Power Purchase Agreement (PPA)

FOR PURCHASE OF POWER THROUGH COMPETITIVE BIDDING PROCESS [FOLLOWED BY REVERSE E-AUCTION] FROM 600 MW GRID CONNECTED SOLAR PHOTOVOLTAIC POWER PROJECTS TO BE SET UP IN 600 MW KHAVDA SOLAR PARK WITH GREENSHOE OPTION OF ADDITIONAL UPTO 600 MW.

RfS No. GUVNL / 600 MW / Solar dated 29.09.2022 (Tender Search Code: GUVNL-2022-TN000013)

ISSUED BY

Gujarat Urja Vikas Nigam Ltd

Sardar Patel Vidyut Bhavan, Race Course Vadodara-390007

Tel No. 0265-2340289, 0265-2310582 / 83 /84 / 85/ 86

Website: www.guvnl.com

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This Power Purchase Agreement is made and entered into at Vadodara on this __day of _____ 2022 between _____

_____ incorporated under Companies Act, 1956 (1 of 1956) having its registered Office at _____ (hereinafter referred to as "Power Producer", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees) as party of first part.

AND

Gujarat Urja Vikas Nigam Limited incorporated under the Companies Act 1956 (1 of 1956) having its Registered office at Sardar Patel Vidyut Bhavan, Race Course Vadodara – 390 007, (hereinafter referred to individually, as “GUVNL” or "Power Procurer", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees) as party of the second part.

WHEREAS Govt. of Gujarat vide Resolution G.R. No. SLR/11/2020/77/B1 dated 29.12.2020 has notified the Gujarat Solar Power Policy 2021 which shall remain operational for the period upto 31.12.2025.

AND, WHEREAS the Gujarat Solar Power Policy 2021 stipulates that the obligated entities may purchase solar power to fulfil their RPO at the tariff determined through competitive bidding.

AND, WHEREAS the Ministry of Power vide Resolution no. 23/27/2017-R&R dated 03.08.2017 has notified the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from grid connected Solar PV Power Projects.

AND, WHEREAS GUVNL vide RFS No. GUVNL / 600 MW / Solar dated 29.09.2022 has floated tender for purchase of power through Competitive Bidding Process (followed by reverse e-auction) from 600 MW grid connected Solar Photovoltaic Power Projects to be setup at Khavda Solar Park, in Gujarat with Greenshoe option of additional upto 600 MW, and the Power Producer has been declared Successful Bidder pursuant to Letter of Intent(LOI) dated …….… for development of Solar Power Project of ……..MW capacity and sale of entire of electrical energy, so produced, for commercial purposes from such Power Plant to GUVNL.

AND, WHEREAS, GUVNL shall be filing / has filed a petition no. _____ under section 63 of The Electricity Act, 2003 before the Honourable Gujarat Electricity Regulatory Commission for adoption of tariff discovered through the Competitive Bidding Process (followed by Reverse Auction) conducted by GUVNL through RfS no. GUVNL / 600 MW / Solar dated 29.09.2022 & Addendums thereto, if any. Therefore this Power Purchase Agreement shall be subject to the adoption of tariff by the Honourable Commission. In terms of Clause 10.4 of Ministry of Power’s guidelines dated 03.08.2017, as amended from time to time, GUVNL shall approach the GERC

for adoption of tariffs under Section 63 of the Act. Any delay in adoption of tariff by GERC, beyond 60 (sixty) days from date of filing of petition by GUVNL, shall entail a corresponding extension in due date for financial closure and scheduled commissioning date, for equal no of days for which the GERC order has been delayed beyond such 60 days period.

AND, WHEREAS the Power Producer desires to set-up such Solar Energy based Power Plant of …… MW capacity at Plot No ___ of the Khavda Solar Park using new Solar Photovoltaic Grid Interactive power plants.

AND, WHEREAS, the Power Producer has taken responsibility to set up requisite power injection system into Gujarat Energy Transmission Corporation Ltd (GETCO) Grid.

AND, WHEREAS the GUVNL agrees to purchase such power with Discom wise share to be decided from time to time for fulfillment of RPO.

AND, WHEREAS, the Parties hereby agree to execute this Power Purchase Agreement setting out the Terms & Conditions for sale of power by Power Producer to GUVNL.

NOW THEREFORE IN VIEW OF THE FOREGOING PREMISES AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS HEREINAFTER SET FORTH, GUVNL AND THE POWER PRODUCER, EACH TOGETHER WITH THEIR RESPECTIVE SUCCESSORS AND PERMITTED ASSIGNS, A PARTY AND COLLECTIVELY THE PARTIES, HEREBY AGREE AS FOLLOWS:

ARTICLE 1: Definitions

1.1 For all purposes of this Agreement, the following words and expressions shall have the respective meanings set forth below:

"Agreement" shall mean this Power Purchase Agreement executed hereof, including the schedules hereto, amendments, modifications and supplements made in writing by the Parties from time to time.

"Approvals" means the permits, clearances, licenses and consents as are listed in Schedule 2 hereto and any other statutory approvals.

"Base rate of Late Payment Surcharge" means the marginal cost of funds based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided that if the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.

"Billing Period" means (subject to Article 6.1 of the Agreement) the calendar month ending with the Metering Date. The first Billing Period shall commence from the Commercial Operation Date and end with the Metering Date corresponding to the month in which the Commercial Operation Date occurs.

"Billing Date" shall be the first Business Day after the Metering Date of each Billing Period.

"Bid Deadline" shall mean the last date of submission of bid under RfS No. GUVNL / 600 MW / Solar (Phase XVII) dated 29.09.2022 & Addendums thereto, if any

"Business Day" shall mean a Day other than Sunday or a statutory holiday on which banks remain open for business in Vadodara.

"Change in Law" shall have the meaning ascribed thereto in Article 9 of this Agreement.

"CERC" means Central Electricity Regulatory Commission.**"Commissioning"** with respect to the project or part thereof as certified by GEDA shall mean when all equipments as per rated capacity has been installed and energy has flown into the grid.

"Commercial Operation Date (COD)" shall be be the date certified by GEDA upon successful commissioning of the full capacity of the Project or the last part capacity of the Project as the case may be.

"**Competent Court**" means the Supreme Court of India or any High Court, or any tribunal or any similar judicial or quasi-judicial body that has jurisdiction in relation to issues relating to the Project.

"**Contracted Capacity**" shall mean …… [Insert capacity] MW AC contracted with GUVNL for supply by the Power Producer at the Delivery Point from the Solar Power Project. It is to clarify that in any 15 minute time block during the entire term of PPA, the injected power shall not

exceed the Contracted AC Capacity plus 5% as well as the inverter capacity shall not exceed Contracted AC Capacity plus 5%.

"Contracted CUF" shall mean the % capacity utilization factor of the project mentioned in Schedule 3 of the PPA and shall be allowed to be modified until 1 year after Commercial Operation Date of the project / part thereof and thereafter it shall remain unchanged for the balance term of the PPA.

"**Contract Year**" shall mean, with respect to the initial Contract Year, the period beginning on the Commercial Operation Date and ending at 12.00 midnight on 31st March of that Fiscal Year. Each successive Contract Year shall coincide with the succeeding Fiscal Year i.e. a period of twelve months commencing on April 1 and ending on following March 31, except that the final Contract Year shall end on the date of expiry of the Term or on Termination of this Agreement whichever is earlier.

"CTU or Central Transmission Utility" shall mean Central Transmission Utility of India Ltd (CTUIL) which is notified as the Central Transmission Utility under Section 38 of the Electricity Act 2003.

"Debt Due" shall be as defined at Article 10.3.2.

"Delivery Point / *Inter-connection Point*" shall be the point or points of inter-connection of project with CTU Grid i.e. CTU Periphery at which Electricity shall be delivered.

All expenses, including transmission / wheeling charges and losses upto Delivery Point including on account of any Change in Law event, shall be paid by the Power Producer without any reimbursement by GUVNL. All expenses including wheeling charges and losses in relation to the transmission and distribution beyond the Delivery Point shall be borne by GUVNL.

