STANDARD

POWER PURCHASE AGREEMENT

FOR

PROCUREMENT OF ….. MW (ROUND-THE-CLOCK) RE POWER

ON LONG TERM BASIS

Between

…….. [Insert Name of RE Power Developer]

And

Solar Energy Corporation of India Limited

……. [Insert month and year]

This Power Purchase Agreement is made on the …….[Insert date] day of …….[Insert month] of …….. [Insert year] at …… [Insert place]

Between

……. [Insert name of the RE Power Developer] (CIN - _____), a Company incorporated under the Companies Act 1956 or Companies Act 2013, having its registered office at …….. [Insert address of the registered office of RE Power Developer] (hereinafter referred to as "**RE Power Developer or RPD**", 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 - _____), 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" 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 RPD 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 renewable energy-based project installation in the country and has set an ambitious target to achieve 500 GW of non-fossil-based installed energy capacity by the year 2030;

B. The Ministry of Power, Government of India, has issued the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid connected Renewable Energy Power Projects with Energy Storage Systems, vide Gazette Resolution dated 09.06.2023, including subsequent amendments and clarifications thereof, if any, issued until ____ [Enter the last date of bid submission of the RfS];

   SECI has been designated as a Renewable Energy Implementing Agency (REIA) for developing and facilitating the establishment of the Grid connected RE power capacity in India in terms of the above Policy of the Government of India;

C. SECI had initiated a Tariff Based Competitive Bid Process for procurement of _____MW Round-the-Clock Power from ISTS-connected RE Power Projects on the terms and conditions contained in the Request for Selection (hereinafter referred to as **'RfS')** issued by SECI vide RfS No……..dated……. including its subsequent amendments and clarifications;

D. ……..[Insert name of the Bidding Company] has been selected in the Competitive Bidding Process, {in case Bidding Company is executing the Project through SPV} has constituted a Special Purpose Vehicle,……. [Insert the name of SPV, if applicable] (hereinafter referred to as **'RPD')** for development, generation and supply of electricity, from …… MW RE Power Project to be established by RPD anywhere in India and for supply of such electricity by SECI as an Intermediary Agency to the Buying Entity(ies) (as defined) under a Power Sale Agreement to be entered into between SECI and such Buying Entity (ies);

E. SECI has issued the Letter of Award (LoA) vide No…….. dated……in favour of the …. [Insert the name of Bidding Company] for development and establishment of the ….. MW RE Power Project in the State of ……. as per the terms and conditions contained in the RfS, and draft of this Power Purchase Agreement including amendments and clarifications thereto circulated at the time of the bidding and other bidding documents as well as the conditions contained in the aforementioned Letter of Award;

F. SECI has agreed to purchase round-the-clock RE power from the RPD as an Intermediary Procurer and sell it to Buying Entity 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 Entity to sell such power as per the provisions of the RfS and this Agreement;

G. In terms of the RfS and the Bidding Documents, the RPD has furnished the Performance Bank Guarantee/ Payment on Order Instrument/ Insurance Surety Bond (as applicable) for the sum of Rs……. in favour of SECI as per the format provided as a part of the Bidding Documents and a copy of the Bank Guarantee/POI/ Surety Bond provided is in Schedule – 1/ Schedule-2/ Schedule-3 to this Agreement;

H. The RPD 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 establishment of RE Power Project of …. MW at …… [Insert Project location] for supply of round-the-clock RE power to SECI, to enable SECI to make available such round-the-clock power to the Buying Entity(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 RPD;

I. SECI has signed the Power Sale Agreement with the Buying Entity(ies) namely _____.

J. 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 RE Power Project at ….. [Insert name of the State] and for round-the-clock supply of electricity by the RPD to SECI for onward supply to the Buying Entity(ies).

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 thereunder, 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.
Affiliate	shall have the same meaning as contained in the RfS document
"Agreement" or "Power Purchase Agreement" or "PPA"	shall mean this Power Purchase Agreement including its recitals and Schedules, Appendixes amended or modified from time to time in accordance with the terms hereof.
"Appropriate Commission"	Unless otherwise stated or the context requires, Appropriate Commission shall mean Central Electricity Regulatory Commission.
"Awarded capacity"	shall mean ……. MW [enter the Contracted Capacity as awarded by SECI as per the LoA]
"Backdown"	shall mean part of Contracted Capacity available for scheduling but not scheduled based on instructions from Buying Entity/SLDC /RLDC, as the case may be;
"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 RPD and SECI, a day other than Saturday, Sunday or a statutory holiday, on which the banks remain open for business in Delhi and [insert name of State where RPD Registered Office is located] both;
"Buying Entity (ies)" or "Buying Utility(ies)" or "Procurer(s)"	shall mean an End Procurer as defined in the Guidelines who has agreed to purchase Round-the-Clock RE power from SECI and has signed/will sign the Power Sale Agreement with SECI. It is clarified that all obligations of SECI under this Agreement shall be deemed to be the obligations of Buying Entities with which SECI has signed/will sign Power Sale Agreement.
"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;

"Commencement of Power Supply" or "Commencement of Supply of Power"	The date of commencement of power supply shall mean the date of onset of commercial offtake of power supply under the PPA. Prior to declaration of commencement of power supply, the RPD shall submit COD certificate upon receipt of successful completion of trial run certificate by the respective RLDC for the corresponding Installed Capacity to SECI as part of the requisite documents.
"Commissioning"	The Project shall be commissioned in line with the provisions of the Grid Code.
"Commercial Operation Date (COD)"	shall mean the date as defined in "Commissioning" in line with the provisions of the Grid Code.
"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 RPD 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 commissioning of the first part capacity of the Contracted Capacity would occur, the Contract Year shall commence from the date of commissioning of first capacity 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 …… [Insert capacity] MW, which is the AC capacity contracted with SECI for supply of power by the RPD to SECI at the Delivery Point from the RE Power Project.
"Day"	shall mean a day, if not a Business Day, the immediately succeeding Business Day.

"Delivery Point" / "Interconnection Point"	shall mean a single point or multiple points at the voltage level of 220 kV or above of the ISTS Sub-station/InSTS substation (at voltage level as applicable by State Regulations) including the transmission line connecting the RE power Project with the substation system as specified in the RfS document. Metering shall be done at this interconnection point(s) where the power is injected into. For interconnection with grid and metering, the RPD shall abide by the relevant and applicable regulations, Grid Code notified by the CERC and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended and revised from time to time, or orders / guidelines issued by the appropriate commission or CEA. It is clarified that by default, "Delivery Point" shall mean ISTS substation, and shall mean an InSTS substation only in case both the RPD and the Buying Entity agree to this modification. 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 RPD 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 Entity.
"Dispute"	shall mean any dispute or difference of any kind between SECI and the RPD, 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. In case the RPD has tied up for the ESS component through a third-party, it is clarified and confirmed by the Parties that in all such disputes, RPD shall have the absolute authority to represent such third party in so far as SECI is concerned and SECI will not be required to or otherwise will have to deal with such third party, notwithstanding, any difference or dispute between the RPD and/or the such third party.
"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 Entity.
“Energy Storage Systems” or “ESS”	shall mean the system(s) installed in addition to the RE power capacity as part of the Project, that can capture energy produced at one time for use at a later time;
“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 Commencement-of-Supply Date (SCSD) or from the rescheduled date of commencement of supply to the extent of extension given by SECI.
"Force Majeure" or “Force Majeure Event”	shall have the meaning ascribed thereto in Article 11 of this Agreement;
“GNA Regulations”	shall mean the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 notified on 07.06.2022, including subsequent amendments and clarifications issued thereof. Any reference to the terms “connectivity” or “network access” or “general network access” in this Agreement shall be interpreted in terms of the provisions of these Regulations.
“Guidelines” or “Scheme”	shall mean the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Firm and Dispatchable Power from Grid Connected Renewable Energy Power Projects with Energy Storage Systems issued by the Ministry of Power vide Gazette Notification dated 09.06.2023 including subsequent amendments and clarifications issued / notified thereof until the last date of Bid submission against the referred RfS.
“Grid”	shall mean as per the definition contained in the Act.
"Grid Code" / “Indian Electricity Grid Code” or “IEGC” or “State Grid Code”	shall mean the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, as 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)…….. [Insert the name(s) of the State(s) in India, where the Power Project, SECI and RPD are located] 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;
"Installed Capacity" or "Project Capacity"	shall mean the rated AC capacities of the Project components as committed to be installed by the RPD, in line with Article 3.1 of this Agreement. The above configuration shall be identical to the "installed capacity" for which connectivity has been granted to the RPD under the GNA Regulations. The quantum of Installed Capacity (in MW), including that of the revised Installed Capacity, if any, shall be greater than or equal to the Contracted Capacity.
"Insurances"	shall mean the insurance cover to be obtained and maintained by the RPD in accordance with Article 8 of this Agreement;
"Insurance Surety Bond" or "Surety Bond"	shall mean the irrevocable surety bond from and Insurer as per the guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI), as an alternative to submission of Performance Bank Guarantee by the RPD to SECI, issued in the form attached hereto as Schedule 3;
"Interconnection Facilities"	shall mean the facilities on RPD'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 (SECI).
"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 have same meaning as defined in RfS Document.
"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 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 RPD to SECI, issued in the form attached hereto as Schedule 2;
"Payment Security Mechanism"	shall have the meaning ascribed thereto in Article 10.4 of this Agreement;
"Peak Hours"	shall mean the energy scheduling hours in a day as chosen by the Buying Entity for supply of peak power from the Project. For the purpose of scheduling, a 'day' shall commence from 00:00 hrs. and end at 24:00 hrs. However, with respect to requisition of drawl Schedule, Buying Entity shall comply with CERC/SERC/Indian Electricity Grid Code (as and when implemented), regulations on Forecasting, Scheduling and Deviation Settlement, as applicable;
"Peak Power"	shall mean the power supplied from the Project during Peak Hours;
"Performance Bank Guarantee" or "PBG"	shall mean the irrevocable unconditional bank guarantee, submitted by the RPD to SECI in the form attached hereto as Schedule 1;
"Pooling Substation/ Pooling Point"	means a point where more than one 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 RPD(s) to get connected to the Delivery Point. The voltage level for such common line shall be as per the voltage level specified in "Interconnection Point". 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 RPD to obtain and furnish the meter reading jointly by the RPD and any competent authority (State Government or Central Government) (if applicable).
"RE Project" or "Project"	shall mean the renewable energy generation facility of Capacity of ……..[Insert capacity as per the committed Installed Capacity, separately for Wind, Solar PV, any other renewable energy generating source and ESS components] MW, located at …….[Insert names of Village(s), Tehsil(s), District(s) and State(s)] comprising RE power generating systems or a combination thereof, for supply of RE power, including ESS (which may be leased/tied-up from a third-party), having single or multiple point(s) of injection into the grid at Interconnection/ Delivery/ Metering Point, or in case of sharing of transmission lines, by separate injection at Pooling Point and having separate control systems and metering. The Project shall include all units and auxiliaries such as water supply, treatment or storage facilities; bay/s for transmission system in the switchyard, 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. It may be noted that the sources of generation and ESS shall be co-located, to be considered a single Project. In case a Project is located at multiple locations, the ESS component shall be required to be co-located with at least one such component. However, it is clarified that ESS charged using a source other than RE power would not qualify as RE power. It is clarified that arithmetic summation of the rated capacities of Wind, Solar PV and other renewable power generating components of the Project can be more than the Contracted Capacity.
"Power Sale Agreement" or "PSA"	shall mean the back to back 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 of Guidelines and forms Schedule-5 of this Agreement;

