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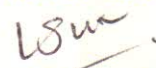
... 1107 ... 29/5/2002 ... 100/-
Sole to... A. Rangaraj
S/o... A. S. Rangaraj
For Whom... NILE Limited
S/o... A. S. Rangaraj

M. V. PANDURANGA RAO
LICENCE No 38/2002
STAMP VENDOR HIGH COURT
HYDERABAD-500 001, (A.P.)

**POWER PURCHASE AGREEMENT
BETWEEN
TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED
AND
M/S NILE LIMITED**

This Power Purchase Agreement (the "Agreement") entered into this 20th day of May 2002, between Transmission Corporation of Andhra Pradesh Limited, incorporated by the Government of Andhra Pradesh in accordance with the Andhra Pradesh Electricity Reform Act 1998 (Act No.30 of 1998), under the provisions of Companies Act, 1956 in place of Andhra Pradesh State Electricity Board, having its office at Vidyut Soudha, Hyderabad – 500 082, India, hereinafter referred to as the "APTRANSCO" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as first party, and M/s NILE Limited, a Company incorporated under Indian Company's Act, 1956, having its registered office at Industrial Estate, Nacharam, Hyderabad – 500 076, Andhra Pradesh, hereinafter referred to as the 'Company' (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as second party. This Agreement supercedes in its entirety the Wind Power Wheeling Agreement entered into between APSEB & M/s NILE Limited on 21.07.1995;


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

For NILE LIMITED

Director (Finance)


2. WHEREAS, the Company has set up the Non-conventional Energy Project i.e., the 2.00 MW capacity Wind Power Project at Ramagiri, Anantapur District, Andhra Pradesh as detailed in Schedule 1 attached herewith, hereafter called the project, and the Non-conventional Energy Development Corporation of Andhra Pradesh Limited, hereafter referred to as NEDCAP has accorded approval to the said proposal in their letter No. NEDCAP/WE/1416/3/94/1472, dated 23.9.1994 and the Company entered into MOU with NEDCAP on 5.10.1994 and copies whereof are attached herewith as Schedule 2 and Schedule 3 respectively;

3. The Company shall fulfil the conditions of MOU entered with NEDCAP and obtain extensions wherever required till the Project is completed. In the event of cancellation of the Project allotted to the Company by NEDCAP for any reason, the PPA with APTRANSCO will automatically get cancelled;

4. WHEREAS, it has been agreed that the Project will be designed, engineered and constructed and operated by or on behalf of the Company with reasonable diligence subject to all applicable Indian laws, rules, regulations and orders having the force of law. The Project achieved Commercial Operation Date (COD) on 30.8.1995;

5. This Agreement shall come into force from the billing month of May, 2002. This Agreement is enforceable subject to obtaining consent of Andhra Pradesh Electricity Regulatory Commission as per Section 21 of Andhra Pradesh Electricity Reform Act 1998 (Act No.30 of 1998);

6. NOW THEREFORE, in consideration of the foregoing premises and their mutual covenants herein, and for other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto, intending to be legally bound hereby agree as follows:


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

For N I L E LIMITED


Director (Finance)

ARTICLE 1 DEFINITIONS

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

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

Explanation: In respect of Non-conventional based power projects the date of synchronisation of the first unit of the project will be treated as the Commercial Operation Date of the project since Ministry of Non-conventional Energy Sources not specified any guide lines for declaration of the Commercial Operation Date (COD).

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

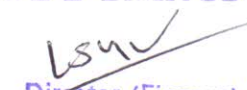
Explanation 1: For the purpose of clarification, Delivered Energy, excludes all energy consumed in the Project by the main plant and equipment, lighting and other loads of the Project from the energy generated and as recorded by energy meter at interconnection point.

Explanation 2: In case of the projects interconnected at project switch yard the estimated line losses will also be subtracted first as provided in Article 1.8 from the metered energy exported.

