Southern Power Distribution Company of Telangana Limited
#6-1-50, Corporate Office, Mint Compound, Hyderabad 500 063

From
The Chief Engineer (IPC & RAC),
TGSPDCL,
Corporate Office, Mint Compound,
Hyderabad - 500063.

To
The Commission Secretary,
TGERC,
Vidyut Niyantran Bhavan,
GTS Colony, Kalyan Nagar,
Hyderabad - 500045.

Lr.No.CE(IP&RAC)/DE(IPC)/ADE-K/F.No.CPSU Scheme/D.No.314/26,Dt.27.04.2026

Sir,

Sub: Petition filed by TGDISCOMs for adoption of tariff towards procurement of Solar power from NTPC, NHPC & SECI – TGERC clarification – Reg

Ref: 1. Petition filed by TGDISCOMs on 27.03.2025
2.LrNo.CE (IPC&RAC)/DE(IPC)/ADE-K/D. No75/25,dt:09-04-26
3. TGERC Lr.No.S/RO 69/2/2/D.No.294/2025, dated 17.04.26

* * *

- 1 MAY 2026

With reference to the 3rd citation above, the Hon'ble Commissioner, TGERC, has requested submission of PPAs/PUAs/PSAs entered into for a total capacity of 2545 MW, comprising:

i. 1045 MW with NTPC/NGEL under CPSU Scheme Phase-II, Tranche-III
ii. 1000 MW with SECI under ISTS Tranche-IX Scheme
iii. 500 MW with NHPC under CPSU Scheme Phase-II, Tranche-III

The same are herewith enclosed for kind perusal.

Encl: As above 6 sets.

Yours faithfully,

Chief Engineer (IPC&RAC)/
TGSPDCL

Copy submitted to:
The Executive Director (Comml)/TGPCC, Vidyut Soudha, Hyderabad

Copy to
The Chief Engineer (IPC & RAC)/TGNPDCL, Vidyut Bhavan, Warangal

BUYER-BUYING ENTITY PSA

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	IN-DL88649929215394U
Certificate Issued Date	:	10-Feb-2022 11:54 AM
Account Reference	:	SELFPRINT (PU)/ dl-self/ NEHRU/ DL-DLH
Unique Doc. Reference	:	SUBIN DLDL SELF07400650057729U
Purchased by	:	SOLARENERGYCORPORATIONOF INDIALIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	NOT APPLICABLE
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Second Party	:	NOT APPLICABLE
Stamp Duty Paid By	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Stamp Duty Amount(Rs.)	:	100 (One Hundred only)

SELF PRINTED CERTIFICATE TO BE VERIFIED BY THE RECIPIENT AT WWW.SHCILESTAMP.COM

This Power Sale Agreement is made on the 17th day of February of 2022 at Hyderabad

Between

Solar Energy Corporation of India Limited, a company incorporated under the Companies Act 1956, having its registered office at 6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar,

TSNPDCL WARANGAL

New Delhi-110023 (hereinafter referred to as "Buyer", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) as a Party of the first part.

And

Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited, a company incorporated under the Companies Act 2013, having its registered office at Hyderabad & Warangal (hereinafter referred to as "Buying Entity or TSDISCOMs", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) as a Party of the second part.

Buyer and Buying Entity are individually referred to as 'Party' and collectively referred to as 'Parties'.

Whereas:

A. Solar Energy Corporation of India Limited (SECI) has been identified by the Govt. of India as the nodal agency for implementation of MNRE Scheme for Setting up of ISTS-connected Solar Power Projects and shall act as the Intermediary Procurer under the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar Power Projects issued by Ministry of Power vide Gazette Resolution dated 3rd August 2017, including subsequent amendments and clarifications.

B. SECI will sign Power Purchase Agreements (PPAs) with the selected Solar Power Developers (hereinafter referred to as "SPDs") for procurement of 2000 MW Solar Power or the total capacity of projects selected under the provisions of Request for Selection (RfS) issued by RfS No. SECI/C&P/SPD/ISTS-IX/RfS/2000MW/032020 dated 20.03.2020, if it is less than 2000 MW, on a long term basis, as indicated at Schedule-1 and Schedule-2 respectively

C. Buying Entity has agreed to purchase Solar Power from the Buyer under the Scheme and accordingly, Buyer has agreed to sign Power Purchase Agreements (PPAs) with Solar Power developers (hereinafter referred to as "SPDs") for procurement of 1000 MW Solar Power on a long term basis, as indicated at Schedule-2. This allocated capacity shall be used for solar RPO requirement of Buying Utility. SECI shall intimate the same to CTU (PGCIL) for open access. Based on input from PGCIL and corridor availability, quantity (MW) may be revised.

D. Copy of the PPA(s) shall be submitted to Buying Entity within **30** days of the signing of the PPA(s) and such PPA(s) shall become integral part of this Agreement (Buyer-Buying Entity PSA).

E. Pursuant to the aforesaid objective, the Parties are desirous of entering into a Power Sale Agreement (**"PSA"**) i.e. a definitive agreement, regarding purchase of power from the Project. Pending execution of the necessary agreements and other relevant documents in relation to the transaction contemplated herein, the Parties wish to execute this PSA setting out the respective obligations of the Parties and the steps necessary to complete the transactions contemplated herein.

F. To establish the commitment of Buying Entity to purchase and Buyer to sale power from the Project, the Parties have entered into this Agreement.

G. A bidder which has been selected as successful Bidder based on this RfS can also execute the Project through a Special Purpose Vehicle (SPV) i.e. a Project Company especially incorporated to execute the project. SECI shall enter into PPA with Project Company as per the terms and condition of RfS.

H. Discom(s) acknowledge(s) and accept(s) that SECI is only an Intermediary Company and is facilitating the purchase of sale of electricity generated from the Solar Power Projects and, therefore, cannot assume independently, any obligation, financial or otherwise, either to the SPD or to Discom(s), (unless otherwise specifically provided otherwise in the PPA), except on a back to back basis, namely, that whatever obligation is enforced by the SPD under the PPA against SECI, Discom(s)shall be bound to fulfil the obligation on a back to back basis towards SECI and similarly, whatever rights that Discom(s) may claim under this Agreement against SECI, shall be subject to due enforcement of the corresponding rights on a back to back basis by SECI against SPD, without an independent obligation on the part of SECI.

Now therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties as follows:

CHIEF GENERAL MANAGER

ARTICLE 1: DEFINITIONS AND INTERPRETATION

1.1 Definitions

The terms used in this Agreement, unless as defined below or repugnant to the context, shall have the same meaning as defined in the Buyer SPD PPA and as assigned to them by the Electricity Act, 2003 and the rules or regulations framed there under, including those issued / framed by the Appropriate Commission (as defined hereunder), as amended or re-enacted from time to time.

"Act" or "Electricity Act, 2003"	Electricity Act, 2003 and include any modifications, amendments and substitution from time to time;
"Adjusted Equity"	shall mean the Equity funded in Indian Rupees and adjusted on the first day of the current month (the "Reference Date"), in the manner set forth below, to reflect the change in its value on account of depreciation and variations in Wholesale Price Index (WPI), and for any Reference Date occurring between the first day of the month of Appointed Date (the date of achievement of Financial Closure) and the Reference Date; i. On or before Commercial Operation Date (COD), the Adjusted Equity shall be a sum equal to the Equity funded in Indian Rupees and expended on the Project, revised to the extent of one half of the variation in WPI occurring between the first day of the month of Appointed Date and Reference Date; ii. An amount equal to the Adjusted Equity as on COD shall be deemed to be the base (the "Base Adjusted Equity"); iii. After COD, the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, reduced by 0.333% (zero point three three three percent) thereof at the commencement of each month following the COD [reduction of 1% (one percent) per quarter of an year] and the amount so arrived at shall be revised to the extent of variation in WPI occurring between the COD and the Reference Date; For the avoidance of doubt, the Adjusted Equity shall, in the event of termination, be computed as on the Reference Date immediately preceding the Transfer Date; provided that no reduction in the Adjusted Equity shall be made for a period equal to the duration, if any, for which the PPA period is extended, but the revision on account of WPI shall continue to be made.
"Agreement" or "Power Sale Agreement" or "PSA"	shall mean this Power Sale Agreement including its recitals and Schedules, amended or modified from time to time in accordance with the terms hereof;

"Appropriate Commission"	Unless otherwise stated, Appropriate Commission shall mean Central Electricity Regulatory Commission;
"Bill Dispute Notice"	shall mean the notice issued by a Party raising a Dispute regarding a Monthly Bill or a Supplementary Bill issued by the other Party;
"Business Day"	shall mean with respect to Buyer and Buying Entity, a day other than Sunday or a statutory holiday, on which the banks remain open for business in the State of Telangana and Delhi
"Buying Entity"	means an Entity that requires Solar Power to fulfil its solar RPO under respective RPO regulations and intend to buy at least 1000 MW of Solar Power under this RfS.
"Buyer-SPD PPA"	Shall mean the power purchase agreement signed between Buyer and SPD for procurement of 1000 MW Solar Power by Buyer from SPD and annexed hereto as Schedule 2 of this Agreement;
"Capacity Utilisation Factor" or "CUF"	shall have the same meaning as provided in CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time; However for avoidance of any doubt, it is clarified that the CUF shall be calculated on the Contracted Capacity; In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y'MW Project capacity, CUF= (X MWh/(YMW*8766)) X100%;
"CERC"	shall mean the Central Electricity Regulatory Commission of India, constituted under sub – section (1) of Section 76 of the Electricity Act, 2003, or its successors;
"Central Transmission Utility" or "CTU"	Shall mean the utility notified by the Central Government under Sub-Section (1) of Section-38 of the Electricity Act 2003;
"Change in Law"	shall have the meaning ascribed thereto in Article 8 of this Agreement;
"Commercial Operation Date"	shall mean the actual date of commissioning of the project as declared by the Commissioning Committee constituted by the State Nodal Agency (SNA)/SECI. In case of part commissioning, COD will be declared only for that part of project capacity;
"Commissioning" or "Project Commissioning"	The Project will be considered as commissioned if all equipment as per rated Project Capacity has been installed and energy has flown into grid, in line with the Commissioning procedures defined in the Guidelines/PPA;
"Competent Court of Law"	shall mean any court or tribunal or any similar judicial or quasi- judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;

"Consultation Period"	shall mean the period of sixty (60) days or such other longer period as the Parties may agree, commencing from the date of issuance of a Buyer Preliminary Default Notice or Buying Entity Preliminary Default Notice as provided in Article 9 of this Agreement, for consultation between the Parties to mitigate the consequence of the relevant event having regard to all the circumstances;
"Contract Year"	Shall mean the period beginning from the Effective Date and ending on the immediately succeeding March 31 and thereafter each period of 12 months beginning on April 1 and ending on March 31 provided that: (i) in the financial year in which the Scheduled Commissioning Date would occur, the Contract Year shall end on the date immediately before the Scheduled Commissioning Date and a new Contract Year shall commence once again from the Scheduled Commissioning Date and end on the immediately succeeding March 31, and thereafter each period of twelve (12) months commencing on April 1 and ending on March 31, and (ii) provided further that the last Contract Year of this Agreement shall end on the last day of the Term of this Agreement;
"Contracted Capacity"	shall mean 1000 MW of Solar Power contracted with Buying Entity for sale of such power by Buyer to Buying Entity at the Delivery Point from the Solar Power Project;
"Debt Due"	shall mean the aggregate of the following sums expressed in Indian Rupees outstanding on the Transfer Date: i. The principal amount of the debt provided by the Senior Lenders under the Financing Agreements for financing the Total Project Cost (the 'Principal') but excluding any part of the principal that had fallen due for repayment 2 (two) years prior to the Transfer Date; ii. All accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in sub-clause (i) above until the Transfer Date but excluding: (i) any interest, fees or charges that had fallen due one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to any Senior Lender, (iii) any pre-payment charges in relation to accelerated repayment of debt except where such charges have arisen due to Utility Default, and (iv) any Subordinated Debt which is included in the Financial Package and disbursed by lenders for financing the Total Project Cost. Provided that if all or any part of the Debt Due is convertible into Equity at the option of Senior Lenders and/or the Concessionaire, it shall for the purposes of this Agreement be deemed not to be Debt Due even if no such conversion has taken place and the principal thereof shall be dealt with as if such conversion had been undertaken.

	Provided further that the Debt Due, on or after COD, shall in no case exceed 80% (eighty percent) of the Total Project Cost.
"Delivery Point"	shall mean the point at 220 kV or above where the power from the Solar Power project(s) will be delivered as per SECI-SPD PPA. Metering shall be done at this interconnection point where the power will be injected into the ISTS i.e. the Delivery point. For intereonnection with grid and metering, the SPD shall abide by the relevant CERC Regulations, Grid Code, and Central Electricity Authority Regulations as amended from time to time.;
"Dispute"	shall mean any dispute or difference of any kind between Buyer and the Buying Entity in connection with or arising out of this Agreement including but not limited to any issue on the interpretation and scope of the terms of this Agreement as provided in Article 12 of this Agreement;
"Due Date"	shall mean the thirtieth (30th) day after a Monthly Bill or a Supplementary Bill is received and duly acknowledged by Buying Entity or, if such day is not a Business Day, the immediately succeeding Business Day, by which date such Monthly Bill or a Supplementary Bill is payable by Buying Entity;
"Effective Date"	Shall have the meaning ascribed thereto in Article 2.1 of this Agreement;
"Electricity Laws"	shall mean the Electricity Act, 2003 and the rules and regulations made there under from time to time along with amendments thereto and replacements thereof and any other Law pertaining to electricity including regulations framed by the Appropriate Commission;
"Energy Accounts"	shall mean the regional energy accounts/state energy accounts as specified in the Grid Code issued by the appropriate agency for each Month (as per their prescribed methodology), including the revisions and amendments thereof;
"Event of Default"	shall mean the events as defined in Article 9 of this Agreement;
"Expiry Date"	shall mean the date as on the expiry of 25 years from the SCD or from the date of full commissioning of the projects, whichever is earlier.
"Force Majeure" or "Force Majeure Event"	shall have the meaning ascribed thereto in Article 7 of this Agreement;
"Guidelines: or "Scheme"	shall mean Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar Power Projects issued by Ministry of Power vide Gazette Resolution dated 3rd August 2017, including subsequent amendments and clarifications;
"Grid Code" / "IEGC" or "State Grid Code"	shall mean the Grid Code specified by the Central Commission under Clause (h) of Sub-section (1) of Section 79 of the Electricity Act and/or the State Grid Code as specified by the concerned State Commission,

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	referred under Clause (h) of Sub- section (1) of Section 86 of the Electricity Act 2003, as applicable;
"Indian Governmental Instrumentality"	shall mean the Government of India, Governments of state(s), where the Power Projects, Buyer and Buying Entity are located and any ministry, department, board, authority, agency, corporation, commission under the direct or indirect control of Government of India or any of the above state Government(s) or both, any political sub-division of any of them including any court or Appropriate Commission(s) or tribunal or judicial or quasi-judicial body in India;
"Interconnection Facilities"	shall mean the facilities on SPD's side of the Delivery Point for sending and metering the electrical output in accordance with this Agreement and, subject to Article 4, the Metering System required for supply of power;
"Invoice" or "Bill"	shall mean either a Monthly Invoice, Monthly Bill or a Supplementary Invoice /Supplementary Bill by any of the Parties;
"Late Payment Surcharge"	shall have the meaning ascribed thereto in Article 6.3.3 of this Agreement;
"Law"	Shall mean in relation to this Agreement, all laws including Electricity Laws in force in India and any statute, ordinance, regulation, notification or code, rule, or any interpretation of any of them by an Indian Governmental Instrumentality and having force of law and shall further include without limitation all applicable rules, regulations, orders, notifications by an Indian Governmental Instrumentality pursuant to or under any of them and shall include without limitation all rules, regulations, decisions and orders of the Appropriate Commission;
"Letter of Credit" or "L/C"	shall have the meaning ascribed thereto in Article 6.4 of this Agreement;
"Month"	shall mean a period of thirty (30) days from (and excluding) the date of the event, where applicable, else a calendar month;
" Open Access"	shall have the same meaning as provided in the Electricity Act 2003 as amended from time to time;
"Party" and "Parties"	shall have the meaning ascribed thereto in the recital to this Agreement;
"Payment Security Mechanism"	shall have the meaning ascribed thereto in Article 6.4 of this Agreement;

"Pooling Substation/ Pooling Point"	Means a point where more than one Solar Power projects may connect to a common transmission system. Multiple projects can be connected to a pooling substation from where common transmission system shall be constructed and maintained by the developer(s) to get connected to the ISTS substation. The voltage level for such common line shall be 220 kV and above. Further, the metering of the pooled power shall be done at the injection point, i.e. the ISTS substation. However, the voltage level of transmission system of individual projects up to the pooling substation may be at 33 kV and above. Sub-meters shall be installed at the pooling substation for metering and forecasting and scheduling of individual projects. The losses in the common transmission system up to the injection point shall be apportioned to the individual projects for the purpose of billing.
"Preliminary Default Notice"	shall have the meaning ascribed thereto in Article 9 of this Agreement;
"Project" or "Power Project"	shall mean the Solar Power generation facility as per Schedule-I having separate points of injection into the grid at interconnection/metering point at ISTS substation or in case of sharing of transmission lines, by separate injection at pooling point. Each project must also have separate control systems and metering.
"Project Capacity"	Shall mean the maximum AC capacity of the Project at the point of injection on which the Power Sale Agreement has been signed.
"RBI"	shall mean the Reserve Bank of India;
"Rebate"	shall have the same meaning as ascribed thereto in Article 6.3.4 of this Agreement;
"RLDC"	shall mean the relevant Regional Load Dispatch Centre established under Sub-section (1) of Section 27 of the Electricity Act, 2003;
"RPC"	shall mean the relevant Regional Power Committee established by the Government of India for a specific region in accordance with the Electricity Act, 2003 for facilitating integrated operation of the power system in that region.
"Rupees" ,"Rs.", "₹ "	shall mean Indian rupees, the lawful currency of India;
"Scheduled Commissioning Date" or "SCD"	Shall mean Date that is eighteen (18) months from the Effective Date of the SECI-SPD PPA
"SERC"	shall mean the Electricity Regulatory Commission of any State in India constituted under Section-82 of the Electricity Act, 2003 or its successors, and includes a Joint Commission constituted under Subsection (1) of Section 83 of the Electricity Act 2003;

"SLDC Charges"	shall mean the charges levied by any of the relevant SLDCs on Buying Entity;
"SECI"	shall mean Solar Energy Corporation of India Limited;
"State Transmission Utility" or "STU"	shall mean the Board or the Government company notified by the respective State Government under Sub-section (1) of Section 39 of the Act;
"Tariff"	Shall have the same meaning as provided for in Article 5 of this Agreement;
"Tariff Payments"	shall mean the payments to be made under Monthly Bills as referred to in Article 6 and the relevant Supplementary Bills;
"Termination Notice"	shall mean the notice given by either Parties for termination of this Agreement in accordance with Article 9 of this Agreement;
"Term of Agreement"	shall have the meaning ascribed thereto in Article 2 of this Agreement;
Unit Commercial Operation Date (UCOD)	shall mean the date of issuance of commissioning certificate for the respective part(s) of the Power Project subsequent to the demonstration of the compliance of commissioning and also start of injection and scheduling power from the Power Project to the Delivery Point and availability / installation of all necessary arrangements / equipment including RTU for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable regulation;
"Week"	shall mean a calendar week commencing from 00:00 hours of Monday, and ending at 24:00 hours of the following Sunday;
"Solar Power Project"	shall mean the solar photovoltaic project that uses sunlight for direct conversion into electricity and that is being set up by the SPD to provide Solar Power to SECI;
"Solar Power"	Shall mean power generated from the Solar Power Project;

1.2 ***Interpretation***

Save where the contrary is indicated, any reference in this Agreement to:

1.2.1 "Agreement" shall be construed as including a reference to its Schedules and/or Appendices and/or Annexures;

1.2.2 An "Article", a "Recital", a "Schedule" and a "paragraph / clause" shall be construed as a reference to an Article, a Recital, a Schedule and a paragraph/clause respectively of this Agreement;

1.2.3 A "crore" means a reference to ten million (10,000,000) and a "lakh" means a reference to one tenth of a million (1,00,000);

1.2.4 An "encumbrance" shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

1.2.5 "Indebtedness" shall be construed so as to include any obligation (whether incurred as surety) for the payment or repayment of money, whether present or future, actual or contingent;

1.2.6 A "person" shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency, of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests;

1.2.7 "Rupee", "Rupees" "Rs." or new rupee symbol "₹"shall denote Indian Rupees, the lawful currency of India;

1.2.8 The "winding-up", "dissolution", "insolvency", or "reorganization" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the Law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganization, dissolution, arrangement, protection or relief of debtors;

1.2.9 Words importing the singular shall include the plural and vice versa;

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1.2.10 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented only if agreed to between the parties;

1.2.11 A Law shall be construed as a reference to such Law including its amendments or re-enactments from time to time;

1.2.12 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time;

1.2.13 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part;

1.2.14 The tables of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement;

1.2.15 All interest, if applicable and payable under this Agreement, shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty five (365) days;

1.2.16 The words "hereof" or "herein", if and when used in this Agreement shall mean a reference to this Agreement;

1.2.17 The terms "including" or "including without limitation" shall mean that any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

1.2.18 This Agreement and other documents such as Request for Selection Documents, Guidelines including subsequent clarifications, amendments and further clarifications in regard to the tender shall be read in conjunction with each other and interpreted in harmonious manner.

ARTICLE 2: TERM OF AGREEMENT

2.1 *Effective Date*

2.1.1 This Agreement shall come into effect from (Enter the date of signing of this Agreement) and such date shall be referred to as the Effective Date.

2.1.2 SECI/Buying Entity as the case may be, shall obtain the order of the Appropriate Commission adopting the tariff and approving the procurement of the contracted capacity on the terms and conditions contained in this agreement entered into between SECI and Buying Entity read with the terms and conditions contained in the PPA to be entered into between SECI and the SPD. The Trading Margin shall be applicable as per Article 5 of the PSA.

2.1.3 Notwithstanding the Effective Date, the condition precedent for the enforcement of the obligations of either party against the other under this Agreement shall be that, within 120 days after Effective Date of the PPA, SECI and/ or the Buying Entity (ies) shall obtain adoption of tariff from its State Electricity Regulatory Commission and/ or CERC (as applicable), on the terms and conditions contained in this Agreement read with the terms and conditions contained in the Power Purchase Agreement entered into between SECI and the SPDs. The Parties agree that in the event, the order of adoption of tariff as mentioned above is not issued by the SERC and/ or CERC (as applicable) within the time specified above, the provisions of Article 2.1.4 shall apply.

2.1.4 If parties have mutually extended the time period as stipulated under Article 2.1.3 and the order from the SERC and/ or CERC (as applicable) is issued within the timeline as per Article 2.1.3, no extension for Financial Closure or Scheduled Commissioning Date shall be given. However, if the requisite SERC and/ or CERC (as applicable) order is issued after the timeline as per Article 2.1.3, this shall entail a corresponding extension in Scheduled Financial Closure and the Scheduled Commissioning Date for equal number of days for which the SERC and / or CERC order has been delayed beyond such period as specified in Article 2.1.3.

2.2 Term of Agreement

2.2.1 This Agreement subject to Article 2.3 and 2.4 shall be valid for a term from the Effective Date until the Expiry Date. This Agreement may be extended for a further period on mutually agreed terms and conditions at least one hundred eighty (180) days prior to the Expiry Date.

CHIEF GENERAL MANAGER

2.3 ***Early Termination***

2.3.1 This Agreement shall terminate before the Expiry Date:

I. if either SECI or Buying Entity terminates this Agreement, pursuant to Article 9 of this Agreement. or

II. if any SECI-SPD PPA gets terminated, the capacity under this agreement shall automatically be reduced but only to the extent of that particular SECI-SPD PPA capacity.

2.4 **Survival**

2.4.1 The expiry or termination of this Agreement shall not affect any accrued rights, obligations and liabilities of the Parties under this Agreement, including the right to receive liquidated damages as per the terms of this Agreement, nor shall it affect the survival of any continuing obligations for which this Agreement provides, either expressly or by necessary implication, which are to survive after the Expiry Date or termination including those under, Article 7 (Force Majeure), Article 9 (Events of Default and Termination), Article 10 (Liability and Indemnification), Article 12 (Governing Law and Dispute Resolution), Article 13 (Miscellaneous Provisions), and other Articles and Schedules of this Agreement which expressly or by their nature survive the Term or termination of this Agreement shall continue and survive an y expiry or termination of this Agreement.

ARTICLE 3: SUPPLY OF POWER TO BUYING ENTITY

3.1 *Obligations of Buying Entity:*

3.1.1 Buying Entity undertakes that it shall:-

(a) Ensure off take of the available capacity from the Commercial Operation Date of the Project.

(b) Ensure availability of the interconnection facility and evacuation of power from the CTUSTU interface of Buying Entity's state periphery from the Commercial Operation Date of the Project.

(c) be responsible for payment of the transmission related charges, losses and applicable RLDC/SLDC Charges, limited to the charges applicable to the Contracted Capacity of Buying Entity under this Agreement, as determined by CERC from time to time.

(d) Make payment of the Monthly Bill/Supplementary Bill by the Due Date.

(e) Open and maintain Payment Security Mechanism as per Article 6.4 for the entire Term of the Agreement.

(f) Arrange for required consent/NOC from STU/SLDC/concerned agencies in the State of Telangana for availing open access/scheduling of the power, within 30 days of acceptance of such application from the SPD, as per Schedule 4 of this Agreement.

(g) Issue the necessary certificates to the SPDs for the Projects based on solar and wind resources regarding waiver of transmission charges as per Schedule-5 of this Agreement.

(h) Obtain necessary approvals for the PSA from the SERC, along with adoption of tariff, if applicable. In case of tariff adoption, provisions as per Article 2.1.3 shall be applicable.

(i) Fulfil all the obligations undertaken by Buying Entity under this Agreement.

3.2 *Charges*

3.2.1 Subject to Article 3.2.3 herein, as per applicable regulation(s) of the Appropriate Commission(s), all charges as determined by Appropriate Commission from time to time pertaining to open access, CTU charges scheduling charges (if any) and any other charges from injection/delivery point to the receiving substation(s) of Buying Entity if any, shall be directly paid or reimbursed by Buying Entity. Invoicing for all transmission related charges shall be done through Supplementary Bills.

3.2.2 Buyer shall neither be liable for obtaining the open access nor for any payments to be made for such open access to the concerned STU/CTU by Buying Entity.

CHIEF GENERAL MANAGER
(PS), TSNPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyderabad-500 063

3.2.3 The Central Government (Ministry of Power) have from time to time notified Orders, inter-alia, in regard to the transmission charges being exempted or waived for renewable power. These include Order No.23/12/2016-R&R dated 06.11.2019 of Ministry of Power which was prevalent on the last date of the submission of the bid in the present case, Orders No.23/12/2016-R&R dated 05.08.2020, 15.01.2021, 21.06.2021, 23.11.2021, 26.11.2021 notified thereafter by the Ministry of Power and the latest being Order No. 23/12/2016-R&R dated 30.11.2021 notified by Ministry of Power. The exemption/waiver of the inter-state transmission charges for the conveyance of power namely Open Access Charges, CTU charges scheduling charges (if any) and any other charges from injection/delivery point to the receiving substation(s) of Buying Entity provided in Article 3.2.1 herein shall be governed by the provisions of the above Orders and the Regulations that may be notified by the Central Commission in regard to the above. The provisions of the Article 3.2.1 in regard to the liability of the Buying Entity to pay inter-state transmission charges shall stand modified by such exemption/waiver provided as per above Orders and the regulations of the Central Commission, as applicable.

3.3 ***Losses***

3.3.1 Buying Entity shall be liable to bear all the transmission losses as determined by Appropriate Commission from time to time in respect of the power evacuated from the Delivery Points to its receiving substation(s).

3.3.2 Not Used.

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ARTICLE 4: METERING, ENERGY ACCONTING AND SCHEDULING

4.1 *Metering*

4.1.1 The metering arrangements for metering the electrical energy supplied at the Delivery Point and Delivery Point shall be as per the provisions identified in the Buyer-SPD PPA respectively. The metering arrangement shall comply with the norms of SERC / CERC/ CEA as applicable.

4.1.2 The energy details obtained from Energy Accounts issued by the RPC of the buying entity, shall be provided to Buying Entity by Buyer along with Monthly Bill validating the total energy for which the Monthly Bill is generated.

4.1.3 Energy Accounts shall be binding on both the Parties for billing and payment purposes.

4.2 *Energy Accounting & Scheduling*

4.2.1 The scheduling and energy accounting of Solar Power shall be as per the provisions of the Buyer-SPD PPA and Grid Code.

4.2.2 The SPD shall be responsible for deviations made by it from the dispatch schedule and for any resultant liabilities on account of charges for deviation as per applicable CERC regulations.

4.2.3. SPD shall be responsible for any deviation related to scheduling and actual generation.

4.2.4 No back-down/ curtailment to be ordered without giving formal/ written instruction to the SPD as detailed in Schedule 1. Back-down/ curtailment (if any) including justification of such curtailment/ back-down to be made public by the concerned Load Dispatch Centre.

4.2.5 Not Used

4.2.6 As part of scheduling of power from the Project, the SPD will be required to punch-in their respective schedules and subsequent revisions, by themselves, at the interfaces of all the RLDCs concerned for the corridor of power flow, including the RLDC of the Buying Entity/Discom, as per the Regulations in force, under intimation to SECI. SECI may facilitate in identification of any discrepancy and assist the SPD for its early rectification without any liability on SECI. The SPD shall be solely responsible for discrepancy identification and its rectification to avoid any rejection/less payment of invoices.

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ARTICLE 5: APPLICABLE TARIFF

5.1.1 From SCD and subject to the provision of the Article 6.7, the Buying Entity shall pay the fixed tariff as per Schedule-I of the Agreement plus trading margin of Rs. 0.07/ kWh.

5.1.2 Not Used

5.1.3 Not Used.

5.1.4 As per provisions of the PPA, the SPDs are permitted for full commissioning as well as part commissioning of the Project even prior to the SCD. In cases of early part-commissioning, till the achievement of full commissioning or SCD, whichever is earlier, the Buying Entity shall purchase the generation till SCD, at 75% (seventy five per cent) of the tariff as mentioned in the Article 5.1.1 plus Trading Margin of Rs 0.07/kWh, (Seven Paisa per kWh). In case of full commissioning of the Project(s) prior to SCD, Buying Entity shall purchase the power at tariff as per article 5.1.1 plus Trading Margin of Rs 0.07/kWh, (Seven Paisa per kWh)].

Such intimation for early commissioning shall be provided to Buying Entity by SECI upon receipt of such intimation by SPD to SECI. In case there is no response provided by Buying Entity to SECI within 5 days from the receipt of such intimation, such early commissioned capacity shall be deemed to have been refused by Buying Entity.

5.1.5 Any excess generation over and above energy specified in Article 6.8.3, may be purchased at a tariff of 75% of the tariff as mentioned in Article 5.1.1 provided the Buying Entity consents for purchase of such excess generation with Trading Margin of Rs 0.07/kWh (Seven Paisa per kWh). In case of any excess generation as indicated by the SPD under the PPA, SECI shall intimate the Buying Entity regarding the proposed quantum of excess generation, at least 30 days prior to the scheduled excess generation proposed. The Buying Entity shall be required to grant its consent/refusal for the proposed excess generation within 15 days from the receipt of the above intimation from SECI (through email). In case the consent/refusal as sought by SECI for the same is not issued by the Buying Entity within the above stipulated timelines, it shall be deemed that the Buying Entity has granted its consent for purchase of such excess generation as per the terms of this Agreement.

5.1.6 SECI shall submit the monthly invoice to the Buying Entity based on the Tariff of individual Project commissioned.

5.1.7 Subsequent to grant of connectivity, in case there is a delay in grant/operationalization of LTA by the CTU and/or there is a delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network until SCD of the Project, and it is established that:

(i) The SPD has complied with the complete application formalities as per RfS,

(ii) The SPD has adhered to the applicable Procedure in this regard as notified by the CERC/CTU, and

(iii) The delay in grant of connectivity/LTA by the CTU and/or delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network, is a factor attributable to the CTU/transmission licensee and is beyond the control of the SPD;

The above shall be treated as delays beyond the control of the SPD and SCD for such Projects shall be revised as the date as on 60 days subsequent to the readiness of the Delivery Point and power evacuation infrastructure and/or operationalization of LTA. Decision on requisite extension on account of the above factor shall be taken by SECI.

Further, any delay in adoption of tariff by the Appropriate Commission, beyond 120 (one hundred and twenty) days after Effective Date of the PPA, shall entail a corresponding extension in Scheduled Commissioning Date.

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ARTICLE 6: BILLING AND PAYMENT

6.1 *General*

6.1.1 From UCOD/COD of the Project, Buying Entity shall pay to Buyer the monthly Tariff Payments, on or before the Due Date, in accordance with Tariff as specified in Article 5. All Tariff Payments by Buying Entity shall be in Indian Rupees.

6.2 *Delivery and Content of Monthly Bills*

6.2.1 Buyer shall issue to Buying Entity a signed Monthly Bill on any Day of the month.

6.2.2 The Monthly Bill prepared as detailed in Schedule-3 of the PSA, shall include the following;

i) Monthly bill may be raised based on the provisional REA

ii) The final adjustments if any may be done on the basis of the final REA along with the next month bill

iii) Taxes, Duties, Levies etc as applicable.

Final billing may be done based on published REA.

6.3 Payment of Monthly Bills

6.3.1 Buying Entity shall pay the amount payable under the Monthly Bill on the Due Date to such account of Buyer, as shall have been previously notified to Buying Entity in accordance with Article 6.3.2 below.

6.3.2. Buyer shall open a bank account at New Delhi ("Buyer's Designated Account") for all Tariff Payments to be made by Buying Entity to Buyer, and notify Buying Entity of the details of such account at least ninety (90) Days before the dispatch of the first Monthly Bill. Buying Entity shall also designate a bank account at **Hyderabad** (the "Buying Entity's Designated Account") for payments to be made by Buyer to Buying Entity, if any, and notify Buyer of the details of such account ninety (90) Days before the dispatch of the first Monthly Bill. Buyer and Buying Entity shall instruct their respective bankers to make all payments under this Agreement to Buying Entity's Designated Account or Buyer's Designated Account, as the case may be, and shall notify either Party of such instructions on the same day.

6.3.3 Late Payment Surcharge

In the event of payment of a Monthly Bill by the Buying Entity beyond 30 days of its Due Date, a Late Payment Surcharge (LPS) shall be payable by the Buying Entity to SECI on

the outstanding payment, at the base rate of Late Payment Surcharge applicable for the period for the first month of default. "Base rate of Late Payment Surcharge" means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent (500 bps) and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify: The Late Payment Surcharge shall be claimed by Buyer through the Supplementary Bill. Late Payment Surcharge shall be payable on the outstanding Payment beyond 30 days of its due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default. The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent (50 bps) for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time:

(a) Provided that the rate at which Late Payment Surcharge shall be payable shall not be higher than 1.25% per month at any time for purchase of power.

(b) Provided further that, if a distribution licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the 30 days beyond Due Date of the bill, it shall be debarred from procuring power from a power exchange or grant of short-term open access till such bill is paid.

(c) All payments by Buying Entity to Buyer for power procured from it shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

(d) If the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years. The Late Payment Surcharge shall be claimed by Buyer through the Supplementary Bill.

6.3.4 Rebate

For payment of any Bill including supplementary bill on or before Due Date, the Rebate shall be paid by Buyer to the Buying Entity in the following manner.

a) A Rebate of 1.5 % shall be payable to Buying Entity for the payments made within a period of five (5) days of the presentation of Bill through e-mail.

b) Any payments made after five (5) days of the date of presentation of bill through e-mail up to the due date shall be allowed a rebate of 1 %.

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c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.

6.4 Payment Security Mechanism

A. Letter of Credit (LC):

6.4.1 Buying Entity shall provide to Buyer, in respect of payment of its Monthly Bills, an unconditional, revolving and irrevocable letter of credit as a backup arrangement which is to be negotiated only on default conditions ("Letter of Credit"), opened and maintained by Buying Entity, which may be drawn upon by Buyer in accordance with this Article. Buying Entity shall provide Buyer draft of the Letter of Credit proposed to be provided to Buyer two (2) months before the Scheduled Commissioning Date.

6.4.2 Not later than one (1) Month before the Start of Supply, Buying Entity shall through a scheduled bank at Hyderabad open a Letter of Credit in favour of Buyer, to be made operative at least 15 days prior to the Due Date of its first Monthly Bill under this Agreement. The Letter of Credit shall have a term of twelve (12) Months and shall be reviewed every 6 months, in the month of January and July and revised w.e.f. April and Sept. for an amount equal to:

i) for the first Contract Year, equal to 110% of the estimated average monthly billing;

ii) for each subsequent Contract Year, equal to 110% of the average of the monthly Tariff Payments of the previous Contract Year.

6.4.3 Provided that Buyer shall not draw upon such Letter of Credit prior to 30 days beyond the Due Date of the relevant Monthly Bill, and shall not make more than one drawal in a Month.

6.4.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Article 6.4.2 due to any reason whatsoever, Buying Entity shall restore such shortfall within seven (7) days.

6.4.5 Buying Entity shall cause the scheduled bank issuing the Letter of Credit to intimate Buyer, in writing regarding establishing of such irrevocable Letter of Credit.

6.4.6 Buying Entity shall ensure that the Letter of Credit shall be renewed prior to its expiry.

6.4.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by Buying Entity.

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for such periods wherein such power was made available by SPD for usage by Buying Entity.

6.6 Disputed Bill

6.6.1 If Buying Entity does not dispute a Monthly Bill raised by the other Party within thirty (30) days of receiving such Bill shall be taken as conclusive.

6.6.2 If Buying Entity disputes the amount payable under a Monthly Bill it shall pay 50% of the invoice amount and it shall within fifteen (15) days of receiving such Bill, issue a notice (the "Bill Dispute Notice") to the invoicing Party setting out:

i) the details of the disputed amount;

ii) its estimate of what the correct amount should be; and

iii) all written material in support of its claim.

6.6.3 If the Buyer agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 6.6.2, the Buyer shall make appropriate adjustment in the next Monthly Bill. In such a case excess amount shall be refunded along with interest at the same rate as Late Payment Surcharge, which shall be applied from the date on which such excess payment was made by Buying Entity and up to and including the date on which such payment has been received as refund.

6.6.4 If the Buyer does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Article 6.6.2, it shall, within fifteen (15) days of receiving the Bill Dispute Notice, furnish a notice (Bill Disagreement Notice) to the disputing Party providing:

i) reasons for its disagreement;

ii) its estimate of what the correct amount should be; and iii)

all written material in support of its counter-claim.

6.6.5 Upon receipt of the Bill Disagreement Notice by Buying Entity under Article 6.6.4, authorized representative(s) or a director of the board of directors/ member of board of Buying Entity and Buyer shall meet and make best endeavours to amicably resolve such dispute within fifteen (15) days of receipt of the Bill Disagreement Notice.

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(PPC), TSNPDCL,
Corporate Office, P.B.No.28,
Mint Compound, Hyderabad-500 063

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6.6.6 If the Parties do not amicably resolve the Dispute within fifteen (15) days of receipt of Bill Disagreement Notice pursuant to Article 6.6.4, the matter shall be referred to Dispute resolution in accordance with Article 12.

6.6.7 For the avoidance of doubt, it is clarified that despite a Dispute regarding an Invoice, Buying Entity shall, without prejudice to its right to Dispute, be under an obligation to make payment, of 50% of the invoice amount in the Monthly Bill.

6.7 *Quarterly and Annual Reconciliation*

6.7.1 The Parties acknowledge that all payments made against Monthly Bills shall be subject to quarterly reconciliation within 30 days of the end of the quarter of each Contract Year and annual reconciliation at the end of each Contract Year within 30 days thereof to take into account the Energy Accounts, Tariff adjustment payments, Tariff Rebate, Late Payment Surcharge, or any other reasonable circumstance provided under this Agreement.

6.7.2 The Parties, therefore, agree that as soon as all such data in respect of any quarter of a Contract Year or a full Contract Year as the case may be has been finally verified and adjusted, Buying Entity and Buyer shall jointly sign such reconciliation statement. After signing of a reconciliation statement, the Buyer shall make appropriate adjustments in the following Monthly Bill, with Surcharge/Interest, as applicable. Late Payment Surcharge/ interest shall be payable in such a case from the date on which such payment had been made to the invoicing Party or the date on which any payment was originally due, as may be applicable. Any Dispute with regard to the above reconciliation shall be dealt with in accordance with the provisions of Article 12.

6.8 Renewable purchase obligation

6.8.1 Buying Entity may identify the energy procured from the Delivery Point to meet its renewable purchase obligations (as mandated by the Appropriate Commission). Provided that the renewable purchase obligation of Buying Entity shall be considered to be met by Buying Entity only if there is no payment default for such energy procured by Buying Entity and a certificate to such effect is provided by Buyer to Buying Entity.

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(CP&RA), TSPDCL,
Corporate Office, 6-1-50,
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6.4.8 If Buying Entity fails to pay a Monthly Bill or part thereof within and including 30 days beyond its Due Date, then, subject to Article 6.4.3 and 6.6.2, Buyer may draw upon the Letter of Credit, and accordingly the bank shall pay without any reference or instructions from Buying Entity, an amount equal to such Monthly Bill or part thereof, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:

i) a copy of the Monthly Bill which has remained unpaid by Buying Entity;

ii) a certificate from Buyer to the effect that the bill at item (i) above, or specified part thereof, is in accordance with the Agreement and has remained unpaid after 30 days beyond the Due Date;

B. State Government Guarantee

The Buying Entity shall extend the State Government Guarantee, in a legally enforceable form, such that there is adequate security, both in terms of payment of energy charges and termination compensation if any [for the purpose of this clause, the Tri-Partite Agreement (TPA) signed between Reserve Bank of India, Central Government and State Government shall qualify as State Government Guarantee covering the security for payment of energy charges]. The Buyer shall ensure that upon invoking this guarantee, it shall at once, pass on the same to the SPD(s), to the extent the payments to the SPD(s) in terms of the PPA are due. Provided that in cases where the Buying Entity is neither covered by Tri-Partite Agreement (TPA) nor is able to provide the State Government Guarantee, the Buying Entity shall pay to SECI an additional risk premium of Rs. 0.10/kWh, which shall be credited to the payment security fund maintained by the SECI.

C. Payment Security Fund

In addition to provisions contained in Article 6.4 (A) and 6.4. (B) Above, the Buying Utility may also choose to provide Payment Security Fund, not later than the commencement of supply of Power to the Buying Utility under this Agreement, which shall be suitable to support Payment of at least 3 (three) months' billing of all the Projects tied up with such fund.

6.5 Third Party Sales by Buyer

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(SECI),
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6.5.1 Notwithstanding anything to the contrary contained in this Agreement, Buyer shall be entitled to but not obliged to regulate power supply of Solar Power of Buying Entity in case of Default in making payment by the 30th day of the Due Date by Buying Entity.

6.5.2 Buyer shall issue the Notice for Regulation of Power Supply on the date above and shall give a notice of 15 days to start the regulation on the 16th day.

6.5.3 Regulation of Power Supply would be on pro rata basis i.e., in the ratio of amount due and unpaid to total amount due against the relevant Monthly Bill.

6.5.4 In order to avoid any doubts, it is illustrated that:
In the event of a bill amounting to Rs 25 Crore is unpaid to the extent of Rs 10 Crore, Buyer would have a right to regulate and sell Buying Entity's allocation of the power to third parties to the extent of 40% (i.e. 10/25x100).

6.5.5 Buyer/SPD shall have the right to divert the Solar Power or part thereof and sell it to any third party namely;

i) Any consumer, subject to applicable Law; or

ii) Any licensee under the Act;

Buyer shall request the concerned SLDC/RLDC to divert such power to third party as it may consider appropriate.

6.5.6 Provided that such sale of power to third party shall not absolve Buying Entity from its obligation to pay in full to Buyer for the Solar Power as per Schedule-3 of this Agreement and any other outstanding payment liability of Buying Entity as per this Agreement.

6.5.7 The amount realized from the diversion and sale of power to third party over and above the trading margin, open access charges and costs/RLDC/SLDC etc. shall be adjusted first adjusted against the pending liability of Buying Entity & any other costs and the deficit if any shall be made good by Buying Entity.

6.5.8 Sales to any third party shall cease and regular supply of electricity to Buying Entity shall commence and be restored within seven (7) days from the date of clearing all outstanding dues payable to Buyer for the Solar Power under this Agreement.

6.5.9 Further, the liability of Buying Entity to make the Tariff Payments to Buyer as per Energy Accounts shall start from the day of such restoration of supply of power and shall continue

6.8.2 Buyer shall provide such certificate identifying the quantum of solar energy supplied by Buyer and being met by Buying Entity for each year within thirty (30) days after the end of such year.

6.8.3 **Criteria for Generation**

6.8.3a The SPD will declare the CUF of the Project and will be allowed to revise the same once within first year after COD of the full project capacity. Subsequent to commissioning/part-commissioning of the Project, Buying Entity, in any Contract Year, shall not be obliged to purchase any additional energy from the Buyer/SPD beyond **2748.15** Million kWh (MU) from the Solar Power Project. The above limits shall be considered on pro-rata basis with respect to the individual projects commissioned until commissioning of the entire Project capacity allocated under this Agreement. Further, for the first year of operation, the above limits shall be considered on pro-rata basis.

6.8.3b If for any Contract Year subsequent to the commissioning/part-commissioning of allocated Project capacity, it is found that the SPD has not been able to supply minimum energy of **2123.56** Million kWh (MU) till the end of 10 years from the SCD and **1998.64** Million kWh (MU) for the rest of the Term of the Agreement on account of reasons solely attributable to the SPD, the noncompliance by the SPD shall make the SPD liable to pay the compensation and shall duly pay such compensation to the Buyer to enable the Buyer to remit the amount to the Buying Entity. The above limits shall be considered on pro-rata basis with respect to the individual projects commissioned until commissioning of the entire Project capacity allocated under this Agreement. For the first year of operation of the Project, the annual CUF shall be calculated for the complete year after COD of the Project. Subsequently, the annual CUF shall be calculated every year from 1st April of the year to 31st March next year. The lower limit will, however be relaxable by Buyer to the extent of grid non-availability for evacuation which is beyond the control of the Solar Power Developer. The amount of such compensation shall be as determined by the Appropriate Commission/Authority, and such compensation shall ensure the Buying Entity is offset for all potential costs associated with low generation and supply of power under the PSA. However, the minimum compensation payable to the Buyer by the SPD shall be 25% (twenty-five percent) of the cost of this shortfall in energy terms, calculated at the PPA tariff, which shall in turn, be remitted to the Buying Entity.

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6.8.4 Notwithstanding Article 6.8.3, the Buyer/SPD is free to sell such power to any third party which is in excess of the quantum of power as per Article 6.8.3 of this Agreement from SCD or date of commissioning of the full project capacity, whichever is earlier. Any power which is in excess of the quantum of power agreed to be supplied under this Agreement shall be offered to the Buying Utility at the tariff as per Article 5.1.5, and in case the Buying Utility does not accept the same, SECI shall take appropriate action as per PPA.

6.8.5 The compensation as per Article 6.8.3 shall be applied to the amount of shortfall in generation during the year. However, this compensation shall not be applicable in events of Force Majeure identified under this Agreement affecting supply of Solar Power by Buyer/SPD.

6.9 ***Payment of Supplementary Bill***

6.9.1 Buyer/Buying Entity may raise a "Supplementary Bill" for payment on account of:

i) Change in Law as provided in Article 8, or

ii) pertaining to open access and scheduling related charges if any, for transmission of the power, as determined by CERC from time to time or

iii) payment under Article 6.10 and other charges, if any.

and such Supplementary Bill shall be paid by the other Party.

6.9.2 Buyer/Buying Entity shall remit all amounts due under a Supplementary Bill raised by the Buyer/Buying Entity to the Buyer's/Buying Entity's Designated Account by the Due Date.

6.9.3 In the event of delay in payment of a Supplementary Bill by either Party within thirty (30) days beyond its Due Date, a Late Payment Surcharge shall be payable at the same terms applicable to the Monthly Bill in Article 6.3.3.

6.10. Offtake constraints due to Transmission Infrastructure /Grid Unavailability & Backdown

6.10.1 Generation Compensation in offtake constraint due to Transmission Infrastructure not complete/ ready (Transmission constraint): After the Scheduled Commissioning Date, subject to the submission of documentary evidences from the Competent Authority, if the plant is ready in all respects including the dedicated transmission line to be established by

the SPD to connect to the grid but the necessary power evacuation/transmission infrastructure is not ready, for reasons not attributable to the SPD, leading to offtake constraint, the generation compensation shall be restricted to the following and there shall be no other claim, directly or indirectly against SECI and the Buying Entity:

Transmission Constraint	Provision for Generation Compensation
If the Project is ready but the necessary power evacuation/transmission infrastructure is not ready, leading to offtake constraint	a. The normative CUF of 19% (nineteen per cent) or committed CUF, whichever is lower, for the period of grid unavailability, shall be taken for the purpose of calculation of generation loss. Corresponding to this generation loss, the excess generation by the SPD in the succeeding 3 (three) Contract Years, shall be procured by SECI at the PPA tariff so as to offset this loss. b. If the transmission delay is directly attributable to the organization building the transmission network and some penalty is imposed on him, then a part of that penalty may be utilized by SECI/Buying Entity for compensating the generation loss.

However, it is clarified that if the Project is ready for commissioning prior to the Scheduled Commissioning Date, but the offtake is constrained because of inadequate/incomplete power evacuation infrastructure, no compensation shall be permissible.

6.10.2 Generation Compensation in offtake constraints due to Grid Unavailability: During the operation of the Project, there can be some periods where the Project can generate power but due to temporary transmission unavailability the power is not evacuated, for reasons not attributable to the SPD. In such cases the generation compensation shall be addressed in following manner:

Duration of Grid unavailability	Provision for Generation Compensation
Grid unavailability in a contract year as defined in the PPA: (only period from 8 am to 6 pm to be counted) for Grid unavailability beyond 50 hours in a Contract Year:	***Generation Loss = [(Average Generation per hour during the Contract Year) × (number of hours of grid unavailability during the Contract Year)]*** Where, Average Generation per hour during the Contract Year (kWh) = Total generation in the Contract Year (kWh) ÷ 8766 hours less total hours of grid unavailability in a Contract Year.

The excess generation by the SPD equal to this generation loss shall be procured by the Buying Entity at the PSA tariff so as to offset this loss in the succeeding 3 (three) Contract Years. (Contract Year, shall be as defined in the PPA.)

6.10.3 Offtake constraints due to Backdown: The SPD and the Buying Entity shall follow the forecasting and scheduling process as per the regulations in this regard by the Appropriate Commission. The Government of India, as per Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), provides for status of "must-run" to solar power projects. Accordingly, no solar power plant, duly commissioned, should be directed to back down by a Discom/ Load Dispatch Centre (LDC). In case such eventuality of Backdown arises, including non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" and any clarifications or amendment thereto, except for the cases where the Backdown is on account of events like consideration of grid security or safety of any equipment or personnel or other such conditions, the Buying Entity shall pay to the SPD, a Minimum Generation Compensation, from the Procurer, in the manner detailed below:

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Duration of Backdown	Provision for Generation Compensation
Hours of Backdown during a monthly billing cycle.	***Minimum Generation Compensation = 100% of [(Average Generation per hour during the month) X PPA Tariff]*** Where, Average Generation per hour during the month (kWh)=Total generation during the month (kWh) ÷ Total hours of generation in the month

The Generation Compensation as calculated above will be limited to the extent of shortfall in annual generation corresponding to the maximum CUF permitted as per Article 6.8.3 and the same will be settled on annual basis. No trading margin shall be applicable on the Generation Compensation provided as per Article 6.10.3. The Generation Compensation is to be paid as part of the energy bill for the successive month after receipt of Regional Energy Accounts (REA).

ARTICLE 7: FORCE MAJEURE

7.1 *Definition of Force Majeure*

A 'Force Majeure' (FM) would mean one or more of the following acts, events or circumstances or a combination of acts, events or circumstances or the consequence(s) thereof that wholly or partly prevents or unavoidably delays the performance by the Party (the Affected Party) of its obligations under the relevant Power Purchase Agreement, but only if and to the extent that such events or circumstances are not within the reasonable control, directly or indirectly, of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices.

An affected Party means SECI or the Buying Entity whose performance has been adversely affected by an event of Force Majeure.

Provisions of Force Majeure provided in SECI-SPD PPA shall mutatis-mutandis apply to this Agreement and all associated obligations and liabilities shall be implemented on back to back basis. Further, in case Force Majeure provisions detailed hereunder are in conflict with SECI-SPD PPA provisions, the provisions detailed in the SECI-SPD PPA shall prevail.

7.2 Categorization of Force Majeure Events:

7.2.1 Natural Force Majeure Event

a) Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon or tornado if it is declared / notified by the competent state / central authority / agency (as applicable), or verified to the satisfaction of Procurer;

b) radioactive contamination or ionising radiation originating from a source in India or resulting from another Force Majeure Event mentioned above excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the Project by the Affected Party or those employed or engaged by the Affected Party;

c) the discovery of geological conditions, toxic contamination or archaeological remains on the Project land that could not reasonably have been expected to be discovered through an inspection of the Project land; or

d) any event or circumstances of a nature analogous to any of the events as specified under Article 7.2.1 (a), 7.2.1 (b) and 7.2.1 (c).

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7.2.2 **Non-Natural Force Majeure Event**

a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action;

b) nation/state-wide strike, lockout, boycotts or other industrial disputes which are not directly and solely attributable to the actions of the Affected Party, but does not include strike or labour unrest limited to the Affected Party or its contractors;

c) nationalisation or any compulsory acquisition by any Indian Governmental Instrumentality/ State Government in national interest or expropriation of any material Project assets or rights of the SPD, as a result of which the SPD or its shareholders are deprived (wholly or partly) of their rights or entitlements under the Power Purchase Agreement. Provided that such action does not constitute remedies or sanctions lawfully exercised by the Procurer or any other Government Authority as a result of any breach of any of the Applicable Laws or the Applicable Permits by the SPD or the SPD related parties;

d) action of a Government Authority having Material Adverse Effect including but not limited to Change in Law, only if consequences thereof cannot be dealt with under and in accordance with the provisions of Article 8 of this Agreement; any unlawful or unauthorised or without jurisdiction revocation of, or delay in, or refusal, or failure to renew or grant without valid cause, any Permits of the SPD/SECI or any of the clearance, licence, authorization to be obtained by the contractors to perform their respective obligations under the relevant PPA/PSA and/or the Project Documents; provided that such delay, modification, denial, refusal or revocation did not result from the SECI's/SPD's or any contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such Permits or clearance, licence, authorization, as the case may be.

7.2.3 **Other Force Majeure Event**

a) An event of force majeure identified under Buyer-SPD PPA thereby affecting supply of power by SPD.

b) An event of force majeure affecting the concerned STU/ CTU, as the case may be, thereby affecting the evacuation of power from the Delivery Points by Buying Entity;

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7.3 Force Majeure Exclusions

7.3.1 Force Majeure shall not include (i) any event or circumstance which is within the reasonable control of the Parties and (ii) the following conditions, except to the extent that they are consequences of an event of Force Majeure:

a. Unavailability, late delivery, or changes in cost of the plant, machinery, equipment, materials, spare parts or consumables for the Power Project;

b. Delay in the performance of any contractor, sub-contractor or their agents;

c. Non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;

d. Strikes at the facilities of the Affected Party;

e. Insufficiency of finances or funds or the agreement becoming onerous to perform; and

f. Non-performance caused by, or connected with, the Affected Party's:

i. Negligent or intentional acts, errors or omissions;

ii. Failure to comply with an Indian Law; or

iii. Breach of, or default under this Agreement.

g. Exclusions as identified under SECI-SPD PPA

7.4 Notification of Force Majeure Event

7.4.1 The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than seven (7) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force Majeure results in a breakdown of communications rendering it unreasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement.

7.4.2 Provided that such notice shall be a pre-condition to the Affected Party's entitlement to claim relief under the PPA. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed. The Affected Party shall give the other Party regular (and not less than weekly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the Force Majeure Event.

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7.4.3 The Affected Party shall give notice to the other Party of (i) the cessation of the relevant event of Force Majeure; and (ii) the cessation of the effects of such event of Force Majeure on the performance of its rights or obligations under the PPA, as soon as practicable after becoming aware of each of these cessations.

7.5 Performance Excused

7.5.1 The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under the PSA as a consequence of the Force Majeure Event, shall be excused from performance of the obligations, provided that the period shall not exceed 180 (one hundred and eighty) Days from the date of issuance of the FM Notice. The Parties may mutually agree to extend the period for which performance is excused due to a Force Majeure Event.

7.5.2 For the time period, as mutually agreed by the Parties, during which the performance shall be excused, the generator shall be entitled for a day to day extension of the period provided for Financial Closure or Scheduled Commissioning Period or the PSA period, as the case may be.

7.5.3 Provided always that a Party shall be excused from performance only to the extent reasonably warranted by the Force Majeure Event.

7.5.4 Provided further that, nothing shall absolve the Affected Party from any payment obligations accrued prior to the occurrence of the underlying Force Majeure Event.

7.6 No Liability for Other Losses

Save as otherwise provided in this Agreement, no Party shall be liable in any manner, whatsoever, to the other Parties in respect of any loss relating to or arising out of the occurrence or existence of any Force Majeure Event.

7.7 Resumption of Performance

During the period that a Force Majeure Event is subsisting, the Affected Party shall, in consultation with the other Parties, make all reasonable efforts to limit or mitigate the effects of such Force Majeure Event on the performance of its obligations under the PSA. The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption, shall notify other Parties of the same in

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writing. The other Parties shall afford all reasonable assistance to the Affected Party in this regard.

7.8 Duty to Perform and Duty to Mitigate

To the extent not prevented by a Force Majeure Event pursuant to Article 7.2, the Affected Party shall continue to perform its obligations pursuant to this Agreement, in line with provisions of Article 7.5. The Affected Party shall use its reasonable efforts to mitigate the effect of any Force Majeure Event as soon as practicable.

7.9 Available Relief for a Force Majeure Event

Subject to this Article 7:

a) no Party shall be in breach of its obligations pursuant to this Agreement except to the extent that the performance of its obligations was prevented, hindered or delayed due to a Force Majeure Event;

b) every Party shall be entitled to claim relief in relation to a Force Majeure Event in regard to its obligations, including but not limited to those specified under Article 4.5;

c) For avoidance of doubt, neither Party's obligation to make payments of money due and payable prior to occurrence of Force Majeure events under this Agreement shall be suspended or excused due to the occurrence of a Force Majeure Event in respect of such Party.

d) Provided that no payments shall be made by either Party affected by a Force Majeure Event for the period of such event on account of its inability to perform its obligations due to such Force Majeure Event.

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ARTICLE 8: CHANGE IN LAW

8.1 Definitions

In this Article 8, the following terms shall have the following meanings:

8.1.1 In this Article 8, the term Change in Law shall refer to the occurrence of any of the following events pertaining to this project only after 22.06.2020 including (i) the enactment of any new law; or (ii) an amendment, modification or repeal of an existing law; or (iii) the requirement to obtain a new consent, permit or license; or (iv) any modification to the prevailing conditions prescribed for obtaining an consent, permit or license, not owing to any default of the Solar Power Developer; or (v) any change in the rates of any Taxes including any duties and cess or introduction of any new tax made applicable for setting up the solar power project and supply of power from the Solar Power project by the SPD which have a direct effect on the Project.

However, Change in Law shall not include (i) any change in taxes on corporate income or (ii) any change in any withholding tax on income or dividends distributed to the shareholders of the SPD.

8.1.2 In the event of occurrence of any of events as provided under Article 8.1.1 which results in any increase/ decrease in the Project Cost (i.e. cost incurred by the SPD towards supply and services only for the Project concerned, upto Scheduled Commissioning Date or extended Scheduled Commissioning Date, as the case may be), the SPD/ SECI / Buying Utility(ies) shall be entitled for compensation by the other party, as the case may be, subject to the condition that the such 'Change in Law' is recognized by the Appropriate Commission. Compensation payment on account of such 'Change in Law' shall be determined and shall be effective from such date as may be decided by the Appropriate Commission.

8.1.3 However, in case of change in rates of safeguard duty, GST and basic customs duty after 22.06.2020 and resulting in change in Project Cost, then such change will be treated as 'Change in Law' and the quantum of compensation payment on account of change in rates of such duties and shall be provided to the affected party by the other party as per Article 8.2.3, subject to the provision that Appropriate Commission recognizes such provisions at

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(PPC), TSTRANSCO,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

the time of adoption of tariff by the Appropriate Commission and any decision in this regard shall be governing on SPD and Buying Entity.

8.2 Relief for Change in Law

8.2.1 Save and except as provided under Article 8.1.3, the aggrieved Party shall be required to approach the Hon'ble CERC for seeking approval of Change in Law.

8.2.2 The decision of the Hon'ble CERC to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on SPD and Buying Entity.

8.2.3 In case of Change in Law as approved by the Appropriate Commission pursuant to Article 8.2.1 or as provided under Article 8.1.3, the SPD/ SECI/ Buying Entities (as the case may be) shall be entitled for relief as follows:

Every net increase/decrease of Rs.1 lakh per MW in the Project Cost (i.e cost incurred by the SPD for the supply and services in the Project concerned, upto Schedule Commissioning Date or extended Schedule Commissioning Date, for reasons other than those wherein such extension is on account of payment of liquidated damages, penalty or any other charges, as the case may be), shall be liable for corresponding increase/decrease of an amount equal to Rs 0.005 /kWh.

Any such change, shall be considered upto three digits after the decimal point, and remaining digits, if any, shall be ignored.

For e.g. in case the change in tariff payable is calculated as Rs. 0.14678/kWh, it shall be modified as Rs. 0.146/kWh.

8.2.4 In case Change in Law results in delay in commissioning or supply of power, where cause and effect between these two can be clearly established, the SECI under intimation to the Buying Entities may provide suitable time-extension in Scheduled Commissioning Date or Scheduled Date of Commencement of Supply of Power, as the case may be.

8.2.5 It the event of any decrease in the project cost by the SPD or any income to the SPD on account of any of the events as indicated above, SPD shall pass on the benefit of such reduction at a rate as provided in Article 8.2.3 to SECI which shall be further passed on to the Buying Entity. In the event of the SPD failing to comply with the above requirement, SECI shall make such deductions in the monthly tariff payments on immediate basis,.

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(IT-I), TSSPDCL,
Corporate Office, C-no.30,
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Further, at the time of raising of 1st Monthly Tariff Payment Bill, SPD shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 8.

8.2.6 The following proposal of MNRE to impose BCD on solar cells and modules (without grandfathering of bid out projects) has been agreed to by the Ministry of Finance:

Items	CTH	Upto 31.03.2022	w.e.f. 01.04.2022
Solar Module	85414012	0 %	40%
Solar Cell	85414011	0 %	25 %

As per commitment from SPDs, the SPDs will provide the above waiver on claim of Basic Custom Duty mentioned above in this PSA. If there is any further revision/modification to the said BCD notification on any new notification on the BCD matter, resulting in any further increase of BCD, Developers shall remain entitled to exercise rights for any claim under Change in Law of the PSAs, viz, such revision/modification (any incremental impact over prescribed rates of BCD as above) or any new notification. Further, No Change in Law on account of BCD will be claimed by either party, as per the MNRE OM dated 09.03.2021.

8.3 Notification of Change in Law

8.3.1 If the SPD is affected by Change in Law in accordance with Article 8 and wishes to claim a Change in Law under this Article, it shall give notice to the SECI and Buying Utility (s) of such Change in Law as soon as reasonably practicable (but no later than 60 days from the date of occurrence of such Change in Law).

8.3.2 Any notice service pursuant to this Article 8.3.1 and 8.1.3, shall provide, amongst other things, precise details of the Change in Law and its effect on the Project Cost, supported by documentary evidences including Statutory Auditor Certificate to this effect so as to establish one to one correlation and its impact on the Project Cost

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(IPC), TSNPDCL,
Corporate Office, 6-1-50,
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ARTICLE 9: EVENTS OF DEFAULT AND TERMINATION

9.1 Buying Entity Event of Default

9.1.1 The occurrence and continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event shall constitute a Buying Entity Event of Default:

(i) Any amount, subject to Article 6.6 remains outstanding beyond a period of ninety (90) days after the Due Date and Buyer is unable to recover the amount outstanding from Buying Entity through the Letter of Credit; or

(ii) Buying Entity fails to off take power from the Delivery Point for a continuous period of one year.

(iii) if (a) Buying Entity becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or (b) any winding up or bankruptcy or insolvency order is passed against the Buying Entity, or (c) the Buying Entity goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law.

Provided that a dissolution or liquidation of Buying Entity will not be a Buying Entity Event of Default if such dissolution or liquidation is for the purpose of a merger, consolidation or reorganization and where the resulting company retains creditworthiness similar to the Buying Entity and expressly assumes all obligations of the Buying Entity under this Agreement and is in a position to perform them; or

(iv) Buying Entity repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from Buyer in this regard; or

(v) except where due to any Buyer's failure to comply with its material obligations, Buying Entity is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by Buying Entity within thirty (30) days of receipt of first notice in this regard given by Buyer.

(vi) occurrence of any other event which is specified in this Agreement to be a material breach/ default of Buying Entity.

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9.2 SECI Event of Default

9.2.1 The occurrence and continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event, shall constitute a SECI's Event of Default:

(i) SECI fails to supply power to the Delivery Points for a continuous period of one year.

(ii) if (a) the SECI becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or (b) any winding up or bankruptcy or insolvency order is passed against the SECI, or (c) the SECI goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law,

Provided that a dissolution or liquidation of the SECI will not be a SECI's Event of Default if such dissolution or liquidation is for the purpose of a merger, consolidation or reorganization and where the resulting company retains creditworthiness similar to the SECI and expressly assumes all obligations of the SECI under this Agreement and is in a position to perform them; or

(iii) SECI repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from SECI in this regard; or

(iv) except where due to any SECI's failure to comply with its material obligations, the SECI is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the SECI within thirty (30) days of receipt of first notice in this regard given by the Buying Utility.

(v) occurrence of any other event which is specified in this Agreement to be a material breach/ default of the SECI.

9.3 Procedure for Event of Default

9.3.1 Upon the occurrence and continuation of any Event of Default under Article 9.1 & 9.2, the Party affected by such occurrence shall have the right to deliver the notice to the other Party, stating its intention to terminate this Agreement (Preliminary Default Notice), which shall specify in reasonable detail, the circumstances giving rise to the issue of such notice.

9.3.2 Following the issue of Preliminary Default Notice, the Consultation Period of sixty (60) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall have to be taken with a view

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to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.

9.3.3 During the Consultation Period, the Parties shall, save as otherwise provided in this Agreement, continue to perform their respective obligations under this Agreement.

9.3.4 Within a period of seven (7) days following the expiry of the Consultation Period unless the Parties shall have otherwise agreed to the contrary or the Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, the Party may terminate this Agreement by giving a written Termination Notice of thirty (30) days to the other Party.

9.3.5 Subject to the occurrence and continuation of default by as contained under Article 9.1.1 or Article 9.2.1 and expiry of time period as per Article 9.3.4,

9.3.5.1 Subject to the prior consent of the SECI, the Buying Utility shall novate its part of the PSA to any third party, including its Affiliates within the period of 210 days beyond the period as per Article 9.3.4,

9.3.5.2 In the event the aforesaid novation is not acceptable to SECI, or if no offer of novation is made by the defaulting Buying Utility within the stipulated period as per Article 9.3.5.1, then SECI may terminate the PSA and at its discretion require the defaulting Buying Utility to either (i) takeover the Project assets by making a payment of the termination compensation equivalent to the amount of the Debt Due and the 110% (one hundred and ten per cent) of the Adjusted Equity less Insurance Cover, if any, or, (ii) pay to the SPD/SECI(as applicable), damages, equivalent to 6 (six) months, or balance PPA period whichever is less, of charges for its contracted capacity, with the Project assets being retained by the SPD.

9.3.6 In the event of occurrence of a SPD Event of Default under the SECI-SPD PPA, the lenders in concurrence with the Buying Entity and SECI, may exercise their rights, if any, under Financing Agreements, to seek substitution of the SSPD by a selectee for the residual period of the Agreement, for the purpose of securing the payments of the total debt amount from the SPD and performing the obligations of the SPD. However, in the event the lenders are unable to substitute the defaulting SPD within the stipulated period, SECI may terminate the PPA and the Buying Entity may acquire the Project assets for an amount equivalent to 90% of the debt due or less as mutually agreed, failing which, the lenders may exercise their mortgage rights and liquidate the Project assets. Provided that any

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substitution under this Agreement can only be made with the prior consent of SECI including the condition that the selectee meets the eligibility requirements of Request for Selection (RfS) issued by SECI and accepts the terms and conditions of this Agreement.

9.4 ***Termination due to Force Majeure***

9.4.1 The provisions of Termination including the Termination Compensation on account of Force Majeure and the available relief as per the corresponding provisions of Article 11.10 of the PPA(s) between the SPDs and SECI referred to in Recitals to this Agreement and listed in Scheduled-2 to this Agreement shall, mutatis mutandis, be applicable as a part of this agreement between SECI and TSDISCOMs.

9.5 ***Termination of back to back agreements***

In case of termination of Buyer-SPD PPA, this Agreement shall automatically terminate but only to the extent of that particular Buyer-SPD PPA. Provided that in case of such termination, any pending monetary liabilities of either Party shall survive the termination of this Agreement.

9.6 ***Specific Performance of the Agreement***

9.6.1 The Parties acknowledge that a breach of the obligations contained herein would result in injuries. The parties hereby also agree that this Agreement is specifically enforceable at the instance of either Party.

9.6.2 Subject to Applicable Law and as granted by the court of appropriate jurisdiction, Parties acknowledge that either party shall be entitled to seek specific performance of this Agreement in the event of a breach of the obligations or the terms and conditions contained herein.

9.6.3 Further, Parties hereby agree that nothing mentioned herein under this Agreement shall be taken to mean or construe that any penalty or damages shall be adequate compensation for the breach of the obligations or the terms & conditions contained herein.

ARTICLE 10: LIABILITY AND INDEMNIFICATION

10.1 *Indemnity*

10.1.1 Buying Entity shall indemnify, defend and hold Buyer/SPD harmless against:

a) any and all third party claims against Buyer/SPD for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the Buying Entity of any of its obligations under this Agreement; and

b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by Buyer/SPD from third party claims arising by reason of a breach by the Buying Entity of any of its obligations under this Agreement, (provided that this Article 10 shall not apply to such breaches by the Buying Entity, for which specific remedies have been provided for under this Agreement).

10.1.2 Buyer shall cause the SPD to indemnify, defend and hold Buying Entity harmless against:

a) any and all third party claims against Buying Entity, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by SPD of any of their obligations under this Agreement; and

b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest ('Indemnifiable Losses') actually suffered or incurred by Buying Entity from third party claims arising by reason of a breach by SPD of any of its obligations. Buyer shall incorporate appropriate covenants in the PPA for the above obligations of SPD. In so far as indemnity to Buying Entity is concerned, SPD shall be the indemnifying party and not Buyer.

10.2 Procedure for claiming Indemnity

10.2.1 Third party claims

a. Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Article 10.1.1(a) or 10.1.2 (a), the Indemnified Party shall promptly notify the Indemnifying Party of such claim referred to in Article 10.1.1(a) or 10.1.2(a) in respect of which it is entitled to be indemnified. Such notice shall be given as soon as reasonably practicable after the Indemnified Party becomes aware of such claim. The Indemnifying

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Party shall be liable to settle the indemnification claim within thirty (30) days of receipt of the above notice. Provided however that, if:

i) the Parties choose to refer the dispute in accordance with Article 12.3; and
ii) the claim amount is not required to be paid/ deposited to such third party pending the resolution of the Dispute,

the Indemnifying Party shall become liable to pay the claim amount to the Indemnified Party or to the third party, as the case may be, promptly following the resolution of the Dispute, if such Dispute is not settled in favour of the Indemnified Party.

b. The Indemnified Party may contest the claim for which it is entitled to be Indemnified under Article 10.1.1(a) or 10.1.2(a) and the Indemnifying Party shall reimburse to the Indemnified Party all reasonable costs and expenses incurred by the Indemnified party. However, such Indemnified Party shall not settle or compromise such claim without first getting the consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

An Indemnifying Party may, at its own expense, assume control of the defence of any proceedings brought against the Indemnified Party if it acknowledges its obligation to indemnify such Indemnified Party, gives such Indemnified Party prompt notice of its intention to assume control of the defence, and employs an independent legal counsel at its own cost that is reasonably satisfactory to the Indemnified Party.

10.3 ***Indemnifiable Losses***

10.3.1 Where an Indemnified Party is entitled to Indemnifiable Losses from the Indemnifying Party pursuant to Article 10.1.1(b) or 10.1.2 (b), the Indemnified Party shall promptly notify the Indemnifying Party of the Indemnifiable Losses actually incurred by the Indemnified Party. The Indemnifiable Losses shall be reimbursed by the Indemnifying Party within thirty (30) days of receipt of the notice seeking Indemnifiable Losses by the Indemnified Party. In case of non-payment of such losses after a valid notice under this Article 10.3, such event shall constitute a payment default under Article 9.

10.4 *Limitation on Liability*

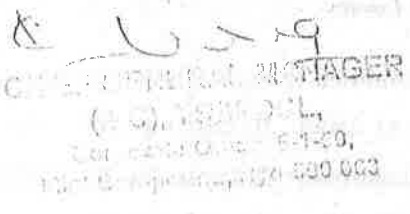
10.4.1 Except as expressly provided in this Agreement, neither Buying Entity nor Buyer/SPD nor its/ their respective officers, directors, agents, employees or affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its affiliates, officers, directors, agents, employees, successors or permitted assigns or their respective insurers for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of Buying Entity(ies), the SPD or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.

10.4.2 Buyer/SPD shall have no recourse against any officer, director or shareholder of Buying Entity or any Affiliate of Buying Entity or any of its officers, directors or shareholders for such claims excluded under this Article. Buying Entity shall have no recourse against any officer, director or shareholder of Buyer or SPD, or any affiliate of Buyer or any of its officers, directors or shareholders for such claims excluded under this Article.

10.5 *Duty to Mitigate*

10.5.1 The Parties shall endeavour to take all reasonable steps so as mitigate any loss or damage which has occurred under this Article 10.







ARTICLE 11: ASSIGNMENTS AND CHARGES

11.1 ***Assignments***

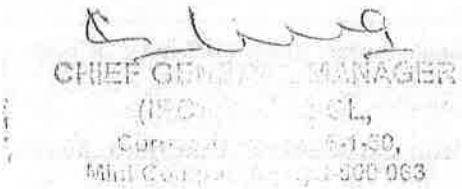
This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any Party other than by mutual consent between the Parties to be evidenced in writing. Provided that, such consent shall not be withheld if Buyer seeks to transfer to any affiliate all of its rights and obligations under this Agreement.

Provided further that any successor(s) or permitted assign(s) identified after mutual agreement between the Parties may be required to execute a new agreement on the same terms and conditions as are included in this Agreement.

11.2 ***Permitted Charges***

11.2.1 Neither Party shall create or permit to subsist any encumbrance over all or any of its rights and benefits under this Agreement.







ARTICLE 12: GOVERNING LAW AND DISPUTE RESOLUTION

12.1 *Governing Law*

12.1.1 This Agreement shall be governed by and construed in accordance with the Laws of India. Any legal proceedings in respect of any matters, claims or disputes arising out of or in connection with this Agreement shall be under the jurisdiction of appropriate courts in Delhi.

12.2 *Amicable Settlement and Dispute Resolution*

12.2.1 *Amicable Settlement*

i. Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(i) a description of the Dispute;

(ii) the grounds for such Dispute; and

(iii) all written material in support of its claim.

ii. The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article 12.2.1 (i), furnish:

(i) counter-claim and defences, if any, regarding the Dispute; and

(ii) all written material in support of its defences and counter-claim.

iii. Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 12.2.1(i) if the other Party does not furnish any counter claim or defence under Article 12.2.1(ii) or thirty (30) days from the date of furnishing counter claims or defence by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article 12.2.1(iii), the Dispute shall be referred for dispute resolution in accordance with Article 12.3.

CHIEF GENERAL MANAGER
(PC), TSS DCL,
Corporate Office, G-50,
Plot Corporate, Delhi-110 003

12.3 *Dispute Resolution*

12.3.1 Dispute Resolution by the Appropriate Commission

i. Where any Dispute (i) arises from a claim made by any Party for any change in or determination of the Tariff or any matter related to Tariff or claims made by any Party which partly or wholly relate to any change in the Tariff or determination of any of such claims could result in change in the Tariff, or (ii) relates to any matter agreed to be referred to the Appropriate Commission. such Dispute shall be submitted to adjudication by the Appropriate Commission. Appeal against the decisions of the Appropriate Commission shall be made only as per the provisions of the Electricity Act, 2003, as amended from time to time.

ii. The obligations of Buying Entity under this Agreement towards Buyer shall not be affected in any manner by reason of inter-se disputes amongst Buying Entity.

iii. Buyer shall be entitled to co-opt the SPD as a supporting party in such proceedings before the Appropriate Commission.

12.3.2 Not Used

12.4 *Parties to Perform Obligations*

12.4.1 Notwithstanding the existence of any Dispute and difference referred to the Appropriate Commission as provided in Article 12.3 and save as the Appropriate Commission may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations (which are not in dispute) under this Agreement.

CHIEF GENERAL MANAGER
(I
Corp
Mint

ARTICLE 13: MISCELLANEOUS PROVISIONS

13.1 ***Amendment***

13.1.1 This Agreement may only be amended or supplemented by a written agreement between the Parties.

13.2 ***Third Party Beneficiaries***

13.2.1 This Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns and shall not be construed as creating any duty, standard of care or any liability to, any person not a party to this Agreement.

13.3 ***Waiver***

13.3.1 No waiver by either Party of any default or breach by the other Party in the performance of any of the provisions of this Agreement shall be effective unless in writing duly executed by an authorised representative of such Party:

13.3.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement nor time or other indulgence granted by one Party to the other Parties shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other right under this Agreement, which shall remain in full force and effect.

13.4 ***Confidentiality***

13.4.1 The Parties undertake to hold in confidence this Agreement and not to disclose the terms and conditions of the transaction contemplated hereby to third parties, except:

a) to their professional advisors;

b) to their officers, contractors, employees, agents or representatives, financiers, who need to have access to such information for the proper performance of their activities; or

c) disclosures required under Law

without the prior written consent of the other Parties.

CHIEF GENERAL MANAGER
TSNPDCL,
Corporate Office, H-No,
Mint Compound, Hyd-500 063

TSNPDCL WARANGAL

13.8 ***Restriction of Shareholders / Owners' Liability***

13.8.1 Parties expressly agree and acknowledge that none of the shareholders of the Parties hereto shall be liable to the other Parties for any of the contractual obligations of the concerned Party under this Agreement. Further, the financial liabilities of the shareholder/s of each Party to this Agreement, shall be restricted to the extent provided in the Indian Companies Act, 1956/2013.

13.9 ***Taxes and Duties***

13.9.1 Buying Entity shall bear and promptly pay all statutory taxes, duties, levies and cess, assessed/ levied on Buying Entity, contractors or their employees, that are required to be paid by Buying Entity as per the Law in relation to the execution of the Agreement.

13.9.2 Buyer shall be indemnified and held harmless by Buying Entity against any claims that may be made against Buyer in relation to the matters set out in Article 13.9.1.

13.9.3 Buyer shall not be liable for any payment of, taxes, duties, levies, cess whatsoever for discharging any obligation of Buying Entity by Buyer on behalf of Buying Entity or its personnel.

13.10 ***No Consequential or Indirect Losses***

13.10.1 The liability of Buying Entity and Buyer shall be limited to that explicitly provided in this Agreement.

Provided that notwithstanding anything contained in this Agreement, under no event shall Buyer or Buying Entity claim from one another any indirect or consequential losses or damages.

13.11 ***Order of priority in application***

In case of inconsistencies between the agreement(s) executed between the Parties, applicable Law including rules and regulations framed thereunder, the order of priority as between them shall be the order in which they are placed below:

i. applicable Law, rules and regulations framed thereunder;
ii. the Grid Code; and
iii. the terms and conditions of this Agreement;

13.12 ***Independent Entity***

CHIEF GENERAL MANAGER
(IPC), [illegible]
Corporate [illegible],
Mint Compound, [illegible]

13.12.1 Buying Entity/Buyer shall be an independent entity performing its obligations pursuant to the Agreement.

13.12.2 Subject to the provisions of the Agreement, Buying Entity/Buyer shall be solely responsible for the manner in which its obligations under this Agreement are to be performed. All employees and representatives of Buying Entity in connection with the performance of the Agreement shall be under the complete control of Buying Entity and shall not be deemed to be employees, representatives, of Buyer and nothing contained in the Agreement or in any agreement or contract awarded by Buying Entity shall be construed to create any contractual relationship between any such employees, representatives or contractors and Buyer.

13.13 ***Compliance with Law***

Despite anything contained in this Agreement but without prejudice to this Article, if any provision of this Agreement shall be in deviation or inconsistent with or repugnant to the provisions contained in the Electricity Act, 2003, or any rules and regulations made there under, such provision of this Agreement shall be deemed to be amended to the extent required to bring it into compliance with the aforesaid relevant provisions as amended from time to time.

CHIEF GENERAL MANAGER

13.5 *Severability*

13.5.1 The invalidity or unenforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder of this Agreement, unless the part held invalid or unenforceable is fundamental to this Agreement.

13.6 *Notices*

13.6.1 All notices or other communications which are required to be given under this Agreement shall be in writing and in the English language.

13.6.2 If to Buying Entity, all notices or other communications which are required must be delivered personally or by registered post or facsimile or any other method duly acknowledged to the addresses below:

Address 1	: TSSPDCL, #6-1-50, Corporate Office, Mint Compound, Hyderabad – 500063
Attention	: Chief General Manager (IPC & RAC)
Email	: cgmcommercial@tssouthernpower.com se_ipe@tssouthernpower.com
Fax. No.	: 040 - 23431452
Telephone No.	: 9440813840
Address 2	: TSNPDCL, #2-5-31/2, Corporate Office, Nakkalagutta, Vidyut Bhavan Hanamkonda, Warangal – 506001
Attention	: Chief General Manager (IPC & RAC)
Email	: cgmir@tsnpdcl.com
Fax. No.	: 0870 - 2453387
Telephone No.	: 9491044275

CHIEF GENERAL MANAGER
(IPC), TSNPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

13.6.3 If to Buyer, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the address(es) below:

(i) Address	: 6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023
Attention	: General Manager (Power Trading)
Email	: aknaik@seci.co.in
Fax. No.	: 011 - 71989287
Telephone No.	: 011 – 24666 - 215

13.6.4 All notices or communications given by facsimile shall be confirmed by sending a copy of the same via post office in an envelope properly addressed to the appropriate Party for delivery by registered mail. All notices shall be deemed validly delivered upon receipt evidenced by an acknowledgement of the recipient, unless the Party delivering the notice can prove in case of delivery through the registered post that the recipient refused to acknowledge the receipt of the notice despite efforts of the postal authorities.

13.6.5 Any Party may by notice of at least fifteen (15) days to the other Party change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

13.7 ***Language***

13.7.1 All agreements, correspondence and communications between the Parties relating to this Agreement and all other documentation to be prepared and supplied under the Agreement shall be written in English, and the Agreement shall be construed and interpreted in accordance with English language.

13.7.2 If any of the agreements, correspondence, communications or documents are prepared in any language other than English, the English translation of such agreements, correspondence, communications or documents shall prevail in matters of interpretation.

