

(To be executed on Non-judicial stamp paper worth Rs. 100/-)

**POWER PURCHASE AGREEMENT FOR BIOMASS
BASED POWER GENERATION PLANT**
(For Sale to M.P. Power Trading Co. Ltd., only)

THIS AGREEMENT made this _____ day of _____, 2008 at Jabalpur between **MP Power Trading Co. Ltd.**, being a Company incorporated as per the Companies Act, 1956 (No.1 of 1956), having its registered office at Shakti Bhawan, Rampur, Jabalpur (M.P.)- 482008 (hereinafter called "**MP TRADECO**", which expression where the context so admits shall include its executors, administrators, legal representative, successors in office and permitted assigns) of the **FIRST PART**.

AND

M/s.....
...being a Company registered under the Indian Companies Act, 1956 having its registered office at _____ (hereinafter called "**Company**", which expression where the context so admits shall include its heirs, executors, administrators, legal representatives, successors in business and permitted assigns) and their plant located at village _____ District _____ of Madhya Pradesh of the **SECOND PART**.

WHEREAS, Energy Department, Government of Madhya Pradesh vide notification dated 17th October, 2006 has introduced an incentive policy for encouraging generation of power in Madhya Pradesh through Non-conventional Energy Sources (Solar, Wind, Bio-energy, etc.).

AND WHEREAS, Madhya Pradesh Electricity Regulatory Commission (hereinafter called the "**Commission**") has issued tariff order dated 7.8.2007, for procurement of power from Biomass based Generation Projects in terms of the provisions of Section 86(1) (e) of Electricity Act, 2003 applicable to all Biomass based Generation Plant in the State of Madhya Pradesh commissioned on or after the date of issue of this order and intended for sale of electricity to the MP TRADECO within Madhya Pradesh. The tariff order dated 7.8.2007 shall form part of this agreement as **Annexure-I**.

AND WHEREAS, Madhya Pradesh Urja Vikas Nigam (State Nodal Agency) has granted permission to the Company for setting up MW Biomass based power generation plant at Village..... of District vide their letter No. dated for sale of power to MP Tradeco generated from aforesaid Biomass generation plant. The letter dated shall form part of this agreement as **Annexure -II**.

AND WHEREAS, the Company has set up _____ MW Capacity Biomass based Generation Plant at village _____ District _____ (MP) and the Company is willing to sell 100% of the energy generated from this plant (except for meeting the power

requirement of essential services related to above generation of Biomass energy) to the "MP TRADECO" from the date of Commissioning of Biomass based Generation Plant i.e. from, at the rates specified by the Commission in its tariff order dated 7.8.2007. A location map that identifies the site, the location of the Biomass Generation Plant, location of the point of delivery and the location of the point of interconnection facilities alongwith a single line schematic line diagram which may form part of this agreement as **Annexure-III & IV**.

AND WHEREAS subject to technical feasibility and distribution/ transmission availability, "MP TRADECO" has agreed to the proposal of the above Company and agreed to procure the power so generated from aforesaid Biomass Generation Plant at the rates specified by the Commission in its tariff order dated 7.8.2007, subject to other terms and conditions as mentioned therein.

NOW THIS AGREEMENT witnesseth and parties hereto have agreed as follows:-

1. "MP Power Transmission Company Limited (hereinafter called "TRANSCO")/ MP Poorv/ Pashchim/ Madhya Kshetra Vidyut Vitaran Company Limited(hereinafter called "DISCOM") shall allow the Company to interconnect and operate the Biomass Power Generation Plant in parallel with the grid of TRANSCO/ DISCOM (in the area of the location of the generating unit) system subject to the terms and provisions of this agreement. The Company shall be fully responsible for obtaining and maintaining the validity of any or all licenses and permissions required by law. The Company shall abide by any law, rules, regulations or any notification or order issued there under by the Central Govt. or State Govt. or Commission or Local Authority or any other Competent Authority prescribed under the law connected with the project of the Company.

