

भारतीय गैर न्यायिक

एक सौ रुपये

Rs. 100

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ONE
HUNDRED RUPEES



सत्यमेव जयते

भारत INDIA

INDIA NON JUDICIAL

ఆంధ్రప్రదేశ్ ఆन्ध్ర प्रदेश ANDHRA PRADESH

8683 16/8/2013

S. No. 8683 Dt. 16/8/2013

Sold To: Veers Reddy

No. / W/O / D/O: Veer Reddy

W/O: Khandke Wind Energy Private Limited

POWER PURCHASE AGREEMENT - 2

BETWEEN

CENTRAL POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED
AND

M/s. KHANDKE WIND ENERGY PRIVATE LIMITED (PHASE - II)

NCECPG NO. 0124/2013

This Power Purchase Agreement (the "Agreement") entered into this 19th day of March - 2013 between Central Power Distribution Company of Andhra Pradesh Limited (DISCOM), 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, having its office at 6-1-50, Mint compound, Hyderabad 500063, Andhra Pradesh, India, hereinafter referred to as the "DISCOM" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as first party, and M/s. Khandke Wind Energy Private Limited, a company incorporated under companies Act, 1956, having registered office at IL & FS Financial Centre, Plot No. C - 22, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051, India, hereinafter referred to as the "Wind Power Producer" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as second party;

For Khandke Wind Energy Private Limited

Authorised Signatory

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K.N. LAL BABU

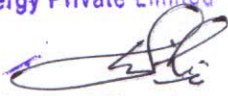
Licensed Stamp Vendor
Licence No. 16-07-036/2012
H.No 3-5-94801 A, Hidayath Nagar,
HYDERABAD DISTRICT.
Phone No. 09492424379

Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

**POWER PURCHASE AGREEMENT
BETWEEN
CENTRAL POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED
AND
M/s. KHANDKE WIND ENERGY PRIVATE LIMITED (PHASE - II)**

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For Khandke Wind Energy Private Limited


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2. WHEREAS, the Wind Power Producer is setting up the New and Renewable Energy Project i.e., the 6.4 MW capacity Wind power project at Nallakonda area in Sy. Nos. 627, 656, 663 & 664 of Mustikovela (V) and Sy.No. 522 of Duddebanda (V), Anantapur District, Andhra Pradesh (hereafter called the Project,) with a proposal of 0.032 MW for Auxiliary Consumption and 6.368 MW for export to grid for Sale to DISCOM as detailed in Schedule 1 attached herewith, and New and Renewable Energy Development Corporation of Andhra Pradesh Limited hereafter referred to as M/s NREDCAP has accorded approval to the said project in their proceedings No NREDCAP/WE/7939/KWEPL/2012, dt: 31-12-2012 and the Wind Power Producer has entered into an Agreement with NREDCAP on 31st December, 2012 and the copies whereof are attached herewith as Schedule 2 and Schedule 3 respectively;

3. WHEREAS, the Wind Power Producer shall achieve Commercial Operation Date within two years from the date of signing of the Agreement, default of which, the Agreement renders liable for termination and the same can be done at the option of DISCOM with due notice;


4. WHEREAS, the Wind Power Producer shall fulfill the conditions of Agreement entered with NREDCAP and obtain the extensions wherever required till the Project is completed. In the event of cancellation of the Project allotted to the Wind Power Producer by NREDCAP for any reason, the PPA with DISCOM will automatically get cancelled;

5. WHEREAS, it has been agreed that the Project will be designed, engineered and constructed and operated by or on behalf of the Wind Power Producer or its successors with reasonable diligence subject to all applicable Indian laws, rules, regulations and orders having the force of law;

6. Whereas, the proposed Project is being setup under cluster of Wind power projects proposed at Nallakonda area, Anantapur District and will be connected to Extra High Voltage (EHV) Pooling Substation to be built for power evacuation from Wind power projects. The Project will share a common metering at High Voltage

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(HV) side of Power Transformer in Pooling Substation along with other Wind power projects. The Project will also have a separate metering at Project's switchyard.

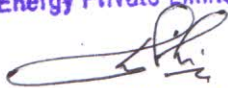
7. This Agreement is enforceable subject to obtaining consent of Andhra Pradesh Electricity Regulatory Commission (APERC) as per Section 21 of Andhra Pradesh Electricity Reform Act 1998 (Act No.30 of 1998);

8. The terms and conditions of the Agreement are subject to the provisions of the Electricity Act, 2003 (36 of 2003) and the amendments made to the act from time to time, and also subject to regulation by the APERC.

9. 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:

10. The APERC has conferred its approval to this Agreement vide its letter No. E: 884/Dir-Engg/DD(PPP)/D.No. 222/2013-01, dated: 14-03-2013.

For Khandke Wind Energy Private Limited



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ARTICLE 1 DEFINITIONS

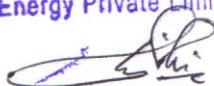
As used in this Agreement, the following terms shall have the meanings set forth herein below. Defined terms of singular number shall include the plural and vice-versa.

- 1.1 **APTRANSCO:** Transmission Corporation of Andhra Pradesh Limited, incorporated by the Government of Andhra Pradesh.
- 1.2 **Billing Date:** means the fifth (5th) day after the Metering Date.
- 1.3 **Billing Month:** means the period commencing from 25th of the calendar month and ending on the 24th of the next calendar month.
- 1.4 **Commercial Operation Date (COD):** means, with respect to each Generating unit, the date on which such Generating unit is declared by the Wind Power Producer to be operational, provided that the Wind Power Producer 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 guidelines for declaration of the Commercial Operation Date (COD).

- 1.5 **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 DISCOM at the Interconnection Point as defined in Article 1.10, as measured by the common energy meter at the Interconnection Point during that Billing Month. As indicated in the preamble, the delivered energy recorded by the common meter shall be sum of energy delivered by all Wind power projects connected to the Pooling Substation.

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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: The delivered energy in a Billing Month shall be limited to the energy calculated based on the Capacity agreed for export to network for sale to DISCOM as mentioned in Preamble and Schedule - 1, multiplied with number of hours and fraction thereof the project is in operation during that billing month. In case any excess energy is delivered no payment shall be made for the same.

Explanation 3: The Delivered Energy will be equal to energy recorded by the individual meter at Project's switchyard minus apportioned line losses from Project's switchyard to HV side of Pooling Substation and shall be calculated as per the formula mentioned below:

$$\text{Delivered Energy} = X_1 - (X_1 \times Z \%)$$

Where

X_1 is the reading of the energy meter installed at the Project's switchyard.

