



JSWEKL/KUTEHR/TRANSMISSION-LINE/2022/-4896  
8<sup>th</sup> March 2022

To

The Divisional Forest Officer  
Forest Division, Bharmour  
Distt: Chamba (HP)

**Sub: Diversion of 3.7904 Ha of forest Land in favor of JSW Energy (Kutehr) Ltd, for construction of 400 kV D/C Transmission Line from Tower 8 of Lahal Rajera Line to pothead yard of Kutehr HEP, under the Jurisdiction of Bharmour Forest Division, Bharmour, HP.-Proposal No: FP/HP/TRANS/130156/2021 dated 13/3/2021**

**Ref: Letter No: FC/HPB/04/02/2022 dated 10/2/2022 from Integrated Regional Office, MOEF, Shimla.**

Dear Sir,

This is regarding the observations raised by RO, MOEF vide above referred letter, marked to end user by DFO Office Bharmour on 19/2/2022. The clarifications pertaining to end user are detailed in Annexure-1 and are hereby submitted to you for further necessary action from your end.

Thanking You

Yours faithfully,  
For JSW Energy (Kutehr) Ltd

[M Y Eswarappa]  
Associate Vice President

**Annexure-1**

<b>Queries Raised by the MOEF &amp;CC Shimla</b>	<b>Reply</b>
1. State Govt. may provide the FRA certificate in prescribed format along with all annexures and a copy of records of all the consultation and meetings of FRC(s)/Gram Sabha(s) of villages Khani and Ulhansa before the final approval and same may be uploaded on PARIVESH portal.	The FRA certificate in prescribed format shall be submitted before the final approval. An undertaking in this regard is attached as Annexure-A
2. KML file shows that there is no difference between proposed and alternative sites, because the name of the alignments is simply written as Blue route, Pink route and Red route only. Therefore, State Govt. may review and revise the same accordingly clearly indicating the final and alternative alignments.	The alternative sites explored has been marked in the KML Separately as a) Alternative Route 1, b) Alternate Route 2, c) Proposed route & d) External Line
3. Proposal name / the title of the project is missing in most of the documents. Therefore, State Govt. may review and do the needful accordingly.	Needful done
4. Part-1, Para-j(i) mentioned 'NO'. However, it seems that it should be 'YES' ,Therefore State Govt. may review the designated column and revise it accordingly, if applicable.	Corrected the same in Part I
5. As per Part-II, Para -8, there are important wildlife especially Cheer Pheasant present in and around of the forest land proposed for diversion. Therefore, State Govt. may provide the comments regarding adverse impact on the habitat of this kind of species, and safety measures to be adopted for protection and conservation for the same.	Pertains to DFO wildlife Chamba.
6. State Govt. may mention the scientific name of the species in appropriate column, Part-II, on PARIVESH portal.	Pertains to DFO Office Bharmour.
7. State Govt. may provide the enumeration list of trees falling under Row separately which is to be felled, not to be felled or lopped.	The list of trees to be felled and not to be felled are listed and attached as Annexure-B
8. The list of beneficiary villages is not provided with the proposal .Therefore, State Govt. may provide the name of the beneficiary villages with their populations and village census code and same may also be marked on KML.	The details of beneficiary Villages have been provided in Annexure-C. KML file attached with beneficiary villages and population marked.



9. State Govt. may review and revise the NPV calculation sheet in accordance with the MoEF & CC memorandum dated 6.2.2022.	Pertains to DFO Office, Bharmour
10. As per DSS analysis report, it is found that 1 hac area of patch no.1 out of 3.02 hac is falling under very Dense Forest (VDF) category and 4.57 hac area of patch no.2 is overlapping with the proposal no. FP/HP/Trans/14716/2015. Therefore, State Govt. may review and replace the same with some other suitable area for CA having density less than 0.4 and upload all the revised documents like digital map, Sol map and KML file as well land suitable certificate on PARIVESH portal.	New CA site has been proposed by RO Bharmour/ RO Sawai at DPF Garima with a total area of 7.6 Ha. Digital Map and toppo sheets attached as Annexure D & E. All related checklists to be revised and uploaded at Part II by DFO office, Bharmour.
11. State Govt. may provide the Administrative Approval letter issued by the competent authority pertain to the proposed project.	Allotment letter & Pre-implementation Agreement attached herewith Annexure-F
12. The document of CA scheme uploaded in Part-II, Para 13(ii), is mismatching with the document uploaded in Part-II, Para-16. Therefore, State Govt. may review and rectify the same on PARIVESH portal.	Pertains to DFO Office, Bharmour.
13. The area of the District Chamba is mentioned in Part-II, Para 14, does not seems correct. State Govt. may review and rectify the same.	Pertains to DFO Office, Bharmour.




**Full Title of the Project: -Construction of LILO from 400kV D/C Transmission Line  
Lahal to Rajera Tower No 8 to Pothead Yard for  
Evacuation of Power of JSW ENERGY (KUTEHR) LTD  
KUTEHR HEP 3 x 80 MW Vill. Machhettar Post Chanhouta  
Tehsil Bharmour Distt. Chamba (H.P)**

File No: FP/HP/TRANS/130156/2021

Date of Proposal: 13/03/2021

**UNDERTAKING FRA**

**I, M Y Eswarappa, Associate Vice President JSW Energy (Kutehr) Ltd. Village  
Machhettar, Post Chanhouta Teh. Bharmour Distt. Chamba 176309 hereby  
undertake to obtain & supply the certificate regarding settlement of Forest Rights  
in r/o scheduled tribes and forest dwellers as per FRA 2006 from Deputy  
Commissioner Chamba before 2<sup>nd</sup> stage approval of forest clearance.**

Date: 7/3/2022

Place: Garola



M Y Eswarappa

Associate Vice President

JSW Energy (Kutehr) Ltd. Village

Machhettar Post Chanhouta Teh.

Bharmour Distt. Chamba 176309

**Full Title of the Project** :- Construction of LILO from 400 kV D/C Transmission line Lahal to Rajera at Tower 8 to Pothead yard for evacuation of power of JSW ENERGY (KUTEHR) LTD KUTEHR HEP3 X 80 MW Vill. Machhettar Post Chanhouta, Teh. Bharmour, Distt. Chamba. (HP)

**File No** :- FP/HP/TRANS/130156/2021

**Date** :- 13/3/2021

**ENUMERATION LIST OF TREES, CLASSIFIED UNDER 'TO BE FELLED / NOT TO BE FELLED' COMING IN THE CONSTRUCTION OF 400 KV D/C TRANSMISSION LINE FROM TOWER 8 OF LAHAL RAJERA LINE TO POTYARD OF KUTEHR HEP**

