



GUJARAT INDUSTRIES POWER COMPANY LIMITED

Phone : 0265- 2230186 / 2230664, Fax : 0265 - 2230029, Email : md@gipcl.com
CIN - L99999GJ1985PLC007868

Vatsala Vasudeva, IAS
Managing Director

1904

21-01-18
19/10/18

October 3, 2018

The Managing Director
Gujarat Urja Vikas Nigam Ltd.
Sardar Patel Vidyut Bhavan
Race Course
Vadodara-390007

Sub: Revival of 165 MW GIPCL-II with a 5 year Medium Term Power Purchase Agreement (PPA)

Ref: Meeting on the subject in your office on 24/09/2018.

Respected Sir,

We take this opportunity to thank you for sparing your valuable time and giving a patient hearing to our submission for the revival of our 165 MW GIPCL Station - 2. Based on our discussion, we are pleased to offer you our proposal on the subject.

Considering the available residual life of the Plant of about 10 years, good operational condition with competent Operation & Maintenance team to run the Station efficiently, we propose that GUVNL may enter into a medium term PPA preferably for 05 years with due regulatory approval. Our proposal is mainly for utilization of available life of the idle asset in the best interests of public at large without any foreseeable loss or commitment to GUVNL or the Discoms.

As per the recent projection of SLDC, Gujarat, substantial peak deficit is anticipated in our State in the coming months. The execution of this PPA will help to mitigate the crisis to some extent at an affordable cost without any fixed cost obligation to GUVNL. We are furnishing the basic details of the Station and highlighting the advantages that would accrue to GUVNL by reviving this asset.

*may be examined
urgently.*

a 8/10
*Put up
urgently*
29/10/18
D(F)
GM (Com)

Registered Office :
P. O. Petrochemical - 391 346,
Dist. Baroda (Gujarat)
Website : www.gipcl.com



Surat Lignite Power Plant :
Village Nani Naroli, Ta : Mangrol,
Dist. Surat 394 110 (Gujarat)
Phone : 02629- 261101, Fax : 02629-261080

The brief details about the Station are as follows:

Plant Installed Capacity:	165 MW
Ex-Bus Capacity:	160.2 MW
Long Term PPA with GUVNL	01-08-1996 to 31-07-2016
Short Term Agreement with GUVNL on "as& when required basis"	19-09-2017 to 28-02-2018
Fuel Tie-up:	HVJ APM gas upto 0.2 MCMD till July,2021 (present supply level is @0.09 MCMD). SPOT Gas with GSPC & GAIL
Power Evacuation	132 KV Lines connected to 132 KV Jawaharnagar & Nandesari Sub-station of GETCO

GIPCL Proposal for revival of 165 MW GIPCL-II

1. The PPA shall be for duration of 05 years effective from the date of signing.
2. The Ex-Bus capacity offered for Scheduling shall be 130 MW max.
3. GUVNL shall not have any fixed liability towards the Station in form of Capacity Charge or Gas "Take or Pay" charges in Fuel Supply Agreement.
4. Since GUVNL shall not be paying Fixed Capacity Charges, there shall not be booking of capacity for GUVNL.
5. GIPCL shall quote Variable Charge as well as O & M charge per unit for different operating scenarios which shall remain firm for a fortnight irrespective of any variation in gas price or exchange rate during the period. Any loss on account of gas price variation, foreign exchange variation or poor heat rate shall be on account of GIPCL.
6. The Variable Charge increase with increased Combined Cycle Operation duration in a day is due to limited APM Gas availability for a day.
7. The Open Cycle Variable Charge shall be 1.5 times of the Combined Cycle Variable charge provided for Merit order.
8. GIPCL shall pay DSM Charges, Congestion Charges or any other charges related to grid discipline required as per GERC Intra-State ABT regulations.
9. The sale of Power shall be on best endeavor basis by GIPCL & there shall not be any penalty for default on its part.

10. GIPCL shall declare the "Day Ahead Availability" of the Station based on the availability of fuel namely APM & Spot Gas. The declared capacity shall be @130 MW.
11. GUVNL shall requisition power from GIPCL2 on "as & when required" basis whenever it qualifies under Merit Order of Dispatch prepared by GUVNL. The scheduling shall be for duration of 6 to 10 hours in a day in the range of 105 to 130 MW since achieving combined cycle itself takes around 02 hours.
12. In a calendar month, the Station be scheduled for maximum 10 occasions(days). This limitation is on account of limited quantity of APM gas (pooled on monthly basis). In case of increase in APM allocation, GIPCL may increase this limit.
13. GUVNL shall issue End User Certificate to GIPCL for the APM gas utilized in this Station.
14. GIPCL shall declare the Ex-Bus Unit Rates for different operating scenarios:
 - a. 105 to 130 MW for 6 to 10 hrs. in Combined Cycle during a calendar day.
 - b. 105 to 130 MW continuing more than 10 hrs. in Combined Cycle in a calendar day.
 - c. Open Cycle Operation for max. 2-3 hours in a calendar day