"Delivered Energy" means the energy scheduled at the Delivery Point as certified by WRPC in Regional Energy Account in accordance with provisions of PPA. In case of net import of energy during a month, the Power Producer shall be required to make payment to GUVNL at the rate of HT Temporary Tariff as determined by GERC from time to time. In case of net export of energy during a month, the Power Producer shall be eligible for receiving the agreed tariff from GUVNL for such net delivered energy. No change in charges / losses of CTU shall be covered under Change in Law. The commercial settlement of purchased energy as well as energy drawl from the grid shall be governed as per CERC (Deviation Settlement Mechanism) Regulations, 2014.

"Discom(s)" means one or more of the following distribution companies:

a) Madhya Gujarat Vij Company Limited

b) Dakshin Gujarat Vij Company Limited

c) Uttar Gujarat Vij Company Limited and

d) Paschim Gujarat Vij Company Limited

“Due Date of Payment” in respect of a Tariff Invoice means the date, which is 30 (thirty) days from the date of receipt of such invoices by the designated official of the GUVNL.

"Electricity" shall mean the electrical energy in kWh (kilowatt-hours).

"Electricity Laws" shall mean the Electricity Act, 2003 and the relevant Rules, Notifications, and amendments issued there under and all other Laws in effect from time to time and applicable to the development, financing, construction, ownership, operation or maintenance or regulation of electric generating companies and Utilities in India, the rules, regulations and amendments issued by the GERC / CERC from time to time.

"Emergency" means a condition or situation of physical damage to GETCO's / DISCOM’s electrical system including the Grid System, which threatens the safe and reliable operation of such system or which is likely to result in disruption of safe, adequate and continuous electric supply by GETCO or DISCOM Grid System or could endanger life or property.

“Expiry Date” shall mean the date occurring after twenty five (25) years from the Scheduled Commercial Operation Date of the project.

"Financing Documents" mean the agreements and documents (including asset leasing arrangements) entered/to be entered into between the Power Producer and the Financing Parties relating to the financing of the Project. In case of financing of the project solely through internal accruals, Financial Documents shall consist of Cash Flow Statements and Detailed Financial Statements reflecting sufficient infusion of funds in the project company.

"Financial Closure" shall mean arrangement of necessary funds by the Power Producer either by way of commitment of funds by the Company from its internal resources and / or tie up offunds through a bank / financial institution by way of sanction of a loan or letter agreeing to finance. At this stage, Power Producer shall ensure submission of documents / certificates evidencing the tie up of project cost through internal resources and /or through external Financing Agency and Implementation and Service Agreement executed with SPPD.

“Financing Parties” shall mean the parties financing the Project, pursuant to the Financing Documents.

"Force Majeure Event" shall have the meaning set forth in Article 8.

“GERC” means the Gujarat Electricity Regulatory Commission.

"GoI" shall mean the Government of the Republic of India and any agency, legislative body, department, political subdivision, authority or instrumentality thereof.

"GoG" shall mean the Government of the State of Gujarat and any agency, legislative body, department, political subdivision, authority or instrumentality thereof.

"Government Instrumentality" shall mean the GoI, the GoG and their ministries, inspectorate, departments, agencies, bodies, authorities, legislative bodies.

“Grid System” shall mean CTU / STU / Discom’s power transmission system / distribution system through which Delivered Energy is evacuated and distributed.

“Interconnection Facilities” in respect of the Power Producer shall mean all the facilities installed by the Power Producer to enable GUVNL to receive the Delivered Energy from the Project at the Delivery Point, including transformers, and associated equipment, relay and switching equipment, protective devices and safety equipment and transmission lines from the project to CTU sub-station.

“Installed Capacity” shall mean the capacity of the Project at the generating terminal(s) and may be within ± 5% of Contracted Capacity, provided that necessary evacuation consent shall have to be arranged from GSECL / STU / CTU**.**

“KV” shall mean Kilovolts.

“kWh” shall mean Kilowatt-hour.

"Law" shall mean any valid legislation, statute, rule, regulation, notification, directive or order, issued or promulgated by any Governmental Instrumentality.

“Letter of Intent (LOI)” shall mean the letter dated ……. issued by GUVNL to the Power Producer for award of the Project.

"Metering Date" for a Billing Period, means the midnight of the last Day of the calendar month.

“Metering point” shall mean the point at 400KV side of 400/765 KV Khavda PS-II Pooling Sub-Station of CTU. However, one more metering system is to be installed at 33 KV side of 400/33 KV Internal Pooling Sub-station where power from the Solar Power Project is injected for measuring export / import from each project. Energy recorded in the meter placed at CTU Substation shall be apportioned to each project in the proportion of energy recorded in the meters placed at Pooling Substation. All line losses upto the metering point (400 KV) will be on account of the Solar Power Developers.

“Monthly Charge” shall have the meaning set forth in Article 5.

“MW” means Megawatts.

“Must Run Status” shall mean that Project shall not be directed by the GUVNL to shut down or back down due to variations in the generation/consumption patterns or any commercial parameters, merit order dispatches or existence/apprehension of any other charges or levies related to dispatch or incidental thereto except Force Majeure Events and emergency.

“O & M Default” shall mean any default on the part of the Power Producer for a continuous period of ninety (90) days to (i) operate and/or (ii) maintain (in accordance with Prudent Utility Practices), the Project at all times**“Part Commissioning”** shall mean the Solar PV Capacity (AC MW) to be commissioned as per provisions of the Part Commissioning in this Agreement

“Performance Bank Guarantee” shall mean the irrevocable unconditional bank guarantee submitted by the Power Producer as per the RfS No. GUVNL / 600 MW / Solar dated 29.09.2022.

“*Pooling Substation/Pooling Point*” shall mean a point where more than one solar PV project may connect to a common transmission system within park. The pooling point voltage and metering arrangement shall be as per ISA.

“Project” shall mean a Solar Photovoltaic Grid Interactive Power Station to be established by the Power Producer in the Plot to be allocated in Khavda Solar Park Gujarat having a separate boundry and comprising of number of units, and shall include all units and auxiliaries such as water supply, treatment or storage facilities, bay(s) for transmission system in the switchyard, dedicated transmission line up to the Delivery Point and all the other assets, buildings/structures, equipment, plant and machinery, facilities and related assets required for the efficient and economic operation of the power generation facility, whether completed or at any stage of development and construction or intended to be developed and constructed for the purpose of supply of power to GUVNL at Delivery Point.

"Project Site" means any and all parcels of real property, rights of way, easements and access roads located in Khavda Solar Park, Gujarat, upon which the Project and its related infrastructure will be located as described in Schedule 1 hereto.

"Prudent Utility Practices" shall mean those practices, methods, techniques and standards, that are generally accepted for use in electric utility industries taking into account conditions in India, and commonly used in prudent electric utility engineering and operations to design, engineer, construct, test, operate and maintain equipment lawfully, safely, efficiently and economically as applicable to power stations of the size, service and type of the Project, and that generally conform to the manufacturers' operation and maintenance guidelines.

“Reference Exchange rate” shall mean, in respect of any one currency that is to be converted into another currency in accordance with the provisions of this agreement, the buying rate of such currency as of 12:00 noon on the relevant date notified by the State Bank of india, and in absence of such rate, the average of similar rates notified by Bank of India and Bank of Baroda.

“REA” means the Regional Energy Account issued by Westeren Regional Power Committee.

“**SBI 1 Year MCLR Rate**” means 1 year Marginal Cost of Funds Based Lending Rate (MCLR) fixed by State Bank of India (SBI) / any replacement thereof by SBI for the time being in effect applicable for 1 year period, as on 1st April of the respective financial year in accordance with regulations and guidelines of Reserve Bank of India. In absence of such rate, any other arrangement that substitutes such rate as mutually agreed to by the Parties.

“**Scheduled COD**” **or** “**Scheduled Commercial Operation Date**” shall mean the date ……. *(Insert a date within 15 months from the date of execution of the PPA)* as declared by the Power producer.

“Selected Bidder or Successful Bidder” shall mean the Bidder selected pursuant to RfS dated 29.09.2022 to set up the Project and supply electrical output as per the terms this PPA.

“SLDC” means the State Load Dispatch Center as notified by the State Government under sub-section (1) of section 31 of Electricity Act 2003.

“***SPPD*”** shall mean Solar Power Park Developer which is Gujarat State Electricity Corporation Ltd (GSECL) designated by State Government in terms of “Scheme for Development of Solar Parks and Ultra Mega Solar Power Projects” issued by MNRE on 21.03.2017 as amended from time to time.