"Preliminary Default Notice"	shall have the meaning ascribed thereto in Article 13 of this Agreement;
"Prudent Utility Practices"	shall mean the practices, methods and standards that are generally accepted within India 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: i) operation and maintenance guidelines recommended by the manufacturers of the plant and equipment to be incorporated in the Power Project; ii) the requirements of Indian Law; and the physical conditions at the site of the Power Project
"RBI"	shall mean the Reserve Bank of India;
"RE Power" or "Renewable Energy Power"	shall refer to power from Solar Power Generating Systems, Wind Power Generating Systems, Wind Solar hybrid or any other renewable energy resource based Generating System or a combination thereof, with Energy Storage System (ESS). It is clarified that ESS charged using a source other than RE power would not qualify as RE Power. Further, in the case of charging the ESS from sources other than RE, any financial implications, including but not limited to ISTS charges, shall be borne by the RPD.
"Rebate"	shall have the same meaning as ascribed thereto in Article 10.3.5 of this Agreement;
"Request for Selection / RfS/Bidding Documents"	shall mean Request for Selection Documents issued by SECI vide RfS No. SECI/C&P/IPP/13/0019/24-25 dated 30.10.2024 including subsequent clarifications, amendments and addenda thereof.
"RLDC"	shall mean the relevant Regional Load Dispatch Centre established under Sub-section (1) of Section 27 of the Electricity Act, 2003;
"Round-the-Clock"	shall mean the 24-hour period of the day (starting at 00:00 Hrs. and ending at 24:00 Hrs. of that day) during which the energy as per Contracted Capacity of RE Power is to be supplied by the RPD;
"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 Commencement of Power Supply Date" or "SCSD"	shall mean [Insert Date as per applicable provisions of the RfS].

"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(s) wherein the RE Power Project is located;
"Solar Photovoltaic Project Component" or "Solar PV Project Component"	shall mean the Project component that uses sunlight for conversion into electricity and that is being set up by the RPD to provide renewable energy (RE) to SECI as per the terms and conditions of this Agreement;
"Solar Power"	shall mean power generated from the Solar Photovoltaic Power Project component;
"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(s) as such 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 Commencement of Power Supply"	shall mean the part Contracted Capacity (AC MW) not less than 50 MW (with the last part being the balance Contracted Capacity) from which commencement of power supply is recorded.
"Unit Commercial Operation Date (UCOD)"	shall mean the COD declared for the respective unit/part of the Project in line with the provisions of the Grid Code.
"Week"	shall mean a calendar week commencing from 00:00 hours of Monday, and ending at 24:00 hours of the following Sunday.
"Wind Power Project Component"	shall mean the Project component that uses wind energy for conversion into electricity through wind turbine generator.

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, Letter of Award, Guidelines including subsequent clarifications, addenda, amendments and further clarifications in regard to the tender as well as Power Sale Agreement shall be read in conjunction with each other and interpreted in a 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 read with Power Sale Agreement
2. RfS Documents

ARTICLE 2: TERM OF AGREEMENT

2.1 ***Effective Date***

2.1.1 This Agreement shall come into effect from …… 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 60 days of submission of application/petition for tariff adoption/ Contracted Capacity approval as applicable under Section 63/ 86(1)(b) of the Electricity Act, 2003 in Appropriate Commission/ SERC or within 120 days from the date of signing of Power Sale Agreement (PSA), whichever is more, SECI/Buying Entity (as the case may be) shall obtain adoption of tariff from Appropriate Commission and/or Contracted Capacity approval from CERC/SERC (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/ Contracted Capacity approval as mentioned above is not issued by the CERC/SERC (as applicable) within the time specified above, the provisions of Article 2.1.4 shall apply.

2.1.4. Pursuant to Article 4.6.2, if the parties have not mutually extended the time period as stipulated under Article 2.1.3 and the order from the Appropriate Commission/ SERC is issued within the timeline as per Article 2.1.3, no extension for Scheduled Commencement-of-Supply Date (SCSD) shall be given. However, if the requisite Appropriate Commission's/ SERC's order is issued after the timeline as per Article 2.1.3, this shall entail a corresponding extension in SCSD for equal number of days for which the order has been delayed beyond such period as specified in Article 2.1.3. In case of any difference between the date of signing of PPA and the Effective Date of the PPA, which is attributable to the RPD, such duration between the two dates (in terms of days), will be deducted from the above extension in the corresponding milestone.

Provided further that in case, the order of adoption of Tariff/ Contracted Capacity approval by the Appropriate Commission/ SERC as required under Article 2.1.3

above is not received or delayed, either Party shall not be liable for payment of any compensation to other Party for any loss or damage on account of such delay in approval of the Appropriate Commission/ SERC.

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 RPD 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/Buying Entity, SECI/Buying Entity (as the case may be) 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 only if either SECI or RPD terminates the Agreement, pursuant to Article 13 of this Agreement.

2.3.2 In case the SECI-Buying Entity PSA corresponding to the Contracted Capacity is terminated or modified for a reduced capacity during the Term of this Agreement the event may result in Termination of this Agreement or pro-rata reduction in Contracted Capacity of this Agreement, as the case may be, at the discretion of SECI. In such scenario, any termination compensation payable by the respective Buying Entity, will be passed on to the RPD, after deducting SECI's costs, if any.

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: INSTALLED CAPACITY AND PERFORMANCE SECURITY

3.1 Installed Capacity

3.1.1 The RPD shall configure the Project components with the objective of supplying Round-the-Clock RE power to the Buying Entity. Accordingly, the Project Capacity, i.e. the Installed Capacity shall mean the rated capacities of the RE power generating and ESS components, in the following configuration:

Solar: _____ MW

Wind: _____ MW

Any other renewable energy generating source: _____ MW

ESS: _____ MW/_____ MWh

3.1.2 The above configuration shall be identical to the "installed capacity" for which connectivity has been granted to the RPD under the GNA Regulations. The above configuration can be changed until SCSD/extended SCSD. Also, any change in Delivery Point is allowed up to the deadline for Financial Closure as per Article 3.4 of the PPA.

(a) In this regard, any change in Delivery Point from the one mentioned in the Covering Letter at the time of bid submission shall be allowed till the deadline to apply for connectivity, subject to the condition that the Scheduled Commissioning Date of the proposed new Delivery Point is on or before 30th June, 2028.

(b) Subsequent to lapse of the deadline to apply for connectivity, any change in Delivery Point shall be allowed by SECI only in case the scheduled commissioning date of the ISTS-substation of the proposed revised Delivery Point is on or before the scheduled commissioning date of the existing Delivery Point of the Project, at the time of seeking approval from SECI by the RPD.

In this case, the RPD will be required to apply for connectivity at the proposed substation within 7 working days of intimation of approval for the same by SECI.

In case the RPD fails to obtain connectivity on account of reasons attributable to it, including but not limited to failure to apply for connectivity within the above deadline, the RPD will not be eligible for corresponding extension in the timelines for meeting the Project milestones.

3.1.3 Energy Storage Systems (ESS) shall mandatorily constitute part of the Project. For avoidance of any doubt, it is hereby clarified that ESS may be owned by the RPD or may be tied-up separately with a third party by the RPD, for supply of power. The ESS technology can be changed by the RPD at any time during the Term of the PPA. Any

change in the ESS component during the term of the PPA shall be at risk and cost of the RPD and under intimation to SECI.

3.2 Performance Bank Guarantee / Payment on Order Instrument / Insurance Surety Bond

3.2.1 The Performance Bank Guarantee (PBG) / Payment on Order Instrument (POI)/ Insurance Surety Bond having validity from the date of submission of PBG/POI/ Surety Bond until …… (insert validity period as per RfS conditions), submitted for a value of Rs. _____ (in words) 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 1/2/3.

Since the PBG is linked to the Installed Capacity of the Project, and the same is allowed to be modified subsequent to issuance of LoA, in case of revision in the Installed Capacity until the date as per Article 3.1 of this Agreement, for which modified connectivity is applied by RPD for the Project, the RPD will be required to submit the revised PBG corresponding to the revised Installed Capacity prior to issuance of SECI's consent for this revision.

3.2.2 The failure on the part of the RPD 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 RPD.

3.2.3 If the RPD fails to commence supply of power from the SCSD and in case of performance shortfall in power supply 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/ Surety Bond equivalent to the amount calculated as per penalties applicable under Article 4.6 and Article 4.4.10 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/Surety Bond, upon the default of the RPD under the PPA, shall be credited to the payment security fund maintained by SECI under the PPA.

Further, in case of delay in part/full commencement of supply of power beyond SCSD, prior to declaration of commencement of supply of power by the RPD from such part/full Contracted Capacity, the RPD shall be required to submit an additional PBG corresponding to the amount of applicable penalty, as per provisions of Article 4.6.1.(a), on that part/full Contracted Capacity.

3.3 Return of Performance Bank Guarantee / Payment on Order Instrument/ Insurance Surety Bond

3.3.1 Subject to Article 3.2, SECI shall return / release the Performance Bank Guarantee / Payment on Order Instrument/ Insurance Surety Bond upon completion of one year after commencement of supply of power from the last part capacity/capacity finally accepted under the PPA, after taking into account any penalty due to delays in commencement of power supply beyond the SCSD and performance shortfall in supply of power as per provisions stipulated in this Agreement.

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

3.4 Achievement of Financial Closure

The RPD agrees and undertakes to duly perform and complete all of the following activities to achieve Financial Closure, at the RPD's own cost and risk, by the date as on 6 months prior to the SCSD/ extended SCSD:

a) The RPD shall make Project financing arrangements and shall provide necessary certificates to SECI in this regard;

b) The RPD shall submit the details of all planned/proposed solar panels, inverters, wind turbine generators, ESS and produce the documentary evidence (MoU/P.O./LoA/Agreements shall be submitted as evidence) of the same.

3.5 Consequences of non-achievement of Financial Closure

3.5.1 In case of a failure to submit the documents as above, SECI shall encash the Performance Bank Guarantee/Payment on Order Instrument/ Insurance Surety Bond submitted by the RPD, and may terminate this Agreement and remove the Project from the list of the selected Projects by giving a notice to the RPD in writing of at least seven (7) days. Unless extended as per provisions of Article 3.5.2 of this Agreement in writing, SECI may terminate this Agreement upon the expiry of the 7th day of the above notice.

3.5.2 An extension, without any impact on the Scheduled Commencement of Supply Date, may however be considered till SCSD/ revised SCSD of the Project, on the sole request of RPD, on payment of Rs. 100/- per day per MW + applicable GST 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, RPD 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, SECI may terminate this Agreement upon the expiry of such 7th day. In case of the RPD meeting the requirements of Financial Closure before the last date of such proposed delay period (for which extension charges have been paid), the remaining amount deposited by the RPD shall be returned by SECI without interest. This extension will not have any impact on the Scheduled Commencement of Supply Date. Any extension charges paid so by the RPD, shall be returned to the RPD without any GST amount and interest on achievement of successful commencement of power supply within the Scheduled Commencement of Supply Date, on pro-rata basis, based on the Contracted Capacity that has commenced supply of power as on Scheduled Commencement of Supply Date. However, in case the RPD fails to start commencement of power supply from the Contracted Capacity by Scheduled Commencement of Supply Date, the extension charges deposited by the RPD shall not be refunded by SECI. For the avoidance of doubt, it is clarified that this Article shall survive the termination of this Agreement.

