

पीएफसी कंसिल्टंग लिमिटेड

(पावर फाइनेंस कॅार्पोरेशन लिमिटेड की पूर्णतःस्वामित्वाधीन सहायक कम्पनी)

PFC CONSULTING LIMITED

(A wholly owned subsidiary of Power Finance Corporation Limited)

CIN U74140DL2008GOI175858

Ref. No. 03/ITP-21/15-16/GPTL/LoI

March 17, 2016

To,

Sh. T. Amarendranath Reddy, Director Sterlite Grid 4 Limited F-1, The Mira Corporate Suite, 1 & 2 Ishwar Nagar, Okhla Crossing, Mathura Nagar, New Delhi-110065. FAX: 011 - 49962288 E-mail: tan.reddy@sterlite.com

Kind Attn.: Sh. T. Amarendranath Reddy, Director

Sub: Independent Transmission Project for "Creation of New 400kV Substations in Gurgaon area and Palwal area as a part of ISTS" – Letter of Intent.

Sir,

We refer to:

- 1) The Request for Proposal document dated December 29, 2015 issued to 'M/s Sterlite Grid 4 Limited' as regards participation in the international competitive bidding process for Transmission Scheme for "Creation of New 400kV Substations in Gurgaon area and Palwal area as a part of ISTS", and as amended till the Bid Deadline including all correspondence / clarifications / amendments exchanged between 'M/s Sterlite Grid 4 Limited' and PFC Consulting Limited in regard thereto (hereinafter collectively referred to as the "Final RFP");
- 2) 'M/s Sterlite Grid 4 Limited' offer by way of a Non-Financial Bid (Envelope 1) pursuant to (1) above submitted on March 07, 2016 in response to the Final RFP.
- 3) 'M/s Sterlite Grid 4 Limited offer, by way of a Financial Bid (Envelope 2) as submitted on March 07, 2016 in response to the Final RFP.
- 4) The Non-Financial Bid as in (2) above and the Financial Bid as in (3) above, hereinafter collectively referred to as the "Bid".

This is to inform you that the process of evaluating bids received pursuant to the Final RfP, including the Bid, has been concluded. We are pleased to inform you that your proposal and offer received by way of the "Bid" has been accepted and 'Sterlite Grid 4 Limited' is hereby declared as the Successful Bidder as per clause 3.4.1.1 of the Final RfP for the above project and consequently, this Letter of Intent (hereinafter referred to as the "Lol") is being issued.

This LoI is based on the Final RFP and you are requested to please comply with the following:

 Acknowledging its issuance and unconditionally accepting its contents and recording "Accepted unconditionally" under the signature of your authorized signatory on each



Page 1 of 6

page of the duplicate copy of this letter attached herewith at the place indicated for the same, and returning the same to PFC Consulting Limited within seven (7) days of the date of issuance of LoI. This LoI is issued to you in duplicate.

b) Completion of various activities as stipulated in the Final RFP including in particular Clause 2.4, Clause 2.5 and Clause 2.6 of the Final RFP, within the timelines as prescribed therein.

It may be noted that PFC Consulting Limited has the rights available to them under the Final RfP, including rights under clause 3.4.1.3 thereof, upon your failure to comply with the aforementioned conditions.

As you are aware, the issuance and contents of this Lol are based on the Bid submitted by you as per the Final RFP including the Transmission charges and other details regarding the Scheduled COD as contained therein. The Quoted Transmission Charges as submitted by you and the Scheduled COD of each transmission Element and the Project as agreed by you in your Bid, as per Annexure 4 and Format-1 of Annexure 6 respectively of the Final RFP is annexed herewith as Schedule A and incorporated herein by way of reference.

Yours sincerely,

For PFC Consulting Limited

(H.K. Das) Sr. Vice President

Enclosures: Schedule A – Quoted Transmission Charges and the Scheduled COD of each Transmission Element and the Project submitted in your Bid, as per Annexure 4 and Format-1 of Annexure 6 respectively of the Final RFP.

