



POWER PURCHASE AGREEMENT
(For 4.20 MW Wind Power Plant at Gorera, District Jaisalmer)

This POWER PURCHASE AGREEMENT (hereinafter referred to as "Agreement" or "PPA") is made and entered into effective as of **19th day of February, 2004** among:-

1. **R.K. MARBLE PVT. LTD.** with its registered office located at Makrana Road, Madanganj-Kishangarh- 305 801, Distt. Ajmer, Rajasthan, India (hereinafter referred to as "Power Producer", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees).

AND

2. **J.N. INVESTMENTS AND TRADING CO. PVT. LTD.** with its registered office located at Kaysons No.1, Mehra Estate, L.B.S. Marg, Vikhroli (West), Mumbai-400 079, India (hereinafter referred to as "Developer", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees).

AND

3. **RAJASTHAN RAJYA VIDYUT PRASARAN NIGAM LIMITED**, a Company incorporated under the provisions of the Companies Act, 1956, promoted by the Government of Rajasthan in accordance with the Rajasthan Power Sector Reforms Act, 1999 to take over business of procurement, transmission and bulk supply of electricity carried out by the erstwhile Rajasthan State Electricity Board ("RSEB"), having its office at Vidyut Bhawan, Janpath, Jaipur- 302 005 hereinafter referred to as "RVPN" (which expression shall, unless repugnant to the context or meaning thereof include its successors and assignees").

For R. K. Marble Pvt. Ltd.
[Signature]
Authorized Signatory

For J. N. Investments & Trading Co. Pvt. Ltd

[Signature]
Authorized Signatory

[Signature]
Director (P & R)
R. R. V. P. N. Ltd.
JAIPUR

[Signature]
M. D., Jodhpur Discom.

[Signature]
K. G. MODI
Director (P & R)
R. R. V. P. N. Ltd.
JAIPUR

[Signature]
M. D. Jodhpur Discom.

AND

4. JODHPUR VIDYUT VITRAN NIGAM LIMITED, a Company incorporated under the provisions of the Companies Act, 1956 and carrying on the business of distribution and supply of electricity in the area of supply mentioned in its license and having its registered office at New Power House, Heavy Industrial Area, Jodhpur hereinafter referred to as "the Jodhpur Discom" (which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include its successors & assignees), a co-signatory.

AND

5. AJMER VIDYUT VITRAN NIGAM LIMITED, a Company incorporated under the provisions of the Companies Act, 1956 and carrying on the business of distribution and supply of electricity in the area of supply mentioned in its license and having its registered office at Old Power House, Hathi Bhata, Jaipur Road, Ajmer hereinafter referred to as "the Ajmer Discom" (which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include its successors & assignees), a co-signatory.

AND

6. JAIPUR VIDYUT VITRAN NIGAM LIMITED, a Company incorporated under the provisions of the Companies Act, 1956 and carrying on the business of distribution and supply of electricity in the area of supply mentioned in its license and having its registered office at Vidyut Bhawan, Janpath, Jaipur- 302 005 hereinafter referred to as "the Jaipur Discom" (which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include its successors & assignees), a co-signatory.

WHEREAS the Rajasthan Renewable Energy Corp. Ltd. vide letter No. RREC/Wind/ 2003-04/11068-11073 dated 24.1.2004 has permitted the Power Producer to set up Wind Energy based Power Project of 4.20 MW capacity in Rajasthan to generate power under "Policy for Promotion of Electricity Generation from Wind, 2003" issued by Government of Rajasthan vide Energy Department letter No. F.20(3) Energy/98/Pt. III dated 30.4.2003.

AND, WHEREAS the Power Producer desires to set-up such Wind Energy based Power Plant of 4.20 MW capacity at village Gorera, District Jaisalmer using new Wind Electric Generators to produce the Electric Energy and exercised the option under aforesaid policy, for sale of entire (100%) electric energy, so produced, for commercial purposes from such Power Plant to the RVPN / Discom(s). Subject to provisions of Clause 7.2, the option so exercised shall not be changed to other use during the term of this Agreement except with the specific permission of RVPN / Discom(s).

