable sources, as and when such regulations are framed

It is so ordered.

Shimla  
Dated the 17 July, 2006

DA: Modified/Corrected PPA

*SD*  
CHAIRMAN

ATTESTED

*[Signature]*  
Executive Director (TFA)  
HPERC, Shimla-2

Attested  
*[Signature]*

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"Annexure-J"

Government of Himachal Pradesh  
Department of Science, Technology & Environment

No. STE(S&T)A(4)1/94-

Dated: 22nd Nov., 1994.

N O T I F I C A T I O N

In continuation of this department notification No. STE (S&T) - (4)1/94, Dated 21st November, 1994 and in partial modification of MPP & Power, Govt. of H.P. notification No. MPP-F(2)-18/92-III, dated 6th April, 1994, and in order to give boost to Micro Hydel Power Projects & Wind Energy Farms/ Generators in private / joint sector, the Governor of Himachal Pradesh is pleased to announce the following Incentive Schemes:-

1. H.P. State Electricity Board shall purchase power from Private parties/Joint sector companies setting up Micro Hydel Power stations @ Rs. 2.25 per unit.
2. Wheeling will be allowed by H.P. State Electricity Board for a 2% fee including transmission losses.
3. Banking of energy will also be allowed by H.P. State Electricity Board if the IPP under Micro Hydel/Wind Energy Sector agrees to pay the difference between the rate, which the State Govt. buys power from outside during lean period and the banking rate. To and fro wheeling charges for this purpose will be paid by the entrepreneur. Lean period shall be from November to March every year.
4. Third party sale of power shall be allowed at rates mutually negotiated between the company and third party.
5. Royalty on water usage in shape of free power to the State shall be charged as follows :-
  - (i) No royalty upto 1MW for the first five years and there after 10%.
  - (ii) 10% royalty on installed capacity ranging between 1 MW to 3 MW.
  - (iii) 12% royalty on installed capacity ranging between 3MW and 15 MW.

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7. Electricity generated from Micro Hydel Projects/Wind Energy Farms, consumed by the party itself in any of its industries shall be exempted from payment of electricity duty for a period of five years from the date of commissioning of the plant.

8. (i) Interfacing including transformers pannels, kiosks, protection, metering, H.T. Lines from the points of generation to the Board's, nearest H.T. sub-station as well as maintenance will be undertaken by the producer as per the specifications and requirements of the board's for which he will bear the entire cost. Alternatively, these works and their maintenance could be undertaken by the Board, at charges to be decided by the Board.

(ii) If augementation of the capacity of sub-station is required only to feed power generated by IPP into the grid, the expenditure for such an augementation shall be borne by IPP. However, cost of increasing line capacity (beyond sub-station) will be borne by H.P. State Electricity Board and preference will be given by H.P. State Electricity Board to Micro Hydel Power Projects for using existing capacity of both the sub-station and transmission line, over other bigger power projects in private/joint sector.

9. Any industrial unit which is a consumer of H.P. State Electricity Board and which establishes a power generating unit from non-conventional energy sources for its own use will be given exemption from the demand charges to the extent of 30% of the installed capacity of Micro Hydel/Wind Energy Unit.

10. NON CASH INCENTIVES :

These non cash incentives would be provided in terms of speed clearances by the screening Committee and timely payments by the Electricity Board to the entrepreneur.

(i) Application shall be disposed of within a period of 45 days from the date of application (which should be complete in all respects with full information required by the Screening Committee). If the Screening Committee clears the application, a MOU will be entered into with the entrepreneur within a period of one month from the date of clearance of application.

(ii) Escort Service shall be provided by H.P. State Electricity Board or HIMURJA as the case may be.

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- (iii) H.P. State Electricity Board will clear all of a private party on account of purchase of power within two months, failing which interest at prevalent market rates will be payable by H.P. State Electricity Board.
- (iv) If the applicant does not take effective steps to undertake survey and investigation within a period of three months from the date of MOU or after finding the site feasible does not prepare detailed project report within a period of 12 months from the date of MOU, the MOU will be automatically terminated (Subject to force major conditions) and the site will be allotted to some other applicant. If, on the other hand, land is not allotted to the entrepreneur and power purchase agreement is not signed by the H.P. State Electricity Board within three months from the date of agreement, the applicant will have the option to terminate the agreement without any financial obligation on either side. The agreement shall be signed within one month of clearance of DPR by Ministry of Non-Conventional Energy Sources Cell.

This incentive scheme will come into force with immediate effect for all micro hydel power projects/wind energy farms/operations set up hence forth.

By Order

-sd/-

(A.K.Goswami)  
F.C.-cum-Secretary (ST&E) to  
the Govt. of Himachal Pradesh.

Endst.No.STE(S&T)A(4)1/94- Dated: 22nd Nov., 1994.

Copy forwarded for information and necessary action to:-

1. The Secretary to the Govt. of India, Ministry of Non-Conventional Energy Sources, Block No.14, CGO Complex, Lodhi Road, New Delhi - 110 003.
2. Chairman, H.P.State Electricity Board, Kumar House, Shimla - 171 004.
3. Financial Commissioner-cum-Secretary (MPP & Power) to the Government of Himachal Pradesh, Shimla-2 with a request that necessary notification under H.P.Electricity Duty Act, 1975 may be issued as para 7 above. This decision has the approval of

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4. F.C. - cum - Secretary (Revenue) to the Govt. of H.P., Shimla - 171 002.
5. F.C. - cum - Secretary (Finance) to the Govt. of H.P., Shimla - 171 002.
6. All Financial Commissioners to the Govt. of H.P.
7. All Divisional Commissioners in H.P.
8. All Secretaries to the Govt. of H.P., Shimla-171002.
9. All Head of Departments in H.P.
10. All Deputy Commissioners in H.P.
11. Chief Executive Officer, HIMURJA, Shimla - 171 009.
12. Private Secretary to the Hon'ble Chief Minister, H.P.
13. The Secretary, H.P.State Electricity Board, Kumar House, Shimla - 171 004.
14. Private Secretary to the Chief Secretary, H.P., Shimla - 171 002.
15. Private Secretary to the Minister for Science Technology & Environment.
16. The Controller, Printing & Stationary, H.P.Shimla-171 005, for publication in the Rajpatra.
17. Guard File with spare 10 copies.

-sd/-

Additional Secretary (ST&E) to  
the Govt. of Himachal Pradesh.

*MW*

*Attested  
Sd/-*

Annexure - k

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**AMENDED AND RESTATED RUPEE LOAN AGREEMENT  
(FOR RUPEE LOAN OF RS. 84.98 CRORE)**

**BETWEEN**

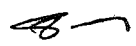
**OM HYDROPOWER LIMITED**  
**(previously known as 'Om Power Corporation Limited')**  
**AS THE BORROWER**

**AND**

**INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED**  
**AS THE LENDER**

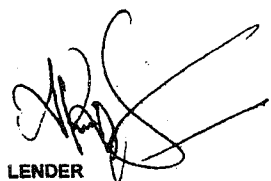
NEW DELHI  
MAY 30, 2011

**BORROWER**



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**LENDER**



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दिल्ली DELHI

P 238993

**AMENDED AND RESTATED RUPEE LOAN AGREEMENT**

THIS AGREEMENT made at New Delhi on this the 30<sup>th</sup> day of May Two Thousand and Eleven between **OM HYDROPOWER LIMITED** (previously known as Om Power Corporation Limited), a company within the meaning of the Companies Act, 1956 and having its registered office at "Neugal Hydro Electric Project, Village Bundla, P.O – Nachhir, Tehsil-Palampur, District – Kangra, Himachal Pradesh, Pin-176061" and an office at Lakshmi Nivas, Plot No.705, Road No.3, Banjara Hills, Hyderabad – 500 034 (A.P) [hereinafter referred to as "the Borrower", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns];

**AND**

**INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED**, a company registered under the Companies Act, 1956 (1 of 1956) and having its Registered Office at KRM Tower, 8th Floor, No.1, Harrington Road, Chetpet, Chennai – 600 031 and offices at Naman Chambers, C-32, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 and an office at 2nd floor, Capital Court, Munirka, New Delhi - 110067 (hereinafter called "Lender", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns).

**BORROWER**

**LENDER**

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दिल्ली DELHI

P 238994

**WHEREAS**

- (A) The Borrower has undertaken the Project.
- (B) For the purpose of part financing the Project Cost, the Lender has at the request of the Borrower entered into a Rupee Loan Agreement dated May 21, 2008 (herein after referred to as the "Rupee Loan Agreement") for rupee loan to the maximum extent of Rs. 62 crores (Rupees Sixty Two Crores only) ("Initial Loan") on the terms and conditions contained therein.
- (C) As the initial project cost of the Borrower has gone up by an additional Rs.41.22 crore (Rupees Forty one crore and twenty two lacs only), the Borrower has requested the Lender to extend an additional loan of Rs.22.98 crore (Rupees Twenty two crore ninety eight lacs only) ("Additional Loan").
- (D) The Lender and the Borrower have also agreed to amend certain conditions of the Rupee Loan Agreement. On mutual discussion, the Parties have now decided and agreed that they shall amend and restate the Rupee Loan Agreement by entering into this Amended and Restated Rupee Loan Agreement so that the Rupee Loan Agreement is fully and completely amended, restated and the rights and obligations of the Parties be governed by, and construed in accordance with, the provisions of this Amended and Restated Rupee Loan Agreement.

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LENDER

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- (D) The Parties have agreed that all the terms and conditions of the Rupee Loan Agreement including, the Borrower's representations and Obligations shall continue to bind the Borrower and remain effective from the date of execution thereof, i.e. May 21, 2008 with respect to the Initial Loan and further the Borrower shall be bound by the terms and conditions hereof in this Amended and Restated Loan Agreement with respect to the Additional Loan and the Initial Loan and amendments, if any, for the remaining term of the Loan.

**NOW, THEREFORE**, in view of the foregoing and in consideration of the mutual covenants and agreements hereinafter set forth, the Borrower and the Lender agree as follows:

#### **ARTICLE I DEFINITIONS AND INTERPRETATION**

##### **1.1 Definitions**

Any capitalized term wherever used in this Agreement (including the recitals) shall have the following meanings:-

**"Act"** shall mean the Companies Act 1956 (1 of 1956) as may be amended from time to time.

**"Account Bank"** shall mean a scheduled commercial bank to be appointed by the Borrower in consultation with the Lenders to open, maintain and operate Trust and Retention Account/the Escrow Account in accordance with the Trust and Retention Account Agreement/the Escrow Account Agreement for the benefit of the Lender and shall include any replacement therefor.

**"Additional Interest"** shall have the meaning ascribed to it in Section 2.4(iii) of Article II of this Agreement.

**"Additional Loan"** shall mean the additional rupee loan to the maximum extent of Rs.22.98 crore (Rupees Twenty two crore ninety eight lacs only).

**"Agreement"** shall mean this agreement as of the date hereof as may be amended or supplemented in accordance with the provisions hereof.

**"Amortisation Schedule"** shall mean Schedule III hereto being the schedule of repayment of the principal amount of the Loan to the Lender or as may be indicated by the Lender at the time of first disbursement of the Loan.

**"Applicable Interest Rate"** shall mean the Interest Rate, Weighted Average Rate of Interest or the Reset Interest Rate, as applicable to the Initial and Additional Loan.

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**"Applicable Law"** shall mean any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, Clearance, directive, guideline, policy, requirement, or other governmental restrictions or any similar form of decision of, or determination or any interpretation or administration having the force of law or any of the foregoing, by any court or any Government Authority having jurisdiction over the matter in question, whether in effect as of the date of this Agreement or thereafter.

**"Benchmark Rate"** shall mean the 3 years Lender's Benchmark rate. As on date, the Benchmark Rate is 9.38% per annum payable monthly

**"Board"** shall mean the board of directors of the Borrower.

**"Business Day"** shall mean a day of the year other than Saturday and Sunday on which scheduled banks are open for business in [Mumbai/New Delhi].

**"Civil & Hydromechanical contract, Electromechanical contract" and Construction Contract** shall mean the contract or contracts to be entered into by the Borrower with the Contractor for procurement, construction, completion, testing and commissioning of the Project and includes the contract entered into by the Borrower as may be amended from time to time.

**"Clearance"** shall mean any consent, license, approval, registration, permit, sanction or other authorization of any nature which is required to be granted by any Government Authority for the formation of the Borrower and for undertaking, performing or enforcing the obligations contemplated by the Transaction Documents required to be obtained by the Borrower under the Applicable Law or otherwise in connection with the Project.

**"Coercive Practice"** shall mean impairing or harming, or threatening to impair or harm, directly or indirectly, any Person in any manner, to influence improperly the actions of that Person;

**"Collusive Practice"** shall mean an arrangement between two or more Persons designed to achieve an improper purpose, including misleading or influencing improperly the actions of another Party so as to obtain a financial or other benefit or to avoid an obligation or loss;

**"Commercial Operation Date" or "COD"** shall mean the date on which the Project is declared by the Borrower to be commercially operational to the satisfaction of the Lender;

**"Contractor"** shall mean any Person appointed/ to be appointed by the Borrower for the purpose of undertaking one or more of the following activities namely engineering, procurement, construction, operation or maintenance of the Project.

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LENDER



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**"Corrupt Practice"** shall mean the offering, giving, soliciting or receiving, directly or indirectly, anything of value to influence improperly one's own actions or the actions of another Person;

**"Country Requirements"** shall mean the relevant occupational health and safety, employment and labour laws, rules and regulations (including international treaty obligations) of the Country, or any Government Authority in the Country, in effect from time to time;

**"Country"** shall mean the Republic of India;

**"Debt"** shall mean the aggregate of (i) secured loans (ii) unsecured loans (iii) working capital loans (iv) convertible bonds (v) preference shares (case to case basis depending upon tenure & terms acceptable to the Lender) and (vi) capitalized lease rentals where applicable, excluding unsecured/subordinated loans brought in by the Sponsor(s) on terms acceptable to the Lender

**"Debt - Equity Ratio"** shall mean the result, expressed as a fraction, obtained by dividing the Debt by Equity.

**"Debt Service Coverage Ratio (DSCR)"** shall mean operating cash flow available for Debt Service / Debt service.

**"Debt Service"** shall mean aggregate of (1) principal repayment of senior loans (2) interest on senior loans including working capital interest (3) lease rentals

**"Debt Service Reserve" or "DSR"** shall have the meaning set out in Section 6.1(A) (x) (b) of this Agreement.

**"Disbursement"** shall mean any disbursement of the Loan or any part thereof by the Lender pursuant to the Drawdown Notice received from the Borrower, in accordance with the terms of this Agreement;

**"Drawdown Notice"** shall have the meaning ascribed to it in Section 2.2(i);

**"Default"** shall mean any event, act, omission or condition which is or which amounts to non-compliance of any of the obligations under this Agreement or any other Transaction Document and which with notice, lapse of time, or both, or the fulfillment of any other requirement provided for in this Agreement or any other Transaction Document would become an Event of Default.

**"Environmental Claims"** shall mean any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of non-compliance or violation, investigations or proceedings relating in any way to any Environmental Law or any Clearance issued under any such law, including without limitation any and all claims by governmental or regulatory

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authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law.

**"Environmental Law"** shall mean any statute, law, rule, regulation, ordinance, code, guideline or policy having the force of law, in each case, applicable to the Project now or hereafter in effect and any applicable judicial or administrative interpretation thereof, including any judicial or administrative order, decree or judgment, relating to the environment.

**"Equity"** shall mean aggregate of (1) equity share capital (2) preference share capital (case to case basis, terms acceptable to the Lender) (3) share application money (4) unsecured/subordinated loans brought in by the Sponsor(s) on terms acceptable to the Lender (5) reserves and surplus less debit balance of profit and loss account of the Company (6) net deferred tax liability less miscellaneous expenses to the extent not written off Less revaluation reserves

**"Equity Documents"** shall mean collectively the documents evidencing subscription/commitment to subscribe to the Borrower's equity/preference capital and includes documents relating to the funds in any other form committed by the Sponsor as per the Financing Plan.

**"Event of Default"** shall have the meaning ascribed to it in Section 8.1 of Article VIII of this Agreement.

**"Financing Documents"** shall mean the documents executed/to be executed by the Borrower in respect of the Loan provided/agreed to be provided by the Lender to the Project including this Agreement, the Trust and Retention Account Agreement/the Escrow Account Agreement and the Security Documents.

**"Financial Covenants"** shall have the meaning ascribed to them in Section 6.1(A) (xvi).

**"Financing of Terrorism"** shall mean the act of providing or collecting funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts;

**"Financing Plan"** shall mean the financing plan as described in Schedule II hereto and includes any modifications thereto as agreed upon by the Parties hereto.

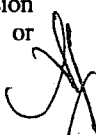
**"Financial Year"** shall mean the accounting year of the Borrower commencing each year on April 1 and ending on March 31 of the succeeding year or such other period agreed to by the Parties hereto in writing.

**"Fraudulent Practice"** shall mean an act of commission or omission including a misrepresentation, that knowingly or recklessly misleads or

BORROWER

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LENDER



attempts to mislead a Party, so as to obtain a financial or other benefit for oneself or for any other Person or to avoid an obligation or loss;

**"Further Interest"** shall have the meaning ascribed to it in Section 2.4(ii) of Article II of this Agreement.

**"Government Authority"** shall mean any national, supranational, regional or local governmental department, commission, board, bureau, agency, regulatory authority, tribunal, agency, instrumentality, court or other judicial or administrative body, central, state, provincial or local, having jurisdiction over the matter or matters in question.

**"Indebtedness"** shall mean to include any obligation of the Borrower (whether incurred as principal or as surety) for payment or repayment of money whether present or future, actual or contingent.

**"Initial Interest Reset Date"** shall mean June 10, 2011

**"Initial Loan"** shall mean rupee loan to the maximum extent of Rs. 62 crores (Rupees Sixty Two Crores only)

**"Insurance Contract"** shall mean the insurance contracts/policies required to be obtained and maintained by the Borrower/ any other Person pursuant to Section 6.1(A)(iii) of Article VI of this Agreement, any substitutes therefor and any additional insurance contracts or policies required under any other Financing Documents.

**"Insurance Proceeds"** shall mean proceeds of any or all of the Insurance Contracts.

**"Interest"** shall mean interest, on the outstanding principal amount(s) of the Loan payable by the Borrower to the Lender at the Applicable Interest Rate.

**"Interest Payment Dates"** shall mean 15<sup>th</sup> of each month on which the Borrower is required to pay Interest, as per the terms of this Agreement.

**"Interest Rate"** shall have the meaning ascribed to it in Section 2.4(i) of Article II of this Agreement.

**"Last Date of Drawal"** shall mean March 31, 2012 unless otherwise extended by the Lender in writing.

**"Liquidated Damages"** shall have the meaning ascribed to it in Section 2.10 of Article II of this Agreement.

**"Loan"** shall mean the rupee term loan of Rs. 84.98 crore (Rupees Eighty four crore and ninety eight lacs only), inclusive of the Initial Loan of Rs.62 crore (Rupees Sixty two crore only) and the Additional Loan of Rs.22.98 crore (Rupees Twenty two crore ninety eight lacs only), provided/ agreed to

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be provided by the Lender to the Borrower pursuant to and on the terms, conditions and covenants contained in this Agreement.

**"Management Control"** with relation to the Borrower shall mean -

- a) holding by any person of more than 50% of the voting share capital of the Borrower and ability of that person to direct or cause direction of the management and policies of the Borrower, whether by operation of law or by contract or otherwise; or
- b) the ability of that person to appoint more than 50% of the directors on the Board of the Borrower and ability of that person to direct or cause direction of the management and policies of the Borrower, whether by operation of law or by contract or otherwise;

**"Material Adverse Effect"** shall mean any event, condition, change, occurrence, fact or circumstance which in the opinion of the Lender has a material adverse effect on (a) the Borrower or the Project Assets or (b) implementation of the Project or the carrying on of the Borrower's business or operations or condition (financial or otherwise) or (c) the ability of the Borrower/any other Person to observe and perform in a timely manner its obligation under any of the Transaction Documents to which it is or would be a party or (d) the legality, validity, binding nature or enforceability of any of the Transaction Documents.

**"Memorandum and Articles"** shall mean collectively the Memorandum of Association and Articles of Association of the Borrower.

**"Money Laundering"** shall mean (a) the conversion or transfer of property, knowing that it is derived from a criminal offence, for the purpose of concealing or disguising its illegal origin or of assisting any Person who is involved in the commission of the illegal activity to evade the legal consequences of his/ her actions; (b) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of, property knowing that it is derived from an illegal activity; or (c) the acquisition, possession or use of property knowing at the time of its receipt that it is derived from an illegal activity;

**"Obligations"** shall mean the Borrower's obligation to pay, repay or reimburse, as the case may be, the principal amounts of the Loan, Interest, Further Interest, Additional Interest, Liquidated Damages, Prepayment Premium, all costs, charges and expenses and other monies owing by, and all other present and future obligations and liabilities of the Borrower to the Lender under this Agreement, all costs, charges and expenses including but not limited to the costs, legal expenses and costs of preserving the securities and/or enforcement thereof, incurred by the Lender under the Transaction Documents;

**"Parties"** shall mean the parties to this Agreement.

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**"Person"** shall unless specifically provided otherwise, mean any individual, body corporate, corporation, partnership, joint venture, trust or Government Authority as the context may admit.

**"Potential Event of Default"** shall mean any event, act or a circumstance which would (with the expiry of any grace period, the giving of notice (if required under the terms of this Agreement or any other Transaction Document, as the case may be), with – a) the passage of time, b) the making of any determination under the Financing Documents, or c) the satisfaction of any applicable condition (or any combination of the foregoing)) is an Event of Default;

**"Power Purchase Agreement" "PPA"** shall mean the PPA dated October 27, 2006 entered into between Himachal Pradesh State Electricity Board (HPSEB) and the Borrower for the development, construction, financing operation and maintenance of the Project.

**"Prepayment Premium"** shall mean an amount expressed as:

$$[\text{Max} \{(0), \text{sum}(C + \text{NPV}(B, \text{CFi}))n\}]$$

where:

n = number of months remaining from date of prepayment to the Reset Date or the last date of repayment of the Loan, as the case may be,

$$\text{CFi} = \text{CFi}_A - \text{CFi}_B$$

$\text{CFi}_A$  = stream of cash flow, calculated as the post-tax income for IDFC from the interest payable on the outstanding amount of the Loan in the month i, as per the original repayment schedule, @ A,

$\text{CFi}_B$  = stream of cash flow, calculated as the post-tax income for IDFC from the interest payable on the outstanding amount of the Loan in the month i, as per the original repayment schedule, @ B,

A = Applicable Interest Rate;

B = average or marginal cost of the respective borrowing of IDFC, whichever is lower on the date of the proposed prepayment.

C = Additional income tax payable, if any, by IDFC on the interest income earned from the date of disbursement(s) till the date of prepayment (due to non-availability of Income tax benefit under Section 36 (1)(viii) of the IT Act, as a result of prepayment).

**"Project"** shall mean the project envisaging the financing of the development, design, engineering, procurement and construction, operation and maintenance and generation of the 15 Mega Watt run-of-the-river

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hydroelectric power project at Neogal River in Kangra District of Himachal Pradesh.

**"Project Assets"** shall mean all movable and immovable properties of the Borrower (present and future) including but not limited to (a) all the receivables, bookdebts, cashflows, revenues, (b) all the rights, title, interests, benefits, claims and demands of the Borrower under the Project Documents (c) all the rights, title, interest, benefits, claims and demands of the Borrower in or under the Clearances and (d) Trust and Retention Account/Escrow Account, DSR and any other reserves and other bank accounts of the Borrower wherever maintained.

**"Project Cost"** shall mean the cost incurred or to be incurred by the Borrower in connection with the Project as set out in Schedule I, which shall not, unless otherwise approved by the Lender exceed Rs. 123.82 crore (Rupees One twenty three crore and eighty two lacs only).

**"Project Documents"** shall mean the following documents as may be amended and supplemented from time to time:

- (i) Power Purchase Agreement;
- (ii) Civil & Hydromechanical Contract;
- (iii) Electromechanical Contract;
- (iv) Clearances;
- (v) Consent and acknowledgement from counterparties to the Project Documents;
- (vi) Insurance Contracts;

and include any other material document (in the opinion of the Lenders) relating to development, operation and maintenance of the Project.

**"RBI"** shall mean Reserve Bank of India.

**"Reset Date"** shall mean the Initial Interest Reset Date or the Subsequent Reset Date, as the case may be.

**"Reset Interest Rate"** shall mean the Benchmark Rate prevailing on the relevant Reset Date(s) plus the Spread as may be notified by the Lender to the Borrower.

**"Restricted Payments"** shall mean equity or preference dividends.

**"Subsequent Reset Date"** shall mean the date occurring immediately after the expiry of 3 years from the date of the Initial Interest Reset Date of the Loan by the Lender and thereafter the date falling on the expiry of every 3 years from such Reset date.

**"Security Cover"** shall mean the security cover of 1.25 times over the ratio of its net fixed over all the long term loans outstanding and any other borrowings which may have a charge over the assets of the Borrower;

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**"Spread"** shall mean 2.75% per annum per month

**"Security Documents"** shall mean the documents executed, delivered or deposited by the Borrower or the Sponsor or any other Person creating Security Interest in favour of the Lender as security for the Loan agreed to be provided under the Financing Documents.

**"Security Interest"** shall mean any mortgage, pledge, lien, hypothecation, charge, assignment, or other interest in the nature of security, deed of trust or other encumbrance of any kind, or any other type of preferential arrangement (including without limitation, any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof) of, in or over the Project Assets or otherwise as per the Financing Documents and any designation of loss payees or beneficiaries or any similar arrangement under any Insurance Contract and any mortgage, pledge, lien, hypothecation, charge, assignment, or other interest created by any other Person including the Sponsor upon any property and/or the of shares of the Borrower or otherwise as per the Financing Documents, in favour of the Lender in a manner & form acceptable to the Lender.

**"Secured Obligations"** shall mean the Borrower's obligation to pay, repay or reimburse, as the case may be, the principal amounts of the Loan, Interest, Further Interest, Additional Interest, Liquidated Damages, Prepayment Premium, all costs, charges and expenses and other monies owing by, and all other present and future obligations and liabilities of the Borrower to the Lender under this Agreement, all costs, charges and expenses including but not limited to the costs, legal expenses and costs of preserving the securities and/or enforcement thereof, incurred by the Lender under the Transaction Documents.

**"Scheduled Project Completion Date"** shall have the meaning ascribed to such term in Section 6.2(i) (a) hereof.

**"Sponsor"** shall mean Mr. P. Prathap Reddy, Mr. K. Narendra Reddy and their heirs, successors and assigns.

**"Statutory Auditor"** shall mean an independent, recognized and reputable firm of Chartered Accountants duly licensed to practice in India acting as Statutory Auditors of the Borrower under the provisions of the Companies Act, 1956.

**"Taxes"** shall mean any present or future tax, levy, impost, duty, stamp duties, charge, surcharge, service tax, fee, deduction or withholding in the nature of tax wherever imposed, levied, collected, withheld or assessed by any Government Authority pursuant to the Applicable Law.

**"Transaction Documents"** shall mean collectively the Project Documents, the Equity Documents and the Financing Documents.

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**"Trust and Retention Account"** shall have the meaning ascribed to it in Section 6.1(A)(x)(a) of Article VI of this Agreement.

**"Trust and Retention Agreement"** shall mean the agreement dated May 21, 2008 entered into between the Lender, the Borrower, the Account Bank or any other Person providing for the opening and operation of the Trust and Retention Account/the Escrow Account and any other amended and restated agreement, as may be executed between the parties in terms hereof with respect to the Additional Loan extended to the Borrower.

**"Weighted Average Rate of Interest"** shall mean the weighted mean of the Interest Rates of the various disbursements under the Loan.

**1.2 Interpretation**

In this Agreement, unless the context otherwise requires:

- (a) the words importing singular shall include plural and vice versa and the words denoting natural persons shall where the context admits, include partnerships, firms, companies, corporations, associations, organizations or other entities (whether or not having a separate entity);
- (b) the headings are for convenience or reference only and shall not be used in and shall not affect the construction or interpretation of this Agreement;
- (c) the words "include" and "including" are to be construed without limitation;
- (d) reference to this Agreement or to any other agreement or deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may from time to time be amended, varied, supplemented or novated.

**ARTICLE - II  
AGREEMENT AND TERMS OF RUPEE DEBTS**

**2.1 Amount of Loan**

The Borrower agrees to borrow from the Lender and the Lender agrees to lend to the Borrower rupee term loan to the maximum extent of Rs. 84.98 crores (Rupees Eighty four crore ninety eight lacs only) (hereinafter referred to as **"the Loan"**) and on the terms and conditions contained in this Agreement.

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## 2.2 Terms of Disbursement

- (i) The Lender shall disburse the Loan in one or more instalment(s)/tranches and in such other manner and on such terms and conditions as the Lender may deem fit, subject to the Borrower complying with the provisions of this Agreement and the conditions precedent set out in Article V of this Agreement to the satisfaction of the Lender. The Borrower may make a request to borrow the Loan, on any Business Day (the "**Borrowing Date**") on or before the Last Date of Drawal, by giving an irrevocable notice to the Lender of atleast five (5) Business Day prior to the Borrowing Date in the format set out in Schedule IV hereto or as may be stipulated by the Lender ("**Drawdown Notice**");
- (ii) All disbursements shall be made by cheque(s) or through real time gross settlement system (RTGS) and the collection/remittance charges shall be borne by the Borrower. The Interest shall accrue as from the date of such cheque(s) and, in the case of RTGS, from the date on which such instructions are issued by the Lender.
- (iii) The Lender may at the request of the Borrower convert full or part of the Loan amount into a non-funded financial assistance on such terms and conditions as may be mutually agreed between the Borrower and Lender including payment of commission on such non-funded financial assistance.

## 2.3 Adjustment of Overdues

The Lender may deduct from the amount of the Loan to be disbursed any monies then remaining due and payable by the Borrower to the Lender. The Borrower hereby authorizes the Lender to deduct such sums from the amount of the Loan to be disbursed and to adjust the amounts deducted against the monies then remaining due and payable by the Borrower to the Lender.

## 2.4 Interest

- (i) The Borrower shall pay to the Lender, interest on the principal amount of the Initial Loan outstanding from time to time, on the Interest Payment Dates, at a rate equivalent to 11.31% (the "**Initial Loan Interest Rate**"). The Interest Rate shall become applicable from March 01, 2011.

The Borrower shall pay interest on the outstanding principal amount of the Additional Loan, monthly in arrears on 15th of each month (each an "Interest Payment Date") equal to the Benchmark Rate prevailing on the date of each disbursement plus the Spread ("**Additional Loan Interest Rate**"). [Both Initial Loan Interest Rate and Additional Loan Interest Rate shall collectively be referred to as "**Interest Rate**"].

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The first of such Interest shall be paid on the first Interest Payment Date falling after the date of first disbursement of the Loan. Provided that the aggregate Loan outstanding upon the final disbursement shall then carry interest at the Weighted Average Rate of Interest from the date of final disbursement of the Loan.

- (ii) The principal amount of the Loan accruing due under this Agreement shall, in case the same be not paid on the respective due dates, carry further interest at the rate of 2% per annum and the Interest, Liquidated Damages or any other monies accruing due under this Agreement shall, in case the same be not paid on the respective due dates, carry further interest at the rate of 2% per annum over and above the Applicable Interest Rate computed from the respective due dates until the date of actual payment ("**collectively the Further Interest**"). Such Further Interest shall be compounded monthly, and shall become payable on demand or in the absence of any such demand, on the next Interest Payment Date falling after the date of default.
- (iii) Without prejudice to the right of the Lender under Section 5.1 (a) of Article V any disbursements made pending creation of the Security Interest as stipulated in Section 3.1(a) of Article III shall carry additional interest at the rate of 1% from the date falling on the expiry of 90 days from the date of first disbursement of the Additional Loan till the date of creation and perfection of such Security Interest stipulated in Section 3.1(a) of Article III ("**the Additional Interest**").
- (iv) The Lender may also in its sole discretion prospectively increase the Applicable Interest Rate in the event of unforeseen, exceptional or extraordinary changes in the financial market conditions taking place (the Lender being the sole judge to determine whether such changes have taken place or not). If the increased Applicable Interest Rate pursuant to this clause is not acceptable to the Borrower, the Borrower shall have a right to prepay the entire outstanding amount under this Agreement within 60 days from the date of notice, without payment of any Prepayment Premium.

## 2.5 Reset of rate of interest

The Lender shall have a right to reset the Applicable Interest Rate, on the Reset Dates after giving notice in writing to the Borrower prior to the relevant Reset Date ("**the Reset Notice**") and thereafter the Borrower shall pay to the Lender interest on the Loan at the Reset Interest Rate.

## 2.6 Last Date of Drawal

The Borrower confirms that the Initial Loan is already drawn by the Borrower. Unless the Lender otherwise agrees, the Borrower's right to make

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drawals from the Additional Loan shall cease on the Last Date of Drawal i.e. on March 31, 2012.

**2.7 Up Front Fee**

The Borrower has paid to the Lender, on the Initial Loan, a one-time, non-refundable, non-adjustable up front fee at the rate of 0.75% of the Loan ("the Up Front Fee").

Additionally, the Borrower shall pay to the Lender a non-refundable, non-adjustable, reappraisal and restructuring fees of 0.5% of the Additional Loan on or before execution of this Agreement.

**2.8 Repayment**

- (i) The Borrower shall repay the Loan disbursed as per the Amortisation Schedule, in 48 structured, quarterly installments commencing from earlier of (a) 18 months from the actual project commissioning date or (b) April 15, 2013.
- (ii) The Lender may, in suitable circumstances, revise or vary the repayment of the principal amounts of the Loan or the balance outstanding for the time being or any installment(s) of the said principal amounts of the Loan or any part thereof upon such terms and conditions as may be decided by the Lender in consultation with the Borrower.
- (iii) If, for any reason, the amount finally disbursed by the Lender out of the Loan is less than the amount of the Loan, the installment(s) of repayment of the Loan shall stand reduced proportionately but shall continue to be payable on the due dates as specified in the Amortization Schedule.

