

DRAFT POWER PURCHASE AGREEMENT (PPA)

BETWEEN

TORRENT POWER LIMITED

AND



FOR ____ MW SOLAR PROJECT

This Power Purchase Agreement is made and entered into at Ahmedabad on this ___ day of ___ 2019 between

Torrent Power Limited- Distribution (TPL-D) incorporated under Companies Act, 1956 having its registered Office at "Samanvay", 600 Tapovan, Ambawadi, Ahmedabad 380015 (hereinafter referred to as "TPL-D" or "Power Procurer", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees) as party of first part.

AND

_____ incorporated under the Companies Act _____ having its Registered office at _____, (hereinafter referred to individually, as "_____" or "Power Producer" or "SPG", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees) as party of the second part.

AND, WHEREAS TPL-D vide RFS no _____ dated _____ floated tender for purchase of power through Competitive Bidding Process (followed by e-reverse auction) from _____ MW grid connected Solar Photovoltaic Power Projects to be setup in Gujarat and the Power Producer has been declared Successful Bidder pursuant to Letter of Award (LoA) 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 TPL-D for fulfillment of Renewable Purchase Obligation of TPL's distribution license areas in Gujarat . The terms of RFS no TPL/Solar/01/2019 dated 10-01-2019 are an integral part of this PPA.

AND, WHEREAS, TPL shall be filing a petition 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 TPL through RfS no. TPL/Solar/01/2019 dated 10-01-2019 and Addendums thereto, if any. Therefore, this Power Purchase Agreement shall be subject to the adoption of tariff by the Honourable Commission.

AND, WHEREAS the Power Producer desires to set-up Solar Photovoltaic Grid Interactive power plants of MW (AC) capacity as per technical parameters detailed in the Annexure-A of this PPA at the location details specified in Schedule 4.

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 TPL-D agrees to purchase such power with license area wise share to be decided from time to time.

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 TPL-D.

NOW THEREFORE IN VIEW OF THE FOREGOING PREMISES AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS HEREINAFTER SET FORTH, TPL-D 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.

"Affiliate" in relation to a Company shall mean a person who controls, is controlled by, or is under the common control with such Company.

"Approvals" means the permits, clearances, licenses and consents as are listed in Schedule 3 hereto and any other statutory approvals.

"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. TPL/Solar/01/2019 dated 10-01-2019 and Addendums thereto, if any

"Bidding Consortium" or "Consortium" refers to a group of Companies that has collectively Submitted the response in accordance with the provisions of this Rfs.

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

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

"Commissioning" with respect to the project / Unit as certified by Gujarat Energy Development Agency (GEDA) shall mean that all equipments as per rated capacity have been installed and energy has flown into the grid.

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

"CERC" means Central Electricity Regulatory Commission.

"Company" shall mean a body corporate incorporated in India under the Companies Act, 1956 or the Companies Act, 2013, as applicable;

"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 TPL for supply by the Power Producer at the Delivery Point from the Solar Power Project.

“Declared CUF” shall mean the % capacity utilization factor of the project mentioned in Schedule 4 of the PPA and which shall remain unchanged for the entire 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 a period of twelve months commencing on April 1 and ending on following March 31. Each successive Contract Year shall coincide with the succeeding Fiscal Year, 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.

“Controlling shareholding” shall mean not less than 51% of the voting rights or Paid-up share capital in the Company/Consortium.

“CTU or Central Transmission Utility” shall mean the Power Grid Corporation of India Limited.

“CUF” or “Capacity Utilisation Factor” “Capacity Utilization Factor (CUF)” CUF shall mean as calculated based on the annual energy injected and metered at the Delivery Point. In any Contract Year, if ‘X’ MWh of energy has been metered out at the Delivery Point for ‘Y’ MW Project capacity, $CUF = (X \text{ MWh} / (Y \text{ MW} * 24 * \text{days in Contract Year})) * 100\%$;

“Debt Due” shall mean the principal amount of the debt expressed in INR remaining outstanding on the date of issuance of the “Termination Notice” / “Takeover Notice” out of the total debt provided by the lenders as reported by the Power Producer at the time of the Financial Closure

Provided that if all or any part of the Debt Due is convertible into equity at the option of lenders and/ or the Power Producer, it shall for the purpose of this agreement be deemed to be equity.

