

**BEFORE THE HON'BLE NATIONAL  
GREEN TRIBUNAL, PRINCIPAL BENCH,  
NEW DELHI**

**Original Application No. 98/2026**

IN THE MATTER OF: -

Chandresh Kumar & Others

..... Applicants

Versus


State of Himachal Pradesh & Ors. ... Respondent(s)

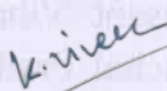
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Place: Kullu

Date: 01/04/2026

  
Superintending Engineer  
Jal Shakti Circle Kullu  
Respondent

  
Vivek Kumar,  
Advocate

Panel Advocate Hon'ble  
National Tribunal Principal  
Bench, New Delhi.

**BEFORE THE HON'BLE NATIONAL  
GREEN TRIBUNAL, PRINCIPAL BENCH,  
NEW DELHI**

**Original Application No. 98/2026**

**IN THE MATTER OF: -**

1. Chandresh Kumar S/O Sh. Jhabe Ram, R/O Village Thunja, PO Kasol, Sub Tehsil Jari, District Kullu, Himachal Pradesh – (175105), Tel & Cell: 8219553531 Email id: chandthakur266@gmail.com
2. Chet Ram S/o Lt. Sh. Gulab Chand, R/O Village Thunja, PO Kasol, Sub Tehsil Jari, District Kullu, Himachal Pradesh – (175105) Tel & Cell: 8894682206 Email id: cgrahani87@gmail.com
3. Maheshwar Singh S/o Sh. Tek Chand, R/O Village Grahan, PO Kasol, Sub Tehsil Jari, District Kullu, Himachal Pradesh – (175105) Tel & Cell: 7807040094 Email id: maheshwergrahani@gmail.com
4. Mukesh Kumar S/O Sh. Teja Singh, R/O Village Thunja, PO Kasol, Sub Tehsil Jari, District Kullu, Himachal Pradesh – (175105) Tel & Cell: 86290 77171 Email id: mukeshgrahani725@gmail.com
5. Inder Dev S/O Sh. Ganga Singh, R/O Village Grahan, PO Kasol, Sub Tehsil Jari, District Kullu, Himachal Pradesh – (175105) Tel & Cell: 7807543457 Email id: thakursahar9@gmail.com
6. Rohit Singh 96, Basant Vihar, Near Rakkar Colony, District Una, Himachal Pradesh (174303) Tel & Cell: 7018013195 Email id: katwallegal@gmail.com

..... Applicants

Versus

1. Chief Secretary, State of Himachal Pradesh, Majitha House, Near HP Secretariat, Chotta Shimla, Himachal Pradesh – 171002, Tel. & Cell: +91- 177-2621022, 2880714, Email id: cs-hp@nic.in
2. Principal Chief Conservator of Forests, Himachal Pradesh Forest Department, Talland, Shimla – 171001, Tel. & Cell: +91- 177-2624186, 26231147, Email id: pccf-hp@nic.in
3. Secretary, JSV (Jal Shakti Vibhag), Jal Shakti Bhavan, Shimla, Himachal Pradesh, India – 171005, Tel. & Cell: 0177-2621859, Email id: iphsecy-hp@nic.in
4. Chief Engineer (Commercial), HPSEBL, HPSEBL Head Office, Vidyut Bhawan, Shimla, Himachal Pradesh – 171004, Tel. & Cell: 0177-265-8384, Email id: cecomm@hpseb.in
5. Deputy Commissioner, DC Office, Dhalpur, Kullu, Himachal Pradesh – 175101 Tel. & Cell: 01902-222727 Email id: dc-kul-hp@nic.in
6. Director Himurja, Himurja Bhawan, SDA Complex, Kasumpti, Shimla, Himachal Pradesh – 171009 Tel. & Cell: 0177-2621783 Email id: himurja@nic.in
7. Ministry of Environment Forest and Climate Change Secretary, MOEF & CC Indira Paryavaran Bhawan, Jor Bagh Road, New Delhi – 110003 Tel. & Cell: 011-24695230 Email id: secy-moef@nic.in
8. Member Secretary, NBWL Wildlife Division, MoEF&CC Indira Paryavaran Bhawan, Jor Bagh Road, New Delhi – 110003 Tel. & Cell: 011-24695231 Email id: nbwl-mef@nic.in
9. Dinesh Butail M/s Dinesh Butail, Butail Complex, Palampur, District Kangra, Himachal Pradesh



Superintending Engineer  
Jal Shakti Circle, Kullu

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thakurjitender445@gmail.com

10. Beena Butail M/s Beena Butail, Butail Complex,  
Palampur, District Kangra, Himachal Pradesh –  
176061Phone: 7018562123, 01902-223510 Email id:  
kasolhydroproject1971@gmail.com.

... Respondents

*K. Vivek*

Vivek Kumar,  
Advocate

**BEFORE THE HON'BLE NATIONAL  
GREEN TRIBUNAL, PRINCIPAL BENCH,  
NEW DELHI**

**Original Application No. 98/2026**

**IN THE MATTER OF: -**

**Chandresh Kumar & Others**

**..... Applicants**

**Versus**

**State of Himachal Pradesh & Ors. ... Respondent(s)**

**RESPONSE BY WAY OF AFFIDAVIT IN  
COMPLAINCE OF ORDER DATED 10.02.2026 ON  
BEHALF OF SECRETARY, JAL SHAKTI VIBHAG,  
HIMACHAL PRADESH, RESPONDENT NO. 3.**

**MOST RESPECTFULLY SHOWETH: -**

I, Vinod Kumar Thakur, aged about 57 years, S/o Sh. Bhag Singh, presently posted as Superintending Engineer, Jal Shakti Circle Kullu, and Government of Himachal Pradesh, do hereby solemnly affirm and state as under. I am duly authorised and competent to file this reply on behalf of Respondent No. 3. The contents are true to my knowledge and belief, derived from official records.

  
Superintending Engineer  
Jal Shakti Circle Kullu

**ATTESTED**  
  
Nagesh Sharma  
Oath Commissioner  
Distt. Courts Kullu (H.P.)

**Preliminary Submissions: -**


The role of this Respondent department is strictly limited to issuance of No Objection Certificate (NOC) under the relevant water-use policy to ensure that no existing drinking-water supply scheme or irrigation scheme of the Jal Shakti Vibhag is affected by the proposed hydro projects.

Environmental clearance, Forest Clearance, Wildlife Clearance, FRA compliance, cumulative impact assessment, NBWL scrutiny, slope-stability study, etc., fall under the domain of MoEF&CC, Forest Department, Himurja, NBWL and other specialised agencies. This Respondent has no role or authority in those matters. The allegations of “project splitting”, “misrepresentation of hydrological baseline” or “fraudulent nomenclature” are not attributable to this Respondent.

**Reply on Merits: -**

1. It is admitted that both projects draw water from the same single stream system. Locally, Grahana village is upstream and Kasol village is downstream on the same continuous watercourse. There is no second or separate stream. The factual position regarding issuance of NOCs is as under: -

**ATTESTED**  
  
Nagesh Sharma  
Oath Commissioner  
Distt. Courts Kullu (H.P.)

  
Superintending Engineer  
Jal Shakti Circle Kullu

- i) Smt. Beena Butail (proponent of Kasol SHEP) vide letter dated 16.10.2015 applied for NOC and annexed the allotment letter / consent for preparation of DPR issued by Project Director-cum-Dy. Chief Executive Officer, HIMURJA, Shimla dated 10.08.2015, wherein the stream was mentioned as "Kasol River". Annexed herein as Annexure-R1.
- ii) Sh. Dinesh Butail (proponent of Grahan-Kasol SHEP) vide letter dated 16.10.2015 applied for NOC and annexed the allotment letter / consent for preparation of DPR issued by Project Director-cum-Dy. Chief Executive Officer, HIMURJA, Shimla dated 10.08.2015 wherein the stream was specifically mentioned as "Grahan Nallah". Annexed herein as Annexure -R2

Both applications were processed independently because they were submitted by two different legal entities with separate allotments from HIMURJA. The Department processed each application strictly on the basis of the details, nomenclature and project description furnished by the respective applicants. Accordingly, NOCs were issued to both proponents. The nomenclature used for stream in the NOCs was same as mentioned in the HIMURJA allotment letters submitted by the respective

ATTESTED

  
Nagesh Sharma  
Oath Commissioner  
Distt. Courts Kullu (H.P.)


  
Superintending Engineer  
Jal Shakti Circle Kullu

proponents. There was no misdiscription, concealment or fraud on the part of this Respondent.

At the time of processing the NOCs and even as of date, no drinking water supply scheme or irrigation scheme of the Jal Shakti Vibhag, being fed by the relevant stretch of the stream in question. The natural bawdi of Village Thunja is a separate local source and was never part of any formalized public water supply scheme of this Department.

The statutory and administrative mandate of the Jal Shakti Vibhag is confined solely to examining whether the proposed hydro projects would have any adverse impact on existing drinking water supply schemes or irrigation schemes under the control of the Department. The obligation to environmental clearance, cumulative impact assessment, forest clearance, wildlife clearance, FRA compliance, slope-stability studies, or blasting permissions and cumulative impact assessment of inter-linked projects lies with the project proponent and the concerned clearance-granting authorities. The Jal Shakti Vibhag is not the designated agency for such appraisal.

ATTESTED

  
Nagesh Sharma  
Oath Commissioner  
Distt. Courts Kullu (H.P.)

Issuance of water-use NOC does not amount to "appraisal" or "clearance" of the hydro project itself.

  
SuperIntending Engineer  
Jal Shakti Circle Kullu

In view of the above, no relief is liable to be granted against this Respondent. The Original Application qua Respondent No. 3 deserves to be dismissed.

**PRAYER**

It is, therefore, most respectfully prayed that this Hon'ble Tribunal may be pleased to: -

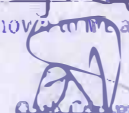
- a) Accept the above facts and submissions and hold that the Jal Shakti Vibhag / IPH has acted strictly in accordance with law and departmental procedure.
- b) Dismiss the Original Application against Respondent No. 3 with costs.
- c) Pass any other order(s) as this Hon'ble Tribunal may deem fit.

**VERIFICATION**

I, the above-named deponent, do hereby verify that the contents of the above reply are true and correct to the best of my knowledge and belief and nothing material has been concealed therefrom. Verified at Kullu on this 1<sup>st</sup> day of April, 2026.

**ATTESTED**  
  
 Nagesh Sharma  
 Oath Commissioner  
 Distt. Courts Kullu (H.P.)

  
 Deponent  
 Identified by me

No. 3059  
 Certified that above affidavit declare or Oath  
 before me  
 Dated 1/4/26 by Sh. Vijay Kumar Thakur  
 S/o Sh. B. S. E. J. C. Kullu  
 as personally known to me identified by  
 Sh. Adit Thakur Asst. Engg.  
 Who is personally known to me and explained  
 in the deponent  
  
 Oath Commissioner  
 Distt. Court Kullu (H.P.)

  
 Superintending Engineer  
 DEPENDENT  
 Jal Shakti Circle, Kullu



(H.P. Govt. Energy Development Agency)

HIMURJA, Uda Bhawan SDA Complex Kasumpti Shimla-171009

PHONE-177-2620985, 2621783, 2625306, 2621623, FAX 177-2622625

No. HIMURJA/SHP/Kasol (416)/2015-

Dated :

To

M/s Bena Butail (Sole), Butail Complex-  
Bundla Tea estate Palampur- Kangra 176061

**Sub.:-** Consent for exclusive time bound right for preparation of Project Report for the Small Hydrel Project Kasol ( 5.00 MW) in Kullu District , Himachal Pradesh.

Dear Sir,

I am directed to inform that after considering your application for the Self Identified project, the State Government has consented to give you the exclusive right for preparation of DPR for subsequent implementation of SHP in H.P. The details of the project for which consent has been granted is as below:

Sr No.	Name of the Project	River/ Stream	Distt.	Elevation Range (Diversion site to Tail race)	Estimated Capacity (MW)
	Kasol	Kasol	Kullu	± 1810 to 1605 m	5.00

#### PR FINALISATION

The IPP shall submit a complete Feasibility Report (FR) to Himurja prepared by a private consultant within six months of issuance of this letter along with the credential of the consultant. Feasibility Report (FR) shall be based on actual survey & investigation containing topographical, hydrological data, location of project components, further studies for capacity determination, environmental requirements, layout plan, single line diagram, B & W equipment specifications and cost analysis. Extension of three months subject to deposit of extension fee @ Rs. 10,000/- per month. However, if the FR is not submitted within Report within extended period, the consent shall be cancelled.

IPP shall have to deposit security processing fee against estimate based on the capacity within two months from the date of issuance of this consent.