**2.9 Premature Repayment**

- (i) Except as provided in (ii) below, the Borrower shall not prepay the outstanding principal amount of the Loan in full or part. Any premature prepayment of the Loan shall be at the sole discretion and on terms and conditions stipulated by the Lender including payment by the Borrower of Prepayment Premium.
- (ii) The Borrower shall have right to prepay the Loan in full but not in part, without payment of any Prepayment Premium:
  - (a) within 45 days after the Reset Date(s) after giving atleast 7 days prior written notice to the Lender in the event the Borrower receives the Reset Notice, and till such prepayment the Loan shall carry the Applicable Interest Rate, or

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- (b) on the Reset Date(s) by giving atleast 15 days prior notice in writing to the Lender;

#### 2.10 Mandatory Prepayment

Upon the occurrence of any of the following events, the Borrower shall mandatorily prepay the outstanding amount of the Loan in full or part, as the context may require, without payment of any Prepayment Premium, from the proceeds of any amount exceeding Rs. 5 crores (Rupees Five Crores) received by and on behalf of the Borrower from any such event, if such event involves the receipt of:

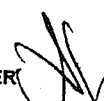
- (a) any liquidated damages/penalties paid under any of the Project Document to the extent not applied to pay penalties under that Project Document or to pay for the completion of the work contemplated by such Project Document that was not completed because of the circumstances giving rise to such payment of liquidated damages;
- (b) any proceeds in connection with a breach of warranty or guarantee under any Project Document to the extent not applied to repair or replace the defective component that is the subject of such warranty;
- (c) any insurance proceeds to the extent not applied to repair, renovate, restore or re-instate of the Project Assets as per Section 6.1(A)(iii)(e);
- (d) the proceeds of any termination payments/buy-out payments received under the Project Documents;
- (e) the proceeds resulting from the expropriation or other taking by any Government Authority of the Project Assets of the Borrower; and
- (f) the proceeds resulting from an arbitral or judicial award in connection with any of the Project Documents;

Upon such prepayment, the installments of the Loan payable as per the Amortisation Schedule shall stand reduced proportionately.

Further, the Lender shall retain the right to advance the repayment of the Loan in the event of the cash flows of the Borrower being adequate for such advancement.

#### 2.11 Liquidated Damages on defaulted amounts

In case of default in payment of any instalment of the principal amount of Loan, Interest thereon, Further Interest, Additional Interest or any other monies (except liquidated damages) due under this Agreement, on their respective due dates, the Borrower shall pay to the Lender on the defaulted amounts, liquidated damages at the rate of 2% per annum computed from the respective due date until date of actual payment ("the Liquidated



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**Damages**). The Liquidated Damages shall be payable on demand and in the absence of any such demand on the next Interest Payment Date falling after the date of default. Arrears of Liquidated Damages shall carry interest at the rate of 2% per annum over and above the Applicable Interest Rate on the date of payment of the defaulted amounts.

**2.12 Computation of interest and other charges**

Interest and all other charges shall accrue from day to day and shall be computed on the basis of 365 days year irrespective of a leap year.

**2.13 Interest tax, service tax, levies & duties**

All rates of interest and other charges mentioned in this Agreement are exclusive of interest tax, service tax and any other similar tax, if any, applicable, and any such tax shall be payable by the Borrower to the Lender over and above the rates mentioned in this Agreement.

**2.14 Due Date of payment**

If the due date in respect of any payment to be made under this Agreement falls on a day other than a Business Day, the immediately preceding Business Day shall be the due date for such payment. However, the amount due shall be calculated as per the due date originally envisaged under this Agreement, unless otherwise agreed by the Lender.

**2.15 Place and Mode of payment by the Borrower**

All monies payable by the Borrower to the Lender shall be paid to the Lender at such office(s) as may be specified by the Lender to the account of such office(s) or by cheque or bank draft drawn in favour of the Lender on a scheduled bank at Mumbai or such other place or to such other account as the Lender may notify to the Borrower and shall be so paid as to enable the Lender to realise, at par, the amount on or before the relative due date. Credit for all payments by cheque/bank draft will be given only on realisation/ actual credit of Lender's account, as the case may be, or, on the relative due date, whichever is later.

**2.16 Imposts, Costs and Charges and reimbursement of expenses**

- (i) The Borrower shall bear all such impost, duties and taxes (including interest and other taxes, if any) as may be levied from time to time by the Government or other authority with the sanction of law pertaining to or in respect of the Loan and such additional stamp duty, other duties, taxes, charges and other penalties if and when Borrower are required to pay according to the laws for the time being in force in the state in which its properties are situated or otherwise.

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- (ii) The Borrower shall reimburse all other costs, charges and expenses in any way reasonably incurred by the Lender under this Agreement within 30 days from the date of receipt of notice of demand from the Lender. All such sums shall be debited to the Borrower's account and shall carry interest from the date of payment till such reimbursement at the Applicable Interest Rate.
- (iii) In case of default in making such reimbursement within 30 days from the date of receipt of notice of demand, the Borrower shall also pay on the defaulted amounts Liquidated Damages, from the expiry of 30 days from the date of receipt of notice of demand till reimbursement in accordance with the provisions of Section 2.10 of this Agreement.

#### 2.17 Appropriation of Payments

Unless otherwise agreed to by the Lender, any payments due and payable to the Lender and made by the Borrower shall be appropriated towards such dues in the following order, viz.:-

- (i) Firstly, towards interest on costs, charges, expenses and other monies incurred by the Lender in relation to the Loan;
- (ii) Secondly, towards costs, charges, expenses and other monies incurred by the Lender under the Financing Documents;
- (iii) Thirdly, towards Liquidated Damages;
- (iv) Fourthly, towards Further Interest;
- (v) Fifthly, towards Additional Interest payable in terms of this Agreement;
- (vi) Sixthly, towards interest;
- (vii) Seventhly, towards Prepayment Premium; and
- (viii) Lastly, towards repayment of the principal outstanding under the Loan.

### ARTICLE – III SECURITY

#### 3.1 Security for the Loan

- A. The payment, repayment, reimbursement, as the case may be, of the Secured Obligations shall be secured by the following Security Interest in a form and manner satisfactory to the Lender:
  - (i) a first mortgage and charge of all the Borrower's immovable properties, present and future
  - (ii) a first charge by way of hypothecation of all the Borrower's movable properties, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future;

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- (iii) a first charge on Borrower's cashflows, receivables, book debts, commissions, revenues of whatsoever nature and wherever arising, present and future;
- (iv) a first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future;
- (v) a first charge by way of assignment or creation of security interest of (a) all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents, all as amended, varied or supplemented from time to time; (b) subject to Applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Clearances and (c) all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Documents and (d) all Insurance Contracts/ Insurance Proceeds.
- (vi) a first charge on the Trust and Retention Account, DSR, and any other reserves and other bank accounts of the Borrower wherever maintained;
- (vii) pledge of shares held by the Sponsors in demat form in the equity share capital of the Borrower representing 51 % of the total paid up equity share capital of the Borrower. The shares to be pledged shall be free from any restrictive covenants/lien or other encumbrance under any contract/arrangement including shareholder agreement/joint venture agreement/ financing arrangement with regard to pledge/transfer of the shares including transfer upon enforcement of the pledge.
- (viii) In addition to existing security interest, the Borrower shall obtain and furnish to the Lender, before seeking disbursement of the Additional Loan joint and several personal guarantee of Mr. P. Prathap Reddy, Mr. K. Narendra Reddy and Mr. Sanjay Kumar Gupta in order to secure the Loan, in favour of the Lender, the same shall be released subject to the Borrower entering into Power Purchase Agreement/s to the satisfaction of the Lender.
- (ix) The Borrower shall, within 90 days from date of first disbursement of the Additional Loan, extend the existing security interest, created to secure the Initial Loan, to the

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Additional Loan, in order to secure the entire Loan hereunder.

- B. The Borrower shall maintain a minimum Security Cover.
- C. The Borrower shall make out a good and marketable title to its properties to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the said purpose.
- D. The Security Interest set out above shall rank pari passu with working capital lenders for the working capital facility to the extent approved by the Lender.

**3.2 Creation of Additional Security**

If, at any time during the subsistence of this Agreement, the Lender is of the opinion that the Security Interest provided by the Borrower or any other Person has become inadequate to cover the outstanding amounts of the Loan, then, on the Lender advising the Borrower to that effect, the Borrower shall provide and furnish to the Lender, to its satisfaction, such additional security as may be acceptable to the Lender to cover such deficiency.

**3.3 Acquisition of additional immovable properties**

So long as the principal amount of the Loan is outstanding, the Borrower undertakes to notify the Lender in writing of all its acquisitions of immovable properties and as soon as practicable thereafter to make out a marketable title to the satisfaction of the Lender and charge the same in favour of the Lender by way of first pari passu charge in such form and manner as may be required by the Lender.

**ARTICLE - IV  
BORROWER'S REPRESENTATIONS AND WARRANTIES**

The Borrower hereby represents and warrants to the Lender as under:

**4.1 Corporate Status**

The Borrower

- i. is a duly organised and validly existing company incorporated in India under the Act;
- ii. is a limited company;
- iii. has power and authority to own its properties and assets and to transact the business in which it is engaged or proposes to be engaged and to do all things necessary or appropriate in respect of the Project

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and to consummate the transactions contemplated by this Agreement and other Transaction Documents.

**4.2 Corporate Power and Authority**

The Borrower has the corporate power to execute and deliver and to comply with provisions of each of the Transaction Documents to which it is a party and that it has taken all necessary corporate action to authorize the execution, delivery and performance by it of each of the Transaction Documents as have been executed and delivered as of each date this representation and warranty is made or deemed made.

**4.3 No Violation**

- i. Neither the execution and delivery by the Borrower of this Agreement and the other Transaction Documents to which it is a party as have been executed and delivered as of each date this representation and warranty is made or deemed made, nor the Borrower's compliance with or performance of the terms and provisions hereof or thereof (i) will contravene, in any material respect of, any provision of any Applicable Law or any order, writ, injunction or decree of any court or Government Authority, (ii) will conflict or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of in each case in any material respect of, or constitute a default under, any Transaction Document or any other contract or instrument to which the Borrower is a party to by which it or any of its property is bound (iii) result in the creation or imposition of any Security Interest (other than those required or permitted by the Financing Documents) upon or in respect of any of the property or assets of the Borrower owned or may hereafter be acquired by the Borrower (iv) will violate any provisions of the Memorandum and Articles of Association of the Borrower.
- ii. Neither the Borrower, nor any Person acting on its behalf, has been engaged in (i) Corrupt Practices, Fraudulent Practices, Collusive Practices or Coercive Practices in connection with the Borrower's business and operations, (ii) Money Laundering or acted in breach of any Applicable Laws relating to Money Laundering; or (iii) the Financing of Terrorism.
- iii. To the best of its knowledge and belief after due inquiry, it is not in violation of any of the Country Requirements.
- iv. It has neither received nor is aware of any existing or threatened complaint, order, directive, claim, citation or notice from any Government Authority or any material written communication from any Person with respect to any aspect of its compliance with any matter covered by the Country Requirements.

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**4.4 Governmental Approvals**

No Clearance is required to authorise, or is required in connection with (i) the execution, delivery and performance by the Borrower of this Agreement or any of the Transaction Documents (ii) the legality, validity, binding effect or enforceability, hereof or thereof or (iii) the Project, in each case, a lack of which Clearance would have a Material Adverse Effect.

**4.5 Litigation**

There are no actions, suits or proceedings pending or to the best of the Borrower's knowledge, threatened against the Borrower or the Project, including with respect to any Transaction Document or governmental, statutory or other approvals, Clearances, which could reasonably be expected to have Material Adverse Effect.

**4.6 Tax Returns and Payments**

The Borrower has filed all Tax returns required by Applicable Law to be filed by it and has paid all taxes payable by it which have become due pursuant to such tax returns, save and except those not yet delinquent and/or contested in good faith and for which adequate reserves have been established/ provision made.

**4.7 Compliance with Statutes**

The Borrower is in compliance in all material respects with all Applicable Laws in respect of the conduct of its business and the ownership of its property. Each of the other Transaction Documents executed is and those to be executed will, when executed be in proper legal form under the respective governing laws for the enforcement thereof.

**4.8 Security Interest**

The Borrower does not have any outstanding Security Interest or obligation to create Security Interest on its assets (existing or future) except those contemplated by the Transaction Documents.

**4.9 Title: Security Documents**

The Borrower owns and has good, unencumbered, legal and/ or beneficial title to the property, assets and revenues on which the Borrower is required to create charge/Security Interest pursuant to the Financing Documents.

**4.10 Environmental Matters**

The Project has not been affected by any hazardous material in a manner which does or is reasonably likely to give rise to any material liability of the Borrower under an Environmental Law or which has had or could reasonably

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be expected to have a Material Adverse Effect. [There are no facts, circumstances, conditions or occurrences in any case or collectively that could reasonably likely to form basis of an Environmental Claim against the Project or to cause the Project to be subject to any restrictions on its ownership, occupancy, use or transferability under any Environmental Law.]

**4.11 Material Adverse Effect**

There are no facts or circumstances, conditions or occurrences which could collectively or otherwise reasonably be expected to result in a Material Adverse Effect.

**4.12 Single-Purpose Company**

The Borrower has not engaged in, nor does it envisage engaging in, any business or trade or incurred any liabilities other than those contemplated by the Transaction Documents.

**4.13 Project Documents**

The Borrower has delivered to the Lender a true and complete certified copy of each Project Document. The Borrower is not in material default under or with respect to any Project Document. To the best of the Borrower's knowledge, no other party to any Project Document is in default of any material covenant or obligation set forth therein.

**ARTICLE - V  
CONDITIONS PRECEDENT**

**5.1 Conditions Precedent to Disbursement**

The obligation of the Lender to make disbursements out of the Loan shall be subject to the fulfillment to the satisfaction of the Lender of the following conditions. The Borrower shall have:-

- (a) Created and perfected the entire Security Interest stipulated in Section 3.1 (i) to (vii) of Article III and further undertaken to perfect the security as set out Section 3.1 (i) of Article III within ninety days from the date of first disbursement of the Additional Loan;
- (b) Ensured that the authorized share capital of the Borrower is in line with the Financing Plan for the Project;
- (c) Executed the Civil & Hydromechanical works contract with Pioneer Builders Limited and Electromechanical contract to the satisfaction of the Lender;

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- (d) Procured and furnished an undertaking from the Sponsors to the effect that any shortfall in the resources of the Borrower for completing the said Project and overrun in the cost of the Project due to any circumstances shall be met by the Sponsors by infusion of fresh equity/ preference capital/ unsecured interest free loans/ subordinate debt, without recourse to the Lender or any other financial institution or bank;
- (e) Confirmed that 50% of its equity share capital is paid up prior to seeking first disbursement towards the Loan and obtained firm commitments for the balance equity.
- (f) Procured and furnished joint and several undertakings from the Sponsors to the effect that:
  - (i) balance 50% of the equity share capital will be brought in by the Sponsors as per the Financing Plan;
  - (ii) all obligations of the Contractors in the event of default under the Civil & Hydromechanical Works Contract, Electromechanical contract and failure to cure the same within the timeframe and in the manner stipulated therein, shall be fulfilled by the Sponsors within the overall framework of the Contracts;
  - (iii) they will ensure that the Borrower is provided with the requisite technical, financial and managerial expertise to perform / discharge its obligations under the Project Agreements and that they will exercise their rights under the shareholder's agreement to ensure that the Project is not abandoned till all the monies of the Lender are paid and discharged in full;
  - (iv) in the event the Sponsor contribution for the Project is being brought in the form other than equity then the repayment / redemption of such amount shall be subordinate to servicing of the Loan, such repayment / redemption shall be made only after obtaining prior written approval from the Lender. Further, no such repayment / redemption / servicing in respect of promoter contribution shall be allowed during the moratorium period of the loan
  - (v) the Sponsors shall retain the Management Control of the Borrower during the tenure of the loan.
- (g) Obtained all the Clearances (statutory and non-statutory) for the Project to the satisfaction of the Lender;
- (h) Modified its Memorandum and Articles of Association to remove any inconsistency between the Memorandum and Articles of Association and the Shareholders' Agreement and such other modifications as may

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be required by the Lender including but not limited to inclusion of Nominee Director, and remove restrictions, if any, on pledge of shares;

- (i) Satisfied the Lender that no Event of Default and no Potential Event of Default shall have occurred and be continuing under the Financing Documents, Security Documents and Project Documents;
- (j) Satisfied the Lender that no event has happened which in the opinion of the Lender would result in having a Material Adverse Effect.
- (k) Furnished a report from the Statutory Auditors certifying the expenditure incurred and the means of financing thereof prior to seeking each tranche of disbursement;
- (l) Completed the acquisition formalities of the entire land /right or way required or as may be necessary for the Project, prearranged for a title search by an independent counsel who shall have to the satisfaction of the Lender certified clear title of the Borrower to the land free from all encumbrances;
- (m) Appointed Lender's Engineer (LE) and satisfactorily resolved and addressed the issues raised by the LE pursuant to a review of the Project Documents;
- (n) All the Transaction Documents (i.e. Financing Documents/Project Documents), in form and substance acceptable to the Lender, shall have been executed and have become fully effective in accordance with their respective terms;
- (o) Executed a Trust and Retention Account Agreement /Escrow Agreement;
- (p) After taking into account the amount of the requested Disbursement, any pro rata Equity disbursement and any pro rata Loan Disbursement, the Debt to Equity Ratio would not exceed 75:25 at any time during the currency of the Loan;
- (q) Obtained clearance under Section 281(i) (ii) of the Income Tax Act.
- (r) Filed form 8 with the Registrar of Companies;
- (s) The Borrower shall submit the following to the Lender and address concerns, if any to the satisfaction of the Lender:
  - (i) Borrower's health and safety management plan
  - (ii) Emergency management plan
- (t) No Event of Default has occurred and continuing;

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- (u) No event has occurred which would have a Material Adverse Effect.

**5.2 Conditions Precedent to all Disbursements.**

The obligation of the Lender to make any and all disbursements under this Agreement shall be subject to the Borrower performing the obligations and undertakings set out herein below besides compliance by the Borrower with the procedure for disbursement as stipulated by the Lender to the satisfaction of the Lender.

- (a) The Borrower shall have performed all of its obligations under the Financing Documents and Transaction Documents required to be performed on or prior to such date of drawdown;
- (b) The Borrower shall have established that, after giving effect to the disbursement, it shall remain in full compliance with all Financial Covenants set out in the Financing Documents.
- (c) The Borrower shall have obtained Clearances required for implementation of the Project for which disbursement is sought;
- (d) The Lender's Engineer shall have furnished a report confirming the physical and financial progress in the implementation of the Project and requirement of the proposed disbursement;
- (e) The Auditors shall have provided a certificate certifying the expenditure incurred on the Project, the means of financing the same and utilization of the loans previously disbursed to the Borrower for the Project;
- (f) Lender shall have received certification from the Borrower that required insurance policies (relevant to the Project at that time) are in full force and effect and that all premiums due and payable under those policies have been paid;
- (g) The Borrower shall have furnished a certificate from an authorized officer stating that all the representations and warranties set out in the Transaction Documents are true and correct at the time made with reference to the facts and circumstances then existing;
- (h) No Default or Event of Default has occurred;
- (i) No event has occurred which has or would be expected to have a Material Adverse Effect on the Borrower or the Project.



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**ARTICLE VI**  
**CONDITIONS APPLICABLE DURING CURRENCY OF THIS AGREEMENT**

**6.1 General Covenants**

**(A) Affirmative Covenants :-**

Until payment in full of all the amounts due and payable under this Agreement, the Borrower shall, comply at all times with the following covenants:-

**i) Information Covenants**

**1. The Borrower shall deliver to the Lender:-**

- (a) quarterly reports on the progress in respect of the development, construction and operation of the Project and information on the expenditure incurred;
- (b) as soon as available but in any event within 45 days of the end of each quarter, unaudited financial statements of income, expenditure, retained earnings and cash flow of the Borrower for the quarterly period then ended;;
- (c) as soon as available but in any event within 120 days of the end of each Financial Year, audited statements of income, expenditure, retained earnings and cash flow of the Borrower for such Financial Year and the related audited balance sheet as at the end of such Financial Year setting forth in each case in comparative form the corresponding figures for the preceding Financial Year, both accompanied by an opinion thereon of the Statutory Auditors reasonably acceptable to the Lender which opinion shall state that such financial statements fairly present the financial condition and results of operations of the Borrower at the end of, and for such Financial Year in accordance with the generally accepted accounting principles consistently applied as in effect from time to time in India;
- (d) periodically, as required by the Lender, a statement of deposits made in and disbursements/drawals made out of the Trust

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and Retention Account, duly certified by the Account Bank;

- (e) the requisite information and inputs required by the Lender to carry out an annual environment, health and safety audit of the Project;
- (f) such other information as the Lender may from time to time reasonably require with respect to the operation and financial condition of the Borrower, the Sponsors and the Project.

2. The Borrower shall as soon as possible but not later than three (3) days inform to the Lender:

- (a) if it has notice of (1) any event which constitutes a Default or Event of Default, specifying the nature of such Default or Event of Default and any steps the Borrower has taken or proposes to take to remedy the same, (2) any application for winding up having been made or any statutory notice of winding up under the provisions of the Act, having been received, (3) any litigation or governmental proceeding pending or to the extent material threatened against the Borrower which could reasonably be expected to have a Material Adverse Effect; (4) any proposal by any Governmental Authority to acquire compulsorily the Borrower or the Project Assets or part thereof, (5) any proposed material change in the nature or scope of the Project or the business or operations of the Borrower.
- (b) of any loss or damage which the Borrower may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc.
- (c) of the happening of any labour strikes, lockouts, shut-downs, fires or other similar happenings likely to have an adverse effect on the Borrower's profits or business.
- (d) any incident or accident occurring on any site, plant, equipment or facility included in the Project or in any manner associated with its

implementation and/or operation which has or may reasonably be expected to have an adverse effect on the environment, health or safety, including without limitation, explosions, spills or workplace accidents which result in death, serious or multiple injury or major pollution, specifying, in case, the nature of incident or accident, the on-site impacts arising or likely to arise therefrom and the measures the Borrower is taking or plans to take to address those impacts; and keep the Borrower informed of the going implementation of those measures.

**ii) Maintenance of Existence; Properties, Books and Records**

- (a) The Borrower shall keep proper books of record and accounts adequate to reflect truly, accurately and fairly the financial condition and results of operations of the Borrower in which full, true and correct entries shall be made in conformity with the Applicable Law and generally accepted accounting principles in India.
- (b) The Borrower shall preserve and maintain its legal existence as a company engaged only in activities related to the ownership, operation and maintenance of the Project and other activities incidental thereto and shall procure and keep valid all Clearances and other rights, franchises, privileges and consents necessary for maintenance of its existence and the conduct of its affairs.

**iii) Insurance**

- (a) The Borrower shall at its cost and expense, insure and keep insured at all times and cause each of the Contractors to, insure and keep insured with financially sound and reputable insurer(s) acceptable to the Lender, the Project Assets, all the Borrower's assets and business against all insurable losses, public liability insurance and any insurance required by law as per the advice of the Lender and/or the insurance consultant which may be appointed by the Borrower at its costs and expenses on the advice of the Lender.

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(b) Evidence of Insurance

The Borrower shall, from time to time, provide to the Lender copies of all insurance policies (or appropriate endorsements, certifications or other satisfactory evidence of insurance) obtained by the Borrower in accordance with this Agreement.

(c) Validity of Insurance

The Borrower shall from time to time promptly pay insurance premium, keep the insurance policies in force and valid throughout the currency of this Agreement and furnish copies thereof to the Lender. Each insurance policy shall provide that the same shall not be cancelled or terminated unless 10 Days' clear notice of cancellation is provided to the Lender in writing. If at any time the Borrower fails to obtain or maintain in full force and effect any and all of the insurance required under this Agreement, the Lender may at its option obtain and maintain such insurance and all sums incurred by the Lender therefor shall be promptly reimbursed by the Borrower to the Lender as per Section 2.17(ii) of Article II of this Agreement.

(d) Application of Insurance Proceeds

Unless otherwise agreed by the Lender in writing, the proceeds of all insurance policies received shall be promptly applied by the Borrower towards repair, renovation, restoration or re-instatement of the Project Assets or any part thereof which may have been damaged or destroyed. The Borrower shall designate the Lender as the loss payee under the insurance policies or assign the insurance policies in its favour, as security for the Loan. The Borrower shall carry out such repair, renovation, restoration or re-instatement to the extent possible in such manner that the Project Assets after such repair, renovation, restoration or re-instatement shall be as far as possible in the same condition as they were prior to such damage or destruction.

iv) **Corporate Franchises: conduct business**

The Borrower shall promptly take, or cause to be taken, all actions necessary or, in the reasonable opinion of the Lender, desirable to obtain in a timely manner all Clearances or

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waivers thereof, and shall promptly make or cause to be made, all required filings with the Government Authority in each case to preserve renew and keep in full force and effect its existence and its material rights, franchises, licences and patents and shall maintain, or cause to be maintained, in full force and effect all such Clearances, rights, franchises, licences and patents necessary or desirable for the construction, maintenance, ownership and operation of the Project.

The Borrower shall carry out the Project and conduct its business with due diligence and efficiency and in accordance with sound financial and business practices including, without limitation, making and maintaining in effect Insurance Contracts as set out in Section 6.1(A)(iii) above.

v) **Compliance with Statutes, Contracts, Country Requirements etc**

- i. The Borrower shall comply with the Applicable Law, Clearances and any other approvals, licenses, permissions obtained by it. The Borrower shall perform and observe in all material respects all of its covenants and agreements contained in any of the Transaction Documents to which it is a party, take all reasonable and necessary action to prevent the termination of any of the Transaction Documents otherwise than in accordance with the terms thereof and enforce each material covenant or material obligations and each of the Transaction Documents in accordance with its terms.
- ii. Unless the Lender otherwise agrees, the Borrower shall through its employees, agents, contractors and subcontractors, design, procure, construct, operate, maintain and monitor all of its operations in compliance with applicable Country Requirements

vi) **Taxes, Duties, Fees**

The Borrower shall:

- (a) pay and discharge all Taxes imposed on it or on its income or profits or any of its property including all Taxes that it has agreed to pay pursuant to any Transaction Document and shall file all returns relating thereto;

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- (b) pay or arrange for payment of all duties, fees or other charges payable on or in connection with the execution, issue, delivery, registration, or notarisation, or for the legality, or enforceability, of this Agreement, the other Transaction Documents.

**vii) Project Management/Audit Sub-Committee**

So long as any amount under this Agreement or any Financing Documents remain outstanding, the Borrower shall if so required by the Lender constitute (a) Project Management Committee and (b) an Audit Sub-Committee to the satisfaction of the Lender for monitoring and supervising the operations of the Project during the currency of the Loan. The Borrower shall also put in place a management information system to the satisfaction of the Lender.

**viii) Costs and Expenses**

The Borrower shall pay all reasonable costs, charges and expenses in any way incurred by the Lender, including traveling and other allowances of their officers, investigation of title to Borrowers' properties and protection and preservation of the Security Interest and other rights/remedies arising out of this Agreement.

**ix) Maintenance of Accounts**

- a. The Borrower shall ensure credit of all borrowing proceeds, equity, Insurance Proceeds, all the cash inflows from the Project and any other funds received by the Borrower into the Trust and Retention Account/Escrow Account to be opened and maintained in terms of the Trust and Retention Agreement/Escrow Account Agreement. The proceeds so deposited shall be utilised in the manner and priority set out in the Trust and Retention Agreement.
- b. The Borrower shall at all times open and maintain a Debt Service Reserve Account (DSRA) from that start of operations, which shall be built up to the requisite levels from the commencement of operations to meet the debt service requirements and create a DSR for the amount equivalent to the ensuing 2 quarters principal and interest payment due to the Lender. Provided that all available cash flows after meeting debt service obligations shall be applied towards the DSR. Utilization of the amount

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of the DSRA shall be made solely for the purpose of meeting any shortfall in debt payments. During the operations period all the cash flows in the Trust and Retention Account/ Escrow Account available after meeting the debt servicing obligations shall be utilized for building up and maintaining the DSR to the stipulated level.

- c. The amount in the DSRA may be invested in the investments and securities as may be approved by the Lender and as specified in the Trust and Retention Account Agreement.

**x) Compliance with Environmental Laws**

- a. The Project shall, at all times during the currency of the assistance, comply with the environmental, health, safety and social (EHSS) requirements, all the Environmental Laws, and Clearances issued thereunder, and maintenance of documents to be able to demonstrate compliance with the same to the Lender.
- b. The Borrower shall provide the requisite information and access to the Lender or a consultant appointed by the Lender in consultation with the Borrower to carry out yearly Environment & Social Monitoring and Review (ESMR) of the Project and ensure compliance with specified recommendations made by the Lender following ESMR report.
- c. The Borrower shall submit the following approvals once obtained from the Himachal Pradesh Environment Protection and Pollution Control Board
  - (i) consent to operate
  - (ii) authorization under 'Hazardous Waste (Management & Handling) Amendment Rules'.

**xi) Non-Existence of Event of Default**

The Borrower shall satisfy the Lender that no Event of Default and no event which, with the lapse of time or notice and lapse of time as specified in Article VIII, would become an Event of Default, has happened and/or is continuing.

**xii) Memorandum and Articles of Association**

The Borrower shall carry out such alterations to its Memorandum and Articles of Association as may be required by the Lender to give effect to the provisions of this

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Agreement including increase in authorized share capital, appointment of nominee director.

**xiii) Restricted Payments**

The Borrower may declare or make any Restricted Payments only if all of the following conditions are satisfied on the date of declaring or making the proposed Restricted Payments:

- (a) The repayment of Loan shall have commenced in terms of the Financing Documents,
- (b) Restricted Payment is permitted by Applicable Law
- (c) No Default or Event of Default is then in existence (which has not been remedied or waived);
- (d) All the Financial Covenants are complied with; and
- (e) All the reserves including the DSR are maintained in accordance with this Agreement.

**xiv) Financial Covenants**

The Borrower shall maintain

- (a) The Additional Loan would be disbursed in the Debt to Equity ratio of 1.11:1
- (b) The overall Debt to Equity ratio on commissioning shall not exceed 2:1.
- (c) Debt Service Coverage Ratio of not less than 1:20.

**xv) Other Conditions**

- a) the Borrower shall in case it expands its capacity to 24 mega watt, the incremental term debt for financing the capital expenditure would not exceed Rs. 10 crores (Rupees Ten Crores).
- b) the Borrower shall create security interest in terms of Section 3.1(a) of Article III within 6 (six) months from the date of first disbursement of the Loan.
- c) Any favourable terms and conditions of sanction stipulated by other participating Indian/foreign financial institutions/banks, if any, shall be applicable to the proposed assistance by the Lender to the extent they are relevant.
- d) the Borrower shall execute the Operations and Maintenance Contract (in the event the O&M

activity is proposed to be outsourced) to the satisfaction of the Lender.

- e) The Sponsors shall execute an Undertaking agreeing to infuse funds in the Borrower in the form acceptable to the Lender to meet any shortfall over and above the Project Cost (without any recourse to the Lender).
- f) The Lender shall have right to advance / prepone / accelerate repayments in case the cash flows are better than the projections.

**(B) Negative Covenants:**

Without the prior written permission of the Lender, the Borrower shall not:-

**i) Liquidation, Consolidation, Merger, Sale of Assets**

- (a) pass any resolution or otherwise take any steps for voluntary winding up or liquidation or dissolution,
- (b) enter into any transaction of merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction,
- (c) convey, sell, lease or otherwise dispose of or mortgage or otherwise charge (or agree to do any of the foregoing at any future time) all or any part of the Project Assets, except for those assets required to be conveyed, sold, leased or otherwise disposed of including sale of equipment which is uneconomic, damaged or obsolete in the ordinary course of business or as required or permitted under the terms of any Financing Documents.

**ii) Repayment/ prepayment/ redemption of subordinated loans:**

- (a) repay/prepay subordinated loan or any other loans taken by the Borrower from the Sponsors or arranged by the Sponsors;
- (b) redeem any preference shares issued by it to any Person.

**iii) Nature of Business, Subsidiaries, Change of Location of Registered Office**

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engage in any business or create any subsidiaries other than required for the Project and related activities, change its name or change the location of its registered office.

**iv) Improper Acts**

engage in or permit any Person to engage in any acts or things which may constitute a public or private nuisance or give rise to any claim resulting in a Material Adverse Effect or which may render void, voidable, or cancelable or increase the premium of any insurance then in force with respect to the Project or any part thereof.

**v) Loans and Debentures**

issue any debentures, raise any loan, accept deposits, issue preference capital or change its capital structure or create any Security Interest or give any guarantees, save and except as provided in the Financing Plan. This provision shall not apply to letters of credit, guarantees or facilities for the same given pursuant to any Transaction Document or Clearance or in connection with the Project, guarantees or temporary loan and advances granted to customers, staff or contractors or suppliers or deposits accepted from customers, staff, contractors or suppliers in the ordinary course of business or to raising of unsecured loans, overdrafts, cash credit or other facilities from banks or the endorsement of negotiable instruments for deposit or collection or similar transactions as permitted under the Financing Documents.

**vi) Commission**

pay any commission to its Sponsors and/or its affiliates, directors, managers, or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the Borrower or in connection with any other obligation undertaken for or by the Borrower for the purpose of the Project

Any person, by whatever name called, exercising substantial powers of management shall not be paid any commission in any year unless all the dues of the Lender in that year have been paid to the satisfaction of the Lender.

**vii) Diversification**

undertake any new project and / or any expansion / diversification programmes or otherwise change the scope of the Project.

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viii) **Memorandum and Articles**

make any changes to its Memorandum and Articles.

**6.2 Project**

(i) **Implementation**

- (a) The Borrower shall implement the Project within the overall Project Cost, in accordance with the Financing Plan and achieve project completion on or before January 1, 2012 or such date as may be indicated by the Lender at the time of first disbursement of the Loan ("Scheduled Project Completion Date").
- (b) Any saving in the Project Cost on the completion of the Project shall result in proportionate reduction in the amount of the Loan.
- (c) The preliminary and pre-operative expenses shall be allowed as a part of the Project Cost only to the extent permitted by the Lender and provided they are certified by the Statutory Auditor to have been actually incurred and related to the Project only.
- (d) The Borrower shall make necessary arrangement for Working Capital Facility, if any required, without recourse to the Lender. For this purpose, the Borrower shall make arrangements with its bankers and procure and furnish a letter in this regard from its bankers to the satisfaction of the Lender.

