



दिल्ली DELHI

M 210966

POWER PURCHASE AGREEMENT

BETWEEN

NTPC LIMITED

AND

UNION TERRITORY OF DADRA & NAGAR HAVELI

FOR

VINDHYACHAL SUPER THERMAL POWER STATION, STAGE-V (500MW)

THIS POWER PURCHASE AGREEMENT hereinafter called the "Agreement" entered into at...**DELHI**.....on the **3TH** day of **OCTOBER**, Two Thousand Ten (**07.10.2010**) between NTPC Limited, a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi – 110003 (hereinafter called 'NTPC') which expression shall unless repugnant to the context or meaning thereof include its successors and assigns as party of the first part; and Electricity Department, Union Territory of Dadra & Nagar Haveli, having its Head Office at Silvassa - 396230 (hereinafter called 'DNH') which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the second part. Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

[Signature]

[Signature]

WHEREAS NTPC is a Generating Company as defined under Section 2(28) of the Electricity Act, 2003 and is a Govt. of India Enterprise.

AND WHEREAS NTPC is setting up a coal fired power station named as Vindhyachal Super Thermal Power Station, Stage-V (capacity of 500 MW) in Singrauli district of Madhya Pradesh State hereinafter specifically referred to as "Vindhyachal STPS, Stage-V" and generally be referred to as "Station" to be owned and operated by NTPC.

AND WHEREAS the DNH and other Bulk Power Customer(s) are desirous of purchasing electricity from Vindhyachal STPS, Stage-V and NTPC is willing to sell electricity from Vindhyachal STPS, Stage-V to DNH and other Bulk Power Customer(s) of the Western Region from the date of commissioning of Unit-I of Vindhyachal STPS, Stage-V on mutually agreed terms and conditions mentioned hereunder.

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

1.0 DEFINITIONS

- (a) The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed thereunder and Regulations issued by CERC from time to time.
- (b) The words or expressions mentioned below shall have the meanings respectively as assigned hereunder:

Act, 2003	The Electricity Act, 2003 as amended or modified from time to time, including any re-enactment thereof.
Agreement to Hypothecate cum Deed of Hypothecation	Shall have the meaning as ascribed under article 6.2.8 of this PPA.
Availability	'Availability' as defined in the CERC (Terms and Conditions of Tariff) Regulations, 2009 as amended or replaced from time to time





Billing Centre	The office / RHQ as intimated by NTPC to the DNH from where the bills will be raised on them.
Bulk Power Customer(s)	Bulk Power Customer(s) in relation to the Station shall mean the person(s) to whom capacity is contracted from the station.
Busbars/Ex Bus	Busbars of the Station to which outgoing feeders are connected.
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission or any other Competent Authority (for determination of tariff).
CTU	Central Transmission Utility.
Capacity Charges	Capacity Charges are Fixed Charges as determined by CERC and shall be paid in proportion to the allocated capacity from time to time.
Charges for Supply of Electricity	Mean and include all charges including the Tariff to be paid by the DNH / Bulk Power Customer(s) in respect of supply of electricity to them from the Station in accordance with the provisions of this Agreement.
Commercial Operation Date	'Date of Commercial Operation' or 'COD' in relation to a unit means the date declared by NTPC from 0000 hour of which, after notice to the Bulk Power Customer(s), scheduling process in accordance with the Indian Electricity Grid Code is fully implemented, and in relation to the Station as a whole, the date declared by NTPC after demonstrating peaking capability corresponding to installed capacity of the Station through a successful trial run, after notice to the Bulk Power Customer(s)
Effective Date	means the date of signing of this Agreement including payment security as envisaged under Article 6.2.
Energy Charges	As defined in the CERC (Terms and Conditions of Tariff) Regulations, 2009 as amended or replaced from time to time.
Escrow Agreement	Shall have the meaning as ascribed under article 6.2.8 of this PPA
GOI	Government of India