#### 2.1. SECURITY (REFUNDABLE)

The Security charges (refundable) in the shape of Demand draft is to be furnished in favour of "DIRECTOR HIMURJA" payable at Shimla @ Rs. 50,000/- per MW. If the requisite documents such as PFR, Upfront premium and post allotment processing fee etc. as prescribed in the consent letter are not deposited in time, the project shall be cancelled and this amount will be forfeited. This amount will also be used as performance guarantee for different milestones and adjusted against extension charges that may have become due and were not paid in case of cancellation of project at any stage. (BMD deposited at the time of apply will be adjusted against Security)

The above security shall be refundable to IPP after signing of IA.

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Page 1 of 10

*True copy.*

*[Handwritten signature]*  
Assistant Engineer  
JSV Sub-Division  
Shat

Assistant Engineer  
JSV Sub-Division  
Shat

2.2 PROCESSING FEE (NON-REFUNDABLE)

Furnishing of the Processing Fee (non-refundable) in shape of Demand Draft in favour of "Director, HIMURJA" payable at Shimla. The processing fee for Himachali, Cooperative society/Company comprising of the bonafide Himachalis shall be Rs. 25,000/- upto 2 MW and beyond 2.00 MW upto 5 MW @ Rs.25,000/- + Rs.10,000/- per MW (for the capacity exceeding 2 MW). For others i.e. Non- Himachalis the processing fee shall be Rs. 2.00 lac per Project.

If an IPP enhances the capacity of already allotted Project after Technical Concurrence/ signing of IA, then the IPP shall be required to furnish the processing fee afresh at the rate specified above.

2.3 (a) UP-FRONT PREMIUM (NON REFUNDABLE)

Upfront premium (Non-refundable) shall have to be furnished in shape of Demand Draft in favour of Director Himurja, payable at Shimla.

Up-front premium shall be charged in two stages-

- i) @ Rs.45000/- per MW at the time of allotment of the project i.e. within two months from the date of this consent letter and
- ii) Balance upfront premium @ Rs. 45000/- per MW at the time of signing of the IA.

Whereas for projects upto 2 MW upfront premium is exempted

2.3 (b) If after enhancement of capacity the capacity of the project remains upto 5 MW the IPP shall have to pay upfront premium @ Rs 90,000/- per MW on whole capacity.

2.4 The IPP shall carry out the requisite detailed investigations and techno-economic studies of the Project and shall submit a Detailed Project Report to HIMURJA within a period of 24 months from the date of issue of this consent letter in consideration to Hydro Power Policy 2006 and its subsequent amendments from time to time.

The IPP shall submit monthly discharge return (quarterly) work progress reports to Himurja in the format attached at Annexure - 2 & 3.

Director Himurja Shimla

Sl. No.	Milestones	Time Period
1	Feasibility Report Submission	Within six months from the date of Consent Letter before preparation of DPR. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, Land requirements, Layout plan, single line diagram, E & M equipment specifications. Extension of three months with extension fee @ Rs. 10,000/- per MW per month. Consequences- Cancellation of project.
2	Feasibility Report Approval	Himurja will approve the Feasibility Report within two months from its submission or within 11 months (including extension obtained for submission of feasibility report if any) from the issue of consent letter.

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Shat

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3	Acquisition of Revenue record.	IPP has to obtain all the necessary revenue record required for implementation of project within Nine (9) months from the date of issuance of Consent Letter or within 12 months (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter.
4	Submission of applications for all clearances/approval/consent to different departments	IPP has to submit applications for all the clearances/approval/consent applied within Eleven (11) from the date of issuance of Consent Letter or within 14 months (including extension obtained for submission of feasibility report if any) from the date of issuance of Consent Letter.
5	Obtaining of all clearances/approval/consent	IPP has to obtain all the clearances/approval/consent within Twenty Four (24) months (including extension obtained for submission of feasibility report if any) from the date of Consent Letter.
6	Submission of Detailed Project Report (DPR) as per CEA/CWC Guidelines & within allotted/approved parameters with all clearances	Within 24 months from the date of issuance of Consent Letter or within 27 months including three (3) months extension for submission of FR, if three (3) months extension not availed at the time of FR, extension of three (3) months can be availed for submission of DPR for valid reasons by levying extension fee @ Rs 1000/- per MW for first month doubling in successive months, i.e. 1 <sup>st</sup> month Rs 1,000/-, 2 <sup>nd</sup> month Rs 2000/-, 3 <sup>rd</sup> month 4000/-.
7	Grant of Technical Concurrence & submission of documents for signing of Implementation Agreement	Technical Concurrence shall be accorded by Directorate of Energy (DoE), on behalf of the Government within 45 days from the date of receipt of the Detailed Project Report or within 28 months and 15 days (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter and also complete all formalities for signing of IA.
8	Confirmation of interconnection point	Two months after the approval of FR, the IPP shall apply to the appropriate authority (Electricity Transmission Licensee) for finalization/confirmation of interconnection point.
9	Signing of IA	Within 15 days of accordance of TC or within 29 months from the issuance of Consent Letter (including extension obtained for submission of FR/DPR, if any) whichever is earlier.
10	Achieving financial closure including PPA if required and work started. Concurrent action: Any balance clearances, consent/approval to be obtained.	IPP has to achieve the financial closure including PPA if required and obtain balance clearance/consent/approval, if any and start work on site within six (6) months after signing of IA or within 35 months (including, extension obtained for submission of feasibility report and DPR, if any) from the date of issuance of Consent Letter.

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11	Project Commissioning	Project must be commissioned within 24 months from the date of start of work. However, six (6) months extension in this period is allowable for valid reasons subject to deposition of extension fee or within 65 months (including extension obtained for submission of feasibility report/DPR submission/extension in construction period, if any) from the issue the date of issuance of Consent Letter. Extension charges applicable @ Rs 1000/- per MW for first month doubling in successive months, subject to maximum of Rs 10,000/- i.e. 1st month Rs 1,000/-, 2 <sup>nd</sup> month Rs. 2000, 3 <sup>rd</sup> month 4000/-, 5 <sup>th</sup> month Rs. 10,000/- This part of charges will be payable upfront or with interest at project borrowing rates, after commissioning.
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6. The IPP shall stick to the time schedule for the investigation of the project and submission of the FR and DPR. In the event of the IPP being unable to submit the FR and DPR within the stipulated period as mentioned in clause 1.3 & 5 in this letter, the IPP can seek extension for the delay for valid reasons within one month alongwith extension fee and maximum extension shall be as mentioned in clause No -5 of this letter. Extension fee for extension in time period for submission of DPR shall be @ -Rs 1000/- per MW for first month doubling in successive months, subject to maximum of Rs 10,000/- i.e. 1st month Rs 1000/-, 2<sup>nd</sup> month Rs. 2000, 3<sup>rd</sup> month 4000/-, 5<sup>th</sup> month Rs. 10,000/- and for FR extension fees shall be @ Rs. 10,000/- per MW per month. Non submission of DPR within the extended period shall result into cancellation of the project.

Detailed Project Report submission date shall be reckoned only after it has been found that the report is in conformity with CEA/ CWC guidelines & within allotted/approved elevation stream. The reports and studies shall be prepared by reputed consultants who have experience of handling the complete task of geological & hydrological investigation, construction, erection, commissioning and operation of hydroelectric projects. Complete details of the consultants and their experience shall be included in the DPR or annexed herein.

HIMURJA, on receipt of Detailed Project Report (DPR), will scrutinize the DPR from the angle of selected parameters and related aspects of the project as well as optimum utilization of the potential. After its scrutiny the HIMURJA will forward the DPR to Director of Energy, for accordance of Technical Concurrence. During examination of DPR HIMURJA, Director of Energy, may point out the defects and deficiencies affecting the Technical Concurrence. IPP is expected to make good the defects promptly and remove the defects or deficiencies, as pointed out by the HIMURJA/ Director of Energy, within 30 days from the dispatch of the communication. The IPP will obtain Techno Concurrence (TC) from Director of Energy, within 45 days from the date of submission of DPR.

9. If the performance of this consent or any obligation of IPP is prevented, restricted or interfered with for any reasons of: fire, explosion, epidemic, cyclone, earthquake, flood, unforeseen natural calamity, war, revolution, requirement of any Government or any sub-division authority or representative of any such Government in respect of the aforesaid conditions, or any other act whatsoever, whether similar or dissimilar to those enumerated, beyond the reasonable control of the party hereto; the party so affected upon giving prompt notice to other party shall be excused from such performance to the extent of such prevention, restriction or interference for the period it persists provided that the party so affected shall make its best efforts to avoid or remove causes of non-performance, if possible, and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. If the force majeure such as war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine, restrictions, freight embargoes, radioactivity, earthquakes, cloudbursts, landslides

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and excessive snow persists for continuous period of the consent letter or more, the parties shall meet and decide about the further course of action.

10. In case the IPP does not find the Project to be feasible from techno-economic considerations or from any other aspect, the IPP shall hand over to the HIMURJA all the Project Reports and any other connected documents etc. as may have been collected and/or prepared by the IPP during the course of investigations.
11. The Government after having concluded that the Project is techno-economically viable may enter into an Implementation Agreement with the IPP within 15 days of accordance of TC or within 29 months after issue of consent letter ( including extension if any ) whichever is earlier. IPP will give request for signing IA and deposit requisite charges for signing of IA for the execution of project on terms and conditions in accordance with H.P. Hydro Power Policy 2006 read with various amendments in it notified from time to time.
12. The IPP shall set up its office within State of Himachal Pradesh after signing of Implementation Agreement and furnish the proof thereof.
13. (i) This consent shall be restricted within the approved parameters of this consent letter i.e. to utilize water of Kasol Nala/stream in elevation range between EL  $\pm$  1810 to 1605 m (i.e. Diversion weir to Tail race) on Left/Right Bank of on which this project is envisaged unless otherwise approved by the H.P. Government. The H.P. Govt. shall be at liberty to cancel the consent, if any violation on this account is discovered at a later stage.
  - (ii) As per laid down guidelines riparian distance of 50mtrs elevation wise or 250m horizontal distance is to be maintained between two projects to allow visible flow of water to the stream/Nalla while carrying out detailed survey, failing which the allotment is liable to be cancelled for violation of the same.
  - (iii) In case of any conflict about a site due to other allotment on the same stream/nallah etc. the State Government/Himurja shall have the right to take the decision about the Consent letter and this decision shall be final and binding on the concerned parties.
  - (iv) If it is discovered at any stage that project is situated within the boundary of Wild Life Sanctuary/ National Park. The project shall stand cancelled without any compensation or an alternative site.
14. NOCs of IPH, HPPWD, Revenue, Fisheries and Wild Life are not required with DPR. However, clearances and compliance of norms & conditions of the departments shall be ensured by the developers before and during execution.
  - (i) The norms and terms and conditions of IPH, PWD and Revenue Department shall be Annexed with the Implementation Agreement and developer shall abide by them.
  - (ii) No project should be allotted in Wild Life Sanctuaries/Parks/areas. If later on the project comes within the boundaries of Wild Life Sanctuaries/Parks/areas by way of redefining boundaries of Wild Life Sanctuaries/Parks/areas, IPP shall have to surrender the project immediately without any claim.

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(iii) No NOC of Fisheries Department is required. Only where projects are allotted in the streams where Fisheries department has its conservations and development projects, the developers will comply with all the instructions/directions of Fisheries Department and take into account impact in Feasibility Study, DPR and during project execution.

Charges payable-

- a) No charges for projects upto 2 MW.
  - b) For other only per MW charges at the rate of Rs 50,000/- per MW.
  - c) No additional charges for length of stream so as to avoid inspections.
  - d) Where any development conservation projects of Fisheries Department are impacted separate charges as per Fisheries Department proposal.
- (iv) NOC of Gram Panchayat – Effective consultation shall be done with Gram Panchayats and their objections and suggestions shall be heard and decided by SDM by way of a reasoned speaking order. Aggrieved parties have right to appeal before D.C. and thereafter Principal Secretary (Power).

Single joint committee will clear all aspects of projects for statutory clearances.

- 15. NOCs from different Departments shall be furnished in shape of, self attested copies, to the HIMURJA. The IPP is required to furnish an affidavit, on Rs. 5/- stamp paper duly notarized, to the effect that all the conditions in the NOCs obtained from the different Departments and Gram Panchayat shall be abided by them, incase an IA is signed with the IPP later on.
- 16. The receipt of this communication and acceptance of consent conditions aforesaid will be acknowledged within one month and the affidavits, security charges, processing fee and upfront premium within two months from the date of issue of this letter. In case, IPP's confirmation is not received & security processing fee and other relevant essential documents are deposited by the due date it shall be presumed that IPP is not interested in taking up the project and consent shall be treated as withdrawn.

ROYALTY

As per the terms of the project implementation agreement, the developer shall be executed for supplying the royalty on water usage in shape of free power (royalty Energy) as per the following rates of the rate applicable as per policy of the State Govt. at the time of signing of Implementation Agreement.

