

**ANNEXURE VI**  
**(LETTER OF INTENT ALONG WITH EXTENSION OF**  
**VALIDITY)**







368

Ref. No: RECTPCL/P-6/KUDGI/LOI/2013-14/

Date : 31.07.2013

**M/s L&T Infrastructure Development Projects Limited,**

TCTC Building, First Floor,

Mount Poonamallee Road, Manapakkam,

Chennai-600 089

**Kind Attn: Mr. K. Sankararaman, GM (Transmission & Wind Energy Business)****Subject: Establishment of Transmission System required for evacuation of power from Kudgi TPS (3x800 MW in Phase-I) of NTPC Limited**

Dear Sir,

We refer to:

- 1) The Request for Proposal dated 12<sup>th</sup> March, 2013 comprising Request for Proposal Document, Draft Transmission Service Agreement, Survey Report, Share Purchase Agreement and Tariff Illustration Sheet (provided in CD) issued to M/s L&T Infrastructure Development Projects Limited as regards participation in the Global Invitation for Bids for establishment of "Transmission System required for evacuation of power from Kudgi TPS (3x800 MW in Phase-I) of NTPC Limited", through tariff based competitive bidding process, and as amended till the Bid Deadline including all correspondence / clarifications / amendments issued by REC Transmission Projects Company Limited in regard thereto (hereinafter collectively referred to as the "Final RFP") and as listed below:

- i. Clarifications, Amendment - I & Errata-I dated 30.04.2013
- ii. Clarifications, Amendment No-II & Errata-II dated 13.05.2013
- iii. Errata-III dated 17.05.2013
- iv. Amendment No-III dated 05.06.2013
- v. Amendment No-IV dated 24.06.2013
- vi. Copy of executed Transmission Service Agreement issued on 28.05.2013



- 2) The offer of M/s L&T Infrastructure Development Projects Limited by way of a Non-Financial Bid (Envelope I) pursuant to (1) above submitted on 2<sup>nd</sup> July, 2013 in response to the Final RFP.
- 3) The offer of M/s L&T Infrastructure Development Projects Limited by way of a Financial Bid (Envelope II) as submitted on 2<sup>nd</sup> July, 2013 in response to the Final RFP.
- 4) The Non-Financial Bid as in (2) above, the Financial Bid as in (3) above and submissions made by M/s L&T Infrastructure Development Projects Limited on 17<sup>th</sup> July, 2013 in response to the clarification letter issued by REC Transmission Projects Company Limited on 15<sup>th</sup> July, 2013 hereinafter collectively referred to as the "Bid".

We are pleased to inform you that your proposal and offer received by way of the "Bid" has been accepted and the M/s L&T Infrastructure Development Projects Limited is hereby declared as the Successful Bidder as per clause 3.4.1.1 of the Final RFP for the above project and consequently, this Letter of Intent (hereinafter referred to as the "LoI") is being issued.

This LoI is based on the Final RFP and is further contingent upon you satisfying the following conditions:

- a) Acknowledging its issuance and unconditionally accepting its contents and recording "Accepted unconditionally" under the signature of your authorized signatory on each page of the duplicate copy of this letter attached herewith at the place indicated for the same and returning the same to REC Transmission Projects Company Limited within seven (7) days of the date of issuance of LoI;
- b) Completion of various activities as stipulated in the Final RFP including in particular Clause 2.4, Clause 2.5 and Clause 2.6 of the Final RFP, within the timelines as prescribed therein.
- c) Provide the Contract Performance Guarantee of Rs. 41,40,00,000 (Rupees Forty One Crore Forty Lakhs only) within thirty (30) days of the issue of this LoI, separately in favour of each of the Long Term Transmission Customers listed out in Annexure 1 of the RFP for the amount calculated pro-rata in the ratio of their Allocated Project Capacity as per the provisions of Clause 2.21.


It may be noted that REC Transmission Projects Company Limited has the rights available to them under the Final RFP, including rights under clause 2.7 and 3.4.1.3 thereof, upon your failure to comply with the aforementioned conditions.


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

Further, please note that relationship of M/s L&T Infrastructure Development Projects Limited with the Long Term Transmission Customers will be governed solely on the basis of the Final RFP.

You are requested to unconditionally accept the Lol, and record on one (1) copy of the Lol, "Accepted unconditionally", under the signature of the authorized signatory of your Company and return such copy to us within seven (7) days of issue of Lol.