Provided that the amount payable in respect of any Debt Due expressed in foreign currency shall be computed at the Reference Exchange Rate as on the date of computation of Debt Due.

“Delivered Energy” means the kilowatt hours of Electricity actually fed and measured by the energy meters at the Delivery Point and as certified by Gujarat SLDC. In case, the project is connected through CTU Network, then all transmission charges and losses upto delivery point shall be to the account of the Power Producer. No change in charges / losses of CTU shall be covered under Change in Law.

“Delivery Point” " shall be the point or points of connection at which Electricity is delivered into the Grid System of GETCO.

All expenses including wheeling charges and losses between the Project and the Delivery Point shall be paid by the Power Producer without any reimbursement by TPL. All expenses including wheeling charges and losses in relation to the transmission and distribution beyond the Delivery Point shall be borne by TPL.

“Due Date of Payment” in respect of a Tariff Invoice means the date, which is following

on 30th Business day from the date of receipt of such invoices by the designated official of the TPL.

"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/PGCIL/TPL-D 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/PGCIL/TPL-D 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.

"Financial Closure" shall mean the submission of documents evidencing the tie-up of financing arrangements for the project by the Power Producer and fulfillment of all the conditions precedent to the initial availability of funds there under and the receipt of commitments for such equity as required by the Power Producer in order to satisfy the requirements of the lenders, provided however that the Power Producer has immediate access to funds (subject to giving the required drawdown notices) regarded as adequate by the Power Producer and in any case which shall be within 12 months from the date of execution of PPA. At this stage, Power Producer shall also ensure submission of the following documents as per Schedule 3.

"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.

“Group Company” of a Company means

- (i) a Company which, directly or indirectly, holds 10% (ten percent) or more of the share capital of the company, or
- (ii) a company in which the company, directly or indirectly, holds 10% (ten percent) or more of the share capital of such company, or
- (iii) company in which the company, directly or indirectly, has the power to direct or cause to be directed the management and policies of such company whether through the ownership of securities or agreement or any other arrangement or otherwise, or
- (iv) a company which, directly or indirectly, has the power to direct or cause to be directed the management and policies of the Company whether through the ownership of securities or agreement or any other arrangement or otherwise, or
- (v) a company which is under common control with the company, and control means ownership by one company of at least 10% (ten percent) of the share capital of the other company or power to direct or cause to be directed the management and policies of such company whether through the ownership of securities or agreement or any other arrangement or otherwise.

Provided that a financial institution, scheduled bank, foreign institutional investor, non-banking financial company, and any mutual fund shall not be deemed to be Group Company, and its shareholding and the power to direct or cause to be directed the management and policies of a company shall not be considered for the purposes of this definition unless it is the Project Company or a Member of the Consortium developing the Project.

“Interconnection Facilities” in respect of the Power Producer shall mean all the facilities installed by the Power Producer to enable TPL 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 GETCO’s nearest sub-station.

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

“Lead Member of the Bidding Consortium” or “Lead Member”: A Member of the Bidding Consortium having shareholding more than 51% in the Special Purpose Vehicle (SPV).

“Letter of Award (LoA)” shall mean the letter dated _____ issued by TPL-D 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 which energy shall be measured and shall be the low voltage bus bar of the GETCO / CTU substation.

“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 TPL 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.

“Paid-up share capital” shall include:

- Paid-up equity share capital
- Fully, compulsorily and mandatorily convertible Preference shares
- Fully, compulsorily and mandatorily convertible Debentures

“Performance Bank Guarantee” shall mean the irrevocable unconditional bank guarantee submitted by the Power Producer as per the RFS no. TPL/Solar/01/2019 dated 10-01-2019 and Addendums thereto, if any.

“Project” shall mean a Solar Photovoltaic Grid Interactive Power Station to be established by the Power Producer at the location details specified as per Schedule 4 comprising of Units at single/multiple locations, aggregating to contracted capacity of _____ MW and shall include land, buildings, plant, machinery, ancillary equipment, material, switch-gear, transformers, protection equipment and the like necessary to deliver the Electricity generated by the Project to TPL at the Delivery Point.