CHIEF GENERAL MANAGER

IN WITNESS WHEREOF the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of
[SECI]

अतुल्य कुमार नायक/ Atulya Kumar Naik
महाप्रबंधक / General Manager
विद्युत व्यापार और वाणिज्यिक विभाग
Power Trading & Commercial Department
सोलर एनर्जी कॉर्पोरेशन ऑफ इंडिया लि. / Solar Energy Corp. of India Ltd.
(भारत सरकार का उद्यम) /(A Govt. of India Enterprise)
6वी मंजिल, प्लॉट-सी, एनबीसीसी कार्यालय ब्लॉक टावर-2, पूर्वी किदवई नगर, नई दिल्ली-23
6th Floor, Plot-C, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-23

Signature with seal

Witness:

1. Mudit Jain
Senior Engineer

2.

For and on behalf of
[TSDISCOMs]

1.

CHIEF GENERAL MANAGER

2.

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangai

Signature with seal

Witness:

1. K. Hema
SE/ZR/TSPCC

2.

SCHEDULE 1: LIST OF LOAs ISSUED TO SPDs

Sl. No.	SPD Name	Project Capacity (MW)	Applicable Tariff as per SECI-SPD PPA (Rs/kWh)
1.	AMP Energy Green Private Limited	100	2.37
2.	Eden Renewable Berey Private Limited	300	2.37
3.	IB Vogt Singapore Pte Ltd	300	2.37
4.	Ayana Renewable Power Private Limited	300	2.38

2 ***SCHEDULE 2: BUYER-SPD PPA***

[Shall be provided to Buying Entity within ..... () Days of signing of PPA with SPD]

3 ***SCHEDUE 3: AMOUNT REALISATION FOR SALE OF SOLAR POWER***

(i) The billing to Buying Entity shall be done by Buyer for realisation of amount for Solar Power.
(ii) The payments to be made by Buying Entity to Buyer for the Solar Power in a Monthly Invoice shall comprise of amounts to be realized for Solar Power.
(iii) The Bills shall be raised by Buyer on Buying Entity as mentioned in clause 6.2

4 ***SCHEDUE 4: NO OBJECTION CERTIFICATE" FROM CORRESPONDING STU (to be issued by the Buying Entity subsequently)***

5 ***SCHEDULE 5: FORMAT of certificate from DISCOM(s) to generation projects based on solar and wind resources regarding waiver of transmission charges (to be issued by the Buying Entity subsequently)***

[to be signed on official letterhead of the concerned Entity(ies) / DISCOM(s)]

This is to certify that M/s ....,..(Name of generating company/trader *such as* SECI/PTC etc..) has entered into PPA/PSA dated.....with.....(name of entity purchasing power/DISCOM) for sale of .....MW power generated from wind/solar/*hybrid* generation power plant of M/s .....(Name of generating company) situated at.....(location) for compliance of ***Solar and/or Non-Solar*** Renewable Purchase Obligations (RPO).

(Signature & Stamp)
Name of the Authorized Signatory :
Designation :
Name of the entity / DISCOM :

CHIEF GENERAL MANAGER
(IPC), TANGEDCO,
Corporate Office, 144-50,
Mint Compound, Chennai-600 003

सूर्य सदैव SUN FOR EVER

Solar Energy Corporation of India Ltd.
(A Government of India Enterprise)
स्वच्छ भारत – स्वच्छ ऊर्जा

Date: February 16, 2022

TO WHOM SO EVER IT MAY CONCERN

I, **Shri C Kannan, Director (Finance), Solar Energy Corporation of India Limited, New Delhi** do hereby authorise **Shri Atulya Kumar Naik, General Manager (Power Trading)** to sign Power Sale Agreement (PSA) of **1000 MW Solar Power** under **ISTS-Solar-Tranche IX Scheme** with **Telengana DISCOMs** and **Telengana State Power Coordination Committee (TSPPC)** on Long Term basis

The signature of Shri Atulya Kumar Naik is hereby attested below.

(C Kannan)
Director (Finance)

.....
(Signature of Atulya Kumar Naik)

पंजीकृत कार्यालय : 6 वीं मंजिल, प्लेट–बी, एनबीसीसी कार्यालय ब्लॉक टावर-2, पूर्वी किदवई नगर, नई दिल्ली-110023
Regd. Office : 6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023
दूरभाष/Phone : (011) 24666200, ई–मेल/Email : corporate@seci.co.in, वेबसाइट/Website: www.seci.co.in
सीआईएन/CIN : U40106DL2011GOI225263

सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	IN-DL17813041518382U
Certificate Issued Date	:	12-Apr-2022 11:13 AM
Account Reference	:	IMPACC (IV)/ dl720603/ DELHI/ DL-DLH
Unique Doc. Reference	:	SUBIN-DLDL72060323027569891015U
Purchased by	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	Not Applicable
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Second Party	:	Not Applicable
Stamp Duty Paid By	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Stamp Duty Amount(Rs.)	:	100 (One Hundred only)

Please write or type below this line

This Power Purchase Agreement is made on the 13th day of April of 2022 at New Delhi.

Between

IB Vogt Solar Seven Private Limited (CIN: U40106HR2019FTC083954), a Company incorporated under the Companies Act 1956 or Companies Act 2013, having its registered office at Unit No. 225-229, 2nd Floor, JMD Empire, Golf Course Extension Road, Sector-62, Gurugram, Haryana, India-122101 (hereinafter referred to as "**Solar Power Developer or SPD**", which expression shall, unless repugnant to the context or

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding
2. The onus of checking the legitimacy is on the users of the certificate
3. In case of any discrepancy please inform the Competent Authority.

SOLAR ENERGY CORPORATION OF INDIA LIMITED SOLAR ENERGY CORPORATION OF INDIA LIMITED SOLAR ENERGY CORPORATION OF INDIA LIMITED SOLAR ENERGY CORPORATION OF INDIA LIMITED SOLAR ENERGY CORPORATIC

meaning thereof, be deemed to include its successors and permitted assigns) as a Party of the **First Part**;

And

Solar Energy Corporation of India Limited (CIN: U40106DL2011GOI225263), a company incorporated under the Companies Act 1956, having its registered office at 6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023 (hereinafter referred to as "SECI", or "Procurer" or "Buyer" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assignees) as a Party of the **Second Part**;

The SPD and SECI are individually referred to as 'Party' and collectively referred to as 'Parties'.

WHEREAS:

A. The Government of India has announced the Policy for promotion of the Solar Power in the country and has provided a target to achieve an aggregate installed capacity of 100 GW by the year 2022.

B. The Ministry of Power, Government of India has issued the Guidelines for the Tariff-based Competitive Bidding Process for procurement of power generated from the Grid connected Solar Power Project vide Resolution dated 3rd August 2017 as well as subsequent amendments and clarifications.

C. SECI has been designated as a Nodal Agency for developing and facilitating the establishment of the Grid connected Solar Power capacity in India in terms of the above Policy of the Government of India;

D. SECI had initiated a Tariff Based Competitive Bid Process for procurement of 2000 MW of the power generated from the ISTS connected Solar Power Project on the terms and conditions contained in the Request for Selection (herein after referred to as '**RFS**') issued by SECI vide RFS No. SECI/C&P/SPD/ISTS-IX/RfS/2000MW/032020 dated 20.03.2020.

E. IB Vogt Solar Seven Private Limited (hereinafter referred to as '**SPD**') has been selected in the Competitive Bidding Process for development, generation and supply of electricity from the 300 MW Solar Power Project to be established by SPD anywhere in India and for supply of such electricity by SECI as an Intermediary Agency to the Buying Utility(ies) [as defined] under a Power Sale Agreement to be entered into between SECI and such Buying Utility (ies);

F. SECI has issued the Letter of Award No. SECI/C&P/SPD/ISTS-IX/LOA/IBVSPL/P1/37947 dated 15.07.2020 in favour of the SPD for development and establishment of the 300 MW Solar Power Project in the State of Rajasthan as per the terms and conditions contained in the RfS, draft of this Power Purchase Agreement circulated at the time of the bidding and other bidding documents as well as the conditions contained in the Letter of Award;

G. SECI has agreed to purchase such Solar Power from the SPD as an Intermediary Procurer and sell it to Buying Utility on back-to-back basis as per the provisions of the RfS. Accordingly, SECI has agreed to sign/has signed a Power Sale Agreement with the Buying Utility to sell such power as per the provisions of the above said scheme;

H. In terms of the RfS and the Bidding Documents, the SPD has furnished the Performance Bank Guarantee/ Payment on Order Instrument in the sum of Rs. 240,000,000 (Twenty-Four Crore Only) in favour of SECI as per the format provided as a part of the Bidding Documents and a copy of the Bank Guarantee/ Payment on Order Instrument provided is in Schedule – I/ 2 to this agreement;

I. The SPD has fulfilled the terms of the bidding and the terms of the Letter of Award for signing this Power Purchase Agreement as a definitive agreement for establishing the Solar Power Project of 300 MW at Jaisalmer (near villages Neemba, Deora), Tehsil: Fatehgarh, District: Jaisalmer, State: Rajasthan, for generation and sale of electricity by the SPD to SECI to enable SECI to make available such solar power to the Buying Utility(ies) , as SECI may consider appropriate, under a Power Sale Agreement and on a back-to-back basis to the Power Purchase Agreement to be entered into with the SPD;

J. SECI has signed the Power Sale Agreement with the Buying Utility(ies) of States in India.

K. The parties have agreed to execute this Power Purchase Agreement in terms of the provisions of the RfS. the bidding documents and the Letter of Award in regard to the terms and conditions for establishment of the Solar Power Project at ....., [Insert name of state] and for generation and supply of electricity by the SPD to SECI.

Now therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties as follows:

ARTICLE 1: DEFINITIONS AND INTERPRETATION

1.1 *Definitions*

The terms used in this Agreement, unless as defined below or repugnant to the context, shall have the same meaning as assigned to them by the Electricity Act, 2003 and the rules or regulations framed there under, including those issued / framed by the Appropriate Commission (as defined hereunder), as amended or re-enacted from time to time.

"Act" or "Electricity Act, 2003"	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitution from time to time;
"Adjusted Equity"	shall mean the Equity funded in Indian Rupees and adjusted on the first day of the current month (the "Reference Date"), in the manner set forth below, to reflect the change in its value on account of depreciation and variations in Wholesale Price Index (WPI), and for any Reference Date occurring between the first day of the month of Appointed Date (the date of achievement of Financial Closure) and the Reference Date; i. On or before Commercial Operation Date (COD), the Adjusted Equity shall be a sum equal to the Equity funded in Indian Rupees and expended on the Project, revised to the extent of one half of the variation in WPI occurring between the first day of the month of Appointed Date and Reference Date; ii. An amount equal to the Adjusted Equity as on COD shall be deemed to be the base (the "Base Adjusted Equity"); iii. After COD, the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, reduced by 0.333% (zero point three three three percent) thereof at the commencement of each month following the COD [reduction of 1% (one percent) per quarter of an year] and the amount so arrived at shall be revised to the extent of variation in WPI occurring between the COD and the Reference Date; For the avoidance of doubt, the Adjusted Equity shall, in the event of termination, be computed as on the Reference Date immediately preceding the Transfer Date; provided that no reduction in the Adjusted Equity shall be made for a period equal to the duration, if any, for which the PPA period is extended, but the revision on account of WPI shall continue to be made.
"Agreement" or "Power Purchase Agreement" or "PPA"	shall mean this Power Purchase Agreement including its recitals and Schedules, amended or modified from time to time in accordance with the terms hereof;
"Appropriate Commission"	Unless otherwise stated, Appropriate Commission shall mean Central Electricity Regulatory Commission;

IB Vogt Solar Seven Pvt. Ltd.

Solar Energy Corporation of India Ltd. New Delhi

"Bill Dispute Notice"	shall mean the notice issued by a Party raising a Dispute regarding a Monthly Bill or a Supplementary Bill issued by the other Party;
"Business Day"	shall mean with respect to SPD and SECI, a day other than Sunday or a statutory holiday, on which the banks remain open for business in Delhi;
"Buying Entity"	Shall mean Distribution companies and shall include wherever admissible the Distribution licensees or buying entity in any State or any bulk consumer who agreed to purchase the solar power from SECI and execute the Power Sale Agreement from time to time with SECI, and requires Solar power to fulfil its solar RPO under respective RPO regulations;
"Capacity Utilization Factor" or "CUF"	shall have the same meaning as provided in CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time; However, for avoidance of any doubt, it is clarified that the CUF shall be calculated on the Contracted Capacity; In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, CUF= (X MWh/(Y MW*8766)) X100%;
"CERC"	shall mean the Central Electricity Regulatory Commission of India, constituted under sub – section (1) of Section 76 of the Electricity Act, 2003, or its successors;
"CTU" or "Central Transmission Utility"	shall mean the Government Company notified by the Central Government under Sub-Section (1) of Section 38 of the Electricity Act, 2003.
"Change in Law"	shall have the meaning ascribed thereto in Article 12 of this Agreement;
"Commissioning"	The Project will be considered as commissioned if all equipment as per rated Project Capacity has been installed and energy has flown into grid, in line with the Commissioning procedures defined in the PPA.
"Commercial Operation Date (COD)"	shall mean the date on which the commissioning certificate is issued upon successful commissioning (as per provisions of this Agreement) of the project or the last part capacity of the Project as the case may be;
"Competent Court of Law"	shall mean any court or tribunal or any similar judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
"Consents, Clearances and Permits"	shall mean all authorizations, licenses, approvals, registrations, permits, waivers, privileges, acknowledgements, agreements, or concessions required to be obtained from or provided by any concerned authority for the purpose of setting up of the generation facilities and/ or supply of power;

"Consultation Period"	shall mean the period of ninety (90) days or such other longer period as the Parties may agree, commencing from the date of issuance of a SPD Preliminary Default Notice or SECI Preliminary Default Notice as provided in Article 13 of this Agreement, for consultation between the Parties to mitigate the consequence of the relevant event having regard to all the circumstances;
"Contract Year"	shall mean the period beginning from the Effective Date and ending on the immediately succeeding March 31 and thereafter each period of 12 months beginning on April 1 and ending on March 31 provided that: (i) in the financial year in which the Scheduled Commissioning Date would occur, the Contract Year shall end on the date immediately before the Scheduled Commissioning Date and a new Contract Year shall commence once again from the Scheduled Commissioning Date and end on the immediately succeeding March 31, and thereafter each period of twelve (12) months commencing on April 1 and ending on March 31, and (ii) provided further that the last Contract Year of this Agreement shall end on the last day of the Term of this Agreement
"Contracted Capacity"	shall mean 300 MW contracted with SECI for supply by the SPD to SECI at the Delivery Point from the Solar Power Project. It shall be equal to the Project Capacity as defined;
"Day"	shall mean a day, if not a Business Day, the immediately succeeding Business Day.
"Debt Due"	shall mean the aggregate of the following sums expressed in Indian Rupees outstanding on the Transfer Date: i. The principal amount of the debt provided by the Senior Lenders under the Financing Agreements for financing the Total Project Cost (the 'Principal') but excluding any part of the principal that had fallen due for repayment 2 (two) years prior to the Transfer Date; ii. All accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in sub-clause (i) above until the Transfer Date but excluding: (i) any interest, fees or charges that had fallen due one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to any Senior Lender, (iii) any pre-payment charges in relation to accelerated repayment of debt except where such charges have arisen due to Utility Default, and (iv) any Subordinated Debt which is included in the Financial Package and disbursed by lenders for financing the Total Project Cost. Provided that if all or any part of the Debt Due is convertible into Equity at the option of Senior Lenders and/or the Concessionaire, it shall for the purposes of this Agreement be deemed not to be Debt Due

	even if no such conversion has taken place and the principal thereof shall be dealt with as if such conversion had been undertaken. Provided further that the Debt Due, on or after COD, shall in no case exceed 80% (eighty percent) of the Total Project Cost.
"Delivery Point"	"Delivery Point" shall mean the point at the voltage level of 220 kV or above of the ISTS Sub-station including the dedicated transmission line connecting the solar power Projects with the substation system as specified in the RfS document. Metering shall be done at this interconnection point where the power is injected into. For interconnection with grid and metering, the SPD shall abide by the relevant and applicable regulations, Grid Code notified by the CERC or and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended and revised from time to time, or orders passed thereunder by the appropriate commission or CEA. Pursuant to Article 4.2.6, all charges and losses related to Transmission of power from project up to Delivery Point (including but not limited to open access, transmission, wheeling, Unscheduled Interchange, Scheduling, Reactive power, RLDC/SLDC charges etc.) as notified by the competent authority / regulator shall be borne by the SPD and beyond the Delivery Point all charges and losses as notified by the competent authority / regulator from time to time shall be borne by the Buying Utilities. In case it is paid by SECI on behalf of Buying Utilities / SPD, the same shall be recovered from the Buying Utilities / SPD (as applicable);
"Discoms"	shall mean the Buying Entity or the distribution utilities who have signed/will sign the PSA (s) with SECI for purchase of Power;
"Dispute"	shall mean any dispute or difference of any kind between SECI and the SPD, in connection with or arising out of this Agreement including but not limited to any issue on the interpretation and scope of the terms of this Agreement as provided in Article 16 of this Agreement;
"Due Date"	Due Date shall mean the forty-fifth (45th) day after a Monthly Bill (including all the relevant documents) or a Supplementary Bill is received in hard copy and duly acknowledged by the SECI or, if such day is not a Business Day, the immediately succeeding Business Day, by which date such Monthly Bill or a Supplementary Bill is payable by the SECI.
"Effective Date"	shall have the meaning ascribed thereto in Article 2.1 of this Agreement;
"Electricity Laws"	shall mean the Electricity Act, 2003 and the rules and regulations made there under from time to time along with amendments thereto and replacements thereof and any other Law pertaining to electricity including regulations framed by the Appropriate Commission;

"Energy Accounts"	shall mean the regional energy accounts/state energy accounts as specified in the Grid Code issued by the appropriate agency for each Month (as per their prescribed methodology), including the revisions and amendments thereof or where such regional energy accounts/ state energy accounts are not issued, Joint Meter Reading (JMR) will be considered; SECI reserves the right to choose from any of the above, i.e. JMR/SEA/REA, based on the acceptance of the same by the Buying Utility;
"Event of Default"	shall mean the events as defined in Article 13 of this Agreement;
"Expiry Date"	Shall mean the date occurring as on twenty-five (25) years from the Scheduled Commissioning Date subject to that the supply of power shall be limited for a period of 25 years from the Scheduled Commissioning Date unless extended by the Parties as per this Agreement;
"Financial Closure"	shall mean compliance with the requirements under Article 3.1 of this Agreement;
"Financing Agreements"	shall mean the agreements pursuant to which the SPD has sought financing for the Power Project including the loan agreements, security documents, notes, indentures, security agreements, letters of credit and other documents, as may be amended, modified, or replaced from time to time, but without in anyway increasing the liabilities of SECI;
"Force Majeure" or "Force Majeure Event"	shall have the meaning ascribed thereto in Article 11 of this Agreement;
"Guidelines: or "Scheme"	shall mean the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects issued by the Ministry of Power on 3rd August 2017 including subsequent amendments and clarifications;
"Grid Code" / "IEGC" or "State Grid Code"	shall mean the Grid Code specified by the CERC under Clause (h) of Sub-section (1) of Section 79 of the Electricity Act, as amended from time to time, and/or the State Grid Code as specified by the concerned State Commission, referred under Clause (h) of Sub- section (1) of Section 86 of the Electricity Act 2003, as applicable;
"Indian Governmental Instrumentality"	shall mean the Government of India, Governments of state(s) Rajasthan, Delhi and Haryana and any ministry, department, board, authority, agency, corporation, commission under the direct or indirect control of Government of India or the above state Government(s) or both, any political sub-division of any of them; including any court or Appropriate Commission(s) or tribunal or judicial or quasi-judicial body in India;
"Insurances"	shall mean the insurance cover to be obtained and maintained by the SPD in accordance with Article 8 of this Agreement;

"Interconnection Facilities"	shall mean the facilities on SPD's side of the Delivery Point for scheduling, transmitting and metering the electrical output in accordance with this Agreement and which shall include, without limitation, all other transmission lines and associated equipment, transformers, relay and switching equipment and protective devices, safety equipment and RTU, Data Transfer and Acquisition facilities for transmitting data subject to Article 7, the Metering System required for supply of power as per the terms of this Agreement;
Intermediary agency or Intermediary nodal agency or Intermediary Procurer"	shall mean Solar Energy Corporation of India Limited;
"Invoice" or "Bill"	shall mean either a Monthly Bill / Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by any of the Parties;
"Joint Control"	shall mean a situation where none of the promoter shareholders has at least 51 % shareholding in the paid up share capital and voting rights in the SPD, and the control is exercised jointly;
"Late Payment Surcharge"	shall have the meaning ascribed thereto in Article 10.3.3 of this Agreement;
"Law"	shall mean in relation to this Agreement, all laws including Electricity Laws in force in India and any statute, ordinance, regulation, notification or code, rule, or any interpretation of any of them by an Indian Governmental Instrumentality and having force of law and shall further include without limitation all applicable rules, regulations, orders, notifications by an Indian Governmental Instrumentality pursuant to or under any of them and shall include without limitation all rules, regulations, decisions and orders of the Appropriate Commissions;
"Letter of Credit" or "L/C"	shall have the meaning ascribed thereto in Article 10.4 of this Agreement;
"MNRE"	shall mean the Ministry of New and Renewable Energy, Government of India;
"Month"	shall mean a period of thirty (30) days from (and excluding) the date of the event, where applicable, else a calendar month;
"Party" and "Parties"	shall have the meaning ascribed thereto in the recital to this Agreement;
"Payment on Order Instrument" or "POI"	shall mean the irrevocable unconditional letter of undertaking issued by either of the three institutions, viz., (i) Indian Renewable Energy Development Agency Limited (IREDA), or (ii) Power Finance Corporation Limited, or (iii) REC Limited, as an alternative to submission of Performance Bank Guarantee by the SPD to SECI in the form attached hereto as Schedule 2;

"Payment Security Mechanism"	shall have the meaning ascribed thereto in Article 10.4 of this Agreement;
"Performance Bank Guarantee" or "PBG"	shall mean the irrevocable unconditional bank guarantee, submitted by the SPD to SECI in the form attached hereto as Schedule 1;
"Pooling Substation/ Pooling Point"	means a point where more than one Solar power project may connect to a common transmission system. Multiple projects can be connected to a pooling substation from where common transmission system shall be constructed and maintained by the SPD(s) to get connected to the ISTS substation. The voltage level for such common line shall be the voltage level as indicated in "Interconnection Point" under this Agreement. . Further, the metering of the pooled power shall be done at the injection point, i.e. the ISTS substation. However, the voltage level of transmission system of individual projects up to the pooling substation may be at 33 kV and above. Sub-meters shall be installed at the pooling substation for metering and forecasting and scheduling of individual projects. The losses in the common transmission system up to the injection point shall be apportioned to the individual Projects for the purpose of billing. In such case, it shall be responsibility of the SPD to obtain and furnish the meter reading jointly by the SPD and any competent authority (State Government or Central Government) (if applicable).
"Power Project" or "Project"	shall mean the Solar power generation facility of Contracted Capacity of 300 MW, located at Jaisalmer (near villages Neemba, Deora), Tehsil: Fatehgarh in District: Jaisalmer, Rajasthan having a separate control system, metering and separate points of injection into the grid at Delivery/Interconnection/Metering point at ISTS substation or in case of sharing of transmission lines, by separate injection at pooling point. This includes all units and auxiliaries such as water supply, treatment or storage facilities; bay/s for transmission system in the switchyard, dedicated transmission line up to the Delivery Point and all the other assets, buildings/structures, equipment, plant and machinery, facilities and related assets required for the efficient and economic operation of the power generation facility; whether completed or at any stage of development and construction or intended to be developed and constructed for the purpose of supply of power as per this Agreement;
"Power Sale Agreement" or "PSA"	shall mean the power sale agreement entered between the Buying Entity and SECI (Buyer- Buying Entity(ies) PSA) for onward sale of power being procured under this Agreement, as per the provisions o Guidelines and forms Schedule-4 of this Agreement;
"Preliminary Default Notice"	shall have the meaning ascribed thereto in Article 13 of this Agreement;
"Project Capacity"	shall mean the Contracted Capacity of the Project at the point of injection on which the Power Purchase Agreement has been signed.

"Prudent Utility Practices"	shall mean the practices, methods and standards that are generally accepted internationally from time to time by electric utilities for the purpose of ensuring the safe, efficient and economic design, construction, commissioning, operation and maintenance of power generation equipment and which practices, methods and standards shall be adjusted as necessary, to take account of: a) operation and maintenance guidelines recommended by the manufacturers of the plant and equipment to be incorporated in the Power Project; b) the requirements of Indian Law; and the physical conditions at the site of the Power Project
"RBI"	shall mean the Reserve Bank of India;
"Rebate"	shall have the same meaning as ascribed thereto in Article 10.3.4 of this Agreement;
"RLDC"	shall mean the relevant Regional Load Dispatch Centre established under Sub-section (1) of Section 27 of the Electricity Act, 2003;
"RPC"	shall mean the relevant Regional Power Committee established by the Government of India for a specific region in accordance with the Electricity Act, 2003 for facilitating integrated operation of the power system in that region;
"Rupees", "Rs.", "₹"	shall mean Indian rupees, the lawful currency of India;
"Scheduled Commissioning Date" or "SCD" of the Project	shall mean 11.10.2023
"SERC"	shall mean the Electricity Regulatory Commission of any State in India constituted under Section-82 of the Electricity Act, 2003 or its successors, and includes a Joint Commission constituted under Subsection (1) of Section 83 of the Electricity Act 2003;
"SLDC"	shall mean the centre established under Sub-section (1) of Section 31 of the Electricity Act 2003, relevant for the State(s) where the Delivery Point is located;
"SLDC Charges"	shall mean the charges levied by the SLDC of the state wherein the Solar Power Project is located;
"Solar Photovoltaic Project" or "Solar PV Project"	shall mean the solar photovoltaic power project that uses sunlight for conversion into electricity and that is being set up by the SPD to provide Solar Power to SECI as per the terms and conditions of this Agreement;
"Solar Power"	shall mean power generated from the Solar Photovoltaic Power Project;
"SECI"	shall mean Solar Energy Corporation of India Limited;

"State Transmission Utility" or "STU"	shall mean the Board or the Government company notified by the respective State Government under Sub-section (1) of Section 39 of the Act;
"Tariff" or "Applicable Tariff"	Shall have the same meaning as provided for in Article 9 of this Agreement;
"Tariff Payment"	shall mean the payments to be made under Monthly Bills as referred to in Article 10 and the relevant Supplementary Bills;
"Termination Notice"	shall mean the notice given by either Parties for termination of this Agreement in accordance with Article 13 of this Agreement;
"Term of Agreement"	shall have the meaning ascribed thereto in Article 2 of this Agreement;
"Unit/ Part Commissioning"	Subject to the compliance of conditions / procedure as detailed under Schedule-2 of this Agreement, Unit / Part Commissioning shall mean the Solar PV Capacity (AC MW) to be commissioned as per provisions of this Agreement and RfS document. Part Commissioning shall not be applicable for Projects having capacity less than 50 MW;
"Unit Commercial Operation Date (UCOD)"	shall mean the date of issuance of commissioning certificate for the respective part(s) of the Power Project subsequent to the demonstration of the compliance of commissioning as per this Agreement and witnessed by the Committee duly constituted and also start of injection and scheduling power from the Power Project to the Delivery Point and availability / installation of all necessary arrangements / equipment including RTU for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable regulation;
"Week"	shall mean a calendar week commencing from 00:00 hours of Monday, and ending at 24:00 hours of the following Sunday;

1.2 Interpretation

Save where the contrary is indicated, any reference in this Agreement to:

1.2.1 "Agreement" shall be construed as including a reference to its Schedules and/or Appendices and/or Annexures;

1.2.2 An "Article", a "Recital", a "Schedule" and a "paragraph / clause" shall be construed as a reference to an Article, a Recital, a Schedule and a paragraph/clause respectively of this Agreement;

1.2.3 A "crore" means a reference to ten million (10,000,000) and a "lakh" means a reference to one tenth of a million (1,00,000);

1.2.4 An "encumbrance" shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

1.2.5 "Indebtedness" shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;

1.2.6 A "person" shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests;

1.2.7 "Rupee", "Rupees", "Rs" or new rupee symbol "₹ " shall denote Indian Rupees, the lawful currency of India;

1.2.8 The "Winding-up", "dissolution", "insolvency", or "reorganization" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the Law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, Winding-up, reorganization, dissolution, arrangement, protection or relief of debtors;

1.2.9 Words importing the singular shall include the plural and vice versa;

1.2.10 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented;

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1.2.11 A Law shall be construed as a reference to such Law including its amendments or re- enactments from time to time;

1.2.12 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time;

1.2.13 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part;

1.2.14 The tables of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement;

1.2.15 All interest, if applicable and payable under this Agreement, shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty-five (365) days;

1.2.16 The words "hereof" or "herein", if and when used in this Agreement shall mean a reference to this Agreement;

1.2.17 The terms "including" or "including without limitation" shall mean that any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

1.2.18 This Agreement and other documents such as Request for Selection Documents, Guidelines including subsequent clarifications, amendments and further clarifications in regard to the tender shall be read in conjunction with each other and interpreted in harmonious manner. However, in case of any mismatch/contradiction between provisions of different documents, following shall be the order of precedence:

1. Power Purchase Agreement
2. RfS Documents

ARTICLE 2: TERM OF AGREEMENT

2.1 *Effective Date*

2.1.1 This Agreement shall come into effect from 11.04.2022 and such date shall be referred to as the Effective Date.

2.1.2 The Parties agree that decisions pertaining to adoption of the Tariff and approval of the same, for procurement of contracted capacity, shall be binding on all Parties concerned, as contained in the Electricity Act, 2003 and any amendments thereof.

2.1.3 Notwithstanding the Effective Date, the condition precedent for the enforcement of the obligations of either party against the other under this Agreement shall be that, within 120 days after the Effective Date of this Agreement, SECI and/ or the Buying Entity (ies) shall obtain adoption of tariff from its State Electricity Regulatory Commission and/ or CERC (as applicable), on the terms and conditions contained in this Agreement read with the terms and conditions contained in the Power Sale Agreement entered into between SECI and the Buying Entity(ies). The Parties agree that in the event, the order of adoption of tariff as mentioned above is not issued by the SERC and/ or CERC (as applicable) within the time specified above, the provisions of Article 2.1.4 shall apply.

2.1.4 Pursuant to Article 4.2.6, if parties have mutually extended the time period as stipulated under Article 2.1.3 and the order from the SERC and/ or CERC (as applicable) is issued within the timeline as per Article 2.1.3, no extension for Financial Closure or Scheduled Commissioning Date shall be given. However, if the requisite SERC and/ or CERC (as applicable) order is issued after the timeline as per Article 2.1.3, this shall entail a corresponding extension in Scheduled Financial Closure and the Scheduled Commissioning Date for equal number of days for which the SERC and / or CERC order has been delayed beyond such period as specified in Article 2.1.3.

2.2 *Term of Agreement*

2.2.1 Subject to Article 2.3 and 2.4 of this Agreement, this Agreement shall be valid for a term from the Effective Date until the Expiry Date. This Agreement may be

extended for a further period at least one hundred eighty (180) days prior to the Expiry Date, on mutually agreed terms and conditions.

2.2.2 The SPD is free to operate their plants beyond the Expiry Date if other conditions like land lease / Right to Use of Land (as applicable), permits, approvals and clearances etc. allow. In such case unless otherwise agreed by the SECI, SECI shall not be obligated to procure power beyond the Expiry Date.

2.3 *Early Termination*

2.3.1 This Agreement shall terminate before the Expiry Date if either SECI or SPD terminates the Agreement, pursuant to Article 13 of this Agreement.

2.4 *Survival*

2.4.1 The expiry or termination of this Agreement shall not affect any accrued rights, obligations and liabilities of the Parties under this Agreement, including the right to receive penalty as per the terms of this Agreement, nor shall it affect the survival of any continuing obligations for which this Agreement provides, either expressly or by necessary implication, which are to survive after the Expiry Date or termination including those under Article 11 (Force Majeure), Article 13 (Events of Default and Termination), Article 14 (Liability and Indemnification), Article 16 (Governing Law and Dispute Resolution), Article 17 (Miscellaneous Provisions), and other Articles and Schedules of this Agreement which expressly or by their nature survive the Term or termination of this Agreement shall continue and survive any expiry or termination of this Agreement.

ARTICLE 3: CONDITIONS SUBSEQUENT

3.1 Satisfaction of conditions subsequent by the SPD

The SPD agrees and undertakes to duly perform and complete all of the following activities including Financial Closure at the SPD's own cost and risk by 11.04.2023 unless such completion is affected by any Force Majeure event, or for the activities specifically waived in writing by SECI:

a) The SPD shall make Project financing arrangements its Projects(s) and shall provide necessary certificates to SECI in this regard;

The SPD shall submit to SECI the relevant documents as stated above, complying with the Conditions Subsequent, within twelve (12) months from the Effective Date.

3.2 Consequences of non-fulfilment of conditions subsequent and financial closure

3.2.1 In case of a failure to submit the documents as above, SECI shall encash the Performance Bank Guarantee/ Payment on Order Instrument submitted by the SPD, terminate this Agreement and remove the Project from the list of the selected Projects by giving a notice to the SPD in writing of at least seven (7) days, unless the delay (subject to the conditions that SPD has made / is making all possible efforts) is on account of delay in allotment of Land by the Government not owing to any action or inaction on the part of the SPD or caused due to a Force Majeure. Unless extended as per provisions of Article 3.2.1 (i) of this Agreement in writing, the termination of the Agreement shall take effect upon the expiry of the 7th day of the above notice.

3.2.1 (i) An extension, without any impact on the Scheduled Commissioning Date, can however be considered, on the sole request of SPD, on payment of Rs. 1000/- per day per MW to SECI. Such extension charges are required to be paid to SECI in advance, for the period of extension required. In case of any delay in depositing this extension charge, SPD shall pay an interest on this extension charge for the days lapsed beyond due date of Financial Closure @ SBI-MCLR (1Year). In case such delay in making payment of the extension charges to SECI is more than 7 days, the termination of the Agreement shall take effect upon the expiry of such 7th day. This amount will go into the Payment Security Mechanism. In case of the SPD meeting the requirements of conditions subsequent and financial closure before the last date of such proposed delay period, the remaining amount deposited by the SPD shall be returned by SECI without interest. This extension will not have any impact on the Scheduled Commissioning Date. Any extension charges paid so by the SPD, shall be returned to the SPD without

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any interest on achievement of successful commissioning within the Scheduled Commissioning Date, on pro-rata basis, based on the project capacity commissioned as on Scheduled Commissioned Date. However, in case the SPD fails to commission the Contract Capacity by Scheduled Commissioning Date, the extension charges deposited by the SPD shall not be refunded by SECI.

3.2.2 For the avoidance of doubt, it is clarified that this Article shall survive the termination of this Agreement.

3.2.3 In case of inability of the SPD to fulfil the conditions specified in Article 3.1 due to any Force Majeure event, the time period for fulfilment of the Conditions Subsequent and Financial Closure as mentioned in Article 3.1, shall be extended for the period of such Force Majeure event.

Further, any delay in adoption of tariff by the Appropriate Commission, beyond 120 (one hundred twenty days) days after the Effective Date of this Agreement, shall entail a corresponding extension in the deadline as stipulated in Article 3.1.

3.2.4 Provided that due to the provisions of this Article 3.2.2, any increase in the time period for completion of conditions subsequent and financial closure mentioned under Article 3.1, shall also lead to an equal extension in the Scheduled Commissioning Date.

3.3 Performance Bank Guarantee / Payment on Order Instrument

3.3.1 The Performance Bank Guarantee (PBG) / Payment on Order Instrument (POI) having validity from the date of submission of PBG / POI until Twenty-Seven (27) months from the Effective Date and of Rs. 8 Lakh/MW to be furnished under this Agreement shall be for guaranteeing the commencement of the supply of power up to the Contracted Capacity within the time specified in this Agreement as per format provided in Schedule 1.

3.3.2 The failure on the part of the SPD to furnish and maintain the Performance Bank Guarantee / Payment on Order Instrument shall be a material breach of the term of this Agreement on the part of the SPD.

3.3.3 If the SPD fails to commence supply of power from the Scheduled Commissioning Date specified in this Agreement or any further extension thereof granted by SECI, subject to conditions mentioned in Article 4.5, SECI shall encash the Performance Bank Guarantee / Payment on Order Instrument equivalent to the amount calculated as per liquidated damages applicable under Article 4.6 as on the date of encashment without prejudice to the other rights of SECI under this Agreement. It is to be noted

that the damages/dues recovered by SECI by encashing the PBG/POI, upon the default of the SPD under the PPA, shall be credited to the payment security fund maintained by SECI under the PPA.

3.4 Return of Performance Bank Guarantee / Payment on Order Instrument

3.4.1 Subject to Article 3.3, SECI shall return / release the Performance Bank Guarantee / Payment on Order Instrument immediately after the successful Commissioning of the Project after taking into account any liquidated damages/ penalties due to delays in commissioning as per provisions stipulated in this Agreement.

3.4.2 The return / release of the Performance Bank Guarantee / Payment on Order Instrument shall be without prejudice to other rights of SECI under this Agreement.

ARTICLE 4: CONSTRUCTION & DEVELOPMENT OF THE PROJECT

4.1 *SPD's Obligations*

4.1.1 The SPD undertakes to be responsible, at SPD's own cost and risk, for the following:

a) The SPD shall be solely responsible and make arrangements for Land & associated infrastructure for development of the Project and for Connectivity with the ISTS System for confirming the evacuation of power by the Scheduled Commissioning date and all clearances related thereto;

On or before Scheduled Commissioning Date, the SPD shall demonstrate possession of 100% (Hundred Percent) of the land identified for the Project in its name for a period not less than the complete Term of this Agreement. In this regard, the SPD shall submit documents/ Lease Agreement to establish possession/ right to use 100% of the required land in the name of the SPD. Wherever leasing of private land is involved, the lease should allow transfer of land to the lenders or SECI, in case of default of the SPD. The SPD shall submit a sworn affidavit from the authorized signatory of the SPD listing the details of the land and certifying that total land required (@1.5 ha per MW per Project) for the Project is under clear possession of the SPD;

b) Obtaining all Consents, Clearances and Permits as required and maintaining all Consents, Clearances and Permits in full force and effect during the Term of this Agreement. SECI shall have no obligation to recommend to any department/agency or the Govt. for the grant/permission for the Solar Power project. The Solar Power Developer shall, on his own, obtain permissions/ sanctions from Government authorities, if any required for establishing the project. Any steps that may be taken by SECI in regard to grant of such consents and permits or any other approval to be taken by the SPD shall only be a voluntary endeavour with no intention of being bound by any legal or binding obligation.

c) designing, constructing, erecting, commissioning, completing and testing the Power Project in accordance with the applicable Law, the Grid Code, the terms and conditions of this Agreement and Prudent Utility Practices.

d) the commencement of supply of power up to the Contracted Capacity to SECI no later than the Scheduled Commissioning Date and continuance of the supply of power throughout the term of the Agreement;

e) connecting the Power Project switchyard with the Interconnection Facilities at the Delivery Point; The SPD shall make adequate arrangements to connect the Power Project switchyard with the Interconnection Facilities at Interconnection / Metering / Delivery Point.

f) owning the Power Project throughout the Term of Agreement free and clear of encumbrances, except those expressly permitted under Article 15;

g) maintaining its controlling shareholding (controlling shareholding shall mean more than 50% of the voting rights and paid-up share capital) prevalent at the time of signing of PPA up to a period of three (3) years after Commercial Operation Date of the Project in line with Section III, Clause 18 of the RfS; However transfer of controlling shareholding within the same Group Companies will be allowed with the permission of SECI after COD subject to the condition that the management control remains within the same Group Companies;

h) making a payment security deposit of Rs. 15,00,00,000/ (Fifteen Crore Only) to the designated account as intimated by the SECI towards Payment Security Fund as per clause 12 of Section III of RfS.

i) fulfilling all obligations undertaken by the SPD under this Agreement.

j) Obtaining Long Term Access (LTA) and executing transmission service agreement with CTU/STU as the case may be, for evacuation of the Contracted Capacity and maintaining it throughout the term of the Agreement.

k) The SPD shall be responsible to for directly coordinating and dealing with the corresponding Buying Utility(ies), Load Dispatch Centres, Regional Power Committees, and other authorities in all respects in regard to declaration of availability, scheduling and dispatch of Solar Power and due compliance with deviation and settlement mechanism and the applicable Grid code/State/Central Regulations, acknowledging that the SPD and the corresponding Buying Utility(ies) are the Grid connected entities and SECI as an Intermediary Procurer/ trading licensee is not a Grid connected entity in respect of the Solar Power contracted under this Agreement.

l) The SPD shall fulfil the technical requirements according to criteria mentioned under Annexure II–Technical requirement for Grid Connected Solar PV Power Projects under Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar Power Projects, issued by Ministry of Power, vide resolution no.23/27/2017-R&R dated 03.08.2017 including subsequent amendments and clarifications. The cells and modules

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used in the Project shall be sourced only from the models and manufacturers included in the "Approved List of Models and Manufacturers" as published by MNRE and updated as on the date of commissioning of the Project.

m) Further, the Project being implemented under this Agreement shall fulfil the criteria as per Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, and subsequent amendments and clarifications thereof,

n) As part of scheduling of power from the Project, the SPD will be required to punch-in their respective schedules and subsequent revisions, by themselves, at the interfaces of all the RLDCs concerned for the corridor of power flow, including the RLDC of the Buying Entity/Discom, as per the Regulations in force, under intimation to SECI. SECI may facilitate in identification of any discrepancy and assist the SPD for its early rectification without any liability on SECI. The SPD shall be solely responsible for discrepancy identification and its rectification to avoid any rejection/less payment of invoices.

4.2 ***Information regarding Interconnection Facilities***

4.2.1 The SPD shall be required to obtain all information from the STU/CTU/concerned authority with regard to the Interconnection Facilities as is reasonably necessary to enable it to design, install and operate all interconnection plant and apparatus on the SPD's side of the Delivery Point to enable delivery of electricity at the Delivery Point. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the SPD at its own cost.

4.2.2 Penalties, fines and charges imposed by the CTU/ STU under any statute or regulation in relation to delay in commissioning of Project shall be payable by the SPD to the extent the delay is attributable to the SPD.

4.2.3 The responsibility of getting connectivity with the transmission system up to the Interconnection Point, will lie with the SPD. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the SPD at his own cost. The maintenance of Transmission system up to the designated point as per the applicable terms and conditions shall be the responsibility of the SPD. All costs and charges including but not limited to the wheeling charges and losses up to and including at the Interconnection Point associated with this arrangement will also be borne by the SPD.

4.2.4 In case of Pooling substation, losses in the transmission line shall be apportioned among the SPDs who share such a Pooling arrangement and duly signed by all SPDs, based on their monthly generation.

4.2.5 The arrangement of connectivity shall be made by the SPD through a dedicated transmission line. The entire cost of transmission including cost of construction of line, any other charges, losses etc. from the Project up to the Interconnection Point will be borne by the SPD. In case of non-availability of Grid and Transmission System during Term of this Agreement, for reasons not attributable to the SPD, provisions of Article 4.10 shall be applicable.

4.2.6]Government of India from time to time issues order for waiver of inter-state transmission system (ISTS) charges and losses on transmission of wind/solar power till a certain date. In case the commissioning of the Project gets delayed beyond the applicable date of ISTS waiver, arising out of any reasons whatsoever, SECI shall bear no liability with respect to transmission charges and losses levied, if any.

4.3 Purchase and sale of Contracted Capacity

4.3.1 Subject to the terms and conditions of this Agreement, the SPD undertakes to sell to SECI and SECI undertakes to pay Tariff for all the energy supplied at the Delivery Point corresponding to the Contracted Capacity.

4.3.2 Not Used.

4.4 ***Right to Contracted Capacity & Energy***

4.4.1 The SPD will declare the CUF of the Project and will be allowed to revise the same once within first year after COD of the full project capacity. SECI, in any Contract Year except for the first year of operation, shall not be obliged to purchase any additional energy from the SPD beyond **723.20 Million kWh (MU)**. Subsequent to commissioning of the Project, if for any Contract Year, it is found that the SPD has not been able to supply minimum energy of **558.83 Million kWh (MU)** till the end of 10 years from the SCD and **525.96 Million kWh (MU)** for the rest of the Term of the Agreement, on account of reasons solely attributable to the SPD, the noncompliance by SPD shall make the SPD liable to pay the compensation provided in the respective PSA as payable to Buying Entity(ies) by Buyer to enable Buyer to remit the amount to Buying Entity(ies). For the first year of operation, the above limits shall be considered on pro-rata basis. In case of part commissioning of the Project, the above limits shall be considered on pro-rata basis till the commissioning

of full capacity of the Project. The lower limit will, however be relaxable by Buyer to the extent of grid non-availability for evacuation which is beyond the control of the SPD (as certified by the SLDC/RLDC). This compensation shall be applied to the amount of shortfall in generation during the Contract Year. The amount of such penalty shall be as determined by the respective State Electricity Regulatory Commission of the corresponding Buying Entity/ any such Authority, and such penalty shall ensure that the Buying Entity(ies) is/are offset for all potential costs associated with low generation and supply of power under the PPA. However, the minimum compensation payable to SECI by the SPD shall be 25% (twenty-five percent) of the cost of this shortfall in energy terms, calculated at PPA tariff. This compensation shall not be applicable in events of Force Majeure identified under PPA with SECI affecting supply of solar power by SPD.

4.4.2 Any excess generation over and above as per Article 4.4.1, may be purchased by SECI at the tariff in term of as per Article 9, provided the Buying Entity consents to purchase such power. While the SPD would be free to install the DC solar field as per its design of required output, including its requirement of auxiliary consumption and to reconfigure and/ or repower the Project from time to time during the term of the PPA, it will not be allowed to sell any excess power to any other entity other than SECI (unless refused by SECI). The SPD shall be required to intimate SECI about the proposed excess quantum of energy likely to be generated from the Project within any Contract Year, at least 60 days prior to the proposed date of commencement of excess generation. SECI shall be required to intimate its approval/refusal to the SPD, for buying such excess generation not later than 30 days of receiving the above offer from the SPD. In the event the offer of the SPD is not accepted by SECI within the said period of 30 days, such right shall cease to exist and the SPD shall, at its sole discretion, may sell such excess power to any third party.

However, in case at any point of time, the peak of capacity reached is higher than the contracted capacity and causes disturbance in the system at the point where power is injected, the SPD will have to forego the excess generation and reduce the output to the rated capacity and shall also have to pay the penalty/charges (if applicable) as per applicable regulations / requirements / guidelines of CERC / SERC /SLDC or any other competent agency.

Any energy produced and flowing into the grid before Scheduled Commissioning Date shall not be at the cost of SECI. SECI may agree to buy such power at a tariff as agreed to between SECI and the Buying Entity (including SECI's trading margin), provided the Buying Utility consents for purchase of such power.

4.5 *Extensions of Time*

4.5.1 In the event that the SPD is prevented from performing its obligations under Article 4.1 by the Scheduled Commissioning Date due to:

a) any SECI Event of Default; or

b) Force Majeure Events affecting SECI/ Buying Entity(ies), or

c) Force Majeure Events affecting the SPD,

the Scheduled Commissioning Date and the Expiry Date shall be deferred, subject to Article 4.5.6, for a reasonable period but not less than 'day for day' basis, to permit the SPD or SECI/ Buying Entity(ies) through the use of due diligence, to overcome the effects of the Force Majeure Events affecting the SPD or SECI/Buying Entity(ies), or till such time such Event of Default is rectified by SECI.

4.5.2 Subsequent to grant of connectivity, in case there is a delay in grant/operationalization of LTA by the CTU and/or there is a delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network until SCD of the Project, and it is established that:

(i) The SPD has complied with the complete application formalities as per RfS,

(ii) The SPD has adhered to the applicable Procedure in this regard as notified by the CERC/CTU, and

(iii) The delay in grant of connectivity/LTA by the CTU and/or delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network, is a factor attributable to the CTU/transmission licensee and is beyond the control of the SPD;

The above shall be treated as delays beyond the control of the SPD and SCD for such Projects shall be revised as the date as on 60 days subsequent to the readiness of the Delivery Point and power evacuation infrastructure and/or operationalization of LTA. Decision on requisite extension on account of the above factor shall be taken by SECI.

Further, any delay in adoption of tariff by the Appropriate Commission, beyond 120 days after Effective Date of this Agreement, shall entail a corresponding extension in Scheduled Commissioning Date.

4.5.3 In case of extension due to reasons specified in Article 4.5.1(b) and (c), and if such Force Majeure Event continues even after a maximum period of 180 days from the date of the Force Majeure Notice, any of the Parties may choose to terminate the Agreement as per the provisions of Article 11.10. In case neither party terminates the Agreement under this clause, the Agreement shall stand terminated on the expiry of twelve (12) months of the continuation of the Force Majeure event unless the parties mutually agree to extend the Agreement for the further period.

4.5.4 If the Parties have not agreed, within thirty (30) days after the affected Party's performance has ceased to be affected by the relevant circumstance, on the time period by which the Scheduled Commissioning Date or the Expiry Date should be deferred, any Party may raise the Dispute to be resolved in accordance with Article 16.

4.5.5 As a result of such extension on account of Article 4.5.1 or Article 4.5.2, the newly determined Scheduled Commissioning Date and newly determined Expiry Date shall be deemed to be the Scheduled Commissioning Date and the Expiry Date for the purposes of this Agreement.

4.5.6 Not used.

4.5.7 Delay in commissioning of the project beyond the scheduled commissioning date for reasons other than those specified in Article 4.5.1 & Article 4.5.2 shall be an event of default on part of the SPD and shall be subject to the consequences specified in the Article 4.6.

4.6 ***Liquidated Damages not amounting to penalty for delay in Commissioning***

4.6.1 The Project shall be fully commissioned within the Scheduled Commissioning Date as defined in this Agreement. If the SPD is unable to commission the Project by the Scheduled Commissioning Date for the reasons other than those specified in Article 4.5.1 and 4.5.2, the SPD shall pay to SECI, damages for the delay in such commissioning and making the Contracted Capacity available for dispatch by the Scheduled Commissioning Date as per the following:

(a) Delay beyond the Scheduled Commissioning Date upto (& including) the date as on 6 months after the Scheduled Commissioning Date, as part of the liquidated damages, the total PBG/ POI amount for the Project shall be encashed on per day

basis and proportionate to the balance capacity not commissioned. For example, in case of a Project of 240 MW capacity, if commissioning of 100 MW capacity is delayed by 18 days beyond the SCD, then the liquidated damages shall be : PBG/POI amount x (100/240) x (18/180). For the purpose of calculation of liquidated damages, 'month' shall be considered consisting of 30 days.

4.6.2 The maximum time period allowed for commissioning of the full Project Capacity with encashment of Performance Bank Guarantee/ Payment on Order Instrument shall be limited to 6 months after the SCD of the Project. In case, the Commissioning of the Project is delayed beyond 6 months after the SCD, it shall be considered as an SPD Event of Default and provisions of Article 13 shall apply and the Contracted Capacity shall stand reduced / amended to the Project Capacity Commissioned within 6 months after the SCD and the PPA for the balance Capacity will stand terminated and shall be reduced from the project capacity.

4.6.3 The SPD further acknowledges that the amount of the liquidated damages fixed is genuine and reasonable pre-estimate of the damages that may be suffered by SECI/ Buying entity(s) as specified under this Agreement or in the PSA.

4.7 Acceptance/Performance Test

4.7.1 Prior to synchronization of the Power Project, the SPD shall be required to get the Project certified for the requisite acceptance/performance test as may be laid down by Central Electricity Authority or an agency identified by the central government to carry out testing and certification for the Solar power projects.

4.8 Third Party Verification

4.8.1 The SPD shall be further required to provide entry to the site of the Power Project free of all encumbrances at all times during the Term of the Agreement to SECI and a third Party nominated by any Indian Governmental Instrumentality for inspection and verification of the works being carried out by the SPD at the site of the Power Project.

4.8.2 The third party may verify the construction works/operation of the Power Project being carried out by the SPD and if it is found that the construction works/operation of the Power Project is not as per the Prudent Utility Practices, it may seek clarifications from SPD or require the works to be stopped or to comply with the instructions of such third party.

4.9 Breach of Obligations

4.9.1 The Parties herein agree that during the subsistence of this Agreement, subject to SECI being in compliance of its obligations & undertakings under this Agreement, the SPD would have no right to negotiate or enter into any dialogue with any third party for the sale of Contracted Capacity of power which is the subject matter of this Agreement. It is the specific understanding between the Parties that such bar will apply throughout the entire term of this Agreement.

4.10 Generation compensation for Off-take constraints

4.10.1 Generation Compensation in offtake constraint due to Transmission Infrastructure not complete/ ready (Transmission constraint): After the Scheduled Commissioning Date, subject to the submission of documentary evidences from the Competent Authority, if the plant is ready in all respects including the dedicated transmission line to be established by the SPD to connect to the grid but the necessary power evacuation/ transmission infrastructure is not ready, for reasons not attributable to the SPD, leading to offtake constraint, the generation compensation shall be restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Transmission Constraint	Provision for Generation Compensation
If the Project is ready but the necessary power evacuation/transmission infrastructure is not ready, leading to offtake constraint	a. The normative CUF of 19% (nineteen per cent) or committed CUF, whichever is lower, for the period of grid unavailability, shall be taken for the purpose of calculation of generation loss. Corresponding to this generation loss, the excess generation by the SPD in the succeeding 3 (three) Contract Years, shall be procured by SECI at the PPA tariff so as to offset this loss. b. If the transmission delay is directly attributable to the organization building the transmission network and some penalty is imposed on him, then a part of that penalty may be utilized by SECI for compensating the generation loss.

However, it is clarified that if the Project is ready for commissioning prior to the Scheduled Commissioning Date, but the offtake is constrained because of inadequate/incomplete power evacuation infrastructure, no compensation shall be permissible.

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4.10.2 Generation Compensation in offtake constraints due to Grid Unavailability: During the operation of the plant, there can be some periods where the Project can generate power but due to temporary transmission unavailability, the power is not evacuated, for reasons not attributable to the Solar Power Developer. In such cases, subject to the submission of documentary evidences from the competent authority, the generation compensation shall be restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Duration of Grid unavailability	**Provision for Generation Compensation**
Grid unavailability in a contract year as defined in the PPA: (only period from 8 am to 6 pm to be counted), for Grid unavailability beyond 50 hours in a Contract Year:	***Generation Loss = [(Average Generation per hour during the Contract Year) × (number of hours of grid unavailability during the Contract Year)]*** Where, Average Generation per hour during the Contract Year (kWh) = Total generation in the Contract Year (kWh) ÷ Total hours of generation in the Contract Year.

The excess generation by the SPD equal to this generation loss shall be procured at the PPA tariff so as to offset this loss in the succeeding 3 (three) Contract Years.

4.10.3 Offtake constraints due to Backdown: The Solar Power Developer and Buying Entity shall follow the forecasting and scheduling process as per the regulations in this regard by the Appropriate Commission. The Government of India, as per Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), encourages a status of "must-run" to solar power projects. Accordingly, no solar power plant, duly commissioned, should be directed to back down by a Discom/ Load Dispatch Centre (LDC). In the eventuality of backdown, including backdown on account of non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" and any clarifications or amendment thereto, except for the cases where the Backdown is on account of events like consideration of grid security or safety of any equipment or personnel

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or other such conditions, subject to the submission of documentary evidences from the competent authority, the SPD shall be eligible for a minimum generation compensation, from Buying Entity, restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Duration of Backdown	Provision for Generation Compensation
Hours of Backdown during a monthly billing cycle.	***Generation Compensation = 100% of [(Average Generation per hour during the month) X (number of backdown hours during the month)] X PPA tariff*** Where, Average Generation per hour during the month (kWh) = Total generation in the month (kWh) ÷ Total hours of generation in the month

The SPD shall not be eligible for any compensation in case the Backdown is on account of events like consideration of grid security or safety of any equipment or personnel or other such conditions. The Generation Compensation shall be paid as part of the energy bill for the successive month after receipt of Regional Energy Accounts (REA)/SEA/JMR. No Trading Margin shall be applicable on the Generation Compensation as provided in Article 4.10.3 only.

It is hereby clarified that for the purpose of Article 4.10, "generation" shall mean scheduled energy based on Energy Accounts. Notwithstanding anything mentioned above, the provisions of Article 4.10 shall be applicable subject to the acceptance of the same by the respective Buying Utility.

ARTICLE 5: SYNCHRONISATION, COMMISSIONING AND COMMERCIAL OPERATION

5.1 Synchronization, Commissioning and Commercial Operation

5.1.1 The SPD shall give the concerned RLDC/SLDC and SECI and also Buying Entity at least sixty (60) days' advanced preliminary written notice and at least thirty (30) days' advanced final written notice, of the date on which it intends to synchronize the Power Project to the Grid System.

5.1.2 Subject to Article 5.1.1, the Power Project may be synchronized by the SPD to the Grid System when it meets all the connection conditions prescribed in applicable Grid Code then in effect and otherwise meets all other Indian legal requirements for synchronization to the Grid System.

5.1.3 The synchronization equipment and all necessary arrangements / equipment including RTU for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable regulation shall be installed by the SPD at its generation facility of the Power Project at its own cost. The SPD shall synchronize its system with the Grid System only after the approval of synchronization scheme is granted by the head of the concerned substation/Grid System and checking/verification is made by the concerned authorities of the Grid System.

5.1.4 The SPD shall immediately after each synchronization/tripping of generator, inform the sub-station of the Grid System to which the Power Project is electrically connected in accordance with applicable Grid Code under intimation to SECI. In addition, the SPD will inject in-firm power to grid time to time to carry out operational/ functional test prior to commercial operation. For avoidance of doubt, it is clarified that Synchronization / Connectivity of the Project with the grid shall not to be considered as Commissioning of the Project.

5.1.5 The SPD shall commission the Project as detailed in "Schedule 3: Commissioning Procedure" within eighteen (18) Months of the Effective Date. Declaration of COD / UCOD shall only be done subject to the demonstration of the compliances as per Schedule-3 and subsequent upon the successful visit by the Commissioning Committee.

5.1.6 There can be part Commissioning of the Project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and corresponding energy has flown into the grid.

5.1.7 The Parties agree that for the purpose of commencement of the supply of electricity by SPD to SECI, liquidated damages for delay etc., the Scheduled Commissioning Date or extended Scheduled Commissioning Date as defined in this Agreement shall be the relevant date.

5.1.8 **Early Commissioning**

The SPD shall be permitted for full commissioning as well as part commissioning of the Project even prior to the Scheduled Commissioning Date, subject to availability of transmission connectivity and Long-Term Access (LTA).

Early commissioning of the Project will be allowed solely at the risk and cost of the SPD, and SECI shall purchase the energy from such early commissioned Project at the 75% (seventy-five percent) of the PPA tariff, only in the case Discom agrees to purchase power from the Project at an earlier date, and at 75% of the PPA tariff plus trading margin.

Such intimation for early commissioning shall be provided to SECI at least 15 days before the proposed early commissioning date. In case there is no response provided by SECI within 7 days from the receipt of such intimation, such early commissioned capacity shall be deemed to have been rejected by SECI.

In case SECI does not agree to purchase such energy, early part/full commissioning of the Project shall still be allowed and the SPD will be free to sell such energy to a third party; subject to operationalization of LTA, until SCD or the date of commencement of procurement of power from the Project as notified by SECI, whichever is earlier. UCOD/COD of the Project under the PPA will be the date on which the commissioning certificate is issued upon successful commissioning of the part/full capacity of the Project.

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ARTICLE 6: DISPATCH AND SCHEDULING

6.1 *Dispatch and Scheduling*

6.1.1 The SPD shall be required to schedule its power as per the applicable regulations / requirements / guidelines of CERC / SERC /SLDC / RLDC or any other competent agency and same being recognized by the SLDC or any other competent authority / agency as per applicable regulation/ law / direction and maintain compliance to the applicable Codes/ Grid Code requirements and directions, if any, as specified by concerned SLDC/RLDC from time to time. Any deviation from the Schedule will attract the provisions of applicable regulation / guidelines / directions and any financial implication on account of this shall be on the account of the SPD.

6.1.2 The SPD shall be responsible for directly coordinating and dealing with the Buying Entity, State Load Dispatch Centre's, Regional Power Committees, and other authorities in all respects in regard to declaration of availability, scheduling and dispatch of Solar Power and due compliance with deviation and settlement mechanism and the applicable Grid code Regulations, acknowledging that the SPD and Buying Entity are the Grid connected entities and SECI as an intermediary procurer/ trading licensee is not a Grid connected entity in respect of the Solar Power contracted under this Agreement.

6.1.3 The SPD shall be responsible for any deviation from scheduling and for any resultant liabilities on account of charges for deviation as per applicable regulations. UI charges on this account shall be directly paid by the SPD.

6.1.4 Auxiliary power consumption will be treated as per the concerned Central/ State regulations.

6.1.5 Not Used.

ARTICLE 7: METERING

7.1 *Meters*

7.1.1 For installation of Meters, Meter testing, Meter calibration and Meter reading and all matters incidental thereto, the SPD and SECI shall follow and be bound by the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, the Grid Code, as amended and revised from time to time.

7.1.2 The SPD shall bear all costs pertaining to installation, testing, calibration, maintenance, renewal and repair of meters at SPD's side of Delivery Point.

7.1.3 In addition to ensuring compliance of the applicable codes, the SPD shall install Main & Check meters at the Delivery Point, along with Stand-by meter(s) as per the applicable Central/State regulations.

7.1.4 In case of pooling of multiple Projects, power from multiple Projects can be pooled at a Pooling Substation prior to the Delivery point and the combined power can be fed at Delivery point through a common transmission line from the Pooling Substation. In such cases, ABT compliant sub-meters as per relevant regulation/ approval are also to be set up at pooling substation for individual projects in addition to the meters at Delivery Point as described in clause 7.1.3.

7.2 *Reporting of Metered Data and Parameters*

7.2.1 The grid connected Solar PV power plants will install necessary equipment for regular monitoring of solar irradiance (including GHI, DHI and solar radiation in the module plane), ambient air temperature, wind speed and other weather parameters and simultaneously for monitoring of the electric power (both DC and AC) generated from the Project.

7.2.2 Online arrangement would have to be made by the SPD for submission of above data regularly for the entire period of this Power Purchase Agreement to the SLDC, SECI and the concerned Ministry or concerned agency as per applicable regulation / directions.

7.2.3 Reports on above parameters on monthly basis (or as required by regulation / guidelines) shall be submitted by the SPD to Ministry of New and Renewable Energy/ SECI/National Institute of Solar Energy through SECI for entire period of PPA.

ARTICLE 8: INSURANCES

8.1 *Insurance*

8.1.1 The SPD shall effect and maintain or cause to be effected and maintained, at its own cost and expense, throughout the Term of PPA, Insurances against such risks to keep the Project in good condition and shall take Industrial All Risk insurance policy covering risks against any loss or damage, with such deductibles and with such endorsements and co-insured(s), which the Prudent Utility Practices would ordinarily merit maintenance of and as required under the Financing Agreements, Implementation and Support Agreement and under the applicable laws.

8.2 *Application of Insurance Proceeds*

8.2.1 In case of the Project not being implemented through Financing Agreement(s), save as expressly provided in this Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Power Project or any part of the Power Project shall be first applied to reinstatement, replacement or renewal of such loss or damage.

In case of the Project being financed through Financing Agreement(s), save as expressly provided in this Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Power Project or any part of the Power Project shall be applied as per such Financing Agreements.

8.2.2 If a Force Majeure Event renders the Power Project no longer economically and technically viable and the insurers under the Insurances make payment on a "total loss" or equivalent basis, SECI shall have claim on such proceeds of such Insurance limited to outstanding dues of SECI against the Buying Utility(ies) as per PSA entered into and any other dues of the Buying Utility(ies) against SPD.

8.3 *Effect on liability of SECI*

83.1 Notwithstanding any liability or obligation that may arise under this Agreement, any loss, damage, liability, payment, obligation or expense which is insured or not or for which the SPD can claim compensation, under any Insurance shall not be charged to or payable by Buyer. It is for the SPD to ensure that appropriate insurance coverage is taken for payment by the insurer for the entire loss and there is no under insurance or short adjustment etc.

ARTICLE 9: APPLICABLE TARIFF

9.1 The SPD shall be entitled to receive the Tariff of Rs. 2.37/ kWh, fixed for the entire term of this Agreement, with effect from the SCD, for the power sold by the Buyer to the Buying Entity for the scheduled energy as reflected in the Energy Accounts.

9.2 Pursuant to Article 5.1.8 in case of early part-commissioning, till SCD, subject to the consent for such purchase by the Buying Utility, SECI may purchase the generation till SCD, at 75 % (seventy-five per cent) of the tariff mentioned in the Article 9.1. However, in case the entire Project capacity is commissioned prior to SCD, SECI may purchase energy supplied till SCD at Rs. 2.37/kWh. In both the cases of early part or full commissioning of the Project, the Applicable Tariff for the commissioned Project shall be Rs. 2.37/kWh from and including the SCD.

9.3 Any excess generation over and above energy specified in Article 4.4.1, will be purchased by SECI at a tariff 75% (seventy-five per cent) of the tariff as mentioned in Article 9.1 and 9.2 as applicable, provided the Buying Entity consents for purchase of such excess generation. Any energy produced and flowing into the grid before SCD shall not be at the cost of SECI. SECI may agree to buy such power provided Buying Entity consents to purchase such energy. However, the SPD will not be allowed to sell energy generated prior to SCD or excess energy during any Contract Year to any other entity other than SECI (unless refused by SECI).

9.4 Not Used.

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ARTICLE 10: BILLING AND PAYMENT

10.1 General

10.1.1 Pursuant to Article 4.1.1 (h), SECI shall set up a payment security fund for Solar Power Projects in order to ensure timely payment. This fund will have a corpus to cover 3 months' payment.

10.1.2 From the commencement of supply of power, SECI shall pay to the SPD the monthly Tariff Payments subject to the adjustments as per provisions of this Agreement including Article 6, in accordance with Article 9. All Tariff Payments by SECI shall be in Indian Rupees.

10.1.3 For the purpose of payment of the bills raised by the SPD(s), in case Energy Account is published on cumulative basis, payment to the SPD(s) for the energy delivered shall be apportioned based on JMR taken for the SPD's Project at the Pooling substation/metering point.

10.1.4 The SPD shall be required to make arrangements and payments for import of energy (if any) as per applicable regulations.

10.2 *Delivery and Content of Monthly Bills/Supplementary Bills*

10.2.1 The SPD shall issue to SECI hard copy of a signed Monthly Bill/Supplementary Bill for the immediately preceding Month/relevant period based on the issuance of Energy Accounts along with all relevant documents (payments made by SPD for drawal of power, payment of reactive energy charges, Metering charges or any other charges as per guidelines of SERC/CERC, if applicable.

Each Monthly Bill shall include all charges as per this Agreement for the energy supplied for the relevant Month based on Energy Accounts issued by RPC or any other competent authority which shall be binding on both the Parties. The Monthly Bill amount shall be the product of the energy as per Energy Accounts and the Applicable Tariff. Energy drawn from the grid will be regulated as per the applicable Central/ State regulations.

10.2.2 As per applicable regulation(s) of the Appropriate Commission(s)/respective SERC(s), all charges pertaining to obtaining open access and scheduling of power, if any, shall be borne by the SPD.

10.3 *Payment of Monthly Bills*

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10.3.1 SECI shall pay the amount payable under the Monthly Bill/Supplementary Bill by the Due Date to such account of the SPD, as shall have been previously notified by the SPD as below.

10.3.2 All payments required to be made under this Agreement shall also include any deduction or set off for:

i) deductions required by the Law; and

ii) amount claimed by SECI, if any, from the SPD, will be adjusted from the monthly energy payment. In case of any excess payment adjustment, 1.25% surcharge will be applicable on day to day basis.

The SPD shall open a bank account (the "SPD's Designated Account") for all Tariff Payments (including Supplementary Bills) to be made by SECI to the SPD, and notify SECI of the details of such account at least ninety (90) Days before the dispatch of the first Monthly Bill. SECI shall also designate a bank account at New Delhi ("SECI Designated Account") for payments to be made by the SPD to SECI, if any, and notify the SPD of the details of such account ninety (90) Days before the Scheduled Commissioning Date. SECI and the SPD shall instruct their respective bankers to make all payments under this Agreement to the SPD's Designated Account or SECI's Designated Account, as the case may be, and shall notify either Party of such instructions on the same day.

10.3.3 **Late Payment Surcharge**

Late Payment Surcharge: In the event of delay in payment of a Monthly Bill by SECI beyond 30 days after Due Date, a Late Payment Surcharge shall be payable by SECI to the SPD on the outstanding payment, at the Base Rate of Late Payment Surcharge applicable for the period for the first month of default. "Base Rate of Late Payment Surcharge" means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent (500 bps) and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. The Late Payment Surcharge shall be claimed by the SPD through the Supplementary Bill. Late Payment Surcharge shall be payable on the outstanding amount at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent (50 bps) for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time.

a) Provided that the rate at which Late Payment Surcharge shall be payable shall not be higher than 1.25% per month at any time for purchase of power.

b) If the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.

c) The above payment will be made by SECI subject to such late payment surcharge being duly received by SECI under the PSA from the Buying Entity(ies).

10.3.4 Subject to the Article 9 of this Agreement, in the event of early Commissioning of the Project and subject to acceptance by SECI, the payment for the power fed to the grid may be accounted from the date of UCOD, and SPD would be allowed to raise Bills against such power as per Article 10.2.1, subject to the conditions as stipulated in Article 9. However, payment against the 1st such bill raised by the SPD, will be made subject to acceptance of the bill by the Discom.

10.3.5 **Rebate**

For payment of any Bill on or before Due Date, the following Rebate shall be paid by the SPD to SECI in the following manner.

a) A Rebate of 1.5% shall be payable to the SECI for the payments made within a period of 10 (ten) days of the presentation of hard copy of Bill.

b) Any payments made after ten (10) days of the date of presentation of Bill through hard copy up to the Due Date shall be allowed a rebate of 1 %.

c) For the above purpose, the date of presentation of Bill shall be the next Business Day of delivery of the physical copy of the Bill at SECI. .

d) No Rebate shall be payable on the Bills raised on account of Change in Law (except in case of annuity tariff model being implemented, where rebate will be applicable) relating to taxes, duties, cess etc. and on Supplementary Bill.

For the above purpose date of presentation of bill shall be the same day of delivery in hard copy. However, for consideration of rebate, next business day shall be considered.

10.4 **Payment Security Mechanism**

Letter of Credit (LC):

10.4.1 SECI shall provide to the SPD, in respect of payment of its Monthly Bills and/or Supplementary Bills, a monthly unconditional, revolving and irrevocable letter of credit ("Letter of Credit"), opened and maintained which may be drawn upon by the SPD in accordance with this Article.

10.4.2 Before the start of supply, SECI through a scheduled bank open a Letter of Credit in favour of the SPD, to be made operative from a date prior to the Due Date of its first Monthly Bill under this Agreement. The Letter of Credit shall have a term of twelve (12) Months and shall be renewed annually, for an amount equal to:

i) for the first Contract Year, equal to 110% of the estimated average monthly billing;

ii) for each subsequent Contract Year, equal to 110% of the average of the monthly billing of the previous Contract Year.

10.4.3 Provided that the SPD shall not draw upon such Letter of Credit prior to 30 days beyond the Due Date of the relevant Monthly Bill and/or Supplementary Bill, and shall not make more than one drawal in a Month.

10.4.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Article 10.4.2 due to any reason whatsoever, SECI shall restore such shortfall before next drawl.

10.4.5 SECI shall cause the scheduled bank issuing the Letter of Credit to intimate the SPD, in writing regarding establishing of such irrevocable Letter of Credit.

10.4.6 SECI shall ensure that the Letter of Credit shall be renewed not later than its expiry.

10.4.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by SECI.

10.4.8 If SECI fails to pay undisputed Monthly Bill or Supplementary Bill or a part thereof within and including date as on 30 days beyond the Due Date, then, subject to Article 10.4.6 & 10.5.2, the SPD may draw upon the Letter of Credit, and accordingly the bank shall pay, an amount equal to such Monthly Bill or Supplementary Bill or part thereof, in accordance with Article 10.4.3 above, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:

i) a copy of the Monthly Bill or Supplementary Bill (only for energy related bills) which has remained unpaid to SPD and;
ii) a certificate from the SPD to the effect that the bill at item (i) above, or specified part thereof, is in accordance with the Agreement and has remained unpaid beyond the Due Date;

10.5 Disputed Bill

10.5.1 If the SECI does not dispute a Monthly Bill or a Supplementary Bill raised by the SPD within thirty (30) days of receiving such Bill shall be taken as conclusive.

10.5.2 If the SECI disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay 50% of the invoice amount and it shall within thirty (30) days of receiving such Bill, issue a notice
(the "Bill Dispute Notice") to the invoicing Party setting out:

i) the details of the disputed amount;
ii) its estimate of what the correct amount should be; and
iii) all written material in support of its claim.

10.5.3 If the SPD agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.5.2, the SPD shall revise such Bill and present along with the next Monthly Bill. In such a case excess amount shall be refunded along with interest at the same rate as Late Payment Surcharge, which shall be applied from the date on which such excess payment was made by the disputing Party to the invoicing Party and up to and including the date on which such payment has been received as refund.

10.5.4 If the SPD does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.5.2, it shall, within fifteen (15) days of receiving the Bill Dispute Notice, furnish a notice (Bill Disagreement Notice) to the SECI providing:

i) reasons for its disagreement;

ii) its estimate of what the correct amount should be; and

iii) all written material in support of its counter-claim.

10.5.5 Upon receipt of the Bill Disagreement Notice by the SECI under Article 10.5.4, authorized representative(s) or a director of the board of directors/ member of board of the SECI and SPD shall meet and make best endeavours to amicably resolve such dispute within fifteen (15) days of receipt of the Bill Disagreement Notice.

10.5.6 If the Parties do not amicably resolve the Dispute within fifteen (15) days of receipt of Bill Disagreement Notice pursuant to Article 10.5.4, the matter shall be referred to Dispute resolution in accordance with Article 16.

10.5.7 For the avoidance of doubt, it is clarified the despite a Dispute regarding an invoice, SECI shall, without prejudice to its right to Dispute, be under an obligation to make payment of 50% of the invoice amount in the Monthly Bill.

10.6 Quarterly and Annual Reconciliation

10.6.1 The Parties acknowledge that all payments made against Monthly Bills and Supplementary Bills shall be subject to quarterly reconciliation within 30 days of the end of the quarter at the beginning of the following quarter of each Contract Year and annual reconciliation at the end of each Contract Year within 30 days to take into account the Energy Accounts, Tariff adjustment payments, Tariff Rebate, Late Payment Surcharge, or any other reasonable circumstance provided under this Agreement.

10.6.2 The Parties, therefore, agree that as soon as all such data in respect of any quarter of a Contract Year or a full Contract Year as the case may be has been finally verified and adjusted, the SPD and SECI shall jointly sign such reconciliation statement. Within fifteen (15) days of signing of a reconciliation statement, the SPD shall make appropriate adjustments in the next Monthly Bill. Late Payment Surcharge/ interest shall be payable in such a case from the date on which such payment had been made to the invoicing Party or the date on which any payment was originally due, as may

be applicable. Any Dispute with regard to the above reconciliation shall be dealt with in accordance with the provisions of Article 16.

10.7 *Payment of Supplementary Bill*

10.7.1 SPD may raise a ("Supplementary Bill") for payment on account of:

i) Adjustments required by the Energy Accounts (if applicable); or

ii) Change in Law as provided in Article 12, or

iii) Payment under Article 4.10,

And such Supplementary Bill shall be paid by the other Party.

10.7.2 SECI will remit all amounts due under a Supplementary Bill raised by the SPD to the SPD's Designated Account by the Due Date, except open access charges, RLDC or scheduling charges and transmission charges (if applicable). For Supplementary Bill on account of adjustment required by energy account and payments under Article 4.10. Rebate as applicable to Monthly Bills pursuant to Article 10.3.5 shall equally apply. Payment under Article 10.7.1 will be made after realization of the same from the Buying Utility. No late payment surcharge will be applicable other than that on the monthly energy payment and associated debit and credit note.

10.7.3 Not Used.

ARTICLE 11: FORCE MAJEURE

11.1 *Definition of Force Majeure*

A 'Force Majeure' (FM) would mean one or more of the following acts, events or circumstances or a combination of acts, events or circumstances or the consequence(s) thereof, that wholly or partly prevents or unavoidably delays the performance by the Party (the Affected Party) of its obligations under the relevant Power Purchase Agreement, but only if and to the extent that such events or circumstances are not within the reasonable control, directly or indirectly, of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices.

An Affected Party means SECI or the SPD whose performance has been affected by an event of Force Majeure.

11.2 *Categorization of Force Majeure Events:*

11.2.1 Natural Force Majeure Event

a) Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon or tornado if it is declared / notified by the competent state / central authority / agency (as applicable), or verified to the satisfaction of Procurer;

b) radioactive contamination or ionising radiation originating from a source in India or resulting from another Force Majeure Event mentioned above excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the Project by the Affected Party or those employed or engaged by the Affected Party;

c) the discovery of geological conditions, toxic contamination or archaeological remains on the Project land that could not reasonably have been expected to be discovered through an inspection of the Project land; or

d) any event or circumstances of a nature analogous to any of the events as specified under Article 11.2.1 (a), 11.2.1 (b) and 11.2.1 (c).

11.2.2 Non-Natural Force Majeure Event

a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action;

b) nation/state-wide strike, lockout, boycotts or other industrial disputes which are not directly and solely attributable to the actions of the Affected Party, but does not include strike or labour unrest limited to the Affected Party or its contractors;

c) nationalisation or any compulsory acquisition by any Indian Governmental Instrumentality/ State Government in national interest or expropriation of any material Project assets or rights of the SPD, as a result of which the SPD or its shareholders are deprived (wholly or partly) of their rights or entitlements under the Power Purchase Agreement. Provided that such action does not constitute remedies or sanctions lawfully exercised by the Procurer or any other Government Authority as a result of any breach of any of the Applicable Laws or the Applicable Permits by the SPD or the SPD related parties;

d) action of a Government Authority having Material Adverse Effect including but not limited to Change in Law, only if consequences thereof cannot be dealt with under and in accordance with the provisions of Article 12 of this Agreement; any unlawful or unauthorised or without jurisdiction revocation of, or delay in, or refusal, or failure to renew or grant without valid cause, any Permits of the SPD or any of the clearance, licence, authorization to be obtained by the contractors to perform their respective obligations under the relevant PPA and/or the Project Documents; provided that such delay, modification, denial, refusal or revocation did not result from the SPD's or any contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such Permits or clearance, licence, authorization, as the case may be.

11.3 Force Majeure Exclusions

11.3.1 Force Majeure shall not include (i) any event or circumstance which is within the reasonable control of the Parties and (ii) the following conditions, except to the extent that they are consequences of an event of Force Majeure:

a. Unavailability, late delivery, or changes in cost of the plant, machinery, equipment, materials, spare parts or consumables for the Power Project;

b. Delay in the performance of any contractor, sub-contractor or their agents;

c. Non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;

d. Strikes at the facilities of the Affected Party;

e. Insufficiency of finances or funds or the agreement becoming onerous to perform; and

f. Non-performance caused by, or connected with, the Affected Party's:

i. Negligent or intentional acts, errors or omissions;

ii. Failure to comply with an Indian Law; or

iii. Breach of, or default under this Agreement.

11.4 *Notification of Force Majeure Event*

11.4.1 The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than seven (7) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force Majeure results in a breakdown of communications rendering it unreasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement.

11.4.2 Provided that such notice shall be a pre-condition to the Affected Party's entitlement to claim relief under the PPA. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed. The Affected Party shall give the other Party regular (and not less than weekly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the Force Majeure Event.

11.4.3 The Affected Party shall give notice to the other Party of (i) the cessation of the relevant event of Force Majeure; and (ii) the cessation of the effects of such event of Force Majeure on the performance of its rights or obligations under the PPA, as soon as practicable after becoming aware of each of these cessations.

11.5 **Performance Excused**

11.5.1 The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under the PPA as a consequence of the Force Majeure Event, shall be excused from performance of the obligations, provided that the period shall not exceed 180 (one hundred and eighty) Days from the date of issuance of the FM Notice. The Parties may mutually agree to extend the period for which performance is excused due to a Force Majeure Event.

11.5.2 For the time period, as mutually agreed by the Parties, during which the performance shall be excused, the generator shall be entitled for a day to day extension of the period provided for Financial Closure or Scheduled Commissioning Period or the PPA period, as the case may be.

11.5.3 Provided always that a Party shall be excused from performance only to the extent reasonably warranted by the Force Majeure Event.

11.5.4 Provided further that, nothing shall absolve the Affected Party from any payment obligations accrued prior to the occurrence of the underlying Force Majeure Event.

11.6 **No Liability for Other Losses**

Save as otherwise provided in this Agreement, no Party shall be liable in any manner, whatsoever, to the other Parties in respect of any loss relating to or arising out of the occurrence or existence of any Force Majeure Event.

11.7 **Resumption of Performance**

During the period that a Force Majeure Event is subsisting, the Affected Party shall, in consultation with the other Parties, make all reasonable efforts to limit or mitigate the effects of such Force Majeure Event on the performance of its obligations under the PPA. The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption, shall notify other Parties of the same in writing. The other Parties shall afford all reasonable assistance to the Affected Party in this regard.

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11.8 **Duty to Perform and Duty to Mitigate**

To the extent not prevented by a Force Majeure Event pursuant to Article 11.2, the Affected Party shall continue to perform its obligations pursuant to this Agreement, in line with provisions of Article 11.5. The Affected Party shall use its reasonable efforts to mitigate the effect of any Force Majeure Event as soon as practicable.

11.9 **Available Relief for a Force Majeure Event**

Subject to this Article 11:

a) no Party shall be in breach of its obligations pursuant to this Agreement except to the extent that the performance of its obligations was prevented, hindered or delayed due to a Force Majeure Event;

b) every Party shall be entitled to claim relief in relation to a Force Majeure Event in regard to its obligations, including but not limited to those specified under Article 4.5;

c) For avoidance of doubt, neither Party's obligation to make payments of money due and payable prior to occurrence of Force Majeure events under this Agreement shall be suspended or excused due to the occurrence of a Force Majeure Event in respect of such Party.

d) Provided that no payments shall be made by either Party affected by a Force Majeure Event for the period of such event on account of its inability to perform its obligations due to such Force Majeure Event.

11.10 **Termination Due to Force Majeure Event**

11.10.1 **Termination due to Natural Force Majeure Event**

a) If, prior to the completion of the 180 (one hundred and eighty) Day period (or any extended period) for a Natural Force Majeure Event commencing from the date of issuance of the Force Majeure Notice, the Parties are of the reasonable view that a Natural Force Majeure Event is likely to continue beyond such 180 (one hundred and eighty) Day period or any extended period agreed in pursuance of Article 11.5 (Performance Excused); or that it is uneconomic or impractical to restore the affected Unit, then the Parties may mutually decide to terminate the PPA, and the termination shall take effect from the date on which such decision is taken.

b) Without prejudice to the provisions of Article 11.10.1.(a) above, the Affected Party shall, after the expiry of the period of 180 (one hundred and eighty) Days or any other mutually extended period, be entitled to forthwith terminate the PPA in its sole discretion by issuing a notice to that effect.

c) On termination of the PPA pursuant to Article 11.10.1(b):

i. no Termination Compensation shall be payable to the SPD.

ii. the SPD shall be eligible for undisputed payments under outstanding Monthly Bill(s), before the occurrence of Force Majeure Event.

11.10.2 Termination due to Non-Natural Force Majeure Event

a) Upon occurrence of a Non-Natural Force Majeure Event, the SPD shall, at its discretion, have the right to terminate the PPA forthwith after the completion of the period of 180 (one hundred and eighty) Days from the date of the Force Majeure Notice.

b) On termination of the PPA pursuant to Article 11.10.2(a):

i. SECI shall pay to the SPD, 'Force Majeure Termination Compensation' equivalent to the amount of the Debt Due and the 110% (one hundred and ten per cent) of the Adjusted Equity, as defined in the PPA, and takeover the Project assets.

ii. the SPD shall be eligible for undisputed payments under outstanding Monthly Bill(s), before the occurrence of Force Majeure Event.

