

S.No. 7500 Dated 27-10-95 Rs. 100/-

Sold to Arvind Mittal

S/o Yashpal Mittal R/o Hyd.

For Whom Weizmann LTD. Hyd.

NLE CPG.IND
007/95.

Syed. Imam
S.V.L No. 24 of 92 R.No. 1/95
Darga Hussainsha.Wali, R. R. Dist.

**REVISED WIND POWER PURCHASE AGREEMENT
BETWEEN
ANDHRA PRADESH STATE ELECTRICITY BOARD AND
M/s.WEIZMANN LIMITED**

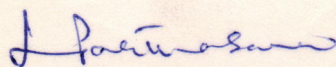
This Power Purchase Agreement entered into this 27th day of OCTOBER 1995, between Andhra Pradesh State Electricity Board, constituted under the Indian Electricity (Supply) Act, 1948, having its office at Vidyut Soudha, Hyderabad, India, hereinafter referred to as the 'Board' (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as first party, and M/s.Weizmann Limited, a company incorporated under Indian Company's Act, 1956, having its registered office at 26, Gobind Mahal, 86 B, Netaji Subhash Road, BOMBAY - 400 002, 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;

J. Parthasarathy
**J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.**

(Prabir Chakravarty)
**WEIZMANN LTD.
BOMBAY.**

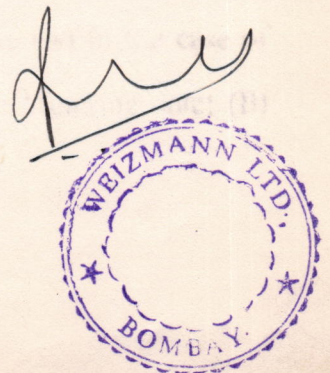
Whereas, the Company has proposed to construct and operate the Wind Electric Power farms as detailed in schedule.1 attached herewith, hereinafter called the Project, strictly in conformity with all Indian Laws, Rules, Regulations, and Orders having the force of law, and the Non-Conventional Energy Development Corporation of Andhra Pradesh Ltd., hereinafter referred to as NEDCAP has consented to the said proposal in their letter NEDCAP/WE/1417/10/94/1702, dated 13.12.1994, copy whereof is attached herewith as schedule 2.

Now, therefore, in consideration of the premises and mutual covenants and conditions set forth herein, it is hereby agreed by and between the parties hereto as follows:



J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

2



ARTICLE 1

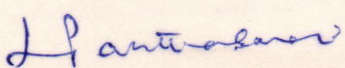
DEFINITIONS

1.1 **Definitions:** For the purpose of this agreement, unless the context otherwise requires,

- i) **Billing month:** means a calendar month ending with the metering date.
- ii) **Construction default:** means any default on the part of the Company in the completion of one or more Wind Farms of the Project before the scheduled date of completion thereof or before such extended date as may be approved by the GOAP/NEDCAP, or in the construction thereof with equipment substantially inadequate to utilise the full Wind potential of the Project.
- iii) **C.O.D.:** Means the date on which the company successfully completed the acceptance test run of the first unit of the project as per standards prescribed.
- iv) **Delivered energy:** means the kilo watt hours of electrical energy generated by the Wind farm and actually fed into the Board's grid in a billing month as measured by the energy meters at the interconnection point after deducting therefrom, the energy supplied by the Board to the Wind farm, as similarly measured for the same billing month.

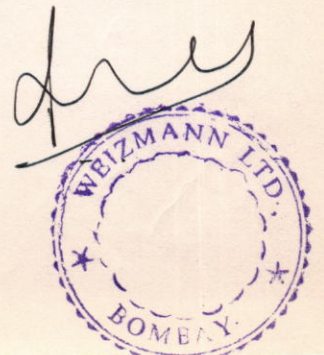
Explanation: for the purpose of clarification, delivered energy means all energy generated by the Wind Farm and excludes all energy consumed in the Wind Farm by the auxiliary equipment, lighting or other loads of the Wind Farm out of its generation.

- v) **Due date of payment:** means with respect to any bill, the date on which the amount of such bill becomes due for payment, which date (A) in the case of any bill for any Billing Month, shall be 30 days from the Metering date; (B)


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA

3

2/3



in the case of any supplemental or other bill, shall be 30 days from the date of its presentation to the designated officer of the Board.

