

GREEN AMMONIA SALE AGREEMENT
FOR
SALE OF GREEN AMMONIA ON LONG TERM BASIS

Between

Solar Energy Corporation of India Limited

And

_____ **[Enter name of the Procurer]**

This Green Ammonia Sale Agreement is made on the day of of 2024 at,

Between

Solar Energy Corporation of India Limited, a company incorporated under the Companies Act 2013, 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”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assignees) as a Party of the first part.

And

[Enter name of the Procurer], a company incorporated under the Companies Act 2013, having its registered office at (hereinafter referred to as “**Procurer**” 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.

SECI and Procurer are individually referred to as ‘Party’ and collectively referred to as ‘Parties’

WHEREAS:

- A. The Union Cabinet has approved the National Green Hydrogen Mission with an outlay of Rs. 19,744 Crore up to 2029-30. The Strategic Interventions for Green Hydrogen Transition (SIGHT) program is a major financial measure under the mission, with an outlay of Rs. 17,490 Crore.
- B. The Ministry of New and Renewable Energy, Government of India has issued the Scheme Guidelines for implementation of Strategic Interventions for Green Hydrogen Transition (SIGHT) Programme – Component II: Incentive for Procurement of Green Ammonia Production (under Mode-2A) of the National Green Hydrogen Mission vide OM No. 353/2/2024-NT dated 16.01.2024 and Model Bidding Guidelines for procurement of Green Ammonia (GA) dated 26.03.2024, including subsequent amendments and clarifications thereof, if any, issued until ____ [Enter the last date of bid submission of the RfS].

- C. SECI has been designated as an Implementing Agency for developing and facilitating the establishment of the Green Ammonia production facilities 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 5,39,000 MT/annum of Green Ammonia produced from the Green Ammonia Production Project on the terms and conditions contained in the Request for Selection (herein after referred to as 'RFS' issued by SECI vide RfS No..... dated..... .
- E. SECI has signed/will sign Green Ammonia Purchase Agreement (GAPA) with the Green Ammonia Producer (GAP) selected under the RfS mentioned herein below (hereinafter referred to as "GAP") for procurement of _____ MT/annum Green Ammonia;
- F. Procurer has agreed to purchase Green Ammonia from the GAP through SECI under the above RfS and accordingly, SECI has agreed to sign Green Ammonia Purchase Agreements (GAPA) with Green Ammonia Producer (hereinafter referred to as "GAP") for procurement of ____MT/annum Green Ammonia on a long-term basis, as indicated at Schedule B of GASA. Copy of the GAPA shall be submitted to Procurer within thirty (30) days of the signing of the GAPA and such GAPA shall become integral part of this Agreement (SECI-Procurer GASA).
- G. Pursuant to the aforesaid objective, the Parties are desirous of entering into a Green Ammonia Sale Agreement ("GASA") i.e. a Definitive Agreement, regarding purchase of Green Ammonia from the Project under above mentioned RfS Document. Pending execution of the necessary agreements and other relevant documents in relation to the transaction contemplated herein, the Parties wish to execute this GASA setting out the respective obligations of the Parties and the steps necessary to complete the transactions contemplated herein.

The Parties have accordingly agreed to enter into this GASA to record their understanding and agreement with regard to the purchase of Green Ammonia to be generated from the Project and in respect to the matters incidental or ancillary thereto, upon the terms and conditions set out herein below.

