विधान परिषद के प्रथम सत्र-2023 के प्रथम सोमवार हेतु निर्धारित डॉ0 आकाश अग्रवाल, मा0 सदस्य, विधान परिषद द्वारा पूछे गये तारांकित प्रश्न सं0-20 का उत्तर।

प्रश्न	उत्तर
20 (क) क्या ऊर्जा मंत्री बतायेंगे कि आगरा शहर में विद्युत आपूर्ति सप्लाई की जिम्मेदारी टोरेंट पावर लिमिटेड को सौंपी गई है ?	जी हाँ। आगरा शहर में विद्युत आपूर्ति सप्लाई की जिम्मेदारी मै0 टोरेन्ट पावर लि0, को 01 अप्रैल, 2010 से सौंपी गयी है।
(ख) क्या उक्त के साथ उत्तर प्रदेश सरकार के द्वारा कोई अनुबंध किया गया है तो उस अनुबंध पत्र की प्रति उपलब्ध करायेंगे ?	मै0 टोरेन्ट पावर लि0 आगरा एवं द0वि0वि0नि0लि0, आगरा के मध्य हुये दिनांक 18 मई 2009 को हुये अनुबंध की प्रति संलग्न की जा रही है। (संलग्नक-1)
(ग) उक्त अनुबंध की शर्तो के विरुद्ध टोरेंट पावर लिमिटेड के द्वारा क्या-क्या कार्य किये गए है उसका विवरण क्या है ?	मैसर्स टोरेण्ट पॉवर द्वारा अनुबंध की प्रमुख शर्तों के विरुद्ध निम्न कार्य किये गये हैः-

1. मैसर्स टोरेण्ट पॉवर लि0 द्वारा दक्षिणांचल वि0वि0नि0लि0 को रेगूलेटरी सरचार्ज की धनराशि रू0. 80.29 करोड़ का कम भुगतान किया गया है, जो कि मा0 नियामक आयोग द्वारा टोरेण्ट से अनुबंध की दिनांक 01.04.2010 के पश्चात अनुमन्य किया गया था तथा वह दक्षिणांचल वि0वि0नि0लि0 को दिया जाना था। मैसर्स टोरेण्ट पॉवर लि0 द्वारा उक्त धनराशि रू0 80.29 करोड़ के सम्बन्ध मा0 कॉमर्शियल कोर्ट लखनऊ में वाद दायर किया गया है।

   उक्त वाद में मा0 कॉमर्शियल कोर्ट लखनऊ द्वारा यथास्थिति (स्टे) का निर्णय दिया गया तथा अगली सुनवाई तिथि 24.03.2023 नियत है।

   मा0 कॉमर्शियल कोर्ट लखनऊ के उक्त निर्णय के विरुद्ध दक्षिणांचल वि0वि0नि0लि0 द्वारा मा0 उच्च न्यायालय, इलाहाबाद में एफ.ए.एफ.ओ. संख्या 335/2021 के माध्यम से वाद दायर

किया जा चुका है तथा अगली सुनवाई की तिथि नियत होना लम्बित है।

2. मैं0 टोरेन्ट पावर लि0 द्वारा माह अप्रैल 2010 से माह जून 2012 तक तथा माह मई 2013 में निर्धारित ऊर्जा की मात्रा से 147.70 मिलियन यूनिट ऊर्जा अतिरिक्त आहरित की गई। इस अतिरिक्त आहरित ऊर्जा पर मैं0 टोरन्ट पावर लि0, आगरा द्वारा दक्षिणांचल वि0वि0नि0लि0 को धनराशि रू0 3.96 करोड़ का भुगतान भी किया जाना था, परन्तु मैं0 टोरन्ट पावर लि0, आगरा द्वारा उक्त धनराशि का भुगतान नहीं किया गया। दक्षिणांचल वि0वि0नि0लि0, आगरा द्वारा उक्त धनराशि तथा उस पर देय ब्याज की कुल रू0 16.76 करोड़ का दिनांक 01.12.2021 को नोटिस प्रेषित किया गया।

मैं0 टोरन्ट पावर लि0, आगरा द्वारा अतिरिक्त आहरित ऊर्जा पर उक्त धनराशि के साथ-साथ रेगूलेटरी सरचार्ज की बकाया धनराशि एवं विद्युत कर की बकाया धनराशि को सम्मिलित करते हुये मा0 उच्च न्यायालय इलाहाबाद की लखनऊ खण्डपीठ में आर्बिट्रेशन हेतु वाद दायर किया गया था, जिस पर मा0 उच्च न्यायालय इलाहाबाद की लखनऊ खण्डपीठ द्वारा वाद निरस्त करते हुये यह आदेशित किया है कि मा0 उच्च न्यायालय, इलाहाबाद में वाद दायर किया जा सकता है।

संज्ञान में आया है कि मैं0 टोरन्ट पावर लि0 द्वारा मा0 उच्च न्यायालय इलाहाबाद की लखनऊ खण्डपीठ के उपर्युक्त आदेश के विरूद्ध मा0 उच्चतम न्यायालय, नई दिल्ली में एस0एल0पी0 दायर की गई है।

3. मैं0 टोरेन्ट पावर लि0 द्वारा बिल्ड ऊर्जा के आधार पर विद्युत शुल्क (इलेक्ट्रिक ड्यूटी) जमा न करके संग्रह/प्राप्ति/धनराशि पर जमा किया जा रहा था। भारत के नियंत्रक

महालेखा परीक्षक प्रतिवेदन के उपरान्त माह 11/2020 से विद्युत शुल्क की धनराशि बिल्ड ऊर्जा के आधार पर जमा किया जा रहा है। दक्षिणांचल वि0वि0नि0लि0 द्वारा माह 04/2010 से 10/2020 तक अवशेष विद्युत कर तथा उस पर ब्याज को सम्मिलित करते हुये रू0 34.77 करोड़ जमा करने हेतु नोटिस सं0 1024 दिनांक 29.01.2021 प्रेषित किया गया। इस नोटिस के विरूद्व मै0 टोरन्ट पावर लि0 द्वारा मा0 उच्च न्यायालय इलाहाबाद की लखनऊ खण्डपीठ में वाद दायर किया गया था। जिस पर मा0 उच्च न्यायालय इलाहाबाद की लखनऊ खण्डपीठ द्वारा वाद निरस्त करते हुये यह आदेशित किया है कि मा0 उच्च न्यायालय, इलाहाबाद में वाद दायर किया जा सकता है।

संज्ञान में आया है कि मै0 टोरन्ट पावर लि0 द्वारा मा0 उच्च न्यायालय इलाहाबाद की लखनऊ खण्डपीठ के उपर्युक्त आदेश के विरूद्ध मा0 उच्चतम न्यायालय, नई दिल्ली में एस0एल0पी0 दायर की गई है।

मै0 टोरन्ट पावर लि0, आगरा द्वारा उपरोक्त वर्णित अनुबन्ध की धाराओं के विरूद्ध किये गये कार्यों के कारण दक्षिणांचल वि0वि0नि0लि0, आगरा द्वारा नोटिस संख्या 11013 दिनांक 30.11.2021 के माध्यम से ईवेन्ट ऑफ डिफॉल्ट नोटिस प्रेषित किया गया है।

4. डिस्ट्रीब्यूशन फ्रेन्चाइजी अनुबन्ध की धारा 2.1.2 के अनुसार मै0 टोरन्ट पावर लि0, आगरा को डिस्ट्रीब्यूशन लॉसेस कम करने एवं विद्युत सप्लाई के सुधार हेतु रोल आउट प्लान के अन्तर्गत कम से कम रू0 200 करोड़ का निवेश किया जाना था। मै0 टोरन्ट पावर लि0, आगरा के द्वारा किये गये निवेश को विद्युत नियामक आयोग द्वारा अनुमोदित किया जाना अनिवार्य है।

अनुमोदन प्राप्त न होने की स्थिति में मै0 टोरन्ट पावर लि0, आगरा द्वारा किये गये इस तरह के निवेश का समायोजन फ्रेन्चाईजी अनुबन्ध की समाप्ति पर नहीं किया जायेगा। यहाँ यह भी सूचित करना है कि मै0 टोरन्ट पावर लि0, आगरा द्वारा प्रथम रोल आउट प्लान वर्ष 2010-11 से वर्ष 2012-13 तक रू0 425.08 करोड़ अनुमोदित हैं। वर्ष 2013-14 से 2022-23 तक रू0 1643.76 करोड़ के रोल आउट प्लान में मै0 टोरन्ट पावर लि0, आगरा द्वारा निवेश किये जाने वाली राशि के सापेक्ष सामग्री एवं अन्य कार्यों का विवरण प्रस्तुत नही किये जाने के कारण अनुमोदन हेतु लम्बित है।

(घ) उक्त के लिए टोरेंट पावर लिमिटेड पर क्या कार्यवाही हुयी है ?

उपरोक्तानुसार।

ए.के. शर्मा

ऊर्जा मंत्री।

संलग्नक 1 (क)

भारतीय गैर न्यायिक

एक सौ रुपये Rs. 100

रु. 100 ONE HUNDRED RUPEES

सत्यमेव जयते

भारत INDIA

INDIA NON JUDICIAL

उत्तर प्रदेश UTTAR PRADESH

AA 584721

07 APR 2009

DISTRIBUTION FRANCHISEE AGREEMENT FOR URBAN AREAS OF AGRA UNDER DVVNL

This Agreement made at Lucknow this 18th day of May, 2009 between Dakshinanchal Vidyut Vitran Nigam Limited, a company registered under the Companies Act, 1956 having its registered office at Sikandra, Agra hereinafter referred to as "DVVNL" (which expression unless repugnant to the context or meaning thereof shall include its successors and assigns) of the ONE PART

And

Torrent Power Ltd., a company registered under the Companies Act, 1956 having its registered office at Torrent House, Off. Ashram Road, Ahmedabad - 380009 hereinafter referred to as "the

(कपाल सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि०
आगरा

TORRENT

context clearly mandates a different interpretation. Where the context so indicates, the present tense shall imply the future tense, words in plural include the singular, and words in the singular include the plural. The word 'shall' is always mandatory and not merely directory. The definitions are applicable regardless of whether the term is written in capital letters.

Agreement Representative

Shall mean the persons nominated by the Parties as set forth in Article- 19.3.

Average Revenue Realisation

Shall mean the total revenue collected per unit energy supplied by DVVNL at Input Points on annualised basis. The same shall be computed as:

Average Revenue Realisation = Total Revenue Collected / Total Energy Input.

Base Year

Shall mean the financial year 2008-09.

Big Three

Big Three, is a group of international accountancy and professional services firms that handles the vast majority of audits for publicly traded companies as well as many private companies. The present members of the Big Three are Deloitte Touche Tohmatsu, Ernst & Young and KPMG. The term shall include the members constituting the group at the relevant time.

Collection Efficiency

Shall mean the ratio of revenue actually realized from consumers (including the subsidy amount, if any) and energy amount billed to Consumers (including the subsidy amount, if any), in percentage terms for a particular period and shall be calculated as below:

Collection Efficiency = (Revenue realized from Consumers in rupees /Energy Billed to Consumers in rupees)*100

Consumer

Shall mean as defined under the Electricity Act, 2003.

Complaint

Means any written or electronic correspondence by a Consumer expressing dissatisfaction with the products services, or customer service of the Distribution Franchisee.

Contract Year

Shall mean each successive period of one year beginning from the Effective Date of this Agreement.

Distribution System

Means the system of wires and associated facilities between the delivery points on the transmission lines or the generating station connection and the point of connection to the installation of the Consumers.

Distribution

Means the supply and conveyance of electricity by means of distribution system.

Distribution Assets

Shall mean the assets employed by DVVNL/ Distribution Franchisee in the Franchise Area for distribution of electricity.

DVVNL Distribution Assets

Shall mean the assets created and employed by DVVNL in the Franchise Area, beyond the input points, for distribution of electricity including 33 KV, 11 KV and LT Lines, both overhead and underground, 33/11 KV Sub-stations, 11/0.4KV Sub-stations, underground cables, electrical plant, control switch gear, meters having design voltage 33 kV and below, service lines and other similar assets at the consumer end and other assets employed by DVVNL for distribution of electricity including Complaint Centres, Billing/IT Centres, Collection Centres, Stores (except major Stores), Transformer Repair Workshops/Test Labs dedicated to the Franchise Area, Division/Sub-division Offices together with furniture, fixtures, IT hardware/software and communication equipments. It shall include vacant land owned by DVVNL identified for creation of sub-stations. It will also include residential accommodations which are presently occupied by DVVNL's Staff who may choose to go on deputation with the DF or are lying vacant and other offices spaces which may not be required by DVVNL after handing over to the DF subject to an undertaking from the DF that the property owned by DVVNL shall not in any way be sold, transferred, disposed off, alienated, mortgaged or sub-let by it.

Franchisee Distribution Assets

Shall mean the assets created and employed by Distribution Franchisee in the Franchise Area for distribution of electricity.

Distribution Losses

Shall mean the difference between energy supplied at the Input Points and Energy Billed to Consumers in percentage terms for a particular period and shall be computed as below:

Distribution Losses= (Energy Intake at Input Points less Energy Billed to Consumers in kWh/ Energy Intake at Input Points in kWh)*100

The above calculation excludes power purchased from any source other than DVVNL.

Effective Date

Shall mean the date of handing over of the business operations of Franchise Area by DVVNL to the Distribution Franchisee pursuant to this Agreement after the conditions precedent are satisfied. Such date shall be mutually decided by DVVNL and the Distribution Franchisee.

Engineer-in-Charge

Shall mean any person, nominated by each of the Parties as set forth in Article-19.2.

Expiry Date

Shall mean the 20th (twentieth) anniversary of the Effective Date.

Expiry Payment

Shall mean the payment to be made on expiry of the Agreement by either Party to the other Party as per Article-16.

Termination Payment

Shall mean the payment to be made on Termination of the Agreement by either Party to the other Party as per Article-16.

Extra High Voltage or EHV

Shall mean any voltage equal to & above 33,000 Volts subject to permissible variations.

(कृपाल सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि०

TORRENT POWER LIMITED

Franchise

Means the rights granted by DVVNL to the Distribution Franchisee to act as a franchisee of DVVNL to purchase and distribute electricity in the Franchise Area and all the rights, powers and authorities available to DVVNL as a distribution licensee necessary to fulfill the obligations and responsibilities as contemplated under this Agreement and which can be conferred upon the Distribution Franchisee under the Act. The Franchisee Agreement shall be an agreement for the sale of power to the Franchisee and for any other services, such as right to use the existing distribution network. Ninety percent of the High Tension Input Rates is deemed to be compensation for the sale of power and balance ten percent for the services component of the transaction.

Franchise Area

Shall mean the area as mentioned in the Article- 4.4 in respect of which the Distribution Franchisee shall act as a franchisee of DVVNL.

Force Majeure

Without limiting the general limitations of liability in any way arising under this Agreement neither party is responsible for failure or delay in performance of services or obligations hereby undertaken due to occurrence of any event of force Majeure including acts of God, acts of any Government (de jure or de facto) or regulatory body or public enemy, war, riots, embargoes, industry-wide strikes, the reduction in supply due to outage of generation facilities/ transmission lines or any other causes, circumstances, or contingencies, whether of a similar or dissimilar nature to the foregoing, beyond the parties control, which cannot be reasonably forecast or prevented, thereby, hindering the performance by the parties of any of their obligations hereunder.

GoUP

Means the Government of Uttar Pradesh and any Ministry, Department, or any other Authority of the Government of Uttar Pradesh.

Input Energy

Shall mean sum total of energy supplied through all Input Points.

Input Points

Shall mean the 33 KV side of 220 KV and 132KV Substations and 132 KV side of the 132/11 KV Substation specified in Clause 2.5 and shall include such other EHV/HV substations or feeders,

(कपाल सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि
आगरा

TORRENT POW

which may feed energy to the Franchise Area at the Effective date or during the term of the Agreement.

Input Rate

Shall mean Rupees per unit of electricity supplied by the DVVNL at the Input Points as quoted in the accepted Financial Proposal of the bidder in Annexure-4.

Law

Means, in relation to this agreement, all laws in force in India and would include any statute, ordinance, regulation, notice, circular, code, rule or direction, or any interpretation of any of them by a Governmental instrumentality and also includes all applicable Rules, Regulations, Orders, Directions, Notifications by a Governmental instrumentality pursuant to or under any of them and shall include all Rules, Regulations, Decisions, Directions and Orders of UPERC.

Major Incident

Means an incident associated with the Distribution and retail supply of electricity in the Franchise Area, which results in a significant interruption of service, substantial damage to equipment, or loss of life or significant injury to human beings and shall include any other incident, which DVVNL expressly declares to be a major incident. Significant interruption of service for this purpose shall mean interruption impacting more than 10,000 Consumers continuously for a period of more than 24 hours and substantial damage to equipment shall mean damage to Distribution Assets exceeding Rs 50 Lacs in gross value.

Open Access

Shall mean open access as defined in the Electricity Act 2003.

Person

Shall include any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person.

Prudent Utility Practices

Shall mean the practices, methods and standards that are generally accepted nationally from time to time by electric utilities for the purpose of ensuring the safe and efficient distribution of electricity, operation and maintenance of Distribution Assets, billing and collection of distributed power etc.

(कृपाल सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि०
[illegible]

TORRENT POWER LIMITED

Public Right of Way

Shall mean the surface, the air space above the surface, and the area below the surface of any public street, highway, lane, path, alley, sidewalk, bridge, tunnel, parkway, waterway, easement, or similar property within the Franchise Area, which, consistent with the purposes for which it was dedicated, may be used for the purpose of installing and maintaining the system. No reference herein to a "Public Right-of-Way" shall be deemed to be a representation or guarantee by DVVNL that its interest or other right to control the use of such property is sufficient to permit its use for such purposes, and the Distribution Franchisee shall be deemed to gain only those rights to use as are vested in DVVNL and as the DVVNL may have the right and power to give.

UPERC

Shall mean the Uttar Pradesh Electricity Regulatory Commission, or its successors.

UPPTCL

UPPTCL shall mean the Uttar Pradesh Power Transmission Corporation Limited and its successors and assigns.

ARTICLE 2: CONDITIONS PRECEDENT & SUBSEQUENT TO THE AGREEMENT

ARTICLE 2.1: CONDITIONS PRECEDENT TO BE SATISFIED BY THE DISTRIBUTION FRANCHISEE & DVVNL

2.1.1 Submission of Performance Guarantee

The Distribution Franchisee shall secure the performance guarantee by providing an unconditional and irrevocable Performance Guarantee to the satisfaction of DVVNL from any nationalized bank or ICICI Bank, IDBI Bank, UTI Bank or HDFC Bank for an amount equivalent to two months' estimated amount payable to DVVNL by Distribution Franchisee based on energy input at Input Points in Franchise Area and Input Energy Rate quoted by the Distribution Franchisee for first year of Franchisee term. The Earnest Money Deposit shall be refunded on submission of Performance Guarantee.

This Performance Guarantee shall be governed as per conditions stipulated in Article-11.

2.1.2 Infrastructure Roll-out Plan

The Distribution Franchisee shall submit an Infrastructure Roll-out plan to DVVNL stating the investments to be carried out by it in the Franchise Area to lower the Distribution Losses and improve the quality of supply. All investments to be made from 16th year onwards shall require prior approval of DVVNL. All such investments by the Franchisee shall be subject to UPERC's approval. DVVNL shall facilitate the Distribution Franchisee in approaching the UPERC for approval of the Infrastructure Roll-out Plan. Any investment by the Distribution Franchisee which is not approved by the UPERC shall not be compensated by DVVNL at the expiry / termination of the Franchise. DVVNL will facilitate the DF for getting approval of the capital investment plan submitted by the DF. However, the final decision of UPERC in the matter shall be final and binding on the DF.

2.1.3 Completion of Audit of Various Parameters

The Joint Audit Team of DVVNL and the Distribution Franchisee shall complete an audit of the parameters listed below:

2.1.3.1 Past energy input and amount collected;

2.1.3.2 Opening level of Inventory;

2.1.3.3 Ongoing Contracts as on Effective Date; and

2.1.3.4 Determination of average tariff for the base year for the purpose of Article-7.

In the cases where the opening levels cannot be ascertained, suitable mutually agreed procedures should be laid out to compute the same.

Notwithstanding the audit by the Joint Audit Team of DVVNL and the Distribution Franchisee, the Input Energy Rates quoted by the Distribution Franchisees at the time of submitting their Financial Proposals will remain unchanged. However, if the average tariff of the base year 2008-09 changes after the joint audit, the same shall apply for the purpose of indexation to compute average tariff in Article 7 of DFA.

2.1.4 Calibration of Meters

The authorized representatives of DVVNL, UPPTCL and the Distribution Franchisee shall conduct a joint Calibration of the interface meters at the input points.

2.1.5 Methodology to compute Distribution Losses and Collection Efficiency for each year during the term of this Agreement shall be jointly finalised.

(कृपाल सिंह)
अधिशासी अभियंता

2.1.6 Sufficient number of officers of the Distribution Franchisee has been authorized under Section 126, Section 135 (2) and Section 152 of the Electricity Act 2003 for taking necessary action to prevent the unauthorized use, theft and pilferage of electricity in Franchise Area. The Franchisee must inform DVVNL about the categories of officers and the relevant sections of the Electricity Act, 2003 for which authorization is needed.

2.1.7 All the conditions precedent stated herein above shall be satisfied within 60 (sixty) days of signing of this Agreement or such further period as may be extended by the parties mutually. If, the Distribution Franchisee fails to satisfy Article 2.1 above, within the stipulated duration, DVVNL shall be entitled to terminate this Agreement and forfeit the earnest money deposit of the Distribution Franchisee at its discretion.

ARTICLE 2.2: CONDITIONS SUBSEQUENT TO BE SATISFIED BY THE DISTRIBUTION FRANCHISEE AND DVVNL

2.2.1 Arrears Determination:

The Joint Audit Team of DVVNL and the Distribution Franchisee shall complete an audit of:

2.2.1.1 Opening Asset Register,

2.2.1.2 Opening level of arrears;

2.2.1.3 Segregation into permanently disconnected and current live arrears;

2.2.1.4 Ageing analysis of current live arrears up to a period of three months;

2.2.1.5 Credit Balance from Consumers; and

2.2.1.6 Joint verification of permanently disconnected Consumers.

2.2.2 Methodology to compute average tariff for each billing period and the base year for the purpose of Article-7 during the term of this Agreement shall be jointly finalized before the effective date.