“STU *or “State Transmission Utility” or “GETCO”* shall mean the Gujarat Energy Transmission Company Limited (GETCO) or its successor in terms of sub-section (1) of Section 39 of the Electricity Act 2003.

“Tariff” shall have the meaning set forth in Article 5.

“Tariff Invoices” shall have the meaning set forth in Article 6.

“Technical Limits” means the limits and constraints described in Schedule 1, relating to the operations, maintenance and dispatch of the Project.

“Term” means the term of the Agreement as defined in Article 10.1.

“Voltage of Delivery” means the voltage at which the Electricity generated by the Project is required to be delivered to the GUVNL which shall be at 400 kV.

“WRPC” shall mean the Western Regional Power Committee constituted under Section 2 (55) of the Electricity Act 2003.

1.2 Interpretation:

a) This PPA shall be subject to approval/ adoption of tariff by GERC.

b) Unless otherwise stated, all references made in this Agreement to "Articles" and "Schedules" shall refer, respectively, to Articles of, and Schedules to, this Agreement. The Schedules to this Agreement form part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement.

c) In this Agreement, unless the context otherwise requires (i) the singular shall include plural and vice versa; (ii) words denoting persons shall include partnerships, firms, companies and Discom (iii) the words "include" and "including" are to be construed without limitation and (iv) a reference to any Party includes that Party's successors and permitted assigns.

ARTICLE 2: Licences, Permits

The Power Producer, at its sole cost and expense, shall acquire and maintain in effect all clearances, consents, permits, licenses and approvals required from time to time by all regulatory / statutory competent authority (ies) in order to enable it to perform its obligations under the Agreement. GUVNL will render all reasonable assistance to the Power Producer to enable the latter to obtain such clearances without any legal obligation on part of GUVNL.

Provided, however, non-rendering or partial rendering of assistance shall not in any way absolve the Power Producer of its obligations to obtain such clearances. Nor shall it mean to confer any right or indicate any intention to waive the need to obtain such clearances.

ARTICLE 3: Obligations

3.1 Obligations of the Power Producer:

(i) The Power Producer shall obtain all statutory approvals, clearances and permits necessary for the Project which are not in the scope of SPPD under ISA, at his cost in addition to those Approvals as listed in Schedule 2.

(ii) The Power Producer shall obtain financial closure within Nine (09) months from date of execution of PPA.

The Power Producer will have to submit the required documents to GUVNL at least 14 days prior to the scheduled Financial Closure date. In case of delay in submission of documents mentioned above, GUVNL shall not be liable for delay in verification of documents and subsequent delay in Financial Closure.

An extension for the attainment of the financial closure can however be considered by GUVNL, on the sole request of the Power Producer, on advance payment of extension charges of Rs. 1000/- per day per MW Including GST@18%. In case of any delay in depositing this extension charge, the Power Producer has to pay an interest on this extension charge for the days lapsed beyond due date of Financial Closure @ SBI MCLR (1Year).

This extension will not have any impact on the SCOD. Any extension charges paid so, shall be returned to the Power Producer without any interest on achievement of successful commissioning within the SCOD on pro-rata basis, based on the Project Capacity commissioned on SCOD. However, in case of any delay in commissioning of the project beyond the Scheduled Commissioning Date, the amount as deposited above by the Power Producer shall not be refunded by GUVNL.

(iii) The Power Producer shall construct, operate and maintain the Project during the term of PPA at his cost and risk including the required Interconnection Facilities and in close co-ordination with GETCO's feasibility and in accordance with the provisions of ISA.

(iv) The Power Producer shall sell all available capacity from identified Solar Photovoltaic Grid-Interactive Power Plants to the extent of contracted capacity on first priority basis to GUVNL and not to sell to any third party.

a. **Criteria for Generation:** The Power Producer shall maintain generation so as to achieve annual CUF within + 10% and -15% of the contracted CUF till the end of 10 years from COD, subject to the annual CUF remaining minimum of 15%, and within +10% and -20% of the contracted annual CUF thereafter till the end of the PPA duration of 25 years. The lower limit will, however, be relaxable by GUVNL to the extent of non-availability of grid for evacuation which is beyond the control of the Power Producer. The annual CUF will be calculated every year from 1st April of the year to 31st March next year.

b. **Shortfall in Generation:** In case the project generates and supplies energy less than the energy corresponding to the minimum CUF (Calculation of CUF will be on yearly basis), the Power Producer will be liable to compensate GUVNL for the shortfall in availability below such contracted CUF level at 25% of the PPA Tariff. This will, however, be relaxable by GUVNL to the extent of grid non-availability for evacuation (beyond the Delivery Point) which is beyond the control of the Power Producer. This compensation shall be applied to the amount of shortfall in generation during the Contract Year.

c. However, this compensation shall not be applicable in events of Force Majeure identified under the PPA with GUVNL, affecting supply of solar power by the Power Producer.

d. **Excess Generation:** In case the availability is more than the maximum CUF specified, the Power Producer will be free to sell it to any other entity provided first right of refusal will vest with GUVNL. In case of excess generation, GUVNL shall reserve the right to purchase the excess generation at 75% (seventy-five per cent) of the PPA tariff.

(v) The Power Producer shall enter into Implementation & Support Agreement (ISA) with SPPD for Common Infrastructure and Facilities of Solar Park within 1 month from date of signing of PPA. Power Producer shall obtain “No Dues Certificate” from GSECL towards Upfront Development Charges payable under the ISA and furnish the same to GUVNL at the time of commissioning. Further, after commissioning of the project, “No Dues Certificate” from GSECL towards O&M Charges payable under ISA shall also be obtained and furnished to GUVNL by Power Producer every six months. GUVNL reserves the right to recover outstanding dues of power producer towards O&M Charges of GSECL from monthly energy bills upon intimation by GSECL to GUVNL of such outstanding dues.

(vi) The Power Producer shall undertake at its own cost construction/ upgradation of (a) the Interconnection Facilities, (b) the Transmission Lines and as per the specifications and requirements of GSECL / CTU, as notified to the Power Producer at schedule 1(5).

(vii) The Power Producer shall enter into Lease Agreement with SPPD for using the plot(s) allocated to them in the Solar Park. The Power Producer shall operate and maintain the Project in accordance with Prudent Utility Practices.

(viii) The Power Producer shall be responsible for all payments on account of any taxes, cesses, duties or levies imposed by the GoG or its competent statutory authority on the land, equipment, material or works of the Project or on the Electricity generated or consumed by the Project or by itself or on the income or assets owned by it. All expenses including wheeling / transmission charges and losses, UI / DSM Charges applicable as per GERC / CERC Regulations, upto Delivery Point shall be paid by the Power Producer without any reimbursement by GUVNL.

(ix) For evacuation facility and maintenance of the transmission, the Power Producer shall enter into separate agreement with SPPD/GETCO/CTU, if applicable.

(x) To procure start up power required for the plant from respective Discom.

(xi) The shareholding of promoters / consortium members in the Power Producer shall not fall below 51% (Controlling Shareholding) at any time prior to one (1) year from COD except with prior approval of GUVNL. In case Successful Bidder shall be itself executing the PPA, then it shall ensure that its promoters shall not cede Control till (1) one year from COD except with prior approval of GUVNL. After expiry of 1 year from COD, any change can be undertaken under intimation to GUVNL. Transfer of controlling shareholding within the same group of companies will however be allowed after COD, with the permission of GUVNL, subject to the condition that, the management control remains within the same group of companies

(xii) Fulfilling all other obligations undertaken by him under this Agreement.

3.2 Obligations of GUVNL:

(i) GUVNL shall grant Must Run Status to the Project subject to the considerations as stated under clauses 3.4, 3.5 and 3.6 of the PPA.

(ii) GUVNL shall allow Power Producer to re-power their plants from time to time during the PPA duration. However, GUVNL will be obliged to buy power only within the range of CUF, specified in the PPA.

3.3 Liquidated Damages for Delay in Commissioning the Project / Solar Photovoltaic Grid Interactive Power Plant Beyond Scheduled Commercial Operation Date

The Project shall be commissioned within Scheduled Commercial Operation Date. The Power Producer shall have to submit Commissioning Certificate as verified, inspected and certified by GEDA. In case of failure to achieve this milestone except due to Force Majeure Event, GUVNL shall encash Performance Bank Guarantee (PBG) in the following manner:

a) Delay upto six (6) months from SCOD – GUVNL will encash total Performance Bank Guarantee on per day basis and proportionate to the balance capacity not commissioned.

b) In case the commissioning of the project is delayed beyond Six (6) months from SCOD, the Power Producder's Event of Default as per Article 5.6.1 shall be considered to have occurred and the contracted capacity shall stand reduced to the project capacity commissioned upto SCOD + 6 months. The PPA for balance capacity not commissioned shall be terminated.