"Project Site" means any and all parcels of real property, rights of way, easements and access roads located at the location details specified as per Schedule 4, 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.

“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 21 months from the date of execution of the PPA]

“SEA” means the State Energy Account issued by State Load Dispatch Centre, Gujarat and amendment thereto.

“Selected Bidder or Successful Bidder” shall mean the Bidder selected pursuant to the RfS no. TPL/Solar/01/2019 dated 10-01-2019 to set up the Project and supply electrical output as per the terms of this PPA.

“SLDC” means the Gujarat State load dispatch center as notified by the State Government.

“STU or State Transmission Utility” shall mean the Gujarat Energy Transmission Company Limited (GETCO).

“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 2, relating to the operations, maintenance and dispatch of the Project.

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

“Unit” shall mean one set of Solar Photovoltaic Grid Interactive power plant and all the auxiliary equipment and facilities, required to constitute a solar Project of at least 50 MW at a single location.

“Voltage of Delivery” means the voltage at which the Electricity generated by the Project is required to be delivered to the TPL-D which shall be ____ KV.

1.2 Interpretation:

- a) 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.
- b) 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 this Agreement.

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 at his cost in addition to those Approvals as listed in Schedule 2.
- ii. The Power Producer shall obtain Financial Closure within 12 months from date of execution of PPA.

The Power Producer will have to submit the required documents (as listed out in Schedule 3) to TPL-D at least 14 days prior to the scheduled Financial Closure date. In case of delay in submission of documents mentioned above, TPL 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 TPL, on the sole request of the Power Producer, on advance payment of extension charges of Rs. 10,000/- per day per MW. 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). If the extension charges are not paid by the Power Producer, TPL shall have the right to recover the extension charges including interest thereon by encashing the PBG. In case the PBG is encashed for recovery of extension charges, the PBG has to be restored to its original value.

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 Commercial Operation Date, the amount as deposited above by the Power Producer shall not be refunded by TPL-D.

- 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.
- 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 TPL-D 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% (maximum CUF) and -15% (minimum CUF) of the Declared CUF till the end of 10 years from COD, subject to the annual CUF remaining minimum of 17%, and within +10% (maximum CUF) and

-20% (minimum CUF) of the Declared CUF of the annual CUF thereafter till the end of the PPA duration of 25 years. The lower limit will, however, be relaxable by TPL-D to the extent of non-availability of grid certified by SLDC 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 at 25% of the tariff as per clause 5.2 of this PPA. This will, however, be relaxable by TPL-D to the extent of grid non-availability for evacuation (beyond the Delivery Point) certified by SLDC 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.

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

- c. **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 TPL-D. In case of excess generation, TPL shall reserve the right to purchase the excess generation at 75% (seventy-five per cent) of the tariff as per Article 5.2 of this PPA.
- v. Single bidder/ consortium shall maintain shareholding to the extent of minimum 51% in the SPV/ project till the completion of one year from the date of COD except without the prior approval of TPL-D. Transfer of Controlling Shareholding within the same group of companies will however be allowed with the permission of TPL, subject to the condition that, the management control remains within the same group of companies. The shareholding pattern of members within the consortium shall not change till the signing of PPA
- vi. The Power Producer shall seek approval of GETCO/ CTU in respect of Interconnection Facilities upto Delivery Point.
- vii. 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 GETCO/ CTU, as notified to the Power Producer at schedule 1(5).
- viii. The Power Producer shall undertake at its own cost maintenance of the Interconnection Facilities, excluding the transmission line beyond the Delivery point as per the specifications and requirements of GETCO/ CTU, as notified to the Power Producer, in accordance with Prudent Utility Practices.

- ix. The Power Producer shall operate and maintain the Project in accordance with Prudent Utility Practices.
- x. 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.
- xi. For evacuation facility and maintenance of the transmission, the Power Producer shall enter into separate agreement with GETCO/ CTU, if applicable.
- xii. To procure start up power required for the plant from local Discom.
- xiii. Fulfilling all other obligations undertaken by him under this Agreement.