2.2.3 DVVNL shall identify the Consumers for which Service Connection Charges (SCC) have been received by it, but connections have not been provided. The DF shall be required to take necessary action for release of all those connections which have been applied for but not released as on the date of hand over. For this purpose, either the Service Connection Charges already deposited by the consumer shall be transferred to the DF or the installation material for such connections shall be issued by DVVNL to the Distribution Franchisee and further supervision charges received from the Consumers, if any, towards such connections shall be remitted to the Distribution Franchisee.

2.2.4 All the conditions subsequent stated above shall be satisfied within thirty (30) days except for condition mentioned in Article 2.2.1.6 which shall be completed within six months time, from the Effective Date or such further time as may be mutually extended by the Parties.

ARTICLE 3: TERM OF AGREEMENT

3.1 Term of Agreement

The term of this Agreement shall be for a period of twenty (20) years from the Effective Date.

3.2 Deleted

3.3 Early Termination

This agreement can be terminated before the expiration of the Franchisee Period as per the provisions of Article-16 and Article-3.4 of this Agreement.

3.4 Event of Abandonment

If the Distribution Franchisee ceases to operate all and/or any substantial part of the Distribution System for a period of forty-eight (48) consecutive hours without the prior written consent of DVVNL, then DVVNL or its designates shall be entitled to immediately enter any and/or all of the site(s) and operate the Distribution System, provided however that :

An event of abandonment shall not have been set to occur, if the cessation of operation has resulted from -

(i) an event of Force Majeure; or

(ii) a scheduled outage; or

(iii) non-supply of power by DVVNL as per Article 16.2(a) over a period of one year.

It is however expressly agreed that if the Distribution Franchisee is proceeding with diligence and good faith to overcome or remedy such event and such event is overcome or remedied within a further period of forty-eight (48) hours, then such an event shall not be treated as an event of abandonment.

(कपान सिंह)

TORRENT POWER LIMITED

It is hereby expressly agreed that all third party liabilities arising out of the event of abandonment shall be borne by the Distribution Franchisee alone. The Distribution Franchisee shall indemnify and hold DVVNL harmless against the same as provided in Articles 14.1.2. The Distribution Franchisee shall compensate DVVNL for the losses suffered by DVVNL, if any, as provided in Article 14.1.3.

3.5 Survival

The expiry or termination of this Agreement shall not affect accrued rights and obligations of the parties under this Agreement, nor shall it affect any continuing obligations for which this Agreement provides, either expressly or by necessary implication post its expiry or termination.

ARTICLE 4: GRANT OF DISTRIBUTION FRANCHISE

4.1 Grant of Franchise

Subject to the terms and conditions of this Agreement and the Act, DVVNL agrees to sell/supply electricity to the Distribution Franchisee at annual Input Energy Rates for further distribution in the Franchise Area and the Distribution Franchisee hereby agrees that it shall perform all the obligations and accept all the liabilities of DVVNL as the Distribution Licensee for the Franchise Area as stipulated in the Law, as if they were to apply to the Distribution Licensee and other activities as stipulated in this Agreement . In consideration of the above, the Distribution Franchisee shall have "Right to Use" the DVVNL Distribution Assets and all other rights, powers and authorities available to DVVNL as a Distribution Licensee to perform its obligation under this Agreement. Distribution Franchisee however shall not be the owner of DVVNL Distribution Assets.

4.2 Legal Status of Distribution Franchisee

The Distribution Franchisee shall be a franchisee of the DVVNL as defined under the Act and it shall not be a licensee under Section 14 of the Act.

4.3 Exclusivity

The Distribution Franchisee will be the exclusive franchisee of DVVNL in the Franchise Area. The Distribution Franchisee shall not be entitled to assign or transfer in any manner its rights and obligations under this Agreement to its affiliate or any other third party without the prior approval of DVVNL. However the Distribution Franchisee may appoint the sub-contractor(s) for outsourcing some of its activities with a prior three days written intimation to DVVNL.

TORRENT POWER LIMITED

It is however clarified that the Distribution Franchisee alone shall be liable and responsible to DVVNL for the due performance of this Agreement and any default / breach of any of the terms and conditions of this Agreement by any such sub-contractor shall be deemed to be a default / breach by the Distribution Franchisee.

4.4 Franchise Area

The Franchise Area at present contains input points as detailed in Annexure - 1. In case the details provided in the Annexure-1 is different from the Joint Audit report, the conclusions of the Joint Audit report shall be final and Annexure-1 shall stand amended accordingly. Notwithstanding this Joint Audit Report, the Input Energy Rates quoted by the Distribution Franchisee with the Financial Proposal for the contract period shall remain unchanged.

4.5 Effect of Acceptance

By accepting the Franchisee and executing this Distribution Franchisee Agreement, the Distribution Franchisee accepts and agrees to comply with the provisions of this Distribution Franchisee Agreement and the Act.

4.6 Directions

Distribution Franchisee shall comply with DVVNL directives issued for compliance of the Laws, Regulations, Orders and Directives of UPERC. However, the Distribution Franchisee shall have option of following alternative methods for complying with the applicable Laws, Regulations, Orders and Directives of UPERC.

4.7 Intent

It is the intent of both the parties that each party shall enjoy all rights and be subject to all obligations of this Distribution Franchisee Agreement for the entire term of the Agreement and to the extent any provisions have continuing effect, after its expiration.

ARTICLE 5: ACTIVITIES OF DISTRIBUTION FRANCHISEE

5.1 'Right of Use' to DVVNL Distribution Assets

5.1.1 The Distribution Franchisee shall be entitled to use the DVVNL Distribution Assets to perform its obligation under this Agreement. DVVNL shall however, continue to be the owner of such assets.

TORRENT POWER LIMITED

5.1.2 Distribution Franchisee shall use and maintain such assets at its own cost to keep them in good working condition as per Prudent Utility Practices.

5.1.3 Distribution Franchisee shall not dispose off or alienate or in any way encumber such assets without prior written approval of DVVNL.

5.1.4 If any such asset is scrapped, the same shall be deposited at the major store of the DVVNL at Agra by the Distribution Franchisee at its cost. DVVNL shall duly identify the scrap against its Asset register for Transformers & accessories and HT network.

5.1.5 DVVNL's Asset Register of the Franchise Area, which shall be verified and signed by both the parties in compliance to the provisions of Article 2.2.1.1.

5.1.6 On termination/ expiry of this agreement, the Distribution Franchisee shall without demur hand over physical possession/ custody of DVVNL Distribution Assets in same condition, subject to normal wear and tear and Article 5.1.4.

5.1.7 Any shortfall in the quantity of DVVNL Distribution Assets verified and recorded in the joint audit report shall be recovered from the Distribution Franchisee at the cost of replacement of such asset. The Distribution Franchisee has the option to replace such missing or lost equipment (shortfall) with comparable equipment.

5.1.8 If the Distribution Franchisee uses DVVNL's assets that have not been transferred as a part of DVVNL's Distribution Assets separate charges for the same shall be payable to DVVNL.

5.1.9 If the Distribution Franchisee intends to utilise other services of DVVNL such as Testing facilities for HT/LT metering, switching/substations and Distribution transformers or any other technical assistance, the charges for the same shall be payable to DVVNL.

5.2 New Capital Expenditure

5.2.1 The Distribution Franchisee shall plan and implement capital expenditure to improve efficiencies, upgrade infrastructure etc. as is deemed necessary by it.

5.2.2 Distribution Franchisee shall provide for capital expenditure to improve efficiencies, augment and upgrade infrastructure, reduction in T&D Losses and improvement in quality of supply in the Franchise Area as per its Minimum Capital Investment Plan for the contract period. The Distribution Franchisee shall make a minimum investment of Rs 200 Crores out of which at least Rs 150 Crores shall be invested in the first 5 years and the remaining Rs 50 Crores in the next 5 years.

5.2.3 Such capital expenditure implemented by the Distribution Franchisee would include replacement of Distribution Assets.

5.2.4 The cost of all such capital investment shall be borne by the Distribution Franchisee. The input energy rates quoted by the Distribution Franchisee shall be deemed to have taken into account the cost of finance and depreciation on account of these investments.

5.2.5 The Distribution Franchisee shall ordinarily arrange the funds required for meeting its capital expenditure. However, in case there is any capital investment funding scheme like R-APDRP proposed from Government of India or Government of Uttar Pradesh or any Department or Undertakings thereof or any multilateral funding organizations which is available to DVVNL as Distribution Licensee, at terms and conditions which, in the opinion of the Distribution Franchisee, are better than those available to it from its own sources, then at the request of the Distribution Franchisee and detailed project proposals to be prepared and submitted by the Distribution Franchisee to DVVNL within the scope of such funding schemes, DVVNL shall avail such schemes and get the same implemented in the Franchise Area through the Distribution Franchisee. There shall be a back to back arrangement between DVVNL and the Distribution Franchisee with negotiated terms and conditions along with requisite bank guarantees mechanism for meeting the finance cost and loan liabilities of such schemes. For this purpose, DVVNL shall make payment of the interest and repayment of loan to the funding agency in the first place and seek reimbursement of the same from the Distribution Franchisee on monthly basis. This arrangement shall continue till such loan has been fully repaid by DVVNL. In such a case, at the expiry of the contract period, the DF shall also get depreciated cost of such assets from DVVNL. However, if either the contract is terminated before the contract period or in case of expiry of the contract period, the loan is not fully repaid, then the DF shall settle the outstanding loan and get depreciated value of the assets from DVVNL or upon his failing to do so, DVVNL shall make payment

(कृपाल सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि०

TORRENT POWER LIMITED

towards repayment of such outstanding loan and settle the same against the depreciated cost of assets. If any such loan is converted into grant at any stage under the policy of Government of India or Government of Uttar Pradesh or any Department or Undertakings thereof or the said multilateral funding agency, then the benefit of such grant, in terms of refund of interest and principal amount, shall be passed on to the Franchisee but the DVVNL shall retain the assets covered under such grant without any obligation to pay for the depreciated cost of those assets.

5.2.6 The Distribution Franchisee shall also maintain a separate record of the Distribution Assets purchased by it with all details and particulars. It shall also make entries of these assets in the asset register.

5.2.7 Upon expiry/termination of this Agreement, Distribution Franchisee shall hand over all the DVVNL and Franchisee Distribution Assets of Franchise Area, to DVVNL in working condition subject to normal wear and tear. The Distribution Franchisee shall not have a right to take back these assets, if the same are to be compensated by DVVNL in terms of the Agreement.

5.2.8 On the expiry/termination of this Agreement, DVVNL shall compensate Distribution Franchisee for the Distribution Assets added by Distribution Franchisee, to the extent funded by the Distribution Franchisee, at the depreciated value of such assets.

5.2.9 Such assets in normal working condition shall be transferred to DVVNL at the depreciated value in the audited books of accounts of the Distribution Franchisee based on the depreciation rates as approved by UPERC. The depreciation rate for any asset, if not appearing in the rate approved by UPERC, shall be taken as per the prevailing DVVNL regulations or as per the Companies Act, 1956 in that sequence.

5.2.10 The Distribution Franchisee shall submit details of the assets added by it on a quarterly basis, and the value of such assets shall be audited by one of the Big three Accounting firms, to be appointed by DVVNL, for finalisation. The expenses for such audit shall be borne equally by the Distribution Franchisee and DVVNL. Such certification shall be done within a period of 90 (ninety) days. However, the decision with regard to eligibility of capital expenditure shall be taken by DVVNL.

5.2.11 Nothwithstanding anything stated above, all investments shall be planned and implemented keeping in view the distribution license conditions of DVVNL and following the procedures as prescribed therein. Also, all investments to be made from 16th year onwards shall require prior approval of DVVNL. All the investment schemes shall be submitted to UPERC by the Distribution Franchisee through DVVNL which will facilitate its approval from UPERC. Any investment made in violation of these conditions which is rejected by the DVVNL/UPERC, shall not be compensated, as provided for in 5.2.9 above, by DVVNL.

5.3 Inventory of O&M Spares

5.3.1 DVVNL will hand over the inventory of O&M spares in the Franchise Area to the Distribution Franchisee on the Effective Date of this Agreement. Further, for the period of first three months from Effective Date, DVVNL may arrange an issue O&M spares to the Distribution Franchisee at its request, subject to availability, and at rates decided by DVVNL.

5.3.2 Upon termination/expiration of this Agreement, Distribution Franchisee shall return the inventory of O&M spares to DVVNL in the same form and quantity as specified in Article 5.3.1.

5.3.3 Distribution Franchisee shall compensate DVVNL for the difference between the inventory levels in quantity terms on Effective Date and that on date of termination/expiration, to eliminate any risk with respect to inflation.

5.3.4 DVVNL shall compensate the Distribution Franchisee for the inventory of O&M spares at termination / Expiry of Agreement at latest acquisition price as may be applicable provided that, the maximum inventory that shall be taken over by DVVNL shall not be more than the minimum inventory norms of DVVNL from time to time.

5.4 Supply of Energy

5.4.1 DVVNL shall supply minimum of 1905MUs energy at Input Points corresponding to the expected input units of FY 2008-09 computed on annualized basis. However, this supply may vary subject to SLDC Directives on load shedding. Without prejudice to the foregoing, DVVNL shall not discriminate in the supply of power between the Franchise Area and its other Distribution Divisions.

(कमल सिंह)
प्रबन्ध निदेशक

TORRENT POWER

5.4.2 The Distribution Franchisee may procure the power from other sources for expected shortfall in supply with the concurrence of DVVNL and UPERC and subject to the regulatory provisions.

5.4.3 DVVNL will facilitate the Distribution Franchisee to approach UPERC for approval of such procurement scheme. DVVNL shall also assist the Franchisee in obtaining information from UPPTCL about the transmission capacity for power purchase.

5.4.4 Such scheme will be implemented only after approval of UPERC. DVVNL will have no responsibility or liability if such scheme is not approved/ rejected by UPERC.

5.4.5 In case any cross-subsidy surcharge is applicable on purchase of power from such scheme, DVVNL shall represent the matter at appropriate forum for abolishment of the same at Distribution Franchisee's cost.

5.4.6 In case of procurement of power from sources other than DVVNL, the wheeling charges shall be payable by Distribution Franchisee for using the distribution network of DVVNL for distribution of power in the Franchise Area and shall be levied as per UPERC regulations.

5.4.7 The Distribution Franchisee shall not sell the Input Energy to anyone outside the Franchise Area.

5.4.8 The Distribution Franchisee shall strictly adhere to the planned load shedding schedule of DVVNL based on directives issued by SLDC.

5.4.9 The Distribution Franchisee shall also follow the instructions of UPPTCL / State Load Dispatch Centre for grid discipline.

5.5 Liabilities and Obligations

The Distribution Franchisee shall accept all liabilities and perform all obligations of the distribution licensee in the Franchise Area as a franchisee of DVVNL, in compliance with the Law, Regulations and Directives of UPERC issued from time to time as if they were to apply to licensee and directives of DVVNL for compliance of laws, regulations, orders and directives of UPERC. The broad scope of work would be as follows:

5.5.1 Undertake distribution & supply of power to the Consumers of DVVNL in the Franchise Area.

5.5.2 Undertake all Operation & Maintenance related activities in Franchise Area.

5.5.3 Distribution Franchisee shall be responsible for administering and maintaining the ongoing contracts entered into by DVVNL. Alternatively, DF may cancel the ongoing contract, except capital expenditure, and enter into new contracts subject to bearing all the liabilities and third party claims accrued there from up to a sum of Rs 2 Crores. The DF shall keep DVVNL completely indemnified in this regard. The ongoing contracts for capital expenditure shall be either continued or cancelled by DVVNL. In case any such ongoing capital expenditure contract is continued, the payments shall be made by DVVNL. In case of cancellation of any such ongoing contract involving capital expenditure, DVVNL shall bear all the liabilities and third party claims accrued there from.

5.6 Technical Duties and Responsibilities of the Distribution Franchisee

The broad duties and responsibilities would include, but not limited to, the following activities:

5.6.1 Load Forecast

The Distribution Franchisee shall carry out demand estimation / load forecast of the Franchise Area periodically and apprise the same to DVVNL.

5.6.2 Energy Audit

The Distribution Franchisee shall carry out energy audit on a monthly basis and submit a report of the same to DVVNL. The methodology for the same has been enclosed at Annexure - 2.

5.6.3 Operation, Repair & Maintenance and Up gradation

The Distribution Franchisee shall at its own cost perform:

5.6.3.1 Operation and maintenance of Distribution Assets from the start of input feeders of Franchise Area

5.6.3.2 Operation and maintenance of sub-stations and transformer stations

(सुधाकर सिंह)
अधिशासी अभियन्ता

5.6.3.3 Installation of metering devices and carry out meter reading, monitoring all feeders and distribution transformers

5.6.3.4 Repair, maintain and replace failed distribution transformers as per UPERC Supply Code and Standards of Performance

5.6.3.5 Maintain a minimum level of rolling stock of transformers and other necessary material

5.6.3.6 Upgrade, renovate and maintain the existing distribution network/ systems/ IT assets and systems as per Prudent Utility Practices and the standards that may be prescribed by UPERC

5.6.3.7 For carrying out day-to-day maintenance work, if shutdown is required from EHV station on any feeder, the Distribution Franchisee shall apply for proper permit from the concerned UPPTCL's EHV substation. Such permit shall be returned to concerned EHV substation immediately after the work is completed. The Distribution Franchisee shall also intimate schedule of planned outages to the concerned EHV substation and maintain day-to-day coordination for smooth operation of transmission network.

5.6.3.8 Maintain a minimum power factor of 0.85 at the input points

5.6.4 **Compliance with standards**

5.6.4.1 The Distribution Franchisee shall take all reasonable steps to ensure that all Consumers within the Franchise Area receive a safe and reliable supply of electricity as defined by UPERC.

5.6.4.2 The Distribution Franchisee shall be responsible for complying with all Indian Electricity Rules, UPERC Standards, Regulations and other Directives as issued and modified from time to time and as applicable to any distribution licensee. Any penalty imposed on DVVNL by UPERC or any other Government Authority on account of failure of the Distribution Franchisee in compliance shall be borne by the Distribution Franchisee.

5.6.4.3 The Distribution Franchisee shall conduct its franchised business in the manner, which it considers to be best calculated to achieve the Overall Performance Standards for provision of Supply of services and the promotion of the efficient use of electricity by Consumers pursuant to Electricity Act 2003.

5.6.4.4 Deleted

TORRENT POWER LIMITED

5.6.5 **Consumer Service**

(A) **Electricity Supply Code**

The Distribution Franchisee shall:

a) Comply with Electricity Supply Code and other conditions of supply as approved and modified by UPERC from time to time. Any penalty imposed on DVVNL by UPERC for non-compliance shall be borne by the Distribution Franchisee;

b) Bring to the notice of the Consumers the existence of the Supply Code (and conditions of supply as approved and modified by UPERC from time to time), including its substantive revision and their right to inspect or obtain a copy in its latest form;

c) Make available a copy of the Supply Code (and conditions of supply as approved and modified by UPERC from time to time) revised from time to time, for inspection by the public during normal working hours; and

d) Provide free of charge a copy of the Supply Code (and conditions of supply) as revised from time to time to each new Consumer, and to any other person who requests it at a price not exceeding the cost of duplicating it.

(B) **Consumer Complaint Handling**

The Distribution Franchisee shall comply with the complaint handling procedure approved by UPERC. The Distribution Franchisee shall:

a) Establish within a period of one year from the Effective Date, at least one Consumer Service Centre as per minimum specifications placed at Annexure-3 for Consumer Complaints and redressal system.

b) Redress commercial and billing Complaints.

c) Make available, on demand, a copy of the complaint handling procedure, revised from time to time, for inspection by the public at each of the relevant premises during normal working hours; and

d) Provide free of charge a copy of the procedure revised from time to time to each new Consumer, and to any other person who requests for it at a price not exceeding the cost of duplicating it.

e) To comply with the Orders and Directions, if given by court or forum under Consumer Protection Act 1986 or Consumer Grievance Redressal Forum under the

UPERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2003.

(C) **Consumer Services**

The Distribution Franchisee, on request of the Consumer, to the extent that is reasonably available to the Distribution Franchisee, shall provide:

a) Information on all services provided by the Distribution Franchisee including information on the charges, which may be available to the Consumers;

b) Information on meter readings for the electricity services provided to the Consumer premises by the Distribution Franchisee in the Franchise Area; and

c) Information on the status of the Consumer's account with the Distribution Franchisee.

5.6.6 **Obligation to Connect Consumers**

Subject to the provisions of this Agreement, the Distribution Franchisee shall have the following obligations:

a) Subject to the provisions of the Electricity Act 2003, the Distribution Franchisee shall, on the application of the owner or occupier of any premises within the Franchise Area, give supply of electricity to such premises as per Distribution Code issued by UPERC.

b) Distribution Franchisee shall be responsible for incurring capital expenditure in order to provide new connections in the Franchise Area. The expenditure involved in providing new connection, net of Service Connection Charges and any other contributions / charges received from the Consumer towards capital cost of providing new connection as per applicable Regulations shall be deemed to form part of the Franchisee Distribution Assets to be compensated in terms of Article-5.2.9.

c) Subject to the provisions of the Electricity Act 2003, the Distribution Franchisee may refuse to supply, or may disconnect the supply of electricity to any premises.

d) The Distribution Franchisee shall retain the Service Connection Charges (SCC) collected from the Consumers for giving new connections levied as prescribed by UPERC.

e) The Distribution Franchisee shall collect the Security Deposit and System Loading Charges from the Consumers for giving new connections, which shall be transferred to DVVNL.

f) The applicable interest on these deposits shall be borne by DVVNL and shall be transferred to the Distribution Franchisee to meet its obligations as per applicable regulations.

g) The adjustment against arrears on account of Consumers who are permanently disconnected by the Distribution Franchisee after the Effective Date shall be allowed from the Security Deposit of the respective Consumer after following applicable regulations. However, in case of Consumers existing on the Effective Date, DVVNL shall have the first right on the security deposit.

h) The Distribution Franchisee shall not grant new connections to Permanently Disconnected (PD) Consumers as on Effective Date without the written consent of DVVNL unless arrears have been recovered from them and remitted to DVVNL. DVVNL shall take responsibility for such cases and defend the legal cases, at its own cost, arising out of such an action by the Distribution Franchisee.

i) Deleted.