ARTICLE 4: CONSTRUCTION & DEVELOPMENT OF THE PROJECT

4.1 ***RPD's Obligations***

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

a) The RPD shall be solely responsible and shall make arrangements for land & associated infrastructure for development of the Project and for Connectivity with the ISTS System (connectivity can be taken by RPD at different Interconnection Points) for confirming the availability of the power system required for supply of power by the SCSD and all clearances related thereto.

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 RE Power project. The RPD 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 RPD shall only be a voluntary facilitating endeavour on the part of SECI with no intention of being bound by any legal or binding obligation.

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

d) The RPD shall make adequate arrangements to connect the RE Power Project switchyard with the Interconnection Facilities at Interconnection / Metering / Delivery Point to connect the Power Project switchyard with the Interconnection Facilities at the Delivery Point.

e) Obtaining Connectivity and executing connectivity agreement as per provision of GNA Regulation issued by CERC, for evacuation of the Contracted Capacity and maintaining it throughout the term of the Agreement. It is further clarified that the Entities (RPD and Buying Entity) as indicated in the detailed procedure issued subsequently under the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022, will be responsible for their respective obligations as notified in the detailed procedure irrespective of the provisions of the RfS, PPA and PSA.

f) The commencement of supply of power, up to the Contracted Capacity to SECI no later than the SCSD and continuance of the supply of power in line with Article 4.4 of this Agreement throughout the Term of this Agreement.

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

h) Maintaining minimum 51% shareholding prevalent at the time of signing of PPA up to a period of one (1) year after the SCSD in line with Clause 25 of the RfS;

i) Providing a discount of Rs. 0.02/kWh in the monthly billing which will be apportioned towards the payment security mechanism to be maintained under Article 10.1.1 of this Agreement. (*To be applicable in case the RPD has opted for discounting in lieu of Payment Security Mechanism. Strike it out if not applicable*.)

j) Fulfilling all obligations undertaken by the RPD under this Agreement and also as per the terms of the RfS.

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

l) For the Solar PV and ESS components, the RPD shall fulfil the technical requirements according to criteria mentioned under Annexure A and Appendix-A1 of the RfS. For the solar PV capacity, the modules used in the Project shall be sourced only from the models and manufacturers included in the List-I under the "Approved List of Models and Manufacturers" as published by MNRE and valid as on the date of invoicing of such modules. In case of the wind capacity, type-certified wind turbine models listed in Revised List of Models and Manufactures (RLMM) issued by MNRE as updated until the date of commissioning of the project will be allowed for deployment under the RfS. Installation of other RE generating sources as part of the Project shall be

governed by applicable technical standards issued by the Government from time to time.

m) RPD shall be solely responsible for and obligated to ensure that 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 RPD will be required to punch-in its respective schedules from the Project components along with subsequent revisions in such schedules by itself at the interfaces of all the RLDCs concerned for the corridor of power flow, including the RLDC of the Buying Entity(ies), as per the Regulations in force, under intimation to SECI. The RPD must intimate SECI in advance (preferably in the first week of the month), the energy transacted in previous month so that it will help to comply statutory obligations of SECI as a trading licensee. The RPD shall be solely responsible for discrepancy identification and its rectification to avoid any rejection/less payment of invoices.

o) For the Project being implemented under this Agreement, the RPD shall submit a detailed completion Schedule for the Project prior to the signing of PPA. Broad details to be captured in the Schedule are the land procurement, grid connectivity; order, supply and erection status of various Project components; financial arrangement/ tie up etc. The RPD shall also submit the progress report to SECI in a form acceptable to SECI and shall contain percentage completion achieved compared with the planned percentage completion for each activity, and any such other information as required by SECI. The RPD shall be required to submit the progress status of the Project to SECI as and when requested by SECI, strictly within the timelines provided by SECI. Further, on 5th day of every calendar month, the RPD shall be required to submit the Project progress status as per Annexure-E of the RfS or the format as desired by Buying Entity. In case of failure to comply with the same, SECI at its discretion, may or may not consider the SCSD extension request of the RPD.

4.2 ***Information regarding Interconnection Facilities***

4.2.1 The RPD 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

RPD'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 RPD at its own cost.

4.2.2 Penalties, fines and charges etc. imposed by the CTU/ STU under any statute or / guidelines in relation to delay in commissioning of the RE Project shall be entirely dealt by the RPD and any such amounts claimed by such agency(ies) shall be payable by the RPD.

4.2.3 The responsibility of getting connectivity with the transmission system up to the Interconnection Point, will lie with the RPD. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the RPD to be obtained at his own cost. The maintenance of transmission system up to the designated point as per the applicable terms and conditions shall be also the responsibility of the RPD to be obtained at his own cost. 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 RPD.

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

4.2.5 The arrangement of connectivity shall be made by the RPD through a 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 RPD. In case of non-availability of Grid and Transmission System during Term of this Agreement, for reasons not attributable to the RPD, provisions of Article 4.10 shall be applicable.

4.2.6 ISTS charges and losses on transmission of power, including waiver for RE power, shall be applicable as per extant regulations. Government of India/CERC at its sole discretion, from time to time, issue order for waiver of inter-state transmission system (ISTS) charges and losses on transmission of wind and solar power till a certain date. In case commencement of power supply from 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. However, in case the SCSD is on or before the above deadline for ISTS waiver and commencement of power supply from the solar / wind power component

of the Project gets delayed beyond the applicable date of waiver of ISTS charges and losses due to reasons solely attributable to the RPD, the liability of inter-state transmission charges and losses would be of the RPD.

Delay in Project commissioning beyond the deadline as stipulated by the Government of India, and treatment of ISTS charges and losses thereof, shall be dealt in line with the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2023 dated 07.02.2023, and subsequent amendments and clarifications thereto, as applicable.

Subject to the above, it is however, clarified that ISTS charges and losses beyond the Delivery Point(s) shall be borne by the Buying Entity upon the execution of the relevant PSA.

Treatment of power supplied from the ESS component, with respect to waiver of ISTS charges and losses, shall be governed by the applicable Rules/Orders issued by Ministry of Power/MNRE, read in conjunction with CERC's Orders and Regulations notified in this regard. Further, it is clarified that in case commencement of power supply from the ESS component of the Project configuration gets delayed beyond the applicable date of waiver of ISTS charges and losses, due to reasons solely attributable to the RPD, the liability of inter-state transmission charges and losses shall be borne by the RPD.

In case of delay in commencement of power supply by the RPD even after the operationalization of GNA obtained by the Buying Entity, RPD shall be liable to pay the applicable CTU/STU transmission charges.

4.3 Purchase and sale of Power within the Contracted Capacity

4.3.1 Subject to the terms and conditions of this Agreement, the RPD undertakes to sell round-the-clock RE Power to SECI, and SECI undertakes to purchase such power and pay the Tariff for all the energy supplied at the Delivery Point(s) corresponding to the Contracted Capacity.

4.3.2 Power procured from the Project awarded under this RfS shall be allocated on back-to-back basis to the Buying Entities at the discretion of SECI, in consultation with Buying Entities.

4.4 ***Right to Contracted Capacity, Energy and Demand Fulfilment Ratio***

4.4.1 **Demand Fulfilment Ratio (DFR):** Under this Agreement, procurement of Contracted Capacity shall be in power (MW) terms. The RPD shall supply RE power in Round-the-Clock manner, **maintaining a minimum Demand Fulfilment Ratio (DFR) of at least 80% on annual basis**, along with **maintaining a minimum DFR of 75% on monthly basis,** and maintaining a **minimum DFR of 90% during the Peak Hours**.

"Demand Fulfilment Ratio" in a particular time-block for scheduling shall be calculated as follows: DFR = [Power Injection Scheduled by the RPD (MW) in a particular time block ÷ Contracted Capacity (MW)], subject to the maximum value of DFR being 1. The RPD's performance against this metric will be measured by:

(i) Calculating the average DFR of all the time-blocks during the month in a Contract Year, to measure the DFR compliance on monthly basis;

(ii) Calculating the average DFR of all the time-blocks in a Contract Year, to measure the DFR compliance on annual basis;

(iii) Calculating the average DFR of all the time-blocks in the Peak Hours during the month in a Contract Year, to measure the DFR compliance for Peak Hours.

4.4.2 Peak Hours will be maximum four hours out of the 24 hours in a Day, which shall remain fixed for a calendar month, as selected by the respective Buying Entity(ies). The selection of Peak Hours for a calendar month will be intimated by the Buying Entity to the RPD prior to start of that calendar month. In case of non-receipt of Peak Hours schedule from the Buying Entity by the last date of previous calendar month, the Peak Hours for that calendar month shall be 06:00 Hrs.- 08:00 Hrs. in the morning and 19:00 Hrs.-21:00 Hrs. in the evening. For avoidance of doubt, in case of a Project being mapped to more than one Buying Entity, the RPD shall have to meet the energy supply criteria for the sum of the Peak Hours in line with the provisions of the RfS/PPA, subject to the maximum Peak Hours to be chosen by all the Buying Entities being limited to 4.

4.4.3 In case of the power being re-mapped/diverted to some other Buying Entities, the RPD will have to comply with the peak hour supply requirement of those new Buying Entities.

4.4.4 In case of change in Peak hours as notified by the Buying Entities, same will have to be complied by the RPD.

4.4.5 Pursuant to the provisions of Article 4.4.2 above, the RPD shall plan the despatch of electricity and convey its scheduling thereof by the SLDC or RLDC, as the case

may be, and shall supply electricity in accordance with the provisions of the Grid Code and the Electricity Act, 2003.

4.4.6 It is mandated to make available the Project to the Buying Entity on a Round-the-Clock basis. The generated energy shall be dispatched through scheduling of power by the Buying Entity.

4.4.7 The renewable energy component (including Energy Storage System (ESS) component charged with RE sources) bought under this RfS shall be eligible for RPO compliance. The apportionment of RPO between solar & non-solar shall be on the lines of principle adopted in case of hybrid plants.

4.4.8 The RPD shall schedule power on day-ahead basis. The Buying Entities shall compulsorily off-take all such power, subject to the maximum power scheduled in any time-block being equal to the Contracted Capacity.

4.4.9 The RPD shall offer power such that 100% of the annual energy offered corresponds to RE power. The RPD can, however, source up to 5% RE power (in energy terms), on annual basis, from the green market sources/bilateral agreements outside the PPA as per extant regulations, towards meeting the supply conditions stipulated in the RfS/PPA. It is hereby clarified that sourcing of 5% energy from green market sources/bilateral agreements, as indicated in the Article, refers to 5% of the total annual energy as required to be supplied based on Contracted Capacity of the Project. It is also hereby clarified that in case of excess supply by the RPD over the 5% limit as stipulated in this Article, RPD shall not be entitled for energy payment against such excess energy supplied and the same shall not be considered while calculating the RPD's performance with respect to Article 4.4.1 of the PPA. Any liability arising out of such excess energy supply shall be to the sole account of RPD.

4.4.10 To allow optimization of operation of RE Power generating systems, the RPD is allowed to supply power in excess of the Contracted Capacity in any time-block, to any third-party or power exchange without requiring any No-Objection Certificate (NOC) from SECI/Buying Entity. In case such power is purchased by the Buying Entity, it shall be purchased at the PPA tariff (plus SECI's trading margin). The RPD may also sell the power which was offered to SECI/Buying Entity (within the Contracted Capacity) but not scheduled by SECI/Buying Entity, to any third party or power exchange without requiring NOC from SECI/Buying Entity on day ahead basis. It may be noted that at any instance of energy supply from the Project, priority shall be accorded to meet the energy requirements as per PPA, before selling any quantum of energy in the open market.