- vi) **Interconnection point:** means the point or points where the Project and the 33 KV ring mains of the Board are connected through 33 KV breaker/breakers.
- vii) **Interconnection facilities:** means all the facilities to be installed by the developer to establish the interconnection point to enable the Board to receive the energy from the Project through 33 KV breaker/breakers in accordance with this agreement and includes the metering system, at the Wind Farm on 33 KV side.
- viii) **Installed Capacity:** means the total rated capacity in kilo watts of all the generators installed in the Wind Farm.
- ix) **Metering date:** means the midday of 24th of a calender month.
- x) **O&M default:** means any default on the part of the Company to operate and maintain any of the Wind Farms at all or with due deligence during the period of availability of wind for generation,for a continuous period of 90 days.
- xi) **Project:** means one or more Wind Electric Power farms entrusted to the Company for construction and operation as detailed in Memorandum of Understanding entered into with Non-Conventional Energy Development Corporation of Andhra Pradesh Limited hereinafter referred to as NEDCAP as shown in schedule 3 attached herewith and includes the metering system.
- xii) **Project award:** means the consent accorded by the GOAP/NEDCAP to the proposal of the Company to construct and operate the Wind farms of the Project contained in the letter at schedule 2.

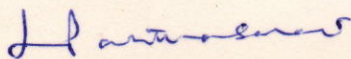


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

4



- xiii) **Scheduled date of commencement:** means the date on which the physical work at the site of any Wind Farm is actually started after completion of the financial tie-up, technical investigations, designs and engineering, ordering of equipment, finalisation of construction contract and obtaining all statutory or other approvals, clearances and licences, necessary for such start up and such date shall be six months from the date of MOU with NEDCAP subject to due extension granted by GOAP/NEDCAP for delays occurring due to circumstances beyond the control of the developer.
- xiv) **Scheduled date of completion:** means date on which any unit of the Project is scheduled to deliver energy to the Board for wheeling after completing all the required tests, and shall be one year for smaller projects where the installed capacity of the project does not exceed 20 MW and two years in other cases, computed from the date of taking possession of the land applicable for the last of units of the Project; subject to due extensions granted by GOAP/NEDCAP for delays occurring due to circumstances beyond control of the developer
- xv) **Tariff Period:** means, each period of one year from the date of commercial operation of the last unit.
- xvi) **Unit:** When used in relation to the generating equipment, means one set of Wind turbine-generator and auxiliary equipment, Wind mills and facilities forming part of the Project - and when used in relation to electrical energy, means one Kilo watt Hour (KWH).
- xvii) **Voltage of delivery :** means the voltage at which the electrical energy generated by the Project is required to be delivered to the Board at the interconnection point, and shall be 33 kilo volts only irrespective of the installed capacity of the Project.



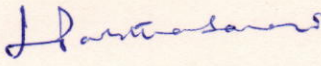
J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

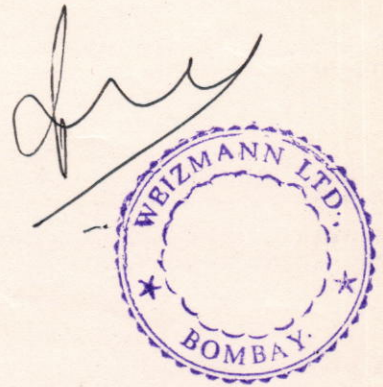
5



xviii) **Wind farm:** means one or more Wind electric power generators entrusted to the Company for construction and operation and includes all land, buildings, plant, equipment, material, Wind mills, switch gear, transformers, protection equipment and the like necessary to deliver the electrical energy of the Wind farm to the Board at the interconnection point for purchase by the Board.

1.2 All other words and expressions, used herein and not defined herein but defined in the Indian Electricity (Supply) Act 1948, shall have the meanings respectively, assigned to them in the said Act.


J. PARTHASARATHY
CHAIRMAN
THE ELECTRICITY BOARD
SUDHA, HYDERABAD - 500 049
INDIA.



A handwritten signature in blue ink, consisting of a stylized name followed by a horizontal line.