5.7 Commercial Duties and Responsibilities of the Distribution Franchisee

The Distribution Franchisee shall perform in the Franchise Area:

5.7.1 Meter reading and billing to the Consumers as per the retail tariffs approved by UPERC from time to time.

5.7.2 Collections from the Consumers as per the billing.

5.7.3 Collection of arrears on behalf of DVVNL.

5.7.4 Make timely payments to DVVNL as per the terms and conditions of this Agreement.

5.7.5 Replace defective meters with new meters.

5.7.6 Maintain Consumer database and billing records.

5.7.7 Initiate necessary action, in accordance with the procedure for anti theft, disconnection and control of commercial losses as defined in Electricity Act 2003 and applicable UPERC Regulations and Directives.

5.7.8 Discharge all duties and responsibilities of DVVNL as the distribution licensee as required by the License Regulations of the UPERC except such of the conditions, which cannot be complied with by the Distribution Franchisee alone.

5.7.9 Undertake any other activity as may be notified from time to time by UPERC to the distribution licensee.

5.8 Performance Improvement Targets

5.8.1 The Distribution Franchisee shall achieve a level of 15% ATC Losses within 7 years from the effective date. For this purpose, **Aggregate Technical and Commercial Losses (ATC Losses)** shall mean the sum total of technical loss, commercial losses and shortage due to non-realisation of total billed amount. The same shall be computed as

*((Total Energy Input (MUs) less Energy Realised (MUs)) / Total Energy Input (MUs)) * 100*

*Where, Energy Realised is the Sale of Energy (MUs) * Collection Efficiency*

5.8.2 If the distribution franchisee fails to achieve 15% ATC Loss level based on year end ATC losses actually achieved at the end of 7 years from the effective date, then without prejudice to the other actions which DVVNL can initiate against the Distribution Franchisee under this Agreement, a penalty equivalent to 10% of the revenue lost due to non-achievement of the target shall be recoverable by DVVNL from the distribution franchisee. For example,

if the amount actually collected on the basis of say, 30% year end ATC Losses at the end of 7th year from the effective date is 'Rs 70' then, the amount which should have been collected at 15% ATC Losses would be computed as

*(Rs 70*0.85) / (1-0.30) i.e. Rs 85*

(इशांत सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.
आगरा

TORRENT POWER LIMITED

Accordingly, the revenue lost is Rs 85-Rs 70 i.e. Rs 15 and, therefore, the penalty to be levied would be 10% of Rs 15 or Rs 1.50.

5.8.3 The penalty amount shall be computed similarly at the end of each year till the over all year end ATC Loss Level of 15% is achieved by the distribution franchisee.

5.8.4 The Distribution Franchisee shall be liable to pay the penalty amount within 30 days of the claim made by DVVNL failing which the same shall be adjusted against the performance guarantee submitted by the Distribution Franchisee in terms of Article 11.

5.9 Duties and Responsibilities of DVVNL

The broad duties and responsibilities of DVVNL would include the following activities:

5.9.1 DVVNL shall ensure the supply of power to Distribution Franchisee of acceptable quality standards as per Article 5.4.

5.9.2 DVVNL shall communicate to Distribution Franchisee any shortfall or inability to supply, the power requirements of the Distribution Franchisee.

5.9.3 DVVNL shall carry out meter reading jointly with Distribution Franchisee on a monthly basis at Input Points of the Franchise Area.

5.9.4 DVVNL shall support the Distribution Franchisee initiatives to adopt innovative practices to bring about effectiveness and efficiency in electricity distribution business.

5.9.5 DVVNL will recommend setting up Special Courts and facilitate administrative and police support for smooth functioning of the Distribution Franchisee

ARTICLE 6: METERING AND MEASUREMENT

6.1 Metering System:

6.1.1 The Distribution Franchisee shall install and operate the Check Metering system in accordance with this Article 6 and Central Electricity Authority (Installation and Operations of Meters) Regulations, 2006. In addition to the existing Main Meters at each of the Input Points, the Distribution Franchisee shall also provide a check meter at each of them.

6.1.2 Installation and timely replacement of main meters as required to directly measure energy input in the Franchise Area shall be the responsibility of DVVNL/ UPPTCL/ Central Transmission Utilities as the case may be.

6.2 Inspection and Testing of Meters

6.2.1 DVVNL/UPPTCL shall inspect and if necessary, recalibrate the metering system on a regular basis but in any event, at least once every three (3) months or at a shorter interval at the request of either party.

6.2.2 Each Meter comprising the metering system shall be sealed by DVVNL, Distribution Franchisee and UPPTCL, and shall not be opened, tested or calibrated except in the presence of all the parties.

6.3 Inaccuracy of Meters

In case the difference between the readings of the main meter and the check meter for any calendar month is within 0.5%, the reading of the main meter shall be taken as final. If however, the variation exceeds ±0.5 %, the final value shall be arrived at as per the procedure, laid down as below.

Whenever difference between the readings of the Main meter and the Check meter for any month is more than 0.5%, the following steps shall be taken Checking of CT and VT connections:

a) Calibration of interface meters at site with reference standard meter of accuracy class higher than the meter under test.

b) On carrying out the re-calibration of the main meter, if it is discovered that either the percentage of inaccuracy exceeds ± 0.5 % or that the main meter is not working, the following procedure in order of priority, whichever is feasible, for arriving at the computation of quantity of energy during the period between the last calibration and the present, shall be followed:

   i) On the basis of the readings of the check meter if installed and functioned accurately, or

ii) By correcting the error if the percentage of error is ascertainable of calibration, tests or mathematical calculation; or

iii) By estimating the volume of energy delivered based on the meter reading on the upstream of the network i.e. energy reading of meters installed on LV side of the power transformers or HV side of the transformer.

c) The correction to the quantity of energy injected shall apply to the following periods (hereinafter referred to as the "Correction Period"):

i) To any period of time during which the main meter was known to be malfunctioning or to which the parties mutually agree;

ii) If the period during which the main meter was malfunctioning is not known or is not agreed to between the parties, the correction shall be applicable for a period equal to half the time elapsed since the date of the preceding calibration test, provided that under no circumstance shall the Correction Period exceed one month.

d) If the difference exists even after such checking or testing, then the defective meter shall be replaced with a correct meter.

e) In case of conspicuous failures like burning of meter and erratic display of metered parameters and when the error found in testing of meter is beyond the permissible limit of error provided in the relevant standard, the meter shall be immediately replaced with a correct meter.

f) In case where both the Main meter and Check meter fail, at least one of the meters shall be immediately replaced by a correct meter.

6.4 Measurement

6.4.1 Distribution Franchisee shall carry out weekly meter readings at Input Points at 18.00 hours on 7th, 14th, and 21st day of each calendar month and intimate the same to DVVNL by 10.00 Hrs on the next business day.

6.4.2 A joint meter reading by both the parties shall be carried out on the 0.00 Hrs on the Effective Date.

6.4.3 A joint meter reading by both the parties shall be carried out on the last day of every calendar month at 1800 Hrs w.e.f the Effective Date. Adjustments, if any, shall be carried out for weekly payments as mentioned in Article 7 based on the aforementioned meter reading.

(अपार सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लिमिटेड

TORRENT POWER LIMITED

6.4.4 DVVNL shall raise invoices as mentioned in Article 7 based on input units measured by Distribution Franchisee as specified in previous Article.

6.4.5 The Metering and Measurement System stated in this Article shall also be applicable to payments on account of Wheeled Electricity.

6.4.6 Until 0.2 Class meters are installed as main meters, the reading of check meter shall be used for billing provided the check meters are of 0.2 accuracy class.

ARTICLE 7: BILLING AND PAYMENT

7.1 Billing

The billing mentioned in this Article shall be done as follows:

7.1.1 Monthly Invoice

The First Invoice raised by DVVNL on the Distribution Franchisee shall correspond to the energy input between first day and thirtieth day from the Effective Date and shall be computed as below:

$MI = (RIE_M + WC_M + TOSE_M + SDN_M + P) - (CARPDRM + CARCL_{RM})$

Where

RIE_M = Revenue for Input Energy as per Joint Measurement

It shall be computed as below:

$RIE_M = EI_M * AIR_N * TIR_N$

Where, EI_M = Energy input in the Franchise Area during the month, which shall be the energy purchased from DVVNL.

AIR_N = Annualized Input Rate applicable for the year as per Annexure-4.

$TIR_N = AT_N$ / AT Base Year

Tariff Indexing Ratio applicable to the billing period, calculated as ratio of prevailing average tariff for that billing period as applicable to all Consumers in the Franchise Area (ATN) and average tariff as applicable to all Consumers in the Franchise Area in Base Year. Average tariff shall be computed as sum product of total billed units and approved tariff in each Consumer category divided by total billed units in all Consumer categories. The Tariff Indexing Ratio shall be computed for every month and the same shall be used for computation of the revenue for Input Energy for units supplied to the Distribution

(कमल सिंह)

Franchisee in the respective calendar month. Approved Tariff for this purpose shall mean the tariff and the applicable Fuel Surcharge Adjustment (FSA) approved by UPERC.

The indexation shall be based on the change of tariff as applicable to all the DVVNL consumers in the Distribution Franchisee Area. The indexation shall be weighted average of units billed for each category in the relevant period and the applicable average tariffs considering all the elements of tariff except those in the nature of taxes / duties, interest income and delayed payment charges.

For the purpose of computation of indexation ratio, average tariff as applicable to all DVVNL Consumers in Distribution Franchisee area for FY 2008-09 shall be applicable based on the accounts information available. However, this figure shall be audited by one of the Big Three Accounting firms for finalization. The fees for such audit shall be borne equally by the Distribution Franchisee and DVVNL.

WC_M = Wheeling Charges applicable to energy procured over and above the quantity purchased from DVVNL for the Month computed as per UPERC regulations

$TOSE_M$ is the Tax on Sale of Electricity leviable as per applicable Law during the billing period

SDN_M is the Security Deposit and System Loading Charges collected for new connections issued during the period and for which information has been received as per Article-13.1.

P is the penalty leviable on the Distribution Franchisee for delay on account of previous payments and shall be computed @18% per annum quarterly compounded on the outstanding amount.

$CARPD_{BM}$ is the Credit available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT permanently disconnected Consumers collected and remitted to DVVNL during this billing cycle and shall be computed as below:

$CARPD_{BM} = 0.2*ARPD_{BM}$

Where **$ARPD_{BM}$** is the amount of arrears on account of permanently disconnected Consumers prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

(कृपाल सिंह)
प्रबन्ध निदेशक

$CARCL_{RM}$ is the Credit Available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT current live Consumers collected and remitted during this billing cycle and shall be computed as below:

$CARCL_{RM} = 0.1 * ARCL_{RM}$

Where **$ARCL_{RM}$** is the amount of arrears on account of HT/ LT current live Consumers, accrued three months prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

7.1.2 Fortnightly Invoice

The second and third Invoice raised by DVVNL on the Distribution Franchisee shall correspond to the energy input between 31st and 45th day from the Effective Date and 46th and 60th day from the Effective Date and shall be computed as below:

FI = (RIEF + WCF + TOSEF +SDNF + P) - (CARPDRF + CARCLRF)

Where:

RIEF = Revenue for Input Energy for the fortnight

It shall be computed as below:

RIEF= EIF * AIRN * TIRN

Where, EIF= Energy input in the Franchise Area during the fortnight, which shall be the energy purchased from DVVNL

AIRN= Annualized Input Rate applicable for the year as per Annexure-4

TIRN= ATN / AT Base Year

Tariff Indexing Ratio applicable to the billing period, calculated as Ratio of prevailing average tariff for that billing period as applicable to all Consumers in the Franchise Area (ATN) and average tariff as applicable to all HT/ LT Consumers in the Franchise Area in Base Year. Average tariff shall be computed as sum product of total billed units and approved tariff in each Consumer category divided by total billed units in all Consumer categories. The Tariff Indexing Ratio shall be computed for every month and the same shall be used for computation of the Revenue for Input Energy for units supplied to the Distribution Franchisee in the respective calendar month. Approved Tariff for this purpose shall mean the tariff and the applicable Fuel Surcharge Adjustment (FSA) approved by UPERC.

The indexation shall be based on the change of tariff as applicable to all the HT/LT DVVNL consumers in the Distribution Franchisee Area The indexation shall be weighted average of HT/ LT units billed for each category in the relevant period and the applicable average tariffs considering all the elements of tariff except those in the nature of taxes / duties, interest income and delayed payment charges.

For the purpose of computation of indexation ratio, average tariff as applicable to all DVVNL Consumers in Distribution Franchisee area for FY 2008-09 shall be applicable based on the accounts information available. However, this figure shall be audited by one of the Big three Accounting firms for finalization. The fees for such audit shall be borne equally by the Distribution Franchisee and DVVNL.

WCF = Wheeling Charges applicable to energy procured over and above the quantity purchased from DVVNL for the fortnight computed as per UPERC regulations

TOSEF is the Tax on Sale of Electricity leviable as per applicable Law during the billing period

SDNF is the Security Deposit and System Loading Charges collected for new connections issued during the period and for which information has been received as per Article-13.1.

P is the penalty leviable on the Distribution Franchisee for delay on account of previous payments and shall be computed @18% per annum quarterly compounded on the outstanding amount.

CARPDRF is the Credit available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT permanently disconnected Consumers collected and remitted to DVVNL during this billing cycle and shall be computed as below:

CARPDRF = 0.2*ARPDRF

Where ARPDRF is the amount of arrears on account of HT/ LT permanently disconnected Consumers prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

CARCLRF is the Credit available to the Distribution Franchisee for Incentive on account of arrears from the current live HT/ LT Consumers collected and remitted during this billing cycle and shall be computed as below:

CARCLRF = 0.1*ARCLRF

Where ARCLRF is the amount of Arrears on account of current live HT/ LT Consumers, accrued three months prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

7.1.3 Weekly Invoice

Subsequent to the third invoice, DVVNL shall raise weekly invoices commencing from the first of every calendar month and for the remaining period in the calendar month for which the third invoice has been issued. However, the invoice for the fourth week of the month shall be issued for the charges of the remaining days in the calendar month as illustrated below:

No. of days in the month	Duration of the last Invoice	No of days billed
31	22nd Day- 31st Day	10
30	22nd Day- 30th Day	9
29	22nd Day- 29th Day	8
28	22nd Day- 28th Day	7

The Weekly Invoice to be raised by DVVNL on the Distribution Franchisee shall be calculated as below:

$$WI = (RIE_W + WC_W + TOSE_W + SDN_W + P) - (CARPD_{AW} + CARCL_{AW})$$

Where:

RIE_W = Revenue for HT/ LT Input Energy for the week

It shall be computed as below:

$$RIE_W = EI_W * AIR_N * TIR_N$$

Where, EI_W= Energy input in the Franchise Area during the week, which shall be the energy purchased from DVVNL

AIR_N= Annualized Input Rate applicable for the year as per Annexure-4

TIR_N= AT_N / AT Base Year

Tariff Indexing Ratio applicable to the billing period, calculated as Ratio of prevailing average tariff for that billing period as applicable to all Consumers in the Franchise Area (ATN) and average tariff as applicable to all Consumers in the Franchise Area in the Base Year. Average tariff shall be computed as sum product of total billed units and approved tariff in each Consumer category divided by total billed units in all Consumer categories. The Tariff Indexing Ratio shall be computed for every month and the same shall be used for computation of the Revenue for Input Energy for units supplied to the Distribution Franchisee in the respective calendar month. Approved Tariff for this purpose shall mean the tariff and the applicable Fuel Surcharge Adjustment (FSA) approved by UPERC.

The indexation shall be based on the change of tariff as applicable to all the DVVNL consumers in the Distribution Franchisee Area The indexation shall be weighted average of units billed for each category in the relevant period and the applicable average tariffs considering all the elements of tariff except those in the nature of taxes/duties, interest income and delayed payment charges.

For the purpose of computation of indexation ratio, average tariff as applicable to all DVVNL Consumers in Distribution Franchisee area for FY 2008-09 shall be applicable based on the accounts information available. However, this figure shall be audited by one of the Big Three Accounting firms for finalization. The fees for such audit shall be borne equally by the Distribution Franchisee and DVVNL.

WC_w = Wheeling Charges applicable to HT/ LT energy procured over and above the quantity purchased from DVVNL for the week computed as per UPERC regulations

$TOSE_w$ is the Tax on Sale of Electricity leviable as per applicable Law during the billing period.

SDN_w is the Security Deposit and System Loading Charges collected for new connections issued during the previous billing cycle and for which information has been received as per Article-13.1

P is the penalty leviable on the Distribution Franchisee for delay on account of previous payments and shall be computed @18% per annum quarterly compounded on the outstanding amount.

(कमल सिंह)
[illegible]

$CARPD_{RW}$ is the Credit available to the Distribution Franchisee for Incentive on account of arrears from the permanently disconnected HT/ LT Consumers collected and remitted to DVVNL during this billing cycle and shall be computed as below:

$CARPD_{RW} = 0.2*ARPD_{RW}$

Where ARPDRW is the amount of arrears on account of permanently disconnected HT/ LT Consumers prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

$CARCL_{RW}$ is the Credit available to the Distribution Franchisee for Incentive on account of arrears from the current live HT/ LT Consumers collected and remitted during this billing cycle and shall be computed as below:

$CARCL_{RW} = 0.1*ARCL_{RW}$

Where $ARCL_{RW}$ is the amount of arrears on account of current live HT/ LT Consumers, accrued three months prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

For better accounting of revenue and computation of incentive payable to the Distribution Franchisee, the consumer bill proposed to be distributed by the Distribution Franchisee shall provide the information to the consumers on arrears in the main bill as (a) arrears before the effective date and (b) arrears after the effective date.

7.1.4 Billing for supply of energy in excess of minimum committed level of Energy

DVVNL shall provide energy to DF based on the normal supply hours applicable in the Franchise Area subject to a minimum committed level of energy stated in Article 5.4.1 and any extra energy, if available, with DVVNL shall also be provided to the Franchise Area without any discrimination not exceeding the historical compounded annual growth rate for the 3 years prior to effective date.

DVVNL shall monitor power supply to the DF on weekly basis. If the DF draws energy over and above the increase so allowed on monthly basis, the rate for the additional input energy shall be negotiated between the Distribution Franchisee and DVVNL which shall be based on the applicable Bulk Purchase Rate of DVVNL inclusive of transmission charges and losses plus trading margin subject to a minimum of the input rates quoted by the DF for the relevant year. The extra charges for additional energy over and above the monthly eligible quantum of energy shall be adjusted on monthly basis in the next billing.

(अनाम सिंह)

7.2 Payment

Distribution Franchisee shall make the payment to DVVNL in the following manner:

7.2.1 Distribution Franchisee shall maintain a record of total amount collected from Consumers against HT/ LT energy billed, security deposit, and taxes & duties levied as applicable and intimate the same to DVVNL as per Article 13.1.1.

7.2.2 Distribution Franchisee shall make the first payment within a week of first invoice raised on 31st day from the Effective Date corresponding to the energy input between first day and thirtieth day from Effective Date.

7.2.3 Distribution Franchisee shall make the second payment within a week of second invoice raised on 46th day of operation from the Effective Date corresponding to the energy input between 31st day and 45th day from Effective Date.

7.2.4 Distribution Franchisee shall make the third payment within a week of third invoice raised on 61st day of operation from the Effective Date corresponding to the energy input between 46th day and 60th day from Effective Date.

7.2.5 Thereafter, DVVNL shall raise weekly invoices as above and Distribution Franchisee shall make the payments within a week of receipt of such invoice.

7.2.6 If any of the due dates is a public holiday, the payment shall be remitted on the next working day of DVVNL.

7.2.7 The Distribution Franchisee may be required to provide credit to some HT/ LT Consumers under relevant Directives/ Orders/ Policies of UPERC e.g. Boonkar, Employees, etc. The amount (in Rupees) of the credit given by the Distribution Franchisee to such Consumers shall be adjusted from the payment due towards revenue for input energy.

7.2.8 In the event that any HT/ LT Consumer in the Franchise Area avails Open Access under the relevant Regulations issued by UPERC, the Distribution Franchisee shall retain the cross-subsidy surcharge paid, and adjustment for Distribution Losses of such Consumer. The wheeling charges for using the Distribution System shall be apportioned between

DVVNL and the Distribution Franchisee on the basis of a mutually agreed formula. However additional surcharges, if any, shall be remitted to DVVNL along with the regular payments.

7.2.9 Distribution Franchisee shall collect and remit to DVVNL, the arrears from current live Consumers accrued in last one month prior to Effective Date within three months of Effective Date in accordance with Article-8.4.

7.2.10 Distribution Franchisee shall collect and remit to DVVNL, the arrears from current live Consumers accrued for the duration between three months and one month prior to Effective Date within six months of Effective Date in accordance with Article-8.5.

7.2.11 Upon recovery of the arrears, Distribution Franchisee shall, within 7 (seven) days, provide the details of collection and make such payment to DVVNL.

7.2.12 DVVNL shall give credit to Distribution Franchisee towards the incentive on collection of arrears after receipt of such amount and documentary details from Distribution Franchisee. This credit shall be provided in the subsequent invoice raised as per Article 7.1.

7.2.13 The Distribution Franchisee shall also timely remit to DVVNL any other charges arising from the execution of the contract such as charges towards use of DVVNL billing facilities, testing facilities, etc. and the adjustments on account of reconciliation as per Article-9 and 10.

7.2.14 The payment to be made by Distribution Franchisee against invoice as mentioned in Article 7.1 shall not take into account any subsidy which shall be governed by Article 9.

7.2.15 DVVNL shall give credit to the Distribution Franchisee for the outstanding credit balance of Consumers as determined in the joint audit process, upon the Distribution Franchisee providing such credit to Consumers. The credit shall be provided in the subsequent invoice raised by DVVNL and shall be subject to appropriate documentation.

7.2.16 Any delay in payment to DVVNL after due date shall attract a penal interest of 18% per annum quarterly compounded.

7.2.17 In case of a shortfall or default in payment by Distribution Franchisee against the payment obligation as per earlier Article, DVVNL may recover such amount by invocation of Performance Guarantee given by the Distribution Franchisee.

7.2.18 Distribution Franchisee shall be responsible for payment of all taxes, duties (other than Electricity Duty), and statutory /local levies arising out of this sale & purchase of electricity of input energy applicable at the time of bidding. Any change in the prevailing taxes /duties/statutory levies and any new taxes/duties/statutory levies arising out of this sale & purchase of electricity, becoming applicable after bidding, which cannot be passed on to consumers by the DF will be borne by DVVNL.