- 1.5 **Due Date of Payment:** means the date on which the amount payable by the APTRANSCO to the Company hereunder for Delivered Energy, if any, supplied during a Billing Month becomes due for payment, which date shall be thirty (30) days from the Metering Date, and in the case of any supplemental or other bill or claim, if any, the due date of payment shall be thirty (30) days from the date of the presentation of such bill or claim to the designated officer of the APTRANSCO.
- 1.6 **Installed Capacity:** means the total rated capacity in mega-watts of all the generators installed.
- 1.7 **Interconnection Facilities:** means all the equipment and facilities, including, but not limited to, all metering facilities, switch gear, substation facilities, transmission lines and related infrastructure, to be installed by the APTRANSCO upto the project's


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switch yard at the voltage specified in Article 1.14 at the company's expense from time to time throughout the term of this Agreement, necessary to enable the APTRANSCO to economically, reliably and safely receive Delivered Energy from the Project in accordance with the terms of this Agreement.

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


Explanation 2: For Mini Hydel Schemes, the Company have to bear the entire expenditure of interconnection facilities for power evacuation as per the sanctioned estimate by the respective field officers.

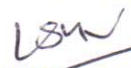
- 1.8 **Interconnection Point:** means the point or points where the Project and the APTRANSCO's grid system are interconnected. The metering for the Project will be provided at the Interconnection Point as per Article 4.1.

Explanation : In case of cluster of Mini Hydel Schemes, cluster of Wind farms where the projects are interfaced with the near by APTRANSCO's Grid then the Interconnection Point will be at the Project's Switch Yard. The estimated line loss component (line losses from the Mini Hydel Scheme / Wind farm to the designated substation where the ring main terminates) for the respective Mini Hydel Scheme / Wind farm is to be worked out and apportioned as per the their capacity and intimated to the developer, and subtracted from the metered units at Mini Hydel Scheme / Wind farm project switch yard, to arrive at the Delivered Energy by the Project.

- 1.9 **Metering Date:** means mid-day (i.e., noon) of the 24th (twenty-fourth) day of each calendar month, at the Interconnection Point.
- 1.10 **Project:** means the 2 MW capacity Wind Power Project at Ramagiri, Anantapur District, Andhra Pradesh, entrusted to the Company for construction and operation as detailed in Memorandum of Understanding entered into with NEDCAP as shown in Schedule 3 attached herewith and includes the metering system.
- 1.11 **System Emergency:** means a condition affecting the APTRANSCO's electrical system which threatens the safe and reliable operation of such system or which is likely to result in the disruption of safe, adequate and continuous electric supply by the APTRANSCO, or which endangers life or property, which condition is affected or aggravated by the continued delivery of Delivered Energy from the Project.
- 1.12 **Surcharge on Reactive Power drawn by Wind Farms/Mini Hydel Stations:** means the charges leviable on the reactive power drawn by Wind Electric Power Farms/Mini Hydel Stations at the rate of 10 paise (Ten paise only) per unit of reactive energy drawn from APTRANSCO's grid or such other charges fixed by the Andhra Pradesh Electricity Regulatory Commission from time to time.

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


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

- 1.13 **Unit:** When used in relation to the generating equipment, means one set of turbine generator and auxiliary equipment, and facilities forming part of the project and when used in relation to electrical energy, means kilo watt hour (kWh).
- 1.14 **Voltage of Delivery:** means the voltage at which the electrical energy generated by the project is required to be delivered to the APTRANSCO at the Interconnection Point and the Voltage of Delivery is as detailed below.