ARTICLE 12: CHANGE IN LAW

12.1 *Definitions*

In this Article 12, the following terms shall have the following meanings:

12.1.1 In this Article 12, the term Change in Law shall refer to the occurrence of any of the following events pertaining to this project only after **22.06.2020** including (i) the enactment of any new law; or (ii) an amendment, modification or repeal of an existing law; or (iii) the requirement to obtain a new consent, permit or license; or (iv) any modification to the prevailing conditions prescribed for obtaining an consent, permit or license, not owing to any default of the Solar Power Developer; or (v) any change in the rates of any Taxes including any duties and cess or introduction of any new tax made applicable for setting up the solar power project and supply of power from the Solar Power project by the SPD which have a direct effect on the Project.

However, Change in Law shall not include (i) any change in taxes on corporate income or (ii) any change in any withholding tax on income or dividends distributed to the shareholders of the SPD.

12.1.2 In the event of occurrence of any of events as provided under Article 12.1.1 which results in any increase/ decrease in the Project Cost (i.e. cost incurred by the SPD towards supply and services only for the Project concerned, upto Scheduled Commissioning Date or extended Scheduled Commissioning Date, as the case may be), the SPD/ SECI / Buying Utility(ies) shall be entitled for compensation by the other party, as the case may be, subject to the condition that the such 'Change in Law' is recognized by the Appropriate Commission. Compensation payment on account of such 'Change in Law' shall be determined and shall be effective from such date as may be decided by the Appropriate Commission.

12.1.3 However, in case of change in rates of safeguard duty, GST and basic customs duty after 22.06.2020 and resulting in change in Project Cost, then such change will be treated as 'Change in Law' and the quantum of compensation payment on account of change in rates of such duties and shall be provided to the affected party by the other party as per Article 12.2.3, subject to the provision that Appropriate Commission recognizes such provisions at the time of adoption of tariff by the

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Appropriate Commission and any decision in this regard shall be governing on SPD and Buying Entity

12.2 *Relief for Change in Law*

12.2.1 Save and except as provided under Article 12.1.3, the aggrieved Party shall be required to approach the Hon'ble CERC for seeking approval of Change in Law.

12.2.2 The decision of the Hon'ble CERC to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on SPD and Buying Entity.

12.2.3 In case of Change in Law as approved by the Appropriate Commission pursuant to Article 12.2.1 or as provided under Article 12.1.3, the SPD/ SECI/ Buying Entities (as the case may be) shall be entitled for relief as follows:

Every net increase/decrease of Rs.1 lakh per MW in the Project Cost (i.e cost incurred by the SPD for the supply and services in the Project concerned, upto Schedule Commissioning Date or extended Schedule Commissioning Date, for reasons other than those wherein such extension is on account of payment of liquidated damages, penalty or any other charges, as the case may be), shall be liable for corresponding increase/decrease of an amount equal to Rs 0.005 /kWh.

Any such change, shall be considered upto three digits after the decimal point, and remaining digits, if any, shall be ignored.

For e.g. in case the change in tariff payable is calculated as Rs. 0.14678/kWh, it shall be modified as Rs. 0.146/kWh.

12.2.4 In case Change in Law results in delay in commissioning or supply of power, where cause and effect between these two can be clearly established, the SECI under intimation to the Buying Entities may provide suitable time-extension in Scheduled Commissioning Date or Scheduled Date of Commencement of Supply of Power, as the case may be.

12.2.5 It the event of any decrease in the project cost by the SPD or any income to the SPD on account of any of the events as indicated above, SPD shall pass on the benefit of such reduction at a rate as provided in Article 12.2.3 to SECI which shall be further passed on to the Buying Entity. In the event of the SPD failing to comply with the above requirement, SECI shall make such deductions in the monthly tariff payments on immediate basis,. Further, at the time of raising of 1st Monthly Tariff Payment

Bill, SPD shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 12.

12.2.6 The following proposal of MNRE to impose Basic Custom Duty (BCD) on Solar cells and modules (without grandfathering of bid out projects) has been agreed to by the Ministry of Finance:

Items	CTH	Upto 31.03.2022	w.e.f. 01.04.2022
Solar Module	85414012	0%	40%
Solar Cell	85414011	0%	25%

As per commitment from SPD, the SPD will provide the waiver on claim of Basic Custom Duty mentioned above in this PPA. If there is any further revision/modification to the said BCD notification on any new notification on the BCD matter, resulting in any further increase of BCD, Developers shall remain entitled to exercise rights for any claim under Change in Law of the PPAs, viz. such revision/modification (any incremental impact over prescribed rates of BCD as above) or any new notification. Further, No Change in Law on account of BCD will be claimed by either party, as per the MNRE OM dated 09.03.2021.

12.3 Notification of Change in Law

12.3.1 If the SPD is affected by Change in Law in accordance with Article 12 and wishes to claim a Change in Law under this Article, it shall give notice to the SECI and Buying Utility (s) of such Change in Law as soon as reasonably practicable (but no later than 60 days from the date of occurrence of such Change in Law).

12.3.2 Any notice service pursuant to this Article 12.3.1 and 12.1.3, shall provide, amongst other things, precise details of the Change in Law and its effect on the Project Cost, supported by documentary evidences including Statutory Auditor Certificate to this effect so as to establish one to one correlation and its impact on the Project Cost.

ARTICLE 13: EVENTS OF DEFAULT AND TERMINATION

13.1 *SPD Event of Default*

13.1.1 The occurrence and/or continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by SECI or Buying Entity(ies) of its obligations under this Agreement, shall constitute an SPD Event of Default:

(i) the failure to commence supply of power to SECI up to the Contracted Capacity, by the end of the period specified in Article 4, or failure to continue supply of Contracted Capacity to SECI after Commercial Operation Date throughout the term of this Agreement, or

if

a) the SPD assigns, mortgages or charges or purports to assign, mortgage or charge any of its assets or rights related to the Power Project in contravention of the provisions of this Agreement; or

b) the SPD transfers or novates any of its rights and / or obligations under this agreement, in a manner contrary to the provisions of this Agreement; except where such transfer

- is in pursuance of a Law; and does not affect the ability of the transferee to perform, and such transferee has the financial capability to perform, its obligations under this Agreement or

- is to a transferee who assumes such obligations under this Agreement and the Agreement remains effective with respect to the transferee;

(ii) if (a) the SPD becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or (b) any winding up or bankruptcy or insolvency order is passed against the SPD, or (c) the SPD goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, provided that a dissolution or liquidation of the SPD will not be a SPD Event of Default if such dissolution or liquidation is for the purpose of a merger, consolidation or reorganization and where the resulting company retains creditworthiness similar to

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the SPD and expressly assumes all obligations of the SPD under this Agreement and is in a position to perform them; or

(iii) the SPD repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from SECI in this regard; or

(iv) except where due to any SECI's failure to comply with its material obligations, the SPD is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the SPD within thirty (30) days of receipt of first notice in this regard given by SECI.

(v) change in controlling shareholding before the specified time frame as mentioned in Article 4.1.1 of this Agreement; or

(vi) occurrence of any other event which is specified in this Agreement to be a material breach/ default of the SPD.

(vii) except where due to any SECI's failure to comply with its material obligations, the SPD is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the SPD within thirty (30) days of receipt of first notice in this regard given by SECI.

13.2 *SECI Event of Default*

13.2.1 The occurrence and the continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by the SPD of its obligations under this Agreement, shall constitute the Event of Default on the part of defaulting SECI:

(i) SECI fails to pay (with respect to a Monthly Bill or a Supplementary Bill), subject to Article 10.5, for a period of ninety (90) days after the Due Date and the SPD is unable to recover the amount outstanding to the SPD through the Letter of Credit,

(ii) SECI repudiates this Agreement and does not rectify such breach even within a period of sixty (60) days from a notice from the SPD in this regard; or

(iii) except where due to any SPD's failure to comply with its obligations, SECI is in material breach of any of its obligations pursuant to this Agreement, and such material breach is not rectified by SECI within sixty (60) days of receipt of notice in this regard from the SPD to SECI; or if

- SECI becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of sixty (60) days, or
- any winding up or bankruptcy or insolvency order is passed against SECI, or
- SECI goes into liquidation or dissolution or a receiver or any similar officer is appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, provided that it shall not constitute a SECI Event of Default, where such dissolution or liquidation of Buyer or SECI is for the purpose of a merger, consolidation or reorganization and where the resulting entity has the financial standing to perform its obligations under this Agreement and has creditworthiness similar to SECI and expressly assumes all obligations of SECI and is in a position to perform them; or;

(iv) If Buying Entities are subject to any of the above defaults and SECI does not designate another or other Buying Entities for purchase of power.

(v) Occurrence of any other event which is specified in this Agreement to be a material breach or default of SECI.

13.3 *Procedure for cases of SPD Event of Default*

13.3.1 Upon the occurrence and continuation of any SPD Event of Default under Article 13.1, SECI shall have the right to deliver to the SPD, with a copy to the representative of the lenders to the SPD with whom the SPD has executed the Financing Agreements, a notice stating its intention to terminate this Agreement (SECI Preliminary Default Notice), which shall specify in reasonable detail, the circumstances giving rise to the issue of such notice.

13.3.2 Following the issue of a SECI Preliminary Default Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.

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13.3.3 During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.

13.3.4 Within a period of seven (7) days following the expiry of the Consultation Period unless the Parties shall have otherwise agreed to the contrary or the SPD Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, SECI may terminate this Agreement by giving a written Termination Notice of sixty (60) days to the SPD.

13.3.5 Subject to the terms of this Agreement, upon occurrence of a SPD Event of Default under this Agreement, the SPD shall be liable to pay to SECI, liquidated damages, as provided in Article 4.6 of the PPA for failure to commission within stipulated time and Article 4.4.1 for failure to supply power in terms of the PPA. For other cases, the SPD shall be liable pay to SECI, damages, equivalent to 6 (six) months, or balance PPA period whichever is less, of charges for its contracted capacity. SECI shall have the right to recover the said damages by way of forfeiture of bank guarantee/ Payment on Order Instrument, if any, without prejudice to resorting to any other legal course or remedy. In addition to the levy of damages as aforesaid, the lenders in concurrence with the Buying Entity and SECI, may exercise their rights, if any, under Financing Agreements, to seek substitution of the SPD by a selectee for the residual period of the Agreement, for the purpose of securing the payments of the total debt amount from the SPD and performing the obligations of the SPD. However, in the event the lenders are unable to substitute the defaulting SPD within the stipulated period, SECI may terminate the PPA and the Buying Entity may acquire the Project assets for an amount equivalent to 90% of the Debt Due or less as mutually agreed, failing which, the lenders may exercise their mortgage rights and liquidate the Project assets. Provided that any substitution under this Agreement can only be made with the prior consent of SECI including the condition that the selectee meets the eligibility requirements of Request for Selection (RfS) issued by SECI and accepts the terms and conditions of this Agreement.

13.3.6 The lenders in concurrence with the Buying Utility and SECI, may seek to exercise right of substitution under Article 13.3.5 by an amendment or novation of the PPA

in favour of the selectee. The SPD shall cooperate with SECI to carry out such substitution and shall have the duty and obligation to continue to operate the Power Project in accordance with this PPA till such time as the substitution is finalized. In the event of Change in Shareholding/Substitution of Promoters triggered by the Financial Institutions leading to signing of fresh PPA with a new entity, an amount of Rs. 10 Lakh per Project+ 18% GST per transaction as facilitation fee (non-refundable) shall be deposited by the SPD to SECI.

13.3.7 In the event the lenders are unable to substitute the defaulting SPD within the stipulated period, SECI may terminate the PPA and the Buying Utility may acquire the Project assets for an amount equivalent to 90% of the debt due, failing which, the lenders may exercise their mortgage rights and liquidate the Project assets.

13.4 *Procedure for cases of SECI Event of Default*

13.4.1 Upon the occurrence and continuation of any SECI Event of Default specified in Article 13.2, the SPD shall have the right to deliver to SECI, a SPD Preliminary Default Notice, which notice shall specify in reasonable detail the circumstances giving rise to its issue.

13.4.2 Following the issue of a SPD Preliminary Default Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.

13.4.3 During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.

13.4.4 After a period of two hundred ten (210) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed to the contrary or SECI Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, SECI under intimation to the Buying Entity and the SPD shall, subject to the prior consent of the SPD, novate its part of the PPA to any third party, including its Affiliates within the stipulated period. In the event the aforesaid novation is not acceptable to the SPD, or if no offer of novation is made by SECI

within the stipulated period, then the SPD may terminate the PPA and at its discretion require Buying Entity to either (i) takeover the Project assets by making a payment of the termination compensation equivalent to the amount of the Debt Due and 110% (one hundred and ten per cent) of the Adjusted Equity less Insurance Cover, if any, or, (ii) pay to the SPD, damages, equivalent to 6 (six) months, or balance PPA period whichever is less, of charges for its contracted capacity, with the Project assets being retained by the SPD.

Provided further that at the end of three (3) months period from the period mentioned in this Article 13.4.4, this Agreement may be terminated by the SPD.

In the event of termination of PPA, any damages or charges payable to the STU/ CTU, for the connectivity of the plant, shall be borne by the Buying Entity.

13.5 Not Used.

ARTICLE 14: LIABILITY AND INDEMNIFICATION

14.1 *Indemnity*

14.1.1 The SPD shall indemnify, defend and hold SECI harmless against:

a) any and all third party claims against SECI for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the SPD of any of its obligations under this Agreement; and

b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by SECI from third party claims arising by reason of a breach by the SPD of any of its obligations under this Agreement, (provided that this Article 14 shall not apply to such breaches by the SPD, for which specific remedies have been provided for under this Agreement).

14.1.2 SECI shall cause the Buying Entity(ies) to indemnify, defend and hold the SPD harmless against:

a) any and all third party claims against the SPD, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by Buying Entity(ies) of any of their obligations under this Agreement; and

b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest ('Indemnifiable Losses') actually suffered or incurred by the SPD from third party claims arising by reason of a breach by Buying Entity(ies) of any of its obligations. SECI shall incorporate appropriate covenants in the PSA for the above obligations of Buying Entity(ies). In so far as indemnity to SPD is concerned. Buying Entity(ies) shall be the indemnifying party and not SECI.

14.2 Procedure for claiming Indemnity

14.2.1 ***Third party claims***

a. Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Article 14.1.1(a) or 14.1.2(a), the Indemnified Party shall promptly notify the Indemnifying Party of such claim referred to in Article 14.1.1(a) or 14.1.2(a) in respect of which it is entitled to be indemnified.

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Such notice shall be given as soon as reasonably practicable after the Indemnified Party becomes aware of such claim. The Indemnifying Party shall be liable to settle the indemnification claim within thirty (30) days of receipt of the above notice. Provided however that, if:

i) the Parties choose to refer the dispute in accordance with Article 16.3.2; and

ii) the claim amount is not required to be paid/ deposited to such third party pending the resolution of the Dispute,

the Indemnifying Party shall become liable to pay the claim amount to the Indemnified Party or to the third party, as the case may be, promptly following the resolution of the Dispute, if such Dispute is not settled in favour of the Indemnified Party.

b. The Indemnified Party may contest the claim by referring to the Appropriate Commission for which it is entitled to be Indemnified under Article 14.1.1(a) or 14.1.2(a) and the Indemnifying Party shall reimburse to the Indemnified Party all reasonable costs and expenses incurred by the Indemnified party. However, such Indemnified Party shall not settle or compromise such claim without first getting the consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

An Indemnifying Party may, at its own expense, assume control of the defence of any proceedings brought against the Indemnified Party if it acknowledges its obligation to indemnify such Indemnified Party, gives such Indemnified Party prompt notice of its intention to assume control of the defence, and employs an independent legal counsel at its own cost that is reasonably satisfactory to the Indemnified Party.

14.3 ***Indemnifiable Losses***

14.3.1 Where an Indemnified Party is entitled to Indemnifiable Losses from the Indemnifying Party pursuant to Article 14.1.1(b) or 14.1.2(b), the Indemnified Party shall promptly notify the Indemnifying Party of the Indemnifiable Losses actually incurred by the Indemnified Party. The Indemnifiable Losses shall be reimbursed by the Indemnifying Party within thirty (30) days of receipt of the notice seeking Indemnifiable Losses by the Indemnified Party. In case of nonpayment of such

losses after a valid notice under this Article 14.3, such event shall constitute a payment default under Article 13.

14.4 *Limitation on Liability*

14.4.1 Except as expressly provided in this Agreement, neither the SPD nor SECI nor Buying Entity(ies) nor its/ their respective officers, directors, agents, employees or affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its affiliates, officers, directors, agents, employees, successors or permitted assigns or their respective insurers for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of Buying Entity(ies) , the SPD or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.

14.4.2 SECI shall have no recourse against any officer, director or shareholder of the SPD or any Affiliate of the SPD or any of its officers, directors or shareholders for such claims excluded under this Article. The SPD shall have no recourse against any officer, director or shareholder of Buyer or Buying Entity(ies) , or any affiliate of Buyer or any of its officers, directors or shareholders for such claims excluded under this Article.

14.5 SECI's Liability

14.5.1 Notwithstanding anything to the contrary contained in this Agreement, the Parties acknowledge and accept that the SECI is an Intermediary Company to purchase and resell the electricity to the Buying Utility(ies) to enable them to fulfill the Renewable Purchase Obligations (RPO) and, therefore, the performance of the obligations of the SECI under this Agreement shall be subject to the ability of the SECI to enforce the corresponding obligations assumed by the Buying Utility(ies) on re-sale under the Power Sale Agreement to be entered into by the Buying Utility(ies) with SECI. It is however, specifically agreed that the payment of money becoming due from the SECI

to the SPD under this Agreement for supply of Solar Power to the extent of the Contracted Capacity shall not be on a back to back basis and will be as per:

(i) the recourse under the Payment Security Mechanism provided in the PPA and PSA, as follows:

a) Letter of Credit;

(b) State Government Guarantee/ Tri-Partite Agreement (TPA) signed between Reserve Bank of India, Central Government and State Government of the Buying Entity, covering security for payment of energy charges, as applicable

(c) Payment Security Fund provided by the Buying Entity, and

(ii) Payment security fund as referred in Article 10.1.1 of the PPA. SECI shall discharge the tariff payment obligation in terms of the provisions of this Agreement.

14.5.2 The parties agree that in respect of the obligations other than the tariff payment obligation specifically mentioned herein above, in the event the SPD has any claim against the SECI in regard to the performance of any obligation of the SECI under this Agreement or enforcement of any right of the SPD against the SECI under this Agreement, the same shall be subject to the ability of the SECI to enforce the corresponding obligations assumed by the Buying Utility(ies) under the Power Sale Agreement to be entered into between the SECI and the Buying Utility(ies) on resale on mutatis mutandis basis and not otherwise.

14.6 Duty to Mitigate

14.6.1 The Parties shall endevour to take all reasonable steps so as mitigate any loss or damage which has occurred under this Article 14.

ARTICLE 15: ASSIGNMENTS AND CHARGES

15.1 *Assignments*

This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any Party, except to the Project Lenders or Lender's Representative as security for their debt under the Financing Agreements, other than by mutual consent between the Parties to be evidenced in writing. Such assignment shall be agreed to by SECI subject to the compliance of provisions contained in this Agreement and more specifically to the provisions of Article 4.1.1 of this Agreement. In no case, such assignment shall be permissible prior to the declaration of COD.

Provided that, SECI shall permit assignment of any of SPD's rights and obligations under this Agreement in favour of the lenders to the SPD, if required under the Financing Agreements.

Provided that, such consent shall not be withheld if SECI seeks to transfer to any transferee all of its rights and obligations under this Agreement.

The enforcement of the rights and obligation between the SPD and the Buying Utility (ies) provided in this Agreement and in the PSA shall not be treated as an assignment but an enforcement of the terms agreed under this Agreement.

Provided further that any successor(s) or permitted assign(s) identified after mutual agreement between the Parties may be required to execute a new agreement on the same terms and conditions as are included in this Agreement. An amount of Rs. 5 Lakh per Transaction as Facilitation Fee (non-refundable) shall be deposited by the SPD to SECI. Provided further that, such consent shall not be withheld by the SPD if SECI seeks to transfer to any affiliate all of its rights and obligations under this Agreement.

In the event of Change in Shareholding/Substitution of Promoters triggered by the Financial Institutions leading to signing of fresh PPA with a New Entity, an amount of Rs. 10 Lakh per Transaction as Facilitation Fee (non-refundable) shall be deposited by the SPD to SECI.

15.2 *Permitted Charges*

15.2.1 SPD shall not create or permit to subsist any encumbrance over all or any of its rights and benefits under this Agreement, other than as set forth in Article 15.1 and the Guidelines.

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ARTICLE 16: GOVERNING LAW AND DISPUTE RESOLUTION

16.1 *Governing Law*

16.1.1 This Agreement shall be governed by and construed in accordance with the Laws of India. Any legal proceedings in respect of any matters, claims or disputes under this Agreement shall be under the jurisdiction of appropriate courts in Delhi.

16.2 *Amicable Settlement and Dispute Resolution*

16.2.1 *Amicable Settlement*

i. Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(a) a description of the Dispute;

(b) the grounds for such Dispute; and

(c) all written material in support of its claim.

ii. The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article 16.2.1(i), furnish:

(a) counter-claim and defences, if any, regarding the Dispute; and

(b) all written material in support of its defences and counter-claim.

iii. Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 16

(i) if the other Party does not furnish any counter claim or defence under Article 16

(ii) or thirty (30) days from the date of furnishing counter claims or defence by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article 16.2.1.

(iii) the Dispute shall be referred for dispute resolution in accordance with Article 16.3.

16.3 *Dispute Resolution*

16.3.1 **Dispute Resolution by the Appropriate Commission**

i) Where any Dispute or differences arises in relation to this agreement of any nature whatsoever including the construction, interpretation or implementation of the provisions of this agreement as well as claim made by any Party for any change in or determination of the Tariff or any matter related to Tariff or claims made by any Party which partly or wholly relate to any change in the Tariff or determination of any of such claims could result in change in the Tariff, and relates to any matter agreed to be referred to the Appropriate Commission, shall be submitted to adjudication by the Appropriate Commission. Appeal against the decisions of the Appropriate Commission shall be made only as per the provisions of the Electricity Act, 2003, as amended from time to time.

ii) SECI shall be entitled to co-opt the Buying Entity(ies) and/or the lenders (if any) as a supporting party in such proceedings before the Appropriate Commission.

16.3.2 **Not used.**

16.4 *Parties to Perform Obligations*

16.4.1 Notwithstanding the existence of any Dispute and difference referred to the Appropriate Commission and save as the Appropriate Commission may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations (which are not in dispute) under this Agreement.

ARTICLE 17: MISCELLANEOUS PROVISIONS

17.1 *Amendment*

17.1.1 This Agreement may only be amended or supplemented by a written agreement between the Parties.

17.2 *Third Party Beneficiaries*

17.2.1 Subject to provisions contained in this agreement relating to back-to-back implications of the PPA as well as PSA, this Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns and shall not be construed as creating any duty, standard of care or any liability to, any person not a party to this Agreement.

17.3 *Waiver*

17.3.1 No waiver by either Party of any default or breach by the other Party in the performance of any of the provisions of this Agreement shall be effective unless in writing duly executed by an authorised representative of such Party.

17.3.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement nor time or other indulgence granted by one Party to the other Parties shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other right under this Agreement, which shall remain in full force and effect.

17.4 *Confidentiality*

17.4.1 The Parties undertake to hold in confidence this Agreement and not to disclose the terms and conditions of the transaction contemplated hereby to third parties, except:

a) to their professional advisors;

b) to their officers, contractors, employees, agents or representatives, financiers, who need to have access to such information for the proper performance of their activities; or

c) disclosures required under Law, without the prior written consent of the other Party.

17.5 *Severability*

17.5.1 The invalidity or unenforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder of this Agreement, unless the part held invalid or unenforceable is fundamental to this Agreement.

17.6 *Notices*

17.6.1 All notices or other communications which are required to be given under this Agreement shall be in writing and in the English language.

17.6.2 If to the SPD, all notices or other communications which are required must be delivered personally or by registered post or facsimile or any other method duly acknowledged to the addresses below:

Address	:	80 Robinson Road, #02-00, Singapore 068898
Attention	:	Mr. Pushvinder Singh Kohli
Email	:	pushvinder.singh@ibvogt.com
Fax. No.	:	+6562364399, +911244188279
Telephone No.	:	+6562363333,1244188278, +919811519857

17.6.3 If to SECI, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the address(es) below:

Address	:	6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023
Attention	:	Sh. Manas Ranjan Mishra, Senior Manager (Solar)
Email	:	manas@seci.co.in
Telephone No.	:	011-24666229

17.6.4 All notices or communications given by facsimile shall be confirmed by sending a copy of the same via post office in an envelope properly addressed to the appropriate Party for delivery by registered mail. All notices shall be deemed validly delivered upon receipt evidenced by an acknowledgement of the recipient, unless the Party delivering the notice can prove in case of delivery through the registered post that

the recipient refused to acknowledge the receipt of the notice despite efforts of the postal authorities.

17.6.5 Any Party may by notice of at least fifteen (15) days to the other Party change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

17.7 *Language*

17.7.1 All agreements, correspondence and communications between the Parties relating to this Agreement and all other documentation to be prepared and supplied under the Agreement shall be written in English, and the Agreement shall be construed and interpreted in accordance with English language.

17.7.2 If any of the agreements, correspondence, communications or documents are prepared in any language other than English, the English translation of such agreements, correspondence, communications or documents shall prevail in matters of interpretation.

17.8 *Restriction of Shareholders / Owners' Liability*

17.8.1 Parties expressly agree and acknowledge that none of the shareholders of the Parties hereto shall be liable to the other Parties for any of the contractual obligations of the concerned Party under this Agreement. Further, the financial liabilities of the shareholder/s of each Party to this Agreement, shall be restricted to the extent provided in the Indian Companies Act, 2013.

17.9 *Taxes and Duties*

17.9.1 The SPD shall bear and promptly pay all statutory taxes, duties, levies and cess, assessed/ levied on the SPD, contractors or their employees that are required to be paid by the SPD as per the Law in relation to the execution of the Agreement and for supplying power as per the terms of this Agreement.

17.9.2 SECI shall be indemnified and held harmless by the SPD against any claims that may be made against SECI in relation to the matters set out in Article 17.9.1.

17.9.3 SECI shall not be liable for any payment of, taxes, duties, levies, cess whatsoever for discharging any obligation of the SPD by SECI on behalf of SPD.

17.10 *Independent Entity*

17.10.1 The SPD shall be an independent entity performing its obligations pursuant to the Agreement.

17.10.2 Subject to the provisions of the Agreement, the SPD shall be solely responsible for the manner in which its obligations under this Agreement are to be performed. All employees and representatives of the SPD or contractors engaged by the SPD in connection with the performance of the Agreement shall be under the complete control of the SPD and shall not be deemed to be employees, representatives, contractors of SECI and nothing contained in the Agreement or in any agreement or contract awarded by the SPD shall be construed to create any contractual relationship between any such employees, representatives or contractors and SECI.

17.11 *Compliance with Law*

Despite anything contained in this Agreement but without prejudice to this Article, if any provision of this Agreement shall be in deviation or inconsistent with or repugnant to the provisions contained in the Electricity Act, 2003, or any rules and regulations made there under, such provision of this Agreement shall be deemed to be amended to the extent required to bring it into compliance with the aforesaid relevant provisions as amended from time to time.

17.12. The duly executed Power Sale Agreement between SECI and Buying entity(s) as attached to this Agreement shall be read along with this Agreement as a composite back to back agreement for Generation and supply of electricity to the Buying entity(s), particularly, to fulfill the Renewable Purchase Obligations under the provisions of the Electricity Act, 2003 and the Regulations notified thereunder.

17.13 Breach *of Obligations*

The Parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The Parties further acknowledge that the amount of the liquidated damages or the method of calculating the liquidated damages specified

in this Agreement is a genuine and reasonable pre-estimate of the damages that may be suffered by the non-defaulting party in each case specified under this Agreement.

17.14 *Order of priority in application*

In case of inconsistencies between the agreement(s) executed between the Parties, applicable Law including rules and regulations framed thereunder, the order of priority as between them shall be the order in which they are placed below:

i. applicable Law, rules and regulations framed thereunder;

ii. the Grid Code; and

iii. the terms and conditions of this Agreement;

IN WITNESS WHEREOF the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of
[SECI]
Name, Designation and Address

मानस रंजन मिश्रा / MANAS RANJAN MISHRA
वरिष्ठ प्रबंधक (सोलर) / Senior Manager (Solar)
सोलर एनर्जी कॉर्पोरेशन ऑफ इंडिया लि. / Solar Energy Corporation of India Ltd.
(भारत सरकार का उद्यम) / (A Govt. of India Enterprise)
6वीं मंजिल, प्लॉट-बी, एनबीसीसी कार्यालय ब्लॉक टावर-2, ईस्ट किदवई नगर, नई दिल्ली-23
6th Floor, Plot-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-23

Signature with seal

Witness:
1.

2.

For and on behalf of
[JB Vogt Solar Seven Private Limited]
Name, Designation and Address

PARISH GUPTA
[Authorised Signatory]
Flat No. 303, Tower 11, The Close North
Sec-50, Gurgaon, Haryana
9871711443.

Signature with seal

Witness:
1. (PUSHVINDER SINGH)

2. (RIMMI BHASIN)

SCHEDULE 1: FORMAT OF THE PERFORMANCE BANK GUARANTEE

(to be submitted separately for each Project)

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution.)

In consideration of the ----- [Insert name of the Bidder] (hereinafter referred to as selected Solar Power Developer') submitting the response to RfS inter alia for selection of the Project of the capacity of ..... MW, at .....[Insert name of the place] under .....[Insert name of the RfS], for supply of power there from on long term basis, in response to the RfS dated..... issued by Solar Energy Corporation of India Ltd (hereinafter referred to as SECI) and SECI considering such response to the RfS of .....[insert the name of the selected Solar Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the Solar Power Project of the Solar Power Developer and issuing Letter of Award No ------- to (Insert Name of selected Solar Power Developer) as per terms of RfS and the same having been accepted by the selected SPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase of Power [from selected Solar Power Developer or a Project Company, M/s ---------- {a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable]. As per the terms of the RfS, the _____ [insert name & address of bank] hereby agrees unequivocally, irrevocably and unconditionally to pay to SECI at [Insert Name of the Place from the address of the SECI] without demur forthwith on demand in writing from SECI or any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees------ [Total Value] only, on behalf of M/s _____ [Insert name of the selected Solar Power Developer / Project Company]

This guarantee shall be valid and binding on this Bank up to and including..... and shall not be terminable by notice or any change in the constitution of the Bank or the term of contract or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Guarantee is restricted to Rs. _____ only.
Our Guarantee shall remain in force until..... SECI shall be entitled to invoke this Guarantee till .....

The Guarantor Bank hereby agrees and acknowledges that SECI shall have a right to invoke this BANK GUARANTEE in part or in full, as it may deem fit.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by SECI, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to SECI.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by ----------[Insert name of the selected Solar Power Developer / Project Company as applicable] and/or any other person. The Guarantor Bank shall not require SECI to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against SECI in respect of any payment made hereunder.

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Delhi shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly SECI shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the selected Solar Power Developer / Project Company , to make any claim against or any demand on the selected Solar Power Developer / Project Company or to give any notice to the selected Solar Power Developer / Project Company or to enforce any security held by SECI or to exercise, levy or enforce any distress, diligence or other process against the selected Solar Power Developer / Project Company .

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to SECI and may be assigned, in whole or in part, (whether absolutely or by way of security) by SECI to any entity to whom SECI is entitled to assign its rights and obligations under the PPA.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. _____ (Rs. _____ only) and it shall remain in force until ..... (Provide for two additional months after the period of guarantee for invoking the process of encashment) We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if SECI serves upon us a written claim or demand.

Signature _____

Name_____

Power of Attorney No._____

For

_____[Insert Name of the Bank]__

E-mail ID of the bank:

Banker's Stamp and Full Address.

Dated this ____ day of ____, 20__

Witness:

1. .....
Signature

Name and Address

2. .....
Signature

Name and Address

Notes:

1. The Stamp Paper should be in the name of the Executing Bank and of appropriate value.
2. The Performance Bank Guarantee shall be executed by any of the Bank from the List of Banks enclosed.

SCHEDULE 2: FORMAT OF PAYMENT ON ORDER INSTRUMENT TO BE ISSUED BY IREDA/REC/PFC

(to be submitted separately for each Project)

No. Date

SECI, *Registered*

_____,

_____

_____

Reg: M/s _____(insert name of the PPA signing entity) (Project No. _____(insert project ID issued by SECI) -- Issuance of Payment on Order Instrument for an amount of Rs._____

Dear Sir,

1. The Ministry of New and Renewable Energy, Government of India vide its letter dated 12th March 2020 has decided that to facilitate the promotion of solar and wind power development and implementation of the project by the Solar and Wind Power Developers who have entered into financing and funding agreements with IREDA/REC/PFC, the security by way of PBG in the form of Performance Bank Guarantee given by the Developers be allowed to be substituted by Letter of Undertaking/ Payment on Order Instrument issued by Non-Banking Finance Companies under the control of the Ministry of New and Renewable Energy and Ministry of Power. SECI and other nodal agencies appointed by the Government of India with whom the power developers have entered into Power Purchase Agreement may accept the same in place of PBG. The Ministry of New and Renewable Energy vide letter dated 12.03.2020 has, inter-alia, decided as under:

6. *After carefully examining the matter, the Ministry have decided as follows:*

b) *(i) SECI or NTPC or any other implementing agency on behalf of MNRE (henceforth called implementing agencies) may release the Performance Bank Guarantee (PBG) of any project if RE developers are able to replace the same with Letter(s) of Undertaking to pay in case situation of default of RE developer in terms of Power Purchase Agreement (PPA) arises, from Indian Renewable Energy Development Agency Limited (IREDA) or Power Finance Corporation Limited (PFC) or REC Limited (REC), the three non-banking financial institutions under Ministry of New & Renewable Energy (MNRE)/ Ministry of Power (MoP). These three financial institutions - IREDA or PFC or REC may issue such Letter(s) of Undertaking to pay only after securing their financial interests taking into account the security(ies) available with them as per their policy and after due diligence. These non-banking financial institutions would ensure that the security(ies) available with them are enough to*

cover full risk/ or exposure, which may arise on account of issue of such Letter(s) of Undertaking. Such Letter(s) may be termed as "Payment on Order instrument" and will have same effect as that of a Bank Guarantee issued by any public sector bank. This "Payment on Order instrument" would have terms and conditions similar to that of any Bank Guarantee given by any public sector bank and would promise to pay the implementing agencies on demand within stipulated time.

(ii) RE developers can seek such Letters(s) by offering due security to the above mentioned three non-banking financial institutions mentioned above (IREDA, PFC & REC) for seeking replacement of their Bank Guarantees already pledged with the implementing agencies.

(iii) For future projects, RE developers would be at liberty to either pledge Bank Guarantee(s) or Letter(s) of Undertaking as stated above towards Performance Bank Guarantee.

(iv) The above decisions may be treated as amendments to the respective Standard Bidding Guidelines (SBG) (solar/wind) and notified accordingly.

(v) Implementing agencies shall not accept the instrument of 'Letter ofUndertaking' as described above or in any other form, from any other non banking financial institutions or bank, except IREDA, PFC & REC.

2. It is to be noted that M/s. _____(insert name of the POI issuing Agency)('IREDA/REC/PFC') has sanctioned a non-fund based limit loan of Rs. _____ (Rupees_____only) to M/s _____ under the Loan Agreement executed on _____ to execute Renewable Energy Projects.

3. At the request of M/s _____, on behalf of _____ (insert name of the SPV), it is now intended and proposed to issue this Payment on Order Instrument (POI) for an amount of Rs. _____ (Rupees_____(in words)).

4. In consideration of the ----- [Insert name of the Bidder] (hereinafter referred to as selected Solar Power Developer') submitting the response to RfS inter alia for selection of the Project of the capacity of ..... MW, at .....[Insert name of the place] under RfS for ....., for supply of power there from on long term basis, in response to the RfS dated..... issued by Solar Energy Corporation of India Ltd (hereinafter referred to as SECI) and SECI considering such response to the RfS of .....[insert the name of the selected Solar Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the Solar Power Project of the Solar Power Developer and issuing Letter of Award No ------- to (Insert Name of selected Solar Power Developer) as per terms of RfS and the same having been accepted by the selected SPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase

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of Power [from selected Solar Power Developer or a Project Company, M/s ---------- {a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable]. As per the terms of the RfS, the _____ [insert name & address of IREDA/PFC/REC] hereby agrees unequivocally, irrevocably and unconditionally to pay to SECI at [Insert Name of the Place from the address of the SECI] forthwith on demand in writing from SECI or any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees------ [Total Value] only, on behalf of M/s _____ [Insert name of the selected Solar Power Developer / Project Company]

5. In consideration of the above facts, IREDA/REC/PFC, having its registered office at _____, agrees to make payment for the sum of Rs. _____ lakhs (in words.....) to SECI on the following conditions:-

(a) IREDA/REC/PFC agrees to make payment of the above said amount unconditionally, without demur and without protest within a period of _____ days of receipt of request from SECI within the validity period of this letter as specified herein;

(b) The commitment of IREDA/REC/PFC, under this Payment on Order Instrument will have the same effect as that of the commitment under the Bank Guarantee issued by any Public Sector Bank and shall be enforceable in the same manner as in the case of a Bank Guarantee issued by a Bank and the same shall be irrevocable and shall be honored irrespective of any agreement or its breach between IREDA/REC/PFC or its constituents notwithstanding any dispute that may be raised by them against SECI;

(c) The liability of IREDA/REC/PFC continues to be valid and binding on IREDA/REC/PFC and shall not be terminated, impaired and discharged, by virtue of change in its constitution and specific liability under letter of undertaking shall be binding on its successors or assignors;

(d) The liability of IREDA/REC/PFC shall continue to be valid and binding on IREDA/REC/PFC and shall not be terminated/ impaired/ discharged by any extension of time or variation and alternation made given or agreed with or without knowledge or consent of the parties (SECI and Bidding Party), subject to the however to the maximum extent of amount stated herein and IREDA/REC/PFC is not liable to any interest or costs etc;

(e) This Payment of Order Instrument can be invoked either partially or fully, till the date of validity;

(f) IREDA/REC/PFC agrees that it shall not require any proof in addition to the written demand by SECI made in any format within the validity period. IREDA/REC/PFC shall not require SECI to justify the invocation of the POI against the SPV/SPD, to make any claim against or any demand against the SPV/SPD or to give any notice to the SPV/SPD;

(g) The POI shall be the primary obligation of IREDA/REC/PFC and SECI shall not be obliged before enforcing the POI to take any action in any court or arbitral proceedings against the SPV/SPD;

(h) Neither SECI is required to justify the invocation of this POI nor shall IREDA/REC/PFC have any recourse against SECI in respect of the payment made under letter of undertaking;

6. Notwithstanding anything contrary contained anywhere in this POI or in any other documents, this POI is and shall remain valid upto_____ and IREDA/REC/PFC shall make payment thereunder only if a written demand or request is raised within the said date and to the maximum extent of Rs.....and IREDA/REC/PFC shall in no case, be liable for any interest, costs, charges and expenses and IREDA's/REC's/PFC's liability in no case will exceed more than the above amount stipulated.

7. In pursuance of the above, IREDA/REC/PFC and SECI have signed an Umbrella Agreement dated ____ setting out the terms and conditions for issue of letter of undertaking by IREDA/REC/PFC to SECI and the said terms and conditions shall be read as a part of this letter of undertaking issued for the project of the project of PP mentioned above.

Thanking you,

Yours faithfully
For and on behalf of
M/s. _____
(name of the POI issuing agency).

( )
General Manager (TS)

Copy to:-

M/s. __PP_____

_____

_____ As per their request

( )
General Manager (TS)

SCHEDULE 3: COMMISSIONING PROCEDURE

❖ **Capacity of Solar PV Projects:**

i) The Project configuration shall be allowed as per the following matrix:

Sr. No.	Solar PV Project Capacity Bid	Minimum DC Arrays Capacity to be installed	Minimum Rated Inverter Capacity*	Maximum AC Capacity Limit at Delivery point
1	50 MW	50 MW	50 MW	50 MW
2	100 MW	100 MW	100 MW	100 MW
3	150 MW	150 MW	150 MW	150 MW
4	200 MW	200 MW	200 MW	200 MW
5	250 MW	250 MW	250 MW	250 MW

*In case the rated inverter capacity is mentioned in kVA, the IEC test certificate declaring the power factor of the Inverter/PCU at rated power has to be submitted and the power factor shall be multiplied by the kVA rating to calculate the rated capacity of the inverter in kW.

ii) The SPD shall be required to demonstrate compliances with the "*Technical Requirements for Grid Connected Solar PV Power Plants*" as mentioned in the RfS and Guidelines. iii) Higher DC capacity arrays can also be allowed, subject to the condition that the AC capacity limit as mentioned in (i) above for scheduling at the Delivery Point as per

Article 4.4 "Right to Contracted Capacity & Energy" of the PPA is complied with

iv) For commissioning of the Project, cumulative capacity of DC arrays and cumulative capacity of the inverters installed shall be considered. In case of part commissioning of the Project, it shall be required to have the DC Arrays Capacity and inverters capacity be installed not less than the proposed part commissioning capacity.

v) If generation at any time exceeds the maximum permissible AC capacity at delivery point, the excess generation during that period may not be considered under PPA.

Commissioning Procedure

The Solar PV Project will be declared as commissioned when all equipment as per rated project capacity has been installed and energy from the Project has flown into the grid, which will be verified by a committee/agency identified by SECI/MNRE to witness the Commissioning of the Project.

Following is the chronology of the procedure to be followed for commissioning of the Project.

i) SPDs shall give to the concerned RLDC/SLDC, State Nodal Agency (SNA) and SECI at least thirty (30) days advance written notice, of the date on which it intends to synchronize the Power Project to the Grid System. The SPD shall be solely responsible for any delay or non-receipt of the notice by the concerned agencies, which may in turn affect the Commissioning Schedule of the Project. Early Commissioning of a Solar Project prior to the SCD is permitted on acceptance of power by SECI. In order to facilitate this, SPDs shall inform the concerned RLDC/SLDC and SECI well in advance, which is not less than 90 days prior to the date on which it intends to synchronize the Power Project to the Grid System.

ii) Not more than 7 days prior to the proposed commissioning date, the SPD shall give the final written notice to SECI, SNA and CTU requiting the commissioning committee/agency to visit the site to witness commissioning of the project. Following documents are required to be submitted by the SPD, physically in the office of SECI along with the above notice, duly stamped and signed by the Authorized Signatory (scanned copies may also be allowed):

1. Covering Letter
2. Board resolution for authorized signatory for signing the documents related to commissioning of the Project and witnessing the commissioning.
3. Achievement of Land Arrangements requirement as per Article 4.1.1.a.
4. Installation report duly signed by the authorized signatory as per Appendix-2. The SPD is advised to take due care in furnishing such Installation Report. Discrepancy (if any) and observed by SECI, may be construed as misrepresentation of information by the SPD and SECI may take appropriate action as per this Agreement.
5. Plant Layout, Plant (AC & DC) SLD, along with Inverter-wise module details.

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6. CEI/CEIG (as applicable) report containing approval for all the components, including modules, inverters, transformers and protection system, along with all annexures/anachments. It would be the responsibility of the SPD to obtain the certificate.
7. Connectivity and Long Term Access, along with Transmission Agreement.
8. Metering Scheme Approval provided by CTU/POSOCO
9. Relevant documents from SLDC/RLDC/SPIA/SPD acknowledging successful data communication between plant end and SLDC/RLDC.
10. RLDC Registeration certificate and Charging code/Permission for charging the generating station issued by respective RLDC/SLDC etc.
11. Joint Meter Reading (JMR) shall be taken at Delivery Point and Pooling Substation (if applicable)/plant premise at the time of connectivity of the Project with Grid. This shall include information of respective meters installed at delivery/ interconnection point and pooling substation/plant premises.
12. Synchronization Certificate issued by RLDC/CTU/SPIA/SPD for ascertaining injection of power into grid. Self-declaration of synchronization is required along with copy of communication received from CTU/RLDC/SPIA for charging of each element i.e. 220 kV and above Bay at CTU, EHV Line, PSS and 33kV Bay and Inverters.
13. In line with CERC Order No. 1/14/2015-Reg.Aff.(FSDS-Proced.)/CERC Dated 03.03.2017, SPD shall ensure data telemetry at the inverter level to the concerned RLDC and shall ensure the correctness of the real-time data and undertake the corrective actions, if required.

    Line of confirmation received from RLDC/CTU/SPIA with regards to above is required Prior to visit for witnessing the commissioning activities.
14. Reading of all the inverters (instantaneous and total generation) along with its serial number of a particular date.

iii) After the submission/ upload of the documents by SPD, SECI shall verify the documents and intimate/reply with remarks. In case any additional supporting/revised documents are asked by SECI, the same have to be submitted by the SPD.

iv) Based on the submission of the above documents by the SPD, SECI shall intimate to the SPD about its readiness to visit the project site to witness the commissioning and shall notify the Commissioning Committee/Agency which shall visit the Project site to witness the commissioning of the Project. In case of a multi-agency Committee, the SPD shall

ensure the presence of all the members of the Committee constituted to witness the commissioning, on the said date.

v) The Commissioning Committee/Agency shall visit the Project site to verify the technical compliance on site as per the information submitted by the SPD and to witness the commissioning. In case the committee finds discrepancy/deviation from the information submitted by the SPD during on site verification, the same shall be recorded in the minutes of meeting of the Committee/Agency. SECI shall decide the next date of visit of the Committee/Agency upon rectification of the discrepancies by the SPD.

vi) On the date of site-visit, the SPD shall be required to demonstrate that equipment of rated capacity as per table given at S.No. (i) has been installed, all the inverters of rated capacity are operating and energy from the project has flown into the grid.

vii) Joint Meter Reading (JMR) shall be taken at Delivery Point and Pooling Substation (if applicable)/plant premise on the date of site visit by the commissioning committee. This shall include information of respective meters installed at delivery/ interconnection point and pooling substation/plant premises.

viii) In case the Project meets the requirements as per the provisions of the RfS as verified by the Commissioning Committee/Agency witnessing the commissioning, the Project shall be declared as having been commissioned as on the date of synchronization with the grid, as indicated in the Synchronization Certificate. The date of Commissioning of the Project may be indicated in the Minutes of Meeting of the Committee/ recommendation of the Agency visiting the Project. Any other observation contrary to the above, shall be clearly indicated in the Minutes/recommendations and further decision on commissioning of the Project shall be taken by SECI in this regard.

ix) Subsequent to the visit of the Commissioning Committee/Agency to the Project site, the SPD shall submit the following documents in hard copy/scanned form, in order to fulfil the requirements for issuance of Commissioning Certificate:

1. Minutes of Meeting of the Commissioning Committee/recommendations of the Agency which has witnessed the commissioning of the Project.
2. Invoices against purchase of the solar modules, Inverters/PCUs and DC cables along with the summary sheet containing the list of all the invoices, inverters including details and number of items.

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3. All supporting documents towards meeting the technical compliance along with datasheet/ warranty certificates/ contract agreement etc. as mentioned in Annexure-A of the RfS).
4. Snap shots of the plant, including but not limited to, solar PV modules, all central inverters (showing instantaneous and total generation of a particular date), switchyards\switchgears, Power Transformers, metering (as per applicable regulations) at delivery point etc. along with the Installation Report.
5. SPD shall have to submit/upload the as-built drawing after the commissioning.

x) In case of any deviations recorded by the Commissioning Committee/Agency which had prevented the declaration of commissioning of the Project as on the date of synchronization of the Project, the SPD shall be required to submit to SECI, the necessary documents towards rectification of the deviations observed. Upon successful verification of the required documents, the fresh date of visit of the Commissioning Committee/Agency to the Project, shall be notified by SECI. If the Commissioning Committee/Agency visiting the Project finds the deviations earlier noted having been suitably rectified by the SPD, the date of Commissioning of the Project in this case, shall be the actual date of visit of the Commissioning Committee/Agency, else, the entire process shall be repeated until the observed deviations are rectified by the SPD to the satisfaction of the Commissioning Committee/Agency visiting the Project.

xi) Subsequent to commissioning, the SPD shall provide the SCADA login details to SECI for online real time data monitoring of the Project. The SPD may be required to push the required plant related data to SECI designated server in xml/json formats.

Installation Report

(To be provided by SPD and to be submitted at most 7 days prior to proposed commissioning date, which shall be verified by Commissioning Committee)

Sr. No.		
	Capacity of the Project (MW)	
	Capacity already commissioned (MW)	
	Capacity proposed to be commissioned (MW)	
I.	Technology used (Mono/Multi Crystalline / thin film / Others; please specify along with capacity of each type)	
II.	Type of Tilt (Fixed Tilt/Seasonal Tilt/Tracking)	
III.	Rating of the each module (Wp)	
IV.	Number of modules installed of each type (along with Serial Nos. of all the modules installed)	
V.	Make of Module(s) installed of each type (including name of the Supplier and country of origin)	
VI.	Number of PCUs / Inverters installed (along with Serial Nos. of all the PCUs/Inverters installed)	
VII.	Make of the PCUs / Inverters (including name of supplier and country of origin)	
IX.	Rating of PCUs / Inverters	
X.	Date of installation of full capacity (as per capacity proposed to be commissioned)	
	PV arrays	
	PCUs / Inverters	
	Transformers	

Sample Part Commissioning / Full Commissioning Certificate

of Solar PV Power Project

(To be issued by the State Nodal Agency on its letterhead)

Ref: Dated:

This is to certify that <M/s> having its registered office at --------- has successfully commissioned Capacity < MW > out of total <MW> installed Capacity on (Date) of their Solar PV Power Generation Project at Village ------, Tehsil/Taluka ------- & Dist. -------

The Commissioning Certificate has been issued on the basis of the following documents enclosed:

(i) Installation Report including Snap shots of the Project from various angles
(ii) Electrical Inspector Report
(iii) Synchronization Certificate
(iv) Minutes of Meeting of the Commissioning Committee / recommendation of the Agency visiting the Project

SCHEDULE-4: POWER SALE AGREEMENT(S) WITH CORRESPONDING BUYING ENTITIY(IES)

INDIA NON JUDICIAL

सत्यमेव जयते

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	IN-DL17810059670824U
Certificate Issued Date	:	12-Apr-2022 11:10 AM
Account Reference	:	IMPACC (IV)/ dl720603/ DELHI/ DL-DLH
Unique Doc. Reference	:	SUBIN-DLDL72060323025095498805U
Purchased by	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	Not Applicable
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Second Party	:	Not Applicable
Stamp Duty Paid By	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Stamp Duty Amount(Rs.)	:	100 (One Hundred only)

Please write or type below this line

This Power Purchase Agreement is made on the 28th day of April of 2022 at New Delhi.

Between

Eden Renewable Berey Private Limited (CIN: U40300DL2020PTC362393), a Company incorporated under the Companies Act 1956 or Companies Act 2013, having its registered office at Unit No. 236B & 236C, 1st Floor, DLF South Court, Saket, New Delhi, India-110017 (hereinafter referred to as "**Solar Power Developer or SPD**", which

Statutory Alert:
1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.

expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) as a Party of the **First Part**;

And

Solar Energy Corporation of India Limited (CIN: U40106DL2011GOI225263), a company incorporated under the Companies Act 1956, having its registered office at 6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023 (hereinafter referred to as "SECI", or "Procurer" or "Buyer" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assignees) as a Party of the **Second Part**;

The SPD and SECI are individually referred to as 'Party' and collectively referred to as 'Parties'.

WHEREAS:

A. The Government of India has announced the Policy for promotion of the Solar Power in the country and has provided a target to achieve an aggregate installed capacity of 100 GW by the year 2022.

B. The Ministry of Power, Government of India has issued the Guidelines for the Tariff-based Competitive Bidding Process for procurement of power generated from the Grid connected Solar Power Project vide Resolution dated 3rd August 2017, including subsequent amendments and clarifications.

C. SECI has been designated as a Nodal Agency for developing and facilitating the establishment of the Grid connected Solar Power capacity in India in terms of the above Policy of the Government of India;

D. SECI had initiated a Tariff Based Competitive Bid Process for procurement of 2000 MW of the power generated from the ISTS connected Solar Power Project on the terms and conditions contained in the Request for Selection (herein after referred to as '**RFS**') issued by SECI vide RFS No. SECI/C&P/SPD/ISTS-IX/RfS/2000MW/032020 dated 20.03.2020.

E. Eden Renewable Bercy Private Limited (hereinafter referred to as '**SPD**') has been selected in the Competitive Bidding Process for development, generation and supply of electricity from the 300 MW Solar Power Project to be established by SPD anywhere in India and for supply of such electricity by SECI as an Intermediary Agency to the Buying Utility(ies) [as defined] under a Power Sale Agreement to be entered into between SECI and such Buying Utility (ies);

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F. SECI has issued the Letter of Award No SECI/C&P/SPD/ISTS IX/LOA/ERBPL/P1/37946 dated 15.07.2020 in favour of the SPD for development and establishment of the 300 MW Solar Power Project in the State of Rajasthan as per the terms and conditions contained in the RfS, draft of this Power Purchase Agreement circulated at the time of the bidding and other bidding documents as well as the conditions contained in the Letter of Award;

G. SECI has agreed to purchase such Solar Power from the SPD as an Intermediary Procurer and sell it to Buying Utility on back-to-back basis as per the provisions of the RfS Accordingly, SECI has agreed to sign/has signed a Power Sale Agreement with the Buying Utility to sell such power as per the provisions of the above said scheme;

H. In terms of the RfS and the Bidding Documents, the SPD has furnished the Performance Bank Guarantee/ Payment on Order Instrument in the sum of Rs. 240,000,000 (Twenty Four Crore Only) in favour of SECI as per the format provided as a part of the Bidding Documents and a copy of the Bank Guarantee/ Payment on Order Instrument provided is in Schedule – 1/ 2 to this agreement;

I. The SPD has fulfilled the terms of the bidding and the terms of the Letter of Award for signing this Power Purchase Agreement as a definitive agreement for establishing the Solar Power Project of 300 MW at Village: Pusar/Pushad, Tehsil: Sheo, District: Barmer, State: Rajasthan for generation and sale of electricity by the SPD to SECI to enable SECI to make available such solar power to the Buying Utility(ies) , as SECI may consider appropriate, under a Power Sale Agreement and on a back-to-back basis to the Power Purchase Agreement to be entered into with the SPD;

J. SECI has signed the Power Sale Agreement with the Buying Utility(ies) of States in India.

K. The parties have agreed to execute this Power Purchase Agreement in terms of the provisions of the RfS, the bidding documents and the Letter of Award in regard to the terms and conditions for establishment of the Solar Power Project at Rajasthan and for generation and supply of electricity by the SPD to SECI.

Now therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties as follows:

ARTICLE 1: DEFINITIONS AND INTERPRETATION

1.1 *Definitions*

The terms used in this Agreement, unless as defined below or repugnant to the context, shall have the same meaning as assigned to them by the Electricity Act, 2003 and the rules or regulations framed there under, including those issued / framed by the Appropriate Commission (as defined hereunder), as amended or re-enacted from time to time.

"Act" or "Electricity Act, 2003"	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitution from time to time;
"Adjusted Equity"	shall mean the Equity funded in Indian Rupees and adjusted on the first day of the current month (the "Reference Date"), in the manner set forth below, to reflect the change in its value on account of depreciation and variations in Wholesale Price Index (WPI), and for any Reference Date occurring between the first day of the month of Appointed Date (the date of achievement of Financial Closure) and the Reference Date; i. On or before Commercial Operation Date (COD), the Adjusted Equity shall be a sum equal to the Equity funded in Indian Rupees and expended on the Project, revised to the extent of one half of the variation in WPI occurring between the first day of the month of Appointed Date and Reference Date; ii. An amount equal to the Adjusted Equity as on COD shall be deemed to be the base (the "Base Adjusted Equity"); iii. After COD, the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, reduced by 0.333% (zero point three three three percent) thereof at the commencement of each month following the COD [reduction of 1% (one percent) per quarter of an year] and the amount so arrived at shall be revised to the extent of variation in WPI occurring between the COD and the Reference Date; For the avoidance of doubt, the Adjusted Equity shall, in the event of termination, be computed as on the Reference Date immediately preceding the Transfer Date; provided that no reduction in the Adjusted Equity shall be made for a period equal to the duration, if any, for which the PPA period is extended, but the revision on account of WPI shall continue to be made.
"Agreement" or "Power Purchase Agreement" or "PPA"	shall mean this Power Purchase Agreement including its recitals and Schedules, amended or modified from time to time in accordance with the terms hereof;
"Appropriate Commission"	Unless otherwise stated, Appropriate Commission shall mean Central Electricity Regulatory Commission;

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"Bill Dispute Notice"	shall mean the notice issued by a Party raising a Dispute regarding a Monthly Bill or a Supplementary Bill issued by the other Party;
"Business Day"	shall mean with respect to SPD and SECI, a day other than Sunday or a statutory holiday, on which the banks remain open for business in Delhi;
"Buying Entity"	Shall mean Distribution companies and shall include wherever admissible the Distribution licensees or buying entity in any State or any bulk consumer who agreed to purchase the solar power from SECI and execute the Power Sale Agreement from time to time with SECI, and requires Solar power to fulfil its solar RPO under respective RPO regulations;
"Capacity Utilization Factor" or "CUF"	shall have the same meaning as provided in CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time; However, for avoidance of any doubt, it is clarified that the CUF shall be calculated on the Contracted Capacity; In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, CUF= (X MWh/(Y MW*8766)) X100%;
"CERC"	shall mean the Central Electricity Regulatory Commission of India, constituted under sub – section (1) of Section 76 of the Electricity Act, 2003, or its successors;
"CTU" or "Central Transmission Utility"	shall mean the Government Company notified by the Central Government under Sub-Section (1) of Section 38 of the Electricity Act, 2003.
"Change in Law"	shall have the meaning ascribed thereto in Article 12 of this Agreement;
"Commissioning"	The Project will be considered as commissioned if all equipment as per rated Project Capacity has been installed and energy has flown into grid, in line with the Commissioning procedures defined in the PPA.
"Commercial Operation Date (COD)"	shall mean the date on which the commissioning certificate is issued upon successful commissioning (as per provisions of this Agreement) of the project or the last part capacity; of the Project as the case may be;
"Competent Court of Law"	shall mean any court or tribunal or any similar judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
"Consents, Clearances and Permits"	shall mean all authorizations, licenses, approvals, registrations, permits, waivers, privileges, acknowledgements, agreements, or concessions required to be obtained from or provided by any concerned authority for the purpose of setting up of the generation facilities and/ or supply of power;

"Consultation Period"	shall mean the period of ninety (90) days or such other longer period as the Parties may agree, commencing from the date of issuance of a SPD Preliminary Default Notice or SECI Preliminary Default Notice as provided in Article 13 of this Agreement, for consultation between the Parties to mitigate the consequence of the relevant event having regard to all the circumstances;
"Contract Year"	shall mean the period beginning from the Effective Date and ending on the immediately succeeding March 31 and thereafter each period of 12 months beginning on April 1 and ending on March 31 provided that: (i) in the financial year in which the Scheduled Commissioning Date would occur, the Contract Year shall end on the date immediately before the Scheduled Commissioning Date and a new Contract Year shall commence once again from the Scheduled Commissioning Date and end on the immediately succeeding March 31, and thereafter each period of twelve (12) months commencing on April 1 and ending on March 31, and (ii) provided further that the last Contract Year of this Agreement shall end on the last day of the Term of this Agreement
"Contracted Capacity"	shall mean 300 MW contracted with SECI for supply by the SPD to SECI at the Delivery Point from the Solar Power Project. It shall be equal to the Project Capacity as defined;
"Day"	shall mean a day, if not a Business Day, the immediately succeeding Business Day
"Debt Due"	shall mean the aggregate of the following sums expressed in Indian Rupees outstanding on the Transfer Date: i. The principal amount of the debt provided by the Senior Lenders under the Financing Agreements for financing the Total Project Cost (the 'Principal') but excluding any part of the principal that had fallen due for repayment 2 (two) years prior to the Transfer Date; ii. All accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in sub-clause (i) above until the Transfer Date but excluding: (i) any interest, fees or charges that had fallen due one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to any Senior Lender, (iii) any pre-payment charges in relation to accelerated repayment of debt except where such charges have arisen due to Utility Default, and (iv) any Subordinated Debt which is included in the Financial Package and disbursed by lenders for financing the Total Project Cost. Provided that if all or any part of the Debt Due is convertible into Equity at the option of Senior Lenders and/or the Concessionaire, it shall for the purposes of this Agreement be deemed not to be Debt Due

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	even if no such conversion has taken place and the principal thereof shall be dealt with as if such conversion had been undertaken. Provided further that the Debt Due, on or after COD, shall in no case exceed 80% (eighty percent) of the Total Project Cost.
"Delivery Point"	"Delivery Point" shall mean the point at the voltage level of 220 kV or above of the ISTS Sub-station including the dedicated transmission line connecting the solar power Projects with the substation system as specified in the RfS document. Metering shall be done at this interconnection point where the power is injected into. For interconnection with grid and metering, the SPD shall abide by the relevant and applicable regulations, Grid Code notified by the CERC or and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended and revised from time to time, or orders passed thereunder by the appropriate commission or CEA. Pursuant to Article 4.2.6, all charges and losses related to Transmission of power from project up to Delivery Point (including but not limited to open access, transmission, wheeling, Unscheduled Interchange, Scheduling, Reactive power, RLDC/SLDC charges etc.) as notified by the competent authority / regulator shall be borne by the SPD and beyond the Delivery Point all charges and losses as notified by the competent authority / regulator from time to time shall be borne by the Buying Utilities. In case it is paid by SECI on behalf of Buying Utilities / SPD, the same shall be recovered from the Buying Utilities / SPD (as applicable);
"Discoms"	shall mean the Buying Entity or the distribution utilities who have signed/will sign the PSA (s) with SECI for purchase of Power;
"Dispute"	shall mean any dispute or difference of any kind between SECI and the SPD, in connection with or arising out of this Agreement including but not limited to any issue on the interpretation and scope of the terms of this Agreement as provided in Article 16 of this Agreement;
"Due Date"	Due Date shall mean the forty-fifth (45th) day after a Monthly Bill (including all the relevant documents) or a Supplementary Bill is received in hard copy and duly acknowledged by the SECI or, if such day is not a Business Day, the immediately succeeding Business Day, by which date such Monthly Bill or a Supplementary Bill is payable by the SECI.
"Effective Date"	shall have the meaning ascribed thereto in Article 2.1 of this Agreement;
"Electricity Laws"	shall mean the Electricity Act, 2003 and the rules and regulations made there under from time to time along with amendments thereto and replacements thereof and any other Law pertaining to electricity including regulations framed by the Appropriate Commission;

"Energy Accounts"	shall mean the regional energy accounts/state energy accounts as specified in the Grid Code issued by the appropriate agency for each Month (as per their prescribed methodology), including the revisions and amendments thereof or where such regional energy accounts/ state energy accounts are not issued, Joint Meter Reading (JMR) will be considered; SECI reserves the right to choose from any of the above, i.e. JMR/SEA/REA, based on the acceptance of the same by the Buying Utility;
"Event of Default"	shall mean the events as defined in Article 13 of this Agreement;
"Expiry Date"	Shall mean the date occurring as on twenty-five (25) years from the Scheduled Commissioning Date subject to that the supply of power shall be limited for a period of 25 years from the Scheduled Commissioning Date unless extended by the Parties as per this Agreement;
"Financial Closure"	shall mean compliance with the requirements under Article 3.1 of this Agreement;
"Financing Agreements"	shall mean the agreements pursuant to which the SPD has sought financing for the Power Project including the loan agreements, security documents, notes, indentures, security agreements, letters of credit and other documents, as may be amended, modified, or replaced from time to time, but without in anyway increasing the liabilities of SECI;
"Force Majeure" or "Force Majeure Event"	shall have the meaning ascribed thereto in Article 11 of this Agreement;
"Guidelines: or "Scheme"	shall mean the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects issued by the Ministry of Power on 3rd August, 2017, including subsequent amendments and clarifications;
"Grid Code" / "IEGC" or "State Grid Code"	shall mean the Grid Code specified by the CERC under Clause (h) of Sub-section (1) of Section 79 of the Electricity Act, as amended from time to time, and/or the State Grid Code as specified by the concerned State Commission, referred under Clause (h) of Sub- section (1) of Section 86 of the Electricity Act 2003, as applicable;
"Indian Governmental Instrumentality"	shall mean the Government of India, Governments of state(s) Rajasthan and Delhi and any ministry, department, board, authority, agency, corporation, commission under the direct or indirect control of Government of India or the above state Government(s) or both, any political sub-division of any of them; including any court or Appropriate Commission(s) or tribunal or judicial or quasi-judicial body in India;
"Insurances"	shall mean the insurance cover to be obtained and maintained by the SPD in accordance with Article 8 of this Agreement;

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"Interconnection Facilities"	shall mean the facilities on SPD's side of the Delivery Point for scheduling, transmitting and metering the electrical output in accordance with this Agreement and which shall include, without limitation, all other transmission lines and associated equipment, transformers, relay and switching equipment and protective devices, safety equipment and RTU, Data Transfer and Acquisition facilities for transmitting data subject to Article 7, the Metering System required for supply of power as per the terms of this Agreement;
Intermediary agency or Intermediary nodal agency or Intermediary Procurer"	shall mean Solar Energy Corporation of India Limited;
"Invoice" or "Bill"	shall mean either a Monthly Bill / Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by any of the Parties;
"Joint Control"	shall mean a situation where none of the promoter shareholders has at least 51 % shareholding in the paid up share capital and voting rights in the SPD, and the control is exercised jointly;
"Late Payment Surcharge"	shall have the meaning ascribed thereto in Article 10.3.3 of this Agreement;
"Law"	shall mean in relation to this Agreement, all laws including Electricity Laws in force in India and any statute, ordinance, regulation, notification or code, rule, or any interpretation of any of them by an Indian Governmental Instrumentality and having force of law and shall further include without limitation all applicable rules, regulations, orders, notifications by an Indian Governmental Instrumentality pursuant to or under any of them and shall include without limitation all rules, regulations, decisions and orders of the Appropriate Commissions;
"Letter of Credit" or "L/C"	shall have the meaning ascribed thereto in Article 10.4 of this Agreement;
"MNRE"	shall mean the Ministry of New and Renewable Energy, Government of India;
"Month"	shall mean a period of thirty (30) days from (and excluding) the date of the event, where applicable, else a calendar month;
"Party" and "Parties"	shall have the meaning ascribed thereto in the recital to this Agreement;
"Payment on Order Instrument" or "POI"	shall mean the irrevocable unconditional letter of undertaking issued by either of the three institutions, viz., (i) Indian Renewable Energy Development Agency Limited (IREDA), or (ii) Power Finance Corporation Limited, or (iii) REC Limited, as an alternative to submission of Performance Bank Guarantee by the SPD to SECI in the form attached hereto as Schedule 2;

"Payment Security Mechanism"	shall have the meaning ascribed thereto in Article 10.4 of this Agreement;
"Performance Bank Guarantee" or "PBG"	shall mean the irrevocable unconditional bank guarantee, submitted by the SPD to SECI in the form attached hereto as Schedule 1;
"Pooling Substation/ Pooling Point"	means a point where more than one Solar power project may connect to a common transmission system. Multiple projects can be connected to a pooling substation from where common transmission system shall be constructed and maintained by the SPD(s) to get connected to the ISTS substation. The voltage level for such common line shall be the voltage level as indicated in "Interconnection Point" under this Agreement. . Further, the metering of the pooled power shall be done at the injection point, i.e. the ISTS substation. However, the voltage level of transmission system of individual projects up to the pooling substation may be at 33 kV and above. Sub-meters shall be installed at the pooling substation for metering and forecasting and scheduling of individual projects. The losses in the common transmission system up to the injection point shall be apportioned to the individual Projects for the purpose of billing. In such case, it shall be responsibility of the SPD to obtain and furnish the meter reading jointly by the SPD and any competent authority (State Government or Central Government) (if applicable).
"Power Project" or "Project"	shall mean the Solar power generation facility of Contracted Capacity of 300 MW, located at Village: Pusar/Pushad, Tehsil: Sheo in District: Barmer, Rajasthan having a separate control system, metering and separate points of injection into the grid at Delivery/Interconnection/Metering point at ISTS substation or in case of sharing of transmission lines, by separate injection at pooling point. This includes all units and auxiliaries such as water supply, treatment or storage facilities; bay/s for transmission system in the switchyard, dedicated transmission line up to the Delivery Point and all the other assets, buildings/structures, equipment, plant and machinery, facilities and related assets required for the efficient and economic operation of the power generation facility; whether completed or at any stage of development and construction or intended to be developed and constructed for the purpose of supply of power as per this Agreement;
"Power Sale Agreement" or "PSA"	shall mean the power sale agreement entered between the Buying Entity and SECI (Buyer- Buying Entity(ies) PSA) for onward sale of power being procured under this Agreement, as per the provisions o Guidelines and forms Schedule-4 of this Agreement;
"Preliminary Default Notice"	shall have the meaning ascribed thereto in Article 13 of this Agreement;
"Project Capacity"	shall mean the Contracted Capacity of the Project at the point of injection on which the Power Purchase Agreement has been signed.

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"Prudent Utility Practices"	shall mean the practices, methods and standards that are generally accepted internationally from time to time by electric utilities for the purpose of ensuring the safe, efficient and economic design, construction, commissioning, operation and maintenance of power generation equipment and which practices, methods and standards shall be adjusted as necessary, to take account of: a) operation and maintenance guidelines recommended by the manufacturers of the plant and equipment to be incorporated in the Power Project; b) the requirements of Indian Law; and the physical conditions at the site of the Power Project
"RBI"	shall mean the Reserve Bank of India;
"Rebate"	shall have the same meaning as ascribed thereto in Article 10.3.4 of this Agreement;
"RLDC"	shall mean the relevant Regional Load Dispatch Centre established under Sub-section (1) of Section 27 of the Electricity Act, 2003;
"RPC"	shall mean the relevant Regional Power Committee established by the Government of India for a specific region in accordance with the Electricity Act, 2003 for facilitating integrated operation of the power system in that region;
"Rupees", "Rs.", "₹"	shall mean Indian rupees, the lawful currency of India;
"Scheduled Commissioning Date" or "SCD" of the Project	shall mean 11.10.2023
"SERC"	shall mean the Electricity Regulatory Commission of any State in India constituted under Section-82 of the Electricity Act, 2003 or its successors, and includes a Joint Commission constituted under Subsection (1) of Section 83 of the Electricity Act 2003;
"SLDC"	shall mean the centre established under Sub-section (1) of Section 31 of the Electricity Act 2003, relevant for the State(s) where the Delivery Point is located;
"SLDC Charges"	shall mean the charges levied by the SLDC of the state wherein the Solar Power Project is located;
"Solar Photovoltaic Project" or "Solar PV Project"	shall mean the solar photovoltaic power project that uses sunlight for conversion into electricity and that is being set up by the SPD to provide Solar Power to SECI as per the terms and conditions of this Agreement;
"Solar Power"	shall mean power generated from the Solar Photovoltaic Power Project;
"SECI"	shall mean Solar Energy Corporation of India Limited;

"State Transmission Utility" or "STU"	shall mean the Board or the Government company notified by the respective State Government under Sub-section (1) of Section 39 of the Act;
"Tariff" or "Applicable Tariff"	Shall have the same meaning as provided for in Article 9 of this Agreement;
"Tariff Payment"	shall mean the payments to be made under Monthly Bills as referred to in Article 10 and the relevant Supplementary Bills;
"Termination Notice"	shall mean the notice given by either Parties for termination of this Agreement in accordance with Article 13 of this Agreement;
"Term of Agreement"	shall have the meaning ascribed thereto in Article 2 of this Agreement;
"Unit/ Part Commissioning"	Subject to the compliance of conditions / procedure as detailed under Schedule-2 of this Agreement, Unit / Part Commissioning shall mean the Solar PV Capacity (AC MW) to be commissioned as per provisions of this Agreement and RfS document. Part Commissioning shall not be applicable for Projects having capacity less than 50 MW;
"Unit Commercial Operation Date (UCOD)"	shall mean the date of issuance of commissioning certificate for the respective part(s) of the Power Project subsequent to the demonstration of the compliance of commissioning as per this Agreement and witnessed by the Committee duly constituted and also start of injection and scheduling power from the Power Project to the Delivery Point and availability / installation of all necessary arrangements / equipment including RTU for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable regulation;
"Week"	shall mean a calendar week commencing from 00:00 hours of Monday, and ending at 24:00 hours of the following Sunday;

1.2 Interpretation

Save where the contrary is indicated, any reference in this Agreement to:

1.2.1 "Agreement" shall be construed as including a reference to its Schedules and/or Appendices and/or Annexures;

1.2.2 An "Article", a "Recital", a "Schedule" and a "paragraph / clause" shall be construed as a reference to an Article, a Recital, a Schedule and a paragraph/clause respectively of this Agreement;

1.2.3 A "crore" means a reference to ten million (10,000,000) and a "lakh" means a reference to one tenth of a million (1,00,000);

1.2.4 An "encumbrance" shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

1.2.5 "Indebtedness" shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;

1.2.6 A "person" shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests;

1.2.7 "Rupee", "Rupees", "Rs" or new rupee symbol "₹ " shall denote Indian Rupees, the lawful currency of India;

1.2.8 The "Winding-up", "dissolution", "insolvency", or "reorganization" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the Law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, Winding-up, reorganization, dissolution, arrangement, protection or relief of debtors;

1.2.9 Words importing the singular shall include the plural and vice versa;

1.2.10 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented;

1.2.11 A Law shall be construed as a reference to such Law including its amendments or re- enactments from time to time;

1.2.12 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time;

1.2.13 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part;

1.2.14 The tables of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement;

1.2.15 All interest, if applicable and payable under this Agreement, shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty-five (365) days;

1.2.16 The words "hereof" or "herein", if and when used in this Agreement shall mean a reference to this Agreement;

1.2.17 The terms "including" or "including without limitation" shall mean that any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

1.2.18 This Agreement and other documents such as Request for Selection Documents, Guidelines including subsequent clarifications, amendments and further clarifications in regard to the tender shall be read in conjunction with each other and interpreted in harmonious manner. However, in case of any mismatch/contradiction between provisions of different documents, following shall be the order of precedence:

1. Power Purchase Agreement
2. RfS Documents

ARTICLE 2: TERM OF AGREEMENT

2.1 *Effective Date*

2.1.1 This Agreement shall come into effect from 11.04.2022 and such date shall be referred to as the Effective Date.

2.1.2 The Parties agree that decisions pertaining to adoption of the Tariff and approval of the same, for procurement of contracted capacity, shall be binding on all Parties concerned, as contained in the Electricity Act, 2003 and any amendments thereof.

2.1.3 Notwithstanding the Effective Date, the condition precedent for the enforcement of the obligations of either party against the other under this Agreement shall be that, within 120 days after the Effective Date of this Agreement, SECI and/ or the Buying Entity (ies) shall obtain adoption of tariff from its State Electricity Regulatory Commission and/ or CERC (as applicable), on the terms and conditions contained in this Agreement read with the terms and conditions contained in the Power Sale Agreement entered into between SECI and the Buying Entity(ies). The Parties agree that in the event, the order of adoption of tariff as mentioned above is not issued by the SERC and/ or CERC (as applicable) within the time specified above, the provisions of Article 2.1.4 shall apply.

2.1.4 Pursuant to Article 4.2.6, if parties have mutually extended the time period as stipulated under Article 2.1.3 and the order from the SERC and/ or CERC (as applicable) is issued within the timeline as per Article 2.1.3, no extension for Financial Closure or Scheduled Commissioning Date shall be given. However, if the requisite SERC and/ or CERC (as applicable) order is issued after the timeline as per Article 2.1.3, this shall entail a corresponding extension in Scheduled Financial Closure and the Scheduled Commissioning Date for equal number of days for which the SERC and / or CERC order has been delayed beyond such period as specified in Article 2.1.3.

2.2 *Term of Agreement*

2.2.1 Subject to Article 2.3 and 2.4 of this Agreement, this Agreement shall be valid for a term from the Effective Date until the Expiry Date. This Agreement may be

extended for a further period at least one hundred eighty (180) days prior to the Expiry Date, on mutually agreed terms and conditions.

2.2.2 The SPD is free to operate their plants beyond the Expiry Date if other conditions like land lease / Right to Use of Land (as applicable), permits, approvals and clearances etc. allow. In such case unless otherwise agreed by the SECI, SECI shall not be obligated to procure power beyond the Expiry Date.

2.3 *Early Termination*

2.3.1 This Agreement shall terminate before the Expiry Date if either SECI or SPD terminates the Agreement, pursuant to Article 13 of this Agreement.

2.4 *Survival*

2.4.1 The expiry or termination of this Agreement shall not affect any accrued rights, obligations and liabilities of the Parties under this Agreement, including the right to receive penalty as per the terms of this Agreement, nor shall it affect the survival of any continuing obligations for which this Agreement provides, either expressly or by necessary implication, which are to survive after the Expiry Date or termination including those under Article 11 (Force Majeure), Article 13 (Events of Default and Termination), Article 14 (Liability and Indemnification), Article 15 (Governing Law and Dispute Resolution), Article 17 (Miscellaneous Provisions), and other Articles and Schedules of this Agreement which expressly or by their nature survive the Term or termination of this Agreement shall continue and survive any expiry or termination of this Agreement.

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ARTICLE 3: CONDITIONS SUBSEQUENT

3.1 Satisfaction of conditions subsequent by the SPD

The SPD agrees and undertakes to duly perform and complete all of the following activities including Financial Closure at the SPD's own cost and risk by 11.04.2023 unless such completion is affected by any Force Majeure event, or for the activities specifically waived in writing by SECI:

a) The SPD shall make Project financing arrangements its Projects(s) and shall provide necessary certificates to SECI in this regard;

The SPD shall submit to SECI the relevant documents as stated above, complying with the Conditions Subsequent, within twelve (12) months from the Effective Date.

3.2 Consequences of non-fulfilment of conditions subsequent and financial closure

3.2.1 In case of a failure to submit the documents as above, SECI shall encash the Performance Bank Guarantee/ Payment on Order Instrument submitted by the SPD, terminate this Agreement and remove the Project from the list of the selected Projects, by giving a notice to the SPD in writing of at least seven (7) days, unless the delay (subject to the conditions that SPD has made / is making all possible efforts) is on account of delay in allotment of Land by the Government not owing to any action or inaction on the part of the SPD or caused due to a Force Majeure. Unless extended as per provisions of Article 3.2.1 (i) of this Agreement in writing, the termination of the Agreement shall take effect upon the expiry of the 7th day of the above notice.

3.2.1 (i) An extension, without any impact on the Scheduled Commissioning Date, can however be considered, on the sole request of SPD, on payment of Rs. 1000/- per day per MW to SECI. Such extension charges are required to be paid to SECI in advance, for the period of extension required. In case of any delay in depositing this extension charge, SPD shall pay an interest on this extension charge for the days lapsed beyond due date of Financial Closure @ SBI-MCLR (1Year). In case such delay in making payment of the extension charges to SECI is more than 7 days, the termination of the Agreement shall take effect upon the expiry of such 7th day. This amount will go into the Payment Security Mechanism. In case of the SPD meeting the requirements of conditions subsequent and financial closure before the last date of such proposed delay period, the remaining amount deposited by the SPD shall be returned by SECI without interest. This extension will not have any impact on the Scheduled Commissioning Date. Any extension charges paid so by the SPD, shall be returned to the SPD without

any interest on achievement of successful commissioning within the Scheduled Commissioning Date, on pro-rata basis, based on the project capacity commissioned as on Scheduled Commissioned Date. However, in case the SPD fails to commission the Contract Capacity by Scheduled Commissioning Date, the extension charges deposited by the SPD shall not be refunded by SECI.

3.2.2 For the avoidance of doubt, it is clarified that this Article shall survive the termination of this Agreement.

3.2.3 In case of inability of the SPD to fulfil the conditions specified in Article 3.1 due to any Force Majeure event, the time period for fulfilment of the Conditions Subsequent and Financial Closure as mentioned in Article 3.1, shall be extended for the period of such Force Majeure event.

Further, any delay in adoption of tariff by the Appropriate Commission, beyond 120 (one hundred twenty days) days after the Effective Date of this Agreement, shall entail a corresponding extension in the deadline as stipulated in Article 3.1.

3.2.4 Provided that due to the provisions of this Article 3.2.2, any increase in the time period for completion of conditions subsequent and financial closure mentioned under Article 3.1, shall also lead to an equal extension in the Scheduled Commissioning Date.

3.3 **Performance Bank Guarantee / Payment on Order Instrument**

3.3.1 The Performance Bank Guarantee (PBG) / Payment on Order Instrument (POI) having validity from the date of submission of PBG / POI until Twenty-Seven (27) months from the Effective Date and of Rs. 8 Lakh/MW to be furnished under this Agreement shall be for guaranteeing the commencement of the supply of power up to the Contracted Capacity within the time specified in this Agreement as per format provided in Schedule 1.

3.3.2 The failure on the part of the SPD to furnish and maintain the Performance Bank Guarantee / Payment on Order Instrument shall be a material breach of the term of this Agreement on the part of the SPD.

3.3.3 If the SPD fails to commence supply of power from the Scheduled Commissioning Date specified in this Agreement or any further extension thereof granted by SECI, subject to conditions mentioned in Article 4.5, SECI shall encash the Performance Bank Guarantee / Payment on Order Instrument equivalent to the amount calculated as per liquidated damages applicable under Article 4.6 as on the date of encashment without prejudice to the other rights of SECI under this Agreement. It is to be noted

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that the damages/dues recovered by SECI by encashing the PBG/POI, upon the default of the SPD under the PPA, shall be credited to the payment security fund maintained by SECI under the PPA.

3.4 Return of Performance Bank Guarantee / Payment on Order Instrument

3.4.1 Subject to Article 3.3, SECI shall return / release the Performance Bank Guarantee / Payment on Order Instrument immediately after the successful Commissioning of the Project after taking into account any liquidated damages/ penalties due to delays in commissioning as per provisions stipulated in this Agreement.

3.4.2 The return / release of the Performance Bank Guarantee / Payment on Order Instrument shall be without prejudice to other rights of SECI under this Agreement.