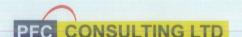


1. Quoted Annual Transmission Charges as per Annexure-4 of the RfP

Year (Term of License)	Commencement Date of Contract Year	End Date of Contract Year	Non-Escalable Transmission Charges (Rs.in Millions)	Escalable Transmission Charges (Rs.in Millions)	
1	11-Jun-19	31-Mar-20	1435.22	14.50	
2	01-Apr-20	31-Mar-21	1435.22		
3	01-Apr-21	31-Mar-22	1401.50	0	
4	01-Apr-22	31-Mar-23	1368.56		
5	01-Apr-23	31-Mar-24	1336.40		
6	01-Apr-24	31-Mar-25	1305.00		
7	01-Apr-25	31-Mar-26	1274.34		
8	01-Apr-26	31-Mar-27	1244.39		
9	01-Apr-27	31-Mar-28	1215.15		
10	01-Apr-28	31-Mar-29	1186.60		
11	01-Apr-29	31-Mar-30	1158.72		
12	01-Apr-30	31-Mar-31	1131.49		
13	01-Apr-31	31-Mar-32	1104.90		
14	01-Apr-32	31-Mar-33	1078.94		
15	01-Apr-33	31-Mar-34	1053.59		
16	01-Apr-34	31-Mar-35	1028.83	V 10 - 10 - 10 - 10 - 10 - 10 - 10 - 10	
17	01-Apr-35	31-Mar-36	1019.00		
18	01-Apr-36	31-Mar-37	1019.00		
19	01-Apr-37	31-Mar-38	1019.00		
20	01-Apr-38	31-Mar-39	1019.00		
21	01-Apr-39	31-Mar-40	1019.00		
22	01-Apr-40	31-Mar-41	1019.00		
23	01-Apr-41	31-Mar-42	1019.00		
24	01-Apr-42	31-Mar-43	1019.00		
25	01-Apr-43	31-Mar-44	1019.00		
26	26 01-Apr-44 31-Mar-45 1019.00				
	27 01-Apr-45 31-Mar-46 10		1019.00		
	28 01-Apr-46 31-Mar-47		1019.00		
29	01-Apr-47 31-Mar-48 1019.00				
30	01-Apr-48	31-Mar-49	1019.00		
31	01-Apr-49	31-Mar-50	1019.00		
32	01-Apr-50	31-Mar-51	1019.00		
33	01-Apr-51	31-Mar-52	1019.00		
34	01-Apr-52	31-Mar-53	1019.00		
35	01-Apr-53	31-Mar-54	1019.00		
36	01-Apr-54				







SCHEDULE - A

	SCHEDULE – A				
Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date	Percentage of Quoted Transmission Charges recoverable on Scheduled COD of the Element of the Project	commissioning of Element(s)	
1	Aligarh- Prithala 400 kV D/c HTLS line	34 months	17.5	Prithala S/s as indicated at Pt. No. 8	
2	Prithala- Kadarpur 400 kV D/c HTLS line		8.5	Prithala & Kadarpur S/s as indicated at Pt. No. 6 & 8 alongwith either Aligarh-Prithala line along with its prerequisite elements or Kadarpur-Sohna Road line along with its prerequisite elements.	
3	Kadarpur-Sohna Road 400 kV D/c HTLS line	38 months	1.3	Kadarpur & Sohna Road S/s as indicated at Pt. No. 6 & 7 alongwith either Prithala – Kadarpur line along with its prerequisite elements or LILO of Gurgaon-Manesar line at Sohna Road along with its prerequisite elements.	
4	LILO of Gurgaon-Manesar 400 kV D/c Quad line at Sohna Road S/s	38 months	0.75	Sohna Road S/s as indicated at Pt. No.7	
5	Neemrana (PG)- Dhanonda (HVPNL) 400 kV D/c HTLS line	34 months	12.55	2 Nos. of 400kV line bays at 400kV Dhanonda (HVPNL) substation	
6	Creation of 400/220 kV, 2X500 MVA GIS Substation at Kadarpur in Gurgaon area along with 1 No. of 125 MVAR Bus Reactor 400 kV bay requirements	34 months		Prithala- Kadarpur 400 kV D/c HTLS line along with its prerequisite elements or Kadarpur- Sohna 400 kV D/c HTLS road line along with its prerequisite elements.	
	Line bays : 4 nos. ICT bays : 2 nos Bus Reactor Bays : 1 no. Bus Reactor (125 MVAR): 1 no.				
	Line bays : 8 nos. ICT bays : 2 nos				
	Provision for Future				