For Wind farms, Mini Hydel Schemes:

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

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


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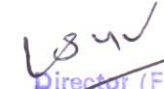
ARTICLE 2
PURCHASE OF DELIVERED ENERGY AND TARIFF

- 2.1 All the Delivered Energy at the interconnection point for sale to APTRANSCO will be purchased at the tariff provided for in Article 2.2 from and after the date of Commercial Operation of the Project. Title to Delivered Energy purchased shall pass from the Company to the APTRANSCO at the Interconnection Point.
- 2.2 The Company shall be paid the tariff for the energy delivered at the interconnection point for sale to APTRANSCO at Rs.2.25 paise per unit with escalation at 5% per annum with 1994-95 as base year and to be revised on 1st April of every year upto the year 2003-2004 subject to the condition that the purchase price so arrived does not exceed 90% of the prevailing H.T. Tariff of APTRANSCO. Beyond the year 2003-2004, the purchase price by APTRANSCO will be decided by Andhra Pradesh Electricity Regulatory Commission. There will be further review of purchase price on completion of ten years from the date of commissioning of the project, when the purchase price will be reworked on the basis of Return on Equity, O&M expenses and the Variable Cost.
- 2.3 The tariff is inclusive of all taxes, duties and levies.
- 2.4 No wheeling charges or other charges or assessments shall be levied by the APTRANSCO on purchased energy.
- 2.5 Where in any Billing month, the energy supplied by the APTRANSCO to the Company, shall be billed by the APTRANSCO, and the Company shall pay the APTRANSCO for such electricity supplies, at the APTRANSCO's then-effective tariff applicable to High Tension Category-I Consumers. For this purpose, the maximum demand specified in such APTRANSCO's Tariff shall be computed by dividing the amount of such energy supplied by the APTRANSCO by the total hours in the Billing Month.

Explanation : The Generating Plants viz., Wind, Mini Hydel during the plant shut down periods shall draw the energy from APTRANSCO only for the essential loads not exceeding auxiliary consumption.


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For N I L E LIMITED


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ARTICLE 3 INTERCONNECTION FACILITIES

- 3.1 Upon receipt of a requisition from the Company the APTRANSCO will prepare an estimate for arranging interconnection facilities for power evacuation at the voltage level as per Article 1.14. The Company have to bear the entire cost of the interconnection facilities as per the sanctioned estimate. APTRANSCO shall evaluate, design, install, own, operate and maintain the Interconnection Facilities and perform all work, at the Company's expense, necessary to economically, reliably and safely connect the APTRANSCO's existing system to the Project switch yard.

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

- 3.2 APTRANSCO may also permit the Company to execute the interconnection facilities for power evacuation as per the sanctioned estimate at it's description duly collecting the supervision charges as per procedure invogue.
- 3.3 The maintenance expenses of the interconnection facilities from time to time have to be borne by the Company. The maintenance work on the Generating units has to be done in coordination with the APTRANSCO.
- 3.4 APTRANSCO has got the right to add any additional loads on the feeder without detrimental to the interests of the existing generating companies on the same feeder.
- 3.5 Any modifications or procedures or changes in arranging interconnection facilities for power evacuations rests with Government of Andhra Pradesh/APTRANSCO. The orders of Government of Andhra Pradesh for any changes in payment of developmental charges in respect of Wind Farms for power evacuation is applicable.
- 3.6 During the period prior to the Commercial Operation Date, on the request of the Company, the APTRANSCO will supply energy to the Project for any purpose, on the Terms and Conditions and at the tariff rates that are applicable from time to time to the category of consumers of the APTRANSCO to which the Company belongs, provided separate metering arrangements as may be required under the Terms and Conditions of such tariff have been installed at the Project.


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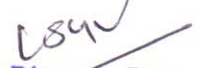

Director (Finance)

ARTICLE 4
METERING AND PROTECTION

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

For N I L E LIMITED


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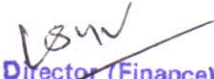

Director (Finance)

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

For N I L E LIMITED



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HYDERABAD-500 082.

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Director (Finance)

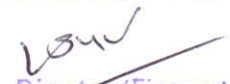
ARTICLE 5
BILLING AND PAYMENT

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


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For N I L E LIMITED


Director-(Finance)

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

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

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

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

Address : M/s NILE Limited,
Industrial Estate,
Nacharam,
Hyderabad - 500 076.