Sr. No.	Operating Scenario	Duration in a Day	Variable Cost (Rs./KwH)	Fixed O & M Charges (Rs./KwH)	Total Unit Charges (Rs./KwH)
1	Combined (105-130MW)	6-10 hours	4.3	0.5	4.8
2	Combined (105-130 MW)	>10 hours	8.0	0.5	8.5
3	Open	2-3 hours	6.45	0.5	6.95

15. The Plant Startup Time in Open Cycle, Combined Cycle and Ramping Rates shall be as per OEM recommendations already approved by SLDC.
16. Extended Open Cycle operation shall be avoided and restricted to extreme emergency conditions only since it is highly inefficient and uneconomical.
17. GIPCL shall furnish the rates for the different scenarios listed under item-6 on fortnightly basis as per above sample table.
18. The billing cycle shall be monthly. GIPCL shall raise the invoice as per the monthly scheduled energy from this Station as per the Provisional State Energy Account published in the first week of the succeeding month.
19. The Scheduling on Combined Cycle for 6-10 hours duration in a day, scheduling more than 10 hours in day and Open Cycle shall be separately certified by SLDC. GIPCL shall bill accordingly.
20. The due date for payment shall be seven working days from the date of billing.

21. There shall not be any rebate for early payment. However delay in payment shall attract late payment surcharge @ 1.25% per month for the amounts outstanding after 30 days for the period of non-payment beyond due date. This surcharge would be calculated on a day-to-day basis for each day of the delay.
22. GIPCL shall have the freedom to revise the declaration in case of any tripping or emergency in the plant as per the current ABT guidelines. GUVNL shall also have the right to revise the schedules in case of any grid constraints.
23. GUVNL shall intimate the tentative requirement from this Station each quarter based on the demand projection to enable GIPCL to tie-up cheaper SPOT Gas. In case of higher allocation of APM gas for this Station materializes, GIPCL increase the offered monthly energy upwards.
24. GIPCL shall have the freedom to utilize the balance capacity of this Station for sale to power to any third party or energy exchange after meeting its obligation to GUVNL. When the power from this Station is not scheduled by GUVNL, GIPCL shall be free to utilize the Station Capacity as per its commercial interest.

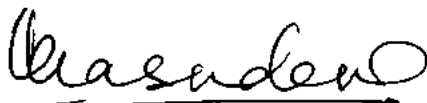
We sincerely hope that GUVNL would find the above offer competitive and in accordance with your requirements to execute the PPA. This would enable the GIPCL 165 MW power station to become operational and benefit the public at large by meeting the energy demands of the State.

We look forward to an early positive response. We shall be glad to deliberate and clarify any concern of GUVNL on this proposal.

Thanking you.

Yours faithfully,

For Gujarat Industries Power Company Limited,



**(Vatsala Vasudeva)
Managing Director**

GUJARAT URJA VIKAS NIGAM LIMITED

Sardar Patel Vidyut Bhavan, Race Course, Vadodara 390007

CIN U40109GJ2004SGC045195

Tele. No. : 0265-2310582 to 86 (PBX) Fax : 0265-2344543, 2337918	Ref. No.: GUVNL:GM (Com.) : 1178 Date : 27/11/2018
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To
Addl. General Manager (Comm., Fin. & Legal)
Gujarat Industries Power Company Ltd.
P.O. Petrochemical
Vadodara – 391 346.

Fax No.: 0265 - 2230899.

Sub.: Proposal for purchase of power from GIPCL – II (165 MW) for Medium Term (5 years) – Reg.

Madam,

This has reference to GIPCL's letter dated 3.10.2018 forwarding proposal for entering into a medium term PPA with GUVNL for supply of power from GIPCL – II (165 MW).

In this regard, GUVNL is pleased to consider your proposal on the following methodology and terms & conditions:

Methodology:

- GIPCL shall furnish rate (Rs/Kwh) of power supply to GUVNL from 165 MW Station II on fortnightly basis considering cost of blending of APM & SPOT based on gas price plus 50 paise / unit towards O&M expense. The fortnightly rate indicated by GIPCL shall not be more than variable cost considering the parameters approved by GERC i.e. Gross Station Heat Rate – 2038 Kcal / Kwh and Auxiliary consumption @ 2.90% plus 50 paise/unit towards O&M expense.
- GIPCL shall declare the availability of power to SLDC / GUVNL on "Day ahead Basis" before 10:30 hrs.
- GUVNL will consider the capacity declared by GIPCL only when the price discovery in Power Exchange / power from SPOT Gas / Bilateral arrangement including incidental charges upto GETCO periphery is more than the fortnightly rate conveyed by GIPCL (including GETCO STOA charges & SLDC charges). Accordingly, while placing the bid in PX, GUVNL will reduce the quantum declared by GIPCL and only if GIPCL rate is lower than the price discovered plus incidental charges i.e. CTU Drawl charges and losses, PX charges etc. for particulars scenario (i.e. 6 – 10 continuous hours in Combined Cycle during a

calendar day & more than 10 continuous hours in Combined Cycle during a calendar day) then power from GIPCL will be scheduled.