(ii) **Change of Scope**

promptly notify the Lender of any proposed change in the nature or scope of the Project and of any event or condition which may result in a Material Adverse Effect or delay completion of the Project or result in overrun in Project Cost.

(iii) **Project Documents**

The Borrower shall not without the prior approval of the Lender, which approval shall not be unreasonably withheld;

- (a) take any action to cancel or terminate any Project Document to which it is a party,

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- (b) sell, assign or otherwise dispose of any part of its interest in such material Project Document,
- (c) waive any material default or breach, release any right, interest or entitlement, howsoever arising or vary or agree to the variation in any way of any provision material to the Project of any Project Document or of the performance of any Person material to the Project under any such Project Document,
- (d) amend, supplement or modify any provision of any Project Document in a manner prejudicial to the interests of the Lender,
- (e) petition, request or take any other legal or administrative action that seeks, or may reasonably be expected, to rescind, terminate or suspend any material Project Document or any part material to the Project of any Project Document.

**(iv) Completion Delay**

The Borrower shall promptly inform the Lender of the circumstances and conditions which are likely to disable the Borrower from implementing the Project or which are likely to delay its completion or compel the Borrower to abandon the same.

**(v) Abandonment**

The Borrower shall not abandon or agree to abandon the Project without the approval of the Lender.

**(vi) Project Cost**

- (a) The Borrower shall permit the Lender to conduct one or more review of the Project before completion of the project and the Borrower shall provide all necessary information to the Lender as may be reasonably required by it for that purpose. If as a result of such review, the Lender determines that the Borrower has not implemented or is not likely to implement the Project within the Project Cost and/or in accordance with the Financing Plan and/or the Borrower is not likely commence commercial operations by the Scheduled Project Completion Date, the Lender reserves the right to revise the terms of the Loan and may stipulate such additional conditions (including strengthening of the management set up, change in Financing Plan, raising of additional equity capital/other interest free unsecured funds from the Sponsor) as the Lender in its sole discretion may deem fit and require the Borrower to take such measures as

may be stipulated by them in the light of revised Project Cost/Financing Plan /Scheduled Project Completion Date;

- (b) The Lender shall have the right to review the Project Cost before the final disbursement of the Loan. Pending completion of such review, the Borrower shall obtain prior approval of the Lender for utilising the amount of the Loan equivalent to the contingency provision in the cost of the Project, which approval shall not be unreasonably withheld;
- (c) The Lender shall have the right to monitor the operations of the Project during the term of this Agreement. The Borrower shall furnish such information and data as may be required by the Lender from time to time.

### 6.3 Nominee Director

- (a) The Lender shall have the right to appoint and remove from time to time, one director on the Board of the Borrower during the tenure of the Loan (hereinafter referred to as "Nominee Director").
- (b) The Nominee Director shall not be required to hold qualification shares and not be liable to retire by rotation.
- (c) The Nominee Director shall be entitled to all the rights and privileges of other directors including the sitting fees and expenses as payable to other directors but if any other fees, commission, monies or remuneration in any form is payable to the directors, such fees, commission, monies and remuneration in relation to the Nominee Director shall accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

Provided that if the Nominee Director is an officer of the Lender, the sitting fees in relation to such Nominee Director shall also accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

The expenditure incurred by the Lender or the Nominee Director in connection with his appointment or directorship shall be borne by the Borrower.

- (d) The Nominee Director shall be appointed as a member of the Project Management Committee and/or other Committees of the Board, if so desired by the Lender.
- (e) The Nominee Director shall be entitled to receive all notices, agenda and minutes, etc. and to attend all general meetings and meetings of the Board or any Committees of which he is a member.

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- (f) If at any time, the Nominee Director is not able to attend a meeting of the Board of Directors or any of its Committees, of which he is a member, the Lender may depute an observer to attend the meeting. The expenses incurred by the Lender in this connection shall be borne by the Borrower.

**6.4 Management**

**(i) Existing Management**

The Borrower shall not without the approval of the Lender (which approval shall not be unreasonably withheld) remove any Person, by whatever name called, exercising substantial powers of management of the affairs of the Borrower. The terms and conditions of appointment of managing director or any other person holding substantial powers of management, by whatever name called, shall be subject to the approval of the Lender, which approval shall not be unreasonably withheld.

**(ii) Disposal of shareholdings**

The Borrower shall not without the approval of the Lender recognise or register any transfer of shares in the Borrower's capital made or to be made by the Sponsor.

**(iii) Future Arrangement**

The Borrower shall appoint suitable technical, financial and executive staff of proper qualifications and experience for the key posts and ensure that its organisational setup is adequate to ensure smooth implementation and operation of the Project.

**(iv) Appointment of Technical/Management Consultant**

The Lender shall have the right to appoint, whenever it considers necessary, lenders' engineer, insurance consultant, concurrent auditor, legal counsel or any other consultant ("the Consultants"). The costs, charges and expenses including professional fees and traveling and other expenses of such Consultants shall be payable by the Borrower.

**(v) Committee of the Board**

The Borrower shall constitute such committees of the Board with such composition and functions as may be required by the Lender.

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**ARTICLE VII  
INSPECTION AND DISCLOSURE OF INFORMATION**

**7.1 Inspection**

**(a) Project Expenditure Records**

The Borrower shall maintain records showing expenditure incurred on the Project, utilization of the disbursement out of the Loan granted by the Lender, progress of the Project and the operations and financial conditions of the Borrower and such records shall be open to examination by the Lender and its authorised representatives.

**(b) Technical, Financial and Legal Inspections**

The Borrower shall permit the Lender and its authorised representatives to carry out technical, financial and legal inspections during construction and operation periods of the Project and to inspect all records, registers and accounts of the Borrower. The cost of inspection traveling and all other expenses reasonable shall be payable by the Borrower to the Lender in this behalf.

**7.2 Disclosure of Information**

The Borrower consents to disclosure by the Lender of information and data relating to the Borrower, the Loan, the obligations assumed or to be assumed by the Borrower in relation to the Loan and default, if any, committed by the Borrower in discharge thereof and accordingly:

- (a) agrees and consents to the disclosure by the Lender of all or any such information and data relating to it, the Loan, and default, if any, committed by it in discharge of such obligations as the Lender may deem appropriate and necessary to disclose and furnish to the Credit Information Bureau (India) Ltd ("CIBIL"), other participating banks/financial institutions and any other agency authorised in this behalf by the RBI;
- (b) declares that the information and data furnished by it to the Lender was true and correct as of the date such information and data was provided to the Lender or, where such information and data relate to a specific date or period, on such date or in respect of such period;
- (c) undertakes that CIBIL and any other agency so authorised may use and process the said information and data disclosed by the Lender in the manner as deemed fit by them and furnish for consideration, the processed information and data or products thereof prepared by them, to banks/financial institutions and other credit grantors or registered users, as may be specified by the RBI in this behalf.

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**ARTICLE VIII  
EVENTS OF DEFAULT AND REMEDIES**

**8.1 Events of Default**

The following events shall constitute an "Event of Default" under the Agreement:

- (a) Default by the Borrower in the payment of any installment of the principal of the Loan on the due date.
- (b) Default by the Borrower in payment of any installment of interest on the Loan on any Interest Payment Date.
- (c) Default in the performance or observance of any covenant, condition, warranty or provision contained in this Agreement or any other Financing Document and such default has continued for a period of thirty (30) days after notice in writing thereof has been given to the Borrower by the Lender.
- (d) Default by the Borrower and/or other Person, as applicable in creation of Security Interest to the satisfaction of the Lender within the period stipulated in the Agreement or such other period extended by the Lender.
- (e) If any information given by the Borrower in the reports, application for the Loan and other documents furnished by the Borrower in accordance with the reporting system or the representations made or warranties given/deemed to have been given by the Borrower to the Lender is found to be misleading or incorrect in any material respect,
- (f) If the Borrower is unable to or admits in writing its inability to pay any Indebtedness as they mature or proceedings for taking it into liquidation have been commenced provided that no such proceedings shall constitute an Event of Default if the Borrower can establish to the satisfaction of the Lender that such proceedings relate to a frivolous or vexatious claim which has been dealt with, disposed of, discharged or otherwise withdrawn to the satisfaction of the Lender within ninety (90) days of the date of commencement of such proceedings.
- (g) Any Indebtedness of the Borrower becomes due prior to its stated maturity by reason of default of the terms thereof by the Borrower or any such Indebtedness is not paid at its stated maturity and such default has, in the opinion of the Lender, a Material Adverse Effect.
- (h) If the properties and assets offered to the Lender as security (i) have not been kept adequately insured by the Borrower and such shortfall of insurance coverage resulting there from is material to the interests

of the Lender under this Agreement and further insurance to cover such shortfall is not taken out by the Borrower within thirty (30) days of the notice to that effect from the Lender; or (ii) depreciate in value to such an extent that, in the opinion of the Lender further security to the satisfaction of the Lender should be given and on advising the Borrower to that effect such security has not been given to the Lender within 30 days of the advise.

- (i) If, without the prior approval of the Lender, any land, building, structures or plant and machinery of the Borrower are sold, disposed off, charged or encumbered or alienated or the said building, machinery plant or other equipment are removed, pulled down or demolished in breach of any of the provisions of the Transaction Documents.
- (j) The Borrower has become the subject of voluntary or involuntarily proceedings under any law relating to winding up or bankruptcy or insolvency law, provided that no such proceedings shall constitute an Event of Default if the Borrower can establish to the satisfaction of the Lender that such proceedings relate to a frivolous or vexatious claim which is dealt with, disposed of, discharged or otherwise withdrawn to the satisfaction of the Lender within ninety (90) days of the date of commencement of such proceedings.
- (k) A receiver or liquidator of all or any part of the undertaking of the Borrower has been appointed in any proceeding.
- (l) The Borrower has taken any action for its reorganisation without the approval of the Lender.
- (m) If an attachment or distraint has been levied on the assets mortgaged/to be mortgaged or hypothecated or any part thereof or certificate proceedings or execution proceedings have been taken or commenced for recovery of any dues from the Borrower and in any above cases, is not discharged within thirty (30) days.
- (n) If any extra-ordinary circumstances have occurred which may reasonably be construed to have made it improbable for the Borrower to fulfill its obligations under this Agreement or any of the other Transaction Documents.
- (o) If the Borrower ceases or threatens to cease to carry on its business or gives notice of its intention to do so.
- (p) If, in the reasonable opinion of the Lender, the Security Interest of the Lender is in jeopardy.
- (q) Abandonment of the Project.

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- (r) The Project Documents are revoked, cancelled, terminated, suspended or withdrawn
- (s) An event of total loss or nationalisation or expropriation of all or substantially all of the Project Assets, or a material portion of the Project Assets shall temporarily be subject to a nationalisation and such temporary nationalisation could reasonably be expected to have a Material Adverse Effect.
- (t) Any event has occurred which in the sole discretion of the Lender is likely to have a Material Adverse Effect or is likely to be a Potential Event of Default.

#### 8.2 Consequences of Event of Default

If one or more of the events specified in this Section (hereinafter called 'Events of Default') happen(s), the Lender may in its sole discretion exercise one or more of the following rights :-

- (a) declare the entire Loan or part thereof and all amounts payable by the Borrower in respect of the Loan and under the Transaction Documents to be due and payable immediately,;
- (b) the Security Interest shall become enforceable;
- (c) enter upon and take possession of the assets/properties charged/hypothecated/mortgaged pursuant to the Transaction Document;
- (d) transfer the assets of the Borrower by way of lease or leave and license or sale;
- (e) substitute themselves or any one of them or its nominees and its designee for the Borrower under any or all of the Project Documents and the Borrower's residual interest in the Trust and Retention Account and (iv) to pursue any other legal remedy or right provide under law including but not limited to taking appropriate action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- (f) terminate the right of the Borrower to make any withdrawals from out of the Loan.

#### 8.3 Other Consequences of Event of Default

In addition to the rights available to the Lenders as per Section 8.2. above the Lender shall have the following rights :

- (a) **Whole Time Director**

- i. the Lender shall have the right to appoint and remove from time to time, one or more Whole-time Director(s) on the Board.
- ii. Other conditions as applicable to the Nominee Director appointed as per Section 6.3 of Article VI of this Agreement above shall apply to the Whole-time Directors *mutatis mutandis*.

**(b) Review of management**

the Lender shall have the right to review the management set-up or organisation of the Borrower and to require the Borrower to restructure it as may be considered necessary by the Lender.

**(c) Conversion Right**

- (i) If the Borrower commits a default in payment of any two installments of interest or repayment of any two installments of the Loan disbursed or any combination thereof, then, the Lender shall have the right to convert at its option the whole or part of the defaulted amount of the Loan into fully paid-up equity shares of the Borrower, at par, ("**the Conversion Right**") in the manner specified in a notice in writing to be given by the Lender to the Borrower ("**the Notice of Conversion**") prior to the date on which the conversion is to take effect, which date shall be specified in the said notice (the "**Date of Conversion**").
- (ii) On receipt of the Notice of Conversion, the Borrower shall allot and issue the requisite number of fully paid-up equity shares to the Lender as from the Date of Conversion and the Lender shall accept the same in satisfaction of the principal amount of the Loan to the extent so converted. The part of the Loan so converted shall cease to carry interest as from the Date of Conversion and the Loan shall stand correspondingly reduced. The equity shares so allotted and issued to the Lender shall carry, from the Date of Conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Borrower. Save as aforesaid, the said shares shall rank *pari passu* with the existing equity shares of the Borrower in all respects. The Borrower shall, at all times, maintain sufficient unissued equity shares for the above purpose.

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- (iii) The Conversion Right may be exercised by the Lender on one or more occasions during the currency of the Loan at its sole discretion.
- (iv) The Borrower assures and undertakes that in the event of the Lender exercising the Conversion Right, the Borrower shall get the equity shares which will be issued to the Lender as a result of the conversion, listed with the Stock Exchange(s) at Mumbai and such other places as may be notified by the Lender to the Borrower.

**(d) Right to report to Reserve Bank of India (RBI)**

In case of Event of Default the Lender shall have the right to disclose the name of the Borrower and its Directors to RBI and the Lender and the RBI shall have an unqualified right to publish the Borrower's name and its directors as defaulters in such manner and through such medium as the Lender or RBI in their absolute discretion may think fit. The Borrower hereby gives its consent to the Lender and/or RBI in this respect.

**8.4 Notice to the Lender on the happening of an Event of Default**

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has happened, the Borrower shall, forthwith give notice thereof to the Lender in writing specifying the nature of such Default or of Event of Default.

**8.5 Expenses of Preservation of Project Assets of the Borrower and of collection**

All expenses incurred by the Lender in connection with the preservation of the Project Assets or otherwise and/or for collection of amounts due under this Agreement shall be payable by the Borrower on demand.

**ARTICLE IX  
WAIVER**

**9.1 Waiver not to impair the Rights of the Lender**

No forbearance, indulgence or relaxation or inaction or delay in exercising or omission to exercise any right, power or remedy accruing to the Lender upon any Event of Default under the Transaction Documents shall impair any such right, power or remedy nor shall the same be construed to be a waiver or any acquiescence thereof, nor shall any action or inaction on the part of the Lender in respect of any such Event of Default affect or impair any right, power or remedy of the Lender in respect of any other Event of Default.

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**ARTICLE X  
CANCELLATION, SUSPENSION AND TERMINATION**

**10.1 Cancellation**

The Borrower shall have no right to cancel the amount under the Loan or any part thereof without prior written consent of the Lender, which consent may be given by the Lender at its sole discretion.

**10.2 Suspension**

Further access/ Drawdown by the Borrower under the Loan may be suspended by the Lender at its sole discretion, upon happening of any of the following event(s):

**(a) Non-Compliance of terms and conditions**

Failure by the Borrower to carry out all or any of the material terms of this Agreement /obligations under the Financing Documents or on the happening of an Event of Default.

**(b) Assignment or transfer of properties to Receiver, Assignee, etc.**

If the Borrower takes or permits to be taken any action or proceedings whereby any of its properties are or may be assigned or, in any manner transferred or delivered to any Receiver, Assignee, Liquidator or other person whether appointed by the Borrower or by any Court of Law whereby such property is or may be distributed among the creditors of the Borrower or the Borrower suffers any charge to be created over its properties in any legal proceedings.

**(c) Change in the Borrower's Set-Up**

If any change in the Borrower's set-up has taken place which, in the reasonable opinion of the Lender, could adversely affect the conduct of the Borrower's business or the financial position or the efficiency of the Borrower's management or personnel or the execution of the Project.

**10.3 Suspension to continue till default remedied**

The right of the Borrower to make Drawdown(s) from out of the Loan shall continue to remain suspended until the Lender has notified the Borrower that the right to make Drawdown(s) has been restored.

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#### 10.4 Termination

The Lender may, by notice in writing to the Borrower, terminate the right of the Borrower to make Drawdown(s) in case of the following;

- a. occurrence and continuance of any Event of Default, or
- b. occurrence of an event, condition, change which in the sole discretion of the Lender is likely to have a Material Adverse Effect; or
- c. the Borrower has not drawn the entire amount under the Loan by the Last Date of Drawal,

Upon such notice, the undrawn amount under the Loan shall stand cancelled.

Notwithstanding any suspension or termination pursuant to the aforesaid provisions, all the provisions of this Agreement shall continue to be in full force and effect as herein specifically provided in respect of the Loan disbursed.

### ARTICLE XI MISCELLANEOUS

#### 11.1 Service of Notice

- (a) Any notice, demand, communication or other request ("Notice") to be given or made to any Party pursuant to this Agreement must be in writing and delivered in one or more of the following ways: (i) personally or by overnight courier, or (ii) by facsimile transmission, or (iii) by registered mail at such Party's address specified below or at such other address as such Party shall from time to time have designated by at least fifteen (15) days' prior written Notice to the Party giving such Notice.

**For the Borrower,**

Attention:  
Mr. Sanjay Kumar Gupta  
Om Hydropower Ltd.  
Plot No.705, Lakshmi Nivas,  
Road No.3, Banjara Hills,  
Hyderanad – 500 034.

Tel. No.: +91 4044565100

Fax No.: +91 4023355947

**For the Lender,**

Attention:  
Mr. Vinayak Mavinkurve  
Infrastructure Development Finance Company Limited  
C-32, G-Block,  
Naman Chambers,  
Bandra Kurla Complex,

BORROWER

LENDER

Bandra (East),  
Mumbai - 400 051

- (b) Any Notice that are addressed as provided in this Section 11.1(a) will (i) if delivered personally or by courier, be deemed given upon delivery (whether accepted or not); (ii) if delivered by fax transmission, be deemed given when electronically confirmed; and (iii) if sent by registered mail be deemed given three (3) days after the same has been sent.

#### 11.2 Evidence of Debt

- (a) The Lender shall maintain, in accordance with its usual practice, accounts evidencing the amounts from time to time disbursed by and owing to it under this Agreement.
- (b) In any legal action or proceedings out of or in connection with this Agreement and/or the other Transaction Documents the entries made in the accounts maintained pursuant to clause (a) above shall be prima facie evidence of the existence and amount of obligations of the Borrower owed to the Lender as therein recorded.

#### 11.3 Benefit of this Agreement

- (a) This Agreement shall bind and inure to the benefit of the respective successors and assigns of the Parties hereto, except that the Borrower shall not assign, delegate or otherwise transfer all or any part of its rights or obligations under this Agreement without the prior written consent of the Lender and any purported assignment made in violation of the provisions of this Agreement shall be void.
- (b) The Lender may without the consent of the Borrower, assign all or any part of its rights and benefits hereunder or transfer or novate all or part of its rights, benefits and obligations hereunder or under the Financing Documents to which it is a party, to any Person(s) including bank, financial institution or institutional lender ("New Lender(s)").
- (c) The New Lender shall, upon such assignment/ novation/ transfer, acquire the same rights and assume the same obligations as regards the Borrower as it would have acquired and assumed had the New Lender been an original party to this Agreement and to the other Financing Documents
- (d) Upon such assignment/novation/transfer the Borrower and the Lender shall be released from further obligations to each other and their respective rights against each other under this Agreement and other Financing Documents, shall stand cancelled to the extent of such loan amount as is assigned / novated / transferred.

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- (e) Without prejudice to the aforesaid Section 11.3(a) and 11.3(b), the Lender may at its sole discretion and without notice to the Borrower, share the credit risk of the whole or a part of the Loan with any other bank(s) and/or financial institutions by way of participation. Notwithstanding such participation, all rights, title, interests, special status and other benefits and privileges enjoyed or conferred upon or held by the Lender under this Agreement and the Transaction Documents shall remain valid, effective and enforceable by the Lender on the same terms and conditions and the Borrower shall continue to discharge in full all its obligations under the this Agreement and the Transaction Documents to the Lender. The Borrower shall not have and shall not claim any privity of contract with such participating bank on account of any reason whatsoever.

**11.4 Saving and Overriding Effect**

This Agreement and the other documents referred to herein, including the LOI, integrate all the terms and conditions mentioned herein or incidental hereto and supercede all oral negotiations and prior writings in respect of the subject matter hereof. In the event of any terms and conditions of the LOI are not specifically incorporated in this Agreement, the same shall be deemed to be a part and parcel of this Agreement, unless specifically agreed otherwise between the Parties.

**11.5 Governing Law**

This Agreement shall be governed by the laws of India.

**11.5 Counterparts**

This Agreement shall be executed in two counterparts each of which shall be deemed to be original but shall together constitute one agreement only.

**ARTICLE - XII  
EFFECTIVE DATE OF AGREEMENT**

- 12.1 This Agreement shall become binding on the Parties hereto on and from the date first above written. It shall be in force till all the monies due and payable under this Agreement are fully paid off.

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**SCHEDULE - I  
PROJECT COST**

The total Project Cost is estimated at Rs 123.82 crores as summarised below:-

(Rs. crore)

Particulars	Original Appraised Cost	Revised Estimated Cost	Overrun
Land and Site Development	8.50	18.02	9.52
Civil and Hydro Mechanical Works	29.26	54.53	25.27
Electro Mechanical Work	27.03	23.10	(3.93)
Transmission Line	2.00	3.98	1.98
Preliminary and Preoperative Expenses	4.80	11.47	6.67
Interest During Construction Period	7.40	12.12	4.72
Margin Money	0.70	0.00	(0.70)
Contingencies	2.90	0.60	(2.30)

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**SCHEDULE II  
FINANCING PLAN**

The Project is proposed to be financed in the following manner:

(Rs. crore)

<b>RUPEE DEBT</b>				
Existing Rupee Loan	62.00	59.63		-
Additional Rupee Loan	0.00	22.98		22.98
<b>TOTAL RUPEE LOAN</b>	<b>62.00</b>	<b>82.61</b>		<b>22.98</b>
<b>EQUITY</b>	<b>20.60</b>	<b>41.21</b>		<b>20.61</b>

**BORROWER**

**LENDER**



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**SCHEDULE - III  
AMORTISATION SCHEDULE**

<b>Year</b>	<b>% Repayment</b>	<b>Installments</b>
FY 2012	0.00%	-
FY 2013	0.00%	-
FY 2014	5.25%	4 installments of @ 1.3125% each
FY 2015	5.70%	4 installments of @ 1.4250% each
FY 2016	6.15%	4 installments of @ 1.5375% each
FY 2017	6.70%	4 installments of @ 1.6750% each
FY 2018	7.30%	4 installments of @ 1.8250% each
FY 2019	7.90%	4 installments of @ 1.9750% each
FY 2020	8.60%	4 installments of @ 2.1500% each
FY 2021	9.35%	4 installments of @ 2.3375% each
FY 2022	10.00%	4 installments of @ 2.5000% each
FY 2023	10.90%	4 installments of @ 2.7250% each
FY 2024	11.80%	4 installments of @ 2.9500% each
FY 2025	10.35%	4 installments of @ 2.5875% each
<b>TOTAL</b>	<b>100.00%</b>	<b>Total 48 quarterly installments</b>

(The above repayment schedule is on the assumption of commencement of repayment from April 15, 2013 and same may vary depending on Actual Project Commissioning Date).

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**SCHEDULE IV**

**Form of Drawdown Notice**

(On the letterhead of the Borrower)

Date:

Infrastructure Development Finance Company Limited ("the Lender")  
C-32, G-Block,  
Naman Chambers,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai – 400 051

Attn:

Dear Sirs

**Sub : Request for drawdown of the Loan**

Pursuant to Section 2.2.(i) of the Rupee Loan Agreement dated \_\_\_\_\_ we hereby give a notice to the Lender that we wish to borrow Rs. \_\_\_\_\_ on \_\_\_\_\_ (the "Borrowing Date").

We hereby confirm:

- (i) That all conditions precedent for drawdown as specified in the Loan Agreement have been complied with and further undertake that if any of the conditions are not complied with, we shall comply with the same in such manner and within sum time as may be acceptable to the Lender to its satisfaction;
- (ii) That the representations and warranties contained in the Loan Agreement are true and correct as on the date hereof as if the same were made with respect to the facts existing on such date;
- (iii) No Event of Default or Potential Event of Default (as defined in the Loan Agreement) has occurred or is continuing; and
- (iv) No event has occurred which would have a Material Adverse Effect.

For \_\_\_\_\_ Limited

Signature :  
Name & Designation :

BORROWER

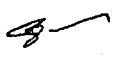
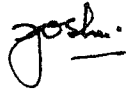
LENDER



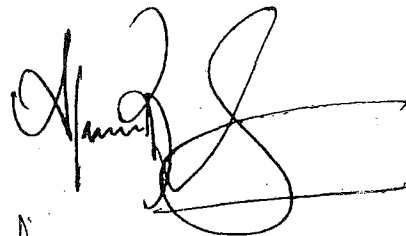
193

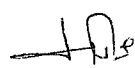
IN WITNESS WHEREOF the Borrower has caused its Common Seal to be affixed hereto on the day, month and year first hereinabove written and the Lender has caused the same to be executed by the hands of its duly authorised officials as hereinafter appearing.

THE COMMON SEAL OF OM HYDROPOWER LIMITED has pursuant to the Resolutions of its Board of Directors passed in that behalf on the 18<sup>th</sup> April 2011 hereunto been affixed in the presence of Sri. Sanjay Kumar Gupta, Whole-time Director and Mr. Ravi Joshi, Authorized Person who have signed these presents in token thereof.

SIGNED AND DELIVERED by the hand of Shri RAVEEN SANTEEKI an authorised official of **INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED.**



Attested  


27 10 03:50p

Dream Land

01772670744

P.1

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" Annexure - C "

BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY  
COMMISSION, KJONTHAL COMMERCIAL COMPLEX, KHALINI,  
SHIMLA-1002

Petition No. 48/2010-3291-92

Dated:

27/10/10

To

✓ M/S Om Power Corporation Limited,  
having its registered office at Kothari Bhawan,  
16/121-122, Faiz road, Karol Bagh, New Delhi-110005,  
through Sh. Sanjay Kumar Gupta, Director.

...Petitioner...

2. H.P.S.E.B through its Executive Director (P),  
Vidyut Bhawan, Shimla-171004.

... Respondent

Subject: Attested copy of order

Sir,

Attested copy of order dated ~~25~~ 10/2010 in Petition No.48/2010 is sent  
herewith please.

Encls: As above.

Yours faithfully,

  
Secretary

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BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION SHIMLA

M/s Om Power Corporation Ltd.,  
having its registered office at Kothari Bhawan,  
16/121-122, Faiz Road, Karol Bagh,  
New Delhi 110005.

... Petitioner

V/s

The Himachal Pradesh State Electricity Board Ltd.,  
Thro' its Executive Director (P),  
Vidyut Bhawan, Shimla-171004

... Respondent

Petition No. 48 of 2010

(Passed on 26.10.2010)

CORAM  
YOGESH KHANNA,  
CHAIRMAN

Counsel:-

for the petitioner

Sh. Ajay Vaidya  
Advocate

for the respondent

Sh. Kamesh Chauhan  
(authorized representative)

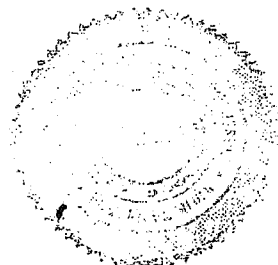
ORDER

(Last heard on 18.09.2010 and orders reserved)

M/s Om Power Corporation Ltd., a company incorporated under the Companies Act, 1956, having its registered office at Kothari Bhawan 16/121-122, Faiz Road, Karol Bagh, New Delhi 110005 (hereinafter referred as "the petitioner") has earlier moved a petition, which is registered as petition No. 48 of 2010, for determination of tariff under sections 61, 62 and 86 of the Electricity Act, 2003, read with regulation 6 of the HPERC (Power Procurement from Renewable Sources and Co-generation by Distribution Licensee) Regulations, 2007, in relation to Neogal Hydro Electric Project, with installed capacity of 15 MW located in Kangra District.

RECEIVED

*[Signature]*  
REGD. SECY



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2. Per regulation 6 of the regulations (ibid) the tariff for small hydro projects of more than 5 MW and not exceeding 25 MW capacity is required to be determined on individual project basis. The installed capacity of 15 MW of a project falls under the category where the tariff requires to be fixed, as project specific and the said tariff is likely to be much more than Rs. 2.25 per kwh as provided in the Power Purchase Agreement dated 27<sup>th</sup> Oct, 2006 executed with the Board.

3. Per submissions made by the petitioner, the petitioner's generating station is in advanced stage of construction and is anticipated to be commissioned during May, 2011. The Board approved T.E.C of the project in Oct., 1999 with capital amount of Rs. 61.74 crores. The applicant has already incurred expenditure of Rs. 74.99 crores on the project comprising of the loan component of Rs. 55.00 crores and equity contribution of Rs. 19.99 crores (out of total equity amount of Rs. 20.66 crores). The additional amount of Rs. 41.20 crores is required to be raised for construction/implementation of the project. Neither the promoters nor the financial institutions are ready to put in this additional capital of Rs. 41.20 crores with the present tariff of Rs. 2.25/ unit, unless the financial viability is established for the total cost of Rs. 123.80 crores.

4. The timely completion of the project is in the interest of all the stakeholders i.e. GoHP, Board, IPP and the ultimate consumers. To raise additional capital to continue the project construction needs to be provided with the higher tariff. In order to release the loan from the Banks the petitioner has moved this interlocutory application i.e. M.A. No. 123/2010 for grant. as a interim measure, a tariff of Rs. 3.50 per kwh pending the disposal of the main tariff petition i.e. petition No. 48 of 2010.

5. In response to this interlocutory petition the respondent Board submits that tariff for net saleable energy cannot be altered for the reasons that -

(a) firstly the provisions of regulation 6 of the regulations (ibid) are subjected to the following proviso:-

"Provided further that, unless otherwise provided in the PPA, the PPA approved by the Commission, prior to the commencement of these regulations, shall continue to apply for such period as mentioned in the PPA."

(b) secondly Clause 6.2 of the PPA stipulates that:-

ATTESTED

*[Signature]*  
5/3/10



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"The Board shall pay for the net salable energy delivered by the Company to the Board at the interconnection point at a fixed rate of Rs. 2.25 (rupees two and paise twenty five) per kilowatt hour. This rate is firm and fixed without indexation and escalation and shall not be changed due to any reason whatsoever".

- (c) thirdly under the IA any dispute of difference arising between the parties shall be settled by the Secretary (MPP & Power), H.P. Government in accordance in the provisions of the Arbitration and Conciliation Act, 1996.
- (d) fourthly in order to promote co-generation and generation of electricity from renewable sources, the Commission has the power to re-open the PPA, but facts cannot be ignored -

- (i) that the project is already delayed and incomplete and the capital cost of the project has not been finalized. Per IA the project was to be commissioned after 42 months from the date of signing of the PPA. The PPA was signed on 27.10.2006 and as such it was scheduled to be commissioned in the month of May, 2010.
- (ii) that the working of the capital cost on CERC norms is not relevant, as the parameters laid down in SHEP Order 18.12.07 are to be kept in view;
- (iii) that the bank usually considers viability of the project and its generation aspects while sanctioning the loan.

6. In the rejoinder filed by the petitioner, the petitioner has contended that the Commission has the power to re-open the concluded PPAs for the purpose of incentivising the generation from non-conventional energy projects, within the framework of the Act and the regulations framed thereunder. The petitioner has filed the petition as per the provisions of the Electricity Act and regulations framed for determination of tariff. This is not the dispute, where arbitrator has to be appointed. The financial institutions had sanctioned the debt part of the project based on the project cost at least Rs. 82.60 crores based on (the March, 1998) rates and with the PPA tariff at Rs. 2.25 p.u. The project cost having increased to Rs. 123.80 crores as on April, 2010, the project becomes unviable and financial institutions are not willing to provide the additional debt component at the tariff of Rs. 2.25 per kwh. There is justification for

ATTESTED

*[Signature]*  
 MEMBER



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granting, as an interim measure, tariff at Rs. 3.50 per kwh. On commissioning of the project the payment of sale of energy from the project shall be regulated in terms of the tariff to be finally determined by the Commission. The petitioner has applied for interim direction for Rs. 3.50 per kwh with the sole purpose of carrying financial arrangements for the balance amount of Rs. 41.20 crores by way of loans from financial institutions.

7. From the facts available on record it is evident that the petitioner entered into a Memorandum Of Understanding (MOU) on 28.2.1993 to carry out detailed investigations to conduct techno-economic studies, and submission of DPR for implementation of Neogal Hydro Electric Project of 12 MW (which was subsequently revised to 15 MW) capacity located in Kangra District. The Implementation Agreement was executed on 4.7.1998 and TEC to the DPR was accorded on 25.10.1999, and construction was to be started within a period of two years, including a maximum of one year extension of one year from 4.7.1998 i.e. by the 4<sup>th</sup> July, 2000. The petitioner could not start construction and GoHP not only restored the terminated Implementation Agreement dated 4.7.98 but also gave extensions to start the work by executing Supplementary Implementation Agreements dated 8.10.2001, 4.4.2002, 3.1.2003 and 27.1.2006 and Fifth Supplementary Implementation Agreement dated 30.5.2007 and also made inter-alia provision for 15% mandatory water release and payment of 1.5% of capital cost as Local Development Charges. The IA as executed on 4.7.1998, followed by five Supplementary Implementation Agreements is in force and shall remain in force till the validity of Implementation Agreement. In pursuance of the provisions of the 5<sup>th</sup> Supplementary Implementation Agreement, the PPA was executed with the Board. The approval of execution of PPA with the Board has been accorded vide Commission's Order dated 12.7.2006, with the clear cut stipulation that-

- (a) the construction period when reckoned from the date of financial closure as per the construction schedule attached with the PPA is 32 months, this needs reconciliation;
- (b) Tariff and other terms and conditions of the PPA shall be subject to the provisions of Commission's regulations on power procurement from renewable sources as and when such regulations are framed.