7.2.19 The money collected by the Distribution Franchisee shall be adjusted against the current billing of Distribution Franchisee, Distribution Franchisee arrears (which refer to arrears that arose during the term of the Franchise Agreement) and DVVNL arrears (which refers to arrears that arose prior to the Effective date) in that order. However, the Distribution Franchisee shall not be permitted to keep any advance amount without adjusting against all pending DVVNL arrears, if any. It is hereby clarified that if the amount paid by the consumer against a bill is more than his current bill amount and the arrears of the Distribution Franchisee, then the balance amount, after adjusting the current dues and DF arrears, shall be adjusted against the arrears of DVVNL.

ARTICLE 8: ARREARS

8.1 Arrears have been classified in two categories:

a) Arrears from connected live Consumers and
b) Arrears from Permanently Disconnected (PD) Consumers

8.2 The connected live Consumers are those, which are currently legally connected to the distribution network of the Franchise Area whereas permanently disconnected Consumers are no longer connected with the distribution network.

8.3 Distribution Franchisee shall maintain separate accounts for collection from arrears and collection on account of demand to Consumers for electricity supplied from the Effective Date. DVVNL shall transfer the right to collect the arrears to Distribution Franchisee on the Effective Date and the Distribution Franchisee and DVVNL shall unfailingly follow the procedure attached at Annexure 5 for collection of arrears.

8.4 Distribution Franchisee shall be liable to collect the arrears from current live consumers accrued in last one month prior to Effective Date on account of charges for usage of electricity. These arrears shall be collected and remitted to DVVNL by DF. The DF shall collect and remit amount at least equivalent to the prevailing collection efficiency taking into account the collection efficiency in the corresponding month of last year including the amount already recovered.

8.5 Distribution Franchisee shall make best endeavour to collect arrears other than those specified in 8.4 from current live Consumers on account of charges for usage of electricity. DVVNL shall offer an incentive to Distribution Franchisee towards collection of such arrears @ 10% of total amount net of taxes and duties recovered from Consumers. However, the collection from current live Consumers may first be appropriated towards current bill and then towards the arrears. DVVNL shall not share any expenses, costs incurred by the Distribution Franchisee for such recovery.

8.6 Deleted

8.7 Arrears on account of connected live Consumers, which are currently under any dispute or in the process of litigation on Effective Date, shall not to be transferred to Distribution Franchisee for recovery. The responsibility to recover such arrear shall rest with DVVNL.

8.8 Distribution Franchisee shall make best endeavour to collect the arrears accrued prior to Effective Date from PD Consumers. DVVNL shall offer an incentive to Distribution Franchisee towards collection of such arrears @ 20% of total amount net of taxes and duties recovered from Consumers. DVVNL shall not share any expenses, costs incurred by the Distribution Franchisee for such recovery. However, for recovery of arrears from permanently disconnected consumers under the provisions of Land Revenue Act, DVVNL shall nominate a Nodal Officer not below the rank of Executive Engineer for facilitating the recovery from such permanently disconnected consumers occurring before or after the Effective Date.

8.9 Arrears realized from the forfeiture or adjustment against security deposit from Consumers shall not be eligible for the incentives stated in this Article.

(कप्तान सिंह)

8.10 Upon recovery of the arrears, Distribution Franchisee shall, within 7 (seven) days, provide the detail of collection and make such payment to DVVNL.

8.11 Upon expiry / termination, Distribution Franchisee shall not transfer to DVVNL any arrears accrued during the term except the arrears accrued in last one month prior to the expiry / termination date of this agreement benchmarked to the prevailing level of Collection Efficiency. These arrears shall be jointly determined and agreed by DVVNL and the Distribution Franchisee. These arrears shall be collected and remitted by DVVNL to the Distribution Franchisee within three months of Expiry / Termination Date.

8.12 Arrears accrued during the term of Agreement prior to one month of Expiry/ Termination shall also be passed on to the Distribution Franchisee as and when collected by DVVNL. However, DVVNL shall not be under any obligation to collect such arrears. The Distribution Franchisee shall also give @ 10% of arrears recovered net of taxes and duties for the period three months prior to the Expiry Date from current live Consumers and @ 20% of arrears recovered net of taxes and duties from permanently disconnected Consumers.

8.13 The Distribution Franchisee shall not grant new connections to permanently disconnected Consumers without the consent of DVVNL unless arrears have been fully recovered from them and remitted to DVVNL. Distribution Franchisee shall provide periodic information on status of permanently disconnected Consumers. Further, there shall be a joint inspection of permanently disconnected Consumers at quarterly intervals with a methodology which shall be jointly decided. If at any stage, such a connection comes to the notice of DVVNL, the Distribution Franchisee shall immediately disconnect the Consumer. DVVNL and Distribution Franchisee shall jointly defend the legal cases arising out of such an action by the Distribution Franchisee. Distribution Franchisee shall bear the associated costs.

8.14 Notwithstanding anything contained herein, the legal rights of DVVNL to recover the outstanding arrears from the Franchise Area shall also survive the Term of this Agreement.

8.15 Notwithstanding anything contained herein, the legal rights of Distribution Franchisee to recover the outstanding arrears accrued during the term of the Agreement from the Franchise Area shall also survive the Term of this Agreement.

(कुणाल सिंह)
सहायक निदेशक

TORRENT POWER LIMITED

ARTICLE 9: PROVISION FOR SUBSIDY

In addition to the provisions stated in Article 7, the Subsidy shall be governed by the following:

9.1 The Government of Uttar Pradesh (GoUP) presently offers subsidy on electricity tariff in certain Consumer categories, as approved by UPERC, which is paid to DVVNL on account of electricity supplied to those Consumers in Franchise Area. Any subsidy offered by GoUP or Government of India or any other agency which has an impact on reducing the tariff shall continue to be paid to DVVNL.

9.2 However, if due to any new tariff after the effective date declared by the GoUP/GoI and approved by UPERC, the DF is required to subsidise any consumer category, the subsidy on account of the same shall be passed on to the DF. The same shall be adjusted through the weekly invoices for input energy.

9.3 Deleted

9.4 Deleted

9.5 Deleted

ARTICLE 10: ELECTRICITY DUTY

The Electricity Duty shall be governed as below:

10.1 The liability for making payment of the electricity duty to the GoUP shall rest on the Distribution Franchisee who may collect the same from the consumers and deposit the same with the Government on realised basis. The Distribution Franchisee shall establish separate accounting for Electricity Duty liability as per provisions of Electricity Duty Act' 1958. Since, the billing amount and amount realised includes Electricity Duty, a scanned copy of the notification regarding rates of electricity duty is attached as Annexure - 8.

10.2 Notwithstanding the above, Distribution Franchisee shall allow the Government Auditors to verify the particulars or details provided for payment of Electricity Duty. The amount of Electricity Duty determined by the Government Auditor shall be final and binding.

10.3 Deleted

10.4 Any change in taxes and duties as notified by GoUP, shall be adjusted appropriately and paid to GoUP.

ARTICLE 11: PERFORMANCE GUARANTEE

11.1 As provisioned in the Article-2.1.1 of this Agreement, the Distribution Franchisee shall submit and maintain valid for the term of this Agreement, a performance guarantee to the satisfaction of DVVNL in the form of an irrevocable and unconditional Performance Guarantee from any nationalized bank or ICICI bank, IDBI bank, UTI bank, HDFC bank for an amount equivalent to two months' estimated amount payable to DVVNL by Distribution Franchisee based on two months average energy input at Input Points in Franchise Area during Financial Year 2008-09 and Rates quoted by the Distribution Franchisee for first year of Franchisee term. The Performance Guarantee shall be governed as below:

11.2 The Performance Guarantee shall be in the format prescribed as per Annexure-7 initially valid for a period of one year from the Effective Date.

11.3 The Distribution Franchisee shall renew the Performance Guarantee 15 (fifteen) days before its expiry date and furnish the same to DVVNL, failing which DVVNL shall have the right to invoke the Performance Guarantee.

11.4 Within one week of beginning of each quarter, the amount of the Performance Guarantee shall be upgraded, based on average energy input in previous quarter and applicable Input Energy Rates for the year as per Annexure-4. The said input rates shall be indexed as per the Tariff Indexing Ratio, calculated as Ratio of prevailing average tariff for the last quarter and if not available, quarter immediately preceding the preceding quarter (e.g. in the case of April-June quarter, it will normally mean quarter ending March 2009, but if the billing details required for calculation are not available within one week, then the details related to October-December 2008 quarter may be used for upgrading the Performance Guarantee) as applicable to all consumers in the Franchise Area and average tariff as applicable to all consumers in the Franchise Area in the Base Year. Average tariff shall be computed as sum product of total billed units and approved tariff in each consumer category divided by total billed units in all consumer categories. Approved Tariff for this purpose shall mean the tariff and the applicable Fuel

(कृपाल सिंह)
निदेशक

TORRENT POWER LIMITED

Surcharge Adjustment (FSA) approved by UPERC. However, under no circumstances shall the amount of Performance Guarantee be revised downwards.

11.5 DVVNL may recover the outstanding payment after payment due date by invoking the Performance Guarantee.

11.6 Distribution Franchisee shall, within one week of invocation of the Performance Guarantee by DVVNL, restore the same to the level prior to invocation.

11.7 DVVNL shall review the amount of the Performance Guarantee after one Contract Year depending on the payment record of the Distribution Franchisee.

ARTICLE 12: DEPUTATION OF DVVNL EMPLOYEES

The existing employees in DVVNL will be given an option to join the Distribution Franchisee on deputation.

12.1 DVVNL will make a list of such employees who wish to be on deputation. Thereafter, the Distribution Franchisee shall have freedom to choose from the list of willing employees. The Distribution Franchisee will have a right to accept/ reject without assigning any reason thereof.

12.2 DVVNL shall permit deputation of its employees working in the Franchise Area as on the Effective Date to the Distribution Franchisee subject to the DF completing the entire selection process within 3 months of Effective Date and offer terms and conditions which are not inferior to the terms and conditions of the deputation as provided in Annexure 6 of the DFA on over all basis. The terms and conditions shall be made available to the concerned willing employees upfront. The DF shall have to follow DVVNL's rules regarding contribution to PF, Pension, Gratuity, etc.

12.3 The cost of employees on deputation would be borne by Distribution Franchisee. The Distribution Franchisee will at least compensate the DVVNL employee on deputation with the Franchisee towards all the benefits available to him/ her as per his/ her employment terms of DVVNL such as monthly salary, statutory contributions like provident fund and pension funds etc. Distribution Franchisee will also be responsible for any liability arising on account of fringe benefit tax and any other tax applicable on benefits of DVVNL employee on deputation with the Franchisee.

12.4 At the end of the period of deputation or the Franchisee Agreement whichever is earlier, the employees on deputation will return to DVVNL. Such employees will not lose their seniority in DVVNL due to deputation with the Distribution Franchisee.

12.5 The Distribution Franchisee shall have the right to employ any number of personnel on any terms and conditions (Distribution Franchisee's Employees) to discharge the day-to day functions relating to distribution of power in Franchise Area.

12.6 However, Distribution Franchisee's employees shall not become either permanent or contract employees of DVVNL at any point in time during and after expiry of this agreement. The Distribution Franchisee shall expressly clarify at the time of the appointment of an employee that he/she shall not have a right to claim employment with DVVNL during the subsistence or even after the expiry of this Agreement. Only the persons expressly agreeing to these conditions shall be employed by the Distribution Franchisee. DVVNL will not be responsible or liable for the claims raised by the employees of the Distribution Franchisee and the Distribution Franchisee shall indemnify DVVNL in respect thereof.

ARTICLE 13: REPORTING AND AUDIT

13.1 Reporting

The Distribution Franchisee shall furnish to DVVNL the following information as per schedule stated therein:

13.1.1 Distribution Franchisee shall be required to submit data regarding billing, collection, electricity duty and Security Deposit collected on account of new connections. Distribution Franchisee shall provide consumer-wise information in the format specified by DVVNL detailing the billing, collection and all related information on a monthly basis every month by a mutually agreed date. Such information shall be kept confidential by DVVNL and shall be used only under conditions of default by Distribution Franchisee under the Distribution Franchisee Agreement.

13.1.2 For the initial stabilization period, Such data shall be submitted as per schedule below:

(कृपाल सिंह)

TORRENT POWER LIMITED

Days from Effective Date	Information to be submitted on Day
1-27	30
28-42	45
43-57	60
58-60	63

13.1.3 After the initial stabilization period, the above information shall be submitted as per the respective billing cycle and shall be submitted to DVVNL not later than three days after the end of the billing cycle as per Article-7.1.

13.1.4 Distribution Franchisee shall be required to update the asset register and submit the same to DVVNL on a quarterly basis for the first year and thereafter on a monthly basis within 30 days after the end of respective periods.

13.1.5 Distribution Franchisee shall generate periodic Management Information System (MIS) and Monitoring Reports as required by DVVNL and UPERC in the formats to be prescribed by DVVNL/UPERC from time to time after execution of the Distribution Franchisee Agreement and communicate them to DVVNL through email.

13.1.6 Distribution Franchisee shall submit detailed inventory status reports on an annual basis for all inventories within the Franchise Area.

13.1.7 All correspondence, records, reports, presentations and other forms of information developed by the Distribution Franchisee whether electronic or physical, and required by the Licensee to continue operations, shall become the property of DVVNL upon Expiry/termination subject to applicable permissions. DVVNL reserves, without limitation, the right to use procedures, forms and productivity enhancement methods developed under this Agreement elsewhere subject to applicable permissions. Notwithstanding the above, the Distribution Franchisee shall have the right to retain copies of information, reports, correspondence, presentations mentioned above.

13.1.8 Distribution Franchisee shall notify DVVNL of any Major Incident affecting any part of the Distribution System that has occurred and shall at the earliest possible and in any event, by no later than fifteen (15) days or such period as may be extended by DVVNL from the date of such Major Incident. Distribution Franchisee shall also submit a report to DVVNL giving full details of the facts within the knowledge of the Distribution Franchisee regarding the incident and its cause.

13.1.9 Distribution Franchisee shall provide to the DVVNL within reasonable time such further particulars and information as may be required by DVVNL relating to the implementation of this Agreement for providing the same to the GoUP or any other statutory authorities entitled to the same under the provisions of the law.

13.2 Audit

13.2.1 Distribution Franchisee will allow for yearly audit of assets and inventories within the Franchise Area by DVVNL.

13.2.2 Distribution Franchisee will also allow yearly audit of the billing data including the system and database and consumer service centres operated within the scope of the Franchise Area.

13.2.3 DVVNL may, at anytime during the subsistence of this agreement, authorize any person(s) to inspect, verify and audit the required data and records for the purpose of verifying information received under this Agreement, and the Distribution Franchisee shall be obliged to extend all cooperation, assistance and facilities, as may be required, to such authorized person(s).

13.2.4 The audit of electricity duty and claims for subsidy shall be carried out as mentioned in Article 9 and Article 10.

13.2.5 DVVNL reserves the right to conduct the physical verification of the Distribution Assets belonging to DVVNL at any time during the term of this Agreement.

13.2.6 All the aforesaid audits/verifications shall be conducted by person(s) duly authorized for the specific purpose by the Agreement Representative.

13.2.7 The Distribution Franchisee shall comply with all reporting formats and data requirements prescribed by the Auditors.

ARTICLE 14: INDEMNIFICATION

Indemnity

14.1 The Distribution Franchisee during the term of this Agreement shall indemnify, defend and hold DVVNL harmless against:

14.1.1 Any acts of omissions/commission of Distribution Franchisee with regard to the electricity services provided by DVVNL. In such event Distribution Franchisee shall have no claim for compensation, incentive or any other claim against DVVNL.

14.1.2 Claims against DVVNL made by any third party for any act of commission or omission by Distribution Franchisee, Distribution Franchisee shall indemnify and hold DVVNL harmless and compensate all the losses so caused to DVVNL. DVVNL shall also be entitled to defend any action with third parties at the cost and expenses of Franchisee.

14.1.3 All monetary obligations or losses or implications arising out of such action of Distribution Franchisee in the nature of costs, expenses or damages. DVVNL/ shall have no liability in respect of loss of profit, loss of income, loss of agreement or any other losses or damages suffered or arising out of or in connection with existence of any defects whether latent or apparent in electricity network and the obligation of Distribution Franchisee to provide support services shall remain unaffected thereby.

14.1.4 Claims on all the employees of DVVNL on deputation against any loss/implication arising out of the actions of Distribution Franchisee.

14.1.5 Non-payment of all taxes, duties, and statutory /local levies arising as a result of this commercial transaction as required under Article 7.2.18

14.1.6 Non-compliance of the Laws, Regulations, Orders and Directives of UPERC by the Distribution Franchisee.

14.1.7 Any penalty imposed on account of non-compliance as stated hereinabove.

14.1.8 This Indemnification shall survive the term of this Agreement.

14.2 DVVNL shall indemnify, defend and hold the Distribution Franchisee harmless against:

14.2.1 Acts of commission or omission in the Franchise Area by DVVNL prior to the Effective Date of this Agreement.

14.2.2 Third party claims on account of DVVNL Distribution Assets as on Effective Date, for a period of six months from the Effective Date provided the Distribution Franchisee has taken all reasonable care of the Distribution Assets. The aggregate amount of the liabilities to be compensated by DVVNL during the said period of six months in respect of all such claims shall be limited to Rs. 50 Lakhs. However such indemnity shall be limited only to legally established claims.

14.3 **Procedure for claiming indemnity**

Third party claims

(a) Where either party is entitled to indemnification from the other party pursuant to Article 14.1 or Article 14.2, it shall promptly notify the other party of such claim, proceeding, action or suit referred to in Article 14.1 or Article 14.2 in respect of which it is entitled to be indemnified. Such notice shall be given as soon as reasonably practicable after the Indemnified party becomes aware of such claim, proceeding, action or suit. The indemnifying party shall be liable to settle the indemnification claim within thirty [30] days] of receipt of the above notice.

Provided however that, if:

(i) the Parties choose to contest, defend or litigate such claim, action, suit or proceedings in accordance with Article 14.2.1(b) below; and
(ii) the claim amount is not required to be paid/deposited to such third party pending the resolution of the dispute,

The indemnifying party shall become liable to pay the claim amount to indemnified party or to the third party, as the case may be, promptly following the resolution of the dispute, if such dispute is not settled in favour of the indemnifying party.

(b) The Indemnified Party may in consultation with the Indemnifying Party, contest, defend and litigate a claim, action, suit or proceeding for which it is entitled to be indemnified under Article 14.1 or Article 14.2 and the indemnifying Party shall reimburse to the indemnified Party all reasonable costs and expenses incurred in this respect. However, the indemnified Party shall not settle or compromise such claim, action, suit or proceedings without first getting the consent of the indemnifying Party, which consent shall not be unreasonably withheld or delayed.

The indemnifying Party may, at its own expense, assume control of the defense of any proceedings brought against the indemnified Party, if it acknowledges its obligation to indemnify, gives prompt notice of its intention to assume control of the defense, and employs an independent legal counsel at its own cost.

14.4 **Indemnifiable Losses**

Where either party is entitled to Indemnifiable Losses from the indemnifying party pursuant to Article 14.1 or Article 14.2, it shall promptly notify the indemnifying party of the Indemnifiable Losses. The indemnifying party shall pay the Indemnifiable Losses within [30] thirty days of receipt of the notice seeking Indemnifiable Losses by indemnified party. It is expressly agreed herein that the Indemnifiable Losses of either party shall be restricted to costs and expenses for all claims except for the Indemnifiable Losses for third party claims, wherein consequential damages shall also be included, if applicable.

ARTICLE 15: INSURANCE

15.1 The Distribution Franchisee at its own discretion shall insure the assets purchased during the term of this Agreement in its own name.

15.2 The Distribution Franchisee shall also obtain and keep in effect all insurances required under laws of India.

ARTICLE 16: EVENT OF DEFAULT AND TERMINATION

16.1 **Distribution Franchisee Event of Default**

The occurrence and continuation of any of the following events, unless any such event occurs as a result of a Force Majeure event or a breach by DVVNL its substantial obligations under this Agreement, shall constitute a Distribution Franchisee event of default:

16.1.1 Critical Event of Default

16.1.1.1 Critical Event of Default by the Distribution Franchisee shall mean failure or refusal by Distribution Franchisee to perform its following obligations under the Agreement:

a) Failure on account of Distribution Franchisee to make payments as per Article-7 of this Agreement;

b) Failure to submit in time the Information Report as per Article 13.1.1, 13.1.2 and 13.1.3;

c) Failure to maintain a performance guarantee as per the Article 11 of this Agreement.

d) Failure to maintain minimum service quality due to inadequate network investments

16.1.1.2 The other Critical Events of Default are:

a. The Distribution Franchisee has engaged in a corrupt practice or/and fraudulent practice in competing for executing the contract.

b. A resolution for winding up has been passed by the majority shareholders of the Distribution Franchisee.

c. The Distribution Franchisee is declared insolvent or bankrupt.

d. The Distribution Franchisee has unlawfully repudiated this Agreement or has otherwise expressed an intention not to be bound by this agreement.

e. Any representation or warranty made by the Distribution Franchisee during the term of the agreement is found to be false and misleading.

f. The Distribution Franchisee is indulging in any malpractice or corrupt practice or fraudulent practice(s).

g. Sale of Input energy in the Franchise Area to any party outside the Franchise Area.

h. Failure to comply with non-critical events of default within the specified period.

16.1.2 Non-critical Event of Default

Non-critical Event of Default by the Distribution Franchisee shall mean failure or refusal by Distribution Franchisee to perform its following obligations under the Agreement:

16.1.2.1 Failure to submit periodic performance report (Billing and Collection report, updation of Assets Register on monthly basis, Energy audit report) to DVVNL after a stabilization period of two months from Effective Date.

16.1.2.2 Reporting inconsistencies in energy/ revenue accounting, if observed during periodic/ unscheduled inspection.

16.1.2.3 Failure to comply with any other material terms and conditions, as applicable under this Agreement for a consecutive period of thirty (30) days.

16.1.2.4 Persistent non-compliance of Standards of Performance laid down by UPERC after the first Contract Year. Persistent would mean noncompliance of any of terms of Standards of Performance in all similar cases for a continuous period of three months.

16.1.2.5 Persistent non-compliance of UPERC's "Electricity Supply Code and Other Conditions of Supply" as approved and modified from time to time after the first Contract Year. Persistent would mean repeated non-compliance of any of terms of UPERC's "Electricity Supply Code and Other Conditions of Supply for a continuous period of three months.

