



KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

CIN :U40100KL2011SGC027424

Reg.office: Vidyuthi Bhavanam, Pattom, Thiruvananthapuram-695 004, Kerala

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ABSTRACT

Kochi Waste to Energy Project at Brahmapuram – PPA termination - Sanctioned - Orders issued Corporate Office (Commercial & Tariff)

BO.(FTD) No.750/2021(CE(C&P)/CML-EEI-AEEVI/WTE-Brahmapuram/2021-22) dated TVPM, 08.10.2021

- Read:- (1) GO.(Ms) 01/2016/LSGD dated 04.01.2016
- (2) PPA dated 18.6.2019 between KSEBL & M/s.GJ Eco Power Private Ltd.
- (3) Concession Agreement dated 17.02.2016 between Kochi Municipal Corporation & M/s.GJ Eco Power Private Ltd
- (4) GO.(Rt)No.805/2020/LSGD dated, Thiruvananthapuram, 30.4.2020
- (5) Letter No.MOE2/6224/14 dated 04.05.2020 of the Secretary, Kochi Municipal Corporation
- (6) Note No.LA & DEO/R/27/2021/39 dated 16.03.2021 of the LA & DEO
- (7) Note No.CE(C&P)/CML-EEI-AEEVI/WTE- Brahmapuram /2021-22/660 dated 28.09.2021 of the Chief Engineer (Commercial & Tariff) submitted to Full Time Directors (Agenda 23/10/21)

ORDER

The Waste to Energy project is a Government of Kerala initiative project for solving the problem of accumulated garbage/ waste. It was proposed to establish 5MW solid waste-to-Energy plants in 7 districts under the Waste to Energy project that would generate energy and reduce environmental & health hazards, on Design, Build, Finance, Operate and Transfer (DBFOT) basis in Public Private Participation (PPP) mode. Kerala State Industrial Development Corporation (KSIDC) is designated as the nodal agency to set up the plants in collaboration with Concessionaire and local bodies.

The Government of Kerala, as per Order read as 1st above, had approved the project of M/s.GJ Nature Care Consortium for the implementation of Waste to Energy project at Brahmapuram. On 17.2.2016, Kochi Municipal Corporation and M/s.GJ Eco Power Private Ltd had

executed a 'Concession Agreement' for the implementation of Waste to Energy project at Brahmapuram.

KSEB Ltd executed Power Purchase Agreement with M/s.GJ Eco Power Private Ltd, for procuring the entire electricity generated from 9.76 MW Brahmapuram Waste to Energy project, at a levelized tariff of **Rs.6.17/unit** approved by the Kerala State Electricity Regulatory Commission, as per Order dated 06.03.2018 in Petition No. OP 10/2017 submitted by M/s.GJ Eco Power Private Ltd.

The Government of Kerala, as per Order read as 4th above, cancelled the approval granted to the project of M/s. GJ Nature Care Consortium for the implementation of a Waste to Energy project at Brahmapuram, Kochi, as the Concessionaire has failed to comply with the "conditions precedent" within the time period specified in the Concession Agreement. The Order also directed the Secretary, Kochi Municipal Corporation to take immediate steps to terminate the Concession Agreement executed with M/s.GJ Eco Power Private Ltd for the implementation of the project.

Accordingly, the Secretary, Kochi Municipal Corporation, as per letter read 5th above, cancelled Concession Agreement between M/s.GJ Eco Power Private Ltd and Kochi Municipal Corporation.

As per Clause 2 of Power Purchase Agreement, read as 2nd above, the PPA shall come into force from the date of signing of PPA and remain operative for a period of 20 years from the Date of Commercial Operation or the expiry of Concession Agreement between Kochi Municipal Corporation and M/s.GJ Eco Power Private Ltd, whichever is earlier.

The Chief Engineer (Commercial & Tariff), in the Note read as 7th above, has intimated that remarks were sought from the LA & DEO, whether KSEBL has to issue 'Notice of Termination' to M/s.GJ Eco Power Private Ltd or suo moto terminate the PPA based on the GO read as 4th above and the LA & DEO, as per letter read as 6th above, remarked that the Concession Agreement was terminated as per Notice dated 04.05.2020, pursuant to the GO read as 4th above. Accordingly, the PPA which is an offshoot of the said Concession Agreement too terminates by itself. However, by way of abundant caution, a formal notice of termination of PPA may be issued to the SPV as per Clause 10 of the PPA.

In light of the recommendation of the LA & DEO, the Chief Engineer (Commercial & Tariff), in the Note read as 7th above, has suggested to issue a formal Notice of termination of PPA to M/s.GJ Eco Power Private Ltd.

Having considered the matter in detail, the Full Time Directors, in the meeting held on 01.10.2021,

Resolved to accord sanction to issue a formal Termination Notice to M/s.GJ Eco Power Private Ltd as per Clause 10 of the PPA executed with M/s.GJ Eco Power Private Ltd.

Orders are issued accordingly.

By Order of the Full Time Directors,

Sd/-

LEKHA G
Company Secretary

To

The Chief Engineer (Commercial & Tariff)

Copy to:-

The Financial Advisor / The Chief Internal Auditor

The Chief Engineer (IT)

TA to (Chairman & Managing Director /

Director (Distribution & IT) /

Director (Transmission & System Operation) /

Director (Planning, Safety & SCM) /

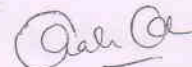
Director (Generation-Electrical) /

Director (Generation-Civil) / Director (REES including Soura, Sports & Welfare)

PA to Director (Finance) /The Company Secretary/ Sr CA to Chief Vigilance Officer

Library/Stock file

Forwarded by order,



Assistant Executive Engineer