IEGC	Indian Electricity Grid Code, as notified by CERC or any other competent authority and as amended from time to time.
Infirm Electricity	means electricity generated prior to commercial operation of Unit (s) of the Station
LC	Irrevocable Revolving Letter(s) of Credit.
Main and Check Meter	Meter for measurement and checking of import/export of energy on the outgoing feeders of the Station Busbars for Energy Accounting.
Mega Power Policy	Mega Power Policy issued by GOI and amended from time to time.
Mega Power Project	Projects eligible for benefits under the Mega Power Policy of GOI.
Monthly Bill	Monthly Bill as raised by NTPC as per REA in line with the CERC Regulation as amended from time to time. Provided that periodicity of billing may change as per CERC regulation from time to time.
Party/Parties	Shall have the meaning ascribed thereto in the recital to this Agreement
Permitted Assigns	Have the meaning as per Article 12 of this agreement
Powergrid	Power Grid Corporation of India Ltd.
WRLDC	Western Regional Load Despatch Centre.
WRPC	Western Regional Power Committee established under Section 2(55) of the Electricity Act, 2003.
Regional Energy Account (REA)	Periodic Energy Account issued by WRPC/ WRLDC including amendments thereof.
Receivables	As defined under 6.2.8.
Scheduled Generation	Scheduled Generation as defined in the CERC (Terms and Conditions of Tariff) Regulations, 2009 as amended or replaced from time to time
SLDC	State Load Despatch Centre
Station	Have the meaning as given in the recital
STU	State Transmission Utility
Supplementary Bill	Have the meaning under the Article 6.1.3




Target Availability	Availability of the Station for recovery of full Capacity (Fixed) Charges on annual basis
Transmission Licensee	Have the meaning as per Electricity Act 2003
Tariff	Tariff shall constitute Capacity Charges, Energy Charges, Incentive and other charges viz taxes, cess etc for supply of electricity from the Station as determined by CERC
Third Party(ies)	Any person other than the person to whom electricity is contracted under this Agreement
Bipartite Agreement (BPA)	The Bipartite Agreement dated 18.11.2003 signed by Administration of UT of DNH and GOI as per the provisions of the GOI Scheme for One time Settlement of SEBs dues
Unit	Each Unit of the Station
UI	Unscheduled Interchange as defined in Central Electricity Regulatory Commission (Unscheduled Interchange charges and related matters) Regulations, 2009 as amended or replaced from time to time

2.0 GENERAL

2.1 INSTALLED CAPACITY:

2.1.1 The capacity of Vindhyachal STPS, Stage-V is proposed to be 500 (1x 500) MW. The capacity of the Station is subject to change after placement of orders for the main plant equipment.

2.1.2 The Station is being developed for the Bulk Power Customer(s) of Western Region.

2.1.3 The Station is being developed as Mega Power Project under Mega Power Policy of Govt. of India for the benefit of the Bulk Power Customer(s) of the Station. One of the conditions of such Mega Power Policy is that the electricity be made available only to the Bulk Power Customer(s) who agree to comply with the terms and conditions of the Mega Power Policy of GOI. DNH hereby undertakes to ensure compliance with the provisions of Mega Power Policy of GOI.




2.2 ALLOCATION OF CAPACITY

- 2.2.1 Allocation of power from Vindhyachal STPS, Stage-V amongst various customers of Western Region shall be decided by GOI/Competent Authority in accordance with the applicable guidelines of Govt. of India issued from time to time. Such allocation of power along with various terms and conditions mentioned therein shall form an integral part of this Agreement.
- 2.2.2 Fifteen percent capacity of the Station shall be kept unallocated at the disposal of Govt. of India/Competent Authority and shall be subject to allocation from time to time as per the decision of GOI/Competent Authority. Out of unallocated capacity, balance if any, after such allocation by GOI/Competent Authority, shall be deemed to have been allocated to various Bulk Power Customer(s) in proportion to their allocated shares.
- 2.2.3 The allocation made from the Station by GOI or any other competent authority in favour of the DNH shall be subject to signing of the PPA, opening of LC and providing appropriate payment security mechanism as provided in this Agreement. The DNH shall draw electricity against the above allocated capacity limited to the amount of LC opened and maintained by it. NTPC shall intimate RLDC from time to time regarding the quantum of capacity DNH is eligible to draw.

3.0 TRANSMISSION / WHEELING OF ELECTRICITY

- 3.1 Sale of electricity shall be at the busbars of the Station and it shall be the obligation and responsibility of DNH to make the required arrangement for evacuation of electricity from such delivery points of the NTPC.
- 3.2 Charges for utilisation of transmission system(s) owned by the Powergrid/other Transmission Licensee for wheeling of the electricity beyond busbar of the Station, shall be paid directly by DNH to the Powergrid or the Transmission Licensee as the case may be. NTPC shall not be responsible for payment of such charges.
- 3.3 For timely and expeditious development of the required transmission system for evacuation of power from the said project to its various beneficiaries, NTPC shall initially make an application for Connectivity and Long-Term Access to the CTU, POWERGRID on behalf of the beneficiaries. The DNH hereby consents for NTPC to



make the said application on its behalf. The DNH also agrees to subsequently sign all necessary agreements, including BPTA, with POWERGRID/ other transmission licensees developing the identified transmission system, corresponding to their share of allocated capacity from the project.