ARTICLE 2
CONSTRUCTION AND OPERATION

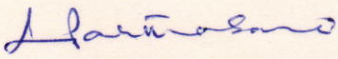
- 2.1 The Company shall complete the construction of all the Wind Electric Power Generators of the Project before the *scheduled date of completion*.
- 2.2 For the purpose of such completion, the company shall take all necessary steps including, without limitation.
- (i) procurement of all land by purchase, acquisition, lease or otherwise.
 - (ii) obtaining all approvals, statutory or otherwise, required to execute and operate the project;
 - (iii) Arranging and obtaining the necessary finances, including any rebates, concessions or subsidies, in due time for the timely completion of the *project* and to efficiently operate the project.
 - (iv) Procuring the necessary equipment from reputed manufacturers, arranging the erection, testing, commissioning thereof, including all works, auxiliaries, or other facilities in connection therewith and obtaining necessary technical approval for running the project.
 - (v) arranging competent technical personnel for operation and maintenance of all the Wind Farms of the project.
 - (vi) causing minimum interruptions to grid supply by providing necessary protection and switch-gear equipment duly co-ordinating with the Board's equipment.

J. Parthasarathy

J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.



- 2.3 If the company does not commence the construction of any of the Wind Electric Generators of the project before the *schedule date of commencement* the conditions stipulated in clause 11 of MOU between the NEDCAP and Company shall apply; unless the said date of commencement is extended by NEDCAP/GOAP..
- 2.4 The Board or GOAP or NEDCAP shall not, in any way, be liable for any damages for any loss, whatsoever, arising from such action to rescind the *project award* under clause 2.3 above, notwithstanding anything contained anywhere else in this agreement or any other agreement between the parties or the MOU.
- 2.5 The GOAP/NEDCAP reserves the right to make a fresh *project award* of the project or such portion thereof as was rescinded under clause 2.3 above, to any other entrepreneur or undertake the construction and operation thereof by itself or by the Board.
- 2.6.1 Subject to Force Majeure, if the company commits a *construction default*, before the *schedule date of completion* thereof NEDCAP shall take necessary action deemed fit as indicated in clause 12 of MOU or any *O&M default*, thereafter, Board may, after giving a notice of 90 days, refer the matter to arbitrators as envisaged in the arbitration clause under Article 9 and should there be an award concluding that there was such a default warranting such take-over of the project by the Board, the Board may take over all the assets of the power house of the project, and the quantum of compensation to be paid to the company shall be as determined in the said award, on the basis of the principles indicated in Article 2.6.2.


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

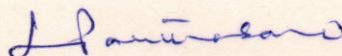


2.6.2 The compensation payable by the Board under Article 2.6.1 shall be computed as the net book value of the assets of the project, worked out as the original historical cost reduced by accumulated depreciation upto the date of such determination, such depreciation being based on the rates of depreciation prescribed in the Indian Company's Act, 1956.

2.6.3 On payment by the Board, to the Company, of the said compensation, the right, title and interest in the project and all the assets including land, buildings, plant, machinery, equipment, etc., shall vest in the Board free from all encumbrances whatsoever.

2.7 The company shall be responsible:

- i) for the proper maintenance of the Wind farms 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 upto the *interconnection point*, of all the Wind Farms of the project in close co-ordination with the Board.
- 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 licences for operation of the project and sale or transfer of energy there from under the provision of the relevant laws, prior to the *schedule date of completion* of the first unit of each Wind Farm.

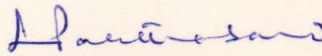

J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.



- v) for interfacing the Wind Farm with the A.P.S.E.Board Grid at 33 KV. The entire cost of interfacing of the Wind Electric Generators with the Board's Grid including the cost of facilities at the proposed 220/33 KV substation at Ramagiri and related works, Transformers, protection, metering equipment, and also 33 KV Ring mains from the substation to the wind farms would have to be borne by the developers on pro-rata basis of the capacity allocated in KWs for which the Company shall deposit with the Board non-refundable charges in full computed at Rs.1500 (Rupees fifteen hundred only) per kilo watt of the installed capacity of the project, as against the capacity sanctioned. The developmental charges may be permitted to be paid in instalments as mutually agreed.