AND, WHEREAS, the Developer has taken responsibility to set up requisite power injection system into RVPN/ Discom(s) Grid, to take joint meter reading at Common Delivery Point and to furnish break-up of energy supplied by individual Power Producer(s) commensurate with the total energy supplied at Common Delivery Point.

AND, WHEREAS the RVPN / Discom(s) agree to purchase such power with Discom wise share to be decided from time to time.

For R. E. Marble Pvt. Ltd.

[Signature]
Authorized Signatory

For J. N. Investments & Trading Co. Pvt. Ltd.

[Signature]

ARTICLE-III

TERM OF AGREEMENT

- 3.1 (i) Term of the Agreement shall be twenty (20) years from COD (Commercial Operation Date) provided, the Power Plant shall be operational by the month of April, 2004 unless extended by RREC.

ARTICLE-IV

INTERCONNECTION, POWER DELIVERY AND METERING

4.1 Grid Interfacing

- (i) Interfacing, including transformers, Control and relay/protection panels, metering, HT/EHT lines from the point of generation to the nearest pooling station/ technically feasible point determined by RVPN/ Discom (herein after referred to as Service line) as well as their maintenance will be undertaken by the Power Producer himself or in association with other Power Producer(s) / Developer as per the specifications and requirements of the RVPN / Discom, for which Power Producer/ Developer will bear the entire cost.

The cost of up gradation of 33 kV lines into 132 kV and associated pooling sub-station for pooling and delivery of generated power shall be borne by Power Producer himself or shared with other Power Producer(s) using the common injection system / Developer.

RVPN has the right to connect any additional loads on the interconnection- feeder without detriment to the interests of the existing power producer/ generating companies on the same feeder.

Till such time the pooling station and injection system are developed and Power Producer is allowed by RVPN/ Jodhpur Discom for supply of power, the Power Producer/ Developer shall furnish the electrical layout showing the alternate arrangement for injection to the Grid for approval by RVPN / Discom and the Power Producer/ Developer shall abide by the arrangement approved by RVPN / Discom.

- (ii) The Power Producer at its own or with association of others / Developer would set up requisite power injection system into RVPN/Discom(s) Grid i.e.
- (a) 33/ 132 kV, 3x20/25 MVA pooling station at Timderai
 - (b) 132 kV D/C Timderai – Badabagh line (Panther conductor) with associated terminal line bays at both ends of substation.
 - (c) Augmentation of Timderai S/S by 3x20/25 MVA, 33/132 kV transformers.
 - (d) 220/ 132 kV, 1x100 MVA transformer with associated bays on both side (220 kV & 132 kV) at 220 kV S/S Badabagh.
- (iii) All the parties agree that power generated from the Wind farm shall be fed to the grid to the extent power evacuation system is available. The decision of RVPN & concerned Discom about the extent of power evacuation facility available in the system shall be final and binding on the

For R. K. Marble Pvt. Ltd.

Signature

Power Producer/ Developer and no compensation on this account shall be claimed. In places where augmentation of EHV system are involved, RVPN would endeavor to get such facility augmented within 18 months but completion of augmentation work would have no bearing on commissioning of WTG as laid down in Clause 3.1.