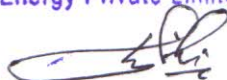
$Z\%$ is the line loss incurred in the transmission line between the Project and the Pooling Substation and shall be:

$$Z = \left\{ \frac{(X_1 + X_2 + X_3 + X_4 + \dots) - Y}{(X_1 + X_2 + X_3 + X_4 + \dots)} \right\} \times 100$$

Where

Y is the reading of the common energy meter installed on the 220 KV side of the Pooling Substation, X_1, X_2, X_3, X_4 etc. are the readings of the energy meters installed at the various individual Wind power projects being developed/proposed to be set up in the area and connected to the Pooling Substation.

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- 1.6 **Due Date of Payment:** means the date on which the amount payable by the DISCOM to the Wind Power Producer 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 provided the bill is received by DISCOM within 5 days from 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 DISCOM.
- 1.7 **Financial Year:** shall mean, with respect to the initial Fiscal Year, the period beginning on the Commercial Operation Date and ending at 12.00 midnight on the following March 31. Each successive Financial Year shall begin on April 1 and end on the following March 31, except that the final Fiscal Year shall end on the date of expiry of the Term or on termination of this Agreement, whichever is earlier.
- 1.8 **Installed Capacity:** means the total rated capacity in mega-watts of all the generators installed by the Wind Power Producer.
- 1.9 **Interconnection Facilities:** means all the equipment and facilities, including, but not limited to, all metering facilities, switchgear, substation facilities, transmission lines and related infrastructure, to be installed at the voltage specified in Article 1.20 at the Wind Power Producer's expense from time to time throughout the term of this Agreement, necessary to enable the DISCOM to economically, reliably and safely receive Delivered Energy from the Project in accordance with the terms of this Agreement. As indicated in the preamble, the interconnection facilities beyond Project's switchyard shall be common for Wind Power Producer and other Wind power projects connected to the Pooling Substation.
- 1.10 **Interconnection Point:** means the point or points where the Project and the APTRANSCO's / DISCOM grid system are interconnected. For this project, interconnection point is at HV side of Step-up Power Transformer installed at the Pooling Substation. The metering for the Project will be

provided at the interconnection point as per Article 4.1. As indicated in the Preamble of this Agreement, Interconnection point for this Project is common with other Wind power projects connected to the Pooling Substation.

1.11 **Meter Reading Date:** means mid-day (i.e., noon) of the 24th (twenty-fourth) day of each calendar month, at the Interconnection Point.

1.12 **Metering Point:** means points where metering shall be provided for Project and shall be as follows:

(i) Common meter provided at the Interconnection Point for purposes of recording of Delivered Energy of the Project;

(ii) Individual meter provided at Project's switchyard;

(iii) Metering point shall include two separate sets of 0.2 class accuracy electronic tri-vector meters as specified in Article 4.1, main meter installed by the Wind Power Producer and the check meter installed by the DISCOM and both sealed by the DISCOM, having facilities to record both export and import of electricity to / from the grid.


1.13 **Project:** means the 6.4 MW capacity Wind power project at Nallakonda area in Sy. Nos. 627, 656, 663 & 664 of Mustikovela (V) and Sy.No. 522 of Duddebanda (V), Anantapur District, Andhra Pradesh with a proposal of 0.032 MW for Auxiliary Consumption and 6.368 MW for export to network for Sale to DISCOM as entrusted to the Wind Power Producer for construction and operation as detailed in Agreement entered into with NREDCAP as shown in Schedule 3 attached herewith and includes the metering system.

1.14 **Prudent Utility Practices:** means those practices, methods, techniques and standards, that are generally accepted 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.

- 1.15 **Pooling or Receiving Substation:** means 33 / 220 KV Substation constructed, owned and maintained by the Wind Power Producer at Shapuram (v), Penukonda (M) in Anantapur District for the sole purpose of evacuating energy generated by the Project to the Grid System and for facilitating interconnection between the transmission lines emanating from the Project and the Grid System. As indicated in the Preamble, the Pooling Substation will be common for all Wind power projects connected to the Pooling Substation.
- 1.16 **SLDC:** means the State Load Dispatch Center as notified by the State Government under the provisions of the Electricity Act 2003.
- 1.17 **System Emergency:** means a condition affecting the APTRANSCO's/ DISCOM'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/ DISCOM, or which endangers life or property, which condition is affected or aggravated by the continued delivery of Delivered Energy from the Project.
- 1.18 **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 shall be inclusive of Wind Power Producer project also.

For Khandke Wind Energy Private Limited


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Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
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Explanation 1: Induction generators used in Wind Farms draw reactive power from grid during generator mode and motor mode.

Explanation 2: Surcharge on reactive power drawn by Wind Farms will be levied on the Wind Power Producer.

1.19 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).

1.20 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:

At 33 KV level:

Project interfacing		Specified type of AAAC Conductor (size)	Proposed Wind power capacity on each 33 KV line
From	To		
Wind project	Existing 33/11 KV DISCOM SS	55 sqmm	8 MW
		100 sqmm	10 MW*
		150 sqmm	
Wind project	EHT Pooling SS or existing EHT APTRANSCO SS	55 sqmm	8 MW
		100 sqmm	12 MW
		150 sqmm	17 MW

*Capacity is restricted considering less load availability in DISCOM SS.

At EHT level:

Project interfacing		EHT Level	Proposed Wind power capacity
From	To		
Pooling SS	Existing APTRANSCO EHT SS	132 KV	(i) Up to 50 MW on SC Line
			(ii) Above 50 MW to 100 MW on DC Line
Pooling SS	Existing APTRANSCO EHT SS	220 KV	Above 100 MW

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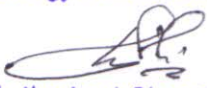

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This Project will generate electrical energy at 400 Volts, which will be stepped up to 33 KV at Project's switchyard. The electrical energy will be further stepped up from 33 KV to 220 KV at Pooling Substation and delivered to the grid.

- 1.21 All other words and expressions, used herein and not defined herein but defined in Indian Electricity Rules 1956, AP Electricity Reform Act, 1998 and the Electricity Act, 2003 shall have the meanings respectively assigned to them in the said Acts.

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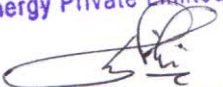

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ARTICLE 2

PURCHASE OF DELIVERED ENERGY AND TARIFF

- 2.1 All the Delivered Energy at the interconnection point for sale to DISCOM 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 Wind Power Producer to the DISCOM at the Interconnection Point.
- 2.2 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.4.70 per unit for a period of 25 years from the Commercial Operation Date (COD) as per APERC order No 13/2012 dt.15.11.2012.
- 2.3 The tariff is inclusive of all taxes, duties and levies.
- 2.4 All future increase in Taxes, Duties and Levies on Energy generated is to be borne by the Wind Power Producer.
- 2.5 Where in any Billing month, the energy supplied by the DISCOM to the Wind Power Producer as a bilateral arrangement to maintain the Auxiliaries in the power plant in situations of non-generation of power, shall be billed by the DISCOM, and the Wind Power Producer shall pay the DISCOM for such electricity supplies, at the DISCOM's then-effective tariff applicable to High Tension Category-I Consumers. For this purpose, the maximum demand specified in such DISCOM's Tariff shall be computed by dividing the amount of such energy supplied by the DISCOM by hours of drawl of power from the grid in the Month. The energy drawn from DISCOM network, as recorded by meters at interconnection point, shall be inclusive of the Wind Power Producer project also.