3.4 Generation Compensation in Offtake Constraint Due to Transmission Infrastructure Not Complete/ Ready Beyond Delivery Point (Transmission Constraint)

After the scheduled commissioning date, if the plant is ready but the necessary power evacuation/ transmission infrastructure beyond Delivery Point is not ready, for reasons not attributable to the Power Producer, leading to offtake constraint, the provision for generation compensation is as follows:

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

However, it is clarified that if the plant is ready before SCOD, but the offtake is constrained because of inadequate/ incomplete power evacuation infrastructure beyond Delivery Point, no compensation shall be permissible.

3.5 Generation Compensation in Offtake Constraints Due to Grid Unavailability Beyond Delivery Point

During the operation of the plant, there can be some periods where the plant can generate power but due to temporary transmission unavailability beyond Delivery Point the power is not evacuated, for reasons not attributable to the Power Producer. In such cases the generation compensation shall be addressed by GUVNL in following manner:

Duration of Grid Unavailability beyond Delivery Point	**Provision for Generation Compensation**
Grid unavailability beyond Delivery Point in a contract year as defined in the PPA: (only period from 8 am to 6 pm to be	**Generation Loss = [(Average Generation per hour during the contract year) × (number of hours of grid unavailability beyond Delivery Point during the contract year)]**

counted):	Where, Average Generation per hour during the contract year (kWh) = Total generation in the contract year (kWh) ÷ Total hours of generation in the contract year The excess generation by the Power Producer equal to this generation loss shall be procured by GUVNL at the PPA tariff so as to offset this loss in the succeeding 3 (three) Contract Years.

3.6 Offtake Constraints Due to Backdown

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

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

ARTICLE 4: Synchronisation, Commissioning and Commercial Operation

4.1 Synchronization, Commissioning and Commercial Operation

4.1.1 The Power Producer shall give at least thirty (30) days written notice to the SLDC / WRLDC and GUVNL, of the date on which it intends to synchronize the Power Project to the Grid System.

4.1.2 Subject to Article 4.1.1, the Power Project may be synchronized by the Power Producer to the Grid System when it meets all the connection conditions prescribed in the Grid Code and otherwise meets all other Indian legal requirements for synchronization to the Grid System.

4.1.3 The synchronization equipment and all necessary arrangements / equipment including Remote Terminal Unit (RTU) for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable regulation shall be installed by the Power Producer at its generation facility of the Power Project at its own cost. The Power Producer shall synchronize its system with the Grid System only after the approval of CTU, GETCO, SLDC and GEDA.

4.1.4 The Power Producer shall immediately after each synchronization / tripping of generator, inform the sub-station of the Grid System to which the Power Project is electrically connected in accordance with applicable Grid Code.

4.1.5 The Power Producer shall commission the Project within SCOD. Further, the Power Producer shall submit Lease Agreement executed with SPPD in the name of Power Producer on or before SCOD.

4.1.6 The Power Producer shall be required to obtain Developer and/ or Transfer Permission, Key Plan drawing etc. from GEDA (if required) prior to mounting of panels and submit the same to GUVNL prior to actual commissioning of the project / unit. Further, at this stage, the technology adopted as per Annexure A of RfS or in accordance with MNRE's Approved List of Models and Manufacturers of Solar PV Modules (Requirements for Compulsory Registration) Order, 2019 as amended from time to time, whichever is applicable shall also be substantiated by submitting the copy of EPC Contract specifying this requirement or other documents.

4.1.7 **Part Commissioning:** Part commissioning of the Project shall be accepted by GUVNL subject to the condition that the Minimum Capacity for acceptance of first and subsequent part(s) commissioning shall be 50 MW, without prejudice to the imposition of penalty, in terms of the PPA on the part which is not commissioned. However, the SCOD (Schedule Commercial Operation Date) will not get altered due to part-commissioning. Irrespective of dates of part commissioning or full commissioning, the PPA will remain in force for a period of 25 (twenty-five) years from the SCOD.

4.1.8 **Early Commissionning:** The Power Producer shall be permitted for full commissioning as well as part commissioning of the Project even prior to the SCOD (Schedule Commissionning Operation Date). In cases of early part-commissioning, till SCOD, GUVNL shall reserve the right to purchase the generation till SCOD, at 75% (seventy-five per cent) of the PPA tariff. However, in case the entire capacity is commissioned prior to SCOD, GUVNL may purchase the generation at PPA Tariff.

4.1.9 **Penalty for Delay in Commissioning:** The Project shall be commissioned by the Scheduled Commercial Operation Date. In case of failure to achieve this milestone, GUVNL shall encash the Performance Bank Guarantee (PBG) in the following manner.

a) Delay upto six (6) months from SCOD – GUVNL will encash total Performance Bank Guarantee on per day basis and proportionate to the balance Capacity not commissioned

b) In case the commissioning of the project is delayed beyond Six (6) months from SCOD, the Power Producer's Event of Default as per Article 10.2.1 shall be considered to have occurred and the contracted capacity shall stand reduced to the project capacity commissioned upto SCOD + 6 months. The PPA for balance capacity not commissioned shall be terminated.

c) In case, the Commissioning of the Project is delayed beyond this period as mentioned in Section (b) above, the PPA capacity shall stand reduced / amended to the Capacity Commissioned and the PPA for the balance Capacity will stand terminated and shall be reduced from the selected Project Capacity.

4.2 Performance Bank Guarantee

4.2.1 The Performance Bank Guarantee furnished by Power Producer to GUVNL shall be for guaranteeing the commissioining / commercial operation of the project up to the Contracted Capacity within SCOD.

4.2.2 If the Power Producer fails to commission the project on or before Scheduled Commercial Operation Date, GUVNL shall have the right to encash the Performance Bank Guarantee without prejudice to the other rights of the Power Producer under this Agreement as per Article 3.3.

4.2.3 GUVNL shall release the Performance Bank Guarantee upon successful commissioning of full contracted capacity after adjusting Liquidated Damages (if any) as per Article 3.3.

4.3 Dispatch and Scheduling

4.3.1 The Power Producer shall be required to schedule its power as per the applicable Regulations / Requirements / Guidelines of CERC / GERC /WRLDC / SLDC and maintain compliance to the Grid Code requirements and directions, as specified by WRLDC / SLDC 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 to the account of the Power Producer.

ARTICLE 5: Rates and Charges

5.1 GUVNL shall pay for the Delivered Energy as certified in the REA by Western Regional Power Committee (WRPC), for the Term of this Agreement from the SCOD, to the Power Producer every month. The Tariff payable by GUVNL for energy purchased shall be as below.

5.2 GUVNL shall pay a fixed tariff of Rs. ……. / unit as discovered under the Competitive Bidding (followed by e-reverse auction) and as agreed by the Parties, upon commissioning of Project or part thereof (as certified by GEDA) from SCOD for the delivered energy as certified in REA published by WRPC during the period of 25 years life of the Project.

5.3 For each KVARH drawn from the grid, the Power Producer shall pay at the rate determined by GERC to GETCO from time to time.

5.4 In cases of early part-commissioning of the project prior to SCOD, GUVNL shall reserve the right to purchase the generation at 75% (seventy-five per cent) of the PPA tariff till SCOD. However, in case the entire capacity is commissioned prior to SCOD, GUVNL may purchase the generation at PPA Tariff.

5.5 In case of delay in commissioning of the Project or part thereof beyond SCOD, the provisions as per Article 4.1.9 shall be applicable.

5.6 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 per Transaction as Facilitation Fee (non-refundable) shall be deposited by the developer to GUVNL.

5.7 Energy certified by WRPC in the REA shall be considered for monthly energy bill. The other provisions of Intra / Inter State ABT and Open Access and Other Regulations of GERC / CERC and amendments thereto from time to time shall be applicable.

5.8 Power Producer shall pay all applicable charges to GSECL as specified under ISA ad IA. In the event of failure of Power Producer to pay these charges to GSECL and upon request of GSECL for adjusting such charges from the monthly tariff payments under this PPA, GUVNL will deduct the charges from monthly tariff payments for reimbursement thereof to GSECL.