- (iv) It is further agreed that proper evacuation system required for evacuating power from the project is being created. Till proper evacuation network is in position, RVPN/ Discom do not undertake responsibility for proper, full and reliable evacuation of power from existing network. Therefore till the pooling station is created as per plan there may be restrictions in power evacuation and the Power Producer/ Developer shall restrict injection of power in the grid to the extent evacuation capacity available as determined by RVPN/ Discom(s).
- (v) Necessary current limiting devices such as Thyristors etc. if required will be installed by the Power Producer/ Developer. The Power Producer/ Developer shall provide protection system in compliance to Grid Code requirement for, short circuit level, neutral grounding, current unbalance, limiting of harmonics, fault clearing time etc. as per data provided by RVPN and/or Discom authorities after deciding the place of interconnection. A generating unit may be synchronized to the RVPN and / or Discom Grid System when the Power Producer/ Developer has obtained permission for synchronisation after meeting system requirements and such generating unit complies with prudent utility practices.
- (vi) The Power Producer/ Developer will provide capacitors of sufficient rating in the system to ensure that the average monthly power factor is maintained above 0.90 (lagging).
- (vii) The Power Producer/ Developer drawing reactive power as recorded in the Meter as per clause 4.2(i), will be required to pay for any reactive energy drawn from the grid in the manner and at the rate decided by RVPN/ Discom(s) or RREC.
- (viii) The active/reactive energy drawn from the Grid shall not be used for any other purposes except for Wind Electric Generator.
- (ix) Notwithstanding any provision contained in the Agreement, the Power Producer/ Developer shall comply with the Grid Code, Load Despatch & System Operation Code, Metering Code, Performance Standards, Protection Code and Safety Code etc. as applicable from time to time in the State of Rajasthan.
- (x) The Power Producer/ Developer shall abide by the RVPN Connection Conditions as applicable from time to time.
- (xi) The Power Producer/ Developer shall, subject to RVPN and /or Discom Grid System constraints, deliver Energy to RVPN/ Discom Grid System atleast at a monthly average of 0.9 (zero point nine) power factor lagging at the Delivery Point through Interconnection Facilities. The Power Producer/ Developer shall also provide suitable protection devices including those as may be required by RVPN and/or Discom expressly in

For R. K. Marble Pvt. Ltd.

Uday Sharma
Authorised Signatory

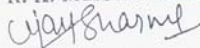
its discretion, so that the Generating Units of the Power Station could be isolated automatically when the grid supply fails.

- (xii) RVPN /Discom(s) shall evacuate all the Delivered Energy, however, the State Load Despatch Centre of RVPN looking to its system requirement, may direct the Power Producer/ Developer to temporarily curtail or stop its electricity generation without any liability; whenever technically necessary on account of
 - (a) Inspection/repair/maintenance to RVPN and/or Discom Grid System including its transmission network and associated equipment or forced Outage thereof;
 - (b) Safety of equipment and personnel of the RVPN and / or Discom(s).
- (xiii) RVPN/ Discom shall disconnect the interconnection of Power Plant from their Grid System in case of default of the Power Producer/ Developer to comply with any of the provisions of this Agreement including technical parameters of supply as prescribed in Annexure 'A' to this Agreement and such disconnection will continue till default continues.

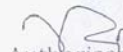
4.2 Measurement of Energy and Metering:

- (i) The Metering equipment at the Delivery Point shall be in accordance with Metering Code as applicable for generating stations and shall be provided by the Power Producer/ Developer at his/ their cost. RVPN/ concerned Discom will seal the meters and metering boxes.
- (ii) Till proper evacuation system by way of pooling station is in place, the metering arrangement will be finalized by RVPN / Discom on the basis of details furnished by Power Producer/ Developer on the existing 33kV lines (injection point) as at clause 4.1 (i). The Power Producer/ Developer shall be responsible for security & protection of metering arrangement.
- (iii) The RVPN and/or Discom and Developer shall jointly read the Metering equipment and shall keep complete records for proper implementation of this Agreement.
- (iv) The Developer will intimate/ furnish the details of break-up of the energy supplied by individual Power Producer commensurate with the total energy supplied at Common Delivery Point. Based on such break-up, the power supplied by individual Power Producer shall be considered for the purpose of payment. The Power Producer(s) having the same category i.e. either selling power to RVPN or wheeling power for third party sale/ captive consumption and having same tariff structure will only be connected to common injecting/ Metering equipment. The details of break-up of energy as intimated by the Developer shall be final and binding on the Power Producer(s) using the common injection system and Metering equipment. In case of any dispute in this regard, the matter shall be settled between Power Producer and Developer and RVPN/Discom(s) shall not take any responsibility in such disputes, if any.

For R. K. Marble Pvt. Ltd.


Authorized Signatory

For J. N. Investments &
Trading Co. Pvt. Ltd


Authorized Signatory

4.2 Construction and / or Operation Power

Upon a request by the Power Producer, the concerned Discom shall provide, at the sole cost and expense of the Power Producer, electrical energy for the construction, testing, start up and commissioning of the Power Plant. The concerned Discom shall make its reasonable best efforts to provide uninterrupted power supply, provided however, that any breakdown or interruption in power supply shall not impose any liability on the concerned Discom. The Power Producer shall make payment to the concerned Discom for such energy in accordance with the applicable Tariff.