2.8 The Board agrees :

- i) to make all reasonable efforts for making arrangements for evacuation of power at the proposed 220/33 KV Sub-station at Ramagiri for each of the Wind power farms to be completed prior to the *schedule date of completion* of the said Wind Farm.
- ii) that there is no objection to the Company applying to the Government of Andhra Pradesh for permission to use the energy for its captive use out of the energy proposed for sale to Board, and for third party sale, subject to the provisions made in Article 3 of the Power Wheeling Agreement. The third party sale will be permitted with the rates as fixed by the Government of Andhra Pradesh, subject to having only 5 scheduled consumers per MW capacity.


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.



ARTICLE - 3

TARIFF

- 3.1) Subject to the provisions of this said agreement, the Company shall supply and Board shall purchase, the entire delivered energy generated by the project at the tariff indicated in Article 3.2 from and after the date of commercial operation of the first unit of the project.
- 3.2) The Company shall be paid the tariff for the energy delivered at the interconnection point at Rs.2.25 ps per unit for a period upto the end of one year from the date of commercial operation of the last of the Wind mills of the project. The price is firm to be paid in rupees only, but is subject to annual escalation from the second and subsequent years after the date of commercial operation of the last of the Wind mills of the project, in accordance with the following formula.

$$T_r = T_0 \left[1 + \frac{(11 \div 10)^y}{100} \right]$$

Where $T_0 = \text{Rs.2.25}$

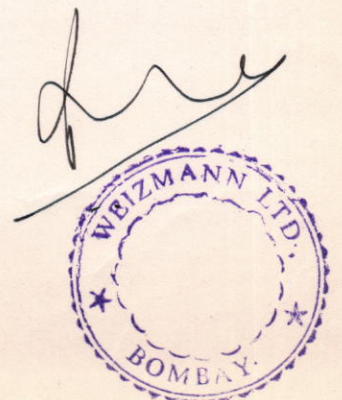
$T_r = \text{Tariff for the } (r+1)^{\text{th}} \text{ year}$

- 3.3) The tariff is inclusive of all taxes, duties and levies.
- 3.4) The tariff indicated in Article 3.2 shall be in force for a period of five years from the date of commercial operation of the last wind mills of the project and is to be decided at a mutually agreed rate for the rest of the duration of the Agreement after fifth year.

J. Parthasarathy
J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

11

3/3



ARTICLE 4
BILLING AND PAYMENT

4.1 Commencing from the first metering date following Commercial operation of the first unit, the Company shall furnish a bill to the Board in such form as may be mutually agreed between the Board and the Company for the billing month on or before the 5th Working day following the metering date. Each bill will be payable by the Board by the due date of payment.

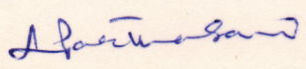
4.2 **Billing disputes :** Notwithstanding any dispute as to all or any portion of any bill submitted by the Company to the Board, the Board shall pay the full amount of the bill provided that the amount of the bill is based on

(a) either meter reading that has been either been signed by both parties or certified by the Company with respect to the Board's refusal to sign within three days of meter reading date

(b) **The basic tariff**

The Board shall notify the Company of any disputed amount and the Company shall rectify the defect or otherwise notify its rejection of the disputed amount, with reasons, within five days of the reference by the Board, failing agreement on which the provisions of Article 9 shall apply with respect thereto. If the resolution of any dispute requires the Company to reimburse the Board, the amount to be reimbursed shall bear interest of 14% per annum from the date of payment by the Board to the date of reimbursement.

4.3 **Direct Payment:** Notwithstanding the fact that a Letter of Credit has been opened, the Board has a right to make direct payment of any bill by cheque or by specific

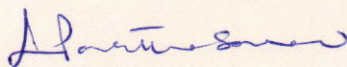

J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

12




authorisation to draw on the Letter of Credit or otherwise till one day before the Due Date of Payment and when such direct payment is made for the full amount of the bill, the Company shall not present the same bill to the Scheduled Bank against the Letter of Credit.

- 4.4.1 **Letter of Credit:** On or before the date which shall be 15 days prior to the Scheduled Date of Completion of the first Unit, and at all times thereafter, the Board shall cause to be in effect 15 days prior to the due date of payment, a Letter of Credit issued in favour of the Company by a Scheduled Bank. The Letter of Credit shall be for an amount equal to the anticipated amount of the bill for the billing month, based on the energy programme reasonably assessed by the Company in advance for the billing month, and communicated to the Board.
- 4.4.2 The Company may draw upon the Letter of Credit for paying itself the monthly or supplemental bills, subject to Article 4.3.
- 4.4.3 For payment of tariff bills (excluding supplementary bills) either through LC or Direct payment on the due date of payment, a rebate of 1% shall be allowed. Any payment made beyond the due date of payment shall carry interest at a rate of 14 % per annum.