ARTICLE 4: CONSTRUCTION & DEVELOPMENT OF THE PROJECT

4.1 *SPD's Obligations*

4.1.1 The SPD undertakes to be responsible, at SPD's own cost and risk, for the following:

a) The SPD shall be solely responsible and make arrangements for Land & associated infrastructure for development of the Project and for Connectivity with the ISTS System for confirming the evacuation of power by the Scheduled Commissioning date and all clearances related thereto;

On or before Scheduled Commissioning Date, the SPD shall demonstrate possession of 100% (Hundred Percent) of the land identified for the Project in its name for a period not less than the complete Term of this Agreement. In this regard, the SPD shall submit documents/ Lease Agreement to establish possession/ right to use 100% of the required land in the name of the SPD. Wherever leasing of private land is involved, the lease should allow transfer of land to the lenders or SECI, in case of default of the SPD. The SPD shall submit a sworn affidavit from the authorized signatory of the SPD listing the details of the land and certifying that total land required for the Project is under clear possession of the SPD;

b) Obtaining all Consents, Clearances and Permits as required and maintaining all Consents, Clearances and Permits in full force and effect during the Term of this Agreement. SECI shall have no obligation to recommend to any department/agency of the Govt. for the grant/permission for the Solar Power project. The Solar Power Developer shall, on his own, obtain permissions/ sanctions from Government authorities, if any required for establishing the project. Any steps that may be taken by SECI in regard to grant of such consents and permits or any other approval to be taken by the SPD shall only be a voluntary endeavour with no intention of being bound by any legal or binding obligation.

c) designing, constructing, erecting, commissioning, completing and testing the Power Project in accordance with the applicable Law, the Grid Code, the terms and conditions of this Agreement and Prudent Utility Practices.

d) the commencement of supply of power up to the Contracted Capacity to SECI no later than the Scheduled Commissioning Date and continuance of the supply of power throughout the term of the Agreement;

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e) connecting the Power Project switchyard with the Interconnection Facilities at the Delivery Point; The SPD shall make adequate arrangements to connect the Power Project switchyard with the Interconnection Facilities at Interconnection / Metering / Delivery Point.

f) owning the Power Project throughout the Term of Agreement free and clear of encumbrances, except those expressly permitted under Article 15;

g) maintaining its controlling shareholding (controlling shareholding shall mean more than 50% of the voting rights and paid-up share capital) prevalent at the time of signing of PPA up to a period of three (3) years after Commercial Operation Date of the Project in line with Section III, Clause 18 of the RfS; However transfer of controlling shareholding within the same Group Companies will be allowed with the permission of SECI after COD subject to the condition that the management control remains within the same Group Companies;

h) making a payment security deposit of Rs. 15,00,00,000/ (Fifteen Crore Only) to the designated account as intimated by the SECI towards Payment Security Fund as per clause 12 of Section III of RfS.

i) fulfilling all obligations undertaken by the SPD under this Agreement.

j) Obtaining Long Term Access (LTA) and executing transmission service agreement with CTU/STU as the case may be, for evacuation of the Contracted Capacity and maintaining it throughout the term of the Agreement.

k) The SPD shall be responsible to for directly coordinating and dealing with the corresponding Buying Utility(ies), Load Dispatch Centres, Regional Power Committees, and other authorities in all respects in regard to declaration of availability, scheduling and dispatch of Solar Power and due compliance with deviation and settlement mechanism and the applicable Grid code/State/Central Regulations, acknowledging that the SPD and the corresponding Buying Utility(ies) are the Grid connected entities and SECI as an Intermediary Procurer/ trading licensee is not a Grid connected entity in respect of the Solar Power contracted under this Agreement.

l) The SPD shall fulfil the technical requirements according to criteria mentioned under Annexure II–Technical requirement for Grid Connected Solar PV Power Projects under Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar Power Projects, issued by Ministry of Power, vide resolution no.23/27/2017-R&R dated 03.08.2017 including subsequent amendments and clarifications. The cells and modules

used in the Project shall be sourced only from the models and manufacturers included in the "Approved List of Models and Manufacturers" as published by MNRE and updated as on the date of commissioning of the Project.

m) Further, the Project being implemented under this Agreement shall fulfil the criteria as per Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, and subsequent amendments and clarifications thereof,

n) As part of scheduling of power from the Project, the SPD will be required to punch-in their respective schedules and subsequent revisions, by themselves, at the interfaces of all the RLDCs concerned for the corridor of power flow, including the RLDC of the Buying Entity/Discom, as per the Regulations in force, under intimation to SECI. SECI may facilitate in identification of any discrepancy and assist the SPD for its early rectification without any liability on SECI. The SPD shall be solely responsible for discrepancy identification and its rectification to avoid any rejection/less payment of invoices.

4.2 ***Information regarding Interconnection Facilities***

4.2.1 The SPD shall be required to obtain all information from the STU/CTU/concerned authority with regard to the Interconnection Facilities as is reasonably necessary to enable it to design, install and operate all interconnection plant and apparatus on the SPD's side of the Delivery Point to enable delivery of electricity at the Delivery Point. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the SPD at its own cost.

4.2.2 Penalties, fines and charges imposed by the CTU/ STU under any statute or regulation in relation to delay in commissioning of Project shall be payable by the SPD to the extent the delay is attributable to the SPD.

4.2.3 The responsibility of getting connectivity with the transmission system up to the Interconnection Point, will lie with the SPD. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the SPD at his own cost. The maintenance of Transmission system up to the designated point as per the applicable terms and conditions shall be the responsibility of the SPD. All costs and charges including but not limited to the wheeling charges and losses up to and including at the Interconnection Point associated with this arrangement will also be borne by the SPD.

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4.2.4 In case of Pooling substation, losses in the transmission line shall be apportioned among the SPDs who share such a Pooling arrangement and duly signed by all SPDs, based on their monthly generation.

4.2.5 The arrangement of connectivity shall be made by the SPD through a dedicated transmission line. The entire cost of transmission including cost of construction of line, any other charges, losses etc. from the Project up to the Interconnection Point will be borne by the SPD. In case of non-availability of Grid and Transmission System during Term of this Agreement, for reasons not attributable to the SPD, provisions of Article 4.10 shall be applicable.

4.2.6 Government of India from time to time issues order for waiver of inter-state transmission system (ISTS) charges and losses on transmission of wind/solar power till a certain date. In case the commissioning of the Project gets delayed beyond the applicable date of ISTS waiver, arising out of any reasons whatsoever, SECI shall bear no liability with respect to transmission charges and losses levied, if any.

4.3 Purchase and sale of Contracted Capacity

4.3.1 Subject to the terms and conditions of this Agreement, the SPD undertakes to sell to SECI and SECI undertakes to pay Tariff for all the energy supplied at the Delivery Point corresponding to the Contracted Capacity.

4.3.2 Not Used.

4.4 *Right to Contracted Capacity & Energy*

4.4.1 The SPD will declare the CUF of the Project and will be allowed to revise the same once within first year after COD of the full project capacity. SECI, in any Contract Year except for the first year of operation, shall not be obliged to purchase any additional energy from the SPD beyond **816.34 Million kWh (MU)**. Subsequent to commissioning of the Project, if for any Contract Year, it is found that the SPD has not been able to supply minimum energy of **630.81 Million kWh (MU)** till the end of 10 years from the SCD and **593.70 Million kWh (MU)** for the rest of the Term of the Agreement, on account of reasons solely attributable to the SPD, the noncompliance by SPD shall make the SPD liable to pay the compensation provided in the respective PSA as payable to Buying Entity(ies) by Buyer to enable Buyer to remit the amount to Buying Entity(ies). For the first year of operation, the above limits shall be considered on pro-rata basis. In case of part commissioning of the Project, the above limits shall be considered on pro-rata basis till the commissioning

of full capacity of the Project. The lower limit will, however be relaxable by Buyer to the extent of grid non-availability for evacuation which is beyond the control of the SPD (as certified by the SLDC/RLDC). This compensation shall be applied to the amount of shortfall in generation during the Contract Year. The amount of such penalty shall be as determined by the respective State Electricity Regulatory Commission of the corresponding Buying Entity/ any such Authority, and such penalty shall ensure that the Buying Entity(ies) is/are offset for all potential costs associated with low generation and supply of power under the PPA. However, the minimum compensation payable to SECI by the SPD shall be 25% (twenty-five percent) of the cost of this shortfall in energy terms, calculated at PPA tariff. This compensation shall not be applicable in events of Force Majeure identified under PPA with SECI affecting supply of solar power by SPD.

4.4.2 Any excess generation over and above as per Article 4.4.1, may be purchased by SECI at the tariff in term of as per Article 9, provided the Buying Entity consents to purchase such power. While the SPD would be free to install the DC solar field as per its design of required output, including its requirement of auxiliary consumption and to reconfigure and/ or repower the Project from time to time during the term of the PPA, it will not be allowed to sell any excess power to any other entity other than SECI (unless refused by SECI). The SPD shall be required to intimate SECI about the proposed excess quantum of energy likely to be generated from the Project within any Contract Year, at least 60 days prior to the proposed date of commencement of excess generation. SECI shall be required to intimate its approval/refusal to the SPD, for buying such excess generation not later than 30 days of receiving the above offer from the SPD. In the event the offer of the SPD is not accepted by SECI within the said period of 30 days, such right shall cease to exist and the SPD shall, at its sole discretion, may sell such excess power to any third party.

However, in case at any point of time, the peak of capacity reached is higher than the contracted capacity and causes disturbance in the system at the point where power is injected, the SPD will have to forego the excess generation and reduce the output to the rated capacity and shall also have to pay the penalty/charges (if applicable) as per applicable regulations / requirements / guidelines of CERC / SERC /SLDC or any other competent agency.

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Any energy produced and flowing into the grid before Scheduled Commissioning Date shall not be at the cost of SECI. SECI may agree to buy such power at a tariff as agreed to between SECI and the Buying Entity (including SECI's trading margin), provided the Buying Utility consents for purchase of such power.

4.5 *Extensions of Time*

4.5.1 In the event that the SPD is prevented from performing its obligations under Article 4.1 by the Scheduled Commissioning Date due to:

a) any SECI Event of Default; or

b) Force Majeure Events affecting SECI/ Buying Entity(ies), or

c) Force Majeure Events affecting the SPD,

the Scheduled Commissioning Date and the Expiry Date shall be deferred, subject to Article 4.5.6, for a reasonable period but not less than 'day for day' basis, to permit the SPD or SECI/ Buying Entity(ies) through the use of due diligence, to overcome the effects of the Force Majeure Events affecting the SPD or SECI/Buying Entity(ies), or till such time such Event of Default is rectified by SECI.

4.5.2 Subsequent to grant of connectivity, in case there is a delay in grant/operationalization of LTA by the CTU and/or there is a delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network until SCD of the Project, and it is established that:

(i) The SPD has complied with the complete application formalities as per RfS,

(ii) The SPD has adhered to the applicable Procedure in this regard as notified by the CERC/CTU, and

(iii) The delay in grant of connectivity/LTA by the CTU and/or delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network, is a factor attributable to the CTU/transmission licensee and is beyond the control of the SPD;

The above shall be treated as delays beyond the control of the SPD and SCD for such Projects shall be revised as the date as on 60 days subsequent to the readiness of the Delivery Point and power evacuation infrastructure and/or operationalization of LTA. Decision on requisite extension on account of the above factor shall be taken by SECI.

Further, any delay in adoption of tariff by the Appropriate Commission, beyond 120 days after Effective Date of this Agreement, shall entail a corresponding extension in Scheduled Commissioning Date.

4.5.3 In case of extension due to reasons specified in Article 4.5.1(b) and (c), and if such Force Majeure Event continues even after a maximum period of 180 days from the date of the Force Majeure Notice, any of the Parties may choose to terminate the Agreement as per the provisions of Article 11.10. In case neither party terminates the Agreement under this clause, the Agreement shall stand terminated on the expiry of twelve (12) months of the continuation of the Force Majeure event unless the parties mutually agree to extend the Agreement for the further period.

4.5.4 If the Parties have not agreed, within thirty (30) days after the affected Party's performance has ceased to be affected by the relevant circumstance, on the time period by which the Scheduled Commissioning Date or the Expiry Date should be deferred, any Party may raise the Dispute to be resolved in accordance with Article 16.

4.5.5 As a result of such extension on account of Article 4.5.1 or Article 4.5.2, the newly determined Scheduled Commissioning Date and newly determined Expiry Date shall be deemed to be the Scheduled Commissioning Date and the Expiry Date for the purposes of this Agreement.

4.5.6 Not used.

4.5.7 Delay in commissioning of the project beyond the scheduled commissioning date for reasons other than those specified in Article 4.5.1 & Article 4.5.2 shall be an event of default on part of the SPD and shall be subject to the consequences specified in the Article 4.6.

4.6 Liquidated Damages not amounting to penalty for delay in Commissioning

4.6.1 The Project shall be fully commissioned within the Scheduled Commissioning Date as defined in this Agreement. If the SPD is unable to commission the Project by the Scheduled Commissioning Date for the reasons other than those specified in Article 4.5.1 and 4.5.2, the SPD shall pay to SECI, damages for the delay in such commissioning and making the Contracted Capacity available for dispatch by the Scheduled Commissioning Date as per the following:

(a) Delay beyond the Scheduled Commissioning Date upto (& including) the date as on 6 months after the Scheduled Commissioning Date, as part of the liquidated damages, the total PBG/ POI amount for the Project shall be encashed on per day

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basis and proportionate to the balance capacity not commissioned. For example, in case of a Project of 240 MW capacity, if commissioning of 100 MW capacity is delayed by 18 days beyond the SCD, then the liquidated damages shall be : PBG/POI amount x (100/240) x (18/180). For the purpose of calculation of liquidated damages, 'month' shall be considered consisting of 30 days.

4.6.2 The maximum time period allowed for commissioning of the full Project Capacity with encashment of Performance Bank Guarantee/ Payment on Order Instrument shall be limited to 6 months after the SCD of the Project. In case, the Commissioning of the Project is delayed beyond 6 months after the SCD, it shall be considered as an SPD Event of Default and provisions of Article 13 shall apply and the Contracted Capacity shall stand reduced / amended to the Project Capacity Commissioned within 6 months after the SCD and the PPA for the balance Capacity will stand terminated and shall be reduced from the project capacity.

4.6.3 The SPD further acknowledges that the amount of the liquidated damages fixed is genuine and reasonable pre-estimate of the damages that may be suffered by SECI/ Buying entity(s) as specified under this Agreement or in the PSA.

4.7 Acceptance/Performance Test

4.7.1 Prior to synchronization of the Power Project, the SPD shall be required to get the Project certified for the requisite acceptance/performance test as may be laid down by Central Electricity Authority or an agency identified by the central government to carry out testing and certification for the Solar power projects.

4.8 Third Party Verification

4.8.1 The SPD shall be further required to provide entry to the site of the Power Project free of all encumbrances at all times during the Term of the Agreement to SECI and a third Party nominated by any Indian Governmental Instrumentality for inspection and verification of the works being carried out by the SPD at the site of the Power Project.

4.8.2 The third party may verify the construction works/operation of the Power Project being carried out by the SPD and if it is found that the construction works/operation of the Power Project is not as per the Prudent Utility Practices, it may seek clarifications from SPD or require the works to be stopped or to comply with the instructions of such third party.

4.9 Breach of Obligations

4.9.1 The Parties herein agree that during the subsistence of this Agreement, subject to SECI being in compliance of its obligations & undertakings under this Agreement, the SPD would have no right to negotiate or enter into any dialogue with any third party for the sale of Contracted Capacity of power which is the subject matter of this Agreement. It is the specific understanding between the Parties that such bar will apply throughout the entire term of this Agreement.

4.10 Generation compensation for Off-take constraints

4.10.1 Generation Compensation in offtake constraint due to Transmission Infrastructure not complete/ ready (Transmission constraint): After the Scheduled Commissioning Date, subject to the submission of documentary evidences from the Competent Authority, if the plant is ready in all respects including the dedicated transmission line to be established by the SPD to connect to the grid but the necessary power evacuation/ transmission infrastructure is not ready, for reasons not attributable to the SPD, leading to offtake constraint, the generation compensation shall be restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Transmission Constraint	Provision for Generation Compensation
If the Project is ready but the necessary power evacuation/transmission infrastructure is not ready, leading to offtake constraint	a. The normative CUF of 19% (nineteen per cent) or committed CUF, whichever is lower, for the period of grid unavailability, shall be taken for the purpose of calculation of generation loss. Corresponding to this generation loss, the excess generation by the SPD in the succeeding 3 (three) Contract Years, shall be procured by SECI at the PPA tariff so as to offset this loss. b. If the transmission delay is directly attributable to the organization building the transmission network and some penalty is imposed on him, then a part of that penalty may be utilized by SECI for compensating the generation loss.

However, it is clarified that if the Project is ready for commissioning prior to the Scheduled Commissioning Date, but the offtake is constrained because of inadequate/incomplete power evacuation infrastructure, no compensation shall be permissible.

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4.10.2 Generation Compensation in offtake constraints due to Grid Unavailability: During the operation of the plant, there can be some periods where the Project can generate power but due to temporary transmission unavailability, the power is not evacuated, for reasons not attributable to the Solar Power Developer. In such cases, subject to the submission of documentary evidences from the competent authority, the generation compensation shall be restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Duration of Grid unavailability	Provision for Generation Compensation
Grid unavailability in a contract year as defined in the PPA: (only period from 8 am to 6 pm to be counted), for Grid unavailability beyond 50 hours in a Contract Year:	*Generation Loss = [(Average Generation per hour during the Contract Year) × (number of hours of grid unavailability during the Contract Year)]* Where, Average Generation per hour during the Contract Year (kWh) = Total generation in the Contract Year (kWh) ÷ Total hours of generation in the Contract Year.

The excess generation by the SPD equal to this generation loss shall be procured at the PPA tariff so as to offset this loss in the succeeding 3 (three) Contract Years.

4.10.3 Offtake constraints due to Backdown: The Solar Power Developer and Buying Entity shall follow the forecasting and scheduling process as per the regulations in this regard by the Appropriate Commission. The Government of India, as per Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), encourages a status of "must-run" to solar power projects. Accordingly, no solar power plant, duly commissioned, should be directed to back down by a Discom/ Load Dispatch Centre (LDC). In the eventuality of backdown, including backdown on account of non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" and any clarifications or amendment thereto, except for the cases where the Backdown is on account of events like consideration of grid security or safety of any equipment or personnel

or other such conditions, subject to the submission of documentary evidences from the competent authority, the SPD shall be eligible for a minimum generation compensation, from Buying Entity, restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Duration of Backdown	Provision for Generation Compensation
Hours of Backdown during a monthly billing cycle.	***Generation Compensation = 100% of [(Average Generation per hour during the month) X (number of backdown hours during the month)] X PPA tariff*** . Where, Average Generation per hour during the month (kWh) = Total generation in the month (kWh) ÷ Total hours of generation in the month

The SPD shall not be eligible for any compensation in case the Backdown is on account of events like consideration of grid security or safety of any equipment or personnel or other such conditions. The Generation Compensation shall be paid as part of the energy bill for the successive month after receipt of Regional Energy Accounts (REA)/SEA/JMR. No Trading Margin shall be applicable on the Generation Compensation as provided in Article 4.10.3 only.

It is hereby clarified that for the purpose of Article 4.10, "generation" shall mean scheduled energy based on Energy Accounts. Notwithstanding anything mentioned above, the provisions of Article 4.10 shall be applicable subject to the acceptance of the same by the respective Buying Utility.

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ARTICLE 5: SYNCHRONISATION, COMMISSIONING AND COMMERCIAL OPERATION

5.1 Synchronization, Commissioning and Commercial Operation

5.1.1 The SPD shall give the concerned RLDC/SLDC and SECI and also Buying Entity at least sixty (60) days' advanced preliminary written notice and at least thirty (30) days' advanced final written notice, of the date on which it intends to synchronize the Power Project to the Grid System.

5.1.2 Subject to Article 5.1.1, the Power Project may be synchronized by the SPD to the Grid System when it meets all the connection conditions prescribed in applicable Grid Code then in effect and otherwise meets all other Indian legal requirements for synchronization to the Grid System.

5.1.3 The synchronization equipment and all necessary arrangements / equipment including RTU for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable regulation shall be installed by the SPD at its generation facility of the Power Project at its own cost. The SPD shall synchronize its system with the Grid System only after the approval of synchronization scheme is granted by the head of the concerned substation/Grid System and checking/verification is made by the concerned authorities of the Grid System.

5.1.4 The SPD shall immediately after each synchronization/tripping of generator, inform the sub-station of the Grid System to which the Power Project is electrically connected in accordance with applicable Grid Code under intimation to SECI. In addition, the SPD will inject in-firm power to grid time to time to carry out operational/ functional test prior to commercial operation. For avoidance of doubt, it is clarified that Synchronization / Connectivity of the Project with the grid shall not to be considered as Commissioning of the Project.

5.1.5 The SPD shall commission the Project as detailed in "Schedule 3: Commissioning Procedure" within eighteen (18) Months of the Effective Date. Declaration of COD / UCOD shall only be done subject to the demonstration of the compliances as per Schedule-3 and subsequent upon the successful visit by the Commissioning Committee.

5.1.6 There can be part Commissioning of the Project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and corresponding energy has flown into the grid.

5.1.7 The Parties agree that for the purpose of commencement of the supply of electricity by SPD to SECI, liquidated damages for delay etc., the Scheduled Commissioning Date or extended Scheduled Commissioning Date as defined in this Agreement shall be the relevant date.

5.1.8 **Early Commissioning**

The SPD shall be permitted for full commissioning as well as part commissioning of the Project even prior to the Scheduled Commissioning Date, subject to availability of transmission connectivity and Long-Term Access (LTA).

Early commissioning of the Project will be allowed solely at the risk and cost of the SPD, and SECI shall purchase the energy from such early commissioned Project at the 75% (seventy-five percent) of the PPA tariff, only in the case Discom agrees to purchase power from the Project at an earlier date, and at 75% of the PPA tariff plus trading margin.

Such intimation for early commissioning shall be provided to SECI at least 15 days before the proposed early commissioning date. In case there is no response provided by SECI within 7 days from the receipt of such intimation, such early commissioned capacity shall be deemed to have been rejected by SECI.

In case SECI does not agree to purchase such energy, early part/full commissioning of the Project shall still be allowed and the SPD will be free to sell such energy to a third party; subject to operationalization of LTA, until SCD or the date of commencement of procurement of power from the Project as notified by SECI, whichever is earlier. UCOD/COD of the Project under the PPA will be the date on which the commissioning certificate is issued upon successful commissioning of the part/full capacity of the Project.

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ARTICLE 6: DISPATCH AND SCHEDULING

6.1 *Dispatch and Scheduling*

6.1.1 The SPD shall be required to schedule its power as per the applicable regulations / requirements / guidelines of CERC / SERC /SLDC / RLDC or any other competent agency and same being recognized by the SLDC or any other competent authority / agency as per applicable regulation/ law / direction and maintain compliance to the applicable Codes/ Grid Code requirements and directions, if any, as specified by concerned SLDC/RLDC from time to time. Any deviation from the Schedule will attract the provisions of applicable regulation / guidelines / directions and any financial implication on account of this shall be on the account of the SPD.

6.1.2 The SPD shall be responsible for directly coordinating and dealing with the Buying Entity, State Load Dispatch Centre's, Regional Power Committees, and other authorities in all respects in regard to declaration of availability, scheduling and dispatch of Solar Power and due compliance with deviation and settlement mechanism and the applicable Grid code Regulations, acknowledging that the SPD and Buying Entity are the Grid connected entities and SECI as an intermediary procurer/ trading licensee is not a Grid connected entity in respect of the Solar Power contracted under this Agreement.

6.1.3 The SPD shall be responsible for any deviation from scheduling and for any resultant liabilities on account of charges for deviation as per applicable regulations. UI charges on this account shall be directly paid by the SPD.

6.1.4 Auxiliary power consumption will be treated as per the concerned Central/ State regulations.

6.1.5 Not Used.

ARTICLE 7: METERING

7.1 *Meters*

7.1.1 For installation of Meters, Meter testing, Meter calibration and Meter reading and all matters incidental thereto, the SPD and SECI shall follow and be bound by the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, the Grid Code, as amended and revised from time to time.

7.1.2 The SPD shall bear all costs pertaining to installation, testing, calibration, maintenance, renewal and repair of meters at SPD's side of Delivery Point.

7.1.3 In addition to ensuring compliance of the applicable codes, the SPD shall install Main & Check meters at the Delivery Point, along with Stand-by meter(s) as per the applicable Central/State regulations.

7.1.4 In case of pooling of multiple Projects, power from multiple Projects can be pooled at a Pooling Substation prior to the Delivery point and the combined power can be fed at Delivery point through a common transmission line from the Pooling Substation. In such cases, ABT compliant sub-meters as per relevant regulation/ approval are also to be set up at pooling substation for individual projects in addition to the meters at Delivery Point as described in clause 7.1.3.

7.2 *Reporting of Metered Data and Parameters*

7.2.1 The grid connected Solar PV power plants will install necessary equipment for regular monitoring of solar irradiance (including GHI, DHI and solar radiation in the module plane), ambient air temperature, wind speed and other weather parameters and simultaneously for monitoring of the electric power (both DC and AC) generated from the Project.

7.2.2 Online arrangement would have to be made by the SPD for submission of above data regularly for the entire period of this Power Purchase Agreement to the SLDC, SECI and the concerned Ministry or concerned agency as per applicable regulation / directions.

7.2.3 Reports on above parameters on monthly basis (or as required by regulation / guidelines) shall be submitted by the SPD to Ministry of New and Renewable Energy/ SECI/National Institute of Solar Energy through SECI for entire period of PPA.

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ARTICLE 8: INSURANCES

8.1 *Insurance*

8.1.1 The SPD shall effect and maintain or cause to be effected and maintained, at its own cost and expense, throughout the Term of PPA, Insurances against such risks to keep the Project in good condition and shall take Industrial All Risk insurance policy covering risks against any loss or damage, with such deductibles and with such endorsements and co-insured(s), which the Prudent Utility Practices would ordinarily merit maintenance of and as required under the Financing Agreements, Implementation and Support Agreement and under the applicable laws.

8.2 *Application of Insurance Proceeds*

8.2.1 In case of the Project not being implemented through Financing Agreement(s), save as expressly provided in this Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Power Project or any part of the Power Project shall be first applied to reinstatement, replacement or renewal of such loss or damage.

In case of the Project being financed through Financing Agreement(s), save as expressly provided in this Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Power Project or any part of the Power Project shall be applied as per such Financing Agreements.

8.2.2 If a Force Majeure Event renders the Power Project no longer economically and technically viable and the insurers under the Insurances make payment on a "total loss" or equivalent basis, SECI shall have claim on such proceeds of such Insurance limited to outstanding dues of SECI against the Buying Utility(ies) as per PSA entered into and any other dues of the Buying Utility(ies) against SPD.

8.3 *Effect on liability of SECI*

8.3.1 Notwithstanding any liability or obligation that may arise under this Agreement, any loss, damage, liability, payment, obligation or expense which is insured or not or for which the SPD can claim compensation, under any Insurance shall not be charged to or payable by Buyer. It is for the SPD to ensure that appropriate insurance coverage is taken for payment by the insurer for the entire loss and there is no under insurance or short adjustment etc.

ARTICLE 9: APPLICABLE TARIFF

9.1 The SPD shall be entitled to receive the Tariff of Rs. 2.37/ kWh, fixed for the entire term of this Agreement, with effect from the SCD, for the power sold by the Buyer to the Buying Entity for the scheduled energy as reflected in the Energy Accounts.

9.2 Pursuant to Article 5.1.8 in case of early part-commissioning, till SCD, subject to the consent for such purchase by the Buying Utility, SECI may purchase the generation till SCD, at 75 % (seventy-five per cent) of the tariff mentioned in the Article 9.1, However, in case the entire Project capacity is commissioned prior to SCD, SECI may purchase energy supplied till SCD at Rs. 2.37/kWh. In both the cases of early part or full commissioning of the Project, the Applicable Tariff for the commissioned Project shall be Rs. 2.37/kWh from and including the SCD.

9.3 Any excess generation over and above energy specified in Article 4.4.1, will be purchased by SECI at a tariff 75% (seventy-five per cent) of the tariff as mentioned in Article 9.1 and 9.2 as applicable, provided the Buying Entity consents for purchase of such excess generation. Any energy produced and flowing into the grid before SCD shall not be at the cost of SECI. SECI may agree to buy such power provided Buying Entity consents to purchase such energy. However, the SPD will not be allowed to sell energy generated prior to SCD or excess energy during any Contract Year to any other entity other than SECI (unless refused by SECI).

9.4 Not Used.

ARTICLE 10: BILLING AND PAYMENT

10.1 General

10.1.1 Pursuant to Article 4.1.1 (h), SECI shall set up a payment security fund for Solar Power Projects in order to ensure timely payment. This fund will have a corpus to cover 3 months' payment.

10.1.2 From the commencement of supply of power, SECI shall pay to the SPD the monthly Tariff Payments subject to the adjustments as per provisions of this Agreement including Article 6, in accordance with Article 9. All Tariff Payments by SECI shall be in Indian Rupees.

10.1.3 For the purpose of payment of the bills raised by the SPD(s), in case Energy Account is published on cumulative basis, payment to the SPD(s) for the energy delivered shall be apportioned based on JMR taken for the SPD's Project at the Pooling substation/metering point.

10.1.4 The SPD shall be required to make arrangements and payments for import of energy (if any) as per applicable regulations.

10.2 *Delivery and Content of Monthly Bills/Supplementary Bills*

10.2.1 The SPD shall issue to SECI hard copy of a signed Monthly Bill/Supplementary Bill for the immediately preceding Month/relevant period based on the issuance of Energy Accounts along with all relevant documents (payments made by SPD for drawal of power, payment of reactive energy charges, Metering charges or any other charges as per guidelines of SERC/CERC, if applicable.

Each Monthly Bill shall include all charges as per this Agreement for the energy supplied for the relevant Month based on Energy Accounts issued by RPC or any other competent authority which shall be binding on both the Parties. The Monthly Bill amount shall be the product of the energy as per Energy Accounts and the Applicable Tariff. Energy drawn from the grid will be regulated as per the applicable Central/ State regulations.

10.2.2 As per applicable regulation(s) of the Appropriate Commission(s)/respective SERC(s), all charges pertaining to obtaining open access and scheduling of power, if any, shall be borne by the SPD.

10.3 *Payment of Monthly Bills*

10.3.1 SECI shall pay the amount payable under the Monthly Bill/Supplementary Bill by the Due Date to such account of the SPD, as shall have been previously notified by the SPD as below.

10.3.2 All payments required to be made under this Agreement shall also include any deduction or set off for:

i) deductions required by the Law; and

ii) amount claimed by SECI, if any, from the SPD, will be adjusted from the monthly energy payment. In case of any excess payment adjustment, 1.25% surcharge will be applicable on day to day basis.

The SPD shall open a bank account (the "SPD's Designated Account") for all Tariff Payments (including Supplementary Bills) to be made by SECI to the SPD, and notify SECI of the details of such account at least ninety (90) Days before the dispatch of the first Monthly Bill. SECI shall also designate a bank account at New Delhi ("SECI Designated Account") for payments to be made by the SPD to SECI, if any, and notify the SPD of the details of such account ninety (90) Days before the Scheduled Commissioning Date. SECI and the SPD shall instruct their respective bankers to make all payments under this Agreement to the SPD's Designated Account or SECI's Designated Account, as the case may be, and shall notify either Party of such instructions on the same day.

10.3.3 **Late Payment Surcharge**

Late Payment Surcharge: In the event of delay in payment of a Monthly Bill by SECI beyond 30 days after Due Date, a Late Payment Surcharge shall be payable by SECI to the SPD on the outstanding payment, at the Base Rate of Late Payment Surcharge applicable for the period for the first month of default. "Base Rate of Late Payment Surcharge" means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent (500 bps) and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. The Late Payment Surcharge shall be claimed by the SPD through the Supplementary Bill. Late Payment Surcharge shall be payable on the outstanding amount at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

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The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent (50 bps) for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time.

a) Provided that the rate at which Late Payment Surcharge shall be payable shall not be higher than 1.25% per month at any time for purchase of power.

b) If the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.

c) The above payment will be made by SECI subject to such late payment surcharge being duly received by SECI under the PSA from the Buying Entity(ies).

10.3.4 Subject to the Article 9 of this Agreement, in the event of early Commissioning of the Project and subject to acceptance by SECI, the payment for the power fed to the grid may be accounted from the date of UCOD, and SPD would be allowed to raise Bills against such power as per Article 10.2.1, subject to the conditions as stipulated in Article 9. However, payment against the 1st such bill raised by the SPD, will be made subject to acceptance of the bill by the Discom.

10.3.5 **Rebate**

For payment of any Bill on or before Due Date, the following Rebate shall be paid by the SPD to SECI in the following manner.

a) A Rebate of 1.5% shall be payable to the SECI for the payments made within a period of 10 (ten) days of the presentation of hard copy of Bill.

b) Any payments made after ten (10) days of the date of presentation of Bill through hard copy up to the Due Date shall be allowed a rebate of 1 %.

c) For the above purpose, the date of presentation of Bill shall be the next Business Day of delivery of the physical copy of the Bill at SECI. .

d) No Rebate shall be payable on the Bills raised on account of Change in Law (except in case of annuity tariff model being implemented, where rebate will be applicable) relating to taxes, duties, cess etc. and on Supplementary Bill.

For the above purpose date of presentation of bill shall be the same day of delivery in hard copy. However, for consideration of rebate, next business day shall be considered.

10.4 **Payment Security Mechanism**

Letter of Credit (LC):

10.4.1 SECI shall provide to the SPD, in respect of payment of its Monthly Bills and/or Supplementary Bills, a monthly unconditional, revolving and irrevocable letter of credit ("Letter of Credit"), opened and maintained which may be drawn upon by the SPD in accordance with this Article.

10.4.2 Before the start of supply, SECI through a scheduled bank open a Letter of Credit in favour of the SPD, to be made operative from a date prior to the Due Date of its first Monthly Bill under this Agreement. The Letter of Credit shall have a term of twelve (12) Months and shall be renewed annually, for an amount equal to:

i) for the first Contract Year, equal to 110% of the estimated average monthly billing;

ii) for each subsequent Contract Year, equal to 110% of the average of the monthly billing of the previous Contract Year.

10.4.3 Provided that the SPD shall not draw upon such Letter of Credit prior to 30 days beyond the Due Date of the relevant Monthly Bill and/or Supplementary Bill, and shall not make more than one drawal in a Month.

10.4.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Article 10.4.2 due to any reason whatsoever, SECI shall restore such shortfall before next drawl.

10.4.5 SECI shall cause the scheduled bank issuing the Letter of Credit to intimate the SPD, in writing regarding establishing of such irrevocable Letter of Credit.

10.4.6 SECI shall ensure that the Letter of Credit shall be renewed not later than its expiry.

10.4.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by SECI.

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10.4.8 If SECI fails to pay undisputed Monthly Bill or Supplementary Bill or a part thereof within and including date as on 30 days beyond the Due Date, then, subject to Article 10.4.6 & 10.5.2, the SPD may draw upon the Letter of Credit, and accordingly the bank shall pay, an amount equal to such Monthly Bill or Supplementary Bill or part thereof, in accordance with Article 10.4.3 above, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:

i) a copy of the Monthly Bill or Supplementary Bill (only for energy related bills) which has remained unpaid to SPD and;
ii) a certificate from the SPD to the effect that the bill at item (i) above, or specified part thereof, is in accordance with the Agreement and has remained unpaid beyond the Due Date;

10.5 Disputed Bill

10.5.1 If the SECI does not dispute a Monthly Bill or a Supplementary Bill raised by the SPD within thirty (30) days of receiving such Bill shall be taken as conclusive.

10.5.2 If the SECI disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay 50% of the invoice amount and it shall within thirty (30) days of receiving such Bill, issue a notice
(the "Bill Dispute Notice") to the invoicing Party setting out:

i) the details of the disputed amount;
ii) its estimate of what the correct amount should be; and
iii) all written material in support of its claim.

10.5.3 If the SPD agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.5.2, the SPD shall revise such Bill and present along with the next Monthly Bill. In such a case excess amount shall be refunded along with interest at the same rate as Late Payment Surcharge, which shall be applied from the date on which such excess payment was made by the disputing Party to the invoicing Party and up to and including the date on which such payment has been received as refund.

10.5.4 If the SPD does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.5.2, it shall, within fifteen (15) days of receiving the Bill Dispute Notice, furnish a notice (Bill Disagreement Notice) to the SECI providing:

i) reasons for its disagreement;

ii) its estimate of what the correct amount should be; and

iii) all written material in support of its counter-claim.

10.5.5 Upon receipt of the Bill Disagreement Notice by the SECI under Article 10.5.4, authorized representative(s) or a director of the board of directors/ member of board of the SECI and SPD shall meet and make best endeavours to amicably resolve such dispute within fifteen (15) days of receipt of the Bill Disagreement Notice.

10.5.6 If the Parties do not amicably resolve the Dispute within fifteen (15) days of receipt of Bill Disagreement Notice pursuant to Article 10.5.4, the matter shall be referred to Dispute resolution in accordance with Article 16.

10.5.7 For the avoidance of doubt, it is clarified the despite a Dispute regarding an invoice, SECI shall, without prejudice to its right to Dispute, be under an obligation to make payment of 50% of the invoice amount in the Monthly Bill.

10.6 **Quarterly and Annual Reconciliation**

10.6.1 The Parties acknowledge that all payments made against Monthly Bills and Supplementary Bills shall be subject to quarterly reconciliation within 30 days of the end of the quarter at the beginning of the following quarter of each Contract Year and annual reconciliation at the end of each Contract Year within 30 days to take into account the Energy Accounts, Tariff adjustment payments, Tariff Rebate, Late Payment Surcharge, or any other reasonable circumstance provided under this Agreement.

10.6.2 The Parties, therefore, agree that as soon as all such data in respect of any quarter of a Contract Year or a full Contract Year as the case may be has been finally verified and adjusted, the SPD and SECI shall jointly sign such reconciliation statement. Within fifteen (15) days of signing of a reconciliation statement, the SPD shall make appropriate adjustments in the next Monthly Bill. Late Payment Surcharge/ interest shall be payable in such a case from the date on which such payment had been made to the invoicing Party or the date on which any payment was originally due, as may

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be applicable. Any Dispute with regard to the above reconciliation shall be dealt with in accordance with the provisions of Article 16.

10.7 *Payment of Supplementary Bill*

10.7.1 SPD may raise a ("Supplementary Bill") for payment on account of:

i) Adjustments required by the Energy Accounts (if applicable); or
ii) Change in Law as provided in Article 12, or
iii) Payment under Article 4.10,

And such Supplementary Bill shall be paid by the other Party.

10.7.2 SECI will remit all amounts due under a Supplementary Bill raised by the SPD to the SPD's Designated Account by the Due Date, except open access charges, RLDC or scheduling charges and transmission charges (if applicable). For Supplementary Bill on account of adjustment required by energy account and payments under Article 4.10, Rebate as applicable to Monthly Bills pursuant to Article 10.3.5 shall equally apply. Payment under Article 10.7.1 will be made after realization of the same from the Buying Utility. No late payment surcharge will be applicable other than that on the monthly energy payment and associated debit and credit note.

10.7.3 Not Used.

ARTICLE 11: FORCE MAJEURE

11.1 *Definition of Force Majeure*

A 'Force Majeure' (FM) would mean one or more of the following acts, events or circumstances or a combination of acts, events or circumstances or the consequence(s) thereof, that wholly or partly prevents or unavoidably delays the performance by the Party (the Affected Party) of its obligations under the relevant Power Purchase Agreement, but only if and to the extent that such events or circumstances are not within the reasonable control, directly or indirectly, of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices.

An Affected Party means SECI or the SPD whose performance has been affected by an event of Force Majeure.

11.2 *Categorization of Force Majeure Events:*

11.2.1 Natural Force Majeure Event

a) Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon or tornado if it is declared / notified by the competent state / central authority / agency (as applicable), or verified to the satisfaction of Procurer;

b) radioactive contamination or ionising radiation originating from a source in India or resulting from another Force Majeure Event mentioned above excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the Project by the Affected Party or those employed or engaged by the Affected Party;

c) the discovery of geological conditions, toxic contamination or archaeological remains on the Project land that could not reasonably have been expected to be discovered through an inspection of the Project land; or

d) any event or circumstances of a nature analogous to any of the events as specified under Article 11.2.1 (a), 11.2.1 (b) and 11.2.1 (c).

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11.2.2 Non-Natural Force Majeure Event

a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action;

b) nation/state-wide strike, lockout, boycotts or other industrial disputes which are not directly and solely attributable to the actions of the Affected Party, but does not include strike or labour unrest limited to the Affected Party or its contractors;

c) nationalisation or any compulsory acquisition by any Indian Governmental Instrumentality/ State Government in national interest or expropriation of any material Project assets or rights of the SPD, as a result of which the SPD or its shareholders are deprived (wholly or partly) of their rights or entitlements under the Power Purchase Agreement. Provided that such action does not constitute remedies or sanctions lawfully exercised by the Procurer or any other Government Authority as a result of any breach of any of the Applicable Laws or the Applicable Permits by the SPD or the SPD related parties;

d) action of a Government Authority having Material Adverse Effect including but not limited to Change in Law, only if consequences thereof cannot be dealt with under and in accordance with the provisions of Article 12 of this Agreement; any unlawful or unauthorised or without jurisdiction revocation of, or delay in, or refusal, or failure to renew or grant without valid cause, any Permits of the SPD or any of the clearance, licence, authorization to be obtained by the contractors to perform their respective obligations under the relevant PPA and/or the Project Documents; provided that such delay, modification, denial, refusal or revocation did not result from the SPD's or any contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such Permits or clearance, licence, authorization, as the case may be.

11.3 Force Majeure Exclusions

11.3.1 Force Majeure shall not include (i) any event or circumstance which is within the reasonable control of the Parties and (ii) the following conditions, except to the extent that they are consequences of an event of Force Majeure:

a. Unavailability, late delivery, or changes in cost of the plant, machinery, equipment, materials, spare parts or consumables for the Power Project;

b. Delay in the performance of any contractor, sub-contractor or their agents;

c. Non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;

d. Strikes at the facilities of the Affected Party;

e. Insufficiency of finances or funds or the agreement becoming onerous to perform; and

f. Non-performance caused by, or connected with, the Affected Party's:

i. Negligent or intentional acts, errors or omissions;

ii. Failure to comply with an Indian Law; or

iii. Breach of, or default under this Agreement.

11.4 *Notification of Force Majeure Event*

11.4.1 The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than seven (7) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force Majeure results in a breakdown of communications rendering it unreasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement.

11.4.2 Provided that such notice shall be a pre-condition to the Affected Party's entitlement to claim relief under the PPA. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed. The Affected Party shall give the other Party regular (and not less than weekly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the Force Majeure Event.

11.4.3 The Affected Party shall give notice to the other Party of (i) the cessation of the relevant event of Force Majeure; and (ii) the cessation of the effects of such event of Force Majeure on the performance of its rights or obligations under the PPA, as soon as practicable after becoming aware of each of these cessations.

11.5 **Performance Excused**

11.5.1 The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under the PPA as a consequence of the Force Majeure Event, shall be excused from performance of the obligations, provided that the period shall not exceed 180 (one hundred and eighty) Days from the date of issuance of the FM Notice. The Parties may mutually agree to extend the period for which performance is excused due to a Force Majeure Event.

11.5.2 For the time period, as mutually agreed by the Parties, during which the performance shall be excused, the generator shall be entitled for a day to day extension of the period provided for Financial Closure or Scheduled Commissioning Period or the PPA period, as the case may be.

11.5.3 Provided always that a Party shall be excused from performance only to the extent reasonably warranted by the Force Majeure Event.

11.5.4 Provided further that, nothing shall absolve the Affected Party from any payment obligations accrued prior to the occurrence of the underlying Force Majeure Event.

11.6 **No Liability for Other Losses**

Save as otherwise provided in this Agreement, no Party shall be liable in any manner, whatsoever, to the other Parties in respect of any loss relating to or arising out of the occurrence or existence of any Force Majeure Event.

11.7 **Resumption of Performance**

During the period that a Force Majeure Event is subsisting, the Affected Party shall, in consultation with the other Parties, make all reasonable efforts to limit or mitigate the effects of such Force Majeure Event on the performance of its obligations under the PPA. The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption. shall notify other Parties of the same in writing. The other Parties shall afford all reasonable assistance to the Affected Party in this regard.

11.8 **Duty to Perform and Duty to Mitigate**

To the extent not prevented by a Force Majeure Event pursuant to Article 11.2, the Affected Party shall continue to perform its obligations pursuant to this Agreement, in line with provisions of Article 11.5. The Affected Party shall use its reasonable efforts to mitigate the effect of any Force Majeure Event as soon as practicable.

11.9 **Available Relief for a Force Majeure Event**

Subject to this Article 11:

a) no Party shall be in breach of its obligations pursuant to this Agreement except to the extent that the performance of its obligations was prevented, hindered or delayed due to a Force Majeure Event;

b) every Party shall be entitled to claim relief in relation to a Force Majeure Event in regard to its obligations, including but not limited to those specified under Article 4.5;

c) For avoidance of doubt, neither Party's obligation to make payments of money due and payable prior to occurrence of Force Majeure events under this Agreement shall be suspended or excused due to the occurrence of a Force Majeure Event in respect of such Party.

d) Provided that no payments shall be made by either Party affected by a Force Majeure Event for the period of such event on account of its inability to perform its obligations due to such Force Majeure Event.

11.10 **Termination Due to Force Majeure Event**

11.10.1 **Termination due to Natural Force Majeure Event**

a) If, prior to the completion of the 180 (one hundred and eighty) Day period (or any extended period) for a Natural Force Majeure Event commencing from the date of issuance of the Force Majeure Notice, the Parties are of the reasonable view that a Natural Force Majeure Event is likely to continue beyond such 180 (one hundred and eighty) Day period or any extended period agreed in pursuance of Article 11.5 (Performance Excused); or that it is uneconomic or impractical to restore the affected Unit, then the Parties may mutually decide to terminate the PPA, and the termination shall take effect from the date on which such decision is taken.

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b) Without prejudice to the provisions of Article 11.10.1.(a) above, the Affected Party shall, after the expiry of the period of 180 (one hundred and eighty) Days or any other mutually extended period, be entitled to forthwith terminate the PPA in its sole discretion by issuing a notice to that effect.

c) On termination of the PPA pursuant to Article 11.10.1(b):

i. no Termination Compensation shall be payable to the SPD.

ii. the SPD shall be eligible for undisputed payments under outstanding Monthly Bill(s), before the occurrence of Force Majeure Event.

11.10.2 **Termination due to Non-Natural Force Majeure Event**

a) Upon occurrence of a Non-Natural Force Majeure Event, the SPD shall, at its discretion, have the right to terminate the PPA forthwith after the completion of the period of 180 (one hundred and eighty) Days from the date of the Force Majeure Notice.

b) On termination of the PPA pursuant to Article 11.10.2(a):

i. SECI shall pay to the SPD, 'Force Majeure Termination Compensation' equivalent to the amount of the Debt Due and the 110% (one hundred and ten per cent) of the Adjusted Equity, as defined in the PPA, and takeover the Project assets.

ii. the SPD shall be eligible for undisputed payments under outstanding Monthly Bill(s), before the occurrence of Force Majeure Event.

ARTICLE 12: CHANGE IN LAW

12.1 *Definitions*

In this Article 12, the following terms shall have the following meanings:

12.1.1 In this Article 12, the term Change in Law shall refer to the occurrence of any of the following events pertaining to this project only after **22.06.2020** including (i) the enactment of any new law; or (ii) an amendment, modification or repeal of an existing law; or (iii) the requirement to obtain a new consent, permit or license; or (iv) any modification to the prevailing conditions prescribed for obtaining an consent, permit or license, not owing to any default of the Solar Power Developer; or (v) any change in the rates of any Taxes including any duties and cess or introduction of any new tax made applicable for setting up the solar power project and supply of power from the Solar Power project by the SPD which have a direct effect on the Project.

However, Change in Law shall not include (i) any change in taxes on corporate income or (ii) any change in any withholding tax on income or dividends distributed to the shareholders of the SPD.

12.1.2 In the event of occurrence of any of events as provided under Article 12.1.1 which results in any increase/ decrease in the Project Cost (i.e. cost incurred by the SPD towards supply and services only for the Project concerned, upto Scheduled Commissioning Date or extended Scheduled Commissioning Date, as the case may be), the SPD/ SECI / Buying Utility(ies) shall be entitled for compensation by the other party, as the case may be, subject to the condition that the such 'Change in Law' is recognized by the Appropriate Commission. Compensation payment on account of such 'Change in Law' shall be determined and shall be effective from such date as may be decided by the Appropriate Commission.

12.1.3 However, in case of change in rates of safeguard duty, GST and basic customs duty after 22.06.2020 and resulting in change in Project Cost, then such change will be treated as 'Change in Law' and the quantum of compensation payment on account of change in rates of such duties and shall be provided to the affected party by the other party as per Article 12.2.3, subject to the provision that Appropriate Commission recognizes such provisions at the time of adoption of tariff by the

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Appropriate Commission and any decision in this regard shall be governing on SPD and Buying Entity.

12.2 *Relief for Change in Law*

12.2.1 Save and except as provided under Article 12.1.3, the aggrieved Party shall be required to approach the Hon'ble CERC for seeking approval of Change in Law.

12.2.2 The decision of the Hon'ble CERC to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on SPD and Buying Entity.

12.2.3 In case of Change in Law as approved by the Appropriate Commission pursuant to Article 12.2.1 or as provided under Article 12.1.3, the SPD/ SECI/ Buying Entities (as the case may be) shall be entitled for relief as follows:

Every net increase/decrease of Rs.1 lakh per MW in the Project Cost (i,e cost incurred by the SPD for the supply and services in the Project concerned, upto Schedule Commissioning Date or extended Schedule Commissioning Date, for reasons other than those wherein such extension is on account of payment of liquidated damages, penalty or any other charges, as the case may be), shall be liable for corresponding increase/decrease of an amount equal to Rs 0.005 /kWh.

Any such change, shall be considered upto three digits after the decimal point, and remaining digits, if any, shall be ignored.

For e.g. in case the change in tariff payable is calculated as Rs. 0.14678/kWh, it shall be modified as Rs. 0.146/kWh.

12.2.4 In case Change in Law results in delay in commissioning or supply of power, where cause and effect between these two can be clearly established, the SECI under intimation to the Buying Entities may provide suitable time-extension in Scheduled Commissioning Date or Scheduled Date of Commencement of Supply of Power, as the case may be.

12.2.5 It the event of any decrease in the project cost by the SPD or any income to the SPD on account of any of the events as indicated above, SPD shall pass on the benefit of such reduction at a rate as provided in Article 12.2.3 to SECI which shall be further passed on to the Buying Entity. In the event of the SPD failing to comply with the above requirement, SECI shall make such deductions in the monthly tariff payments on immediate basis,. Further, at the time of raising of 1st Monthly Tariff Payment

Bill, SPD shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 12.

12.2.6 The following proposal of MNRE to impose Basic Custom Duty (BCD) on Solar cells and modules (without grandfathering of bid out projects) has been agreed to by the Ministry of Finance:

Items	CTH	Upto 31.03.2022	w.e.f. 01.04.2022
Solar Module	85414012	0%	40%
Solar Cell	85414011	0%	25%

As per commitment from SPD, the SPD will provide the waiver on claim of Basic Custom Duty mentioned above in this PPA. If there is any further revision/modification to the said BCD notification on any new notification on the BCD matter, resulting in any further increase of BCD, Developers shall remain entitled to exercise rights for any claim under Change in Law of the PPAs, viz, such revision/modification (any incremental impact over prescribed rates of BCD as above) or any new notification. Further, No Change in Law on account of BCD will be claimed by either party, as per the MNRE OM dated 09.03.2021.

12.3 Notification of Change in Law

12.3.1 If the SPD is affected by Change in Law in accordance with Article 12 and wishes to claim a Change in Law under this Article, it shall give notice to the SECI and Buying Utility (s) of such Change in Law as soon as reasonably practicable (but no later than 60 days from the date of occurrence of such Change in Law).

12.3.2 Any notice service pursuant to this Article 12.3.1 and 12.1.3, shall provide, amongst other things, precise details of the Change in Law and its effect on the Project Cost, supported by documentary evidences including Statutory Auditor Certificate to this effect so as to establish one to one correlation and its impact on the Project Cost.

ARTICLE 13: EVENTS OF DEFAULT AND TERMINATION

13.1 *SPD Event of Default*

13.1.1 The occurrence and/or continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by SECI or Buying Entity(ies) of its obligations under this Agreement, shall constitute an SPD Event of Default:

(i) the failure to commence supply of power to SECI up to the Contracted Capacity, by the end of the period specified in Article 4, or failure to continue supply of Contracted Capacity to SECI after Commercial Operation Date throughout the term of this Agreement, or

if

a) the SPD assigns, mortgages or charges or purports to assign, mortgage or charge any of its assets or rights related to the Power Project in contravention of the provisions of this Agreement; or

b) the SPD transfers or novates any of its rights and / or obligations under this agreement, in a manner contrary to the provisions of this Agreement; except where such transfer

- is in pursuance of a Law; and does not affect the ability of the transferee to perform, and such transferee has the financial capability to perform, its obligations under this Agreement or

- is to a transferee who assumes such obligations under this Agreement and the Agreement remains effective with respect to the transferee;

(ii) if (a) the SPD becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or (b) any winding up or bankruptcy or insolvency order is passed against the SPD, or (c) the SPD goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, provided that a dissolution or liquidation of the SPD will not be a SPD Event of Default if such dissolution or liquidation is for the purpose of a merger, consolidation or reorganization and where the resulting company retains creditworthiness similar to

the SPD and expressly assumes all obligations of the SPD under this Agreement and is in a position to perform them; or

(iii) the SPD repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from SECI in this regard; or

(iv) except where due to any SECI's failure to comply with its material obligations, the SPD is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the SPD within thirty (30) days of receipt of first notice in this regard given by SECI.

(v) change in controlling shareholding before the specified time frame as mentioned in Article 4.1.1 of this Agreement; or

(vi) occurrence of any other event which is specified in this Agreement to be a material breach/ default of the SPD.

(vii) except where due to any SECI's failure to comply with its material obligations, the SPD is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the SPD within thirty (30) days of receipt of first notice in this regard given by SECI.

13.2 *SECI Event of Default*

13.2.1 The occurrence and the continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by the SPD of its obligations under this Agreement, shall constitute the Event of Default on the part of defaulting SECI:

(i) SECI fails to pay (with respect to a Monthly Bill or a Supplementary Bill), subject to Article 10.5, for a period of ninety (90) days after the Due Date and the SPD is unable to recover the amount outstanding to the SPD through the Letter of Credit,

(ii) SECI repudiates this Agreement and does not rectify such breach even within a period of sixty (60) days from a notice from the SPD in this regard; or

(iii) except where due to any SPD's failure to comply with its obligations, SECI is in material breach of any of its obligations pursuant to this Agreement, and such material breach is not rectified by SECI within sixty (60) days of receipt of notice in this regard from the SPD to SECI; or if

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- SECI becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of sixty (60) days, or

- any winding up or bankruptcy or insolvency order is passed against SECI, or

- SECI goes into liquidation or dissolution or a receiver or any similar officer is appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, provided that it shall not constitute a SECI Event of Default, where such dissolution or liquidation of Buyer or SECI is for the purpose of a merger, consolidation or reorganization and where the resulting entity has the financial standing to perform its obligations under this Agreement and has creditworthiness similar to SECI and expressly assumes all obligations of SECI and is in a position to perform them; or;

(iv) If Buying Entities are subject to any of the above defaults and SECI does not designate another or other Buying Entities for purchase of power.

(v) Occurrence of any other event which is specified in this Agreement to be a material breach or default of SECI.

13.3 *Procedure for cases of SPD Event of Default*

13.3.1 Upon the occurrence and continuation of any SPD Event of Default under Article 13.1, SECI shall have the right to deliver to the SPD, with a copy to the representative of the lenders to the SPD with whom the SPD has executed the Financing Agreements, a notice stating its intention to terminate this Agreement (SECI Preliminary Default Notice), which shall specify in reasonable detail, the circumstances giving rise to the issue of such notice.

13.3.2 Following the issue of a SECI Preliminary Default Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.

13.3.3 During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.

13.3.4 Within a period of seven (7) days following the expiry of the Consultation Period unless the Parties shall have otherwise agreed to the contrary or the SPD Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, SECI may terminate this Agreement by giving a written Termination Notice of sixty (60) days to the SPD.

13.3.5 Subject to the terms of this Agreement, upon occurrence of a SPD Event of Default under this Agreement, the SPD shall be liable to pay to SECI, liquidated damages, as provided in Article 4.6 of the PPA for failure to commission within stipulated time and Article 4.4.1 for failure to supply power in terms of the PPA. For other cases, the SPD shall be liable pay to SECI, damages, equivalent to 6 (six) months, or balance PPA period whichever is less, of charges for its contracted capacity. SECI shall have the right to recover the said damages by way of forfeiture of bank guarantee/ Payment on Order Instrument, if any, without prejudice to resorting to any other legal course or remedy. In addition to the levy of damages as aforesaid, the lenders in concurrence with the Buying Entity and SECI, may exercise their rights, if any, under Financing Agreements, to seek substitution of the SPD by a selectee for the residual period of the Agreement, for the purpose of securing the payments of the total debt amount from the SPD and performing the obligations of the SPD. However, in the event the lenders are unable to substitute the defaulting SPD within the stipulated period, SECI may terminate the PPA and the Buying Entity may acquire the Project assets for an amount equivalent to 90% of the Debt Due or less as mutually agreed, failing which, the lenders may exercise their mortgage rights and liquidate the Project assets. Provided that any substitution under this Agreement can only be made with the prior consent of SECI including the condition that the selectee meets the eligibility requirements of Request for Selection (RfS) issued by SECI and accepts the terms and conditions of this Agreement.

13.3.6 The lenders in concurrence with the Buying Utility and SECI, may seek to exercise right of substitution under Article 13.3.5 by an amendment or novation of the PPA

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in favour of the selectee. The SPD shall cooperate with SECI to carry out such substitution and shall have the duty and obligation to continue to operate the Power Project in accordance with this PPA till such time as the substitution is finalized. In the event of Change in Shareholding/Substitution of Promoters triggered by the Financial Institutions leading to signing of fresh PPA with a new entity, an amount of Rs. 10 Lakh per Project+ 18% GST per transaction as facilitation fee (non-refundable) shall be deposited by the SPD to SECI.

13.3.7 In the event the lenders are unable to substitute the defaulting SPD within the stipulated period, SECI may terminate the PPA and the Buying Utility may acquire the Project assets for an amount equivalent to 90% of the debt due, failing which, the lenders may exercise their mortgage rights and liquidate the Project assets.

13.4 *Procedure for cases of SECI Event of Default*

13.4.1 Upon the occurrence and continuation of any SECI Event of Default specified in Article 13.2, the SPD shall have the right to deliver to SECI, a SPD Preliminary Default Notice, which notice shall specify in reasonable detail the circumstances giving rise to its issue.

13.4.2 Following the issue of a SPD Preliminary Default Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.

13.4.3 During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.

13.4.4 After a period of two hundred ten (210) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed to the contrary or SECI Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, SECI under intimation to the Buying Entity and the SPD shall, subject to the prior consent of the SPD, novate its part of the PPA to any third party, including its Affiliates within the stipulated period. In the event the aforesaid novation is not acceptable to the SPD, or if no offer of novation is made by SECI

within the stipulated period, then the SPD may terminate the PPA and at its discretion require Buying Entity to either (i) takeover the Project assets by making a payment of the termination compensation equivalent to the amount of the Debt Due and 110% (one hundred and ten per cent) of the Adjusted Equity less Insurance Cover, if any, or, (ii) pay to the SPD, damages, equivalent to 6 (six) months, or balance PPA period whichever is less, of charges for its contracted capacity, with the Project assets being retained by the SPD.

Provided further that at the end of three (3) months period from the period mentioned in this Article 13.4.4, this Agreement may be terminated by the SPD.

In the event of termination of PPA, any damages or charges payable to the STU/ CTU, for the connectivity of the plant, shall be borne by the Buying Entity.

13.5 Not Used.

14.1 *Indemnity*

14.1.1 The SPD shall indemnify, defend and hold SECI harmless against:

a) any and all third party claims against SECI for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the SPD of any of its obligations under this Agreement; and

b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by SECI from third party claims arising by reason of a breach by the SPD of any of its obligations under this Agreement, (provided that this Article 14 shall not apply to such breaches by the SPD, for which specific remedies have been provided for under this Agreement).

14.1.2 SECI shall cause the Buying Entity(ies) to indemnify, defend and hold the SPD harmless against:

a) any and all third party claims against the SPD, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by Buying Entity(ies) of any of their obligations under this Agreement; and

b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest ('Indemnifiable Losses') actually suffered or incurred by the SPD from third party claims arising by reason of a breach by Buying Entity(ies) of any of its obligations. SECI shall incorporate appropriate covenants in the PSA for the above obligations of Buying Entity(ies). In so far as indemnity to SPD is concerned, Buying Entity(ies) shall be the indemnifying party and not SECI.

14.2 **Procedure for claiming Indemnity**

14.2.1 *Third party claims*

a. Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Article 14.1.1(a) or 14.1.2(a), the Indemnified Party shall promptly notify the Indemnifying Party of such claim referred to in Article 14.1.1(a) or 14.1.2(a) in respect of which it is entitled to be indemnified.

Such notice shall be given as soon as reasonably practicable after the Indemnified Party becomes aware of such claim. The Indemnifying Party shall be liable to settle the indemnification claim within thirty (30) days of receipt of the above notice. Provided however that, if:

i) the Parties choose to refer the dispute in accordance with Article 16.3.2; and

ii) the claim amount is not required to be paid/ deposited to such third party pending the resolution of the Dispute,

the Indemnifying Party shall become liable to pay the claim amount to the Indemnified Party or to the third party, as the case may be, promptly following the resolution of the Dispute, if such Dispute is not settled in favour of the Indemnified Party.

b. The Indemnified Party may contest the claim by referring to the Appropriate Commission for which it is entitled to be Indemnified under Article 14.1.1(a) or 14.1.2(a) and the Indemnifying Party shall reimburse to the Indemnified Party all reasonable costs and expenses incurred by the Indemnified party. However, such Indemnified Party shall not settle or compromise such claim without first getting the consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

An Indemnifying Party may, at its own expense, assume control of the defence of any proceedings brought against the Indemnified Party if it acknowledges its obligation to indemnify such Indemnified Party, gives such Indemnified Party prompt notice of its intention to assume control of the defence, and employs an independent legal counsel at its own cost that is reasonably satisfactory to the Indemnified Party.

14.3 *Indemnifiable Losses*

14.3.1 Where an Indemnified Party is entitled to Indemnifiable Losses from the Indemnifying Party pursuant to Article 14.1.1(b) or 14.1.2(b), the Indemnified Party shall promptly notify the Indemnifying Party of the Indemnifiable Losses actually incurred by the Indemnified Party. The Indemnifiable Losses shall be reimbursed by the Indemnifying Party within thirty (30) days of receipt of the notice seeking Indemnifiable Losses by the Indemnified Party. In case of nonpayment of such

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losses after a valid notice under this Article 14.3, such event shall constitute a payment default under Article 13.

14.4 *Limitation on Liability*

14.4.1 Except as expressly provided in this Agreement, neither the SPD nor SECI nor Buying Entity(ies) nor its/ their respective officers, directors, agents, employees or affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its affiliates, officers, directors, agents, employees, successors or permitted assigns or their respective insurers for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of Buying Entity(ies) , the SPD or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.

14.4.2 SECI shall have no recourse against any officer, director or shareholder of the SPD or any Affiliate of the SPD or any of its officers, directors or shareholders for such claims excluded under this Article. The SPD shall have no recourse against any officer, director or shareholder of Buyer or Buying Entity(ies) , or any affiliate of Buyer or any of its officers, directors or shareholders for such claims excluded under this Article.

14.5 **SECI's Liability**

14.5.1 Notwithstanding anything to the contrary contained in this Agreement, the Parties acknowledge and accept that the SECI is an Intermediary Company to purchase and resell the electricity to the Buying Utility(ies) to enable them to fulfill the Renewable Purchase Obligations (RPO) and, therefore, the performance of the obligations of the SECI under this Agreement shall be subject to the ability of the SECI to enforce the corresponding obligations assumed by the Buying Utility(ies) on re-sale under the Power Sale Agreement to be entered into by the Buying Utility(ies) with SECI. It is however, specifically agreed that the payment of money becoming due from the SECI

to the SPD under this Agreement for supply of Solar Power to the extent of the Contracted Capacity shall not be on a back to back basis and will be as per:

(I) the recourse under the Payment Security Mechanism provided in the PPA and PSA, as follows:

a) Letter of Credit;

(b) State Government Guarantee/ Tri-Partite Agreement (TPA) signed between Reserve Bank of India, Central Government and State Government of the Buying Entity, covering security for payment of energy charges, as applicable

(c) Payment Security Fund provided by the Buying Entity, and

(ii) Payment security fund as referred in Article 10.1.1 of the PPA. SECI shall discharge the tariff payment obligation in terms of the provisions of this Agreement.

14.5.2 The parties agree that in respect of the obligations other than the tariff payment obligation specifically mentioned herein above, in the event the SPD has any claim against the SECI in regard to the performance of any obligation of the SECI under this Agreement or enforcement of any right of the SPD against the SECI under this Agreement, the same shall be subject to the ability of the SECI to enforce the corresponding obligations assumed by the Buying Utility(ies) under the Power Sale Agreement to be entered into between the SECI and the Buying Utility(ies) on resale on mutatis mutandis basis and not otherwise.

14.6 Duty to Mitigate

14.6.1 The Parties shall endevour to take all reasonable steps so as mitigate any loss or damage which has occurred under this Article 14.

15.1 *Assignments*

This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any Party, except to the Project Lenders or Lender's Representative as security for their debt under the Financing Agreements, other than by mutual consent between the Parties to be evidenced in writing. Such assignment shall be agreed to by SECI subject to the compliance of provisions contained in this Agreement and more specifically to the provisions of Article 4.1.1 of this Agreement. In no case, such assignment shall be permissible prior to the declaration of COD.

Provided that, SECI shall permit assignment of any of SPD's rights and obligations under this Agreement in favour of the lenders to the SPD, if required under the Financing Agreements.

Provided that, such consent shall not be withheld if SECI seeks to transfer to any transferee all of its rights and obligations under this Agreement.

The enforcement of the rights and obligation between the SPD and the Buying Utility (ies) provided in this Agreement and in the PSA shall not be treated as an assignment but an enforcement of the terms agreed under this Agreement.

Provided further that any successor(s) or permitted assign(s) identified after mutual agreement between the Parties may be required to execute a new agreement on the same terms and conditions as are included in this Agreement. An amount of Rs. 5 Lakh per Transaction as Facilitation Fee (non-refundable) shall be deposited by the SPD to SECI. Provided further that, such consent shall not be withheld by the SPD if SECI seeks to transfer to any affiliate all of its rights and obligations under this Agreement.

In the event of Change in Shareholding/Substitution of Promoters triggered by the Financial Institutions leading to signing of fresh PPA with a New Entity, an amount of Rs. 10 Lakh per Transaction as Facilitation Fee (non-refundable) shall be deposited by the SPD to SECI.

15.2 *Permitted Charges*

15.2.1 SPD shall not create or permit to subsist any encumbrance over all or any of its rights and benefits under this Agreement, other than as set forth in Article 15.1 and the Guidelines.

16.1 *Governing Law*

16.1.1 This Agreement shall be governed by and construed in accordance with the Laws of India. Any legal proceedings in respect of any matters, claims or disputes under this Agreement shall be under the jurisdiction of appropriate courts in Delhi.

16.2 *Amicable Settlement and Dispute Resolution*

16.2.1 *Amicable Settlement*

i. Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(a) a description of the Dispute;

(b) the grounds for such Dispute; and

(c) all written material in support of its claim.

ii. The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article 16.2.1(i), furnish:

(a) counter-claim and defences, if any, regarding the Dispute; and

(b) all written material in support of its defences and counter-claim.

iii. Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 16

(i) if the other Party does not furnish any counter claim or defence under Article 16

(ii) or thirty (30) days from the date of furnishing counter claims or defence by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article 16.2.1.

(iii) the Dispute shall be referred for dispute resolution in accordance with Article 16.3.

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16.3 *Dispute Resolution*

16.3.1 **Dispute Resolution by the Appropriate Commission**

i) Where any Dispute or differences arises in relation to this agreement of any nature whatsoever including the construction, interpretation or implementation of the provisions of this agreement as well as claim made by any Party for any change in or determination of the Tariff or any matter related to Tariff or claims made by any Party which partly or wholly relate to any change in the Tariff or determination of any of such claims could result in change in the Tariff, and relates to any matter agreed to be referred to the Appropriate Commission, shall be submitted to adjudication by the Appropriate Commission. Appeal against the decisions of the Appropriate Commission shall be made only as per the provisions of the Electricity Act, 2003, as amended from time to time.

ii) SECI shall be entitled to co-opt the Buying Entity(ies) and/or the lenders (if any) as a supporting party in such proceedings before the Appropriate Commission.

16.3.2 **Not used.**

16.4 *Parties to Perform Obligations*

16.4.1 Notwithstanding the existence of any Dispute and difference referred to the Appropriate Commission and save as the Appropriate Commission may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations (which are not in dispute) under this Agreement.

ARTICLE 17: MISCELLANEOUS PROVISIONS

17.1 *Amendment*

17.1.1 This Agreement may only be amended or supplemented by a written agreement between the Parties.

17.2 *Third Party Beneficiaries*

17.2.1 Subject to provisions contained in this agreement relating to back to back implications of the PPA as well as PSA, this Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns and shall not be construed as creating any duty, standard of care or any liability to, any person not a party to this Agreement.

17.3 *Waiver*

17.3.1 No waiver by either Party of any default or breach by the other Party in the performance of any of the provisions of this Agreement shall be effective unless in writing duly executed by an authorised representative of such Party.

17.3.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement nor time or other indulgence granted by one Party to the other Parties shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other right under this Agreement, which shall remain in full force and effect.

17.4 *Confidentiality*

17.4.1 The Parties undertake to hold in confidence this Agreement and not to disclose the terms and conditions of the transaction contemplated hereby to third parties, except:

a) to their professional advisors;

b) to their officers, contractors, employees, agents or representatives, financiers, who need to have access to such information for the proper performance of their activities; or

c) disclosures required under Law, without the prior written consent of the other Party.

17.5 *Severability*

17.5.1 The invalidity or unenforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder of this Agreement, unless the part held invalid or unenforceable is fundamental to this Agreement.

17.6 *Notices*

17.6.1 All notices or other communications which are required to be given under this Agreement shall be in writing and in the English language.

17.6.2 If to the SPD, all notices or other communications which are required must be delivered personally or by registered post or facsimile or any other method duly acknowledged to the addresses below:

Address	:	Unit 236 B&C, 1st Floor, DLF South Court, Saket, New Delhi-110017
Attention	:	Mr. Vivek Kodesia
Email	:	vivek.kodesia@eden-re.com, eden.bid@eden.re.com
Fax. No.	:	
Telephone No.	:	+91-1149204402, 9717031091

17.6.3 If to SECI, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the address(es) below:

Address	:	6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023
Attention	:	Sh. Manas Ranjan Mishra, Senior Manager (Solar)
Email	:	manas@seci.co.in
Telephone No.	:	011-24666229

17.6.4 All notices or communications given by facsimile shall be confirmed by sending a copy of the same via post office in an envelope properly addressed to the appropriate Party for delivery by registered mail. All notices shall be deemed validly delivered upon receipt evidenced by an acknowledgement of the recipient, unless the Party

delivering the notice can prove in case of delivery through the registered post that the recipient refused to acknowledge the receipt of the notice despite efforts of the postal authorities.

17.6.5 Any Party may by notice of at least fifteen (15) days to the other Party change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

17.7 *Language*

17.7.1 All agreements, correspondence and communications between the Parties relating to this Agreement and all other documentation to be prepared and supplied under the Agreement shall be written in English, and the Agreement shall be construed and interpreted in accordance with English language.

17.7.2 If any of the agreements, correspondence, communications or documents are prepared in any language other than English, the English translation of such agreements, correspondence, communications or documents shall prevail in matters of interpretation.

17.8 ***Restriction of Shareholders / Owners' Liability***

17.8.1 Parties expressly agree and acknowledge that none of the shareholders of the Parties hereto shall be liable to the other Parties for any of the contractual obligations of the concerned Party under this Agreement. Further, the financial liabilities of the shareholder/s of each Party to this Agreement, shall be restricted to the extent provided in the Indian Companies Act, 2013.

17.9 *Taxes and Duties*

17.9.1 The SPD shall bear and promptly pay all statutory taxes, duties, levies and cess, assessed/ levied on the SPD, contractors or their employees that are required to be paid by the SPD as per the Law in relation to the execution of the Agreement and for supplying power as per the terms of this Agreement.

17.9.2 SECI shall be indemnified and held harmless by the SPD against any claims that may be made against SECI in relation to the matters set out in Article 17.9.1.

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17.9.3 SECI shall not be liable for any payment of, taxes, duties, levies, cess whatsoever for discharging any obligation of the SPD by SECI on behalf of SPD.

17.10 *Independent Entity*

17.10.1 The SPD shall be an independent entity performing its obligations pursuant to the Agreement.

17.10.2 Subject to the provisions of the Agreement, the SPD shall be solely responsible for the manner in which its obligations under this Agreement are to be performed. All employees and representatives of the SPD or contractors engaged by the SPD in connection with the performance of the Agreement shall be under the complete control of the SPD and shall not be deemed to be employees, representatives, contractors of SECI and nothing contained in the Agreement or in any agreement or contract awarded by the SPD shall be construed to create any contractual relationship between any such employees, representatives or contractors and SECI.

17.11 *Compliance with Law*

Despite anything contained in this Agreement but without prejudice to this Article, if any provision of this Agreement shall be in deviation or inconsistent with or repugnant to the provisions contained in the Electricity Act, 2003, or any rules and regulations made there under, such provision of this Agreement shall be deemed to be amended to the extent required to bring it into compliance with the aforesaid relevant provisions as amended from time to time.

17.12. The duly executed Power Sale Agreement between SECI and Buying entity(s) as attached to this Agreement shall be read along with this Agreement as a composite back to back agreement for Generation and supply of electricity to the Buying entity(s), particularly, to fulfill the Renewable Purchase Obligations under the provisions of the Electricity Act, 2003 and the Regulations notified thereunder.

17.13 Breach *of Obligations*

The Parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The Parties further acknowledge that the amount of the liquidated damages or the method of calculating the liquidated damages specified

in this Agreement is a genuine and reasonable pre-estimate of the damages that may be suffered by the non-defaulting party in each case specified under this Agreement.

17.14 *Order of priority in application*

In case of inconsistencies between the agreement(s) executed between the Parties, applicable Law including rules and regulations framed thereunder, the order of priority as between them shall be the order in which they are placed below:

i. applicable Law, rules and regulations framed thereunder;

ii. the Grid Code; and

iii. the terms and conditions of this Agreement;

IN WITNESS WHEREOF the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of
[SECI]
Name, Designation and Address

Signature with seal

Witness:
1.

2.

For and on behalf of
[Eden Renewable Bercy Private Limited]
Name, Designation and Address

Signature with seal

Witness:
1.

2. VAISHALI SHARMA

SCHEDULE 1: FORMAT OF THE PERFORMANCE BANK GUARANTEE

(to be submitted separately for each Project)

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution.)

In consideration of the ----- [Insert name of the Bidder] (hereinafter referred to as selected Solar Power Developer') submitting the response to RfS inter alia for selection of the Project of the capacity of ..... MW, at .....[Insert name of the place] under .....[Insert name of the RfS], for supply of power there from on long term basis, in response to the RfS dated..... issued by Solar Energy Corporation of India Ltd (hereinafter referred to as SECI) and SECI considering such response to the RfS of .....[insert the name of the selected Solar Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the Solar Power Project of the Solar Power Developer and issuing Letter of Award No ------- to (Insert Name of selected Solar Power Developer) as per terms of RfS and the same having been accepted by the selected SPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase of Power [from selected Solar Power Developer or a Project Company, M/s ---------- {a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable]. As per the terms of the RfS, the _____ [insert name & address of bank] hereby agrees unequivocally, irrevocably and unconditionally to pay to SECI at [Insert Name of the Place from the address of the SECI] without demur forthwith on demand in writing from SECI or any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees------ [Total Value] only, on behalf of M/s _____ [Insert name of the selected Solar Power Developer / Project Company]

This guarantee shall be valid and binding on this Bank up to and including..... and shall not be terminable by notice or any change in the constitution of the Bank or the term of contract or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Guarantee is restricted to Rs. _____ only.
Our Guarantee shall remain in force until..... SECI shall be entitled to invoke this Guarantee till .....

The Guarantor Bank hereby agrees and acknowledges that SECI shall have a right to invoke this BANK GUARANTEE in part or in full, as it may deem fit.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by SECI, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to SECI.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by ----------[Insert name of the selected Solar Power Developer / Project Company as applicable] and/or any other person. The Guarantor Bank shall not require SECI to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against SECI in respect of any payment made hereunder.

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Delhi shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly SECI shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the selected Solar Power Developer / Project Company , to make any claim against or any demand on the selected Solar Power Developer / Project Company or to give any notice to the selected Solar Power Developer / Project Company or to enforce any security held by SECI or to exercise, levy or enforce any distress, diligence or other process against the selected Solar Power Developer / Project Company .

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to SECI and may be assigned, in whole or in part, (whether absolutely or by way of security) by SECI to any entity to whom SECI is entitled to assign its rights and obligations under the PPA.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. _____ (Rs. _____ ____ only) and it shall remain in force until ..... (Provide for two additional months after the period of guarantee for invoking the process of encashment) We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if SECI serves upon us a written claim or demand.

Signature _____

Name_____

Power of Attorney No._____

For

_____[Insert Name of the Bank]__

E-mail ID of the bank:

Banker's Stamp and Full Address.

Dated this ____ day of ____, 20__

Witness:

1. .....

Signature

Name and Address

2. .....

Signature

Name and Address

Notes:

1. The Stamp Paper should be in the name of the Executing Bank and of appropriate value.
2. The Performance Bank Guarantee shall be executed by any of the Bank from the List of Banks enclosed.

SCHEDULE 2: FORMAT OF PAYMENT ON ORDER INSTRUMENT TO BE ISSUED BY IREDA/REC/PFC

(to be submitted separately for each Project)

No. Date

SECI, *Registered*

_____,

_____

_____

Reg: M/s _____(insert name of the PPA signing entity) (Project No. _____(insert project ID issued by SECI) – Issuance of Payment on Order Instrument for an amount of Rs._____

Dear Sir,

1. The Ministry of New and Renewable Energy, Government of India vide its letter dated 12th March 2020 has decided that to facilitate the promotion of solar and wind power development and implementation of the project by the Solar and Wind Power Developers who have entered into financing and funding agreements with IREDA/REC/PFC, the security by way of PBG in the form of Performance Bank Guarantee given by the Developers be allowed to be substituted by Letter of Undertaking/ Payment on Order Instrument issued by Non-Banking Finance Companies under the control of the Ministry of New and Renewable Energy and Ministry of Power. SECI and other nodal agencies appointed by the Government of India with whom the power developers have entered into Power Purchase Agreement may accept the same in place of PBG. The Ministry of New and Renewable Energy vide letter dated 12.03.2020 has, inter-alia, decided as under:

6. *After carefully examining the matter, the Ministry have decided as follows.*

b) *(i) SECI or NTPC or any other implementing agency on behalf of MNRE (henceforth called implementing agencies) may release the Performance Bank Guarantee (PBG) of any project if RE developers are able to replace the same with Letter(s) of Undertaking to pay in case situation of default of RE developer in terms of Power Purchase Agreement (PPA) arises, from Indian Renewable Energy Development Agency Limited (IREDA) or Power Finance Corporation Limited (PFC) or REC Limited (REC), the three non-banking financial institutions under Ministry of New & Renewable Energy (MNRE)/ Ministry of Power (MoP). These three financial institutions - IREDA or PFC or REC may issue such Letter(s) of Undertaking to pay only after securing their financial interests taking into account the security(ies) available with them as per their policy and after due diligence. These non-banking financial institutions would ensure that the security(ies) available with them are enough to*

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cover full risk/ or exposure, which may arise on account of issue of such Letter(s) of Undertaking. Such Letter(s) may be termed as "Payment on Order instrument" and will have same effect as that of a Bank Guarantee issued by any public sector bank. This "Payment on Order instrument" would have terms and conditions similar to that of any Bank Guarantee given by any public sector bank and would promise to pay the implementing agencies on demand within stipulated time.

(ii) RE developers can seek such Letters(s) by offering due security to the above mentioned three non-banking financial institutions mentioned above (IREDA, PFC & REC) for seeking replacement of their Bank Guarantees already pledged with the implementing agencies.

(iii) For future projects, RE developers would be at liberty to either pledge Bank Guarantee(s) or Letter(s) of Undertaking as stated above towards Performance Bank Guarantee.

(iv) The above decisions may be treated as amendments to the respective Standard Bidding Guidelines (SBG) (solar/wind) and notified accordingly.

(v) Implementing agencies shall not accept the instrument of 'Letter ofUndertaking' as described above or in any other form, from any other non- banking financial institutions or bank, except IREDA, PFC & REC.

2. It is to be noted that M/s. _____(insert name of the POI issuing Agency)**('IREDA/REC/PFC')** has sanctioned a non-fund based limit loan of Rs. _____ (Rupees_____only) to M/s _____ under the Loan Agreement executed on _____ to execute Renewable Energy Projects.

3. At the request of M/s _____, on behalf of _____ (insert name of the SPV), it is now intended and proposed to issue this Payment on Order Instrument (POI) for an amount of Rs. _____ (Rupees_____(in words)).

4. In consideration of the ----- [Insert name of the Bidder] (hereinafter referred to as selected Solar Power Developer') submitting the response to RfS inter alia for selection of the Project of the capacity of ..... MW, at .....[Insert name of the place] under RfS for ....., for supply of power there from on long term basis, in response to the RfS dated..... issued by Solar Energy Corporation of India Ltd (hereinafter referred to as SECI) and SECI considering such response to the RfS of .....[insert the name of the selected Solar Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the Solar Power Project of the Solar Power Developer and issuing Letter of Award No ------- to (Insert Name of selected Solar Power Developer) as per terms of RfS and the same having been accepted by the selected SPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase

of Power [from selected Solar Power Developer or a Project Company, M/s ---------- {a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable]. As per the terms of the RfS, the _____ [insert name & address of IREDA/PFC/REC] hereby agrees unequivocally, irrevocably and unconditionally to pay to SECI at [Insert Name of the Place from the address of the SECI] forthwith on demand in writing from SECI or any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees------ [Total Value] only, on behalf of M/s _____ [Insert name of the selected Solar Power Developer / Project Company]

5. In consideration of the above facts, IREDA/REC/PFC, having its registered office at _____, agrees to make payment for the sum of Rs. _____ lakhs (in words.....) to SECI on the following conditions:-

(a) IREDA/REC/PFC agrees to make payment of the above said amount unconditionally, without demur and without protest within a period of _____ days of receipt of request from SECI within the validity period of this letter as specified herein;

(b) The commitment of IREDA/REC/PFC, under this Payment on Order Instrument will have the same effect as that of the commitment under the Bank Guarantee issued by any Public Sector Bank and shall be enforceable in the same manner as in the case of a Bank Guarantee issued by a Bank and the same shall be irrevocable and shall be honored irrespective of any agreement or its breach between IREDA/REC/PFC or its constituents notwithstanding any dispute that may be raised by them against SECI;

(c) The liability of IREDA/REC/PFC continues to be valid and binding on IREDA/REC/PFC and shall not be terminated, impaired and discharged, by virtue of change in its constitution and specific liability under letter of undertaking shall be binding on its successors or assignors;

(d) The liability of IREDA/REC/PFC shall continue to be valid and binding on IREDA/REC/PFC and shall not be terminated/ impaired/ discharged by any extension of time or variation and alternation made given or agreed with or without knowledge or consent of the parties (SECI and Bidding Party), subject to the however to the maximum extent of amount stated herein and IREDA/REC/PFC is not liable to any interest or costs etc;

(e) This Payment of Order Instrument can be invoked either partially or fully, till the date of validity;

(f) IREDA/REC/PFC agrees that it shall not require any proof in addition to the written demand by SECI made in any format within the validity period. IREDA/REC/PFC shall not require SECI to justify the invocation of the POI against the SPV/SPD, to make any claim against or any demand against the SPV/SPD or to give any notice to the SPV//SPD;

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(g) The POI shall be the primary obligation of IREDA/REC/PFC and SECI shall not be obliged before enforcing the POI to take any action in any court or arbitral proceedings against the SPV/SPD;

(h) Neither SECI is required to justify the invocation of this POI nor shall IREDA/REC/PFC have any recourse against SECI in respect of the payment made under letter of undertaking;

6. Notwithstanding anything contrary contained anywhere in this POI or in any other documents, this POI is and shall remain valid upto_____ and IREDA/REC/PFC shall make payment thereunder only if a written demand or request is raised within the said date and to the maximum extent of Rs.....and IREDA/REC/PFC shall in no case, be liable for any interest, costs, charges and expenses and IREDA's/REC's/PFC's liability in no case will exceed more than the above amount stipulated.

7. In pursuance of the above, IREDA/REC/PFC and SECI have signed an Umbrella Agreement dated ____ setting out the terms and conditions for issue of letter of undertaking by IREDA/REC/PFC to SECI and the said terms and conditions shall be read as a part of this letter of undertaking issued for the project of the project of PP mentioned above.