Fax : 040 - 7173203

Telephone : 040 - 7171104, 7174341, 7174342


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

For NILE LIMITED


Director (Finance)


ARTICLE 6 UNDERTAKING

6.1 The Company shall be responsible:

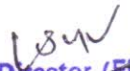
- (i) for the proper maintenance of the project in accordance with established prudent utility practices.
- (ii) for the operation, maintenance, overhaul of the plant, equipment, works, switch yard and transmission lines and equipment up to the Interconnection Point of the project in close coordination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

6.2 The APTRANSCO agrees:

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


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

For N I L E LIMITED


Director (Finance)

ARTICLE 7
DURATION OF AGREEMENT

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


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

For N I L E LIMITED


Director (Finance)

ARTICLE 8
NOTICES

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

If to the Company:

Attention : M/s NILE Limited,
Industrial Estate,
Nacharam,
Hyderabad - 500 076.

Fax No. : 040 - 7173203

Telephone No. : 040 - 7171104, 7174341, 7174342


If to the APTRANSCO:

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

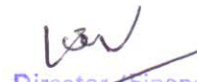
Fax No. : 040 - 3313791

Telephone No. : 040 - 3393304

- 8.2 All notices or communications given by telecopy, telex or telegram shall be confirmed by depositing a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail. All notices shall be deemed delivered upon receipt, including notices given by telecopy, telex or telegram regardless of the date the confirmation of such notice is received.
- 8.3 Any party may by written notice change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.



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

For NILE LIMITED


Director (Finance)

ARTICLE 9 SPECIAL PROVISIONS

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


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

For N I L E LIMITED


Director (Finance)

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

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

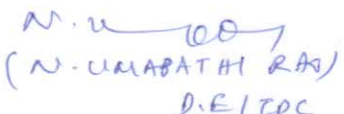
For and behalf of

TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

WITNESS

1.  By:

 20/5/2002
Chief Engineer (IPC)
APTRANSCO, Vidyut Soudha
HYDERABAD-500 082

2.  Its:
(N. UMABATHI RAO)
D.E./IPC

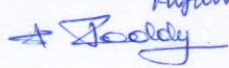
For and behalf of
M/S NILE LIMITED

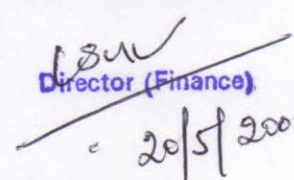
WITNESS

1.  By:

For NILE LIMITED

(T. VUGENDER)
407 Chandra Asoka
Garden Towers, Maryabank
Hyderabad.

2.  Its:



Director (Finance)

(G. Bhaskar Kumar Reddy)

SCHEDULE 1

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

Sl. No.	Name of the Project	Location	No. of Units	Capacity of each Generator	Capacity of the Station
1.	Wind Power Project by M/s NILE Limited	Ramagiri, Anantapur Dist.	8	250 KW Induction Generator	2.00 MW


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

For NILE LIMITED


Director (Finance)

SCHEDULE 2

(Copy of Sanction letter from NEDCAP to the company)

Non-Conventional Energy Development Corporation Of Andhra Pradesh Limited
5-8-207/2, Pishah complex, Nampally, Hyderabad - 500 001 (AP)

PROCEEDINGS

Ref: NEDCAP/WE/1416/3/94/1472

Dt: 23.9.1994

- Sub: Wind Power Project in Private sector - Allotment orders - Issued - Reg.
Ref: 1. Your application for allotment of wind farm dated 30.04.94.
2. G.O.Ms.No.64, dt: 29.3.1994 of E & F (RES) Department,
Govt. of A.P., Hyderabad.
3. Approval accorded by the Board sub-committee of NEDCAP in its
meeting held on 3.9.94 and 7.9.94.