16.1.2.6 Failure to deposit statutory payments of DVVNL Deputationist employees within the stipulated period.

16.1.2.7 Failure on account of Distribution Franchisee to comply with all the relevant labour laws applicable to DVVNL's Deputationist employees.

If any of the above is in default for a period of more than 60 days, it shall become a Critical Event of Default and shall be deemed to be included in Article 16.1.1.1.

16.2 DVVNL Event of Default

The occurrence and continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by Distribution Franchisee of its substantial obligations under this Agreement, shall constitute a DVVNL Event of Default:

(कृपाल सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.
आगरा

a) **Critical Event of Default**

DVVNL does not ensure the supply of power to Distribution Franchisee of acceptable quality standards as per Article 5.4 above 90% of entitled pro-rata quantity as per article 5.4.1 for a period of six days in a calendar month.

b) **Non-Critical Event of Default**

Breach of Any other material terms and conditions, as applicable under this Agreement for a consecutive period of thirty (30) days. If the default continues for a period of more than 60 days, it shall become a Critical Event of Default.

16.3 Termination Procedure for Event of Default by Distribution Franchisee

16.3.1 On the occurrence of any Event of Default, or its coming to notice of DVVNL, DVVNL shall issue an Event of Default notice to the Distribution Franchisee.

16.3.2 The Distribution Franchisee shall eliminate/ mitigate consequences of such Event of Default within a period of 15 days for Event of Default cited at 16.1.1.1 and 60 days for Events of Default cited at 16.1.1.2.

16.3.3 In case the Distribution Franchisee is unable to eliminate/ mitigate the consequences of Event of Default within the period stipulated at 16.3.2 a preliminary notice of termination may be served by DVVNL to the Distribution Franchisee, elaborating the event of default by Distribution Franchisee.

16.3.4 If the default is not cured within a period of thirty days from the date of issue of the preliminary notice of termination as provided in Article 16.3.3, this Agreement may be terminated after serving the final termination notice to the Distribution Franchisee.

16.3.5 It is expressly agreed that both the parties shall continue to perform their respective obligations until the serving of final termination notice, whereupon this Agreement shall terminate on date of such notice.

16.3.6 DVVNL shall exercise its Step-in rights after serving the final termination notice. The Distribution Franchisee shall be obliged to extend transition assistance for a period of 30 days from the serving of such Final termination notice, failing which the costs and expenses incurred by DVVNL on the account of non-provision of such assistance by the

Distribution Franchisee shall be recovered from the Termination payment of the Distribution Franchisee.

16.4 Termination Procedure for DVVNL Event of Default

16.4.1 On the occurrence of Event of Default by DVVNL, the Distribution Franchisee shall issue an Event of Default notice to DVVNL.

16.4.2 DVVNL shall eliminate/ mitigate consequences of such Event of Default within a period of 60 days.

16.4.3 In case DVVNL is unable to eliminate/ mitigate the consequences of Event of Default, a preliminary notice of termination may be served by the Distribution Franchisee to DVVNL, elaborating the Event of Default by DVVNL.

16.4.4 If the default is not cured within a period of thirty days from the date of serving of preliminary termination notice, this Agreement may be terminated after serving the final termination notice to the defaulting Party.

16.4.5 It is expressly agreed that both the parties shall continue to perform their respective obligations until the serving of final termination notice, whereupon this Agreement shall terminate on the date of such notice.

16.4.6 DVVNL shall exercise its Step-in rights after receiving the final termination notice. The Distribution Franchisee shall be obliged to extend transition assistance for a period of 30 days from the serving of such Final termination notice, failing which the costs and expenses incurred by DVVNL on the account of non-provision of such assistance by the Distribution Franchisee shall be recovered from the Termination payment of the Distribution Franchisee.

16.5 Consequences of Termination

16.5.1 Consequences of Termination for Distribution Franchisee Event of Default

a) Without prejudice to the other rights of DVVNL in case of termination, Distribution Franchisee shall pay all the dues payable to DVVNL on the date of termination.

Distribution Franchisee shall pay dues to third parties only after the payment of all DVVNL dues.

b) DVVNL has right to make good any shortfall from the performance guarantee.

c) DVVNL unconditionally reserves the right to claim from Distribution Franchisee any costs, expenses or loss that it may have incurred by reason of breach of failure on the part of Distribution Franchisee to observe and perform any of the terms and conditions of the agreement.

d) On termination of this Agreement however occasioned, the Distribution Franchisee shall forth with deliver to DVVNL all papers including the forms used, partially used and unused receipts books, all promotional materials and documents which may have come into its possession or custody under the terms of this Agreement or otherwise.

e) The Distribution Franchisee shall furnish a certificate of Non encumbrance to claim the amount due to him as per provisions of Article-5.2.

16.5.2 Consequences of Termination for DVVNL Event of Default Without prejudice to the other rights of Distribution Franchisee in case of termination, DVVNL shall pay all the dues payable to Distribution Franchisee on the date of termination.

16.6 Step In Rights of DVVNL

16.6.1 Step-in Rights in case of Event of Default after serving of Final Termination Notice

a) DVVNL or its Designate(s) shall be entitled to immediately enter any and/or all of the Site(s) and operate the Distribution System and collect revenues due from Consumers.

b) DVVNL shall have the right to invoke the Performance Guarantee furnished by the Distribution Franchisee to recover all its dues and outstanding amounts.

c) The Distribution Franchisee shall transfer all the Fixed Assets brought in as a part of the New Capital Expenditure in the Franchise Area in accordance with the Article-5.2.

16.6.2 Step-in Rights in the Event of Abandonment by the Distribution Franchisee

a) DVVNL or its Designate(s) shall be entitled to immediately enter any and/or all of the Site(s) and operate the Distribution System.

b) DVVNL shall issue a take-over notice to the Agreement Representative and serving of such notice shall be treated as a deemed takeover of operations by DVVNL.

c) DVVNL shall invoke the Performance Guarantee furnished by the Distribution Franchisee.

d) All Current Assets of the Distribution Franchisee in the Franchise Area shall stand transferred to DVVNL.

e) All Capital (Moveable and Immoveable) Assets of the Distribution Franchisee brought in the Franchise Area in accordance with Article 5.2 shall stand transferred to DVVNL.

f) However, the liability of meeting the repayment obligations on account of financing arrangements for such assets shall lie with the Distribution Franchisee.

16.6.3 Step-in Rights of DVVNL in the Events of Partial Disruption of electric supply services

In case of disruption of electric supply services in any part of the Franchise Area, leading to severe public inconvenience, DVVNL shall have a right to step-in the Franchise Area and restore electric supply services. The costs and expenses incurred for restoration by DVVNL shall be borne by the Distribution Franchisee.

16.7 Mode of Expiry Payment

16.7.1 The expiry payment to the Distribution Franchisee shall consist of the following:

a) Depreciated Value of capital assets worked out as per Article-5.2;

b) Value of current assets worked out as per Article-5.3;

c) Arrears accrued in the last one-month prior to Expiry as per Article-8.12.

16.7.2 An amount equal to 70% of the depreciated value of capital assets on Expiry Date worked out as per the audit conducted at the end of nineteenth contract year shall be released to the Distribution Franchisee not later than 15 days from the Expiry Date upon furnishing of a certificate of non-encumbrance by the Distribution Franchisee and from the bankers of the Franchisee.

16.7.3 The balance payment on account of capital assets after accounting for deviations shall be released on completion of physical verification and auditing but not later than 60 days from expiry subject to fulfillment of all of the following:

(i) Such Assets have been physically verified by the Joint Audit Team of DVVNL and the Distribution Franchisee and have been found to be in working order. The verification shall be completed within one month after Expiry of the agreement. In case of shortfalls, the non disputed amount shall be released promptly.

(ii) The Distribution Franchisee has furnished a Certificate of Non-encumbrance issued both by the Franchisee as well as its bankers in respect of such Distribution Assets.

(iii) The title and possession of such assets has been transferred to DVVNL.

16.7.4 The payment for current assets due to the Distribution Franchisee shall be released not later than 60 days from Expiry date.

16.7.5 DVVNL shall make payment towards arrears accrued one month prior to the Expiry after such an amount has been jointly determined and agreed by DVVNL and Distribution Franchisee. The liability of DVVNL shall be limited to making payment of 90% of such amount within 60 days of such joint determination.

16.7.6 All the above payments shall be released after deductions on account of any outstanding amount towards DVVNL, if any.

16.8 Mode of Termination Payment in case of DVVNL Event of Default

16.8.1 The Termination payment to the Distribution Franchisee shall consist of the following:

i) Depreciated Value of capital assets worked out as per Article-5.2;

ii) Value of current assets worked out as per Article-5.3;

iii) Arrears accrued in the last one-month prior to termination as per Article-8.12

16.8.2 An amount equal to 50% of the depreciated value of capital assets on Termination date worked out as per the audit conducted at the end of last contract year shall be released to the Distribution Franchisee not later than 15 days from the Termination Date upon furnishing of a certificate of non-encumbrance by the Distribution Franchisee and from the bankers of the Franchisee.

16.8.3 The balance payment on account of capital assets after accounting for deviations shall be released on completion of physical verification and auditing but not later than 60 days from Termination Date subject to fulfillment of all of the following:

(i) Such Assets have been physically verified by the Joint Audit Team of DVVNL and the Distribution Franchisee and have been found to be in working order. The verification shall be completed within one month after Termination of the agreement. In case of shortfalls, the non-disputed amount shall be released promptly.

(ii) The Distribution Franchisee has furnished a Certificate of Non-encumbrance issued both by the Franchisee as well as its bankers in respect of such Distribution Assets.

(iii) The title and possession of such assets has been transferred to DVVNL.

16.8.4 The payment for current assets due to the Distribution Franchisee shall be released not later than 60 days from Termination date.

16.8.5 DVVNL shall make payment towards arrears accrued one month prior to such Termination after such an amount has been jointly determined and agreed by DVVNL and Distribution Franchisee. The liability of DVVNL shall be limited to making payment of 90% of such amount within 60 days of such joint determination.

16.8.6 All the above payments shall be released after deductions on account of any outstanding amount towards DVVNL, if any

16.9 Mode of Termination Payment in case of Distribution Franchisee Event of Default

16.9.1 The Termination payment to the Distribution Franchisee shall consist of the following:

a) Depreciated Value of capital assets worked out as per Article-5.2;

b) Value of current assets worked out as per Article-5.3;

c) Arrears accrued in the last one-month prior to Expiry as per Article-8.12.

16.9.2 An amount equal to 50% of the depreciated value of capital assets on Termination date worked out as per the audit conducted at the end of last contract year shall be released to the Distribution Franchisee not later than 15 days from the Termination Date upon furnishing of a certificate of non-encumbrance by the Distribution Franchisee.

16.9.3 The balance payment on account of capital assets after accounting for deviations shall be released on completion of physical verification and auditing but not later than 60 days from Termination Date.

16.9.4 The payment for current assets due to the Distribution Franchisee shall be released not later than 60 days from Termination date.

16.9.5 The payment for arrears accrued in the last one month prior to expiry shall be released not later than 90 days from the Termination date.

16.9.6 All the above payments shall be released after deductions on account of any outstanding amount towards DVVNL, if any.

ARTICLE 17: GOVERNING LAW AND DISPUTE RESOLUTION

17.1 Governing Law

17.1.1 This Agreement has been executed and delivered in India and its interpretations, validity and performance shall be construed and enforced in accordance with the laws of India and also the laws applicable to the State of Uttar Pradesh.

17.1.2 Any dispute arising out of compliance/ non-compliance of this Agreement shall be exclusively under the jurisdiction of court at Agra/Allahabad.

17.1.3 Disputes between the consumers in the Franchise Area and DVVNL shall be referred to the existing relevant Consumer Grievance Redressal Forums.

17.2 Amicable Settlement

17.2.1 Either Party shall be entitled to raise any dispute or differences of whatever nature arising under, out of or in connection with this Agreement including its existence or validity by giving a written notice to the other Party, which shall contain:

(i) The details of the Dispute;
(ii) The grounds for such Dispute; and
(iii) All documentary evidence in support of its claim.

17.2.2 The other Party shall, within thirty (30) days of receipt of dispute notice issued under Article 17.2.1, furnish:

(i) Counter-claim and defences if any regarding the Dispute; and
(ii) All documentary evidence in support of its defences and counter-claim.

17.2.3 Both the parties shall constitute a Permanent Dispute Resolution Body having equal representation from each of the parties. The disputes or differences arising under this Agreement shall be referred for resolution to this body, which shall communicate its decision within Thirty (30) days.

17.2.4 In case of non-settlement of dispute by the Permanent Dispute Resolution body, such dispute or differences shall be referred for decision to a body constituted of MD, DVVNL and Head, Distribution Franchisee (by whatever name called) which shall communicate its decision within a period of 15 (fifteen) days.

17.2.5 Any dispute arising out of, in connection with or with respect to this agreement, the subject matter hereof, the performance or nonperformance of any obligation hereunder, which cannot be resolved by negotiation between the Parties and the Dispute Resolution procedure as stated in the foregoing Articles, shall be exclusively submitted to arbitration at the request of either party upon written notice to that effect to the other party and. The proceedings shall be conducted subject to the provisions of the Arbitration and Conciliation Act, 1996 (the Arbitration Act) by a panel consisting of three arbitrators.

TORRENT POWER LIMITED

17.2.6 While submitting the dispute or difference to arbitration in accordance with this Article the Party so submitting shall, in its notice, Specify the name of one arbitrator appointed by it. Within 30 (thirty) days of the receipt of notice, the other Party shall appoint an arbitrator. The third arbitrator (who will act as the chairman) shall be nominated by the two arbitrators appointed as aforesaid or, failing such nomination within 30 (thirty) days of the appointment of the second arbitrator, shall be appointed in accordance with the Arbitration & Conciliation Act, 1996.

17.2.7 Deleted

17.2.8 The language of the arbitration shall be English. The venue of Arbitration shall be Lucknow.

17.2.9 The arbitration award shall be in writing. The arbitrators shall also decide on the costs of the arbitration proceedings.

17.2.10 The Parties agree that the award of the arbitrators shall be final and binding upon the Parties.

17.2.11 Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Article 17 shall survive the termination of this Agreement.

17.2.12 Both the parties shall continue to perform their respective obligations during the conduct of the Dispute Settlement Procedure.

17.3 Disputed Payments

17.3.1 An invoice raised by DVVNL in terms of Article-7 can be disputed by the Distribution Franchisee; however, the Distribution Franchisee shall remit the payment under protest against the same to DVVNL within the stipulated time. Cases of excessive billing, if any, during the last three months shall be jointly identified by the DVVNL and DF and shall be referred to the high level committee envisaged under Annexure – 5: 'Procedure for recovery of arrears' in the Distribution Franchisee Agreement. Such excessive amount shall be excluded from the payment responsibility within three months

17.3.2 In case the dispute is resolved in the favour of the Distribution Franchisee, DVVNL shall within 7 days of settlement of such dispute refund the excess amount.

17.3.3 The information submitted by Distribution Franchisee and forming a basis for the invoice can also be disputed by DVVNL.

17.3.4 In case the dispute is resolved in the favour of DVVNL, the Distribution Franchisee shall within 7 days of settlement of such dispute refund the additional amount.

17.4 Severability

If any section, provision or Article of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, or is pre-empted by central or state laws, regulations or regulatory agencies, the remainder of this Agreement shall not be affected, except as is otherwise provided in this agreement. However if the implication of such a situation is significant, both the parties may mutually decide the future course of action.

ARTICLE 18: FORCE MAJEURE

18.1 No Party shall be liable to the other Parties if, and to the extent, that the performance or delay in performance of any of its obligations under this Agreement is prevented, restricted, delayed or interfered with due to occurrence of any event of force Majeure beyond the parties control, which cannot be reasonably forecast or prevented, thereby, hindering the performance by the parties of any of their obligations hereunder. The Party claiming an event of force majeure shall promptly notify the other Parties in writing, and provide full particulars of the cause or event and the date of first occurrence thereof as soon as possible after the event and also keep the other Parties informed of any further developments. The Party so affected shall use its best efforts to remove the cause of non-performance, and the Parties shall resume performance hereunder with the utmost dispatch when such cause is removed. For the purpose of clarity, the Parties agree that the failure of a Party to adhere to any statutory or regulatory requirement or to obtain necessary approvals shall not be deemed to be a force majeure situation. A condition of force majeure shall not relieve any Party of any obligation due under this Agreement prior to the event of force majeure.

In the event of a prolonged event of Force Majeure (continuing for a period of more than 30 days) a preliminary notice of termination may also be issued by either Party leading to the termination of the Agreement. The payment mechanism for this case shall be the same as described in Article-16.7.

ARTICLE 19: MISCELLANEOUS PROVISIONS

19.1 DVVNL shall refrain from unreasonably interfering with the Distribution Franchisee in exercising of its rights or the performance of or compliance with its obligations under this Agreement.

DVVNL shall make all reasonable efforts to ensure that its staff not assigned to the Franchise Area does not impede the Distribution Franchisee from exercising its rights or performing its obligations under this Agreement.

19.2 The Parties shall establish formal communication means for purposes of exercising their respective rights and performing or complying with their respective obligations under this Agreement. Each of the Parties shall designate an Engineer-in-charge who is duly authorised to act on behalf of the respective Parties, to liaise for purposes of and carry out Agreement Management pertaining to the management of all matters related to the compliance with the requirements of this Agreement. The Engineer-in-charge shall be of the rank of Chief Engineer or equivalent and above from DVVNL and a rank of General Manager and above from Distribution Franchisee.

19.3 Both the parties shall duly appoint their respective Agreement Representatives and the Disputes or differences arising out of the execution of this Agreement shall be dealt by them. The Agreement Representative shall be of the rank of Executive Director or equivalent and above from both the sides.

19.4 Distribution Franchisee may consider the use of innovative operating systems and technical solutions for loss reduction, theft prevention, credit control, etc. If such a system is being implemented then the Distribution Franchisee will submit information about such plans, processes and procedures to DVVNL. All these systems must be in compliance with Regulatory and Licensee conditions. DVVNL, in consultation with the Distribution Franchisee may depute a reasonable number of its employees to be trained on such new systems and processes.

19.5 In the event the Distribution Franchisee undergoes merger/ acquisition/amalgamation, it will duly seek approval from DVVNL for assignment of this agreement to the new entity. This would facilitate better coordination with the new entity.

19.6 The necessary approvals/consents under this agreement shall not be withheld or delayed unreasonably by any of the party. Any approval or consent given under this Agreement shall be valid only if given in writing.

19.7 The Distribution Franchisee may create charge on its gross margin i.e. the revenue realizations less the amount payable to DVVNL as per the regular invoices. Notwithstanding the foregoing, the repayment obligations in all cases shall lie with the Distribution Franchisee.

19.8 The language of communication between two parties shall be English only.

19.9 The Distribution Franchisee shall not use the DVVNL assets for any other use except for distribution of electricity and activities concerned with the subject of this Franchisee

19.10 DVVNL at the request of the Distribution Franchisee shall pursue with the relevant agencies for the augmentation of EHV line and transformer capacity for Franchise Area.

19.11 **Infrastructure Roll-out Plan**: The Distribution Franchisee shall submit an Infrastructure Roll-out plan to DVVNL stating the tentative investments to be carried out by in the Franchise Area to lower the Distribution Losses and improve the quality of supply. The same may be submitted before Effective Date. The plan shall be indicative and the actuals may differ. DVVNL shall facilitate the Distribution Franchisee in approaching the UPERC for approval of the Infrastructure Roll-out Plan. Any investment by the Distribution Franchisee which is not approved by the UPERC shall not be compensated by DVVNL at the expiry/ termination of the Franchise. DVVNL will facilitate the DF for getting approval of the capital investment plan submitted by the DF. However, the final decision of UPERC in the matter shall be final and binding on the DF.

19.12 DVVNL shall mark a copy of the Directives received by it under applicable laws, Regulations and Directives of UPERC, which are not in the public domain.

19.13 Notices

Notices to be given under this Agreement shall be in writing and in the English language. All notices must be delivered personally, by registered or certified mail or by facsimile transmission to the address given below:

For DVVNL:

Engineer In Charge:	Shri O.P. Jain, Chief Engineer (Agra Zone) DVVNL, Gailana Road, Agra
Phone:	0562-2600118
Fax:	0562-2604638
E-Mail:	gmagradvvnl@gmail.com
Agreement Representative:	Shri Drupad Prasad Director (Technical) DVVNL, 220 kV Sub-station Campus, Sikandra, Agra
Phone:	0562-2604401
Fax:	0562-2605465
E-Mail:	dtdvvnl@gmail.com

For Distribution Franchisee:

Engineer In Charge:	Shri D.C. Thakkar, GM – Distribution, Torrent Power Limited, Electricity House, Lal Darwaja, Ahmedabad - 380001
Phone:	079- 25502881
Fax:	079 - 25506386
E-Mail:	dipakthakkar@torrentpower.com
Agreement Representative:	Shri Ashok Modi, Executive Director, Torrent Power Limited, Electricity House, Lal Darwaja, Ahmedabad - 380001
Phone:	079- 25502263
Fax:	079 - 25506386
E-Mail:	ashokmodi@torrentpower.com

19.14 Agreement Representative:

All notices shall be effective: (i) if sent by facsimile transmission, when sent (on receipt of confirmation of the correct number or address); (ii) if sent by registered post or certified mail, within 5 days of dispatch; and (iii) if delivered personally, on receipt by intended recipient. Provided that all notices given by facsimile transmission shall be confirmed by registered or certified mail. Each party shall forthwith notify the other party of any change in its address to which notices under this Agreement are to be delivered, mailed or facsimiled.

19.15 Amendment:

This Agreement may be amended only by written agreement of the Parties hereto, duly executed by an authorized representative of each of the Parties hereto.

19.16 Non-Waiver

The failure in any one or more instances of a Party to insist upon performance of any of the terms, covenants or conditions of this Agreement, to exercise any right or privilege in this Agreement conferred or the waiver by said party of any breach of any of the terms, covenants or conditions of this Agreement shall not be construed as a subsequent waiver of any such terms, covenants, conditions, rights or privileges, but the same shall continue and remain in full force and effect.

19.17 Binding Effect

This Agreement and the covenants, terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

Annexure attached hereto form part of the Agreement.

DVVNL and the Distribution Franchisee hereby represent and warranty that:

a) They are not prevented under the applicable Laws and Regulations to enter into this Agreement;

b) They have obtained the required authorizations/ permits to sign this Agreement.