Yours sincerely

For REC Transmission Projects Company Limited

  
S.K. Gupta  
Chief Executive Officer  
21/07/23

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



Copy to:

1. **The Chairman & Managing Director,  
Rural Electrification Corporation Limited,  
Core - 4, SCOPE Complex,  
7, Lodhi Road,  
New Delhi - 110003**
2. **The Member (PS)  
Central Electricity Authority  
Sewa Bhawan, R K Puram,  
New Delhi - 110 066**
3. **The Joint Secretary (Transmission)  
Ministry of Power  
Shram Shakti Bhawan,  
Rafi Marg, New Delhi -110 001**
4. **The Secretary,  
Central Electricity Regulatory Commission (CERC),  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Chandralok Building,  
36, Janpath, New Delhi - 110001**
5. **The Chairman & Managing Director,  
Northern Power Distribution Company of Andhra Pradesh Limited,  
H.No: 2-5-31/2,  
Corporate Office, Vidyut Bhavan,  
Nakkalgutta, Hanamkonda,  
Warangal- 506001**
6. **The Chairman & Managing Director,  
Eastern Power Distribution Company of Andhra Pradesh Limited,  
P&T Colony,  
Seethammadhara,  
Visakhapatnam.**



7. **The Chairman & Managing Director,**  
**Southern Power Distribution Company of Andhra Pradesh Limited,**  
Srinivasa Kalyana Mandapam,  
Backside Tiruchanoor Road,  
Kesavayana Gunta,  
Tirupati - 517 501
  
8. **The Chairman & Managing Director,**  
**Central Power Distribution Company of Andhra Pradesh Limited,**  
6-1-50,  
Corporate Office, Mint Compound,  
Hyderabad -500 063.
  
9. **The Managing Director,**  
**Power Company of Karnataka Limited,**  
KPTCL Building,  
Kaveri Bhavan,  
Bangalore - 560 009
  
10. **The Chairman & Managing Director,**  
**Bangalore Electricity Supply Company Limited (BESCOM)**  
K.R. Circle,  
Bangalore-560001
  
11. **The Chairman & Managing Director,**  
**Gulbarga Electricity Supply Company Limited (GESCOM)**  
Station Main Road,  
Gulbarga - 585 102, Karnataka
  
12. **The Chairman & Managing Director,**  
**Hubli Electricity Supply Company Limited (HESCOM)**  
Navanagar, PB Road,  
Hubli - 580 025, Karnataka



13. **The Chairman & Managing Director,  
Mangalore Electricity Supply Company Limited (MESCOM)**  
Paradigm Plaza, AB Shetty Circle,  
Mangalore-575001
14. **The Chairman & Managing Director,  
Chamundeshwari Electricity Supply Company Limited (CESCOM)**  
# 927, L J Avenue,  
Ground Floor, New Kantharaj Urs Road,  
Saraswatipuram, Mysore-570009
15. **The Chairman,  
Kerala State Electricity Board,  
Vydyuthi Bhavanam,  
Pattom, Thiruvananthapuram - 695 004**
16. **The Chairman & Managing Director,  
Tamil Nadu Generation & Distribution Corporation Limited,  
144, Anna Salai,  
Chennai - 600 002**
17. **The Executive Director (Engg)  
NTPC Limited  
Engineering Office Complex, Sector-24, Noida**
18. **The Chief Operating Officer,  
Power Grid Corporation of India Limited (CTU),  
Plot No. 2, Saudamini,  
Sector - 29, Gurgaon - 122 001**
19. **The Member Secretary,  
Southern Regional Power Committee,  
Central Electricity Authority,  
No. 29 Race Course Cross Road,  
Bangalore-560 009**