ARTICLE 6: Billing and Payment

6.1 Billing Provision

The Billing will be on monthly basis. GUVNL will be billed by the Power Producer based on as certified by REA of Gujarat SLDC following the end of each month for the energy supplied and payment will be due on the thirtieth (30th) day following the delivery of the billing invoice.

6.2 Payment

GUVNL shall make payment of the amounts due in Indian Rupees within thirty (30) days from the date of receipt of the Tariff Invoice by the designated office of the GUVNL.

6.3 Late Payment

1. Late Payment Surcharge shall be payable on the payment outstanding after the due date at the Base rate of Late Payment Surcharge applicable for the period for the first month of default.

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

3. Provided further that all payments shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

4. The parties acknowledge and accept that the Electricity (Late Payment Surcharge and related matters) Rules, 2022 as amended or modified from time to time notified 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. The Rules referred to hereinabove being statutory shall, to the extent applicable, supersede any provisions in this Agreement which are inconsistent or contrary to the provisions of the Rules.

6.4 Rebate

For payment of Monthly Bill by GUVNL, if paid before Due Date of Payment, a Rebate shall be deducted by GUVNL at the rate of seven (7) percent in excess of the applicable SBI 1 year Marginal Cost of Funds Based Lending Rate (MCLR) per annum / any replacement thereof by SBI, on the amount paid before due date, calculated on a week or part thereof basis viz.

(SBI MCLR rate + 7%)

= _____ per week or part thereof.

6.5 Payment Security

GUVNL shall provide an Irrevocable and unconditional revolving Letter of Credit in favour of, and for the sole benefit of the Power Producer for the contracted capacity. All the cost incurred by GUVNL for opening, maintenance and other cost related to establishment of Letter of Credit shall be borne by the Power Producer.

1) The Letter of Credit shall be established in favour of, and issued to, the Power Producer on the date hereof and made operational thirty (30) days prior to due date of first invoice and shall be maintained consistent herewith by GUVNL and all times during the Term of the Agreement.
2) Such Letter of Credit shall be in form and substance acceptable to both the Parties and shall be issued by any Scheduled Bank and be provided on the basis that:
   (i) In the event a Tariff Invoice or any other amount due and undisputed amount payable by GUVNL pursuant to the terms of this Agreement is not paid in full by GUVNL as and when due, the Letter of Credit may be called by the Power Producer for payment of undisputed amount.
   (ii) The amount of the Letter of Credit shall be equal to an amount not less than one month's average billing of the Project.
   (iii) The GUVNL shall replenish the Letter of Credit to bring it to the original amount within 30 days in case of any valid drawdown.
3) The Letter of Credit shall be renewed and/or replaced by the GUVNL not less than 30 days prior to its expiration.
4) Payment under the Letter of Credit : The drawl under the Letter of Credit in respect of a Tariff Invoice (excluding supplementary bills) shall require:
   (i) a copy of the metering statement jointly signed by the official representatives of both the Parties, supporting the payments attributable to the Delivered Energy in respect of such Tariff Invoice.
   (ii) a certificate from the Power Producer stating that the amount payable by GUVNL in respect of such Tariff Invoice has not been paid and disputed by GUVNL till the Date of raising claim for drawl under the Letter of Credit.

6.6 Disputes:

In the event of a dispute as to the amount of any Tariff Invoice, GUVNL shall notify the Power Producer of the amount in dispute and GUVNL shall pay the Power Producer 100% of the undisputed amount plus 85% of the disputed amount within the due date provided either party shall have the right to approach the GERC to effect a higher or lesser payment on the disputed amount. The Parties shall discuss within a week from the date on which GUVNL notifies the

Power Producer of the amount in dispute and try and settle the dispute amicably. Where any dispute arising out of or in connection with this agreement is not resolved mutually then such dispute shall be submitted to adjudication by the GERC under Section 86 of Electricity Act 2003 and the GERC may refer the matter to Arbitration as provided in the said provision read with Section 158 of Electricity Act 2003. For dispute beyond the power conferred upon the GERC, such dispute shall be subject to jurisdiction of High Court of Gujarat. If the dispute is not settled during such discussion then the payment made by GUVNL shall be considered as a payment under protest. Upon resolution of the dispute, in case the Power Producer is subsequently found to have overcharged, then it shall return the overcharged amount in accordance withthe interest at the rate of Late Payment Surcharge as per Article 6.3 for the period it retained the additional amount.. GUVNL / Power Producer shall not have the right to challenge any Tariff Invoice, or to bring any court or administrative action of any kind questioning/modifying a Tariff Invoice after a period of three years from the date of the Tariff Invoice is due and payable.

ARTICLE 7: Metering and Communication

7.1 Reading and Correction of Meters

(i) The metering point will be at the receiving end of CTUsubstation. For the purpose of energy accounting the Power Producer shall install ABT compliant meter at the metering point.

(ii) Interface metering shall conform to the Central Electricity Authority (Installation and Operation of Meters) Regulations 2014 and amendment thereto. CTU may stipulate specifications in this regard.

(iii) In the event that the Main Metering System is not in service as a result of maintenance, repairs or testing, then the Backup Metering System shall be used during the period the Main Metering System is not in service and the provisions above shall apply to the reading of the Backup Metering System.

7.2 Sealing and Maintenance of Meters.

(i) The Main Metering System and the Backup Metering System shall be sealed in the presence of representatives of Power Producer and SPPD / STU / CTU.

(ii) When the Main Metering System and / or Backup Metering System and / or any component thereof is found to be outside the acceptable limits of accuracy or otherwise not functioning properly, it shall be repaired, re-calibrated or replaced by the Power Producer and / or GUVNL / STU / CTU at Power Producer's cost, as soon as possible.

(iii) Any meter seal(s) shall be broken only by SPPD / CTU / STU's representative in the presence of Power Producer representative whenever the Main Metering System or the Backup Metering System is to be inspected, tested, adjusted, repaired or replaced.

(iv) All the Main and Check Meters shall be calibrated at least once in a period of three years.

(v) In case, both the Main Meter and Check Meter are found to be beyond permissible limit of error, both the meters shall be calibrated immediately and the correction applicable to main meter shall be applied to the energy registered by the Main Meter at the correct energy for the purpose of energy accounting / billing for the actual period during which inaccurate measurements were made, if such period can be determined or, if not readily determinable, shall be the shorter of:

A. the period since immediately preceding test of the relevant Main meter, or

B. one hundred and eighty (180) days immediately preceding the test at which the relevant Main Meter was determined to be defective or inaccurate.

7.3 Records

Each Party shall keep complete and accurate records and all other data required by each of them for the purposes of proper administration of this agreement and the operation of the Power Plant. Among such other records and data, the Power Producer shall maintain an accurate and up-to-date operating log at the Power Plant with records of:-

a) Fifteen (15) minutes logs of real and reactive power generation, frequency, transformer tap position, bus voltage(s), Main Meter and Back up Meter Readings and any other data mutually agreed;

b) any unusual conditions found during operation / inspections;

c) chart and printout of event loggers, if any, for system disturbances/ outages;

d) All the records will be preserved for a period of 36 months.

ARTICLE 8: Force Majeure

8.1 Force Majeure Events:

a) Neither Party shall be responsible or liable for or deemed in breach hereof because of any delay or failure in the performance of its obligations hereunder (except for obligations to pay money due prior to occurrence of Force Majeure events under this Agreement) or failure to meet milestone dates due to any event or circumstance (a "Force Majeure Event") beyond the reasonable control of the Party experiencing such delay or failure, including the occurrence of any of the following:

i) acts of God;

ii) typhoons, floods, lightning, cyclone, hurricane, drought, famine, epidemic, plague or other natural calamities;

iii) acts of war (whether declared or undeclared), invasion or civil unrest;

iv) any requirement, action or omission to act pursuant to any judgment or order of any court or judicial authority in India (provided such requirement, action or omission to act is not due to the breach by the Power Producer or GUVNL of any Law or any of their respective obligations under this Agreement);

v) inability despite complying with all legal requirements to obtain, renew or maintain required licenses or Legal Approvals;

vi) earthquakes, explosions, accidents, landslides; fire;

vii) expropriation and/or compulsory acquisition of the Project in whole or in part by Government Instrumentality;

viii) chemical or radioactive contamination or ionizing radiation; or

ix) damage to or breakdown of transmission facilities of GETCO / DISCOMs;

x) Exceptionally adverse weather conditions which are in excess of the statistical measure of the last hundred (100) years.

xi) non-fulfillment of obligations under Land Lease Agreement and Implementation & Support Agreement attributable to GSECL leading to delay in commissioning of the project.

xii) The delay in grant of connectivity/LTA, if applicable, by the CTU / STU and/or delay in readiness of the ISTS / InSTS substation at the Delivery Point, including readiness of the power evacuation and transmission infrastructure of the ISTS / InSTS network, will be considered as a factor attributable to the CTU / STU / transmission licensee and beyond the control of the Parties subject to the following;

(a) The ISTS / InSTS sub-station at the Delivery Point and the power evacuation and transmission infrastructure of the ISTS / InSTS network, with which the Project Developer applies for connectivity, shall be scheduled for completion

on or before the SCOD of the concerned Project so as to match the two timelines.