ARTICLE-V

POWER PURCHASE PRICE

- 5.1 (i) The price to be paid by the RVPN /Discom(s), net of all GoR and local taxes and duties as may be leviable on generation and/or sale of electricity for all electricity made available and sold by the Power Producer to RVPN/ Discom(s) shall be based on the tariff specified at sub clause 5.1 (ii).
- (ii) RVPN /Discom(s) would pay a rate of Rs.3.32 per kWh for power supplied during the year 2003-04 which shall be increased at a simple rate of 2% (of Rs. 3.32) each year on 1st April of the year for a period of up to 10 years i.e. up to year 2012-13 with Base year 2003-04. Thereafter, from year 2013-14 and onwards a fixed rate of Rs. 3.92 per unit for a period upto the 20th year of the project shall be payable.
- (iii) The Power Purchase Agreement shall be subject to RERC scrutiny/ approval as may be required under regulatory process/directions.

ARTICLE-VI

METER READING AND BILLING PROCEDURE

6.1 Reading and Correction of Meters

- (i) The RVPN and/or Jodhpur Discom and Developer shall jointly read the Metering System on the first (1st) day of every month at the Delivery Point
- (ii) In the event that the Main Metering System is not in service as a result of maintenance, repairs or testing, then the Backup Metering System shall be used during the period the Main Metering System is not in service and the provisions above shall apply to the reading of the Backup Metering System.
- (iii) Meter reading taken jointly at the appointed date and time will be signed by the representatives of the RVPN and/or Jodhpur Discom and of Developer. If Developer's representative is not present, then the RVPN and/or Jodhpur Discom shall provide Developer with a signed copy of the meter reading within twenty four (24) hours of such reading of the Main Metering System or Back up Metering System as the case may be. Such meter readings shall be treated as the accurate and final measurement, unless proved otherwise, of the energy supplied to the RVPN/ Discom(s)

For R. K. Marble Pvt. Ltd.

C. Jayaram

Authorised Signatory

by the Power Producer/ Developer for the preceding month for the purpose of payment.

6.2 Sealing and Maintenance of Meters.

- (i) The Main Metering System and the Backup Metering System shall be sealed in the presence of representatives of Power Producer, Developer, Jodhpur Discom and RVPN.
- (ii) When the Main Metering System and/or Backup Metering System and/or any component thereof is found to be outside the acceptable limits of accuracy or otherwise not functioning properly, it shall be repaired, re-calibrated or replaced by the Power Producer/ Developer and/or the RVPN/ Jodhpur Discom at Power Producer/ Developer's cost, as soon as possible.
- (iii) Any meter seal(s) shall be broken only by the RVPN's / Jodhpur Discom's representative in the presence of Developer's representative whenever the Main Metering System or the Backup Metering System is to be inspected, tested, adjusted, repaired or replaced.

6.3 Records.

Each Party shall keep complete and accurate records and all other data required by each of them for the purposes of proper administration of this Agreement and the operation of the Power Plant. Among such other records and data, the Power Producer shall maintain an accurate and up-to-date operating log at the Power Plant with records of :

- a. hourly logs of real and reactive power generation, frequency, transformer tap position, bus voltage(s), Main Meter and Back up Meter readings and any other data mutually agreed ;
- b. any unusual conditions found during operation/ inspections;
- c. chart and printout of event loggers, if any, for system disturbances/ outages.

All the records will be preserved for a period of 36 months.

6.4 Billing Provision.

The Billing will be on monthly basis. The RVPN /Discom(s) will be billed by the Power Producer based on joint meter reading and energy intimated by Developer on account of the Power Producer promptly following the end of each month for the energy supplied and payment will be due on the fourth working day following the delivery of the billing invoice.

ARTICLE-VII

PAYMENT PROCEDURE AND DEFAULT

7.1 Payment Provision

- (a) A monthly invoice containing detailed statements reflecting the quantity of electricity sold and price payable shall be submitted by the Power Producer to RVPN/ Discom(s) at its designated office, for the net

For R. K. Marble Pvt. Ltd.

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