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND MUTUAL AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

- I. This Agreement shall come into effect from signing of this Agreement by both the parties and such date shall be the Effective Date for the purpose of this Agreement.
- II. The duration of this Agreement shall be co-extensive and co-terminus with the duration of the Green Ammonia Purchase Agreement to be entered into between the SECI and the GAP for all intent and purposes.
- III. Subject to the terms and conditions contained herein, SECI hereby agrees to sell and make available the Green Ammonia procured through GAP from the ____MT/annum Green Ammonia Project to be set up by the GAP at various places in ____ [Enter the location of the Projects] on the terms and conditions contained in the GAPA to be entered into between SECI and the GAP, as per the initialed GAPA (Schedule "A") on a back to back basis, to Procurer.
- IV. Procurer hereby acknowledges and accepts that SECI is an Intermediary to facilitate the promotion of Green Ammonia Projects and that there shall be no residual liability on the SECI towards the GAP which will not be fulfilled by the Procurer.
- V. In accordance with the above and except as otherwise specifically provided in this agreement, the rights and obligations of Procurer under this agreement shall be available and enforceable entirely and effectively on a back to back basis to the rights and obligations of the SECI in the GAPA signed between SECI & GAP, and in the event SECI is not in a position to enforce its rights against the GAP or is subject to any obligation to be performed towards GAP, Procurer shall be liable to perform such obligation or shall be entitled to such rights only on a mutatis mutandi basis, without any additional or independent exposure whatsoever to SECI.
- VI. Except as otherwise specifically provided in this agreement, Procurer acknowledges and accepts that the terms and conditions of the SECI-GAP GAPA shall mutatis mutandi apply to this Agreement between the parties. Procurer agrees to correspondingly fulfill, on back to back basis, all the obligations assumed by SECI towards GAP. Procurer further agrees, acknowledges and accepts that as an Intermediary, SECI is not assuming any obligation to Procurer over and above the obligation which the GAP shall duly performs under the GAPA.
- VII. SECI has agreed with the GAP in regard to the payment of money becoming due to GAP under the GAPA and SECI shall be liable to discharge the payment obligation in terms

of the provisions of the SECI-GAP GAPA. Accordingly, Procurer agrees to effectively securitize the payment of money becoming due from Procurer to SECI as detailed in this Agreement

- VIII. The parties agree that in respect of the obligations other than the payment obligation specifically mentioned herein above, in the event Procurer has any claim against SECI in regard to the performance of any obligation of SECI under this Agreement or enforcement of any right of Procurer against SECI under this Agreement, the same shall be subject to the ability of SECI to enforce the corresponding obligations assumed by GAP to SECI under the SECI-GAP GAPA. SECI shall not be required to perform and implement the obligations of SECI or agree to the enforcement of the rights of Procurer under this Agreement till such time the corresponding obligations under SECI-GAP GAPA is duly implemented by the GAP and in case of monetary obligations the amount is received by SECI from the GAP. In the event of any such claim arising at the instance of Procurer, the parties shall discuss on the course of action to be initiated by SECI against the GAP for enforcement of the corresponding obligation and all proceedings to be initiated by SECI against the GAP for such enforcement shall be pursued by SECI in consultation with Procurer.
- IX. The parties hereby agree that the Liquidated Damages/Penalties are payable by GAP under the GAPA for the delay in the commencement of Green Ammonia supply from the Green Ammonia Project and for short supply of the contracted capacity of the Green Ammonia. Procurer shall not be entitled to make any deductions towards the claim of liquidated damages against any payment due to SECI and all such other payments shall be made by Procurer by the Due Dates, notwithstanding the status of the pending claims on liquidated damages. The Parties agree that as an intermediary, SECI shall have no legal obligation to pay any amount towards Liquidated damages/ penalty for short supply except when the amount of such liquidated damages has been recovered from the GAP by SECI without any conditions and encumbrances and the amount is available for appropriation by SECI.
- X. The parties agree that the various terms contained in the SECI-GAP GAPA such as Scope of Project, Terms of the Agreement, Performance Guarantee, Performance Security, Obligations of the respective Parties, Construction of the Green Ammonia Production Capacity, Commissioning and Commencement of Supply of Green Ammonia, Operation and Maintenance, Purchase and Sale of Green Ammonia, Measuring and Metering, Scheduling and Dispatch of Green Ammonia, Billing and

Green Ammonia Accounting, Liabilities, Force Majeure, Events of Default, Termination, Transfer, Change in Law, Indemnity, Insurance, Assignment and Changes, Financing and Bankability, Representations and Warranties, Governing Law, Notices and all other Miscellaneous Terms provided in the SECI- GAP GAPA shall mutatis mutandi apply to this agreement between SECI and Procurer.