- a) Small Hydro Electric Projects upto 2 MW allotted after 2006 Hydro Policy, where power is consumed in HP by HPSEBL free power payable to State and Local Area Development Fund shall be 2%, 12% and 18% (2% for first 12 years, 12% for next 18 years & 18% for remaining period of to 10 years).
- b) For Other Projects- The Free power royalty liable to be charged for projects with an installed capacity upto 5 MW will be at the rate of 12%, 15% & 24% (12% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years) for captive use or third party sale outside the state or the rates applicable as per policy of the State Government at the time of signing of IA. For captive consumption within the state or sale to HPSEB Ltd. or its successors the concessional royalty rates shall be 6%, 15% and 24% (6% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years). In case of capacity enhancement beyond 5 MW rates notified by government shall be applicable.

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Assistant Engineer  
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The IPP shall provide an additional 1% (one percent) free power over and above the rates existing at 20 (a&b) for Local Area Development Fund (LADF) aimed at providing regular stream of revenue for income generation and welfare schemes, creation of additional infrastructure and common facilities etc. on a sustained and continued basis over the life of the project. This fund would be available in the form of an annuity over the entire life of the project.

18. The balance energy, after adjustment of free energy, may be used/sold by the Second Party in the following manner :-

- (a) Free energy shall be made available by the Second Party at the interconnection point to the HPSEBL, wherein HPSEBL will buy power from SHPs upto 2.00 MW, if the developer so choose, provided that free power to the State is also as per 2006 Policy and the metering shall be done at this point. For SHPs above 2.00 MW upto 5.00 MW, HPSEBL will formulate an objective, prudent and transparent power purchase policy, keeping in view load centre, evacuation cost, line losses, hydrology etc.

Solid tap connectivity at the nearest or 11 kV or 22 kV line upto 2 MW capacity generation capacity will be allowed, with appropriate protection.

To ease Liquidity, Commission will determine two sets of levelised tariff i.e. one for first 5 to 10 years, which may be higher and 2<sup>nd</sup> set for balance period

If wheeling/transmission charges shall be payable for free energy from the generating station to the interconnection point.

- (b) Make captive use or negotiate Third Party sale within the State or evacuate power for captive use or sale outside the State. The wheeling or transmission charges in this regard will be set by the HPERC based on petitions by the parties.

#### TRANSFER OF PROJECT TO SUBSIDIARY GENERATION COMPANY DILUTION OF SHARES.

In case of Himachalis - The Government may consider the request of the allottee for change in name/dilution of shares of original allottee company subject to the condition that the Original allottee shall retain the controlling interest i.e. 51% equity in the entity upto Six months after actual commissioning of the project and thereafter allowed to freely sell/divest the project. However, equity shares to the extent of 100% can be transferred to Himachali at any stage after allotment. In the event of any contravention, the Government of H.P. shall terminate the Consent Letter forth with at any stage.

19.2 (a) For Himachalis: In case of bonafide Himachalis /Co-operative Societies/Companies/ Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis to whom project upto 2 MW and above 2MW to 5MW capacity is allotted, the Government may consider the request of the promoters to transfer ownership wholly or partially to any other bonafide Himachalis / Co-operative Societies/Companies/Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis, at any stage after allotment.

19.2 (b) In case of bonafide Himachalis to whom Project upto 2.00 MW capacity is allotted, Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 26% at any stage and full disinvestment after six months of actual commissioning of project.

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JSV Sub-Division  
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19.2 (e) In case of bonafide Himachalis to whom Projects above 2.00 MW and upto 5.00 MW capacity is allotted, Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 49% at any stage subject to the condition that original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto six months of actual commissioning of project.

20. For projects upto 5 MW, HPSEB Ltd., or its successor entity shall buy the power at the tariff notified from time to time by Himachal Pradesh Electricity Regulatory Commission.

21. Alongwith the acceptance of the consent letter, the following shall also be furnished by the IPP: "An affidavit on a stamp paper of Rs.5/-only (duly notarized) to the effect that not more than three projects (including this project) are under execution with the allottee company/firm and the promoters of the company /firm".

22. Other conditions of Hydro Power Policy 2006 read with amendments to the same notified from time to time shall be applicable to the developer/IPP which shall also be mentioned as, "that the Hydro Power Policy, 2006 alongwith amendments from time to time shall be abided by him during the occupancy of the project", in the affidavit to be submitted under point no. 21 above as second point

23. HIMURJA/ H.P. Government shall provide necessary assistance in obtaining clearances at State level.

24. This consent letter is being issued in lieu of MOU and no separate MOU shall be signed by the government.

25. This consent letter is being issued under the orders and authorization of Deptt. of the Conventional Energy Sources, Govt. of Himachal Pradesh.

26. If Upstream promittees consent is not received and proceeding for the same is not completed within 12 months from the date of consent, then the project is liable to be cancelled.

27. At the stage of consent, the applicant shall submit a copy of the project report to the government for its approval. The government shall have the right to cancel the approval of the project without any liability/limitation.

28. The DPR of the project is to be completed within the specified time i.e. 24 months (excluding extension of 3 months) failing which project shall stand cancelled.

29. The State Government and the local right holders shall have the right over use of water for irrigation and drinking water supply.

30. The Govt. reserves the right to modify, delete or add any of the conditions, criteria, at its own discretion and shall be at liberty to withdraw the consent if at a later stage it is found that some information has been suppressed or false information has been supplied by IPP about the project.

31. CAPACITY EXCEEDING 5MW AFTER ENHANCEMENT:

If the capacity of the allotted project is enhanced above 5MW, all the charges payable as per Policy for the projects above 5 MW including additional free power royalty are to be paid by the applicant afresh on whole capacity of the project.

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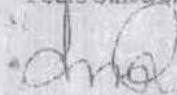
## Note:

- (1) The DPR shall clearly bring out the percentage potential utilization of the site and it would be preferable if the DPR demonstrates that the proposal shall lead to more than 75 % of the potential utilization of the site in a 75% dependable year. Capacity utilization factor (CUF) is to be kept between 55% to 60%  $\pm$  2 %.
- (2) Capacity firm up in the DPR shall be treated as final subject to approval from Government in case of enhancement for according TC and signing of IA.

In case of default of any of the time frame and/or conditions of this consent letter, the Government shall be at liberty to withdraw the consent and forfeit the security and the project can thereafter be granted to other suitable party.

Himurja and H.P. government welcome you to the fraternity of independent power producers engaged in the infrastructural development of the State and reiterates its commitment to facilitate entrepreneurs in the State for over all growth and development, and wish your project all the success

Yours Sincerely,



Er K. I. Thakur  
Project Director cum  
Dy Chief Executive Officer  
HIMURJA, Urja Bhawan  
Kasturba, Shimla-171009

Date: 07/08/2015

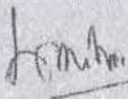
Time: 08:00

Copy is forwarded to the following for information and necessary action:

1. Additional Chief Secretary (NES), to the Govt. of H.P. w.r.t letter No. NES-F (2)-3/2015 dated 07/08/2015 vide which approval has been accorded.  
Environmental & S. T. & L. & Panchayat & Forest (Wildlife) in the Govt. of H.P. Shimla.  
2. Principal CCF, Wild Life, Himachal Pradesh.

All the Departments are requested to render necessary assistance to the IPP to prove or otherwise the feasibility and desirability of the project and formulation of the DPR. This consent be treated as Government permission to the IPP for investigating the project and obtaining various clearances for submission of DPR and possible setting up of the Small Hydro Power Project as described in the letter above.

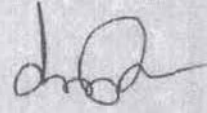
2. Additional Chief Secretary (NES), to the Govt. of H.P. w.r.t letter No. NES-F (2)-3/2015 dated 07/08/2015 vide which approval has been accorded.
3. The Director (SHP) MNRE Block No.-14 CGO Complex, Lodhi Road, New Delhi-110003 for information please.
4. Director, Directorate of Energy, Shanti Bhawan, Phase-III, Sector-6, Shimla-171009 for information please.
5. M.D. HPTCL Barowalia House, Kahalini Shimla -171002 for information.



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6. Deputy Commissioner- Kullu, Distt. **Kullu, H.P.**
7. The Chief Engineer (SO&P), HPSEB Ltd. Vidyut Bhawan, Shimla 171004 for information and necessary action.
8. The Sr. Project Officer Himurja, Distt. **Kullu, H.P.** for information and necessary action.



( Er. K. L. Thakur )  
Project Director cum  
Dy Chief Executive Officer,  
HIMURJA, Urja Bhawan,  
Kasumpti, Shimla-171009.



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**JSV Sub-Division**  
**Shat**

Assistant Engineer  
JSV Sub-Division  
Shat



(H.P. Govt. Energy Development Agency)  
HIMURJA, Urja Bhawan, SDA Complex, Kasumpti, Shimla-171009  
PHONE-177-2620365, 2621783, 2625306, 2621623 | FAX 177-2622635

No. HIMURJA/SHP/Grahan kasol (416)/2015-

Dated:

To

M/s Bena Butail (Sole), Butail Complex-  
Bundla Tea estate Palampur- Kangra 176061

**Sub.:** Consent for exclusive time bound right for preparation of Project Report for the Small Hydel Project Kasol (5.00 MW) in Kullu District, Himachal Pradesh.

Dear Sir,

I am directed to inform that after considering your application for the Self Identified project, the State Government has consented to give you the exclusive right for preparation of DPR for subsequent implementation of SHP in H.P. The details of the project for which consent has been granted is as below:

Sr. No.	Name of the Project	River/Stream	Distt.	Elevation Range (Diversion site of Tail race)	Estimated Capacity (MW)
1	Kasol	Kasol	Kullu	± 1860 to 1605 m	5.00

### **1. FR FINALISATION**

The IPP shall submit a comprehensive Feasibility Report (FR) to Himurja prepared by a reputed consultant within six months of issuance of this letter along with the credential of the consultant. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, land requirements, layout plan, single line diagram, E & M equipment specifications and cost analysis etc. Extension of three (3) months subject to deposition of extension fee @ Rs 10,000/- per MW per month is allowable. If the IPP fails to submit Feasibility Report within extended period project is liable to be cancelled.

2. IPP shall have to deposit security, processing fee, upfront premium based on the allotted capacity within two months from the date of issuance of this consent.

### **2.1. SECURITY (REFUNDABLE)**

The Security charges (refundable) in the shape of Demand draft is to be furnished in favour of "DIRECTOR HIMURJA" payable at Shimla @ Rs 50,000/- per MW. If the requisite documents such as PFR, Upfront premium and post allotment processing fee etc. as prescribed in the consent letter are not deposited in time, the project shall be cancelled and this amount will be forfeited. This amount will also be used as performance guarantee for different milestones and adjusted against extension charges that may have become due and were not paid in case of cancellation of project at any stage. (EMD deposited at the time of apply will be adjusted against Security).

The above security shall be refundable to IPP after signing of IA.

**2.2 PROCESSING FEE (NON-REFUNDABLE)**

Furnishing of the Processing Fee (non-refundable) in shape of Demand Draft in favour of "Director, HIMURJA" payable at Shimla. The processing fee for Himachali, Cooperative society/Company comprising of the bonafide Himachalis shall be Rs. 25,000/- upto 2 MW and beyond 2.00 MW upto 5 MW @ Rs. 25,000/- + Rs. 10,000/- per MW (for the capacity exceeding 2 MW). For others i.e. Non-Himachalis the processing fee shall be Rs. 2.00 lac per Project.

If an IPP enhances the capacity of already allotted Project after Technical Concurrence/signing of IA, then the IPP shall be required to furnish the processing fee afresh at the rate specified above.

**2.3 (a) UP-FRONT PREMIUM (NON-REFUNDABLE)**

Upfront premium (Non-refundable) shall have to be furnished in shape of Demand Draft in favour of Director Himurja, payable at Shimla.

Up-front premium shall be charged in two stages-

- i) @ Rs. 45,000/- per MW at the time of allotment of the project i.e. within two months from the date of the consent letter and
- ii) Balance upfront premium @ Rs. 45,000/- per MW at the time of signing of the IA.

Whereas for projects upto 2 MW upfront premium is exempted.

**2.3 (b)** If after enhancement of capacity the capacity of the project remains upto 5 MW the IPP shall have to pay upfront premium @ Rs. 90,000/- per MW on whole capacity.