IN WITNESS WHEREOF the Parties have executed these presents through their authorized representatives at Lucknow on the date mentioned hereinabove

For and on behalf of M/s Dakshinanchal Vidyut Vitran Nigam Limited	**For and on behalf of M/s Torrent Power Limited**
(Kripal Singh)	**(Ashok Modi)**
Managing Director	**Executive Director**
(Signature with Seal)	**(Signature with Seal)**
Witness:	**Witness:**
(DRUPAD PRASAD)	(DIPAK THAKKAR)
Witness:	**Witness:**
(O.P. JAIN)	(CHIRAG DESAI)

19.	List of Annexure (1-8)	
A.	Annexure 1: Brief description of Franchisee Area	
B.	Annexure 2: Methodology for energy audit	
C.	Annexure 3: Specifications of consumer service center	
D.	Annexure 4: Schedule of Annualized Energy Input Rates	
E.	Annexure 5 : Procedure for recovery of arrears	
F.	Annexure 6 : Deputation Rules of DVVNL	
G.	Annexure 7: Format of Performance Bank Guarantee	
H	Annexure-8: Notification Of Electricity Duty	

TORRENT POWER LIMITED

A. ANNEXURE-1: BRIEF DESCRIPTION OF FRANCHISE AREA

Table 1: Organisational Structure

S. No.	Name of the Circle	Divisions	Particulars of Sub-divisions	Particulars of AE(Test)	Particulars of EE(Test)
1	EUDC-I, Agra	EE (D), EUDD-I EE (R), EUDD-I	UDSD-I	AE (Test) 1	EE (Test) EUTD-I Agra
			UDSD- II		
		EE (D), EUDD-IV	UDSD-I	AE (Test) 2	
			UDSD- II		
		EE (D), EUDD-VII EE (R), EUDD-VII	UDSD-I	AE (Test) 3	
			UDSD- II		
2	EUDC-II, Agra	EE (D), EUDD-II EE (R), EUDD-II	UDSD-I	AE (Test) 1	EE (Test) EUTD-II Agra
			UDSD- II		
			UDSD- III		
		EE (D), EUDD-III EE (R), EUDD-III	UDSD-I	AE (Test) 2	
			UDSD- II		
			UDSD- III		
		EE (D), EUDD-VI	UDSD-I	AE (Test) 3	
			UDSD- II		
3	EUDC-III Agra	EE (D), EUDD-V EE (R), EUDD-V	UDSD-I	AE (Test) 1	EE (Test) EUTD-III Agra
			UDSD- II		
		EE (D), EUDD-VIII	UDSD-I	AE (Test) 2	
			UDSD- II		

Table 2: Distribution Infrastructure Summary

Particulars	Unit	Particular
No. of EHV S/S from where energy is input	Nos	7
33 KV Input Points	Nos	32
11 KV Input Points	Nos	0
11 KV Input Points (Cross Over)	Nos	0
Total Input Points		**32**

TORRENT POWER LIMITED

Particulars	Unit	Particular
33 KV S/S	Nos	38
33 KV S/S Capacity	MVA	581
11 KV Switching Stations	Nos	0
33 KV Feeders	Nos	32
11 KV Feeders	Nos	186
33 KV Lines		
Overhead Line	Kms	235.80
Underground	Kms	0.45
Total	Kms	**236.25**
11 KV Line		
Overhead Line	Kms	970.55
Underground	Kms	14.20
Total	Kms	**984.75**
LT Lines		
Overhead Line	Kms	2712.97
Underground	Kms	13.34
Total	Kms	**2726.31**
Poles		
33 KV Lines	Nos	4952
11 Kv Lines	Nos	33950
Total	Nos	**38902**
11 KV/433 V DTC	Nos	2922

(कमल सिंह)
सहायक निदेशक
दक्षिणांचल विद्युत वि० निगम लि०
झाँसी

TORRENT POWER LIMITED

Table 3: Details of Transmission EHV Substations for input supply to Agra City

Name of the Division	Name of EHV /HV S/S	Capacity Installed (MVA)	Maximum Demand (MVA)	No. of Feeder 33 KV	No. of Feeder 11 KV
EUDD-I/II/ VI Agra	220 KV Sikandra	3 x 100 (220/132 kV) 1X 63 (132/33 kV) 1X40 (132/33 kV)	300/100	6	0
EUDD-I/ IV Agra	132 KV Taj	3X40 (132/33 kV)	100	10	0
EUDD-III/VI Agra	132 KV foundry Nagar	1X 63 (132/33 kV) 1X40 (132/33 kV)	80	7	0
EUDD-V/VIII Agra	132 KV Bodla Shastripuram	2X 40 (132/33 kV) 1X20 (132/33 kV)	95	6	0
EUDD-VII Agra	132 KV Cantt	1X 63 (132/33 kV) 1X40 (132/33 kV)	110	2	0
EUDD-IV, Agra	132 KV Shamshabad	2X 40 (132/33 kV)	75	1	0
EUDD-IV, Agra	132 KV Bhim Nagari	2X 20 (132/33 kV)	Likely to be commissioned shortly		

(कृपाल सिंह)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि०
आगरा

TORRENT POWER LIMITED

B. ANNEXURE-2: METHODOLOGY FOR ENERGY AUDIT

	Sr. No.	Column Name	Description	Source of data	Remarks
Energy Input	1	Dist.	Energy sent to franchisee area from EHV substations on 66 kV, 33kV, 11kV feeders as applicable	Joint Meter Readings by DVVNL and the Distribution Franchisee	
	2	Other input at distribution level	Energy input other than non-EHV source like CPPs, IPPs, NCE generation sources, small hydro etc.	Distribution Franchisee	
	3	Cross-over, if applicable	Energy exchange between adjacent circles/divisions	Distribution Franchisee	Only mutually agreed transactions considered. Every import must have corresponding export and vice-versa.
Total Input Energy	4	Sum of 1 to 3			
Metered Billing	5 (i) to 5 (xiv)	HT and LT	Category-wise Sales to Consumers for LMV-1 to LMV-10 and HV-1 to HV-4	Distribution Franchisee	

	Sr. No.	Column Name	Description	Source of data	Remarks
	6	Total Metered Energy	Sum 5 (i) to 5 (xiv)		
	7	Percentage of Metered Billing w.r.t. Input Energy	6/4 x100		
Unmetered Energy	8 (i) to 8 (xiv)	Unmetered Load in HP as on ---------------	Category-wise Connected Load of all Unmetered consumers in HP for the Franchise Area as on end of latest quarter	Distribution Franchisee	
	9 (i) to 9 (xiv)	KWh/ HP/ Month	Category-wise Index derived from metered consumption of the respective category for the zone	Distribution Franchisee	
	10 (i) to 10 (xiv)	Consumption	Category-wise multiplication of 8 & 9		
	11	Total Unmetered Energy	Sum 10 (i) to 10 (xiv)		
	12	% Unmetered energy w.r.t. Input Energy	(11/4) x 100		
Total Energy Sales	13		6+11		

TORRENT POWER LIMITED

	Sr. No.	Column Name	Description	Source of data	Remarks
Loss	14		4-13		
Loss in percentage	15		(14/4) x 100		

TORRENT POWER

C. ANNEXURE-3: SPECIFICATIONS OF CONSUMER SERVICE CENTRE

The Consumer Service Centre (CSC) is an initiative for providing information and service to the consumers. The CSC shall act as an interface between the customer and the Distribution Franchisee operations in the entire customer facing process. The services to be rendered by the CSC shall be as below:

Connection services – relates to customer acquisition including temporary connection, load change, category change, name/ address change and closure of connection

Billing- duplicate bill generation and billing related compliant handling
Collection Management- collection facilitation
Recording and redressal of supply related complaints
Help desk

The CSC shall be in the shape of physical infrastructure and shall be manned by persons of the Distribution Franchisee.

The channels of interface at the CSC shall be as under:

Help desk services

User self-use kiosks (optional) – Touch screen kiosks to be kept at the sub divisional offices, which will guide the customer through graphical user interface. These kiosks shall also act as collection boxes, which will help in collecting the payment of the electricity bills and issue a receipt once the cheque/ cash is received.

Notice Boards disseminating information regarding:

- Power outages schedule;
- Standards of Performance;
- Emergency numbers in case of accidents;
- General information regarding saving of power;
- Contact numbers of concerned officials;
- Performance graphs.

Operations of the CSC

New Connection process

The CSC agent shall explain to the Customer, the details of filling up of the forms and shall also inform the customer about the required documents, fees and other charges. The CSC agent shall check the adequacy of the form and document and shall issue a receipt to the consumer. The form shall be promptly forwarded for further action to connect the customer.

Duplicate Bill

The CSC shall issue a duplicate bill to the customer upon payment of a nominal fee.

Collection of Payments

The CSC shall be equipped to handle collection of bills from the consumers. The CSC shall collect the payment against bills and issue a prompt receipt to the consumer.

Complaint Handling

The CSC shall register the commercial and supply related complaints of consumers and issue a complaint number to the customer. The complaints so registered shall be promptly forwarded for taking necessary action for redressal.

SPECIFICATIONS

Minimum Hardware

Sr. No.	Particulars	Quantity	Description
1	Personal Computers	2	Pentium IV 2.0 Ghz, 256 MB RAM, 40 GB hard disk
2	External modem	2	56 kbps
3	Line Matrix Printer	1	500 LPM
4	Printer	1	400 cps, 200 pages per hour
5	RDBMS		Oracle 9i
6	Phone Lines	2	

TORRENT POWER LIMITED

Functionality of Software

- Logging, tracking and managing complaints
- Analysis and Reporting
- Identify trends
- Recurring electrical equipment problem identification
- Time to resolve
- First contact resolution rate
- Complaint tickets issued reports and MIS reports
- Daily Collection report
- E-mail Interface
- Web based solution
- Collection management
- Complaint/ query handling-billing, new connection

ILLUSTRATIVE LIST OF THE COMPLAINTS/ SERVICES TO BE HANDLED BY THE CSC

Sr. No.	Service Segment	Service Details
1	New Connection Related	Request for application form
		Query on time taken for new
		Security Deposit queries
		Application status
		Expected Date of meter installation
		Capital works expected completion
		Date
		Customer number assignment
		Contract not provided
		Temporary Connection
		Other new connections request
2	Meter Related	Meter Running-fast
		Meter Running-slow/ sluggish
		Meter Stuck up
		Meter burnt
		Shifting of meter
		Other meter related requests
3	Billing Related	Billing Correction request
		Wrong Billing

Sr. No.	Service Segment	Service Details
		Duplicate billing request
		On demand bill request
		Late bill receipt
		Meter Reading-correction request
		Meter Reading not taken
		Arrears dispute
		Additional charges dispute
		Surcharge dispute
		Back billing dispute
		Other billing requests
		Reporting of theft/ malpractice
4	Disconnections and Dismantlement related	Disconnection dispute
		Disconnection request
		Temporary disconnection request
		Dismantlement dispute
		Termination request
		Other disconnection and dismantlement requests
		Reconnection requests

[illegible]

TORRENT POWER LIMITED

D. ANNEXURE-4: SCHEDULE OF ANNUALISED INPUT RATES

S No	Commencing Year from effective Date	Input Energy Rate (Rs/ Unit)
1	1	1.54
2	2	1.55
3	3	1.71
4	4	1.89
5	5	2.00
6	6	2.10
7	7	2.11
8	8	2.14
9	9	2.16
10	10	2.17
11	11	2.20
12	12	2.20
13	13	2.20
14	14	2.20
15	15	2.20
16	16	2.21
17	17	2.22
18	18	2.22
19	19	2.22
20	20	2.23

TORRENT POWER LIMITED

E. **ANNEXURE-5: PROCEDURE FOR RECOVERY OF ARREARS**

1) A high level committee comprising independent external legal, financial and technical experts shall be constituted by DVVNL for this purpose. The legal expert of the committee shall be the Chairman.

2) The broad scope of work of the committee would be as under:

a. Recommending the validity and quantum of arrears.
b. Recommending waiver of interest and/ or principal of the arrears depending on the merits of the case and applicable DVVNL policies.
c. Recommending suitable instalments for payment of finally settled amount
d. The arrears shall be divided into three broad areas:
   i. Arrears for theft assessments
   ii. Arrears for energy billed
      - Based on actual meter reading
      - Based on assessment
   iii. Arrears for miscellaneous charges, security deposits, etc.
e. The Committee shall follow a methodology for the above arrears with the approval of DVVNL.

3) The broad process to be followed would be as under:

a. The Consumers shall be notified of the formation and the working of the committee through mass media.
b. Notices would be sent to Consumers with arrears
c. If the customer has not heeded the notice or paid his dues, he would then be called by the Committee for settlement of his case
d. If he does not appear before the Committee then the Committee shall take ex-parte decision as per merit of the case.
e. In case of disputed dues of billing, actual meter reading or actual assessment depending on load would be carried out and a fresh demand notice be served on the Consumer.
f. After a particular Consumer's arrears have been mutually finalized and recommended by the committee, a schedule of payment would be drawn up.
g. Such a payment schedule with reasons and recommendations shall be put for the approval of the competent authority to be nominated by DVVNL.

TORRENT POWER LIMITED

h. Upon final decision of the competent authority for each defaulting Consumer, the Distribution Franchisee shall follow the due process of disconnection as stipulated by Electricity Act 2003.

4) The Distribution Franchisee shall continue to show the old arrears of DVVNL in the Consumers' bill so as to effectively continue the claim of DVVNL on these arrears.

5) The Distribution Franchisee shall make available suitable office and secretarial help to the committee at the Franchise Area.

6) The expenses incurred for the high level committee in this respect shall be borne by DVVNL.

TORRENT POWER LIMITED

F. ANNEXURE-6: DEPUTATION RULES OF DVVNL

उत्तर प्रदेश पावर कारपोरेशन लिमिटेड
(उत्तर प्रदेश सरकार का उपक्रम)
U.P. POWER CORPORATION LIMITED
(Govt. of Uttar Pradesh Undertaking)
(Shakti Bhawan, Lucknow)

प्रतिनियुक्ति की निबंधन एवं शर्तें

(1) संस्थान में सेवा की अवधि :– यह प्रथमतः एक वर्ष के लिये होगी जो कारपोरेशन में उनके द्वारा कार्यभार से मुक्त किये जाने के दिनांक से प्रारम्भ होकर उनके प्रत्याहवान किये जाने पर कारपोरेशन में कार्यभार ग्रहण करने की तिथि तक मानी जायेगी।

(2) वेतन :– बाह्य सेवा की अवधि में प्रतिनियुक्त अधिकारी को विकल्प होगा कि वे या तो बाह्य सेवा पद के वेतनमान में सामान्य नियमों के अधीन अपना वेतन निर्धारित करा ले या कारपोरेशन वेतनमान में अपने वेतन के सहित वेतन का 5 प्रतिशत परन्तु अधिकतम रू0 500/– प्रतिमाह तथा यदि तैनाती स्टेशन के बाहर बाह्य सेवा पर प्रतिनियुक्ति होता है तो वेतन का 10 प्रतिशत परन्तु अधिकतम रू0 1000/– प्रतिमाह प्रतिनियुक्ति भत्ता इस शर्त के अधीन है कि मूल वेतन तथा प्रतिनियुक्ति भत्ता की कुल धनराशि का योग किसी भी समय रू0 22000/– प्रतिमाह से अधिक नही होगा। मूल वेतन का तात्पर्य उस वेतन से है जैसा कि वित्तीय हस्त पुस्तिका, खण्ड–2 भाग 2–4 के मूल नियम 9 (21) (1) में परिभाषित है।

(3) मंहगाई भत्ता :– यह भत्ता कारपोरेशन के पुनरीक्षित वेतनमान में वेतन लिये जाने की अवस्था में कारपोरेशन की स्वीकृत दरों पर अनुमन्य होगा। इसकी गणना मात्र बाह्य सेवा वेतन अथवा कारपोरेशन में ग्राहय मूल वेतन पर की जायेगी, अर्थात प्रतिनियुक्ति भत्ता की आगणित धनराशि पर मंहगाई भत्ता नही अनुमन्य होगा। बाह्य सेवा पद के वेतनमान में वेतन लिये जाने की अवस्था में यह बाह्य सेवायोजक के अधीन अनुमन्य दरों पर मिलेगा।

(4) नगर प्रतिकर तथा मकान किराया भत्ता :– ये भत्ते प्रतिनियुक्ति अधिकारी को उक्त विभाग में विद्यमान नियमों के अधीन अनुमन्य होंगे किन्तु यदि वे अपने नियुक्ति स्थान पर कारपोरेशन आवास का उपभोग करेंगे तो उनसे आवास आवंटन की दशा में बाह्य सेवा की अवधि में फ्लैट रेट कारपोरेशन नियमानुसार देय रेन्ट के दोगुनी दर पर किराया (रेन्ट) लिया जायेगा जो वे स्वयं प्रतिमाह जमा करेंगे और इस किराये का आधा वे स्वयं वहन करेंगे तथा शेष आधा अपने बाह्य सेवायोजक से प्राप्त करेंगे। इस व्यवस्था के लागू होने के पश्चात् मानक किराया एवं बाजार दर तथा 25 प्रतिशत की दर पर किराये की वसूली की प्रक्रिया स्वतः समाप्त हो जायेगी।

(5) कार्यभार ग्रहण करने का समय और उस अवधि का वेतन :– कार्यभार ग्रहण करने का समय और कार्यभार ग्रहण करने के समय का वेतन, यदि कोई हो, का विनियमन संस्थान की सेवा पर स्थानान्तरण और उससे प्रत्यावर्तन दोनों ही के लिये कारपोरेशन नियमों के अधीन किया जायेगा और इसका भुगतान संस्थान द्वारा ही किया जायेगा।

(6) यात्रा भत्ता :– संस्थान में सेवा की अवधि में उक्त संस्थान के अधीन कार्यभार ग्रहण तथा उससे प्रत्यावर्तन के समय की गयी यात्राओं के लिये यात्रा–भत्ते का विनियमन प्रतिनियुक्ति अधिकारी के विकल्प के अनुसार या तो कारपोरेशन अथवा संस्थान के नियमों के अधीन होगा और इसका भुगतान संस्थान द्वारा ही किया जायेगा।

(7) अवकाश और पेंशन :– बाह्य सेवा की अवधि में प्रतिनियुक्ति अधिकारी अवकाश और पेंशन सम्बन्धी कारपोरेशन नियमों द्वारा ही नियंत्रित होते रहेंगे। बाह्य सेवा में अथवा उसके द्वारा हुई विकलांगता के सम्बन्ध में बाह्य सेवायोजक अवकाश वेतन (न कि अवकाश वेतन अंशदान) के लिये देनदार होगा, चाहें ऐसी विकलांगता का पता बाह्य सेवा की समाप्ति के बाद ही क्यों न लगे।

(8) अवकाश वेतन एवं पेंशन सम्बन्धी अंशदान :– अवकाश वेतन और पेंशन के लिये अंशदान का भुगतान प्रतिनियुक्त अधिकारी या उक्त संस्थान द्वारा जैसी भी स्थिति हो, का भुगतान वित्तीय नियमावली खण्ड–2, भाग–2 के मूल नियम (फण्डामेंटल रूल्स) 115 एवं 116 के अधीन राज्यपाल, उ0प्र0 द्वारा समय–समय पर निर्धारित दरों के अनुसार किया जायेगा। सहायक नियम 185 के अनुसार अब उपरोक्त अंशदानों का भुगतान मासिक न होकर वार्षिक होगा। यदि बाह्य सेवावधि एक वर्ष से कम हो तो इन अंशदानों का भुगतान बाह्य सेवा अवधि की समाप्ति पर तुरन्त किया जायेगा। उपर्युक्त अंशदानों का भुगतान अलग–अलग लेखा शीर्षकों में जमा किया जायेगा। यदि इन अंशदानों का भुगतान विलम्बतम 15 अप्रैल तक नही किया जाता है तो प्रतिनियुक्त अधिकारी अथवा उक्त संस्थान, जैसी स्थिति हो, को पूर्वोक्त सहायक नियम 185 में निर्धारित दर से देय अंशदानों पर ब्याज भी देना पड़ेगा भले ही उप मुख्य लेखाधिकारी (वेतन एवं लेखा), उ0प्र0 पावर कारपोरेशन लि0 ने उन अंशदानों के लिये कोई दावा पेश न किया हो। अतः प्रतिनियुक्त अधिकारी अथवा उक्त संस्थान के हित में ही होगा कि वह इन आदेशों के मिलते ही उप मुख्य लेखाधिकारी, उ0प्र0 पावर कारपोरेशन लि0, से सम्पर्क स्थापित करें और उनसे इन अंशदान की दरों और उनके भुगतान की विधि के बारे में पूछ लें। यह अंशदान यथास्थिति प्रतिनियुक्त अधिकारी या उक्त संस्थान द्वारा सम्बन्धित उप मुख्य लेखाधिकारी उ0प्र0 पावर कारपोरेशन लि0, लखनऊ को क्रास किये हुये बैंक ड्राफ्ट या चैक द्वारा भेजे जाने चाहिये।

(9) भविष्य निधि :– संस्थान में प्रतिनियुक्त अधिकारी के वेतन से मासिक भविष्य निधि का अभिदान प्रतिमाह काटकर उनके भविष्य निधि खाते/लेखे में जमा करने हेतु कारपोरेशन के लेखाधिकारी (भविष्य निधि) को नियमित रूप से भेजना होगा अपनी प्रतिनियुक्ति अवधि में प्रतिनियुक्त अधिकारी उ0प्र0 पावर कारपोरेशन लि0 के भविष्य निधि नियमों द्वारा ही नियंत्रित होते रहेंगे।

परिषदीय पत्रांक–2105–यूपीएसईबी–30–13पी/89 दिनांक 2 नवम्बर, 1989 में निहित स्पष्टीकरण के अनुसार प्रतिनियुक्ति पर गये कर्मचारियों के मामले में 'वेतन पुनरीक्षण' के फलस्वरूप देय (यदि कोई हो) अवशेषों पर अनुमन्य ब्याज की राशि प्रतिनियोक्ता (प्रतिनियुक्ति पर लेने वाले) संगठनों/विभागों से प्राप्त होने पर ही सम्बन्धित अधिकारी को अनुमन्य होगी।

TORRENT POWER LIMITED

(10) <u>चैकित्सिक सुविधाएँ :–</u> प्रतिनियुक्ति अवधि में प्रतिनियुक्त अधिकारी को उनके चैकित्सिक उपचार के सम्बन्ध में वे सुविधाएँ प्राप्त होती रहेंगी जो कारपोरेशन के अधीन उन्हें प्राप्त होने वाली सुविधाओं से किसी प्रकार कम न हो।