a. The Company shall be fully responsible for the design, construction, testing, operation and maintenance of the Biomass Generation Plant in accordance with Standard Utility Practices, relevant technical standards and specifications.

b. As per incentives policy of the MP Govt. for non-conventional energy sources issued vide notification dated 17.10.2006, the power evacuation system shall be an integral part of the project and all expenses for power evacuation facility shall be borne by the Company.

c. The power evacuation infrastructure laid by the Company shall then be the property of the concerned licensee (Transco/ Discom) in whose territorial area the above lines are located notwithstanding the fact that the cost of the said infrastructure has been paid by the Company and the same shall then be maintained by the concerned licensee at its cost. ***However, the licensee cannot deny the Company to inject additional power at the point of interconnection near to the site in future on any account except on technical ground.***

2. The power generated through the Biomass power generating unit installed by the Company shall be fed into the Licensee's distribution system/ transmission system at ____

kV through an independent feeder at the point of interconnection to be indicated by the DISCOM and subject to fulfilling the terms and conditions and protection scheme by the Company as approved by the concerned licensee.

3. The entire electricity generated by the Biomass power generating plant of the Company shall be allowed to be fed into TRANSCO / DISCOM system irrespective of the period and time of generation, subject to such system being available.
4. The Company agrees to connect its Biomass Generation Plant with the TRANSCO/ DISCOM system at ___ KV at the nearest technically feasible designated interconnection point located at plant site at village Distt.(hereinafter is called 'metering point') as indicated by the DISCOM and the units fed into the interconnection point shall be measured by a meter installed by the DISCOM .
5. The Company shall provide necessary protective equipments and interlocking facilities, which shall be so coordinated that any malfunctioning or abnormality in the generator or in the bus of the Company shall not adversely affect the TRANSCO/ DISCOM's grid system and in such events of malfunctioning or abnormality, the Company's circuit breaker shall trip first to protect the equipments. The protection logic of generator and synchronization schemes test report etc. are to be got approved from concerned SE(O&M) and SE(Testing) of the concerned DISCOM/ TRANSCO before commissioning.
6. The Company shall also arrange to obtain necessary statutory clearances from Electrical Inspectorate, Government of Madhya Pradesh and other Departments under relevant rules, if any, before affecting the tie-up of the Biomass Generation Plant with the TRANSCO/ DISCOM's grid. The Company shall ensure that the plant be open and accessible for inspection by authorized Officers/ staff of the Electrical Inspectorate, GoMP and TRANSCO/ DISCOM before commissioning and periodically thereafter as and when required by these authorities without any prior permission/ intimation.
7. The starting current of the Biomass Generation Plant shall not exceed the full load current of the machines and the Company shall also agree to provide necessary current limiting devices like thyristors during the starting. The Company also agrees to provide capacitors of sufficient rating at the plant itself to compensate low power factor of the machine and control voltage regulations within 9% of the rated voltage at the point of supply. The Company shall also provide suitable automatic devices, so that the Biomass Generation Plant is disconnected automatically when the grid fails.
8. The maintenance of the Biomass Generation Plant and other equipments including transformers, switchgear and protection equipments etc. shall be done by the Company at its cost. The changing of rupturing capacity of the switchgear and setting of the relay, if any, shall be subject to approval of the concerned SE(O&M)/ SE(Testing). Any protection required at the Biomass Generation Plant to meet the requirement of the TRANSCO/ DISCOM at a later date shall have to be provided by the Company at its cost.

9. The operation of Biomass Generation Plant shall be subject to availability of the grid and in case of non-availability of grid for any reason whatsoever, the MP TRADECO/ TRANSCO/ DISCOM shall not pay any compensation to the Company. No deemed generation charges shall be allowed to the Company on any account whatsoever.

10. The Company agrees that the MP TRADECO/ TRANSCO/ DISCOM shall not be responsible for any damage to Biomass Generation Plant resulting from parallel operation with the Grid and the MP TRADECO/TRANSCO/ DISCOM shall not be liable to pay any compensation for such damages, if any.