**DPF : ARKI CI & JAROLA**

**ABSTRACT**

Sr.No	Species		Classification								
		To be felled/Not to be felled	V	IV	III	IIA	IIB	IA	IB	IC	Total
1	Chil	To be felled	9	24	13	1	0	0	0	0	47
		Not to be felled	0	0	0	0	0	0	0	0	0
2	Kahu	To be felled	9	8	0	2	0	0	0	0	19
		Not to be felled	0	0	0	0	0	0	0	0	0
3	Ban	To be felled	5	3	2	0	0	0	0	0	10
		Not to be felled	0	0	0	0	0	0	0	0	0
4	Mandur	To be felled	0	0	1	0	0	0	0	0	1
		Not to be felled	0	0	0	0	0	0	0	0	0
Sub Total		To be felled	23	35	16	3	0	0	0	0	77
		Not to be felled	0	0	0	0	0	0	0	0	0

NOTE: DPF WISE BREAK UP IN FOLLOWING PAGES

FOREST RANGE OFFICER,  
SWAI

FOREST RANGE OFFICER  
BHARMOUR

DIVISIONAL FOREST OFFICER  
BHARMOUR

**Full Title of the Project** :- Construction of LILO from 400 kV D/C Transmission line Lahal to Rajera at Tower 8 to Pothead yard for evacuation of power of JSW ENERGY (KUTEHR) LTD KUTEHR HEP3 X 80 MW Vill. Machhettar Post Chanhouta, Teh. Bharmour, Distt. Chamba. (HP)

**File No** :- FP/HP/TRANS/130156/2021

**Date** :- 13/3/2021

**ENUMERATION LIST OF TREES, CLASSIFIED UNDER 'TO BE FELLED / NOT TO BE FELLED' COMING IN THE CONSTRUCTION OF 400 KV D/C TRANSMISSION LINE FROM TOWER 8 OF LAHAL RAJERA LINE TO POTYARD OF KUTEHR HEP IN ULHANSA BEAT, GAROLA FOREST BLOCK, SAWAI FOREST RANGE IN JAOROLA DPF**

**DPF** : JAROLA

**FOREST RANGE** : SWAI

**FOREST BLOCK** : GAROLA

**BEAT** : ULHANSA

Sr.No	Species		Classification								
		To be felled/Not to be felled	V	IV	III	IIA	IIB	IA	IB	IC	Total
1	Kahu	To be felled	9	8	0	2	0	0	0	0	19
		Not to be felled	0	0	0	0	0	0	0	0	0
2	Ban	To be felled	5	3	2	0	0	0	0	0	10
		Not to be felled	0	0	0	0	0	0	0	0	0
3	Mandur	To be felled	0	0	1	0	0	0	0	0	1
		Not to be felled	0	0	0	0	0	0	0	0	0
Sub Total		To be felled	14	11	3	2	0	0	0	0	30
		Not to be felled	0	0	0	0	0	0	0	0	0

FOREST RANGE OFFICER,

SWAI  
OFFICER

DIVISIONAL FOREST

BHARMOUR

**Full Title of the Project** :- Construction of LILO from 400 kV D/C Transmission line Lahal to Rajera at Tower 8 to Pothead yard for evacuation of power of JSW ENERGY (KUTEHR) LTD KUTEHR HEP3 X 80 MW Vill. Machhettar Post Chanhouta, Teh. Bharmour, Distt. Chamba. (HP)

**File No** :- FP/HP/TRANS/130156/2021

**Date** :- 13/3/2021

**ENUMERATION LIST OF TREES, CLASSIFIED UNDER 'TO BE FELLED / NOT TO BE FELLED' COMING IN THE CONSTRUCTION OF 400 KV D/C TRANSMISSION LINE FROM TOWER 8 OF LAHAL RAJERA LINE TO POTYARD OF KUTEHR HEP IN ARKI BEAT, BHARMOUR FOREST BLOCK, BHARMOUR FOREST RANGE IN ARKI CI DPF**

**DPF** : ARKI CI

**FOREST RANGE** : BHARMOUR

**FOREST BLOCK** : BHARMOUR

**BEAT** : ARKI

Sr.No	Species		Classification								Total
			V	IV	III	IIA	IIB	IA	IB	IC	
1	Chil	To be felled/Not to be felled									
		To be felled	9	24	13	1	0	0	0	0	47
		Not to be felled	0	0	0	0	0	0	0	0	0
Sub Total		To be felled	9	24	13	1	0	0	0	0	47
		Not to be felled	0	0	0	0	0	0	0	0	0

FOREST RANGE OFFICER,

BHARMOUR  
OFFICER

DIVISIONAL

FOREST

BHARMOUR

File No :- EP/HP/TRANS/130156/2021

Date of Proposal :- 13/3/2021

Name of Work/ Proposal:- Construction of LILO from 400KV D/C Transmission line Lahal to Rajera at Tower no 8 to Pot Head yard for Evacuation of Power of JSW ENERGY (KUTEHR)LTD KUTEHR HEP 3X80 MW Vill. Machhettar Post Chanhota Teh. Bharmour Distt. Chamba. (H.P.)

## DETAIL OF TOTAL POPULATION BENEFITED

Sr. No	Village Code	Village	Population
1	008200	Khani	3516
2	000301	Ulanza	2452

*Benu Ram*  
ग्रामीण रजिस्टर अधिकारी  
1/पटवार वृत्त मखौली  
तह. भरमौर जिला चम्बा (हि.प्र.)

*[Signature]*  
Secretary  
15/03/2021  
Gram Panchayat Khani,  
Dev. Block Bharmour