Any instance of third-party sale of power from the Project by the RPD, while the Contracted Capacity in any-time block remains unfulfilled, shall constitute a breach of RPD's obligations and will be considered as RPD Event of Default under this Agreement. In such case of default, RPD shall be liable for an additional penalty @2 times of extant market rate/kWh (reference rate being the highest of the applicable rates in the DAM/G-DAM/RTM of all Power Exchanges operating in India on that day) for the quantum of such sale. However, this penalty will not be applicable in cases where Buying Entity/ SECI does not offtake power as offered by the RPD within the Contracted Capacity. This penalty will be levied over and above the penalty for shortfall in meeting the minimum DFR requirement as per Article 4.4.13. In the event of early part commencement of power supply from the Project/ early commencement of supply of power from individual Project component/ non-availability of GNA/ transmission line constraints/ intentional scheduling of power by the RPD to a third party/ any other case, SECI shall analyze the actual constraints and power evacuation details and the applicability of this penalty shall be determined based on this analysis.

The RPD can repower the Project at any stage at its own risk and cost, if required in order to meet the energy supply requirements from this Project. It is to be noted that the summation of generation schedule of RE Power to the Buying Entity from multiple sources and/or locations cannot be more than the Contracted Capacity specified in the PPA. The RPD may, however, apply for connectivity and access (if applicable), in accordance with extant regulations. In case at any point of time, the power being injected from the Project is higher than the capacity (MW) for which connectivity has been granted for the Project, and causes disturbance in the system at the point where power is injected, the RPD may have to forego the excess generation and reduce the output to the Project Capacity to ensure compliance with grid requirement and shall further be liable to pay the penalty/charges (if applicable) as per applicable regulations / requirements / guidelines of CERC / SERC /SLDC or any other competent agency.

4.4.13 **Penalty for shortfall in power supply**: Subsequent to commencement of power supply from first part Contracted Capacity of the Project, if for any Contract Year, in case the Project's DFR is less than the parameters as specified in Article 4.4.1 above, save and except in case of Force Majeure, such shortfall in performance shall make the RPD liable to pay the penalty as payable by SECI to Buying Entity and the RPD shall duly pay such penalty to SECI to enable SECI to remit the amount to Buying

Entity.

The amount of penalty against shortfall for monthly and annual DFR requirements shall be equal to 1.5 times the cost of this shortfall in energy terms, calculated at the PPA tariff. In case of shortfall against meeting the Peak Hour DFR requirement, the penalty shall be 2.5 times the cost of this shortfall in energy terms, calculated at the PPA tariff.

For the purpose of meeting the minimum DFR criteria on monthly and Peak Hour basis, energy reconciliation will be carried out on monthly basis, along with the annual energy reconciliation.

In a particular Contract Year, in case of shortfall in meeting annual DFR, along with shortfall in meeting monthly DFR requirements, the maximum of the 2 penalties will be applicable. The penalty for shortfall in meeting min. DFR requirement during Peak Hours will be levied over and above the penalty for shortfall in meeting the minimum monthly and annual DFR requirement. Illustration to this effect is enclosed at Schedule-4 of the PPA.

4.4.14 The detailed list of documents required for verification of energy supply and performance of the Projects will be intimated to the RPD subsequent to commencement of power supply. For each month in a Contract Year, the above data will be required to be submitted by the RPD to SECI within 10 days after the expiry of the previous month, for verification of the performance parameters for calculating applicable penalty on account of shortfall, if any.

4.4.15 The RPD agrees that the methodology specified hereinabove for calculation of compensation in the form of penalties payable by the RPD as indicated above is a genuine and accurate pre-estimation of the actual loss that will be suffered by SECI / Buying Entities. RPD shall further acknowledge that a breach of any of the obligations contained herein result in injuries and that the amount of the penalty or the method of calculating the penalty specified in this document is a genuine and reasonable pre-estimate of the penalty that may be suffered by the SECI / Buying Entities in each case specified under this Agreement.

4.4.16 The parties agree that penalties shall not be applicable in events of Force Majeure identified under the PPA, affecting supply of power by the RPD.

4.5 Extensions of Time

4.5.1 In the event that the RPD is prevented from performing its obligations under Article 4.1 by the SCSD 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 RPD,

the SCSD and the Expiry Date shall be deferred for a reasonable period but not less than 'day for day' basis, to permit the RPD or SECI/ Buying Entity(ies) through the use of due diligence, to overcome the effects of the Force Majeure Events affecting the RPD 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 Start Date of Connectivity 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 SCSD of the Project, and it is established that:

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

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

(iii) The delay in Start Date of Connectivity 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 solely attributable to the CTU/transmission licensee and is beyond the control of the RPD;

The above shall be treated as delays beyond the control of the RPD and SCSD 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 Start Date of Connectivity. Decision on requisite extension on account of the above factor shall be taken by SECI.

In case of change in Project location(s) by the RPD, extension requests under this Article shall be dealt by SECI on case-to-case basis. For avoidance of ambiguity, it is clarified that for decisions made under this Article, the phrase "change in Project location" or its similar connotations, shall refer solely to change in Delivery Point(s) of the Project.

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 nine (9) months from the date of the Force Majeure Notice, termination of this Agreement shall be caused solely at the discretion of SECI, as per the provisions of Article 13.5.

4.5.4 If the RPD and SECI 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 Commencement of Supply Date or the Expiry Date should be deferred, either 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 Commencement of Supply Date and newly determined Expiry Date shall be deemed to be the Scheduled Commencement of Supply Date and the Expiry Date for the purposes of this Agreement.

4.5.6 Further, any delay in adoption of tariff by the Appropriate Commission and/or Contracted Capacity approval from SERC, beyond 60 days of submission of petition for adoption of tariff/ Contracted Capacity approval before the Appropriate Commission/ SERC or 120 days from the date of signing of PSA, whichever is more, shall entail a corresponding extension in the SCSD, in line with provisions of Article 2.1.4 of this Agreement.

4.5.7 Delay in commencement of supply of power from the Project beyond the SCSD 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 RPD and shall be subject to the consequences specified in the Article 4.6.

4.6 Penalty for delay in Commencement of supply of power

4.6.1 The RPD shall commence supply of power from the full Contracted Capacity within the Scheduled Commencement of Supply Date (SCSD) as defined in this Agreement. If the RPD is unable to commence power supply from the Project by the SCSD for any of the reasons other than those specified in Article 4.5.1, and 4.5.2, the RPD shall pay to SECI, penalty for the delay in such commencement of power supply and making the Contracted Capacity available for dispatch by the SCSD as per the following:

(a) <u>Delay beyond the SCSD up to (& including) the date as on 6 months after the SCSD or the extended SCSD, if applicable</u>: The total PBG / POI amount shall be encashed on per day basis and proportionate to the Contracted Capacity that has not commenced supply of power. For example, in case of a Contracted Capacity of 250 MW, if commencement of power supply from 100 MW of Contracted Capacity gets delayed by 18 days beyond the SCSD, then the penalty shall be

calculated as: PBG amount X (100/250) X (18/180). For the purpose of calculation of penalty, a 'month' shall comprise 30 days.

(b) For avoidance of doubt it is clarified that provisions of Article 4.6.1 will be applicable even in cases where no capacity (i.e. 0 MW) has commenced supply of power.

4.6.2 The maximum time period allowed for commencement of supply of power from the full Contracted Capacity with encashment of Performance Bank Guarantee / POI shall be limited to 6 months after the SCSD/extended SCSD of the Project. In case commencement of power supply from the Project is delayed beyond 6 months after the SCSD/ extended SCSD, the Contracted Capacity shall stand reduced / amended to the capacity corresponding to the Installed Capacity that has commenced power supply until the date as on 6 months after the SCSD and the PPA for the balance capacity will stand terminated and shall be reduced from the Contracted Capacity.

However, SECI has the full right to give extension to RPDs in SCSD beyond the time line as mentioned above in case reason of delay is beyond the reasonable control of RPD.

4.6.3 The RPD acknowledges and accepts that the methodology specified herein above for calculation of penalty payable by the RPD is a genuine and accurate pre-estimation of the actual loss that will be suffered by SECI. RPD further acknowledges that a breach of any of the obligations contained herein result in injuries and that the amount of the penalty or the method of calculating the penalty specified in this Agreement is a genuine and reasonable pre-estimate of the damages that may be suffered by the SECI in each case specified under this Agreement.

4.6.4 Penalty on account of shortfall in Project performance during the first Contract Year shall be recovered by encashing the PBG, in case not paid by the RPD. The PBG submitted in lieu of timely commencement of power supply shall be retained by SECI in lieu of the above penalty.

Penalty for shortfall in DFR shall be adjusted by SECI against monthly bills of the RPDs.

4.7 Acceptance/Performance Test

4.7.1 Prior to synchronization of the Project with the grid, the RPD 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 of the RE power projects.

4.8 Third Party Verification

4.8.1 The RPD shall be further required to provide entry to the sites of the Project (from which power under this Agreement is being made available) 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 RPD at the site of the Power Project. The RPD shall provide full support to SECI and/or the third party in this regard.

4.8.2 The third party may verify the construction works/operation of the Project being carried out by the RPD and if it is found that the construction works/operation of the project is not as per the Prudent Utility Practices, it may seek clarifications from RPD 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 RPD 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 a) Generation Compensation in offtake constraints due to Grid Unavailability: During 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 RPD. In such cases, subject to the submission of documentary evidences from the competent authority, the generation compensation shall be restricted and payable by the Buying Entity(ies) as under, and there shall be no claim, directly or indirectly against SECI:

Duration of Grid unavailability	Provision for Generation Compensation
Grid unavailability beyond 175 hours in a Contract Year (as defined in Article 1)	*Generation Compensation = ((Applicable Tariff x RE power (MW) offered but not scheduled by Buying Entity) X 1000 X No. of hours of grid unavailability)* However, in case of third-party sale or sale in the power exchange, as price taker, the 95% of the amount realized, after deducting expenses, shall be adjusted against the Generation compensation payable, on monthly basis.

Compensation (if any) calculated as per above provision, will be paid to the RPD on an annual basis.

b) Payment in case of reduced offtake: The RPD and the Buying Entity shall follow the forecasting and scheduling process as per the regulations in this regard by the Appropriate Commission. In case the Project is available to supply power but the off-take of power is not done by the Buying Entity, including non-dispatch of power due to non-compliance with "Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified by the Ministry of Power vide Gazette notification dated 3rd June 2022" and any clarifications or amendment thereto, considering the principle of 'must run' status for RE Power the RPD shall be eligible for payment from the Buying Entity, corresponding to the reduced offtake, in terms of following manner.

Reduced Offtake	Provision for Generation Compensation
Grid unavailability beyond 175 hours in a Contract year (as defined in Article 1)	**Generation Compensation** = *((Applicable Tariff x RE power (MW) offered but not scheduled by the Buying Entity) X 1000 X No. of hours of Reduced Off-take* However, in case of third-party sale or sale in the power exchange, as price taker, the 95% of the amount realized, after deducting expenses, shall be adjusted against the Generation compensation payable, on monthly basis.

(c) For claiming compensation, the RPD must sell its power in the power exchange as a price taker. Thus, the compensation would be limited to the difference of the

actual generation up to declared capacity subject to a maximum of up to the Contracted Capacity and the quantum of power scheduled by the Buying Entity.

(d) The RPD shall be eligible for payment from the Buying Entity, corresponding to the reduced offtake of power as per above mentioned methodology. The Payment is to be done as part of the energy bill for the successive month after receipt of Energy Accounts (REA)/SEA/JMR. No Trading Margin shall be applicable on this Payment. It is hereby clarified that for the purpose of Article 4.10, "generation" shall mean scheduled energy based on Energy Accounts. The RPD 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 or Force Majeure.