- XI. The Procurer shall be responsible for directly coordinating and dealing with the GAP, and other authorities in all respects in regard to declaration of availability, scheduling and dispatch of Green Ammonia contracted under this Agreement;

Article 1. : APPLICABLE PRICE OF SUPPLY

- 1.1** The Price of Supply applicable for the sale of Green Ammonia by GAP through SECI to the Procurer under this Agreement shall be the Price of Supply as determined under the RfS fixed for entire term of agreement at delivery point, and in addition thereto a trading margin of Rs. 2/kg shall be payable by the Procurer to SECI which SECI shall be entitled to appropriate as its income.
- 1.2** As per provisions of the GAPA, the GAPs are permitted for full as well as part commencement of Green Ammonia supply from the Project even prior to the SCSD. GAP will be free to sell Green Ammonia to any third party from such early commissioned Project Capacity (Part/Full) prior to SCSD. Procurer/SECI will be under no obligation to buy Green Ammonia from such early commissioned Project Capacity (Part/Full) prior to SCSD. GAP will not require any NOC from SECI/Procurer for such third party sale. Even in case of early part/full commencement of Green Ammonia supply, the GAPA will remain in force for a period of 10 (ten) years from the SCSD/extended SCSD. In case of early part/full commencement of Green Ammonia supply from the Project(s) prior to SCSD, Procurer may provide its prior consent to purchase the Green Ammonia at the Applicable Price of Supply as per the GAPA, plus SECI's Trading Margin of Rs 2/kg.
- 1.3** However, Green Ammonia procurement from the project upon early part/full commencement of Green Ammonia supply from the Project(s) prior to SCSD, shall be subject to the approval of the Procurer. Such intimation regarding consent to procure Green Ammonia from early commencement of Green Ammonia Supply shall be provided by the Procurer within 7 days of receipt of the request being made by SECI, beyond which, it would be considered as deemed refusal on part of the Procurer.
- 1.4** It is clarified that Procurer will be obligated to purchase Green Ammonia at a Price of Supply (GAPA Price of Supply + SECI's Trading Margin) mentioned at Article 1.1 for the Supply of Green Ammonia under the RfS/GAPA.

Article 2. : BILLING AND PAYMENT

2.1 General

2.1.1 Subject to the above, from the commencement of supply of Green Ammonia by GAP through SECI, the Procurer shall pay to SECI the monthly/periodic Supply Payments, on or before the Due Date, in accordance with Price of Supply as specified in Article 1. All Payments by the Procurer shall be in Indian Rupees.

2.1.2 SECI shall issue to the Procurer a signed Monthly/periodic Bill at the end of every month or Period either through e-mail or any other means on any business day based on the issuance of Acceptance Certificate by Procurer to GAP along with all relevant documents. However, hard copy of the bill will also be sent by the SECI afterwards. The monthly/Periodic bill shall also include the following:

- i) Supplementary bills if any
- ii) Taxes, duties Levies etc, as applicable
- iii) Change in Law if any as applicable

For the purpose of Invoicing, all amount, such as Tariff, Trading margin, Late Payment Surcharge etc., are exclusive of applicable taxes.

2.1.3 Procurer shall issue the Acceptance Certificate within 15 days from the actual delivery after performing (directly/external agency) Quality & Quantity assessment. It is clarified that any charges pertaining to this shall be directly in the scope of Procurer. The findings of the inspector shall be final and binding on both the parties. However, parties shall reserve rights to raise disputes (if any) before the Dispute Resolution Authority, as per the procedure laid down in GAPA.

2.2 Payment of Monthly Bills

2.2.1 The Procurer shall pay the amount payable under the Monthly/Periodic Bill on or before the Due Date i.e. within 30 days of presentation of bill within official hours, to such account of SECI, as shall have been previously notified to the Procurer in accordance with Article 2.2.2 below.