- In case of procuring SPOT RLNG based power from other gas based stations, for a particular scenario (i.e. 6 – 10 continuous hours in Combined Cycle during a calendar day & more than 10 continuous hours in Combined Cycle during a calendar day) only if the rate of power from such station is higher than GIPCL rate (including GETCO STOA charges & SLDC charges), GIPCL power will be scheduled.
- Other terms and conditions under the agreement will be as follows.

Terms & Conditions:

1. The off-take of power from the station will be in the range of 105 – 130 MW.
2. This arrangement will be for a period of 5 years from the date of signing of agreement.
3. GIPCL will be required to convey the rate on fortnightly basis which shall be considered for Merit Order purpose. Thereafter no change in tariff for the period will be allowed and GUVNL shall make payment at this tariff only.
4. GIPCL has to declare availability to SLDC / GUVNL on day ahead basis before 10:30 am.
5. Power will be scheduled on "As and when required basis" and as under:
 - a) 105 – 130 MW for 6 – 10 continuous hours in Combined Cycle during a calendar day.
 - b) 105 - 130 MW more than 10 continuous hours in Combined Cycle during a calendar day.

However, while giving the schedule, the ramping rates as approved by SLDC shall be considered.

6. The power will be scheduled under short term open access on "Day ahead basis" for which GUVNL / SLDC will have to apply / pay for Short Term Open Access to enable flow of power under this arrangement and shall bear applicable GETCO STOA Charges plus SLDC charges.
7. There will be no liability on GUVNL if power is not being scheduled including the liability on account of gas off-take under GIPCL's fuel agreement with supplier. GUVNL will only pay for the energy scheduled and certified by SLDC at the fortnightly rate conveyed by GIPCL.
8. Once the power is scheduled, provisions of DSM, grid management etc. will be applicable and settled by GIPCL.

9. GIPCL will raise the invoice on monthly basis considering the energy certified by SLDC in provisional SEA which shall be subject to adjustment if any based on final SEA.
10. GUVNL shall make payment within 30 working days from date of receipt of invoice without availing any rebate. In case of delay in payment beyond 30 working days, a late payment surcharge @ 1.25% p.m. will be applicable for each day of delay.
11. GUVNL shall issue End User Certificate to GIPCL for the APM gas utilised equivalent to the power scheduled under the agreement from GIPCL- II
12. The above arrangement shall become effective only after approval of Gujarat Electricity Regulatory Commission. Further, Rs. 25 lakhs payable towards approval of power purchase under above arrangement as per GERC Fees & Charges Regulation shall be borne by M/s GIPCL.

You are requested to kindly convey your consent to the above so as to enable GUVNL to take further needful action in the matter.

Yours faithfully,



(K. P. Jangid)

General Manager (Comm.)



GUJARAT INDUSTRIES POWER COMPANY LTD.

P.O. Petrochemical, Dist. – Vadodara 391 346 Gujarat - INDIA

Ref:GIPCL:COMM:GUVNL:PPA:2018:

07/12/2018

To,
The General Manager (Commerce),
Gujarat Urja Vikas Nigam Ltd.,
Sardar Patel Vidyut Bhavan,
Vadodara - 390007

Sub.: Medium Term PPA for 165 MW GIPCL - 2

Ref.: 1. Your letter GUVNL: GM (Com.):1178 dtd. 27/11/2018
2. Our proposal for PPA of GIPCL – 2 vide letter dtd. 03/10/2018

Sir,

At the outset, we are grateful to GUVNL for favorable consideration of our proposal for Medium Term PPA of 165 MW GIPCL - 2.

Broadly, we are in agreement with your medium term PPA proposal; however, we request to consider the ground facts and kindly re-consider the following points:

1. Station Heat Rate

- GERC approved Station Heat Rate on GCV basis during the operation of this Station on Combined Cycle under long term PPA was 2038 KCal/KWh (Normative Generation basis) in thermodynamically stabilized condition of Station considering Station Auxiliary Consumption of 2.91%.
The parameters approved by GERC at that time were based on presumption of performance of this Station on more than 85% load/Base Load & Round the Clock operating scenario in the Pre - ABT era with minimal Open Cycle operation & non-frequent Start & Stop.
- During the PPA regime also, we had been incurring loss on fuel account during part load & part of the day/short duration operation of this Station but we could sustain only on account of receipt of Fixed Cost.
- The present scenario would entail frequent Start & Stop and Short duration operation of 6 - 10 hours at loading of this Station varying from 105 MW to 130 MW.
Each Start would entail about 02 hours of Open Cycle operation & as it is well known fact that the Open Cycle Heat Rate in thermodynamically stabilized condition is normally 1.5 times of the Combined Cycle Heat Rate.

2. Actual Station Heat Rate on Normative Generation(GCV basis)

Station Heat Rate based on past operational data of this Station for operating duration for the two scenarios for the loading varying from 105 to 130 MW sought by your kind selves is tabulated hereunder:

...2...