Thanking you,

Yours faithfully
For and on behalf of
M/s. _____
(name of the POI issuing agency).

( )
General Manager (TS)

Copy to:-

M/s. __PP_____

_____

_____ As per their request

( )
General Manager (TS)

❖ **Capacity of Solar PV Projects:**

i) The Project configuration shall be allowed as per the following matrix:

Sr. No.	Solar PV Project Capacity Bid	Minimum DC Arrays Capacity to be installed	Minimum Rated Inverter Capacity*	Maximum AC Capacity Limit at Delivery point
1	50 MW	50 MW	50 MW	50 MW
2	100 MW	100 MW	100 MW	100 MW
3	150 MW	150 MW	150 MW	150 MW
4	200 MW	200 MW	200 MW	200 MW
5	250 MW	250 MW	250 MW	250 MW

*In case the rated inverter capacity is mentioned in kVA, the IEC test certificate declaring the power factor of the Inverter/PCU at rated power has to be submitted and the power factor shall be multiplied by the kVA rating to calculate the rated capacity of the inverter in kW.

ii) The SPD shall be required to demonstrate compliances with the "*Technical Requirements for Grid Connected Solar PV Power Plants*" as mentioned in the RfS and Guidelines. iii) Higher DC capacity arrays can also be allowed subject to the condition that the AC capacity limit as mentioned in (i) above for scheduling at the Delivery Point as per

Article 4.4 "Right to Contracted Capacity & Energy" of the PPA is complied with.

iv) For commissioning of the Project, cumulative capacity of DC arrays and cumulative capacity of the inverters installed shall be considered. In case of part commissioning of the Project, it shall be required to have the DC Arrays Capacity and inverters capacity be installed not less than the proposed part commissioning capacity.

v) If generation at any time exceeds the maximum permissible AC capacity at delivery point, the excess generation during that period may not be considered under PPA.

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Commissioning Procedure

The Solar PV Project will be declared as commissioned when all equipment as per rated project capacity has been installed and energy from the Project has flown into the grid, which will be verified by a committee/agency identified by SECI/MNRE to witness the Commissioning of the Project.

Following is the chronology of the procedure to be followed for commissioning of the Project.

i) SPDs shall give to the concerned RLDC/SLDC, State Nodal Agency (SNA) and SECI at least thirty (30) days advance written notice, of the date on which it intends to synchronize the Power Project to the Grid System. The SPD shall be solely responsible for any delay or non-receipt of the notice by the concerned agencies, which may in turn affect the Commissioning Schedule of the Project. Early Commissioning of a Solar Project prior to the SCD is permitted on acceptance of power by SECI. In order to facilitate this, SPDs shall inform the concerned RLDC/SLDC and SECI well in advance, which is not less than 90 days prior to the date on which it intends to synchronize the Power Project to the Grid System.

ii) Not more than 7 days prior to the proposed commissioning date, the SPD shall give the final written notice to SECI, SNA and CTU requiting the commissioning committee/agency to visit the site to witness commissioning of the project. Following documents are required to be submitted by the SPD, physically in the office of SECI along with the above notice, duly stamped and signed by the Authorized Signatory (scanned copies may also be allowed):

1. Covering Letter
2. Board resolution for authorized signatory for signing the documents related to commissioning of the Project and witnessing the commissioning.
3. Achievement of Land Arrangements requirement as per Article 4.1.1.a.
4. Installation report duly signed by the authorized signatory as per Appendix-2. The SPD is advised to take due care in furnishing such Installation Report. Discrepancy (if any) and observed by SECI, may be construed as misrepresentation of information by the SPD and SECI may take appropriate action as per this Agreement.
5. Plant Layout, Plant (AC & DC) SLD, along with Inverter-wise module details.
6. CEI/CEIG (as applicable) report containing approval for all the components, including modules, inverters, transformers and protection system, along with all annexures/attachments. It would be the responsibility of the SPD to obtain the certificate.
7. Connectivity and Long Term Access, along with Transmission Agreement.
8. Metering Scheme Approval provided by CTU/POSOCO
9. Relevant documents from SLDC/RLDC/SPIA/SPD acknowledging successful data communication between plant end and SLDC/RLDC.
10. RLDC Registeration certificate and Charging code/Permission for charging the generating station issued by respective RLDC/SLDC etc.

11. Joint Meter Reading (JMR) shall be taken at Delivery Point and Pooling Substation (if applicable)/plant premise at the time of connectivity of the Project with Grid. This shall include information of respective meters installed at delivery/ interconnection point and pooling substation/plant premises.
12. Synchronization Certificate issued by RLDC/CTU/SPIA/SPD for ascertaining injection of power into grid. Self-declaration of synchronization is required along with copy of communication received from CTU/RLDC/SPIA for charging of each element i.e. 220 kV and above Bay at CTU, EHV Line, PSS and 33kV Bay and Inverters.
13. In line with CERC Order No. 1/14/2015-Reg.Aff.(FSDS-Proced.)/CERC Dated 03.03.2017, SPD shall ensure data telemetry at the inverter level to the concerned RLDC and shall ensure the correctness of the real-time data and undertake the corrective actions, if required.

    Line of confirmation received from RLDC/CTU/SPIA with regards to above is required Prior to visit for witnessing the commissioning activities.
14. Reading of all the inverters (instantaneous and total generation) along with its serial number of a particular date.

iii) After the submission/ upload of the documents by SPD, SECI shall verify the documents and intimate/reply with remarks. In case any additional supporting/revised documents are asked by SECI, the same have to be submitted by the SPD.

iv) Based on the submission of the above documents by the SPD, SECI shall intimate to the SPD about its readiness to visit the project site to witness the commissioning and shall notify the Commissioning Committee/Agency which shall visit the Project site to witness the commissioning of the Project. In case of a multi-agency Committee, the SPD shall ensure the presence of all the members of the Committee constituted to witness the commissioning, on the said date.

v) The Commissioning Committee/Agency shall visit the Project site to verify the technical compliance on site as per the information submitted by the SPD and to witness the commissioning. In case the committee finds discrepancy/deviation from the information submitted by the SPD during on site verification, the same shall be recorded in the minutes of meeting of the Committee/Agency. SECI shall decide the next date of visit of the Committee/Agency upon rectification of the discrepancies by the SPD.

vi) On the date of site-visit, the SPD shall be required to demonstrate that equipment of rated capacity as per table given at S.No. (i) has been installed, all the inverters of rated capacity are operating and energy from the project has flown into the grid.

vii) Joint Meter Reading (JMR) shall be taken at Delivery Point and Pooling Substation (if applicable)/plant premise on the date of site visit by the commissioning committee. This shall include information of respective meters installed at delivery/ interconnection point and pooling substation/plant premises.

viii) In case the Project meets the requirements as per the provisions of the RfS as verified by the Commissioning Committee/Agency witnessing the commissioning, the Project shall be declared as having been commissioned as on the date of synchronization with the grid.

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as indicated in the Synchronization Certificate. The date of Commissioning of the Project may be indicated in the Minutes of Meeting of the Committee/ recommendation of the Agency visiting the Project. Any other observation contrary to the above, shall be clearly indicated in the Minutes/recommendations and further decision on commissioning of the Project shall be taken by SECI in this regard.

ix) Subsequent to the visit of the Commissioning Committee/Agency to the Project site, the SPD shall submit the following documents in hard copy/scanned form, in order to fulfil the requirements for issuance of Commissioning Certificate:

1. Minutes of Meeting of the Commissioning Committee/recommendations of the Agency which has witnessed the commissioning of the Project.
2. Invoices against purchase of the solar modules, Inverters/PCUs and DC cables along with the summary sheet containing the list of all the invoices, inverters including details and number of items.
3. All supporting documents towards meeting the technical compliance along with datasheet/ warranty certificates/ contract agreement etc. as mentioned in Annexure-A of the RfS).
4. Snap shots of the plant, including but not limited to, solar PV modules, all central inverters (showing instantaneous and total generation of a particular date), switchyards\switchgears, Power Transformers, metering (as per applicable regulations) at delivery point etc. along with the Installation Report.
5. SPD shall have to submit/upload the as-built drawing after the commissioning.

x) In case of any deviations recorded by the Commissioning Committee/Agency which had prevented the declaration of commissioning of the Project as on the date of synchronization of the Project, the SPD shall be required to submit to SECI, the necessary documents towards rectification of the deviations observed. Upon successful verification of the required documents, the fresh date of visit of the Commissioning Committee/Agency to the Project, shall be notified by SECI. If the Commissioning Committee/Agency visiting the Project finds the deviations earlier noted having been suitably rectified by the SPD, the date of Commissioning of the Project in this case, shall be the actual date of visit of the Commissioning Committee/Agency, else, the entire process shall be repeated until the observed deviations are rectified by the SPD to the satisfaction of the Commissioning Committee/Agency visiting the Project.

xi) Subsequent to commissioning, the SPD shall provide the SCADA login details to SECI for online real time data monitoring of the Project. The SPD may be required to push the required plant related data to SECI designated server in xml/json formats.

Installation Report

(To be provided by SPD and to be submitted at most 7 days prior to proposed commissioning date, which shall be verified by Commissioning Committee)

Sr. No.	Capacity of the Project (MW)	
	Capacity already commissioned (MW)	
	Capacity proposed to be commissioned (MW)	
I.	Technology used (Mono/Multi Crystalline / thin film / Others; please specify along with capacity of each type)	
II.	Type of Tilt (Fixed Tilt/Seasonal Tilt/Tracking)	
III.	Rating of the each module (Wp)	
IV.	Number of modules installed of each type (along with Serial Nos. of all the modules installed)	
V.	Make of Module(s) installed of each type (including name of the Supplier and country of origin)	
VI.	Number of PCUs / Inverters installed (along with Serial Nos. of all the PCUs/Inverters installed)	
VII.	Make of the PCUs / Inverters (including name of supplier and country of origin)	
IX.	Rating of PCUs / Inverters	
X.	Date of installation of full capacity (as per capacity proposed to be commissioned)	
	PV arrays	
	PCUs / Inverters	
	Transformers	

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Sample Part Commissioning / Full Commissioning Certificate

of Solar PV Power Project

(To be issued by the State Nodal Agency on its letterhead)

Ref: Dated:

This is to certify that <M/s> having its registered office at -------- has successfully commissioned Capacity < MW > out of total <MW> installed Capacity on (Date) of their Solar PV Power Generation Project at Village ------, Tehsil/Taluka ------- & Dist. ------

The Commissioning Certificate has been issued on the basis of the following documents enclosed:

(i) Installation Report including Snap shots of the Project from various angles
(ii) Electrical Inspector Report
(iii) Synchronization Certificate
(iv) Minutes of Meeting of the Commissioning Committee / recommendation of the Agency visiting the Project

SCHEDULE-4: POWER SALE AGREEMENT(S) WITH CORRESPONDING BUYING ENTITIY(IES)

सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	IN-DL17813463161618U
Certificate Issued Date	:	12-Apr-2022 11:13 AM
Account Reference	:	IMPACC (IV)/ dl720603/ DELHI/ DL-DLH
Unique Doc. Reference	:	SUBIN-DLDL72060323027886627138U
Purchased by	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Description of Document	:	Article 5 General Agreement
Property Description	:	Not Applicable
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Second Party	:	Not Applicable
Stamp Duty Paid By	:	SOLAR ENERGY CORPORATION OF INDIA LIMITED
Stamp Duty Amount(Rs.)	:	100 (One Hundred only)

Please write or type below this line

This Power Purchase Agreement is made on the 12th day of April of 2022 at New Delhi.

Between

AMP Energy Green Five Private Limited (CIN: U40106DL2020PTC362974), a Company incorporated under the Companies Act 1956 or Companies Act 2013, having its registered office at 309, 3rd Floor, Rectangle One, Behind Sheraton Hotel, Saket, New

Statutory Alert:
1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

SOLAR ENERGY CORPORATION OF INDIA LIMITED SOLAR ENERGY CORPORATION OF INDIA LIMITED SOLAR ENERGY CORPORATION OF INDIA LIMITED SOLAR ENERGY CORPORATION OF INDIA LIMITED

Delhi, India-110017 (hereinafter referred to as "**Solar Power Developer or SPD**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) as a Party of the **First Part**;

And

Solar Energy Corporation of India Limited (CIN: U40106DL2011GOI225263), a company incorporated under the Companies Act 1956, having its registered office at 6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023 (hereinafter referred to as "SECI", or "Procurer" or "Buyer" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assignees) as a Party of the **Second Part**;

The SPD and SECI are individually referred to as 'Party' and collectively referred to as 'Parties'.

WHEREAS:

A. The Government of India has announced the Policy for promotion of the Solar Power in the country and has provided a target to achieve an aggregate installed capacity of 100 GW by the year 2022.

B. The Ministry of Power, Government of India has issued the Guidelines for the Tariff-based Competitive Bidding Process for procurement of power generated from the Grid connected Solar Power Project vide Resolution dated 3rd August 2017, including subsequent amendments and clarifications.

C. SECI has been designated as a Nodal Agency for developing and facilitating the establishment of the Grid connected Solar Power capacity in India in terms of the above Policy of the Government of India;

D. SECI had initiated a Tariff Based Competitive Bid Process for procurement of 2000 MW of the power generated from the ISTS connected Solar Power Project on the terms and conditions contained in the Request for Selection (herein after referred to as '**RFS**') issued by SECI vide RFS No. SECI/C&P/SPD/ISTS-IX/RfS/2000MW/032020 dated 20.03.2020.

E. AMP Energy Green Five Private Limited (hereinafter referred to as '**SPD**') has been selected in the Competitive Bidding Process for development, generation and supply of electricity from the 100 MW Solar Power Project to be established by SPD anywhere in India and for supply of such electricity by SECI as an Intermediary

Agency to the Buying Utility(ies) [as defined] under a Power Sale Agreement to be entered into between SECI and such Buying Utility (ies);

F. SECI has issued the Letter of Award No. SECI/C&P/SPD/ISTS-IX/LOA/AMPEGPL/P1/37943 dated 15.07.2020 in favour of the SPD for development and establishment of the 100 MW Solar Power Project in the State of Rajasthan as per the terms and conditions contained in the RfS, draft of this Power Purchase Agreement circulated at the time of the bidding and other bidding documents as well as the conditions contained in the Letter of Award.

G. SECI has agreed to purchase such Solar Power from the SPD as an Intermediary Procurer and sell it to Buying Utility on back-to-back basis as per the provisions of the RfS. Accordingly, SECI has agreed to sign/has signed a Power Sale Agreement with the Buying Utility to sell such power as per the provisions of the above said scheme;

H. In terms of the RfS and the Bidding Documents, the SPD has furnished the Performance Bank Guarantee/ Payment on Order Instrument in the sum of Rs. 80,000,000 (Eight Crore Only) in favour of SECI as per the format provided as a part of the Bidding Documents and a copy of the Bank Guarantee/ Payment on Order Instrument provided is in Schedule – 1/ 2 to this agreement.

I. The SPD has fulfilled the terms of the bidding and the terms of the Letter of Award for signing this Power Purchase Agreement as a definitive agreement for establishing the Solar Power Project of 100 MW at Village: Badi Seed & Ranjeet Nagar, Tehsil: Bap, District: Jodhpur, State: Rajasthan, for generation and sale of electricity by the SPD to SECI to enable SECI to make available such solar power to the Buying Utility(ies) , as SECI may consider appropriate, under a Power Sale Agreement and on a back-to-back basis to the Power Purchase Agreement to be entered into with the SPD.

J. SECI has signed the Power Sale Agreement with the Buying Utility(ies) of States in India.

K. The parties have agreed to execute this Power Purchase Agreement in terms of the provisions of the RfS, the bidding documents and the Letter of Award in regard to the terms and conditions for establishment of the Solar Power Project at Rajasthan, and for generation and supply of electricity by the SPD to SECI.

Now therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is hereby agreed by and between the Parties as follows:

AMP Energy Green Five Pvt. Ltd.

ARTICLE 1: DEFINITIONS AND INTERPRETATION

1.1 *Definitions*

The terms used in this Agreement, unless as defined below or repugnant to the context, shall have the same meaning as assigned to them by the Electricity Act, 2003 and the rules or regulations framed there under, including those issued / framed by the Appropriate Commission (as defined hereunder), as amended or re-enacted from time to time.

"Act" or "Electricity Act, 2003"	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitution from time to time;
"Adjusted Equity"	shall mean the Equity funded in Indian Rupees and adjusted on the first day of the current month (the "Reference Date"), in the manner set forth below, to reflect the change in its value on account of depreciation and variations in Wholesale Price Index (WPI), and for any Reference Date occurring between the first day of the month of Appointed Date (the date of achievement of Financial Closure) and the Reference Date; i. On or before Commercial Operation Date (COD), the Adjusted Equity shall be a sum equal to the Equity funded in Indian Rupees and expended on the Project, revised to the extent of one half of the variation in WPI occurring between the first day of the month of Appointed Date and Reference Date; ii. An amount equal to the Adjusted Equity as on COD shall be deemed to be the base (the "Base Adjusted Equity"); iii. After COD, the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, reduced by 0.333% (zero point three three three percent) thereof at the commencement of each month following the COD [reduction of 1% (one percent) per quarter of an year] and the amount so arrived at shall be revised to the extent of variation in WPI occurring between the COD and the Reference Date; For the avoidance of doubt, the Adjusted Equity shall, in the event of termination, be computed as on the Reference Date immediately preceding the Transfer Date; provided that no reduction in the Adjusted Equity shall be made for a period equal to the duration, if any, for which the PPA period is extended, but the revision on account of WPI shall continue to be made.
"Agreement" or "Power Purchase Agreement" or "PPA"	shall mean this Power Purchase Agreement including its recitals and Schedules, amended or modified from time to time in accordance with the terms hereof;
"Appropriate Commission"	Unless otherwise stated, Appropriate Commission shall mean Central Electricity Regulatory Commission;

"Bill Dispute Notice"	shall mean the notice issued by a Party raising a Dispute regarding a Monthly Bill or a Supplementary Bill issued by the other Party;
"Business Day"	shall mean with respect to SPD and SECI, a day other than Sunday or a statutory holiday, on which the banks remain open for business in Delhi;
"Buying Entity"	Shall mean Distribution companies and shall include wherever admissible the Distribution licensees or buying entity in any State or any bulk consumer who agreed to purchase the solar power from SECI and execute the Power Sale Agreement from time to time with SECI, and requires Solar power to fulfil its solar RPO under respective RPO regulations;
"Capacity Utilization Factor" or "CUF"	shall have the same meaning as provided in CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time; However, for avoidance of any doubt, it is clarified that the CUF shall be calculated on the Contracted Capacity; In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, CUF= (X MWh/(Y MW*8766)) X100%;
"CERC"	shall mean the Central Electricity Regulatory Commission of India, constituted under sub – section (1) of Section 76 of the Electricity Act, 2003, or its successors;
"CTU" or "Central Transmission Utility"	shall mean the Government Company notified by the Central Government under Sub-Section (1) of Section 38 of the Electricity Act, 2003;
"Change in Law"	shall have the meaning ascribed thereto in Article 12 of this Agreement;
"Commissioning"	The Project will be considered as commissioned if all equipment as per rated Project Capacity has been installed and energy has flown into grid, in line with the Commissioning procedures defined in the PPA.
"Commercial Operation Date (COD)"	shall mean the date on which the commissioning certificate is issued upon successful commissioning (as per provisions of this Agreement) of the project or the last part capacity; of the Project as the case may be;
"Competent Court of Law"	shall mean any court or tribunal or any similar judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
"Consents, Clearances and Permits"	shall mean all authorizations, licenses, approvals, registrations, permits, waivers, privileges, acknowledgements, agreements, or concessions required to be obtained from or provided by any concerned authority for the purpose of setting up of the generation facilities and/ or supply of power;

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"Consultation Period"	shall mean the period of ninety (90) days or such other longer period as the Parties may agree, commencing from the date of issuance of a SPD Preliminary Default Notice or SECI Preliminary Default Notice as provided in Article 13 of this Agreement, for consultation between the Parties to mitigate the consequence of the relevant event having regard to all the circumstances;
"Contract Year"	shall mean the period beginning from the Effective Date and ending on the immediately succeeding March 31 and thereafter each period of 12 months beginning on April 1 and ending on March 31 provided that: (i) in the financial year in which the Scheduled Commissioning Date would occur, the Contract Year shall end on the date immediately before the Scheduled Commissioning Date and a new Contract Year shall commence once again from the Scheduled Commissioning Date and end on the immediately succeeding March 31, and thereafter each period of twelve (12) months commencing on April 1 and ending on March 31, and (ii) provided further that the last Contract Year of this Agreement shall end on the last day of the Term of this Agreement
"Contracted Capacity"	shall mean 100 MW contracted with SECI for supply by the SPD to SECI at the Delivery Point from the Solar Power Project. It shall be equal to the Project Capacity as defined;
"Day"	shall mean a day, if not a Business Day, the immediately succeeding Business Day.
"Debt Due"	shall mean the aggregate of the following sums expressed in Indian Rupees outstanding on the Transfer Date: i. The principal amount of the debt provided by the Senior Lenders under the Financing Agreements for financing the Total Project Cost (the 'Principal') but excluding any part of the principal that had fallen due for repayment 2 (two) years prior to the Transfer Date; ii. All accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in sub-clause (i) above until the Transfer Date but excluding: (i) any interest, fees or charges that had fallen due one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to any Senior Lender, (iii) any pre-payment charges in relation to accelerated repayment of debt except where such charges have arisen due to Utility Default, and (iv) any Subordinated Debt which is included in the Financial Package and disbursed by lenders for financing the Total Project Cost. Provided that if all or any part of the Debt Due is convertible into Equity at the option of Senior Lenders and/or the Concessionaire, it shall for the purposes of this Agreement be deemed not to be Debt Due

	even if no such conversion has taken place and the principal thereof shall be dealt with as if such conversion had been undertaken. Provided further that the Debt Due, on or after COD, shall in no case exceed 80% (eighty percent) of the Total Project Cost.
"Delivery Point"	"Delivery Point" shall mean the point at the voltage level of 220 kV or above of the ISTS Sub-station including the dedicated transmission line connecting the solar power Projects with the substation system as specified in the RfS document. Metering shall be done at this interconnection point where the power is injected into. For interconnection with grid and metering, the SPD shall abide by the relevant and applicable regulations, Grid Code notified by the CERC or and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended and revised from time to time, or orders passed thereunder by the appropriate commission or CEA. Pursuant to Article 4.2.6, all charges and losses related to Transmission of power from project up to Delivery Point (including but not limited to open access, transmission, wheeling, Unscheduled Interchange, Scheduling, Reactive power, RLDC/SLDC charges etc.) as notified by the competent authority / regulator shall be borne by the SPD and beyond the Delivery Point all charges and losses as notified by the competent authority / regulator from time to time shall be borne by the Buying Utilities. In case it is paid by SECI on behalf of Buying Utilities / SPD, the same shall be recovered from the Buying Utilities / SPD (as applicable);
"Discoms"	shall mean the Buying Entity or the distribution utilities who have signed/will sign the PSA (s) with SECI for purchase of Power;
"Dispute"	shall mean any dispute or difference of any kind between SECI and the SPD, in connection with or arising out of this Agreement including but not limited to any issue on the interpretation and scope of the terms of this Agreement as provided in Article 16 of this Agreement;
"Due Date"	Due Date shall mean the forty-fifth (45th) day after a Monthly Bill (including all the relevant documents) or a Supplementary Bill is received in hard copy and duly acknowledged by the SECI or, if such day is not a Business Day, the immediately succeeding Business Day, by which date such Monthly Bill or a Supplementary Bill is payable by the SECI.
"Effective Date"	shall have the meaning ascribed thereto in Article 2.1 of this Agreement;
"Electricity Laws"	shall mean the Electricity Act, 2003 and the rules and regulations made there under from time to time along with amendments thereto and replacements thereof and any other Law pertaining to electricity including regulations framed by the Appropriate Commission;

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"Energy Accounts"	shall mean the regional energy accounts/state energy accounts as specified in the Grid Code issued by the appropriate agency for each Month (as per their prescribed methodology), including the revisions and amendments thereof or where such regional energy accounts/ state energy accounts are not issued, Joint Meter Reading (JMR) will be considered; SECI reserves the right to choose from any of the above, i.e. JMR/SEA/REA, based on the acceptance of the same by the Buying Utility;
"Event of Default"	shall mean the events as defined in Article 13 of this Agreement;
"Expiry Date"	Shall mean the date occurring as on twenty-five (25) years from the Scheduled Commissioning Date subject to that the supply of power shall be limited for a period of 25 years from the Scheduled Commissioning Date unless extended by the Parties as per this Agreement;
"Financial Closure"	shall mean compliance with the requirements under Article 3.1 of this Agreement;
"Financing Agreements"	shall mean the agreements pursuant to which the SPD has sought financing for the Power Project including the loan agreements, security documents, notes, indentures, security agreements, letters of credit and other documents, as may be amended, modified, or replaced from time to time, but without in anyway increasing the liabilities of SECI;
"Force Majeure" or "Force Majeure Event"	shall have the meaning ascribed thereto in Article 11 of this Agreement;
"Guidelines: or "Scheme"	shall mean the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar PV Power Projects issued by the Ministry of Power on 3rd August 2017, including subsequent amendments and clarifications;
"Grid Code" / "IEGC" or "State Grid Code"	shall mean the Grid Code specified by the CERC under Clause (h) of Sub-section (1) of Section 79 of the Electricity Act, as amended from time to time, and/or the State Grid Code as specified by the concerned State Commission, referred under Clause (h) of Sub- section (1) of Section 86 of the Electricity Act 2003, as applicable;
"Indian Governmental Instrumentality"	shall mean the Government of India, Governments of state(s) Rajasthan & Delhi and any ministry, department, board, authority, agency, corporation, commission under the direct or indirect control of Government of India or the above state Government(s) or both, any political sub-division of any of them; including any court or Appropriate Commission(s) or tribunal or judicial or quasi-judicial body in India;
"Insurances"	shall mean the insurance cover to be obtained and maintained by the SPD in accordance with Article 8 of this Agreement;

"Interconnection Facilities"	shall mean the facilities on SPD's side of the Delivery Point for scheduling, transmitting and metering the electrical output in accordance with this Agreement and which shall include, without limitation, all other transmission lines and associated equipment, transformers, relay and switching equipment and protective devices, safety equipment and RTU, Data Transfer and Acquisition facilities for transmitting data subject to Article 7, the Metering System required for supply of power as per the terms of this Agreement;
Intermediary agency or Intermediary nodal agency or Intermediary Procurer"	shall mean Solar Energy Corporation of India Limited;
"Invoice" or "Bill"	shall mean either a Monthly Bill / Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by any of the Parties;
"Joint Control"	shall mean a situation where none of the promoter shareholders has at least 51 % shareholding in the paid up share capital and voting rights in the SPD, and the control is exercised jointly;
"Late Payment Surcharge"	shall have the meaning ascribed thereto in Article 10.3.3 of this Agreement;
"Law"	shall mean in relation to this Agreement, all laws including Electricity Laws in force in India and any statute, ordinance, regulation, notification or code, rule, or any interpretation of any of them by an Indian Governmental Instrumentality and having force of law and shall further include without limitation all applicable rules, regulations, orders, notifications by an Indian Governmental Instrumentality pursuant to or under any of them and shall include without limitation all rules, regulations, decisions and orders of the Appropriate Commissions;
"Letter of Credit" or "L/C"	shall have the meaning ascribed thereto in Article 10.4 of this Agreement;
"MNRE"	shall mean the Ministry of New and Renewable Energy, Government of India;
"Month"	shall mean a period of thirty (30) days from (and excluding) the date of the event, where applicable, else a calendar month;
"Party" and "Parties"	shall have the meaning ascribed thereto in the recital to this Agreement;
"Payment on Order Instrument" or "POI"	shall mean the irrevocable unconditional letter of undertaking issued by either of the three institutions, viz., (i) Indian Renewable Energy Development Agency Limited (IREDA), or (ii) Power Finance Corporation Limited, or (iii) REC Limited, as an alternative to submission of Performance Bank Guarantee by the SPD to SECI in the form attached hereto as Schedule 2;

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"Payment Security Mechanism"	shall have the meaning ascribed thereto in Article 10.4 of this Agreement;
"Performance Bank Guarantee" or "PBG"	shall mean the irrevocable unconditional bank guarantee, submitted by the SPD to SECI in the form attached hereto as Schedule 1;
"Pooling Substation/ Pooling Point"	means a point where more than one Solar power project may connect to a common transmission system. Multiple projects can be connected to a pooling substation from where common transmission system shall be constructed and maintained by the SPD(s) to get connected to the ISTS substation. The voltage level for such common line shall be the voltage level as indicated in "Interconnection Point" under this Agreement. . Further, the metering of the pooled power shall be done at the injection point, i.e. the ISTS substation. However, the voltage level of transmission system of individual projects up to the pooling substation may be at 33 kV and above. Sub-meters shall be installed at the pooling substation for metering and forecasting and scheduling of individual projects. The losses in the common transmission system up to the injection point shall be apportioned to the individual Projects for the purpose of billing. In such case, it shall be responsibility of the SPD to obtain and furnish the meter reading jointly by the SPD and any competent authority (State Government or Central Government) (if applicable).
"Power Project" or "Project"	shall mean the Solar power generation facility of Contracted Capacity of 100 MW, located at Village: Badi Seed & Rajject Nagar Tehsil: Bap in District: Jodhpur, Rajasthan having a separate control system, metering and separate points of injection into the grid at Delivery/Interconnection/Metering point at ISTS substation or in case of sharing of transmission lines, by separate injection at pooling point. This includes all units and auxiliaries such as water supply, treatment or storage facilities; bay/s for transmission system in the switchyard, dedicated transmission line up to the Delivery Point and all the other assets, buildings/structures, equipment, plant and machinery, facilities and related assets required for the efficient and economic operation of the power generation facility; whether completed or at any stage of development and construction or intended to be developed and constructed for the purpose of supply of power as per this Agreement;
"Power Sale Agreement" or "PSA"	shall mean the power sale agreement entered between the Buying Entity and SECI (Buyer- Buying Entity(ies) PSA) for onward sale of power being procured under this Agreement, as per the provisions o Guidelines and forms Schedule-4 of this Agreement;
"Preliminary Default Notice"	shall have the meaning ascribed thereto in Article 13 of this Agreement;
"Project Capacity"	shall mean the Contracted Capacity of the Project at the point of injection on which the Power Purchase Agreement has been signed.

"Prudent Utility Practices"	shall mean the practices, methods and standards that are generally accepted internationally from time to time by electric utilities for the purpose of ensuring the safe, efficient and economic design, construction, commissioning, operation and maintenance of power generation equipment and which practices, methods and standards shall be adjusted as necessary, to take account of: a) operation and maintenance guidelines recommended by the manufacturers of the plant and equipment to be incorporated in the Power Project; b) the requirements of Indian Law; and the physical conditions at the site of the Power Project
"RBI"	shall mean the Reserve Bank of India;
"Rebate"	shall have the same meaning as ascribed thereto in Article 10.3.4 of this Agreement;
"RLDC"	shall mean the relevant Regional Load Dispatch Centre established under Sub-section (1) of Section 27 of the Electricity Act, 2003;
"RPC"	shall mean the relevant Regional Power Committee established by the Government of India for a specific region in accordance with the Electricity Act, 2003 for facilitating integrated operation of the power system in that region;
"Rupees", "Rs.", "₹"	shall mean Indian rupees, the lawful currency of India;
"Scheduled Commissioning Date" or "SCD" of the Project	shall mean 11.10.2023
"SERC"	shall mean the Electricity Regulatory Commission of any State in India constituted under Section-82 of the Electricity Act, 2003 or its successors, and includes a Joint Commission constituted under Subsection (1) of Section 83 of the Electricity Act 2003;
"SLDC"	shall mean the centre established under Sub-section (1) of Section 31 of the Electricity Act 2003, relevant for the State(s) where the Delivery Point is located;
"SLDC Charges"	shall mean the charges levied by the SLDC of the state wherein the Solar Power Project is located;
"Solar Photovoltaic Project" or "Solar PV Project"	shall mean the solar photovoltaic power project that uses sunlight for conversion into electricity and that is being set up by the SPD to provide Solar Power to SECI as per the terms and conditions of this Agreement;
"Solar Power"	shall mean power generated from the Solar Photovoltaic Power Project;
"SECI"	shall mean Solar Energy Corporation of India Limited;

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"State Transmission Utility" or "STU"	shall mean the Board or the Government company notified by the respective State Government under Sub-section (1) of Section 39 of the Act;
"Tariff" or "Applicable Tariff"	Shall have the same meaning as provided for in Article 9 of this Agreement;
"Tariff Payment"	shall mean the payments to be made under Monthly Bills as referred to in Article 10 and the relevant Supplementary Bills;
"Termination Notice"	shall mean the notice given by either Parties for termination of this Agreement in accordance with Article 13 of this Agreement;
"Term of Agreement"	shall have the meaning ascribed thereto in Article 2 of this Agreement;
"Unit/ Part Commissioning"	Subject to the compliance of conditions / procedure as detailed under Schedule-2 of this Agreement, Unit / Part Commissioning shall mean the Solar PV Capacity (AC MW) to be commissioned as per provisions of this Agreement and RfS document. Part Commissioning shall not be applicable for Projects having capacity less than 50 MW;
"Unit Commercial Operation Date (UCOD)"	shall mean the date of issuance of commissioning certificate for the respective part(s) of the Power Project subsequent to the demonstration of the compliance of commissioning as per this Agreement and witnessed by the Committee duly constituted and also start of injection and scheduling power from the Power Project to the Delivery Point and availability / installation of all necessary arrangements / equipment including RTU for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable regulation;
"Week"	shall mean a calendar week commencing from 00:00 hours of Monday and ending at 24:00 hours of the following Sunday;

1.2 Interpretation

Save where the contrary is indicated, any reference in this Agreement to:

1.2.1 "Agreement" shall be construed as including a reference to its Schedules and/or Appendices and/or Annexures;

1.2.2 An "Article", a "Recital", a "Schedule" and a "paragraph / clause" shall be construed as a reference to an Article, a Recital, a Schedule and a paragraph/clause respectively of this Agreement;

1.2.3 A "crore" means a reference to ten million (10,000,000) and a "lakh" means a reference to one tenth of a million (1,00,000);

1.2.4 An "encumbrance" shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

1.2.5 "Indebtedness" shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;

1.2.6 A "person" shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests;

1.2.7 "Rupee", "Rupees", "Rs" or new rupee symbol "₹ " shall denote Indian Rupees, the lawful currency of India;

1.2.8 The "Winding-up", "dissolution", "insolvency", or "reorganization" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the Law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, Winding-up, reorganization, dissolution, arrangement, protection or relief of debtors;

1.2.9 Words importing the singular shall include the plural and vice versa;

1.2.10 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented;

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1.2.11 A Law shall be construed as a reference to such Law including its amendments or re- enactments from time to time;

1.2.12 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time;

1.2.13 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part;

1.2.14 The tables of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement;

1.2.15 All interest, if applicable and payable under this Agreement, shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty-five (365) days;

1.2.16 The words "hereof" or "herein", if and when used in this Agreement shall mean a reference to this Agreement;

1.2.17 The terms "including" or "including without limitation" shall mean that any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

1.2.18 This Agreement and other documents such as Request for Selection Documents, Guidelines including subsequent clarifications, amendments and further clarifications in regard to the tender shall be read in conjunction with each other and interpreted in harmonious manner. However, in case of any mismatch/contradiction between provisions of different documents, following shall be the order of precedence:

1. Power Purchase Agreement
2. RfS Documents

ARTICLE 2: TERM OF AGREEMENT

2.1 *Effective Date*

2.1.1 This Agreement shall come into effect from 11.04.2022 and such date shall be referred to as the Effective Date.

2.1.2 The Parties agree that decisions pertaining to adoption of the Tariff and approval of the same, for procurement of contracted capacity, shall be binding on all Parties concerned, as contained in the Electricity Act, 2003 and any amendments thereof.

2.1.3 Notwithstanding the Effective Date, the condition precedent for the enforcement of the obligations of either party against the other under this Agreement shall be that, within 120 days after the Effective Date of this Agreement, SECI and/ or the Buying Entity (ies) shall obtain adoption of tariff from its State Electricity Regulatory Commission and/ or CERC (as applicable), on the terms and conditions contained in this Agreement read with the terms and conditions contained in the Power Sale Agreement entered into between SECI and the Buying Entity(ies). The Parties agree that in the event, the order of adoption of tariff as mentioned above is not issued by the SERC and/ or CERC (as applicable) within the time specified above, the provisions of Article 2.1.4 shall apply.

2.1.4 Pursuant to Article 4.2.6, if parties have mutually extended the time period as stipulated under Article 2.1.3 and the order from the SERC and/ or CERC (as applicable) is issued within the timeline as per Article 2.1.3, no extension for Financial Closure or Scheduled Commissioning Date shall be given. However, if the requisite SERC and/ or CERC (as applicable) order is issued after the timeline as per Article 2.1.3, this shall entail a corresponding extension in Scheduled Financial Closure and the Scheduled Commissioning Date for equal number of days for which the SERC and / or CERC order has been delayed beyond such period as specified in Article 2.1.3.

2.2 *Term of Agreement*

2.2.1 Subject to Article 2.3 and 2.4 of this Agreement, this Agreement shall be valid for a term from the Effective Date until the Expiry Date. This Agreement may be

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extended for a further period at least one hundred eighty (180) days prior to the Expiry Date, on mutually agreed terms and conditions.

2.2.2 The SPD is free to operate their plants beyond the Expiry Date if other conditions like land lease / Right to Use of Land (as applicable), permits, approvals and clearances etc. allow. In such case unless otherwise agreed by the SECI, SECI shall not be obligated to procure power beyond the Expiry Date.

2.3 *Early Termination*

2.3.1 This Agreement shall terminate before the Expiry Date if either SECI or SPD terminates the Agreement, pursuant to Article 13 of this Agreement.

2.4 *Survival*

2.4.1 The expiry or termination of this Agreement shall not affect any accrued rights, obligations and liabilities of the Parties under this Agreement, including the right to receive penalty as per the terms of this Agreement, nor shall it affect the survival of any continuing obligations for which this Agreement provides, either expressly or by necessary implication, which are to survive after the Expiry Date or termination including those under Article 11 (Force Majeure), Article 13 (Events of Default and Termination), Article 14 (Liability and Indemnification), Article 16 (Governing Law and Dispute Resolution), Article 17 (Miscellaneous Provisions), and other Articles and Schedules of this Agreement which expressly or by their nature survive the Term or termination of this Agreement shall continue and survive any expiry or termination of this Agreement.

ARTICLE 3: CONDITIONS SUBSEQUENT

3.1 Satisfaction of conditions subsequent by the SPD

The SPD agrees and undertakes to duly perform and complete all of the following activities including Financial Closure at the SPD's own cost and risk by 11.04.2023 unless such completion is affected by any Force Majeure event, or for the activities specifically waived in writing by SECI:

a) The SPD shall make Project financing arrangements its Projects(s) and shall provide necessary certificates to SECI in this regard;

The SPD shall submit to SECI the relevant documents as stated above, complying with the Conditions Subsequent, within twelve (12) months from the Effective Date.

3.2 Consequences of non-fulfilment of conditions subsequent and financial closure

3.2.1 In case of a failure to submit the documents as above, SECI shall encash the Performance Bank Guarantee/ Payment on Order Instrument submitted by the SPD, terminate this Agreement and remove the Project from the list of the selected Projects by giving a notice to the SPD in writing of at least seven (7) days, unless the delay (subject to the conditions that SPD has made / is making all possible efforts) is on account of delay in allotment of Land by the Government not owing to any action or inaction on the part of the SPD or caused due to a Force Majeure. Unless extended as per provisions of Article 3.2.1 (i) of this Agreement in writing, the termination of the Agreement shall take effect upon the expiry of the 7th day of the above notice.

3.2.1 (i) An extension, without any impact on the Scheduled Commissioning Date, can however be considered, on the sole request of SPD, on payment of Rs. 1000/- per day per MW to SECI. Such extension charges are required to be paid to SECI in advance, for the period of extension required. In case of any delay in depositing this extension charge, SPD shall pay an interest on this extension charge for the days lapsed beyond due date of Financial Closure @ SBI-MCLR (1Year). In case such delay in making payment of the extension charges to SECI is more than 7 days, the termination of the Agreement shall take effect upon the expiry of such 7th day. This amount will go into the Payment Security Mechanism. In case of the SPD meeting the requirements of conditions subsequent and financial closure before the last date of such proposed delay period, the remaining amount deposited by the SPD shall be returned by SECI without interest. This extension will not have any impact on the Scheduled Commissioning Date. Any extension charges paid so by the SPD, shall be returned to the SPD without

any interest on achievement of successful commissioning within the Scheduled Commissioning Date, on pro-rata basis, based on the project capacity commissioned as on Scheduled Commissioned Date. However, in case the SPD fails to commission the Contract Capacity by Scheduled Commissioning Date, the extension charges deposited by the SPD shall not be refunded by SECI.

3.2.2 For the avoidance of doubt, it is clarified that this Article shall survive the termination of this Agreement.

3.2.3 In case of inability of the SPD to fulfil the conditions specified in Article 3.1 due to any Force Majeure event, the time period for fulfilment of the Conditions Subsequent and Financial Closure as mentioned in Article 3.1, shall be extended for the period of such Force Majeure event.

Further, any delay in adoption of tariff by the Appropriate Commission, beyond 120 (one hundred twenty days) days after the Effective Date of this Agreement, shall entail a corresponding extension in the deadline as stipulated in Article 3.1.

3.2.4 Provided that due to the provisions of this Article 3.2.2, any increase in the time period for completion of conditions subsequent and financial closure mentioned under Article 3.1, shall also lead to an equal extension in the Scheduled Commissioning Date.

3.3 Performance Bank Guarantee / Payment on Order Instrument

3.3.1 The Performance Bank Guarantee (PBG) / Payment on Order Instrument (POI) having validity from the date of submission of PBG / POI until Twenty-Seven (27) months from the Effective Date and of Rs. 8 Lakh/MW to be furnished under this Agreement shall be for guaranteeing the commencement of the supply of power up to the Contracted Capacity within the time specified in this Agreement as per format provided in Schedule I.

3.3.2 The failure on the part of the SPD to furnish and maintain the Performance Bank Guarantee / Payment on Order Instrument shall be a material breach of the term of this Agreement on the part of the SPD.

3.3.3 If the SPD fails to commence supply of power from the Scheduled Commissioning Date specified in this Agreement or any further extension thereof granted by SECI, subject to conditions mentioned in Article 4.5, SECI shall encash the Performance Bank Guarantee / Payment on Order Instrument equivalent to the amount calculated as per liquidated damages applicable under Article 4.6 as on the date of encashment without prejudice to the other rights of SECI under this Agreement. It is to be noted

that the damages/dues recovered by SECI by encashing the PBG/POI, upon the default of the SPD under the PPA, shall be credited to the payment security fund maintained by SECI under the PPA.

3.4 Return of Performance Bank Guarantee / Payment on Order Instrument

3.4.1 Subject to Article 3.3, SECI shall return / release the Performance Bank Guarantee / Payment on Order Instrument immediately after the successful Commissioning of the Project after taking into account any liquidated damages/ penalties due to delays in commissioning as per provisions stipulated in this Agreement.

3.4.2 The return / release of the Performance Bank Guarantee / Payment on Order Instrument shall be without prejudice to other rights of SECI under this Agreement.

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ARTICLE 4: CONSTRUCTION & DEVELOPMENT OF THE PROJECT

4.1 *SPD's Obligations*

4.1.1 The SPD undertakes to be responsible, at SPD's own cost and risk, for the following:

a) The SPD shall be solely responsible and make arrangements for Land & associated infrastructure for development of the Project and for Connectivity with the ISTS System for confirming the evacuation of power by the Scheduled Commissioning date and all clearances related thereto;

On or before Scheduled Commissioning Date, the SPD shall demonstrate possession of 100% (Hundred Percent) of the land identified for the Project in its name for a period not less than the complete Term of this Agreement. In this regard, the SPD shall submit documents/ Lease Agreement to establish possession/ right to use 100% of the required land in the name of the SPD. Wherever leasing of private land is involved, the lease should allow transfer of land to the lenders or SECI, in case of default of the SPD. The SPD shall submit a sworn affidavit from the authorized signatory of the SPD listing the details of the land and certifying that total land required (@1.5 ha per MW per Project) for the Project is under clear possession of the SPD;

b) Obtaining all Consents, Clearances and Permits as required and maintaining all Consents, Clearances and Permits in full force and effect during the Term of this Agreement. SECI shall have no obligation to recommend to any department/agency or the Govt. for the grant/permission for the Solar Power project. The Solar Power Developer shall, on his own, obtain permissions/ sanctions from Government authorities, if any required for establishing the project. Any steps that may be taken by SECI in regard to grant of such consents and permits or any other approval to be taken by the SPD shall only be a voluntary endeavour with no intention of being bound by any legal or binding obligation.

c) designing, constructing, erecting, commissioning, completing and testing the Power Project in accordance with the applicable Law, the Grid Code, the terms and conditions of this Agreement and Prudent Utility Practices.

d) the commencement of supply of power up to the Contracted Capacity to SECI no later than the Scheduled Commissioning Date and continuance of the supply of power throughout the term of the Agreement;

e) connecting the Power Project switchyard with the Interconnection Facilities at the Delivery Point; The SPD shall make adequate arrangements to connect the Power Project switchyard with the Interconnection Facilities at Interconnection / Metering / Delivery Point.

f) owning the Power Project throughout the Term of Agreement free and clear of encumbrances, except those expressly permitted under Article 15;

g) maintaining its controlling shareholding (controlling shareholding shall mean more than 50% of the voting rights and paid-up share capital) prevalent at the time of signing of PPA up to a period of three (3) years after Commercial Operation Date of the Project in line with Section III, Clause 18 of the RfS; However transfer of controlling shareholding within the same Group Companies will be allowed with the permission of SECI after COD subject to the condition that the management control remains within the same Group Companies;

h) making a payment security deposit of Rs. 5,00,00,000/ (Five Crore Only) to the designated account as intimated by the SECI towards Payment Security Fund as per clause 12 of Section III of RfS.

i) fulfilling all obligations undertaken by the SPD under this Agreement.

j) Obtaining Long Term Access (LTA) and executing transmission service agreement with CTU/STU as the case may be, for evacuation of the Contracted Capacity and maintaining it throughout the term of the Agreement.

k) The SPD shall be responsible to for directly coordinating and dealing with the corresponding Buying Utility(ies), Load Dispatch Centres, Regional Power Committees, and other authorities in all respects in regard to declaration of availability, scheduling and dispatch of Solar Power and due compliance with deviation and settlement mechanism and the applicable Grid code/State/Central Regulations, acknowledging that the SPD and the corresponding Buying Utility(ies) are the Grid connected entities and SECI as an Intermediary Procurer/ trading licensee is not a Grid connected entity in respect of the Solar Power contracted under this Agreement.

l) The SPD shall fulfil the technical requirements according to criteria mentioned under Annexure D-Technical requirement for Grid Connected Solar PV Power Projects under Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar Power Projects, issued by Ministry of Power, vide resolution no.23/27/2017-R&R dated 03.08.2017 including subsequent amendments and clarifications. The cells and modules

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used in the Project shall be sourced only from the models and manufacturers included in the "Approved List of Models and Manufacturers" as published by MNRE and updated as on the date of commissioning of the Project.

m) Further, the Project being implemented under this Agreement shall fulfil the criteria as per Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, and subsequent amendments and clarifications thereof,

n) As part of scheduling of power from the Project, the SPD will be required to punch-in their respective schedules and subsequent revisions, by themselves, at the interfaces of all the RLDCs concerned for the corridor of power flow, including the RLDC of the Buying Entity/Discom, as per the Regulations in force, under intimation to SECI. SECI may facilitate in identification of any discrepancy and assist the SPD for its early rectification without any liability on SECI. The SPD shall be solely responsible for discrepancy identification and its rectification to avoid any rejection/less payment of invoices.

4.2 *Information regarding Interconnection Facilities*

4.2.1 The SPD shall be required to obtain all information from the STU/CTU/concerned authority with regard to the Interconnection Facilities as is reasonably necessary to enable it to design, install and operate all interconnection plant and apparatus on the SPD's side of the Delivery Point to enable delivery of electricity at the Delivery Point. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the SPD at its own cost.

4.2.2 Penalties, fines and charges imposed by the CTU/ STU under any statute or regulation in relation to delay in commissioning of Project shall be payable by the SPD to the extent the delay is attributable to the SPD.

4.2.3 The responsibility of getting connectivity with the transmission system up to the Interconnection Point, will lie with the SPD. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the SPD at his own cost. The maintenance of Transmission system up to the designated point as per the applicable terms and conditions shall be the responsibility of the SPD. All costs and charges including but not limited to the wheeling charges and losses up to and including at the Interconnection Point associated with this arrangement will also be borne by the SPD.

4.2.4 In case of Pooling substation, losses in the transmission line shall be apportioned among the SPDs who share such a Pooling arrangement and duly signed by all SPDs, based on their monthly generation.

4.2.5 The arrangement of connectivity shall be made by the SPD through a dedicated transmission line. The entire cost of transmission including cost of construction of line, any other charges, losses etc. from the Project up to the Interconnection Point will be borne by the SPD. In case of non-availability of Grid and Transmission System during Term of this Agreement, for reasons not attributable to the SPD, provisions of Article 4.10 shall be applicable.

4.2.6 Government of India from time-to-time issues order for waiver of inter-state transmission system (ISTS) charges and losses on transmission of wind/solar power till a certain date. In case the commissioning of the Project gets delayed beyond the applicable date of ISTS waiver, arising out of any reasons whatsoever, SECI shall bear no liability with respect to transmission charges and losses levied, if any.

4.3 Purchase and sale of Contracted Capacity

4.3.1 Subject to the terms and conditions of this Agreement, the SPD undertakes to sell to SECI and SECI undertakes to pay Tariff for all the energy supplied at the Delivery Point corresponding to the Contracted Capacity.

4.3.2 Not Used.

4.4 Right to Contracted Capacity & Energy

4.4.1 The SPD will declare the CUF of the Project and will be allowed to revise the same once within first year after COD of the full project capacity. SECI, in any Contract Year except for the first year of operation, shall not be obliged to purchase any additional energy from the SPD beyond **289.28 Million kWh (MU)**. Subsequent to commissioning of the Project, if for any Contract Year, it is found that the SPD has not been able to supply minimum energy of **223.53 Million kWh (MU)** till the end of 10 years from the SCD and **210.38 Million kWh (MU)** for the rest of the Term of the Agreement, on account of reasons solely attributable to the SPD, the noncompliance by SPD shall make the SPD liable to pay the compensation provided in the respective PSA as payable to Buying Entity(ies) by Buyer to enable Buyer to remit the amount to Buying Entity(ies). For the first year of operation, the above limits shall be considered on pro-rata basis. In case of part commissioning of the Project, the above limits shall be considered on pro-rata basis till the commissioning

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of full capacity of the Project. The lower limit will, however be relaxable by Buyer to the extent of grid non-availability for evacuation which is beyond the control of the SPD (as certified by the SLDC/RLDC). This compensation shall be applied to the amount of shortfall in generation during the Contract Year. The amount of such penalty shall be as determined by the respective State Electricity Regulatory Commission of the corresponding Buying Entity/ any such Authority, and such penalty shall ensure that the Buying Entity(ies) is/are offset for all potential costs associated with low generation and supply of power under the PPA. However, the minimum compensation payable to SECI by the SPD shall be 25% (twenty-five percent) of the cost of this shortfall in energy terms, calculated at PPA tariff. This compensation shall not be applicable in events of Force Majeure identified under PPA with SECI affecting supply of solar power by SPD.

4.4.2 Any excess generation over and above as per Article 4.4.1, may be purchased by SECI at the tariff in term of as per Article 9, provided the Buying Entity consents to purchase such power. While the SPD would be free to install the DC solar field as per its design of required output, including its requirement of auxiliary consumption and to reconfigure and/ or repower the Project from time to time during the term of the PPA, it will not be allowed to sell any excess power to any other entity other than SECI (unless refused by SECI). The SPD shall be required to intimate SECI about the proposed excess quantum of energy likely to be generated from the Project within any Contract Year, at least 60 days prior to the proposed date of commencement of excess generation. SECI shall be required to intimate its approval/refusal to the SPD, for buying such excess generation not later than 30 days of receiving the above offer from the SPD. In the event the offer of the SPD is not accepted by SECI within the said period of 30 days, such right shall cease to exist and the SPD shall, at its sole discretion, may sell such excess power to any third party.

However, in case at any point of time, the peak of capacity reached is higher than the contracted capacity and causes disturbance in the system at the point where power is injected, the SPD will have to forego the excess generation and reduce the output to the rated capacity and shall also have to pay the penalty/charges (if applicable) as per applicable regulations / requirements / guidelines of CERC / SERC /SLDC or any other competent agency.

Any energy produced and flowing into the grid before Scheduled Commissioning Date shall not be at the cost of SECI. SECI may agree to buy such power at a tariff as agreed, to between SECI and the Buying Entity (including SECI's trading margin), provided the Buying Utility consents for purchase of such power.

4.5 *Extensions of Time*

4.5.1 In the event that the SPD is prevented from performing its obligations under Article 4.1 by the Scheduled Commissioning Date due to:

a) any SECI Event of Default; or

b) Force Majeure Events affecting SECI/ Buying Entity(ies), or

c) Force Majeure Events affecting the SPD,

the Scheduled Commissioning Date and the Expiry Date shall be deferred, subject to Article 4.5.6, for a reasonable period but not less than 'day for day' basis, to permit the SPD or SECI/ Buying Entity(ies) through the use of due diligence, to overcome the effects of the Force Majeure Events affecting the SPD or SECI/Buying Entity(ies), or till such time such Event of Default is rectified by SECI.

4.5.2 Subsequent to grant of connectivity, in case there is a delay in grant/operationalization of LTA by the CTU and/or there is a delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network until SCD of the Project, and it is established that:

(i) The SPD has complied with the complete application formalities as per RfS,

(ii) The SPD has adhered to the applicable Procedure in this regard as notified by the CERC/CTU, and

(iii) The delay in grant of connectivity/LTA by the CTU and/or delay in readiness of the ISTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS network, is a factor attributable to the CTU/transmission licensee and is beyond the control of the SPD;

The above shall be treated as delays beyond the control of the SPD and SCD for such Projects shall be revised as the date as on 60 days subsequent to the readiness of the Delivery Point and power evacuation infrastructure and/or operationalization of LTA. Decision on requisite extension on account of the above factor shall be taken by SECI.

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Further, any delay in adoption of tariff by the Appropriate Commission, beyond 120 days after Effective Date of this Agreement, shall entail a corresponding extension in Scheduled Commissioning Date.

4.5.3 In case of extension due to reasons specified in Article 4.5.1(b) and (c), and if such Force Majeure Event continues even after a maximum period of 180 days from the date of the Force Majeure Notice, any of the Parties may choose to terminate the Agreement as per the provisions of Article 11.10. In case neither party terminates the Agreement under this clause, the Agreement shall stand terminated on the expiry of twelve (12) months of the continuation of the Force Majeure event unless the parties mutually agree to extend the Agreement for the further period.

4.5.4 If the Parties have not agreed, within thirty (30) days after the affected Party's performance has ceased to be affected by the relevant circumstance, on the time period by which the Scheduled Commissioning Date or the Expiry Date should be deferred, any Party may raise the Dispute to be resolved in accordance with Article 16.

4.5.5 As a result of such extension on account of Article 4.5.1 or Article 4.5.2, the newly determined Scheduled Commissioning Date and newly determined Expiry Date shall be deemed to be the Scheduled Commissioning Date and the Expiry Date for the purposes of this Agreement.

4.5.6 Not used.

4.5.7 Delay in commissioning of the project beyond the scheduled commissioning date for reasons other than those specified in Article 4.5.1 & Article 4.5.2 shall be an event of default on part of the SPD and shall be subject to the consequences specified in the Article 4.6.

4.6 Liquidated Damages not amounting to penalty for delay in Commissioning

4.6.1 The Project shall be fully commissioned within the Scheduled Commissioning Date as defined in this Agreement. If the SPD is unable to commission the Project by the Scheduled Commissioning Date for the reasons other than those specified in Article 4.5.1 and 4.5.2, the SPD shall pay to SECI, damages for the delay in such commissioning and making the Contracted Capacity available for dispatch by the Scheduled Commissioning Date as per the following:

(a) Delay beyond the Scheduled Commissioning Date upto (& including) the date as on 6 months after the Scheduled Commissioning Date, as part of the liquidated damages, the total PBG/ POI amount for the Project shall be encashed on per day

basis and proportionate to the balance capacity not commissioned. For example, in case of a Project of 240 MW capacity, if commissioning of 100 MW capacity is delayed by 18 days beyond the SCD, then the liquidated damages shall be : PBG/POI amount x (100/240) x (18/180). For the purpose of calculation of liquidated damages, 'month' shall be considered consisting of 30 days.

4.6.2 The maximum time period allowed for commissioning of the full Project Capacity with encashment of Performance Bank Guarantee/ Payment on Order Instrument shall be limited to 6 months after the SCD of the Project. In case, the Commissioning of the Project is delayed beyond 6 months after the SCD, it shall be considered as an SPD Event of Default and provisions of Article 13 shall apply and the Contracted Capacity shall stand reduced / amended to the Project Capacity Commissioned within 6 months after the SCD and the PPA for the balance Capacity will stand terminated and shall be reduced from the project capacity.

4.6.3 The SPD further acknowledges that the amount of the liquidated damages fixed is genuine and reasonable pre-estimate of the damages that may be suffered by SECI/ Buying entity(s) as specified under this Agreement or in the PSA.

4.7 Acceptance/Performance Test

4.7.1 Prior to synchronization of the Power Project, the SPD shall be required to get the Project certified for the requisite acceptance/performance test as may be laid down by Central Electricity Authority or an agency identified by the central government to carry out testing and certification for the Solar power projects.

4.8 Third Party Verification

4.8.1 The SPD shall be further required to provide entry to the site of the Power Project free of all encumbrances at all times during the Term of the Agreement to SECI and a third Party nominated by any Indian Governmental Instrumentality for inspection and verification of the works being carried out by the SPD at the site of the Power Project.

4.8.2 The third party may verify the construction works/operation of the Power Project being carried out by the SPD and if it is found that the construction works/operation of the Power Projec is not as per the Prudent Utility Practices, it may seek clarifications from SPD or require the works to be stopped or to comply with the instructions of such third party.

4.9 Breach of Obligations

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4.9.1 The Parties herein agree that during the subsistence of this Agreement, subject to SECI being in compliance of its obligations & undertakings under this Agreement, the SPD would have no right to negotiate or enter into any dialogue with any third party for the sale of Contracted Capacity of power which is the subject matter of this Agreement. It is the specific understanding between the Parties that such bar will apply throughout the entire term of this Agreement.

4.10 Generation compensation for Off-take constraints

4.10.1 Generation Compensation in offtake constraint due to Transmission Infrastructure not complete/ ready (Transmission constraint): After the Scheduled Commissioning Date, subject to the submission of documentary evidences from the Competent Authority, if the plant is ready in all respects including the dedicated transmission line to be established by the SPD to connect to the grid but the necessary power evacuation/ transmission infrastructure is not ready, for reasons not attributable to the SPD, leading to offtake constraint, the generation compensation shall be restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Transmission Constraint	Provision for Generation Compensation
If the Project is ready but the necessary power evacuation/transmission infrastructure is not ready, leading to offtake constraint	a. The normative CUF of 19% (nineteen per cent) or committed CUF, whichever is lower, for the period of grid unavailability, shall be taken for the purpose of calculation of generation loss. Corresponding to this generation loss, the excess generation by the SPD in the succeeding 3 (three) Contract Years, shall be procured by SECI at the PPA tariff so as to offset this loss. b. If the transmission delay is directly attributable to the organization building the transmission network and some penalty is imposed on him, then a part of that penalty may be utilized by SECI for compensating the generation loss.

However, it is clarified that if the Project is ready for commissioning prior to the Scheduled Commissioning Date, but the offtake is constrained because of inadequate/incomplete power evacuation infrastructure, no compensation shall be permissible.

4.10.2 Generation Compensation in offtake constraints due to Grid Unavailability: During the operation of the plant, there can be some periods where the Project can generate power but due to temporary transmission unavailability, the power is not evacuated, for reasons not attributable to the Solar Power Developer. In such cases, subject to the submission of documentary evidences from the competent authority, the generation compensation shall be restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Duration of Grid unavailability	Provision for Generation Compensation
Grid unavailability in a contract year as defined in the PPA: (only period from 8 am to 6 pm to be counted), for Grid unavailability beyond 50 hours in a Contract Year:	*Generation Loss = [(Average Generation per hour during the Contract Year) × (number of hours of grid unavailability during the Contract Year)]* Where, Average Generation per hour during the Contract Year (kWh) = Total generation in the Contract Year (kWh) ÷ Total hours of generation in the Contract Year.

The excess generation by the SPD equal to this generation loss shall be procured at the PPA tariff so as to offset this loss in the succeeding 3 (three) Contract Years.

4.10.3 Offtake constraints due to Backdown: The Solar Power Developer and Buying Entity shall follow the forecasting and scheduling process as per the regulations in this regard by the Appropriate Commission. The Government of India, as per Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), encourages a status of "must-run" to solar power projects. Accordingly, no solar power plant, duly commissioned, should be directed to back down by a Discom/ Load Dispatch Centre (LDC). In the eventuality of backdown, including backdown on account of non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" and any clarifications or amendment thereto, except for the cases where the Backdown is on account of events like consideration of grid security or safety of any equipment or personnel

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or other such conditions, subject to the submission of documentary evidences from the competent authority, the SPD shall be eligible for a minimum generation compensation, from Buying Entity, restricted to the following and there shall be no other claim, directly or indirectly against SECI:

Duration of Backdown	Provision for Generation Compensation
Hours of Backdown during a monthly billing cycle.	***Generation Compensation = 100% of [(Average Generation per hour during the month) X (number of backdown hours during the month)] X PPA tariff*** Where, Average Generation per hour during the month (kWh) = Total generation in the month (kWh) ÷ Total hours of generation in the month

The SPD shall not be eligible for any compensation in case the Backdown is on account of events like consideration of grid security or safety of any equipment or personnel or other such conditions. The Generation Compensation shall be paid as part of the energy bill for the successive month after receipt of Regional Energy Accounts (REA)/SEA/JMR. No Trading Margin shall be applicable on the Generation Compensation as provided in Article 4.10.3 only.

It is hereby clarified that for the purpose of Article 4.10, "generation" shall mean scheduled energy based on Energy Accounts. Notwithstanding anything mentioned above, the provisions of Article 4.10 shall be applicable subject to the acceptance of the same by the respective Buying Utility.

ARTICLE 5: SYNCHRONISATION, COMMISSIONING AND COMMERCIAL OPERATION

5.1 Synchronization, Commissioning and Commercial Operation

5.1.1 The SPD shall give the concerned RLDC/SLDC and SECI and also Buying Entity at least sixty (60) days' advanced preliminary written notice and at least thirty (30) days' advanced final written notice, of the date on which it intends to synchronize the Power Project to the Grid System.

5.1.2 Subject to Article 5.1.1, the Power Project may be synchronized by the SPD to the Grid System when it meets all the connection conditions prescribed in applicable Grid Code then in effect and otherwise meets all other Indian legal requirements for synchronization to the Grid System.

5.1.3 The synchronization equipment and all necessary arrangements / equipment including RTU for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable regulation shall be installed by the SPD at its generation facility of the Power Project at its own cost. The SPD shall synchronize its system with the Grid System only after the approval of synchronization scheme is granted by the head of the concerned substation/Grid System and checking/verification is made by the concerned authorities of the Grid System.

5.1.4 The SPD shall immediately after each synchronization/tripping of generator, inform the sub-station of the Grid System to which the Power Project is electrically connected in accordance with applicable Grid Code under intimation to SECI. In addition, the SPD will inject in-firm power to grid time to time to carry out operational/ functional test prior to commercial operation. For avoidance of doubt, it is clarified that Synchronization / Connectivity of the Project with the grid shall not to be considered as Commissioning of the Project.

5.1.5 The SPD shall commission the Project as detailed in "Schedule 3: Commissioning Procedure" within eighteen (18) Months of the Effective Date. Declaration of COD / UCOD shall only be done subject to the demonstration of the compliances as per Schedule-3 and subsequent upon the successful visit by the Commissioning Committee.

5.1.6 There can be part Commissioning of the Project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and corresponding energy has flown into the grid.

5.1.7 The Parties agree that for the purpose of commencement of the supply of electricity by SPD to SECI, liquidated damages for delay etc., the Scheduled Commissioning Date or extended Scheduled Commissioning Date as defined in this Agreement shall be the relevant date.

5.1.8 **Early Commissioning**

The SPD shall be permitted for full commissioning as well as part commissioning of the Project even prior to the Scheduled Commissioning Date, subject to availability of transmission connectivity and Long-Term Access (LTA).

Early commissioning of the Project will be allowed solely at the risk and cost of the SPD, and SECI shall purchase the energy from such early commissioned Project at the 75% (seventy-five percent) of the PPA tariff, only in the case Discom agrees to purchase power from the Project at an earlier date, and at 75% of the PPA tariff plus trading margin.

Such intimation for early commissioning shall be provided to SECI at least 15 days before the proposed early commissioning date. In case there is no response provided by SECI within 7 days from the receipt of such intimation, such early commissioned capacity shall be deemed to have been rejected by SECI.

In case SECI does not agree to purchase such energy, early part/full commissioning of the Project shall still be allowed and the SPD will be free to sell such energy to a third party; subject to operationalization of LTA, until SCD or the date of commencement of procurement of power from the Project as notified by SECI, whichever is earlier. UCOD/COD of the Project under the PPA will be the date on which the commissioning certificate is issued upon successful commissioning of the part/full capacity of the Project.

ARTICLE 6: DISPATCH AND SCHEDULING

6.1 *Dispatch and Scheduling*

6.1.1 The SPD shall be required to schedule its power as per the applicable regulations / requirements / guidelines of CERC / SERC /SLDC / RLDC or any other competent agency and same being recognized by the SLDC or any other competent authority / agency as per applicable regulation/ law / direction and maintain compliance to the applicable Codes/ Grid Code requirements and directions, if any, as specified by concerned SLDC/RLDC from time to time. Any deviation from the Schedule will attract the provisions of applicable regulation / guidelines / directions and any financial implication on account of this shall be on the account of the SPD.

6.1.2 The SPD shall be responsible for directly coordinating and dealing with the Buying Entity, State Load Dispatch Centre's, Regional Power Committees, and other authorities in all respects in regard to declaration of availability, scheduling and dispatch of Solar Power and due compliance with deviation and settlement mechanism and the applicable Grid code Regulations, acknowledging that the SPD and Buying Entity are the Grid connected entities and SECI as an intermediary procurer/ trading licensee is not a Grid connected entity in respect of the Solar Power contracted under this Agreement.

6.1.3 The SPD shall be responsible for any deviation from scheduling and for any resultant liabilities on account of charges for deviation as per applicable regulations. UI charges on this account shall be directly paid by the SPD.

6.1.4 Auxiliary power consumption will be treated as per the concerned Central/ State regulations.

6.1.5 Not Used.

ARTICLE 7: METERING

7.1 *Meters*

7.1.1 For installation of Meters, Meter testing, Meter calibration and Meter reading and all matters incidental thereto, the SPD and SECI shall follow and be bound by the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, the Grid Code, as amended and revised from time to time.

7.1.2 The SPD shall bear all costs pertaining to installation, testing, calibration, maintenance, renewal and repair of meters at SPD's side of Delivery Point.

7.1.3 In addition to ensuring compliance of the applicable codes, the SPD shall install Main & Check meters at the Delivery Point, along with Stand-by meter(s) as per the applicable Central/State regulations.

7.1.4 In case of pooling of multiple Projects, power from multiple Projects can be pooled at a Pooling Substation prior to the Delivery point and the combined power can be fed at Delivery point through a common transmission line from the Pooling Substation. In such cases, ABT compliant sub-meters as per relevant regulation/ approval are also to be set up at pooling substation for individual projects in addition to the meters at Delivery Point as described in clause 7.1.3.

7.2 *Reporting of Metered Data and Parameters*

7.2.1 The grid connected Solar PV power plants will install necessary equipment for regular monitoring of solar irradiance (including GHI, DHI and solar radiation in the module plane), ambient air temperature, wind speed and other weather parameters and simultaneously for monitoring of the electric power (both DC and AC) generated from the Project.

7.2.2 Online arrangement would have to be made by the SPD for submission of above data regularly for the entire period of this Power Purchase Agreement to the SLDC, SECI and the concerned Ministry or concerned agency as per applicable regulation / directions.

7.2.3 Reports on above parameters on monthly basis (or as required by regulation / guidelines) shall be submitted by the SPD to Ministry of New and Renewable Energy/ SECI/National Institute of Solar Energy through SECI for entire period of PPA.

Solar Energy Corporation of India
New Delhi

ARTICLE 8: INSURANCES

8.1 *Insurance*

8.1.1 The SPD shall effect and maintain or cause to be effected and maintained, at its own cost and expense, throughout the Term of PPA, Insurances against such risks to keep the Project in good condition and shall take Industrial All Risk insurance policy covering risks against any loss or damage, with such deductibles and with such endorsements and co-insured(s), which the Prudent Utility Practices would ordinarily merit maintenance of and as required under the Financing Agreements, Implementation and Support Agreement and under the applicable laws.

8.2 *Application of Insurance Proceeds*

8.2.1 In case of the Project not being implemented through Financing Agreement(s), save as expressly provided in this Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Power Project or any part of the Power Project shall be first applied to reinstatement, replacement or renewal of such loss or damage.

In case of the Project being financed through Financing Agreement(s), save as expressly provided in this Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Power Project or any part of the Power Project shall be applied as per such Financing Agreements.

8.2.2 If a Force Majeure Event renders the Power Project no longer economically and technically viable and the insurers under the Insurances make payment on a "total loss" or equivalent basis, SECI shall have claim on such proceeds of such Insurance limited to outstanding dues of SECI against the Buying Utility(ies) as per PSA entered into and any other dues of the Buying Utility(ies) against SPD.

8.3 *Effect on liability of SECI*

83.1 Notwithstanding any liability or obligation that may arise under this Agreement, any loss, damage, liability, payment, obligation or expense which is insured or not or for which the SPD can claim compensation, under any Insurance shall not be charged to or payable by Buyer. It is for the SPD to ensure that appropriate insurance coverage is taken for payment by the insurer for the entire loss and there is no under insurance or short adjustment etc.

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ARTICLE 9: APPLICABLE TARIFF

9.1 The SPD shall be entitled to receive the Tariff of Rs. 2.37/ kWh, fixed for the entire term of this Agreement, with effect from the SCD, for the power sold by the Buyer to the Buying Entity for the scheduled energy as reflected in the Energy Accounts.

9.2 Pursuant to Article 5.1.8 in case of early part-commissioning, till SCD, subject to the consent for such purchase by the Buying Utility, SECI may purchase the generation till SCD, at 75 % (seventy-five per cent) of the tariff mentioned in the Article 9.1. However, in case the entire Project capacity is commissioned prior to SCD, SECI may purchase energy supplied till SCD at Rs. 2.37/kWh. In both the cases of early part or full commissioning of the Project, the Applicable Tariff for the commissioned Project shall be Rs. 2.37/kWh from and including the SCD.

9.3 Any excess generation over and above energy specified in Article 4.4.1, will be purchased by SECI at a tariff 75% (seventy-five per cent) of the tariff as mentioned in Article 9.1 and 9.2 as applicable, provided the Buying Entity consents for purchase of such excess generation. Any energy produced and flowing into the grid before SCD shall not be at the cost of SECI. SECI may agree to buy such power provided Buying Entity consents to purchase such energy. However, the SPD will not be allowed to sell energy generated prior to SCD or excess energy during any Contract Year to any other entity other than SECI (unless refused by SECI).

9.4 Not Used.

ARTICLE 10: BILLING AND PAYMENT

10.1 General

10.1.1 Pursuant to Article 4.1.1 (h), SECI shall set up a payment security fund for Solar Power Projects in order to ensure timely payment. This fund will have a corpus to cover 3 months' payment.

10.1.2 From the commencement of supply of power, SECI shall pay to the SPD the monthly Tariff Payments subject to the adjustments as per provisions of this Agreement including Article 6, in accordance with Article 9. All Tariff Payments by SECI shall be in Indian Rupees.

10.1.3 For the purpose of payment of the bills raised by the SPD(s), in case Energy Account is published on cumulative basis, payment to the SPD(s) for the energy delivered shall be apportioned based on JMR taken for the SPD's Project at the Pooling substation/metering point.

10.1.4 The SPD shall be required to make arrangements and payments for import of energy (if any) as per applicable regulations.

10.2 *Delivery and Content of Monthly Bills/Supplementary Bills*

10.2.1 The SPD shall issue to SECI hard copy of a signed Monthly Bill/Supplementary Bill for the immediately preceding Month/relevant period based on the issuance of Energy Accounts along with all relevant documents (payments made by SPD for drawal of power, payment of reactive energy charges, Metering charges or any other charges as per guidelines of SERC/CERC, if applicable.

Each Monthly Bill shall include all charges as per this Agreement for the energy supplied for the relevant Month based on Energy Accounts issued by RPC or any other competent authority which shall be binding on both the Parties. The Monthly Bill amount shall be the product of the energy as per Energy Accounts and the Applicable Tariff. Energy drawn from the grid will be regulated as per the applicable Central/ State regulations.

10.2.2 As per applicable regulation(s) of the Appropriate Commission(s)/respective SERC(s), all charges pertaining to obtaining open access and scheduling of power, if any, shall be borne by the SPD.

10.3 *Payment of Monthly Bills*

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10.3.1 SECI shall pay the amount payable under the Monthly Bill/Supplementary Bill by the Due Date to such account of the SPD, as shall have been previously notified by the SPD as below.

10.3.2 All payments required to be made under this Agreement shall also include any deduction or set off for:

i) deductions required by the Law; and

ii) amount claimed by SECI, if any, from the SPD, will be adjusted from the monthly energy payment. In case of any excess payment adjustment, 1.25% surcharge will be applicable on day-to-day basis.

The SPD shall open a bank account (the "SPD's Designated Account") for all Tariff Payments (including Supplementary Bills) to be made by SECI to the SPD, and notify SECI of the details of such account at least ninety (90) Days before the dispatch of the first Monthly Bill. SECI shall also designate a bank account at New Delhi ("SECI Designated Account") for payments to be made by the SPD to SECI, if any, and notify the SPD of the details of such account ninety (90) Days before the Scheduled Commissioning Date. SECI and the SPD shall instruct their respective bankers to make all payments under this Agreement to the SPD's Designated Account or SECI's Designated Account, as the case may be, and shall notify either Party of such instructions on the same day.

10.3.3 **Late Payment Surcharge**

Late Payment Surcharge: In the event of delay in payment of a Monthly Bill by SECI beyond 30 days after Due Date, a Late Payment Surcharge shall be payable by SECI to the SPD on the outstanding payment, at the Base Rate of Late Payment Surcharge applicable for the period for the first month of default. "Base Rate of Late Payment Surcharge" means the marginal cost of funds-based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent (500 bps) and in the absence of marginal cost of funds-based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. The Late Payment Surcharge shall be claimed by the SPD through the Supplementary Bill. Late Payment Surcharge shall be payable on the outstanding amount at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent (50 bps) for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time.

a) Provided that the rate at which Late Payment Surcharge shall be payable shall not be higher than 1.25% per month at any time for purchase of power.

b) If the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.

c) The above payment will be made by SECI subject to such late payment surcharge being duly received by SECI under the PSA from the Buying Entity(ies).

10.3.4 Subject to the Article 9 of this Agreement, in the event of early Commissioning of the Project and subject to acceptance by SECI, the payment for the power fed to the grid may be accounted from the date of UCOD, and SPD would be allowed to raise Bills against such power as per Article 10.2.1, subject to the conditions as stipulated in Article 9. However, payment against the 1st such bill raised by the SPD, will be made subject to acceptance of the bill by the Discom.

10.3.5 **Rebate**

For payment of any Bill on or before Due Date, the following Rebate shall be paid by the SPD to SECI in the following manner.

a) A Rebate of 1.5% shall be payable to the SECI for the payments made within a period of 10 (ten) days of the presentation of hard copy of Bill.

b) Any payments made after ten (10) days of the date of presentation of Bill through hard copy up to the Due Date shall be allowed a rebate of 1 %.

c) For the above purpose, the date of presentation of Bill shall be the next Business Day of delivery of the physical copy of the Bill at SECI. .

d) No Rebate shall be payable on the Bills raised on account of Change in Law (except in case of annuity tariff model being implemented, where rebate will be applicable) relating to taxes, duties, cess etc. and on Supplementary Bill.

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For the above purpose date of presentation of bill shall be the same day of delivery in hard copy. However, for consideration of rebate, next business day shall be considered.

10.4 **Payment Security Mechanism**

Letter of Credit (LC):

10.4.1 SECI shall provide to the SPD, in respect of payment of its Monthly Bills and/or Supplementary Bills, a monthly unconditional, revolving and irrevocable letter of credit ("Letter of Credit"), opened and maintained which may be drawn upon by the SPD in accordance with this Article.

10.4.2 Before the start of supply, SECI through a scheduled bank open a Letter of Credit in favour of the SPD, to be made operative from a date prior to the Due Date of its first Monthly Bill under this Agreement. The Letter of Credit shall have a term of twelve (12) Months and shall be renewed annually, for an amount equal to:

i) for the first Contract Year, equal to 110% of the estimated average monthly billing;

ii) for each subsequent Contract Year, equal to 110% of the average of the monthly billing of the previous Contract Year.

10.4.3 Provided that the SPD shall not draw upon such Letter of Credit prior to 30 days beyond the Due Date of the relevant Monthly Bill and/or Supplementary Bill, and shall not make more than one drawal in a Month.

10.4.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Article 10.4.2 due to any reason whatsoever, SECI shall restore such shortfall before next drawl.

10.4.5 SECI shall cause the scheduled bank issuing the Letter of Credit to intimate the SPD, in writing regarding establishing of such irrevocable Letter of Credit.

10.4.6 SECI shall ensure that the Letter of Credit shall be renewed not later than its expiry.

10.4.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by SECI.

10.4.8 If SECI fails to pay undisputed Monthly Bill or Supplementary Bill or a part thereof within and including date as on 30 days beyond the Due Date, then, subject to Article 10.4.6 & 10.5.2, the SPD may draw upon the Letter of Credit, and accordingly the bank shall pay, an amount equal to such Monthly Bill or Supplementary Bill or part thereof, in accordance with Article 10.4.3 above, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:

i) a copy of the Monthly Bill or Supplementary Bill (only for energy related bills) which has remained unpaid to SPD and;
ii) a certificate from the SPD to the effect that the bill at item (i) above, or specified part thereof, is in accordance with the Agreement and has remained unpaid beyond the Due Date;

10.5 Disputed Bill

10.5.1 If the SECI does not dispute a Monthly Bill or a Supplementary Bill raised by the SPD within thirty (30) days of receiving such Bill shall be taken as conclusive.

10.5.2 If the SECI disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay 50% of the invoice amount and it shall within thirty (30) days of receiving such Bill, issue a notice
(the "Bill Dispute Notice") to the invoicing Party setting out:

i) the details of the disputed amount;
ii) its estimate of what the correct amount should be; and
iii) all written material in support of its claim.

10.5.3 If the SPD agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.5.2, the SPD shall revise such Bill and present along with the next Monthly Bill. In such a case excess amount shall be refunded along with interest at the same rate as Late Payment Surcharge, which shall be applied from the date on which such excess payment was made by the disputing Party to the invoicing Party and up to and including the date on which such payment has been received as refund.

10.5.4 If the SPD does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.5.2, it shall, within fifteen (15) days of receiving the Bill Dispute Notice, furnish a notice (Bill Disagreement Notice) to the SECI providing:

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i) reasons for its disagreement;

ii) its estimate of what the correct amount should be; and

iii) all written material in support of its counter-claim.

10.5.5 Upon receipt of the Bill Disagreement Notice by the SECI under Article 10.5.4, authorized representative(s) or a director of the board of directors/ member of board of the SECI and SPD shall meet and make best endeavours to amicably resolve such dispute within fifteen (15) days of receipt of the Bill Disagreement Notice.

10.5.6 If the Parties do not amicably resolve the Dispute within fifteen (15) days of receipt of Bill Disagreement Notice pursuant to Article 10.5.4, the matter shall be referred to Dispute resolution in accordance with Article 16.

10.5.7 For the avoidance of doubt, it is clarified the despite a Dispute regarding an invoice, SECI shall, without prejudice to its right to Dispute, be under an obligation to make payment of 50% of the invoice amount in the Monthly Bill.

10.6 Quarterly and Annual Reconciliation

10.6.1 The Parties acknowledge that all payments made against Monthly Bills and Supplementary Bills shall be subject to quarterly reconciliation within 30 days of the end of the quarter at the beginning of the following quarter of each Contract Year and annual reconciliation at the end of each Contract Year within 30 days to take into account the Energy Accounts, Tariff adjustment payments, Tariff Rebate, Late Payment Surcharge, or any other reasonable circumstance provided under this Agreement.

10.6.2 The Parties, therefore, agree that as soon as all such data in respect of any quarter of a Contract Year or a full Contract Year as the case may be has been finally verified and adjusted, the SPD and SECI shall jointly sign such reconciliation statement. Within fifteen (15) days of signing of a reconciliation statement, the SPD shall make appropriate adjustments in the next Monthly Bill. Late Payment Surcharge/ interest shall be payable in such a case from the date on which such payment had been made to the invoicing Party or the date on which any payment was originally due, as may

be applicable. Any Dispute with regard to the above reconciliation shall be dealt with in accordance with the provisions of Article 16.

10.7 *Payment of Supplementary Bill*

10.7.1 SPD may raise a ("Supplementary Bill") for payment on account of:

i) Adjustments required by the Energy Accounts (if applicable); or
ii) Change in Law as provided in Article 12, or
iii) Payment under Article 4.10,

And such Supplementary Bill shall be paid by the other Party.

10.7.2 SECI will remit all amounts due under a Supplementary Bill raised by the SPD to the SPD's Designated Account by the Due Date, except open access charges, RLDC or scheduling charges and transmission charges (if applicable). For Supplementary Bill on account of adjustment required by energy account and payments under Article 4.10, Rebate as applicable to Monthly Bills pursuant to Article 10.3.5 shall equally apply. Payment under Article 10.7.1 will be made after realization of the same from the Buying Utility. No late payment surcharge will be applicable other than that on the monthly energy payment and associated debit and credit note.

10.7.3 Not Used.

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ARTICLE 11: FORCE MAJEURE

11.1 *Definition of Force Majeure*

A 'Force Majeure' (FM) would mean one or more of the following acts, events or circumstances or a combination of acts, events or circumstances or the consequence(s) thereof, that wholly or partly prevents or unavoidably delays the performance by the Party (the Affected Party) of its obligations under the relevant Power Purchase Agreement, but only if and to the extent that such events or circumstances are not within the reasonable control, directly or indirectly, of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices.

An Affected Party means SECI or the SPD whose performance has been affected by an event of Force Majeure.

11.2 *Categorization of Force Majeure Events:*

11.2.1 Natural Force Majeure Event

a) Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon or tornado if it is declared / notified by the competent state / central authority / agency (as applicable), or verified to the satisfaction of Procurer;

b) radioactive contamination or ionising radiation originating from a source in India or resulting from another Force Majeure Event mentioned above excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the Project by the Affected Party or those employed or engaged by the Affected Party;

c) the discovery of geological conditions, toxic contamination or archaeological remains on the Project land that could not reasonably have been expected to be discovered through an inspection of the Project land; or

d) any event or circumstances of a nature analogous to any of the events as specified under Article 11.2.1 (a), 11.2.1 (b) and 11.2.1 (c).