In the reference 1st cited, M/s Navabharat Industrial Linings and Equipment Limited, Hyderabad applied for allotment of Wind Farm of 5 MW capacity at Singanamala, Ananthapur district for generation of electric power on commercial basis (i.e., sale of power).

In the reference 2nd cited, the State Government issued orders permitting NEDCAP to sanction wind power projects of capacity upto 20 MW.

The Board Sub-committee of NEDCAP in its meeting held on 3.9.1994 & 7.9.94 has considered the application and sanction is accorded to M/s Navabharat Industrial Linings and Equipment Limited, to set up 2 MW (Two Megawatt only) capacity wind power project at Ramagiri, Anantapur District.

M/s Navabharat Industrial Linings and Equipment Limited, Hyderabad is requested to enter into MOU with NEDCAP (Proforma enclosed) within 30 days from the date of issue of this letter, failing which the approval stands cancelled.

Sd/-
Managing Director.

To
M/s Navabharat Industrial Linings and Equipment Limited,
Industrial Estate, Nacharam,
HYDERABAD - 501 507.

Copy submitted to the Principal Secretary to Govt., E & F Department, Govt. of A.P. Hyderabad.

Copy to the Chairman, APSEB, Hyderabad.

Copy to the Director (Power), MNES, Govt. of India, New Delhi.


Copy to the District Collector, Ananthapur.

Copy to the District Manager, NEDCAP Limited, Ananthapur.

// F.B.O //

Sd/-
Asst. Manager (W.E)

For NILE LIMITED


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


Director (Finance)

SCHEDULE 3
(Copy of MOU entered into by the Company with NEDCAP)

MEMORANDUM OF UNDERSTANDING


This Memorandum of Understanding (MOU) is made this 5th day of October, 1994 between the Non-conventional Energy Development Corporation of A.P. Ltd., (NEDCAP) represented by its Managing Director whose office shall include his successors, legal representatives and assignees, etc., and M/s. NILE Limited called Company having registered office at Industrial Estate, Nacharam, Hyderabad, which expression shall include its successors, legal representatives and assignees.

Whereas the Company has made an application dated 30.4.1994 to the Non-conventional Energy Development Corporation of A.P. Ltd. to set up wind mills with capacity of 5 MW for power generation at Singanamala location for captive consumption and/or commercial.

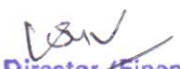
And whereas NEDCAP has accorded permission to the Company to set up 2 MW Wind farm project in private sector at Ramagiri in NEDCAP/WE/1416/3/94, Dt: 23.9.1994

Now therefore, it is hereby agreed by and between the parties hereto as under:

- (1) The Company shall make an application in the prescribed form to NEDCAP for the extend of the land required to set up the wind farm, keeping in view the capacity allocated.
- (2) On receipt of the application, the NEDCAP shall examine and decide actual requirement of the land for the capacity allocated and inform the company.
- (3) The NEDCAP is responsible only for allotment of Government lands at one or more places on lease. The Company shall enter into lease agreement with NEDCAP before taking possession of the Government land.
- (4) In the case of private lands, the company shall make its own arrangements.
- (5) The Company shall install wind turbines, so as not to affect the performance of the other wind turbines and maintain safety standards in consultation with NEDCAP.
- (6) The Company shall enter into an agreement with APSEB for evacuation of power and its sale as per the terms and conditions mutually agreed upon.
- (7) The Company shall pay consultancy and service charges as mutually agreed upon between the parties, keeping in view the G.O.Ms.No.150 of EFES & T (RES) Department dated 30.5.92 and outlay of the project. The charges so arrived at shall be payable in two installments as detailed below:-
 - i) 25% before entering into MOU


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

For NILE LIMITED


Director (Finance)