(11) <u>असाधारण पेंशन :–</u> प्रतिनियुक्त अधिकारी अथवा उनके परिवार द्वारा बाह्य सेवा में रहते हुये उनकी विकलांगता अथवा मृत्यु के संबंध में किया गया कोई दावा उ0प्र0 सिविल सेवाएँ (असाधारण पेंशन) नियमावली यू0पी0 सिविल सर्विसेज (एक्ट्राआर्डिनरी) पेंशन रूल्स के अनुसार निर्णीत किया जायेगा और पंच निर्णय (एवार्ड) के पूरे मूल्य का दायित्व उक्त संस्थान को होगा।

(12) <u>अवकाश तथा अवकाश अवधि में प्रतिकर भत्ता :–</u> संस्थान में प्रतिनियुक्त अधिकारी कारपोरेशन के अवकाश नियमों से ही शासित रहेंगे तथा उन्हे अवकाश व अवकाश नकदीकरण कारपोरेशन नियमों के अर्न्तगत ही अनुमन्य होंगें। संस्थान में सेवा की अवधि के दौरान या उसकी समाप्ति पर लिया गया अवकाश अवधि से संबंधित अवकाश वेतन कारपोरेशन द्वारा देय होगा तथा उस अवधि के महँगाई तथा अन्य प्रतिकर भत्तों का पूरा व्यय संस्थान द्वारा ही वहन किया जायेगा। इस प्रकार के अवकाश वेतन अधिकृत करते समय प्रतिनियुक्ति भत्ता अलग से देय न होगा, वरन संबंधित अधिकारी के अवकाश काल का वेतन परिगणन करते समय उसके मूल वेतन एवं अवकाश के उपभोग की अवधि के पूर्व अनुमन्य प्रतिनियुक्ति भत्ते के योग को ध्यान में रखा जाना होगा। परन्तु संस्थान में सेवा पर रहते हुये मृत्यु या सेवानिवृत्ति की दशा में संबंधित कारपोरेशन सेवक के अवकाश खाते में जमा अवकाश के एवज में नियमानुसार अनुमन्य वेतन तथा उस पर देय भत्तों का भुगतान कारपोरेशन द्वारा ही किया जायेगा।

(13) <u>अन्य वित्तीय सुविधाएँ :–</u> यदि प्रतिनियुक्त अधिकारी को उक्त संस्थान द्वारा उक्त शर्तो के अतिरिक्त कोई अन्य वित्तीय सुविधा/प्रोन्नति दिया जाना प्रस्तावित हो तो कारपोरेशन की स्पष्ट सहमति के बिना अनुज्ञेय न होगी।

(14) <u>संस्थान में सेवा के मध्य त्याग–पत्र, संस्थान के अधीन संविलीन होना तथा स्वैछिक सेवा निवर्तन आदि :–</u> संस्थान में सेवा के मध्य प्रतिनियुक्त अधिकारी को उपरोक्त हेतु अनुमति नहीं होगी।

(15) कारपोरेशन द्वारा पूर्वगनमी तिथि से कोई लाभ अनुमन्य कराने पर प्रतिनियुक्त अवधि का देय धनराशि पर भार बाह्य सेवायोजक द्वारा ही वहन किया जायेगा।

(16) उक्त शर्तों एवं दशाओं के साथ–साथ एतद् विषयक अन्यान्य जो भी कारपोरेशन आदेश समय–समय पर प्रतिनियुक्त के संबंध में निर्गत होंगें, वे प्रतिनियुक्त अधिकारी पर स्वयमेव प्रभावी होते रहेंगें।

(सुदर्शन सिंह)

G. ANNEXURE-7: PERFORMANCE GUARANTEE

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution. Foreign entities submitting Bids are required to follow the applicable law in their country)

In consideration of the (insert name of the Selected Bidder) (hereinafter referred to as "Distribution Franchisee or DF) agreeing to undertake the obligations under the Distribution Franchisee Agreement (DFA) dated______ and the other RFP Project Documents and (Name of the Discom), agreeing to execute the DFA to execute and the other RFP Project Documents, inter alia with the DF, regarding sale, purchase and distribute power and services as a DF in the Franchise Area i.e. _______ Urban Area under the _______District, the (Name of the Bank) (hereinafter referred to as "Guarantor Bank") hereby agrees unequivocally, irrevocably and unconditionally to pay to (Name of the Discom) at (Place) forthwith on demand in writing from (Name of the Discom) or any Officer authorized by it in this behalf, any amount up to and no exceeding Rupees ___________________only, on behalf of M/s (Name of the DF)

[Note: The above paragraph is to be replaced with the following in case of SPV signing the PPA and other agreements prior to the submission of bids.]

In consideration of the [Insert name of the Selected Bidder] (hereinafter referred to as "Distribution Franchisee or DF) agreeing to undertake the obligations under the Distribution Franchisee Agreement (hereinafter referred to as DFA) dated _____ and other RFP Project Documents, regarding sale, purchase and distribute power and services as a DF in the Franchise Area i.e. ________Urban Area under the ______District, the [insert name of bank] hereby agrees unequivocally, irrevocably and unconditionally to pay to [Insert Name of the Discom] at [insert the Place] forthwith on demand in writing from [Name of the Discom] or any Officer authorised by it in this behalf, any amount upto and not exceeding Rupees ____________________only [Insert the amount of the bank guarantee as per the terms of DFA], on behalf of M/s. ______________________ [Insert name of the DF SPV].

This guarantee shall be valid and binding on this Bank up to and including ________________ and shall not be terminable by notice or any change in the constitution of the Bank or the term of contract or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective DFA.

Our liability under this Guarantee is restricted to Rs. ___________ (Rs. ________________________ only). Our Guarantee shall remain in force until

__________________. The (Name of the Discom) shall be entitled to invoke this Guarantee till (insert a date which is 30 days after the date in the preceding sentence).

The Guarantor Bank hereby agrees and acknowledges that the (Name of the Discom) shall have a right to invoke this BANK GUARANTE in part or in full, as it may deem fit.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by the (Name of the Discom), made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to the (Name of the Discom).

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by (Name of the Discom)/Authorised Representative and [Insert name of the DF] and/or any other person. The Guarantor Bank shall not require the (Name of the Discom) to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against the (Name of the Discom) in respect of any payment made hereunder

This BANK GUARANTEE shall be interpreted in accordance with the laws of India.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly the (Name of the Discom) shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the [Insert name of DF] , to make any claim against or any demand on [Insert name of DF] or to give any notice to [Insert name of DF] or to enforce any security held by the (Name of the Discom) or to exercise, levy or enforce any distress, diligence or other process against [Insert name of DF].

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to the (Name of the Discom) and may be assigned, in whole or in part, (whether absolutely or by way of security) by (Name of the Discom) to any entity to whom the (Name of the Discom) is entitled to assign its rights and obligations under the DFA.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. __________ (Rs. ______________________ only) and it shall

(कुलदीप सिंह)

remain in force until __________ [Date to be inserted on the basis of Contract Period i.e. 20 Years) with an additional claim period of thirty (30) days thereafter . We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if the (Name of the Discom) serves upon us a written claim or demand.

Signature ___________________
Name_________________
Power of Attorney No.______________

For
______[Insert Name of the Bank]__

Banker's Stamp and Full Address.
Dated this ____ day of ____, 20__

Note: The Performance Guarantee may be submitted by the Selected Bidder on behalf of the SPV, if permitted by the Discom

TORRENT POWER LIMITED

H. ANNEXURE-8: NOTIFICATION OF ELECTRICITY DUTY

उत्तर प्रदेश सरकार*
ऊर्जा अनुभाग-3
संख्या 02 पी-3/97-24-85-पी.84
लखनऊ 3 जनवरी, 1997

अधिसूचना

उत्तर प्रदेश इलेक्ट्रिसिटी (ड्यूटी) अधिनियम, 1952 (उत्तर प्रदेश अधिनियम संख्या 33 सन् 1952) की धारा 3 के अधीन शक्ति का प्रयोग करके और सरकारी अधिसूचना संख्या 6049 पी-3/89-23 दिनांक 23 दिसम्बर, 1989 का अतिक्रमण करते हुए अधिसूचना संख्या 1039पी-3/85-23-85 पी.84 दिनांक 29 मार्च, 1985 द्वारा विद्युत उपभोग पर निर्धारित इलेक्ट्रिसिटी ड्यूटी की दरों में संशोधन करते विभिन्न प्रकार के विद्युत उपभोग पर निम्नलिखित दरें निर्धारित करते हुये राज्यपाल महोदय यह आदेश देते हैं कि इस अधिसूचना की तिथि से इलेक्ट्रिसिटी ड्यूटी निम्नलिखित दर से उद्गृहीत की जायेगी—

क्रमांक		उपभोग का विवरण	इलेक्ट्रिसिटी ड्यूटी
(एक)	(क)	जहाँ उपभोक्ता के भूगृहादि पर कान्ट्रैक्टेड लोड 75 किलोवाट या 100 ब्रेक हार्स पावर से अधिक न हो।	9 पैसे प्रति यूनिट
	(ख)	जहाँ उपभोक्ता के भूगृहादि पर कान्ट्रैक्टेड लोड 75 किलोवाट या 100 हार्स पावर से अधिक हो।	9 पैसे प्रति यूनिट
(दो)		राज्य सरकार द्वारा उपभुक्त या राज्य सरकार द्वारा उपभोग किये जाने के लिए बेची गयी इनर्जी पर।	3 पैसे प्रति यूनिट
(तीन)		उपर्युक्त मद (एक) और (दो) में उल्लिखित प्रयोजनों से भिन्न प्रयोजनों के लिए	
	(क)	नियत प्रभार (फिक्स्ड चार्ज) पर बिना मीटर वाले संयोजन के लिए	प्रभारित दर का 20 प्रतिशत
	(ख)	मीटर वाले संयोजन की स्थिति में —	

	प्रभारित दर	इलेक्ट्रिसिटी ड्यूटी
1.	24 पैसे प्रति यूनिट तक और उसको सहित	9 पैसे प्रति यूनिट
2.	24 पैसे प्रति यूनिट से अधिक किन्तु 38 पैसे प्रति यूनिट से अधिक	9 पैसे प्रति यूनिट
3.	38 पैसे प्रति यूनिट से अधिक	9 पैसे प्रति यूनिट

(चार)	किसी अन्य व्यक्ति द्वारा अधिष्ठापित अपने निजी विद्युत उत्पादन स्रोत से औद्योगिक तथा अन्य प्रयोजनों के लिए उपभुक्त इनर्जी पर	3 पैसे प्रति यूनिट

2. राज्यपाल महोदय यह भी आदेश देते हैं कि किसी व्यक्ति द्वारा अपने निजी विद्युत उत्पादन स्रोत से विद्युत उत्पादन की प्रक्रिया में उपभुक्त इनर्जी पर कुल उत्पादित यूनिट के 10 प्रतिशत तक इलेक्ट्रिसिटी ड्यूटी के उद्ग्रहण से छूट मिलेगी।

राज्यपाल की आज्ञा से,
शंकर अग्रवाल,
सचिव।

*शासन के पत्रांक 02पी-3/97-24-85-पी.84 दिनांक 3-1-1997 के पुनरीक्षित विद्युत कर में शासन के पत्र संख्या 232 पी-3/98-24-85 पी/84 दिनांक 6-2-1998 द्वारा निम्नवत् आंशिक संशोधन कर दिया है।

उत्तर प्रदेश इलेक्ट्रिसिटी (ड्यूटी) अधिनियम, 1952 (उत्तर प्रदेश अधिनियम संख्या 33 सन् 1952) की धारा-3 के अधीन शक्ति का प्रयोग करके और सरकारी अधिसूचना संख्या 02पी-3/97-24-85-पी.84 दिनांक 3 जनवरी 1997 में निर्धारित इलेक्ट्रिसिटी ड्यूटी की दरों में आंशिक संशोधन करते हुए क्रमांक (चार) किसी अन्य व्यक्ति द्वारा अधिष्ठापित अपने निजी विद्युत उत्पादन स्रोत से औद्योगिक तथा अन्य प्रयोजनों के लिये उपभुक्त इनर्जी पर 3 पैसे प्रति यूनिट की दर से निर्धारित की गई इलेक्ट्रिसिटी ड्यूटी को इस अधिसूचना के गजट में प्रकाशन की तिथि से श्री राज्यपाल महोदय एतद्द्वारा समाप्त करने के आदेश देते हैं। तद्नुसार अधिसूचना दिनांक 3 जनवरी 1997 का प्रस्तर-2 इस सीमा तक संशोधित समझा जायेगा।

-47-

२४ लागन – 1 (ख)

भारतीय गैर न्यायिक

पचास रुपये

FIFTY RUPEES

रु.50

Rs.50

INDIA

INDIA NON JUDICIAL

उत्तर प्रदेश UTTAR PRADESH

U 490725

SUPPLEMENTARY AGREEMENT TO DISTRIBUTION FRANCHISEE AGREEMENT FOR AGRA URBAN AREAS OF DVVNL

This Amendment to Agreement made at Lucknow this 17th day of March, 2010 between Dakshinanchal Vidyut Vitran Nigam Limited, a company registered under the Companies Act, 1956 having its registered office at Sikandra, Agra, hereinafter referred to as "DVVNL" (which expression unless repugnant to the context or meaning thereof shall include its successors and assigns) of the ONE PART

And

Torrent Power Ltd., a company registered under the Companies Act, 1956 having its registered office at Torrent House, Off. Ashram Road, Ahmedabad - 380009 hereinafter referred to as "the Distribution Franchisee" or "TPL" (which expression unless repugnant to the context or meaning thereof shall include its successors and permitted assigns) of the OTHER PART.

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

TORRENT POWER LIMITED

भारतीय गैर न्यायिक

पचास रुपये

FIFTY RUPEES

रु.50

Rs.50

INDIA

INDIA NON JUDICIAL

उत्तर प्रदेश UTTAR PRADESH

U 490726

WHEREAS:

A. DVVNL is a Distribution Licensee under the provisions of the Electricity Act, 2003 (the "Act") having license to supply electricity in Agra City in the State of Uttar Pradesh.

B. Under the provisions of the Act, DVVNL is entitled to distribute electricity to a specified area within its area of supply through another person referred to as Franchisee.

C. For the purpose of sale and supply of electricity in the Agra Urban Distribution Divisions of DVVNL as more particularly described hereinafter, DVVNL selected Torrent Power Limited through the competitive bidding process.

D. UPPCL issued a Letter of Intent 214-CE(COM)/IBUF/2008-09/Agra dated 26th February, 2009 to the said M/s Torrent Power Limited and the same had been accepted by M/s. Torrent Power Limited.

(दुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

E. A Distribution Franchisee Agreement (DFA) was signed between DVVNL and the Distribution Franchisee (M/s Torrent Power Limited) on 18th May, 2009 by way of which both parties recorded the terms and conditions for sale, purchase and distribution of the electricity and services within the Franchise Area.

F. There is a delay in the completion of the pre takeover formalities and satisfaction of Conditions Precedent to the Distribution Franchise Agreement. During this period DVVNL has filed a Tariff Petition with the Hon'ble UPERC. While in terms of the DFA, any tariff rise after the date of takeover is the right of DF and DVVNL is entitled to only the FIR with respect to the Input Rate post tariff rise, as a one time special condition the parties of this agreement agree that the impending rise in the tariff applicable to the consumers of the franchise area at Agra as may be approved by the Hon'ble UPERC for the year 2009-10 and which is presently admitted and under consideration of Hon'ble UPERC shall not be passed on to the DF, and for this purpose a detailed methodology for dealing with this rise needs to be determined. It is also agreed that the procedure for clarification and calculation and application of tariff indexation with illustrated example needs to be clarified alongwith some other issues.

G. Both parties have realized a need to modify some Articles of the said DFA to protect their respective interests.

NOW, THEREFORE, IN VIEW OF THE FOREGOING PREMISES AND IN CONSIDERATION OF THE MUTUAL COVENANTS, PREMISES AND AGREEMENTS CONTAINED HEREIN, THE PARTIES AGREE TO AMEND THE SAID DISTRIBUTION FRANCHISEE AGREEMENT AS FOLLOWS:

The respective Articles / Sub Articles of the Distribution Franchise Agreement between DVVNL and TPL dated 18th May 2009 shall be replaced with the following Articles / Sub Articles:

Prasad

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

Article 1 Definition of Terms

'Aggregate Technical and Commercial Losses (ATC Losses)' (New insertion)

Shall mean the sum total of technical loss, commercial losses and shortage due to non-realisation of total billed amount. The same shall be computed as

{(Total Energy Input (MUs) less Energy Realised (MUs)} / Total Energy Input (MUs)) * 100

Where, Energy Realised is the Sale of Energy (MUs) * Collection Efficiency. Sale of Energy (MUs) will be worked out as per the methodology provided in Annexure A.

For the purpose of Articles 5.8 and 7.1.5 of this Agreement, the ATC Losses, on the basis of collection efficiency of 74.77% for the base year and distribution losses of 44.85% for the base year, shall be taken as 58.77%. The same shall be audited by one of the Big Three Accounting Firms and the audited figure shall be considered for the purpose of this Agreement.

'Collection Efficiency'

Shall mean the ratio of revenue actually realized from consumers (including the subsidy amount, if any) and energy amount billed as per the methodology provided in Annexure A to Consumers (including the subsidy amount, if any), in percentage terms for a particular period and shall be calculated as below:

Collection Efficiency = (Revenue realized from Consumers in rupees /Energy Billed to Consumers in rupees)*100

For the purpose of this Agreement, the collection efficiency for the base year shall be taken as 74.77%. The same shall be audited by one of the Big Three Accounting Firms and the audited figure shall be considered for the purpose of this Agreement.

(सुधेद प्रसाद)
प्रबन्ध निदेशक

'Distribution Losses'

Shall mean the difference between energy supplied at the Input Points and Energy Billed to Consumers as per the methodology provided in Annexure A in percentage terms for a particular period and shall be computed as below:

Distribution Losses= (Energy Intake at Input Points less Energy Billed to Consumers in kWh/ Energy Intake at Input Points in kWh)*100

The above calculation excludes power purchased from any source other than DVVNL.

For the purpose of this Agreement, the distribution losses for the base year shall be taken as 44.85%. The same shall be audited by one of the Big Three Accounting Firms and the audited figure shall be considered for the purpose of this Agreement.

'Input Rate'

Shall mean Rupees per unit of electricity supplied by the DVVNL at the Input Points as quoted in the accepted Financial Proposal of the bidder in Annexure-4 of the DFA. However after the implementation of revised tariff as per the approval of UPERC in current pending tariff application of DVVNL for the financial year 2009-10, the input rate as quoted by the DF shall be revised with effect from the date the revised tariff is made applicable by the UPERC for remaining period of the contract by adding the per unit increase as per the following formula:

Increase in per unit input rate =

[{2008-09 (Base Year) billed units as per the methodology defined in Annexure A x Revised tariff approved by Hon'ble UPERC as mentioned above} - {2008-09 (Base Year) billed units as per the methodology defined in Annexure A x Existing tariff applicable for 2008-09}] x Collection Efficiency of 2008-09 / Input Energy of Base Year (2008-09)

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

2.1.3.4 Determination of average tariff for the base year for the purpose of Article-7

The Average Tariff for the Base Year and for all the periods during the contract shall be computed as per the methodology described in Annexure A to this Supplementary Agreement.

Under Article 2.1.3.4 of the Agreement dated 18th May 2009 the joint team of the officers of DVVNL and the DF worked out a base year tariff of Rs. 4.10 per unit. However, keeping in view the element of data error, it has been mutually agreed between the parties to this Agreement to fix the base year average tariff at Rs. 3.98 subject to audit by any of the Big three Accounting firms. It has also been agreed that after the audit if the base year average tariff is computed above Rs. 3.98, the amount of Rs. 3.98 will remain unchanged but if the computed base year average tariff is less than Rs. 3.98 the same shall be taken as base year average tariff.

It has also been agreed between the parties to this Agreement that after the approval of the current pending tariff application of DVVNL for the financial year 2009-10 by UPERC if the tariff is revised for any class of consumers a fresh computation of average base year tariff will be made as per procedure given in Annexure A to this Supplementary Agreement considering the base year billing data and the revised tariff.

The revised base year tariff so computed shall be adjusted in the ratio of 3.98: 4.10. The figure of Rs. 4.10 shall be replaced with the audited figure as per para 2 above if it is more than Rs. 3.98. However, if the audited figure is less than Rs. 3.98 no such adjustment will be made to the revised base year tariff. This revised base year tariff shall be applicable from the date the revised tariff is made applicable by the UPERC for remaining period of contract for indexation purposes under Article 7 of the contract.

Further, for the time being, the franchisee area shall be handed over to the Distribution Franchisee taking the base year average tariff of Rs 3.98 per unit as agreed.

5.8 Performance Improvement Targets

5.8.1 The Distribution Franchisee shall achieve a level of 15% Aggregate Technical and Commercial Losses (ATC Losses) 7 years from the effective date. For this purpose, ATC Losses shall be as defined in Article 1.

7.1.1 **Monthly Invoice**

The First Invoice raised by DVVNL on the Distribution Franchisee shall correspond to the energy input between first day and thirtieth day from the Effective Date and shall be computed as below:

$MI = (RIE_M + WC_M + TOSE_M + SDN_M + P) - (CARPD_{RM} + CARCL_{RM})$
Where

RIE_M = Revenue for Input Energy as per Joint Measurement

It shall be computed as below:

$RIE_M = EI_M * AIR_N * TIR_N$
Where, EI_M = Energy input in the Franchise Area during the month, which shall be the energy purchased from DVVNL.

AIR_N = Annualized Input Rate applicable for the year as defined in the Definition of 'Input Rate'

$TIR_N = AT_N$ / AT Base Year

Tariff Indexing Ratio applicable to the billing period, calculated as ratio of prevailing average tariff for that billing period as applicable to all Consumers in the Franchise Area (AT_N) and average tariff as applicable to all Consumers in the Franchise

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

Area in Base Year. Average tariff shall be computed as per the methodology described in Annexure A to this Supplementary Agreement. The Tariff Indexing Ratio shall be computed for every month and the same shall be used for computation of the revenue for Input Energy for units supplied to the Distribution Franchisee in the respective calendar month. Notwithstanding the computation, the tariff indexation ratio computed in accordance with the methodology described here shall always be taken as at least 1 to ensure that the effective Input Energy Rates after the tariff indexation are always equal to or greater than the 'Input Rate' of the particular year. However, the TIR shall be taken at actuals and may be even less than 1 if the UPERC revises the consumer tariff downwards. Approved Tariff for this purpose shall mean the tariff and the applicable Fuel Surcharge Adjustment (FSA) approved by UPERC.