4.0 SCHEDULING, METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

It is understood and agreed by and between the parties that NTPC shall operate the Station as a base load station as per the manufacturers' guidelines, applicable grid operating standards, directions of the CERC and relevant statutory provisions, as applicable from time to time. Methodology of generation scheduling shall be as per IEGC and the decisions taken at WRPC forums.

All charges/fees related to scheduling and despatch of electricity shall be borne by DNH.

NTPC shall make declaration of the capacity at the busbars of the Station after taking into account the capability of the Station to deliver Ex-Bus which shall be considered while calculating Declared Capacity (DC).

4.2 DECLARED CAPACITY

Declared Capacity or 'DC' means the capability of the Station to deliver Ex-Bus electricity in MW declared by the Station in relation to any period of the day or whole of the day, duly taking into account the availability of Coal as per the procedure laid down in IEGC.

Notwithstanding the following, Station shall be deemed as available to the extent of DC declared by the Station for any time period:

- a. Failure on account of Bulk Power Customer(s) to transmit and wheel electricity from the Ex-Bus of the Station.
- b. Any other reason not attributable to NTPC restricting scheduling and despatch of capacity at the Ex-Bus of the Station



4.3 METERING

- 4.3.1 A set of Main and Check Meters of 0.2S accuracy class; as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU on all outgoing feeders of the Station. DNH shall make all necessary arrangements for installation of meters of required accuracy and specifications, at all its drawal points.
- 4.3.2 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.
- 4.3.3 Data shall be downloaded from the meters at regular intervals as decided by WRPC/WRLDC for preparation of the REA/UI Account.
- 4.3.4 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC shall inform the CTU/WRLDC of the same.
- 4.3.5 In case of failure of meters, energy/UI accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure in RPC. In case of absence of any such procedure, the following procedure shall be followed:
- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy/UI accounting. If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be computed based on standby meters. In case of dispute, the decision of Member Secretary of the WRPC would be final and binding.
- 4.3.6 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC and DNH as per procedure laid out in CEA (Installation & Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.



4.4 ENERGY ACCOUNTING

- 4.4.1 Both the Parties agree to facilitate issue of Regional Energy Accounts by 1st day of every month.
- 4.4.2 Regional Energy Account issued by WRPC/ WRLDC or any other Competent Authority shall be binding on all the parties for billing and payment purposes.
- 4.4.3 Any change in the methodology of Regional Energy Account shall be done only as per the decisions taken in the WRPC forums and both the Parties agree to abide by the methodology so finalised.

5.0 TARIFF

5.1 Terms and conditions:

- 5.1.1 The Tariff for the electricity supplied from the Station would be as determined by CERC from time to time.
- 5.1.2 Tariff for sale of electricity from the Station shall comprise of Capacity Charge, Energy Charge, Incentive, UI and all other taxes/charges.

5.1.3 ADHOC TARIFF

NTPC shall approach CERC for determination of Provisional Tariff before Commercial Operation Date of any unit of the station. In case this Tariff is not determined for any reason by CERC prior to commencement of commercial operation of such unit of the Station, the Parties agree that billing and payment shall be done on adhoc basis as per the proposal of NTPC submitted to CERC for Provisional Tariff. NTPC shall inform DNH of such adhoc tariff and pending determination of such Tariff by CERC, billing on provisional basis would be carried out, subject to adjustment along with applicable interest as and when such Tariff is determined by CERC.

5.2 SALE OF INFIRM ELECTRICITY:

Infir electricity, i.e., sale of electricity prior to commercial operation of the unit, will be billed by NTPC based on methodology as notified by CERC from time to time.



5.3 TAXES, LEVIES, DUTIES, ROYALTY, CESS ETC.:

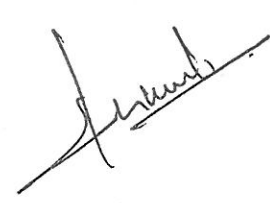
Statutory taxes, levies, duties, royalty, cess or any other kind of levies imposed/charged by any Government (Central/State) and/or any other local bodies/authorities on generation of electricity including auxiliary consumption or any other type of consumption including water, environment protection, sale of electricity and/or in respect of any of its installations associated with the Station payable by NTPC to the authorities concerned shall be borne and additionally paid by the DNH to NTPC.