Regd. Office & Vadodara Plant :

P.O. Petrochemical, Dist. – Vadodara 391/346 Gujarat – INDIA
Phone : EPABX (0265) 2232768 / 2213 / 0159, (D) 2234223 Fax : 2230029
Email : krmishra@gipcl.com



Surat Lignite Power Plant :

Village : Nani Naroli, Tal. Mangrol, Dist.:Surat 394 110, Gujarat – INDIA
Phone : EPABX (02629) 261063 to 261072 Fax : 261080
Email : genslpp@gipcl.com

Website : www.gipcl.com
CIN-L99999GJ1985PLC007868

- a. 06 hours to 10 hours with loading 105-130 MW
- b. More than 10 hours with loading 105-130 MW

Loading Range MW	Time Duration (including time duration of approx. of 02 hours of Open Cycle operation) Hours	Station Heat Rate on Normative Generation (GCV Basis) KCal/KWh
105 to 130	06 to 10	2472
	Above 10	2370

Our fortnightly declared Variable cost shall be fairly reflective of the true operational fuel cost. It shall be our best endeavor at all times to keep the Variable Cost minimum by sourcing the regassified gas at most competitive rates for blending with APM Gas to qualify in Merit Order of Dispatch.

3. GERC Petition Charges for Medium Term PPA

- It is humbly requested that GUVNL/Discoms who shall be filing the petition in GERC for approval of PPA may kindly bear the petition charges of Rs.25 lacs.
- GUVNL/ Discoms may be in a position to recover the charges as admissible under regulatory norms while there is no such avenue for us & presently our asset is stranded.

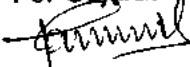
4. Tariff consideration for Merit Order of Dispatch

It is requested that our single part tariff i.e. (Variable Charge + Fixed O & M Charge) - the rate at GETCO periphery be considered for preparation of merit order of dispatch so that our Station may be competitive enough to be scheduled and effectively contribute to bridge the grid imbalance and also remain technically and financially viable.

We hope our submissions shall receive your favorable consideration.

Thanking you,

Yours faithfully,
For Gujarat Industries Power Company Ltd.



(K. R. Mishra)
Addl. General Manager (Comm., Fin. & Legal)

GUJARAT URJA VIKAS NIGAM LIMITED

Sardar Patel Vidyut Bhavan, Race Course, Vadodara 390007

CIN U40109GJ2004SGC045195

Tele. No. : 0265-2310582 to 86 (PBX) Fax : 0265-2344543, 2337918	Ref. No. : GUVNL: GM (Comm.): 20 Date : 03/01/2019
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To
Smt. K. R. Mishra
AGM (Comm. & Fin.)
GIPCL
P.O. Petrochemicals, Dist. Vadodara
Fax No. 0265 – 223 1240

Sub: Purchase of 165 MW GIPCL – II with a 5 year Medium Term Power Purchase Agreement (PPA).

**Ref: 1. GIPCL letter dated 3.10.2018.
2. GUVNL letter dated 27.11.2018**

Madam,

This has reference to your letter dated 7.12.2018 requesting GUVNL to (i) consider SHR @ 2472 Kcal / Kwh for 6 – 10 hours of operation and SHR @ 2370 Kcal / Kwh for duration of supply above 10 hours (ii) bear the Rs. 25 Lakhs fee for filing of Petition and recover the same under regulatory norms and (iii) consider only the Variable Charge + Fixed O&M charge for merit order dispatch.

In this regard, it is to state that GUVNL agrees to consider SHR @ 2472 Kcal / Kwh for 6 – 10 hours of operation and SHR @ 2370 Kcal / Kwh for duration of supply above 10 hours for working out the variable cost under the arrangement. Further, as regards to Rs. 25 lacs fee for filing of Petition, GIPCL shall have to bear the same as the power is to be procured on "As and When required basis" without any firm commitment. As regards the rate to be considered for Merit Order purpose it is to state that for evacuation of power under the proposed arrangement, GUVNL is required to obtain Short Term Open Access from SLDC / GETCO upon payment of applicable charges. Accordingly, GUVNL shall have to consider all the charges including STOA charges which are variable / dependent with reference to off-take of power for the purpose of Merit Order.

Kindly confirm the above for taking further necessary action in this regard.

Thanking you,

Yours faithfully,


(K. P. Jangid)

General Manager (Comm.)



GUJARAT INDUSTRIES POWER COMPANY LTD.

REGD. OFFICE: P.O. PETROCHEMICAL - 391 346. DIST. BARODA (INDIA)
PHONE: 2232768. 2232213. 2230159 FAX: 0265-2231240 E-mail: krmishra@gipcl.com
Website: www.gipcl.com • CIN - L99999GJ1985PLC007868

January 4, 2019

To,
The General Manager (Commerce),
Gujarat Urja Vikas Nigam Ltd.,
Sardar Patel Vidyut Bhavan,
Vadodara - 390007

Sub.: Confirmation to your letter for purchase of power from 165 MW GIPCL-2 with a
5 years Medium Term Power Purchase Agreement (PPA)

Ref.: 1. GIPCL letter dated 15/09/2017
2. GIPCL letter dated 03/10/2018
3. GUVNL letter dated 27/11/2018
4. GIPCL letter dated 07/12/2018
5. GUVNL letter dated 03/01/2019

Dear Sir,

We are pleased to receive your letter bearing no. GUVNL: GM (Comm.): 20 dated
03/01/2019 as subjected above.

