SECTION A. General description of the small-scale project activity

A.1. Title of the small-scale project activity:

Title: “2 x 5 MW Baner khad & Iku khad small hydroelectric project for a grid system” at Kangra District, Himachal Pradesh, India

Version: 3, 29th November 2006

A.2. Description of the small-scale project activity:

The bundled project activity comprises of two run of the river hydro electric schemes with capacities of 5 MW each which will utilise surplus hydro potential available in Baner Khad & Iku Khad, both tributaries of river Beas in the state of Himachal Pradesh, Northern India and to export the generated electricity to the Himachal Pradesh State Electricity Board (HPSEB), a state owned power utility. The details for each of these projects are described below.

5 MW Baner-III small hydroelectric project

The project is located on the up stream of the existing Baner HEP of HPSEB on Baner Khad, a tributary of Beas River. There is no up stream project for the proposed Baner-III hydroelectric project. The catchments area is snow bound. The terrain is Himalayan mountain range and no irrigation is possible in the area.

5 MW Iku-II small hydroelectric project

The project activity contributes to the sustainable development as described below and meets the criteria as set by the Designated National Authority of India.

a) The project activity causes mobilisation of huge financial resources to an underprivileged area where there is no sufficient infrastructure and amenities. Total investment in the proposed projects is around Rs.556 millions. This is very significant in an area where high development needs exist. The project activity contributes to the development of infrastructure in the area.

b) The proposed projects employ around 500 persons during construction stage and around 70 persons during operation of plants. This is an additional employment generated by the projects, which would not have occurred in the absence of the project activity.

c) The project activity creates additional development in the region, there by alleviating the poverty level in the area. The project activity contributes to the gender equality by providing equal opportunities for both genders.

d) The project activity provides generation of additional electricity from renewable energy sources, contributing to the target of 10,000 MW by the year 2012.
e) The project activity demonstrates harnessing hydro potential in difficult terrains and in small streams in the Himalayan region. The project activity also demonstrates the opportunities available for cleaner energy technologies such as CDM. Many more projects may come up in future as a result of the project activity.

f) The project activity contributes to reducing energy deficit in the region. This project activity will help the poor and vulnerable sections of the society who are often hit by inadequate power supply, load shedding and poor power quality to receive more reliable supply of power.

The above benefits due to the project activities ensure that the projects are contributing to the sustainable development of the region.

A.3. Project participants:

<table>
<thead>
<tr>
<th>Name of the party involved ((Host) indicates a host party)</th>
<th>Private and/or public entity (ies) project participants</th>
<th>Kindly indicate if the Party involved wished to be considered as project participant (Yes/No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India (Host)</td>
<td>Private Entity: Vamshi Hydro Energies Private Limited, New Delhi</td>
<td>No</td>
</tr>
</tbody>
</table>

A.4. Technical description of the small-scale project activity:

A.4.1. Location of the small-scale project activity:

A.4.1.1. Host Party(ies):

India

A.4.1.2. Region/State/Province etc.:

Himachal Pradesh

A.4.1.3. City/Town/Community etc:

District : Kangra
Tehsil : Palampur (for Baner – III) & Dharmasala (for Iku – II)
Village : Jia (for Baner – III) & Saleg (for Iku – II)

A.4.1.4. Detail of physical location, including information allowing the unique identification of this small-scale project activity (ies):

Baner-III plant is located on upstream of existing Baner HEP of HPSEB on Baner Khad, a tributary of Beas River. The project is located near village Jia, Palampur Tahsil, Kangra District of Himachal Pradesh. The Project site is at 25 kms distance from Kangra and 241 kms from Shimla, the state capital, by road. A motorable road exists from Jia. The Geographical location of the project site is between longitude 76° 20’ E and 76° 25’ E and latitude 32° 30’ N & 32° 35’ N.