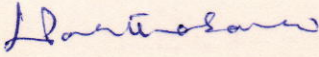
J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.



ARTICLE - 5

METERING AND PROTECTION

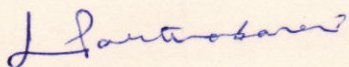
- 5.1 Main Energy Meters of 0.5 class accuracy shall be installed at the highest H.T transformation of each Wind Farm by the company and check meters at the same point and of the same accuracy shall be installed by the Board. Each of these will be a pair of a Export and Import Meters.
- 5.2 All the meters shall be jointly inspected and sealed on behalf of both parties and shall not be interfered with except in the presence of the representatives of both parties.
- 5.3 All meters shall be checked for accuracy quarterly by both parties and shall be treated as working satisfactorily so long as the errors are within the limits prescribed for meters of the class.
- Meter readings of the main meters will form the basis of determining the *delivered energy*, so long as the quarterly checks thereof are within the prescribed limit. If the check meter/meters are found to be defective during the quarterly checks they will be immediately calibrated.
- 5.4 Where the quarterly check indicates errors in the main meter/meters beyond limit but no such error is noticed in the check meters, *delivered energy* for the month will be determined on the basis of check meter/meters and the main meters will be calibrated immediately.
- 5.5 If during the quarterly 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


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.



immediately calibrated 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 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 calibrated main meter.

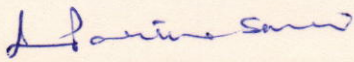
- 5.6 All the main and check meters shall be calibrated once in every six months jointly by both parties i.e., January and July irrespective of the calibrations that might have been done where necessary, during the quarterly checks. It shall be the endeavour of both the parties that recalibration is done as often as possible and the errors are adjusted as close to Zero as possible.
- 5.7 If the errors found at the time of half yearly calibration are beyond permissible limits, the same procedures applicable to the quarterly test checks shall be followed.
- 5.8 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 the correction to be applied, the meter shall be tested at 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 point during the period shall be taken as the error to be applied for correction.
- 5.9 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.


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

15



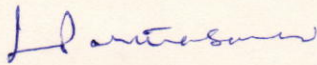
- 5.10 For the purpose of test and calibration, the RSS meter shall be calibrated and sealed by the Chief Electrical Inspector to the Government of Andhra Pradesh (GOAP). This rotating sub-standard meter (RSS) shall be got calibrated once in every six months at the Chief Electrical Inspector's Laboratory of Andhra Pradesh.
- 5.11 All the tests on the main and check meters shall be conducted by the authorised MRT staff of both parties jointly with the staff and the results and correction so arrived at mutually will be applicable and binding on both the parties.
- 5.12 Monthly meter reading shall be taken by the authorised representatives of both the parties.
- 5.13 Starting current of the generator shall not exceed the full load current of the machine. Necessary current limiting devices shall be provided.
- 5.14 Auto-switched capacitor banks shall be used to maintain PF always above 0.85 leading.
- 5.15 Voltage regulation shall be such as to enable continued paralleling and synchronisation with the grid voltage at the point of interconnection.
- 5.16 Automatic switching off of the machines shall be provided in case Board supply fails.
- 5.17 Any change in rupturing capacity of switch-gear, settings of the relays etc., shall be subject to approval of the Board.


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

16



- 5.18 Board is not responsible for damage to generator during parallel operation with grid.
- 5.19 Fluctuations and disturbances to the grid due to paralleling shall be avoided.
- 5.20 As the generators are bound to carry fault currents that may occur on the Board grid; adequate protection shall be provided to the generators and switch gear.