The indexation shall be based on the change of tariff as applicable to all the DVVNL consumers in the Distribution Franchisee Area. The indexation shall be weighted average of units billed for each category in the relevant period and the applicable average tariffs considering all the elements of tariff except those in the nature of taxes / duties, interest income and delayed payment charges.

WC_M = Wheeling Charges applicable to energy procured over and above the quantity purchased from DVVNL for the Month computed as per UPERC regulations

$TOSE_M$ is the Tax on Sale of Electricity leviable as per applicable Law during the billing period

SDN_M is the Security Deposit and System Loading Charges collected for new connections issued during the period and for which information has been received as per Article-13.1.

P is the penalty leviable on the Distribution Franchisee for delay on account of previous payments and shall be computed @18% per annum quarterly compounded on the outstanding amount.

(दुपक प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

$CARPD_{RM}$ is the Credit available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT permanently disconnected Consumers collected and remitted to DVVNL during this billing cycle and shall be computed as below:

$CARPD_{RM} = 0.2*ARPD_{RM}$

Where **$ARPD_{RM}$** is the amount of arrears on account of permanently disconnected Consumers prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

$CARCL_{RM}$ is the Credit Available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT current live Consumers collected and remitted during this billing cycle and shall be computed as below:

$CARCL_{RM} = 0.1*ARCL_{RM}$

Where **$ARCL_{RM}$** is the amount of arrears on account of HT/ LT current live Consumers, accrued one month prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

7.1.2 **Fortnightly Invoice**

The second and third Invoice raised by DVVNL on the Distribution Franchisee shall correspond to the energy input between 31st and 45th day from the Effective Date and shall be computed as below:

$FI = (RIE_F + WC_F + TOSE_F + SDN_F + P) - (CARPD_{RF} + CARCL_{RF})$

Where

RIE_F = Revenue for Input Energy for the fortnight

It shall be computed as below:

$RIE_F = EI_F * AIR_N * TIR_N$

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

Where, E_N= Energy input in the Franchise Area during the fortnight, which shall be the energy purchased from DVVNL.

AIR_N= Annualized Input Rate applicable for the year as defined in the Definition of 'Input Rate'

TIR_N= AT_N / AT Base Year

Tariff Indexing Ratio applicable to the billing period, calculated as ratio of prevailing average tariff for that billing period as applicable to all Consumers in the Franchise Area (AT_N) and average tariff as applicable to all Consumers in the Franchise Area in Base Year. Average tariff shall be computed as per the methodology described in Annexure A to this Supplementary Agreement. The Tariff Indexing Ratio shall be computed for every month and the same shall be used for computation of the revenue for Input Energy for units supplied to the Distribution Franchisee in the respective calendar month. Notwithstanding the computation, the tariff indexation ratio computed in accordance with the methodology described here shall always be taken as at least 1 to ensure that the effective Input Energy Rates after the tariff indexation are always equal to or greater than the 'Input Rate' of the particular year. However, the TIR shall be taken at actuals and may be even less than 1 if the UPERC revises the consumer tariff downwards. Approved Tariff for this purpose shall mean the tariff and the applicable Fuel Surcharge Adjustment (FSA) approved by UPERC.

The indexation shall be based on the change of tariff as applicable to all the DVVNL consumers in the Distribution Franchisee Area. The indexation shall be weighted average of units billed for each category in the relevant period and the applicable average tariffs considering all the elements of tariff except those in the nature of taxes / duties, interest income and delayed payment charges.

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

WC_F = Wheeling Charges applicable to energy procured over and above the quantity purchased from DVVNL for the fortnight computed as per UPERC regulations

$TOSE_F$ is the Tax on Sale of Electricity leviable as per applicable Law during the billing period

SDN_F is the Security Deposit and System Loading Charges collected for new connections issued during the period and for which information has been received as per Article-13.1.

P is the penalty leviable on the Distribution Franchisee for delay on account of previous payments and shall be computed @18% per annum quarterly compounded on the outstanding amount.

$CARPD_{RF}$ is the Credit available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT permanently disconnected Consumers collected and remitted to DVVNL during this billing cycle and shall be computed as below:

$CARPD_{RF} = 0.2*ARPD_{RF}$

Where $ARPD_{RF}$ is the amount of arrears on account of permanently disconnected Consumers prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

$CARCL_{RF}$ is the Credit Available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT current live Consumers collected and remitted during this billing cycle and shall be computed as below:

$CARCL_{RF} = 0.1*ARCL_{RF}$

Where $ARCL_{RF}$ is the amount of arrears on account of HT/ LT current live Consumers, accrued one month prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

7.1.3 Weekly Invoice

Subsequent to the third invoice, DVVNL shall raise weekly invoices commencing form the first of every calendar month and for the remaining period in the calendar month for which third invoice has been issued. However, the invoice for the fourth week of the month shall be issued for the charges of the remaining days in the calendar month as illustrated below:

No. of days in the month	Duration of the last Invoice	No. of days billed
31	22nd Day – 31st Day	10
30	22nd Day – 30th Day	9
29	22nd Day – 29th Day	8
28	22nd Day – 28th Day	7

The Weekly Invoice to be raised by DVVNL on the Distribution Franchisee shall be calculated as below:

$WI = (RIE_W + WC_W + TOSE_W + SDN_W + PI) - (CARPD_{RW} + CARCL_{RW})$

Where

RIE_W = Revenue for Input Energy for the fortnight

It shall be computed as below:

$RIE_W = EI_W * AIR_N * TIR_N$

Where, EI_W= Energy input in the Franchise Area during the week, which shall be the energy purchased from DVVNL.

AIR_N= Annualized Input Rate applicable for the year as defined in the Definition of 'Input Rate'

$TIR_N = AT_N$ / AT Base Year

Tariff Indexing Ratio applicable to the billing period, calculated as ratio of prevailing average tariff for that billing period as applicable to all Consumers in the Franchise Area (AT_N) and

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

average tariff as applicable to all Consumers in the Franchise Area in Base Year. Average tariff shall be computed as per the methodology described in Annexure A to this Supplementary Agreement. The Tariff Indexing Ratio shall be computed for every month and the same shall be used for computation of the revenue for Input Energy for units supplied to the Distribution Franchisee in the respective calendar month. Notwithstanding the computation, the tariff indexation ratio computed in accordance with the methodology described here shall always be taken as at least 1 to ensure that the effective Input Energy Rates after the tariff indexation are always equal to or greater than the 'Input Rate' of the particular year. However, the TIR shall be taken at actuals and may be even less than 1 if the UPERC revises the consumer tariff downwards. Approved Tariff for this purpose shall mean the tariff and the applicable Fuel Surcharge Adjustment (FSA) approved by UPERC.

The indexation shall be based on the change of tariff as applicable to all the DVVNL consumers in the Distribution Franchisee Area. The indexation shall be weighted average of units billed for each category in the relevant period and the applicable average tariffs considering all the elements of tariff except those in the nature of taxes / duties, interest income and delayed payment charges.

WC_W = Wheeling Charges applicable to energy procured over and above the quantity purchased from DVVNL for the week computed as per UPERC regulations

$TOSE_W$ is the Tax on Sale of Electricity leviable as per applicable Law during the billing period

SDN_W is the Security Deposit and System Loading Charges collected for new connections issued during the period and for which information has been received as per Article-13.1.

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

P is the penalty leviable on the Distribution Franchisee for delay on account of previous payments and shall be computed @18% per annum quarterly compounded on the outstanding amount.

$CARPD_{RW}$ is the Credit available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT permanently disconnected Consumers collected and remitted to DVVNL during this billing cycle and shall be computed as below:

$CARPD_{RW} = 0.2*ARPD_{RW}$

Where **$ARPD_{RW}$** is the amount of arrears on account of permanently disconnected Consumers prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

$CARCL_{RW}$ is the Credit Available to the Distribution Franchisee for incentive on account of arrears from the HT/ LT current live Consumers collected and remitted during this billing cycle and shall be computed as below:

$CARCL_{RW} = 0.1*ARCL_{RW}$

Where **$ARCL_{RW}$** is the amount of arrears on account of HT/ LT current live Consumers, accrued one month prior to the Effective Date collected and remitted by the Distribution Franchisee to DVVNL during this billing cycle.

For better accounting of revenue and computation of incentive payable to the Distribution Franchisee, the consumer bill proposed to be distributed by the Distribution Franchisee shall provided the information to the consumers on arrears in the main bill as (a) arrears before the effective date and (b) arrears after the effective date.

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

7.1.4 Billing for supply of energy in excess of minimum committed level of Energy

DVVNL shall provide energy to DF based on the normal supply hours applicable in the Franchise Area subject to a minimum committed level of energy stated in Article 5.4.1 and any extra energy, if available, with DVVNL shall also be provided to the Franchise Area without any discrimination not exceeding the historical compounded annual growth rate for the 3 years prior to effective date.

DVVNL shall monitor power supply to the DF on weekly basis. If the DF draws energy over and above the increase so allowed on monthly basis, the rate for the additional input energy shall be negotiated between the Distribution Franchisee and DVVNL which shall be based on the applicable Bulk Purchase Rate of DVVNL inclusive of transmission charges and losses plus trading margin subject to a minimum of the Input Rates quoted by the DF for the relevant year as may be amended under the conditions specified in this Supplementary Agreement (SA). The extra charges for additional energy over and above the monthly eligible quantum of energy shall be adjusted on monthly basis in the next billing.

7.1.5 *(New Article)*

Billing for increase in revenue of the Distribution Franchisee on account of increase in tariff and reduction of losses

The Distribution Franchisee, during the contract period, at the end of each Financial Year, shall also pass on to the DVVNL, the additional revenue realized, as computed below, on account of increase in tariff approved by the Hon'ble Commission as proposed by DVVNL for the year 2009-10 and presently under consideration of Hon'ble UPERC with effect from such date as may be notified by UPERC for the implementation of such revised tariff, and after the audit of the same by one of the Big Three Accounting Firms following the process mentioned hereinabove for the purpose, on account of reduction of energy losses and

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

improvement in collection efficiency which shall be based on audited figures :

: *Energy Input for Current Year X [(Audited Revised Average Tariff per unit computed as mentioned above for the purpose of TIR) minus (Rs 3.98 or the audited figure worked out as per Article 2.1.3.4, whichever is lower)] X (AT&C Losses of the Base Year 2008-09 minus AT&C Losses of the Current Year)*

7.2.10 Deleted.

11.4 PERFORMANCE GUARANTEE

Within one week of beginning of each quarter, the amount of the Performance Guarantee shall be upgraded, based on average energy input in previous quarter and applicable Input Energy Rates for the year as per Annexure-4 of the DFA as may be amended under the conditions specified in this Supplementary Agreement (SA). The said input rates shall be indexed as per the Tariff Indexing Ratio, calculated as Ratio of prevailing average tariff for the last quarter and if not available, quarter immediately preceding the preceding quarter (e.g. in the case of April-June quarter, it will normally mean quarter ending March 2009, but if the billing details required for calculation are not available within one week, then the details related to October-December 2008 quarter may be used for upgrading the Performance Guarantee) as applicable to all consumers in the Franchise Area and average tariff as applicable to all consumers in the Franchise Area in the Base Year computed in terms of the provisions of Article 7. Average tariff shall be computed as sum product of total billed units and approved tariff in each consumer category divided by total billed units in all consumer categories. Approved Tariff for this purpose shall mean the tariff and the applicable Fuel Surcharge Adjustment (FSA) approved by UPERC. However, under no circumstances shall the amount of Performance Guarantee be revised downwards."

(द्रुपद-प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

The provisions of this agreement would supercede all the relevant provisions in the DFA dated 18th May, 2009 and in case of any conflict in the provisions, the provisions of this Supplementary Agreement shall prevail.

The parties to the Agreement unanimously agree that this Agreement shall be supplementary to the Distribution Franchise Agreement for urban areas of Agra dated 18th May 2009.

IN WITNESS WHEREOF the Parties have executed these presents through their authorized representatives at Lucknow on the date mentioned hereinabove

For and on behalf of M/s Dakshinanchal Vidyut Vitran Nigam Limited	For and on behalf of M/s Torrent Power Limited
(Drupad Prasad) Managing Director (Signature with Seal) (द्रुपद प्रसाद) प्रबन्ध निदेशक दक्षिणांचल विद्युत वितरण निगम लि.	(Ashok Modi) Executive Director (Signature with Seal)
Witness: (O.P. JAIN)	Witness: (Amarnath Singh)
Witness: (A.K. Singhal)	Witness: (DIPAK THAKKAR)

Annexure A

Methodology for calculation of Average Tariff Rate of Urban Areas of AGRA, Dakshinanchal Vidyut Vitran Nigam Ltd. in terms of Distribution Franchisee Agreement with Torrent Power Limited

In terms of clause no. 2.1.3.4 of the Distribution Franchise Agreement between Dakshinanchal Vidyut Vitaran Nigam Limited (DVVNL) and Torrent Power Limited (TPL), the Average Tariff Rate (ATR) for the financial year i.e. the year 2008-09 is to be calculated. Accordingly a detailed exercise was undertaken by the officials of UPPCL, DVVNL and DF and the following methodology and principles for calculation of ATR during the term of the Agreement have been finalised:

It was decided that the consumption of all the consumers being billed on assessment basis in case of LMV1 shall be taken at 80 units per KW and for LMV 2 at 104 units per KW and tariff also needs to be applied as applicable on this consumption, in accordance with the UPPCL/DVVNL's circular dated 30th November 2002 for LMV1 and 27th November 2004 for LMV2 fixing the norms of 80 units and 104 units per KW respectively.

In case of LMV 1, 2, 4, 5, 6 & 7 with load greater than 25 KW and also in case of HV1 & HV2 consumers' energy charge shall be divided by the applicable tariff to arrive at the KVA units consumed and then appropriate power factor shall be applied to arrive at KWH. The fixed charge / demand charge shall be taken at normal rate for the billed load.

LMV 3, 8, 9 & 10 (all consumers)

For the consumers in LMV 3, 8, 9 and 10 the methodology as mentioned in the Table 1 below shall be followed.

Hence the ATR for these categories shall be calculated as below.

ATR = (Fixed & demand charges as billed + Energy charge as billed)/units billed* (calculated as above as may be applicable)

* In case of LMV 1, units billed shall be taken as 80 units per KW in case of assessed billing but in case of actual reading the actual read units shall be taken. In case of LMV2 the units billed shall be taken as 104 units per KW in case of assessed billing.

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
दक्षिणांचल विद्युत वितरण निगम लि.

The calculations for fixed and demand charges shall be carried out on the basis of sanctioned load while units billed on the basis of energy charges as applicable on a total basis. The totaling shall be done for each category as a whole and slab wise, where applicable, within the categories.

Reversal of the units shall not be considered, with or without the reversal of energy charges i.e. for calculation of ATR the formula Energy charges = (gross units billed x applicable rate per unit) shall be used.

Any billing done to the 'Permanently Disconnected' (PD) consumers after disconnection shall not be considered for the calculation of ATR.

For conversion of kVAh to kWh, the Power Factor (PF) as per the billing data shall be considered. In the cases where no PF is available in the bill, PF of 0.90 (as described in Tariff schedule) shall be considered for converting into KWh.

The table below summarizes the methodology used for calculation of ATR for different tariff categories.

Table 1: Summarized methodology for ATR calculation

Category	Inputs	Formula	Comments
LMV 1	Sanctioned load (in kW) and units billed (in kWh)	Fixed charge (FC_{LMV1}) = (Sanctioned load x rate per kW) Energy charge (EC_{LMV1}) = (Units billed x rate per unit)	This shall be done slab wise, as per tariff order
LMV2	Sanctioned load (in kW) and units billed (in kWh)	(i) Fixed charge (FC_{LMV2}) = (Sanctioned load x rate per kW) Energy charge (EC_{LMV2}) = (Units bille d x rate per unit) *(ii) For consumers where total charge (FC+EC) is less than minimum charge (consumers upto 25 KW):* Total charge (TC_{LMV2}) = (Sanctioned load x minimum charge per kW)	
LMV3	Load of streetlights in kW	Un metered supply: Total charge (TC_{LMV3}) = (Sanctioned load x rate per kW)	Units considered shall be 360 units per kW per month (taking 12 hours of working per day)

(द्रुपद प्रसाद)
प्रबन्ध निदेशक
पश्चिमांचल विद्युत वितरण निगम लि.

Category	Inputs	Formula	Comments
LMV4	Sanctioned load (in kW) and units billed (in kWh)	(i) Fixed charge (FC_{LMV4}) = (Sanctioned load x rate per kW) Energy charge (EC_{LMV4}) = (Units billed x rate per unit) *(ii) For consumers where total charge (FC+EC) is less than minimum charge (consumers upto 25 KW):* Total charge (TC_{LMV5}) = (Sanctioned load x minimum charge per kW)	Rates are different for 4A and 4B and shall be applied appropriately
LMV5	Sanctioned load (in BHP) and units billed (in kWh)	(i) Metered Fixed charge (FC_{LMV5}) = (Sanctioned load x rate per BHP) Energy charge (EC_{LMV5}) = (Units billed x rate per unit) (ii) Unmetered Total Charge = Sanctioned load x Rate per BHP	In case of unmetered consumers the following methodology shall be used for calculation of 'units billed'. Units billed = ((Minimum charge (un-metered) – Fixed charge (metered)) / ((rate per unit (metered))
LMV6	Sanctioned load (in kW) and units billed (in kWh)	Fixed charge (FC_{LMV6}) = (Sanctioned load x rate per kW) Energy charge (EC_{LMV6}) = (Units billed x rate per unit) *For consumers where total charge (FC + EC) is less than minimum charge (consumers upto 25KW):* Total charge (TC_{LMV6}) = (Sanctioned load x minimum charge per kW)	No other rebates/ penalties shall be used for ATR calculation.
LMV7	Sanctioned load (in kW) and units billed (in kWh)	Fixed charge (FC_{LMV7}) = (Sanctioned load x rate per kW) Energy charge (EC_{LMV7}) = (Units billed x rate per unit)	
LMV8	Sanctioned load (in BHP) and units billed (in kWh)	Fixed charge (FC_{LMV8}) = (Sanctioned load x rate per BHP) Energy charge (EC_{LMV8}) = (Units billed x rate per unit)	In case of unmetered consumers the following methodology shall be used for calculation of 'units billed'.

(ধ্রুব ভট্টাচার্য)
প্রধান নির্দেশক
বিদ্যুৎ [illegible]

Category	Inputs	Formula	Comments
			Units billed = [(Minimum charge (un-metered) – Fixed charge (metered)) / [(rate per unit (metered)]
LMV9	Sanctioned load (in kW) and units billed (in kWh)	Fixed charge (FC_{LMV9}) = Actual Fixed charge billed Energy charge (EC_{LMV9}) = Actual Energy charge billed As per applicable tariff	
LMV10	As per Table 2 below	Total Charge (TC_{LMV10}) = Actual amount recovered from employees	
HV1	Energy charge billed and demand charge billed	Demand Charges and Energy Charges As per tariff schedule excluding penalties and rebates listed below	1. No other charges, rebates/ penalties shall be used for ATR calculation. 2. This shall also be applicable for other categories of consumers with sanctioned load of >25kW.
HV2	Energy charge billed and demand charge billed	Demand Charges and Energy Charges As per tariff schedule excluding penalties and rebates listed below	No other charges, rebates/ penalties shall be used for ATR calculation.

ATR = [(∑Fixed charges + ∑Energy charges)/ ∑Units] (for all the categories)

At present there is no consumer in the categories of HV3 and HV4. In case new consumers are added in these categories or if new tariff categories are added by the Hon'ble UPERC the calculation of the ATR will be based on the tariff approved by the UPERC and subject to the methodology and principles as mentioned above, where applicable However, for computation of units in case of minimum charge the units will be computed after deducting the fixed charge and dividing the balance minimum charge by the average tariff.

Wherever the recorded load is more than sanctioned load and the tariff regulations or other Regulations provide for the levy of penal charges, then the revenue considered shall be only the normal charges for the excess load and the penal charges for the excess load shall not be considered for calculation of ATR.

(दुपद प्रसाद)
प्रबन्ध निदेशक
पश्चिमांचल विद्युत वितरण निगम लि०

Except as mentioned elsewhere in the document, only the Fixed and Energy Charges shall be considered and any other charges, both present and future, shall not to be considered for calculation of ATR. The charges currently applicable and shall not be considered in the calculation are as follows:

- AC charges
- Load factor rebate/penalty
- Power factor rebate/penalty
- Capacitor related charges

For calculating the actual average tariff rate, the components like Electricity Duty, Tax on sale of electricity, delayed payment interest, penal rate for theft assessment shall be excluded.

Table 2: Basis for calculation of energy used (LMV10)

Average Tariff Rate of AGRA Urban, Dakshinanchal Vidyut Vitaran Nigam Ltd. For the Base Year 2008-09 in terms of Distribution Franchisee Agreement with Torrent Power Limited

Basis of calculation for energy used by LMV 10 category of consumers (Departmental Employee)

Existing employees

Category of employees	No. of Employees	As Per 2001 Board Order*	Total Units	AC Units	Total
A	665	100	798000		798000
B	515	100	618000		618000
D	82	175	172200		172200
E	32	250	96000	14400	110400
F	48	250	144000	21600	165600
G	9	300	32400	8100	40500
H	47	300	169200	42300	211500
Sub total	**1398**		**2029800**	**86400**	**2116200**
Pensioners					
A	144	100	172800		172800
B	497	100	596400		596400
D	82	175	172200		172200
E	65	250	195000	29250	224250
F	31	250	93000	13950	106950
G	15	300	54000	13500	67500
H	24	300	86400	21600	108000
Sub total	**858**		**1369800**	**78300**	**1448100**
Total	2256		3399600	164700	3564300

AC units are considered taking 1 (one) AC for employees of categories D and E and 2 (two) ACs for Categories F and G.

* Circular No. 2649/CUR/L-1 dated 20th July,2001

(सुधीर अग्रवाल)

प्रबन्ध निदेशक

दक्षिणांचल विद्युत वितरण निगम लि.