ARTICLE 5: SYNCHRONISATION, COMMERCIAL OPERATION, AND COMMENCEMENT OF SUPPLY OF POWER

5.1. The RPD shall give the concerned RLDC/SLDC and SECI and also to the 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 RE Power Project to the Grid System.

5.2 Subject to Article 5.1, the Project may be synchronized by the RPD 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.

5.3 The synchronization equipment and all necessary arrangements / equipment including RTU for scheduling of power generated from the RE Project and transmission of data to the concerned authority as per applicable regulations shall be installed by the RPD at its generation facility at its own cost. The RPD 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 and RLDC, in line with the provisions of the Grid Code.

5.4 The RPD shall immediately after each synchronization/tripping of generator, inform the sub-station of the Grid System to which the generation facility including RE Project(s) is electrically connected and also to the RLDC in accordance with applicable Grid Code under intimation to SECI.

5.5 The RPD shall commission the Project in line with provisions of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, as amended from time to time. In line with this regulation, the RPD proposing the Project or its part (including single component) for commissioning, shall give to SECI and the Buying Entity, a preliminary notice not later than 60 days prior and advance notice not later than 30 days prior to the proposed commissioning date. Further, the RPD shall also give a notice of not less than seven (7) days, for trial run or repeat of trial run, to the concerned RLDC, Buying Entity(ies), and SECI. However, in case the repeat trial run is to take place within 48 hours of the failed trial run, fresh notice shall not be required.

SECI/Buying Entity reserves first right of refusal on the infirm power generated by RPD and the same may be procured by Buying Entity at 50% of the Applicable Tariff as per Article 9.1 of the Agreement plus SECI's trading margin. The RPD shall be

required to obtain No Objection Certificate (NOC) from SECI prior to sale of infirm power to any third party prior to declaration of Commercial Operation Date (COD). However, in case, the Buying Entity is ready to offtake infirm power prior to declaration of COD then such infirm power shall be scheduled to the Buying Entity in line with Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023. In case Buying Entity does not consent to purchase such infirm power, the right of refusal shall then vest with SECI.

The RPD shall submit requisite documents as mentioned below, at least 30 days prior to trail run of the Project –

i. Intimation regarding the timeline for commencement of supply of power from the Project.

ii. Copy of CON-4 report submitted to CTU.

iii. CEI/CEIG (as applicable) report containing approval for all the components, including Solar PV modules, WTGs, ESS component(s), inverters, transformers, transmission system and protection system, along with all annexures/attachments. It would be the responsibility of the RPD to obtain the certificate.

iv. Approval of Metering arrangement/scheme from CTU/GRID-INDIA/ any other concerned authority as applicable.

v. Plant Layout, Plant (AC & DC) SLD.

vi. Affidavit certifying that the RPD has obtained all the necessary approvals for commencement of power supply from the Project, and indemnifying SECI against any discrepancies in the above details.

vii. Affidavit from the RPD certifying possession of land identified for the Project, bearing the details of such land parcels where Project is located, and indemnifying SECI against any discrepancies in the above details.

viii. Documents to establish the compliance of technical requirement as per PPA/RfS.

ix. Invoices against purchase of the Solar PV modules, WTGs, ESS component(s), Inverters/PCUs, WMS, SCADA and DC cables along with the summary sheet containing the list of all the invoices, inverters including details and number of items. Lorry Receipts for delivery of Project components at site along with certified summary sheet by the authorized signatory.

x. In addition to the above, the RPD shall provide coordinates of WTGs, KML files for the Solar PV component (specifying each block), details of energy storage systems, RLMM/ALMM certificates, insurance documents of Project, online monitoring facility as per the RfS.

xi. Connectivity documents: RPD will be allowed to start the commencement of Power prior to start of connectivity at its own risk and cost, subject to availability of margin for power evacuation in the ISTS System and permission of CTUIL/RLDC.

xii. Certificate of compliance of Financial Closure milestone.

In case the RPD fails to submit the abovementioned documents 15 days prior to the proposed date of trial run to SECI, then NOC towards sale of infirm power will not be issued to the RPD. In this case, if it is found that the infirm power is being scheduled to any third party/ power exchange without obtaining NOC from SECI, RPD will be liable to pay compensation to SECI for the amount corresponding to 50% of the Applicable Tariff as per PPA, only if the tariff is higher than the 50% of the Applicable Tariff as per PPA. Such compensation will be passed on to the Buying Entity after deducting SECI's trading margin.

It is clarified that SECI shall bear no responsibility in declaration of commissioning/COD of the Project. However, on the basis of above documents, the RPD shall be required to obtain No-objection certificate (NOC)/ PPA Compliance Certificate from SECI prior to declaration of commissioning/COD of the Project.

SECI's scope will be limited to verifying the installation of rated capacity(ies) of the Project, as per the COD certificate submitted by the RPD. This verification will be at SECI's discretion and shall not constitute any certification/confirmation of commissioning/COD of the Project by SECI. Prior to declaration of commencement of power supply, the RPD shall submit COD certificate for the corresponding Installed Capacity as part of the requisite documents.

The date of onset of commercial offtake of power by SECI/Buying Entity shall be determined as the date of commencement of power supply under the RfS/PPA.

5.6 The RPD shall be permitted for commencement of power supply from full as well as part Contracted Capacity even prior to the SCSD, subject to availability of transmission connectivity and General Network Access (GNA). Even in case of early part/full commencement of power supply, the PPA will remain in force for a period of 25 (twenty-five) years from the SCSD/extended SCSD.

5.7 There can be part commencement of power supply from the Contracted Capacity. Part commencement of supply of power from the Project shall be accepted by SECI/Buying Entity(ies) subject to the condition that the minimum capacity for acceptance of first and subsequent part(s) shall be 50 MW (with the last part being

the balance Contracted Capacity), without prejudice to the imposition of penalty in terms of the PPA on the part which has not yet commenced supply of power.

5.8. SECI & RPD agree that for the purpose of commencement of the supply of electricity by RPD to SECI, penalties for delay etc., the SCSD/extended SCSD as defined in this Agreement shall be the relevant date.

5.9 The RPDs will be free to reconfigure and repower various components of the Project configuration from time to time during the PPA duration at its own risk and cost, pursuant to Articles 3.1 and 4.4 of this Agreement. However, SECI will be obliged to buy power only up to the Contracted Capacity as per this Agreement.

5.10 In additions to the requirements mentioned above, RPD shall also comply with all the requirements as mentioned in the Indian Electricity Grid Code.

ARTICLE 6: DISPATCH AND SCHEDULING

6.1 *Dispatch and Scheduling*

6.1.1 The RPD shall be entirely responsible 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 RLDC/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 RPD.

6.1.2 The RPD shall be responsible for directly coordinating and dealing with the Buying Entity(ies), State Load Dispatch Centres, Regional Power Committees, and other authorities in all respects in regard to declaration of availability, scheduling and dispatch of power and due compliance with deviation and settlement mechanism and the applicable Grid code Regulations, acknowledging that the RPD 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 power contracted under this Agreement.

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

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

6.1.5 Further, in case of any difference in scheduled energy at the interfaces of all the RLDCs concerned for the corridor of the power flow, including the RLDC of the Buying Entity, SECI will make payments corresponding to the lowest of the individual energy values to the RPD, until rectification of the above error.

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

7.1.3 In addition to ensuring compliance of the applicable codes, the RPD 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/approvals are also to be set up at pooling substation for individual projects in addition to the meters at Delivery Point as described in Article 7.1.3.

7.2 Reporting of Metered Data and Parameters

7.2.1 The grid-connected RE 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 RE Project.

7.2.2 Online arrangement would have to be made by the RPD for submission of above data from RE Project regularly for the entire period of this 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 RPD to Ministry of New and Renewable Energy/SECI/or authorized agency of SECI/ MNRE for entire Term of this Agreement.

ARTICLE 8: INSURANCES

8.1 ***Insurance***

8.1.1 The RPD 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 RE 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 (if applicable) 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 RE Power Project or any part of the RE Power Project shall be applied as per such Financing Agreements.

8.2.2 If a Force Majeure Event renders the 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 Entity(ies) as per PSA entered into and any other dues of the Buying Entity(ies) against RPD.

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 RPD can claim compensation, under any Insurance shall not be charged to or payable by SECI or Buying Entity(ies). It is for the RPD 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 Subsequent to commencement of power supply by the RPD on the terms contained in this Agreement, the RPD shall be entitled to receive the tariff of Rs. _____/kWh [*Insert the Tariff discovered through the bidding process conducted by SECI*], fixed for the entire Term of this Agreement.

9.2 In case of early part/full commencement of power supply from the Project, till SCSD, the RPD will be free to sell the electricity generated to any entity other than the SECI/ Buying Entity(ies), only after giving the first right of refusal to the SECI/Buying Entity(ies) by giving 15 days advance notice to both SECI and Buying Entity(ies). The Buying Entity(ies)/SECI shall provide refusal within 15 (fifteen) Days from the receipt of the request for early part/full commencement of power supply from the Project, beyond which it would be considered as deemed refusal. Provided that in case both the Buying Entity and SECI give their acceptance to purchase of power, the Buying Entity will be accorded priority in availing such power. In case the designated Buying Entity does not give its acceptance, then SECI can purchase such power directly or designate another potential buyer/entity to purchase such power at the Applicable Tariff (as per Article 9.1). In case SECI/Buying Entity agree to purchase power from a date prior to the SCSD, such power shall be purchased at the Applicable Tariff (as per Article 9.1). Any energy produced and flowing into the grid before SCSD shall not be at the cost of SECI.

9.3 RPD will not be allowed to sell energy generated prior to SCSD to any other entity other than SECI (unless refused by SECI).

9.4 The RPD may also sell the power which was offered on day ahead basis to the Buying Entity(ies) but not scheduled by the Buying Entity(ies) to any third party or power exchange without requiring NOC from the Buying Entity(ies). However, in case SECI has a potential buyer to procure the aforesaid unrequisitioned power, the RPD shall schedule the power to such Buying Entity/Buyer at applicable tariff of PPA.

9.5 In case of multiple Project components, and in case one or more such component (wind or solar PV or any other RE power generating source) is ready for injection of power into the grid, but the remaining component is unable to commence power supply, the RPD will be allowed to commence power supply from such component which is ready, outside the ambit of this Agreement. Following should be noted under this scenario:

(a) First right of refusal for such power shall vest with the Buying Entity(ies). Subsequent to refusal of such power by the Buying Entity(ies), the right of refusal shall vest with SECI.

(b) In case SECI/Buying Entity(ies) decides to buy such discrete component's power outside the PPA, such power shall be purchased at 50% of the Applicable Tariff. In case the same is procured through SECI, trading margin of Rs. 0.07/kWh will be applicable on such power procurement.

(c) The above scenario will be applicable until the RPD commences supply of power to the Buying Entity(ies) under the provisions of this Agreement.

ARTICLE 10: BILLING AND PAYMENT

10.1 ***General***

10.1.1 Pursuant to Article 4.1.1 (i), SECI may set up a payment security fund for RE Projects in order to ensure timely payment. The fund will be created as per the Guidelines and Payment Security Mechanism (PSM) guidelines, if any. This fund will have a corpus realized from encashment of Performance Bank Guarantee/POI, if any, under the referred RfS, and the amount credited by the RPD through a discount of Rs. 0.02/kWh in the monthly billing under this Agreement (last part to be applicable in case the RPD has opted for discounting the Tariff in lieu of Payment Security mechanism charges).