11.2.2 Non-Natural Force Majeure Event

a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action;

b) nation/state-wide strike, lockout, boycotts or other industrial disputes which are not directly and solely attributable to the actions of the Affected Party, but does not include strike or labour unrest limited to the Affected Party or its contractors;

c) nationalisation or any compulsory acquisition by any Indian Governmental Instrumentality/ State Government in national interest or expropriation of any material Project assets or rights of the SPD, as a result of which the SPD or its shareholders are deprived (wholly or partly) of their rights or entitlements under the Power Purchase Agreement. Provided that such action does not constitute remedies or sanctions lawfully exercised by the Procurer or any other Government Authority as a result of any breach of any of the Applicable Laws or the Applicable Permits by the SPD or the SPD related parties;

d) action of a Government Authority having Material Adverse Effect including but not limited to Change in Law, only if consequences thereof cannot be dealt with under and in accordance with the provisions of Article 12 of this Agreement; any unlawful or unauthorised or without jurisdiction revocation of, or delay in, or refusal, or failure to renew or grant without valid cause, any Permits of the SPD or any of the clearance, licence, authorization to be obtained by the contractors to perform their respective obligations under the relevant PPA and/or the Project Documents; provided that such delay, modification, denial, refusal or revocation did not result from the SPD's or any contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such Permits or clearance, licence, authorization, as the case may be.

11.3 Force Majeure Exclusions

11.3.1 Force Majeure shall not include (i) any event or circumstance which is within the reasonable control of the Parties and (ii) the following conditions, except to the extent that they are consequences of an event of Force Majeure:

a. Unavailability, late delivery, or changes in cost of the plant, machinery, equipment, materials, spare parts or consumables for the Power Project;

b. Delay in the performance of any contractor, sub-contractor or their agents;

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c. Non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;

d. Strikes at the facilities of the Affected Party;

e. Insufficiency of finances or funds or the agreement becoming onerous to perform; and

f. Non-performance caused by, or connected with, the Affected Party's:

i. Negligent or intentional acts, errors or omissions;

ii. Failure to comply with an Indian Law; or

iii. Breach of, or default under this Agreement.

11.4 *Notification of Force Majeure Event*

11.4.1 The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than seven (7) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force Majeure results in a breakdown of communications rendering it unreasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement.

11.4.2 Provided that such notice shall be a pre-condition to the Affected Party's entitlement to claim relief under the PPA. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed. The Affected Party shall give the other Party regular (and not less than weekly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the Force Majeure Event.

11.4.3 The Affected Party shall give notice to the other Party of (i) the cessation of the relevant event of Force Majeure; and (ii) the cessation of the effects of such event of Force Majeure on the performance of its rights or obligations under the PPA, as soon as practicable after becoming aware of each of these cessations.

11.5 **Performance Excused**

11.5.1 The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under the PPA as a consequence of the Force Majeure Event, shall be excused from performance of the obligations, provided that the period shall not exceed 180 (one hundred and eighty) Days from the date of issuance of the FM Notice. The Parties may mutually agree to extend the period for which performance is excused due to a Force Majeure Event.

11.5.2 For the time period, as mutually agreed by the Parties, during which the performance shall be excused, the generator shall be entitled for a day-to-day extension of the period provided for Financial Closure or Scheduled Commissioning Period or the PPA period, as the case may be.

11.5.3 Provided always that a Party shall be excused from performance only to the extent reasonably warranted by the Force Majeure Event.

11.5.4 Provided further that, nothing shall absolve the Affected Party from any payment obligations accrued prior to the occurrence of the underlying Force Majeure Event.

11.6 **No Liability for Other Losses**

Save as otherwise provided in this Agreement, no Party shall be liable in any manner, whatsoever, to the other Parties in respect of any loss relating to or arising out of the occurrence or existence of any Force Majeure Event.

11.7 **Resumption of Performance**

During the period that a Force Majeure Event is subsisting, the Affected Party shall, in consultation with the other Parties, make all reasonable efforts to limit or mitigate the effects of such Force Majeure Event on the performance of its obligations under the PPA. The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption, shall notify other Parties of the same in writing. The other Parties shall afford all reasonable assistance to the Affected Party in this regard.

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11.8 Duty to Perform and Duty to Mitigate

To the extent not prevented by a Force Majeure Event pursuant to Article 11.2, the Affected Party shall continue to perform its obligations pursuant to this Agreement, in line with provisions of Article 11.5. The Affected Party shall use its reasonable efforts to mitigate the effect of any Force Majeure Event as soon as practicable.

11.9 Available Relief for a Force Majeure Event

Subject to this Article 11:

a) no Party shall be in breach of its obligations pursuant to this Agreement except to the extent that the performance of its obligations was prevented, hindered or delayed due to a Force Majeure Event;

b) every Party shall be entitled to claim relief in relation to a Force Majeure Event in regard to its obligations, including but not limited to those specified under Article 4.5;

c) For avoidance of doubt, neither Party's obligation to make payments of money due and payable prior to occurrence of Force Majeure events under this Agreement shall be suspended or excused due to the occurrence of a Force Majeure Event in respect of such Party.

d) Provided that no payments shall be made by either Party affected by a Force Majeure Event for the period of such event on account of its inability to perform its obligations due to such Force Majeure Event.

11.10 Termination Due to Force Majeure Event

11.10.1 Termination due to Natural Force Majeure Event

a) If, prior to the completion of the 180 (one hundred and eighty) Day period (or any extended period) for a Natural Force Majeure Event commencing from the date of issuance of the Force Majeure Notice, the Parties are of the reasonable view that a Natural Force Majeure Event is likely to continue beyond such 180 (one hundred and eighty) Day period or any extended period agreed in pursuance of Article 11.5 (Performance Excused); or that it is uneconomic or impractical to restore the affected Unit, then the Parties may mutually decide to terminate the PPA, and the termination shall take effect from the date on which such decision is taken.

b) Without prejudice to the provisions of Article 11.10.1.(a) above, the Affected Party shall, after the expiry of the period of 180 (one hundred and eighty) Days or any other mutually extended period, be entitled to forthwith terminate the PPA in its sole discretion by issuing a notice to that effect.

c) On termination of the PPA pursuant to Article 11.10.1(b):

i. no Termination Compensation shall be payable to the SPD.

ii. the SPD shall be eligible for undisputed payments under outstanding Monthly Bill(s), before the occurrence of Force Majeure Event.

11.10.2 Termination due to Non-Natural Force Majeure Event

a) Upon occurrence of a Non-Natural Force Majeure Event, the SPD shall, at its discretion, have the right to terminate the PPA forthwith after the completion of the period of 180 (one hundred and eighty) Days from the date of the Force Majeure Notice.

b) On termination of the PPA pursuant to Article 11.10.2(a):

i. SECI shall pay to the SPD, 'Force Majeure Termination Compensation' equivalent to the amount of the Debt Due and the 110% (one hundred and ten per cent) of the Adjusted Equity, as defined in the PPA, and takeover the Project assets.

ii. the SPD shall be eligible for undisputed payments under outstanding Monthly Bill(s), before the occurrence of Force Majeure Event.

ARTICLE 12: CHANGE IN LAW

12.1 *Definitions*

In this Article 12, the following terms shall have the following meanings:

12.1.1 In this Article 12, the term Change in Law shall refer to the occurrence of any of the following events pertaining to this project only after **22.06.2020** including (i) the enactment of any new law; or (ii) an amendment, modification or repeal of an existing law; or (iii) the requirement to obtain a new consent, permit or license; or (iv) any modification to the prevailing conditions prescribed for obtaining an consent, permit or license, not owing to any default of the Solar Power Developer; or (v) any change in the rates of any Taxes including any duties and cess or introduction of any new tax made applicable for setting up the solar power project and supply of power from the Solar Power project by the SPD which have a direct effect on the Project.

However, Change in Law shall not include (i) any change in taxes on corporate income or (ii) any change in any withholding tax on income or dividends distributed to the shareholders of the SPD.

12.1.2 In the event of occurrence of any of events as provided under Article 12.1.1 which results in any increase/ decrease in the Project Cost (i.e. cost incurred by the SPD towards supply and services only for the Project concerned, upto Scheduled Commissioning Date or extended Scheduled Commissioning Date, as the case may be), the SPD/ SECI / Buying Utility(ies) shall be entitled for compensation by the other party, as the case may be, subject to the condition that the such 'Change in Law' is recognized by the Appropriate Commission. Compensation payment on account of such 'Change in Law' shall be determined and shall be effective from such date as may be decided by the Appropriate Commission.

12.1.3 However, in case of change in rates of safeguard duty, GST and basic customs duty after 22.06.2020 and resulting in change in Project Cost, then such change will be treated as 'Change in Law' and the quantum of compensation payment on account of change in rates of such duties and shall be provided to the affected party by the other party as per Article 12.2.3, subject to the provision that Appropriate Commission recognizes such provisions at the time of adoption of tariff by the

Appropriate Commission and any decision in this regard shall be governing on SPD and Buying Entity.

12.2 *Relief for Change in Law*

12.2.1 Save and except as provided under Article 12.1.3, the aggrieved Party shall be required to approach the Hon'ble CERC for seeking approval of Change in Law.

12.2.2 The decision of the Hon'ble CERC to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on SPD and Buying Entity.

12.2.3 In case of Change in Law as approved by the Appropriate Commission pursuant to Article 12.2.1 or as provided under Article 12.1.3, the SPD/ SECI/ Buying Entities (as the case may be) shall be entitled for relief as follows:

Every net increase/decrease of Rs.1 lakh per MW in the Project Cost (i.e cost incurred by the SPD for the supply and services in the Project concerned, upto Schedule Commissioning Date or extended Schedule Commissioning Date, for reasons other than those wherein such extension is on account of payment of liquidated damages, penalty or any other charges, as the case may be), shall be liable for corresponding increase/decrease of an amount equal to Rs 0.005 /kWh.

Any such change, shall be considered upto three digits after the decimal point, and remaining digits, if any, shall be ignored.

For e.g., in case the change in tariff payable is calculated as Rs. 0.14678/kWh, it shall be modified as Rs. 0.146/kWh.

12.2.4 In case Change in Law results in delay in commissioning or supply of power, where cause and effect between these two can be clearly established, the SECI under intimation to the Buying Entities may provide suitable time-extension in Scheduled Commissioning Date or Scheduled Date of Commencement of Supply of Power, as the case may be.

12.2.5 It the event of any decrease in the project cost by the SPD or any income to the SPD on account of any of the events as indicated above, SPD shall pass on the benefit of such reduction at a rate as provided in Article 12.2.3 to SECI which shall be further passed on to the Buying Entity. In the event of the SPD failing to comply with the above requirement, SECI shall make such deductions in the monthly tariff payments on immediate basis,. Further, at the time of raising of 1st Monthly Tariff Payment

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Bill, SPD shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 12.

12.2.6 The following proposal of MNRE to impose Basic Custom Duty (BCD) on Solar cells and modules (without grandfathering of bid out projects) has been agreed to by the Ministry of Finance:

Items	CTH	Upto 31.03.2022	w.e.f. 01.04.2022
Solar Module	85414012	0%	40%
Solar Cell	85414011	0%	25%

As per commitment from SPD, the SPD will provide the waiver on claim of Basic Custom Duty mentioned above in this PPA. If there is any further revision/modification to the said BCD notification on any new notification on the BCD matter, resulting in any further increase of BCD, Developers shall remain entitled to exercise rights for any claim under Change in Law of the PPAs, viz, such revision/modification (any incremental impact over prescribed rates of BCD as above) or any new notification. Further, No Change in Law on account of BCD will be claimed by either party, as per the MNRE OM dated 09.03.2021.

12.3 Notification of Change in Law

12.3.1 If the SPD is affected by Change in Law in accordance with Article 12 and wishes to claim a Change in Law under this Article, it shall give notice to the SECI and Buying Utility (s) of such Change in Law as soon as reasonably practicable (but no later than 60 days from the date of occurrence of such Change in Law).

12.3.2 Any notice service pursuant to this Article 12.3.1 and 12.1.3, shall provide, amongst other things, precise details of the Change in Law and its effect on the Project Cost, supported by documentary evidences including Statutory Auditor Certificate to this effect so as to establish one to one correlation and its impact on the Project Cost.

ARTICLE 13: EVENTS OF DEFAULT AND TERMINATION

13.1 *SPD Event of Default*

13.1.1 The occurrence and/or continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by SECI or Buying Entity(ies) of its obligations under this Agreement, shall constitute an SPD Event of Default:

(i) the failure to commence supply of power to SECI up to the Contracted Capacity, by the end of the period specified in Article 4, or failure to continue supply of Contracted Capacity to SECI after Commercial Operation Date throughout the term of this Agreement, or

if

a) the SPD assigns, mortgages or charges or purports to assign, mortgage or charge any of its assets or rights related to the Power Project in contravention of the provisions of this Agreement; or

b) the SPD transfers or novates any of its rights and / or obligations under this agreement, in a manner contrary to the provisions of this Agreement; except where such transfer

- is in pursuance of a Law; and does not affect the ability of the transferee to perform, and such transferee has the financial capability to perform, its obligations under this Agreement or

- is to a transferee who assumes such obligations under this Agreement and the Agreement remains effective with respect to the transferee;

(ii) if (a) the SPD becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or (b) any winding up or bankruptcy or insolvency order is passed against the SPD, or (c) the SPD goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, provided that a dissolution or liquidation of the SPD will not be a SPD Event of Default if such dissolution or liquidation is for the purpose of a merger, consolidation or reorganization and where the resulting company retains creditworthiness similar to

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the SPD and expressly assumes all obligations of the SPD under this Agreement and is in a position to perform them; or

(iii) the SPD repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from SECI in this regard; or

(iv) except where due to any SECI's failure to comply with its material obligations, the SPD is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the SPD within thirty (30) days of receipt of first notice in this regard given by SECI.

(v) change in controlling shareholding before the specified time frame as mentioned in Article 4.1.1 of this Agreement; or

(vi) occurrence of any other event which is specified in this Agreement to be a material breach/ default of the SPD.

(vii) except where due to any SECI's failure to comply with its material obligations, the SPD is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the SPD within thirty (30) days of receipt of first notice in this regard given by SECI.

13.2 *SECI Event of Default*

13.2.1 The occurrence and the continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by the SPD of its obligations under this Agreement, shall constitute the Event of Default on the part of defaulting SECI:

(i) SECI fails to pay (with respect to a Monthly Bill or a Supplementary Bill), subject to Article 10.5, for a period of ninety (90) days after the Due Date and the SPD is unable to recover the amount outstanding to the SPD through the Letter of Credit,

(ii) SECI repudiates this Agreement and does not rectify such breach even within a period of sixty (60) days from a notice from the SPD in this regard; or

(iii) except where due to any SPD's failure to comply with its obligations, SECI is in material breach of any of its obligations pursuant to this Agreement, and such material breach is not rectified by SECI within sixty (60) days of receipt of notice in this regard from the SPD to SECI; or if

- SECI becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of sixty (60) days, or

- any winding up or bankruptcy or insolvency order is passed against SECI, or

- SECI goes into liquidation or dissolution or a receiver or any similar officer is appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, provided that it shall not constitute a SECI Event of Default, where such dissolution or liquidation of Buyer or SECI is for the purpose of a merger, consolidation or reorganization and where the resulting entity has the financial standing to perform its obligations under this Agreement and has creditworthiness similar to SECI and expressly assumes all obligations of SECI and is in a position to perform them; or;

(iv) If Buying Entities are subject to any of the above defaults and SECI does not designate another or other Buying Entities for purchase of power.

(v) Occurrence of any other event which is specified in this Agreement to be a material breach or default of SECI.

13.3 *Procedure for cases of SPD Event of Default*

13.3.1 Upon the occurrence and continuation of any SPD Event of Default under Article 13.1, SECI shall have the right to deliver to the SPD, with a copy to the representative of the lenders to the SPD with whom the SPD has executed the Financing Agreements, a notice stating its intention to terminate this Agreement (SECI Preliminary Default Notice), which shall specify in reasonable detail, the circumstances giving rise to the issue of such notice.

13.3.2 Following the issue of a SECI Preliminary Default Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.

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13.3.3 During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.

13.3.4 Within a period of seven (7) days following the expiry of the Consultation Period unless the Parties shall have otherwise agreed to the contrary or the SPD Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, SECI may terminate this Agreement by giving a written Termination Notice of sixty (60) days to the SPD.

13.3.5 Subject to the terms of this Agreement, upon occurrence of a SPD Event of Default under this Agreement, the SPD shall be liable to pay to SECI, liquidated damages, as provided in Article 4.6 of the PPA for failure to commission within stipulated time and Article 4.4.1 for failure to supply power in terms of the PPA. For other cases, the SPD shall be liable pay to SECI, damages, equivalent to 6 (six) months, or balance PPA period whichever is less, of charges for its contracted capacity. SECI shall have the right to recover the said damages by way of forfeiture of bank guarantee/ Payment on Order Instrument, if any, without prejudice to resorting to any other legal course or remedy. In addition to the levy of damages as aforesaid, the lenders in concurrence with the Buying Entity and SECI may exercise their rights, if any, under Financing Agreements, to seek substitution of the SPD by a selectee for the residual period of the Agreement, for the purpose of securing the payments of the total debt amount from the SPD and performing the obligations of the SPD. However, in the event the lenders are unable to substitute the defaulting SPD within the stipulated period, SECI may terminate the PPA and the Buying Entity may acquire the Project assets for an amount equivalent to 90% of the Debt Due or less as mutually agreed, failing which, the lenders may exercise their mortgage rights and liquidate the Project assets. Provided that any substitution under this Agreement can only be made with the prior consent of SECI including the condition that the selectee meets the eligibility requirements of Request for Selection (RfS) issued by SECI and accepts the terms and conditions of this Agreement.

13.3.6 The lenders in concurrence with the Buying Utility and SECI, may seek to exercise right of substitution under Article 13.3.5 by an amendment or novation of the PPA

in favour of the selectee. The SPD shall cooperate with SECI to carry out such substitution and shall have the duty and obligation to continue to operate the Power Project in accordance with this PPA till such time as the substitution is finalized. In the event of Change in Shareholding/Substitution of Promoters triggered by the Financial Institutions leading to signing of fresh PPA with a new entity, an amount of Rs. 10 Lakh per Project+ 18% GST per transaction as facilitation fee (non-refundable) shall be deposited by the SPD to SECI.

13.3.7 In the event the lenders are unable to substitute the defaulting SPD within the stipulated period, SECI may terminate the PPA and the Buying Utility may acquire the Project assets for an amount equivalent to 90% of the debt due, failing which, the lenders may exercise their mortgage rights and liquidate the Project assets.

13.4 *Procedure for cases of SECI Event of Default*

13.4.1 Upon the occurrence and continuation of any SECI Event of Default specified in Article 13.2, the SPD shall have the right to deliver to SECI, a SPD Preliminary Default Notice, which notice shall specify in reasonable detail the circumstances giving rise to its issue.

13.4.2 Following the issue of a SPD Preliminary Default Notice, the Consultation Period of ninety (90) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.

13.4.3 During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.

13.4.4 After a period of two hundred ten (210) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed to the contrary or SECI Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, SECI under intimation to the Buying Entity and the SPD shall, subject to the prior consent of the SPD, novate its part of the PPA to any third party, including its Affiliates within the stipulated period. In the event the aforesaid novation is not acceptable to the SPD, or if no offer of novation is made by SECI

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within the stipulated period, then the SPD may terminate the PPA and at its discretion require Buying Entity to either (i) takeover the Project assets by making a payment of the termination compensation equivalent to the amount of the Debt Due and 110% (one hundred and ten per cent) of the Adjusted Equity less Insurance Cover, if any, or, (ii) pay to the SPD, damages equivalent to 6 (six) months, or balance PPA period whichever is less, of charges for its contracted capacity, with the Project assets being retained by the SPD.

Provided further that at the end of three (3) months period from the period mentioned in this Article 13.4.4, this Agreement may be terminated by the SPD.

In the event of termination of PPA, any damages or charges payable to the STU/ CTU, for the connectivity of the plant, shall be borne by the Buying Entity.

13.5 Not Used.

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ARTICLE 14: LIABILITY AND INDEMNIFICATION

14.1 *Indemnity*

14.1.1 The SPD shall indemnify, defend and hold SECI harmless against:

a) any and all third party claims against SECI for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the SPD of any of its obligations under this Agreement; and

b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by SECI from third party claims arising by reason of a breach by the SPD of any of its obligations under this Agreement, (provided that this Article 14 shall not apply to such breaches by the SPD, for which specific remedies have been provided for under this Agreement).

14.1.2 SECI shall cause the Buying Entity(ies) to indemnify, defend and hold the SPD harmless against:

a) any and all third party claims against the SPD, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by Buying Entity(ies) of any of their obligations under this Agreement; and

b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest ('Indemnifiable Losses') actually suffered or incurred by the SPD from third party claims arising by reason of a breach by Buying Entity(ies) of any of its obligations. SECI shall incorporate appropriate covenants in the PSA for the above obligations of Buying Entity(ies). In so far as indemnity to SPD is concerned, Buying Entity(ies) shall be the indemnifying party and not SECI.

14.2 **Procedure for claiming Indemnity**

14.2.1 *Third party claims*

a. Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Article 14.1.1(a) or 14.1.2(a), the Indemnified Party shall promptly notify the Indemnifying Party of such claim referred to in Article 14.1.1(a) or 14.1.2(a) in respect of which it is entitled to be indemnified.

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Such notice shall be given as soon as reasonably practicable after the Indemnified Party becomes aware of such claim. The Indemnifying Party shall be liable to settle the indemnification claim within thirty (30) days of receipt of the above notice. Provided however that, if:

i) the Parties choose to refer the dispute in accordance with Article 16.3.2; and

ii) the claim amount is not required to be paid/ deposited to such third party pending the resolution of the Dispute,

the Indemnifying Party shall become liable to pay the claim amount to the Indemnified Party or to the third party, as the case may be, promptly following the resolution of the Dispute, if such Dispute is not settled in favour of the Indemnified Party.

b. The Indemnified Party may contest the claim by referring to the Appropriate Commission for which it is entitled to be indemnified under Article 14.1.1(a) or 14.1.2(a) and the Indemnifying Party shall reimburse to the Indemnified Party all reasonable costs and expenses incurred by the Indemnified party. However, such Indemnified Party shall not settle or compromise such claim without first getting the consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

An Indemnifying Party may, at its own expense, assume control of the defence of any proceedings brought against the Indemnified Party if it acknowledges its obligation to indemnify such Indemnified Party, gives such Indemnified Party prompt notice of its intention to assume control of the defence, and employs an independent legal counsel at its own cost that is reasonably satisfactory to the Indemnified Party.

14.3 *Indemnifiable Losses*

14.3.1 Where an Indemnified Party is entitled to Indemnifiable Losses from the Indemnifying Party pursuant to Article 14.1.1(b) or 14.1.2(b), the Indemnified Party shall promptly notify the Indemnifying Party of the Indemnifiable Losses actually incurred by the Indemnified Party. The Indemnifiable Losses shall be reimbursed by the Indemnifying Party within thirty (30) days of receipt of the notice seeking Indemnifiable Losses by the Indemnified Party. In case of nonpayment of such

losses after a valid notice under this Article 14.3, such event shall constitute a payment default under Article 13.

14.4 *Limitation on Liability*

14.4.1 Except as expressly provided in this Agreement, neither the SPD nor SECI nor Buying Entity(ies) nor its/ their respective officers, directors, agents, employees or affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its affiliates, officers, directors, agents, employees, successors or permitted assigns or their respective insurers for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of Buying Entity(ies) , the SPD or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.

14.4.2 SECI shall have no recourse against any officer, director or shareholder of the SPD or any Affiliate of the SPD or any of its officers, directors or shareholders for such claims excluded under this Article. The SPD shall have no recourse against any officer, director or shareholder of Buyer or Buying Entity(ies) , or any affiliate of Buyer or any of its officers, directors or shareholders for such claims excluded under this Article.

14.5 SECI's Liability

14.5.1 Notwithstanding anything to the contrary contained in this Agreement, the Parties acknowledge and accept that the SECI is an Intermediary Company to purchase and resell the electricity to the Buying Utility(ies) to enable them to fulfill the Renewable Purchase Obligations (RPO) and, therefore, the performance of the obligations of the SECI under this Agreement shall be subject to the ability of the SECI to enforce the corresponding obligations assumed by the Buying Utility(ies) on re-sale under the Power Sale Agreement to be entered into by the Buying Utility(ies) with SECI. It is however, specifically agreed that the payment of money becoming due from the SECI

to the SPD under this Agreement for supply of Solar Power to the extent of the Contracted Capacity shall not be on a back to back basis and will be as per:

(i) the recourse under the Payment Security Mechanism provided in the PPA and PSA, as follows:

a) Letter of Credit;

(b) State Government Guarantee/ Tri-Partite Agreement (TPA) signed between Reserve Bank of India, Central Government and State Government of the Buying Entity, covering security for payment of energy charges, as applicable

(c) Payment Security Fund provided by the Buying Entity, and

(ii) Payment security fund as referred in Article 10.1.1 of the PPA. SECI shall discharge the tariff payment obligation in terms of the provisions of this Agreement.

14.5.2 The parties agree that in respect of the obligations other than the tariff payment obligation specifically mentioned herein above, in the event the SPD has any claim against the SECI in regard to the performance of any obligation of the SECI under this Agreement or enforcement of any right of the SPD against the SECI under this Agreement, the same shall be subject to the ability of the SECI to enforce the corresponding obligations assumed by the Buying Utility(ies) under the Power Sale Agreement to be entered into between the SECI and the Buying Utility(ies) on resale on mutatis mutandis basis and not otherwise.

14.6 Duty to Mitigate

14.6.1 The Parties shall endevour to take all reasonable steps so as mitigate any loss or damage which has occurred under this Article 14.

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ARTICLE 15: ASSIGNMENTS AND CHARGES

15.1 *Assignments*

This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any Party, except to the Project Lenders or Lender's Representative as security for their debt under the Financing Agreements, other than by mutual consent between the Parties to be evidenced in writing. Such assignment shall be agreed to by SECI subject to the compliance of provisions contained in this Agreement and more specifically to the provisions of Article 4.1.1 of this Agreement. In no case, such assignment shall be permissible prior to the declaration of COD.

Provided that, SECI shall permit assignment of any of SPD's rights and obligations under this Agreement in favour of the lenders to the SPD, if required under the Financing Agreements.

Provided that, such consent shall not be withheld if SECI seeks to transfer to any transferee all of its rights and obligations under this Agreement.

The enforcement of the rights and obligation between the SPD and the Buying Utility (ies) provided in this Agreement and in the PSA shall not be treated as an assignment but an enforcement of the terms agreed under this Agreement.

Provided further that any successor(s) or permitted assign(s) identified after mutual agreement between the Parties may be required to execute a new agreement on the same terms and conditions as are included in this Agreement. An amount of Rs. 5 Lakh per Transaction as Facilitation Fee (non-refundable) shall be deposited by the SPD to SECI. Provided further that, such consent shall not be withheld by the SPD if SECI seeks to transfer to any affiliate all of its rights and obligations under this Agreement.

In the event of Change in Shareholding/Substitution of Promoters triggered by the Financial Institutions leading to signing of fresh PPA with a New Entity, an amount of Rs. 10 Lakh per Transaction as Facilitation Fee (non-refundable) shall be deposited by the SPD to SECI.

15.2 *Permitted Charges*

15.2.1 SPD shall not create or permit to subsist any encumbrance over all or any of its rights and benefits under this Agreement, other than as set forth in Article 15.1 and the Guidelines.

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ARTICLE 16: GOVERNING LAW AND DISPUTE RESOLUTION

16.1 *Governing Law*

16.1.1 This Agreement shall be governed by and construed in accordance with the Laws of India. Any legal proceedings in respect of any matters, claims or disputes under this Agreement shall be under the jurisdiction of appropriate courts in Delhi.

16.2 *Amicable Settlement and Dispute Resolution*

16.2.1 *Amicable Settlement*

i. Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(a) a description of the Dispute;

(b) the grounds for such Dispute; and

(c) all written material in support of its claim.

ii. The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article 16.2.1(i), furnish:

(a) counter claim and defences, if any, regarding the Dispute; and

(b) all written material in support of its defences and counter-claim.

iii. Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 16

(i) if the other Party does not furnish any counter claim or defence under Article 16

(ii) or thirty (30) days from the date of furnishing counter claims or defence by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article 16.2.1.

(iii) the Dispute shall be referred for dispute resolution in accordance with Article 16.3.

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16.3 *Dispute Resolution*

16.3.1 **Dispute Resolution by the Appropriate Commission**

i) Where any Dispute or differences arises in relation to this agreement of any nature whatsoever including the construction, interpretation or implementation of the provisions of this agreement as well as claim made by any Party for any change in or determination of the Tariff or any matter related to Tariff or claims made by any Party which partly or wholly relate to any change in the Tariff or determination of any of such claims could result in change in the Tariff, and relates to any matter agreed to be referred to the Appropriate Commission, shall be submitted to adjudication by the Appropriate Commission. Appeal against the decisions of the Appropriate Commission shall be made only as per the provisions of the Electricity Act, 2003, as amended from time to time.

ii) SECI shall be entitled to co-opt the Buying Entity(ies) and/or the lenders (if any) as a supporting party in such proceedings before the Appropriate Commission.

16.3.2 **Not used.**

16.4 *Parties to Perform Obligations*

16.4.1 Notwithstanding the existence of any Dispute and difference referred to the Appropriate Commission and save as the Appropriate Commission may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations (which are not in dispute) under this Agreement.

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ARTICLE 17: MISCELLANEOUS PROVISIONS

17.1 *Amendment*

17.1.1 This Agreement may only be amended or supplemented by a written agreement between the Parties.

17.2 *Third Party Beneficiaries*

17.2.1 Subject to provisions contained in this agreement relating to back to back implications of the PPA as well as PSA, this Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns and shall not be construed as creating any duty, standard of care or any liability to, any person not a party to this Agreement.

17.3 *Waiver*

17.3.1 No waiver by either Party of any default or breach by the other Party in the performance of any of the provisions of this Agreement shall be effective unless in writing duly executed by an authorised representative of such Party.

17.3.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement nor time or other indulgence granted by one Party to the other Parties shall act as a waiver of such breach or acceptance of any variation or the relinquishment of any such right or any other right under this Agreement, which shall remain in full force and effect.

17.4 *Confidentiality*

17.4.1 The Parties undertake to hold in confidence this Agreement and not to disclose the terms and conditions of the transaction contemplated hereby to third parties, except:

a) to their professional advisors;

b) to their officers, contractors, employees, agents or representatives, financiers, who need to have access to such information for the proper performance of their activities; or

c) disclosures required under Law, without the prior written consent of the other Party.

17.5 *Severability*

17.5.1 The invalidity or unenforceability, for any reason, of any part of this Agreement shall not prejudice or affect the validity or enforceability of the remainder of this Agreement, unless the part held invalid or unenforceable is fundamental to this Agreement.

17.6 *Notices*

17.6.1 All notices or other communications which are required to be given under this Agreement shall be in writing and in the English language.

17.6.2 If to the SPD, all notices or other communications which are required must be delivered personally or by registered post or facsimile or any other method duly acknowledged to the addresses below:

Address	:	309, Rectangle One, Behind Sheraton Hotel, Saket, New Delhi, 110017
Attention	:	Mr. Sourya Choudhary
Email	:	sourya.choudhary@gmail.com/ schoudhary@ampenergyindia.com
Telephone No.	:	011-43888900/ 9320930693

17.6.3 If to SECI, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the address(es) below:

Address	:	6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023
Attention	:	Sh. Manas Ranjan Mishra, Senior Manager (Solar)
Email	:	manas@seci.co.in
Telephone No.	:	011-24666229

17.6.4 All notices or communications given by facsimile shall be confirmed by sending a copy of the same via post office in an envelope properly addressed to the appropriate Party for delivery by registered mail. All notices shall be deemed validly delivered upon receipt evidenced by an acknowledgement of the recipient, unless the Party delivering the notice can prove in case of delivery through the registered post that

the recipient refused to acknowledge the receipt of the notice despite efforts of the postal authorities.

17.6.5 Any Party may by notice of at least fifteen (15) days to the other Party change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

17.7 *Language*

17.7.1 All agreements, correspondence and communications between the Parties relating to this Agreement and all other documentation to be prepared and supplied under the Agreement shall be written in English, and the Agreement shall be construed and interpreted in accordance with English language.

17.7.2 If any of the agreements, correspondence, communications or documents are prepared in any language other than English, the English translation of such agreements, correspondence, communications or documents shall prevail in matters of interpretation.

17.8 ***Restriction of Shareholders' / Owners' Liability***

17.8.1 Parties expressly agree and acknowledge that none of the shareholders of the Parties hereto shall be liable to the other Parties for any of the contractual obligations of the concerned Party under this Agreement. Further, the financial liabilities of the shareholder/s of each Party to this Agreement, shall be restricted to the extent provided in the Indian Companies Act, 2013.

17.9 *Taxes and Duties*

17.9.1 The SPD shall bear and promptly pay all statutory taxes, duties, levies and cess, assessed/ levied on the SPD, contractors or their employees that are required to be paid by the SPD as per the Law in relation to the execution of the Agreement and for supplying power as per the terms of this Agreement.

17.9.2 SECI shall be indemnified and held harmless by the SPD against any claims that may be made against SECI in relation to the matters set out in Article 17.9.1.

17.9.3 SECI shall not be liable for any payment of, taxes, duties, levies, cess whatsoever for discharging any obligation of the SPD by SECI on behalf of SPD.

17.10 *Independent Entity*

17.10.1 The SPD shall be an independent entity performing its obligations pursuant to the Agreement.

17.10.2 Subject to the provisions of the Agreement, the SPD shall be solely responsible for the manner in which its obligations under this Agreement are to be performed. All employees and representatives of the SPD or contractors engaged by the SPD in connection with the performance of the Agreement shall be under the complete control of the SPD and shall not be deemed to be employees, representatives, contractors of SECI and nothing contained in the Agreement or in any agreement or contract awarded by the SPD shall be construed to create any contractual relationship between any such employees, representatives or contractors and SECI.

17.11 *Compliance with Law*

Despite anything contained in this Agreement but without prejudice to this Article, if any provision of this Agreement shall be in deviation or inconsistent with or repugnant to the provisions contained in the Electricity Act, 2003, or any rules and regulations made there under, such provision of this Agreement shall be deemed to be amended to the extent required to bring it into compliance with the aforesaid relevant provisions as amended from time to time.

17.12. The duly executed Power Sale Agreement between SECI and Buying entity(s) as attached to this Agreement shall be read along with this Agreement as a composite back-to-back agreement for Generation and supply of electricity to the Buying entity(s), particularly, to fulfill the Renewable Purchase Obligations under the provisions of the Electricity Act, 2003 and the Regulations notified thereunder.

17.13. *Breach of Obligations*

The Parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The Parties further acknowledge that the amount of the liquidated damages or the method of calculating the liquidated damages specified

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in this Agreement is a genuine and reasonable pre-estimate of the damages that may be suffered by the non-defaulting party in each case specified under this Agreement.

17.14 *Order of priority in application*

In case of inconsistencies between the agreement(s) executed between the Parties, applicable Law including rules and regulations framed thereunder, the order of priority as between them shall be the order in which they are placed below:

i. applicable Law, rules and regulations framed thereunder;

ii. the Grid Code; and

iii. the terms and conditions of this Agreement;

IN WITNESS WHEREOF the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of
[SECI]
Name, Designation and Address

मानस रंजन मिश्र / MANAS RANJAN MISHRA
वरिष्ठ प्रबंधक (सोलर) / Senior Manager (Solar)
सोलर एनर्जी कॉर्पोरेशन ऑफ इंडिया लि. / Solar Energy Corporation of India Ltd.
(भारत सरकार का उपक्रम) / (A Govt. of India Enterprise)
9वीं मंजिल, प्लॉट-बी, एनबीसीसी ऑफिस ब्लॉक, एनबीसीसी प्लेस कॉम्प्लेक्स, भीष्म पितामह मार्ग, नई दिल्ली-110023
9th Floor, Plot-B, NBCC Office Block, NBCC Place Complex, Bhishma Pitamah Marg, New Delhi-110023

Signature with seal

Witness:
1.

2.

For and on behalf of
[AMP Energy Green Five Private Limited]
Name, Designation and Address

SOURYA CHOUDHARY
AUTHORIZED SIGNATORY
303, 3rd Floor, Rectangle One
Behind Shoppers Stop, Press
Saket, New Delhi - 110017

Signature with seal

Witness:
1. ABHILASH YADAV

2. ANKUR SHARMA

SCHEDULE 1: FORMAT OF THE PERFORMANCE BANK GUARANTEE

(to be submitted separately for each Project)

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution.)

In consideration of the ----- [Insert name of the Bidder] (hereinafter referred to as selected Solar Power Developer') submitting the response to RfS inter alia for selection of the Project of the capacity of ..... MW, at .....[Insert name of the place] under .....[Insert name of the RfS]. for supply of power there from on long term basis, in response to the RfS dated..... issued by Solar Energy Corporation of India Ltd (hereinafter referred to as SECI) and SECI considering such response to the RfS of .....[insert the name of the selected Solar Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the Solar Power Project of the Solar Power Developer and issuing Letter of Award No ------- to (Insert Name of selected Solar Power Developer) as per terms of RfS and the same having been accepted by the selected SPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase of Power [from selected Solar Power Developer or a Project Company, M/s ---------- {a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable]. As per the terms of the RfS, the _____ [insert name & address of bank] hereby agrees unequivocally, irrevocably and unconditionally to pay to SECI at [Insert Name of the Place from the address of the SECI] without demur forthwith on demand in writing from SECI or any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees------ [Total Value] only, on behalf of M/s _____ [Insert name of the selected Solar Power Developer / Project Company]

This guarantee shall be valid and binding on this Bank up to and including..... and shall not be terminable by notice or any change in the constitution of the Bank or the term of contract or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Guarantee is restricted to Rs. _____ only.
Our Guarantee shall remain in force until..... SECI shall be entitled to invoke this Guarantee till .....

The Guarantor Bank hereby agrees and acknowledges that SECI shall have a right to invoke this BANK GUARANTEE in part or in full, as it may deem fit.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by SECI, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to SECI.

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The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by ----------[Insert name of the selected Solar Power Developer / Project Company as applicable] and/or any other person. The Guarantor Bank shall not require SECI to justify the invocation of this BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against SECI in respect of any payment made hereunder.

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Delhi shall have exclusive jurisdiction.

The Guarantor Bank represents that this BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly SECI shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the selected Solar Power Developer / Project Company , to make any claim against or any demand on the selected Solar Power Developer / Project Company or to give any notice to the selected Solar Power Developer / Project Company or to enforce any security held by SECI or to exercise, levy or enforce any distress, diligence or other process against the selected Solar Power Developer / Project Company .

The Guarantor Bank acknowledges that this BANK GUARANTEE is not personal to SECI and may be assigned, in whole or in part, (whether absolutely or by way of security) by SECI to any entity to whom SECI is entitled to assign its rights and obligations under the PPA.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. _____ (Rs. _____ only) and it shall remain in force until ..... (Provide for two additional months after the period of guarantee for invoking the process of encashment) We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if SECI serves upon us a written claim or demand.

Signature _____

Name_____

Power of Attorney No._____

For

_____[Insert Name of the Bank]__

E-mail ID of the bank:

Banker's Stamp and Full Address.

Dated this ____ day of ____, 20__

Witness:

1. .....
Signature

Name and Address

2. .....
Signature

Name and Address

Notes:

1. The Stamp Paper should be in the name of the Executing Bank and of appropriate value.
2. The Performance Bank Guarantee shall be executed by any of the Bank from the List of Banks enclosed.

Energy Green Five Pvt. Ltd. * AMP

SCHEDULE 2: FORMAT OF PAYMENT ON ORDER INSTRUMENT TO BE ISSUED BY IREDA/REC/PFC

(to be submitted separately for each Project)

No. Date

SECI, *Registered*

_____,

_____

_____

Reg: M/s _____(insert name of the PPA signing entity) (Project No. _____(insert project ID issued by SECI) – Issuance of Payment on Order Instrument for an amount of Rs._____

Dear Sir,

1. The Ministry of New and Renewable Energy, Government of India vide its letter dated 12th March 2020 has decided that to facilitate the promotion of solar and wind power development and implementation of the project by the Solar and Wind Power Developers who have entered into financing and funding agreements with IREDA/REC/PFC, the security by way of PBG in the form of Performance Bank Guarantee given by the Developers be allowed to be substituted by Letter of Undertaking/ Payment on Order Instrument issued by Non-Banking Finance Companies under the control of the Ministry of New and Renewable Energy and Ministry of Power. SECI and other nodal agencies appointed by the Government of India with whom the power developers have entered into Power Purchase Agreement may accept the same in place of PBG. The Ministry of New and Renewable Energy vide letter dated 12.03.2020 has, inter alia, decided as under:

6. *After carefully examining the matter, the Ministry have decided as follows:*

b) *(i) SECI or NTPC or any other implementing agency on behalf of MNRE (henceforth called implementing agencies) may release the Performance Bank Guarantee (PBG) of any project if RE developers are able to replace the same with Letter(s) of Undertaking to pay in case situation of default of RE developer in terms of Power Purchase Agreement (PPA) arises, from Indian Renewable Energy Development Agency Limited (IREDA) or Power Finance Corporation Limited (PFC) or REC Limited (REC), the three non-banking financial institutions under Ministry of New & Renewable Energy (MNRE)/ Ministry of Power (MoP). These three financial institutions - IREDA or PFC or REC may issue such Letter(s) of Undertaking to pay only after securing their financial interests taking into account the security(ies) available with them as per their policy and after due diligence. These non-banking financial institutions would ensure that the security(ies) available with them are enough to*

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cover full risk/ or exposure, which may arise on account of issue of such Letter(s) of Undertaking. Such Letter(s) may be termed as "Payment on Order instrument" and will have same effect as that of a Bank Guarantee issued by any public sector bank. This "Payment on Order instrument" would have terms and conditions similar to that of any Bank Guarantee given by any public sector bank and would promise to pay the implementing agencies on demand within stipulated time.

(ii) RE developers can seek such Letters(s) by offering due security to the above mentioned three non-banking financial institutions mentioned above (IREDA, PFC & REC) for seeking replacement of their Bank Guarantees already pledged with the implementing agencies.

(iii) For future projects, RE developers would be at liberty to either pledge Bank Guarantee(s) or Letter(s) of Undertaking as stated above towards Performance Bank Guarantee.

(iv) The above decisions may be treated as amendments to the respective Standard Bidding Guidelines (SBG) (solar/wind) and notified accordingly.

(v) Implementing agencies shall not accept the instrument of 'Letter ofUndertaking' as described above or in any other form, from any other non- banking financial institutions or bank, except IREDA, PFC & REC.

2. It is to be noted that M/s. _____(insert name of the POI issuing Agency)('**IREDA/REC/PFC**') has sanctioned a non-fund based limit loan of Rs. _____ (Rupees_____only) to M/s _____ under the Loan Agreement executed on _____ to execute Renewable Energy Projects.

3. At the request of M/s _____, on behalf of _____ (insert name of the SPV), it is now intended and proposed to issue this Payment on Order Instrument (POI) for an amount of Rs. _____ (Rupees_____(in words)).

4. In consideration of the ----- [Insert name of the Bidder] (hereinafter referred to as selected Solar Power Developer') submitting the response to RfS inter alia for selection of the Project of the capacity of ..... MW, at .....[Insert name of the place] under RfS for ....., for supply of power there from on long term basis, in response to the RfS dated..... issued by Solar Energy Corporation of India Ltd (hereinafter referred to as SECI) and SECI considering such response to the RfS of .....[insert the name of the selected Solar Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the Solar Power Project of the Solar Power Developer and issuing Letter of Award No ------- to (Insert Name of selected Solar Power Developer) as per terms of RfS and the same having been accepted by the selected SPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase

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of Power [from selected Solar Power Developer or a Project Company, M/s ----------{a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable]. As per the terms of the RfS, the _____ [insert name & address of IREDA/PFC/REC] hereby agrees unequivocally, irrevocably and unconditionally to pay to SECI at [Insert Name of the Place from the address of the SECI] forthwith on demand in writing from SECI or any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees------ [Total Value] only, on behalf of M/s. _____ [Insert name of the selected Solar Power Developer / Project Company]

5. In consideration of the above facts, IREDA/REC/PFC, having its registered office at _____, agrees to make payment for the sum of Rs. _____ lakhs (in words.....) to SECI on the following conditions:-

(a) IREDA/REC/PFC agrees to make payment of the above said amount unconditionally, without demur and without protest within a period of _____ days of receipt of request from SECI within the validity period of this letter as specified herein;

(b) The commitment of IREDA/REC/PFC, under this Payment on Order Instrument will have the same effect as that of the commitment under the Bank Guarantee issued by any Public Sector Bank and shall be enforceable in the same manner as in the case of a Bank Guarantee issued by a Bank and the same shall be irrevocable and shall be honored irrespective of any agreement or its breach between IREDA/REC/PFC or its constituents notwithstanding any dispute that may be raised by them against SECI;

(c) The liability of IREDA/REC/PFC continues to be valid and binding on IREDA/REC/PFC and shall not be terminated, impaired and discharged, by virtue of change in its constitution and specific liability under letter of undertaking shall be binding on its successors or assignors;

(d) The liability of IREDA/REC/PFC shall continue to be valid and binding on IREDA/REC/PFC and shall not be terminated/ impaired/ discharged by any extension of time or variation and alternation made given or agreed with or without knowledge or consent of the parties (SECI and Bidding Party), subject to the however to the maximum extent of amount stated herein and IREDA/REC/PFC is not liable to any interest or costs etc;

(e) This Payment of Order Instrument can be invoked either partially or fully, till the date of validity;

(f) IREDA/REC/PFC agrees that it shall not require any proof in addition to the written demand by SECI made in any format within the validity period. IREDA/REC/PFC shall not require SECI to justify the invocation of the POI against the SPV/SPD, to make any claim against or any demand against the SPV/SPD or to give any notice to the SPV/SPD;

(g) The POI shall be the primary obligation of IREDA/REC/PFC and SECI shall not be obliged before enforcing the POI to take any action in any court or arbitral proceedings against the SPV/SPD;

(h) Neither SECI is required to justify the invocation of this POI nor shall IREDA/REC/PFC have any recourse against SECI in respect of the payment made under letter of undertaking;

6. Notwithstanding anything contrary contained anywhere in this POI or in any other documents, this POI is and shall remain valid upto_____ and IREDA/REC/PFC shall make payment thereunder only if a written demand or request is raised within the said date and to the maximum extent of Rs.....and IREDA/REC/PFC shall in no case, be liable for any interest, costs, charges and expenses and IREDA's/REC's/PFC's liability in no case will exceed more than the above amount stipulated.

7. In pursuance of the above, IREDA/REC/PFC and SECI have signed an Umbrella Agreement dated ____ setting out the terms and conditions for issue of letter of undertaking by IREDA/REC/PFC to SECI and the said terms and conditions shall be read as a part of this letter of undertaking issued for the project of the project of PP mentioned above.

Thanking you,

Yours faithfully
For and on behalf of
M/s. _____
(name of the POI issuing agency).

( )
General Manager (TS)

Copy to:-

M/s. __PP_____

_____

_____ As per their request

( )
General Manager (TS)

❖ **Capacity of Solar PV Projects:**

i) The Project configuration shall be allowed as per the following matrix:

Sr. No.	Solar PV Project Capacity Bid	Minimum DC Arrays Capacity to be installed	Minimum Rated Inverter Capacity*	Maximum AC Capacity Limit at Delivery point
1	50 MW	50 MW	50 MW	50 MW
2	100 MW	100 MW	100 MW	100 MW
3	150 MW	150 MW	150 MW	150 MW
4	200 MW	200 MW	200 MW	200 MW
5	250 MW	250 MW	250 MW	250 MW

*In case the rated inverter capacity is mentioned in kVA, the IEC test certificate declaring the power factor of the Inverter/PCU at rated power has to be submitted and the power factor shall be multiplied by the kVA rating to calculate the rated capacity of the inverter in kW.

ii) The SPD shall be required to demonstrate compliances with the "*Technical Requirements for Grid Connected Solar PV Power Plants*" as mentioned in the RfS and Guidelines. iii) Higher DC capacity arrays can also be allowed, subject to the condition that the AC capacity limit as mentioned in (i) above for scheduling at the Delivery Point as per

Article 4.4 "Right to Contracted Capacity & Energy" of the PPA is complied with.

iv) For commissioning of the Project, cumulative capacity of DC arrays and cumulative capacity of the inverters installed shall be considered. In case of part commissioning of the Project, it shall be required to have the DC Arrays Capacity and inverters capacity be installed not less than the proposed part commissioning capacity.

v) If generation at any time exceeds the maximum permissible AC capacity at delivery point, the excess generation during that period may not be considered under PPA.

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Commissioning Procedure

The Solar PV Project will be declared as commissioned when all equipment as per rated project capacity has been installed and energy from the Project has flown into the grid, which will be verified by a committee/agency identified by SECI/MNRE to witness the Commissioning of the Project.

Following is the chronology of the procedure to be followed for commissioning of the Project.

i) SPDs shall give to the concerned RLDC/SLDC, State Nodal Agency (SNA) and SECI at least thirty (30) days advance written notice, of the date on which it intends to synchronize the Power Project to the Grid System. The SPD shall be solely responsible for any delay or non-receipt of the notice by the concerned agencies, which may in turn affect the Commissioning Schedule of the Project. Early Commissioning of a Solar Project prior to the SCD is permitted on acceptance of power by SECI. In order to facilitate this, SPDs shall inform the concerned RLDC/SLDC and SECI well in advance, which is not less than 90 days prior to the date on which it intends to synchronize the Power Project to the Grid System.

ii) Not more than 7 days prior to the proposed commissioning date, the SPD shall give the final written notice to SECI, SNA and CTU requiting the commissioning committee/agency to visit the site to witness commissioning of the project. Following documents are required to be submitted by the SPD, physically in the office of SECI along with the above notice, duly stamped and signed by the Authorized Signatory (scanned copies may also be allowed):

1. Covering Letter
2. Board resolution for authorized signatory for signing the documents related to commissioning of the Project and witnessing the commissioning.
3. Achievement of Land Arrangements requirement as per Article 4.1.1.a.
4. Installation report duly signed by the authorized signatory as per Appendix-2. The SPD is advised to take due care in furnishing such Installation Report, Discrepancy (if any) and observed by SECI, may be construed as misrepresentation of information by the SPD and SECI may take appropriate action as per this Agreement.
5. Plant Layout, Plant (AC & DC) SLD, along with Inverter-wise module details.
6. CEI/CEIG (as applicable) report containing approval for all the components, including modules, inverters, transformers and protection system, along with all annexures/attachments. It would be the responsibility of the SPD to obtain the certificate.
7. Connectivity and Long Term Access, along with Transmission Agreement.
8. Metering Scheme Approval provided by CTU/POSOCO
9. Relevant documents from SLDC/RLDC/SPIA/SPD acknowledging successful data communication between plant end and SLDC/RLDC.
10. RLDC Registeration certificate and Charging code/Permission for charging the generating station issued by respective RLDC/SLDC etc.

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11. Joint Meter Reading (JMR) shall be taken at Delivery Point and Pooling Substation (if applicable)/plant premise at the time of connectivity of the Project with Grid. This shall include information of respective meters installed at delivery/ interconnection point and pooling substation/plant premises.
12. Synchronization Certificate issued by RLDC/CTU/SPIA/SPD for ascertaining injection of power into grid. Self-declaration of synchronization is required along with copy of communication received from CTU/RLDC/SPIA for charging of each element i.e. 220 kV and above Bay at CTU, EHV Line, PSS and 33kV Bay and Inverters.
13. In line with CERC Order No. 1/14/2015-Reg.Aff.(FSDS-Proced.)/CERC Dated 03.03.2017, SPD shall ensure data telemetry at the inverter level to the concerned RLDC and shall ensure the correctness of the real-time data and undertake the corrective actions, if required.

    Line of confirmation received from RLDC/CTU/SPIA with regards to above is required Prior to visit for witnessing the commissioning activities.
14. Reading of all the inverters (instantaneous and total generation) along with its serial number of a particular date.

iii) After the submission/ upload of the documents by SPD, SECI shall verify the documents and intimate/reply with remarks. In case any additional supporting/revised documents are asked by SECI, the same have to be submitted by the SPD.

iv) Based on the submission of the above documents by the SPD, SECI shall intimate to the SPD about its readiness to visit the project site to witness the commissioning and shall notify the Commissioning Committee/Agency which shall visit the Project site to witness the commissioning of the Project. In case of a multi-agency Committee, the SPD shall ensure the presence of all the members of the Committee constituted to witness the commissioning, on the said date.

v) The Commissioning Committee/Agency shall visit the Project site to verify the technical compliance on site as per the information submitted by the SPD and to witness the commissioning. In case the committee finds discrepancy/deviation from the information submitted by the SPD during on site verification, the same shall be recorded in the minutes of meeting of the Committee/Agency. SECI shall decide the next date of visit of the Committee/Agency upon rectification of the discrepancies by the SPD.

vi) On the date of site-visit, the SPD shall be required to demonstrate that equipment of rated capacity as per table given at S.No. (i) has been installed, all the inverters of rated capacity are operating and energy from the project has flown into the grid.

vii) Joint Meter Reading (JMR) shall be taken at Delivery Point and Pooling Substation (if applicable)/plant premise on the date of site visit by the commissioning committee. This shall include information of respective meters installed at delivery/ interconnection point and pooling substation/plant premises.

viii) In case the Project meets the requirements as per the provisions of the RfS as verified by the Commissioning Committee/Agency witnessing the commissioning, the Project shall be declared as having been commissioned as on the date of synchronization with the grid.

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as indicated in the Synchronization Certificate. The date of Commissioning of the Project may be indicated in the Minutes of Meeting of the Committee/ recommendation of the Agency visiting the Project. Any other observation contrary to the above, shall be clearly indicated in the Minutes/recommendations and further decision on commissioning of the Project shall be taken by SECI in this regard.

ix) Subsequent to the visit of the Commissioning Committee/Agency to the Project site, the SPD shall submit the following documents in hard copy/scanned form, in order to fulfil the requirements for issuance of Commissioning Certificate:

1. Minutes of Meeting of the Commissioning Committee/recommendations of the Agency which has witnessed the commissioning of the Project.
2. Invoices against purchase of the solar modules, Inverters/PCUs and DC cables along with the summary sheet containing the list of all the invoices, inverters including details and number of items.
3. All supporting documents towards meeting the technical compliance along with datasheet/ warranty certificates/ contract agreement etc. as mentioned in Annexure-A of the RfS).
4. Snap shots of the plant, including but not limited to, solar PV modules, all central inverters (showing instantaneous and total generation of a particular date), switchyards\switchgears, Power Transformers, metering (as per applicable regulations) at delivery point etc. along with the Installation Report.
5. SPD shall have to submit/upload the as-built drawing after the commissioning.

x) In case of any deviations recorded by the Commissioning Committee/Agency which had prevented the declaration of commissioning of the Project as on the date of synchronization of the Project, the SPD shall be required to submit to SECI, the necessary documents towards rectification of the deviations observed. Upon successful verification of the required documents, the fresh date of visit of the Commissioning Committee/Agency to the Project, shall be notified by SECI. If the Commissioning Committee/Agency visiting the Project finds the deviations earlier noted having been suitably rectified by the SPD, the date of Commissioning of the Project in this case, shall be the actual date of visit of the Commissioning Committee/Agency, else, the entire process shall be repeated until the observed deviations are rectified by the SPD to the satisfaction of the Commissioning Committee/Agency visiting the Project.

xi) Subsequent to commissioning, the SPD shall provide the SCADA login details to SECI for online real time data monitoring of the Project. The SPD may be required to push the required plant related data to SECI designated server in xml/json formats.

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Installation Report

(To be provided by SPD and to be submitted at most 7 days prior to proposed commissioning date, which shall be verified by Commissioning Committee)

Sr. No.		
	Capacity of the Project (MW)	
	Capacity already commissioned (MW)	
	Capacity proposed to be commissioned (MW)	
I.	Technology used (Mono/Multi Crystalline / thin film / Others; please specify along with capacity of each type)	
II.	Type of Tilt (Fixed Tilt/Seasonal Tilt/Tracking)	
III.	Rating of the each module (Wp)	
IV.	Number of modules installed of each type (along with Serial Nos. of all the modules installed)	
V.	Make of Module(s) installed of each type (including name of the Supplier and country of origin)	
VI.	Number of PCUs / Inverters installed (along with Serial Nos. of all the PCUs / Inverters installed)	
VII.	Make of the PCUs / Inverters (including name of supplier and country of origin)	
IX.	Rating of PCUs / Inverters	
X.	Date of installation of full capacity (as per capacity proposed to be commissioned)	
	PV arrays	
	PCUs / Inverters	
	Transformers	

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Sample Part Commissioning / Full Commissioning Certificate

of Solar PV Power Project

(To be issued by the State Nodal Agency on its letterhead)

Ref: Dated:

This is to certify that <M/s> having its registered office at --------- has successfully commissioned Capacity < MW > out of total <MW> installed Capacity on (Date) of their Solar PV Power Generation Project at Village ------, Tehsil/Taluka ------- & Dist. ------

The Commissioning Certificate has been issued on the basis of the following documents enclosed:

(i) Installation Report including Snap shots of the Project from various angles
(ii) Electrical Inspector Report
(iii) Synchronization Certificate
(iv) Minutes of Meeting of the Commissioning Committee / recommendation of the Agency visiting the Project

SCHEDULE-4: POWER SALE AGREEMENT(S) WITH CORRESPONDING BUYING ENTITIY(IES)

POWER USAGE AGREEMENT

BETWEEN

NHPC LIMITED

AND

SOUTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED,

&

NORTHERN POWER DISTRIBUTION COMPANY OF TELANGANA LIMITED

For

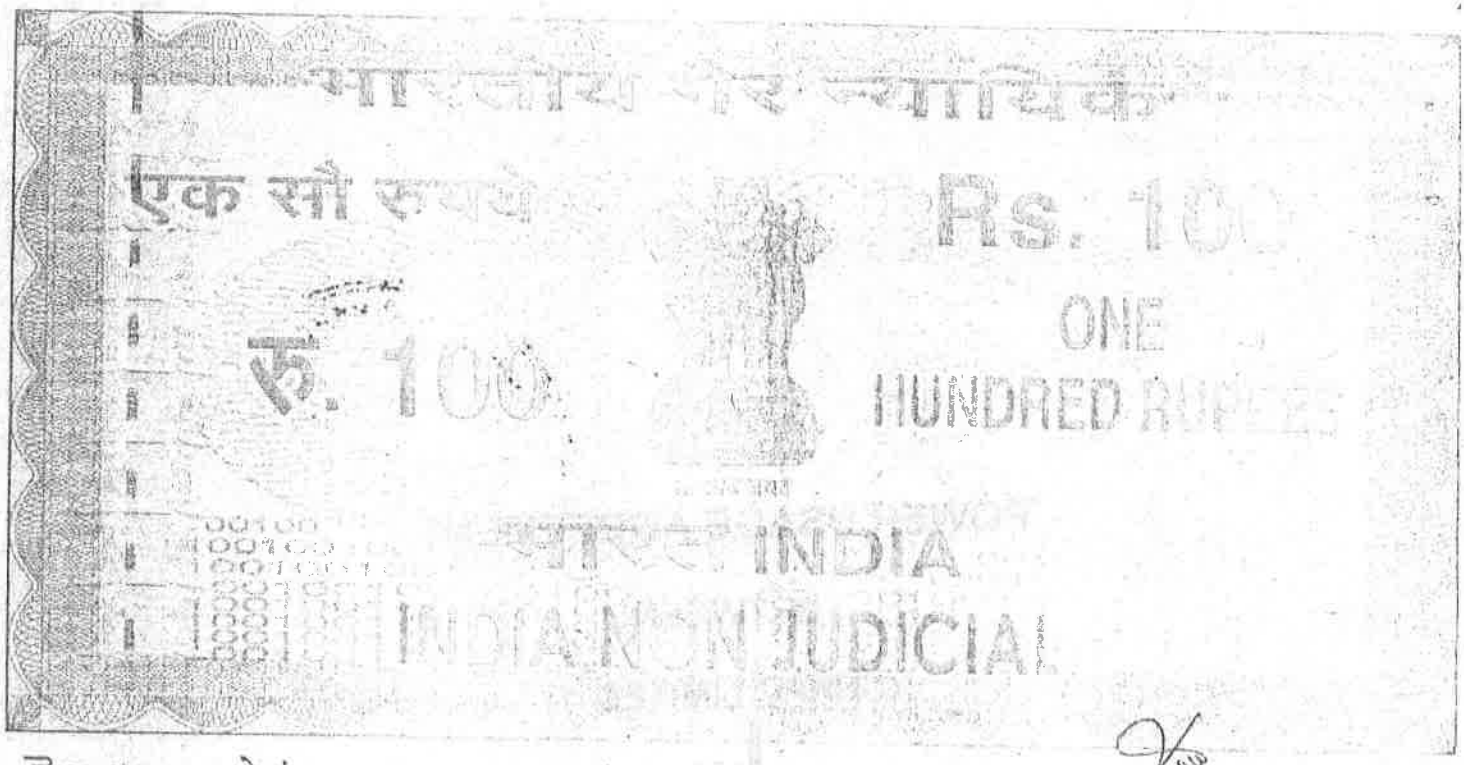
Supply of **500 MW** Solar Power

From

600 MW NHPC SOLAR PV STATION

at Village Khavda, Taluka -Bhuj , District: Kutch, Gujarat.

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 5-1-50,
Mint Compound, Hyd-500 063



తెలంగాణ तेलंगाना TELANGANA

Sl. No: 1456 Date: 27/03/2023
Sold To: Rajesh
S/o: Prahallad. R/o: New Delhi.
For Whom: **NHPC**., New Delhi.

K.BELA SREE
LICENCED STAMP VENDOR
Lic No 16-11-02/98 R No 16-11-08/2022
H No 6-3-93 NEAR RAILWAY GATE
KHAIRATABAD MARKET, HYD-4
Cell No 9848405313

This POWER USAGE AGREEMENT hereinafter called the "Agreement" entered into at Hyderabad on the 28th day of March'2023 between **NHPC Limited**, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NHPC Office Complex, Sector-33, Faridabad-121003 (hereinafter referred to as 'NHPC') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

And

Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited; Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee' or TSDISCOMs) which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the Other Part.

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER
(PC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE'), on 5.03.3019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme').A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement;

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities, namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum(OM) dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021, IREDA issued the RfS document being RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 for Selection of Solar Power Developers for Setting up of 5,000. MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme).

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(F) NHPC Limited has been declared as a successful bidder under the IREDA RfS dated 29.01.2021 for development of 1000MW Solar Photovoltaic Power Project named as **600 MW NHPC Solar PV Station at Village Khavda, Taluka-Bhuj , District: Kutch, Gujarat.** (herein after referred to as 'Solar PV Station' and generally referred to as 'Station').

(G)In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/102] dated 04.10.2021 to NHPC for development of a Solar PV Power Project of 1000 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NHPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government;

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme;

(J) The Distribution Licensee is desirous of using power produced from **600 MW NHPC Solar PV Station at Village Khavda, Taluka-Bhuj, District: Kutch, Gujarat** and NHPC is willing to offer the solar power from the aforesaid Solar PV Station of NHPC restricted to the end use by Government/Government Entities, as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed thereunder and Regulations

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Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

issued by the Central Electricity Regulatory Commission from time to time.

1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base Rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that if the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.
iv)	Billing Centre	shall mean the Commercial Division, NHPC Office Complex, Sector-33, Faridabad as intimated by NHPC to Distribution Licensee from where the bills will be raised by NHPC;

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v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.
x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NHPC, when the modules and equipment as per such capacity have been installed, connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff

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(PC) TS DCL,
Corporate Office, 1-1-50,
Mint Compound, Hyd-500 063

		determination from Renewable Energy Sources) Regulations, 2020–as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, CUF= (X MWh/ (Y MW*8766)) x 100%.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s) to the Distribution Licensee at the Interconnection Point/ Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/ Metering point/ Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of presentation of bill at the designated office of the Distribution Licensees by post/in person or on authorized Email ID of the designated office of the Distribution Licensees. In case payment of bill is delayed beyond a period of 45 days from the date of billing, Late payment Surcharge shall be payable from 46th day onwards for each day of delay

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(IPC) NHPCL,
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xvi)	Effective Date	shall mean the date of signing of this Agreement;
xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use

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		by Government/ Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by CTU at **765/400kV, substation (GIS) Khavda Gujarat at 400 kV** voltage level, where usage energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/ Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/ Metering/ Delivery point for

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WARANGAL

		Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NHPC for payments due from Distribution Licensee to NHPC under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean **04.04.2024** [Insert date that is 30 months from the date of LoA i.e. 04.10.2021]
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 500 MW developed by NHPC at at Village Khavda, Taluka -Bhuj, District: Kutch, State Gujarat.
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement.

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(PC), TSSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY

2.1 The Installed capacity of the 600 MW NHPC Solar PV Station is 600 MW. The Contracted capacity of the Distribution Licensee in the 600 MW NHPC Solar PV Station shall be 500 MW.

2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 04.04.2024. NHPC shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.

2.3 The duration of supply of power by NHPC to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.

2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NHPC to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User (Govt./Govt. Entity) for self-consumption only and no part of the energy shall be diverted or used for any other purposes.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY:

3.1 The obligation of NHPC shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NHPC. NHPC shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NHPC.

3.2 All other clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU Charges, RLDC and SLDC fee, Scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of Distribution licensee /End User. LTA will be applied by DISCOM after NHPC furnishes the

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connectivity approval. NHPC is responsible for LTA operationalization. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time.

3.3 NHPC and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), provides for status of "must-run" to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down.

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" or any such other similar order and any clarifications or amendment thereto , NHPC shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation ,as under .

Duration of Back down	**Provision for Generation Compensation**
Hours of Back down during a monthly billing cycle.	**Minimum Generation Compensation = [(Average Generation per hour during the month) × (number of Back down hours during the month)] X Usage Charges** Where, Average Generation per hour during the Month (kWh) = Total generation in the Month (kWh) ÷ Total hours of generation in the Month.

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Provided that no such Generation Compensation shall be claimed by NHPC where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

3.4 The maximum Annual CUF against the contracted capacity (i.e.500 MW) is 33.59% (1472.25 MU on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges by Distribution Licensee.

3.5 After accounting for Backdown in Generation as in Clause 3.3 above, if NHPC is unable to supply minimum 832.77 MU on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NHPC shall pay 25% of the applicable Power Usage Charges.

4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.

4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.

4.1.3 NHPC shall operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.

4.1.4 All charges/fees related to Forecasting, Scheduling and Despatch of energy shall be borne by Distribution Licensee.

4.2 METERING

4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall

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be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.

4.2.2 Main/ Check/Standby Meters shall also be installed at 400 KV outgoing Feeder at the NHPC project site as a fall back arrangement.

4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.

4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NHPC and Distribution Licensee /End User for preparation of the Energy Account.

4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NHPC/ Distribution Licensee shall inform each other of the same.

4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:

- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NHPC and Distribution Licensee/End User as

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per procedure laid out in CEA (Installation &Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NHPC solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project. shall be declared commissioned based on self-declaration by the NHPC, when the required modules as per the required capacity have been installed. connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 30 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid. Early Commissioning shall be allowed only if LTA/MTOA/STOA is available after the interconnection point.

5.3 NHPC shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 75% of the Usage Charges, subject to availability of LTA/MTOA/STOA corridor. Part Commissioning shall not be less than 50 MW.

Any extension of SCOD shall be governed as per the terms and conditions of CPSU scheme/ LOA of IREDA under intimation to DISCOM.

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NHPC will not insist for deemed generation loss on account of non-operationalization of LTA.

5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

6.1 The Usage Charges for the power made available by NHPC from Solar PV Station shall be payable by Distribution Licensee @Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses. point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/ Government Entities, with Government of India providing VGF support.

6.2 The Usage Charges payable in terms of this Agreement to NHPC shall be the consolidated consideration for the services of NHPC for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.

6.3 NHPC shall be entitled to draw at its discretion the auxiliary power

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requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.

6.4 Taxes, Levies, Duties, Royalty, Cess etc.:

Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory body/Authority, shall be borne and additionally paid by the Distribution Licensee to NHPC from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NHPC on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NHPC shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NHPC shall include the following

i) Provisional Bill for solar power supplied in the Month;

ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s);

iii) Any other adjustments to cover changes in tariff of NHPC Power, open access related charges and any other prior-period adjustments;

iv) Late Payment Surcharge, if any; and

v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Commercial Division of NHPC shall carry out billing and associated functions. Scanned copy of original Bill sent through official email id of the authorized

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(IPC) TSSPDCL,
Corporate Office, T-Hub,
Mint Compound, Hyd-500 063

signatory of NHPC to authorized email id of the designated office of the Distribution Licensees shall be recognised as valid mode of presentation of Bill.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NHPC through Electronic Transfer. The date on which the amount stands credited in the bank account of NHPC shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NHPC shall be paid in full subject to the condition that:

i) there is no apparent arithmetical error in the bill(s)

ii) the bill(s) is/are claimed as per the Usage Charges

7.1.5 All payments made by Distribution Licensee, shall be appropriated by NHPC for amounts due from them in the following order of priority:

i) towards Late Payment Surcharge, payable if any;

ii) towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;

iii) towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s); and

iv) towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 75% of the disputed amount by the Due Date and file a written objection with NHPC within 30 days of presentation of the bill, giving following particulars:

i) Item disputed, with full details/data and reasons of dispute

ii) Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 75% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the

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applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 **REBATE:** For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/ End User in favour of NHPC.

a) A Rebate of 1.5% shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.

b) Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.

c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.

7.3 **LATE PAYMENT SURCHARGE:**

7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

7.3.2 Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 issued by Ministry of Power, Government of India and as amended from time to time shall be applicable

7.4 **ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:**

7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NHPC with a public sector / scheduled commercial bank (as per list supplied by NHPC) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.

7.4.2 The LC shall cover average of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.

7.4.3 The LC shall be established for a minimum period of one year. The Distribution

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Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NHPC. The bills so presented by NHPC to the Bank shall be paid on their presentation.

7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be borne by Distribution Licensee.

7.4.5 In case of drawal of the LC amount by NHPC in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licensee shall arrange to furnish to NHPC a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NHPC reserves the right to implement Regulation of Power Supply as per Article 7.6.

7.4.6 The Distribution Licensee agrees to ensure that the successor entities of the Distribution Licensee are duly notified of the above arrangements with NHPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.4.7 The Advisory charges during LC negotiation are to be charged to the account of End user by Distribution Licensee and the documents to be presented by Distribution Licensee shall also include a SIGHT DRAFT for 100% of invoice value.

7.5 **Collateral Arrangement - State Government Guarantee**

7.5.1 As a further support for the Distribution Licensee obligations, on or prior to the expiry of the Tripartite Agreement (TPA), the Distribution Licensee and NHPC shall execute Default Escrow Agreement (referred as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of NHPC, through which the revenues of the Distribution Licensee shall be routed and used as per the terms of the Default Escrow Agreement. The Distribution Licensee and NHPC shall contemporaneously with the execution of the Default Escrow Agreement enter into the Agreement

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to Hypothecate Cum Deed of Hypothecation, whereby the Distribution Licensee shall agree to hypothecate, Incremental Receivables to the extent as required for the Letter of Credit. The Default Escrow Agreement and the Agreement to Hypothecate Cum Deed of Hypothecation are collectively referred to as the "Collateral Arrangement".

Provided that the Distribution Licensee shall ensure that NHPC shall have first ranking charge on the Receivables in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.

7.5.2 Distribution Licensee hereby agrees to provide an alternative payment security arrangement before expiry of the TPA or its extension either by efflux of time or otherwise on assignment of bulk purchase functions to a company not owned or controlled by Govt. of Telangana in the form of Escrow Arrangement as a back up to the Letter of Credit. Under this arrangement, an Escrow Account in favour of NHPC shall be established through which the Receivables of Distribution Licensee shall be routed as per the terms of Escrow Agreement. Distribution Licensee hereby agrees that NHPC will have first charge on Receivables of Distribution Licensee. However, such first ranking charge shall be on the amounts, in excess of amounts, which have already been charged or agreed to be charged prior to the date of the execution of this Agreement. Distribution Licensee agrees to enter into a separate 'Agreement to Hypothecate Cum Deed of Hypothecation' whereby, Distribution Licensee shall hypothecate Receivables to the extent required for Payment of dues of NHPC by Distribution Licensee including under this Agreement by creation of first charge in favour of NHPC. These Receivables shall be routed through Escrow Account for payment to NHPC in case of default in payments by Distribution Licensee. "Receivables" for this purpose shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the Distribution Licensee in respect of the sale by the Distribution Licensee to the consumers of electric capacity, energy and / or services or for any other reason whatsoever and all

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proceeds thereof.

7.5.3 The Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by Distribution Licensee to the satisfaction of NHPC at least three months before the expiry of the TPA or any extension thereof either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned by Govt. of Telangana. In the event three months before expiry of TPA or its extension thereof, Distribution Licensee does not sign the 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' or Distribution Licensee creating any superior charge in favour of any other party on its Receivables, NHPC shall have the right to reallocate part or full contracted capacity of Distribution Licensee to Third Party(ies). In case of termination of this Agreement or reallocation of capacity due to reasons stated above, Distribution Licensee shall be liable to pay charges equivalent to average monthly billing of last twelve months for such capacity for six months or till the capacity is reallocated whichever is less.

Since the payments from Distribution Licensee are secured as per provisions of TPA, establishment of Escrow Arrangements is not being insisted upon by NHPC presently. Distribution Licensee and NHPC agree that this Agreement shall deemed to have created a legally binding first charge on Distribution Licensee, receivables in favour of NHPC. Accordingly, Distribution Licensee shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge over the Receivables. While creating any subsequent charge on its Receivables or agreeing to provide Escrow cover or any other form of payment security to any other entities like energy supplier(s), banks, and financial institutions etc. during the interim period till signing of Escrow Agreement with NHPC. Distribution Licensee shall duly inform such energy supplier(s), banks, financial institutions etc. of the legally binding first charge on Distribution Licensee Receivables in favour of NHPC and the first charge of NHPC shall be in preference to any other charge that Distribution Licensee may create in favour of any other party.

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CHIEF GE[illegible] MANAGER
(IPC) [illegible] TSDCL,
Corpo[illegible], 3-1-50,
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7.5.4 Distribution Licensee agrees to ensure that the successor entities of Distribution Licensee are duly notified of the above arrangements with NHPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.5.5 The Default Escrow would come into operation if,

(i) The Letter of Credit is not recouped by the Distribution Licensee to its required value by the 7th day of its operation;

(ii) NHPC is unable to draw on the Letter of Credit on the Due Date, if the Distribution Licensee fails to pay by the Due Date.

(iii) Non-restoration of Escrow Arrangement by the 7th day of the Due Date.

7.5.6 In the event of the extension of Tripartite Agreement signed between Government of India (GOI), Government of Telangana and Reserve Bank of India (RBI) beyond the present validity date of TPA, it will not be mandatory for Distribution Licensee to execute the escrow arrangement till the validity of the extended Tripartite Agreement.

7.6 REGULATION OF POWER:

7.6.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NHPC or non-payment of bills beyond a period of 45 days of the billing, NHPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End User, without in any manner affecting the continued obligation of the Distribution Licensee to pay the Usage Charges.

7.6.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NHPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, relevant CERC regulations /Ministry of Power, GOI Rules shall be applicable.

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8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

(i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(a) a description of the Dispute;

(b) the grounds for such Dispute; and

(c) all written material in support of its claim.

(ii) The other Party shall, within thirty(30)days of issue of Dispute Notice issued under Article (i), furnish:

(a) counter-claim and defenses, if any, regarding the Dispute; and

(b) all written material in support of its defenses and counter-claim.

(iii) Within Ninety 90 days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or Ninety 90 days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within Ninety 90 days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity Regulatory Commission under section 79(1)(f) of the Electricity Act, 2003.

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9.0 FORCE MAJEURE

9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NHPC or any income to the NHPC:

a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;

b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;

c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;

d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NHPC;

e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of

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Solar Power Project and supply of power by the NHPC to the Distribution Licensee.

10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NHPC or any income to the NHPC.

11.0 RELIEF FOR CHANGE IN LAW

11.1 NHPC shall be required to approach the Central Commission for seeking approval of Change in Law.

11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NHPC and the Distribution Licensee.

11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the

NHPC LIMITED FARIDABAD

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Agreement. Notwithstanding any nomination, Executive Director (Commercial), NHPC Ltd., NHPC Office Complex, Sector-33, Faridabad-121003 or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NHPC.

13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of Twenty five (25) years from the date of declaration of Commercial Operation (COD) /Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/ agency(ies) is / are owned or controlled by Government of India or the State Government.

15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.

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15.3 In other cases, NHPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with alternate Distribution Licensee or End User. The period of transfer of title of power from Solar PV Station with alternate Distribution Licensee / End User shall be limited to six (6) months.

15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

In Witness Whereof, the parties have executed these presents through their Authorised Representatives on the date mentioned above.

For and on behalf of NHPC Ltd

Licensee

28/03/23

Name and Designation

ओंकार यादव / ONKAR YADAV
महाप्रबंधक / General Manager
वाणिज्यिक विभाग / Commercial Division
एन एच पी सी लिमिटेड / NHPC Limited
(भारत सरकार का उद्यम / A Govt. of India Enterprise)
सैक्टर–33, फरीदाबाद / Sector-33, Faridabad

Witness

Rajesh

राजेश जोशी / RAJESH JOSHI
समूह वरिष्ठ प्रबंधक (विद्युत) / Group Sr. Manager (Elect.)
वाणिज्यिक विभाग / Commercial Division
एन एच पी सी लिमिटेड / NHPC Limited
(भारत सरकार का उद्यम / A Govt. of India Enterprise)
सैक्टर–33, फरीदाबाद / Sector-33, Faridabad

NHPC LIMITED
FARIDABAD

For and on behalf of Distribution

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Name and Designation

T. MADHUSUDHAN
Chief General Manager
IPC & RAC TSNPDCL,
Warangal.

Witness

B. V. Shanthi Latha
ED/Commercial, TSPCC

Annexure A

"Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)": CPSU Scheme

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Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

TSNPDCL

No. 302/4/2017-GRID SOLAR
भारत सरकार / Government of India
नवीन और नवीकरणीय ऊर्जा मंत्रालय Ministry of New & Renewable Energy
ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

Block No. 14, C G O Complex,
Lodi Road, New Delhi – 110003
Dated: 5th March, 2019

ORDER

Subject: Implementation of Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS)

Sir/ Madam,

1. The sanction of the President is hereby conveyed for implementation of Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support of Rs 8,580 Crores for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS), as per provisions of the Scheme enclosed at Annexure-I.

2. Implementation of the Scheme

2.1 The 12,000 MW or more capacity of grid connected solar power projects will be set up by the Government Producers as per the terms and conditions specified in Government Producer Scheme enclosed as Annexure-I. The major terms and conditions are mentioned below.

2.2.1 **Definition of Government Producer:** For the purpose of the Government Producer Scheme', 'Government Producer' can be any entity which is either directly controlled by the Central or State Government or is under the administrative control of Central or State Government or a company in which Government is having more than 50% shareholding.

2.2.2 **Domestic Content Requirement (DCR):** The Scheme will mandate use of both solar photovoltaic (SPV) cells and modules manufactured domestically as per specifications and testing requirements fixed by MNRE. The DCR initially will be for both solar PV cells and solar PV modules. However, MNRE will undertake a review every year and based on the capacities of various stages of solar PV manufacturing in India may increase this requirement to include wafers, ingots and polysilicon manufactured in India or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

2.2.3 **Scheme Modality (major points):**

2.2.3.1 Any Government Producer setting up solar PV power project will be eligible for assistance under this Scheme if it sets up a solar PV power plant for self-use or use by Government/ Government entities, either directly or through DISCOMS.

2.2.3.2 The Solar PV power project capacity under the Government Producer Scheme would be allocated to the Government Producers by way of bidding, who in turn, will secure an arrangement for usage of power for self-use or use by Government/ Government entities, either directly or through DISCOMS.

2.2.4 **VGF:**

2.2.4.1. With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme.

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CHIEF GENERAL MANAGER
RFCL, TSSPDCL,
Corporate Office, 6-1-50,
Khairatabad, Hyd-500 063

While the maximum permissible VGF has been kept at ₹0.70 cr/MW, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Solar Energy Corporation of India (SECI) will be entrusted with the task of conducting the bidding amongst Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time, by MNRE, and will be reduced by MNRE if the cost difference comes down.

2.2.4.2 **Release of VGF:** VGF will be released in two tranches as follows:

(i) 50% on Award of contract to the EPC contractor (including in-house EPC Division), and
(ii) balance 50% on successful commissioning of the full capacity of the project

3. **Role of Solar Energy Corporation of India (SECI)**

SECI will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers for selection of Government Producers for implementing this Scheme. SECI will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. SECI will ensure that the proposed projects comply with the WTO provisions and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.

4. **Project Implementation Schedule for Solar PV Projects**

The total 12,000 MW capacity will be added in 4 years period i.e. from financial year 2019-20 to 2022-23.

5. **Power to remove difficulties:** If there is need for any amendment to the Government Producer Scheme for better implementation or any relaxation is required in the norms due to operational problems, MNRE will be competent to make such amendments with the approval of Minister-in-charge, without increasing the financial requirements and VGF limits.

6. The funds for implementation of the above Scheme would be met from Demand No. 67 - Ministry of New & Renewable Energy, Major Head 2810 - New and Renewable Energy, Sub Major Head 00, Minor Head 101 - Grid Interactive and Distributed Renewable Power, Sub-Head 01 - Grid Interactive Renewable Power, Detailed Head 04 - Solar power, Object Head 35 - Grants for Creation of Capital Assets, during the year 2018-19 to 2022-23.

7. This issues in exercise of powers delegated to this Ministry and with the concurrence of IFD dated 13.02.2019 vide their Dy. No. 522 dated 18.02.2019 and approval of competent authority dated 01.03.2019.

(Ruchin Gupta)
Director
Email: ruchin.gupta@gov.in
Ph: 011-24362488

To

Pay and Accounts Officer,
Ministry of New & Renewable Energy,
New Delhi

Copy for information and necessary action to :-

1. Central Government Ministries/Departments
2. Principal Director of Audit, Scientific Audit-II, DGACR Building, I.P. Estate, Delhi-02
3. All State/UT Energy Secretaries
4. All Heads of State/UT Nodal Agencies
5. All State/UT Discoms
6. Managing Director, SECI

NHPC LIMITED FARIDABAD

Page 2 of 7

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

TSSPDCL

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CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

(Ruchin Gupta)
Director
Email: ruchin.gupta@gov.in
Ph: 011-24362433

Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS)

1. Background

1.1 As part of Paris Climate Agreement, India has committed to install forty percent of its electricity capacity from non-fossil fuels by 2030. For achieving this goal, India has set an ambitious target of setting up 1,75,000 MW of renewable energy capacity including 1,00,000 MW of solar power, by 2022. The Union Cabinet, as per its decision dated 17th June 2015, revised the solar capacity target from 20,000 MW to 1,00,000 MW by 2022.

1.2 Thus it is imperative for new power generation capacities to come up largely based on renewable energy and most part of it being solar power. Significant progress has since been made after the target for installing solar power capacity was enhanced in 2015 from 20,000 MW to 1,00,000 MW. As on 30.11.2018, around 24,570 MW of solar capacity had been installed and around 38,130 MW of capacity was under various stages of installation/ bidding. However, the solar capacity addition depends largely upon imported solar PV cells and modules as the domestic manufacturing industry has limited capacity of around 3,000 MW for solar PV cells and around 10,000 MW for solar PV modules. In order to achieve the set target of 1,00,000 MW without any interruption, address issues of national energy security and long term environment sustainability, it is imperative that the domestic manufacturing of solar PV cells and modules is strengthened. However, this needs to be done in a manner which is compliant to the World Trade Organisation (WTO) Regulations.

1.3 In case, the domestic industry is not strengthened, a situation may arise wherein the overarching goal of the country for energy security and especially renewable energy and long term climate sustainability may become difficult to be attained. This can seriously jeopardise the energy security of the country especially in case of any disruption in supplies from foreign sources. Accordingly the support and encouragement to domestic manufacturing industry is essential and inescapable in national interest of energy security and climate sustainability.