*[Handwritten signature]*  
Date:



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8. Subsequently PPA was executed with the Board on 27<sup>th</sup> Oct., 2006, with the clause 6.2 providing that the Board shall pay for the Net Saicable Energy delivered by the company to the Board at the interconnection point at a fixed rate of Rs. 2.25 (rupees two and paise twenty five) per kwh. Further this rate was firm and fixed without indexation and escalation shall not be changed due to any reason whatsoever.

9. On going through the relevant provisions of the Act, it is evident that the legislature has carved out two distinct fields for - (i) Tariff determination and (ii) PPA approval.

10. The domains of the tariff determination is governed under Part-VII of the Act. It contains Sections 61 to 65 of the Act. There are two routes and options provided:-

- (a) Tariff determination under Section 62 (1) (a) by the Appropriate Commission in terms of section 70 and Section 86 of the Act; and
- (a) Tariff discovery in terms of the Competitive Bidding Process in accordance with the guidelines issued by the Government of India, which shall be biding on the Appropriate Commission in terms of Section 63 of the Act.

11. In terms of Section 86 (1) (b), the regulation of electricity purchase and procurement process of the distribution licensee, including the price at which electricity shall be procured from generating Companies through agreements for purchase of power for distribution and supply, is with in the sole domain of the concerned Commissions. Per regulation 6 of the HPERC (Power Procurement from Renewable Sources and Co-generation by Distribution Licensee) Regulations, 2007, the tariff for small hydro projects of more than 5 MW and not exceeding 25 MW capacity is required to be determined on individual project basis.

12. While interpreting the provisions of the SHP Order issued under HPERC (Power Procurement from Renewable Sources and Co-generation) Regulations, 2007 Hon'ble APTEL in its decision dated 18<sup>th</sup> Sept., 2009 rendered in Appeal No. 50 of 2008 Techman Infra Ltd V/s HPERC and others and appeal No. 69 of 2009 HPERC V/s HPERC and another, has concluded "that the promoter of hydel power in the State of Himachal Pradesh as well as the Himachal Pradesh State Electricity Board shall be

ATTESTED  
*[Signature]*  
Registrar



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entitled to apply to the Commission for fixing project specific capital cost for any project in case the normative capital cost is not suitable to either of them.

13. In other words, the Commission has been given discretionary power either to choose section 62 (1) (a), read with Section 86 (1) (b), of the Act to give approval for the PPA or to embark upon the exercise of the tariff determination on individual project basis, in accordance with the methodology laid down in the regulations framed under the Act.

14. In the present case the project is in the construction stage, the exercise of the project specific tariff determination is not feasible. Apart from this the completion of this project involves time and cost over runs. The provisions in the Act and regulations contemplate either the project specific tariff determination under section 62(1)(a) or under the Renewable Regulations or in the alternative, by way of approval of the PPA under section 86 (1)(b) of the Act. There is no provision for a tariff for the sole purpose of carrying financial arrangements for raising bank loans.

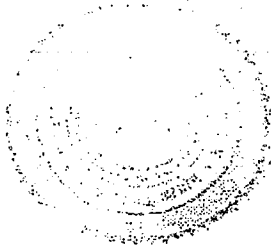
In view of the above, discussion the Commission declines to grant tariff, as an interim measure, applied for by the petitioner and directs that the observations made in this Order should not prejudice any further decision to be taken on the original petition, which shall be considered and dealt with on its own merits. However, in view of the costs indicated in the petition it is likely that the final tariff will be pegged at far higher levels than provided in the PPA, and therefore, for financial closure purposes the financial institutions may be more considerate in choosing to leverage this project.

It is so decided.

*Sd/-*  
(Yogesh Khanna)  
Chairman

ATTESTED

*[Signature]*  
Secretary  
Renewable Energy Commission  
Sector 10, Gurgaon - 122002



*[Signature]*  
*[Signature]*

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Annexure - A1

4  
Annexure M

DIRECTORATE OF ENERGY  
GOVERNMENT OF HIMACHAL PRADESH

NO. DOE/CE(ENERGY)/TEC-NEUGAL/2010-2357

DATED: 13/9/2010

To

M/S OM Power Corporation Ltd.,  
Plot No-703, Sriniketan Colony, Road No. 3,  
Banjara Hills, Hyderabad - 500034 (AP)

**Subject:** Detailed Project Report (DPR) of Neugal SHEP (15 MW) in Distt. Kangra of Himachal Pradesh : Revised cost estimate thereof.

**Reference:** Your letter No. OPCL/NHEP/PLP/52 dated 20.05.2010.

Sir,

The revised cost estimate of Neugal SHEP (15.00MW) submitted vide your letter cited above has been scrutinized in this office. The estimated cost amounting to Rs. 12380.00 lac (Rupees twelve thousand three hundred eighty lac) only including Interest During Construction (IDC), Financial Charges (FC) and LADC @ 1.5% of total cost of the project as detailed below is accepted with the following conditions.


Sr. No.	Description of works	Amount (Rs. In lac)	
(a)			
1.	Civil works i/c other Misc. Expenses	8159.00	} Price level March, 2010
2.	Electro Mechanical Works	2310.00	
3.	Transmission Works	398.00	
	<b>Sub Total (a)</b>	<b>10867.00</b>	
(b)			
1.	Interest During Construction (IDC)	1270.00	
2.	Financial Charges (FC)	60.00	
	<b>Sub Total (b)</b>	<b>1330.00</b>	
	<b>Total (a+b)</b>	<b>12197.00</b>	
(c)	LADC @ 1.5% of total cost	183.00	
	<b>Grand Total (a+b+c)</b>	<b>12380.00</b>	

(Rupees twelve thousand three hundred eighty lac only)

The completed cost of the project shall be submitted to HP Govt./DOE for revised concurrence/TEC within three months from commercial Operation Date (COD) of the plant.

The concerned regulator may independently determine the tariff.

The abstract of cost estimate is enclosed as Annex-I.

  
Director,  
Directorate of Energy (GoHP),  
Thakur vatika, Khalini,  
Shimla-171002.

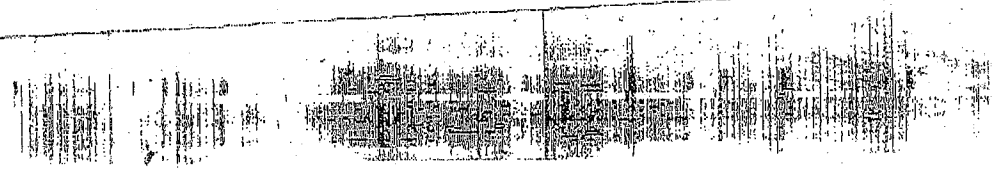
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Neugal SREKA (10.00.1999) ...  
Corporation Limited, Plot No. 703, Sriniketan colony, Road No. 3, Banjara Hills,  
Hyderabad-500034(A.P.)

ABSTRACT OF COST ESTIMATE

Sr. No.	Description of works	Revised cost estimate (March 2010 price level) (Rs. in lac)
I	<b>DIRECT CHARGES</b>	
	<b>I - WORKS:</b>	
1	A - Preliminaries	123.00
2	B - Lands	210.00
3	<b>C - Civil Works, D-Regulators &amp; J-Power plant civil works</b>	
	Diversion Weir & Intake	690.00
	Desilting basin	315.00
	Head Race Tunnel	2045.00
	Forebay / Surge Shaft	200.00
	Penstock Civil works	800.00
	Penstock Fabrication & erection	751.00
	Power House, ODY, TRC, etc	592.00
	D - Regulators(gates, trash racks, etc)	60.00
	<b>Sub-total Civil Works</b>	<b>5453.00</b>
4	<b>OTHER WORKS</b>	
	G - Bridges	10.00
	K - Buildings	
	a. Temporary Buildings	22.00
	b. Permanent Buildings	42.00
	M - Plantations	10.00
	O - Miscellaneous (including LAD)	332.00
	P- Maintenance (road maintenance)	510.00
	Q - Special Tools and Plants	65.00
	R - Communications (Roads)	763.00
	X- Environment & Ecology	230.00
	Loss on stock @ 0.25 % of I works less A & B	-14.00
	<b>Total (I - Works)</b>	<b>7756.00</b>
II	<b>INDIRECT CHARGES</b>	
	Establishment charges @ 1 % of I works excl. B - Land	357.00
	Receipts & Recoveries	-15.00
	Audit and accounts charges	45.00
	Insurance	16.00
	<b>Total Indirect Charges</b>	<b>403.00</b>

*Handwritten signature*



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Sr. No.	Description of works	Revised cost estimate (March 2010 price level)
III	<b>Electro Mechanical &amp; Electrical works</b>	
	Turbines & auxiliaries including Governors, Generator auxiliaries, unit Control, annunciation, relay protection, LTAC panels, LAVT & NGT, LT, 11 kV Breakers, Isolators, Lightening Arrestors, bus bars, Insulators etc., light fittings & lamps, Power controls & instrumentation Cables, battery Charger, Temperature scanners, Distribution boards & Tools & tackles & Spares, MIV Valve, EOT Crane, Cables etc.	2310.00
IV	Transmission lines including Terminal bay at receiving station & PLCC	398.00
	<b>Cost of works</b>	10867.00
	Interest during construction(IDC)	1270.00
	Financial Charges(FC)	60.00
	<b>Total Cost i/c IDC and FC</b>	<b>12197.00</b>
	LADC @ 1.5% of Rs. 12197.00 lac	183.00
	<b>TOTAL COST OF THE PROJECT</b>	<b>12380.00</b>

(Rupees twelve thousand three hundred eighty lac only)

*Vinodhajan*

Addl. S.E.  
DOE, GOMP

*Atul*  
*Atul*



Jai Mata Vindhya Vasin:

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Amesure M''

# OM POWER CORPORATION LIMITED

Neugal Hydel Electric Project, Shimla  
Vill. Bundia, P.O. Neehri, Palampur, Dist. Kangra (H.P.) -178 06  
Contact Nos. : 9318830774, 9318015151, 9318370509 E-mail: site@omhydropower.com

Ref No : OPCL/NHEP/PLP/54

Dated :14-12-13

To,  
Principal Secretary MPP & Power,  
Cum  
Chairman HPSEBL,  
Govt of Himachal Pradesh,  
Shimla (H.P)171001.

**Subject:** Extension of construction period till 05 May 2013 for Force majeure- Neugal HEP

**Reference:-**

1. OPCL/NHEP/PLP 25 dated 19-6-2007
2. SDM letter 9771-79 dated 09-07-2007
- 2(a) OPCL /NHEP/PLP/61 dated 30-09-2007
3. OPCL/NHEP/PLP/72 dated 30-12-07
4. OPCL/NHEP/PLP/53 dated 25-09-2008
5. OPCL/NHEP/PLP/82dated 21-12-2008
6. OPCL/NHEP/PLP/58 dated 29-9-2009
7. OPCL/NHEP/PLP/67 dated 30-10-2009
8. OPCL/NEHP/PLP/97 dated 05-10-10.
9. OPCL /NHEP/PLP/67 dated 30-12-2011
10. OPCL/NHEP/500/PLP/01 dated 08-05-2012
11. OPCL/NHEP/500/DOE/01 Dated 23-5-2012
12. OPCL/NHEP/500/MPP/121dated 21-09-2012
13. OPCL NHEP/PUR/500 dated 14-04-2012
- 13(a) HPSEBL letter 9859 dated 30-08-2012
- 13(b) OPCL/NHEP/500/MPP/125dated16-12-2012
14. Letter to CM vide ref OPCL/NHEP/500/2013-49 dated 10-01-2013
15. Police protection letter OPCL/NHEP/SDM/500/67 dt 14-03-13
16. COD HPSEBL/CE( Comm)/PSP/Neugal/2013-2014/4336-44 Dated 22- 5-2013
17. Chief Eng (Comm) letter HPSEBL/CE/(Comm) PSP/ Neugal/ 11/2013-14928-32 dated 25-11-2013

Dear Sir,

Inviting reference to the above. The following representation is made to the honourable Chairman with regards to force majeure in respect of Neugal HEP.

**Force Majeure events of 2007**

1. **Illegal Road block by villagers:-** Company has reported the incident of illegal road block and stoppage of work by villagers vide ref 1 above. The same has been reported vide Divya Himachal 14-06-2007, Danik Jagran 14-06-2007 and Tehlka Society. The villagers of shahgaon village, Surdi Village and Bandla Village has stopped the work without any reason. It was resolved with the help of local administration. The news paper cuttings are attached with ref 1 for perusal.

Cont Page-2

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**2. The unprecedented rains of 2007:-**

The project roads were damaged due to unprecedented rains in 2007. The SDM Palampur vide ref (2) has also confirmed the excessive rains during the period. The same has been reported vide the company letter at ref 2(a) and 3 above.

**Force majeure events 2008**

3. Unprecedented rains of 2008. The project site witnessed the highest rains fall in 46 years causing extensive damages to project roads which was washed away. The same has been reported by the company vide ref 4 & 5 above and reported in Divya Himachal dated 21-09-2008, Danik Jagran dated 21-09-2008, Punjab Kesri dated 21-09-2008. These were state wide alerts declared in the state by the CM. The news paper cuttings are attached along with ref 4 for perusal.

**Force majeure 2009**

**4. Intense rains of 2009.**

There was damage to the project roads due to rains in 2009. The same has been reported vide ref 6&7 above. Photographs of the damaged roads are attached for reference.

**Force majeure 2010**

**5. Flash flood of 2010.**

There was flash flood due to cloud burst in 2010 which caused large scale damage to the weir, the weir intake gate with the D-tank and tunnel out let. The same has been reported vide ref 8 above. The incident has been reported by the Punjab Kesri dated 15-09-2010. The large scale damage has put the project back by considerable amount of time. The news paper cuttings is put at ref 8 for perusal.

**Force majeure 2011**

6. The flash flood of 2010 and extensive damage and repaired works extended to 2011 also. The large scale work involved in clearing of debris and repairs work was enormous. The details have been reported vide ref 9 above.

**Force majeure 2012**

**7. Damage due to extensive snow fall & Rains.**

There was extensive damages caused due to unprecedented snow fall and rains in 2012. The details have been reported vide ref 10 & 11 above. The events have been reported in the Sunday Times dated 08-01-2012, Hindustan times 08-01-2012 copy is attached for perusal.

**8. Damaged due to flash floods**

There was extensive damage due to flash floods and heavy rains in 2012 again. The damage caused to the weir are has been reported vide ref 12 above. The details have been reported in Tribune dated 18-09-2012, Punjab Kesri 21-09-2012. The same is attached ref 12 for perusal.

**9. Stoppage of work by Thala Panchyat**

The transmission line work of the project was illegally stopped by the Thala Panchyat at in April 2012. Representation was made to the SDM vide ref 13 above.

**10. Illegal blockage of transmission line works**

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**11 Legal notice by Private land owner**

The progress of transmission line was held up due to court case /litigation initiated by Sh Ramesh Chand 21-09-2012, Sh Aditya Vishal 26-06-12, Vivek Katoch dated 04-12-12. The details have been reported vide ref 13(b) above. The copy of legal notice attached for perusal along with ref 13(b) above.

**Force majeure 2013**

**12. Representation to CM**

The HPSEB sanctioned joint line was being illegally blocked by the villagers at the Tea estate area near Dehan Substation and issue was brought to the Notice of the honourable cm VIDE ref 14 above to resolve the issue. In spite of the same transmission line work was delayed.

**13 Police protection for line crossing**

The transmission line work was held up due to illegal blocking by the villagers in March 2013. The representation was given for police protection vide ref 15 above. Despite the same the transmission line could not be completed as the administration could not provide conducive environment for t conduct of the work.

**14. Cumulative Adverse Factors**

It is submitted that the project has suffered many such adverse factors which were well beyond the control of the company and also in your knowledge. These have been reported by the company from time to time and brought to your notice also on numerous occasions.

**Summary of time loss due to Force majeure**

The summary of time loss due to Force majeure.

Sr	Years	Force Majeure	Time of loss in months
1.	2007	Road damage due unprecedented rains	6 months
2.	2007	Disruption due to blockage by villagers	2 months
3	2008	Road damage due to unprecedented rains/ snow	6 months
4	2009	Road damage due unprecedented rains	4 months
5	2010	Damage to components due cloud burst / flash floods	13 months
6	2011-12	Road damage due unprecedented rains/ snow falls	3 months
		Disruption of transmission line work by villagers – Thala Panchyat	2 months
7	2012-2013	Flash flood 2012	3 months
		Stoppage of joint line with department Line work at Dehan Substation	8 months
		Legal notice and litigation by Pvt land owners in	4 months

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**Conclusion**

The project has had the misfortunes of being at the receiving end of flash floods due to cloud burst & rains in 2010 & 2012, damages due to rains in every years from 2007 to 2012. The project also suffered due to unprecedented snow fall in 2012 & 2013. The transmission line work was delayed by one year due to illegal blockage of work by villagers. Despite these adverse fortunes with the weather and climate, the company has completed the project at a huge cost of 152.70 crores and finally achieved COD on 05 May 2013 vide ref 16 above.

**Extension of construction period up to 05 May 2013 due to force majeure**

It is submitted that the decision of chief engineer commercial at ref 17 has been without taking into consideration the force majeure events as brought out above. The kind blessings of the honourable Secretary is requested to look at the various force majeure events as above and adjudication of the same based on news paper / SDM reports and grant extension of construction period till 05 May 2013.

Yours faithfully

For OM POWER CORPORATION LIMITED



Authorised Signatory

- Copy to: 1. Managing Director (HPSEBL) Vidut Bhawan Shimla -4  
2. Chief Engineer (Comm) Vidut Bhawan Shimla -4  
3. Chief Engineer (Energy) Shanti Bhawan Shimla-9

O/C

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OM POWER CORPORATION LIMITED

Plot No 708, Road No 3, Sriniketan colony, Banjara  
Hills Hyderabad PH No : 040-23353945, 23353947 fax  
040-23355940

Ref NO: - OPCL/ NHEP/PLP /25

Dated 19-6-2007

To

The chief Engineer (PSP),

HPSEBL, Shimla (H.P).

Subject: Repair of delays due to stopped work by villagers.

Dear Sir

It is submitted that the project work disturbed due to road being blocked by villagers without any reasons.

The news paper cutting /report and photographs on the same are attached.

The time loss estimated is two months. It is requested the same be featured and construction period extended accordingly.

Thanking you

Yours faithfully

For Om power Corporation Limited

Authorised Signatory

**Correspondence Address:** Village Swarna P.O. Nachiketa, Panchajanya  
Distt. Sangli H.P.

# हाईडल प्रोजैक्ट के विरुद्ध प्रदर्शन

लोगों ने अपनाया आक्रामक रुख, परियोजना में मांगा स्थानीय युवाओं के लिए रोजगार

- चेतावनी**
- मांगें पूरी न होने तक बंद हो निर्माण कार्य
- लोगों व अधिकारियों की बातचीत बेनतीजा
- लोगों के लिए सिरदर्द बना परियोजना का मलबा
- रास्ते, कूहलें क्षतिग्रस्त होने से लोग परेशान



पालमपुर, 14 जून (स.ह.): न्युगल नदी पर बनाए जा रहे 15 मैगावाट के हाईडल प्रोजैक्ट को लेकर स्थानीय लोगों ने आक्रामक रुख अपना लिया है। लोग स्थानीय युवाओं को प्राथमिकता के आधार पर रोजगार देने व प्रोजैक्ट के निर्माण कार्यों से आ रही परेशानियों को दूर करने की मांग कर रहे हैं। इस पावर प्रोजैक्ट का निर्माण कार्य ओम पावर कॉर्पोरेशन लि. द्वारा करवाया जा रहा है। लोगों ने मांगें पूरी होने तक निर्माण कार्य न करने देने की धमकी दी है। लोगों के विरोध प्रदर्शन को देखते हुए बड़ी संख्या में पुलिस बल घटनास्थल पर पहुंचा ताकि किसी भी अग्रिय घटना को रोका जा सके। उधर स्थानीय लोगों व ओम पावर कॉर्पोरेशन के अधिकारियों के मध्य लंबी बातचीत बेनतीजा निकली है। गुरुवार को बड़ी संख्या में बंदला क्षेत्र के सुराही, साह

पालमपुर : हाईडल प्रोजैक्ट के विरुद्ध प्रदर्शन को इकट्ठे हुए लोग। बटाड़का, नछीर, बोघल व जंजारल गांव के लोगों ने अपनी मांगों को लेकर प्रदर्शन किया। लोगों का आरोप है कि परियोजना में स्थानीय युवाओं को रोजगार नहीं दिया जा रहा है वहां परियोजना के निर्माण कार्य से गांव को जाने वाले अनेक रास्ते, कूहलें आदि क्षतिग्रस्त हो गई हैं जिस कारण लोगों को परेशानी का सामना करना पड़ रहा है। लोगों का यह भी कहना है कि परियोजना हेतु जारी निर्माण कार्य का मलबा उनके लिए सिरदर्द बन चुका है तथा बरसात से मलबे के कारण उस पर खतरा मंडरा रहा है। लोगों ने निर्माण स्थल के समीप कंपनी का स्थायी कार्यालय स्थापित करने की भी मांग की है। लोगों के विरोध प्रदर्शन के चलते पालमपुर से

पुलिस दल बंदला रवाना हुआ। दोनों पक्षों के मध्य चली लंबी बातचीत का कोई परिणाम नहीं निकला। लोग कंपनी के बड़े अधिकारियों से बात कर सारी चरणबद्ध रूप से देंगे रोजगार : प्रोजैक्ट प्रभारी इस संदर्भ में जब ओम पावर कॉर्पोरेशन के स्थानीय प्रभारी योगेश से बात की गई तो उन्होंने कहा कि कंपनी आवश्यकता अनुसार चरणबद्ध रूप से स्थानीय युवाओं को रोजगार देने हेतु तैयार है। उन्होंने कहा कि उन्होंने लोगों की मांगों को लेकर अपने उच्चाधिकारियों को सूचित कर दिया है। उन्होंने स्पष्ट किया है कि काम को रोकने बारे भी निर्णय उच्चाधिकारियों ही लेंगे। सरकार से किए समझौते का उल्लंघन कर रही कंपनी : यशपाल उधर तहलका पब्लिक वelfेयर सोसाइटी के संचालक यशपाल बालिया ने कहा कि कंपनी सरकार से किए गए समझौते का उल्लंघन कर रही है वहीं स्थानीय लोगों को भी नजरअंदाज किया जा रहा है। उन्होंने कहा कि मांगों को पूरा करने तक निर्माण कार्य नहीं करत दिया जाएगा।

अजय स्थिति स्पष्ट करवाने पर जोर दे रहे हैं। लोगों ने चेतावनी दी है कि यदि उनकी मांगों को पूरा नहीं किया गया तो वे कंपनी का कार्य रोकवाने पर बाध्य होंगे।

# पालमपुर में विद्युत प्रोजेक्ट के खिलाफ धरना

स्थानीय लोगों व तहलका ने बंद करवाया ओम पावर प्रोजेक्ट का काम

### कार्यालय संवाददाता

पालमपुर — ओम पावर कारपोरेशन कंपनी के खिलाफ तहलका वेलफेयर सोसायटी के बनेर तले सेकड़ो लोगों ने धिरोध प्रदर्शन किया। बंदला स्थित कंपनी के कार्यालय के बाहर सेकड़ो महिलाओं व पुरुषों ने धरना देते हुए कंपनी का कामकाज ठप करा दिया।

सुबह सात बजे से धरने पर बैठे लोगों से मिलने आज घंटे तक कोई प्रशासनिक अधिकारी नहीं आया जबकि प्रदर्शन को लेकर पूर्व जानकारी मुलिस प्रशासन और कंपनी प्रबंधन को दे दी थी। मुलिस की टीम एएसआई

गुरवचन सिंह के नेतृत्व में 12 बजे स्थल पर पहुंची तो कंपनी प्रबंधन की तरफ से जीएम योगेश कुमार पुलिस के 15 मिनट बाद पहुंचे मगर प्रशासन की तरफ से कोई उच्चाधिकारी मौके पर नहीं आया। महिलाओं और पुरुषों ने भारी वर्धा के बोझ अपना प्रदर्शन जारी रखा।

तहलका वेलफेयर सोसायटी के अध्यक्ष यशपाल वालिया ने कहा कि पावर प्रोजेक्ट कंपनी से अनियमितताओं को लेकर उनका विरोध प्रदर्शन पूर्व नियोजित था। प्रशासन को इसकी सूचना दी गई थी। इस वजह से यह प्रशासन का इंतजार कर रहे थे। जबकि स्थानीय लोग सुबह सात बजे

से सड़क पर बैठे थे। कंपनी प्रबंधन उपलब्ध कारवाए तब तक कंपनी के को उन्होंने सोमवार तक का समय प्रोजेक्ट स्थल पर कार्य नहीं होने दिया है, जिसमें वह अपनी कागजी दिया जाएगा लोगों को कहना है औपचारिकताओं को पूरा कर किने अमने एक के लिए एमओयू व अन्य दस्तावेज प्रमायत को जडाह लउगी।

Step by Step

One Year Diploma in Flight Cabin Crew

Air Hostess for Girls  
Flight Attendant for Boys

Eligibility: 10+2  
Height: 5 Feet 2 Inches

Only few Seats

100% Job Assistance

SAI AIR HOSTESS ACADEMY

## DAILY JAGRAN - 14-06-2007

# पावर प्रोजेक्ट में अनियमितताओं का मामला ग्रामीणों व प्रोजेक्ट मैनेजमेंट में ठनी

जागरण प्रतिनिधि, बंदला (पालमपुर) : सरकारी आदेशों के आधार पर पावर प्रोजेक्ट में स्थानीय लोगों को रोजगार न देने व कुछ अन्य अनियमितताओं के मुद्दे पर क्षेत्र के लोगों और एक निजी संस्था व पावर प्रोजेक्ट के प्रबंधकों के बीच ठनी गई है। इस मुद्दे पर वीरवार को दोनों पक्षों के बीच हुई बातचीत में कोई नतीजा न निकलने के बाद फिलहाल पावर प्रोजेक्ट का काम रोक दिया गया है।

उल्लेखनीय है कि क्षेत्र को एक सामाजिक संस्था तहलका पब्लिक वेलफेयर सोसायटी ने प्रशासन व ओम पावर कारपोरेशन के प्रबंधकों को जापान सोए एक



- बातचीत से नहीं निकला हल फिलहाल काम बंद

बंदला गांव में वीरवार को प्रोजेक्ट के खिलाफ धरना देते गांव व सोसायटी के लोग। जागरण

सप्ताह के भीतर कथित अनियमितताएं दूर किए जाने का मुद्दा उठाया था। समय-अवधि वीरवार को समाप्त हुई पर अनियमितताएं

पावर प्रोजेक्ट के प्रबंधकों के मध्य काफी देर चली बातचीत का कोई हल न निकला तो गांव के लोगों ने प्रोजेक्ट का काम बंद किए जाने की आवाज बुलंद कर दी। लोग

व कंपनी के उच्च अधिकारियों से बात करने तक पावर प्रोजेक्ट का काम नहीं चलने दिया जाएगा।

उधर ओम पावर प्रोजेक्ट के स्थानीय प्रतिनिधियों को योगेश अग्रवाल ने बताया कि

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कार्यालय उपमण्डल मैजिस्ट्रेट पालमपुर जिला कांगडा हि0 प्र0 ।

प्रेषित

1. सुभाष प्रोजेक्ट पालमपुर नियर वन्दला ।
2. ओम प्रोजेक्ट पालमपुर नियर वन्दला ।
3. लैको प्रोजेक्ट जिया तहसील पालमपुर ।

क्रमांक 977-79 / राहत शाखा

दिनांक 9.7.2007

ज्ञापन.

जैसा कि आपको विदित ही है कि वरसात का मौसम शुरू हो चुका है और भारी वरसात हो रही है। इससे पहले कि कोई जानी या माली तथा इसके अतिरिक्त कोई नुकसान हो आपको आदेश दिया जाता है कि आप नदी के किनारे से अपनी समस्त मशीनरी हटा लें तथा किसी भी कर्मचारी/मजदूर को नदी के नजदीक कार्य करने हेतु न भेजें। अगर किसी प्रकार की कोई घटना भारी वरसात के कारण घटित हो जाती है तो सारी जिम्मेवारी उस प्रोजेक्ट की होगी तथा उसके खिलाफ सख्त कार्यवाही की जायेगी।

उपमण्डल मैजिस्ट्रेट पालमपुर ।

पृष्ठांकन संख्या 977-79 / राहत शाखा दिनांक 9.7.07

पतिलिपि सेवा में

उप पुलिस अधीक्षक पालमपुर को सूचनार्थ एवम आवश्यक कार्यवाही हेतु

Sd/-  
उपमण्डल मैजिस्ट्रेट पालमपुर ।

212

Ref No-

Plot No 703, Road No 3, Sriniketan colony, Banjara Hills Hyderabad PH No : 040-23353945, 23353947 fax 040-23355940

Ref NO :- OPCL/ NHEP/PLP /61

Dated 30-09-2007

To  
The chief Engineer (PSP)  
HPSEBL, Shimla (H.P)

Subject: Repair and force majeure Neogal HEP.

Dear Sir

It is submitted that there has been damage to project road because of unprecedented rains from the period of July 2007 to Sept 2007.

Please find the photos graphs of the damaged area along with news paper reports (copy attached)

The time loss estimated for the same due to force majeure is 3 months. It is submitted that the construction period be accordingly extended.

Thanking you,

Yours faithfully

For Om power Corporation Limited



Authorised Signatory

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RECORD OF ROAD DAMAGE DUE TO (RIP (100")

DESCRIPTION OF DAMAGE

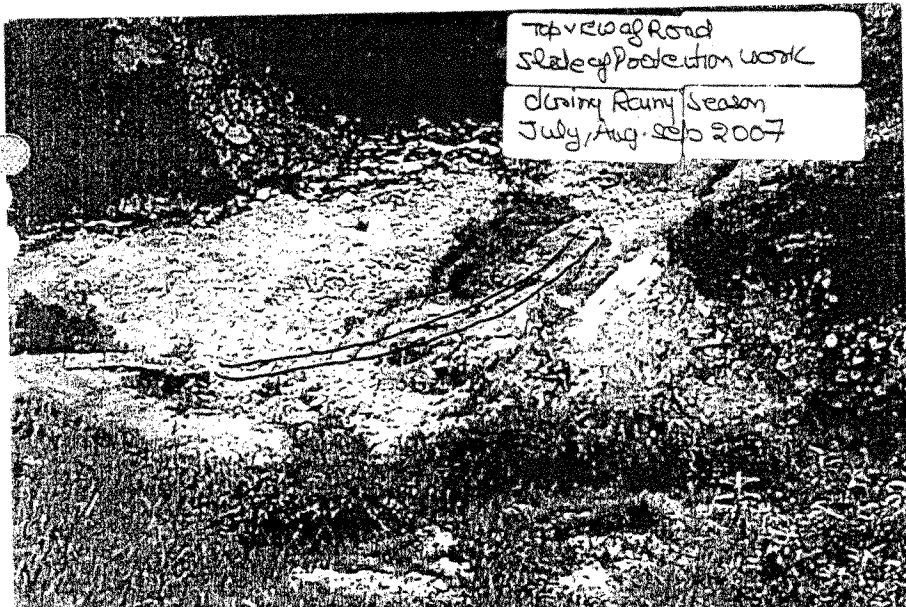


Road slide between 2nd + 3rd curve during Rainy season, July, Aug. 2007

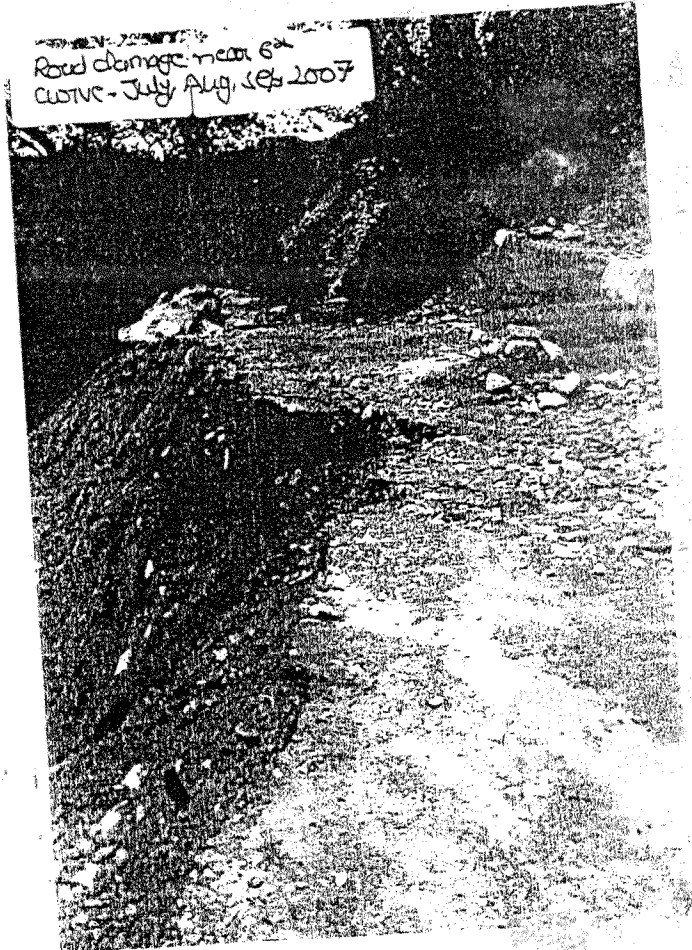


Road slide between 3rd and 4th curve-- 2007

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216

Ref No -

Plot No 703, Road No 3, Sriniketan colony, Banjara  
Hills Hyderabad PH No : 040-23353945, 23353947 fax  
040-23355940

Ref NO :- OPCL/ NHEP/PLP /72

Dated 30-12-2007

To  
The chief Engineer (PSP)

HPSEBL, Shimla (H.P)

Subject: Repair and force majeure Neogal HEP.

Dear Sir

The repair work of the roads has been carried out from the period Oct 2007 to Dec 2007. The same period the project work is stopped due to repair of road work.

So kindly extended the construction period for 3 months.