Quoted Transmission Charges

Year (Term of License)	Commencement Date of Contract Year	End Date of Contract Year	Quoted Non-Escalable Transmission Charges (in Rupees Millions)	Quoted Escalable Transmission Charges (in Rupees Millions)
(1)	(2)	(3)	(4)	(5)
1	Scheduled COD 02.01.2016	31-Mar-16	1962.90	NIL
2	01-Apr-16	31-Mar-17	1962.90	Same as Above
3	01-Apr-17	31-Mar-18	1962.90	Same as Above
4	01-Apr-18	31-Mar-19	1962.90	Same as Above
5	01-Apr-19	31-Mar-20	1962.90	Same as Above
6	01-Apr-20	31-Mar-21	1962.90	Same as Above
7	01-Apr-21	31-Mar-22	1962.90	Same as Above
8	01-Apr-22	31-Mar-23	1962.90	Same as Above
9	01-Apr-23	31-Mar-24	1962.90	Same as Above
10	01-Apr-24	31-Mar-25	1962.90	Same as Above
11	01-Apr-25	31-Mar-26	1962.90	Same as Above
12	01-Apr-26	31-Mar-27	1962.90	Same as Above
13	01-Apr-27	31-Mar-28	1962.90	Same as Above
14	01-Apr-28	31-Mar-29	1962.90	Same as Above
15	01-Apr-29	31-Mar-30	1962.90	Same as Above
16	01-Apr-30	31-Mar-31	1962.90	Same as Above
17	01-Apr-31	31-Mar-32	1962.90	Same as Above
18	01-Apr-32	31-Mar-33	1962.90	Same as Above
19	01-Apr-33	31-Mar-34	1962.90	Same as Above
20	01-Apr-34	31-Mar-35	1962.90	Same as Above
21	01-Apr-35	31-Mar-36	1962.90	Same as Above
22	01-Apr-36	31-Mar-37	1962.90	Same as Above
23	01-Apr-37	31-Mar-38	1962.90	Same as Above
24	01-Apr-38	31-Mar-39	1962.90	Same as Above
25	01-Apr-39	31-Mar-40	1962.90	Same as Above
26	01-Apr-40	31-Mar-41	1962.90	Same as Above
27	01-Apr-41	31-Mar-42	1962.90	Same as Above
28	01-Apr-42	31-Mar-43	1962.90	Same as Above
29	01-Apr-43	31-Mar-44	1962.90	Same as Above
30	01-Apr-44	31-Mar-45	1962.90	Same as Above
31	01-Apr-45	31-Mar-46	1962.90	Same as Above
32	01-Apr-46	31-Mar-47	1962.90	Same as Above
33	01-Apr-47	31-Mar-48	1962.90	Same as Above
34	01-Apr-48	31-Mar-49	1962.90	Same as Above
35	01-Apr-49	31-Mar-50	1962.90	Same as Above
36	01-Apr-50	35th anniversary of the scheduled COD	1962.90	Same as Above

24/5/13  
 All set  
 24/7/13  
 24/10/13

FOR L&T INFRASTRUCTURE DEVELOPMENT PROJECTS LIMITED

*[Handwritten Signature]*

SIGNATURE OF THE AUTHORISED SIGNATORY  
 K. SANKARRAMAN  
 GENERAL MANAGER  
 TRANSMISSION LINE AND WIND ENERGY BUSINESS

Company rubber stamp

*[Handwritten Signature]*  
 24/7/13



*[Handwritten Signature]*  
 24.7.13

*[Handwritten Signature]*  
 24/7/13

*[Handwritten Signature]*

Infrastructure Development Projects Limited

Registered Office: 1st Floor, TCTC Building, Mount Poonamallee Road, Manapakkam, P.B. No. 973, Chennai - 600 089, India.





## UNDERTAKINGS AND DETAILS OF EQUITY INVESTMENT

### Format 1: Bidders' Undertakings

Date: 01.07.2013

**Chief Executive Officer**  
**REC Transmission Projects Company Ltd.**  
 (a wholly owned subsidiary of Rural Electrification Corporation Ltd.)  
 Core - 4, Scope Complex, 7, Lodhi Road,  
 New Delhi - 110 003, India

Dear Sir,

**Sub: Bidders' Undertakings in respect of Bid for selection of TSP to establish Transmission System required for evacuation of power from Kudgi TPS (3x800 MW in Phase-I) of NTPC Limited**

We hereby undertake on our own behalf and on behalf of the TSP, that if selected as the Successful Bidder for the Project:

1. The Project shall comply with all the relevant electricity laws, codes, regulations, standards and Prudent Utility Practices, environment laws and relevant technical, operational and safety standards, and we shall execute any agreements that may be required to be executed as per law in this regard.
2. We confirm that the Project shall also comply with the standards and codes per Clause 1.3 of the RFP and the TSP shall comply with the provisions contained in the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-state Transmission and related matters) Regulations, 2009 and Central Electricity Regulatory Commission (Open Access in Interstate Transmission) Regulations, 2008 and the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007 made pursuant to section 177 (2) of the Electricity Act, 2003.
3. We give our unconditional acceptance to the RFP dated 12.03.2013 issued by the BPC and the RFP Project Documents, as amended, and undertake to ensure that the TSP shall execute the Share Purchase Agreement as per the provisions of this RFP.