Explanation: The Wind plants during the plant shut down periods shall draw the energy from DISCOM only for the essential loads not exceeding auxiliary consumption.

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ARTICLE 3
INTERCONNECTION FACILITIES

- 3.1 Upon receipt of a requisition from the Wind Power Producer, the APTRANSCO and DISCOM will prepare an estimate for arranging interconnection facilities for power evacuation at the voltage level as per Article 1.20. The Wind Power Producer have to bear the entire cost of the interconnection facilities as per the sanctioned estimate. The APTRANSCO and DISCOM shall evaluate, design, and install the Interconnection Facilities and perform all work, at the Wind Power Producer's expense, necessary to economically, reliably and safely connect the grid system to the Project switch yard.
- 3.2 APTRANSCO and DISCOM may also permit the Wind Power Producer to execute the interconnection facilities for power evacuation as per the sanctioned estimate at it's discretion duly collecting the supervision charges as per procedure in vogue.
- 3.3 The Wind Power Producer shall own, operate and maintain interconnection facilities from Project to Pooling Substation from time to time and necessary expenditure shall have to be borne by the Wind Power Producer. The maintenance work on the Generating units has to be done in coordination with the APTRANSCO and DISCOM.
- 3.4 The Wind Power Producer shall agree to pay to the DISCOM, on or before signing of this Agreement, at the rate of Rs.37,000/- per MW of Installed Capacity and for fractions thereof on a pro-rata basis as a one time lump sum payment for the sole purpose of providing the required MVAR capacity at the Substation of the APTRANSCO/DISCOM to which the Project is interconnected to supply the requisite reactive power to the Grid System. APTRANSCO/DISCOM shall install the capacitors of required capacity, at the substation of the APTRANSCO and DISCOM to which the project is interconnected before commercial operation date of the project.

For Khandke Wind Energy Private Limited

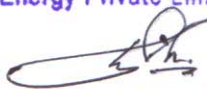

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In case the APTRANSCO/DISCOM fails to install the capacitors of requisite capacity before the commercial operation date, the amount collected for this purpose shall be refunded by the DISCOM to the Wind Power Producer who has paid the amount, within 30 days from the date of commercial operation of the project.

- 3.5 Any modifications or procedures or changes in arranging interconnection facilities for power evacuations rest with APTRANSCO and DISCOM.
- 3.6 During the period prior to the Commercial Operation Date, on the request of the Wind Power Producer, the DISCOM 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 DISCOM to which the Wind Power Producer belongs, provided separate metering arrangements as may be required under the Terms and Conditions of such tariff have been installed at the Project.

For Khandke Wind Energy Private Limited



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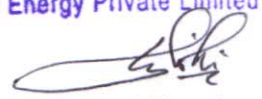


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ARTICLE 4 METERING AND PROTECTION

- 4.1 The Wind Power Producer shall install main meters of Static type 0.2 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 developed by the DISCOM from time to time.
- 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 up to the time of such test check, computation of delivered energy

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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 once in a Financial year 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.
- 4.9 All main and check meters 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 of each month, meter readings shall be taken (and an acknowledgement thereof signed) by the authorized representatives of both parties.


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- 4.11 Within six (6) months following the execution of this Agreement, the Wind Power Producer and the DISCOM 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 Wind Power Producer in order for the Wind Power Producer to operate in parallel with the 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 network voltage at the point of interconnection.
- 4.14 The equipment of the Wind Power Producer 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 Wind Power Producer shall ensure that the power factor of the power delivered to the DISCOM 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 DISCOM.
- 4.17 As the Project's generator may carry fault currents that may occur on the grid, the Wind Power Producer shall provide adequate generator and switchgear protection against such faults. The DISCOM is not responsible for damage, if any, caused to the Project's generator and allied equipment during parallel operation of the generator with the grid.

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- 4.18 The Wind Power Producer shall make a good faith effort to operate the Project in such a manner as to avoid fluctuations and disturbances to the APTRANSCO's / DISCOM's network due to parallel operation with the network.
- 4.19 The Wind Power Producer shall control and operate the Project as per Prudent Utility Practices. The DISCOM shall only be entitled to request the Wind Power Producer to reduce electric power and energy deliveries from the Project during a System Emergency, and then only to the extent that in the DISCOM's reasonable judgment such a reduction will alleviate the emergency. The DISCOM shall give the Wind Power Producer 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 Wind Power Producer hereunder shall be implemented in a manner consistent with safe operating procedures.

For Khandke Wind Energy Private Limited



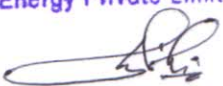
Authorised Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

ARTICLE 5
BILLING AND PAYMENT

- 5.1 For Delivered Energy purchased, Wind Power Producer shall furnish a bill to the DISCOM calculated at the rate provided for in Article 2.2, in such form as may be mutually agreed between the DISCOM and the Wind Power Producer, for the billing month on or before the 5th working day following the metering date.
- 5.2 The DISCOM shall be entitled to a rebate of 1% of the total amount billed in any billing month for payments made before the due date of payment. Any payment made beyond the due date of payment, DISCOM shall pay interest at existing nationalized bank rate (Prime Lending Rate) and in case this rate is reduced, such reduced rate is applicable from the date of reduction.
- 5.3 The DISCOM 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 Wind Power Producer.
- 5.4 **Letter of Credit:** Not later than 30 days prior to the Scheduled COD of the first Generating Unit, DISCOM shall cause to be in effect an irrevocable revolving Letter of Credit issued in favour of Wind Power Producer 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 Wind Power Producer 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 Wind Power Producer that the DISCOM 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;

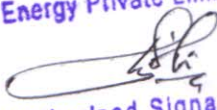
For Khandke Wind Energy Private Limited


Authorised Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office.
6-1-50, Mint Compound,
HYDERABAD-500 063

- (c) In the absence any dispute regarding the claim provide that Wind Power Producer shall have the right to draw upon such Letter of Credit notwithstanding any failure by the DISCOM to reimburse the issuer thereof for any draw made under; and
- (d) not less than 30 days prior to the expiration of any Letter of Credit, the DISCOM 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 there under. The opening charges for Letter of Credit (L/C) and Letter of Credit (L/C) negotiation charges will be borne by the beneficiary Wind Power Producer.