Thanking you

Yours faithfully

For Om power Corporation Limited



Authorised Signatory

217

Ref No-4

Plot No 703, Road No 3, Sriniketan colony, Banjara Hills Hyderabad PH No : 040-23353945,23353947 fax 040-23355940

Ref NO :- OPCL/ NHEP/PLP /53

Dated 25-09-2008

To

The chief Engineer (PSP)

HPSEBL, Shimla (H.P)

Subject: Repair of force majeure -Neogal Project.

Dear Sir

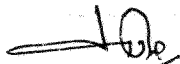
The project roads have been washed away in parts due to unprecedented rains during July to Sept 2008.

The photo graphs and press reports are enclosed herewith . The time loss has been due to reasons beyond the control of the company. it is requested that the same be factored and construction period extended .

Thanking you

Yours faithfully

For Om power Corporation Limited

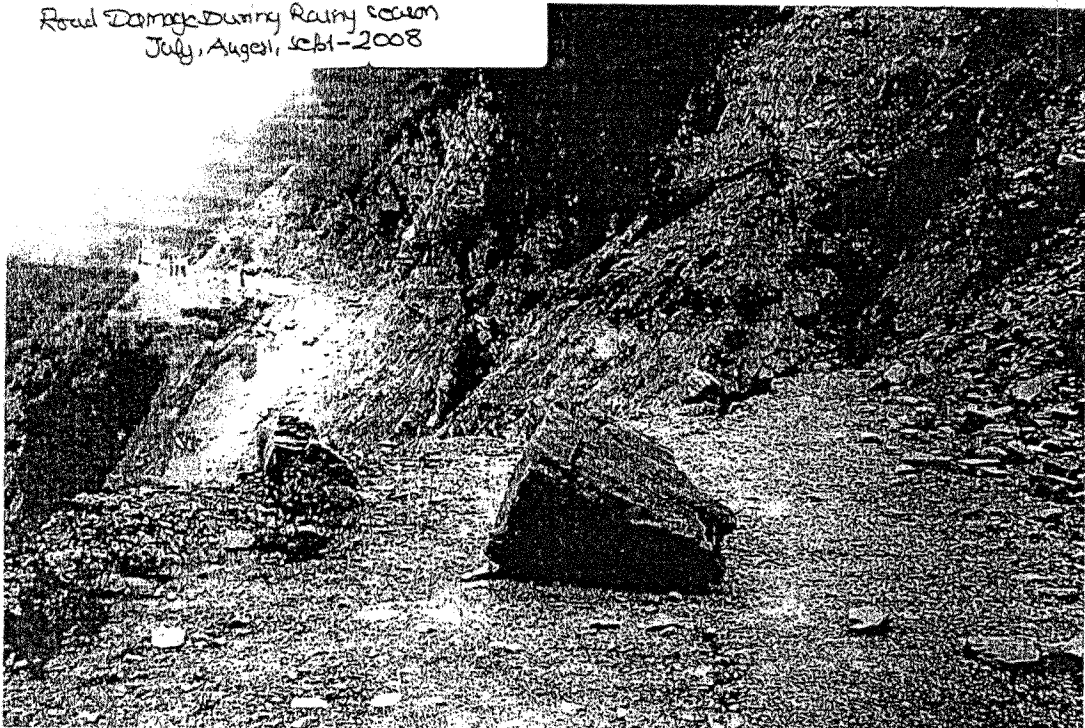


Authorised Signatory

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3 Photographs of road damage (2008)

Road Damage during Rainy season  
July, Aug, Sept-2008



Road Damage during Rainy season  
July, Aug, Sept-2008



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Road Damage during Rainy season  
July, Aug Sep 2008

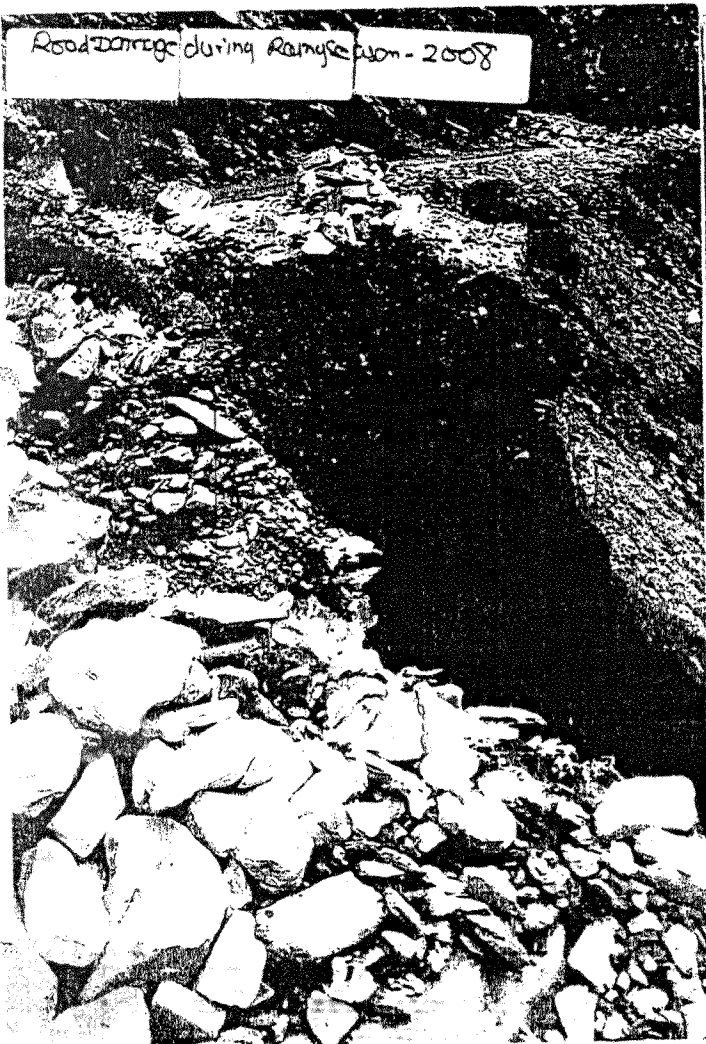


Road Damage during  
Rainy season, July, Aug sep - 2008



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Road Damage during Rainy Season - 2008



Road Damage (July, Aug, Sep, 2008)





पुस्तिका केसरी  
21/09/08

21/9/08

आज कांगड़ा में  
कूल प्रकटा सेच विमला कांगड़ा इकाई की बैठक होगी। विमलाग्रथ अशोक शर्मा ने कहा कि बैठक को विभिन्न समस्याओं पर चर्चा की जाएगी।

# हिमाचल



राजपूत कल्याण र  
भरतारा (अतुल)  
बताया कि शहीद वजीर  
के लोगों की बैठक 28।

## वर्षा के कारण हिमाचल में हाई अल्ट्रै

### मुख्यमंत्री ने बुलाई राज्य स्तरीय आपदा प्रबंधन समूह की बैठक, आवश्यक निर्देश जारी

शिमला, 20 सितम्बर (सुशील) : प्रदेश सरकार ने समूचे राज्य में मात्र 48 घंटा से लगातार हो रही भारी वर्षा से उत्पन्न स्थिति से निपटने के लिए हाई अल्ट्रै कॉन्सिडर किया है। सरकार ने सरकारी मशीनों को किसी भी स्थिति से निपटने के लिए तैयार रखा है। यह जानकारी मुख्यमंत्री प्रो. प्रेम कुमार धूमल ने शनिवार को यहां राज्य स्तरीय आपदा प्रबंधन समूह की बैठक की अध्यक्षता करते हुए दी।

बैठक में भारी वर्षा के कारण भू-स्खलन, पेड़ गिरने व अतिवृष्टि से जान व माल को हुए नुकसान का आकलन भी किया। प्रो. धूमल ने सभी संबंधित विभागों को अल्ट्रै हॉरी के निर्देश दिए ताकि किसी भी संभावित स्थिति से काग्रेसी से निपटा जा सके। प्रो. धूमल ने कहा कि हिमाचल प्रदेश सनिचलन में एक निरन्तर कक्ष स्थिति में किया गया है। प्रो. धूमल ने कहा कि प्रदेश में भारी वर्षा से जान-माल को हुए नुकसान को रूखना प्राप्त हो रही है।



शिमला : मुख्यमंत्री प्रो. प्रेम कुमार धूमल शनिवार को राज्य स्तरीय आपदा प्रबंधन समूह की बैठक की अध्यक्षता करते हुए।

उद्घरण जो रहे हैं। प्रदेश के कुछ भागों में लोगों के फंसने होने के समाचार प्राप्त हुए हैं जिन्हें सुशिक्षित निकाल कर उन्हें सुरक्षित स्थानों पर पहुंचाकर राहत प्रदान करने के कार्य को प्राथमिकता प्रदान की जा रही है। उन्होंने कहा कि लोगों के जान-माल को सुरक्षा हर कोमल पर सुनिश्चित बनाई जाएगी तथा संभावित भूमि धंसने एवं भू-स्खलन

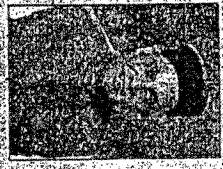
सांचियालय में नियंत्रण कक्ष स्थापित

उन्होंने कहा कि नदियों में बढ़ते जलस्तर को देखते हुए नदी के दोनों किनारों में बढ़ते जलस्तर का देखते हुए नदी के दोनों किनारों पर स्थानांतरित किया जाएगा। वल्ले क्षेत्रों से लोगों को सुरक्षित स्थानों पर स्थानांतरित करने का निर्देश दिए कि नदियों में बढ़ते जलस्तर पर लगातार नजर रखा जाए और लोगों को जान-माल को सुरक्षा

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पुस्तिका केसरी

## हिमाचल को हाई अल्ट्रै



शिमला - हिमाचल में हो रही भारी वर्षा के चलते नगर सरकार ने प्रशासनिक को हाई अल्ट्रै कर दिया है तथा उन्हें किसी भी आपदा स्थिति से निपटने के लिए तैयार रहने को कहा है। मुख्यमंत्री प्रेम कुमार धूमल ने आपदा प्रबंधन समूह की बैठक को संबोधित करते हुए अतिरिक्त मुख्य सचिव परीमेन्ट मायूर की अध्यक्षता में तुलना आपदा प्रबंधन समूह के सदस्यों को बुलाया। उन्होंने कहा कि वर्षा के कारण राज्य के विभिन्न हिस्सों में जान-माल की हानि हो रही है। उन्होंने कहा कि वर्षा के कारण राज्य के विभिन्न हिस्सों में जान-माल की हानि हो रही है। उन्होंने कहा कि वर्षा के कारण राज्य के विभिन्न हिस्सों में जान-माल की हानि हो रही है।

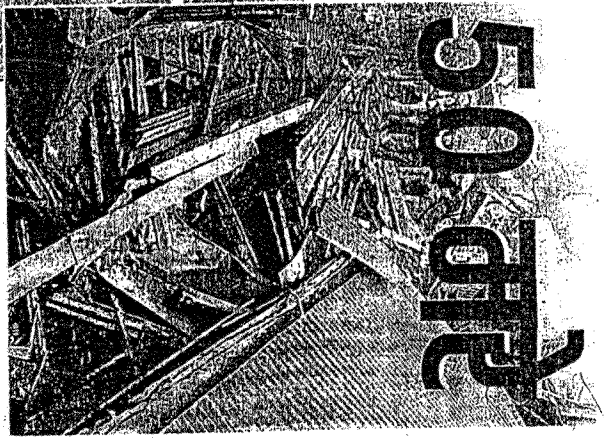
कने। 1998 ई। इसी बीच नगर निगम शिमला को शनिवार रात हुई वर्षा के कारण बह फोड़ संपत्ति को चरबल कर दिया है। इसी सड़क, डूंगा, पड़ा, भूकंपों आदि को शक्ति पहुंचा है। वही नदी गांधी के कारण चिबली-पानी तथा दूसरे भाग से बाध भी ठप हो गई है। उधर, गढ़ सीता, जिधारा व काटेबाई में अलग-अलग घटनाओं में मकान में दरने से 11 लोगों की मौके पर ही मौत हो गई जबकि बाकी अन्य जाहिलों से छिटपुट घटनाओं के समाचार भी प्राप्त हुए हैं। विभागों को धूमल की फुलवत में प्रक हो परिवार के दोन लोगों की मौके पर ही मौत हो गई, जबकि, गढ़ सीता, काटेबाई में सात लोगों की मौत हुई है। मकान में दरने से एक परिवार में दो सगे भाइयों सहित



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# प्रदेश में बाढ़िया का कहर, 50 बार्डे

■ गारने वालों में 17 बच्चे ■ 100 से ज्यादा लोग लापता ■ बिज्जती मार्केट और रिज मैदान असुपक्षित घोषित



भारत न्यूज, भिलाई  
बस्तरा से मिलते 72 घंटे में प्रदेश में जान-माल का भारी नुकसान हुआ है। इसमें 50 लोगों ने जानें दी। मरने वालों में 17 बच्चे हैं। बिज्जती जिले में पू-स्वरन और नदी-नाली में नहने से 42 लोगों की मौत हुई है। इसमें 13 बच्चे हैं। 100 से ज्यादा लोग लापता हैं। सड़क, बिजली, पानी और संचार सेवाएं बसबारा बंद हैं। प्रयासन ने बिज्जती मार्केट और रिज मैदान को असुपक्षित घोषित है। पुलिस अग्निशक्ती आराम प्रथा में जिले में अब तक 31 लोगों के मरने की पुष्टि की है। उन्होंने कहा कि सार्क 7 की पानी से अभी मान-माला का सही आकड़ा बताना मुश्किल है।

बिज्जती मार्केट में शुक्रावार रात 11 बजे पू-स्वरन से एक परिवार के दो लोगों की मौत हो गई। पू-स्वरन से 22 दुकानें ध्वस्त हो गईं। न्यू बिज्जती के फेज-1 में तीन लोगों की मौत हो गई। अनाईत में लोग मरने से बचने की मौत हो गई। रामपुर से की तीन लोगों के मरने की सूचना है। कोटवर्ध कहरसेल में पू-स्वरन और मकानों पर मकानों में 9 लोगों की मौत हुई। गैंगरल में 6 लोगों मरने में देर गए और फाव नदी में बह गए। उदु के जाली नाला में पाव जैपली बह गए हैं। मकानों में एक नपली के जाले में नहने की सूचना है। बहलाराग में मकान धंसने से एक महिला से एक बच्चे की मृत्यु हो गई। विद्यो की धमंटी पंचायत के बापड़ा गांव में एक परिवार के तीन लोग बिज्जत नहने से मरे।



■ बिज्जती के जलबन्दी में बाढ़प्रायत सड़क पर दो पर मरने से बचा बाढ़प्रायत हो गए बच्चे तक बाढ़प्रायत सड़क सड़क नहीं। अनाईत में सोहन, कालका, बिज्जती नदी देह पर गुरुवार रात 12 बजाने पर पू-स्वरन से भी मरने के कारण शनिवार को कालका, बिज्जती के तीव्र रूप पर उदर नपली दस महिलाओं की मृत्यु कर दिया गया। गुरुवार रात कडवा-रत्नापटा के बीच पहाड़ी का मकान देह पर मर गया था। इससे बिज्जती से अनेक बच्चे की मृत्यु हो गई। बच्चे की मृत्यु हो गई। बिज्जती के मुनाहिक परवाण से संकर बंधु, कुमारहरी, रसो, सोहन, कालका, कडवा, सोनी, बापदेव व बिज्जती तक तेरह देह पर पहाड़ी का मकान मरता है। शनिवार रात तक देह का नही हो पाया था।

■ बिज्जती के जलबन्दी में बाढ़प्रायत सड़क पर दो पर मरने से बचा बाढ़प्रायत हो गए बच्चे तक बाढ़प्रायत सड़क सड़क नहीं। अनाईत में सोहन, कालका, बिज्जती नदी देह पर गुरुवार रात 12 बजाने पर पू-स्वरन से भी मरने के कारण शनिवार को कालका, बिज्जती के तीव्र रूप पर उदर नपली दस महिलाओं की मृत्यु कर दिया गया। गुरुवार रात कडवा-रत्नापटा के बीच पहाड़ी का मकान देह पर मर गया था। इससे बिज्जती से अनेक बच्चे की मृत्यु हो गई। बच्चे की मृत्यु हो गई। बिज्जती के मुनाहिक परवाण से संकर बंधु, कुमारहरी, रसो, सोहन, कालका, कडवा, सोनी, बापदेव व बिज्जती तक तेरह देह पर पहाड़ी का मकान मरता है। शनिवार रात तक देह का नही हो पाया था।

**काज किल्ली बाढ़िया**

हाथपुर	172
भारत	141
बापदेव	1850
सोहन	1134
सोहन	976
सोहन	2195
सोहन	2670

**हाई अलर्ट घोषित**  
बिज्जती, सारका ने बाढ़िया से निपटने हलाल से निपटने के लिए प्रदेश में हाई अलर्ट घोषित किया है। सरकारों मशीनों को हा रिजली से निपटने के लिए तैयार रहने की कमा गया है। अतिरिक्त मुख्य संचालन की अखबार में आपदा प्रबंधन समिति बन गई है।

मुख्यमंत्री प्रमोदराज गुप्ता ने शनिवार को सचिवालय में आला, अतिरिक्त से बिज्जती पर चर्चा की। उन्होंने कहा कि आपदा प्रबंधन समिति हा रिजली के डीपी के सार्क में रहने और ताना बिज्जती पर नजर रखनी चाहिए, सुनवाई और निजिल्ला मुहारा में कोमली नहीं होने चाहिए। बस्तरा पड़ने पर सेना और अर्द्ध सैन्य बलों को सहायता दी जाए। नदी के तटवर्ती इलाकों के लोगों को सतर्क किया जाए। राजधानी से निजिल्ला के निजिल्ला की अखबार है, उनको और बाढ़प्रायत की कमा, तैयारी, सारव, ग्रामपंचायतों को उद्देह प्रथा ज्ञान कराया जाए। सारव, ग्रामपंचायतों और शहरों में फसलों को निकालने के लिए बचत दस भेजे जाएं। सेवा उदात्त क्षेत्रों में सड़कों की पॉल्ट पासवत करवाई जाए।

**बिज्जती में निजिल्ला काज बला**  
बिज्जती काज का फोन नंबर 0177-2622204 है। फोन नंबर 0177-2621154, 2621685 हैं।

225

Ref No- 5

Plot No 703, Road No 3, Sriniketan colony, Banjara  
Hills Hyderabad PH No : 040-23353945,23353947 fax  
040-23355940.

Ref NO :- OPCL/ NHEP/PLP /82

Dated 21-12-2008

To

The chief Engineer (PSP),

HPSEBL, Shimla (H.P).

Subject: Repair of force majeure –Neogal Project.

Dear Sir

It is submitted that the roads have been repaired during the period from October  
2008 to Dec 2008.

The time loss has been due to reasons beyond the control of the company . It is  
requested that the time loss factored and extend the construction period.

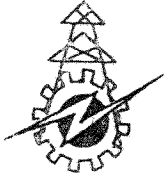
Thanking you

Yours faithfully

For Om power Corporation Limited



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## OM POWER CORPORATION LIMITED

Corporate Office Plot No. 703, Sriniketan Colony, Road No. 3, Banjara Hills,  
Hyderabad - 500 034. (A.P.) Ph : 23353945, 23353947, 23355942 Fax : 040-23355942

Ref NO :- OPCL/ NHEP/PLP /58

Dated 29-9-2009

To

The chief Engineer (PSP)

HPSEBL, Shimla (H.P)

Subject: Repair of force majeure –Neogal Project.

Dear Sir

We are inform to you, The project road from power house to foreway has been damaged due to rains and Progress of work has been hampered .please find attached photographs & Newspaper cutting.

The time loss has been due to reasons beyond the control of the company . It is requested that the time loss factored and extend the construction period.

.Thanking you

Yours faithfully

For Om power Corporation Limited

A handwritten signature in black ink, appearing to be 'H. De', is written below the text 'For Om power Corporation Limited'.

Authorised Signatory

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RECORD OF ROAD DAMAGE DUE TO RAIN (2009)

Photographs of road damage



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Road Damage during  
Rainy Season - July, Aug, Sep  
2009



229

Key No- 7



## OM POWER CORPORATION LIMITED

Corporate Office Plot No. 703, Sriniketan Colony, Road No. 3, Banjara Hills,  
Hyderabad - 500 034. (A.P.) Ph : 23353945, 23353947, 23355942 Fax : 040-23355942

Ref NO:- OPCL/ NHEP/PLP /67

Dated 30-10-2009

To

The chief Engineer (PSP)

HPSEBL, Shimla (H.P)

Subject: Repair of force majeure –Neogal Project.

Dear Sir

The road has been repaired in October 2009. The time period factored in forced majeure and construction period accordingly extended.

Thanking you

Yours faithfully

For Om power Corporation Limited

A handwritten signature in black ink, appearing to be 'J. D. S.', is written over a horizontal line.

Authorised Signatory

230



# OM POWER CORP

Om Power Corporation Limited, Neog  
VIII, Bundla, P.O. Nachhir, Palampur  
Contact Nos. : 9318830774; 9318015151 3318 /0

PALAMPUR (176061)  
SPEED 733027291 IN  
Counter No:2, CP-Code:A  
To: M. SEC. HEP/PCB,  
Shimla, PIN:171009  
From: OM POWER CORPS, PALAMPUR  
wt:40grams,  
Amt:25.00, 07/10/2010, 10:21  
Taxes:Rs.3.00<<Track on www.indiapost.gov.in>>

REF No: OPCL/NHEP/PLR/97

To  
The Honourable Member Secretary  
S.P. State Environment & Pollution Control Board  
Paryavaran Shawan, Phase 3, New Shimla 171009.

Ref:-1 HSPCB proceeding of presentation by M/s OPCL held at Shimla  
on 09-06-2010, 23-07-2010 & 10-09-2010.

Subject:- Damages to project component due to flash flood /cloud  
burst.

Dear Sir,

1. Inviting reference to the above. The project component of Neugal HEP has suffered losses due to Flash floods on 11 Sept 2010 followed by heavy rain on 12 & 13 Sept 2010.
2. A report on damages and press report is forwarded at enclosure for your information.

Thanks

Yours faithfully;

For Om Power corporation Limited

Authorized Signatory.

Enclosure: 1. News Paper cutting.  
2. Report on damages due to flash flood.

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Annexure - 1

### FLASH FLOODS AT NEOGAL HEP

Over view of Flash Floods on 11 Sep and Heavy rains on 12 and 13 Sep 10

The flash floods (apparently due to cloud burst) upstream of the weir on the katora nallah in the after noon of 11 sep 2010. This was followed by very heavy rains on 12 and 13 sep evenings. Majority of the water flow was through the katora nallah. The water level flow in the nair nallah was considered relatively very less. The following are relevant to the damages which occurred.

#### High Flood Levels

The water in the katora nallah rose by 8 to 10 mtr at about 20 m u/s of the weir intake structure and about 8 to 10 meter at the intake structure and further about 6 to 7 mtr level over the weir

#### River Discharge

River section at a suitable gradient point u/s of the intake structure, at a distance of about 100 meters was 50m x 5 m during the peak floods considering a velocity of 6 m/s. The river discharge could be of the order of to 1500 cumecs. 40 ton plus boulders were thrown up by the river to the DSB, lifting the boulders by about 10 meters from the regular water level. And even bigger boulders over the weir

#### Debris

The debris deposited u/s of the weir is considerable and of the order of 27000 cum.

#### Check Dam

With the ferocity of the river discharge during the cloud burst and the amount of debris deposited, the check dam has been completely washed off.

#### Structural Damage

There is visible damage to the weir and the intake structure. This has been caused by huge boulders of 40 ton plus which have come and hit the intake structure and 80 tons plus boulders that has hit and washed over the weir.

#### Damage to equipment and loss of material at Weir and DSB

The damage/losses to contractor equipment MCC power project

who have suffered losses as well as of  
shown in Annexure 2

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Damage/Losses at Adit 1

1. The protection works at adit one has been washed off / damaged .

Damage/Losses at Adit 4

The protection work at adit 4 have been washed off . Debris & muck deposited in to the adit. Roads in the vicinity have been damaged. There is loss and damage to equipment/machinery/material of the company. Damage/losses to contractor equipment/machinery of M/s Raj Kumar :

Shown in Annexure 2



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Annexure -1 to om BSWR letter  
P.O



**स्पोर्ट्स**

**विलस्टर्स और ज्वोनारेवा फाइनल में**

**रविवारीय**

**नम्बर गेम पर ध्यान नहीं : कटीना कपूर**

मालमपुर, रविवार 12 सितम्बर 2010

तदनुसार 28 भाद्रपद विक्रमी सम्वत् 2067

Sunday, 12 September 2010

# आंडे पंजाब केसरी

injabkesari.in

PUNJAB KESARI, Patampur, वर्ष 46 अंक 91, मूल्य 3.50 रुपए, पृष्ठ 12-4-4 (रविवारीय) 6 (वलासीकांड) = 26

## जमपुर में बादल फटा; तबाही

क दर्जन भर लोग तेज बहाव में अटके; मवेशी बहे; यमुना में उफान जाघी; 2.5 डेढ़ें रुढ़; 3-6 अन्य के मार्ग बदले, जलमग्न; घण्टार दरिया खतरे के निशान के करीब; सरदूलगढ़ में पुल के पानी में घिर जाने से रास्ता बंद

दिल्ली/ मानसा/ अम्बर (पंजाब केसरी) को पहाड़ियों पर निवार दोपहर बादल भारी हानि हुई, वहाँ री बह गए/बादल निर्माणधीन पावर लाई धुसने से भारी है। घटना के बाद नि भर लोग न्यूल जिन्हें दमकत व ण से कठिनाई से न सका। 6 टैक्टर नदी में अटके पड़े सूचना मिलने पर



मालमपुर/नई दिल्ली: रविवार को न्यूल नदी में फसे लोगों को बचाते पुलिस कर्मी व (दाएँ) यमुना के बड़े रहे जलस्तर को देखती एक बाढ़ प्रभावित महिला।



(अप)

## कार सतलुज में समाई, 3 बहे

पामपुर बुशहर, 11 सितम्बर (आत्मा): जिला किन्नीर के काकस्थल के पास राष्ट्रीय उच्चमार्ग-22 पर एक पहलू कार के सतलुज में गिरने से एक व्यक्ति घायल हो गया व अन्य तीन के नदी में बह जाने की संभावना बताई गई है। दुर्घटनास्थल कार में विनोद (35) निवासी छिन्नुकुल, मोलू (10) पुत्र विजेंद्र सिंह, साहिल पुत्र विक्रम सिंह निवासी रिब्बा व विक्रम सवार थे जिसमें विक्रम को घायलावस्था में जोरल ले जाया गया है तथा अन्य तीन स्वतंत्र का कोई अता-पता नहीं लगा। वहीं गाड़ी सतलुज में बह गई है। घटना की सूचना मिलते ही एस डी एम मानमगर संजय शर्मा, एस.एम.ओ. निरंजन शर्मा व चिवायक राजा ने भी घटनास्थल पर पहुंचा। घटना की पुष्टि एस डी एम मानमगर प्रदीप शर्मा ने की है।



कमाने लेह के बादलों ने अनेक ब दूध और दूधार आपकी सहाय आप सहयोग राशि का इ Relief Fund (Ladakh) Pay सहायता राशि भगीआर्डर द्वा जालंधर में 10,00 से सांच 6,00 सहायता राशि का ट्रेप्ट भी जमा करवाया जा सकता है। राशि संजनों के नाम हि-ट प्रकाशित किए जायेंगे

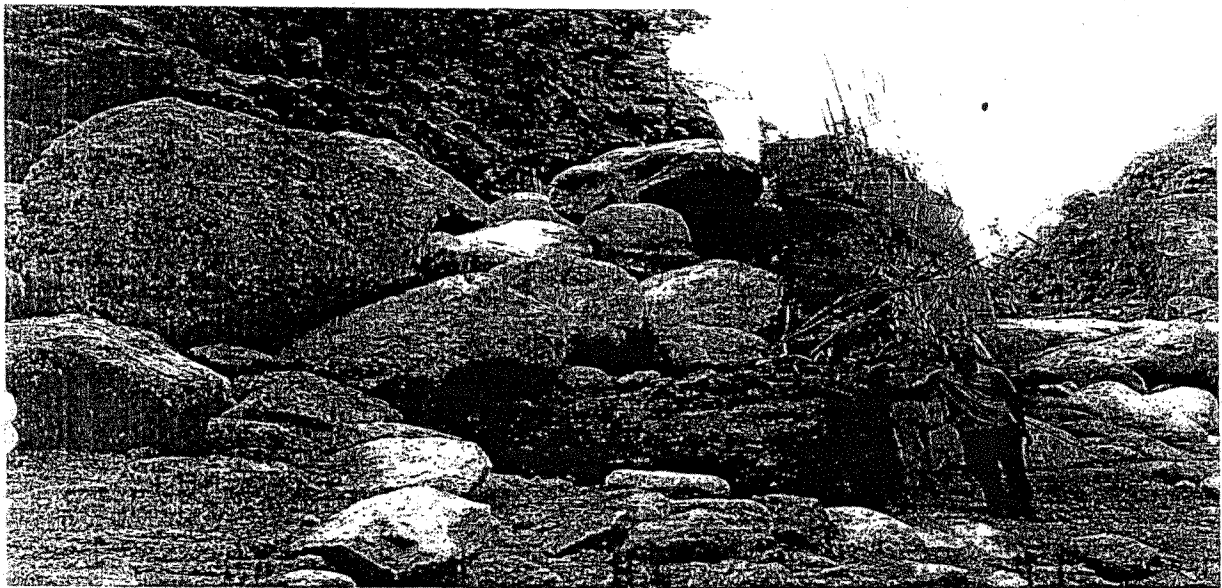


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# Photo graphs of cloud burst on dated 11<sup>th</sup> September, 2010

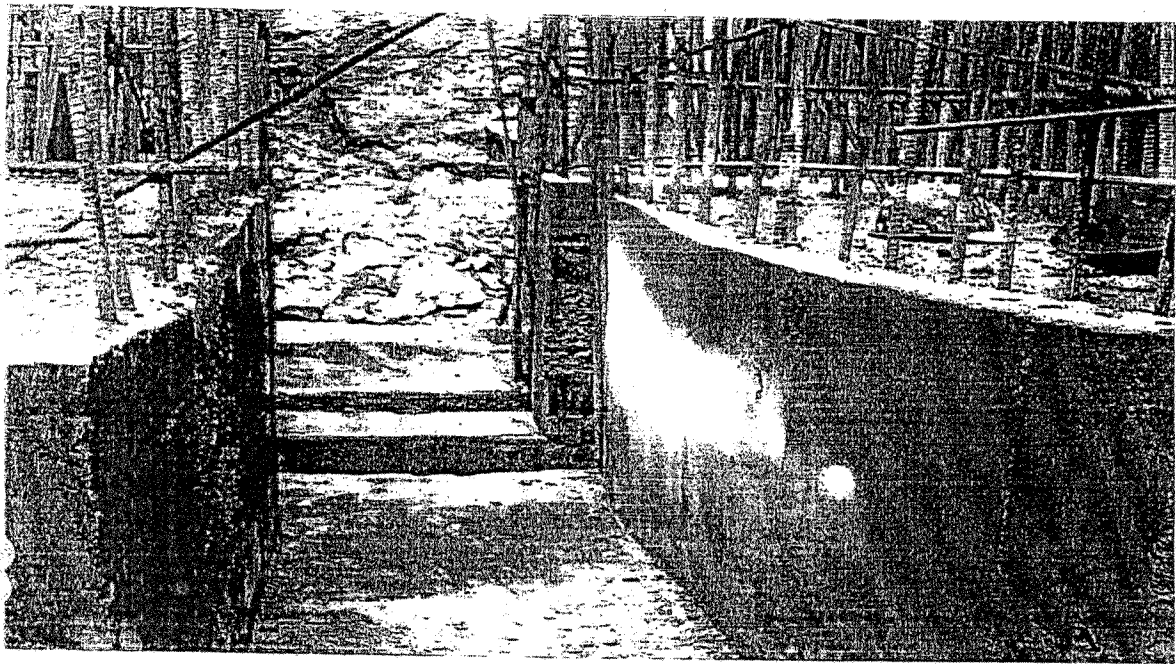
Desilting chamber after cloud burst



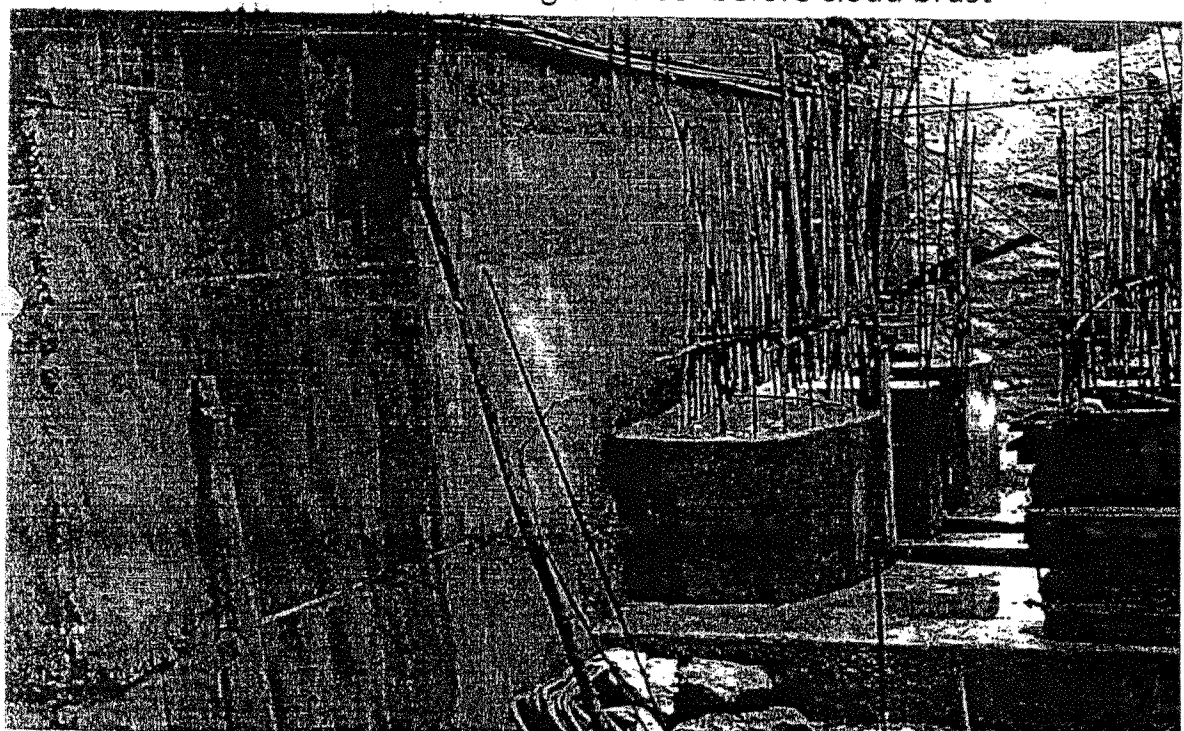
Desilting chamber before cloud burst



236



Desilting chamber before cloud burst



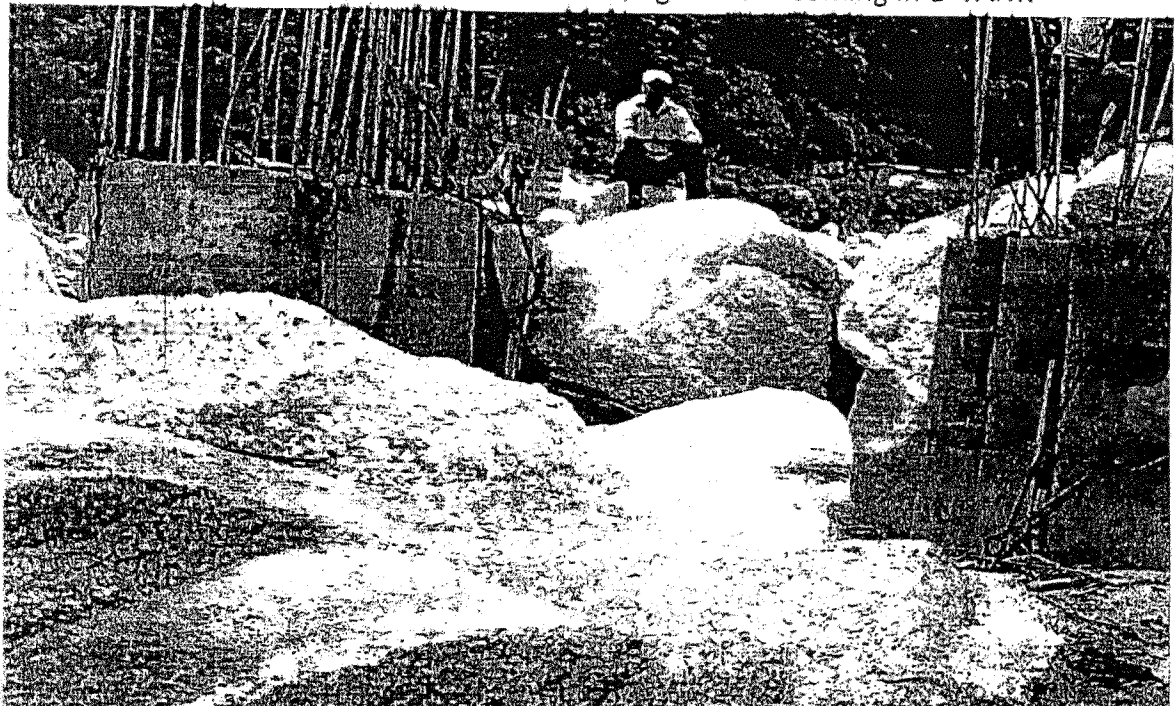
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Desilting chamber after cloud burst (Big boulder coming in D-TANK )