..... Contd. 2



*Kambhampati*



-2-

4. We have submitted the Bid on the terms and conditions contained in the RFP and the RFP Project Documents. Further, the Financial Bid submitted by us is strictly as per the format provided in Annexure-4 of the RFP, without mentioning any deviations, conditions, assumptions or notes in the said Annexure.
5. Our Bid is valid up to the period required under Clause 2.17 of the RFP.
6. Our Bid has been duly signed by authorized signatory and stamped in the manner and to the extent indicated in this RFP and the power of attorney / Board resolution in requisite format as per RFP has been enclosed in original with this undertaking.
- ~~7. We have assumed that if we are selected as the Successful Bidder, the provisions of the Consortium Agreement submitted at the time of the RFQ, to the extent and only in relation to equity lock in and our liability thereof shall get modified to give effect to the provisions of Clause 2.14.4 of this RFP and Article 18.2 of the TSA. (Note: This is applicable only in case of a Bidding Consortium)~~
8. We confirm that our Bid meets the Scheduled COD of each transmission Element and the Project as specified below:

Sr. No.	Name of the Transmission Element	Scheduled COD in months from Effective Date	Percentage of Quoted Transmission Charges recoverable on Schedule COD of the Element of the Project	Element(s) which are pre-required for declaring the commercial operation (COD) of the respective Element
1	Kudgi TPS - Narendra (New) 400 kV 2xD/C quad lines	18	3.22	-
2	Narendra (New) - Madhugiri 765 kV D/C line	28	80.65	Kudgi TPS - Narendra (New) 400 kV 2xD/C quad lines of Sl. No. 1
3	Madhugiri - Bidadi 400 kV D/C (quad) line	28	16.13	Kudgi TPS - Narendra (New) 400 kV 2xD/C quad lines of Sl. No. 1

*Handwritten signature*



We agree that the payment of Transmission Charges for any Element irrespective of its successful commissioning on or before its Scheduled COD shall only be considered after the successful commissioning of Element(s) which are pre - required for declaring the commercial operation of such Element as mentioned in the above table.

**Scheduled COD for the Project: 28 months from the Effective Date**

9. We confirm that our Financial Bid conforms to all the conditions mentioned in this RFP, and in particular, we confirm that:
- Ratio of minimum and maximum Quoted Transmission Charges during the term of the TSA for which Transmission Charges have been quoted in the format at Annexure-4 of the Bid is not less than zero point seven (0.7) as provided in Clause 2.14.1.2.
  - Further, the Quoted Escalable Transmission Charges (after duly escalating the Quoted Escalable Transmission Charges on the basis of the escalation rates specified in Clause 3.3.1.3) for any Contract Year does not exceed fifteen percent (15%) of the corresponding Quoted Non-Escalable Transmission Charges for that Contract Year, for the entire term.
  - Financial Bid in the prescribed format of Annexure-4 has been submitted duly signed by the authorized signatory.
  - Financial Bid is unconditional.
  - Only one Financial Bid has been submitted.
10. We have neither made any statement nor provided any information in this Bid, which to the best of our knowledge is materially inaccurate or misleading. Further, all the confirmations, declarations and representations made in our Bid are true and accurate. In case this is found to be incorrect after our acquisition of Kudgi Transmission Limited, pursuant to our selection as Selected Bidder, we agree that the same would be treated as a TSP's Event of Default under TSA, and relevant provisions of TSA shall apply.

..... Contd. 4

*Vanniaraj*



- 11. We confirm that there are no litigations or other disputes against us which materially affect our ability to fulfill our obligations with regard to the Project as per the terms of RFP Project Documents.
- 12. Original power of attorney/ Board resolution as per Clause 2.14.1.1. is enclosed.