We, hereby, confirm our acceptance for Normative Generation Based Station Heat Rate
of 2472 KCal/KWh for 06 to 10 hours and 2370 KCal/KWh for above 10 hours of
operation of Station-2 in Combined Cycle at approved normative auxiliary power
consumption of 2.91%.

Since, the power to be procured from 165 MW, Station-2 on "As & When required basis"
and without any firm commitment, we agree to pay the petition filing fees as applicable.

We also convey our acceptance for rate to be considered for Merit Order of Dispatch
including all the charges and Short Term Open access charges which are
variable/dependent with reference to off-take of power payable to SLDC/GETCO.

We request to expedite the matter for requisite regulatory approval. As you are aware,
this station is not in operation since long, we need to initiate maintenance activities and
revamping nature of jobs for efficient operation.

Thanking You,

Yours Faithfully,
For Gujarat Industries Power Company Ltd.

Addl. Gen. Mgr. (Comm. Fin. & Legal)



GUJARAT URJA VIKAS NIGAM LIMITED

Sardar Patel Vidyut Bhavan,
Race Course, Vadodara : 390 007
Phone: 0265-233084, Fax No. 0265-2337918
CIN U40109GJ2004\$GCo45195
E-mail: cs.guvnl@gebmail.com,
Web Site: www.guvnl.com

Ref. No. GUVNL/CS/MOM/BM-93

Date: 06/03/2019

Sub : Certified copies of Resolutions passed in the 93rd Board Meeting held on 22nd February , 2019.

The Minutes of the 93rd Board Meeting held on 22nd February, 2019 is finalized and approved. The extracts of the relevant minutes/decisions/resolutions are appended herewith in the form of certified copies to the respective department for due compliance action.

Please send **action taken report** at the earliest.

Encl. As above

Company Secretary

To

GM(F&A)/GM(COMM.)/GM(IPP)/GM(HR)/GM(IT)

Copy for kind information:

MD/Dir(F)/Dir(T)

GUJARAT URJA VIKAS NIGAM LIMITED

CERTIFIED EXTRACTS OF THE MINUTES OF THE 93RD MEETING OF THE BOARD OF DIRECTORS OF GUJARAT URJA VIKAS NIGAM LIMITED HELD ON FRIDAY, THE 22ND FEBRUARY, 2019 AT 4.00 P.M. AT CONFERENCE ROOM, ENERGY & PETROCHEMICALS DEPT., BLOCK NO 5, SACHIVALAY, GANDHINAGAR.

93.10/1492 PROPOSAL FOR PURCHASE OF UPTO 130 MW POWER FROM GIPCL STATION - II (165 MW) ON "AS AND WHEN REQUIRED BASIS" FOR 5 YEARS.