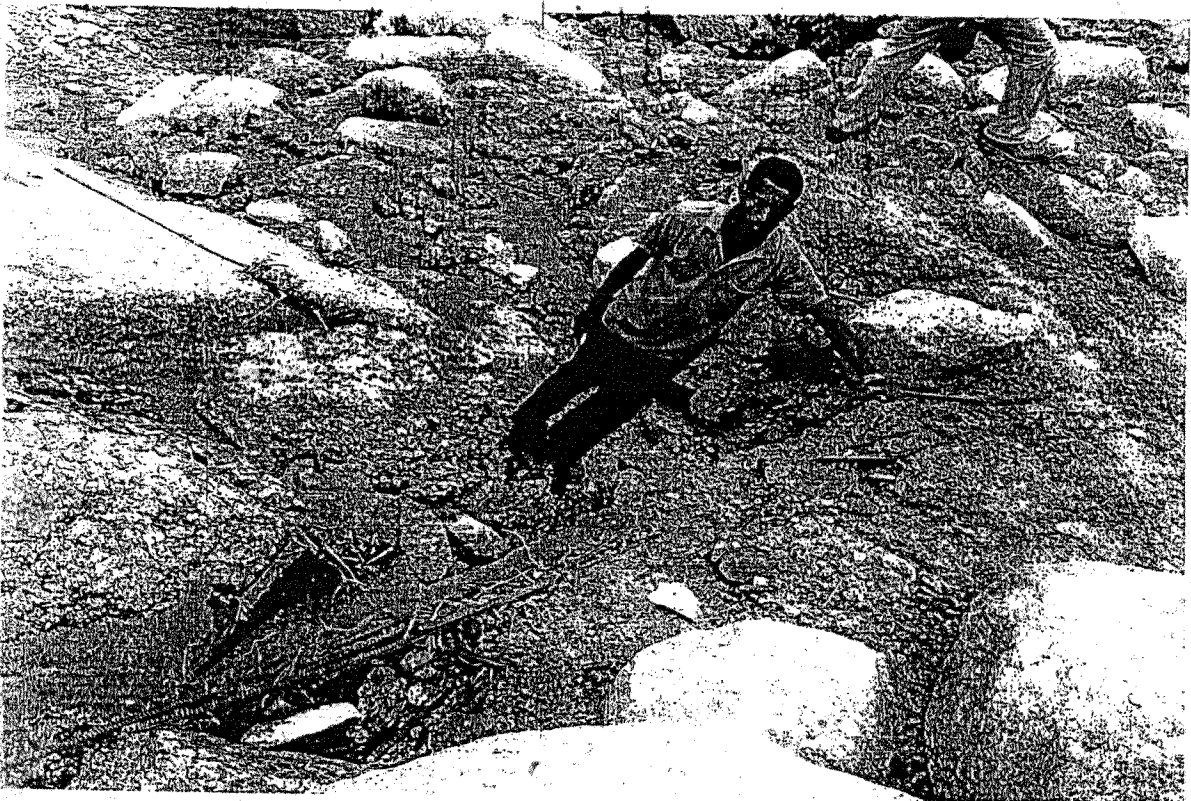


Desilting chamber after cloud burst (Big boulder coming in D-TANK )



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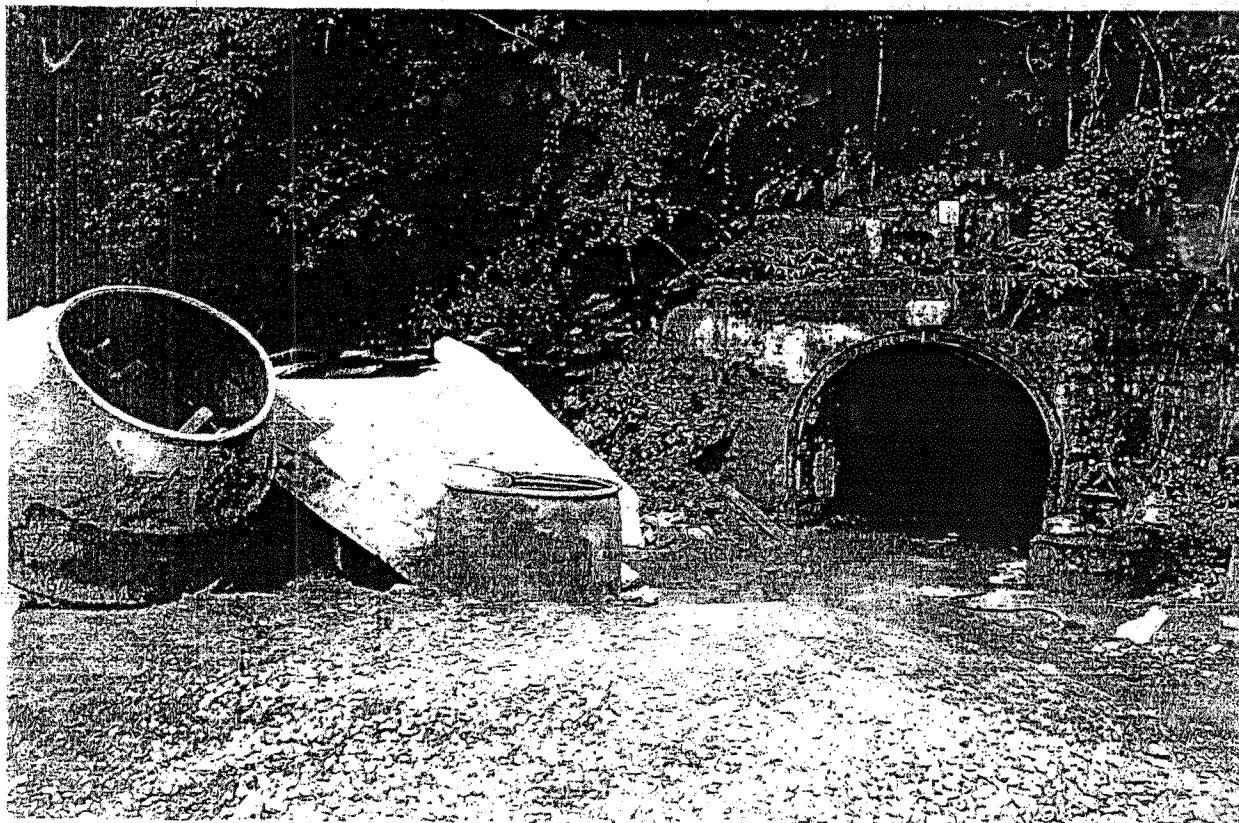
Deserting chamber after cloud burst (Big boulder coming in D-TANK)



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P. 7

Adit 4 before cloud burst



Adit 4 after cloud burst



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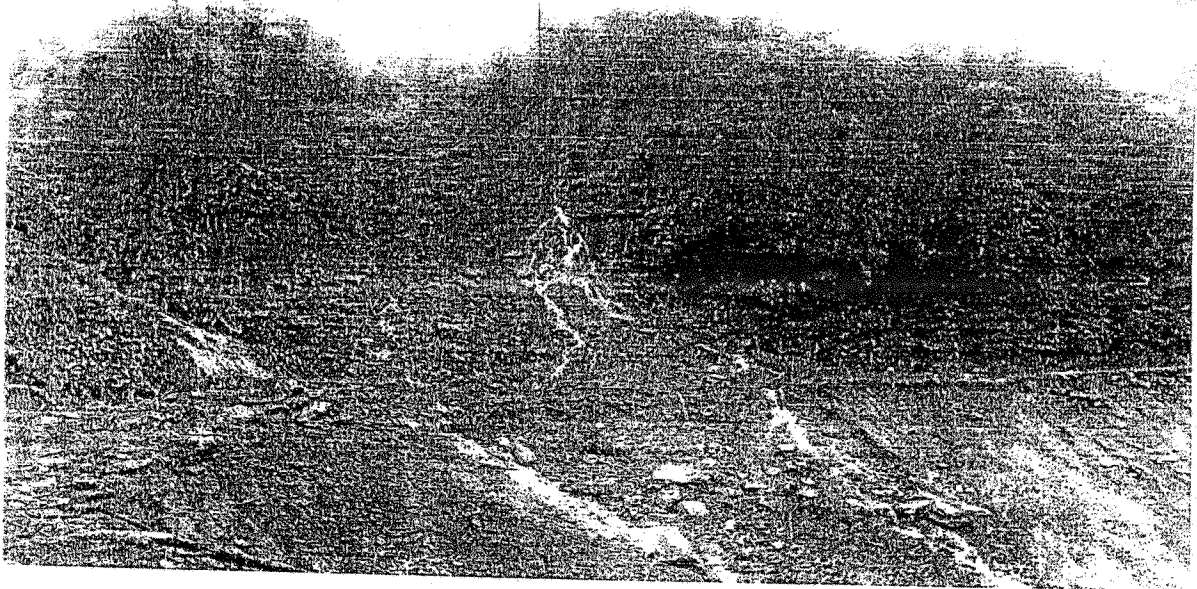


Road damage



241

P-9



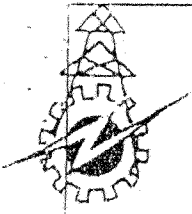
242

~~AT VIVEKAWR~~

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Jai Mata Vindhya Vasini

# OM POWER CORPORATION LIMITED



Neogal Hydro Electric Project (15 MW)  
 Vill: Bundla, P.O. Nachhir, Palampur, Distt. Kangra (H.P.) -176 061  
 Contact Nos. : 9318830774, 9318015151, 9318570009 e-mail : ompower2004@gmail.com

Estimate for damages and repairs of the loss caused due to cloud Burst and consequential floods during September 2010

### SUMMARY OF ABSTRACT

	Rs. Lakhs
1 Civil works including compound wall and Temporary constructions	19621930
2 Tunnelling related works	3002781
3 Removal of debris	8699760
4 Thrd Party Liability	4123700
Total	35448171

Details as per enclosure

For OM POWER CORPORATION LIMITED

Authorised Signatory





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m	Pressure relief pipe			LS	13500	Page No.231 Item No.12
n	Crate work at weir site	694.81	Cum	900	625329	Page No.231 Item No.12
					7596989	
3	Chek Dam above weir					
	Qty of crates	561.6	Cum	950	533520	Page No.231 Item No.12
	Concrete	126	Cum	3100	390600	Page No.232 Item No.6
	Cement (4 bags per cum)	504	Bags	250	126000	Page No.232 Item No.6
					1050120	
S.No.	Description	Qty	Unit	Rate Rs.	Amount Rs.	Page No & item of DPR
<b>(A) Estimate for damage and repair at weir Intake</b>						
S.No.	Description	Qty	Unit	Rate Rs.	Amount Rs.	
1	Breaking and removal of damage conc	82.836	Cum	1800	149105	Rate Analysis annexure enclosed
2	Now chipping & surface clearing	208.5	Sqm	450	93825	Rate Analysis annexure enclosed
3	Relaying of M 20 conc(damage area)	82.836	Cum	3105	257206	Page No. 232 Item No.6
4	Reinforcement steel fabrication	6.04	MT	7000	42280	Page No.232 Item No.7
5	Form work	144.7	Sqm	210	30387	Page No.233 Item No.10
6	Anchor Bar (drilling & fixing charges)	87	RM	110	9570	Page No.231 Item No.3
7	Cost of Material					
a	Cement (8bags per Cum)	663	Bag	250	165672	
b	Steel	6.04	MT	34000	205360	Page No.232 Item No.7
c	Anchor bar (87x2.5x2.48)	539.4	Kg	34	18340	Page No.231 Item No.3
	Total				971744	
<b>(B) Estimate for damages to Protection works at various places</b>						
S.No.	Description	Qty	Unit	Rate Rs.	Amount Rs.	

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①

<u>(C) Estimate for damage at Penstock civil works</u>						
S.No.	Description	Qty	Unit	Rate Rs.	Amount Rs.	
	Damage to the crate walls protection works					
	Crate work between Anchor Blocks-(3 to 5) Sanjeev Anand	781.26	cum	950	742197	Page No.250 item No.4
	Crate work near Anchor Block 5 below( Desh Raj & Sokkoni Ram)	397.8	Cum	950	377910	Page No.250 item No.4
	Total				1120107	
	<b>TOTAL</b>				<b>19621930</b>	

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P-5

2 TUNNELLING RELATED WORKS						
Estimate for damages and repair works in Tunnel						
S.No.	Description	Qty	Unit	Rate Rs.	Amount Rs.	Page No & Item of DPR
1	Damages to protection works at Adit-4 Crate work	912.6	Cum	950	866970	Page no.244 Item No.16
2	Collapse in tunnel Loose Muck Removal	408	Cum	650	265200	Page no.243 Item No.11
3	Collapse and damages to Steel supports	1.395	MT	57000	79515	Page no.242 Item No.6
4	Damages to RCC laggings between stell supports	5.5	Cum	4300	23650	Page no.242 Item No.9
5	Cement for Laggings (8bags per Cum)	44	Bags	250	11000	Page no.242 Item No.9
6	Cavity filling with Conctrete M10	120	Cum	2300	276000	Page no.242 Item No.9
7	Cement for cavity filling(4bags per Cum)	480	Bags	250	120000	Page no.242 Item No.9
8	Material loss					
a	Sand stock	51	Cum	1250	63750	
b	Aggregate stock	80	Cum	1250	100000	
c	Cement stock	480	Bags	250	120000	
d	Cement store shed			LS	85923	
e	Shuttering gantry plates			LS	594773	
9	Collapse at Adit-4	2640	Cum	150	396000	Page no.243 Item No.1
	<b>Total</b>				<b>3002781</b>	
3 REMOVAL OF DEBRIS						
Estimate for removal of debris and muck deposited						
S.No.	Description	Qty	Unit	Rate Rs.	Amount Rs.	
1	Up stream of weir intake					
	Average length	60	mtr			
	Average Width	32	mtr			
	Average height	6.5	mtr			
	Total Qty	60x32x6.5	12480	Cum		
		60 % Boulder	7488	Cum	280	2096640
		40 % soil	4992	Cum	220	1098240
2	Muck Debris in Weir Site					
	Length	54	mtr			
	Average width	29.5+22+20.5/	24			
	Average height	14+10.5/2	12.25			
	Total Qty	(54x24x12.25)	15876	Cum		
		50 % Boulder	7938	Cum	280	2222640
		50 % soil	7938	Cum	210	1666980
3	Muck debris in D-tank					
	Length	60				
	Width	8				
	Average height	6				
	Qty	60x8x6	2880	Cum		
			1728	Cum	280	483840
			1152	Cum	210	241920
4	Muck Debris in Weir Intake , river Sluice area					
	Length	20	mtr			
	Width	15	mtr			
	Average length	5	mtr			
	Qty	20x15x15	1500	Cum		
		90 % Boluder	1350	Cum	280	378000

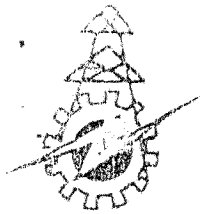
247

Total Cost of Debris Removal				8699760
<b>4 THIRD PARTY LIABILITY</b>				
<b>(A) Claim Detail of M/s Jai Santoshi Mata Construction</b>				
Sr No	Item	Qty	Rate Rs	Amount Rs
1	Welding Set	2 no	12000	24000
2	Shuttering Plates	1x.6(130)No	2200	286000
		1x1(64) No	2800	179200
		1x1.2(110 No)	3500	385000
3	Concrete Pump Pipes		2000	20000
4	Stone quarry		400	400000
5	Sand Quarry		700	140000
6	GI Sheet		530	106000
7	MS Pipe 6 mtr Each		48000	48000
8	MS Channel		40	41600
9	Steel		7000	42000
10	Jack Support		1800	126000
11	Two Tipper		1000000	1000000
12	Water Pipe		70	14000
13	Sand in Bagh Nala		20	112000
14	Aggregate		20	14000
15	Hammer		700	2800
16	Subble		350	1750
Total Amount				2942350
<b>(B) Claim Detail of M/s MCC Power Project Pvt Ltd</b>				
Sr No	Item	Qty	Rate Rs	Amount Rs
	Shuttering	115	1650	189750
	Telescopic Jack Builders	75	933.33	70000
	Welding set 2 nos	2	12000	24000
	GI Pipe	8	1000	8000
	GI sheet	12	1000	12000
	DG set 5 kv	1	42000	42000
	MS angle	350	36	12600
Total Amount				358350
<b>(C) Claim Detail of M/s Raj Kumar, Engineer, Builders, Contractors &amp; Suppliers</b>				
				823000
TOTAL				4123700

*[Handwritten Signature]*

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Jai Mata Vindhya Vasini



# OM POWER CORPORATION LIMITED

Neogal Hydro Electric Project (15 MW)  
Vill. Bundla, P.O. Nachhir, Palampur, Distt. Kangra (H.P.) -176 061  
Contact Nos. : 9318830774, 9318015151, 9318570009 e-mail : ompower2004@gmail.com

Ref no-9 ~~12/10/11~~

Reference No: OPCL/NHEP/PLP/67

Dated: 30-12-2011

To The Principal Secretary,  
MPP and Power,  
Govt of Himacahl Pradesh  
Simla -171001

Dear Sir,

Subj: Neogal HEP- Extension of construction period to 31 May 2012- Reg

- Ref:
1. Implementation Agreement dated 27<sup>th</sup> Jan 2006 (4<sup>th</sup> Supplementary)
  2. PPA dated 27.10.2006
  3. OPCL/NHEP/PLP/40 dated 26-04-2010
  4. OmHydro/NHEP/97 dated 05-10-2010
  5. OMHYDRO/NHEP/125 dated 08-03-2011

- Annexures
1. Record of News paper reports and Photographs of damage due to flash flood and cloud burst.
  2. Record of additional work due to flash flood.
  3. Revised Construction schedule

### Background

Inviting reference to above. The company has earlier requested for extension of construction period up to 31 may 2011. This covered the delay on account of force majeure up to 2009 as at Ref 3.

### Force Majeure 2010-11

There was extensive damage caused to the roads during the rains in 2010. There was also a case of sever flash floods to the weir & D-silting basin component. There was also damage caused to the Adit & Tunnel due to cloud burst. The same has been intimated vide Ref 4. The record of news paper reports on the same along with photographs showing the damage is placed at Annexure 1.

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### Additional Work Because of Flash Flood & Cloud Burst

The repair work to the weir & D-silting basin due to the flash flood has been extensive. This was further hampered because of the extreme harsh winter as highlighted at Ref 5. The detail of additional work is placed at annexure 2. Additionally there were geological surprises encountered in the tunnel and penstock. The complete penstock is since being encased, consequently increasing the quantity of concreting by 300% along with additional excavation. These have caused a cumulative delay of 12 months including the monsoon of the next year.

### Revised Construction Schedule

The revised construction schedule of component wise is placed at Annexure -3.

### Transmission Line

The commencement of transmission line work was hampered due to delay in sanction of forest / govt land acquisition which was been received only on 18-05-2011. The Government / Revenue and acquisition was held up till receipt of essentiality from DOE which was received on 22-11-2011. The transmission line works have since commenced from Dec 11 and is in full swing.

### Extension of Time for Construction of Project

In view of the special facts & exceptional nature of the case, arising out of force majeure circumstances which were beyond the control of the company, it is requested that the scheduled completion time of 42 months from the date of signing the PPA. (27.10.2006), be extended to 31-05-2012.

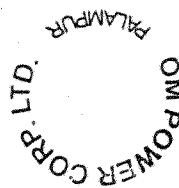
Even under the constraints of considerable cost over run and the extreme elements of weather the company is making every effort to expeditiously complete the project early. With a request to kindly consider our case and grant extension up to 31-05-2012.

Encl: As above

Yours faithfully,

for OM Power Corporation Limited

Authorised signatory

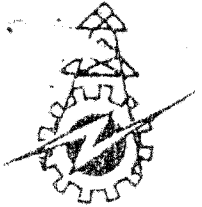


Copy to - The Chief Engineer (Energy) Thakur Vatika Khalinin Shimla. - 171002

2 Chairman HPSER - SHIMLA.

250

Ref No 70



Jai Mata Vindhya Vasini

# OM POWER CORPORATION LIMITED

Neogal Hydro Electric Project (15 MW)  
Vill. Bundla, P.O. Nachhir, Palampur, Distt. Kangra (H.P.) -176 061  
Contact Nos. : 9318830774, 9318015151, 9318570009 e-mail : site@omhydropower.com

**Reference No: OPCL/NHEP/500/MPP/01**

**Dated: 08-05-2012**

To

The Principal Secretary,  
MPP and Power,  
Govt of Himacahl Pradesh  
Simla -171001

Dear Sir,

**Subj: Neogal HEP- Extension of construction period to 31 August 2012- Reg**

- Ref:
1. Implementation Agreement dated 27<sup>th</sup> Jan 2006 (4<sup>th</sup> Supplementary)
  2. PPA dated 27.10.2006
  3. OPCL/NHEP/PLP/67 dated 30-12-2012
  4. Notice for Synchronization vide OPCL/NHEP/300/TXN/01 dated 13-02-2012
  5. Appointment of Independent engineer vide HPSEBL/CE(comm.)PSP/Neogal-2012-13-463-71 dated 07-04-2012
  6. Appointment of Coordinating Committee Members vide NHEP/300/TXN/01 Dated 16-02-2012

- Annex 1. Record of News paper reports on heavy rains & snow falls  
2. Revised Construction schedule

Dear Sir

Inviting ref to the above. Extension of construction period to 31-05-2012 for reasons beyond the control of the company had been sought earlier vide ref 3. Company has made every efforts to complete the works by May 2012 and has given notice for synchronization vide ref 4 above. Independent Engineer has been appointed vide ref 5 above and Coordinating committee members of the company have been nominated vide ref 6 above.

## **Force Majeure Jan 12 to April 2012**

There has been unprecedented snow fall in the Project area in the months of Jan , Feb and March 2012. There has also been unprecedented rains in April 2012. These have adversely affected the progress of works. News paper report at annexure 1.

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### **Transmission Line**

The commencement of transmission line work was hampered due to delay in sanction of forest / govt land acquisition which was been received only on 18-05-2011. The Government / Revenue land acquisition was held up till receipt of essentiality from DOE which was received on 22-11-2011. The transmission line works have since commenced from Dec 11 and is in full swing .

### **Revised construction schedule**

The revised construction schedule of components is placed in annexure 2


### **Extension of Time for Construction of Project**

In view of the special facts & exceptional nature of the case, arising out of force majeure circumstances which were beyond the control of the company, it is requested that the scheduled completion time of 42 months from the date of signing the PPA ( 27.10.2006), be extended to 31-08-2012

Even under the constraints of considerable cost over run and the extreme elements of weather the company is making every effort to expeditiously complete the project early. With a request kindly consider our case and grant extension up to 31-08-2012.

Yours faithfully,

for OM Power Corporation Limited

  
Authorised signatory

Copy to :- The Chief Engineer (Energy ) Shanti Bhawan, Phase III Shimla Shimla. - 171009

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Apprentice 1

# SUNDAY



# TIMES



JANUARY 8 2012 (LATE CITY) PAGES 28 | INCLUDING TIMESOFINDIA.COM | EXPRESS TIMESOFINDIA.COM



**I stuck to Kashmir, it paid off: Sahitya Akademi winner P 14**

**Emu biryani, emu pizza... these could become hotel menus P 16**

**Why does Indian modern menote art arouse anger P 15**

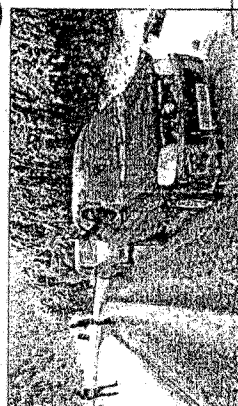
# Snowfall lashes Kangra after five decades

**S Gopal Puri | TNN**

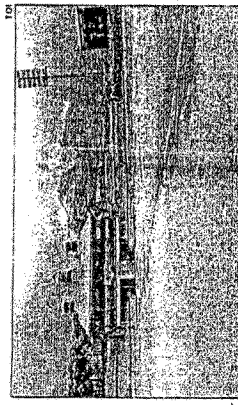
**Dharanashala:** Residents of Kangra valley were taken unawares on Saturday morning when snowfall occurred in Kangra town but it was mild. Today the snowfall has broken all records. I have never experienced such a heavy snowfall here," said Ramesh Thakur, a retired nab tehsildar from Kangra town.

Many areas near the Kangra valley like Bailpath and Palampur also received snow. Snowing started on Saturday around 8.30am, and continued till 1.00pm, resulting in 3 to 4 inches of thick white sheet over the whole area.

"It was for the first time that I saw snow pouring



**ICY CARPET:** People have had a spell of snowfall in Kangra (right). The cricket stadium in Dharanashala blanketed by snow.



**Snow blocks J&K highway**  
Jammu and Kashmir has experienced medium to heavy snowfall since Friday night, resulting in blockades of the state's national highway, besides disrupting power supply in the valley. While Srinagar city rendered three inches snow, areas and upper reaches in Kashmir valley received more than one foot snowfall during overnight pouring on Saturday. P 3

flight was cancelled," said Kuldip Kumar Sharma, air port director.

The white blizzard in the famous tourist destination of Dathousie on Saturday, threw normal life out of gear. The heavy spell of snowfall crippled life, forcing local and tourists to remain indoors. Also, there were no worthwhile traffic, utilities as weather conditions barred vehicles from plying, with roads remaining under heavy snow cover.

Recent breaking snowfall in Kulu, Manali and Lahaul-Spiti also brought traffic to a standstill.

In Shippa too, there was a fresh spell of snowfall, forcing the mercury to plummet further.

## NEWS DIGEST

**Amrinder's bro quits Cong, joins Akali Dal**  
Amrinder Singh, the younger brother of Punjab Congress president Charan Singh, on Saturday quit the party and joined the Shiromani Akali Dal.

**Nielkam's UIDAI better than MHA plan**  
The UIDAI is better than the MHA plan for the National Smart City Mission, says Nielkam. The UIDAI is better than the MHA plan for the National Smart City Mission, says Nielkam.

**CSIR-IGES ex-babu in rural health scam**  
A former government employee of CSIR-IGES is involved in a rural health scam.

## Bhanwari Devi's watch, beads found in canal

The woman made the watch and a wooden box were recovered from the canal in the village of Bhanwari Devi. The watch and beads were found in the canal.



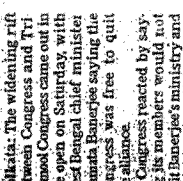
The watch and beads were found in the canal. The watch and beads were found in the canal.

## Sukh Ram surrenders, sent to jail

Former Union minister Sukh Ram, who on Friday claimed to be a communist, surrendered before a local court on Saturday which sentenced him to three years in the Bhamra, 86, for an anti-state offence.

## Cong free to quit coalition: Mamata

The widening rift between Congress and Trinamool Congress came out in the open on Saturday, with West Bengal chief minister Mamata Banerjee saying the Congress was free to quit the alliance.



Mamata Banerjee said the Congress was free to quit the alliance.

## India scales down def visit to China

New Delhi: In an overnight change of stance, India on Saturday decided to go ahead with sending the military delegation to China as scheduled next week but scaled it down from 30 to 15 after visa was denied to a senior IAF officer heading from Arunachal Pradesh.

Sources said the Staff Officers' delegation will travel to China from January 10 as scheduled as part of defence exchanges programme. How ever, instead of 30 members as decided earlier, the delegation will comprise 15 members drawn from all three services.

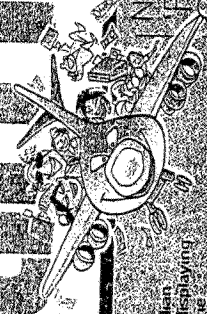
**NATION**  
**MEET THE OTHER OBAMA**  
 Michelle Obama found being first lady of US difficult early on. P15

**SPORTS**  
**INDIA'S NEW TENNISACE**  
 23-year-old Sankar Prasad eyes Davis Cup glory. P17

**think!**  
 The new Indian traveller is displaying a taste for the good things in life. THE BIG STORY P19

**GREAT INDIAN GLOBETROTTERS**

hindustantimes.com  
**times**  
 JANUARY 08, 2012



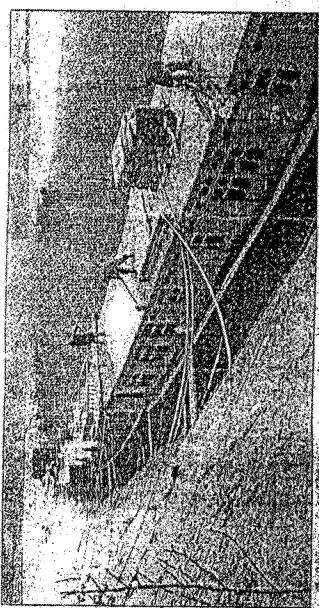
# Snow surprise at Punjab, HP border

**WHITEOUT WONDER** First snow in Pathankot, Hoshiarpur; six-decade jinx ends in Chintpurni, Kangra; Kashmir remains cut off for the second day

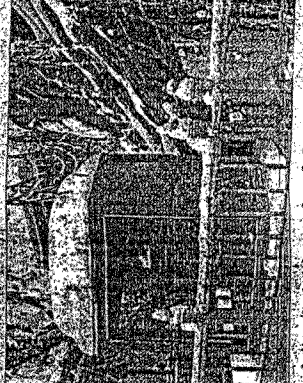


As the snow fell in Punjab, Hoshiarpur, too, witnessed an early morning snowfall. It caused a minor tourist rush. Residents could not recall any past incident of snowfall in the Punjab villages. Kangra Airport (H m) and Dharamsala (00 m) were also draped in white, and all routine flights to Kangra had to be suspended. Though there is no record available with the M. department, it is believed that the snow in Kangra was first witnessed in early 1940s. "I remember a group of tourists visited Dharamsala in 1940s. They were surprised to see snow on the roof of the building," says a resident of Dharamsala.

Across the border in Punjab, villages of Pathankot and Hoshiarpur, too, witnessed an early morning snowfall. It caused a minor tourist rush. Residents could not recall any past incident of snowfall in the Punjab villages. Kangra Airport (H m) and Dharamsala (00 m) were also draped in white, and all routine flights to Kangra had to be suspended. Though there is no record available with the M. department, it is believed that the snow in Kangra was first witnessed in early 1940s. "I remember a group of tourists visited Dharamsala in 1940s. They were surprised to see snow on the roof of the building," says a resident of Dharamsala.



Men clear snow off jammed roads in Srinagar on Saturday. Night-long snowfall resulted in freezing cold and also hit power and communication lines across J&K.



In Pathankot, the phenomenon persisted for consecutive days. Groups of tourists visited Dharamsala in 1940s. "I remember a group of tourists visited Dharamsala in 1940s. They were surprised to see snow on the roof of the building," says a resident of Dharamsala.

# IN A FIRST, OMAR SWAPS POWER SUPPLY TO WIPIS

**HT Correspondent**  
 #delhi@hindustantimes.com

**SRINAGAR:** With the Kashmir Valley without power since Friday due to snowfall, Chief Minister Omar Abdullah on Saturday directed the withdrawal of electricity from the chief minister's house and VVIP areas.