- 3. The IPP shall carry out the requisite detailed investigations and techno-economic studies of the Project and shall submit a Detailed Project Report to HIMURJA within a period of 24 months from the date of issue of this consent letter in consideration to Hydro Power Policy 2006 and its subsequent amendments from time to time.
- 4. The IPP shall submit monthly discharge data and quarterly overall progress reports to Himurja on the Proforma attached at Annexure- 'A' & 'B'.
- 5. Following milestones shall be binding on the IPP:-

Sr. No.	Milestones	Time Period
1	Feasibility Report Submission	Within six months from the date of Consent Letter before preparation of DPR. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, Land requirements, Layout plan, single line diagram, E & M equipment specifications. Extension of three months with extension fee @ Rs. 10,000/- per MW per month. Consequences- Cancellation of project.
2	Feasibility Report Approval	Himurja will approve the Feasibility Report within two months from its submission or within 11 months (including extension obtained for submission of feasibility report if any) from the issue of consent letter.

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3	Acquisition of Revenue record	IPP has to obtain all necessary revenue record required for implementation of project within Nine (9) months from the date of issuance of Consent Letter or within 12 months (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter.
4	Submission of applications for all clearances/approval/consent to different departments	IPP has to submit applications for all the clearances/approval/consent applied within Eleven (11) from the date of issuance of Consent Letter or within 14 months (including extension obtained for submission of feasibility report if any) from the date of issuance of Consent Letter.
5	Obtaining of all clearances/approval/consent	IPP has to obtain all the clearances/approval/consent within Twenty Four (24) months (including extension obtained for submission of feasibility report if any) from the date of Consent Letter.
6	Submission of Detailed Project Report (DPR) as per CEA/ CWC Guidelines & within allotted/approved parameters with all clearances	Within 24 months from the date of issuance of Consent Letter or within 27 months including three (3) months extension for submission of FR, if three (3) months extension not availed at the time of FR, extension of three (3) months can be availed for submission of DPR for valid reasons by levying extension fee @ Rs. 1000/- per MW for first month doubling in successive months, i.e. 1 <sup>st</sup> month Rs. 1,000/-, 2 <sup>nd</sup> month Rs. 2000/-, 3 <sup>rd</sup> month 4000/-.
7	Grant of Technical Concurrence, preparation & submission of documents for signing of Implementation Agreement.	Technical Concurrence shall be accorded by Directorate of Energy (DoE), on behalf of Government within 45 days from the date of receipt of the Detail Project Report or within 28 months and 15 days (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter and also complete all formalities for signing of IA.
8	Confirmation of Interconnection Point	Two months after the approval of FR, the IPP shall apply to the appropriate authority (Distribution/Transmission Licensee) for finalization/confirmation of interconnection point.
9	Signing of IA	Within 15 days of the TC or within 29 months from the issuance of the Consent Letter (including extension obtained for submission of FR/DPR, if any) whichever is earlier.
10	Achieving Financial Closure including PPA if required and work started Concurrent action: Any balance clearances, consent/approval to be obtained.	IPP has to achieve financial closure including PPA if required and obtain balance clearance/consent/approval, if any and start work on site within six (6) months after signing of IA or within 35 months (including, extension obtained for submission of feasibility report and DPR, if any) from the date of issuance of Consent Letter.

11	Project Commissioning	Project must be commissioned within 24 months from the date of start of work. However, six (6) months extension in this period is allowable for valid reasons subject to deposition of extension fee within 65 months (including extension obtained for submission of feasibility report/DPR submission/extension in construction period, if any) from the issue the date of issuance of Consent Letter. Extension charges are applicable @ Rs 1,000/- per MW for the first month, doubling in successive months, subject to a maximum of Rs 10,000/- i.e. 1 <sup>st</sup> month Rs 1,000/-, 2 <sup>nd</sup> month Rs 2,000/-, 3 <sup>rd</sup> month 4,000/-, 5 <sup>th</sup> month Rs 10,000/- This part of charges will be payable upfront or with interest at project borrowing rates after commissioning.
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6. The IPP shall stick to the time schedule for the investigation of the project and submission of the FR and DPR. In the event of the IPP being unable to submit the FR and DPR within the stipulated period mentioned in clause 1,3 & 5 in this letter, the IPP can seek extension for the delay for valid reasons within one month along with an extension fee and maximum extension shall be as mentioned in clause No – 5 of this letter. Extension fee for extension in time period for submission of DPR shall be @ Rs 1000/- per MW for first month, doubling in successive months, subject to maximum of Rs 10,000/- and for FR extension fees shall be @ Rs 10,000/- per MW per month. Non-submission of DPR within the extended period shall result into cancellation of the project.
7. Detailed Project Report submission date shall be reckoned only after it has found that the report is in conformity with CEA/CWC guidelines & within allotted/approved elevation & stream. The reports and studies shall be prepared by reputed consultants who have experience of handling the complete task of geological & hydrological investigation, construction, erection, commissioning and operation of hydroelectric projects. Complete details of the consultants and their experience shall be included in the DPR or annexed therein.
8. HIMURJA, on receipt of Detailed Project Report (DPR), will scrutinize the DPR from the angle of allotted parameters and related aspects of the project as well as optimum utilization of the potential. After its scrutiny the HIMURJA will forward the DPR to Director of Energy, for accordance of Technical Concurrence. During examination of DPR HIMURJA/ Director of Energy, may point out the defects and deficiencies affecting the Technical Concurrence. IPP is expected to make good the defects promptly and remove the defects or deficiencies, as pointed out by the HIMURJA/ Director of Energy, within 30 days from the dispatch of the communication. The IPP will obtain Techno Concurrence (TC) from Director of Energy, within 45 days from the date of submission of DPR.
9. If the performance of this consent or any obligation of IPP is prevented, restricted or interfered with for any reason of: fire, explosion, epidemic, cyclone, earthquake, flood, unforeseen natural calamity, war, revolution, or requirement of any Government or any sub-division authority or representative of any such Government in respect of the aforesaid conditions, or any other act whatsoever, whether similar or dissimilar to those enumerated, beyond the reasonable control of the party hereto; the party so affected upon giving prompt notice to other part shall be excused from such performance to the extent of such prevention, restriction of interference for the period it persists provided that the party so affected shall make its best efforts to avoid or remove causes of non-performance, if possible, and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. If the force majeure such as war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine, restrictions, freight embargoes, radioactivity, earthquakes, cloudbursts, landslides

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and excessive snow persists for a continuous period of the consent letter or more, the parties shall meet and decide about the further course of action.

10. In case the IPP does not find the Project to be feasible from techno-economic considerations or from any other aspect, the IPP shall hand over to the HIMURJA all the Project Reports and any other connected documents etc. as may have been collected and/or prepared by the IPP during the course of investigations.
11. The Government, after having concluded that the Project is techno-economically viable may enter into an Implementation Agreement with the IPP within 15 days of accordance of TC or within 29 months after issue of the consent letter (including extensions if any) whichever is earlier. IPP will give request for signing IA and deposit requisite charges for signing of IA for the execution of the project on terms and conditions in accordance with H.P. Hydro Power Policy 2006 read with various amendments in it notified from time to time.
12. The IPP shall set up its office within the State of Himachal Pradesh after signing of Implementation Agreement and furnish the proof thereof.
13. (i) This consent shall be restricted within the approved parameters of this consent letter i.e. to utilize water of **Kasol Nala/stream** in elevation range between **EL  $\pm$  1860 to 1605 m** (i.e. Diversion weir to Tail race) on the Left/Right Bank of on which this project is envisaged unless otherwise approved by the H.P. Government. The H.P. Govt. shall be at liberty to cancel the consent, if any violation on this account is discovered at a later stage.
  - (ii) A pre laid down guidelines riparian distance of 50 mtrs elevation wise or 250 m horizontal distance is to be maintained between two projects to allow visible flow of water in the stream/Nalla while carrying out detailed survey, failing which the allotment is liable to be cancelled for violation of the same.
  - (iii) In case of any conflict above a site, due to other allotment on the same stream/nallah etc. the State Government/Himurja shall have the right to take the decision about the Consent letter and this decision shall be final and binding on the concerned parties.
  - (iv) If it is discovered at later stage that project components are coming up in Wild Life Sanctuary/National Park the project shall stand canceled without paying any compensation or an alternative site.
14. NOCs of IPH, HPPWD, Revenue, Fisheries, and Wildlife are not required with DPR. However, clearances and compliance of norms & conditions of the departments shall be ensured by the developers before and during execution.
  - (i) The norms and terms and conditions of IPH, PWD and Revenue Department shall be Annexed with the Implementation Agreement and developer shall abide by them.
  - (ii) No project should be allotted in Wild Life Sanctuaries/Parks/areas. If later on the project comes within the boundaries of Wild Life Sanctuaries/Parks/areas by way of redefining boundaries of Wild Life Sanctuaries/Parks/areas, IPP shall have to surrender the project immediately without any claim.

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- (iii) No NOC of Fisheries Department is required. Only where projects are allotted in the streams where Fisheries Department has its conservations and development projects, the developers will comply with all the instructions/directions of Fisheries Department and take into account impact in Feasibility Study, DPR and during project execution.

Charges Payable-

- a) No charges for projects up to 2 MW.
- b) For other only per MW charges at the rate of Rs 50,000/- per MW.
- c) No additional charges for length of stream so as to avoid inspections.
- d) Where any development conservation projects of Fisheries Department are impacted separate charges as per Fisheries Department proposal.
- (iv) NOC of Gram Panchayat- Effective consultation shall be done with Gram Panchayats and their objections and suggestions shall be heard and decided by SDM by way of a reasoned speaking order. Aggrieved parties have right to appeal before D.C. and thereafter Principal Secretary (Power).

Single joint committee will clear all aspects of projects for statutory clearances.

15. NOCs from different Departments shall be furnished in shape of, self-attested copies, to the HIMURJA. The IPP is required to furnish an affidavit, on a Rs 5/- stamp paper duly notarized, to the effect that all conditions in the NOCs obtained from the different Departments and Gram Panchayat shall be abided by them, incase an IA is signed with the IPP later on.

16. The receipt of this communication and acceptance of consent conditions aforesaid will be acknowledged within one month and the affidavits, security charges, processing fee and upfront premium within two months from the date of issue of this letter. In case, IPP's confirmation is not received or security, processing fee and other relevant essential documents, not deposited by the due date it shall be presumed that IPP is not interested in taking up the project and consent shall be treated as withdrawn.

17. **ROYALTY**

In the event of this project being awarded to you for implementation, a separate agreement called Implementation Agreement shall be executed for supplying the royalty on water usages in shape of free power royalty (Energy) as per the following rates or the rates applicable as per policy of the State Govt. at the time of signing of Implementation Agreement.

- a) Small Hydro Electric Projects up to 2 MW allotted after 2006 Hydro Policy, where power is consumed in H.P. by HPSEBL free power payable to State and Local Area Development Fund shall be 2%, 12% and 18% (2% for first 12 years, 12% for next 18 years & 18% for the remaining period of to 10 years).
- b) **For Other Projects-** The Free power royalty liable to be charged for projects with an installed capacity upto 5 MW will be at the rate of 12%, 15% & 24% (12% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years) for captive use or third party sale outside the state or the rates applicable as per policy of the State Government at the time of signing of IA. For captive consumption within the state or sale to HPSEB Ltd. or its successors the concessional royalty rates shall be 6%, 15% and 24% (6% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years). In case of capacity enhancement beyond 5 MW rates notified by government shall be applicable.

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**JSV Sub-Division**  
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The IPP shall provide an additional 1% (one percent) free power over and above the rates existing at 20 (a&b) for Local Area Development Fund (LADF) aimed at providing regular stream of revenue for income generation and welfare schemes, creation of additional infrastructure and common facilities etc. on a sustained and continued basis over the life of the project. This fund would be available in the form of an annuity over the entire life of the project.

18. The balance energy, after the adjustment of free energy, may be used/sold by the Second Party in the following manner :-

(a) Free energy shall be made available by the Second Party at the interconnection point to the HPSEBL, wherein HPSEBL will buy power from SHPs up to 2.00 MW, if the developer so choose, provided that free power to the State is also as per 2006 Policy and the metering shall be done at this point. For SHPs above 2.00 MW upto 5.00 MW, HPSEBL will formulate an objective, prudent and transparent power purchase policy, keeping in view load centre, evacuation cost, line losses, hydrology etc.

Solid tap connectivity at the nearest 11 kV or 22 kV line up to 2 MW capacity generation capacity will be allowed with appropriate protection.

To ease Liquidity, Commission will determine two sets of levelised tariff i.e. one for first 5 to 10 years, which may be higher and 2<sup>nd</sup> set for balance period.

No wheeling/transmission charges shall be payable for free energy from the generating station to the interconnection point.

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#### 19. TRANSFER OF PROJECT TO SUBSIDIARY GENERATING COMPANY/ DILUTION OF SHARES.

19.1 **For Non-Himachalis:** The Government may consider the request of the allottee company for change in name/dilution of shares of original allottee company subject to the condition that the Original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto Six months after actual commissioning of the project and thereafter allowed to freely sell/divest the project. However, equity shares to the extent of 100% can be transferred to Himachali at any stage after allotment. In the event of any contravention, the Government of H.P. shall terminate the Consent Letter forthwith at any stage.