- ii) Balance 75% as and when services rendered or before entering into land lease agreement which ever is earlier.
- (8) The Company shall obtain all clearances necessary for installation of wind farms in accordance with statutory provisions, guidelines issued by Government of India and Government of Andhra Pradesh from time to time.
- (9) The Company shall complete the financial closure within a period of six months from the date of signing of the MOU or before such extensions as may be accepted and granted by NEDCAP on request by the Company on account of delays in obtaining all necessary consents, licences, authorisations and clearances required from the Government of Andhra Pradesh and Government of India.
- (10) The Company shall execute the project within one year depending upon the capacity of the project from the date of taking possession of land. In the case of failure, the permission given is liable to be cancelled. The Company shall provide an irrevocable bank guarantee to the tune of 0.75% of the total project cost towards performance guarantee for the completion of the project as per time - frame mutually agreed before entering into land lease agreement.
- (11) The Company shall take effective steps to incur atleast 10% of the total project cost within a period of six months depending upon the outlay of the project from the date of taking possession of land. In the case of failure, all permissions including the allotment of land is liable for cancellation and bank guarantee above said will be encashed.
- (12) NEDCAP reserves the right to withdraw the approval, should there be any default in the execution of the terms of the MOU, after the reasons have been presented and accepted by both the parties, or referred to an arbitrator with mutual consent of both the parties. All disputes are subjected to the Jurisdiction of Hyderabad only.

FOR NAVABHARAT INDUSTRIAL
LININGS & EQUIPMENT LTD.

Sd/-
Director Finance

FOR NON-CONVENTIONAL
ENERGY DEVELOPMENT
CORPORATION
OF A.P. LIMITED (NEDCAP)

Sd/-
Managing Director


Chief Engineer (IPC)
APJ-NSCO, Vidyut Soudha,
HYDERABAD-500 082.

For NILE LIMITED


Director (Finance)



ఆంధ్రప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

Serial No: 96642

Purchased By :

V, SATYA PRASAD

S/O. V. C. KOTESWARAO

TIRUPATHI

Denomination: 100

Date 24-06-2016

For :

NILE LIMITED

TIRUPATHI

Stamp S. no

BT 130262

Sub Registrar

Ex. Office Stamp Vendor
SRO Chittoor(R.O)

Amendment dated 25th June 2016 entered between APSPDCL and M/s. Nile Ltd, to the power Purchase Agreement (PPA) dated 20.05.2002 entered between APTRANSCO and M/s. Nile Limited.

(1) Where as, the Power Purchase Agreement dated.20.05.2002 was entered into (here in after referred to as "Agreement) between M/s. Nile Ltd and APTRANSCO in respect of 2.0 MW Capacity wind power project at Ramagiri in Anantapuram District, Andhra Pradesh. COD was declared on 30.08.1995 and this Agreement is valid as per Article 7 of PPA up to 29.08.2015.

(2) .Whereas, the Government of A.P. in G.O.Ms.No. 58. Energy (Power-III) dated 7.6.2005 has ordered transfer of bulk supply undertaking and power purchase agreements from Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) to four (4) Distribution companies (DISCOMs) in terms of Electricity Act, 2003. Accordingly, the power purchase agreements held by APTRANSCO have been allocated to

For NILE LIMITED

Authorised Signatory



CHIEF GENERAL MANAGER
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DISCOMs. The subject PPA stands transferred to APSPDCL (being assignee of APTRANSCO) consequent to bifurcation of state.

(3) Whereas in the reference M/s. Nile Limited letter dated 20.05.2015, has requested to extend the Power Purchase Agreement for further period of 10 years i.e., from 30.08.2015 onwards

(4) In the reference vide Lr.No.CE/IPC&PS/IPC/NCE/120/F.Nile D.No.211/ 2015, dt.31.08.2015 the APPCC has accorded approval for extension of PPA for a period of 10 years from the date of expiry of the existing Agreement with necessary changes in the agreement where ever necessary and informed the following.