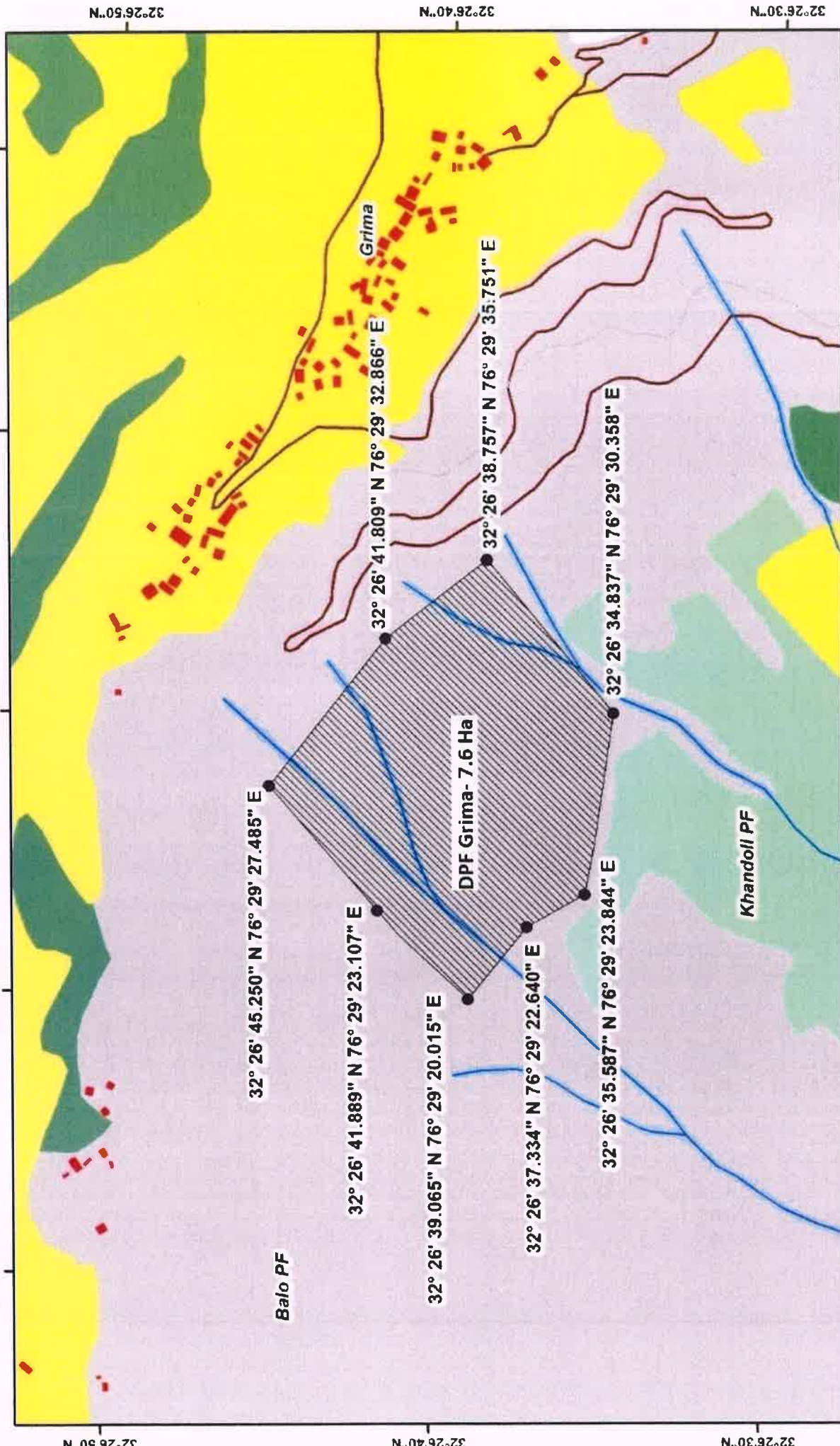
*[Signature]*  
पटवारी  
पटवार वृत्त गरोला  
उप तह. होली, जिला चम्बा

*[Signature]*  
15/03/21  
Gram Panchayat Ulanza  
Teh. Bharmour Distt. Chamba



Land Use Cover Map of Proposed CA Site (Area = 7.6 Hac. for Construction of LLO from 400KV D/C Transmission line Lahal to Rajera at Tower no 8 to Pot Head yard for Evacuation of Power of JSW ENERGY (KUTEHR)LTD KUTEHR HEP 3X80 MW Vill. Machhettar Post Chanhota Teh. Bharmour Distt. Chamba. (H.P.)

Amesun D



### Legend

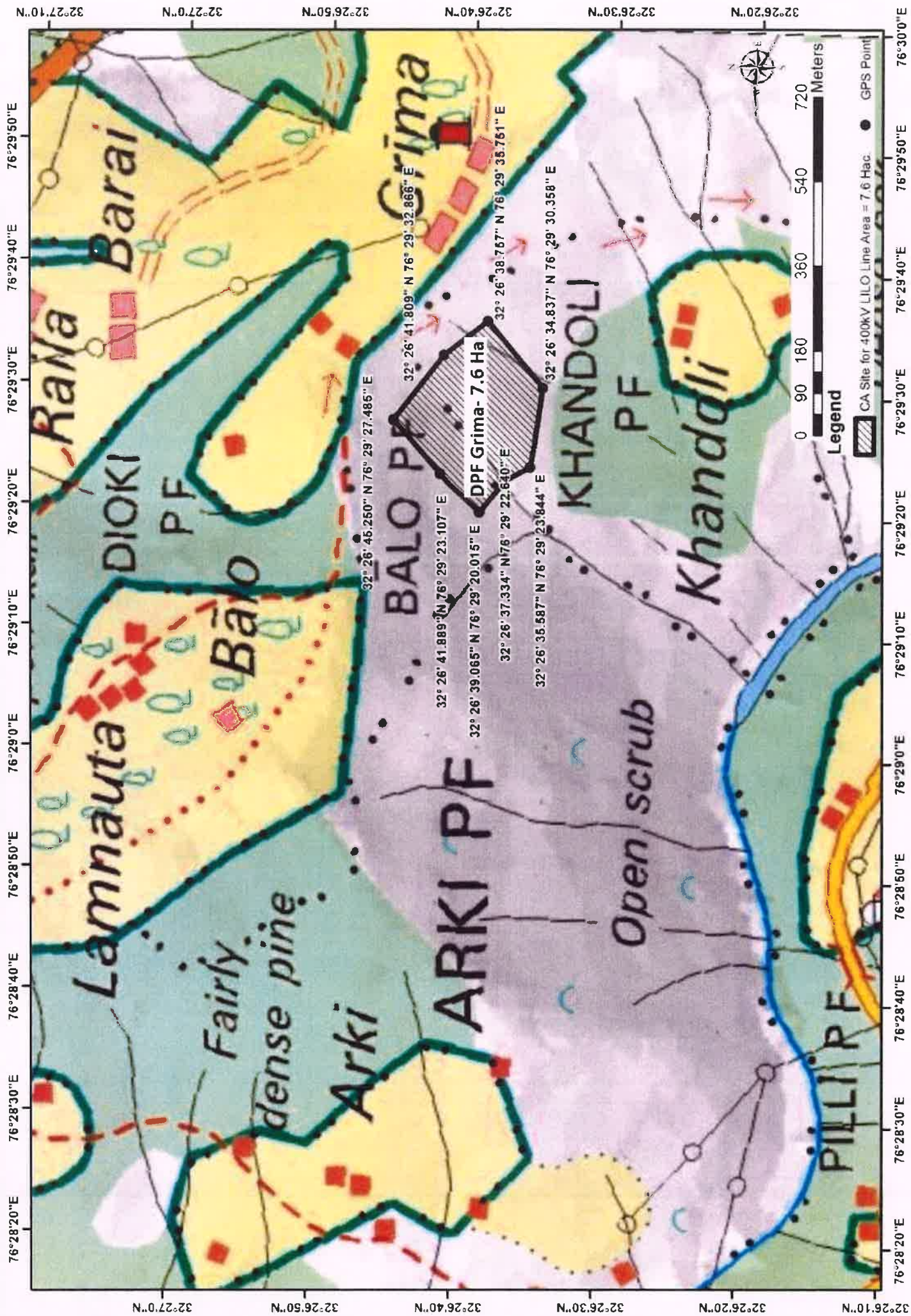
- Builtup Area
- CA Site for 400kV LLO Line Area = 7.6 Hac.
- Green Cover
- scattered Trees
- Open / Waste / Grass Land
- Shrubs
- Agriculture / Horticulture
- Water Tank
- Existing Road
- Footpath
- Drainage
- GPS Point





Topographic Map of Proposed CA Site (Area = 7.6 Hac. for Construction of LIO from 400KV D/C Transmission line Lahal to Rajera at Tower no 8 to Pot Head yard for Evacuation of Power of JSW ENERGY (KUTEHR) LTD KUTEHR HEP 3X80 MW Vill. Machhettar Post Chanhota Teh. Bharmour Distt. Chamba. (H.P.)