11. There should not be any fluctuations or disturbances to the grid or other consumers supplied by the TRANSCO/ DISCOM due to paralleling of the Biomass Generation Plant. The Company shall provide adequate protection as required by the TRANSCO/ DISCOM to facilitate safe parallel operation of the Biomass Generation Plant with the grid and to prevent disturbances in the grid.

12. The Biomass Generation Plant shall be disconnected by the Company from the TRANSCO/ DISCOM grid, if forced oscillation occurs at any time, while the Biomass Generation Plant are in operation. In case of unsymmetrical fault on _____ kV bus, the generators are bound to share the fault current according to impedance of the circuit. To meet such contingencies and for safe operation of generators, the Company agrees to provide the following scheme of protection:-

- (a) The Company shall install two elements for over current relay and earth fault relay with suitable CTs.
- (b) The load sharing by the generators shall be limited to their rated capacity through suitable Relays and CT connection.
- (c) Adequate indicating instruments and control equipments for operation of generator in parallel with the Grid shall be provided.
- (d) The relays shall be calibrated and their operation shall be tested at regular intervals by competent authorities and report thereof shall be maintained.
- (e) The scheme for the parallel operation of generator set with TRANSCO/ DISCOM should be got approved by the SE (O&M)/ SE(Testing) concerned.

On ~~occurrence~~ ^{occurrence} of the aforesaid events i.e. forced oscillation and unsymmetrical fault and on failure of the Company to provide necessary scheme as envisaged above, the MP TRADECO shall have the right to take such measures necessary to meet such contingencies at the cost and risk of the Company.

13. REACTIVE POWER CHARGES:-

13.1 The Biomass Generation Plant would be deemed to be the generating stations of a generating Company and all functions, obligations and duties assigned to such stations

under the Electricity Act, 2003 would apply to these power stations. These stations would be required to abide by all applicable codes.

13.2 The Company would be required to pay the charges for KAVRh consumption from the grid @ 27 paise per KVARh i.e. the rate which is already prevalent in the M.P. State and which may be revised by the Commission from time to time.

13.3 Reactive energy charges would be adjusted in the bill of the Company for energy sold to the MP Tradeco and passed on to the Discom in whose territorial area Biomass Generation Plant is located.

14. WHEELING CHARGES:-

Wheeling charges and applicable surcharge on wheeling charges shall be levied as decided by the Commission from time to time for third party sale.

15. **BANKING:-** Banking in respect of captive generators and third party suppliers shall be allowed in terms of provisions made in GoMP incentive policy for non-conventional energy sources notified from time to time.

16. **REDUCTION IN CONTRACT DEMAND:-** Reduction in contract demand by consumers of the DISCOM shall be allowed in terms of provisions made in GoMP incentive policy for non-conventional energy sources notified from time to time.

17. **REALISATION OF ELECTRICITY DUTY & OTHER STATUTORY DUES:-** The MP TRADECO shall not levy charges like Electricity Duty, Cess, Tax, Fee and other statutory charges on the energy exported by the Company. The Company shall pay directly such statutory charges to the State Govt., unless specifically exempted by the competent authority. Any amendment in regard to payment of E.D., Cess and other statutory levies under relevant Acts shall be binding on the Company.

18. METERING & MONTHLY ACCOUNTING:-

18.1 The metering arrangement is to be done at site as per the provisions of the GoMP incentive policy notified on 17.10.06.

18.2 Billing of the metered energy shall be carried out on a monthly basis. The meter reading shall be carried out by the DISCOM in whose area and where the energy is injected into the system.

18.3 State Load Despatch Centre shall be responsible for energy accounting if the point of injection is the substation of the transmission licensee or the transfer involves two or more licensee. In other case the concerned distribution licensee would be responsible for energy accounting.