19.2 (a) **For Himachalis:** In case of bonafide Himachalis /Co-operative Societies/Companies/ Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of Bonafide Himachalis to whom project upto 2 MW and above 2MW to 5MW capacity is allotted, the Government may consider the request of the promoters to transfer ownership wholly or partially to any other Bonafide Himachalis /Co-operative Societies/Companies/Voluntary Societies/Trust/Partnership concerns/ Sole Proprietorship concerns comprising wholly of bonafide Himachalis, at any stage after allotment.

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- 19.2 (c) In case of bonafide Himachalis to whom Projects above 2.00 MW and upto 5.00 MW capacity is allotted, Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 49% at any stage subject to the condition that original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto six months of actual commissioning of project.
20. For projects upto 5 MW, HPSEB Ltd., or its successor entity shall buy the power at the tariff notified from time to time by Himachal Pradesh Electricity Regulatory Commission.
21. Alongwith the acceptance of the consent letter, the following shall also be furnished by the IPP: "An affidavit on a stamp paper of Rs.5/- only (duly notarized) to the effect that not more than three projects (including this project) are under execution with the allottee company/firm and the promoters of the company/firm".
22. Other conditions of Hydro Power Policy 2006 read with amendments to the same notified from time to time shall be applicable to the developer/IPP which shall also be mentioned as, "that the Hydro Power Policy, 2006 alongwith amendments from time to time shall be abided by him during the occupancy of the project", in the affidavit to be submitted under point no. 21 above as second point.
23. HIMURJA/H.P. Government shall provide necessary assistance in obtaining clearances at State level.
24. This consent letter is being issued in lieu of MOU and no separate MOU shall be signed by the government.
25. This consent letter is being issued under the orders and authorization of Deptt. of Non-Conventional Energy Sources, Govt. of Himachal Pradesh.
26. If Upfront premium, security charges and processing fee are not deposited within two months from the date of consent letter the project is liable to be cancelled.
27. In case at any stage it is found that this small hydro Electric Project is prejudice to overall optimum development of the river, the government reserves the right to cancel the allotment of the project without any liability/limitations.
28. The DPR of the project is to be completed within the specified time i.e. 24 months (excluding extension of 3 months) failing which project shall stand cancelled.
29. The State Government and the local right holders shall have the right over use of water for irrigation and drinking water supply.
30. The Govt. reserves the right to modify, delete or add any of the conditions, criteria, at its own discretion and shall be at liberty to withdraw the consent if at a later stage it is found that some information has been suppressed or false information has been supplied by IPP about the project.
31. **CAPACITY EXCEEDING 5MW AFTER ENHANCEMENT.**
- If the capacity of the allotted project is enhanced above 5MW, all the charges payable as per Policy for the projects above 5 MW including additional free power royalty are to be paid by the applicant afresh on whole capacity of the project.

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Note:

- (1) The DPR shall clearly bring out the percentage potential utilization of the site and it would be preferable if the DPR demonstrates that the proposal shall lead to more than 75% of the potential utilization of the site in a 75% dependable year. Capacity utilization factor (CUF) is to be kept between 55% to 60%  $\pm$  2%.
- (2) Capacity firmed up in the DPR shall be treated as final subject to approval from Government in case of enhancement for according TC and signing of IA.

In case of default of any of the time frame and/or conditions of this consent letter, the Government shall be at liberty to withdraw the consent and forfeit the security and the project can thereafter be granted to other suitable party.

Himurja and H.P. government welcome you to the fraternity of independent power producers engaged in the infrastructural development of the State and reiterates its commitment to facilitate entrepreneurs in the State for over all growth and development, and wish your project all the success.

Yours Sincerely,

( Er K. L. Thakur )  
Project Director cum  
Dy Chief Executive Officer,  
HIMURJA, Urja Bhawan,  
Kasumpti, Shimla-171009.

Endst. No.: A/A 9198 to 9212


Dated: 10-08-15

1. Copy is forwarded to the following for information and necessary action:
  - (i) Additional Chief Secretary /Principal Secretary/ Secretary (Forests/Revenue/I&PH/PWD/ Environment & S.T./RD & Panchayati Raj/ Fisheries) to the Govt. of H.P., Shimla-2.
  - (ii) Principal CCF (Wild Life), Himachal Pradesh.

All the Departments are requested to render necessary assistance to the IPP to prove or otherwise the feasibility and desirability of the project and formulation of the DPR. This consent is treated as Government permission to the IPP for investigating the project and obtaining various clearances for submission of DPR and possible setting up of the Small Hydro Power Project as described in the letter above.

2. Additional Chief Secretary (NES), to the Govt. of H.P. w.r.t letter No. NES-F (2)-3/2015 dated 07/08/2015 vide which approval has been accorded.
3. The Director (SHP), MNRE Block No.-14 CGO Complex, Lodhi Road, New Delhi-110003 for information please.
4. Director, Directorate of Energy, Shanti Bhawan, Phase-III, Sector-6, Shimla-171009 for information please.
5. M.D. HPTCL, Barowalia House, Kahalini, Shimla-171002 for information.

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- 6. Deputy Commissioner- Kullu, Distt. Kullu, H.P.
- 7. The Chief Engineer (SO&P), HPSEB Ltd. Vidyut Bhawan, Shimla 171004 for information and necessary action.
- 8. The Sr. Project Officer Himurja, Distt. Kullu, H.P. for information and necessary action.

( Er K. L. Thakur )  
 Project Director cum  
 Dy Chief Executive Officer,  
 HIMURJA, Urja Bhawan,  
 Kasumpti, Shimla-171009.

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 JSV Sub-Division  
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(H.P. Govt. Energy Development Agency)  
HIMURJA, Urja Bhawan SDA Complex Kasumpti Shimla-171009  
PHONE: 177-2620365, 2621783, 2625306, 2621623, FAX 177-2622535

No. HIMURJA/SHP/Grahan kasol (419)/2015-9181 Dated: 10/8/2015

To

M/s Dinesh Butail (Sole), Butail Complex-  
Bundla Tea estate Palampur- Kangra 176061

Sub:- Consent for exclusive time bound right for preparation of Project Report for the Small Hydel Project Grahan Kasol (5.00 MW) in Kullu District, Himachal Pradesh.

Dear Sir,

I am directed to inform that after considering your application for the Self Identified project, the State Government has consented to give you the exclusive right for preparation of DPR for subsequent implementation of SHP in H.P. The details of the project for which consent has been granted is as below:-

Sr. No.	Name of the Project	River/ Stream	Distt.	Elevation Range (Diversion site to Tail race)	Estimated Capacity (MW)
1	Grahan kasol	Grahan	Kullu	± 2110 to 1860 m	5.00

#### 1. FR FINALISATION

The IPP shall submit a comprehensive Feasibility Report (FR) to Himurja prepared by a reputed consultant within six months of issuance of this letter along with the credential of the consultant. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, land requirements, layout plan, single line diagram, E & M equipment specifications and cost analysis etc. Extension of three (3) months subject to deposition of extension fee @ Rs 10,000/- per MW per month is allowable. If the IPP fails to submit Feasibility Report within extended period project is liable to be cancelled.

2. IPP shall have to deposit security, processing fee, upfront premium based on the allotted capacity within two months from the date of issuance of this consent.

#### 2.1. SECURITY (REFUNDABLE)

The Security charges (refundable) in the shape of Demand draft is to be furnished in favour of "DIRECTOR HIMURJA" payable at Shimla @ Rs. 50,000/- per MW. If the requisite documents such as PFR, Upfront premium and post allotment processing fee etc. as prescribed in the consent letter are not deposited in time, the project shall be cancelled and this amount will be forfeited. This amount will also be used as performance guarantee for different milestones and adjusted against extension charges that may have become due and were not paid in case of cancellation of project at any stage. (EMD deposited at the time of apply will be adjusted against Security)

The above security shall be refundable to IPP after signing of IA.

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**2.2 PROCESSING FEE (NON-REFUNDABLE)**

Furnishing of the Processing Fee (non-refundable) in shape of Demand Draft in favour of "Director, HIMURJA" payable at Shimla. The processing fee for Himachali, Cooperative society/Company comprising of the bonafide Himachalis shall be Rs. 25,000/- upto 2 MW and beyond 2.00 MW upto 5 MW @ Rs.25,000/- + Rs.10,000/- per MW (for the capacity exceeding 2 MW). For others i.e. Non- Himachalis the processing fee shall be Rs. 2.00 lac per Project.

If an IPP enhances the capacity of already allotted Project after Technical Concurrence/ signing of IA, then the IPP shall be required to furnish the processing fee afresh at the rate specified above.

**2.3 (a) UP-FRONT PREMIUM (NON-REFUNDABLE)**

Upfront premium (Non-refundable) shall have to be furnished in shape of Demand Draft in favour of Director Himurja, payable at Shimla.

Up-front premium shall be charged in two stages-

- i) @ Rs.45000/- per MW at the time of allotment of the project i.e within two months from the date of this consent letter and
- ii) Balance upfront premium @ Rs. 45000/- per MW at the time of signing of the IA.

Whereas for projects upto 2 MW upfront premium is exempted

2.3 (b) If after enhancement of capacity the capacity of the project remains upto 5 MW the IPP shall have to pay upfront premium @ Rs 90,000/- per MW on whole capacity.

- 3. The IPP shall carry out the requisite detailed investigations and techno-economic studies of the Project and shall submit a Detailed Project Report to HIMURJA within a period of 24 months from the date of issue of this consent letter in consideration to Hydro Power Policy 2006 and its subsequent amendments from time to time.
- 4. The IPP shall submit monthly discharge data and quarterly overall progress reports to Himurja on the Proforma attached at Annexure- 'A' & 'B'.
- 5. Following milestones shall be binding on the IPP:-

Sr. No.	Milestones	Time Period
1	Feasibility Report Submission	Within six months from the date of Consent Letter before preparation of DPR. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, Land requirements, Layout plan, single line diagram, E & M equipment specifications. Extension of three months with extension fee @ Rs. 10,000/- per MW per month. Consequences- Cancellation of project.
2	Feasibility Report Approval	Himurja will approve the Feasibility Report within two months from its submission or within 11 months (including extension obtained for submission of feasibility report if any) from the issue of consent letter.

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3	Acquisition of Revenue record	IPP has to obtain all the necessary revenue record required for implementation of project within Nine (9) months from the date of issuance of Consent Letter or within 12 months (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter.
4	Submission of applications for all clearances/approval/consent to different departments	IPP has to submit applications for all the clearances/approval/consent applied within Eleven (11) from the date of issuance of Consent Letter or within 14 months (including extension obtained for submission of feasibility report if any) from the date of issuance of Consent Letter.
5	Obtaining of all clearances/approval/consent	IPP has to obtain all the clearances/approval/consent within Twenty Four (24) months (including extension obtained for submission of feasibility report if any) from the date of Consent Letter.
6	Submission of Detailed Project Report (DPR) as per CEA/CWC Guidelines & within allotted/approved parameters with all clearances	Within 24 months from the date of issuance of Consent Letter or within 27 months including three (3) months extension for submission of FR, if three (3) months extension not availed at the time of FR, extension of three (3) months can be availed for submission of DPR for valid reasons by levying extension fee @ Rs 1000/- per MW for first month doubling in successive months, i.e. 1 <sup>st</sup> month Rs 1,000/-, 2 <sup>nd</sup> month Rs. 2000/-, 3 <sup>rd</sup> month 4000/-,
7	Grant of Technical Concurrence, preparation & submission of documents for signing of Implementation Agreement.	Technical Concurrence shall be accorded by Directorate of Energy (DoE), on behalf of the Government within 45 days from the date of receipt of the Detailed Project Report or within 28 months and 15 days (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter and also complete all formalities for signing of IA.
8	Confirmation of Interconnection Point	Two months after the approval of FR, the IPP shall apply to the appropriate authority (Distribution/Transmission Licensee) for finalization/confirmation of interconnection point.
9	Signing of IA	Within 15 days of accordance of TC or within 29 months from the issuance of Consent Letter (including extension obtained for submission of FR/DPR, if any) whichever is earlier.
10	Achieving Financial closure including PPA if required and work started Concurrent action: Any balance clearances, consent/approval to be obtained.	IPP has to achieve the financial closure including PPA if required and obtain balance clearance/consent/approval, if any and start work on site within six (6) months after signing of IA or within 35 months (including, extension obtained for submission of feasibility report and DPR, if any) from the date of issuance of Consent Letter.