(b) Subject to adherence to above, subsequent to grant of connectivity, in case there is a delay in grant / operationalization of connectivity / LTA by CTU / STU and/or there is a delay in readiness of the ISTS / InSTS sub-station at the delivery point, including readiness of the power evacuation & transmission infrastructure of the ISTS / InSTS network until SCOD of the project and it is established that;

(c) The Power Producer has complied with the complete application formalities as per the connectivity procedure(s) and the ISTS / InSTS sub-station at the delivery point at the power evacuation and transmission infrastructure of the ISTS / InSTS Network with which the Power Producer had applied for connectivity, was scheduled for completion on or before the SCOD of the project and;

(d) The Power Producer has adhered to the applicable procedure in this regard as notified by the CERC / GERC / CTU / STU and;

(e) The delay in grant of connectivity / LTA by CTU / STU and / or dealy in readiness of the ISTS / InSTS sub-station at the delivery point, including readiness of the power evacuation and transmission infrastructure of the ISTS / InSTS Network, is a factor solely attributable to CTU / STU / transmission licensee and is beyond the control of the Parties;

b) **Force Majeure Exclusions:** Force Majeure shall not include the following conditions, except to the extent that they are consequences of an event of Force Majeure:

1. Unavailability, Late Delivery or Change in cost of plants and machineries, equipment, materials, spares parts or consumables for the project;
2. Delay in performance of any contractor / sub contractor or their agents;
3. Non performance resulting from normal wear and tear experience in power generation materials and equipments;
4. Strike or Labour Disturbances at the facilities of affected parties;
5. Insufficiency of finances or funds or the agreement becoming onerous to perform, and
6. Non performance caused by, or concerned with, the affected party's
   I. Negligent and intentional acts, errors or omissions;
   II. Failure to comply with Indian law or Indian Directive; or
   III. Breach of, or default under this agreement or any Project agreement or Government agreement.

c) The affected Party shall give notice to other party of any event of Force Majeure as soon as reasonably practicable, but not later than 7 days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If any event of Force Majeure results in a breakdown of communication rendering it not reasonable to give notice within the applicable time limit specified herein, then the party claiming Force Majeure shall give notice as soon as reasonably practicable after reinstatement of communication, but not later than one day after such reinstatement. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed, and 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 situation.

d) The affected Party shall give notice to the other Party of (1) cessation of relevant event of Force Majeure; and (2) 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.

e) To the extent not prevented by a Force Majeure event, 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 event of Force Majeure as soon as practicable.

8.2 Available Relief for a Force Majeure Event:

No Party shall be in breach of its obligations pursuant to this agreement to the extent that the performance of its obligations was prevented, hindered or delayed due to a Force Majeure event. However, adjustment in tariff shall not be allowed on account of Force Majeure event.

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.

The event specified at Article 8.1(a) (xii) above and consequent delay shall be treated as delay beyond the control of the parties and both parties shall be eligible for suitable time extension in the SCOD.

ARTICLE 9: Change in Law

9.1 Definition

9.1.1 "Change in Law" shall refer to the occurrence of any of the following events notified after the Bid Deadline.

a) the enactment, bringing into effect, adoption, promulgation, amendment, modification or repeal, of any statute, decree, ordinance or other law, regulations, notice, circular, code, rule or direction by Governmental Instrumentality or a change in its interpretation by a Competent Court of law, tribunal, government or statutory authority or any of the above regulations, taxes, duties charges, levies etc. that results in any change with respect to any tax or surcharge or cess levied or similar charges by the Competent Government on the generation of electricity (leviable on the final output in the form of energy) or sale of electricity.

b) Introduction / modification / changes in the rates of safeguard duty and/or anti-dumping duty and/or custom duty and / or Goods and Services Tax including surcharge thereon which has direct effect on the Project cost.

9.2 Relief for Change in Law

9.2.1 In case Change in Law results in the Power Producer's costs directly attributable to the Project being decreased or increased by one percent (1%), of the estimated revenue from the Electricity for the Contract Year for which such adjustment becomes applicable or more, during Operation Period, the Tariff Payment to the Power Producer shall be appropriately increased or decreased with due approval of GERC.

9.2.2 In case of Change in Law resulting on account of 9.1.1 (b) above, the Power Producer shall be allowed an increase / decrease in tariff of 1 paise / unit for every increase / decrease of Rs. 2 Lakh per MW of project capacity (AC) in the Project Cost incurred upto Scheduled Commercial Operation Date which shall be allowed upon submission of proof of payment made by the Power Producer towards safeguard duty and/or anti-dumping duty and/or custom duty and/or Goods and Services Tax and with due approval of GERC. This increase / decrease in tariff due to this change in cost of Solar PV modules shall be limited to actual DC capacity or 150% (one hundred and fifty percent) of contracted AC capacity, whichever is lower.

9.2.3 The Power Procurer / GUVNL or the Power Producer, as the case may be, shall provide the other Party with a certificate stating that the adjustment in the Tariff Payment is directly as a result of the Change in Law and shall provide supporting documents to substantiate the same and such certificate shall correctly reflect the increase or decrease in costs.

9.2.4 The revised tariff shall be effective from the date of such Change in Law as approved by GERC.

ARTICLE 10: Term, Termination and Default

10.1 Term of the Agreement: This Agreement shall become effective upon the execution and delivery thereof by the Parties hereto and unless terminated pursuant to other provisions of the Agreement, shall continue to be in force for such time until the completion of a period of 25 years (Twenty Five) from the Scheduled Commercial Operation Date of the Project. This Agreement may be extended for a further period on mutually agreed terms and conditions at least one hundred eighty (180) days prior to the Expiry Date.

Survival: 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 8 (Force Majeure), Article 10 (Term, Termination and Default), Article 11 (Dispute Resolution), Article 12 (Indemnity), Article 13 (Miscellaneous Provisions), and other Articles and Schedules of this Agreement which expressly or by their nature survive the Term or termination of this Agreement shall continue and survive any expiry or termination of this Agreement

10.2 Events of Default:

10.2.1 **Power Producer's Default:** The occurrence of any of the following events at any time during the Term of this Agreement shall constitute an Event of Default by Power Producer:

a. Failure to commission the project by scheduled commercial operation date beyond the period mentioned in Article 3.3

b. Fails to supply power in terms of the PPA

c. O & M Default on part of Power Producer

d. Failure or refusal by Power Producer to perform any of its material obligations under this Agreement including but not limited to financial closure.

e. Failure to pay penalty in advance to GUVNL and consequent non-extension of financial closure deadline.

f. Power Producer fails to make any payment required to be made to GUVNL under this agreement within three (3) months after the due date of a valid invoice raised by the GUVNL on the Power Producer.

g. If the Power Producer (i) assigns or purports to assign its assets or rights in violation of this agreement; or (ii) transfers or novates any of its rights and / or obligations under this agreement, in violation of this agreement.

h. If the Power producer becomes voluntarily or involuntarily the subject of proceeding under any bankruptcy or insolvency laws or goes into liquidation or

dissolution or has a receiver appointed over it or liquidator is appointed, pursuant to Law, except where such dissolution of the Power producer 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 creditworthiness similar to the Power Producer and expressly assumes all obligations under this agreement and is in a position to perform them; or

i. The Power Producer repudiates this agreement.

j. Failure to maintain the shareholding in line with Article 3.1 (xi) of this agreement.

k. Occurrence of any other event which is specified in this Agreement to be a material breach / default of the Power Producer or commits any other acts or omissions as laid down in the PPA and is also unable to cure any of the aforesaid within the cure period, as may be provided in the PPA, the Power Producer shall be construed to be in default.