Annexure E



Annexure - F  
SPEED POST  
TIME BOUND

144  
No.MPP-F(2)-6/2006  
Government of Himachal Pradesh,  
Department of MPP & Power

From

The Additional Chief Secretary(Power) to the  
Government of Himachal Pradesh.

To

M/s JSW Energy Limited,  
UGF, NBCC Tower,  
15, Bhikaji Cama Place,  
New Delhi-110066  
(FAX No. 011-26105680)

Dated, Shimla-2

28<sup>th</sup> July, 2007

Subject Your bid for Kutehr (260 MW) HEP—allotment thereof.  
Sir,

I am directed to refer to the subject cited above and to say that it has been decided to allot Kutehr (260 MW) HEP to you subject to the condition that the payment of 50% amount of upfront premium as first instalment i.e. Rs.67,60,12,870/- (Rupees Sixty Seven Crore Sixty Lakh Twelve Thousand Eight Hundred and Seventy only) to be made in the shape of Demand Draft in favour of Additional Chief Secretary (Power) to the Government of Himachal Pradesh payable at Shimla or through Challan in Himachal Pradesh Government Treasury in the following Head of Accounts:-

8223—Development and welfare fund.

00--

110---Electricity development fund.

00--

The aforementioned amount shall be deposited before 30<sup>th</sup> August, 2007 failing which the allotment of the Project shall stand lapsed.

You are, therefore, requested kindly to take immediate steps to deposit the upfront premium within the stipulated period.

This may be given TOP PRIORITY please.

Yours faithfully,

Joint Secretary (Power) to the  
Government of Himachal Pradesh.

28<sup>th</sup> July, 2007.

Endst. No. As above. Dated, Shimla-2

Copy is forwarded to the Chairman, HP State Electricity Board, Shimla-171004 for information please.

Joint Secretary (Power) to the  
Government of Himachal Pradesh.





भारत प्रदेश HIMACHAL PRADESH

### PRE-IMPLEMENTATION AGREEMENT

**PRE-IMPLEMENTATION AGREEMENT BETWEEN GOVERNMENT OF HIMACHAL PRADESH AND M/S JSW ENERGY LIMITED FOR THE INVESTIGATION AND IMPLEMENTATION OF KUTEHR HYDRO-ELECTRIC PROJECT (260 MW) IN HIMACHAL PRADESH.**

This PRE IMPLEMENTATION AGREEMENT entered into on this 1st day of March in the year Two Thousand and Eight between the Governor of Himachal Pradesh through **Ajay Mittal**, Principal Secretary, Department of Multipurpose Projects and Power (MPP&Power) to the Government of Himachal Pradesh having its office at Civil Secretariat, Shimla-171002 which expression, unless repugnant to the context or meaning thereof, shall include its successor(s), administrator(s) or permitted assigns) of the FIRST PART( hereinafter referred to as the "First Party").

AND

M/s. **JSW Energy Limited**, a generating Company within the meaning of section 2(28) of the Electricity Act, 2003 having its registered office at Jindal Mansion, 5A Dr. G. Deshmukh Marg, Mumbai 400 026, which expression shall, unless repugnant to the context or meaning thereof, include its successor(s), administrator(s), and permitted assigns) through **Sattiraju Seshagiri Rao** Jt. Managing Director who has been duly authorized by the Company vide their resolution dated 31<sup>st</sup> July, 2007 to execute this Pre Implementation Agreement, of the SECOND PART(hereinafter referred to as the "Second Party").





हिमाचल प्रदेश HIMACHAL PRADESH

01AA 925970


WHEREAS the First Party has decided in line with the policy guidelines of the Government of India (GOI), to allow power generation in the Private Sector and has invited proposals for private investments in such Projects, interalia Kutehr HE Project in Chamba District (Himachal Pradesh) of the capacity of 260 MW; (hereinafter referred to as the "Project"); and

WHEREAS the Second Party is desirous of setting up Kutehr Hydro Electric Project (260 MW) in District Chamba (Himachal Pradesh on river Ravi, and

WHEREAS the First Party has allotted in Kutehr HE Project to the Second Party for investigations and implementation of the said Project and are desirous of reducing in writing the terms and conditions of the said Understanding.

NOW THIS PRE IMPLEMENTATION AGREEMENT BETWEEN THE PARTIES HERETO WITNESSETH AS FOLLOWS:



  
Pr. Secretary (Power) to the  
Govt. of Himachal Pradesh,  
Shimla-171002



1. The Second Party is desirous of and has submitted its proposal to the First Party for investigations and implementation of the proposed Kutehr Hydro Electric Power Project (260 MW) in Chamba District of Himachal Pradesh.
2. The First Party has accepted the proposal of the Second Party and has agreed, in principle, to allow them to investigate the Project subject to fulfillment of terms and conditions of this Pre-Implementation Agreement by the Second Party.
3. Following milestones shall be achieved by the Second Party failing which consequential action as mentioned will be taken by the First Party. The Second Party shall be required to submit monthly progress report to the First Party. At the end of each quarter the Second Party shall be required to submit a quarterly report to the First Party. The First Party will be at liberty to cancel the Pre Implementation Agreement, after affording due opportunity to the Second Party in case the First Party is not satisfied about the progress made by the Company.

S.No	Milestones	Time Period		Consequential Action.
		For Projects where DPR/PFR ready.	For Projects where the Feasibilities is to be ascertained by the IPP.	
1.	2.	3.	4.	5.
1.	Upfront Premium	50% at the time of allotment of project, 25% at the time of signing of Implementation Agreement and remaining 25% immediately at the time of Financial Closure.	50% at the time of allotment of project, 25% at the time of signing of Implementation Agreement and remaining 25% immediately at the time of Financial Closure.	—



Pr. Secretary (Power) to the  
Govt. of Himachal Pradesh,  
Shimla-171002



2.	A Compendium giving details of hydrological data/observations	One year from the date of signing of Pre Implementation Agreement.	One year from the date of signing of Pre Implementation Agreement	Cancellation of the Pre Implementation Agreement and forfeiture of Upfront Premium deposited.
3.	Topographical sheets prepared after conducting surveys.	One year from the date of signing of Pre Implementation Agreement	One year from the date of signing of Pre Implementation Agreement	-do-
4.	A Compendium giving details of Geological/Geophysical observations.	One year from the date of signing of Pre Implementation Agreement	One year from the date of signing of Pre Implementation Agreement	-do-
5.	Conveyance of Feasibility/Non-feasibility of the Project.	-	One year from the date of signing of Pre Implementation Agreement .	-do-
6.	A report on the Power Evacuation Arrangement envisaged by the Second Party.	One year from the date of signing of Pre Implementation Agreement	One year from the date of signing of Pre Implementation Agreement .	-do-
7.	Submission of Detailed Project Report.	24 months from the date of signing of Pre Implementation Agreement.	30 months from the date of signing of Pre Implementation Agreement	-do-
8.	Signing of the Implementation Agreement with the First Party.	36 months (30 months for Projects where DPR is prepared by HPSEB & is ready) after the date of signing of Pre	42 months after the date of signing of Pre Implementation Agreement.	Cancellation of the allotment of the Project and forfeiture of Upfront Premium deposited.