**For L&T INFRASTRUCTURE DEVELOPMENT PROJECTS LIMITED**

For L&T INFRASTRUCTURE DEVELOPMENT PROJECTS LIMITED

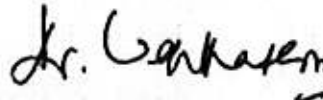


CHIEF EXECUTIVE & MANAGING DIRECTOR

**K.VENKATESH  
CHIEF EXECUTIVE & MANAGING DIRECTOR**

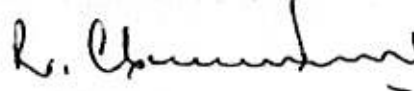
Common seal of L&T Infrastructure Development Projects Limited has been affixed in our presence pursuant to Board of Director's Resolution dated May 2, 2013

For L&T Infrastructure Development Projects Limited



K.Venkatesh  
Chief Executive & Managing Director

For L&T Infrastructure Development Projects Limited



R. Chandrasekaran  
Chief Legal Officer & Company Secretary

**WITNESS**

1. Meenal  
 (Signature)  
 Name ..M..M.E.E.N.A.LO.CHAN.  
 Designation...M.A.N.A.G.E.R.....

**WITNESS**

P. Sivaramakrishnan  
 (Signature)  
 Name ..P..S.I.V.A.R.A.M.A.K.R.I.S.H.N.A.N.  
 Designation M.A.N.A.G.E.R.-C.O.N.T.R.A.C.T.S



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Ref. No. RECTPCL/P-6/Kudgi/2013-14/

Date: 30<sup>th</sup> Aug, 2013

379

**M/s L&T Infrastructure Development Projects Limited,**  
TCTC Building, First Floor,  
Mount Poonamallee Road,  
Manapakkam, Chennai – 600 089

**Kind Attention: Mr. K. Sankararaman, GM (Transmission Line & Wind Energy Business)**

**Subject : Establishment of Transmission System required for evacuation of power from Kudgi TPS (3x800 MW in Phase -I) of NTPC Limited**

Dear Sir,

This is in reference to Letter of Intent dated 31<sup>st</sup> July 2013 issued to you for establishment of Transmission System required for evacuation of power from Kudgi TPS (3x800 MW in Phase -I) of NTPC Limited.

In terms of first proviso of Clause 2.4 of Final Request for Proposal document, the last date for completion of various activities as stipulated in the Final RFP including in particular Clause 2.4, Clause 2.5 and Clause 2.6 of the Final RFP, is extended from 29<sup>th</sup> August 2013 to 2<sup>nd</sup> September 2013.

Thanking You,

Yours Sincerely,

*(Handwritten signature)*  
(V K Singh)  
Addl. CEO

Distribution as per Annex-1 enclosed herewith.







1. **The Chairman & Managing Director,  
Rural Electrification Corporation Limited,  
Core - 4, SCOPE Complex,  
7, Lodhi Road,  
New Delhi - 110003**
2. **The Member (PS)  
Central Electricity Authority  
Sewa Bhawan, R K Puram,  
New Delhi - 110 066**
3. **The Joint Secretary (Transmission)  
Ministry of Power  
Shram Shakti Bhawan,  
Rafi Marg, New Delhi -110 001**
4. **The Secretary,  
Central Electricity Regulatory Commission (CERC),  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Chandralok Building,  
36, Janpath, New Delhi - 110001**
5. **The Chairman & Managing Director,  
Northern Power Distribution Company of Andhra Pradesh Limited,  
H.No: 2-5-31/2,  
Corporate Office, Vidyut Bhavan,  
Nakkalgutta, Hanamkonda,  
Warangal- 506001**
6. **The Chairman & Managing Director,  
Eastern Power Distribution Company of Andhra Pradesh Limited,  
P&T Colony,  
Seethammadhara,  
Visakhapatnam.**





14. **The Chairman & Managing Director,**  
**Chamundeshwari Electricity Supply Company Limited (CESCOM)**  
# 927, L J Avenue,  
Ground Floor, New Kantharaj Urs Road,  
Saraswatipuram, Mysore-570009
15. **The Chairman,**  
**Kerala State Electricity Board,**  
Vydyuthi Bhavanam,  
Pattom, Thiruvananthapuram - 695 004
16. **The Chairman & Managing Director,**  
**Tamil Nadu Generation & Distribution Corporation Limited,**  
144, Anna Salai,  
Chennai - 600 002
17. **The Executive Director (Engg)**  
**NTPC Limited**  
Engineering Office Complex, Sector-24, Noida
18. **The Chief Operating Officer,**  
**Power Grid Corporation of India Limited (CTU),**  
Plot No. 2, Saudamini,  
Sector - 29, Gurgaon - 122 001
19. **The Member Secretary,**  
**Southern Regional Power Committee,**  
Central Electricity Authority,  
No. 29 Race Course Cross Road,  
Bangalore-560 009



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