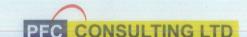




Sr. No.	Name of the Transmission Element Expansion	Scheduled COD in months from Effective Date	Percentage of Quoted Transmission Charges recoverable on Scheduled COD of the Element of the Project	commissioning of Element(s)
	i) 2x500 MVA 400/220 kV ICTs ii) 4 Nos. of 400 kV line bays iii) 2 Nos. of ICT Bays at 400 kV side iv) 8 Nos. of 220 kV line bays v) 2 Nos. of ICT Bays at 220 kV side			
7	Creation of 400/220 kV, 2X500 MVA GIS substation at Sohna Road in Gurgaon area along with 1 No. of 125 MVAR Bus Reactor 400 kV bay requirements Line bays : 6 nos. ICT bays : 2 nos Bus Reactor Bays : 1 no. Bus Reactor (125 MVAR): 1 no. 220 kV bay requirements	38 months	20.0	either Kadarpur-Sohna Road 400 kV D/c HTLS line along with its prerequisite elements or LILO of Gurgaon-Manesar 400 kV D/c line at Sohna Road S/s.
	Line bays : 8 nos. ICT bays : 2 nos Provision for Future Expansion i) 2x500 MVA 400/220 kV ICTs ii) 4 Nos. of 400 kV line bays iii) 2 Nos. of ICT Bays at 400 kV side iv) 8 Nos. of 220 kV line bays v) 2 Nos. of ICT Bays at 220 kV side			
	Creation of 400/220 kV, 2X500 MVA GIS substation at Prithala in Palwal area along with 1 No. of 125 MVAR Bus Reactor 400 kV bay requirements	34 months	19.3	Aligarh- Prithala 400 kV D/o HTLS line along with its prerequisite elements of Prithala- Kadarpur 400 kV D/o HTLS line along with its prerequisite elements.







Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date	Percentage of Quoted Transmission Charges recoverable on Scheduled COD of the Element of the Project	commissioning of Element(s)
	Line bays : 4 nos. ICT bays : 2 nos Bus Reactor Bays : 1 no. Bus Reactor (125 MVAR): 1 no. 220 kV bay requirements Line bays : 8 nos. ICT bays : 2 nos Provision for Future Expansion			
	i) 2x500 MVA 400/220 kV ICTs ii) 4 Nos. of 400 kV line bays iii) 2 Nos. of ICT Bays at 400 kV side iv) 8 Nos. of 220 kV line bays v) 2 Nos. of ICT Bays at 220 kV side			
9	2 Nos. of 400kV line bays at 400kV Dhonanda (HVPNL) substation		0.8	Neemrana (PG)- Dhonanda (HVPNL) 400 kV D/c HTLS line

Scheduled COD for the Project: 38 months from Effective Date

CC:

- (1) Chairman and Managing Director, Power Finance Corporation, "Urjanidhi", 1, Barakhamba Lane, Connaught Lane, New Delhi 110 001.
- (2) Joint Secretary (Transmission), Ministry of Power, Shram Shakti Bhawan, Rafi Marg, New Delhi- 110001.
- (3) Member Secretary, Empowered Committee / Chairperson, Central Electricity Authority, Sewa Bhawan, R.K. Puram, New Delhi 110 066.
- (4) Secretary, Central Electricity Regulatory Commission, 3rd & 4th Floor, Chanderlok Building, 36, Janpath, New Delhi 110 001.
- (5) CEO, PFC Consulting Limited, First Floor, "Urjanidhi", 1, Barakhamba Lane, Connaught Lane, New Delhi 110 001.