4  
Pr. Secretary (Power) to the  
Govt. of Himachal Pradesh,  
Shimla-171002



		Implementation Agreement.		
9.	Submission of necessary inputs for obtaining TEC proposal (s) for obtaining other statutory/non-statutory clearances (Diversion of Forest Land. Environmental & Forest Clearance. Pollution Clearance) and Acquisition of Land by the Second Party to the First Party.	Within 8 months from the date the IA is signed.	Within 8 months from the date the IA is signed	Termination of Implementation Agreement and forfeiture of Security Deposit/ Upfront Premium deposited.
10.	To obtain required sanctions/ approvals/clearances to the proposals submitted by the Second Party as per Sl. No.9 above.	Within 10 months from the date of submission of proposal(s) by the Second Party.	Within 10 months from the date of submission of proposal(s) by the Second Party.	Extension of prescribed period in the Pre-Implementation Agreement subject to deposit of prescribed Extension fees of Rs.10,000/- per MW per month subject to a maximum of Rs.1.00 Crore.
11.	Achieving Financial Closure, signing of PPA, establishment of site office etc. and start of construction work	Within 24 months from the date of signing of the IA or six months of obtaining the approvals/cleara	Within 24 months from the date of signing of the IA or six months of obtaining the approvals/cleara	Termination of the IA in case the construction work on the Project is not started and forfeiture of Security Deposit /



*[Signature]*  
Pr. Secretary (Power) to the  
Govt. of Himachal Pradesh,  
Shimla-171002





	on the Project.	nces mentioned at 10 above whichever is earlier.	nces mentioned at 10 above whichever is earlier.	Upfront Premium.
12.	Project commissioning (scheduled Commercial Operation Date of the Project)	As per Techno-economic Clearance of the DPR.	As per Techno-economic Clearance of the DPR.	Disincentive as per Clause stipulated in the IA.
13.	Handing over of the Project to the First Party free of cost.	The date falling 40 years after the Scheduled Commercial Operation Date of the Project.	The date falling 40 years after the Scheduled Commercial Operation Date of the Project.	Action as deemed fit.

4. In case of failure of the Second Party to adhere to the benchmarks as per Pre-Implementation Agreement resulting in extension of time, the extension fees specified shall be made payable to the Principal Secretary (Power), to the Government of Himachal Pradesh and deposited in the accounts of First Party. In case of breach of any provision/Clause of this Pre-Implementation Agreement, or any part thereof, the amount paid on account of up front premium at the time of allotment of the Project shall be liable to be forfeited by the First Party.
5. Second Party agrees to deposit Upfront Premium at the rate of Rs.10.00 lacs per MW + Upfront Premium as quoted, out of which 50% amount amounting to Rs. 67,60,12,870/- (Rupees Sixty Seven Crores Sixty Lacs Twelve Thousand Eight Hundred Seventy Only) has been deposited by the Second Party and the Second Party agrees to deposit the remaining amount of Upfront Premium in two installments i.e. 25% at the time of signing of Implementation Agreement and remaining 25% immediately after the Financial Closure. The upfront premium shall not form part of the project cost in the DPR and financial closure, which shall be borne by the Second Party out of the financial strength of the Second Party.



*[Signature]*  
Pr. Secretary (Power) to the  
Govt. of Himachal Pradesh  
Shimla-171002



## 6. Essential documents:-

(a) In those streams & rivers where Small Hydro Electric Projects have been identified either by the IPPs or State, Government shall obtain clearances from the concerned departments like Wild Life stating that the project area is outside the Wild Life Park, Sanctuaries, Zoos etc., from I&PH & Revenue department(s) stating that the proposed projects(s) does not infringe with the drinking and irrigation rights of the local inhabitants and of the ownership of traditional water mills i.e. Gharats, approval under the Himachal Pradesh Transfer of Land (Regulation) Act, 1968 in tribal areas, consent from the Gram Panchayat through Panchayat Secretary within one month's time. In case no communication is received from the concerned Gram Panchayat including that of tribal areas within the stipulated period, it will be presumed that they have no objection in giving consent to such a proposal. Administrative Department shall monitor the progress of such reports in a time bound manner.

(b) The Second Party shall give an undertaking to the Fisheries Department of the local area that wherever feasible, rearing of fish shall be promoted by the IPP in consultation with the Fisheries Department in the project area at the time of final implementation of the project.

(c) In case of bonafide Himachali Promoter Directors/cooperatives, a proof thereof shall be furnished to First Party.

## 7. Within one year of signing of Pre-Implementation Agreement the Second Party shall furnish to the Government the following:-

(i) A Compendium giving details of hydrological data/observation.

(ii) Topographical sheets prepared after conducting surveys.

(iii) A Compendium giving details of Geological/Geophysical observations.

(iv) A report on the Power Evacuation Arrangement envisaged by the Second Party.



*[Signature]*  
Pr. Secretary (Power) to the  
Govt. of Himachal Pradesh,  
Shimla-171002



In case the Second Party is not able to furnish the above documents within the stipulated period, the First Party will be at a liberty to cancel the Pre-Implementation Agreement after affording due opportunity to the Second Party. No compensation whatsoever shall be payable by the First Party in this regard. The Upfront Premium deposited by the Second Party shall also be liable for forfeiture.

8. The Second Party shall carry out the techno-economic studies of the Project and submit a Detailed Project Report (hereinafter called the "DPR") to the First Party within a period of Twenty-four (24) months for Projects where PFR/DPR prepared by HPSEB is available or Thirty (30) months for the Projects where the feasibility is to be ascertained by the Second Party, from the date of signing of this Pre- Implementation Agreement failing which the First Party will be at a liberty to cancel this Pre- Implementation Agreement after affording due opportunity to the Second Party. No compensation whatsoever shall be payable by the First Party in this regard. The Upfront Premium deposited by the Second Party shall be forfeited.
9. In case of the delay being unavoidable, to the satisfaction of the First Party, the Second Party may be granted an extension up to maximum of six months for the submission of the DPR upon payment of fees of Rs.10,000/- (Rupees Ten thousand) per MW per month subject to a maximum of Rs. 1.00 crore.
10. The Second Party shall carry out the requisite detailed investigations and identify the transmission system for evacuation of power from the Project in consultation with the First Party/Himachal Pradesh State Electricity Board (HPSEB) keeping in view, the integrated system requirement, which shall form a part of the Project.
11. The Second Party shall make arrangements for evacuation of power from the Project to the Board's/ PGCIL's sub station (designated as Interconnection Point) as per the provisions in the DPR. For evacuation of power beyond the interconnection point, the Second Party shall tie up with HPSEB/PGCIL for arrangements of a suitable integrated transmission system at mutually agreed Wheeling Charges.