"I have ordered the power department to take VVIP areas off the central feeder service. No stacks of light bulbs will be used in our houses," tweeted Omar.

The move came after the chief minister, who is known to be a power addict, requested power supply to his house. Somwar in Srinagar, which houses the chief minister's residence. He received a complaint from over a dozen people pestering him over non-availability of power supply. "I can't just snap my fingers and restore fallen power lines," Omar tweeted in reply.

The chief minister, who was in winter capital Jammu, flew to Srinagar to monitor the situation in the Valley himself as water supply got affected, electricity to hospitals snarped and roads remained blocked due to snowfall.

"Waiting for the runway to open in Srinagar so I can fly in from Jammu with a team of officers to monitor the situation on the ground. Priority is hospital, water supply schemes & de-watering pump stations," he wrote on Twitter.

**Avalanche alert**  
 An avalanche warning was issued on Saturday in the higher reaches of J&K and people were told not to leave their homes.

**Highway closed**  
 The 300-km Srinagar-Jammu national highway stayed shut for the second day. A Border Roads Organisation man died during snow clearance.

**Exams postponed**  
 All Kashmir University and board exams scheduled for Saturday were postponed due to the snowfall. New dates will be out soon.

was under 45 cm snow. Things looked better after the snow was cleared. A 15 km stretch of the road from the town to the airport was closed following snowfall.

Surprisingly, in nearby Dharamsala, snow was not confined to Korwari Bazaar this time. The entire area surrounding 84, that headquarters of the Indian Army's Rising Star Corps and Sidhali village, snowfall had occurred here at least 60 years ago, said 78-year-old retired colonel JG Sharma, who resides in Ram Nagar, Shimla. He was in Srinagar on Saturday.

CONTINUED ON PAGE 6



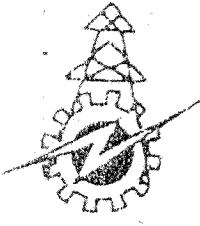






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~~Ref No-11~~  
Ref No-11



Jai Mata Vindhya Vasini

# OM POWER CORPORATION LIMITED

Neogal Hydro Electric Project (15 MW)  
Vill. Bundla, P.O. Nachhir, Palampur, Distt. Kangra (H.P.) -176 061  
Contact Nos. : 9318830774, 9318015151, 9318570009 e-mail : site@omhydropower.com

Reference No: OPCL/NHEP/500/DOE/01

Dated: 23-05-2012

To

The Chief Engineer (DOE)  
Shanti Bhawan Phase III,  
Sector 6, New Shimla,  
Pin code 171009

Sub: Neogal HEP- Extension of construction period to 31 August 2012 & construction schedule - Reg

- Ref:
1. OPCL letter no OPCL/NEHP/PLP/40 dated 26-04-2010
  2. OPCL letter No to OPCL/NEHP/PLP/67 dated 30-12-11
  3. OPCL letter No OPCL/NEHP/500/01 dated 08-05-2012
  4. OPCL letter No OPCL/NHEP/Revenue/500/01 dated 14-04-2012

- Annex 1. **Summary of time loss due to force majeure Neogal Project**
2. Revised Construction schedule

Dear Sir

Inviting ref to the above and your office letter no DOE(Energy) / Neogal/2012-7900 dated 23-02-2012. The details of time loss due to force majeure as requested in your letter is placed at annexure 1.

The company has requested for extension of construction period upto 31 august 2012 vide ref 3 above. Revised construction schedule is placed at annexure 2. The summary of time loss is as below:

Sr	Years	Force majeure	Time loss in months
1	2007	Road damage due unprecedented rains	6 months
2	2007	Disruption due to blockage by villagers	2 months
3	2008	Road damage due unprecedented rains/snow	6 months
4	2009	Road damage due unprecedented rains	4 months
5	2010	Damage to components due Cloud burst / flash	13 months

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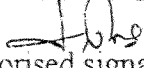
### Extension of Time for Construction of Project

In view of the special facts & exceptional nature of the case, arising out of force majeure circumstances which were beyond the control of the company, it is requested that the scheduled completion time of 42 months from the date of signing the PPA. (27.10.2006), be extended to 31-08-2012.

Even under the constraints of considerable cost over run and the extreme elements of weather the company is making every effort to expeditiously complete the project. With a request to kindly consider our case and grant extension up to 31-08-2012.

Yours faithfully,

for OM Power Corporation Limited

  
Authorised signatory

Copy to :- Principal Secretary of MPP & Power Shimla.

SP PALANPUR <176061>  
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Counter No:1, OP-Code:PA16  
To:CHIEF ENGG., 5 B SEC-6  
KASIMPATI, PIN:171009  
From:OM POWER CO LTD., PLP  
Wt:30grams,  
Amt:26.00, 24/05/2012, 11:12  
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SP PALANPUR <176061>  
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From:OM POWER CO LTD., PLP  
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250

## Summary of time loss due to force majeure Neogal Project

period upto April 2010

The company has initially requested extension of construction period due to reasons beyond the control of the company vide OPCL/ NEHP/PLP/40 dated 04-2010 ( Ref 1). The summary of time loss is as below

r-2007

id Damaged /Blocked

no	Description of item	Distance	Time period of damage	Time loss	Cross Reference to OPCL/ NEHP/PLP/40 dated 26-04-2010 ( Ref 1)
1	Road from power house to forebay a) Time period of Damage b) Time period of repair	7.1 km	July 07 to Sept07 Oct 07 to Dec 07	3 months 3 months	Annexure 1 to reference 1

gers disruption of work

No	Blockage of work	Area	Time Period	Time loss	Cross reference
	Disruption of project work by villagers in the project area	Bunlda / Shahngaon / Surdi Vill	May 07 to June07	2 months	Annexure 3 to ref 1

*[Handwritten signature]*

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Damaged /Blocked

Description of item	Distance	Time period of repair	Time for loss	Cross Reference to OPCL/ NEHP/PLP/40 dated 26-04-2010 ( Ref 1)
Road from power house to forebay	7.1 km			
a) Time period of damage		July 08 to Sept 08	3 months	Annexure 2 to ref 1
b) Time period for repair		Oct 08 to Dec 08	3 months	

Damaged /Blocked

Description of item	Distance	Time for repair	Time for loss	Cross Reference to OPCL/ NEHP/PLP/40 dated 26-04-2010 ( Ref 1)
Road from power house to forebay	3 km			
a) Time period of damage		July 09 to Sept 09	3 months	Annexure 4 to ref 1
b) Time period for repair		Oct 09	1 month	

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upto 2011

Company has subsequently requested extension of construction period due to reasons beyond the control of the company vide OPCL/ NEHP/PLP/ d 30-12-2011 ( Ref 2). The summary of time loss is as below

**Thrust & flash Floods & Rains / Snow falls (2010-2011)**

Component	Qty/ Detail	Time period from repair	Time loss	Cross Reference to OPCL/ NEHP/PLP/67 dated 30-12-11 ( Ref 2 )
Road Repair	As per annexure 2 to Ref 2			Annexure 1 page 7 to 9 of ref 2
a) Road Damages		Sept 2010	1 month	Roads damaged extensively and had to be repaired first before components repair works
b) Road repair – debris removal , retaining walls		Oct 2010 to Nov 2010	2 months	
funnel & Adit 4				
a) Debris removal & cavity removal & Cavity Filling & concreting	Do	Nov 2010 to May 2011	7 months	Annexure 1 page 7 to 9 of ref 2
Meir Intake	Do			Annexure 1 page 3 to 6 of ref 2
a) Debris Removal		Oct 2010 to Dec 2010	3 months	
b) Breaking of Damage cc & steel		Dec 2010 to May 2011	6 months	
c) Re- construction of CC & Steel		June 2011 to Sept 2011	4 months	

*[Handwritten Signature]*

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	DO			Annexure 1 page 3 to 6 of ref 2
D tank	DO			
a) Debris removal		Oct 2010 to Nov 2010	2 months	
b) Breaking of Damage CC & Steel		Dec 10 to Feb 11	3 months	
c) Re- Construction CC & Steel		March 11 to May 11	3 months	
Penstock				Annexure 2 page 4 ref 2
a) Slides removal		Oct 2010 to Dec 2010	3 months	
b) Re construction of protection works		Nov 2010 to Jan 2011	3 months	

*[Handwritten signature]*

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**1 upto May 2012**

Company has subsequently requested extension of construction period due to reasons beyond the control of the company vide OPCL/00/PLP/01 dated 08-05-2012 (Ref 3). The summary of time loss is as below

**Damaged /Blocked 2011**

Sl. No.	Description of item	Distance	Time period of damage	Time loss	Cross Reference to OPCL/
	Road from power house to forebay and weir	12 km			NEHP/500/01 dated 08-05-2012 ( Ref 3)
	a) Time period of blockage		Jan 12 to March 12	3 months	Annexure 1 to 5 of ref 3
	b) Time period of repair				

**Disruption of work by villagers**

Sl. No.	Blockage of work	Area	Time Period	Time loss	Cross reference
	Disruption of transmission line work by Thala Panchayat	Thala Panchayat of Palampur	6 March 12 to 09 May 2012	2 months	OPCL/NHEP/Revenue/500/01 dated 14-04-2012( ref 4) Reference 4

109



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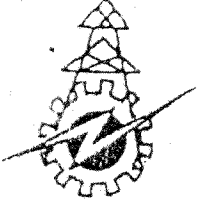
Work Item	1185	1050	135	
iv) Masonry / Protection				
i) Excavation	45000	45000	0 cum	
ii) Concrete	4500	4500	0 cum	
iii) Steel reinforcement	270	270	0 cum	
(iv) R. R. Masonary	900	9000	0 cum	
vi) Brick Masonary	500	500	0 cum	
<b>Rock Mech &amp; Hydro mechanical</b>				
i) Fabrication	854	854	0 MT	
ii) Erection	854	792	62 MT	
<b>Drainage &amp; Channel</b>				
i) Excavation	2000	2000	0	
ii) Concrete	500	5000	0	
iii) Reinforcement Steel	21	21	0	
iv) Masonary	546	490	56	
<b>Open Yard</b>				
i) Excavation	200	200	0	
ii) Concrete	220	210	10	
iii) Reinforcement steel	20	20	0	
iv) Masonary / wall	150	150	0	
<b>Electro Mechanical work</b>				
EQO crane				
Turbine & Auxilleries				
Generator & Auxillaries				
Trasformer & ODY equipment				
LT & HT Pannels and other Control room equipment				
Testing and Commsioning				
<b>Transmission Line &amp; Sub Station</b>				
charging / Testing & commissioning				

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Ref No 112

Jai Mata Vindhya Vasini

# OM POWER CORPORATION LIMITED



Neugal Hydro Electric Project (15 MW)  
Vill. Bundla, P.O. Nachhir, Palampur, Distt. Kangra (H.P.) -176 061  
Contact Nos. : 9318830774, 9318015151, 9318570009 e-mail : site@omhydropower.com

Reference No: OPCL/NHEP/500/MPP/121

Dated: 21-09-2012

To

The Principal Secretary,  
MPP and Power,  
Govt of Himachal Pradesh  
Shimla -171001

Dear Sir,

Subj: Neugal HEP- Extension of construction period to December 2012- Reg

- Ref: 1 OPCL/NHEP/500/MPP/112 dated 29-08-2012  
Ref: 2 News paper cutting Tribune of 18 September 2012.  
3. Photograph of Weir -intake debris.

Dear Sir

Inviting ref to the above The civil and Electro -Mechanical works of the Project have been completed. Mechanical spinning has been carried out on 01-07-2012.

Request for extension of construction period to Nov 2012 for reasons beyond the control of the company have been made vide ref 1 above.

There has been intense rains / flash flood on 17/18 September 2012 and the weir intake area has been inundated with debris. The News paper report of rain is at ref 2 and photographs at ref 3. The removal of the debris from intake area would require additional time ..

In view of the above . It is requested that the scheduled completion time of 42 months from the date of signing the PPA.( 27.10.2006), be further extended to 31-12-2012

Yours faithfully,

for OM Power Corporation Limited

Authorised signatory

Copy to :-The Chief Engineer (Energy ) Shanti Bhawan, Phase III Shimla Shimla. - 171009

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## after heavy rain



near the Mint Secretariat in Una on Tuesday.

MUDA in Una town. The tal colonies near Rakkar may have almost choked natural drains of the area. Residents of Rainsan village in from Una town, also reported damage to crops and structure due to water of a let entering their fields. Kumar of the village said fields had been inundat-

ed due to the negligence of PWD officials. Though the IPH authorities had cleared the rivulet, the PWD authorities did not clean the muck that had gathered under the bridge on the Una-Amb highway.

IR Karwal, DC, said immediately about Rs 15 lakh was given to people whose houses were inundated.

## es of Tali residents

ame totally inhabitable. All the 14 families of the age, comprising 80 persons, were now living in tents provided by the district administration in the worst area near Khudianing heavy rain and lack basic amenities. Since the primary vocation of villagers was animal husbandry, they were surviving in same tents along with their domestic animals. The Power Department had handed an amount of Rs 5 lakh from the district administration for giving temporary power connections to displaced residents.

The DC said the district administration provided tents free of cost to the displaced.

Besides, they were provided Rs 5,000 per family as an ex-gratia grant. The damage to their houses was also assessed earlier and displaced villagers were provided financial grant ranging from Rs 30,000 to Rs 60,000.

The DC also admitted that since the entire village area was sinking and was not fit for rehabilitation, the residents would have to be provided alternative land for houses.

The process for identification of land had already been started, he added.

## Rohtang Pass receives snowfall

MC THAKUR

MANALI, SEPTEMBER 18

The 13,050-ft-high Rohtang Pass, gateway to the Lahaul-Spiti valley, today experienced season's first snowfall, while lower parts of the region were lashed by heavy rain, causing a sharp fall in temperature.

The entire higher reaches of the Manali region, including the Pir Panjal ranges, the Hamta Pass, Bhirghu slopes and the Beas Kund, also had fresh snow.

Due to fresh snowfall in the entire higher reaches in the Manali region, wintry conditions made people take out their woollens.

Sources in the Border Roads Organisation (BRO) said the 4,883-m-high Baralacha Pass on the Manali-

Leh highway also experienced fresh snowfall today.

The Himachal Road Transport Corporation has suspended its bus services on the 475-km-long Manali-Leh highway.

Vehicular traffic on the Manali-Kaza road in the Spiti Valley has also been disrupted due to fresh snowfall at the Kunjum Pass.

According to Himachal Road Transport Corporation, all buses plying to the Lahaul valley, including Keylong, Udaipur, Bhrikunah, Jalma and Darcha from Manali, has suspended today.

Continuing spell of heavy rain and fresh snowfall on the entire higher reaches of Lahaul-Spiti and Kullu valley, have also disrupted adventure, tourism-related activities.

## Heavy rain lashes Kangra valley

ASHOK RAJ

KANGRA, SEPTEMBER 18

The Kangra valley has been lashed by heavy rain since last night coupled with fog and a mild snowfall, a first of the season, on the Dhauladhar mountain range overlooking the lush green Kangra valley and dropping the temperature considerably.

The rain started last night and continued till this afternoon. Kangra town received 80 mm of rain during the past 24 hours. Life was thrown out of gear following the rain, and traffic was also disrupted on some link roads.

Mercury dropped considerably following the first mild snowfall on the Dhauladhar

Most people remained indoors due to the heavy rain today. Vehicles were forced to move with headlights on as it was an evening-like situation in the morning.

Rain also lashed the Palampur, Mahabaleshwar, Yamunotri, Shahpur, Kangra, Kolla, Dehra and Rajaul areas.

Most drains in the valley were swollen and overflowing with rain. School-going children had also faced the wrath of rain.

Nawada's marriage season is at its peak and the incessant and unprecedented rain with mild cold in the valley has put families to inconvenience.

EDV

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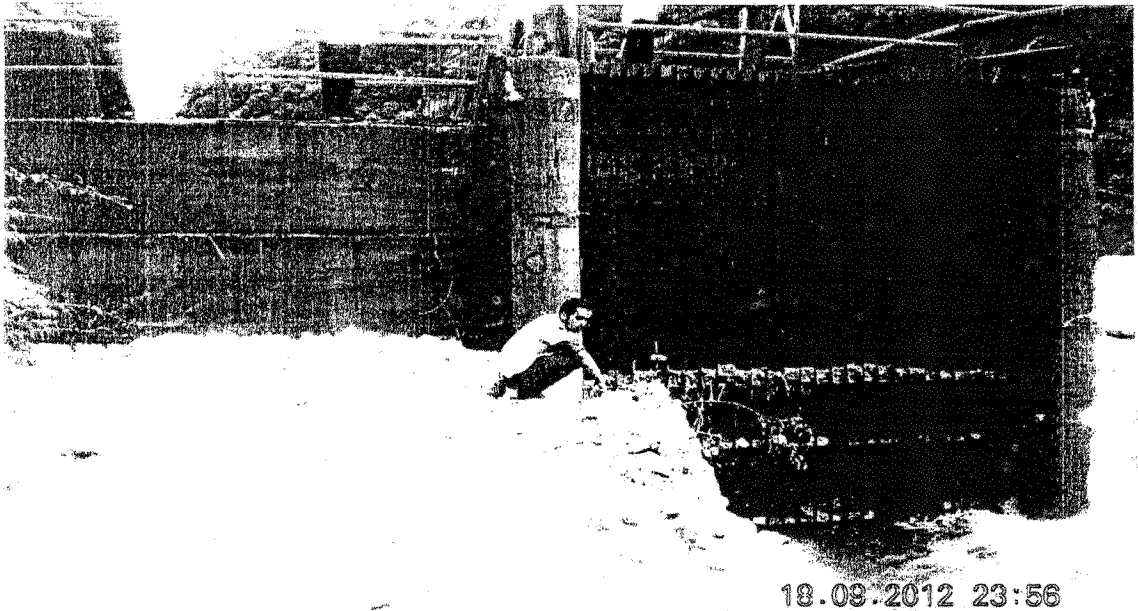
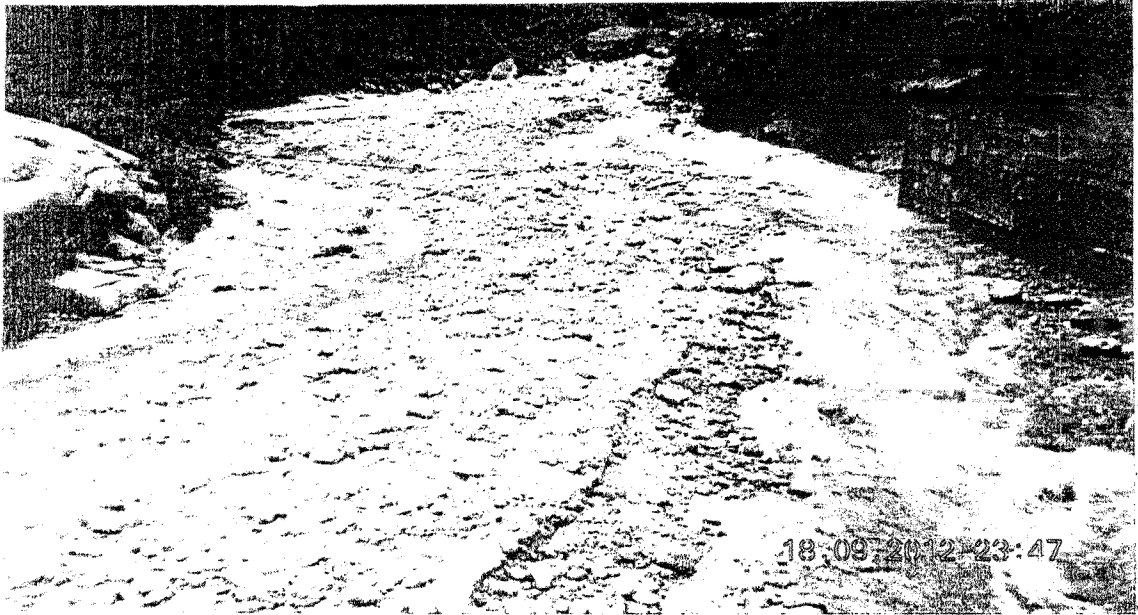
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सितारा बाद दोपहर तक पेट को अपसैट रखेगा, इसलिए उन वस्तुओं का इस्तेमाल न करें जो पेट के लिए ठीक न हो मगर बाद में आम सितारा सुधरेगा।

बाद दोपहर तक दोनों स्त्री-पुरुष को बहुत संभल-संभल कर रहना चाहिए तकि वे किसी समय असहज स्थिति में न फंस जाएं मगर बाद में भी समय ढीला होगा। बेहद तरी होगी।

सितारा बाद दोपहर तक टीवाइसलिए किसी अज्ञात डर के कारण आप मनसिक तौर पर परेशान तथा अपसैट रह सकती है, सतान का रवैया भी कुछ नकारात्मक-सा रहेगा।

बाद दोपहर तक अपने मन पर कंट्रोल रखें क्योंकि बुद्धि गलत कामों की तरफ भटकती रह सकती है, सतान का रवैया भी कुछ नकारात्मक-सा रहेगा।

सितारा बाद दोपहर तक जमीनी कामों में पैरोवरियां प्रेदा करने वाला मगर बाद में महर मोर्चे पर कठम बढ़त की तरफ रहेगा, अर्थ दशा कम्फर्टेबल रहेगी।

बाद दोपहर तक कामकाजी भगीदारों के नेगेटिव रुख के कारण आम कामों में आप पैरोवरियां सहसूस कर सकते हैं, मगर बाद में बेहद तरी होगी। धूप बढ़ेगी।

बाद दोपहर तक कामकाजी सफर न करें क्योंकि सितारा कारोबारों मोवी पर परेशानी रखने वाला मगर बाद में कामकाजी वीड-धूप बढ़ेगी।

बाद दोपहर तक कामकाजी किन्हीं वजह कोह तो उसमें पेशा होगी मगर बा मोर्चे पर बेह सकती है।

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# न्यूनाल खइड नै वर्षों बाद बदला रूप कांगड़ा व ज्वाली में यातायात नियमों को लेकर बैठकों

**पालमपुर, 21 सितम्बर, (भुपु):** वर्षों बाद न्यूनाल की धारा में बदलाव आया है। खइड की जलधारा ने कंडी पुल को पार करते ही अपना बहाव बदल लिया है। 18 सितम्बर को भारी बारिश के बाद खइड में पानी का स्तर काफी बढ़ गया था। खइड के बैंड के गहरा होने के कारण बहाव में बदलाव आया है। खइड में पानी के बहाव में बदलाव के परचात अब धारा लगभग 50 मीटर जाई और से बहने लगी है जबकि इससे पूर्व खइड का बहाव मध्य में था। इससे कुछेक कुहलों के अस्तित्व पर भी खतरा मंडराने लगा है। इन कुहलों में पानी की आपूर्ति बनाए रखने के लिए रैड नर सिर से बनाना पड़ेगा।

न्यूनाल के बहाव में परिवर्तन होने से कुहलों में पानी की आपूर्ति प्रभावित हुई है। कुसमल, कुहल के हेड को नर सिर से बनाना पड़ेगा ताकि कुहल में पानी की मात्रा सुचारु बनी रहे। - जगदेव टाकुर, सहायक अभियंता आई.सी.एच. विभाग

विक्रमी संवत् : 2069, आश्विन प्रतिके : 7, शुक्रवार शुक्र संवत् : 1934, दिनांक : 31 (शुक्रवार), हिजरी

21 सितम्बर 2017, अम्बिका

कांगड़ा/ज्वाली, 21 सितम्बर (कालड़ा/ज्वाली): यातायात नियमों पर प्रशासन और सख्ती करने जा रहा है। इसके चलते आज कांगड़ा और ज्वाली में बैठकें हुईं।

बैठकों में कहा गया कि क्षेत्रों में न अवैध खनन बंदरूत किया जाएगा न ही ओवरलोडिंग। ज्वाली में एच.डी.एम. सुरेश जसवाल ने प्रेस वार्ता के दौरान कहा कि यातायात नियमों को अवहेलना को कड़ाई बंदरूत नहीं किना जाएगा और जो कोई भी यातायात नियमों की अवहेलना करता पकड़ाया उसके खिलाफ सख्त कार्रवाई अमला में लाई जाएगी।

उन्होंने कहा कि वाहन चालक संबंधित कागजात अपने साथ रखें। उन्होंने कहा कि अवैध खनन माफिया पर शिकंजा कसा जाएगा और जो कोई भी अवैध खनन करता पाया गया उसके खिलाफ कानून के तहत सख्त कार्रवाई की जाएगी।

दसरी और आज कांगड़ा बस अड्डा



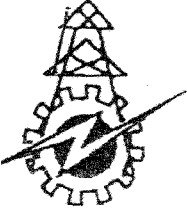
कांगड़ा: यातायात नियमों को लेकर तुलाई बैठक की अध्यक्षता करते डी.एस.पी. कांगड़ा दिनेश कुमार।

में स्थित टैफिक चौकी पर एक बैठक डी.एस.पी. दिनेश शर्मा की अध्यक्षता में हुई जिसमें निजी बस मालिकों के साथ ज्वाली व परित्वाली के भी भाग लिया। डी.एस.पी. ने कहा कि बसें पर ओवरलोडिंग कतई न की जाए और अगर कोई ओवरलोडिंग

करता पकड़ा गया तो सख्त कानूनी कार्रवाई होगी। साथ ही उन्होंने ज्वाली को मोटर व्हीकल एक्ट की तथा सड़क सुरक्षा के बारे जानकारी प्रदान की। उन्होंने ज्वाली को हिदायत दी कि नशा करके वाहन न चलाए।

जु हिंदु जस र

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Jai Mata Vindhya Vasini

# OM POWER CORPORATION LIMITED

Neogal Hydro Electric Project (15 MW)  
Vill. Bundla, P.O. Nachhir, Palampur, Distt. Kangra (H.P.) -176 061  
Contact Nos. : 9318830774, 9318015151, 9318570009 e-mail : site@omhydropower.com

Ref No:-OPCL/NHEP/Revenue/500

Dated: - 14-04-2012

To

The Sub Divisional Magistrate,  
Palampur Distt Kangra (H.P).

Subject: Compensation for delays and financial losses from 06 March onwards due to stoppage of work by village Pradhan of Thala Panchyat.

Ref :-

1. Dehan substation interconnection vide ref no HPSEB (SECTT)/CE(PSP) Neogal 2009-587 dated 27-08-2009.
2. Approval of Transmission line from Neogal HEP to Dehan substation vide ref no HPPTCL/interconnection/2010-2108 dated 14-07-2010
3. Essentiality certificate vide HPDOE/CE(energy)/EC/Neogal/2011 -6288-92 dated 22-11-2011
4. Our letter vide ref OPCL/NHEP/PLP/80 dated 27-02-2012.
5. Notification 8.2.3 of MPP -F(10)-24/2011 dated 05 Oct 2011.

Dear Sir

Inviting ref to the above. Neogal HEP is a 15MW Project being constructed by M/s Om Power Corporation limited in accordance with PPA with HPSEB dated 27 October 2006. The interconnection point for the same been allotted at Dehan substation vide ref 1 above. The transmission line route for the same has been approved by HPSEB vide ref 2 above. Essentiality certificate has been issued by HPSEB vide ref 3 above.

This is to bring to your notice that stringing work from Chainage 1800 to 2400 and 3600 to 4200 has been stopped by the Panchyat Pradhan of Thala Panchyat w.e.f 06 March 2012 onward. The following the financial losses to the company.

Sr No	No of Labour	Rate per day	Amount Per Day	No of days	Amount
1	45 Labour	300	13500	39	526500.00

It is requested that the amount be recovered from the panchayat/adjusted from the LADA dues.

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O/O Chief Engineer(Op) North, HPSEBL, Dharamshala  
Phone No. 01892-224907 Fax No. 01892-224972

Save Energy For The Benefit of Self & Nation  
Himachal Pradesh State Electricity Board Ltd.  
(A State Government Undertaking)

No. 200829/Kangra/2012- 9859

Dated: 30/08/2012

To

The Superintending Engineer,  
Operation Circle, HPSEBL,  
Kangra.

Sub.- Deposit estimate for adjacent sharing of 33 KV Baner-Dehan feeder with 33 KV OM hydro power line, near 132 KV Sub Station Dehan under Electrical Sub Division No.II, HPSEBL, Palampur.

Ref.- Your office letter No. 230829/Palampur/2012- 8234-35 dated 23.08.2012

The captioned subject estimate received vide letter under reference was further submitted to Chief Engineer (Comm.), HPSEBL, Shimla for approval/ vetting vide this office letter No. 200829/Kangra/2012- 9477-78 dated 25.08.2012 which has been received back vide letter No. HPSEBL/CE(Comm)/S-23/2012- 10415 dated 28.08.2012 (copy enclosed) & is returned herewith technically checked for ₹ 37,24,820/- only.

As per instructions received from the Board vide Chief Engineer (P&M), HPSEB, Shimla letter No. HPSEB(Sectt) 407-1(SML)/2009- 81139-59 dated 21.11.2009 and as per consent given by M/s Om Power Corporation Ltd. Neogal HEP (15 MW) vide affidavit dated 18.08.2012 and 25.08.2012, approval is hereby accorded in favour of above IPP to execute the work themselves completely including procurement of material required for the purpose from the approved vendors of HPSEB Ltd. and confirming to HPSEB Ltd. specifications under the supervision of HPSEB Ltd. authorities/ site Engineers by depositing the supervision charges with HPSEB Ltd. subject to the following terms and

conditions:-

The work shall be executed by the IPP himself completely under the supervision of HPSEB Ltd. representative/ Engineer-in-charge.

All drawings/ GTPs of material shall be got approved from the Superintending Engineer, Operation Circle, HPSEBL, Kangra and accordingly the material shall be got inspected/ approved at vendor's premises before procurement from HPSEB Ltd representatives/ Engineer-in-charge.

A.O.  
The forwarding file  
is in the file  
of 200829/Kangra/2012- 9859

2007  
30/8/12  
ii)

273

2

- iv) The IPP is required to deposit supervision charges amounting to ₹ 4,23,653 - only on account of D.C., Service Tax and Inspection charges as per estimate before execution of the work.
- v) The following undertaking will be obtained from the consumer and attached with the estimate.
- a. That the consumer is ready to execute the work at their own i/c procurement of material under the supervision of HPSEBL and would deposit supervision charges.
- b. That the consumer shall pay difference in the amount as per HPERC regulations as per final cost of work. The undertaking shall be duly authenticated by Class-I Magistrate.
- vi) The HPSEBL is at liberty to use the assets for its own use for release of power to other consumers.
- vii) The shut down will not be allowed during the visit of VIP's in the area.
- viii) The intimation for execution of work shall have to be informed to HPSEBL well in time so that shut down schedule can be prepared and informed to effect public.
- ix) HPSEB Ltd. shall not be responsible for any fatal/ non-fatal accident.
- x) If any damage occurs to HPSEBL property during execution, the entire cost of the same shall be borne by consumer.

D.A:- As above

Chief Engineer (OP) North.  
HPSEBL, Dharamshala.

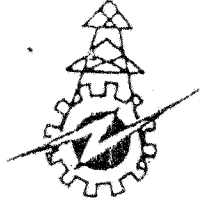
No. 230229/Delampur/2012 - 8663 dt 30/8/12  
Copy of the above along with enclosure is forwarded  
to Sr. Xen (E) Dm. HPSEBL, Delampur for information  
& necessary action please.

DA  
Completed case.

Superintending Engineer  
(OP) Circle H.P.S.E.B.  
Kangra

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Ref-No-13



Jai Mata Vindhya Vasini

# OM POWER CORPORATION LIMITED

Neugal Hydro Electric Project (15 MW)  
Vill. Bundla, P.O. Nachhir, Palampur, Distt. Kangra (H.P.) -176 061  
Contact Nos. : 9318830774, 9318015151, 9318570009 e-mail : site@omhydropower.com

Reference No: OPCL/NHEP/500/MPP/125

Dated: 16-12-2012

To

The Principal Secretary,  
MPP and Power,  
Govt of Himachal Pradesh  
Shimla -171001

Dear Sir,

Subj: Neugal HEP- Extension of construction period to March 2013- Reg

Ref: 1 OPCL/NHEP/500/MPP/121 dated 21-9-2012

Ref: 2 Legal notice by private land owner

Dear Sir

In view of ref to the above. The civil and Electro -Mechanical works of the Project have been completed. Mechanical spinning has been carried out on 01-07-2012.

Request for extension of construction period to December 2012 for reasons beyond the control of the company have been made vide ref 1 above.

Completion of transmission line is pending due to Right of way problem and litigation by private land owner and tea estate crossing near dehan substation.

In view of the above . It is requested that the scheduled completion time of 42 months from the date of signing the PPA.( 27.10.2006), be further extended to 31-3-2013 for reason beyond control of company.

Yours faithfully,  
for OM Power Corporation Limited

Authorised signatory

Copy to -The Chief Engineer (Energy ) Shanti Bhawan, F

UIJ sector -6 New C

SL PALAMPUR (176061)  
B RE7362564181IN



SL PALAMPUR (176061)  
B RE7362564181IN  
Counter No:2,OP-Code:PA16  
To:CHIEF ENG.,DTE OF ENERGY



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RAMES समन वारंट करारवाद अमूर तनकीहि तलव VORO PUMER दीवानी फार्म नं०  
LTD.

बअदालत

(आर्डर 5, कायदा 1 व 5)

1. 11/12/2018 (स. मुकदमा नं०) बाबत साल  
PALAMPUR, DIST. KARWAR (H.)