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11	Project Commissioning	Project must be commissioned within 24 months from the date of start of work. However, six (6) months extension in this period is allowable for valid reasons subject to deposition of extension fee or within 65 months (including extension) obtained for submission of feasibility report/DPR submission/extension in construction period, if any) from the issue the date of issuance of Consent Letter. Extension charges applicable @ Rs 1000/- per MW for first month doubling in successive months, subject to maximum of Rs 10,000/- i.e. 1st month Rs 1,000/-, 2 <sup>nd</sup> month Rs. 2000, 3 <sup>rd</sup> month 4000/-, 5 <sup>th</sup> month Rs. 10,000/- This part of charges will be payable upfront or with interest at project borrowing rates, after commissioning.
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6. The IPP shall stick to the time schedule for the investigation of the project and submission of the FR and DPR. In the event of the IPP being unable to submit the FR and DPR within the stipulated period as mentioned in clause 1.3 & 5 in this letter, the IPP can seek extension for the delay for valid reasons within one month alongwith extension fee and maximum extension shall be as mentioned in clause No -5 of this letter. Extension fee for extension in time period for submission of DPR shall be @ -Rs 1000/- per MW for first month doubling in successive months, subject to maximum of Rs 10,000/- i.e. 1st month Rs 1000/-, 2<sup>nd</sup> month Rs. 2000, 3<sup>rd</sup> month 4000/-, 5<sup>th</sup> month Rs. 10,000/- and for FR extension fees shall be @ Rs. 10,000/- per MW per month. Non submission of DPR within the extended period shall result into cancellation of the project.
7. Detailed Project Report submission date shall be reckoned only after it has been found that the report is in conformity with CEA/ CWC guidelines & within allotted/approved elevation & stream. The reports and studies shall be prepared by reputed consultants who have experience of handling the complete task of geological & hydrological investigation, construction, erection, commissioning and operation of hydroelectric projects. Complete details of the consultants and their experience shall be included in the DPR or annexed therein.
8. HIMURJA, on receipt of Detailed Project Report (DPR), will scrutinize the DPR from the angle of allotted parameters and related aspects of the project as well as optimum utilization of the potential. After its scrutiny the HIMURJA will forward the DPR to Director of Energy, for accordance of Technical Concurrence. During examination of DPR HIMURJA/ Director of Energy, may point out the defects and deficiencies affecting the Technical Concurrence. IPP is expected to make good the defects promptly and remove the defects or deficiencies, as pointed out by the HIMURJA/ Director of Energy, within 30 days from the dispatch of the communication. The IPP will obtain Techno Concurrence (TC) from Director of Energy, within 45 days from the date of submission of DPR.
9. If the performance of this consent or any obligation of IPP is prevented, restricted or interfered with for any reasons of: fire, explosion, epidemic, cyclone, earthquake, flood, unforeseen natural calamity, war, revolution, requirement of any Government or any sub-division authority or representative of any such Government in respect of the aforesaid conditions, or any other act whatsoever, whether similar or dissimilar to those enumerated, beyond the reasonable control of the party hereto; the party so affected upon giving prompt notice to other party shall be excused from such performance to the extent of such prevention, restriction or interference for the period it persists provided that the party so affected shall make its best efforts to avoid or remove causes of non- performance, if possible, and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. If the force majeure such as war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine, restrictions, freight embargoes, radioactivity, earthquakes, cloudbursts, landslides

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and excessive snow persists for continuous period of the consent letter or more, the parties shall meet and decide about the further course of action.

10. In case the IPP does not find the Project to be feasible from techno-economic considerations or from any other aspect, the IPP shall hand over to the HIMURJA all the Project Reports and any other connected documents etc. as may have been collected and/or prepared by the IPP during the course of investigations.
11. The Government after having concluded that the Project is techno-economically viable may enter into an Implementation Agreement with the IPP within 15 days of accordance of TC or within 29 months after issue of consent letter (including extension if any) whichever is earlier. IPP will give request for signing IA and deposit requisite charges for signing of IA for the execution of project on terms and conditions in accordance with H.P. Hydro Power Policy 2006 read with various amendments in it notified from time to time.
12. The IPP shall set up its office within State of Himachal Pradesh after signing of Implementation Agreement and furnish the proof thereof.
13. (i) This consent shall be restricted within the approved parameters of this consent letter i.e. to utilize water of Grahon Nala/stream in elevation range between EL  $\pm$  2110 to 1860 m (i.e. Diversion weir to Tail race) on Left/Right Bank of on which this project is envisaged unless otherwise approved by the H.P. Government. The H.P. Govt. shall be at liberty to cancel the consent, if any violation on this account is discovered at a later stage.
- (ii) As per laid down guidelines riparian distance of 50mtrs elevation wise or 250m horizontal distance is to be maintained between two projects to allow visible flow of water in the stream/Nalla while carrying out detailed survey, failing which the allotment is liable to be cancelled for violation of the same.
- (iii) In case of any conflict about a site, due to other allotment on the same stream/nallah etc. the State Government/Himurja shall have the right to take the decision about the Consent letter and this decision shall be final and binding on the concerned parties.
- (iv) If it is discovered at later stage that project components are coming up in Wild Life Sanctuary/National Park the project shall stand canceled without paying any compensation or an alternative site.
14. NOCs of IPH, HPPWD, Revenue, Fisheries and Wild Life are not required with DPR. However, clearances and compliance of norms & conditions of the departments shall be ensured by the developers before and during execution.
  - (i) The norms and terms and conditions of IPH, PWD and Revenue Department shall be Annexed with the Implementation Agreement and developer shall abide by them.
  - (ii) No project should be allotted in Wild Life Sanctuaries/Parks/areas. If later on the project comes within the boundaries of Wild Life Sanctuaries/Parks/areas by way of redefining boundaries of Wild Life Sanctuaries/Parks/areas, IPP shall have to surrender the project immediately without any claim.

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(iii) No NOC of Fisheries Department is required. Only where projects are allotted in the streams where Fisheries department has its conservations and development projects, the developers will comply with all the instructions/directions of Fisheries Department and take into account impact in Feasibility Study, DPR and during project execution.

Charges payable-

- a) No charges for projects upto 2 MW.
- b) For other only per MW charges at the rate of Rs 50,000/- per MW.
- c) No additional charges for length of stream so as to avoid inspections.
- d) Where any development conservation projects of Fisheries Department are impacted separate charges as per Fisheries Department proposal.
- (iv) NOC of Gram Panchayat – Effective consultation shall be done with Gram Panchayats and their objections and suggestions shall be heard and decided by SDM by way of a reasoned speaking order. Aggrieved parties have right to appeal before D.C. and thereafter Principal Secretary (Power).

Single joint committee will clear all aspects of projects for statutory clearances.

- 15. NOCs from different Departments shall be furnished in shape of, self attested copies, to the HIMURJA. The IPP is required to furnish an affidavit, on Rs. 5/- stamp paper duly notarized, to the effect that all the conditions in the NOCs obtained from the different Departments and Gram Panchayat shall be abided by them, incase an IA is signed with the IPP later on.
- 16. The receipt of this communication and acceptance of consent conditions aforesaid will be acknowledged within one month and the affidavits, security charges, processing fee and upfront premium within two months from the date of issue of this letter. In case, IPP's confirmation is not received or security, processing fee and other relevant essential documents, not deposited by the due date it shall be presumed that IPP is not interested in taking up the project and consent shall be treated as withdrawn.

17. ROYALTY

In the event of this project being awarded to you for implementation, a separate agreement called Implementation Agreement shall be executed for supplying the royalty on water usages in shape of free power royalty (Energy) as per the following rates or the rates applicable as per policy of the State Govt. at the time of signing of Implementation Agreement.

- a) Small Hydro Electric Projects upto 2 MW allotted after 2006 Hydro Policy, where power is consumed in HP by HPSEBL free power payable to State and Local Area Development Fund shall be 2%, 12% and 18% (2% for first 12 years, 12% for next 18 years & 18% for remaining period of 10 years).
- b) For Other Projects- The Free power royalty liable to be charged for projects with an installed capacity upto 5 MW will be at the rate of 12%, 15% & 24% (12% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years) for captive use or third party sale outside the state or the rates applicable as per policy of the State Government at the time of signing of IA. For captive consumption within the state or sale to HPSEB Ltd. or its successors the concessional royalty rates shall be 6%, 15% and 24% (6% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years). In case of capacity enhancement beyond 5 MW rates notified by government shall be applicable.

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The IPP shall provide an additional 1% (one percent) free power over and above the rates existing at 20 (a&b) for Local Area Development Fund (LADF) aimed at providing regular stream of revenue for income generation and welfare schemes, creation of additional infrastructure and common facilities etc. on a sustained and continued basis over the life of the project. This fund would be available in the form of an annuity over the entire life of the project.

18. The balance energy, after adjustment of free energy, may be used/sold by the Second Party in the following manner:-

(a) Free energy shall be made available by the Second Party at the interconnection point to the HPSEBL, wherein HPSEBL will buy power from SHPs upto 2.00 MW, if the developer so choose, provided that free power to the State is also as per 2006 Policy and the metering shall be done at this point. For SHPs above 2.00 MW upto 5.00 MW, HPSEBL will formulate an objective, prudent and transparent power purchase policy, keeping in view load centre, evacuation cost, line losses, hydrology etc.

Solid tap connectivity at the nearest or 11 kV or 22 kV line upto 2 MW capacity generation capacity will be allowed, with appropriate protection.

To ease Liquidity, Commission will determine two sets of levelised tariff i.e. one for first 5 to 10 years, which may be higher and 2<sup>nd</sup> set for balance period

No wheeling/transmission charges shall be payable for free energy from the generating station to the interconnection point

(b) Make captive use or negotiate Third Party sale within the State or evacuate power for captive use or sale outside the State. The wheeling or transmission charges in this regard will be set by the HPERC based on petitions by the parties.

#### 19. TRANSFER OF PROJECT TO SUBSIDIARY GENERATING COMPANY/ DILUTION OF SHARES.

19.1 For Non-Himachalis:- The Government may consider the request of the allottee company for change in name/dilution of shares of original allottee company subject to the condition that the Original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto six months after actual commissioning of the project and thereafter allowed to freely sell/divest the project. However, equity shares to the extent of 100% can be transferred to Himachali at any stage after allotment. In the event of any contravention, the Government of H.P. shall terminate the Consent Letter forthwith at any stage.

19.2 (a) For Himachalis: In case of bonafide Himachalis /Co-operative Societies/Companies/ Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis to whom project upto 2 MW and above 2MW to 5MW capacity is allotted, the Government may consider the request of the promoters to transfer ownership wholly or partially to any other bonafide Himachalis / Co-operative Societies/Companies/Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis, at any stage after allotment.

19.2 (b) In case of bonafide Himachalis to whom Projects upto 2.00 MW capacity is allotted, Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 26% at any stage and full disinvestment after six months of actual commissioning of project.

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- 19.2 (e) In case of bonafide Himachalis to whom Projects above 2.00 MW and upto 5.00 MW capacity is allotted. Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 49% at any stage subject to the condition that original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto six months of actual commissioning of project.
- 20. For projects upto 5 MW, HPSEB Ltd., or its successor entity shall buy the power at the tariff notified from time to time by Himachal Pradesh Electricity Regulatory Commission.
- 21. Alongwith the acceptance of the consent letter, the following shall also be furnished by the IPP: "An affidavit on a stamp paper of Rs.5/-only (duly notarized) to the effect that not more than three projects (including this project) are under execution with the allottee company/firm and the promoters of the company /firm".
- 22. Other conditions of Hydro Power Policy 2006 read with amendments to the same notified from time to time shall be applicable to the developer/IPP which shall also be mentioned as, " that the Hydro Power Policy, 2006 alongwith amendments from time to time shall be abided by him during the occupancy of the project", in the affidavit to be submitted under point no. 21 above as second point.
- 23. HIMURJA/ H.P. Government shall provide necessary assistance in obtaining clearances at State level.
- 24. This consent letter is being issued in lieu of MOU and no separate MOU shall be signed by the government.
- 25. This consent letter is being issued under the orders and authorization of Deptt. of Non-Conventional Energy Sources, Govt. of Himachal Pradesh.
- 26. If Upfront premium, security charges and processing fee are not deposited within two months from the date of consent letter the project is liable to be cancelled.
- 27. In case at any stage it is found that this small hydro Electric Project is prejudice to overall optimum development of the river, the government reserves the right to cancel the allotment of the project without any liability/limitations.
- 28. The DPR of the project is to be completed within the specified time i.e. 24 months (excluding extension of 3 months) failing which project shall stand cancelled.
- 29. The State Government and the local right holders shall have the right over use of water for irrigation and drinking water supply.
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31. CAPACITY EXCEEDING 5MW AFTER ENHANCEMENT.

If the capacity of the allotted project is enhanced above 5MW, all the charges payable as per Policy for the projects above 5 MW including additional free power royalty are to be paid by the applicant afresh on whole capacity of the project.