6.0 BILLING AND PAYMENT

6.1 BILLING:

The Charges for Supply of Electricity under this Agreement shall be billed by NTPC as determined from time to time by the Central Electricity Regulatory Commission and/or any other Competent Authority and the same shall be paid by the DNH in accordance with the following provisions:

- 6.1.1 NTPC shall present the bills for electricity supplied to DNH from the Station for the previous month based on Regional Energy Account issued by WRPC/ WRLDG or any other Competent Authority.
- 6.1.2 Billing Centre of NTPC shall carry out billing and associated functions. NTPC would submit the bills to the Officer to be nominated by DNH.
- 6.1.3 The Monthly Bill for the Station shall include the Charges for Supply of Electricity under this Agreement, income tax, other taxes, duties, cess etc including additional bill (s) for the past period(s) on account of orders of CERC/Appellate Tribunal for Electricity/Other Courts/other Competent Authority(ies). If for certain reasons some of the charges which otherwise are in accordance with this Agreement, cannot be included in the main Monthly Bills, such charges shall be billed as soon as possible through Supplementary Bill(s).



6.1.4 DNH shall arrange payment of such Monthly Bill(s)/Supplementary Bill(s) promptly through irrevocable Letter of Credit at the designated account of NTPC. The date of transfer of payment to NTPC account shall be considered as the date of payment for computation of rebate or late payment of surcharge in respect of such payment. The bill(s) of NTPC shall be paid in full subject to the condition that—

- i) there is no apparent arithmetical error in the bill(s)
- ii) the bill(s) is/are claimed as per the notified/agreed tariff
- iii) they are in accordance with the Regional Energy Accounts issued by WRPC/WRLDC any other Competent Authority

6.1.5 All payments made by the DNH, shall be appropriated by NTPC for amounts due from the DNH in the following order of priority:

- i) towards Late Payment Surcharge, payable if any;
- ii) towards earlier unpaid bill (s), if any; and
- iii) towards the statutory dues like income tax, other tax, royalty etc in the current bill (s).
- iv) towards the other charges in current Monthly Bill

6.1.6 In case DNH disputes any amount, even then, it shall pay 95% of the disputed amount forthwith and file a written objection with NTPC within 30 days of presentation of the bill, giving following particulars:

- i) Item disputed, with full details/data and reasons of dispute
- ii) Amount disputed against each item.

Provided that non-acceptance of tariffs determined/approved by CERC shall not be a valid ground for dispute.

6.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 7 shall be paid / adjusted with the applicable interest @ 15% per annum from the date on which the amount in dispute was payable / refundable.



6.1.8 REBATE AND LATE PAYMENT SURCHARGE

Rebate and Late Payment Surcharge shall be as per Terms and Conditions of Tariff issued by CERC as applicable from time to time. No rebate shall be payable on the bills raised on account of taxes, duties, royalty / cess etc.

6.2 ESTABLISHMENT OF LETTER OF CREDIT(LC) AND PAYMENT SECURITY MECHANISM:

- 6.2.1 DNH shall establish an irrevocable revolving Letters of Credit (LC) in favour of NTPC with a public sector / scheduled commercial bank [as per list supplied by NTPC at least one month prior to the commencement of electricity supply from the first unit of the Station.
- 6.2.2 The LC shall cover 105% of the one month's estimated billing in respect of electricity supplied from the Station to DNH. This shall be in addition to the obligation of the DNH to establish similar letters of credit for supply of electricity to the DNH from all other generating Stations of NTPC.
- 6.2.3 The amount of LC shall be reviewed each half-year commencing April and October in each financial year on the basis of the average of billing of previous 12 months and the LC amount shall be enhanced/reduced accordingly not later than 1st July and 1st January respectively of the same financial year.
- 6.2.4 The LC shall be established for a minimum period of one year. DNH shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 30 days prior to expiry of existing LCs.
- 6.2.5 LC shall specify the manner and dates when bill(s) can be presented to Bank by NTPC. The bills so presented by NTPC to the Bank shall be promptly paid on their presentation.
- 6.2.6 All costs relating to opening and maintenance and negotiation of LC shall be borne by the DNH.