5.5 **Direct Payment:** Notwithstanding the fact that a Letter of Credit has been opened, in the event that through the actions of the DISCOM, Wind Power Producer is not able to make a draw upon the Letter of Credit for the full amount of any bill, Wind Power Producer shall have the right to require the DISCOM to make direct payment of any bill by cheque or otherwise on or before the due date of payment by delivering to the DISCOM 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 Wind Power Producer to draw upon the Letter of Credit if payment is not received in full, the DISCOM shall have the right to make direct payment by cheque or otherwise of any bill such that within 30 days after the date of its presentation to the designated officer of the DISCOM, Wind Power Producer shall receive payment in full for such bill. When either such direct payment is made, Wind Power Producer shall not present the same bill to the Scheduled Bank for payment against the Letter of Credit.

For Khandke Wind Energy Private Limited

Authorised Signatory


Chief General Manager Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

- 5.6 **Billing disputes:** The DISCOM shall pay the bills of Wind Power Producer promptly subject to the clauses 5.1 and 5.2 above.

The DISCOM shall notify Wind Power Producer in respect of any disallowed amount on account of any dispute as to all or any portion of the bill. Wind Power Producer shall immediately take up issue with all relevant information with DISCOM which shall be rectified by the DISCOM, if found satisfactory. Otherwise notify its (DISCOM'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 DISCOM to reimburse Wind Power Producer, the amount to be reimbursed shall bear interest at existing nationalized bank rate (Prime Lending Rate) and in case this rate is reduced, such reduced rate is applicable from the date of reduction from the date of disallowance to the date of reimbursement.

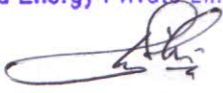
- 5.7 All payments by the DISCOM to Wind Power Producer hereunder shall be made to such address as may be designated by Wind Power Producer to the DISCOM in writing from time to time.

Address : M/s. Khandke Wind Energy Private Limited,
IL & FS Financial Centre,
Plot No. C - 22, G - Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Telephone : +91 22 2653 3333

Fax : +91 22 2653 3038

For Khandke Wind Energy Private Limited


Authorised Signatory

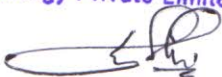

Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

ARTICLE 6 UNDERTAKING

6.1 The Wind Power Producer shall be responsible:

- (i) for proper maintenance of the project in accordance with established prudent utility practices.
- (ii) for 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 DISCOM.
- (iii) the Wind Power Producer shall furnish the generation and maintenance schedules every year.
- (iv) for making all payments on account of any taxes, cess, 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 Wind Power Producer or on the income or assets of the Wind Power Producer.
- (v) for obtaining necessary approvals, permits or licences for operation of the project and sale of energy to DISCOM there from under the provision of the relevant laws.
- (vi) the Wind Power Producer have to comply with the provisions of the AP Code of Technical Interface (Grid Code).
- (vii) for achieving Commercial Operation Date within two years from the date of signing of the Agreement.
- (viii) for seeking approval of APTRANSCO and DISCOM in respect of Interconnection Facilities, Pooling Substation and synchronization of the Project with grid.

For Khandke Wind Energy Private Limited


Authorised Signatory

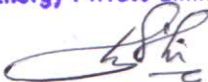

Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

- (ix) the Wind Power Producer shall not dismantle and take away project machinery and interconnection facilities during the PPA term.
- (x) after 25th year of the operation from Commercial Operation Date, if plant continues to operate, the DISCOM shall have the first right of refusal on power purchase from the Wind power plant. The tariff beyond 25th year shall be as mutually agreed by both the parties, subject to approval of APERC.
- (xi) To share Clean Development Mechanism (CDM) benefit with DISCOM as per APERC orders from time to time.

6.2 The DISCOM 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.
- (iii) to co-ordinate with APTRANSCO and assist the Wind Power Producer in obtaining approval for the interconnection facilities where the interconnection is at 132 kV or above voltages, for synchronization, Commercial Operation, regular operation etc., as required by the Wind Power Producer.

For Khandke Wind Energy Private Limited

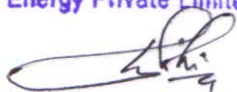

Authorised Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063


ARTICLE 7 DURATION OF AGREEMENT

This Agreement is subject to para (3) of the Preamble and 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 twenty fifth (25th) anniversary that is for a period of twenty five 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 five 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.

For Khandke Wind Energy Private Limited



Authorised Signatory



Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

**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 Wind Power Producer:

Attention : M/s Khandke Wind Energy Private Limited,
IL & FS Financial Centre,
Plot No. C - 22, G - Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Telephone : +91 22 2653 3333

Fax : +91 22 2653 3038

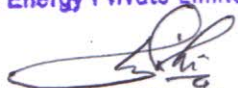
If to the DISCOM:

Attention : Chief General Manager (Commercial & RAC),
APCPDCL, 6-1-50,
Corporate Office,
Mint Compound,
Hyderabad, 500063.

Fax No. : 040 23431452

Telephone No. : 040 23431008, 23431453

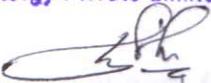
For Khandke Wind Energy Private Limited


Authorized Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

- 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.

For Khandke Wind Energy Private Limited

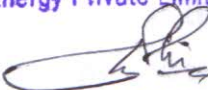

Authorised Signatory



Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

ARTICLE 9 DEFAULT

- 9.1 In the event, DISCOM commits a breach of any of the terms of this Agreement, the Wind Power Producer shall be entitled to specific performance of this Agreement or claimed such damages as would be available under Law or both, at its option, by giving 30 days notice to DISCOM.
- 9.2 In the event, Wind Power Producer commits a breach of any of the terms of this Agreement, the DISCOM shall be entitled to specific performance of this Agreement or claimed such damages as would be available under Law or both, at its option, by giving 30 days notice to Wind Power Producer.
- 9.3 If the default continues for a period of 30 days or more, either party will have a right to issue a preliminary notice for termination of this Agreement. If the default is not cured within 30 days thereafter, either party can terminate this Agreement and can claim damages at its option.

For Khandke Wind Energy Private Limited



Authorised Signatory



Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

**ARTICLE 10
DISPUTE RESOLUTION**

- 10.1 Each Party shall designate in writing to the other party a representative who shall be authorized to resolve any dispute arising under this Agreement in an equitable manner.
- 10.2. Following notice by one Party to the other setting out the particulars of the dispute, if the designated representatives are unable to resolve a dispute under this Agreement within 15 days, such dispute shall be referred by such representatives to a senior officer designated by the Wind Power Producer and a senior officer designated by the DISCOM, respectively, who shall attempt to resolve the dispute within a further period of 15 days.
- 10.3. The Parties hereto agree to use their best efforts to attempt to resolve all disputes arising hereunder promptly, equitably and in good faith and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such dispute.
- 10.4 Failing resolution of the dispute in terms of the above provisions or even otherwise, any party may approach the AP Electricity Regulatory Commission to adjudicate upon the dispute in terms of Section 86 (1) (f) of Electricity Act, 2003.