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## Note:

- (1) The DPR shall clearly bring out the percentage potential utilization of the site and it would be preferable if the DPR demonstrates that the proposal shall lead to more than 75 % of the potential utilization of the site in a 75% dependable year. Capacity utilization factor (CUF) is to be kept between 55% to 60%  $\pm$  2 %.
- (2) Capacity firm up in the DPR shall be treated as final subject to approval from Government in case of enhancement for ~~accordng TC and signing of IA.~~

In case of default of any of the time frame and/or conditions of this consent letter, the Government shall be at liberty to withdraw the consent and forfeit the security and the project can thereafter be granted to other suitable party.

Himurja and H.P. government welcome you to the fraternity of independent power producers engaged in the infrastructural development of the State and reiterates its commitment to facilitate entrepreneurs in the State for over all growth and development, and wish your project all the success.

Yours Sincerely,



( Er K. L. Thakur )  
Project Director cum  
Dy Chief Executive Officer,  
HIMURJA, Urja Bhawan,  
Kasumpti, Shimla-171009.

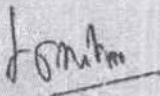
Endst. No.: - A/A

9182 to 9196


Dated: - 10/8/2015

1. Copy is forwarded to the following for information and necessary action:-
  - i) Additional Chief Secretary /Principal Secretary/Secretary (Forests/Revenue/I&PH/PWD/ Environment & S.T/ RD & Panchayati Raj / Fisheries) to the Govt. of H.P., Shimla-2.
  - ii) Principal CCF (Wild Life), Himachal Pradesh.

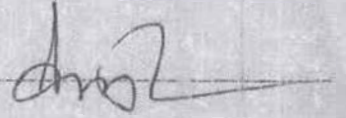
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2. Additional Chief Secretary (NES), to the Govt. of H.P. w.r.t letter No. NES-F (2)-3/2015 dated 07/08/2015 vide which approval has been accorded.
3. The Director (SHP) MNRE Block No.-14 CGO Complex, Lodhi Road, New Delhi-110003 for information please.
4. Director, Directorate of Energy, Shanti Bhawan, Phase-III, Sector-6, Shimla-171009 for information please.
5. M.D. HPTCL Barowalia House, Kahalini Shimla -171002 for information.



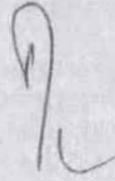
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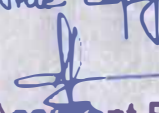
6. Deputy Commissioner- Kullu, Distt. Kullu, H.P.
7. The Chief Engineer (SO&P), HPSEB Ltd. Vidyut Bhawan, Shimla 171004 for information and necessary action.
8. The Sr. Project Officer Himurja, Distt. Kullu, H.P. for information and necessary action.



( Er K. L. Thakur )  
Project Director cum  
Dy Chief Executive Officer,  
HIMURJA, Urja Bhawan,  
Kasumpti, Shimla-171009.



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(H.P. Govt. Energy Development Agency)  
HIMURJA, Urja Bhawan, SDA Complex, Kasumpti, Shimla-171009  
PHONE-177-2620365, 2621783, 2625306, 2621623 | FAX 177-2622635

No. HIMURJA/SHP/Grahan kasol (419)/2015-9181

Dated: 10/8/2015

To

M/s Dinesh Butail (Sole), Butail Complex-  
Bundla Tea estate Palampur- Kangra 176061

**Sub.:** Consent for exclusive time bound right for preparation of Project Report for the Small Hydel Project Grahan Kasol (5.00 MW) in Kullu District, Himachal Pradesh.

Dear Sir,

I am directed to inform that after considering your application for the Self Identified project, the State Government has consented to give you the exclusive right for preparation of DPR for subsequent implementation of SHP in H.P. The details of the project for which consent has been granted is as below:

Sr. No.	Name of the Project	River/Stream	Distt.	Elevation Range (Diversion site of Tail race)	Estimated Capacity (MW)
1	Grahan kasol	Grahan	Kullu	± 2110 to 1860 m	5.00

### 1. FR FINALISATION

The IPP shall submit a comprehensive Feasibility Report (FR) to Himurja prepared by a reputed consultant within six months of issuance of this letter along with the credential of the consultant. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, land requirements, layout plan, single line diagram, E & M equipment specifications and cost analysis etc. Extension of three (3) months subject to deposition of extension fee @ Rs 10,000/- per MW per month is allowable. If the IPP fails to submit Feasibility Report within extended period project is liable to be cancelled.

2. IPP shall have to deposit security, processing fee, upfront premium based on the allotted capacity within two months from the date of issuance of this consent.

### 2.1. SECURITY (REFUNDABLE)

The Security charges (refundable) in the shape of Demand draft is to be furnished in favour of "DIRECTOR HIMURJA" payable at Shimla @ Rs 50,000/- per MW. If the requisite documents such as PFR, Upfront premium and post allotment processing fee etc. as prescribed in the consent letter are not deposited in time, the project shall be cancelled and this amount will be forfeited. This amount will also be used as performance guarantee for different milestones and adjusted against extension charges that may have become due and were not paid in case of cancellation of project at any stage. (EMD deposited at the time of apply will be adjusted against Security)

The above security shall be refundable to IPP after signing of IA.

**2.2 PROCESSING FEE (NON-REFUNDABLE)**

Furnishing of the Processing Fee (non-refundable) in shape of Demand Draft in favour of "Director, HIMURJA" payable at Shimla. The processing fee for Himachali, Cooperative society/Company comprising of the bonafide Himachalis shall be Rs. 25,000/- upto 2 MW and beyond 2.00 MW upto 5 MW @ Rs. 25,000/- + Rs. 10,000/- per MW (for the capacity exceeding 2 MW). For others i.e. Non-Himachalis the processing fee shall be Rs. 2.00 lac per Project.

If an IPP enhances the capacity of already allotted Project after Technical Concurrence/signing of IA, then the IPP shall be required to furnish the processing fee afresh at the rate specified above.

**2.3 (a) UP-FRONT PREMIUM (NON-REFUNDABLE)**

Upfront premium (Non-refundable) shall have to be furnished in shape of Demand Draft in favour of Director Himurja, payable at Shimla.

Up-front premium shall be charged in two stages-

- i) @ Rs. 45,000/- per MW at the time of allotment of the project i.e. within two months from the date of the consent letter and
- ii) Balance upfront premium @ Rs. 45,000/- per MW at the time of signing of the IA.

Whereas for projects upto 2 MW upfront premium is exempted.

**2.3 (b)** If after enhancement of capacity the capacity of the project remains upto 5 MW the IPP shall have to pay upfront premium @ Rs. 90,000/- per MW on whole capacity.

- 3. The IPP shall carry out the requisite detailed investigations and techno-economic studies of the Project and shall submit a Detailed Project Report to HIMURJA within a period of 24 months from the date of issue of this consent letter in consideration to Hydro Power Policy 2006 and its subsequent amendments from time to time.
- 4. The IPP shall submit monthly discharge data and quarterly overall progress reports to Himurja on the Proforma attached at Annexure- 'A' & 'B'.
- 5. Following milestones shall be binding on the IPP:-

Sr. No.	Milestones	Time Period
1	Feasibility Report Submission	Within six months from the date of Consent Letter before preparation of DPR. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, Land requirements, Layout plan, single line diagram, E & M equipment specifications. Extension of three months with extension fee @ Rs. 10,000/- per MW per month. Consequences- Cancellation of project.
2	Feasibility Report Approval	Himurja will approve the Feasibility Report within two months from its submission or within 11 months (including extension obtained for submission of feasibility report if any) from the issue of consent letter.

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3	Acquisition of Revenue record	IPP has to obtain all necessary revenue record required for implementation of project within Nine (9) months from the date of issuance of Consent Letter or within 12 months (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter.
4	Submission of applications for all clearances/approval/consent to different departments	IPP has to submit applications for all the clearances/approval/consent applied within Eleven (11) from the date of issuance of Consent Letter or within 14 months (including extension obtained for submission of feasibility report if any) from the date of issuance of Consent Letter.
5	Obtaining of all clearances/approval/consent	IPP has to obtain all the clearances/approval/consent within Twenty Four (24) months (including extension obtained for submission of feasibility report if any) from the date of Consent Letter.
6	Submission of Detailed Project Report (DPR) as per CEA/ CWC Guidelines & within allotted/approved parameters with all clearances	Within 24 months from the date of issuance of Consent Letter or within 27 months including three (3) months extension for submission of FR, if three (3) months extension not availed at the time of FR, extension of three (3) months can be availed for submission of DPR for valid reasons by levying extension fee @ Rs. 1000/- per MW for first month doubling in successive months, i.e. 1 <sup>st</sup> month Rs. 1,000/-, 2 <sup>nd</sup> month Rs. 2000/-, 3 <sup>rd</sup> month 4000/-.
7	Grant of Technical Concurrence, preparation & submission of documents for signing of Implementation Agreement.	Technical Concurrence shall be accorded by Directorate of Energy (DoE), on behalf of Government within 45 days from the date of receipt of the Detail Project Report or within 28 months and 15 days (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter and also complete all formalities for signing of IA.
8	Confirmation of Interconnection Point	Two months after the approval of FR, the IPP shall apply to the appropriate authority (Distribution/Transmission Licensee) for finalization/confirmation of interconnection point.
9	Signing of IA	Within 15 days of the TC or within 29 months from the issuance of the Consent Letter (including extension obtained for submission of FR/DPR, if any) whichever is earlier.
10	Achieving Financial Closure including PPA if required and work started Concurrent action: Any balance clearances, consent/approval to be obtained.	IPP has to achieve financial closure including PPA if required and obtain balance clearance/consent/approval, if any and start work on site within six (6) months after signing of IA or within 35 months (including, extension obtained for submission of feasibility report and DPR, if any) from the date of issuance of Consent Letter.

11	Project Commissioning	Project must be commissioned within 24 months from the date of start of work. However, six (6) months extension in this period is allowable for valid reasons subject to deposition of extension fee within 65 months (including extension obtained for submission of feasibility report/DPR submission/extension in construction period, if any) from the issue the date of issuance of Consent Letter. Extension charges are applicable @ Rs 1,000/- per MW for the first month, doubling in successive months, subject to a maximum of Rs 10,000/- i.e. 1 <sup>st</sup> month Rs 1,000/-, 2 <sup>nd</sup> month Rs 2,000/-, 3 <sup>rd</sup> month 4,000/-, 5 <sup>th</sup> month Rs 10,000/- This part of charges will be payable upfront or with interest at project borrowing rates after commissioning.
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6. The IPP shall stick to the time schedule for the investigation of the project and submission of the FR and DPR. In the event of the IPP being unable to submit the FR and DPR within the stipulated period mentioned in clause 1,3 & 5 in this letter, the IPP can seek extension for the delay for valid reasons within one month along with an extension fee and maximum extension shall be as mentioned in clause No – 5 of this letter. Extension fee for extension in time period for submission of DPR shall be @ Rs 1000/- per MW for first month, doubling in successive months, subject to maximum of Rs 10,000/- and for FR extension fees shall be @ Rs 10,000/- per MW per month. Non-submission of DPR within the extended period shall result into cancellation of the project.
7. Detailed Project Report submission date shall be reckoned only after it has found that the report is in conformity with CEA/CWC guidelines & within allotted/approved elevation & stream. The reports and studies shall be prepared by reputed consultants who have experience of handling the complete task of geological & hydrological investigation, construction, erection, commissioning and operation of hydroelectric projects. Complete details of the consultants and their experience shall be included in the DPR or annexed therein.
8. HIMURJA, on receipt of Detailed Project Report (DPR), will scrutinize the DPR from the angle of allotted parameters and related aspects of the project as well as optimum utilization of the potential. After its scrutiny the HIMURJA will forward the DPR to Director of Energy, for accordance of Technical Concurrence. During examination of DPR HIMURJA/ Director of Energy, may point out the defects and deficiencies affecting the Technical Concurrence. IPP is expected to make good the defects promptly and remove the defects or deficiencies, as pointed out by the HIMURJA/ Director of Energy, within 30 days from the dispatch of the communication. The IPP will obtain Techno Concurrence (TC) from Director of Energy, within 45 days from the date of submission of DPR.
9. If the performance of this consent or any obligation of IPP is prevented, restricted or interfered with for any reason of: fire, explosion, epidemic, cyclone, earthquake, flood, unforeseen natural calamity, war, revolution, or requirement of any Government or any sub-division authority or representative of any such Government in respect of the aforesaid conditions, or any other act whatsoever, whether similar or dissimilar to those enumerated, beyond the reasonable control of the party hereto; the party so affected upon giving prompt notice to other part shall be excused from such performance to the extent of such prevention, restriction of interference for the period it persists provided that the party so affected shall make its best efforts to avoid or remove causes of non-performance, if possible, and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. If the force majeure such as war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine, restrictions, freight embargoes, radioactivity, earthquakes, cloudbursts, landslides

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and excessive snow persists for a continuous period of the consent letter or more, the parties shall meet and decide about the further course of action.