*[Signature]*  
Pr. Secretary (Power) to the  
Govt. of Himachal Pradesh  
Shimla-171007



12. Subject to the First Party and the Second Party having satisfied themselves about the techno-economic feasibility of the Project, an Implementation Agreement shall be signed between the First Party and the Second Party within a period of Thirty six (36) months for Projects where PFR/DPR prepared by HPSEB is available or forty-two (42) months for Projects where feasibility of the Project is to be ascertained by the IPPs, from the date of signing of Pre-Implementation Agreement for the Project. The Company will have to deposit a Security Deposit of sum of Indian Rupees equivalent to Rupees One Lac (Rs. 1,00,000) per MW of installed capacity as cash/Bank Draft within one month of signing the Implementation Agreement with the First Party.
13. The Agreement shall remain in force upto a period of 40 years from the Scheduled Commercial Operation Date of the project, thereafter, the project shall revert to the First Party free of cost and free from all encumbrances. The project assets would be maintained by the Second Party in a condition that would ensure a residual life of the Project at the rated capacity for at least 30 years at any point of time. During the 10<sup>th</sup>, 20<sup>th</sup>, 30<sup>th</sup> & 35<sup>th</sup> years of operations. The First Party or one of its appointed agencies would carry out a mandatory inspection of the project site to ensure that the project assets are maintained to the required standards to ensure the specified generation capability and residual life of the project.
- If such inspections find that the project capacity and/or life are being undermined by inadequate maintenance, the First Party will be entitled to seek remedial measures from the Second Party. If the Second Party fails to comply with the requirement, the First Party will have the right to take over the commercial operation of the project and shall have full right upon the sale of power including Second Party share. The cost on account of suggestive remedial measures shall be deducted including the operation & maintenance cost for such a period till the project's assets are restored to the required standards to ensure the specified generation capability and residual life of the project as specified above. Thereafter, the project shall be handed over to the Second Party.
14. The validity of this Pre-Implementation Agreement shall be up to a period of maximum of 36 months from the date of signing of Pre Implementation Agreement. In the event, the Project is not found viable by the Second Party after the submission of DPR and the First Party is satisfied that the Second Party has sufficient ground to establish that the Project is not



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techno-economically viable, the Company will be permitted to withdraw from the Project without any compensation or liability of First Party for the expenditure incurred by the Second Party before the expiry of this period. 50% of the upfront premium deposited at the time of allotment of project shall be refunded without any interest. This will ensure the balance 50% of the upfront premium shall be forfeited by the First Party. This will ensure the commitment of the Second Party towards the execution of the project and loss of time for the revenues which could have otherwise accrued.

15. The Second Party agrees to carry out the investigations of the Project keeping in view all stipulated quality control measures as well as safety standards as per prudent utility practices. The Second Party shall allow access to the authorized representative(s) of the First Party to all the locations of the Project to ensure compliance in this respect.
16. The First Party agrees to provide to the Second Party, at its request the copies of all available documents, data, information, reports relating to the Project including copies of all investigations and studies carried out since the inception of the Project to enable them to use this information in the best interest of the implementation of the Project. The Government further agrees to render all possible assistance to facilitate the Second Party in obtaining necessary statutory clearances from the concerned authorities.
17. The Second Party shall be free to dispose of power from the Project(s), after allowing for royalty in the shape of free power to the First Party in any manner they like in accordance with the provisions contained in the Electricity Act, 2003 and the Rules & Regulations made there-under.
18. The Second Party shall provide royalty in the shape of free power from the Project to the First Party in lieu of surrender of potential site @ 12% of the Deliverable Energy of the Project for the period starting from the date of synchronization of the first generating unit and extending up to 12 years from the date of Scheduled Commercial Operation of the Project, @ 18% of Deliverable energy of the Project for a period of next 18 years and @ 30% of the Deliverable Energy for the balance agreement period beyond 30 years. The royalty in the shape of free power shall start accruing to the First Party from the Scheduled Commercial Operation Date/ synchronization of first generating unit whichever is earlier.




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- 19.
- 19.1 The Second Party agrees to provide employment to Bonafide Himachalis whose names are registered on live register of any Employment Exchange located in the First Party, in respect of all the unskilled/skilled staff and other non-executives as may be required for execution, operation and maintenance of the Project, through the local Employment Exchanges or from other than such live registers from anywhere within the State or outside the State, who are bonafide Himachalis or through the Central Employment Cell at Shimla. However, the first preference shall be given to oustees. In the event of non-availability of the requisite skilled manpower at various levels with requisite qualification and experience, non-availability certificates will be obtained from the Labour Commissioner/ Director Employment, Himachal Pradesh and only thereafter the Second Party will be free to recruit such persons from outside the State of Himachal Pradesh.
- 19.2 The Second Party agrees that the contractors/sub-contractors engaged by them for the Project shall give employment to local people/Himachalis for appointment as supervisors, workmen and labourers/ workers in the Project.
- 19.3 In regard to direct recruitment of engineers and other executives, other things being equal in terms of eligibility criteria, qualification, experience etc, the Second Party shall give preference to the candidates well conversant with customs, culture, language and dialect of Himachal Pradesh. The advertisement regarding employment shall be issued in two English dailies and three Hindi daily papers having wide circulation within Himachal Pradesh, besides advertising through Parsar Bharti and Girraj.
- 19.4 The Second Party shall ensure that the deployment of Himachalis in respect of Executive/Non-Executive/Skilled/Non-Skilled categories at any stage of the Project implementation, if it is not possible to recruit 100% staff from Himachalis for justifiable reasons, only then the Second Party shall maintain not less 70% of the total employees/officers/executives from Bonafide Himachali persons.



  
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- 19.5 The Second Party shall provide employment to one member of each of the displaced families or adversely affected as a result of the acquisition of land for the Project, during construction of the Project. During the operation and maintenance of the Project, the Second Party shall give preference to members of the displaced families for employment in the Project.
- 19.6 The petty contracts of the road work, retaining walls, buildings construction, carriage of construction material like sand, aggregate, cement, steel etc, engagement of all categories of other service providers, taxis for the staff deployed to the sites, engagement of other light and heavy vehicles, running of canteens/mess, engagement of security personnel through ex-servicemen shall normally be awarded to locals/Himachalis.
- 19.7 The Second Party shall provide training programme to the locals affected by the Project so that they are in a position to get employment as various technical/administrative jobs in the Project.
- 19.8 All the above mentioned stipulations shall be monitored strictly by the Labour Commissioner and Director, Employment as well as at the Government level by the Labour Department.
20. The Second Party agrees to reimburse to the HPSEB the amount spent by the HPSEB up to the date of signing of Implementation Agreement on the investigations and infrastructural works of the Project with compound interest @ 10% per annum within three months of the Implementation Agreement.
21. Subject to security and operational factor, the Second Party shall permit free use by the First Party and general public, of all service roads, constructed and maintained by it for the Project. Other facilities like hospitals, post offices, schools etc., shall also be made available to the general public as per policy of the Second Party. However, the needs and requirements of local people shall be kept in view.