- a. The tariff for delivered energy shall be paid @ Rs.2.23 paise per unit (Including taxes and duties)
- b. The PPA period shall be extended for 10 years, subject to the consent of APERC as per the article 7 of existing agreement (PPA dated 20.05.2002).

(5).Whereas, the APSPDCL has considered the request of M/s. Nile Ltd and as per APPCC approval Letter dt. 31.08.2015 the duration of the Agreement Period is here by amended in Power Purchase Agreement (PPA) for a further period of ten years with effect from 30.08.2015 and up to 29.08.2025.

(6) The amendment is carried out to the articles mentioned in Annexure i.e., for Articles 1.4, 1.8, 1.12, 2.2, 2.3, 4.1 & 7 of the agreement at page nos. 23 to 26

(7) The amendment as mentioned in the Para No. 6 above and in the appendix shall be deemed to have been made from the 30.08.2015. The other terms and conditions of the agreement remain unaltered.

(8) The Agreement including this amendment is enforceable subject to obtaining the consent of Andhra Pradesh Electricity Regulatory Commission under section 21 of A.P. Electricity Reform Act 1998.

For NILE LIMITED
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CHIEF GENERAL MANAGER
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APPENDIX

Article No.	Existing	Amendment (Shall be read in place of existing Articles)
Article 1.4	<p>Develivered Energy: means, with respect to any Billing Month, the kilo watt hours (kwh) of electrical energy generated by the Project and delivered to the APTRANSCO at the Interconnection Point in Article 1.8, as measured by the energy meters at the Interconnection point during that Billing Month.</p> <p>Explanation 1: For the purpose of clarification, delivered energy, excludes all energy consumed in the project from the energy generated and as recorded by energy meter at interconnection point.</p> <p>Explanation 2 : In case of the projects interconnected at project switch yard the estimated line loss will also be subtracted first as provided in Article 1.8 from the metered energy exported.</p>	<p>Develivered Energy : means, with respect to any Billing Month, the kilo watt hours (kwh) of electrical energy generated by the Project and delivered to the APTRANSCO at the Interconnection Point i.e., at 220/33 KV Ramagiri SS . The delivered energy will be equal to the units exported at the project switch yard Minus (-) losses approved by APERC for 33 KV voltage level i.e., 3.8% since it is a multiple developers Project connected to designated substation.</p>
1.8	<p>Interconnection point means the point or points where the project and the APTRANSCO's grid system are interconnected. The metering for the project will be provided at the Interconnection point as per Article 4.1</p> <p>Explanation : In case of cluster of Mini Hydel Schemes, cluster of Wind farms where the projects are interfaced with the near by APTRANSCO's Grid then the Interconnection point will be at the Project's Switch yard. The estimated line loss component (Line losses from the Mini Hydel Scheme / Wind farm to the designated substation where the ring main</p>	<p>Interconnection point means the point or points where the project and the APTRANSCO's grid system are interconnected.</p>

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	terminates) for the respective Mini Hydel Scheme / Wind farm is to be worked out and apportioned as per their capacity and intimated to the developer, and subtracted from the metered units at Mini Hydel Scheme /Wind Farm project switch yard, to arrive at the Delivered Energy by the project.	
Article 1.12	<p>Surcharge on Reactive power drawn by Wind Farms/Mini Hydel Stations: means the charges leviable on the reactive power drawn by Wind Electric Power Farms .Mini Hydel Stations at the rate of 10 Paise (Ten Paise only) per unit of reactive energy drawn from APTRANSCO's grid of such other charges fixed by the Andhra Pradesh Electricity Regulatory Commission from time to time.</p> <p>Explanation 1 : Induction generators used in Word Electric Power Farms/Mini Hydel Stations draw reactive power from APTRANSCO's grid during generator mode and motor mode.</p> <p>Explanation 2 : Surcharge on reactive power drawn by Wind Farm / ini Hydel stations will be levied on the Company.</p>	<p>Surcharge on Reactive Power drawn by Wind Farms: means the charges leviable on the reactive power drawn by Wind Farms at the rate of 25 paise (twenty five paise) per KVARh of reactive energy drawn from grid upto 10% of net active energy generated and 50 paise per KVARh for total drawl if reactive energy drawn is more than 10% of net active energy generated. The above mentioned rates are subject to revision as per APERC orders from time to time. The reactive power drawn as recorded by meters at interconnection point includes the reactive power drawn by all the Wind Power Producers in the cluster. As such the reactive power recorded by the meters at the interconnection point shall be shared by all the individual power producers in the ratio of the active energy delivered by them individually.</p>