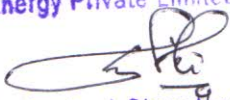
For Khandke Wind Energy Private Limited


Authorized Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

ARTICLE 11
SPECIAL PROVISIONS

- 11.1 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.
- 11.2 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 Wind Power Producer and the DISCOM, 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.
- 11.3 However, in respect of power evacuation, the voltage levels for interfacing with grid will be as per Article 1.20. The cost of interconnection facilities has to be borne by the Wind Power Producer as per Article 3.
- 11.4 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.
- 11.5 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.
- 11.6 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


For Khandke Wind Energy Private Limited

Authorised Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

date specified in the concerned clause of this Agreement, subject to the consent of the APERC.

- 11.7 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.
- 11.8 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.
- 11.9 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.
- 11.10 In the event of the merger or re-organisation of DISCOM, if the resulting entity is able to perform DISCOM's obligations hereunder in no less a manner than DISCOM, the resulting entity shall take the right and responsibility for performance of DISCOM's obligations.
- 11.11 In the event of the merger or re-organisation of Wind Power Producer if the resulting entity is able to perform Wind Power Producer's obligations hereunder in no less a manner than Wind Power Producer, the resulting entity shall take the right and responsibility for performance of Wind Power Producer's obligations.
- 11.12 **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.

For Khandke Wind Energy Private Limited


Authorised Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

IN WITNESS WHEREOF, the Wind Power Producer and the DISCOM have caused this Agreement to be executed as of the date and the year first set forth above.

For and behalf of
CENTRAL POWER DISTRIBUTION COMPANY
OF ANDHRA PRADESH LIMITED

WITNESS

1.

By:


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063

2.


Its:

For and behalf of
M/S.KHANDKE WIND ENERGY PRIVATE LIMITED

WITNESS

1.


By:


(Sandeep Betti)

For Khandke Wind Energy Private Limited

2.

Its:


Authorised Signatory 19/03/2013

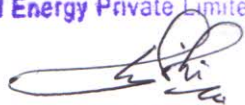
SCHEDULE 1

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

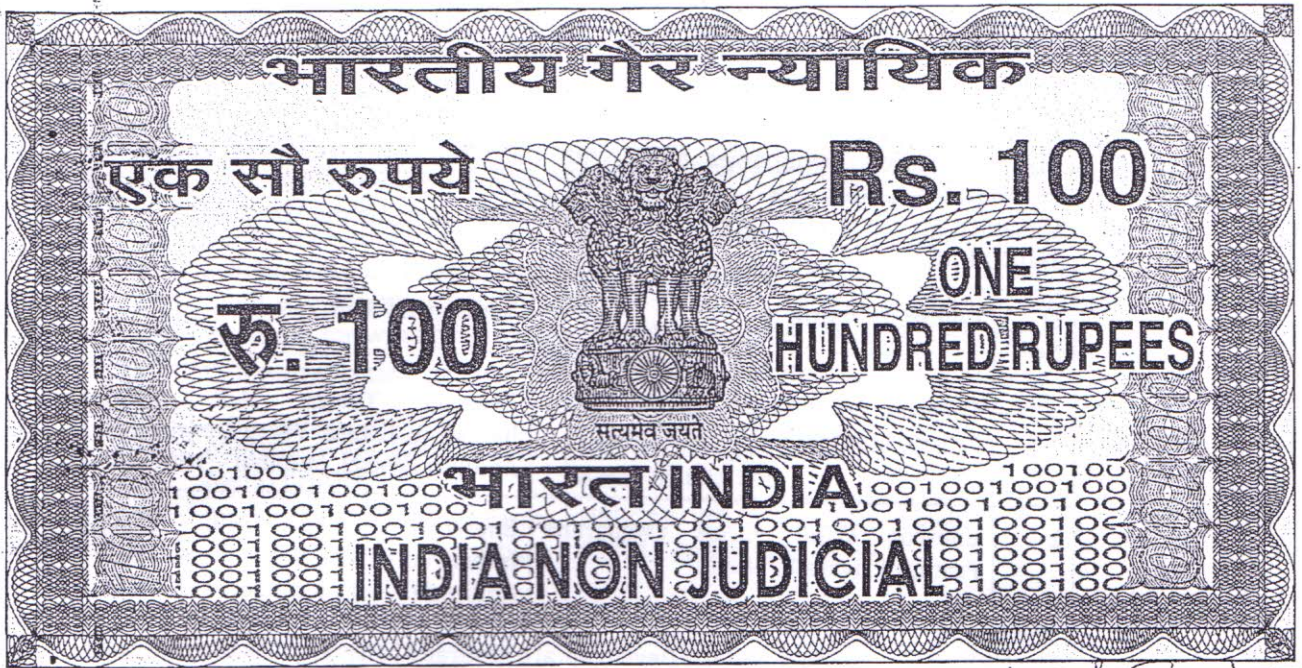
Name of the Project	Location	No. of Wind Energy Converters	Capacity of the Project*
M/s. Khandke Wind Energy Private Limited (Phase - II)	Nallakonda area in Sy. Nos. 627, 656, 663 & 664 of Mustikovela (V) and Sy.No. 522 of Duddebanda (V), Anantapur District, Andhra Pradesh.	8 Nos (8 Nos X 0.8 MW each)	6.4 MW

* Out of 6.4 MW, 0.032 MW is for Auxiliary Consumption and 6.368 MW is for export to grid for sale to DISCOM.

For Khandke Wind Energy Private Limited


Authorised Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 063



ఆంధ్రప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

BA 828619

Sl. No. 35758 Date 28/12/2012.
 Sold To : B. Veera Reddy
 S/o : Venkat Reddy R/o. Hyd
 To Whom : Khandke Wind Energy Pvt. Ltd Hyd.

KRAMA CHANDRAVATHI

Licenced Stamp Vendor

LIC No.16-11-27/1999

REN. No.16-11-5/2011

H.No.6-3-387, Near Himalaya Book World
 Beside Petrol Pump Punjagutta
 HYDERABAD (SOUTH) DISTRICT
 PHONE NO.23351799, 9392490025

AGREEMENT


THIS AGREEMENT is entered into on this 31st day of December 2012 at Hyderabad, by and among

(1) New and Renewable Energy Development Corporation of Andhra Pradesh Ltd., (Formerly NEDCAP) a fully owned State Government Company, registered under the Companies Act, 1956, having its office at 5-8-207/2, Pishgah Complex, Nampally, Hyderabad 500 001 (India), represented by its Vice Chairman & Managing Director, Sri M. Kamalakar Babu hereinafter referred to as the **NREDCAP of the FIRST PART,**

AND

(2) M/s Khandke Wind Energy Private Limited, a company incorporated under the Companies Act, 1956 having its registered office at IL & FS Financial Center, Plot C-22, G Block, Bandra-Kurla Complex, Bandra-Kurla Complex, Bandra (East), Mumbai -400051, represented by its Authorised Signatory Head - Business Development and Operations, Mr. Kishan Bir Singh Sirohi hereinafter referred to as the 'Customer' of the **SECOND PART.**

For Khandke Wind Energy Private Limited


 Authorized Signatory

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


 Vice Chairman & Managing Director

For Enercon Wind Farms (Maharashtra Pradesh) Pvt. Ltd.