2.2.2 SECI shall open a bank account at New Delhi ("SECI's Designated Account") for all Payments to be made by the Procurer to SECI, and may notify the Procurer of the details of such account at least ninety (90) Days before the dispatch of the first Monthly/Periodic Bill. The Procurer shall also designate a bank account at _____. The Procurer shall inform SECI the details of such account ninety (90) Days before the dispatch of the first Monthly/Periodic Bill. SECI and the Procurer shall

instruct their respective bankers to make all payments under this Agreement to the Procurer'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.

2.3 Late Payment Surcharge

- 2.3.1 In the event of delay in payment of a Monthly/Periodic Bill by Procurer beyond the Due Date, a Late Payment Surcharge shall be payable by Procurer 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 (MCLR) 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.
- 2.3.2 The Late Payment Surcharge shall be claimed by SECI through the Supplementary Bill. Late Payment Surcharge shall be payable on the outstanding payment 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. All payments by the Procurer to SECI for Green Ammonia procured from it shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly/periodic charges, starting from the longest overdue bill.
 - 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.

2.4 Rebate

- 2.4.1 For payment of any Bill including Supplementary Bill on or before Due Date, the following Rebate shall be paid by SECI to Procurer in the following manner:

- a) A Rebate of 1.5% shall be payable to the Procurer for the payments made within a period of 5 (five) days of the presentation of hard copy of Bill.
- b) Any payments made after 5 (five) days up to and including the 20th Day after the date of presentation of Bill through email, shall be allowed a rebate of 1 %.
- c) No rebate shall be payable on the applicable taxes and bills raised on account of Change in Law relating to taxes, duties, cess etc.

2.5 Payment Security Mechanism

Letter of Credit (LC):

- 2.5.1 The Procurer shall provide to SECI, in respect of payment of its Monthly Bills, a single, unconditional, revolving and irrevocable letter of credit ("Letter of Credit"), opened and maintained by the Procurer, which may be drawn upon by SECI in accordance with this Article. The Procurer shall provide SECI draft of the Letter of Credit proposed to be provided to SECI two (2) months before the SCSD.
- 2.5.2 Not later than one (1) Month before the Start of Supply, the Procurer shall through a scheduled bank at _____ open a Letter of Credit in favour of SECI, 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 after every 12 month for an amount equal to:
 - a) for the first Contract Year, equal to 3 (three) times of the estimated average monthly or equivalent to 1 quarter of billing as applicable, based on periodicity of Supply;
 - b) for each subsequent Contract Year, equal to 3 (three) times of the average of the monthly Payments or payment equivalent to 1 quarter of the previous Contract Year as applicable, based on periodicity of Supply.
- 2.5.3 SECI shall not draw upon such Letter of Credit prior to the Due Date of the relevant Monthly/periodic Bill, and shall not make more than one drawal in a Month provided that there are no outstanding dues.
- 2.5.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Article 2.5.2 due to any reason whatsoever, the Procurer shall restore such shortfall within seven (7) days.

- 2.5.5 The Procurer shall cause the scheduled bank issuing the Letter of Credit to intimate SECI, in writing regarding establishing of such irrevocable Letter of Credit and any of the changes therein.
- 2.5.6 The Procurer shall ensure that the Letter of Credit shall be renewed not later than its expiry.
- 2.5.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by the Procurer.
- 2.5.8 If the Procurer fails to pay a Monthly/Periodic Bill or part thereof within and including the Due Date, then, subject to Article 2.5.3 and 2.8, SECI may draw upon the Letter of Credit, and accordingly the bank shall pay without any reference or instructions from the Procurer, an amount equal to such Monthly/Periodic Bill or part thereof, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:
- i) a copy of the Monthly/Periodic Bill which has remained unpaid by the Procurer;
 - ii) a certificate from SECI 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;

2.6 Payment Security Fund

- 2.6.1 In addition to provisions contained in Article 2.5 above, the Procurer may provide Payment Security Fund, which shall be suitable to support payment of at least 3 (three) months' billing, of all the Projects tied up with such fund.