6.2.7 In case of drawal of the LC amount by NTPC in accordance with the terms of this Article, the amount of the LC shall be reinstated automatically before the next due date of its operation. DNH shall arrange to furnish to NTPC a Certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated as stipulated herein above, regulation of power supply will be done as per the provisions of this PPA.

Provided that DNH shall continue to be liable to pay the Capacity Charges in proportion to its allocated capacity during the period of regulation / diversion of capacity or till the capacity is re-allocated to other Bulk Power Customer(s)/ Third Party (ies).

6.2.8 Provisions of Bipartite Agreement signed on 18.11.2003 between Administration of UT of DNH and Govt. of India under the Scheme for One Time Settlement of SEB dues shall be applicable for supply of electricity from this station and for safeguarding payments for the same. DNH hereby agrees to provide an alternative payment security arrangement before expiry of the BPA either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned or controlled by Administration of UT of DNH in the form of Escrow Arrangement as a back up to the Letter of Credit. Under this arrangement an Escrow Account in favour of NTPC shall be established through which the Receivables of DNH shall be routed as per the terms of Escrow Agreement. DNH hereby agrees that NTPC will have first charge on Receivables of DNH. However, such first ranking charge shall be on the amounts, in excess of amounts, which have already been charged or agreed to be charged prior to the date of the execution of this Agreement. DNH agrees to enter into a separate 'Agreement to Hypothecate Cum Deed of Hypothecation' whereby, DNH shall hypothecate Receivables to the extent required for Payment of dues of NTPC by DNH including under this Agreement by creation of first charge in favour of NTPC. These Receivables shall be routed through Escrow Account for payment to NTPC in case of default in payments by DNH. "Receivables" for this purpose shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the DNH in respect of the sale by the DNH to the Consumers of electric capacity, energy and / or services or for any other reason whatsoever and all proceeds thereof.



6.2.9 The Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by DNH to the satisfaction of NTPC at least one year before the expiry of the BPA either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned by Administration of UT of DNH. In the event before expiry of BPA, DNH does not sign the 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' at least 3 months before the expiry of BPA or DNH creating any superior charge in favour of any other party on its Receivables, NTPC shall have the right to reallocate allocated capacity of DNH to Third Party (ies). In case of termination of this Agreement or reallocation of capacity due to reasons stated above, DNH shall be liable to pay capacity charges for such capacity till the capacity is reallocated.

Since the payments from DNH are currently secured as per the provisions of the BPA, establishing of Escrow Arrangement is not being insisted upon by NTPC presently. DNH and NTPC agree that this Agreement shall be deemed to have created a legally binding first charge on DNH's Receivables in favour of NTPC. Accordingly, DNH shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge over the Receivables. While creating any subsequent charge on its Receivables or agreeing to provide Escrow cover or any other form of payment security to any other entities like electricity supplier(s), banks, financial institutions etc. during the interim period till signing of Escrow Agreement with NTPC, DNH shall duly inform such electricity supplier(s), banks, financial institutions etc. of the legally binding first charge on DNH's Receivables in favour of NTPC and the first charge of NTPC shall be in preference to any other charge that DNH may create in favour of any other party.

Except for the provisions of this Agreement, the other terms and conditions of "Escrow Agreement" and "Agreement to Hypothecate cum Deed of Hypothecation", to be entered into by the parties as above, shall be as per the provisions of corresponding documents used for the latest Ultra Mega Power Project competitively bid under Case-II format of Standard Bidding Documents of Government of India.

DNH agrees to ensure that the successor entities of DNH are duly notified of the above arrangement with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.



6.2.10 Notwithstanding the obligations of DNH to pay all the dues as per this Agreement, in the event of default in opening of LC of requisite amount in favour of NTPC or non-payment of bills within a period of 60 days of billing, NTPC shall be entitled to regulate/ divert the allocated capacity of the DNH to any other Bulk Power Customer(s)/ Third Part(ies) as per the provisions of generic procedure for regulation of power supply issued by CERC or any other competent authority from time to time read with the provisions of BPA till the time default is set right.

In case of default in payment of bills beyond a period of 90 days of billing, NTPC shall have the right to re-allocate power to other Bulk Power Customer(s).

It is clarified that the above arrangement shall not be construed as relieving DNH of any of its obligations to NTPC including obligation of payment of Capacity Charges.

For the removal of any doubt it is clarified that in case of default, DNH shall continue to be liable to pay the Capacity Charges in proportion to its allocated capacity during the period of regulation / diversion of capacity or till the capacity is re-allocated to other Bulk Power Customer(s)/ Third Party (ies).