Authorized Signatory

For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.

Authorized Signatory

(3) The following companies along with their registered office addresses are incorporated under the Companies Act, 1956 represented by its Authorised Signatory, Mr. Kishan Bir Singh Sirohi hereafter referred to as the 'Developer' of the THIRD PART.

Sl No	Company Name	Registered Address
1	Enercon Wind Farms (Tamil Nadu) Private Limited	Enercon Tower, A-9, Veera Industrial Estate, Veera Desai Road, Andheri (West), Mumbai - 400 053
2	Enercon Wind Farms (Maharana Pratap) Private Limited	Enercon Tower, A-9, Veera Industrial Estate, Veera Desai Road, Andheri (West), Mumbai - 400 053

The NREDCAP, customer and the Developer are severally referred to as the party and collectively as Parties.

The expressions 'NREDCAP', 'Customer' and 'Developer' shall unless repugnant to the context or meaning thereof, include respectively their successors, administrators and permitted assigns,

WHEREAS,

A. NREDCAP (formerly 'NEDCAP') is the Nodal Agency for approval of wind energy projects upto 20 MW capacity and, therefore, for setting up of wind farms in the Potential Areas in the State of Andhra Pradesh as per the guidelines of the Ministry of New and Renewable Energy (MNRE), Government of India and also the guidelines under the New Wind Power Policy of the Government of Andhra Pradesh (GOAP) notified through GO MS No.48, Energy (Res) Department, dated 11-04-2008 (hereinafter called the 'Policy') as well. For the projects with more than 20 MW capacity, the GOAP grants clearance on the recommendations of NREDCAP. The Policy, inter-alia, aims at encouraging optimum utilization of the available wind power potential in the State by facilitating adoption of state of art technology through private participation, balancing the interest of the customers and the developers, permitting the developers for using the power produced for captive consumption or making sale to a third party or to DISCOMs as per the guidelines under the Policy, and the Indian Electricity Act 2003 and the rules and regulations made and the directions issued by GOAP there under. Under the Policy the Developer is also eligible for certain incentives and concessions. As per the existing Policy guidelines of NREDCAP, where the Developer is a manufacturer or supplier, such Developer can transfer the capacities allotted to it to any customer provided prior approval of NREDCAP stipulating such of the terms and conditions as it considers necessary and appropriate is obtained.

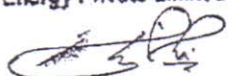
For Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.

Authorised Signatory

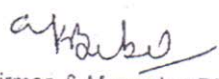
For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.

Authorised Signatory

For Khandke Wind Energy Private Limited


Authorised Signatory

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

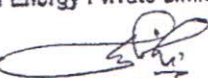
B. The Third Party was earlier sanctioned 40 MW wind farm project to be set up at Nallakonda Site near Penukonda, Anantapur District and accordingly an Agreement was entered between NREDCAP (NEDCAP) and the Developer as given in the following table, hereinafter referred as the 'Principal Agreement' containing the terms and conditions thereof. Para 2 of the Principal Agreement enables development of the wind power projects by the Developer for customers/users.

Sl No	Company Name	Proceedings No. & Agreement Date	Capacity Sanctioned
1	Enercon Wind Farms (Tamil Nadu) private Limited	NEDCAP/WE/201/2009 dated 30.03.2010	20.0
2	Enercon Wind Farms (Maharana Pratap) private Limited	NEDCAP/WE/2723/2004-05/711 dated 05.05.2004	20.0
Total MW			40.0

C. The Third Party through its Letter No. EIL/KWEPL/NREDCAP/CT/2012- 13/ dated 15.12.2012 informed that its group company M/S. Enercon (India) Limited had received an order from the Second Party for establishment 15.2 MW Power Project on turn-key basis as per the details given below, hereinafter referred to as the 'Project', duly conveying its no objection and consent for transfer of the Project in the name of the Second Party being its customer from out of the balance of 40.0MW capacity allotment they were already sanctioned.

Sl No	Customer Name	No of Locs	Cap. in MW	Capacities transferred from	Capacities to be transferred	Village Name	Survey No's
1	Khandke Wind Energy Private Limited Phase-1	3	2.4	Enercon Wind Farm (Tamil Nadu) Pvt. Ltd	2.4	Mustikovel a	629
2	Khandke Wind Energy Private Limited Phase-2	8	6.4	Enercon Wind Farm (Maharana Pratap) Pvt. Ltd	4.8	Mustikovel a	627, 656, 663 & 664
				Enercon Wind Farm (Tamil Nadu) Pvt. Ltd	1.6	Duddeband a	522

For Khandke Wind Energy Private Limited


Authorised Signatory

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

For Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.

Authorised Signatory

For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.

Authorised Signatory

3	Khandke Wind Energy Private Limited Phase-3	5	4.0	Enercon Wind Farm (Tamil Nadu) Pvt. Ltd	4.0	Kogira RF	669
4	Khandke Wind Energy Private Limited Phase-4	3	2.4	Enercon Wind Farm (Tamil Nadu) Pvt. Ltd	2.4	Kogira RF	669
Total		19	15.2		15.2		

The Second Party has also submitted a letter dated 08-11-2012 expressing its interest to set up the Project with a request to transfer the Project.

D. After due consideration of the proposals under (B) above, the First Party, through its Letter No. NEDCAP/WE/7939/KWEPL/2012/, dated 31-12-2012 granted permission for the transfer of the Project stipulating the terms and conditions therefor and for entering into this Agreement. The Second Party having complied with the conditions of the said permission letter of NREDCAP requested for execution of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

ARTICLE 1

DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the words and expressions, unless and otherwise defined or described herein, shall, unless repugnant to the context or meaning thereof, have the meaning assigned in the Andhra Pradesh Electricity Reforms Act 1998 (APEREC Act), the Indian Electricity Act 2003 and GO MS. No. 48, Energy (RES) Department, dated 11-04-2008 or in the Principal Agreement appended hereto..

1.2 Public Interest

The sanction, development, operation and maintenance of the Project is in public interest.

1.3 Essence of Time

As the Project Implementation is as per a pre-decided time schedule, the Customer shall ensure that the Project is executed within the Project Implementation Period.

For Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.

Authorised Signatory

For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.