18.4 Two separate meters would be provided on _____ KV side of the metering point, one for export of power generated by the Biomass Generation Plant fed into TRANSCO/ DISCOM system and another for import of (active and reactive) power from TRANSCO/ DISCOM system and the Company also agree for the metering arrangement at the metering point. Where a single electronic meter capable of recording export as well as import of active and reactive energy is provided, it shall be programmed to record export of active energy and import of active and reactive energy. The TRANSCO/ DISCOM shall install an Export/ Import meter of 0.2 accuracy class at the nearest 132 kV/33 kV substation for recording the net energy fed into the TRANSCO/DISCOM system at its own cost which may serve as standby meter.

19. For accounting monthly energy fed to TRANSCO/ DISCOM Grid, total units generated by Biomass Generation Plant as recorded at the metering point by export meter would be compared with monthly energy supplied to the Company as recorded by import meter. The units recorded by the export meter shall be adjusted against the consumption recorded by the import meter. In case energy supplied to the Company in a particular month is more than the energy exported then excess energy supplied to the Company shall be deemed to have been supplied by the MP TRADECO and shall be billed at applicable tariff (energy charges, duty and cess only) for temporary connection to industrial units as determined by the Commission from time to time. In case energy delivered to MP TRADECO is more than the energy supplied to the Company in a particular month, then the excess energy supplied to the MP TRADECO shall be deemed to have been supplied by the Company and shall be billed by the Company at applicable tariff as determined by the Commission.

20. All the meters/metering equipments shall be jointly inspected, calibrated and sealed on behalf of all the parties and shall not be interfered by either party except in the presence of the other party or its representatives. The meter (s) shall not be removed or replaced except with the consent of all the parties and in presence of authorized representatives of all the parties.

21. Billing meters and the standby meters shall be tested, checked for accuracy once in six months and also be calibrated and adjusted once in a year in the presence of the parties.

22. The meters shall be deemed to have been working satisfactorily if the errors as determined in the tests are within the permissible limit as allowed in the relevant IS specification applicable to high precision energy meters.

23. A joint monthly reading in respect of power exported to Discom shall be taken by the authorized representative of the Company and DISCOM as far as possible on the last date of each calendar month.

24. The consumption recorded by the billing meter alone shall hold good for the purpose of billing each month as long as errors in the billing meter and standby meter do not exceed permissible limits. In case in any month, the errors in the billing meter or standby

meter exceed permissible limits, the meters shall be tested and calibrated and billing shall be done on the basis of the recording of that meter (billing or standby) whose errors are found within limits.

25. If during the half-yearly test check or annual calibration, billing meter is found to have error beyond permissible limits or errors, but the standby meter is found to have error within the permissible limit of errors, billing for previous three months shall be revised on the basis of consumption recorded by the standby meter. However, billing meter shall be calibrated immediately and billing thereafter shall be as per consumption recorded by recalibrated billing meter.

26. If during the half-yearly test check or annual calibration, both billing and standby meter are found to have errors beyond permissible limits, the bill shall be revised for the previous three months by applying correction factor to the consumption registered by the billing meter. The correction factor shall mean the percentage of error between the standard meter and billing meter.

27. If both the billing meter and the standby meter fail to record energy due to any reasons whatsoever, the energy imported by the TRANSCO/DISCOM during the period of outage shall be computed as per meter reading of meter installed at Biomass Generation Plant, period of run of each generating set, losses, consumption on the auxiliaries, power factor etc.

28. All the tests on the billing and Standby meters shall be conducted by the meter relay testing staff of the DISCOM jointly with the staff of the Company and results and corrections so arrived at mutually shall be applicable and binding on both the parties.

29. The MP TRADECO/DISCOM/TRANSCO shall have access to the meter and metering equipment at all times for which the Company would provide free access to the premises.

30. In case supply is required by the Company from DISCOM for construction work at the project site at any time during initial construction stage or otherwise, such supply shall be considered as temporary supply and the DISCOM shall charge the Company as per applicable tariff determined by the Commission from time to time.