10.2.2 **GUVNL's Default:** The occurrence of any of the following at any time during the Term of this Agreement shall constitute an Event of Default by GUVNL:

a. Failure or refusal by GUVNL to pay any portion of undisputed monthly bill for a period of 90 days after due date.

b. GUVNL repudiates this Agreement.

c. If GUVNL becomes voluntarily or involuntarily the subject of proceeding under any bankruptcy or insolvency laws or goes into liquidation or dissolution or has a receiver appointed over it or liquidator is appointed, pursuant to Law, except where such dissolution of GUVNL 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 creditworthiness similar to GUVNL and expressly assumes all obligations under this agreement and is in a position to perform them.

10.3 Termination:

10.3.1 **Termination for Power Producer Default:** Upon the occurrence of an event of default as set out in sub-clause 10.2.1 above, GUVNL may deliver a "Default Notice" to the Power Producer in writing, with a copy to the representative of the lenders to the Power producer with whom the Power Producer has executed the Financing Agreements which shall specify in reasonable detail the Event of Default giving rise to the default notice, and calling upon the Power Producer to remedy the same. Where a "Default Notice" has been issued with respect to an Event of Default, which requires the co-operation of both GUVNL and the Power Producer to remedy, GUVNL shall render all reasonable co-operation to enable the Event of Default to be remedied without any legal obligations. Upon being in default, the Power Producer shall be liable to pay to GUVNL the damages, as provided in Clause 3.3 of the PPA for failure to commission within stipulated time and Clause

3.1 (iv)(b) for failure to supply power in terms of the PPA. For other cases, the damages shall be as under.

a. At the expiry of 30 (thirty) days from the delivery of the default notice and unless the Parties have agreed otherwise, or the Event of Default giving rise to the default notice has been remedied, the Power Producer shall have liability to make payment toward compensation to GUVNL equivalent to six (6) months' billing at contracted CUF of the charges for its contracted capacity. Also, GUVNL shall have the right to recover the said damages by way of forfeiture of bank guarantee, if any, without prejudice to resorting to any other legal course or remedy.

b. In addition to the levy of damages as aforesaid, in the event of a default by the Power Producer, the lenders shall be entitled to exercise their rights to seek substitution of the Power Producer by a selectee, in accordance with the substitution agreement and in concurrence with GUVNL. However, in the event the lenders are unable to substitute the defaulting Power Producer within the stipulated period, GUVNL may terminate the PPA and acquire the Project assets for an amount equivalent to 90% of the debt due by issuing a "Termination Notice" / "Takeover Notice", failing which, the lenders may exercise their mortgage rights and liquidate the Project assets.

c. Provided that any substitution under this Agreement can only be made with the condition that the selectee meets the eligibility requirements of Request for Selection (RfS) issued by GUVNL.

d. The lenders in concurrence with GUVNL, may seek to exercise right of substitution under Article 10.3.1 (a.) by an amendment or novation of the PPA in favour of the selectee. The Power Producer shall cooperate with GUVNL 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 per Transaction as Facilitation Fee (non-refundable) shall be deposited by the developer to GUVNL.

10.3.2 **Termination for GUVNL's Default:** Upon the occurrence of an Event of Default as set out in sub-clause 10.2.2 above, the Power Producer may deliver a Default Notice to GUVNL in writing which shall specify in reasonable detail the Event of Default giving rise to the Default Notice, and calling upon GUVNL to remedy the same.

GUVNL with the prior consent of the Power Producer may novate its part of the PPA to any third party, including its Affiliates within the period of 7 days following the expiry of notice period. In the event the aforesaid novation is not acceptable to the Power Producer, or if no offer of novation is made by the defaulting Procurer/

GUVNL within the stipulated period of 7 days, then the Power Producer may terminate the PPA and at its discretion require the defaulting Procurer/ GUVNL to either (i) takeover the Project assets by making a payment of the termination compensation equivalent to the amount of the debt due and 110% (one hundred and ten per cent) of the adjusted equity as detailed below, less insurance cover, if any by issuing a "Termination Notice" / "Takeover Notice", or, (ii) pay to the Power Producer, damages, equivalent to 6 (six) months billing at contracted CUF, or balance PPA period whichever is less, of charges for its contracted capacity, with the Project assets being retained by the Power Producer.

In the event of such termination of PPA, any damages or charges payable to GETCO, for the connectivity of the plant, shall be borne by GUVNL.

"Adjusted Equity" means the Equity funded in Indian Rupees and adjusted on the first day of the current month (the "Reference Date"), in the manner set forth below, to reflect the change in its value on account of depreciation and variations in Wholesale Price Index (WPI), and for any Reference Date occurring between the first day of the month of Appointed Date (the date of achievement of Financial Closure) and the Reference Date;

i. On or before Commercial Operation Date (COD), the Adjusted Equity shall be a sum equal to the Equity funded in Indian Rupees and expended on the Project, revised to the extent of one half of the variation in WPI occurring between the first day of the month of Appointed Date and Reference Date;

ii. An amount equal to the Adjusted Equity as on COD shall be deemed to be the base (the "Base Adjusted Equity");

iii. After COD, the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, reduced by 0.333% (zero point three threethree percent) thereof at the commencement of each month following the COD [reduction of 1% (one percent) per quarter of an year] and the amount so arrived at shall be revised to the extent of variation in WPI occurring between the COD and the Reference Date;

For the avoidance of doubt, the Adjusted Equity shall, in the event of termination, be computed as on the Reference Date immediately preceding the Transfer Date; provided that no reduction in the Adjusted Equity shall be made for a period equal to the duration, if any, for which the PPA period is extended, but the revision on account of WPI shall continue to be made.

"**Debt Due**" means the aggregate of the following sums expressed in Indian Rupees outstanding on the Transfer Date:

i. The principal amount of the debt provided by the Senior Lenders under the Financing Agreements for financing the Total Project Cost (the 'Principal') but excluding any part of the principal that had fallen due for repayment 2 (two) years prior to the Transfer Date;

ii. All accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in sub-clause (i) above until the Transfer Date but excluding: (i) any interest, fees or charges that had fallen due one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to any Senior Lender, (iii) any pre-payment charges in relation to accelerated repayment of debt except where such charges have arisen due to Utility Default, and (iv) any Subordinated Debt which is included in the Financial Package and disbursed by lenders for financing the Total Project Cost. Provided that if all or any part of the Debt Due is convertible into Equity at the option of Senior Lenders and/or the Concessionaire, it shall for the purposes of this Agreement be deemed not to be Debt Due even if no such conversion has taken place and the principal thereof shall be dealt with as if such conversion had been undertaken. Provided further that the Debt Due, on or after COD, shall in no case exceed 80% (eighty percent) of the Total Project Cost."

ARTICLE 11: Dispute Resolution

11.1 All disputes or differences between the Parties arising out of or in connection with this Agreement shall be first tried to be settled through mutual negotiation.

11.2 The Parties hereto agree to attempt to resolve all disputes arising hereunder promptly, equitably and in good faith.

11.3 Each Party shall designate in writing and communicate to the other Party its own representative who shall be authorized to resolve any dispute arising under this Agreement in an equitable manner and, unless otherwise expressly provided herein, to exercise the authority of the Parties hereto to make decisions by mutual agreement.

11.4 In the event that such differences or disputes between the Parties are not settled through mutual negotiations within sixty (60) days, after such dispute arises, then it shall be adjudicated by GERC in accordance with law.

ARTICLE 12: Indemnity

12.1 Power Producer's Indemnity: The Power Producer agrees to defend, indemnify and hold harmless GUVNL, its officers, directors, agents, employees and affiliates (and their respective officers, directors, agents and employees) from and against any and all claims, liabilities, actions, demands, judgments, losses, costs, expenses, suits, actions and damages arising by reason of bodily injury, death or damage to property sustained by third parties that are caused by an act of negligence or the willful misconduct of the Power Producer, or by an officer, director, sub-contractor, agent or employee of the Power Producer except to the extent of such injury, death or damage as is attributable to the willful misconduct or negligence of, or breach of this Agreement by, GUVNL, or by an officer, director, sub-contractor, agent or employee of the GUVNL.