Authorised Signatory

For Khandke Wind Energy Private Limited

Authorised Signatory

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

ARTICLE 2

GRANT OF ALLOTMENT

2.1 Transfer of Sanctioned Capacity

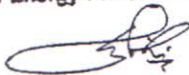
Subject to and in accordance with the terms and conditions set forth in this Agreement and the Principal Agreement; and the Customer undertaking to observe and perform the covenants, obligations, responsibilities, terms and conditions of this Agreement and the Principal Agreement as well, NREDCAP hereby sanctions transfer of 15.2 MW capacity wind power from out of 40.0 MW wind power project earlier sanctioned to the Developer, to and in the name of the Customer for setting up of the Project as per the following table for generation of 15.2 MW capacity of Wind Power for captive use/ sale of power to APTRANSCO

Sl No	Customer Name	No of Locs.	Cap. in MW	Village Name
1	Khandke Wind Energy Private Limited Phase-1	3	2.4	Sy No. 629, Mustikovela Village of C K Palli Mandal, Anantapur District.
2	Khandke Wind Energy Private Limited Phase-2	8	6.4	Sy No's. 627, 656, 663 & 664 of Mustikovela Village of C K Palli Madal, & Sy No. 522 of Duddebanda Village of Penukonda Mandal, Anantapur District
3	Khandke Wind Energy Private Limited Phase-3	5	4.0	Sy No. 669 of Kogira RF of Roddam Mandal, Anantapur District
4	Khandke Wind Energy Private Limited Phase-4	3	2.4	Sy No. 669 of Kogira RF of Roddam Mandal, Anantapur District
Total		19	15.2	

2.2 Financing

The Customer shall set up and operate the Project with its own finance. There shall be no financial contribution from NREDCAP.

For Khandke Wind Energy Private Limited


Authorised Signatory

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

2.3 Applicability of other Laws

The sanction of the Project and its development and operation by the Customer shall be subject to the Indian Electricity Act 2003 the Rules and Regulations made thereunder from time to time; the Regulations and directions of the Andhra Pradesh Electricity Regulatory Commission (APERC); the Policy of the GOAP and NREDCAP as formulated and amended from time to time and all other Applicable Laws.

2.6 Regulation of Allotment

The Policy empowers NREDCAP to regulate the allotment of wind generation power projects.

ARTICLE 3

PERFORMANCE GUARANTEE

The Performance Guarantee submitted by the Developer and renewed from time to time shall be proportionately applicable to this Project and it shall be the responsibility of the Customer to ensure that the Performance Guarantee well before its expiry renewed from time to time and no notice therefor shall be issued by NREDCAP duly complying with the stipulations and conditions specified in Article 5 of the Principal Agreement.

ARTICLE 4

EFFECT OF PRINCIPAL AGREEMENT

Save except as otherwise and to the extent provided in this Agreement all other terms and conditions of the Principal Agreement including rights, entitlement, obligations and liabilities shall remain the same and binding on the Parties. It is clarified that any extension of time granted by NREDCAP for any particular event in terms of the Principal Agreement shall also be applicable to this Agreement.

ARTICLE 5

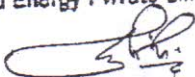
MISCELLANEOUS

5.1 Dispute Resolution

(a) Amicable Resolution

Save where expressly stated otherwise in this Agreement, any dispute, difference or controversy of whatever nature howsoever arising under, out of or in relation to this Agreement including completion or otherwise of the Project between the Parties and so notified in writing by either Party to the other (the "Dispute") in the first instance shall be attempted to be resolved amicably by the Parties

For Khandke Wind Energy Private Limited


Authorised Signatory

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

For Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.

Authorised Signatory

For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.

Authorised Signatory

(b) Appeal

1. In the event of the Parties not finding an acceptable solution to the dispute(s) within 30(thirty) days, the Customer may appeal to the Chairman of the Board of Directors of NREDCAP whose decision shall be final and binding.

5.2 Governing Law and Jurisdiction

This Agreement shall be construed and interpreted in accordance with and governed by the laws of India and the Courts at Hyderabad, Andhra Pradesh State, India shall have jurisdiction over all matters arising out of or relating to this Agreement.

5.3 Waiver

(a) Waiver by either Party of any default or any rights under the Agreement by the other Party in the observance and performance of any provision of or obligations or under this Agreement

- i. shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions or obligations under this Agreement
- ii. shall not be effective unless it is in writing and executed by a duly authorized representative of such Party; and
- iii. shall not affect the validity or enforceability of this Agreement in any manner.

(b) Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or any obligation thereunder nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

5.4 Amendments

This Agreement and the Schedules together constitute a complete and exclusive statement of the terms of the Agreement among the Parties on the subject hereof and no amendment or modification hereto shall be valid and effective unless agreed to by the Parties hereto and evidenced in writing.

5.5 Exclusion of Implied Warranties etc.

This Agreement expressly excludes any warranty, condition or other undertaking implied at law or by custom or otherwise arising out of any other agreement between the Parties or any representation by any Party not contained in a binding legal agreement executed by the Parties.

For Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.

Authorised Signatory

For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.

Authorised Signatory

For Khandke Wind Energy Private Limited

Authorised Signatory

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

5.6 Indemnity

The Customer and the Developer hereby undertake and agrees to defend, indemnify and hold harmless the NREDCAP, its officers, employees and consultants from and against any and all claims, liabilities, actions, demands, judgments, losses, costs, expenses, suits, actions and damages arising by reason of bodily injury, death or damages to property sustained by third parties that are caused by an act of negligence or the wilful misconduct of the Customer and/or Developer or by their officer/s, director/s, sub-contractor/s, agent/s or employees.

5.7 Notices

Unless otherwise stated, notices to be given under this Agreement including but not limited to a notice of waiver of any term, breach of any term of this Agreement and termination of this Agreement, shall be in writing and shall be given by registered post, hand delivery, recognized national courier, mail, telex or facsimile transmission and delivered or transmitted to the Parties at their respective addresses set forth below:

For Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.



Authorised Signatory

If to the NREDCAP

Vice Chairman and Managing Director,
5-8-207/2, Pishah Complex,
Nampally, Hyderabad 500 001
Fax.No. 040 23201666, email: info@nedcap.gov.in

If to the Customer

Khandke Wind Energy Private Limited
The IL & FS Financial Center, Plot C-22, G Block,
Bandra-Kurla Complex, Bandra-Kurla Complex,
Bandra (East), Mumbai -400051
Fax.No. Nil, email: Nil

For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.

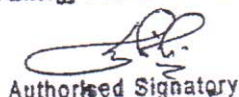


Authorised Signatory

If to the Developer


M/s. Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.
Enercon Tower, A-9, Veera Industrial Estate,
Veera Desai Road, Andheri (West), Mumbai - 400 053
M/s. Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.
Plot No. 33, Daman-Patalia Road, Bhimpore, Daman - 396210 (India).
Fax. No. 91-260-2221508, Website: enerconindia.net

For Khandke Wind Energy Private Limited



Authorised Signatory

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.



Vice Chairman & Managing Director

Or such address, or facsimile number as may be duly notified by the respective Parties from time to time, and shall be deemed to have been made or delivered (i) in the case of any communication made by letter, when delivered by hand, by recognized national courier or by mail (registered, return receipt requested) at that address and (ii) in the case of any communication made by facsimile, when transmitted properly addressed to such facsimile number and copy sent by mail. In case of any change in the address, it shall be the responsibility of each party to get such change recorded in relevant records of the other Party/ies and get confirmation to that effect.