10.1.2 From the commencement of supply of power, SECI shall pay to the RPD 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 the bills raised by the RPDs, as per the Regional Energy Account published by the RPC, in case of cumulative supply, payment to the RPD(s) for the energy delivered shall be determined as per the segregation of the energy account provided by all the RPDs as per their respective schedules (to be provided in the form of annexure that will be attested by all the RPDs).

10.1.4 The RPD shall be required to make arrangements and payments for import of energy and other charges (if any) required for supply / offer of the contracted capacity under this Agreement as per applicable regulations.

10.1.5 The Parties acknowledge and accept that the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 (hereinafter referred to as 'Rules') as notified vide G.S.R 416(E) on 03.06.2022 by the Central Government in exercise of the power conferred by Sub-section (1) of Section 176 of the Electricity Act, 2003 shall apply and govern the terms and conditions of this Agreement in regard to matters contained in the said Rules including but not limited to the Late Payment Surcharge, adjustment towards the Late Payment Surcharge, Payment Security Mechanism-its operations and consequences, actions of Defaulting Entities, supply obligation of RPD, power not requisitioned by the Buying Entity, the order of payment and adjustment towards late payment surcharge and indemnification. In case of any inconsistency in the Guidelines and/or the provisions of this Agreement, with the provisions of the above Electricity (Late Payment Surcharge and Related Matters)

Rules, 2022, the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 will supersede and be applicable and govern the terms and conditions of this Agreement. The above shall apply both in regard to the present agreement as well as on mutatis mutandi and back to back basis to the PSA. The Rules referred to hereinabove being statutory shall, to the extent applicable, supersede any provisions in this Agreement and the PSA which are inconsistent or contrary to the provisions of the Rules.

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

10.2.1 The RPD 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 RPD for drawl of power, payment of reactive energy charges, Metering charges or any other charges as per guidelines of SERC/CERC, if applicable.

RPD may raise Monthly bill based on the provisional REA published at RPC of the Buying Entity, the final adjustments in bill, if any, may be done on the basis of the final REA along with Debit/Credit Note. The Monthly Bill amount shall be the product of the energy as per Energy Accounts and the Applicable Tariff.

10.2.2 The RPD shall issue the monthly Bill by deducting the discount of @Rs. 0.02/kWh as per Article 10.1.1 (strike out if not applicable) and 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. Energy drawn from the grid will be regulated as per the applicable Central/State regulations, DFR calculation sheet and other relevant documents as desired.

10.2.3 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, upto the Delivery Point(s), shall be borne by the RPD.

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 RPD, as shall have been previously notified by the RPD 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;

ii) shortfalls in meeting the stipulated DFR requirement; and

iii) amount claimed by SECI, if any, from the RPD, will be adjusted from the monthly energy payment. In case of any excess payment adjustment, the interest applicable will be same as rate of Late Payment surcharge applicable on day to day basis.

The RPD shall open a bank account (the "RPD's Designated Account") for all Tariff Payments (including Supplementary Bills) to be made by SECI to the RPD 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 RPD to SECI, if any, and notify the RPD of the details of such account ninety (90) Days before the Scheduled Commencement of Supply Date. SECI and the RPD shall instruct their respective bankers to make all payments under this Agreement to the RPD'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**

In the event of delay in payment of a Monthly Bill by SECI beyond the Due Date, a Late Payment Surcharge shall be payable by SECI to the RPD 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 RPD 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.

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 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 commencement of power supply from the Project and subject to acceptance by SECI, the payment for the power fed to the grid may be accounted from the date of commencement of such power supply, and RPD would be allowed to raise Bills against such power as per Article 10.2.1. However, payment against the 1st such bill raised by the RPD, will be made subject to acceptance of the bill by the Buying Entity.

10.3.5 **Rebate**

For payment of any Bill including Supplementary Bill on or before Due Date, the following Rebate shall be paid by the RPD 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 up to and including the 30th Day after the date of presentation of Bill through hard copy, shall be allowed a rebate of 1%.

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.

10.4 **Payment Security Mechanism**

Letter of Credit (LC):

10.4.1 SECI shall provide to the RPD, 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 RPD in accordance with this Article.

10.4.2 Before the start of supply, SECI shall, through a scheduled bank, open a Letter of Credit in favour of the RPD, 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 RPD shall not draw upon such Letter of Credit prior to the Due Date of the relevant Monthly Bill and/or Supplementary Bill, and shall not make more than one drawl 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 RPD, 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 current expiry date.

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 the Due Date, then, subject to Article 10.4.6 & 10.5.2, the RPD 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 RPD and;

ii) a certificate from the RPD 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 RPD 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 undisputed amount or 50% of the invoice amount, whichever is higher, 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 RPD agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.5.2, the RPD 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 RPD 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 RPD shall meet and make best endeavors 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 undisputed amount or 50% of the invoice amount, whichever is higher, in the Monthly Bill.

10.6 Quarterly and Annual Reconciliation

10.6.1 RPD and SECI 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 RPD and SECI, 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 RPD and SECI shall jointly sign such reconciliation statement. Within fifteen (15) days of signing of a reconciliation statement, the RPD 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 RPD 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 shall remit all amounts due under a Supplementary Bill raised by the RPD to the RPD's Designated Account by the Due Date, except open access charges, RLDC or scheduling charges and transmission charges (if applicable). Except for payment under Article 10.7.1 (i), payment of Supplementary Bills will be made after realization of the same from the Buying Entity under the Power Sale Agreement. No Late Payment Surcharge will be applicable other than that on the monthly energy payment and associated debit and credit note.

ARTICLE 11: FORCE MAJEURE

11.1 *Definitions*

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

11.2 *Affected Party*

11.2.1 An affected Party means Buyer or the RPD whose performance has been affected by an event of Force Majeure.

11.3 *Force Majeure*

11.3.1 A 'Force Majeure' means any event or circumstance or combination of events those stated below that wholly or partly prevents or unavoidably delays an Affected Party in the performance of its obligations under this 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:

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 and only if it is declared / notified by the competent state / central authority / agency (as applicable).

b) 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 if and only if it is declared / notified by the competent state / central authority / agency (as applicable).

c) 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 Power Project by the Affected Party or those employed or engaged by the Affected Party.

d) An event of Force Majeure identified under Buyer-Buying Entity(ies) PSA, thereby affecting delivery of power from RPD to Buying Entity(ies).

11.4 *Force Majeure Exclusions*

11.4.1 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.

11.5 ***Notification of Force Majeure Event***

11.5.1 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 fifteen (15) 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. The other Party shall respond on the claim of the Affected Party within 15 days of receipt of the said intimation of Force Majeure.

11.5.2 Provided that such notice shall be a pre-condition to the Affected Party's entitlement to claim relief under this Agreement. 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 monthly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the Force Majeure Event.

11.5.3 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 this Agreement, as soon as practicable after becoming aware of each of these cessations.

11.6 ***Duty to Perform and Duty to Mitigate***

11.6.1 To the extent not prevented by a Force Majeure Event pursuant to Article 11.3, the Affected Party shall continue to perform its obligations pursuant to this Agreement. The Affected Party shall use its reasonable efforts to mitigate the effect of any Force Majeure Event as soon as practicable.

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

11.7.1 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.

ARTICLE 12: CHANGE IN LAW

12.1 *Definitions*

In these rules, unless the context otherwise requires,

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 _____ [Enter the date of e-Reverse Auction (e-RA) conducted under the referred RfS], including any enactment or amendment or repeal of any law, leading to corresponding changes in the cost requiring change in tariff, and includes-

i. a change in interpretation of any law by a competent court; or

ii. a change in any domestic tax, including duty, levy, cess, charge or surcharge by the Central Government, State Government or Union territory administration leading to corresponding changes in the cost; or

iii. a change in any condition of an approval or license obtained or to be obtained for purchase, supply or transmission of electricity, unless specifically excluded in the agreement for the purchase, supply or transmission of electricity, which results in any change in the cost,

but does not include-

a. any change in any withholding tax on income or dividends distributed to the shareholders of the generating company or transmission licensee; or

b. change in respect of deviation settlement charges or frequency intervals by an Appropriate Commission.

c. any Change in Law event occurring after the SCSD/extended SCSD, which would not have affected the Project had the Project been commissioned before the SCSD/ extended SCSD.

12.1.2 The term "law" in this Article includes any Act, Ordinance, order, bye-law, rule, regulation, notification, for the time being in force, in the territory of India.

12.2 *Adjustment in tariff on account of Change in Law*

12.2.1 On the occurrence of a change in law, the monthly tariff or charges shall be adjusted and be recovered in accordance with the Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 notified by the Ministry of Power on 22.10.2021 (and subsequent amendments thereof, if any) to compensate the affected party so as to restore such affected party to the same economic position as if such change in law had not occurred.

12.2.2 For the purposes of 12.2.1 above, the affected party, which intends to adjust and recover the costs due to change in law, shall give a 21 days' prior notice to the other party about the proposed impact in the tariff or charges, positive or negative, to be recovered from such other party.

12.2.3 The affected party shall furnish to the other party, the computation of impact in tariff or charges to be adjusted and recovered, within thirty days of the occurrence of the change in law or on the expiry of 21 days from the date of the notice referred to in 12.2.2 above, whichever is later, and the recovery of the proposed impact in tariff or charges shall start from the next billing cycle of the tariff.

12.2.4 The impact of change in law to be adjusted and recovered may be computed as one time or monthly charges or per unit basis or a combination thereof and shall be recovered in the monthly bill as the part of tariff.

12.2.5 The amount of the impact of change in law to be adjusted and recovered, shall be calculated in accordance with the formula given here under to calculate adjustment in the monthly tariff due to impact of change in law, which is non-recurring in nature.

Let financial impact of change in law=P

Then the modification in the monthly tariff (MT) for compensating the financial impact is given by MT=(Y/X)

Where X= estimated monthly electricity generation in kWh = (1/12) x [Contracted Capacity of the power plant as per the Agreement (in MW) x 8760 hours x 10];

$$Y = \frac{(P \text{ x } M_r)(1 + M_r)^n}{(1 + M_r)^n - 1}$$

Where, -

n=No. of months over which the financial impact has to be paid (subject to maximum of 180 months in case of the non-recurring fixed amount but in case of recurring impact it will be till the impact persists);

M_r =monthly rate of interest=R/(12x100) and

R = annual rate of interest on loan component (in %) as considered by the CERC in its order for Tariff Determination from Conventional or Renewable Energy Sources (whichever is applicable) for the year in which the Project is commissioned. In absence of relevant orders of CERC for the concerned year, the interest rate shall be average interest rate plus 200 basis points above the average State Bank of India marginal cost of funds based leading rate, of one-year tenor, prevalent during the last available six months for such period.

Further, generating company or intermediary procurer or the trading licensee shall true up the MT annually based on actual generation of the year so as to ensure that the payment to the affected party is capped at the yearly annuity amount.

Any such change, shall be considered up to 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

12.2.6 The recovery of the impacted amount, in case of the fixed amount shall be,

a. In case of generation project, within a period of one-hundred eighty months; or
b. In case of recurring impact, until the impact persists.

12.2.7 The RPD shall, within thirty days of the coming into effect of the recovery of impact of change in law, furnish all relevant documents along with the details of calculation to the Appropriate Commission for adjustment of the amount of the impact in the monthly tariff or charges.

12.2.8 The Appropriate Commission shall verify the calculation and adjust the amount of the impact in the monthly tariff or charges within sixty days from the date of receipt of the relevant documents under clause 12.2.7.