7.0 SETTLEMENT OF DISPUTES

7.1 All differences or disputes between the parties arising out of or in connection with this Agreement shall be mutually discussed and amicably resolved within 90 days.

7.2 Arbitration

7.2.1 In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt as per the provisions of the Electricity Act, 2003. The place of Arbitration shall be at New Delhi.



8.0 FORCE MAJEURE

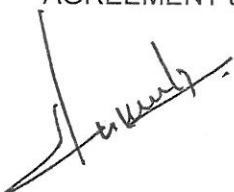
Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to force majeure events such as war, rebellion, mutiny, civil commotion, riot, strike, lock-out, forces of nature, accident, act of God or any other such reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

9.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by DNH within one month of signing of the Agreement. Notwithstanding any nomination, the Regional Executive Director (West), NTPC Ltd., WRHQ, Samruddhi Trade Centre, 2nd Floor, MIDC Marol, Andheri (East) Mumbai- 400093 as well as Executive Director (Commercial), NTPC Ltd., NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110 003 or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC.

10.0 NOTICE

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of IMPLEMENTATION OF THE AGREEMENT at Article 9 above.



11.0 EFFECTIVE DATE AND DURATION OF AGREEMENT

The agreement shall come into effect for all purposes and intent from the date of signing of the Agreement.

Subject to establishment and continuation of payment security as envisaged under Article 6.2 under "Establishment of Letter of Credit (LC) and Payment Security Mechanism", Agreement shall remain operative upto completion of twenty five (25) years from the date of commercial operation of the station, unless it is specifically extended on mutually agreed terms.

12.0 SUCCESSORS AND PERMITTED ASSIGNS

12.1 In case the functions of DNH are reorganised and/or this Agreement is assigned to other organisation(s)/agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor Distribution/Trading organisation(s)/agency(ies)/entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor organisation(s)/agency(ies) is/are owned or controlled by the Administration of UT of DNH.

12.2 In the event the functions of DNH are reorganised and/or privatised or this Agreement is assigned to Private organisation(s)/agency (ies), partly or wholly, DNH shall ensure that the agreements namely 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' as mentioned at Article 6.2 under ESTABLISHMENT OF LETTER OF CREDIT(LC) AND PAYMENT SECURITY MECHANISM are signed by the assignee before assignment of this Agreement.

12.3 Only such of the successor entities who fulfil the above requirements and execute the requisite documents as above shall be termed as the permitted assigns.

12.4 In other cases NTPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, DNH shall be liable and continue to pay the Capacity Charges each month till firm arrangement for sale of DNH's share with alternate customers substituting the DNH is tied up.

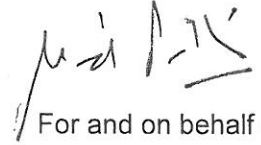


IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

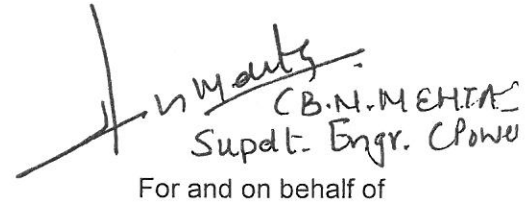
WITNESS

1. 

मनोज सक्सेना / MANOJ SAXENA
अपर महाप्रबंधक (वाणिज्यिक) / Asst. General Manager (Comm.)
एनटीपीसी लिमिटेड / NTPC Limited
कोर-6, चौथा तल / Core-6, 4th Floor
7, स्कोप कॉम्प्लेक्स, / 7, SCOPE Complex
लोधी रोड, नई दिल्ली-3 / Lodhi Road, New Delhi-3

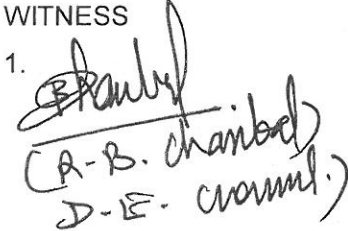


For and on behalf of
NTPC Ltd
V. K. PADHA
महाप्रबंधक (वाणिज्यिक)
General Manager (Commercial)
एनटीपीसी लिमिटेड / NTPC LIMITED


C.B.N. MEHTA
Supdt. Engr. Power
For and on behalf of

UNION TERRITORY OF DADRA & NAGAR HAVELI

WITNESS

1. 
(A.B. Chandel)
(D.E. Chandel)