5.8 Partial Invalidity / Severability

If for whatever reason, any provision of this Agreement is or become invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentally to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing upon one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable. Provided failure to agree upon any such provisions shall not be subject to dispute resolution under this Agreement or otherwise.

5.9 Precedence of Documents

The following documents / agreements between the Parties shall be construed as mutually explanatory to one another provided that in the event of any conflict or repugnancy between them the order of precedence of the documents shall be:

- a) This Agreement, including Schedules and Annexure.
- b) The Principal Agreement.
- c) Letter of Sanction.
- d) Proposals submitted by the Customer and Developer

5.10 Counterparts

This Agreement shall be executed in two counterparts on non-judicial papers of Rs.100/- each and registered if required under law at the cost and expense of the Developer which when executed and delivered shall constitute an original of this Agreement

For Khandke Wind Energy Private Limited


Authorized Signatory

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

For Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.

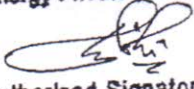

Authorized Signatory

For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.

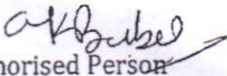

Authorized Signatory

IN WITNESS WHEREOF THE, PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

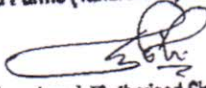
Signed, Sealed and Delivered
For and on behalf of Customer by:
For Khandke Wind Energy Private Limited


Signature of Authorised Person
Mr. Kishan Bir Singh Sirohi

Signed, Sealed and Delivered
For and on behalf of the NREDCAP
For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Signature of Authorised Person
Mr. M. Kamalakrishna Babu Managing Director
VC and Managing Director

Signed, Sealed and Delivered
For and on behalf of Developer by
For Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.


Signature of Authorised Person
Mr. Kishan Bir Singh Sirohi
Head- Business Development and Operations

For Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.


Authorised Signatory


Witnesses

In the presence of

1) Signature

Name

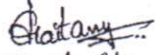
Address


P.V. Ramesh, P.D., NREDCAP

2) Signature

Name

Address


B.N. Chaitanya, Asst. Engg., Enercon (India) Limited.

ఆంధ్రప్రదేశ్ నూతన మరియు పునరుద్ధరణీయ ఇంధన వనరుల అభివృద్ధి సంస్థ లి.

New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

(A State Government Company)

(Formerly Non-Conventional Energy Development Corporation of Andhra Pradesh Ltd)

Regd. Office : 5-8-207/2, Pishah Complex, Nampally, Hyderabad - 500 001. India.

Tel : Off : 040-23202391, 23202262, 23203376 Fax : 040-23201666

E-mail: info@nedcap.gov.in, nedcap@ap.nic.in Website: www.nedcap.gov.in



Ref: NREDCAP/WE/7939/KWEPL/2012

Dt:31.12.2012

To,

M/s. Khandke Wind Energy Pvt. Ltd.
Regd. Office: The IL&FS Financial Centre,
Plot No: C-22, G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai- 400 051

Sir,

Sub: Transfer of 15.2 MW Capacity wind farm capacities in favour of M/s. Khandke Wind Energy Private Limited – Out of wind farm allotments given to M/s. Enercon Group Companies – Orders issued – Reg

- Ref: 1.. Sanction proceedings no. NEDCAP/WE/2723/2004-05/711 dt 05.05.2004 M/s. Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.
2. Sanction proceedings no. NEDCAP/WE/201/2009 dt 30.03.2010. M/s. Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.
3. Agreements entered on 05.05.2004 with M/s. Enercon Wind Farms (Maharana Pratap) Pvt. Ltd.
4. Agreements entered on 30.03.2010 with M/s. Enercon Wind Farms (Tamil Nadu) Pvt. Ltd.
5. Lr. No. EIL/KWEPL/NREDCAP/CT/2012-13 dt: 15.12.2012 of M/s. Enercon (India) Limited
6. Lr. No. NIL dt: 08.11.2012 of M/s. Khandke Wind Energy Pvt. Ltd.

&&&

In the reference 1st and 2nd cited, 40 MW capacity wind farm projects were allotted to the group companies of M/s. Enercon (India) Limited to set up at Nallakonda, Anantapur dist. The project developers are permitted to sell the projects/ Sub-projects to their customers with prior approval of NREDCAP. In the ref.3rd & 4th cited, agreements were entered with NREDCAP accordingly.

In the reference 5th cited, M/s. Enercon India Ltd. and its group companies have requested for transfer of 15.2 MW capacity wind farm projects to their customer M/s. Khandke Wind Energy Private Ltd. Further, in the reference 6th cited, M/s. Khandke Wind Energy Pvt. Ltd. has confirmed that they have placed order on M/s. Enercon (India) Ltd. and requested for transfer of capacities.

Taking into considerations, the request made by M/s. Khandke Wind Energy pvt. Ltd. and the consent given by M/s. Enercon (India) Ltd. and its group companies and also the provisions of sanction proceedings and the agreements entered with NREDCAP, permission is accorded for transfer of 15.2 MW capacity wind power projects to M/s. Khandke Wind Energy Pvt. Ltd., out of the 40 MW capacity allotments given to the group companies of M/s. Enercon (India) Ltd. The details are as follows:

Sl. No	Company Name	Proceedings No. & Date	Capacity Sanctioned	Capacity already Transferred	Capacity Available	Capacity to be Transferred	Balance Available
1	Enercon Wind Farm (Tamil Nadu) Pvt. Ltd	NEDCAP/WE/ 201/2009 dated 30.03.2010	20.0	0	20.0	10.4	9.6
2	Enercon Wind Farm (Maharana Pratap) Pvt. Ltd	NEDCAP/WE/ 2723/2004-05/711 dated 05.05.2004	20.0	15.2	4.8	4.8	0
Total			40.0	15.2	24.8	15.2	9.6

M/s. Khandke Wind Energy Pvt. Ltd. is requested to enter into agreement with NREDCAP as per the prescribed format (enclosed) within one month from the date of this order. The other terms and conditions of the sanction orders issued to M/s. Enercon Group companies will hold good to this transfer of project of 15.2 MW capacity to M/s. Khandke Wind Energy Pvt. Ltd. The project shall be completed before 31.03.2013

Thanking you,

Yours faithfully,
Sd/-
VC & Managing Director

Encl: a.a.

Copy to M/s. Enercon India Ltd. and its group companies, # 405, Babu Khan's Millinium Center, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082.
Copy of Chairman and Managing Director, APCPDCL, Hyderabad.
Copy to Chief Engineer, IPC, APPCC, APTRANSCO, Hyderabad.
Copy to the District Collector, Anantapur District.
Copy to Executive Engineer (RE), Anantapur District.

//FBO//



PROJECT DIRECTOR (WE)