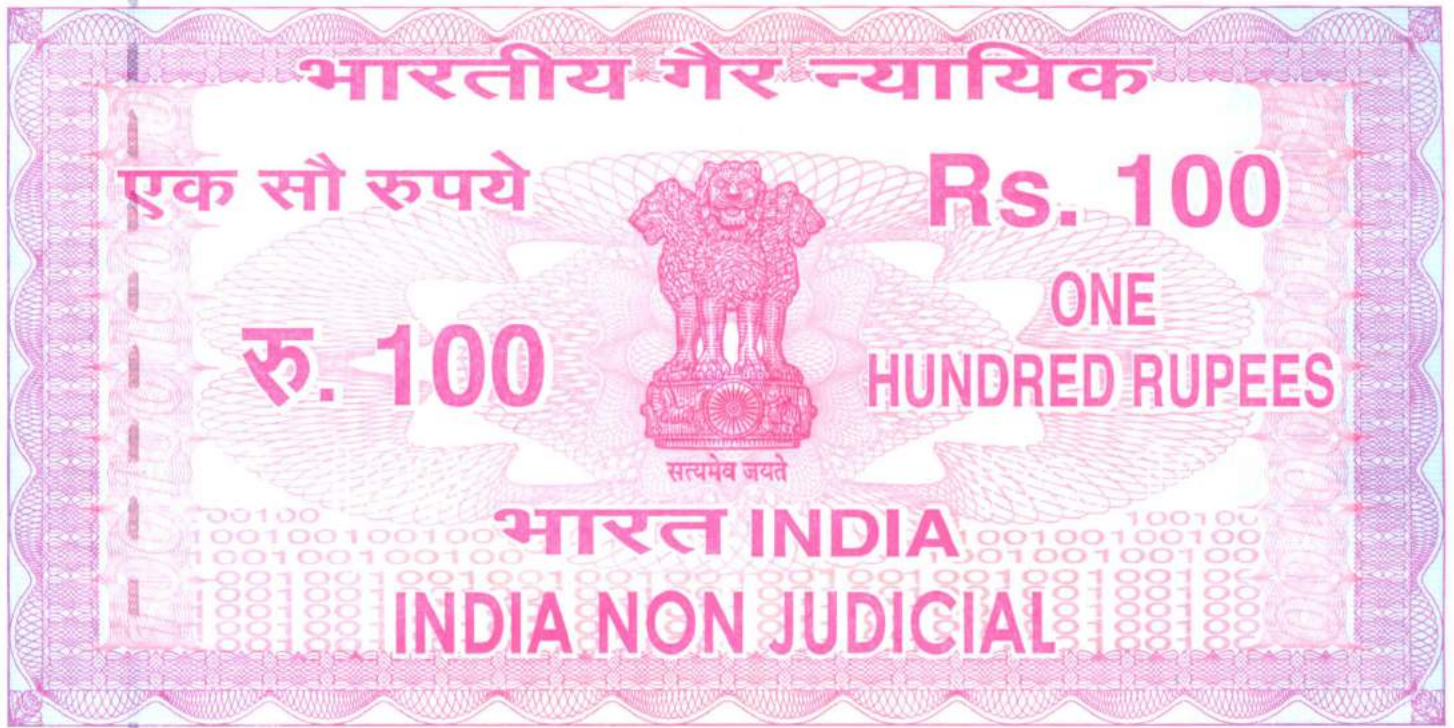
"RESOLVED THAT the Board perused the proposal and approval of the Board be and is hereby accorded to procure up to 130 MW power from GIPCL Station – II on "As and When required basis" on medium term basis for a period of 5 years, subject to approval of Gujarat Electricity Regulatory Commission.

RESOLVED FURTHER THAT Managing Director and Director (Finance), GUVNL be and are hereby authorized to finalize the methodology and Terms & Conditions for procurement of power from GIPCL Station – II under the above arrangement.

RESOLVED FURTHER THAT Managing Director / Director (Finance) / GM (Comm.) be and are hereby authorized to sign any other document(s) on behalf of GUVNL with GIPCL for purchase of power Station - II and to take all actions related thereto including filing Petition before Gujarat Electricity Regulatory Commission."

Certified True Copy
For Gujarat Urja Vikas Nigam Ltd.

Parthiv Bhatt
Company Secretary



गुजरात गुजरात GUJARAT

सं. नं. ६७९३६..... तारीख २५/०३ /२०१९

25 MAR 2019

BT 217153

परीटनारतुं नाम..... GUJARAT INDUSTRIES POWER CO. LTD.

सरनामुं..... K.O. PETROBRAS LTD. 331346
DIST. BARODA.

हस्त.....

संजय वसंतराव डहम
जी-प. राजकेशव डोमलेख,
ईलोरापाड, सुभायपुरा,
वडोदरा-३९००२३.

स्टेम्प वेन्डरनी सडी
लायसन्स नं. ०२/२००२
Ph. No. 0265-2281981

POWER PURCHASE AGREEMENT

BETWEEN

GUJARAT INDUSTRIES POWER COMPANY LIMITED

AND

GUJARAT URJA VIKAS NIGAM LIMITED

This Agreement is entered at Vadodara on 29th day of March Two Thousand Nineteen between M/s Gujarat Industries Power Company Ltd. a corporate body constituted under the Companies Act, 1956 (1 of 1956) and Government of Gujarat



Controlled Company having its Registered Office at P.O. Petrochemicals – 391346, District Vadodara (Gujarat), India (hereinafter called "M/s GIPCL", which expressions shall unless repugnant to the context or meaning thereof include its successors in business and permitted assigns) of the **First Part**

And

Gujarat Urja Vikas Nigam Ltd., a Government of Gujarat undertaking and incorporated under the Companies Act 1956 (1 of 1956) having its Registered Office at Sardar Patel Vidyut Bhavan, Race Course, Vadodara-390007 hereinafter referred to as 'GUVNL' which expression shall unless repugnant to the context or meaning thereof shall include its successors and permitted assigns as party of the **Second part**.

AND WHEREAS M/s GIPCL is willing to supply power up to 130 MW to GUVNL on "As and When available basis" for a period of 5 years.

AND WHEREAS GUVNL is willing to off-take power up to 130 MW on "As and When required basis" for a period of 5 years.

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

1. QUANTUM:

Power Off-take in range of	105 MW to 130 MW
Period	5 years from date of signing of PPA

2. DELIVERY POINT:

At the Bus bar of 165 MW Station II of M/s Gujarat Industries Power Company Ltd., P.O. Petrochemicals, Vadodara



2



3. TARIFF:

GIPCL shall supply upto 130 MW power from the 165 MW Station II located in Vadodara to M/s GUVNL for a period of 5 years for which GIPCL shall furnish rate of power supply in Rs. / KWh on fortnightly basis considering cost of blending of APM Gas & SPOT Gas based on Variable Cost (considering actual gas price).