Oom Hydro Pumper Ltd. Vellage Bera'le, P.O. मुददई ।  
Machraon Tehsil Palampur, Dist. Karwar through  
The Managing Director (P.O.) मुद, वालिय ।

बनाम

हरगाह Benefit ने-आपके नाम एक नालिश बाबत CS

के शायर की है, लिहाजा आप को हुक्म होता है कि आप बतारीख 09 माह 9  
सन 200, ई० बबयत 10/5 बजे दिन क असालतन या मार्फत वकील के जो मुकदमा के हालात से करार वाकई  
वाकफ किया गया हो और कुल अमूरत अहम मुतलका मुकदमा का जवाब दे सके या जिसके साथ कोई और शख्स हो  
कि जो जवाब ऐसे सवालात का दे सके हाजिर हो और जवाबदेही दावा की करे और आप को लाजिम है कि उसी रोज  
जुमना दस्तावेजात पेश करे जिन पर आप बतारीख अपनी जवाबदेही के इस्तदलाल करन; चाहते हों ।

आपको इत्तला दी जाती है के अगर बरोज मजकूर आप हाजिर न होंगे तो मुकदमा बगैर हाजरी आप के मसमूह  
और हैसला होगा ।

बसवत मेरे दस्तखत और माहर अदालत के आज बतारीख 9/10/18 माह सन् 200.....ई० को  
जारी किया गया ।

नाम अदालत  
नम्बर मुकदमा  
नाम फ्रीकन

C/A

इत्तला

*[Signature]*

- (1) अगर आप को यह अदेशा हो कि आपके गवाह अपनी मर्जी से हाजिर न होंगे तो आप अदालत हजा से समन बईमुराद जारी कर सकते ह कि जो गवाह हाजिर न हो वह जबरन हाजिर कराए जाएं और जिस दस्तावेज को किसी गवाह पेश कराने का आप इस्तेहकाक रखते हैं वह उससे पेश कराई जाए बशर्ते कि आप खर्चा जरूरी अदालत में दाखिल करके इस अमर की दरख्वास्त गुजारने ।
- (2) अगर आप मुताबका मुददई को तम्तौम करते हैं तो आप को लाजिम है कि रुपया मय खर्चा नालिश अदालत में दाखिल करें ताकि कार्रवाई इजरार्य डिग्री का जो आप की जगत या माल दरसूरत जरूरत दोनों पर ही करना न पड़े ।

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Page 207

दीवानी फार्म नं० 1  
Aditya Vishal - General Manager Om

समन बगरज कतई इनफसान मुकद्दमा करारदाद अमूर तनकी तलब

(आर्डर 5, कवायद 1 व 5, मजमूआ जाव्ता दीवान्)

Note  
affixation as per

Civil Judge (Sr. Division) (I).

PALAMPUR, Distt. Kangra (H.P.)

मुकद्दमा नं० 1510204/12

बाबत सन् 20 12

श्री  
सकना  
मूहई !  
Om Power Corporation Ltd. through  
श्री  
बनाम  
Machher, Tehsil Palampur.  
श्री  
बनाम  
Machher, Tehsil Palampur.

22/8/12  
5/9/12

हरगाह श्री Plancher ने आपके नाम एक नालिश बाबत के दायर की है लिहाजा

आपको बजरिया तहरीर हुआ हुक्म होता है कि बतारीख 26 माह 7 सन् 20 12 ई० तक

किवल दोपहर असावतन या पार्फत वकील जो मुकद्दमे के हाजत से करार वाकई वाकफ किया गया हो और जो कुल अमूर अहम मुत्तलका मुकद्दमे का जवाब दे सके या जिसके साथ कोई और शख्स हो जो जवाबात ए से सवालात का दे सके, अदालत हुआ हाजर हो और जवाबदेही दावे की करे और हरगाह वही तारीख जो आपकी हाजरी के लिए मुकरर है वास्ते इनफसान कतई मुकद्दमा के तजवीज हुई है पस आपको लाजिम है कि उसी रोज अपने जुमला गवाहों को पेश करें जिनकी शहादत पर आप इस्तदलाल करना चाहते हों। आपको लाजिम है कि जुमला दस्तावेजात जिन पर आप बताईद अपनी जवाबदेही के इस्तदलाल करना चाहते हों उसी रोज पेश करें वाजे रहे कि अगर सबरोज मजकूर आप हाजिर न होंगे तो मुकद्दमा बागै हाजरी आपकी मनसूख और फैसला होगा।

इसन्त मेरे दस्तखत और मोहर अदालत से आज बतारोख 27 माह 6 सन् 20 12 ई० जारी किया गया।



Superintendent G-II (Class - II)  
to Civil Judge (Sr. Division) (I),  
PALAMPUR, Distt. Kangra (H.P.)

इसला

1. अगर आपको यह अन्देशा हो कि आपके गवाह अपनी मर्जी से हाजिर न होंगे तो आप अदालत हुआ से समन इस मुराद से जारी करा सकते हैं कि जो गवाह न हाजिर हो वह जवाब हाजिर कराया जावे और जिस दस्तावेज को किसी गवाह से पेश कराने का आप इस्तेहकाक रखते हों वह उसे पेश कराई जावे वगैरे कि आप खर्चा जल्दी अदालत में दाखिल करके इस अमर की दरखास्त यजगरतो।

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RESUBMITTED

Vivek Katoch - Om Hydro Power Co.

सम्पन बनाम मुद्दालय बिनावर हाजरी असालतन वर्गर्ज इनफिसाल मुकद्दमा

अदालत	मुकद्दमा	फरीकन
नाम	नम्बर	नाम

(आर्डर 5, कायदा 3)

ब अदालत मुकद्दमा नम्बर बावत सन् 20 ई0

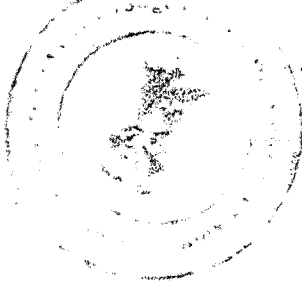
The Om Hydro Power Corporation  
Village Machhi  
Palampur Distt Kangra through the  
Office in charge

वनाम साकिन

हरगाह Plaintiff ने आपके नाम एक नालिश बाबत CS के दायर को है निहाजा  
आपका हुकम दिया जाता है कि आप बतारीख 5 माह 19 सन् 19 ई0 बवक्त  
दिन के अदालत हजा में असालतन हाजिर हो और जबाबदेही दावा को कर और हरगाह वही तारीख जो आपको हाजरी के  
लिए मुकरर है बास्त इनफिहाल कतई मुकद्दमा के तजबीज हुई है। यस आपको लाजिम है कि उसी रोज अपने जुमला  
गवाहों को हाजिर करें नीज जुमला दस्त जिन पर आप बताईद अपनी जबाबदेही के इस्तदलाल करना चाहते हैं  
उसी रोज पेश करें

आपका इत्तला दी जात है कि अगर बराज मजकूर आप हाजिर न होंगे तो मुकद्दमा बगैर हाजरी आपके मसमूह और  
फिसला होगा

बसबत मेर दस्तखत और मोहर अदालत से आज बतारीख 21/11/19 माह सन् 20 ई0  
जारी किया गया



Handwritten signature and stamp of the court.

इत्तला

(1) अगर आपको या अन्देशा हो कि आपके गवाह अपनी मर्जी से हाजिर न होंगे तो आप अदालत हजा से सम्पन  
थई मुगद जारी करा सकते हैं के जो गवाह हाजिर न हो वह जबरन हाजिर कराया जाए और जिस दस्तावेज को किसी गवाह  
से पेश कराने का आप इस्तेहकाक रखते हैं वह उससे पेश कराई जाए बशर्ते कि आप खर्चा अदालत में दाखिल करके इस  
अमर को दरख्वास्त गुजारने

(2) अगर आप मुतादाका मुद्दई को तसलीम करते हे तो आपको लाजिम है कि रुपया मय खर्चा नाखिशा अदालत में

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NO 2435407

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**Himachal Government Judicial Paper**

IN THE COURT OF CIVIL JUDGE (SR. DIVISION ) PALAMPUR ,DISTRICT KANGRA ( H P)

Vivek Katoch son of late Sh. Sita Ram resident Bimla Niwas Village Ghuggar Tanda, Post Office Palampur ,Distt. Kangra (HP) through his General Power of Attorney Mr. Rajeev Kapoor son of Shore Lal resident of Ward No.4, Palampur, Tehsil Palampur ,Distt. Kangra (HP).

.....Plaintiff

-Vs-

1. The Om Hydro Power Corporation Ltd. Plot No 705 Lakshmi Niwas Road No.3 Banjara Hillis Hyderabad through its Director
2. The Om Hydro Power Corporation Ltd. Village Nachhir, Post Office Bandla, Tehsil Palampur, District Kangra (HP) through The Office in Charge,
3. The Om Hvdrc Power Corporation Ltd. Village Nachhir, Post Office Bandla, Tehsil Palampur, District Kangra (HP) through its Authorised Signatory Mr. Parmodh Singh son of Late Ram Singh.

.....Defendants

SUIT FOR GARNT OF DECREE OF MANDATORY IINJUNCTION IN favour of the plaintiff and against the defendants directing the cefendants.to remove electric polls erected on the land comprising in Khata No 11 min, Khatuni No. 11 min ,Khasra No.42 total land measuring 0-25-50 herits situated at Mohal Kabat, Mauza Kandi, Tehsil Palampur, Distt. Kangra (HP) which is owned and possessed by the plaintiff along with another share holder and recorded as such In the Jamabandi for |year 2010-11 and with PERMANENT AND PROHIOBITROY INJUNCTION in favour of the plaintiff and against the defendants directing the defendant to do away with installing any electric wires and transmit electricity through these polls located on the suit land.

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NO 2435406

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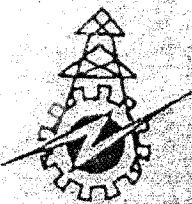
## Himachal Government Judicial Paper

7. That in the month of July the defendants through its authorized signatory Mr. Parmod Singh served reply to the legal notice in which the defendants claimed that they have entered into an agreement with Mr. Vijay Kumar and said Vijay Kumar allowed the defendants to erect stay steps for the 33 KV line from Om Power House Surdi to 132 KV Sub-Station Dehan. The copy of the reply of the notice along with postal letter is attached herewith.
8. That the defendant have claimed that the suit land is partition in between the Vijay Kumar and Ajay Kumar and they are in separate possession but in fact Ajay Kumar is nowhere is recorded as co-share in the revenue papers the suit land is owned by the Plaintiff to the extent of one half share and one half share is owned by Mr. Vijay Kumar and recorded as such in the revenue record and that since suit land is joint between the shareholders there is no question to division of share as per the version of the defendants.
9. That Mr. Vijay Kumar is one of the share holder to extent of half share and is not competent nor authorized to grant any permission to erect polls and lay electric wires in the suit land further more the polls are erected from one corner to another and wires would pass directly over the whole of the plot from one corner to another and since it is 33 KV line which is high tension wires, it will destroy the whole of the land from its use and construction plan of the plaintiff shall be foiled
10. That since the suit land is joint between the share holders and not partitioned in any manner and Ajay Kumar is the shareholder in the suit land the defendants have fabricated a false story to save its skin however the Vijay Kumar and Ajay Kumar are not the Share holders in the suit land in any manner the suit land is joint in between the plaintiff and one Vijay Kumar and whatever the construction is done on the suit land is altogether is illegal, wrong and without any right and titled.
11. That the suit land is situated Mohal Kabat, Mauza Kandi, Tehsil Palampur, Distt. Kangra (HP) which is within the ordinary and original jurisdiction of the Hon'ble court and the Hon'ble court has jurisdiction to entertain and try this suit.
12. That the suit has been properly valued for the purpose of court fee and jurisdiction of the Hon'ble court.

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~~Ref No - 7~~

Ref No - 14



Jal Mata Vindhya Vasini

# OM POWER CORPORATION LIMITED

Neogal Hydro Electric Project (15 MW)  
Vill. Bundla, P.O. Nachhir, Palampur, Distt. Kangra (H.P.)-176 061  
Contact Nos. : 9318830774, 9318015151, 9318570009 e-mail : site@omhydropower.com

Reference No: OPCL/NHEP/500/2013-49

Dated: 10-01-2013

To  
Honorable Chief Minister,  
Govt of Himachal Pradesh,  
Shimla -171001.

Dear Sir,

Sub: Representation for construction of 690 mtr joint Transmission line Sanctioned by HPSEBL near Dehan Substation, Palampur.

Ref: 1HPSEBL letter 234845/DB/2011-12:14223-24 dated 17-02-2012.  
Ref: 2HPSEBL letter 200829/kangra/2012-9859 dated 30-08-2012.

Dear Sir

The following is submitted for kind consideration of the Honorable Chief Minister  
Company has completed Civil and Electro-Mechanical works of the Project and Mechanical spinning has been carried out on 01-07-2012, under very challenging site conditions. Commissioning of project is pending ROW issues near Dehan Substation, Palampur. There is loss of revenue to state due to delay in transmission line works.

Company has paid departmental charges vide ref 1 above and transmission line works is being undertaken under supervision of HPSEBL. Company represented and obtained approval of HPSEBL vide ref 2 above for sharing of existing 33 kv HPSEBL line near Dehan Substation Palampur. Company is bearing cost of material and erection charges for the same. This stretch of 690 meters joint line needs to be completed by HPSEBL for commissioning of the project. Work has been unduly delayed due to local problems !

Blessing of the Honorable Chief Minister is sought for directive to HPSEBL for completion of sanctioned joint Transmission line using existing ROW corridor near Dehan Substation with support of local administration to facilitate speedy commissioning of project and evacuating power for benefit of the state.

Yours faithfully,

for OM Power Corporation Limited

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Jai Mata Vindhya Vasini

# OM POWER CORPORATION LIMITED

Ref No :- OPCL/NHEP/SDM/500/67

Dated:- 14-03-2013

To  
The Sub Divisional Magistrate,  
Palampur, Distt Kangra(H.P).

Subject: - Administration support for facilitating line crossing-Neogal HEP  
15MW.

Dear Sir

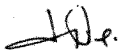
Inviting ref to the above. HPSEB has accorded grid shutdown on 15<sup>th</sup>  
March 2013 for HPSBEB LT line and Astha 33 kv lines for completion of  
Neogal HEP 33 Kv D/c line to Dehan under supervision of HPSEB .

It is requested that police support be provided at Pathankot to Mandi  
Road near railway fatak Thakurdwara for traffic regulation during line  
crossing for 11:30 hrs to till completion on 15<sup>th</sup> March 2013.

Thanking you.

Yours Faithfully

For Om Power corporation Ltd



Authorised signatory

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~~Ref No-8~~  
Ref No-15

*Save Energy for the Benefit of Self & Nation*  
**HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED**  
(A State Government Undertaking)

NO:HPSEBL/CE(Comm.)/PSP/Neogal/2013-14-4336-44 Dated :- 22/5  
To

1. Principal Secretary (Power),  
Government of Himachal Pradesh  
Shimla-170002.
2. The Chief Engineer (Energy),  
Directorate of Energy, GoHP,  
Phase-III, Sector-VI, Shanti Bhawan,  
New Shimla-171009 (HP).
3. Director,  
Himurja, Urja Bhawan,  
Kasumpti, Shimla-171009

Sub : Commissioning & Achieving Commercial Operation in respect of Neogal  
HEP 15 MW.

Sir,  
Please refer to Superintending Engineer(Designs), Power House Electrical,  
HPSEB Ltd., Sundernagar, Distt. Mandi office letter No. HPSEBL/PHE/NEOGAL/2013-14-  
731-42 dated 10.05.2013 regarding synchronisation and commercial operation in respect of  
Neogal Power House on dated 06.05.2012.

Accordingly, both the units have been synchronised with the grid on the  
same day and commissioning tests conducted/witnessed in presence of an Independent  
Engineer. Hence the Neogal Power House (2x7.5 MW) be treated as commercially operative  
w.e.f. 06.05.2013 (A.N).

This is for your kind information please.

Yours faithfully,

Chief Engineer(Commercial),  
HPSEB Ltd., Vidyut Bhawan,  
Shimla-171004.

Copy of above is forwarded for information to:

1. The Chief Engineer(ES), HPSEB Ltd., Hamirpur.
2. The Superintending Engineer(Designs), Power House Electrical, HPSEB Ltd.,  
Sundernagar, Distt. Mandi.
3. The Superintending Engineer (SLDC), HPSEB Ltd., Totu, Shimla.
4. The Superintending Engineer (ES) Circle, Hamirpur.
5. The Chief Account Officer, HPSEB Ltd., Vidyut Bhawan, Shimla.
6. M/s. Om Power Corporation Limited, Vill. Bundla P.O. Nachaur,  
Palampur, Distt. Kangra(HP)-176061.

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HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED

No. HPSEBL/ CE (Comm)/PSP/Neogal/II/2013- 14928 - 22 Dated: 25/11/2012

To

M/s. Om Hydro Power Ltd.,  
Village Bundla, P.O. Nachhir,  
Tehsil Palampur, Distt. Kangra (HP)

Subject: Extension of Construction Period till 5<sup>th</sup> May 2013 & waiver of Liquidated Damages Charges


Reference: Your letter No. OPCL/NHEP/PLP/MPP/500/42, dated: 26/10/2013

Dear Sirs,

Please refer to your communication dated 26/10/2013 on the subject cited above. HPSEB Limited reiterates its stand already communicated to you vide letter of even file No. 8726-30, dated: 21/08/2013 on the issue of Force Majeure events. Nothing on record of this office indicates that you have intimated the Force Majeure events which occurred in 2007 and 2009 as per Article 12 of the Power Purchase Agreement within 5 days of their occurrence to this office. Further nothing on record of this office indicates that you have intimated the closure of the Force Majeure event to this office to ascertain the period for the purpose of delay in commissioning of the project. Your project has achieved CoD on 06/05/2013 as per record of this office and has been delayed for more than 180 days as per Power Purchase Agreement conditions.

Further, the extension in Implementation Agreement till 05/05/2013 does not absolve you to deposit Liquidated Damages charges as per clause 16.2 of the Power Purchase Agreement. Hence your claim for delay on account of Force Majeure events and request for waiver of Liquidated Damages charges can't be considered. This is for your information please.

Yours Faithfully,

  
Chief Engineer (Commercial),  
HPSEB Limited, Vidyut Bhawan,  
Shimla-171004

Copy forwarded to the following for information w.r to this office letter of even file No. 8726-30, dated: 21/08/2013:

1. The Principal Secretary (MPP & Power), Govt of HP, Shimla w. r. to letter No. MPP-F(2)162002-II, dated: 07/11/2013 please.
2. Sr. PS to Managing Director, HPSEB Limited for information of the Managing Director please.
3. Sr. PS to Director (Op), HPSEB Limited for information of the Director (Op) please.
4. The Chief Accounts Officer, HPSEB Limited, Shimla-4

"Annexure - 0"

**C. RAMACHANDRAM & CO.**  
CHARTERED ACCOUNTANTS

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To  
The Director,  
Om Hydropower Ltd,  
#705, Lakshmi Nivas,  
Road No.3,  
Banjara Hills,  
Hyderabad -500034

Dear Sir,

Sub:- Certification of Project Expenditure  
Ref: - Your letter dated 25/11/2013

**CERTIFICATE**

This is to certify that we have verified the Books of Account of M/s OM HYDROPOWER LTD, Hyderabad and the following are the extracts under various heads of expenditure incurred by the company for their Power Project at Palampur, Kangra District, and Himachal Pradesh State as on May 05, 2013:

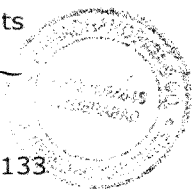
(Rs. in Lakhs)

S.No.	Description	Expenses Incurred Up to 05.05.2013
<b>CAPITAL EXPENDITURE (including capital advances)</b>		
1	Land	617.49
2	Civil Works	6902.51
3	Transmission Line	804.31
4	E & M works	2368.05
5	Preliminary & Preoperative expenses	847.16
6	Interest During Construction	3006.13
7	LADA	225.59
	<b>Total Project Cost</b>	<b>14771.24</b>

This Certificate is issued at the request of the Company for submitting to HPERC for filing Tariff revision petition.

For C Ramachandram & Co.,  
Frn.002864S  
Chartered Accountants

D.Premnath  
Partner  
Membership No. 207133



Place: Hyderabad  
Date: Nov 26, 2013

Attested  
J.P.P.

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"Annexure - P"

DIRECTORATE OF ENERGY  
GOVERNMENT OF HIMACHAL PRADESH  
SHANTI BHAWAN, PHASE-III, SECTOR-VI, NEW SHIMLA-171009(HP)

No. DOE/CE /TEC-Neogal/2013- 5432-30

Dated:- 19/8/13

To

M/S Om Power Corporation Ltd.,  
Plot No. 703, Sriniketan Colony,  
Road No. 3, Banjara Hills,  
Hyderabad-500034(AP)

Subject:- Detailed project Report (DPR) of Neogal SHP (15.00MW) in District Kangra, Himachal Pradesh - Completion cost estimate thereof.

Reference :- Your letter No-OPCL/NHEP/PLP/53 dated 10.05.2013.

Sir,

The Techno Economic Clearance (TEC) of Neogal SHP(15.00 MW) was accorded by Chief Engineer (PSP), HPSEB vide Office Order endorsement No. HPSEB(Sectt)/CE(PSP)/NGL/99-1102-08 dated 25-10-1999 and the revised cost estimate was approved vide this office letter No. DoE/CE(Energy)/TEC-NEOGAL/2010-2357 dated 13.09.2010.

The completion cost estimate of Neogal SHP (15.00MW) as submitted vide your letter mentioned under reference has been scrutinized in this office. The completion cost amounting to Rs 152.70 crore (Rupees one hundred fifty two crore seventy lac) only including Interest During Construction (IDC), Financial Charges(FC) and LADC @ 1.50% of total cost of the Project as detailed below is hereby approved with the following conditions.

Sr. No.	Description of works	Amount
(a)		(In Rs lac)
1.	Civil Works i/c other Misc Expenses	8544.24
2.	Electro-Mechanical Works	2560.00
3.	Transmission Works	814.00
	Sub Total (a)	11918.24
(b)		
1.	Interest During Construction (IDC)	3061.03
2.	Escalation	Nil
3.	Financial Charges (FC)	64.92
	Sub Total (b)	3125.95
	Total (a+b)	15044.19
(c)	LADC @ 1.50% of (a+b)	225.66
	Grand Total (a+b+c)	15269.85

Say Rs. 152.70 crore

(Rupees one hundred fifty two crore seventy lac only)

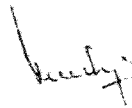
The cost of the project is indicative and shall have no binding on the regulator while fixing the tariff. The tariff of the project shall be regulated by the concerned Electricity Regulatory Commission.


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The completion cost as approved above is final and no further revision in the cost estimate will be considered by DoE, GoHP.

The other terms and conditions of the Techno Economic Clearance(TEC) accorded vide Office Order endorsement No. HPSEB(Sectt)/CE(PSP)/NGL/99-1102-08 dated 25-10-1999 shall remain the same.

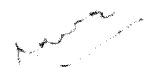
The detailed abstract of completion cost estimate is furnished at Annex-1.



  
Director,  
Directorate of Energy, GoHP  
New Shimla-171009(HP).

Copy to the Chief Engineer (Comm), HPSEBL, Vyduit Bahwan, Shimla-171004 for information and necessary action.



  
Director,  
Directorate of Energy, GoHP  
New Shimla-171009(HP).

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ANNEXURE-I

Neogal SHP (15.00 MW) in District Kangra, Himachal Pradesh of "M/S Om Power Corporation Ltd., Plot No. 703, Sriniketan Colony, Road No. 3, Banjara Hills, Hyderabad-500034(AP)".

ABSTRACT OF COMPLETION COST ESTIMATE  
(April, 2013 Price Level)

Sr. No.	Description of work	Civil Works (Rs. in lac)	E & M works (Rs. in lac)	Total Amount (Rs. in lac)
I	Direct Cost			
	I-Works			
1	A-Preliminary			
2	B-Land	98.32	-	98.32
3	C-Civil works & J-Power Plant civil works	620.43	-	620.43
3.1	Diversion Weir and Intake			
3.2	Desilting tank	1021.39	-	1021.39
3.3	Head Race Tunnel	416.09	-	416.09
3.4	Forebay Surge shaft	1642.74	-	1642.74
3.5	Penstock	215.52	-	215.52
3.6	Power House complex and Tail Race	1357.99	-	1357.99
3.7	Regulator (Gates, Trash racks, etc.)	582.61	-	582.61
4	K-Buildings	80.90	-	80.90
5	M-Plantations	64.00	-	64.00
6	O-Miscellaneous	10.00	-	10.00
7	P-Maintenance	291.00	-	291.00
8	Q-Special I & P	575.00	-	575.00
9	R-Communication (Roads and Bridges)	66.00	-	66.00
10	S-Power Plant	446.00	-	446.00
11	T-Transmission	-	2560.00	2560.00
12	X- Environment and Ecology	-	814.00	814.00
13	Y-Losses on Stock	251.85	-	251.85
	Total I-Works	-14.00	-	-14.00
		7725.84	3374.00	11099.84
14	Establishment Charges	725.47	-	725.47
15	V-Receipt and Recoveries	-15.00	-	-15.00
	Total Direct Cost	8436.31	3374.00	11810.31
II	INDIRECT COST			
a	Insurance Charges			
b	Audit and accounts charges	62.93	-	62.93
	Total Indirect Cost	45.00	-	45.00
	Total of Direct and Indirect Cost	107.93	-	107.93
	Interest During Construction (IDC)	8544.24	3374.00	11918.24
	Financial Charges (FC)	3061.03	-	3061.03
	Total Cost i/e IDC, Escalation and FC	64.92	-	64.92
	LADC @ 1.50 % of Total Cost	-	-	15044.19
	Grand Total	-	-	225.66
				15269.85
				Say Rs. 152.70 crore
				(Rupees one hundred fifty two crore seventy lac only)

*[Handwritten Signature]*

Director,  
Directorate of Energy, CoHP,  
New Shimla-171009(H.P).

*[Handwritten Signature]*



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OM HYDROPOWER LIMITED		Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26
Tariff Calculation of Generation Cost per U															
Particulars		15	15	15	15	15	15	15	15	15	15	15	15	15	15
Capacity MW															
Total Units Generated (Mu)	Mu	71.86	71.86	71.86	71.86	71.86	71.86	71.86	71.86	71.86	71.86	71.86	71.86	71.86	71.86
Less: Auxiliary Consumption	Mu	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72	0.72
Less: Transmission Losses	Mu	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Saleable Energy	Mu	70.64	70.64	70.64	70.64	70.64	70.64	70.64	70.64	70.64	70.64	70.64	70.64	70.64	70.64
Less: Free Power	Mu	14.84	14.84	14.84	14.84	14.84	14.84	14.84	14.84	14.84	14.84	14.84	14.84	14.84	14.84
Net saleable enrgy	Mu	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81
<b>Fixed Costs</b>															
O & M Charges	Rs Lakhs,	556.44	588.27	621.91	657.49	695.10	734.86	776.89	821.33	868.31	917.97	970.48	1,025.99	1,084.68	1,146.72
Depreciation	Rs Lakhs	106.35	106.35	106.35	106.35	106.35	106.35	106.35	106.35	106.35	106.35	106.35	106.35	106.35	106.35
Interest on Term Loans	Rs Lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Working Capital	Rs Lakhs	55.95	57.71	59.57	61.54	63.61	65.81	68.13	70.59	73.18	75.93	78.83	81.89	85.13	88.56
Return on Equity	Rs Lakhs	989.04	989.04	989.04	989.04	989.04	989.04	989.04	989.04	989.04	989.04	989.04	989.04	989.04	989.04
Total Fixed Cost	Rs Lakhs	1,044.99	1,046.75	1,048.61	1,050.58	1,052.65	1,054.85	1,057.17	1,059.63	1,062.22	1,064.97	1,067.87	1,070.93	1,074.17	1,077.60
<b>Per Unit Cost of Generation</b>															
O & M Charges		1.00	1.05	1.11	1.18	1.25	1.32	1.39	1.47	1.56	1.64	1.74	1.84	1.94	2.05
Depreciation		0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19
Interest on Term Loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Working Capital		0.10	0.10	0.11	0.11	0.11	0.12	0.12	0.13	0.13	0.14	0.14	0.15	0.15	0.16
Return on Equity		1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77
Total Cost of Generation		3.06	3.12	3.18	3.25	3.32	3.40	3.48	3.56	3.65	3.74	3.84	3.95	4.06	4.18
Discount Factor															
PV of Fixed Cost		0.30	0.27	0.24	0.22	0.20	0.18	0.16	0.15	0.13	0.12	0.11	0.10	0.09	0.08
Generic Levelised Tariff without Accelerated Depreciation	Rs/ Kwh	0.91	0.84	0.77	0.71	0.66	0.61	0.56	0.52	0.48	0.45	0.42	0.39	0.36	0.33



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		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
<b>Term Loan Interest Calculation</b>													
Term loan (Rs Lakhs)	10,650												
Capital subsidy			620.00										
<b>Repayment Installment</b>													
Opening Balance		10,650.24	9,762.72	8,875.20	7,987.68	7,100.16	6,212.64	5,325.12	4,437.60	3,550.08	2,662.56	1,775.04	887.52
Repayment during year		887.52	887.52	887.52	887.52	887.52	887.52	887.52	887.52	887.52	887.52	887.52	887.52
Closing Balance		9,762.72	8,875.20	7,987.68	7,100.16	6,212.64	5,325.12	4,437.60	3,550.08	2,662.56	1,775.04	887.52	(0.00)
Avg of balances		10,206.48	9,318.96	8,431.44	7,543.92	6,656.40	5,768.88	4,881.36	3,993.84	3,106.32	2,218.80	1,331.28	443.76
Interest amount		1,283.98	1,094.33	982.68	871.03	759.38	647.73	536.08	424.43	312.78	201.13	89.48	

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OM HYDROPOWER LIMITED														
Working capital requirement & interest calculations														
Particulars	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Total units Exported	59.34	59.34	59.34	59.34	59.34	59.34	59.34	59.34	59.34	59.34	59.34	59.34	55.81	55.81
Tariff as per HPERC guidelines	5.63	5.33	5.17	5.01	4.85	4.69	4.54	4.39	4.24	4.09	4.23	4.13	3.06	3.12
Annual turnover	3338.91	3162.12	3066.12	2971.16	2877.30	2784.60	2693.13	2602.97	2514.18	2426.85	2509.69	2448.20	1707.78	1741.37
Debtors	556.48	527.02	511.02	495.19	479.55	464.10	448.86	433.83	419.03	404.47	418.28	408.03	284.63	290.23
O & M Expenses	23.79	25.15	26.59	28.11	29.72	31.41	33.21	35.11	37.12	39.24	41.49	43.86	46.37	49.02
Maintenance of spares	42.82	45.27	47.86	50.59	53.49	56.55	59.78	63.20	66.82	70.64	74.68	78.95	83.47	88.24
<b>Total Working capital required</b>	<b>623.09</b>	<b>597.44</b>	<b>585.46</b>	<b>573.89</b>	<b>562.75</b>	<b>552.06</b>	<b>541.85</b>	<b>532.14</b>	<b>522.97</b>	<b>514.36</b>	<b>534.45</b>	<b>530.84</b>	<b>414.47</b>	<b>427.49</b>
Working capital Interest	84.12	80.65	79.04	77.48	75.97	74.53	73.15	71.84	70.60	69.44	72.15	71.66	55.95	57.71



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OM HYDROPOWER LIMITED												
Working capital requirement & interest calculations												
Particulars	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
	29	30	31	32	33	34	35	36	37	38	39	40
Total units Exported	Mu	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81	55.81
Tariff as per HPERC guidelines	Unit rate	4.57	4.72	4.87	5.04	5.21	5.39	5.59	6.01	6.23	6.48	6.73
Annual turnover	Rs Lakhs	2550.43	2632.22	2718.68	2810.09	2906.73	3008.90	3116.91	3231.09	3351.81	3479.44	3614.37
Debtors	Rs Lakhs	425.07	438.70	453.11	468.35	484.45	501.48	519.48	538.52	558.64	579.91	602.39
O & M Expenses	Rs Lakhs	112.91	119.37	126.20	133.42	141.05	149.12	157.65	166.67	176.20	186.28	196.93
Maintenance of spares	Rs Lakhs	203.25	214.87	227.16	240.16	253.89	268.42	283.77	300.00	317.16	335.30	354.48
Total Working capital required	Rs Lakhs	741.23	772.95	806.48	841.92	879.40	919.02	960.90	1005.18	1052.00	1101.49	1153.81
Working capital Interest	Rs Lakhs	100.07	104.35	108.87	113.66	118.72	124.07	129.72	135.70	142.02	148.70	155.76
												163.23

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IN THE COURT OF H.P. Electricity Regulatory Commission

Case No.....of 2012

IN RE:

M/s Om Hydro Power Limited .....Plaintiff/Appellant/Petitioner/Complainant

VERSUS

HPSEBL .....Defendant/Respondent/Accused

I/We KNOW ALL to whom these presents shall come that  
Dinesh Kumar authorised signatory for the above  
named Petitioner do hereby appoint

**Satyen Vaidya & Ajay Kochhar,**  
**Advocates**

- (i) **Top Floor, Surjan Mal Building, Lower Bazar, Shimla 171001, Himachal Pradesh**  
(ii) **81/1, Ground Floor, The Mall, Shimla 171 001, Himachal Pradesh**

to be the Advocate for the

above mentioned case, to do all following acts, deeds and things or any of them that is to say:-

1. To act, appear and plead in the above mentioned case in this Court or in any other Court in which the same may be tried or heard in first instance or in Appeal or Letters Patent Appeal or Revision or execution or in any either stage of its progress unit its final decision.
2. To present pleadings, Appeals, Letters Patent Appeals, Petition for Appeal to Supreme Court, Cross-objections or Petitions for execution, review, revision, withdrawal, compromise or other petitions or affidavits or other documents as may be deemed necessary or advisable for the prosecution of the said cause in all its stages.
3. To withdraw or compromise the said cause submit to arbitration any differences or disputes that shall arise touching or in any manner relating to the said cause.
4. To receive moneys and grant receipts thereof and to do all other acts and things which may be necessary to be done for the progress and in the course of prosecution of the said cause.
5. To employ and instruct any other Legal Practitioner authorising him to exercise the powers and authorities hereby conferred on the Advocate whenever he may think fit to do so.

And I/We hereby agree to ratify whatever the advocate or his substitute shall do in the premises.

AND I/We hereby agree not to be held the Advocate or his substitute responsible for the result of the said cause in consequences of his absence from the Court when the said cause is called up for hearing.

And I/We hereby agree that in the event of the whole or any part of the fee agreed by me/us to be paid to the Advocate remaining unpaid; he shall be entitled to withdraw from the prosecution of the said case until the same is paid up.

The above conditions have been read over and explained to me/us in Hindi vernacular which I admit to be correct and authorise to do above acts on my behalf in the Courts/Tribunal etc.

IN WITNESS WHEREOF I/We do hereinto set my/our hands to these presents the contents of which have been explained to me/us and understood by me/us this 30<sup>th</sup> day of December 2013.