1.4 It is important to note that electricity generation in the country has largely been a Government function through its subordinate organisations and public sector undertakings. Therefore, it is imperative to involve various Government entities for developing a robust power generation base which will not only help in achieving the objective of long term energy security for the country but will also ensure setting up of renewable energy projects without any interruption, by leveraging their existing engineering capabilities and other resources like land, infrastructure, etc. available with them.

1.5 In view of above stated objectives, it is proposed that various Government Producers set up solar power plants using domestically manufactured solar PV cells and modules for generating solar power for self-use or use by Government/ Government entities, either directly or through DISCOMS. Such Government Producers will submit an undertaking that there will be no commercial sale/ resale of power and that such producers will be using electricity produced either for self-use or use by Government/ Government entities. Since in such cases, the domestically manufactured solar PV cells and modules will be used for solar power generation plants to be set up and owned by the Government Producers and as such solar PV cells and modules are neither being used for commercial resale, nor is the product that emerges from them, that is, electricity produced, will be sold commercially, such a mechanism is compliant to the three requirements under Article III:8(a) of GATT, 1994, which deals with the "Government Procurement" derogation.

1.6 With this background, the Government is implementing the Central Public Sector Undertaking (CPSU) Scheme Phase-II (12,000 MW Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS).

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2. Scope and Objectives

2.1 The Scope of the Government Producer Scheme is to provide the necessary policy framework and mechanism for selection and implementation of 12,000 MW or more grid-connected solar PV power projects with Viability Gap Funding by various Government Producers such as Public Sector Undertakings (both Central and State Government of India and State Government Organisations and Agencies (hereinafter referred to as Government Producers). Any reference to Government Producers includes Organisations Agencies Public Sector Undertakings of both Government of India and State Governments.

2.2 The main objectives of the Government Producer Scheme are

a. To facilitate national energy security and environment sustainability through use of domestically manufactured solar PV cells and modules for Government purpose

b. Scaling up of sizes of projects thereby leading to economies of scale

c. To leverage the existing infrastructure of Government Producers including land transmission facilities etc. and their engineering capabilities.

d. Provide long term visibility and road map for solar power development enabling creation of India as manufacturing hub in the Solar PV.

e. To create good business model and systems for various Central and State Government entities to take forward.

3. Proposal for setting up of 12,000 MW capacity under Government Producer Scheme

3.1 12,000 MW grid-connected solar PV power projects are proposed to be set up through Government Producers with a budgetary support of ₹8580 crores as VGF. The total project cost for 12,000 MW solar PV projects under this Government Producer Scheme is estimated as ₹48,000 crore. The required VGF support for this 12000 MW will be ₹8,580 crore. The Government Producer Scheme will create sufficient demand for domestically produced solar PV cells and modules and will ensure full utilisation of domestic capacity of cells and modules for 3 to 4 years.

3.2 The 12,000 MW or more capacity of grid connected solar power projects will be set up by the Government Producers as per the terms and conditions specified in this Government Producer Scheme. Major terms and conditions are mentioned below -

3.2.1 Definition of Government Producer: For the purpose of the Government Producer Scheme, Government Producer can be any entity which is either directly controlled by the Central or State Government or is under the administrative control of Central or State Government or a company in which Government is having more than 50% shareholding.

3.2.2 Domestic Content Requirement (DCR): The Scheme will mandate use of both solar photovoltaic (SPV) cells and modules manufactured domestically as per specifications and testing requirements fixed by MNRE. The DCR initially will be for both solar PV cells and solar PV modules. However, MNRE will undertake a review every year and based on the capacities of various stages of solar PV manufacturing in India, may increase this requirement to include wafers, ingots and polysilicon manufactured in India or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

3.2.3 Usage Charges: Power produced by the Government Producers can be used for self-use or use by Government/ Government entities either directly or through DISCOMS on payment of mutually agreed usage charges of not more than ₹3.5/unit, which shall be exclusive of any other third party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharge, State Load Despatch Centre (SLDC)/ Regional Load Despatch Centre (RLDC) charges, etc. as may be applicable.

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3.2.4 Scheme Modality:

3.2.4.1 Any Government Producer setting up solar PV power project will be eligible for assistance under this Scheme if it sets up a solar PV power plant for self-use or use by Government/ Government entities, either directly or through DISCOMS.

3.2.4.2 Having secured the arrangement for usage of power for self-use or use by Government/ Government entities either directly or through DISCOMS, the Government Producer will have to deploy both domestically produced solar PV cells and domestically produced solar PV modules in its solar PV power plant. MNRE may review and increase this requirement to include wafers, ingots and polysilicon manufactured in India, or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

3.2.4.3 The Solar PV power project capacity under the Government Producer Scheme would be allocated to the Government Producers by way of bidding, who in turn, will secure an arrangement for usage of power for self-use or use by Government/ Government entities, either directly or through DISCOMS.

3.2.5 VGF: With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme. While the maximum permissible VGF has been kept at ₹0.70 cr /MW, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Solar Energy Corporation of India (SECI) will be entrusted with the task of conducting the bidding amongst Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time by MNRE, and will be reduced by MNRE if the cost difference comes down. VGF will be released in two tranches as follows:

(i) 50% on Award of contract to the EPC contractor (including in-house EPC Division); and
(ii) balance 50% on successful commissioning of the full capacity of the project.

3.2.6 Setting up of the aggregate capacity by the Government Producers, may be done by them either through in-house Engineering Procurement & Construction (EPC) facility or through open competitive bidding process in a transparent manner in accordance with General Financial Rules (GFR) 2017, Manual for Procurement of Goods 2017 and CVC Guidelines on the subject.

3.2.7 The Government Producers would be free to avail other available fiscal incentives including Accelerated Depreciation, if any, as per the extant rules.

3.3 With the implementation of above mentioned Government Producer Scheme, 12,000 MW of grid connected solar PV power projects would be set up by the Government Producers. The entire capacity/electricity generated through this capacity is/its equivalent is expected to be utilized by Government Producers for self-use or use by Government/ Government entities, either directly or through DISCOMS, in WTO compliant manner.

3.4 The Scheme will help in giving a push to 'Make-in-India' by encouraging Government Producers to procure solar cells and modules from domestic manufacturers.

3.5 Role of Solar Energy Corporation of India (SECI)

SECI will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers for selection of Government Producers for implementing this Scheme. SECI will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. SECI will ensure that the

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CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

proposed projects comply with the WTO provisions and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.

3.6 Project Implementation Schedule for Solar PV Projects

The total 12,000 MW capacity will be added in 4 years period i.e. from financial year 2019-20 to 2022-23

3.6.1 Timelines for project commissioning

For commissioning of solar power projects under this Scheme, time period of 18 months from the date of letter of award shall be provided to Government producer. However, in order to expedite the implementation of the Scheme and to give impetus to domestic solar PV manufacturing, a shorter timeline can also be specified by MNRE.

3.6.2 Penalty for delay in commissioning:

In case, the commissioning of the project is delayed beyond the specified Scheduled Commissioning Date (SCD), the amount of VGF sanctioned to the project shall be reduced by 0.15% *(zero point one five percent)* of the sanctioned VGF, on per day basis, for the period of such delay and proportionate to the capacity delayed or not commissioned.

In addition to the Scheduled Commissioning Period, the maximum time period allowed for commissioning of the full Project Capacity, during which the VGF is reduced, is six months from the SCD.

In case, the Commissioning of the Project is delayed beyond six months from SCD, the project capacity under the Scheme shall be reduced to the Project Capacity Commissioned, and the balance Capacity will stand terminated from the Scheme and ineligible for any VGF under this Scheme.

The above penal provisions, and the time periods specified, are subject to any extension allowed in SCD.

3.6.3 Time-extension/ Dispute Resolution:

All requests regarding time-extension or dispute resolution, on force majeure events, shall be dealt by SECI in terms of the provisions in contractual agreement and the instructions issued by MNRE from time to time, including any Dispute Resolution Mechanism instituted by MNRE.

3.7 Total Capacity and Portfolio of Solar PV Power Projects:

3.7.1 The total aggregated capacity of the grid connected solar power projects to be set up by Government Producers on Build-Own-Operate (BOO) basis under the Government Producer Scheme shall be at least 12,000 MW.

3.7.2 The total capacity under government Scheme may go higher than 12,000 MW, if there is saving in VGF amount, so that maximum capacity can be set up within the total sanctioned budget.

4. Power to remove difficulties

If there is need for any amendment to the Government Producer Scheme for better implementation or any relaxation is required in the norms due to operational problems, MNRE will be competent to make such amendments with the approval of Minister-in-charge, without increasing the financial requirements and VGF limits.

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CHIEF GENERAL MANAGER
(SPD), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

No. 283/20/2019-GRID SOLAR-Part(2)
भारत सरकार / Government of India
नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy (MNRE)
ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division
Block No. 14, C.G.O. Complex,
Lodhi Road, New Delhi - 110003
Date: 13th April, 2020

OFFICE MEMORANDUM

Sub: **Implementation of Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS): Amendment – reg.**

The undersigned is directed to refer to this Ministry's Order No. 302/4/2017-GRID SOLAR dated 5th March, 2019, and hereby convey that the said Order for Scheme Guidelines for Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) stands amended as follows:

Existing Clause	Amended Clause
3.2.3 Usage Charges: Power produced by the Government Producers can be used for self-use or use by Government/ Government entities, either directly or through DISCOMS on payment of mutually agreed usage charges of not more than ₹3.5/unit, which shall be exclusive of any other third party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharge, State Load Despatch Centre (SLDC)/ Regional Load Despatch Centre (RLDC) charges, etc. as may be applicable.	3.2.3 Usage Charges: Power produced by the Government Producers can be used for self-use or use by Government/ Government entities, either directly or through DISCOMS on payment of mutually agreed usage charges of not more than ₹2.80/unit, which shall be exclusive of any other third party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharge, State Load Despatch Centre (SLDC)/ Regional Load Despatch Centre (RLDC) charges, etc. as may be applicable.
3.2.5 VGF: With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme. While the maximum permissible VGF has been kept at ₹0.70 cr./MW, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Solar Energy Corporation of India (SECI) will be	3.2.5 VGF: 3.2.5.1 With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme. While the maximum permissible VGF has been kept at ₹0.70 cr./MW, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Indian Renewable Energy Development Agency

CHIEF GENERAL MANAGER
(IPC), TSSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Existing Clause	Amended Clause
entrusted with the task of conducting the bidding amongst Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time, by MNRE, and will be reduced by MNRE if the cost difference comes down. VGF will be released in two tranches as follows: i. 50% on Award of contract to the EPC contractor (including in-house EPC Division); and ii. balance 50% on successful commissioning of the full capacity of the project	**Limited (IREDA)** will be entrusted with the task of conducting the bidding amongst Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time, by MNRE, and will be reduced by MNRE if the cost difference comes down. VGF will be released in two tranches as follows: i. 50% on Award of contract to the EPC contractor (including in-house EPC Division); and ii. balance 50% on successful commissioning of the full capacity of the project 3.2.5.2 The VGF provided under the Scheme can be used by the Government Producers as their equity in solar power project(s) being set up them under this Scheme. 3.2.5.3 If a Government Producer sets up solar PV power project(s) under CPSU Scheme Phase-II, in an UMREPP/ Solar Park, both, the Central Financial Assistance (CFA) as per UMREPP/ Solar Park Scheme as well as VGF under the CPSU Scheme Phase-II, will be eligible.
3.5 Role of Solar Energy Corporation of India (SECI): SECI will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers, for selection of Government Producers for implementing this Scheme. SECI will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. SECI will ensure that the proposed projects comply with the WTO provisions, and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.	**3.5 Role of Indian Renewable Energy Development Agency Limited (IREDA):** IREDA will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers, for selection of Government Producers for implementing this Scheme. IREDA will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. IREDA will ensure that the proposed projects comply with the WTO provisions, and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.

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Existing Clause	Amended Clause
3.6.1 Timelines for project commissioning: For commissioning of solar power projects under this Scheme, time period of 18 months from the date of letter of award, shall be provided to Government producer. However, in order to expedite the implementation of the Scheme and to give impetus to domestic solar PV manufacturing, a shorter timeline can also be specified by MNRE.	**3.6.1 Timelines for project commissioning:** The solar power projects under this scheme shall be commissioned within a period of: **(i). For projects upto 500 MW capacity:** Projects to be commissioned within 24 (twenty four) months from the date of letter of award. **(ii). For projects more than 500 MW capacity:** Capacity upto 500 MW must be commissioned within 24 (twenty four) months from the date of letter of award and balance capacity to be commissioned within next six months. However, in order to expedite the implementation of the Scheme and to give impetus to domestic solar PV manufacturing, a shorter timeline can also be specified by MNRE.
3.6.3 Time-extension/ Dispute Resolution: All requests regarding time-extension or dispute resolution, on force majeure events, shall be dealt by **SECI** in terms of the provisions in contractual agreement and the instructions issued by MNRE from time to time, including any Dispute Resolution Mechanism instituted by MNRE.	**3.6.3 Time-extension/ Dispute Resolution:** All requests regarding time-extension or dispute resolution, on force majeure events, shall be dealt by **IREDA** in terms of the provisions in contractual agreement and the instructions issued by MNRE from time to time, including any Dispute Resolution Mechanism instituted by MNRE.
Nil	**New Clause** 5. Notwithstanding anything contained in these Guidelines, Indian Renewable Energy Development Agency Limited (IREDA) shall be permitted to allot/ sanction solar PV power project capacities under CPSU Scheme Phase-II (Government Producer Scheme) of upto 50 MW, to any willing Government entity at the L1 rate (VGF amount bid by L1 bidder) discovered in the most recent last bidding, within four months of such last bidding, without the need for such entity to participate in bids, subject to the said Government entity meeting all other qualification requirements as otherwise prescribed by MNRE/ Scheme Guidelines

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CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 1-8-31,
Mint Compound, Hyd-500 063

Existing Clause	Amended Clause
	and the said Government entity giving consent to abide by all other rules and procedures, as otherwise applicable to projects allotted through bidding under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme). The limit of 50 MW is with respect to project capacities being allotted to one government entity for the duration between the two bids under CPSU Scheme by IREDA. There shall be no limit on project capacities that can be allotted through this route, subject to any single Government Entity not being allotted more than 50 MW capacity in the period between two consecutive bids by IREDA under CPSU Scheme Phase-II (Government Producer Scheme).

2. This issues with the approval of Hon'ble Minister (Power & NRE).

(Sanjay G. Karndhar)
Scientist-D
Tel: 011-24363498
Email: karndhar.sgvenic.in

To

Pay and Accounts Officer,
Ministry of New & Renewable Energy,
New Delhi

Copy for information and necessary action to: -

1. Central Government Ministries/Departments,
2. Principal Director of Audit, Scientific Audit-II, DGACR Building, I.P. Estate, Delhi-02
3. All State/UT Energy/ Power/ Renewable Energy Secretaries
4. All Heads of State/UT Nodal Agencies for Renewable Energy (SNAs)
5. All State/UT DISCOMs
6. Chairman & Managing Director, SECI
7. Chairman & Managing Director, IREDA

Internal Distribution:

1. PS to Hon'ble Minister of State (I/C) for New & Renewable Energy, Power and MoS for Skill Development and Entrepreneurship
2. Sr. PPS to Secretary, MNRE

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(PC), TSSPDCL
Corporate Office, 6-1-50
Mint Compound, Hyd-500 063

3. All Advisers and Group Heads/JS (AKS) / JS (BPY) / JS (DDJ)/ JS&FA/ Eco. Adviser
4. All Scientist-F/ Scientist-E/ Directors
5. All Scientist-D / Dy. Secretaries
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(Sanjay G. Karndhar)
Scientist-D
Tel: 011-24363498
Email: karndhar.sg@nic.in

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

No. 302/4/2017-GRID SOLAR
भारत सरकार / Government of India
नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy
ग्रिड सौर ऊर्जा प्रभाग/ Grid Solar Power Division
Block No. 14, C.G.O. Complex
Lodi Road, New Delhi – 110003
Dated: 5th March, 2019

ORDER

Subject: Implementation of Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS)

Sir/ Madam,

1. The sanction of the President is hereby conveyed for implementation of Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support of Rs 8,680 Crores for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS) as per provisions of the Scheme enclosed at Annexure-I.

2. Implementation of the Scheme

2.1 The 12,000 MW or more capacity of grid connected solar power projects will be set up by the Government Producers as per the terms and conditions specified in Government Producer Scheme enclosed as Annexure-I. The major terms and conditions are mentioned below.

2.2.1 **Definition of Government Producer:** For the purpose of the 'Government Producer Scheme', 'Government Producer' can be any entity which is either directly controlled by the Central or State Government or is under the administrative control of Central or State Government or a company in which Government is having more than 50% shareholding.

2.2.2 **Domestic Content Requirement (DCR):** The Scheme will mandate use of both solar photovoltaic (SPV) cells and modules manufactured domestically as per specifications and testing requirements fixed by MNRE. The DCR initially will be for both solar PV cells and solar PV modules. However, MNRE will undertake a review every year and based on the capacities of various stages of solar PV manufacturing in India may increase this requirement to include wafers, ingots and polysilicon manufactured in India or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

2.2.3 **Scheme Modality (major points):**

2.2.3.1 Any Government Producer setting up solar PV power project will be eligible for assistance under this Scheme if it sets up a solar PV power plant for self-use or use by Government/ Government entities, either directly or through DISCOMS.

2.2.3.2 The Solar PV power project capacity under the Government Producer Scheme would be allocated to the Government Producers by way of bidding, who in turn will secure an arrangement for usage of power for self-use or use by Government/ Government entities, either directly or through DISCOMS.

2.2.4 **VGF:**

2.2.4.1. With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme.

NHPC LIMITED FARIDABAD

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Mint Compound, Hyd-500 063

While the maximum permissible VGF has been kept at ₹0.70 cr./MW, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Solar Energy Corporation of India (SECI) will be entrusted with the task of conducting the bidding amongst Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time, by MNRE, and will be reduced by MNRE if the cost difference comes down.

2.2.4.2 **Release of VGF:** VGF will be released in two tranches as follows:

(i) 50% on Award of contract to the EPC contractor (including in-house EPC Division), and
(ii) balance 50% on successful commissioning of the full capacity of the project.

3. **Role of Solar Energy Corporation of India (SECI)**

SECI will handle the scheme on behalf of MNRE, including conducting bidding on VGF basis, amongst Government Producers, for selection of Government Producers for implementing this Scheme. SECI will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. SECI will ensure that the proposed projects comply with the WTO provisions and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.

4. **Project Implementation Schedule for Solar PV Projects**

The total 12,000 MW capacity will be added in 4 years period i.e. from financial year 2019-20 to 2022-23.

5. **Power to remove difficulties:** If there is need for any amendment to the Government Producer Scheme for better implementation or any relaxation is required in the norms due to operational problems, MNRE will be competent to make such amendments with the approval of Minister-in-charge without increasing the financial requirements and VGF limits.

6. The funds for implementation of the above Scheme would be met from Demand No. : 67 - Ministry of New & Renewable Energy, Major Head: 2810 - New and Renewable Energy, Sub Major Head: 00, Minor Head: 101 - Grid interactive and Distributed Renewable Power, Sub-Head: 01 - Grid interactive Renewable Power, Detailed Head: 04 - Solar power, Object Head: 35 - Grants for Creation of Capital Assets, during the year 2018-19 to 2022-23.

7. This issues in exercise of powers delegated to this Ministry and with the concurrence of IFD dated 18.02.2019 vide their Dy. No. 522 dated 18.02.2019 and approval of competent authority dated 21.03.2019.

(Ruchin Gupta)
Director
Email: ruchin.gupta@gov.in
Ph: 011-24362488

To

Pay and Accounts Officer,
Ministry of New & Renewable Energy,
New Delhi

Copy for information and necessary action to :-

1. Central Government Ministries/Departments
2. Principal Director of Audit, Scientific Audit-II, DGACR Building, I.P. Estate, Delhi-02
3. All State/UT Energy Secretaries
4. All Heads of State/UT Nodal Agencies
5. All State/UT Discoms
6. Managing Director, SECI

CHIEF GENERAL MANAGER
TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Internal Distribution:

1. PS to Hon'ble Minister -NRE
2. Sr. PPS to Secretary, MNRE
3. PPS to AS, MNRE & PPS to AS&FA, MNRE
4. JS(GKG)/ JS (ANS)/ JS (BPY)/ EA/Advisers
5. Dy. Secy. (Fin), MNRE
6. Dir (NIC), MNRE for uploading this on the Ministry's website.
7. CA, MNRE/ Cash Section
8. Hindi Section for Hindi version
9. Sanction Folder

(Ruchin Gupta)
Director
Email: ruchin.gupta@gov.in
Ph: 011-24362494

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS)

1. Background

1.1 As part of Paris Climate Agreement, India has committed to install forty percent of its electricity capacity from non-fossil fuels by 2030. For achieving this goal, India has set an ambitious target of setting up 1,75,000 MW of renewable energy capacity, including 1,00,000 MW of solar power, by 2022. The Union Cabinet, as per its decision dated 17th June 2015, revised the solar capacity target from 20,000 MW to 1,00,000 MW by 2022.

1.2 Thus it is imperative for new power generation capacities to come up largely based on renewable energy and most part of it being solar power. Significant progress has since been made after the target for installing solar power capacity was enhanced in 2015 from 20,000 MW to 1,00,000 MW. As on 30.11.2018, around 24,570 MW of solar capacity had been installed and around 38,130 MW of capacity was under various stages of installation/ bidding. However, the solar capacity addition depends largely upon imported solar PV cells and modules as the domestic manufacturing industry has limited capacity of around 3,000 MW for solar PV cells and around 10,000 MW for solar PV modules. In order to achieve the set target of 1,00,000 MW without any interruption, address issues of national energy security and long term environment sustainability, it is imperative that the domestic manufacturing of solar PV cells and modules is strengthened. However, this needs to be done in a manner which is compliant to the World Trade Organisation (WTO) Regulations.

1.3 In case, the domestic industry is not strengthened, a situation may arise wherein the overarching goal of the country for energy security and especially renewable energy and long term climate sustainability may become difficult to be attained. This can seriously jeopardise the energy security of the country especially in case of any disruption in supplies from foreign sources. Accordingly the support and encouragement to domestic manufacturing industry is essential and inescapable in national interest of energy security and climate sustainability.

1.4 It is important to note that electricity generation in the country has largely been a Government function through its subordinate organisations and public sector undertakings. Therefore, it is imperative to involve various Government entities for developing a robust power generation base which will not only help in achieving the objective of long term energy security for the country but will also ensure setting up of renewable energy projects without any interruption, by leveraging their existing engineering capabilities and other resources like land, infrastructure, etc. available with them.

1.5 In view of above stated objectives, it is proposed that various Government Producers set up solar power plants using domestically manufactured solar PV cells and modules for generating solar power for self-use or use by Government/ Government entities, either directly or through DISCOMS. Such Government Producers will submit an undertaking that there will be no commercial sale/ resale of power and that such producers will be using electricity produced either for self-use or use by Government/ Government entities. Since in such cases, the domestically manufactured solar PV cells and modules will be used for solar power generation plants to be set up and owned by the Government Producers and as such solar PV cells and modules are neither being used for commercial resale, nor is the product that emerges from them, that is, electricity produced, will be sold commercially, such a mechanism is compliant to the three requirements under Article III:8(a) of GATT, 1994, which deals with the "Government Procurement" derogation.

1.6 With this background, the Government is implementing the Central Public Sector Undertaking (CPSU) Scheme Phase-II (12,000 MW Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS).

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2. Scope and Objectives

2.1 The Scope of the Government Producer Scheme is to provide the necessary policy framework and mechanism for selection and implementation of 12,000 MW or more grid-connected solar PV power projects with Viability Gap Funding by various Government Producers such as Public Sector Undertakings (both Central and State), Government of India and State Government Organisations and Agencies (hereinafter referred to as Government Producers). Any reference to Government Producers includes Organisations, Agencies, Public Sector Undertakings of both Government of India and State Governments.

2.2 The main objectives of the Government Producer Scheme are

a. To facilitate national energy security and environment sustainability through use of domestically manufactured solar PV cells and modules for Government purpose.

b. Scaling up of sizes of projects thereby leading to economies of scale.

c. To leverage the existing infrastructure of Government Producers including land, transmission facilities etc. and their engineering capabilities.

d. Provide long-term visibility and road map for solar power development enabling creation of India as manufacturing hub in the Solar PV.

e. To create good business model and systems for various Central and State Government entities to take forward.

3. Proposal for setting up of 12,000 MW capacity under Government Producer Scheme

3.1 12,000 MW grid-connected solar PV power projects are proposed to be set up through Government Producers with a budgetary support of ₹8580 crores as VGF. The total project cost for 12,000 MW solar PV projects under this Government Producer Scheme is estimated as ₹48,000 crore. The required VGF support for this 12000 MW will be ₹8,580 crore. The Government Producer Scheme will create sufficient demand for domestically produced solar PV cells and modules and will ensure full utilisation of domestic capacity of cells and modules for 3 to 4 years.

3.2 The 12,000 MW or more capacity of grid connected solar power projects will be set up by the Government Producers as per the terms and conditions specified in this Government Producer Scheme. Major terms and conditions are mentioned below:-

3.2.1 Definition of Government Producer: For the purpose of the Government Producer Scheme, Government Producer can be any entity which is either directly controlled by the Central or State Government or is under the administrative control of Central or State Government or a company in which Government is having more than 50% shareholding.

3.2.2 Domestic Content Requirement (DCR): The Scheme will mandate use of both solar photovoltaic (SPV) cells and modules manufactured domestically as per specifications and testing requirements fixed by MNRE. The DCR initially will be for both solar PV cells and solar PV modules. However, MNRE will undertake a review every year and based on the capacities of various stages of solar PV manufacturing in India, may increase this requirement to include wafers, ingots and polysilicon manufactured in India, or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

3.2.3 Usage Charges: Power produced by the Government Producers can be used for self-use or use by Government/ Government entities either directly or through DISCOMS on payment of mutually agreed usage charges of not more than ₹3.5/unit, which shall be exclusive of any other third party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharge, State Load Despatch Centre (SLDC), Regional Load Despatch (RLDC) charges etc. as may be applicable.

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(I/C) TSSPDCL,
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Mint Compound, Hyd-500 063

3.2.4 **Scheme Modality:**

3.2.4.1 Any Government Producer setting up solar PV power project will be eligible for assistance under this Scheme if it sets up a solar PV power plant for self-use or use by Government/ Government entities, either directly or through DISCOMS.

3.2.4.2 Having secured the arrangement for usage of power for self-use or use by Government/ Government entities, either directly or through DISCOMS, the Government Producer will have to deploy both domestically produced solar PV cells and domestically produced solar PV modules in its solar PV power plant. MNRE may review and increase this requirement to include wafers, ingots and polysilicon manufactured in India, or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

3.2.4.3 The Solar PV power project capacity under the Government Producer Scheme would be allocated to the Government Producers by way of bidding, who in turn, will secure an arrangement for usage of power for self-use or use by Government/ Government entities, either directly or through DISCOMS.

3.2.5 VGF: With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme. While the maximum permissible VGF has been kept at ₹0.70 cr./MW, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Solar Energy Corporation of India (SECI) will be entrusted with the task of conducting the bidding amongst Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time by MNRE, and will be reduced by MNRE if the cost difference comes down. VGF will be released in two tranches as follows:

(i) 50% on Award of contract to the EPC contractor (including in-house EPC Division); and
(ii) balance 50% on successful commissioning of the full capacity of the project.

3.2.6 Setting up of the aggregate capacity by the Government Producers, may be done by them either through in-house Engineering Procurement & Construction (EPC) facility or through open competitive bidding process in a transparent manner in accordance with General Financial Rules (GFR), 2017, Manual for Procurement of Goods, 2017 and CVC Guidelines on the subject.

3.2.7 The Government Producers would be free to avail other available fiscal incentives including Accelerated Depreciation, if any, as per the extant rules.

3.3 With the implementation of above mentioned Government Producer Scheme, 12,000 MW of grid connected solar PV power projects would be set up by the Government Producers. The entire capacity/electricity generated through this capacity/its equivalent is expected to be utilized by Government Producers for self-use or use by Government/ Government entities, either directly or through DISCOMS, in WTO compliant manner.

3.4 The Scheme will help in giving a push to 'Make-in-India' by encouraging Government Producers to procure solar cells and modules from domestic manufacturers.

3.5 **Role of Solar Energy Corporation of India (SECI)**

SECI will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers for selection of Government Producers for implementing this Scheme. SECI will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. SECI will ensure that the

CHIEF GENERAL MANAGER
(PC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, [illegible]-500 063

proposed projects comply with the WTO provisions and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.

3.6 Project Implementation Schedule for Solar PV Projects

The total 12,000 MW capacity will be added in 4 years period i.e. from financial year 2019-20 to 2022-23.

3.6.1 Timelines for project commissioning:

For commissioning of solar power projects under this Scheme, time period of 18 months from the date of letter of award shall be provided to Government producer. However, in order to expedite the implementation of the Scheme and to give impetus to domestic solar PV manufacturing, a shorter timeline can also be specified by MNRE.

3.6.2 Penalty for delay in commissioning:

In case, the commissioning of the project is delayed beyond the specified Scheduled Commissioning Date (SCD), the amount of VGF sanctioned to the project shall be reduced by 0.15% *(zero point one five percent)* of the sanctioned VGF, on per day basis, for the period of such delay and proportionate to the capacity delayed or not commissioned.

In addition to the Scheduled Commissioning Period, the maximum time period allowed for commissioning of the full Project Capacity, during which the VGF is reduced, is six months from the SCD.

In case, the Commissioning of the Project is delayed beyond six months from SCD, the project capacity under the Scheme shall be restricted to the Project Capacity Commissioned, and the balance Capacity will stand terminated from the Scheme and ineligible for any VGF under this Scheme.

The above penal provisions, and the time periods specified, are subject to any extension allowed in SCD.

3.6.3 Time-extension/ Dispute Resolution

All requests regarding time-extension, dispute resolution, on force majeure events shall be dealt by SECI in terms of the provisions in contractual agreement and the instructions issued by MNRE from time to time, including any Dispute Resolution Mechanism instituted by MNRE.

3.7 Total Capacity and Portfolio of Solar PV Power Projects:

3.7.1 The total aggregated capacity of the grid connected solar power projects to be set up by Government Producers on Build-Own-Operate (BOO) basis under the Government Producer Scheme shall be at least 12,000 MW.

3.7.2 The total capacity under government Scheme may go higher than 12,000 MW if there is saving in VGF amount, so that maximum capacity can be set up within the total sanctioned budget.

4. Power to remove difficulties

If there is need for any amendment to the Government Producer Scheme for better implementation or any relaxation is required in the norms due to operational problems, MNRE will be competent to make such amendments with the approval of Minister-in-charge without increasing the financial requirements and VGF limits.

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER
(SPD), TSSPDCL,
Corporate Office, 8-1-60,
Mint Compound, Hyd-500 063

No. 302/4/2017-GRID SOLAR
भारत सरकार / Government of India
नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy
ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

Block No. 14, C.G.O. Complex,
Lodi Road, New Delhi - 110003
Dated: 10th May, 2021

ORDER

Subject: Implementation of Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS)- Amendment -reg.

1. Reference is invited to this Ministry's Order No. 302/4/2017-GRID SOLAR dated 5th March 2019 and amendment thereto vide Order No. 283/20/2019-GRID SOLAR-Part(2) dated 13th April 2020 and it is hereby conveyed that the Order for Scheme Guidelines for Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) stands amended as follows:

Clause No.	Existing Provision	Modified Provision
3.2.3	3.2.3 Usage Charges: Power produced by the Government Producers can be used for self-use or use by Government/ Government entities, either directly or through DISCOMS on payment of mutually agreed usage charges of not more than Rs. 2.80/unit, which shall be exclusive of any other third party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharge, State Load Despatch Centre (SLDC)/ Regional Load Despatch Centre (RLDC) charges, etc. as may be applicable.	3.2.3 Usage Charges: Power produced by the Government Producers can be used for self-use or use by Government/ Government entities, either directly or through DISCOMS on payment of mutually agreed usage charges of not more than Rs. 2.45/unit, which shall be exclusive of any other third party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharge, State Load Despatch Centre (SLDC)/ Regional Load Despatch Centre (RLDC) charges, etc. as may be applicable.
3.2.5	3.2.5 VGF: 3.2.5.1 With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme. While the maximum permissible VGF has been kept at Rs. 0.70 cr./MW, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Indian Renewable Energy Development Agency Limited (IREDA) will be entrusted with the task of conducting the bidding amongst	3.2.5 VGF: 3.2.5.1 With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme. While the maximum permissible VGF has been kept at Rs. 0.55 cr./MW, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Indian Renewable Energy Development Agency Limited (IREDA) will be entrusted with the task of conducting the bidding amongst

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER
(IPC), SSPDCL,

Clause No.	Existing Provision	Modified Provision
	Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time, by MNRE, and will be reduced by MNRE if the cost difference comes down. VGF will be released in two tranches as follows: i. 50% on Award of contract to the EPC contractor (including in-house EPC Division); and ii. balance 50% on successful commissioning of the full capacity of the project 3.2.5.2 The VGF provided under the Scheme can be used by the Government Producers as their equity in solar power project(s) being set up them under this Scheme. 3.2.5.3 If a Government Producer sets up solar PV power project(s) under CPSU Scheme Phase-II, in an UMREPP/ Solar Park, both, the Central Financial Assistance (CFA) as per UMREPP/ Solar Park Scheme as well as VGF under the CPSU Scheme Phase-II, will be eligible.	Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time, by MNRE, and will be reduced by MNRE if the cost difference comes down. VGF will be released in two tranches as follows: i. 50% on Award of contract to the EPC contractor (including in-house EPC Division); and ii. balance 50% on successful commissioning of the full capacity of the project 3.2.5.2 The VGF provided under the Scheme can be used by the Government Producers as their equity in solar power project(s) being set up them under this Scheme. 3.2.5.3 If a Government Producer sets up solar PV power project(s) under CPSU Scheme Phase-II, in an UMREPP/ Solar Park, both, the Central Financial Assistance (CFA) as per UMREPP/ Solar Park Scheme as well as VGF under the CPSU Scheme Phase-II, will be eligible.
3.6.1	**3.6.1 Timelines for project commissioning:** The solar power projects under this scheme shall be commissioned within a period of: **(i). For projects upto 500 MW capacity:** Projects to be commissioned within 24 (twenty four) months from the date of letter of award **(ii). For projects more than 500 MW capacity:** Capacity upto 500 MW must be commissioned within 24 (twenty four) months from the date of letter of award and balance capacity to be commissioned within next six months.	**3.6.1 Timelines for project commissioning:** The solar power projects under this scheme shall be commissioned within a **period of 30 (thirty) months from the date of letter of award.** However, in order to expedite the implementation of the Scheme and to give impetus to domestic solar PV manufacturing, a shorter timeline can also be specified by MNRE.

NHPC LIMITED FARIDABAD

GENERAL MANAGER (IPC), TSSPDCL

Clause No.	Existing Provision	Modified Provision
	However, in order to expedite the implementation of the Scheme and to give impetus to domestic solar PV manufacturing, a shorter timeline can also be specified by MNRE.	

2. This issues with the approval of Hon'ble Minister (NRE & Power).

(Sanjay G. Karndhar)
Scientist-D
Email: karndhar.sg@nic.in
Tel: 011-24363498

To

Pay and Accounts Officer,
Ministry of New & Renewable Energy,
New Delhi

Copy for information and necessary action to:

1. Central Government Ministries/Departments.
2. Principal Director of Audit, Scientific Audit-II, DGACR Building, I.P. Estate, Delhi-02
3. All State/UT Energy Secretaries
4. All Heads of State/UT Nodal Agencies
5. All State/UT DISCOMs
6. Chairman & Managing Director, SECI
7. Chairman & Managing Director, IREDA

Internal Distribution:

1. PS to Hon'ble Minister of State (I/C) for New & Renewable Energy, Power and MoS for Skill Development and Entrepreneurship
2. Sr. PPS to Secretary, MNRE
3. All Advisers and Group Heads/JS (AKS) / JS (BPY) / JS (DDJ)/ JS&FA/ Eco. Adviser
4. All Scientist-F/ Scientist-E/ Directors
5. All Scientist-D / Dy. Secretaries
6. All Scientist-C/ Under Secretaries
7. All Scientist-B
8. NIC, MNRE for uploading on Ministry's website
9. CA, MNRE / Cash Section
10. Hindi Section for Hindi version
11. Sanction Folder

(Sanjay G. Karndhar)
Scientist-D
Email: karndhar.sg@nic.in
Tel: 011-24363498

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

LIBRARY NO. 01 HANGAL

Annexure B

Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

Sample LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NHPC bank i.e. Beneficiary Bank with Address]

Date:
XX/XX/XXXX

[name of Distribution Licensee with Address]

Dear Sir(s)

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Ameerpet, Hyderabad-500 063

Sub: Letter of Credit No. XXXXXXXXXXXXXXXX

For INR XXXXXXXX.XX EXW favouring M/s XXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

B1: Outgoing SWIFT 11 Header 1

B2: Receiver's BIC Code

27: Sequence of Total

40A: Form of Documentary Credit : IRREVOCABLE

20: Documentary Credit Number

31C: Date of Issue

31D: Date and Place of Expiry

51D: Application Bank (Full Address)

50: Applicant [Distribution Licensee with Address]

59: Beneficiary

NHPC LIMITED,
NHPC Office Complex,
Sector-33, Faridabad-121003 (INDIA)

32B: Currency Code, Amount: ..... INR
.....

41D: Available With. ..... Beneficiary Bank with Address ..... By NEGOTIATION

42C: Drafts at.....

42D: Drawee [Applicant Bank with Address]

NHPC LIMITED FARIDABAD

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(IPC), TSSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd 500 063

43P: Partial Shipments : ALLOWED

43T: Transshipment : PROHIBITED

44A: Place of Taking in Charge/ Dispatch from.

NHPC LIMITED,

NHPC Office Complex,

Sector-33, Faridabad-121003

44B:Place of Final Destination/ For Transport :[Name of Distribution Licensee with Address]

44C: Latest Date of Shipment .....

45A: Description of Goods and/or Services : INCOTERMS: EXW

SOLAR PV POWER, ELECTRICAL ENERGY IN MUs BY NHPC LTD. UNDER CPSU SCHEME.

46A: Document Required

IN THE EVENT or FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL

OR

PART THEREOF WITHIN AND INCLUDING THE DUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE

OR

INSTRUCTIONS FROM [End User]. AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER (IPC) TSSPDCL,

WARANGAL

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK (WHO HAS ISSUED THE LETTER OF CREDIT):

I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH AND DUE DATE FOR THE BILLING PERIOD.

II. NHPC Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee].

CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.

III. CERTIFICATE FROM THE NHPC Ltd TO THE EFFECT THAT THE BILL

AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12)

MONTHS.

2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS.XXX.XX CRORES AND

MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER (PC) TSSPDCL, -50. 063

31

3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NHPC LTD.

4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT PRIOR TO DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR SUPPLEMENTARY BILL AND SHALL NOT MAKE MORE THANONE DRAWL IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT

49: Confirmation Instructions : WITHOUT Sender to Receiver Information

72: Sender to Receiver Information

39A: Percentage Credit Amount Tolerance: 00/00

48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.

57D: "Advise through" Bank: [Beneficiary Bank with Address]

40E: Applicable Rules: UCP LATEST VERSION

NHPC LIMITED FARIDABAD

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

SUPPLEMENTARY POWER USAGE AGREEMENT

(AMENDMENT NO. 1)

FOR

POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of 245 MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW

at Nokh Solar Park, Rajasthan

NTPC Limited
Secunderabad
Pin-500 080

CHIEF GENERAL MANAGER
(IPC), TSSR
Corporate Office, Plot No. 148,
Mint Compound, Hyderabad - 500 063

TSNPDCL
WARANGAL



16/03/2023

AT 381736

తెలంగాణ तेलंगाना TELANGANA

Sl.No. 2772 Dt:16-03-2023

Sold to: KALYANI KIMIDI

W/o. T.ANANTHA RAO

For Whom: NTPL LTD

K.SATISH KUMAR
LICENSED STAMP VENDOR
LIC No.16-05-059/2012,
R.No.16-05-029/2021
Plot No.227, Opp.Back Gate
of City Civil Court,
West Marredpally, Sec'bad.

This Supplemental Agreement to the Power Usage Agreement signed between NTPC Ltd and Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited having effective date of 07.12.2021 is signed on the Seventeenth day of March Two Thousand Twenty-Three (17.03.2023) at Hyderabad

Between

NTPC Limited, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi –110003 (hereinafter referred to as '**NTPC**') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

NTPC Limited Secunderabad Pin-500 080

CHIEF GENERAL MANAGER
(IPC), SSO
Corporate Center, Plot No. 7, Sy. No. 64,
Mint Compound, Hyd-500 063

And

Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited Companies incorporated under the Companies Act, 1956 or Companies Act, 2013 as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee') which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the other part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS:

A. The Ministry of New & Renewable Energy ('MNRE') , on 5.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme');

B. Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE;

C. NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

D. In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for

NTPC Limited Secunderabad Pin-500 080 A Govt. of India Enterprise

CHIEF GENERAL MANAGER (IPC), TSSR
Corporate Centre, Plot No. 40, Mint Compound, Hyderabad-500 063

development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

E. NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-1 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

F. End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme.

G. AND WHEREAS NTPC has signed Power Usage Agreement with Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited on 07.12.2021 for supply of 245 MW power from NTPC SOLAR PV STATION OF 245 MW Nokh-1 Solar PV Station at Nokh, Jaisalmer, Rajasthan.

H. AND WHEREAS MoF vide notification No. 8/2021-Integrated Tax (Rate) dated 30.09.2021 has increased the GST for renewable energy devices and parts to 12% from earlier rate of 5% which shall qualify under change in law clause of the signed PUA.

I. AND WHEREAS MNRE vide its letter ref. No. 283/11/2017-GRID SOLAR dated 16.09.2022 has communicated to IREDA that considering change in GST rate as 'Change in Law' the maximum usage charges, which was Rs. 2.45/kWh is hereby increased to Rs. 2.57/kWh.

J. AND WHEREAS IREDA through e-mail dated 07.10.2022 has communicated to

IREDA Limited Secunderabad Pin-500 080 A Govt. of India Enterprise

CHIEF GENERAL MANAGER (PC), TSSPDCL Corporate Office, 6-3-668, Mint Compound, Hyderabad-500 063

TSNPDCL WARANGAL

NTPC that to give effect the MoF notification dated 30.09.2021 regarding the change in GST rate as "Change in Law", the maximum usage charge has been revised to the INR 2.57 for Tranche-III of the CPSU Scheme phase-II.

NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN; IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

Clause	Existing Provision	Revised provision
6.1	The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ **Rs 2.45 /kWh,** which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of	The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ **Rs 2.57 /kWh,** which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the

NTPC Limited Secunderabad Pin-500 080 A Govt. of India Enterprise

CHIEF GENERAL MANAGER (IPC)

TSNPDCL WARANGAL

	the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.	development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.
10.1	"Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC: a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law; b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of	"Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC. **However, any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC on account of MoF notification No. 8/2021-Integrated Tax (Rate) dated 30.09.2021 wherein GST for renewable energy devices and parts has raised to 12% from earlier rate of 5% shall not be considered as Change in Law.** a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-

NTPC Limited
Secunderabad
Pin-500 080
A Govt. of India Enterprise

CHIEF GENERAL MANAGER
(IPC), TSG
Corporate Office
Plot No. 1-6-530/53

	Law; c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier; d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC; e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.	enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law; b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law; c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier; d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC; e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of

NTPC Limited
Secunderabad
Pin-500 080
A Govt. of India Enterprise

CHIEF GENERAL MANAGER

		Solar Power Project and supply of power by the NTPC to the Distribution Licensee.

Except the aforesaid amendment, the Parties acknowledge and confirm that all other terms and conditions contained in the Power Usages Agreement dated 07.12.2021 shall continue to apply as before. IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of NTPC

रोहित छाबड़ा
Name and Designation ROHIT CHHABRA
महाप्रबंधक (वाणिज्यिक)
General Manager (Commercial)
एन टी पी सी लिमिटेड, द.क्षे.मु. कवाडीगुडा, सिकंदराबाद-८०
NTPC Limited SRHQ, Kavadiguda, Secunderabad - 80.

For and on behalf of Distribution Licensee

CHIEF GENERAL MANAGER
(IPC), TSSP...
Corporate ..., TSPD...
Mint Compound, Hyd-5...
Name and Designation

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Witness

1. B.V. Shanthi Sekhar
ED/Comml, TSPCC

2. Kalyani
(Kalyani Kimidi)
DGM (Comml.), SRHQ
NTPC Ltd.

SUPPLEMENTARY POWER USAGE AGREEMENT

(AMENDMENT NO. 1)

FOR

POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of 245 MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW

at Nokh Solar Park, Rajasthan

NTPC Limited Secunderabad Pin-500 080 A Govt. of India Enterprise

CHIEF GENERAL MANAGER (IPC), TS SR

TSNPDCL WARANGAL



తెలంగాణ తెలంగాణ TELANGANA

AT 379082

Sl.No. 939 **Dt:27-01-2023**

Sold to: JITENDER MALHOTRA

S/o. JAGDISH CHANDRADER MALHOTRA

For Whom: NTPC LIMITED

K.SATISH KUMAR
LICENSED STAMP VENDOR
LIC No.16-05-059/2012,
R.No.16-05-029/2021
Plot No.227, Opp.Back Gate of City Civil Court, West Marredpally, Sec'bad.

This Supplemental Agreement to the Power Usage Agreement signed between NTPC Ltd and Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited having effective date of 07.12.2021 is signed on the Seventeenth day of March Two Thousand Twenty- Three (17.03.2023) at Hyderabad

Between

NTPC Limited, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi -110003 (hereinafter referred to as '**NTPC**') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

CHIEF GENERAL MANAGER
(IPC)

And

Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited Companies incorporated under the Companies Act, 1956 or Companies Act, 2013 as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee') which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the other part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS:

A. The Ministry of New & Renewable Energy ('MNRE') , on 5.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme');

B. Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE;

C. NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

D. In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for

NTPC Limited Secunderabad Pin-500 080 Govt. of India Enterprise

CHIEF GENERAL MANAGER (IPC)

development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

E. NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-2 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

F. End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme.

G. AND WHEREAS NTPC has signed Power Usage Agreement with Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited on 07.12.2021 for supply of 245 MW power from NTPC SOLAR PV STATION OF 245 MW Nokh-2 Solar PV Station at Nokh, Jaisalmer, Rajasthan.

H. AND WHEREAS MoF vide notification No. 8/2021-Integrated Tax (Rate) dated 30.09.2021 has increased the GST for renewable energy devices and parts to 12% from earlier rate of 5% which shall qualify under change in law clause of the signed PUA.

I. AND WHEREAS MNRE vide its letter ref. No. 283/11/2017-GRID SOLAR dated 16.09.2022 has communicated to IREDA that considering change in GST rate as 'Change in Law' the maximum usage charges, which was Rs. 2.45/kWh is hereby increased to Rs. 2.57/kWh.

J. AND WHEREAS IREDA through e-mail dated 07.10.2022 has communicated to

NTPC Limited Secunderabad Pin-500 080

CHIEF GENERAL MANAGER

TSNPDCL WARANGAL

NTPC that to give effect the MoF notification dated 30.09.2021 regarding the change in GST rate as "Change in Law", the maximum usage charge has been revised to the INR 2.57 for Tranche-III of the CPSU Scheme phase-II.

NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN; IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

Clause	Existing Provision	Revised provision
6.1	The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ **Rs 2.45 /kWh,** which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of	The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ **Rs 2.57 /kWh,** which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the

NTPC Limited Secunderabad Pin-500 060 A Govt. of India Enterprise

CHIEF GENERAL MANAGER (PC)

TSNPDCL

	the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.	development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.
10.1	"Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC: a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law; b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of	"Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC. **However, any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC on account of MoF notification No. 8/2021-Integrated Tax (Rate) dated 30.09.2021 wherein GST for renewable energy devices and parts has raised to 12% from earlier rate of 5% shall not be considered as Change in Law.** a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-

NTPC Limited Secunderabad Pin-500 033 A Govt. of India Enterprise

CHIEF GENERAL MANAGER

TSNPDCL TELANGANA

	Law; c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier; d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC; e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.	enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law; b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law; c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier; d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC; e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of

NTPC Limited Secunderabad Pin-500 080 A Govt. of India Enterprise

CHIEF GENERAL MANAGER (PC)

TSNPDCL

		Solar Power Projeet and supply of power by the NTPC to the Distribution Licensee.

Except the aforesaid amendment, the Parties acknowledge and confirm that all other terms and conditions contained in the Power Usages Agreement dated 07.12.2021 shall continue to apply as before. IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of NTPC

रोहित छाबड़ा
ROHIT CHHABRA
महाप्रबंधक (वाणिज्यिक)
General Manager (Commercial)
एन टी पी सी लिमिटेड, द.क्षे.मु. कवाडीगुडा, सिकंदराबाद-८०
NTPC Limited SRHQ, Kavadiguda, Secunderabad - 80.

Name and Designation

For and on behalf of Distribution Licensee

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 2nd Floor,
Name and Designation

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Witness

1. B.V. Shanthi Sree
ED | comml, TSPCC

2. Kalyani
(Kalyani Kimidi)
DGM (Commil.), SRHQ
NTPC Ltd.

POWER USAGE AGREEMENT

BETWEEN

NTPC Renewable Energy LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited For

Supply of 265 MW Solar Power

From

NTPC Renewable Eenergy Limited SOLAR PV STATION OF 310 MW

at Khavda, Kutch, Gujarat

सुनील कुमार / SUNIT KUMAR
महाप्रबंधक (वाणिज्यिक)
General Manager (Commercial)

TSNPDCL
WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

भारतीय गैर न्यायिक

एक सौ रुपये

Rs. 100

ONE HUNDRED RUPEES

₹. 100

भारत INDIA

INDIA NON JUDICIAL

తెలంగాణ తెలంగాణ TELANGANA

AE 760843

D.V. SARAT KUMAR
LICENCED STAMP VENDOR
Lic. No: 15-11-028/2014
Ren. No: 15-11-004/2022
H No. 2-22-298/C/203, Manikanta Apts.,
Bhagyanagar Colony, Opp. KPHB Kukatpally,
Medchal-Malkajgiri Dist. Cell: 966 666 2490

Rs. 7846 03/12/2021

SOLD TO: Sunit Kumar

S/o, D/o, W/o: S.K. Tekriwal

FOR WHOM: NTPC Renewable Energy Ltd

This POWER USAGE **AGREEMENT** hereinafter called the "Agreement" entered into at Hyderabad on the 7th day of December Two Thousand Twenty One (07.12.2021) between **NTPC Renewable Energy Limited**, a wholly owned subsidiary of NTPC Limited and a Company incorporated under the Companies Act, 2013 having its registered office at NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, **South Delhi, Delhi, India 110003** (hereinafter referred to as '**NTPC REL**') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited, Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the Other Part.

सुनित कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

TSNPDCL WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE') , on 5.03.3019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12.000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme') A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement:

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities. namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis. amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021. IREDA issued the RfS document being **RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021** for Selection of Solar Power Developers for Setting up of 5,000 MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)

(F) NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 dated 29.01.2021 issued by IREDA for development of 1990

सुनील कुमार / SUNIL KUMAR
उप महाप्रबंधक (वाणिज्यिक)
Dy. General Manager (Commercial)
Renewable Energy Limited

TSNPDCL WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

MW Solar Photovoltaic Power Project.

(G) In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further, as per the provisions of the RfS, the 310 MW Solar Photovoltaic Power Project named as Khavda Solar PV Station at Kutch, Gujarat (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC REL, a wholly owned subsidiary of NTPC Limited.

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme;

(J) The Distribution Licensee is desirous of using 265 MW power produced from NTPC REL 310 MW Khavda Solar PV Station and NTPC REL is willing to offer the solar power from the aforesaid Solar PV Station of NTPC REL restricted to the end use by Government/Government Entities ,as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed thereunder and Regulations issued by the Central Electricity Regulatory

सुनित कुमार/ SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Commission from time to time.

1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that if the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.
iv)	Billing Centre	shall mean the Office as intimated by NTPC REL to Distribution Licensee from where the bills will be raised by NTPC REL;
v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.

सुनित कुमार/SUNIT KUMAR
उप महाप्रबंधक (वाणिज्यिक)
Asst. General Manager (Commercial)
...ble Energy Limited

TSNPDCL WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NTPC REL, when the modules and equipment as per such capacity have been installed, connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, CUF= (X MWh/ (Y MW*8766)) x 100%.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s) to the Distribution Licensee at the Interconnection Point/Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/Metering point/Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of billing. In case payment of bill is delayed beyond a period of 45 days from the date of billing, Late payment Surcharge shall be payable from 46th day onwards for each day of delay
xvi)	Effective Date	shall mean the date of signing of this Agreement;

SUNIT KUMAR
महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

TSNPDCL
WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by PGCIL at 765/400 kV GSS Khavda II ISTS substation in Gujarat at 400kV voltage level, where usage

SUNIT KUMAR
Chief General Manager (Commercial)
Addl. General Manager (Commercial)
Solar Energy Corporation of India Limited
New & Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

		energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/ Metering/ Delivery point for Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NTPC REL for payments due from Distribution Licensee to NTPC REL under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean 03.04.2024.
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 310 MW developed by NTPC REL at Khavda, Distt: Kutch State: Gujarat
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement;

2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY

2.1 The Installed capacity of the NTPC REL Khavda Solar PV Station is 310 MW. The Contracted capacity of the Distribution Licensee in the NTPC REL Khavda Solar PV Station shall be 265 MW.

सुनील कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 03.04.2024. NTPC REL shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.

2.3 The duration of supply of power by NTPC REL to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.

2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NTPC REL to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User for self-consumption only and no part of the energy shall be diverted or used for any other purposes.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY:

3.1 The obligation of NTPC REL shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NTPC REL. NTPC REL shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NTPC REL.

3.2 All clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU charges & losses, cross subsidy charges, RLDC and SLDC Fee, scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of the Distribution Licensee/End User, with all costs and charges being borne by the Distribution Licensee/End User. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time;

3.3 NTPC REL and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC),

सुनील कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

provides for status of "must-run" to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" or any such other similar order and any clarifications or amendment thereto , NTPC REL shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation ,as under .

Duration of Back down	**Provision for Generation Compensation**
Hours of Back down during a monthly billing cycle.	**Minimum Generation Compensation = [(Average Generation per hour during the month) × (number of Back down hours during the month)] X PUA Usage Charges** Where, Average Generation per hour during the Month (kWh) = Total generation in the Month (kWh) ÷ Total hours of generation in the Month

Provided that no such Generation Compensation shall be claimed by NTPC REL where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

3.4 The maximum Annual CUF against the contracted capacity (i.e.265MW) is 33.32% (774.02 MU on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.

3.5 After accounting for Deemed Generation as in Clause 3.4 above, if NTPC REL is unable to supply minimum 441.36 MU on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC REL shall pay 25% of the applicable Power Usage Charges.

सुनील कुमार / SUNIT KUMAR
महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

TSNPDCL WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.

4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.

4.1.3 NTPC REL shall operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.

4.1.4 All charges/fees related to Forecasting, Scheduling and Despatch of energy shall be borne by Distribution Licensee.

4.2 METERING:

4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.

4.2.2 Main/ Check Meters shall be installed at 400 KV of PGCIL Khavda-II GSS and Standby meter at 400 kV outgoing Feeder at the NTPC REL project site as a fall back arrangement.

4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.

4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NTPC REL and Distribution Licensee /End User for preparation of the Energy Account.

4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC REL/ Distribution Licensee shall inform each other of the same.

4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:

SUNIT KUMAR
सहायक प्रबन्धक (वाणिज्यिक)
Manager (Commercial)
Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC REL and Distribution Licensee/End User as per procedure laid out in CEA (Installation &Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NTPC REL solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project, shall be declared commissioned based on self-declaration by the NTPC REL, when the required modules as per the required capacity have been installed, connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 7 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid.

5.3 NTPC REL shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 100% of the Usage Charges.

सुनित कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

TSSPDCL WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

6.1 The Usage Charges for the power made available by NTPC REL from Solar PV Station shall be payable by Distribution Licensee @ Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.

6.2 The Usage Charges payable in terms of this Agreement to NTPC REL shall be the consolidated consideration for the services of NTPC REL for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.

6.3 NTPC REL shall be entitled to draw at its discretion the auxiliary power requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.

6.4 Taxes, Levies, Duties, Royalty, Cess etc.:

Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory body/Authority, shall be borne and additionally paid by the Distribution Licensee to NTPC

SUNIT KUMAR
Chief Manager (Commercial)
NTPC Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

REL from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NTPC REL on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NTPC REL shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NTPC REL shall include the following

i) Provisional Bill for solar power supplied in the Month;

ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s);

iii) Any other adjustments to cover changes in tariff of NTPC REL Power, open access related charges and any other prior-period adjustments;

iv) Late Payment Surcharge, if any; and

v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Billing Centre of NTPC REL shall carry out billing and associated functions. NTPC REL would submit the bills to the officer nominated by Distribution Licensee.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NTPC REL through Electronic Transfer. The date on which the amount stands credited in the bank account of NTPC REL shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NTPC REL shall be paid in full subject to the condition that:

i) there is no apparent arithmetical error in the bill(s)

ii) the bill(s) is/are claimed as per the Usage Charges

सुनित कुमार / SUNIT KUMAR
अपर महाप्रबंधक (वाणिज्यिक)
Addl. General Manager (Commercial)
नवीकरणीय ऊर्जा लिमिटेड
Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

7.1.5 All payments made by Distribution Licensee, shall be appropriated by NTPC REL for amounts due from them in the following order of priority:

i) towards Late Payment Surcharge, payable if any;

ii) towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;

iii) towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s); and

iv) towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 95% of the disputed amount by the Due Date and file a written objection with NTPC REL within 30 days of presentation of the bill, giving following particulars:

i) Item disputed, with full details/data and reasons of dispute

ii) Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 **REBATE:**

For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/End User in favour of NTPC REL.

a) A Rebate of 1.5 % shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.

b) Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.

c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.

सुनिल कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Additional General Manager (Commercial)
एन.टी.पी.सी. रिन्यूएबल एनर्जी लिमिटेड
NTPC Renewable Energy Limited

TSNPDCL WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, Gr.50.

7.3 LATE PAYMENT SURCHARGE:

7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

7.3.2 The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time:

Provided further that all Payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

Further, if the Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill, it shall be debarred from procuring power from power exchange or grant of short term open access till such bill is paid in terms of Electricity (Late Payment Surcharge) Rules,2021 and as amended from time to time .

7.4 ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:

7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NTPC REL with a public sector / scheduled commercial bank (as per list supplied by NTPC REL) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.

7.4.2 The LC shall cover 105% of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.

7.4.3 The LC shall be established for a minimum period of one year. The Distribution Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NTPC REL. The bills so presented by NTPC REL to the Bank shall be paid on their presentation as per form attached as Annexure B.

7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be borne by Distribution Licensee.

सुनील कुमार / SUNIT KUMAR
सहायक प्रबन्धक (वाणिज्यिक)
Assistant Manager (Commercial)
नवीकरणीय ऊर्जा लिमिटेड
Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

7.4.5 In case of drawal of the LC amount by NTPC REL in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licensee shall arrange to furnish to NTPC REL a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NTPC REL reserves the right to implement Regulation of Power Supply as per Article 7.6.

7.4.6 The Distribution Licensee agrees to ensure that the successor entities of the Distribution Licensee are duly notified of the above arrangements with NTPC REL and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.4.7 The Advisory charges during LC negotiation are to be charged to the account of end user and the documents to be presented by Distribution Licensee shall also include a SIGHT DRAFT for 100% of invoice value.

7.5 REGULATION OF POWER:

7.5.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NTPC REL or non-payment of bills beyond a period of 45 days of the billing, NTPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End User, without in any manner affecting the continued obligation of the Distribution Licensee to pay the Usage Changes .

7.5.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NTPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, the Distribution Licensee shall continue to be liable to pay the Usage Charges equivalent to average monthly billing of last twelve months.

सुनित कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Manager (Commercial)
...ीय ऊर्जा लिमिटेड
...ble Energy Limited

TSSPDCL WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

(i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(a) a description of the Dispute;

(b) the grounds for such Dispute; and

(c) all written material in support of its claim.

(ii) The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article (i), furnish:

(a) counter-claim and defenses, if any, regarding the Dispute; and

(b) all written material in support of its defenses and counter-claim.

(iii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or thirty (30) days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity Regulatory Commission under section 79(1)(f) of the Electricity Act, 2003.

9.0 FORCE MAJEURE

9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the

SUNIT KUMAR
Manager (Commercial)

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC REL or any income to the NTPC REL:

a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;

b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;

c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;

d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC REL;

e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC REL to the Distribution Licensee.

10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NTPC REL or any income to the NTPC REL.

सुनित कुमार / SUNIT KUMAR
उप महाप्रबन्धक (वाणिज्यिक)
Dy. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

TSSPDCL WARANGAL

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

11.0 RELIEF FOR CHANGE IN LAW

11.1 NTPC REL shall be required to approach the Central Commission for seeking approval of Change in Law.

11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NTPC REL and the Distribution Licensee.

11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the Agreement. Notwithstanding any nomination, the CEO NTPC REL , SCOPE Complex, 7, Institutional Area, Lodhi Road, South Delhi, Delhi, India 110003- or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC REL.

13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of twenty five

SUNIT KUMAR
Manager (Commercial)
Renewable Energy Limited

GM (IPC)

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

(25) years from the date of declaration of Commercial Operation (COD) /Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/agency(ies) is/are owned or controlled by Government of India or the State Government.

15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.

15.3 In other cases. NTPC REL shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with alternate Distribution Licensee or End User.

15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

For and on behalf of NTPC REL Ltd

Name and Designation

सुनित कुमार SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

For and on behalf of Distribution Licensee

Name and Designation

P. Krishnaiah
CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Witness

(1) K. Hema
SE/ZPC

2) Eshwardas
DE/IPC/Corp office

3) Patanjali Dixit
Sr. Manager (Commercial)
SRHQ-Hyderabad
NTPC Ltd.

"Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)": CPSU Scheme

SUNIT KUMAR
Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

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(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NTPC REL bank i.e. Beneficiary Bank with Address]

Date:
XX/XX/XXXX

[name of Distribution Licensee with Address]

Dear Sir(s)

Sub: Letter of Credit No. XXXXXXXXXXXXXXXXX

For INR XXXXXXXX.XX EXW favouring M/s XXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.

सुनित कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
...ीय ऊर्जा लिमिटेड
...able Energy Limited

CHIEF GENERAL MANAGER
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Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

B1: Outgoing SWIFT 11 Header]

B2: Receiver's BIC Code

27: Sequence of Total

40A: Form of Documentary Credit : IRREVOCABLE

20: Documentary Credit Number

31C: Date of Issue

31D: Date and Place of Expiry

51D: Application Bank (Full Address)

50: Applicant [Distribution Licensee with Address]

59: Beneficiary

NTPC RENEWABLE ENERGY LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)

32B: Currency Code, Amount: ..... INR .....

41D: Available With. ..... Beneficiary Bank with Address ..... By NEGOTIATION

42C: Drafts at.....

42D: Drawee [Applicant Bank with Address]

43P: Partial Shipments : ALLOWED

43T: Transshipment : PROHIBITED

44A: Place of Taking in Charge/ Dispatch from.

NTPC RENEWABLE ENERGY LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)

44B: Place of Final Destination/ For Transport :[Name of Distribution Licensee with Address]

44C: Latest Date of Shipment .....

45A: Description of Goods and/or Services : INCOTERMS: EXW
SOLAR P PV OWER, ELECTRICAL ENERGY IN Mus BY NTPC REL LTD. UNDER CPSU SCHEME.

सुनित कुमार/ SUNIT KUMAR
उपमहाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

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46A: Document Required

IN THE EVENT or FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL
OR

PART THEREOF WITHIN AND INCLUDING THEDUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE
OR

INSTRUCTIONS FROM-[End User], AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK(WHO HAS ISSUED THE
LETTER OF CREDIT):

I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY
SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH
AND DUE DATE FOR THE BILLING PERIOD.

II. NTPC REL Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee].
CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.

III. CERTIFICATE FROM THE NTPC REL TO THE EFFECT THAT THE BILL AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE
WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12) MONTHS.

2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS.XXX.XX CRORES AND MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.

3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY
END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NTPC REL LTD.

सुनित कुमार/ SUNIT KUMAR
प्रबंधक (वाणिज्यिक)
Manager (Commercial)
नवीकरणीय ऊर्जा लिमिटेड
Renewable Energy Limited

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4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT PRIOR TO DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR SUPPLEMENTARY BILL AND SHALL NOT MAKE MORE THANONE DRAWL IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT

49: Confirmation Instructions: WITHOUT Sender to Receiver Information

72: Sender to Receiver Information

39A: Percentage Credit Amount Tolerance: 00/00

48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.

57D: "Advise through" Bank: [Beneficiary Bank with Address]

40E: Applicable Rules: UCP LATEST VERSION

सुनित कुमार / SUNIT KUMAR
अपर महाप्रबन्धक (वाणिज्यिक)
Addl. General Manager (Commercial)
एनटीपीसी नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

TSNPDCL WARANGAL N/D

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of 245MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW (Nokh-1)

at Nokh Solar Park, Rajasthan

CHIEF GENERAL MANAGER
(RPCL,TG SPDCL,
..., 6-1-50,
... Compound, Hyd-500 063

TSNPDCL WARANGAL

NTPC Ltd



తెలంగాణ तेलंगाना TELANGANA

Sl. No: 1485 dt: 03/12/2021
SOLD TO: V.V. Sivakumar
S/o. D/o. W/o: V. Tyagaraju
FOR WHOM: NTPC Ltd

AE 760848
D.V. SARAT KUMAR
LICENCED STAMP VENDOR
Lic. No: 15-11-028/2014
Ren No 15-11-004/2022
H No 2-92-298/C/203, Mallika Nagar Apts, Bhagyanagar Colony, Opp Kphb Municipality, Medchal-Malkajgiri Dist. Cell: 966 666 2490

This POWER USAGE AGREEMENT hereinafter called the "Agreement" entered into at Hyderabad on the 7th day of December Two Thousand Twenty One (07.12.2021) between **NTPC Limited**, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi --110003 (hereinafter referred to as '**NTPC**') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited, Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee' or TSDISCOMs) which expression shall, unless repugnant to the context or meaning thereof

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

include its successors and Permitted Assignees as party of the Other Part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE') . on 5.03.3019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme') A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement;

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities, namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA)as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021, IREDA issued the RfS document being **RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021**for Selection of Solar Power Developers for Setting up of 5,000 MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)

(F) NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

WARANGAL

NTPC Ltd
New Delhi

3

IREDA/RfS/5000 MW/012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

(G) In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the enduse of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-1 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme:

(J) The Distribution Licensee is desirous of using power produced from NTPC 245 MW Nokh-1 Solar PV Station and NTPC is willing to offer the solar power from the aforesaid Solar PV Station of NTPC restricted to the end use by Government/Government Entities ,as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under and Regulations issued by the Central Electricity Regulatory

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Commission from time to time.

1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that if the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.
iv)	Billing Centre	shall mean the Office / Regional Headquarters (RHQ) as intimated by NTPC to Distribution Licensee from where the bills will be raised by NTPC;
v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd 500 063

NTPC Ltd

x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NTPC, when the modules and equipment as per such capacity have been installed, connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, CUF= (X MWh/ (Y MW*8766)) x 100%.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s)to the Distribution Licensee at the Interconnection Point/Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/Metering point/Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of billing. In case payment of bill is delayed beyond a period of 45 days from the date of billing, Late payment Surcharge shall be payable from 46th day onwards for each day of delay
xvi)	Effective Date	shall mean the date of signing of this Agreement;

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

TSSPDCL
N/D
WARANGAL

NTPC Ltd

xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12.000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by PGCIL at 765/400/220 kV GSS Bhadla-II ISTS substation in Rajasthan at 220 kV voltage level, where

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		usage energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/Metering/Delivery point for Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NTPC for payments due from Distribution Licensee to NTPC under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean 01.11.2023.
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 245 MW developed by NTPC at Village Nokh, Tehsil Pokran, Distt Jaisalmer State: Rajasthan
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement;

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2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY

2.1 The Installed capacity of the NTPC Nokh-1Solar PV Station is 245 MW. The Contracted capacity of the Distribution Licensee in the NTPC Nokh-1Solar PV Station shall be 245MW.

2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 01.11.2023. NTPC shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.

2.3 The duration of supply of power by NTPC to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.

2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NTPC to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User for self-consumption only and no part of the energy shall be diverted or used for any other purposes.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY:

3.1 The obligation of NTPC shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NTPC.NTPC shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NTPC.

3.2 All clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU charges & losses, cross subsidy charges, RLDC and SLDC Fee, scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of the Distribution Licensee/End User, with all costs and charges being borne by the Distribution Licensee/End User. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time;

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3.3 NTPC and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), provides for status of "must-run" to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" or any such other similar order and any clarifications or amendment thereto , NTPC shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation ,as under.

Duration of Back down	**Provision for Generation Compensation**
Hours of Back down during a monthly billing cycle.	**Minimum Generation Compensation = [(Average Generation per hour during the month) × (number of Back down hours during the month)] X PUA Usage Charges** Where. Average Generation per hour during the Month (kWh) = Total generation in the Month (kWh) ÷ Total hours of generation in the Month

Provided that no such Generation Compensation shall be claimed by NTPC where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

3.4 The maximum Annual CUF against the contracted capacity (i.e. 245 MW) is 31.68% (680.38 MUs on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.

3.5 After accounting for Deemed Generation as in Clause 3.4 above, if NTPC is unable to supply minimum 408.06 MUs on Annual basis (i.e. 19% Annual CUF), for the shortfall in

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energy, NTPC shall pay 25% of the applicable Power Usage Charges.

4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.

4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.

4.1.3 NTPC shall operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.

4.1.4 All charges/fees related to Forecasting, Scheduling and Despatch of energy shall be borne by Distribution Licensee.

4.2 METERING

4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.

4.2.2 Main/ Check Meters shall be installed at 220 kV incoming feeder of PGCIL Bhadla-II GSS and Standby Meter at outgoing Feeder at the NTPC project site as a fall back arrangement.

4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.

4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NTPC and Distribution Licensee /End User for preparation of the Energy Account.

4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC/ Distribution Licensee shall inform each other of the same.

4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid

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down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:

- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC and Distribution Licensee/End User as per procedure laid out in CEA (Installation &Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NTPC solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project, shall be declared commissioned based on self-declaration by the NTPC, when the required modules as per the required capacity have been installed. connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 7 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid. 5.3 NTPC shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 100% of the Usage Charges.

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(IPC), TSSPDCL,
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Mint Compound, Hyderabad-500 063

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5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

6.1 The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.

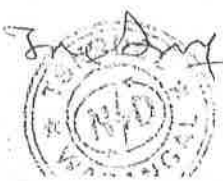
6.2 The Usage Charges payable in terms of this Agreement to NTPC shall be the consolidated consideration for the services of NTPC for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.

6.3 NTPC shall be entitled to draw at its discretion the auxiliary power requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.

6.4 Taxes, Levies, Duties, Royalty, Cess etc.:

Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory body/Authority, shall be borne and additionally paid by the Distribution Licensee to NTPC

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from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NTPC on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NTPC shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NTPC shall include the following

i) Provisional Bill for solar power supplied in the Month;

ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s);

iii) Any other adjustments to cover changes in tariff of NTPC Power, open access related charges and any other prior-period adjustments;

iv) Late Payment Surcharge, if any; and

v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Billing Centre of NTPC shall carry out billing and associated functions. NTPC would submit the bills to the officer nominated by Distribution Licensee.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NTPC through Electronic Transfer. The date on which the amount stands credited in the bank account of NTPC shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NTPC shall be paid in full subject to the condition that:

i) there is no apparent arithmetical error in the bill(s)

ii) the bill(s) is/are claimed as per the Usage Charges

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7.1.5 All payments made by Distribution Licensee, shall be appropriated by NTPC for amounts due from them in the following order of priority:

i) towards Late Payment Surcharge, payable if any;

ii) towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;

iii) towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s); and

iv) towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 95% of the disputed amount by the Due Date and file a written objection with NTPC within 30 days of presentation of the bill, giving following particulars:

i) Item disputed, with full details/data and reasons of dispute

ii) Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 **REBATE:**

For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/End User in favour of NTPC.

a) A Rebate of 1.5 % shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.

b) Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.

c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.

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7.3 **LATE PAYMENT SURCHARGE:**

7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

7.3.2 The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time:

Provided further that all Payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges. starting from the longest overdue bill.

Further, if the Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill. it shall be debarred from procuring power from power exchange or grant of short term open access till such bill is paid in terms of Electricity (Late Payment Surcharge) Rules. 2021and as amended from time to time.

7.4 **ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:**

7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NTPC with a public sector / scheduled commercial bank (as per list supplied by NTPC) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.

7.4.2 The LC shall cover 105% of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.

7.4.3 The LC shall be established for a minimum period of one year. The Distribution Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NTPC. The bills so presented by NTPC to the Bank shall be paid on their presentation as per form attached as Annexure B.

7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be

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established through which the Receivables of Distribution Licensee shall be routed as per the terms of Escrow Agreement. Distribution Licensee hereby agrees that NTPC will have first charge on Receivables of Distribution Licensee. However, such first ranking charge shall be on the amounts, in excess of amounts, which have already been charged or agreed to be charged prior to the date of the execution of this Agreement. Distribution Licensee agrees to enter into a separate 'Agreement to Hypothecate Cum Deed of Hypothecation' whereby, Distribution Licensee shall hypothecate Receivables to the extent required for Payment of dues of NTPC by Distribution Licensee including under this Agreement by creation of first charge in favour of NTPC. These Receivables shall be routed through Escrow Account for payment to NTPC in case of default in payments by Distribution Licensee. "Receivables" for this purpose shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the Distribution Licensee in respect of the sale by the Distribution Licensee to the consumers of electric capacity, energy and / or services or for any other reason whatsoever and all proceeds thereof.

7.5.3 The Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by Distribution Licensee to the satisfaction of NTPC at least three months before the expiry of the TPA or any extension thereof either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned by Govt of Telangana. In the event three months before expiry of TPA or its extension thereof, Distribution Licensee does not sign the 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' or Distribution Licensee creating any superior charge in favour of any other party on its Receivables, NTPC shall have the right to reallocate part or full contracted capacity of Distribution Licensee to Third Party(ies). In case of termination of this Agreement or reallocation of capacity due to reasons stated above, Distribution Licensee shall be liable to pay charges equivalent to average monthly billing of last twelve months for such capacity, till the capacity is reallocated.

Since the payments from Distribution Licensee are secured as per provisions of TPA, establishment of Escrow Arrangements is not being insisted upon by NTPC presently. Distribution Licensee and NTPC agree that this Agreement shall deemed to have created a legally binding first charge on Distribution Licensee, receivables in favour of NTPC.

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borne by Distribution Licensee.

7.4.5 In case of drawal of the LC amount by NTPC in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licenseeshall arrange to furnish to NTPC a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NTPC reserves the right to implement Regulation of Power Supply as per Article 7.6.

7.4.6 The Distribution Licenseeagrees to ensure that the successor entities of the Distribution Licenseeare duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.4.7 The Advisory charges during LC negotiation are to be charged to the account of end user and the documents to be presented by Distribution Licenseeshall also include a SIGHT DRAFT for 100% of invoice value.

7.5 **Collateral Arrangement - State Government Guarantee**

7.5.1 As a further support for the Distribution Licensee obligations, on or prior to the expiry of the Tripartite Agreement (TPA), the Distribution Licensee and NTPC shall execute Default Escrow Agreement (referred as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of NTPC, through which the revenues of the Distribution Licensee shall be routed and used as per the terms of the Default Escrow Agreement. The Distribution Licensee and NTPC shall contemporaneously with the execution of the Default Escrow Agreement enter into the Agreement to Hypothecate Cum Deed of Hypothecation, whereby the Distribution Licensee shall agree to hypothecate, Incremental Receivables to the extent as required for the Letter of Credit. The Default Escrow Agreement and the Agreement to Hypothecate Cum Deed of Hypothecation are collectively referred to as the "Collateral Arrangement". Provided that the Distribution Licensee shall ensure that NTPC shall have first ranking charge on the Receivables in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.

7.5.2 Distribution Licensee hereby agrees to provide an alternative payment security arrangement before expiry of the TPA or its extension either by efflux of time or otherwise on assignment of bulk purchase functions to a company not owned or controlled by Govt of Telangana in the form of Escrow Arrangement as a back up to the Letter of Credit. Under this arrangement an Escrow Account in favour of NTPC shall be

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Accordingly, Distribution Licensee shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge over the Receivables. While creating any subsequent charge on its Receivables or agreeing to provide Escrow cover or any other form of payment security to any other entities like energy supplier(s), banks, and financial institutions etc. during the interim period till signing of Escrow Agreement with NTPC, Distribution Licensee shall duly inform such energy supplier(s), banks, financial institutions etc. of the legally binding first charge on Distribution Licensee Receivables in favour of NTPC and the first charge of NTPC shall be in preference to any other charge that Distribution Licensee may create in favour of any other party.

7.5.4 Distribution Licensee agrees to ensure that the successor entities of Distribution Licensee are duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.5.5 The Default Escrow would come into operation if,

(i) The Letter of Credit is not recouped by the Distribution Licensee to its required value by the 7th day of its operation;

(ii) NTPC is unable to draw on the Letter of Credit on the Due Date, if the Distribution Licensee fails to pay by the Due Date.

(iii) Non-restoration of Escrow Arrangement by the 7th day of the Due Date.

7.5.6 In the event of the extension of Tri partite Agreement signed between Government of India (GOI), Government of Telangana and Reserve Bank of India (RBI) beyond the present validity date of TPA, it will not be mandatory for Distribution Licensee to execute the escrow arrangement till the validity of the extended Tripartite Agreement.

7.6 REGULATION OF POWER:

7.6.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NTPC or non-payment of bills beyond a period of 45 days of the billing, NTPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End User, without in any manner affecting the continued

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obligation of the Distribution Licensee to pay the Usage Changes.

7.6.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NTPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, the Distribution Licensee shall continue to be liable to pay the Usage Charges equivalent to average monthly billing of last twelve months.

8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

(i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(a) a description of the Dispute;

(b) the grounds for such Dispute; and

(c) all written material in support of its claim.

(ii) The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article (i), furnish:

(a) counter-claim and defenses, if any, regarding the Dispute; and

(b) all written material in support of its defenses and counter-claim.

(iii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or thirty (30) days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity

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(IPC), TSSPDCL,
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9.0 FORCE MAJEURE

9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after thelast date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC:

a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;

b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;

c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;

d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC;

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(PC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

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e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.

10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NTPC or any income to the NTPC.

11.0 RELIEF FOR CHANGE IN LAW

11.1 NTPC shall be required to approach the Central Commission for seeking approval of Change in Law.

11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NTPC and the Distribution Licensee.

11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the Agreement. Notwithstanding any nomination, the Regional Executive Director (South) NTPC Ltd., as well as Executive Director (Commercial), NTPC Ltd., Core 6, VIth Floor, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 or their authorised

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Mint Compound, Hyd-500 063

representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC.

13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of twenty five (25) years from the date of declaration of Commercial Operation (COD)/Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/agency(ies) is/are owned or controlled by Government of India or the State Government.

15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.

15.3 In other cases, NTPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with

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alternate Distribution Licensee or End User.

15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

For and on behalf of NTPC Ltd

V.V. Sivakumar
GM (Commercial)
NTPC Limited
EOC NOIDA - 201301

Name and Designation

For and on behalf of Distribution Licensee

P. Krishnaiah
CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Name and Designation

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Witness

1) K. Hema
SE/IPC

2) M. ESHWARDAS
DE(IPC)
TSSPDCL

3) Patanjali Dixit
Sr. Manager (Commercial)
SRHQ - Hyderabad
NTPC Ltd.

Annexure A

"Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12.000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)": CPSU Scheme

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TSNPDCL WARANGAL

NTPC Ltd New Delhi

Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NTPC bank i.e. Beneficiary Bank with Address]

Date:
XX/XX/XXXX

[name of Distribution Licensee with Address]

Dear Sir(s)

Sub: Letter of Credit No. XXXXXXXXXXXXXXXXX

For INR XXXXXXXX.XX EXW favouring M/s XXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.

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NTPC Ltd. New Delhi

B1: Outgoing SWIFT 11 Header I

B2: Receiver's BIC Code

27: Sequence of Total

40A: Form of Documentary Credit : IRREVOCABLE

20: Documentary Credit Number

31C: Date of Issue

31D: Date and Place of Expiry

51D: Application Bank (Full Address)

50: Applicant [Distribution Licensee with Address]

59: Beneficiary

NTPC LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)

32B: Currency Code. Amount: ..... INR .....

41D: Available With. ..... Beneficiary Bank with Address ..... By NEGOTIATION

42C: Drafts at.....

42D: Drawee [Applicant Bank with Address]

43P: Partial Shipments : ALLOWED

43T: Transshipment : PROHIBITED

44A: Place of Taking in Charge/ Dispatch from.

NTPC LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)

44B: Place of Final Destination/ For Transport :[Name of Distribution Licensee with Address]

44C: Latest Date of Shipment .....

45A: Description of Goods and/or Services : INCOTERMS: EXW
SOLAR P PV OWER, ELECTRICAL ENERGY IN Mus BY NTPC LTD. UNDER CPSU SCHEME.

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46A: Document Required

IN THE EVENT or FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL
OR

PART THEREOF WITHIN AND INCLUDING THEDUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE
OR

INSTRUCTIONS FROM [End User], AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK(WHO HAS ISSUED THE
LETTER OF CREDIT):

I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY
SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH
AND DUE DATE FOR THE BILLING PERIOD.

II. NTPC Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee].
CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.

III. CERTIFICATE FROM THE NTPC Ltd TO THE EFFECT THAT THE BILL AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE
WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12) MONTHS.

2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS.XXX.XX CRORES AND MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.

3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY
END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NTPC LTD.

4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT

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PRIOR TO DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR SUPPLEMENTARY BILL AND SHALL NOT MAKE MORE THANONE DRAWL IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT

49: Confirmation Instructions : WITHOUT Sender to Receiver Information

72: Sender to Receiver Information

39A: Percentage Credit Amount Tolerance: 00/00

48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.

57D: "Advise through" Bank: [Beneficiary Bank with Address]

40E: Applicable Rules: UCP LATEST VERSION

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Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

NTPC Ltd
एनटीपीसी
NTPC
New Delhi

POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of 245MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW (Nokh-2)

at Nokh Solar Park, Rajasthan

CHIEF GENERAL MANAGER



తెలంగాణ TELANGANA
17856 02/12/2021
V.V. Siva Kumar
S/o: V. Thyagaraju
FOR WHOM: NTPC Ltd

AE 760853
D.V. SARAT KUMAR
LICENCED STAMP VENDOR
Lic. No: 15-11-028/2014
Ren No: 15-11-004/2022
H.No 2-22-298/C/203, Manikanta Apts,
Bhagyanagar Colony, Opp. to Prime Kukatpally,
Medchal-Malkajgiri Dist. Cell: 966 666 2490

This POWER USAGE AGREEMENT hereinafter called the "Agreement" entered into at Hyderabad on the 7th day of December Two Thousand Twenty One (07.12.2021) between **NTPC Limited**, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi –110003 (hereinafter referred to as '**NTPC**') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part:

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited, Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee' or TSDISCOMs) which expression shall, unless repugnant to the context or meaning thereof

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(PC), TSSPDCL,
Corporate Office, 6-1-50,

include its successors and Permitted Assignees as party of the Other Part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE') , on 5.03.3019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme') A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement;

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities, namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA)as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021, IREDA issued the RfS document being **RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021**for Selection of Solar Power Developers for Setting up of 5,000 MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)

(F) NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-

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IREDA/RfS/5000 MW/012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

(G) In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the enduse of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-2 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme;

(J) The Distribution Licensee is desirous of using power produced from NTPC 245 MW Nokh-2 Solar PV Station and NTPC is willing to offer the solar power from the aforesaid Solar PV Station of NTPC restricted to the end use by Government/Government Entities ,as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under and Regulations issued by the Central Electricity Regulatory

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Commission from time to time.