The Variable cost for supply of power shall be worked out considering the following :

1. Station Heat Rate @ 2472 Kcal / Kwh for 6 – 10 hours of operation.
2. Station Heat Rate @ 2370 Kcal / Kwh for supply of power above 10 hours.
3. Auxiliary Consumption – 2.90%
4. Operation & Maintenance Expense – 50 paise / unit on Scheduled Energy.

The decision of GUVNL about working of tariff which GUVNL shall pay to M/s GIPCL shall be final and binding to M/s GIPCL. Thereafter, no change in tariff will be allowed and GUVNL shall make payment maximum at this tariff only.

4. TRANSMISSION CHARGES AND LOSSES:

M/s GUVNL is required to obtain Short Term Open Access (STOA) from SLDC Gujarat / GETCO upon payment of applicable charges for evacuation of power under the arrangement.

GUVNL shall consider all the charges including STOA charges which are variable / dependent with reference to off-take of power for the purpose of Merit Order purpose.

5. SCHEDULING AND DISPATCH:

- A. GIPCL shall declare availability before 10:30 am on day ahead basis.



B. 105 – 130 MW Power will be scheduled by GUVNL on "As and when required basis" as under:

- a) 6 – 10 hours in Combined Cycle in a calendar day.
- b) More than 10 hours in Combined Cycle in a calendar day.

While giving schedule, ramping rates approved by SLDC shall be considered

Once power is scheduled, provisions of DSM, Grid management etc. will be applicable and settled by GIPCL.

6. BILLING:

GIPCL will raise the invoice on monthly basis considering the energy certified by SLDC in provisional SEA subject to adjustment if any based on final SEA.

GUVNL will only pay for the energy scheduled and certified by SLDC in the SEA at fortnightly rate conveyed by GIPCL which shall be the ceiling rate.

There shall be no liability on GUVNL if power is not scheduled under the arrangement or towards "Take or Pay" charges payable by GIPCL for Gas non off-take under GIPCL's Fuel Supply Agreement.

7. PAYMENT & PAYMENT TERMS:

GUVNL shall make payment within 30 working days from date of receipt of invoice without availing any rebate.

In case of delay in payment beyond 30 working days, a late payment surcharge @ 1.25% p.m. will be applicable for each day of delay.



8. UNSCHEDULED INTERCHANGE :

GUVNL shall not be responsible for any Unscheduled Interchange (UI) / DSM , Reactive Energy Charge, if any, becomes payable by GIPCL on account of off-take or non off-take of power under this agreement.

9. DISPUTE RESOLUTION MECHANISM:

All differences or disputes between the parties arising out of or in connection with the transactions covered by this agreement shall be settled by discussions within 30 days. Thereafter if the dispute is not settled, the matter shall be resolved through discussions at the Managing Director level within 30 days.

10. IMPLEMENTATION OF THE AGREEMENT:

M/s GUVNL shall obtain Open access (STOA) for off take of power under 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 authorized 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 authorized representative(s) and/or changes in designation shall be informed in writing to/by the Party within one month of such nomination or change.

Notwithstanding any nomination, General Manager (Commerce), Commerce Department, Race course, Vadodara shall be authorized to act for and on behalf of GUVNL.

Notwithstanding any nominations, AGM (Comm., Fin. & Legal), shall be authorized to act for and on behalf of M/s GIPCL. Any changes in designations / registered office address shall be intimated in writing to all concerned Parties.



11. NOTICE:

All notices required or referred to under this Agreement, shall be in writing and signed by the respective authorized 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 Post / Speed Post of Department of Posts or by Courier Service with an acknowledgement due to the other party.

All Notices shall be delivered personally or by facsimile mode to the following addresses:-

For M/s GIPCL:

Address	Gujarat Industries Power Company Ltd P. O. Petrochemicals – 391 346, Dist : Vadodara Gujarat
Attention	AGM (Comm., Fin. & Legal)
Phone No	0265-2234223 / 2232768
Facsimile No	0265-2230029

For GUVNL:

Address	Commerce Department, 2 nd Floor, Sardar Patel Vidyut Bhavan Race Course, Vadodara – 390007
Attention	General Manager (Commerce)
Phone No	0265 – 2334751
Facsimile No	0265 – 2344543

For Gujarat SLDC:

Address	Chief Engineer, SLDC State Load Dispatch Centre Gotri, Vadodara – 390 021
Phone No	0265- 6531132
Facsimile No	0265 – 2352019



12. EFFECTIVE DATE AND DURATION OF AGREEMENT:

Notwithstanding anything to the contrary contained in this Agreement, the Agreement shall be deemed to have come into force with effect from 29.03.2019 for all purpose. The above Agreement shall remain valid till 28.03.2024. The following shall form part of this agreement.