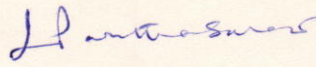
J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

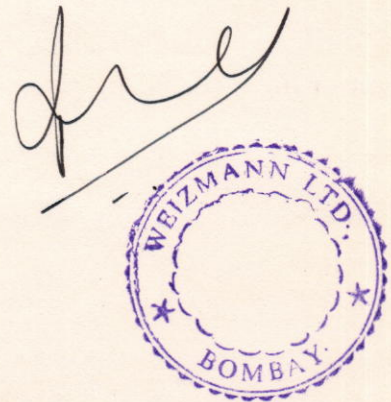


ARTICLE 6

DURATION OF AGREEMENT

6.1 This agreement shall become effective upon the execution and delivery thereof between the parties hereto and shall be in force for a period of twenty years from the scheduled date of completion and may be renewed for such further period and on such terms and conditions as may be mutually agreed upon between the parties, 90 days prior to the expiry of the said period of twenty years.


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.





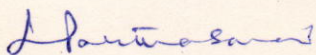
ARTICLE - 7

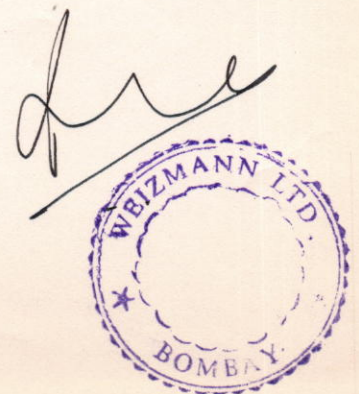
FORCE MAJEURE

7.1 Both the parties shall ensure compliance with the terms of this Agreement. However subject to the other provisions of the agreement, no party shall be liable for any claim for any loss, damage or compensation whatsoever arising out of failure to carry out the terms of this agreement on account of events such as rebellion, civil mutiny, commotion, riot, strike, lockout, fire, explosion, flood, cyclone, lightning, earthquake or other forces, accident or any cause beyond the control of the party or act of God or due to any restraints, or regulation of any State or Central Government or statutory authority. But any party claiming the benefit of this clause shall formally notify in writing and satisfy the other party of the existence of such an event and shall make its best endeavour to resume performing its normal obligations, as soon as possible after the cessation of such force majeure event.

7.2 Notification obligations:

- a) The party claiming Force Majeure shall give notice to the other party of any event of Force Majeure as soon as reasonably practicable, but not later than five (5) days after the date on which such party knew or should reasonably have known of the commencement of the event of Force majeure. Notwithstanding the above, if the event of Force Majeure results in a break down of communications rendering it not reasonably practicable to give notice within the applicable time limit specified herein, then the party claiming Force Majeure shall give such notice as soon as reasonably practicable after the reinstatement of communications, but not later than seven (7) days after such reinstatement.


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

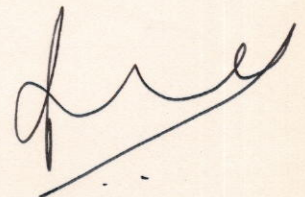
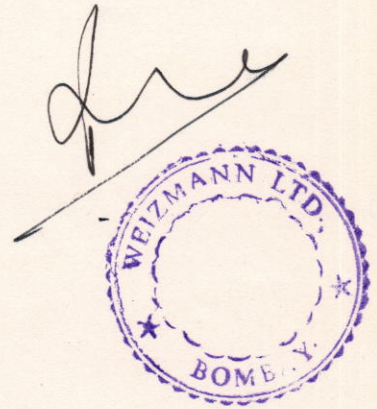


- b) The party claiming Force Majeure shall give notice to the other party of (i) the cessation of the relevant event of Force Majeure and (ii) the cessation of the effect of such party of its rights or the performance by it of its obligations under this Agreement as soon as practicable after become aware of each of (i) and (ii) above.

7.3 **Duty to Mitigate:** The parties shall use their reasonable efforts to mitigate the effects of any event of Force Majeure and to co-operate to develop and implement a plan of remedial and reasonable alternative measures to remove the event of Force Majeure; provided, however, that no party shall be required under this provision, to settle any strike or other labour dispute on terms it considers to be unfavourable to it.



J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.



ARTICLE - 8
NOTICES

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

If to the Company:

Attention : Mr. CHETAN D MEHRA
Weizmann Limited, Bombay - 400 002

Telex No : 011 - 82496 CRAJIN

Teletypes No : 022 - 2063272

Telephone : 022 - 2037333, 2037394

If to the Board

Attention : Chairman, APSEB

Telex No : 0425 - 6318

Teletypes No : 040 - 393317

Telephone : 040 - 391174



All notices or communications given by telecopies, 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.