2.7 Disputed Bill

- 2.7.1 If the Procurer does not dispute a Monthly/Periodic Bill raised by the other Party within fifteen (15) days of receiving such Bill shall be taken as conclusive and binding.
- 2.7.2 If Procurer disputes the amount payable under a Monthly/periodic Bill it shall pay undisputed amount or 50% of the invoice amount, whichever is higher 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.
- 2.7.3 If the SECI agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 2.8.2, the SECI shall make appropriate adjustment in the next Monthly/Periodic

Bill. In such a case excess amount, if paid by the Procurer, 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 Procurer and up to and including the date on which such payment has been received as refund.

2.7.4 If the SECI does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Article 2.8.2 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.

2.7.5 Upon receipt of the Bill Disagreement Notice by the Procurer under Article 2.8.4, authorized representative(s) or a director of the board of directors/ member of board of the Procurer and SECI shall meet and make best endeavors to amicably resolve such dispute within fifteen (15) days of receipt of the Bill Disagreement Notice.

2.7.6 If the Parties do not amicably resolve the Dispute within fifteen (15) days of receipt of Bill Disagreement Notice pursuant to Article 2.7.4, the matter shall be referred to Dispute resolution in accordance with governing Laws and Dispute resolution in GAPA.

2.7.7 For the avoidance of doubt, it is clarified that despite a Dispute regarding an Invoice, the Procurer shall, without prejudice to its right to Dispute, be under an obligation to make payment of undisputed amount or 50% of the invoice amount, whichever is higher in the Monthly/Periodic Bill.

2.8 Quarterly and Annual Reconciliation

2.8.1 The Parties acknowledge that all payments made against Monthly/Periodic Bills shall be subject to quarterly reconciliation and adjustment, if any, within thirty (30) days of the end of the quarter of each Contract Year and annual reconciliation and adjustment, if any, at the end of each Contract Year within thirty (30) days thereof to take into account the Quantity Accounts, Price of Supply adjustment payments, or any other reasonable circumstance provided under this Agreement.

2.8.2 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 Procurer and SECI shall jointly sign such reconciliation statement. After signing of a reconciliation statement, the SECI shall make appropriate adjustments in

the following Monthly/Periodic 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 16 of GAPA.

2.9 Purchase Obligation

- 2.9.1 The provisions of Article 4.4 of the GAPA shall be applicable mutatis mutandi to this Agreement. Procurer, in any Contract Year, shall not be obliged to purchase any additional Green Ammonia from the GAP beyond Metric Tonnes/annum (MT/annum) or as amended under the relevant GAPA(s). Subsequent to full commencement of Green Ammonia supply from the Project, if for any period of scheduled supply, it is found that the GAP has not been able to supply minimum quantity of Green Ammonia corresponding to 90% of Scheduled Supply as agreed i.e.,Metric tonnes (MT)/_____ [Insert values corresponding to 90% of the Scheduled Supply for the period under GAPA] on account of reasons solely attributable to the GAP, the noncompliance by GAP shall make the GAP liable to pay the compensation provided in this Article below.

The lower limit of supply i.e., 90% of the scheduled quantity will, however, be relaxable to the extent of Force Majeure which is beyond the control of the GAP. This compensation shall be applied to the amount of shortfall in supply during the scheduled supply period. The amount of such compensation shall be calculated @ 100% (one hundred percent) of the cost of this shortfall in quantity terms, calculated at GAPA Price of Supply, and shall be remitted to the Procurer.