- M/s GIPCL's letter dated 3rd October 2018.
- M/s GUVNL's letter No. GUVNL / GM (Com) 1178 dated 27th November 2018.
- M/s GIPCL's letter No. GIPCL / GUVNL / PPA 2018 dated 7th December 2018.
- M/s GUVNL's letter No. GUVNL / GM (Com) 20 dated 3rd January 2019.
- M/s GIPCL's letter dated 4th January 2019

This PPA will become effective upon approval of Hon'ble Gujarat Electricity Regulatory Commission (GERC).

IN WITNESS WHEREOF the parties have executed these presents through their authorized Representatives on the 29th day of March Two Thousand and Nineteen at Vadodara, Gujarat.

For and on behalf of

Kamlesh
Gujarat Urja Vikas Nigam Limited
K.P. JANGID
General Manager (Com)
Gujarat Urja Vikas Nigam Limited
Race Course, BARODA-390007.
Witness:

1. .. *N. K. Nair*
(S.K. Nair)
2. .. *K. Chudasaamy*
C. Kripasinh N. Chudasaamy

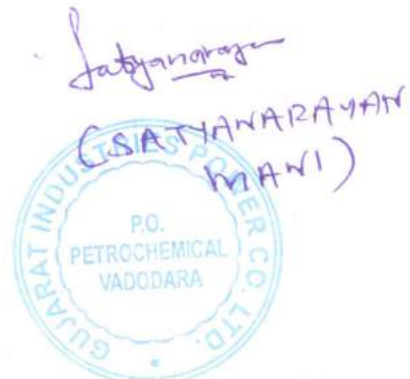


For and on behalf of

K. R. Mishra
M/s Gujarat Industries Power
Company Limited **(K. R. Mishra)**
Addl. Gen. Mgr. (Comm., Fin. & Legal)
Gujarat Industries Power Co. Ltd.
P.O. Petrochemicals - 391 346 Dist. Bar.

Witness:

1. .. *Sunil N Purohit*
(SUNIL N PUROHIT)
2. ..





GUJARAT INDUSTRIES POWER COMPANY LIMITED
P.O.: PETROCHEMICALS – 391 346, DISTRICT: VADODARA
PHONE NO: (0265) 2232768 FAX NO: (0265) 2230029,
Email: kkb@gipcl.com Website: www.gipcl.com,
CIN – L99999GJ1985PLC007868

CERTIFIED TRUE COPY OF RESOLUTION(S) PASSED BY THE BOARD OF DIRECTORS OF THE COMPANY AT THEIR 275TH MEETING HELD ON 11TH FEBRUARY, 2016.

4213. Extension of Power Purchase Agreement (PPA) with GUVNL for 165 MW Vadodara Station-II.

“RESOLVED THAT subject to the approval by Gujarat Urja Vikas Nigam Ltd. (GUVNL) and Gujarat Electricity Regulatory Commission (GERC) and / or other concerned authorities, if any, consent of the Board of Directors, be and is hereby accorded to enter into Power Purchase Agreement (PPA) with GUVNL for the Company’s 165 MW gas based Vadodara Station–II, for a further period of five years w.e.f. 01/08/2016.”

“FURTHER RESOLVED THAT Managing Director be and is hereby authorized to do all the things and deeds required to give effect to the above resolution including but not limited to discuss, negotiate, finalize and sign the PPA with GUVNL as per the mutually agreed terms and conditions, furnish Performance Bank Guarantee(s) of requisite amount(s), if any, nominate and authorize Senior Executives of the Company, from time to time, to do any or all the things and deeds which she is hereby authorized to perform.”

Certified True and updated Copy
For Gujarat Industries Power Co. Ltd.

Date: 22/03/2019.
Place: Vadodara.



CA K K Bhatt
Addl. G.M. &
Chief Financial Officer



GUJARAT INDUSTRIES POWER COMPANY LTD.

REGD. OFFICE: P.O. PETROCHEMICAL - 391 346. DIST. BARODA (INDIA)

PHONE: 2234223 FAX: 0265-2230029 E-mail: krmishra@gipcl.com

Website: www.gipcl.com • CIN - L99999GJ1985PLC007868

Ref: GIPCL/COMM/18-19

March 22, 2019

To,

General Manager (COMMERCE),

Gujarat Urja Vikas Nigam Ltd.

Sardar Patel Vidyut Bhavan

Race course, Vadodara 390 007

Kind attn: Mr. K.P.Jangid

Sub: Extension of Medium Term PPA for Supply of Electricity from 165 MW Station-II.

Ref: GUVNL letter dated 03/01/2019 for Purchase of Power from GIPCL 165 MW Station-II.

Dear Sir,

With reference to above subject, I hereby authorize **Mrs. Kiran Mishra, Additional General Manager (Comm., Fin. & Legal)** to sign and execute Medium term PPA and other relevant documents for Supply of Electricity from **165 MW Station-II** as per Board Resolution No. 4213 dated 11/02/2016. Certified copy of Board Resolution is attached herewith.

Thanking you,

For Gujarat Industries Power Co. Ltd.,

(Vatsala Vasudeva)

Managing Director