8.2 Any party may by notice change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

J. Parthasarathy

**J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.**



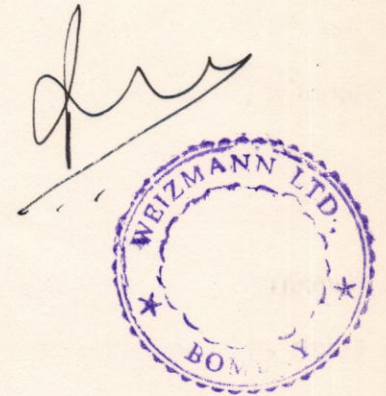
[Handwritten signature]

ARTICLE 9
ARBITRATION

9. In case of any disagreement, dispute, controversy, or claim arising out of or relating to this agreement or interpretation hereof, or any arrangements relating hereto, or contemplated herein, either party shall give to the other written notice, setting out such disputes or differences, and within 15 days of receipt of such notice by the relevant parties, best endeavour shall be made to resolve the disputes, and if the parties fail to resolve the disputes, within 60 days such differences or disputes shall be submitted to arbitration for resolving the disputes as per the provisions of the India Arbitration Act, 1940.

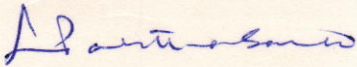
J. Parthasarathy

J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.



ARTICLE 10
SPECIAL PROVISIONS

- 10.1 Any variation waiver or modification of any of the terms of this Agreement shall be valid only if communicated in writing and signed by or on behalf of the parties hereto.
- 10.2 The invalidity or unenforceability for any reason of any part of this agreement shall not prejudice or affect the validity or enforceability of the remainder.
- 10.3 The parties, to this Agreement shall not assign or part with rights and obligations under this Agreement to any third party without the prior approval in writing of both the parties and such approval shall not be unreasonably delayed or withheld , without any valid reasons.
- 10.4 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 waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA

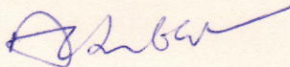


10.5 Unless the context otherwise requires, every arrangement, procedure or any other matter which is, under any of the provisions of this agreement, required to be mutually agreed upon between the parties, shall be concluded by a written agreement between the parties not later than the date specified in the concerned clause of this agreement and where no such date has been specified, not later than the date of financial closing.

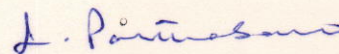
**FOR AND ON BEHALF OF
ANDHRA PRADESH STATE ELECTRICITY BOARD**

WITNESSES

1



2

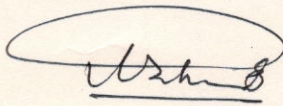


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

**FOR AND ON BEHALF OF
M/s. WEIZMANN LIMITED**

WITNESSES

1




S. PARVATHIMATHAN

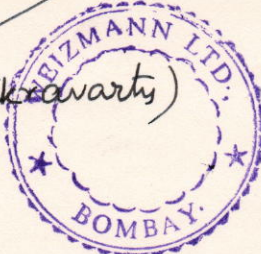
2



(ARVIND MITTAL)



(Prabin Chakravarty)



SCHEDULE 1
Particulars of the Project
(Referred to in the preamble to the agreement)

Sl. No.	Name of Wind Farm	Location of Wind farm	Unit capacity	No. of Units	Total Capacity
(1)	M/s. Weizmann Limited	Ramagiri Phase II	500 KW	5	2500 KW
			250 KW	2	500 KW
				Total:	3000 KW

J. Parthasarathy

J. PARTHASARATHY
 CHAIRMAN
 A.P. STATE ELECTRICITY BOARD
 VIDYUT SOUDHA, HYDERABAD - 500 049
 INDIA.



SCHEDULE 2

Copy of Letter from NEDCAP to the Company

NON-CONVENTIONAL ENERGY DEVELOPMENT CORPORATION OF A.P. LTD.,
5-8-207/2, PISGAH COMPLEX, NAMPALLY, HYDERABAD - 500 001 (AP)

PROCEEDINGS

Ref. NEDCAP/WE/1417/10/94/1702

Dt : 13.12.1994

Sir,

Sub:- Wind Power Project in Private Sector - Allotment orders issued - Reg.