1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that if the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.
iv)	Billing Centre	shall mean the Office / Regional Headquarters (RHQ) as intimated by NTPC to Distribution Licensee from where the bills will be raised by NTPC;
v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.

x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NTPC, when the modules and equipment as per such capacity have been installed, connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity, CUF= (X MWh/ (Y MW*8766)) x 100%.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s)to the Distribution Licensee at the Interconnection Point/Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/Metering point/Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of billing. In case payment of bill is delayed beyond a period of 45 days from the date of billing, Late payment Surcharge shall be payable from 46th day onwards for each day of delay
xvi)	Effective Date	shall mean the date of signing of this Agreement;

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xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by PGCIL at 765/400/220 kV GSS Bhadla-II ISTS substation in Rajasthan at 220 kV voltage level, where

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SNPDCL

		usage energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/Metering/Delivery point for Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NTPC for payments due from Distribution Licensee to NTPC under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean 01.11.2023.
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 245 MW developed by NTPC at Village Nokh, Tehsil Pokran, Distt Jaisalmer State: Rajasthan
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement;

2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY

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(IPC) TSDDCL

2.1 The Installed capacity of the NTPC Nokh-2 Solar PV Station is 245 MW. The Contracted capacity of the Distribution Licensee in the NTPC Nokh-2 Solar PV Station shall be 245 MW.

2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 01.11.2023. NTPC shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.

2.3 The duration of supply of power by NTPC to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.

2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NTPC to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User for self-consumption only and no part of the energy shall be diverted or used for any other purposes.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY:

3.1 The obligation of NTPC shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NTPC.NTPC shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NTPC.

3.2 All clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU charges & losses, cross subsidy charges, RLDC and SLDC Fee, scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of the Distribution Licensee/End User, with all costs and charges being borne by the Distribution Licensee/End User. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time;

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(IPC), TSSPDCL

3.3 NTPC and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), provides for status of "must-run" to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" or any such other similar order and any clarifications or amendment thereto , NTPC shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation ,as under.

Duration of Back down	**Provision for Generation Compensation**
Hours of Back down during a monthly billing cycle.	**Minimum Generation Compensation = [(Average Generation per hour during the month) × (number of Back down hours during the month)] X PUA Usage Charges** Where, Average Generation per hour during the Month (kWh) = Total generation in the Month (kWh) ÷ Total hours of generation in the Month

Provided that no such Generation Compensation shall be claimed by NTPC where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

3.4 The maximum Annual CUF against the contracted capacity (i.e. 245 MW) is 32.97% (708.08 MUs on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.

3.5 After accounting for Deemed Generation as in Clause 3.4 above, if NTPC is unable to

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supply minimum 408.06 MUs on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC shall pay 25% of the applicable Power Usage Charges.

4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.

4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.

4.1.3 NTPC shall, operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.

4.1.4 All charges/fees related to Forecasting, Scheduling and Despatch of energy shall be borne by Distribution Licensee.

4.2 METERING

4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.

4.2.2 Main/ Check Meters shall be installed at 220 kV incoming feeder of PGCIL Bhadla-II GSS and Standby Meter at outgoing Feeder at the NTPC project site as a fall back arrangement.

4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.

4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NTPC and Distribution Licensee /End User for preparation of the Energy Account.

4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC/ Distribution Licensee shall inform each other of the same.

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4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:

- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC and Distribution Licensee/End User as per procedure laid out in CEA (Installation &Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NTPC solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project, shall be declared commissioned based on self-declaration by the NTPC, when the required modules as per the required capacity have been installed, connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 7 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid. 5.3 NTPC shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 100% of the Usage Charges.

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(IPC), TP DCL,

5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

6.1 The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.

6.2 The Usage Charges payable in terms of this Agreement to NTPC shall be the consolidated consideration for the services of NTPC for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.

6.3 NTPC shall be entitled to draw at its discretion the auxiliary power requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.

6.4 Taxes, Levies, Duties, Royalty, Cess etc.:

Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory body/Authority, shall be borne and additionally paid by the Distribution Licensee to NTPC

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from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NTPC on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NTPC shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NTPC shall include the following

i) Provisional Bill for solar power supplied in the Month;

ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s):

iii) Any other adjustments to cover changes in tariff of NTPC Power, open access related charges and any other prior-period adjustments;

iv) Late Payment Surcharge, if any; and

v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Billing Centre of NTPC shall carry out billing and associated functions. NTPC would submit the bills to the officer nominated by Distribution Licensee.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NTPC through Electronic Transfer. The date on which the amount stands credited in the bank account of NTPC shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NTPC shall be paid in full subject to the condition that:

i) there is no apparent arithmetical error in the bill(s)

ii) the bill(s) is/are claimed as per the Usage Charges

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Corporate Office, 6-1-50,

7.1.5 All payments made by Distribution Licensee, shall be appropriated by NTPC for amounts due from them in the following order of priority:

i) towards Late Payment Surcharge, payable if any;

ii) towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;

iii) towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s): and

iv) towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 95% of the disputed amount by the Due Date and file a written objection with NTPC within 30 days of presentation of the bill, giving following particulars:

i) Item disputed, with full details/data and reasons of dispute

ii) Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 **REBATE:**

For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/End User in favour of NTPC.

a) A Rebate of 1.5 % shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.

b) Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.

c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.

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7.3 **LATE PAYMENT SURCHARGE:**

7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

7.3.2 The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time:

Provided further that all Payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

Further, if the Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill, it shall be debarred from procuring power from power exchange or grant of short term open access till such bill is paid in terms of Electricity (Late Payment Surcharge) Rules, 2021and as amended from time to time.

7.4 **ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:**

7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NTPC with a public sector / scheduled commercial bank (as per list supplied by NTPC) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.

7.4.2 The LC shall cover 105% of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.

7.4.3 The LC shall be established for a minimum period of one year. The Distribution Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NTPC. The bills so presented by NTPC to the Bank shall be paid on their presentation as per form attached as Annexure B.

7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,

borne by Distribution Licensee.

7.4.5 In case of drawal of the LC amount by NTPC in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licenseeshall arrange to furnish to NTPC a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NTPC reserves the right to implement Regulation of Power Supply as per Article 7.6.

7.4.6 The Distribution Licenseeagrees to ensure that the successor entities of the Distribution Licenseeare duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.4.7 The Advisory charges during LC negotiation are to be charged to the account of end user and the documents to be presented by Distribution Licenseeshall also include a SIGHT DRAFT for 100% of invoice value.

7.5 **Collateral Arrangement - State Government Guarantee**

7.5.1 As a further support for the Distribution Licensee obligations, on or prior to the expiry of the Tripartite Agreement (TPA), the Distribution Licensee and NTPC shall execute Default Escrow Agreement (referred as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of NTPC, through which the revenues of the Distribution Licensee shall be routed and used as per the terms of the Default Escrow Agreement. The Distribution Licensee and NTPC shall contemporaneously with the execution of the Default Escrow Agreement enter into the Agreement to Hypothecate Cum Deed of Hypothecation, whereby the Distribution Licensee shall agree to hypothecate. Incremental Receivables to the extent as required for the Letter of Credit. The Default Escrow Agreement and the Agreement to Hypothecate Cum Deed of Hypothecation are collectively referred to as the "Collateral Arrangement". Provided that the Distribution Licensee shall ensure that NTPC shall have first ranking charge on the Receivables in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.

7.5.2 Distribution Licensee hereby agrees to provide an alternative payment security arrangement before expiry of the TPA or its extension either by efflux of time or otherwise on assignment of bulk purchase functions to a company not owned or controlled by Govt of Telangana in the form of Escrow Arrangement as a back up to the Letter of Credit. Under this arrangement an Escrow Account in favour of NTPC shall be

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established through which the Receivables of Distribution Licensee shall be routed as per the terms of Escrow Agreement. Distribution Licensee hereby agrees that NTPC will have first charge on Receivables of Distribution Licensee. However, such first ranking charge shall be on the amounts, in excess of amounts, which have already been charged or agreed to be charged prior to the date of the execution of this Agreement. Distribution Licensee agrees to enter into a separate 'Agreement to Hypothecate Cum Deed of Hypothecation' whereby, Distribution Licensee shall hypothecate Receivables to the extent required for Payment of dues of NTPC by Distribution Licensee including under this Agreement by creation of first charge in favour of NTPC. These Receivables shall be routed through Escrow Account for payment to NTPC in case of default in payments by Distribution Licensee. "Receivables" for this purpose shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the Distribution Licensee in respect of the sale by the Distribution Licensee to the consumers of electric capacity, energy and / or services or for any other reason whatsoever and all proceeds thereof.

7.5.3 The Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by Distribution Licensee to the satisfaction of NTPC at least three months before the expiry of the TPA or any extension thereof either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned by Govt of Telangana. In the event three months before expiry of TPA or its extension thereof, Distribution Licensee does not sign the 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' or Distribution Licensee creating any superior charge in favour of any other party on its Receivables, NTPC shall have the right to reallocate part or full contracted capacity of Distribution Licensee to Third Party(ies). In case of termination of this Agreement or reallocation of capacity due to reasons stated above, Distribution Licensee shall be liable to pay charges equivalent to average monthly billing of last twelve months for such capacity, till the capacity is reallocated.

Since the payments from Distribution Licensee are secured as per provisions of TPA, establishment of Escrow Arrangements is not being insisted upon by NTPC presently. Distribution Licensee and NTPC agree that this Agreement shall deemed to have created a legally binding first charge on Distribution Licensee, receivables in favour of NTPC.

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(PC) TSPDCL

Accordingly, Distribution Licensee shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge over the Receivables. While creating any subsequent charge on its Receivables or agreeing to provide Escrow cover or any other form of payment security to any other entities like energy supplier(s), banks, and financial institutions etc. during the interim period till signing of Escrow Agreement with NTPC, Distribution Licensee shall duly inform such energy supplier(s), banks, financial institutions etc. of the legally binding first charge on Distribution Licensee Receivables in favour of NTPC and the first charge of NTPC shall be in preference to any other charge that Distribution Licensee may create in favour of any other party.

7.5.4 Distribution Licensee agrees to ensure that the successor entities of Distribution Licensee are duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.5.5 The Default Escrow would come into operation if,

(i) The Letter of Credit is not recouped by the Distribution Licensee to its required value by the 7th day of its operation;

(ii) NTPC is unable to draw on the Letter of Credit on the Due Date, if the Distribution Licensee fails to pay by the Due Date.

(iii) Non-restoration of Escrow Arrangement by the 7th day of the Due Date.

7.5.6 In the event of the extension of Tri partite Agreement signed between Government of India (GOI), Government of Telangana and Reserve Bank of India (RBI) beyond the present validity date of TPA, it will not be mandatory for Distribution Licensee to execute the escrow arrangement till the validity of the extended Tripartite Agreement.

7.6 REGULATION OF POWER:

7.6.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NTPC or non-payment of bills beyond a period of 45 days of the billing, NTPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End User, without in any manner affecting the continued

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obligation of the Distribution Licensee to pay the Usage Changes.

7.6.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NTPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, the Distribution Licensee shall continue to be liable to pay the Usage Charges equivalent to average monthly billing of last twelve months.

8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

(i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(a) a description of the Dispute;

(b) the grounds for such Dispute; and

(c) all written material in support of its claim.

(ii) The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article (i), furnish:

(a) counter-claim and defenses, if any, regarding the Dispute; and

(b) all written material in support of its defenses and counter-claim.

(iii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or thirty (30) days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity

CHIEF GENERAL MANAGER

Regulatory Commission under section 79(1)(f) of the Electricity Act, 2003.

9.0 FORCE MAJEURE

9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after thelast date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC:

a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;

b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;

c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;

d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC;

e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.

CHIEF GENERAL MANAGER

10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NTPC or any income to the NTPC.

11.0 RELIEF FOR CHANGE IN LAW

11.1 NTPC shall be required to approach the Central Commission for seeking approval of Change in Law.

11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NTPC and the Distribution Licensee.

11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the Agreement. Notwithstanding any nomination, the Regional Executive Director (South) NTPC Ltd., as well as Executive Director (Commercial), NTPC Ltd., Core 6, VIth Floor, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC.

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13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of twenty five (25) years from the date of declaration of Commercial Operation (COD)/Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/agency(ies) is/are owned or controlled by Government of India or the State Government.

15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.

15.3 In other cases, NTPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with alternate Distribution Licensee or End User.

CHIEF GENERAL MANAGER
(IPC), TSSPDCL

15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

For and on behalf of NTPC Ltd

V V Sivakumar
GM Commercial
NTPC Limited
EOC NOIDA - 201301

Name and Designation

For and on behalf of Distribution Licensee

P. Krishnaiah
CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Witness

1) K. Hema
SE/IPC

2) M. ESHWARDOS
DE/IPC/TSSPDCL

3) Patanjali Dixit
Sr. Manager (Commercial)
SRHQ - Hyderabad
NTPC Ltd.

Annexure A

"Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12.000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)": CPSU Scheme

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

TSNPDCL
N/D
WARANGAL

NTPC Ltd
NTPC
New Delhi

Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NTPC bank i.e. Beneficiary Bank with Address]

Date:
XX/XX/XXXX

[name of Distribution Licensee with Address]

Dear Sir(s)

Sub: Letter of Credit No. XXXXXXXXXXXXXXXXX

For INR XXXXXXXX.XX EXW favouring M/s XXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

NTPC Ltd
New Delhi

B1: Outgoing SWIFT 11 Header 1

B2: Receiver's BIC Code

27: Sequence of Total

40A: Form of Documentary Credit : IRREVOCABLE

20: Documentary Credit Number

31C: Date of Issue

31D: Date and Place of Expiry

51D: Application Bank (Full Address)

50: Applicant [Distribution Licensee with Address]

59: Beneficiary

NTPC LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)

32B: Currency Code. Amount: ..... INR .....

41D: Available With. ..... Beneficiary Bank with Address ..... By NEGOTIATION

42C: Drafts at.....

42D: Drawee [Applicant Bank with Address]

43P: Partial Shipments : ALLOWED

43T: Transshipment : PROHIBITED

44A: Place of Taking in Charge/ Dispatch from.

NTPC LIMITED,
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)

44B: Place of Final Destination/ For Transport :[Name of Distribution Licensee with Address]

44C: Latest Date of Shipment .....

45A: Description of Goods and/or Services : INCOTERMS: EXW
SOLAR P PV OWER, ELECTRICAL ENERGY IN Mus BY NTPC LTD. UNDER CPSU SCHEME.

46A: Document Required

IN THE EVENT or FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL
OR

PART THEREOF WITHIN AND INCLUDING THEDUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE
OR

INSTRUCTIONS FROM [End User]. AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK(WHO HAS ISSUED THE
LETTER OF CREDIT):

I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY
SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH
AND DUE DATE FOR THE BILLING PERIOD.

II. NTPC Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee].
CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.

III. CERTIFICATE FROM THE NTPC Ltd TO THE EFFECT THAT THE BILL AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE
WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12) MONTHS.

2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS.XXX.XX CRORES AND MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.

3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY
END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NTPC LTD.

4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT

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PRIOR TO DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR SUPPLEMENTARY BILL AND SHALL NOT MAKE MORE THANONE DRAWL IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT

49: Confirmation Instructions : WITHOUT Sender to Receiver Information

72: Sender to Receiver Information

39A: Percentage Credit Amount Tolerance: 00/00

48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.

57D: "Advise through" Bank: [Beneficiary Bank with Address]

40E: Applicable Rules: UCP LATEST VERSION

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

TSNPDCL WARANGAL N/D

NTPC Ltd New Delhi

POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

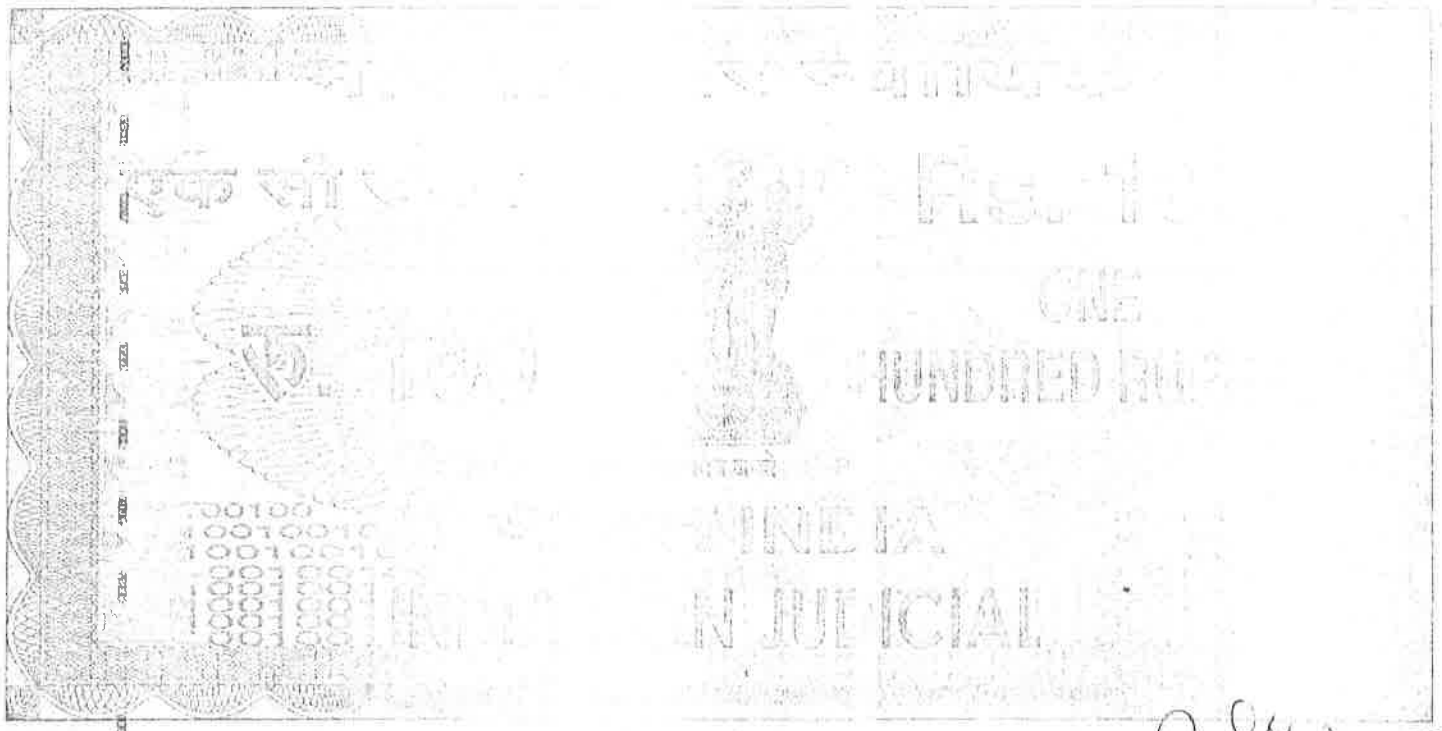
Supply of 245MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW (Nokh-3)

at Nokh Solar Park, Rajasthan

CHIEF GENERAL MANAGER
(IPC), TSSPDCL



తెలంగాణ TELANGANA
78857 03/12/2021
SOLD TO: V.V.Sivakumari
S/o.D/o.W/o: V. Tyagaraju
FOR WHOM: NTPC Ltd

AE 760854
D.V. SARAT KUMAR
LICENCED STAMP VENDOR
Lic. No: 15-11-028/2014
Ren. No: 15-11-004/2022
H.No 2-22-298/C/303, Gandhi Apts.,
Bhagyanagar Colony, Opp. Forest, Kukatpally,
Medchal-Malkajgiri Dist. Cell: 966 666 2490

This POWER USAGE **AGREEMENT** hereinafter called the "Agreement" entered into at Hyderabad on the 7th day of December Two Thousand Twenty One (07.12.2021) between **NTPC Limited**, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi –110003 (hereinafter referred to as **'NTPC'**) which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part:

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited, Companies incorporated under the Companies Act, 1956 or Companies Act, 2013, as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee' or TSDISCOMs) which expression shall, unless repugnant to the context or meaning thereof

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Corporate Office, 6-1-50,

NTPC Ltd
New Delhi

include its successors and Permitted Assignees as party of the Other Part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

(A) The Ministry of New & Renewable Energy ('MNRE') , on 5.03.3019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12.000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme') A copy of the CPSU Scheme is attached as Annexure A and may be read as an integral part of this Power Usage Agreement:

(B) The purpose of the CPSU Scheme is inter-alia, to facilitate national energy security and environmental sustainability through use of domestically manufactured solar PV cells and modules and for use of such power generated from solar energy sources by Government/ Government Entities, namely that the solar power projects shall be set up by Central Public Sector Undertaking and the end use of electricity shall also be by the Government/ Government Entities, sourced either directly or through Distribution Licensee where the end user's facilities are situated.

(C) CPSU Scheme dated 05.03.2019 provides that SECI shall handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers;

(D) Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA)as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

(E) On 29.01.2021, IREDA issued the RfS document being **RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021**for Selection of Solar Power Developers for Setting up of 5,000 MW Grid Connected Solar PV Power Projects in India (Tranche-III) under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme)

(F) NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-

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IREDA/RfS/5000 MW/012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

(G) In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the enduse of the electrical energy by the Government/Government Entities through the Distribution Licensee;

(H) NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-3 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

(I) End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme;

(J) The Distribution Licensee is desirous of using power produced from NTPC 245 MW Nokh-3 Solar PV Station and NTPC is willing to offer the solar power from the aforesaid Solar PV Station of NTPC restricted to the end use by Government/Government Entities ,as per the terms and conditions of the CPSU Scheme notified by the MNRE, Government of India as amended from time to time and as per the terms and conditions contained in this Power Usage Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1.0 DEFINITIONS

1.1 The words or expressions used in this Agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under and Regulations issued by the Central Electricity Regulatory

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Commission from time to time.

1.2 The words or expressions mentioned below shall have the meanings respectively as assigned hereunder, unless the context otherwise requires:

i)	Act	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitutions from time to time;
ii)	Agreement	shall mean this Power Usage Agreement including the Articles, Schedules, amendments, modifications and supplements made in writing by the Parties to this Agreement from time to time;
iii)	Base rate of Late Payment Surcharge	means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that if the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.
iv)	Billing Centre	shall mean the Office / Regional Headquarters (RHQ) as intimated by NTPC to Distribution Licensee from where the bills will be raised by NTPC;
v)	CEA	Central Electricity Authority;
vi)	CERC	Central Electricity Regulatory Commission;
vii)	Change in Law	shall have the meaning ascribed thereto in Article 10 of this Agreement;
viii)	Competent Court of Law	shall mean any court or tribunal or any judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;
ix)	COD/Commercial Operation Date	shall mean the date of commissioning of the last module of the Contracted Capacity of the solar PV Station. The same would be used for sole purpose of determining the life of the project.

x)	Central Transmission Utility (CTU)	shall mean the Central Transmission Utility as defined in Section 2(10) read with Section 38 of the Electricity Act 2003
xi)	Commissioning	The capacity will be considered as commissioned based on self-declaration by the NTPC, when the modules and equipment as per such capacity have been installed. connected to grid at the Interconnection Point/Metering point/Delivery Point and energy has flown into the grid;
xii)	Capacity Utilization Factor (CUF)	shall have the same meaning as provided in Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. The CUF shall be calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if 'X' MWh of energy has been metered out at the Delivery Point for 'Y' MW Project capacity. CUF= (X MWh/ (Y MW*8766)) x 100%.
xiii)	Contracted Capacity	Shall mean the capacity, as set out in Article 2.1 of this Agreement
xiv)	Delivered energy	shall mean with respect to any billing month, the kWh of electrical energy delivered from Solar PV Station(s)to the Distribution Licensee at the Interconnection Point/Metering point/Delivery Point as measured by the energy meters at the Interconnection Point/Metering point/Delivery Point for any billing month;
xv)	Due date of payment	shall mean 45 days from the date of billing. In case payment of bill is delayed beyond a period of 45 days from the date of billing. Late payment Surcharge shall be payable from 46th day onwards for each day of delay
xvi)	Effective Date	shall mean the date of signing of this Agreement;

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xvii)	End User	shall mean the Government/Government Entity to whom the electricity is made available by the Distribution Licensee for end use
xviii)	Energy Account	shall mean periodic Energy Account issued by Regional/State Load Dispatch Centre as applicable including amendments thereof;
xix)	Force Majeure	shall have the meaning ascribed thereto in Article 9 of this Agreement;
xx)	GOI	shall mean Government of India;
xxi)	Government/ Government Entities	shall mean such of the Entities which are qualified to be the End User of electricity under the CPSU Scheme.
xxii)	Distribution Licensee	shall mean such of the Entities to whom a License is given or an exemption from License is provided including Deemed Licensees in terms of the provisions of the Electricity Act, 2003.
xxiii)	Guidelines	shall mean the "Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12.000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)" issued by the Ministry of New & Renewable Energy vide No. 302/4/2017-GRID SOLAR dated 05.03.2019 including subsequent amendments and clarifications thereof;
xxiv)	IEGC and/or State Grid Code	shall mean the Grid Code specified by the Central Commission under Clause (h) of sub-section (1) of Section 79 of The Electricity Act and/or the State Grid Code as specified by the Appropriate Commission, referred under Clause (h) of sub-section (1) of section 86 of The Electricity Act 2003, as applicable including any amendments thereof;
xxv)	Interconnection Point/Metering point/Delivery Point	Interface point of Solar PV Station with the transmission system developed by PGCIL at 765/400/220 kV GSS Bhadla-II ISTS substation in Rajasthan at 220 kV voltage level, where

		usage energy meter(s) are installed;
xxvi)	LC	shall mean Irrevocable, Unconditional, Monthly Revolving Letter(s) of Credit of requisite value in terms of this Agreement by the Distribution Licensee or Government/Government Entity End User;
xxvii)	Main and Check Meter	shall mean meters for measurement and checking of import/export of energy on the Interconnection/Metering/Delivery point for Energy Accounting;
xxviii)	Monthly Bill	shall mean either a Monthly Bill /Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by NTPC for payments due from Distribution Licensee to NTPC under this Agreement.
xxix)	Module	shall mean a minimum system of Solar PV Panels, Inverters, and associated evacuation System for generation and evacuation of minimum 1 MW AC Solar power up to the Interconnection Point/Metering point/Delivery point;
xxx)	Permitted Assigns	shall have the meaning as per Article 15 of this Agreement;
xxxi)	Schedule Commissioning Date or SCD of the project	Shall mean 01.11.2023.
xxxii)	Solar PV Station	shall mean the Solar PV Power Generating Station of installed capacity of 245 MW developed by NTPC at Village Nokh, Tehsil Pokran, Distt Jaisalmer State: Rajasthan
xxxiii)	Supplementary Bill	shall have meaning as defined under Article 7.1.3
xxxiv)	Usage Charges	shall have the meaning ascribed thereto in the Article 6.0 of this Agreement;

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Mint Compound, Hyd-500 063

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2.0 CAPACITY, SCHEDULED DATE OF COMMENCEMENT AND DELIVERY

2.1 The Installed capacity of the NTPC Nokh-3 Solar PV Station is 245 MW. The Contracted capacity of the Distribution Licensee in the NTPC Nokh-3 Solar PV Station shall be 245MW.

2.2 Scheduled Date of Commencement for supply of power from the Project on regular basis shall be 01.11.2023. NTPC shall be entitled to declare commissioning and commencement of generation from part of the capacity before SCD.

2.3 The duration of supply of power by NTPC to the Distribution Licensee for usage by End User under this agreement shall be for a period of 25 years from the SCD/actual COD whichever is later of the entire Solar PV Station.

2.4 As per the provisions of the CPSU Scheme, the energy generated and made available by NTPC to the Distribution Licensee from the Solar PV Station under this Agreement shall be entirely for the use of the End User for self-consumption only and no part of the energy shall be diverted or used for any other purposes.

3.0 TRANSMISSION/WHEELING OF ELECTRICITY:

3.1 The obligation of NTPC shall be to generate and make available the energy in regard to the contracted capacity at the Interconnection Point/ Metering Point/Delivery Point. The cost of building the transmission line from Solar PV plant to Inter-connection point / Metering point/ Delivery Point shall be borne by NTPC.NTPC shall obtain necessary approval for ISTS/STU connectivity from Solar PV plant till the Interconnection Point/ Metering Point/ Delivery Point. Any cost and associated expenses of arranging the energy to be delivered at the Interconnection Point/ Metering Point/ Delivery Point shall be borne by NTPC.

3.2 All clearances, charges etc. beyond the Interconnection Point/ Metering Point/ Delivery Point up to usage point of End User (i.e. ISTS/STU charges & losses, cross subsidy charges, RLDC and SLDC Fee, scheduling, generation forecasting fee etc.) shall be entirely in the scope, responsibility and to the account of the Distribution Licensee/End User, with all costs and charges being borne by the Distribution Licensee/End User. The Distribution Licensee shall also abide by the relevant CERC/SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as applicable, amended and revised from time to time;

3.3 NTPC and the Distribution Licensee shall follow the forecasting and scheduling process as provided in the Applicable Regulations of the Appropriate Commission or the Competent Authority. The Clause 5.2(u) of the Indian Electricity Grid Code (IEGC), provides for status of "must-run" to solar power projects and accordingly, the Distribution Licensee shall be responsible to ensure and shall make arrangement for evacuation of power from Interconnection Point/ Metering Point/ Delivery Point the Delivered Energy without there being any backing down

In case of any eventuality of Backdown arises at any time after the commencement of generation, including for the reasons that the Distribution Licensee fails or is unable to maintain the LTA or there is non-dispatch of power due to non-compliance with "Order No. 23/22/2019-R&R dated 28.06.2019 of Ministry of Power regarding Opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees" or any such other similar order and any clarifications or amendment thereto , NTPC shall be entitled to be compensated by the Distribution Licensee for a Minimum Generation Compensation ,as under.

Duration of Back down	**Provision for Generation Compensation**
Hours of Back down during a monthly billing cycle.	**Minimum Generation Compensation = |(Average Generation per hour during the month) × (number of Back down hours during the month)| X PUA Usage Charges** Where, Average Generation per hour during the Month (kWh) = Total generation in the Month (kWh) ÷ Total hours of generation in the Month

Provided that no such Generation Compensation shall be claimed by NTPC where the Backdown is forced at the directions of the Load Dispatch Centre on account of events like consideration of grid security or safety of any equipment or personnel.

3.4 The maximum Annual CUF against the contracted capacity (i.e. 245 MW) is 32.97% (708.08 MUs on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.

3.5 After accounting for Deemed Generation as in Clause 3.4 above, if NTPC is unable to

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supply minimum 408.06 MUs on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC shall pay 25% of the applicable Power Usage Charges.

4.0 SCHEDULING, DESPATCH METERING AND ENERGY ACCOUNTING

4.1 SCHEDULING

4.1.1 The Scheduling and Dispatch of Energy from the Solar PV Station shall be as per the applicable Regulations and Codes notified by the Appropriate Commission.

4.1.2 The parties acknowledge, agree and confirm that the Solar PV Station shall be operated at all times as a MUST RUN Station and shall not be subjected to any backing down by the Distribution Licensee/End User.

4.1.3 NTPC shall operate the Solar PV Station as per the manufacturer's guidelines, grid operating standards and relevant statutory provisions, as applicable from time to time.

4.1.4 All charges/fees related to Forecasting, Scheduling and Despatch of energy shall be borne by Distribution Licensee.

4.2 METERING

4.2.1 A set of Main and Check Meters of 0.2S accuracy class, as per CEA (Installation & operation of meters) Regulations 2006/IEGC as applicable, shall be installed by CTU/STU at Interconnection Point/ Metering Point/ Delivery Point. A standby meter shall also be installed at Interconnection Point/ Metering Point/ Delivery Point by CTU/STU. Distribution Licensee/ End User shall make all necessary arrangements for installation of meters of required accuracy and specifications, as per prevailing Regulations.

4.2.2 Main/ Check Meters shall be installed at 220 kV incoming feeder of PGCIL Bhadla-II GSS and Standby Meter at outgoing Feeder at the NTPC project site as a fall back arrangement.

4.2.3 The Main and Check Meters shall be checked jointly at the time of installation as per the CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time.

4.2.4 Data shall be downloaded from the meters at regular intervals as per provisions of applicable regulations /decided by NTPC and Distribution Licensee /End User for preparation of the Energy Account.

4.2.5 Regular cross checking and analysis of meter readings and meter failure or discrepancies shall be reckoned as per CEA (Installation & Operation of Meters) Regulations 2006 as amended from time to time. If the Main Meter or Check Meter is found to be not working at the time of meter readings or at any other time, NTPC/ Distribution Licensee shall inform each other of the same.

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4.2.6 In case of failure of meters, energy accounting for the period shall be as per procedure laid down by CERC or as per the mutually agreed procedure. In case of absence of any such procedure, the following procedure shall be followed:

- In case of failure of Main Meter, readings of Check Meter for the corresponding period shall be considered for energy accounting.
- If both the Main and Check Meter(s) fail to record or if any of the PT fuses is blown out, energy shall be accounted based on standby meters.
- In case of dispute, resolution shall be as per provision of Article 8.

4.2.7 Periodic testing of both Main and Check Meters shall be carried out in the presence of representatives of NTPC and Distribution Licensee/End User as per procedure laid out in CEA (Installation &Operation of Meters) Regulations, 2006. For any testing and/ or replacement, notice of seven days will be given.

4.3 ENERGY ACCOUNTING

4.3.1 The scheduling and energy accounting of NTPC solar power shall be as per the provisions of the Grid Code.

4.3.2 Any change in the methodology of Energy Accounting shall be done as per mutually agreed decisions.

5.0 COMMISSIONING AND COMMERCIAL OPERATION DECLARATION OF SOLAR PV STATION OR PART CAPACITY THEREOF:

5.1 The Project, shall be declared commissioned based on self-declaration by the NTPC, when the required modules as per the required capacity have been installed, connected to the Grid and energy is injected into the Grid at the Interconnection Point/ Metering Point/ Delivery Point. The Distribution Licensee shall be intimated 7 days in advance regarding declaration of commissioning of the project.

5.2 There can be part commissioning of the project. Part commissioning of the project shall mean that all equipment corresponding to the part capacity have been installed and commissioned and energy has flown into the grid. 5.3 NTPC shall be permitted for full commissioning as well as part commissioning of the project even prior to Scheduled Commissioning Date (SCD). The Distribution Licensee shall purchase the energy from such early commissioned project/part commissioned at the 100% of the Usage Charges.

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5.4 Commercial Operation Declaration (COD) of the project shall be the date of commissioning of the last Module of the Contracted Capacity of the solar PV Station.

5.5 Dispatch

The Power User shall be required to maintain compliance to the applicable Grid Code and requirements & directions, if any, as specified by Appropriate Commission / CTU/ STU/ Discom or licensee or from any competent Authority as issued from time to time to maintain power evacuation system available.

6.0 USAGE CHARGES

6.1 The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ Rs 2.45 /kWh, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.

6.2 The Usage Charges payable in terms of this Agreement to NTPC shall be the consolidated consideration for the services of NTPC for establishing the Solar PV Station or part capacity thereof and offering the energy at the Interconnection Point/ Metering Point/ Delivery Point. All cost and expenses from and beyond the Interconnection Point/ Metering Point/ Delivery Point, shall be entirely to the account of the Distribution Licensee.

6.3 NTPC shall be entitled to draw at its discretion the auxiliary power requirements from the grid as per applicable grid code and regulations or to arrange for the same independently, through a bilateral agreement or otherwise, as the case may be.

6.4 Taxes, Levies, Duties, Royalty, Cess etc.:

Any tax/levy/duty/Royalty/Cess etc., as and when levied by any Government/Statutory

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body/Authority, shall be borne and additionally paid by the Distribution Licensee to NTPC from the effective date of such taxes, levies, duties, royalty, cess etc.

7.0 BILLING AND PAYMENT:

7.1 BILLING:

7.1.1 The Usage Charges for Energy made available in the preceding month under this Agreement shall be provisionally billed by NTPC on first day of the every month as per the Usage Charges mentioned at Article 6 above and the same shall be paid by Distribution Licensee in accordance with the following provisions:

7.1.2 NTPC shall issue the final monthly bill for Energy made available to Distribution Licensee from the Solar PV Station for the previous month, based on JMR/Energy Account issued by any Competent Authority. The Monthly Bill issued by NTPC shall include the following

i) Provisional Bill for solar power supplied in the Month;

ii) Adjustments against the Provisional Bill(s) based on Energy Accounts for Power Supplied in the preceding month(s);

iii) Any other adjustments to cover changes in tariff of NTPC Power, open access related charges and any other prior-period adjustments;

iv) Late Payment Surcharge, if any; and

v) Taxes, Duties, Levies etc. as applicable.

7.1.3 Billing Centre of NTPC shall carry out billing and associated functions. NTPC would submit the bills to the officer nominated by Distribution Licensee.

7.1.4 The Distribution Licensee shall arrange payment of such Monthly Bill/ Supplementary Bill(s) at the designated account of NTPC through Electronic Transfer. The date on which the amount stands credited in the bank account of NTPC shall be considered as the date of payment for rebate or late payment surcharge in respect of such payment. The bill(s) of NTPC shall be paid in full subject to the condition that:

i) there is no apparent arithmetical error in the bill(s)

ii) the bill(s) is/are claimed as per the Usage Charges

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7.1.5 All payments made by Distribution Licensee, shall be appropriated by NTPC for amounts due from them in the following order of priority:

i) towards Late Payment Surcharge, payable if any;

ii) towards earlier unpaid usage charges starting from the longest overdue bill (s), if any;

iii) towards the statutory dues like income tax, other tax, royalty etc. in the current bill (s); and

iv) towards the other charges in current Monthly Bill.

7.1.6 In case the Distribution Licensee disputes any amount, even then, the Distribution Licensee shall pay the entire undisputed amount and further, 95% of the disputed amount by the Due Date and file a written objection with NTPC within 30 days of presentation of the bill, giving following particulars:

i) Item disputed, with full details/data and reasons of dispute

ii) Amount disputed against each item.

Provided that non-acceptance of Usage Charges shall not be a valid ground for dispute.

7.1.7 The amount of excess/shortfall with respect to the said 95% payment based on finally determined amount in line with Article 8 shall be paid / adjusted with the applicable late payment surcharge rate from the date on which the amount in dispute was payable / refundable.

7.2 **REBATE:**

For payment of any Bill on or before Due Date, Distribution Licensee shall be allowed a rebate provided valid LC of requisite value as per Article 7.4 is established by Distribution Licensee/End User in favour of NTPC.

a) A Rebate of 1.5 % shall be payable to Distribution Licensee for the payments made within a period of five (5) days of the presentation of Bill.

b) Any payments made after five (5) days of the date of presentation of bill up to the 30th day shall be allowed a rebate of 1%.

c) No Rebate shall be payable on the Bills raised on account of Change in Law relating to taxes, duties, cess etc. and Late Payment Surcharge.

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7.3 **LATE PAYMENT SURCHARGE:**

7.3.1 Late Payment Surcharge shall be payable on the payment outstanding after the due date at the base rate of Late Payment Surcharge applicable for the period for the first month of default.

7.3.2 The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent for every month of delay provided that the Late Payment Surcharge shall not be more than 3 percent higher than the base rate at any time:

Provided further that all Payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

Further, if the Distribution Licensee has any payment including Late Payment Surcharge outstanding against a bill after the expiry of seven months from the due date of the bill, it shall be debarred from procuring power from power exchange or grant of short term open access till such bill is paid in terms of Electricity (Late Payment Surcharge) Rules, 2021and as amended from time to time.

7.4 **ESTABLISHMENT OF LETTER OF CREDIT (LC) AND PAYMENT SECURITY MECHANISM:**

7.4.1 The Distribution Licensee shall arrange and establish an irrevocable unconditional monthly revolving Letter of Credit (LC) of requisite value in favour of NTPC with a public sector / scheduled commercial bank (as per list supplied by NTPC) at least one month prior to the commencement of Energy supply from the first Module of the Solar PV Station in the format attached as Annexure B.

7.4.2 The LC shall cover 105% of the one month's billing in respect of Energy supplied from the Solar PV Station to the Distribution Licensee.

7.4.3 The LC shall be established for a minimum period of one year. The Distribution Licensee shall ensure that LC remains valid at all times during the entire/extended validity of this Agreement. LC shall be renewed not later than 90 days prior to expiry of existing LC. LC must specify the manner and dates when bill(s) can be presented to Bank by NTPC. The bills so presented by NTPC to the Bank shall be paid on their presentation as per form attached as Annexure B.

7.4.4 All costs and charges relating to opening and maintenance and negotiation of LC shall be

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borne by Distribution Licensee.

7.4.5 In case of drawal of the LC amount by NTPC in accordance with the terms of this Article, the amount of LC shall be reinstated automatically not later than 7 days from such drawal. The Distribution Licenseeshall arrange to furnish to NTPC a certificate to this effect from Bank(s) providing LC. In the event LC is not reinstated within 7 days, NTPC reserves the right to implement Regulation of Power Supply as per Article 7.6.

7.4.6 The Distribution Licenseeagrees to ensure that the successor entities of the Distribution Licenseeare duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.4.7 The Advisory charges during LC negotiation are to be charged to the account of end user and the documents to be presented by Distribution Licenseeshall also include a SIGHT DRAFT for 100% of invoice value.

7.5 **Collateral Arrangement - State Government Guarantee**

7.5.1 As a further support for the Distribution Licensee obligations, on or prior to the expiry of the Tripartite Agreement (TPA), the Distribution Licensee and NTPC shall execute Default Escrow Agreement (referred as "Default Escrow Agreement") for the establishment and operation of the Default Escrow Account in favour of NTPC, through which the revenues of the Distribution Licensee shall be routed and used as per the terms of the Default Escrow Agreement. The Distribution Licensee and NTPC shall contemporaneously with the execution of the Default Escrow Agreement enter into the Agreement to Hypothecate Cum Deed of Hypothecation, whereby the Distribution Licensee shall agree to hypothecate, Incremental Receivables to the extent as required for the Letter of Credit. The Default Escrow Agreement and the Agreement to Hypothecate Cum Deed of Hypothecation are collectively referred to as the "Collateral Arrangement". Provided that the Distribution Licensee shall ensure that NTPC shall have first ranking charge on the Receivables in accordance with the terms of the Agreement to Hypothecate Cum Deed of Hypothecation.

7.5.2 Distribution Licensee hereby agrees to provide an alternative payment security arrangement before expiry of the TPA or its extension either by efflux of time or otherwise on assignment of bulk purchase functions to a company not owned or controlled by Govt of-Telangana in the form of Escrow Arrangement as a back up to the Letter of Credit. Under this arrangement an Escrow Account in favour of NTPC shall be

CHIEF GENERAL MANAGER

established through which the Receivables of Distribution Licensee shall be routed as per the terms of Escrow Agreement. Distribution Licensee hereby agrees that NTPC will have first charge on Receivables of Distribution Licensee. However, such first ranking charge shall be on the amounts, in excess of amounts, which have already been charged or agreed to be charged prior to the date of the execution of this Agreement. Distribution Licensee agrees to enter into a separate 'Agreement to Hypothecate Cum Deed of Hypothecation' whereby, Distribution Licensee shall hypothecate Receivables to the extent required for Payment of dues of NTPC by Distribution Licensee including under this Agreement by creation of first charge in favour of NTPC. These Receivables shall be routed through Escrow Account for payment to NTPC in case of default in payments by Distribution Licensee. "Receivables" for this purpose shall mean all of the present and future receipts, obligations, monies, claims, bills and any other property whatsoever which may from time to time be derived from or accrue or be offered or due to the Distribution Licensee in respect of the sale by the Distribution Licensee to the consumers of electric capacity, energy and / or services or for any other reason whatsoever and all proceeds thereof.

7.5.3 The Escrow Agreement and Agreement to Hypothecate Cum Deed of Hypothecation shall be established by Distribution Licensee to the satisfaction of NTPC at least three months before the expiry of the TPA or any extension thereof either by efflux of time or otherwise on assignment of bulk purchase function to a company not owned by Govt of Telangana. In the event three months before expiry of TPA or its extension thereof, Distribution Licensee does not sign the 'Escrow Agreement' and 'Agreement to Hypothecate Cum Deed of Hypothecation' or Distribution Licensee creating any superior charge in favour of any other party on its Receivables, NTPC shall have the right to reallocate part or full contracted capacity of Distribution Licensee to Third Party(ies). In case of termination of this Agreement or reallocation of capacity due to reasons stated above, Distribution Licensee shall be liable to pay charges equivalent to average monthly billing of last twelve months for such capacity, till the capacity is reallocated.

Since the payments from Distribution Licensee are secured as per provisions of TPA, establishment of Escrow Arrangements is not being insisted upon by NTPC presently. Distribution Licensee and NTPC agree that this Agreement shall deemed to have created a legally binding first charge on Distribution Licensee, receivables in favour of NTPC.

CHIEF GENERAL MANAGER

Accordingly, Distribution Licensee shall not create any encumbrance, charge, and lien or otherwise execute any instrument which in any way affects the first charge over the Receivables. While creating any subsequent charge on its Receivables or agreeing to provide Escrow cover or any other form of payment security to any other entities like energy supplier(s), banks, and financial institutions etc. during the interim period till signing of Escrow Agreement with NTPC. Distribution Licensee shall duly inform such energy supplier(s), banks, financial institutions etc. of the legally binding first charge on Distribution Licensee Receivables in favour of NTPC and the first charge of NTPC shall be in preference to any other charge that Distribution Licensee may create in favour of any other party.

7.5.4 Distribution Licensee agrees to ensure that the successor entities of Distribution Licensee are duly notified of the above arrangements with NTPC and shall be bound by the terms of this Agreement as if they are parties to this Agreement.

7.5.5 The Default Escrow would come into operation if,

(i) The Letter of Credit is not recouped by the Distribution Licensee to its required value by the 7th day of its operation;

(ii) NTPC is unable to draw on the Letter of Credit on the Due Date, if the Distribution Licensee fails to pay by the Due Date.

(iii) Non-restoration of Escrow Arrangement by the 7th day of the Due Date.

7.5.6 In the event of the extension of Tri partite Agreement signed between Government of India (GOI), Government of Telangana and Reserve Bank of India (RBI) beyond the present validity date of TPA, it will not be mandatory for Distribution Licensee to execute the escrow arrangement till the validity of the extended Tripartite Agreement.

7.6 REGULATION OF POWER:

7.6.1 Notwithstanding the obligations of Distribution Licensee to pay all the dues as per this Agreement, in the event of default in opening/reinstatement of LC of requisite amount as per Article 7.4 in favour of NTPC or non-payment of bills beyond a period of 45 days of the billing, NTPC shall be entitled to treat the same as a material breach of the Agreement on the part of the Distribution Licensee and for such defaults regulate the supply of power to any other Distribution Licensee or End-User, without in any manner affecting the continued

CHIEF GENERAL MANAGER

obligation of the Distribution Licensee to pay the Usage Changes.

7.6.2 In case of default in payment of Usage Charges beyond a period of 45 (Forty-five) days of billing, if regulated, NTPC shall have the right to divert part or full allocated capacity from Solar PV Station to other Distribution Licensee or End User(s) who are qualified to take such Power under the CPSU Scheme. In case of regulation/diversion of Solar PV power, the Distribution Licensee shall continue to be liable to pay the Usage Charges equivalent to average monthly billing of last twelve months.

8 AMICABLE SETTLEMENT AND DISPUTE RESOLUTION:

8.1 Amicable Settlement

(i) Either Party is entitled to raise any claim, dispute or difference of whatever nature arising under, out of or in connection with this Agreement ("Dispute") by giving a written notice (Dispute Notice) to the other Party, which shall contain:

(a) a description of the Dispute;

(b) the grounds for such Dispute; and

(c) all written material in support of its claim.

(ii) The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article (i), furnish:

(a) counter-claim and defenses, if any, regarding the Dispute; and

(b) all written material in support of its defenses and counter-claim.

(iii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 8.1(i) if the other Party does not furnish any counter claim or defense under Article 8.1(ii) or thirty (30) days from the date of furnishing counter claims or defense by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article, the Dispute shall be referred for dispute resolution in accordance with Article 8.2.

8.2 Dispute Resolution

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above, the same shall be dealt with as per the provisions of the Electricity Act, 2003, i.e. shall be adjudicated by the Central Electricity

CHIEF GENERAL MANAGER

Regulatory Commission under section 79(1)(f) of the Electricity Act, 2003.

9.0 FORCE MAJEURE

9.1 Neither party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to Force Majeure Events such as war, rebellion, mutiny, civil commotion, riot, forces of nature, accident, act of God or terrorism or any other reason beyond the control of concerned party. Any party claiming the benefit of this clause shall reasonably satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Generation/ Usage of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

10 CHANGE IN LAW

10.1 "Change in Law" shall mean the occurrence of any of the following events after thelast date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC:

a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;

b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law;

c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier;

d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC;

e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.

CHIEF GENERAL MANAGER

10.2 Further, "Change in Law" shall also mean any statutory change in tax structure or introduction of any new tax made applicable for setting up of Solar Power Project and generation of energy including change in any additional duties under Customs like Anti-Dumping Duty, Countervailing duty on subsidised articles, Safeguard duty etc. and any other taxes including GST, levies, cess etc. applicable on such additional duties resulting into any additional recurring/non-recurring expenditure by the NTPC or any income to the NTPC.

11.0 RELIEF FOR CHANGE IN LAW

11.1 NTPC shall be required to approach the Central Commission for seeking approval of Change in Law.

11.2 The decision of the Central Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on NTPC and the Distribution Licensee.

11.3 While determining the consequence of Change in Law under Article 11, the Parties shall have due regard to the principle that the purpose of compensating the Party affected by such Change in Law, is to restore through Monthly Usage Charge payments, to the extent contemplated in this Article 11, the affected Party to the same economic position as if such Change in Law has not occurred.

12.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) shall be informed likewise in writing to/by Distribution Licensee within one month of signing of the Agreement. Notwithstanding any nomination, the Regional Executive Director (South) NTPC Ltd., as well as Executive Director (Commercial), NTPC Ltd., Core 6, VIth Floor, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003 or their authorised representative(s) at its Registered Office first above mentioned shall be authorised to act severally for and on behalf of NTPC.

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,

13.0 NOTICE:

All notices required or referred to under this Agreement shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail/speed post of Department of Posts with an acknowledgement due to the other parties in terms of implementation of the agreement at Article 12 above.

14.0 EFFECTIVE DATE AND DURATION OF AGREEMENT:

The agreement shall come into effect for all purposes and intent from the date of signing of this Agreement. This agreement shall remain operative up to completion of twenty five (25) years from the date of declaration of Commercial Operation (COD)/Schedule Commissioning Date whichever is later of the Solar PV Station and may be extended on mutually agreed terms for further period or periods.

15.0 SUCCESSORS AND PERMITTED ASSIGNS:

15.1 In case the functions of Distribution Licensee are reorganised and/or this Agreement is assigned to other organisation(s)/ agency(ies), partly or wholly, the Agreement shall be binding mutatis mutandis upon the successor entities and shall continue to remain valid with respect to the obligations of the successor organisation(s)/agency(ies)/entities provided that the successor Administrators/organisation(s)/agency(ies) is/are owned or controlled by Government of India or the State Government.

15.2 If the successor entity is owned and controlled by GoI or any State Government such successor entity(ies) who fulfil the initial requirements as defined in aforesaid CPSU Scheme and execute the requisite documents shall be termed as the permitted assigns.

15.3 In other cases, NTPC shall have the right to terminate this Agreement. In the event of termination of this Agreement, Distribution Licensee shall be liable and continue to pay Usage Charges equivalent to average monthly billing of last twelve months till firm arrangement for transfer of title of power from Solar PV Station is tied up firmly with alternate Distribution Licensee or End User.

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,

15.4 The Distribution Licensee shall be responsible to ensure due fulfillment of the obligations by the End User in terms of this Agreement or under the CPSU Scheme.

IN WITNESS WHEREOF the parties have executed these presents through their Authorised Representatives on the date mentioned above.

For and on behalf of NTPC Ltd

Name and Designation

VV Sivakumar
GM Commercial
NTPC Limited
EOC NOIDA - 201301

Witness

(1) K. Hema
SE/IPC

2) M. ESHWARDAS
DE/IPC/TSSPDCL

3) Patanjali Dixit
Sr. Manager (Commercial)
SRHQ - Hyderabad
NTPC Ltd.

For and on behalf of Distribution Licensee

Name and Designation

P. Krishnaiah
CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyderabad - 500 063

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Annexure B

Payment Security Mechanism: Letter of Credit

Distribution Licensee has to furnish Letter of Credit in the following Format.

LC FORMAT

[End User i.e. Applicant Bank with Address]

TEL NO:
FAX
SWIFT NO:
CODE:
PIN CODE:

[NTPC bank i.e. Beneficiary Bank with Address]

Date:
XX/XX/XXXX

[name of Distribution Licensee with Address]

Dear Sir(s)

Sub: Letter of Credit No. XXXXXXXXXXXXXXXXX

For INR XXXXXXXX.XX EXW favouring M/s XXXXXXXXXX [End User with Address]

We have arranged to establish the above Credit with [End User with Address] today.

We enclose a copy of the above Credit. Please ensure that the credit has been established in conformity with your instructions. If any errors or omissions are found therein, please note to advise us immediately to enable us to issue necessary advice.

Yours Faithfully,

Authorized Signatory.

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,

TSNPDCL WARANGAL

NTPC Ltd New Delhi

Annexure A

"Central Public Sector Undertaking (CPSU)Scheme Phase-II (Government Producer Scheme) for setting up 12.000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)": CPSU Scheme

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

TSNPDCL
N/D
WARANGAL

NTPC Ltd
New Delhi

B1: Outgoing SWIFT 11 Header 1

B2: Receiver's BIC Code

27: Sequence of Total

40A: Form of Documentary Credit : IRREVOCABLE

20: Documentary Credit Number

31C: Date of Issue

31D: Date and Place of Expiry

51D: Application Bank (Full Address)

50: Applicant [Distribution Licensee with Address]

59: Beneficiary

NTPC LIMITED.
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)

32B: Currency Code, Amount: ..... INR .....

41D: Available With. ..... Beneficiary Bank with Address ..... By NEGOTIATION

42C: Drafts at.....

42D: Drawee [Applicant Bank with Address]

43P: Partial Shipments : ALLOWED

43T: Transshipment : PROHIBITED

44A: Place of Taking in Charge/ Dispatch from.

NTPC LIMITED.
NTPC BHAWAN, SCOPE COMPLEX,
7 INSTITUTIONAL AREA,
LODHI ROAD, NEW DELHI-110 003 (INDIA)

44B: Place of Final Destination/ For Transport :[Name of Distribution Licensee with Address]

44C: Latest Date of Shipment .....

45A: Description of Goods and/or Services : INCOTERMS: EXW
SOLAR P PV OWER. ELECTRICAL ENERGY IN Mus BY NTPC LTD. UNDER CPSU SCHEME.

(IPC) ... DGL

NTPC Ltd

46A: Document Required

IN THE EVENT or FAILURE ON THE PART OF [Distribution Licensee] TO PAY A MONTHLY BILL OR SUPPLEMENTARY BILL
OR

PART THEREOF WITHIN AND INCLUDING THEDUE DATE, BENEFICIARY MAY DRAW UPON THE LETTER OF CREDIT AND ACCORDINGLY, THE BANK SHALL PAY WITHOUT ANY REFERENCE
OR

INSTRUCTIONS FROM [End User], AN AMOUNT EQUAL TO SUCH MONTHLY BILL OR

SUPPLEMENTARY BILL OR PART THEREOF, ON PRESENTATION THE FOLLOWING DOCUMENTS TO THE SCHEDULED BANK(WHO HAS ISSUED THE
LETTER OF CREDIT):

I. THREE (3 COPIES) OF SIGNED DETAILED COMMERCIAL INVOICE CLEARLY
SPECIFYING THE RATES, QUANTITY IN KWH SUPPLIED DURING THE MONTH
AND DUE DATE FOR THE BILLING PERIOD.

II. NTPC Certificate REGARDING POWER SUPPLIED TO [Distribution Licensee].
CERTIFICATE REGARDING NON-PAYMENT OF BILL BY [Distribution Licensee] BEYOND DUE DATE.

III. CERTIFICATE FROM THE NTPC Ltd TO THE EFFECT THAT THE BILL AT ITEM (A) ABOVE OR SPECIFIED PART THEREOF, IS IN ACCORDANCE
WITH THE AGREEMENT.

47A: Additional Conditions:

1. THE SAID LETTER OF CREDIT SHALL HAVE A TERM OF TWELVE (12) MONTHS.

2. THE LC AMOUNT SHALL BE INDIAN RUPEES RS.XXX.XX CRORES AND MAXIMUM REVOLVING SHALL BE LIMITED TO RS. XXX.XX CRORES. THE AMOUNT NEGOTIATED UNDER THIS SBLC WILL BE REINSTATED TO ITS ORIGINAL VALUE UPON FUNDING OR PRIOR WITHDRAWALS BY THE COMPANY, [Distribution Licensee] IF ANY.

3. ALL COSTS RELATING TO APPLICANT BANK CHARGES TO BE BORNE BY
END USER AND BENEFICIARY BANK CHARGES TO BE BORNE BY NTPC LTD.

4. BENEFICIARY SHALL NOT DRAW UPON SUCH LETTER OF CREDIT

CHIEF GENERAL MANAGER
(IPC), TSSPDCL

PRIOR TO DUE DATE OF THE RELEVANT MONTHLY BILLS, AND/OR SUPPLEMENTARY BILL AND SHALL NOT MAKE MORE THANONE DRAWL IN A MONTH.

5. ALL DOCUMENTS MUST BEAR LC NO. AND DATE.

71B: Charges: ALL YOUR BANKING CHARGES TO APPLICANT'S ACCOUNT

49: Confirmation Instructions : WITHOUT Sender to Receiver Information

72: Sender to Receiver Information

39A: Percentage Credit Amount Tolerance: 00/00

48: Period for Presentation: AFTER 45 DAYS FROM THE DATE OF INVOICE.

57D: "Advise through" Bank: [Beneficiary Bank with Address]

40E: Applicable Rules: UCP LATEST VERSION

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

NTPC Ltd New Delhi

SUPPLEMENTARY POWER USAGE AGREEMENT

(AMENDMENT NO. 1)

FOR

POWER USAGE AGREEMENT

BETWEEN

NTPC RENEWABLE ENERGY LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of additional 45 MW Solar Power

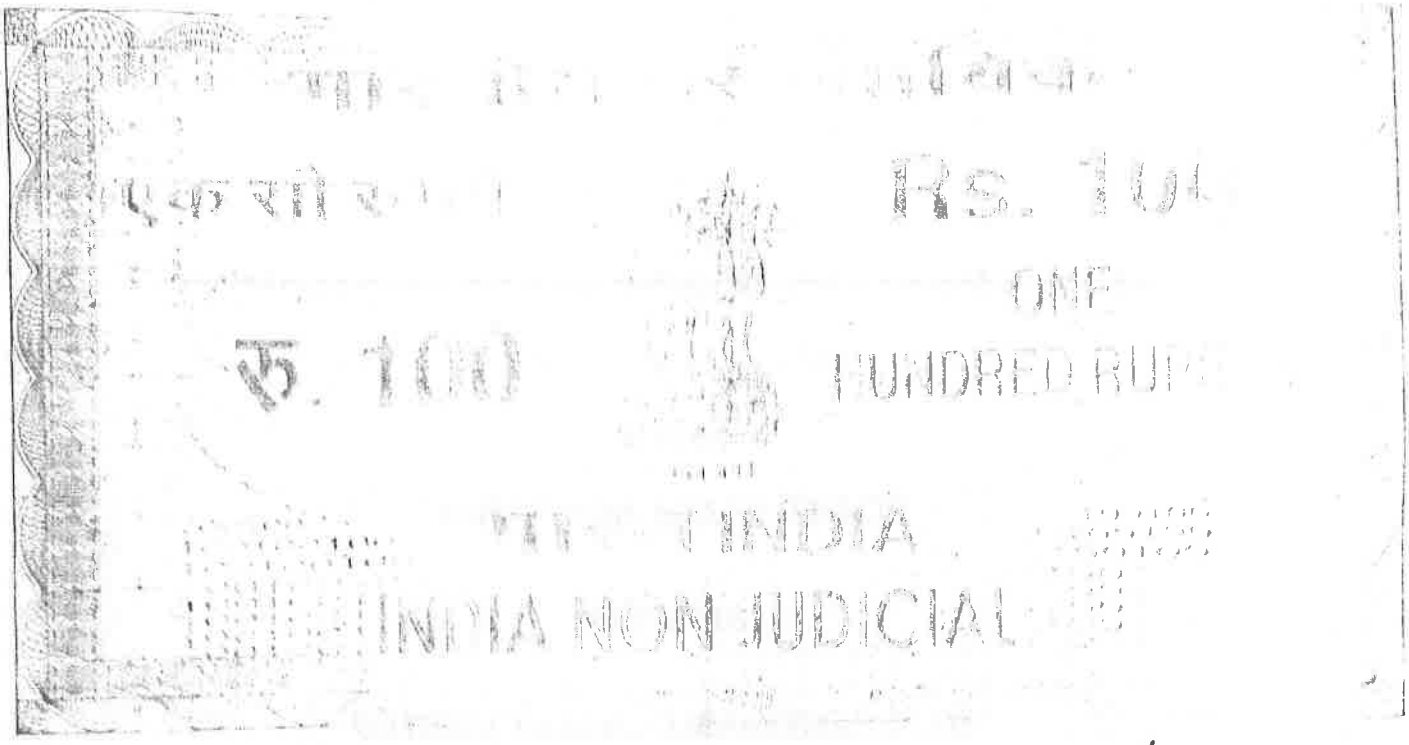
From

NTPC SOLAR PV STATION OF 310 MW

at Khavda, Kutch, Gujarat

बालाजी मालेपाटी/BALAJI MALEPATI
उप महाप्रबन्धक (व्यापार विकास)
Dy General Manager (Business Development)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TSSPDCL,
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063



తెలంగాణ తెలంగాణా TELANGANA

Sl.No. 4512 Date 12/05/2022 Rs. 100/-

Sold to Kalyani Boreddy S/o K.V. Chandra Rao, R/o Hyd

For Whom M/s N.T.P.C. Ltd

K. CHALAPATHI RA
LICENSED STAMP VENDO
LIC NO [illegible] of 201
Ren No [illegible]/2020
Area [illegible] HYD
PH: [illegible]

This Supplemental Agreement to the Power Usage Agreement signed between NTPC Renewable Energy Ltd and Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited having effective date of 07.12.2021 is signed on 13.05.2022 at Hyderabad

Between

between **NTPC Renewable Energy Limited**, a wholly owned subsidiary of NTPC Limited and a Company incorporated under the companies Act, 2013 having its registered office at NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi –110 South Delhi, Delhi, India 110003 (hereinafter called 'NTPC REL') which expression shall unless repugnant to the context or meaning thereof include its successors and assigns as party of the one part;

And

Southern Power Distribution Company of Telangana & Northern Power Distribution Company of Telangana Limited Companies incorporated under the Companies Act, 1956 or

बालाजी मालेपाटी/BALAJI MALEPATI
उप महाप्रबन्धक (व्यापार विकास)
Dy General Manager (Business Development)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड

CHIEF GENERAL MANAGER

Companies Act, 2013 as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee') which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the other part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS:

A. The Ministry of New & Renewable Energy ('MNRE') , on 5.03.3019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme');

B. Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE.;

C. NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

D. In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

E. NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being

बालाजी मालेपाटी/BALAJI MALEPATI

CHIEF GENERAL MANAGER

owned and controlled by the Central Government. Further, as per the provisions of the RfS, the 310 MW Solar Photovoltaic Power Project named as Khavda Solar PV Station at Kutch, Gujarat (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC REL, a wholly owned subsidiary of NTPC Limited

F. End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSE Scheme

G. AND WHEREAS NTPC REL has signed Power Usage Agreement with Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited on 07.12.2021 for supply of 265 MW power from NTPC SOLAR PV STATION OF 310 MW Khavda Solar PV Station at Khavda, Kutch, Gujarat .

H. AND WHEREAS vide its letter dated 15.03.2022 Telangana has conveyed its consent for usage of balance 45 MW power from aforesaid Khavda Solar PV Station of 310 MW at Khavda, Kutch, Gujarat.

I. AND WHEREAS parties agree that remaining 45 MW of Solar PV power from NTPC REL 310 MW Khavda Solar PV Station shall also be allocated to Telangana Discoms making full allocation of 310 MW from the aforesaid Solar PV Station to Telangana Discoms.

NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN; IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

Article	Existing Provision	Revised Provision
2.1.	The Installed capacity of the NTPC REL Khavda Solar PV Station is 310 MW. The Contracted capacity of the Distribution Licensee in the NTPC REL Khavda Solar PV Station shall be 265 MW.	The Installed capacity of the NTPC REL Khavda Solar PV Station is 310 MW. The Contracted capacity of the Distribution Licensee in the NTPC REL Khavda Solar PV Station shall be 310 MW.

बालाजी मालेपाटी/BALAJI MALEPATI

3.4	The maximum Annual CUF against the contracted capacity (i.e.265MW) is 33.32% (774.02 MU on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.	The maximum Annual CUF against the contracted capacity (i.e. 310 MW) is 33.32% (905.46 MU on Annual Basis) provisionally for the first year, subject to revision after one year of operation. The excess generation above the maximum Annual CUF shall be transferred to End User at 75% of the applicable Power Usage Charges.
3.5	After accounting for Deemed Generation as in Clause 3.4 above, if NTPC REL is unable to supply minimum 441.36 MU on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC REL shall pay 25% of the applicable Power Usage Charges.	After accounting for Deemed Generation as in Clause 3.4 above, if NTPC REL is unable to supply minimum 516.31 MU on Annual basis (i.e. 19% Annual CUF), for the shortfall in energy, NTPC REL shall pay 25% of the applicable Power Usage Charges.

Except the aforesaid amendment, the Parties acknowledge and confirm that all other terms and conditions contained in the Power Usages Agreement dated 07.12.2021 shall continue to apply as before. IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of NTPC REL

बालाजी मालेपाटी/BALAJI MALEPATI
उप महाप्रबन्धक (व्यापार विकास)
Dy. General Manager (Business Development)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited

Name and Designation

For and on behalf of Distribution Licensee

CHIEF GENERAL MANAGER
(IPC), TSSPDCL
Corporate Office, 6-1-50,
Mint Compound, Hyd-500 063

Name and Designation

Witness

1) B U Shanthi Sekhar
(TSTRANSCO & TSPCC)

SUPPLEMENTARY POWER USAGE AGREEMENT

(AMENDMENT NO. 1)

FOR

POWER USAGE AGREEMENT

BETWEEN

NTPC LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

For

Supply of 245 MW Solar Power

From

NTPC SOLAR PV STATION OF 245 MW

at Nokh Solar Park, Rajasthan

NTPC Limited
Secunderabad
Pin-500 080
A Govt. of India Enterprise

CHIEF GENERAL MANAGER

TSNPDCL
WARANGAL

తెలంగాణ तेलंगाना TELANGANA

AT 379086

Sl.No. 984 **Dt:27-01-2023**

Sold to: JITENDER MALHOTRA

S/o. JAGDISH CHANDRADER MALHOTRA

For Whom: NTPC LIMITED

K.SATISH KUMAR
LICENSED STAMP VENDOR
LIC No.16-05-059/2012,
R.No.16-05-029/2021
Plot No.227, Opp.Back Gate of City Civil Court,
West Marredpally, Sec'bad.

This Supplemental Agreement to the Power Usage Agreement signed between NTPC Ltd and Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited having effective date of 07.12.2021 is signed on the Seventeenth day of March Two Thousand Twenty- Three (17.03.2023) at Hyderabad

Between

NTPC Limited, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi -110003 (hereinafter referred to as '**NTPC**') which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

CHIEF GENERAL MANAGER

And

Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited Companies incorporated under the Companies Act, 1956 or Companies Act, 2013 as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee') which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the other part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS:

A. The Ministry of New & Renewable Energy ('MNRE') , on 5.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme');

B. Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE;

C. NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

D. In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for

NTPC Limited Secunderabad Pin-500 049 Govt of India Enterprise

CHIEF GENERAL MANAGER (PC)

TSNPDCL WARANGAL

development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

E. NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 245 MW Solar Photovoltaic Power Project named as NTPC Nokh-3 Solar PV Station at Village Nokh, Tehsil Pokran, District Jaisalmer, Rajasthan (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC;

F. End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme.

G. AND WHEREAS NTPC has signed Power Usage Agreement with Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited on 07.12.2021 for supply of 245 MW power from NTPC SOLAR PV STATION OF 245 MW Nokh-3 Solar PV Station at Nokh, Jaisalmer, Rajasthan.

H. AND WHEREAS MoF vide notification No. 8/2021-Integrated Tax (Rate) dated 30.09.2021 has increased the GST for renewable energy devices and parts to 12% from earlier rate of 5% which shall qualify under change in law clause of the signed PUA.

I. AND WHEREAS MNRE vide its letter ref. No. 283/11/2017-GRID SOLAR dated 16.09.2022 has communicated to IREDA that considering change in GST rate as 'Change in Law' the maximum usage charges, which was Rs. 2.45/kWh is hereby increased to Rs. 2.57/kWh.

J. AND WHEREAS IREDA through e-mail dated 07.10.2022 has communicated to NTPC that to give effect the MoF notification dated 30.09.2021 regarding the change in GST rate as "Change in Law", the maximum usage charge has been revised to the INR 2.57 for Tranche-III of the CPSU Scheme phase-II.

NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN; IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

Clause	Existing Provision	Revised provision
6.1	The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ **Rs 2.45 /kWh,** which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in	The Usage Charges for the power made available by NTPC from Solar PV Station shall be payable by Distribution Licensee@ **Rs 2.57 /kWh,** which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined in accordance with CPSU Scheme of

NTPC Limited Secunderabad Pin 500 060

CHIEF GENERAL MANAGER (BPC)

TSNPDCL WARANGAL

	accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.	the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.
10.1	"Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC: a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law; b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such	"Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC. **However, any additional recurring/ non-recurring expenditure by the NTPC or any income to the NTPC on account of MoF notification No. 8/2021-Integrated Tax (Rate) dated 30.09.2021 wherein GST for renewable energy devices and parts has raised to 12% from earlier rate of 5% shall not be considered as Change in Law.** a. the enactment, coming into effect, adoption, promulgation, amendment,

CHIEF GENERAL MANAGER

	Law, or any Competent Court of Law; c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier; d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC; e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.	modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law; b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law; c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier; d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC; e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new

NTPC Limited * Accumulated Turnover Rs.500 Bn+ * A Govt. of India Enterprise

CHIEF GENERAL MANAGER (IPC), Corporate Centre, Mint Compound, New Delhi-110001

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		tax made applicable for setting up of Solar Power Project and supply of power by the NTPC to the Distribution Licensee.

Except the aforesaid amendment, the Parties acknowledge and confirm that all other terms and conditions contained in the Power Usages Agreement dated 07.12.2021 shall continue to apply as before. IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

For and on behalf of NTPC

Name and Designation

रोहित छाबड़ा
ROHIT CHHABRA
महाप्रबंधक (वाणिज्यिक)
General Manager (Commercial)
एन टी पी सी लिमिटेड, द.क्षे.मु. कवाडीगुडा, सिकंदराबाद-८०
NTPC Limited SRHQ, Kavadiguda, Secunderabad - 80.

For and on behalf of Distribution Licensee

Name and Designation

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Witness

1. B.V Shanthi Sree
ED/Comml, TSPCC

2. Kalyani
(Kalyani Kimidi)
DGM (Comml.), SRHQ
NTPC Ltd.

SUPPLEMENTARY POWER USAGE AGREEMENT

(AMENDMENT NO. 2)

FOR

POWER USAGE AGREEMENT

BETWEEN

NTPC Renewable Energy LIMITED

AND

Southern Power Distribution Company of Telangana Limited

&

Northern Power Distribution Company of Telangana Limited

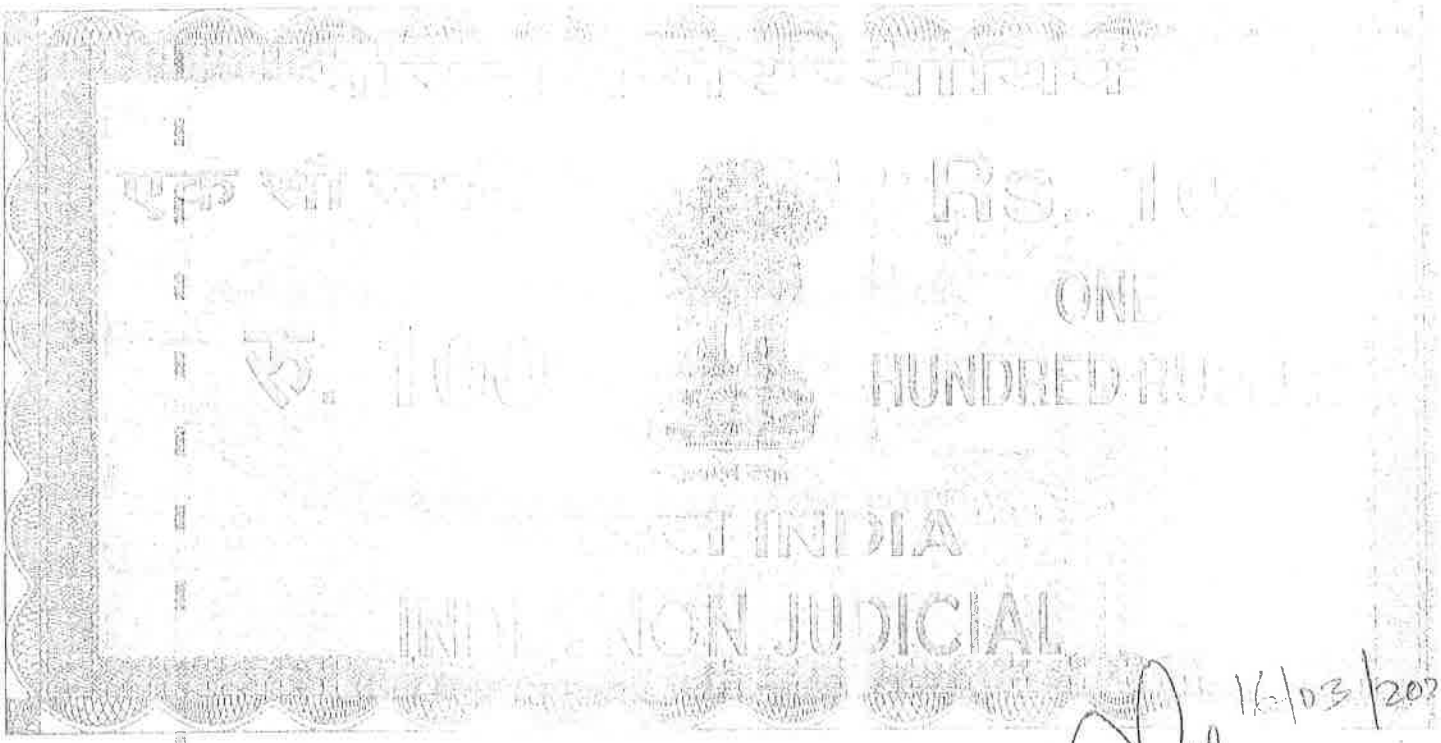
For

Supply of 310 MW Solar Power

From

NTPC Renewable Energy LIMITED SOLAR PV STATION OF 310 MW at Khavda, Kutch, Gujarat

CHIEF GENERAL MANAGER
(IPC)
Corporate
Mini Complex



16/03/202

AT 801743

తెలంగాణ तेलंगाना TELANGANA

Sl.No. 2779 **Dt:16-03-2023**

Sold to: RAJIV KUMAR

S/o.SHRI PRAKASH CHANDRA GUPTA

For Whom: NTPC RENEWABLE ENERGY LTD.

K.SATISH KUMAR
LICENSED STAMP VENDOR
LIC No.16-05-059/2012,
R.No.16-05-029/2021
Plot No.227, Opp.Back Gate of City Civil Court,
West Marredpally, Sec'bad.

This Supplemental Agreement to the Power Usage Agreement signed between NTPC REL and Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited having effective date of 07.12.2021 is signed on the Seventeenth day of March Two Thousand Twenty-Three (17.03.2023) at Hyderabad

Between

NTPC Renewable Energy Limited, a wholly owned subsidiary of NTPC Limited, a Government of India Undertaking and a Company incorporated under the Companies Act, 1956 having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi –110003 (hereinafter referred to as '**NTPC REL**')

Raju Kumar

NTPC Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC) TSSPDCL
Corporate Office
Mint Compound, Hyderabad-063

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which expression shall, unless repugnant to the context or meaning thereof include its successors and Permitted Assignees as party of the One Part;

And

Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited Companies incorporated under the Companies Act, 1956 or Companies Act, 2013 as the case may be, having its Head Office at Hyderabad & Warangal and being a Licensee under the Electricity Act, 2003 (hereinafter referred to as 'Distribution Licensee') which expression shall unless repugnant to the context or meaning thereof include its successors and Permitted Assigns as party of the other part.

Each of the parties of the first and second above is individually referred to as a "Party" and collectively as the "Parties".

WHEREAS:

A. The Ministry of New & Renewable Energy ('MNRE') , on 05.03.2019, has issued the "Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/Government entities, either directly or through Distribution Companies (DISCOMS)", as amended from time to time (hereinafter referred to as 'CPSU Scheme');

B. Ministry of New and Renewable Energy (MNRE), Government of India vide Office Memorandum dated 13.04.2020 has identified Indian Renewable Energy Development Agency Ltd., (IREDA) as the Nodal Agency for handling the CPSU Scheme on behalf of MNRE;

C. NTPC Limited has been declared as a successful bidder under the RfS No 23016/1/2020-IREDA/RfS/5000 MW/ 012021 dated 29.01.2021 issued by IREDA for development of 1990 MW Solar Photovoltaic Power Project.

NTPC Renewable Energy Limited

CHIEF GENERAL MANAGER

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D. In pursuance to the above, IREDA has issued the Letter of Award [LoA No 23016/1/2020-IREDA/RfS/5000 MW/012021/960] dated 04.10.2021 to NTPC for development of a Solar PV Power Project of 1990 MW and to make available the quantum of electricity for the end use of the electrical energy by the Government/Government Entities through the Distribution Licensee;

E. NTPC is a Government Producer within the scope of the CPSU Scheme being a Generating Company within the meaning of Section 2(28) of the Electricity Act, 2003 and a Government of India Enterprise, with more than 50% of its shareholding being owned and controlled by the Central Government. Further as per the provisions of the Rfs 310 MW Solar Photovoltaic Power Project named as NTPC REL Solar PV Station 310 MW at Khavda, District Kutch, Gujarat (herein after referred to as 'Solar PV Station' and generally referred to as 'Station') is being executed by NTPC REL;

F. End User is also an entity owned and controlled by Government of Telangana and qualifies under CPSU Scheme.

G. AND WHEREAS NTPC REL has signed Power Usage Agreement with Southern Power Distribution Company of Telangana Limited & Northern Power Distribution Company of Telangana Limited on 07.12.2021 read with supplementary Power Usage Agreement dated 13.05.2022 for supply of 310 MW power from NTPC REL SOLAR PV STATION OF 310 MW at Khavda, Kutch, Gujarat.

H. AND WHEREAS MoF vide notification No. 8/2021-Integrated Tax (Rate) dated 30.09.2021 has increased the GST for renewable energy devices and parts to 12% from earlier rate of 5% which shall qualify under change in law clause of the signed PUA.

I. AND WHEREAS MNRE vide its letter ref. No. 283/11/2017-GRID SOLAR dated 16.09.2022 has communicated to IREDA that considering change in GST rate as 'Change in Law' the maximum usage charges, which was Rs. 2.45/kWh is hereby increased to Rs. 2.57/kWh.

Rajiv Kumar

NTPC Renewable Energy Limited

CHIEF GEN... ...GER
(IPC)
Corp...
Mint Compound, ...

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J. AND WHEREAS IREDA through e-mail dated 07.10.2022 has communicated to NTPC that to give effect the MoF notification dated 30.09.2021 regarding the change in GST rate as "Change in Law", the maximum usage charge has been revised to the INR 2.57 for Tranche-III of the CPSU Scheme phase-II.

NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN; IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

Clause	Existing Provision	Revised provision
6.1	The Usage Charges for the power made available by NTPC REL from Solar PV Station shall be payable by Distribution Licensee@ **Rs 2.45 /kWh**, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage	The Usage Charges for the power made available by NTPC REL from Solar PV Station shall be payable by Distribution Licensee@ **Rs 2.57 /kWh**, which shall be exclusive of any other third-party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharges, SLDC/RLDC charges etc. as may be applicable. The Usage Charges for contracted capacity shall be payable from the date of commissioning of the project or the part capacity as the case may be. The parties acknowledge and accept that Usage Charges has been determined

NTPC Renewable Energy Limited

CHIEF GENERAL MANAGER
(IPC), TS
Corporate Centre, NTPC
Mint Compound, New Delhi-110 003

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	Charges has been determined in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.	in accordance with CPSU Scheme of the Government of India to assist the development of solar projects and usage of the energy generated by the Government/Government Entities, with Government of India providing VGF support.
10.1	"Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC REL or any income to the NTPC REL: a. the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law; b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal	"Change in Law" shall mean the occurrence of any of the following events after the last date of bid submission (i.e. 31.08.2021), resulting into any additional recurring/ non-recurring expenditure by the NTPC REL or any income to the NTPC REL. **However, any additional recurring/ non-recurring expenditure by the NTPC REL or any income to the NTPC REL on account of MoF notification No. 8/2021-Integrated Tax (Rate) dated 30.09.2021 wherein GST for renewable energy devices and parts has raised to 12% from earlier rate of 5% shall not be considered as Change in Law.** a. the enactment, coming into effect,

NTPC Renewable Energy Limited Greater Noida

CHIEF GENERAL MANAGER (IPC, I...)

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	power to interpret or apply such Law, or any Competent Court of Law; c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier; d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC REL; e. any statutory change in tax structure or any change in the rates of any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC REL to the Distribution Licensee.	adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law; b. a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to interpret or apply such Law, or any Competent Court of Law; c. the imposition of a requirement for obtaining any Consents, Clearances, Permits and/or licenses which was not required earlier; d. a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the NTPC REL; e. any statutory change in tax structure or any change in the rates of

NTPC Renewable Energy Limited ★ Greater Noida

CHIEF GENERAL MANAGER (IPC), NTPC
Corporate Office, Mint Compound, Hyderabad-500 063

		any taxes or introduction of any new tax made applicable for setting up of Solar Power Project and supply of power by the NTPC REL to the Distribution Licensee.

Except the aforesaid amendment, the Parties acknowledge and confirm that all other terms and conditions contained in the Power Usages Agreement dated 07.12.2021 and supplementary Power Usage Agreement dated 13.05.2022 shall continue to apply as before. IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed through their duly authorized representatives as of the date and place set forth above.

Rajiv Kumar

For and on behalf of NTPC REL

राजीव कुमार/RAJIV KUMAR
उप महाप्रबंधक (वाणिज्यिक)
Dy. General Manager (Commercial)
एन.टी.पी.सी. नवीकरणीय ऊर्जा लिमिटेड
NTPC Renewable Energy Limited
E-3, Ecotech-II, Udyog Vihar, Greater Noida-201306 (UP)

Name and Designation

For and on behalf of Distribution Licensee

CHIEF GEN... ...AGER
IPC...
Name and Designation
Mint Compound, ...

T. Madhusudhan.,
Chief General Manager,
IPC & RAC, TSNPDCL,
Warangal

Witness

1. B.V. Shanthi Latha
ED/Comml, TSPCC

2. Kalyani Kimidi
DGM (Comml.) SR HQ
NTPC Ltd.