31 PAYMENT MECHANISM

31.1 The energy generated by the Biomass Generation Plant shall be procured centrally by the MP TRADECO, at the rates specified in tariff order dated 7.8.2007. The energy so procured shall be allocated by the MP TRADECO to the three Discoms on the basis of actual energy input in previous financial year. Accordingly, the power purchase agreement shall be signed between the Company, and the MP TRADECO., for a period of 20 years from the date of the commissioning of the Biomass generation plant.

31.2 The Commission has prescribed a settlement period of 30 days, from the date of submission of the bill to the concerned Discom where the power is injected, should be followed in order to ensure that the Company has an assurance of cash inflow for the energy, which the company delivers to the grid.

31.3 The bills shall be submitted to the concerned S.E. (O&M) of area of respective DISCOM in whose area the power is injected. The S.E. (O&M) or his authorized representative not below the rank of E.E. shall then verify the bills and send the same within seven days of receipts of bill to the GM (F&A), MP TRADECO, Jabalpur for making payment to the Company. Subsequently, the MP TRADECO would raise the bills on the Discom on the basis of allocation of power.

31.4 In case of delay beyond the 30 days payment period, the MP TRADECO shall pay surcharge on outstanding amount at the rate of 2% p.a. over and above the short term lending rate of the State Bank of India (known as Prime Lending Rate) prevailing on the first day of the month in which the payment becomes due. In case the MP TRADECO makes the payment within 15 days from the date of submission of bill by Company, a rebate of 1% of billed amount shall be allowed by the Company. The surcharge/rebate shall be passed on to the Discoms by the MP TRADECO.

32. TARIFF RATE FOR NEW BIOMASS BASED POWER GENERATION PROJECTS

Tariff for New Biomass Generation Plant commissioned after issue of the tariff order dated 7.8.2007 for project life of 20 years shall be applicable in the manner shown as per table stipulated in Clause 9.1 of the tariff order dated 7.8.2007, subject to revision by the Commission from time to time, as mentioned under:-

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Tariff (Rs /unit)	3.33	3.36	3.39	3.43	3.48	3.53	3.59	3.65	3.71	3.79
	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Tariff (Rs /unit)	3.51	3.65	3.81	3.97	4.15	4.33	4.52	4.71	4.92	5.14

33. TARIFF RATE FOR EXISTING BIOMASS BASED POWER GENERATION PROJECTS

33.1 **Existing** Biomass Generation Projects, are those which have their date of commissioning before the date on which this current order comes into effect and were setup under the guidelines existing at the time of such investment.

33.2 The tariff payable to this group of projects for sale to the MP TRADECO shall be **Rs.2.99/kwh** and other terms and conditions shall be applicable as mentioned in the tariff order dated 7.8.2007, subject to revision by the Commission from time to time..

33.3 This tariffs and applicable conditions would remain constant for the remaining period of operation of the projects considering the life of the project as 20 years. However, wheeling charges as per provisions made in the incentive policy of the Govt. of MP dated 17.10.2006 shall be applicable to such sale.

33.4 The tariff rate for licensee is inclusive of all charges (tax liabilities included).

33.5 The Project holder shall be entitled to recover the above charges for generating upto a threshold Plant Factor level of 70%. For actual generation (excluding deemed generation), at Plant Load Factor of 75% or more calculated for the financial year, the Project holder shall be entitled to an additional incentive component at the rate of Rs. 0.25 per unit. The quantum due for payment as incentive charges shall be determined at the end of the financial year based on actual generation during that financial year.

34. DEFAULTS & TERMINATION

34.1 In case of default in payment for more than three months continuously by the MP Power Trading Company Limited, the Company can sell power to the third party.

34.2 Where the Company has an existing arrangement for third party supply or for captive consumption and in case the Company desires to terminate the agreement with third party and wants to supply to the MP TRADECO, the MP TRADECO with the prior permission of the Commission, shall purchase the power at the rate as determined by the Commission in it tariff order dated 7.8.2007 as the case may be, in which case the Company is required to execute the Power Purchase Agreement with the MP TRADECO for the remaining period of project life of 20 years.