- Ref:-
- 1) Your application for allotment of Wind Farm dated 20.09.94.
 - 2) G.O.Ms.No.64 dt.29.3.1994, E&F(RES) Department, Govt.of A.P., Hyderabad.
 - 3) Approval accorded by the Board of NEDCAP in its meeting held on 28.10.1994.

In the reference 1st cited, M/s.Weizmann Limited, Bombay applied for allotment of Wind Farm of 6 MW (Six Megawatt) capacity at Ramagiri/M.P.R.Dam of Ananthapur District and Kakulakonda of Chittoor District for generation of electric power on commercial basis.

In the reference 2nd cited, the State Government issued orders permitting NEDCAP to sanction Wind Power Projects of capacity upto 20 MW.

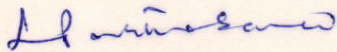
The Board of NEDCAP in its meeting held on 28.10.1994 has considered the application and sanction is accorded to M/s.Weizmann Limited, Bombay to set up 6 MW (Six Megawatt only) capacity Wind Power Project at Ramagiri, Ananthapur District.

M/s.Weizmann Limited 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.

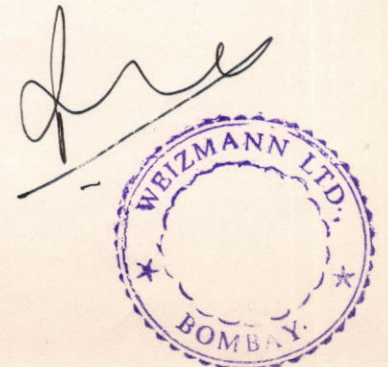
To:

M/s.Weizmann Limited,
26, Gobind Mahal,
86 B, Netaji Subhash Road, Marine Drive,
BOMBAY - 400 002.

Sd/- T.V.Chowdary
MANAGING DIRECTOR


J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA

27



// F.B.O //

Sd/-
Asst. Manager (WE)

Copy submitted to the 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, Ananthapur

J. Parthasarathy

J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA.

[Handwritten signature]



SCHEDULE 3

Memorandum of Understanding

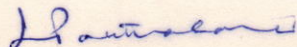
This Memorandum of Understanding (MOU) is made this 14th day of December, 1994 between the Non-Conventional Energy Development Corporation of A.P. Ltd., (NEDCAP) represented by its Managing Director whose office shall include his successors, legal representatives and assignees etc. and M/s. Weizmann Limited called Company having registered office at 26, Gobind Mahal, 86 B Netaji Subash Road, Bombay-400 002, which expression shall include its successors, legal representatives and assignees.

Whereas the Company has made an application, dated 20.9.1994 to the Non-Conventional Energy Development Corporation of A.P. Ltd., (NEDCAP) to set up wind mills with capacity of 6(Six) MW for power generation at Ramagiri, Ananthapur District for captive consumption and / or commercial

And whereas NEDCAP has accorded permission to the company to set up 6 (Six only) MW Wind farm project in private sector in Lr.No.NEDCAP/WE/1417/10/94/1702, dated 13.12.1994.

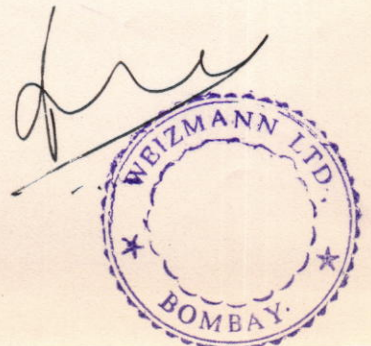
Now, therefore, it is hereby agreed by and between the parties hereto as under:

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 instal 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



J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA

29



between the parties, keeping in view the G.O.Ms.No.150 of EFES&T (RES) Department dated 30.5.1992 and outlay of the project. The charges so arrived at shall be payable in two instalments as detailed below:-

i) 25% before entering into MOU

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 closing 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, licenses, authorisations and clearances required from the Government of Andhra Pradesh and Government of India.

10. The Company shall execute the project within one year / two years 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 /one year 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 M/s. Weizmann Limited,
Bombay
Sd/-
S.PARVATHINATHAN

For Non-Conventional Energy Development
Corporation of Andhra Pradesh Ltd
Sd/-
Managing Director

J. Parthasarathy

J. PARTHASARATHY
CHAIRMAN
A.P. STATE ELECTRICITY BOARD
VIDYUT SOUDHA, HYDERABAD - 500 049
INDIA

30