12.2.9 After the adjustment of the amount of the impact in the monthly tariff or charges under clause 12.2.8, the RPD shall adjust the monthly tariff or charges annually based on actual amount recovered, to ensure that the payment to the affected party is not more than the yearly annuity amount.

12.2.10 In the event of any decrease in the project cost by the RPD or any income to the RPD on account of any of the events as indicated above, RPD shall pass on the benefit of such reduction at a rate as provided in Article 12.2 to SECI which shall be further passed on to the Buying Entity. In the event of the RPD 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, RPD shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 12.

12.2.11 Any notice service pursuant to this Article 12.2.7, 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.

12.2.12 "Project Cost" wherever applicable under this Article, shall mean the cost incurred by the RPD towards supply and services only for the Project concerned, up to the actual date of commencement of power supply from the last part capacity, or up to SCSD or extended SCSD, whichever is earlier. For example, in case the actual date of commencement of supply of power is 15.04.2025, and SCSD (extended SCSD, if applicable) is 01.04.2025, the Project Cost shall be determined as the cost incurred by the RPD up to 01.04.2025.

12.2.13 It may be noted that the above calculation of Project cost shall be limited to the costs incurred in installation of rated capacities of the Project components in proportion to the Contracted Capacity (or part thereof), which has commenced supply of power until the deadline as per Article 12.2.12 above, or installation of the Project components as per their respective actual installed capacity by the SCSD, whichever is lower.

For example, in case of a Contracted Capacity of 300 MW, assuming the RPD's committed Installed Capacity configuration results in a ratio of 1:1 in terms of committed Solar PV capacity to be installed to meet the Contracted Capacity, i.e. for the 300 MW Contracted Capacity, the RPD commits to install 300 MW (AC) capacity of Solar PV to commence supply of power under this Agreement. Now, assuming the RPD declares commencement of power supply under this Agreement from 200 MW out of the 300 MW Contracted Capacity, by the deadline as per Article 12.2.12. In case the Solar PV capacity being installed is demonstrated as 300 MW in this scenario, the Change in Law relief under this Agreement shall be limited to 200 MW (AC) of the installed Solar PV capacity.

ARTICLE 13: EVENTS OF DEFAULT AND TERMINATION

13.1 *RPD 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 RPD 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 maintain minimum DFR requirement as per Article 4.4.1 for a period of 24 consecutive months after commencement of power supply throughout the Term of this Agreement, or if

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

b) the RPD 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; or

(ii) if (a) the RPD 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 RPD , or (c) the RPD 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 RPD will not be a RPD 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 RPD and expressly assumes all obligations of the RPD under this Agreement and is in a position to perform them; or

(iii) the RPD 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 RPD is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the RPD within thirty (30) days of receipt of first notice in this regard given by SECI; or

(v) change in shareholding of the RPD before the specified time frame as mentioned in Article 4.1.1 of this Agreement, without prior consent of SECI; or ceding of control by the promoters of M/s …….. [Insert name of the bidding company which was issued LoA by SECI under the RfS] within 1 year of SCSD, without prior consent of SECI; or

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

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

(viii) Revoking of connectivity of the RPD on account of non-compliance by the RPD.

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 RPD 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 RPD is unable to recover the amount outstanding to the RPD 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 RPD in this regard; or

(iii) except where due to any RPD'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 RPD to SECI; or

(iv) 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;

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

(vi) 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 RPD Event of Default*

13.3.1 Upon the occurrence and continuation of any RPD Event of Default under Article 13.1, SECI shall have the right to deliver to the RPD, with a copy to the representative of the lenders to the RPD with whom the RPD 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 RPD 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 RPD.

13.3.5 Subject to the terms of this Agreement, upon occurrence of an RPD Event of Default under this Agreement, the RPD will be liable to pay to SECI, penalty as provided in Article 4.6 of this Agreement for failure to commence supply of power within the stipulated time and Article 4.4 for failure in supply of power in terms of this Agreement. For other cases, the RPD shall be liable to pay to Buying Entity(ies), damages, equivalent to 24 (twenty-four) months, or balance PPA period, whichever is less, of tariff for its Contracted Capacity, calculated based on a Demand Fulfilment Ratio of 80%.

SECI shall have the right to recover the said damages by way of forfeiture of bank guarantee/POI, 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 RPD by a selectee for the residual period of the Agreement, for the purpose of securing the payments of the total debt amount from the RPD and performing the obligations of the RPD. However, in the event the lenders are unable to substitute the defaulting RPD within the stipulated period, SECI may terminate this Agreement. 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 Entity 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 RPD shall cooperate with SECI/ Lenders 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+ applicable GST per transaction as facilitation fee (non-refundable) shall be deposited by the RPD to SECI.

13.3.7 In the event of termination of PPA/PSA, on account of Event of Default by the RPD, any damages or charges payable to the STU/ CTU, for the connectivity of the Project, shall be borne by RPD.

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 RPD shall have the right to deliver to SECI, a RPD Preliminary Default Notice, which shall specify in reasonable detail the circumstances giving rise to its issue.

13.4.2 Following the issue of an RPD 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 RPD shall, subject to the prior consent of the RPD, 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 RPD, or if no offer of novation is made by SECI within the stipulated period, then the RPD may terminate the PPA and at its discretion require SECI to pay to the RPD, damages, equivalent to 24 (twenty-four) months, or balance PPA period, whichever is less, of charges of its Contracted Capacity, calculated based on a Demand Fulfilment Ratio of 80%. In case SECI's Event of Default is triggered by a default on the part of the Buying Entity, the above amount will be recovered by SECI from the Buying Entity.

In the event of termination of PPA/PSA on account of Event of Default by the SECI/Buying Entity, any damages or charges payable to the STU/ CTU, for the connectivity of the Project, shall be borne by SECI/Buying Entity.

13.5 Termination due to Force Majeure

If the Force Majeure Event or its effects continue to be present beyond the period as specified in Article 4.5.3, termination of this Agreement shall be caused solely at the discretion of SECI after obtaining consent of Buying Entity and there shall not be any liability (to SECI/Buying Entity) arising out of such termination. In such an event, this Agreement shall terminate on the date of such Termination Notice issued by SECI without any further liability to either Party from the date of such termination.

ARTICLE 14: LIABILITY AND INDEMNIFICATION

14.1 *Indemnity*

14.1.1 The RPD 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 RPD of any of its obligations under this Agreement or due to the RPD's willful misconduct, gross negligence or fraudulent behavior or violations of Applicable Law; 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 RPD of any of its obligations under this Agreement, (provided that this Article 14 shall not apply to such breaches by the RPD, 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 RPD harmless against:

a) any and all third party claims against the RPD, 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 RPD 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 RPD 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 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 RPD 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 RPD 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 RPD or any Affiliate of the RPD or any of its officers, directors or shareholders for such claims excluded under this Article. The RPD 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 Entity(ies) to enable them to fulfill the Renewable Purchase Obligations (RPO)/Energy Storage Obligation (ESO) and power demand, therefore, the performance of the obligations of SECI under this Agreement shall be subject to the ability of SECI to enforce the corresponding obligations assumed by the Buying Entity(ies) on re-sale under the Power Sale Agreement to be entered into by the Buying Entity(ies) with SECI. It is however, specifically agreed that the payment of money becoming due from the SECI to the RPD under this Agreement for supply

of power to the extent of the Contracted Capacity shall not be on a back to back basis and will be as per the recourse under the Payment Security Mechanism provided in the PPA and PSA

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 RPD has any claim against the SECI in regard to the performance of any obligation of SECI under this Agreement or enforcement of any right of the RPD 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 Entity(ies) under the Power Sale Agreement to be entered into between the SECI and the Buying Entity(ies) on resale on mutatis mutandis basis and not otherwise.

14.6 Duty to Mitigate

14.6.1 The Parties shall endeavour to take all reasonable steps so as to 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 commencement of power supply under this Agreement.

Provided that, SECI shall permit assignment of any of RPD's rights and obligations under this Agreement in favour of the lenders to the RPD, 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 RPD and the Buying Entity(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. 15 Lakh + applicable GST per transaction as Facilitation Fee (non-refundable) shall be deposited by the RPD to SECI. Provided further that, such consent shall not be withheld by the RPD 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. 20 Lakh per Project + applicable GST per transaction as Facilitation Fee (non-refundable) shall be deposited by the RPD to SECI.

15.2 *Permitted Charges*

15.2.1 The RPD 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.

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 ("Noticee"), 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 Noticee 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 the Party issuing the Notice pursuant to Article 16

(i) if the Noticee 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 Noticee, 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

In the event CERC is the Appropriate Commission, any dispute that arises claiming any change in or regarding determination of the tariff or any tariff related matters, or which partly or wholly could result in change in tariff, such dispute shall be adjudicated by the CERC. All other disputes shall be resolved by the Dispute Resolution Committee set up by the Government, failing which by arbitration under the Indian Arbitration and Conciliation Act, 1996. In the event SERC/JERC is the Appropriate Commission, then all disputes shall be adjudicated by the SERC/JERC or shall be referred for arbitration by the SERC/JERC.

16.3.2 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.

16.4 *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 RPD, 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 :

Attention :

Email :

Fax. No. :

Telephone No. :

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:

(i) Address :
Attention
Email :
Fax. No. :
Telephone No. :

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 RPD shall bear and promptly pay all statutory taxes, duties, levies and cess, assessed/ levied on the RPD, contractors or their employees that are required to be paid by the RPD 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 RPD 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 RPD by SECI on behalf of RPD.

17.10 ***Independent Entity***

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

17.10.2 Subject to the provisions of the Agreement, the RPD shall be solely responsible for the manner in which its obligations under this Agreement are to be performed. All employees and representatives of the RPD or contractors engaged by the RPD in connection with the performance of the Agreement shall be under the complete control of the RPD 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 RPD 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 round-the-clock power to the Buying entity(ies), 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]	For and on behalf of [RPD]
Name, Designation and Address	Name, Designation and Address
Signature with seal	Signature with seal
Witness: 1.	Witness: 1.
2.	2.

SCHEDULE 1: FORMAT FOR PERFORMANCE BANK GUARANTEE (PBG)

(to be submitted separately for each Project)

(To be stamped in accordance with Stamp Act, the Non-Judicial Stamp Paper of Appropriate Value)

Reference: …….

Bank Guarantee No.: .....…

Date: .....……...

In consideration of the _____ [*Insert name of the Bidder*] (hereinafter referred to as 'selected RE Power Developer' or 'RPD') submitting the response to RfS inter alia for …… [*Insert title of the* RfS] of the Contracted Capacity of ……. MW [*enter Contracted Capacity as per the PPA*] through setting up of ……MW [*Insert committed Installed Capacity as per the PPA*] of Installed Capacity, at ……..*[Insert name of the Project location(s)*], for supply of power there from on long term basis, in response to the RfS dated…… issued by Solar Energy Corporation of India Limited (hereinafter referred to as SECI) and SECI considering such response to the RfS of ……[*Insert name of the Bidder*] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the Project of the RE Power Developer and issuing Letter of Award No. _____ to _____ (*Insert Name of selected RE Power Developer*) as per terms of RfS and the same having been accepted by the selected RPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase of Power [from selected RE 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*] forthwith on demand in writing from SECI or any Officer authorised by it in this behalf, any amount up to and not exceeding Indian Rupees _____ [Total Value] only, on behalf of M/s _____ [*Insert name of the selected RE 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 INR _____ (Indian Rupees _____ 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 RE 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 New 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 RE Power Developer/ Project Company, to make any claim against or any demand on the selected RE Power Developer/ Project Company or to give any notice to the selected RE 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 RE Power Developer/ Project Company.