34.3 In the event of default by MP TRADECO or the Company, the agreement may be terminated either by the Company or the MP TRADECO respectively. Default by the MP TRADECO shall mean non-payment of electricity charges to the Company for a period of consecutive three months. Default by the Company shall mean non-supply of entire net electricity generated and delivered at the metering point for reasons exclusively attributable to the Company.

34.4 In case of default, the non-defaulting party shall issue a default notice to the defaulting party. If the default is not fully set right within three months from the date of issue of the default notice, then, in case of default by the Company, the MP TRADECO may terminate the agreement and simultaneously refuse to wheel the power till the time default is corrected. In case of default by the MP TRADECO, the Company may in the same way terminate the agreement.

34.5 In case default is cured, the agreement shall revive and the provision of original agreement shall come into force automatically within a maximum period of six months.

35. ARBITRATION

In the event of any dispute arising between the Company and MP TRADECO as regard the interpretation of this agreement or any other matter arising out of or in connection with this agreement, such dispute or difference shall be referred to the arbitration of the Commission. The decision or award of the ~~said arbitrator~~ shall be final and binding on the parties hereto and the provision of Electricity Act 2003 and any statutory modification thereof for the time being in force shall apply to any such reference.

Commission

36. FORCE-MAJEURE:

This agreement is subject to force-majeure such as rebellion, mutiny, civil unrest, riot, strike, lockout, fire, explosion, flood, cyclone, lightning, earthquake, war or other forces, accidents or Act of God or other similar causes which are beyond the control of the Company. This also includes the planned shut-down for the maintenance of the system of both the parties as may be mutually agreed. Neither party shall be entitled for claiming compensation for damages in the event of force majeure.

37. JURISDICTION

This agreement is deemed to have been entered into at Jabalpur and all disputes and claims, if any, arising out of or in respect of this agreement, shall be settled at Jabalpur or be triable only and exclusively in any Competent Court situated at Jabalpur.

38. IMPLEMENTATION OF THE AGREEMENT:

The discretions to be exercised and directions, approvals, consents, and notices to be given and actions to be taken under these covenants, unless otherwise expressly provided therein, shall be exercised and given by the signatories to this agreement or by the authorized representatives that each party may nominate in this behalf and notify in writing to the other party.

39. NOTICES:

All notices with regard to default or difference relating to this agreement shall be in writing and signed by the signatories to this agreement or by the authorized representatives. Each such notice shall be deemed to have been duly given or sent by the party concerned, if the notice is delivered against acknowledgements due to the signatories or the authorized representative at their respective addresses.

All notices shall be served by Registered post at the addresses given below: -

- (i) **Executive Director/Chief General Manager (Commercial)**
MP Power Trading Co. Ltd.,
Shakti Bhawan, Block No.2,
Rampur, Jabalpur (M.P.)- 482008
Fax No.0761-2661245
Tel. No. 2661245 /

- (ii) (Authorized signatory of the Company with designation & address)
Fax No.
Tel. No

40. DURATION:

This agreement shall be for exclusive sale of electricity for a period of _____ years from the date of commissioning of plant i.e. from _____. The date of commissioning shall be certified by the concerned SE/EE (O&M) of the area where the energy is fed into the grid. After the expiry of initial period of the agreement the same shall be continued unless terminated by either party by giving a clear ~~Three~~ *one* months' notice in writing (expiry at the end of any calendar month)

41. INDEMNITY:

The Company indemnifies the MP TRADECO/TRANSCO/DISCOM from any damages which may occur to the MP TRADECO/TRANSCO/DISCOM's equipments/persons or any third party during the operation of the inter connections.

42. INSPECTION:

The company shall allow and accord necessary facility for inspection at all times of its generation, interconnection equipments and records by personnel of the MP TRADECO/TRANSCO/DISCOM to ensure their proper functioning. Records of such inspections shall be signed by the authorized representatives of the Company and the MP TRADECO/TRANSCO/DISCOM and the Company shall be bound to carryout any direction given by the MP TRADECO/TRANSCO/DISCOM in that regard.

