

ఆంధ్ర ప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH
 Date: 25/10/2012 Amount: 100/-
 Purchaser: B. Veera Reddy
 For Whom: B. Venkat Reddy Pktd.
 For Whom: Protectron Electromech Pvt Ltd.

AU 166515
 S. KIRAN KUMAR
 LICENSED STAMP VENDOR
 Lic.No.16-07-027/1998
 Ren.No.16-07-011/2010
 H.No.5-3-956, C/o. Super Mart
 N.S. Road, Hyd Mob.94404304

**POWER PURCHASE AGREEMENT
 BETWEEN
 CENTRAL POWER DISTRIBUTION COMPANY OF ANDHRA PRADESH LIMITED
 AND
 M/s. PROTECTRON ELECTROMECH PRIVATE LIMITED**

NCECPG No. 0118/2012

This Power Purchase Agreement (the "Agreement") entered into this 16th day of October-2012 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. Protectron Electromech Private Limited, having its head office at # D-11-14, Brigade MM, 7th Block, Jayanagar, K.R. Road, Bangalore - 560 070, Karnataka, 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 Protectron Electromech (P) Ltd.,

[Signature]

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

2. WHEREAS, the Wind Power Producer is setting up the New and Renewable Energy Project i.e., the 0.8 MW capacity Wind power project at Nallakonda area in Sy. No. 775 of Kogira (V), Roddam Mandal, Anantapur District, Andhra Pradesh (hereafter called the Project,) with a proposal of 0.004 MW for Auxiliary Consumption and 0.796MW With HT Sc. No._____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 NREDCAP has accorded approval to the said project in their NREDCAP/WE/1339/2011, dated 02.02.2012 and the Wind Power Producer has entered into an Agreement with NREDCAP on 17th February, 2012 and the copies whereof are attached herewith as Schedule 2 and Schedule 3 respectively;

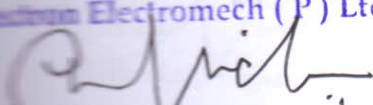
3. Where as Andhra Pradesh Electricity Regulatory Commission has notified APERC Renewable Power Purchase Obligation (Compliance by purchase of Renewable Energy /Renewable Energy Certificates) Regulations, 2012 (Regulation No. 1of 2012) dated: 21-03-2012 and its amendments from time to time.

4. And where as Wind Power Producer desires to sell entire wind energy from its 0.8 MW power plant to DISCOM under REC Mechanism under aforesaid APERC Regulations and Procedures.

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

6. 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;

Electromech (P) Ltd.,


Authorised Signatory

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Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
6-1-50, Mint Compound,
HYDERABAD-500 083.

7. 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;

8. Whereas, the proposed Project is being setup under cluster of Wind power projects proposed at Nallakonda area, Roddam Mandal, 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 interconnection point along with other Wind power projects. The Project will also have a separate metering at Project's switchyard. The injection of power from the wind developer pooling station to the grid is to be limited to already technically approved capacity from the wind power producers under the pooling sub-station. Any future capacity addition under the same pooling sub-station , necessary approvals for technical viability and system stability, shall be taken from the competent authority.

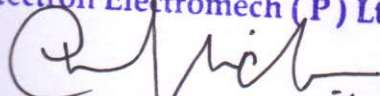
9. This Agreement is enforceable subject to approval of Andhra Pradesh Electricity Regulatory Commission (APERC) as per Section 86 of Electricity Act 2003;

10. 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.

11. 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:

12. The APERC has conferred its approval to this Agreement vide its letter No. E-501/11/REC/Dir-Engg/DD(PPP)/D.No.803/2012-01, dated: 07.09.2012.

For Protectron Electromech (P) Ltd.,


Authorised Signatory

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Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
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HYDERABAD-500 083.