- 2.9.2 Notwithstanding Article 2.9.1, the SECI/GAP is free to sell such Green Ammonia to any third party which is in excess of the quantum of Green Ammonia as per Article 2.9.1 of this Agreement from SCSD, or date of commencement of Green Ammonia supply from the full Project capacity, whichever is earlier. Any Green Ammonia which is in excess of the quantum of Green Ammonia agreed to be supplied under this Agreement shall be offered to the Procurer at Applicable Price of Supply as per Article 1.1, and in case the Procurer does not accept the same or provide its consent within 10

days, then Procurer's right of refusal shall cease to exist and the GAP shall, at its sole discretion, may sell such excess Green Ammonia to any third party. The responsibility of safe disposal of any surplus Green Ammonia lies with the GAP..

2.10 Payment of Supplementary Bill

2.10.1 SECI may raise a "Supplementary Bill" for payment on account of:

- i. Change in Law as provided in Article 13 of GAPA, or
- ii. Payment under Article 2.11 and other charges, if any.

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

2.10.2 Procurer shall remit all amounts due under a Supplementary Bill raised by the SECI to the SECI's Designated Account by the Due Date.

2.10.3 In the event of delay in payment of a Supplementary Bill by either Party beyond its Due Date, a Late Payment Surcharge shall be payable at the same terms applicable to the Monthly/Periodic Bill in Article 2.3.

2.11 Offtake constraints by the procurer

2.11.1 Production Compensation in offtake constraints: During the operation of the plant, there can be some periods where the Project can produce Green Ammonia as per the defined requirement/Supply Schedule as per the RfS but due to procurer inability to offtake, the Green Ammonia is not supplied, for reasons not attributable to the Green Ammonia Producer. In such cases, the production compensation shall be restricted and payable by the Procurer as under and there shall be no other claim, directly or indirectly against SECI

Production Compensation= Price of Supply X Unprocured quantity of Green Ammonia due to the above provision*

Compensation (if any) calculated as per above provision, will be paid to SECI by Procurer at the end of such period of supply for which Procurer has not off-taken the Green Ammonia.

*Unprocured quantity of Green Ammonia will be the Scheduled Supply quantity which

is to be supplied by the GAP to the Procurer during the period of Procurer's inability to off-take such Green Ammonia.

2.11.2 The compensation would be limited to the difference of the actual supply up to declared capacity subject to a maximum of up to the contracted capacity and the quantum of Green Ammonia scheduled by the procurer as per the Supply Schedule given by the procurer under RfS.

2.11.3 The GAP shall be eligible for payment from the Procurer, corresponding to the reduced offtake of Green Ammonia as per above mentioned methodology. The Payment is to be done as part of the monthly/periodic bill for the successive month/period. No Trading Margin shall be applicable on this Payment.

Article 3. : EVENTS OF DEFAULT AND TERMINATION

3.1 Procurer Event of Default

3.1.1 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 Procurer Event of Default:

- (i) Any amount subject to Article 2.8 remains outstanding beyond a period of ninety (90) days after the Due Date and SECI is unable to recover the amount outstanding from the Procurer through the Letter of Credit, Payment Security Fund and; or
- (ii) The Procurer fails to evacuate Green Ammonia from the Delivery Points for a continuous period of one year.
- (iii) if (a) the Procurer 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 Procurer, or (c) the Procurer 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 Procurer will not be a Procurer 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 Procurer and expressly assumes all obligations of the Procurer under this Agreement and is in a position to perform them; or
- (iv) the Procurer 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
- (v) except where due to any Procurer's failure to comply with its material obligations, the Procurer is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the Procurer within thirty (30) days of receipt of first notice in this regard given by SECI .
- (vi) Occurrence of any other event which is specified in this Agreement to be a material breach/ default of the Procurer.