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22. The Second Party shall bear the cost of improvement/widening of the existing roads required to be carried out for the construction of the Project.
23. The First Party shall have the right for withdrawal of water from the river course for the consumptive use by pumping or by gravity for the purpose of potable water supply and irrigation to the affected villagers.
24. The First Party shall create an Authority of Hydro Project Safety, Quality Control & Management of water Flows and Discharge in due course. The First Party shall nominate suitable technical and professional persons in the Authority. The issues concerning Hydro Project's safety & management of water flows and discharges have assumed critical importance because of the recurrence of floods, earthquake, avalanches, glaciers, tunnelling, piping, aging, terrorism etc. Un-regulated water flows and discharges particularly during the rainy seasons have been causing havoc downstream. The authority shall prepare safety regulations and guidelines and prepare safety management manual with respect to the Projects being executed by various Second Partys on the lines of International Commissions of Large Dams (ICOLD) and other Hydro Power Countries like Canada, US etc. The authority shall conduct continued surveillances on safety requirements right from the inception of the project such as:-
- (a) Monitoring & access to quality of construction and designs of each project and recommend the use of modern and appropriate technologies like Tunnel Boring Machines etc.
  - (b) It will ensure that such Hydro Projects operate normally and maintain emergency preparedness.
  - (c) Shall ensure periodic Hydro Project Safety & Management System Audit.
  - (d) Shall ensure dam safety assessment, traditional good practices and risk assessment.
  - (e) Shall prepare regulatory environment and ensure dam owners accountability including corporate man slaughter.
  - (f) To monitor the releases downstream of the diversion and ensure availability of minimum flow of water immediately downstream of the trench/barrage/dam for downstream requirements.
  - (g) Shall impose fines/penalties for violations as may be prescribed by the First Party.
  - (h) May resolve the inter project disputes, if any.



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The Second Party agrees to abide by the guidelines of above authority.

25. The First Party will constitute a multi-disciplinary committee under the Chairmanship of Chief Minister. Other members shall be State Power Minister (Vice Chairman), Minister/MLA of the area where projects are being executed, representatives of the Second Party, representatives from various concerned departments of the Government, Chairman/Managing Director of the concerned Power Utility and Chairman, Local Area Development Committee (LADC). The Committee shall be monitoring the issues arising during the implementation of the Project, Employment related monitoring, Relief and Rehabilitation, review of Progress of LADC schemes, implementation of Catchment Area Treatment (CAT) Plan, Compensatory Afforestation, Environmental Management Plan, Environment Impact Assessment (EIA) Plan, and restoration of facilities which get damaged because of the implementation of the Project, quality control mechanism of the Projects. The committee shall also review the recommendations and implementation thereof of the Forum of Hydroelectric Power Producers. The Committee shall review the progress of all statutory clearances, time and cost overruns of the project, if any. The Committee shall also draw up the methodology to regulate the payments to be made by the Company to the various departments of the Government in connection with the implementation of the Projects. The Committee shall meet at such intervals, preferably quarterly at such places as is decided by it.
26. The Company shall follow environmental related issues concerning disposal of blasting muck and soil etc. In Himachal Pradesh, because of the peculiar topography, the availability of land is scarce to have dumping sites. The Second Party agrees to use such material for the Project and the remaining material and disposal of the blasting and muck shall be allowed to be used by other development departments like PWD, I&PH and several others for the execution of their areas developmental schemes including the channelization of the river waters by the concerned development agencies. Not only that, even private crusher owners etc. and other private users shall also be allowed to remove such material from the site free of cost. The prescribed norms will be available with the Pollution Control Board.

The Second Party agrees not to dump such material on the Project site or any other inappropriate place which flows further to downstream and rivers causing serious environmental concern, which will attract punishment under various laws of Pollution Control Board.



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The Second Party shall ensure that the material excavated from the site shall be dumped in the area duly approved by the MOEF, GOI/State Pollution Control Board.

27. It has been observed that after the setting up of various Hydroelectric Projects in Satluj basin, numbers of technical and socio-economic problems have arisen due to post effects of hydroelectric projects in the State. To mitigate any eventuality with regard to the execution of Hydroelectric Projects in the Satluj Valley, a forum of Hydro Power Producers of Satluj basin has come into existence on 5.11.2005. The main function of the forum relates to (i) Environment (ii) Operation of power Stations and Sharing of Technical Expertise & Experience (iii) Data Sharing (iv) Disaster Management and Planning and (v) Common Issues with First Party & Government of India. The guidelines of the forum wherever applicable, the attempt shall be made to abide by the recommendations of Forum and applicable to all the Power Producers/Second Partys in the State of Himachal Pradesh. If however, any such more forums are constituted for other river basins, the guidelines of the same shall also be applicable on Second Partys/Power Producers, executing projects in that area.
28. The Second Party shall prepare Disaster Management Plan and its implementation taking into consideration the different flood eventualities, cloud bursts or any kind of natural calamity at various stages of construction and operation of the Project and their mitigation measures. The Company shall include this in the DPR to be submitted to the First Party.
29. In case any existing facilities including but not limited to, irrigation systems, water supplies, roads, bridges, buildings, communication system(s), power systems and water mills are adversely affected because of the implementation of the Project, the Second Party shall be responsible for taking remedial measures to mitigate such adverse effects. The cost of the above remedial measures shall become a part of the Project cost. Such facilities shall be as mutually identified and agreed upon between the Second Party and the First Party. The Second Party shall not interfere with any of the existing facilities till an alternate facility, as identified, is created.



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30. The Second Party shall ensure to protect the water rights of the local inhabitants for drinking and irrigation purposes etc. by verifying the revenue entries and activities of I&PH department so as to ensure that such rights are not infringed upon. Any dispute in the matter shall be referred to a committee to be appointed by the First Party involving Irrigation & Public Health and Revenue departments. However, the decision of the First Party shall be final and binding on all the parties.
31. The Second Party shall make suitable financial provisions for mitigation of adverse impacts as per the approved EIA plan and mitigation of degradation of environment due to disturbance of eco-system in watershed area, at the cost of the Project.
32. The Second Party shall have no claim on any Project upstream and down stream of the Project.
33. The First Party shall put in place a committee comprising of experts from the relevant field for determining the impact, if any, on the existing projects due to allotment of any upstream and/or down-stream project. In the event of a dispute, the decision of First Party in the matter shall be final and binding on all the parties.
34. The Second Party 'if ROR Project' shall ensure minimum flow of 15% water immediately downstream of the diversion structure of the project all the times including lean seasons from November to March, keeping in mind the serious concerns of the State Govt. on account of its fragile ecology & environment and also to address issues concerning riparian rights, drinking water, health, aquatic life, wild life, fisheries, silt and even to honour the sensitive religious issues like cremation and other religious rites etc. on the river banks.. However, the Second Party is at liberty to install mini hydel projects to harness such water for their captive use, for their utilities, systems and colonies.
35. The Second Party has an option to develop the Project either as run of the river (ROR) schemes or storage Projects. However, in case of a storage Projects, approval of the First Party shall ensure that such Project causes minimum submergence of habitations and agricultural holding of the people of the area.