43. POWER REGULATION:

The Company shall be under obligation to regulate its power generation as per the directives given by the representative of the MP TRADECO/TRANSCO/DISCOM. These directives shall be given for maintaining the stability of the system. In case the Company does not comply with the directives of the MP TRADECO/TRANSCO/DISCOM to regulate their generation, TRANSCO/DISCOM shall be free to isolate their power supply to save their system from collapse and in that event, MP TRADECO shall in no way be responsible for paying compensation whatsoever.

44. The Company should endeavor that Generating Units are in operational condition at all times (except for maintenance). Further, every month they should furnish a certificate to the concerned SE (O&M)/City of the concerned DISCOM to this effect.

45. The Biomass Generation Plant would be entitled to draw power from the DISCOMS network during the shut down period of its plant or during other emergencies. The energy consumed would be billed at the temporary rate applicable to HT Industrial category. The drawal by the plant would not normally be expected to exceed 10% of the capacity (MW) it delivers to the DISCOM.

46. The Switching Centre of Distribution Licensee shall be at interconnecting Power Sub Station of TRANSCO/DISCOM _____ KV Sub Station at _____. District _____ & switching centre of the Company shall be at Biomass power plant site at Village _____ District _____.

47. START-UP-DATE:

The Company shall intimate the MP TRADECO/TRANSCO/DISCOM at least 30 days in advance of its proposed start-up-date for supply of power to the MP TRADECO through the TRANSCO/DISCOM's system. The TRANSCO/DISCOM shall on receipt of this communication depute its personnel to inspect and approve the interconnection system and approval shall be given in writing before the start-up-date.

48. LOAD MANAGEMENT:

The MP TRADECO/TRANSCO/DISCOM shall ensure to evacuate all electricity offered by the Company as per this agreement. However, MP TRADECO/ TRANSCO/ DISCOM may ask the Company to temporarily curtail or stop its electricity generation when necessary on account of: -

- (a) Inspection/repair/maintenance to its transmission/distribution network and associated equipments.
- (b) Safety of equipments of the Distribution Licensee, and
- (c) Force-Majeure conditions

No compensation whatsoever shall be paid by the MP Tradeco due to non-evacuation of power due to reasons stated above.

49. OTHER APPLICABLE CONDITIONS:

49.1 Any variation, waiver or modification of any of the terms of the agreement shall be valid only if, communicated in writing and signed by or on behalf of the parties hereto.

49.2 All statutory clearances/consents and necessary approvals, if any, are to be obtained by the Company from State Government, Local Bodies, before entering into agreement with MP TRADECO for setting up of project through department of non-conventional energy sources. The Company is also responsible for the compliance and the renewals as may be required from time to time. The Company would ensure that the proposed location of the plant is in accordance with the policy guidelines of the Union/State Government.

49.3 The Company shall be liable to comply and implement the conditions imposed by the State Government/Central Government/CERC/MPERC, which may be imposed from time to time.

49.4 In the event of issue of new incentive policy of GoMP or any change in the existing incentive policy of GoMP notified on 17.10.2006, the same shall be made applicable to this Power Purchase Agreement from the date of its notification.

49.5 The Company is required to obtain all the required environmental and pollution control Board before tie-up of the plant with the Transco/Discom Grid system.

In WITNESS WHEREOF Parties through their respective duly authorized Officers / representatives have signed this agreement.

1. (Name, Designation & Address)

2. (Name, Designation & Address) For and on behalf of
M.P. Power Trading Co. Ltd., Jabalpur

1. (Name, Designation & Address)

For and on behalf of the Company
M/s.....

2) (Name, Designation & Address)

The common seal of the company was hereunto affixed in the presence of

1. (Name, Designation & Address)

Common Seal of Company

2. (Name, Designation & Address)