10. In case the IPP does not find the Project to be feasible from techno-economic considerations or from any other aspect, the IPP shall hand over to the HIMURJA all the Project Reports and any other connected documents etc. as may have been collected and/or prepared by the IPP during the course of investigations.
11. The Government, after having concluded that the Project is techno-economically viable may enter into an Implementation Agreement with the IPP within 15 days of accordance of TC or within 29 months after issue of the consent letter (including extensions if any) whichever is earlier. IPP will give request for signing IA and deposit requisite charges for signing of IA for the execution of the project on terms and conditions in accordance with H.P. Hydro Power Policy 2006 read with various amendments in it notified from time to time.
12. The IPP shall set up its office within the State of Himachal Pradesh after signing of Implementation Agreement and furnish the proof thereof.
13. (i) This consent shall be restricted within the approved parameters of this consent letter i.e. to utilize water of **Grahan Nala/stream** in elevation range between **EL ± 2110 to 1860 m** (i.e. Diversion weir to Tail race) on the Left/Right Bank of on which this project is envisaged unless otherwise approved by the H.P. Government. The H.P. Govt. shall be at liberty to cancel the consent, if any violation on this account is discovered at a later stage.  
(ii) A pre laid down guidelines riparian distance of 50 mtrs elevation wise or 250 m horizontal distance is to be maintained between two projects to allow visible flow of water in the stream/Nalla while carrying out detailed survey, failing which the allotment is liable to be cancelled for violation of the same.  
(iii) In case of any conflict above a site, due to other allotment on the same stream/nallah etc. the State Government/Himurja shall have the right to take the decision about the Consent letter and this decision shall be final and binding on the concerned parties.  
(iv) If it is discovered at later stage that project components are coming up in Wild Life Sanctuary/National Park the project shall stand canceled without paying any compensation or an alternative site.
14. NOCs of IPH, HPPWD, Revenue, Fisheries, and Wildlife are not required with DPR. However, clearances and compliance of norms & conditions of the departments shall be ensured by the developers before and during execution.
  - (i) The norms and terms and conditions of IPH, PWD and Revenue Department shall be Annexed with the Implementation Agreement and developer shall abide by them.
  - (ii) No project should be allotted in Wild Life Sanctuaries/Parks/areas. If later on the project comes within the boundaries of Wild Life Sanctuaries/Parks/areas by way of redefining boundaries of Wild Life Sanctuaries/Parks/areas, IPP shall have to surrender the project immediately without any claim.

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- (iii) No NOC of Fisheries Department is required. Only where projects are allotted in the streams where Fisheries Department has its conservations and development projects, the developers will comply with all the instructions/directions of Fisheries Department and take into account impact in Feasibility Study, DPR and during project execution.

Charges Payable-

- a) No charges for projects up to 2 MW.  
b) For other only per MW charges at the rate of Rs 50,000/- per MW.  
c) No additional charges for length of stream so as to avoid inspections.  
d) Where any development conservation projects of Fisheries Department are impacted separate charges as per Fisheries Department proposal.
- (iv) NOC of Gram Panchayat- Effective consultation shall be done with Gram Panchayats and their objections and suggestions shall be heard and decided by SDM by way of a reasoned speaking order. Aggrieved parties have right to appeal before D.C. and thereafter Principal Secretary (Power).

Single joint committee will clear all aspects of projects for statutory clearances.

15. NOCs from different Departments shall be furnished in shape of, self-attested copies, to the HIMURJA. The IPP is required to furnish an affidavit, on a Rs 5/- stamp paper duly notarized, to the effect that all conditions in the NOCs obtained from the different Departments and Gram Panchayat shall be abided by them, incase an IA is signed with the IPP later on.

16. The receipt of this communication and acceptance of consent conditions aforesaid will be acknowledged within one month and the affidavits, security charges, processing fee and upfront premium within two months from the date of issue of this letter. In case, IPP's confirmation is not received or security, processing fee and other relevant essential documents, not deposited by the due date it shall be presumed that IPP is not interested in taking up the project and consent shall be treated as withdrawn.

17. **ROYALTY**

In the event of this project being awarded to you for implementation, a separate agreement called Implementation Agreement shall be executed for supplying the royalty on water usages in shape of free power royalty (Energy) as per the following rates or the rates applicable as per policy of the State Govt. at the time of signing of Implementation Agreement.

- a) Small Hydro Electric Projects up to 2 MW allotted after 2006 Hydro Policy, where power is consumed in H.P. by HPSEBL free power payable to State and Local Area Development Fund shall be 2%, 12% and 18% (2% for first 12 years, 12% for next 18 years & 18% for the remaining period of to 10 years).
- b) **For Other Projects-** The Free power royalty liable to be charged for projects with an installed capacity upto 5 MW will be at the rate of 12%, 15% & 24% (12% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years) for captive use or third party sale outside the state or the rates applicable as per policy of the State Government at the time of signing of IA. For captive consumption within the state or sale to HPSEB Ltd. or its successors the concessional royalty rates shall be 6%, 15% and 24% (6% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years). In case of capacity enhancement beyond 5 MW rates notified by government shall be applicable.

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The IPP shall provide an additional 1% (one percent) free power over and above the rates existing at 20 (a&b) for Local Area Development Fund (LADF) aimed at providing regular stream of revenue for income generation and welfare schemes, creation of additional infrastructure and common facilities etc. on a sustained and continued basis over the life of the project. This fund would be available in the form of an annuity over the entire life of the project.

18. The balance energy, after the adjustment of free energy, may be used/sold by the Second Party in the following manner :-

- (a) Free energy shall be made available by the Second Party at the interconnection point to the HPSEBL, wherein HPSEBL will buy power from SHPs up to 2.00 MW, if the developer so choose, provided that free power to the State is also as per 2006 Policy and the metering shall be done at this point. For SHPs above 2.00 MW upto 5.00 MW, HPSEBL will formulate an objective, prudent and transparent power purchase policy, keeping in view load centre, evacuation cost, line losses, hydrology etc.

Solid tap connectivity at the nearest 11 kV or 22 kV line up to 2 MW capacity generation capacity will be allowed with appropriate protection.

To ease Liquidity, Commission will determine two sets of levelised tariff i.e. one for first 5 to 10 years, which may be higher and 2<sup>nd</sup> set for balance period.

No wheeling/transmission charges shall be payable for free energy from the generating station to the interconnection point.

- (b) Make captive use or negotiate Third Party sale within the State or evacuate power for captive use or sale outside the State. The wheeling or transmission charges in this regard will be set by the HPERC based on petitions by the parties.


## 19. TRANSFER OF PROJECT TO SUBSIDIARY GENERATING COMPANY/ DILUTION OF SHARES.

19.1 **For Non-Himachalis:** The Government may consider the request of the allottee company for change in name/dilution of shares of original allottee company subject to the condition that the Original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto Six months after actual commissioning of the project and thereafter allowed to freely sell/divest the project. However, equity shares to the extent of 100% can be transferred to Himachali at any stage after allotment. In the event of any contravention, the Government of H.P. shall terminate the Consent Letter forthwith at any stage.

19.2 (a) **For Himachalis:** In case of bonafide Himachalis /Co-operative Societies/Companies/ Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of Bonafide Himachalis to whom project upto 2 MW and above 2MW to 5MW capacity is allotted, the Government may consider the request of the promoters to transfer ownership wholly or partially to any other Bonafide Himachalis /Co-operative Societies/Companies/Voluntary Societies/Trust/Partnership concerns/ Sole Proprietorship concerns comprising wholly of bonafide Himachalis, at any stage after allotment.

19.2 (b) In case of bonafide Himachalis to whom Projects upto 2.00 MW capacity is allotted, Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 26% at any stage and full disinvestment after six months of actual commissioning of project.

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- 19.2 (c) Incase of bonafide Himachalis to whom Projects above 2.00 MW and upto 5.00 MW capacity is allotted, Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 49% at any stage subject to the condition that original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto six months of actual commissioning of project.
20. For projects upto 5 MW, HPSEB Ltd., or its successor entity shall buy the power at the tariff notified from time to time by Himachal Pradesh Electricity Regulatory Commission.
21. Alongwith the acceptance of the consent letter, the following shall also be furnished by the IPP: "An affidavit on a stamp paper of Rs.5/- only (duly notarized) to the effect that not more than three projects (including this project) are under execution with the allottee company/firm and the promoters of the company/firm".
22. Other conditions of Hydro Power Policy 2006 read with amendments to the same notified from time to time shall be applicable to the developer/IPP which shall also be mentioned as, "that the Hydro Power Policy, 2006 alongwith amendments from time to time shall be abided by him during the occupancy of the project", in the affidavit to be submitted under point no. 21 above as second point.
23. HIMURJA/H.P. Government shall provide necessary assistance in obtaining clearances at State level.
24. This consent letter is being issued in lieu of MOU and no separate MOU shall be signed by the government.
25. This consent letter is being issued under the orders and authorization of Deptt. of Non-Conventional Energy Sources, Govt. of Himachal Pradesh.
26. If Upfront premium, security charges and processing fee are not deposited within two months from the date of consent letter the project is liable to be cancelled.
27. In case at any stage it is found that this small hydro Electric Project is prejudice to overall optimum development of the river, the government reserves the right to cancel the allotment of the project without any liability/limitations.
28. The DPR of the project is to be completed within the specified time i.e. 24 months (excluding extension of 3 months) failing which project shall stand cancelled.
29. The State Government and the local right holders shall have the right over use of water for irrigation and drinking water supply.
30. The Govt. reserves the right to modify, delete or add any of the conditions, criteria, at its own discretion and shall be at liberty to withdraw the consent if at a later stage it is found that some information has been suppressed or false information has been supplied by IPP about the project.
31. **CAPACITY EXCEEDING 5MW AFTER ENHANCEMENT.**  
If the capacity of the allotted project is enhanced above 5MW, all the charges payable as per Policy for the projects above 5 MW including additional free power royalty are to be paid by the applicant afresh on whole capacity of the project.

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Note:

- (1) The DPR shall clearly bring out the percentage potential utilization of the site and it would be preferable if the DPR demonstrates that the proposal shall lead to more than 75% of the potential utilization of the site in a 75% dependable year. Capacity utilization factor (CUF) is to be kept between 55% to 60%  $\pm$  2%.
- (2) Capacity firmed up in the DPR shall be treated as final subject to approval from Government in case of enhancement for according TC and signing of IA.

In case of default of any of the time frame and/or conditions of this consent letter, the Government shall be at liberty to withdraw the consent and forfeit the security and the project can thereafter be granted to other suitable party.

Himurja and H.P. government welcome you to the fraternity of independent power producers engaged in the infrastructural development of the State and reiterates its commitment to facilitate entrepreneurs in the State for over all growth and development, and wish your project all the success.

Yours Sincerely,

( Er K. L. Thakur )  
Project Director cum  
Dy Chief Executive Officer,  
HIMURJA, Urja Bhawan,  
Kasumpti, Shimla-171009.

Endst. No.: A/A 9182 to 9196

Dated: 10/08/2015

1. Copy is forwarded to the following for information and necessary action:
  - (i) Additional Chief Secretary /Principal Secretary/ Secretary (Forests/Revenue/I&PH/PWD/ Environment & S.T./RD & Panchayati Raj/ Fisheries) to the Govt. of H.P., Shimla-2.
  - (ii) Principal CCF (Wild Life), Himachal Pradesh.

All the Departments are requested to render necessary assistance to the IPP to prove or otherwise the feasibility and desirability of the project and formulation of the DPR. This consent is treated as Government permission to the IPP for investigating the project and obtaining various clearances for submission of DPR and possible setting up of the Small Hydro Power Project as described in the letter above.

2. Additional Chief Secretary (NES), to the Govt. of H.P. w.r.t letter No. NES-F (2)-3/2015 dated 07/08/2015 vide which approval has been accorded.
3. The Director (SHP), MNRE Block No.-14 CGO Complex, Lodhi Road, New Delhi-110003 for information please.
4. Director, Directorate of Energy, Shanti Bhawan, Phase-III, Sector-6, Shimla-171009 for information please.
5. M.D. HPTCL, Barowalia House, Kahalini, Shimla-171002 for information.

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- 6. Deputy Commissioner- Kullu, Distt. Kullu, H.P.
- 7. The Chief Engineer (SO&P), HPSEB Ltd. Vidyut Bhawan, Shimla 171004 for information and necessary action.
- 8. The Sr. Project Officer Himurja, Distt. Kullu, H.P. for information and necessary action.

( Er K. L. Thakur )  
 Project Director cum  
 Dy Chief Executive Officer,  
 HIMURJA, Urja Bhawan,  
 Kasumpti, Shimla-171009.

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