3.2 Procedure for cases of Procurer Event of Default

- 3.2.1 Upon the occurrence and continuation of any Procurer Event of Default under Article 3.1, SECI shall have the right to deliver to the Procurer 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.
- 3.2.2 Following the issue of SECI 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 to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.
- 3.2.3 During the Consultation Period, the Parties shall, save as otherwise provided in this Agreement, continue to perform their respective obligations under this Agreement.
- 3.2.4 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 SECI may terminate this Agreement by giving a written Termination Notice of thirty (30) days to the Procurer
- 3.2.5 Subject to the occurrence and continuation of default by as contained under Article 3.1 and before expiry of time period of 30 days as per Clause 3.2.4.
 - 3.2.5.1 Subject to the prior consent of the SECI, the Procurer shall novate its part of the GASA to any third party, including its Affiliates within the period of 210 days beyond the period as per 3.2.4,
 - 3.2.5.2 In the event the aforesaid novation is not acceptable to SECI, or if no offer of novation is made by the defaulting Procurer, then SECI on expiry of 30 days as provided in article 3.2.4 may terminate the GASA and at its discretion require the defaulting Procurer to pay to the GAP, damages, equivalent to 36 (thirty six) months, or balance GAPA period, whichever is less, for its contracted capacity with the stipulated availability.
- 3.2.6 Further, in the event of termination of GAPA, any damages or charges, for the connectivity of the plant, shall also be borne by the Procurer.

3.3 Termination due to Force Majeure

- 3.3.1 If the Force Majeure Event or its effects continue to be present beyond a period as specified in Article 4.5.2 of the GAPA; termination of the GAPA shall be caused solely at the discretion of SECI and there shall not be any liability (to SECI or Procurer) arising out of such termination. In such an event, this Agreement shall terminate on the date of such Termination Notice without any further liability to either Party from the date of such termination.

3.4 Termination of back to back agreements

- 3.4.1 In case of termination of SECI-GAP GAPA, this Agreement shall automatically terminate to the extent of relevant SECI-GAP GAPA. Provided that in case of such termination as identified in this Article any pending monetary liabilities of either Party shall survive on the termination of this Agreement. In the event of termination of GAPA/GASA, any damages or charges payable, shall be borne by the entity due to whose failure, the termination was triggered.

Article 4. : MISCELLANEOUS PROVISIONS

4.1 Amendment

- 4.1.1 This Agreement may only be amended or supplemented by a written agreement between the Parties, with the approval of the Appropriate Authority, if necessary. Subject to the provisions of the RfS Document and keep this Agreement as principle Agreement, both Parties may execute further Agreement on similar terms and conditions.

4.2 Breach of Obligations

- 4.2.1 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 Procurer would have no right to negotiate or enter into any dialogue with any third party for the purchase of Contracted Capacity of Green Ammonia 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.

4.3 Third Party Beneficiaries

- 4.3.1 This Agreement is solely for the benefit of the Parties, GAP 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.

4.4 Waiver

- 4.4.1 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 authorized representative of such Party:
- 4.4.2 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.

4.5 Confidentiality

- 4.5.1 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:

- i. to their professional advisors;
- ii. 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
- iii. disclosures required under Law without the prior written consent of the other Party.

4.6 Severability

- 4.6.1 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.

4.7 Notices

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

- 4.7.2 If to the Procurer, 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:

Name :
Address :
Attention :
Email :
Fax. No. :
Telephone No. :

- 4.7.3 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 below:

Name :
Designation :
Address : Solar Energy Corporation of India Limited, 6th Floor,
Plate-B, NBCC Office Block Tower-2, East Kidwai
Nagar, New Delhi-110023
Email :
Fax. No :

4.8 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 any rules and regulations of Government of India 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.

- 4.9 The duly executed Green Ammonia Purchase Agreement between SECI and GAP shall be attached to this Agreement and shall be read along with Agreement as a composite back to back process for Production and Supply of Green Ammonia to Procurer.

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]

For and on behalf of
[.....]

Signature with seal

1. Witness

2. Witness

SCHEDULE A

1. SECI-GAP GAPA

SCHEDULE B

S. No.	Production Facility/ Project	Name of Procurer	Location of Procurer's plant	Annual Requirement (MT/annum)	Supply Schedule	Quality Parameter