This BANK GUARANTEE shall be effective only when the Bank Guarantee issuance message is transmitted by the issuing Bank through SFMS to IDFC First Bank and a confirmation in this regard is received by SECI.

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 INR _____ (Indian Rupees _____ only) and it shall remain in force until ……. 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 and Address of the Bank*] __

Contact Details 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 Scheduled Commercial Banks as listed on the website of Reserve Bank of India (RBI) and amended as on the date of issuance of Bank Guarantee. Bank Guarantee issued by foreign branch of a Scheduled Commercial Bank is to be endorsed by the Indian branch of the same bank or State Bank of India (SBI).

SCHEDULE 2: FORMAT OF PAYMENT ON ORDER INSTRUMENT TO BE ISSUED BY IREDA/REC/PFC (IN LIEU OF PBG)

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. 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.

2. At the request of M/s _____, on behalf of _____ (insert name of the SPV), this Payment on Order Instrument (POI) for an amount of Rs. _____ (Rupees_____(in words)). This Payment on Order Instrument comes into force immediately.

3. In consideration of the ----- [Insert name of the Bidder] (hereinafter referred to as selected RE Power Developer') submitting the response to RfS inter alia for selection of Contracted Capacity of …….. MW through an Installed Capacity of ……..MW, at ……[Insert name of the Project location(s)] under RfS for _____(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 RE Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the RE Power Project of the RE Power Developer (RPD) and issuing Letter of Award No ------- to (Insert Name of selected RE Power Developer) as per terms of RfS and the same having been accepted by the selected RPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase of Power [from selected RE 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 RE Power Developer / Project Company].

4. 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 said amount unconditionally, without demur and without protest upon 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 of 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 the 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/RPD, to make any claim against or any demand against the SPV/RPD or to give any notice to the SPV/RPD;

(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/RPD;

(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;

5. 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.

6. 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: FORMAT OF INSURANCE SURETY BOND TOWARDS PERFORMANCE SECURITY

(To be stamped in accordance with Stamp Act of India)

Insurance Surety Bond No.:
Date:

To
Solar Energy Corporation of India Limited,
6th Floor, Plate-B, NBCC Office Block Tower-2,
East Kidwai Nagar, New Delhi - 110 023

Dear Sir,

In consideration of Solar Energy Corporation of India Limited (hereinafter referred to as 'SECI' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators and assigns) having awarded to M/s..... [*Insert name of RE Power Developer*]..... with its Registered/Head Office at..... (Hereinafter referred to as the 'RE Power Developer' or 'RPD', which expression shall unless repugnant to the context or meaning thereof, include its successors administrators, executors and assigns), the Project of capacity of ….. MW for supply of power there from on long term basis, in response to the RfS No. ……. dated……, issued by SECI by issuing Letter of Award No. ……dated…….. and the same having been unequivocally accepted by the RPD, resulting into a Power Purchase Agreement (PPA) to be entered, for purchase of Power [from selected RE Power Developer or a Project Company, M/s ……. {a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable] and the RPD having agreed to provide a Performance Guarantee of the amount up to and not exceeding Indian Rupees ……..[*Total Value*] only.

We ..... [*Name & Address of the Insurer*] ..... having its Head Office at ..... (hereinafter referred to as the 'Insurer', which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and undertake to pay SECI unequivocally, irrevocably and unconditionally, on demand any and all amount to the extent of amount up to and not exceeding Indian Rupees _____ [*Total Value*] on behalf of M/s _____ [*Insert name of the selected RPD*] at any time up to ..... [*days/month/year*] without any condition, demur, reservation, contest, recourse or protest and/or without any reference to the RPD. Any such demand made by SECI on the Insurer shall be conclusive and binding notwithstanding any difference between the SECI and the RPD or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Insurer undertakes not to revoke this Insurance Surety Bond during its currency and or any period extended under the contract, without prior consent of SECI and further agrees that the guarantee herein contained shall be enforceable till SECI discharges this guarantee.

SECI shall have the fullest liberty, without affecting in any way the liability of the Insurer under this Insurance Surety Bond, from time to time to extend the performance of the Contract

by the RPD for the purpose of which, the Insurer shall be liable to extend the validity of the present Insurance Surety Bond without any demur, condition, protest and the Insurer shall at no point in time have an option of revoking the same, SECI shall have the fullest liberty, without affecting this Insurance Surety Bond, to postpone from time to time the exercise of any powers vested in them or of any right which they might have against the RPD, and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce any covenants, contained or implied, in the Power Purchase Agreement between SECI and RPD or any other course or remedy or security available to SECI.

The Insurer shall not be released of its obligations under these presents by any exercise by SECI of its liberty with reference to the aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on the part of SECI or any other indulgence shown by SECI or by any other matter or thing whatsoever which under law would, but for this provision, have the effect of relieving the Insurer.

The Insurer also agrees and undertakes that SECI at its option shall be entitled to enforce this Insurance Surety Bond against the Insurer as a Surety, in the first instance without proceeding against the RPD and notwithstanding any security or other guarantee that SECI may have in relation to the RPD's liabilities.

The Insurer hereby agrees and acknowledges that the SECI shall have a right to invoke this Insurance Surety Bond in part or in full, as it may deem fit.

The Insurer 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 Insurer, in order to make the said payment to SECI.

The Insurer shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by _____ *[Insert name of the RPD]* and/ or any other person. The Insurer shall not require SECI to justify the invocation of this Insurance Surety Bond, nor shall the Insurer have any recourse against SECI in respect of any payment made hereunder.

This Insurance Surety Bond shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Insurer.

The Insurer acknowledges that this Insurance Surety Bond 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 RfS.

Notwithstanding anything contained hereinabove our liability under this Insurance Surety Bond is restricted to INR …….. (Indian Rupees …… only) and it shall remain in force up to and including ..... and shall be extended from time to time for such period, as may be desired by M/s .....[*RPD's Name*] on whose behalf this Insurance Surety Bond has been given.

Dated this ..... day of ..... 20..... at.....

.....
(Signature)
.....
(Name)
.....
(Designation with Insurer stamp)
Email id of the Branch for confirmation of this Bond: …….
Power of Attorney No. .....
Date.....

WITNESS :
1.....
(Signature)
.....
(Name)
.....
(Official Address)
2. .....
(Signature)
.....
(Name)
.....
(Official Address)

Notes :

1. The Insurance Surety Bond shall be from an Insurer as per guidelines issued by Insurance Regulatory and Development Authority of India (IRDAI).
2. SECI shall be the Creditor, the RPD shall be the Principal debtor and the Insurance company/Insurer shall be the Surety in respect of the Insurance Surety Bond to be issued by the Insurer.
3. The Insurance Surety Bond should be on Non-Judicial stamp paper/e-stamp paper of appropriate value as per Stamp Act prevailing in the state(s) where the Insurance Surety Bond is submitted or is to be acted upon or the rate prevailing in State where the Insurance Surety Bond is executed, whichever is higher. The Stamp Paper/e-stamp paper shall be purchased in the name of RPD/Insurer issuing the Insurance Surety Bond.

SCHEDULE 4: ILLUSTRATION FOR PENALTIES APPLICABLE AGAINST SHORTFALL IN POWER SUPPLY (Article 4.4.13 of the PPA)

❖ **Assumptions**

- Contracted Capacity: 100 MW
- Applicable Tariff for the Project: **Rs. 4.0/kWh**
- Considering 5th Contract Year after commencement of power supply from last part capacity of the Project.
- Power supply profile for a typical month in the 5th year:

Month	Monthly DFR (%) (average DFR of all the time-blocks in the month)	Shortfall in monthly DFR requirement (%)	DFR during Peak Hours (%) (average DFR of all time-block in Peak Hours during the month)	Shortfall in monthly DFR requirement during Peak Hours (%)
A	**B**	**C = min. {(B-75), 0}**	**D**	**E= min.{(D-90), 0}**
Jan	75	0	85	**5**
Feb	80	0	90	**0**
Mar	74	1	95	**0**
Apr	90	0	95	**0**
May	90	0	95	**0**
Jun	90	0	95	**0**
Jul	90	0	95	**0**
Aug	75	0	95	**0**
Sep	80	0	90	**0**
Oct	80	0	85	**5**
Nov	72	3	87	**3**
Dec	70	5	90	**0**
Total	**966**	**9**	**1097**	**13**

(i) <u>Penalty for shortfall in meeting min. monthly and annual DFR requirement:</u>

a. <u>Penalty corresponding to shortfall in meeting min. monthly DFR requirement (payable monthly)-</u>

Penalties will be levied for the months, in which the average DFR of all the time-blocks is less than 75%. In this example, the penalty shall be levied for the months of March, November, and December.

Applicable penalty for the month of March = Rs. [1.5 x 4 x 0.01 x 100 x 24 x 31 x 1000] = Rs. 44.64 Lakhs

Applicable penalty for the month of November = Rs. [1.5 x 4 x 0.03 x 100 x 24 x 30 x 1000] = Rs. 129.60 Lakhs

Applicable penalty for the month of December = Rs. [1.5 x 4 x 0.05 x 100 x 24 x 31 x 1000] = Rs. 223.20 Lakhs

Thus, the total penalty applicable for the Contract Year for shortfall in min. monthly DFR requirement = Rs. (44.64 + 129.60 + 223.20) Lakhs = Rs. 397.44 Lakhs

b. Penalty corresponding to shortfall in meeting min. annual DFR requirement-

Penalty will be levied in case the average DFR of all the time-blocks in the Contract Year is less than 80%. In this example, the average annual DFR comes out to be 80.5% (=966/12), thus, no penalty shall be applicable.

Applicable Penalty for shortfall in meeting min. monthly and annual DFR requirements for this Contract Year = Higher of the penalty corresponding to sum of monthly shortfall in meeting min. monthly DFR requirement for the Contract Year and the penalty corresponding to shortfall in meeting min. annual DFR requirement in the Contract Year = Rs. 397.44 Lakhs.

(ii) Penalty for shortfall in meeting monthly DFR requirement during Peak Hours (payable monthly):

Penalties will be levied for the months, in which the average DFR of all the time-blocks during Peak Hours is less than 90%. In this example, the penalty shall be levied for the months of January, October, and November.

Applicable penalty for the month of January = Rs. [2.5 x 4 x 0.05 x 100 x 4 x 31 x 1000] = Rs. 62 Lakhs

Applicable penalty for the month of October = Rs. [2.5 x 4 x 0.05 x 100 x 4 x 30 x 1000] = Rs. 60 Lakhs

Applicable penalty for the month of November = Rs. [2.5 x 4 x 0.03 x 100 x 4 x 31 x 1000] = Rs. 37.20 Lakhs

Thus, the total penalty applicable for the Contract Year for shortfall in monthly DFR requirement during Peak Hours = Rs. (62 + 60 + 37.20) Lakhs = Rs. 159.20 Lakhs

Therefore, **total penalty payable by the RPD for this Contract Year** = The sum of penalty for shortfall in meeting min. DFR requirement during Peak Hours and applicable penalty for shortfall in meeting min. monthly and annual DFR requirements for this Contract Year = Rs. (397.44 + 159.20) Lakhs = Rs. 556.64 Lakhs.

Note: The above illustration has been provided for a sample monthly data, based on assumptions as indicated. Actual calculations for penalties will be made for the yearly data as made available through the REA.

SCHEDULE 5: SECI-BUYING ENTITY(IES) POWER SALE AGREEMENT(S)