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36. The First Party shall constitute a Local Area Development Committee (LADC) for Project (s) being implemented in each river valley. The Deputy Commissioners will be the Chairman of the LADC and other members shall be nominated by the First Party. Concerned SDM shall be the Member Secretary. The LADC will be entrusted with, but not limited to, the following activities in the Project affected areas, which are those areas/ villages surrounding/ falling in the catchment/ watershed areas extending from the Reservoir to the Tail Race of the Project:-

- (a) Oversee the restoration of facilities adversely affected due to implementation of the Project.
- (b) Oversee the implementation of Rehabilitation and Relief Plan.
- (c) Oversee the implementation of Catchment Area Treatment (CAT) Plan and Compensatory Afforestation.
- (d) Local Development activities related to development of Agriculture, Horticulture, Animal Husbandry, Fisheries, Rural Development, I&PH, Health, Forest, Education, PWD, Power and other social, religious and cultural activities etc.

However, PWD/other roads leading to the Project areas shall not form part of LADC activities.

The activities of the LADC during execution shall be financed by the Project itself and for this purpose the Second Party shall make a provision of 1.5% of final cost of the Project. The LADC activities shall be financed from the above provision and not from free power as royalty.

The amount on account of Local Area Development shall be paid by the Second Party to the Deputy Commissioner of the Project Affected Areas (Chairman LADC) in equal annual instalments during the Construction Period of the Project and shall be payable in 1st quarter of every financial year, starting from the date of financial closure.

The Second Party shall keep the First Party informed of any change in the construction cost of the Project and for any increase in the construction cost of the Project from time to time, the Second Party shall release the instalments accordingly.



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37. The Second Party shall open a Police Station/Chowki and a Labour office in Project at their own cost in the Project area. The Second Party shall also bear the cost of deployment of Police Personnel during the construction phase of the Project.
38. The Second Party has been selected for the Project on the basis of their equity participation in implementation of the Project as under:-

Sr. No.	Name of Company/Consortium	Equity Participation
1.	JSW ENERGY LIMITED	100%

- i) The Second Party agrees that they shall retain their equity participation till three years after commissioning of the Project. Any change in Consortium/equity participation would automatically result in termination of this agreement and the Project shall revert back to the First Party. No compensation whatsoever shall be payable by the First Party in this regard. It may be further noted that all the correspondence shall be made with the party which signs the Pre-Implementation Agreement till such time as the authority vested with gives authorization to any other person with valid authorization of Board of Directors of the Second Party.
- ii) The First Party may consider the request of the Second Party for changing the name of the Second Party or Consortium subject to the condition that the Principal Promoter shall retain the controlling interest i.e. 51% equity in the new entity. In the event of any contravention, the Government of Himachal Pradesh shall terminate the Implementation Agreement forthwith at any stage.
- iii) The Second Party shall be permitted to incorporate a Special Purpose Vehicle for the implementation of the Project with its registered office with-in Himachal Pradesh with the same equity participation as stated above. All rights and obligations under this agreement shall thereafter be transferred to the new Company.
39. The Second Party agrees to implement the Project strictly as per the schedule/milestones stipulated by the First Party.



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40. The Second Party agrees to take engineering services of a reputed design consultancy organization to oversee the Project planning, its layout design of various Project components and quality of construction to ensure safety of the Project components/ structures during execution and operation of the Project in such a way that there is no loss of human life, property of the people, energy generation etc.
41. The Second Party agrees to have its Corporate Office within the State of Himachal Pradesh.
42. The First Party agrees that till this Pre Implementation Agreement is in force, it shall not entertain any proposal in respect of the Project from any other party.
43. This Pre-Implementation Agreement is exclusive to the Parties hereto and neither of them shall assign its rights and benefits hereunder to third party except with mutual consent.
44. Each party hereto agrees that it shall not divulge any trade, commercial or technical secrets or confidential matters of one another to any third party, save for the purpose of implementing the understanding arrived at in this Memorandum of Understanding.
45. No party shall be considered to be in default under this Pre-Implementation Agreement for breach of any of the terms thereof due to the imposition of restrictions and onerous regulations by any Government or statutory authority or agency or other cause beyond its reasonable control.
46. Both the parties hereto shall do and execute all such acts, deeds, assurances and things, as may be necessary and proper for carrying out the terms of this Pre Implementation Agreement. The parties agree to negotiate and enter into such agreements as may be required to give effect to the understanding arrived at under this agreement.
47. The Second Party assures the First Party that there is no misrepresentation in the information supplied by it to the First Party as a part of their Bid or during the subsequent selection process. The First Party reserves the right to cancel the Pre-Implementation Agreement after giving an opportunity to the Second Party in case it is found that there was



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some such misrepresentation by the Second Party and/or in the event of breach of any of the provisions of this Pre-Implementation Agreement.

48. The Second Party shall abide by the provisions as contained in Hydro Power Policy of First Party.
49. Any violations of the above mentioned issues concerning policy parameters, MOU/PIA/IA may results into monetary penalty including cancellation of the Project.
50. Any difference and/or disputes arising at any time between the parties out of this MOU/PIA/IA or interpretation thereof shall be endeavored to be resolved by the parties hereto by mutual negotiations, failing which the matter shall be referred to the Arbitrator to be appointed as per the provisions of the Arbitration & Conciliation Act, 1996. However, all disputes shall be settled within the jurisdiction of Courts of Himachal Pradesh.

IN WITNESS WHEREOF the parties hereto have set their hands unto this on the day, month and year first above written in the presence of :

For and on behalf of  
Government of Himachal Pradesh

(Ajay Mittal)  
Principal Secretary (Power) to the  
Government of Himachal Pradesh,  
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Witnessed by

1. *[Signature]*  
*Dr. Alakshya Jaiswal (Power)*
2. *[Signature]*  
(MANOHAR CHAND KOUNDAL)  
SO  
HPP & Power Section  
HP Secretariat,  
Shimla-2

For and on behalf of  
M/s JSW ENERGY LTD.

(Sattiraju Seshagiri Rao)  
Jt. Managing Director  
JSW Energy Limited



Witnessed by

1. *[Signature]*  
(P.K. PURI)  
GM- Energy Projects  
JSWEL
2. *[Signature]*  
(PRAMOD SIRKECK)  
Sr. Administration Officer  
JSW energy Ltd.