12.2 GUVNL's Indemnity: GUVNL agrees to defend, indemnify and hold harmless the Power Producer, its officers, directors, agents, employees and affiliates (and their respective officers, directors, agents and employees) from and against any and all claims, liabilities, actions, demands, judgments, losses, costs, expenses, suits, actions and damages arising by reason of bodily injury, death or damage to property sustained by third parties that are caused by an act of negligence or the willful misconduct of GUVNL, or by an officer, director, sub-contractor, agent or employee of GUVNL except to the extent of such injury, death or damage as is attributable to the willful misconduct or negligence of, or breach of this Agreement by, the Power Producer, or by an officer, director, sub-contractor, agent or employee of the Power Producer.

ARTICLE 13: Miscellaneous Provisions

13.1 Governing Law: This Agreement shall be interpreted, construed and governed by the Laws of India.

13.2 Insurance: The Power Producer shall obtain and maintain necessary policies of insurance during the Term of this Agreement consistent with Prudent Utility Practice.

13.3 Books and Records: The Power Producer shall maintain books of account relating to the Project in accordance with generally accepted Indian accounting principles.

13.4 Waivers: Any failure on the part of a Party to exercise, and any delay in exercising, exceeding three years, any right hereunder shall operate as a waiver thereof. No waiver by a Party of any right hereunder with respect to any matter or default arising in connection with this Agreement shall be considered a waiver with respect to any subsequent matter or default.

13.5 Limitation Remedies and Damages: Neither Party shall be liable to the other for any consequential, indirect or special damages to persons or property whether arising in tort, contract or otherwise, by reason of this Agreement or any services performed or undertaken to be performed hereunder.

13.6 Notices: Any notice, communication, demand, or request required or authorized by this Agreement shall be in writing and shall be deemed properly given upon date of receipt if delivered by hand or sent by courier, if mailed by registered or certified mail at the time of posting, if sent by fax when dispatched (provided if the sender's transmission report shows the entire fax to have been received by the recipient and only if the transmission was received in legible form), to:

In case of the Power Power Producer:

Name: _____

Designation: _____

Address: _____

Ph. Nos.: _____ Fax No.: _____

In case of Gujarat Urja Vikas Nigam Limited:

Designation: General Manager (IPP)

Address : Gujarat Urja Vikas Nigam Limited - Commerce Dept, 2nd floor, Sardar Patel Vidyut Bhavan, Race Course, Vadodara – 390 007

Ph. Nos.: 0265- 2340504 Fax No.: 0265- 2344543

13.7 Severability:

Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and without affecting the validity, enforceability or legality of such provision in any other jurisdiction.

13.8 Amendments:

This Agreement shall not be amended, changed, altered, or modified except by a written instrument duly executed by an authorized representative of both Parties. However, GUVNL may consider any amendment or change that the Lenders may require to be made to this Agreement.

13.9 Assignment:

Neither Party shall assign this Agreement nor shall any portion hereof without the prior written consent of the other Party, provided further that any assignee expressly assume the assignor's obligations thereafter arising under this Agreement pursuant to documentation satisfactory to such other Party. However, such assignment shall be permissible only for entire contracted capacity.

Provided however, no approval is required from GUVNL for the assignment by the Power Producer of its rights herein to the Financing Parties and their successors and assigns in connection with any financing or refinancing related to the construction, operation and maintenance of the Project.

In furtherance of the foregoing, GUVNL acknowledges that the Financing Documents may provide that upon an event of default by the Power Producer under the Financing Documents, the Financing Parties may cause the Power Producer to assign to a third party the interests, rights and obligations of the Power Producer thereafter arising under this Agreement. GUVNL further acknowledges that the Financing Parties, may, in addition to the exercise of their rights as set forth in this Section, cause the Power Producer to sell or lease the Project and cause any new lessee or purchaser of the Project to assume all of the interests, rights and obligations of the Power Producer thereafter arising under this Agreement.

13.10 Entire Agreement, Appendices:

This Agreement constitutes the entire agreement between GUVNL and the Power Producer, concerning the subject matter hereof. All previous documents, undertakings, and agreements, whether oral, written, or otherwise, between the Parties concerning the subject matter hereof are hereby cancelled and shall be of no further force or effect and shall not affect or modify any of the terms or obligations set forth in this Agreement, except as the same may be made part of this Agreement in accordance with its terms, including the terms of any of the appendices, attachments or exhibits. The appendices, attachments

and exhibits are hereby made an integral part of this Agreement and shall be fully binding upon the Parties.

In the event of any inconsistency between the text of the Articles of this Agreement and the appendices, attachments or exhibits hereto or in the event of any inconsistency between the provisions and particulars of one appendix, attachment or exhibit and those of any other appendix, attachment or exhibit GUVNL and the Power Producer shall consult to resolve the inconsistency.

13.11 Further Acts and Assurances:

Each of the Parties after convincing itself agrees to execute and deliver all such further agreements, documents and instruments, and to do and perform all such further acts and things, as shall be necessary or convenient to carry out the provisions of this Agreement and to consummate the transactions contemplated hereby.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their fully authorized officers, and copies delivered to each Party, as of the day and year first above stated.

FOR AND ON BEHALF OF POWER PRODUCER M/S. **Authorised Signatory** **WITNESSES** **1.** _____ **( )** **2.** _____ **( )**	FOR AND ON BEHALF OF GUJARAT URJA VIKAS NIGAM LIMITED **GUJARAT URJA VIKAS NIGAM LTD.** **WITNESSES** **1.** _____ **( )** **2.** _____ **( )**

SCHEDULE 1: Parameters and Technical Limits Of Supply

1. Electrical Characteristics

- Three phase alternating current
- Nominal declared frequency : 50.0 Hz
- Final Voltage at Delivery Point: 400 / 765 KV

Short circuit rating: As a part of the detailed design process, the Power Producer shall calculate the short circuit rating (minimum and maximum), and supply this information to the GUVNL.

Note: The tolerances & Electrical characteristics variations and Basic Insulation level will be as per relevant grid code and CEA standards.

2. Quality of Service

The Power Producer shall be responsible for the delivery of energy conforming Performance Standards for Transmission and Bulk Supply as approved by GERC.

The maximum current and voltage waveform distortion shall be in accordance with the limits prescribed under Central Electricity Authority (Grid Standards) Regulations 2010, as amended from time to time.

3. Power Factor

The Power Producer shall maintain the Power Factor as per the prevailing GERC regulations and as may be stipulated / specified by GETCO from time to time. The Power Producer shall provide suitable protection devices, so that the Electric Generators could be isolated automatically when grid supply fails.

Connectivity criteria like short circuit level (for switchgear), neutral Grounding, fault clearance time, current unbalance (including negative and zero sequence currents), limit of harmonics etc. shall be as per Grid Code.

4. Technical Limits of Voltage

(i) The nominal steady state electrical characteristics of the system are as follows:

a) Three phase alternating current at 50 Hertz plus or minus 0.5 Hertz

b) Nominal voltage of ___ KV with +10% to – 12.5% variation.

(ii) The Project shall be designed and capable of being synchronized and operated within a frequency range as per relevant Grid Code and voltage of ____ KV

(iii) Operation of the Project outside the nominal voltage and frequency specified above will result in reduction of power output consistent with generator capability curves.

5. Specification of Electrical Energy Delivery

a) The generation voltage from the Solar Photovoltaic Grid Interactive Power Project of M/s. _____ is __ KV. It uses unit connection of generator, generator transformer and unit transformer.

b) The generated power at __ KV will be stepped up to ____ KV at the Project Site and connected __ KV at for the purpose of interconnection with the Grid System.

SCHEDULE 2: Approvals

1. Consent from the SPPD / STU / CTU for the evacuation scheme for evacuation of the power generated by the __ MW Solar Photovoltaic Grid Interactive Power Projects.
2. Approval of the Electrical Inspectorate, Government of Gujarat for commissioning of the transmission line and the solar project installed at the Project Site.
3. Certificate of Commissioning of the Solar Photovoltaic Grid Interactive Power Project issued by GEDA.
4. Permission from all other statutory and non-statutory bodies required for the Project which are not in the scope of SPPD under ISA.
5. All other Clearances and Approvals which are beyod the scope of SPPD under ISA

SCHEDULE 3: Contracted CUF and Plot Details

CAPACITY (MW)	PLOT NO.	CONTRACTED CUF%