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 **Agreement:** Shall mean this Power Purchase Agreement executed under Renewable Energy Certificate (REC) Mechanism as per APERC Regulation 1 of 2012 hereof, including the schedules hereto, amendments, modifications and supplements made in writing by the parties from time to time.
- 1.2 **APTRANSCO:** Transmission Corporation of Andhra Pradesh Limited, incorporated by the Government of Andhra Pradesh.
- 1.3 **Billing Date:** means the fifth (5th) day after the Metering Date.
- 1.4 **Billing Month:** means the period commencing from 25th of the calendar month and ending on the 24th of the next calendar month.
- 1.5 **Central Agency:** means the agency i.e. NLDC located in New Delhi as designated by the CERC to give registration to the project based on Renewable Sources of energy and to undertake such functions as may be specified or directed by the CERC
- 1.6 **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 Commercial Operation Date (COD) of the first unit of the project will be treated as the Commercial Operation Date of the project.

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For Protectron Electromech (P) Ltd.,

Authorized Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
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HYDERABAD-500 063.

1.7 **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 1.13, 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 designated EHV substation of APTRANSCO.

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 0.8 MW 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 interconnection point 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 interconnection point and shall be:

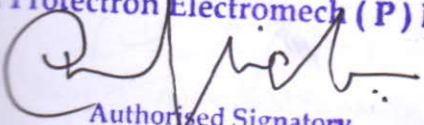
$$Z = \left\{ \frac{(X_1 + X_2 + X_3 + X_4 + \dots) - Y}{(X_1 + X_2 + X_3 + X_4 + \dots)} \right\} \times 100$$

Where

[Handwritten Signature]
 Authorised Signatory

Y is the reading of the common energy meter installed on the 220 KV side of the interconnection point, X₁, X₂, X₃, X₄ 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.

- 1.8. **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. If the last date of payment is falls in holiday, the next working day shall be considered as last date.
- 1.9. **Financial Year:** shall mean, with respect to the initial Financial 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 Financial Year shall end on the date of expiry of the Term or on termination of this Agreement, whichever is earlier.
- 1.10. **Grid Code:** means the Indian Electricity Grid Code issued by CERC vide Notification No. L-1/18/2010-CERC, New Delhi, 28-04-2010 including any amendments and modifications thereto and AP Grid Code.
- 1.11. **Installed Capacity:** means the total rated capacity in mega-watts of all the generators installed by the Wind Power Producer.
- 1.12. **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 1.32 at the Wind Power Producer's expense

For Protectron Electromech (P) Ltd.,

Authorized Signatory


Chief General Manager, Commercial & RAC
APCPDCL, Corporate Office,
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HYDERABAD-500 063.

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.

1.13. 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 the entry point of EHV 220 KV Shapuram substation of APTRANSCO . 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 220 KV Shapuram substation through via 33KV/220KV Pooling Substation.

1.14. Metering Code: means CEA (Installation and Operation of meters) Regulations, 2006 dated: 17-03-2006 including any amendments and modifications thereto.

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

1.16. 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 three separate sets of 0.2 class accuracy ABT meters as specified in Article 4.1, main meter and Standby meter installed by the Wind Power Producer and the check meter

installed by the DISCOM and all meters sealed by the DISCOM, having facilities to record both export and import of electricity to / from the grid including its Captive Consumption. Necessary separate metering arrangements as per CEA Guidelines for measurement of Captive Consumption and Auxiliary Consumption shall be made by developer.


1.17 'Pooled Cost of Power Purchase': means the pooled cost as determined by APERC. The weighted average pooled price at which the distribution licensee has purchased electricity in the previous year from all the long-term energy suppliers excluding the purchases based on liquid fuel.

Provided that the purchases from traders, short-term purchases and purchases from renewable sources shall not be taken into account while determining Pooled Cost of Power Purchase;


1.18. Project: means the 0.8 MW capacity Wind power project at Nallakonda area in Sy. No. 775 of Kogira (V), Roddam Mandal, Anantapur District, Andhra Pradesh with a proposal of 0.004 MW for Auxiliary Consumption and 0.796 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.

1.19. 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.

For **Protectron Electromech (P) Ltd.,**


Authorized Signatory

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Chief General Manager, Commercial, AP
APCPDCL, Corporate Office,
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