For NILE LIMITED

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		<p>Explanation 1: Induction generators used in Wind Farms draw reactive power from grid during generator mode and motor mode.</p> <p>Explanation 2: Surcharge on reactive power drawn by Wind Farms will be levied on the Wind Power Producer.</p>
Article 2.2	<p>The company shall be paid the tariff for the energy delivered at the interconnection point for sale to APTRANSCO at Rs. 2.25 paise per unit with escalation at 5 % per annum with 1994-95 as base year and to be revised on 1st April of every year upto the year 2003-2004 subject to the condition that the purchase price so arrived does not exceed 90 % of the prevailing H.T Tariff of APTRANSCO. Beyond the year 2003-20014, the purchase price by APTRNASCO will be decided by Andhra Pradesh Electricity Regulatory Commission. There will be further review of purchase price on completion of ten years from the date of commissioning of the project, when the purchase price will be reworked on the basis of Return on Equity, O & M expenses and the Variable Cost.</p>	<p>The Wind power producer shall be paid tariff for Energy Delivered at the interconnection point for sale to discom, which shall be firm at Rs. 2.23 paise per unit (including taxes and duties) for a period of 10 years i.e., from 30.08.2015 to 29.08.2025.</p>
Article 2.3	<p>The tariff is inclusive of all Taxes, duties and levies.</p>	<p>The tariff is inclusive of all Taxes, duties and levies. All future increase in taxes, duties and levies is to be born by the wind power producer.</p>
Article 4.1	<p>The Company shall install main meters of State type 0.2 class accuracy at the Interconnection</p>	<p>The Wind Power Producer shall install main meters of Static type 0.2</p>

For NILE LIMITED

Authorised Signatory

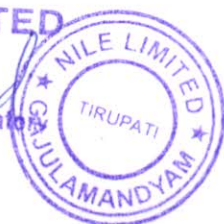


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	<p>point and the APTRANSCO shall install check meters of Static type at the same point and of the same accuracy. The main meters and check meters will each consist of a pair of export and import meters.</p>	<p>/ 0.2S class accuracy at the Metering Point and the DISCOM shall install check meters of Static type at the same point and of the same accuracy. The main meters and check meters will each consist of a pair of export and import meters with facility for recording meter readings using Meter Recording Instrument. For the purpose of uniformity the Wind Power Producer shall follow metering specifications as notified by the DISCOM from time to time.</p>
Article .7	<p>The Agreement shall be effective upon its execution and delivery there of between parties hereto and shall continue in force from the Commercial Operation Date (COD) and until the twentieth (20th) anniversary that is for a period of twenty years from the Commercial Operation Date (COD). This Agreement may be renewed for such further period of time and on such terms and conditions as may be mutually agreed upon by the parties, 90 days prior to the expiry of the said period of twenty years, subject to the consent of the APERC. Any and all incentives/ conditions envisaged in the Articles of this Agreement are subject to modification from time to time as per the directions of APERC, Government of Andhra Pradesh and APOTRANSCO.</p>	<p>The Agreement shall be effective upon its execution and delivery there of between parties hither to and shall continue in force for a period of 10 years i.e., from 30.08.2015 to 29.08.2025 .</p>

For NILE LIMITED

Authorized Signatory



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