3.2 Obligations of TPL-D:

- i. TPL-D shall grant Must Run Status to the Project subject however to the considerations as stated under clauses 3.4, 3.5 and 3.6 of the PPA.
- ii. TPL-D shall allow the Power Producer to re-power their plants from time to time during the PPA duration. However, TPL-D will be obliged to buy power only within the range of CUF specified in this PPA.
- iii. TPL-D shall make payment of Monthly Charge as per Article 5 of this PPA.

3.3 Liquidated Damages for delay in Commissioning the Project beyond Scheduled Commercial Operation Date (SCOD)

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, TPL-D shall encash Performance Bank Guarantee (PBG) in the following manner:

If the Delay is up to 1 (one) month from the SCOD:

20% of the PBG amount shall be encashed as penalty for the first month of delay, calculated on per day basis and proportionate to the capacity not commissioned; [e.g. for a Project of 100 MW capacity, if commissioning of 40 MW capacity is delayed by 18 days from the SCOD, then the penalty shall be: 20% of PBG amount X (40/100) X (18/30)]

If Delay continues for more than 1 (one) month and up to 3 (three) months from the SCOD:

TPL will encash remaining amount from PBG worked out on per day basis and proportionate to the Capacity not commissioned.

[e.g. for a Project of 100 MW capacity, if commissioning of 40 MW capacity is delayed by 40 days from the SCOD, then the penalty shall be: 20% of PBG amount X (40/100) + 80% of PBG amount X (40/100) X (10/60).]

If Project is delayed beyond 3 (three) months from the SCOD:

The tariff discovered after e-reverse auction shall be reduced at the rate of 0.50 paisa/kWh per day of delay for the delay in such remaining capacity which is not commissioned for the entire term of the PPA.

[e.g. for a Project of 100 MW capacity, if commissioning of 40 MW capacity is delayed by 100 days from the SCOD, the Tariff gets reduced as below:

Tariff Calculation:

Considering Tariff discovered after e-reverse auction is Rs. 2.30 / kWh,

Tariff for the 40 MW capacity which has been commissioned beyond three months from the date of the SCOD: Rs. 2.30 less Rs (0.005*(100-90)) = Rs. 2.25/ kWh

As per terms of the PPA, tariff of the Project shall be weighted average tariff of 40 MW and 60 MW. The tariff of the Project shall reduce to (((2.30 X 60) + (2.25X 40))/100) = Rs. 2.28 / kWh

Based on the above schedule, total LD payable by the bidder shall be Rs. 10 Crores (Rs. 25 lac/ MW X 40 MW) and tariff of the Project for the entire term of PPA shall stand reduced to Rs. 2.28/ kWh.]

The maximum time period allowed for commissioning of the full Project Capacity is limited to 27 months from the date of signing of PPA or till the Tariff becomes zero, whichever is earlier. Beyond this PPA capacity shall stand reduced / amended to the Project Capacity Commissioned and the PPA for the balance Capacity will stand terminated and reduced from the selected Project Capacity

In addition, if the commissioning of the Project or part thereof is delayed beyond the start date of grant of transmission open access, then transmission charges should be borne by Successful Bidder till COD of the last Unit for the capacity not commissioned.

In the event of termination of PPA, any damages or charges payable to the STU/ CTU, for the Open Access of the plant, shall be borne by the Power Producer.

For the purpose of calculations for penalty, the month shall be considered consisting of 30 days.

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

After the Scheduled Commercial Operation 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	<p>a) The normative CUF of 19% (nineteen per cent) or Declared 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 in the succeeding 3 (three) Contract Years, shall be procured by TPL-D at the tariff as per clause 5.2 of this PPA so as to offset this loss.</p> <p>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 TPL for compensating the generation loss.</p>

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, in case 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 (to be certified by SLDC). In such cases the generation compensation shall be addressed by TPL in following manner:

Duration of Grid Unavailability beyond Delivery Point	Provision for Generation Compensation
Grid unavailability beyond Delivery Point in a Contract Year: (only period from 8 am to	Generation Loss = [(Average Generation per hour during the contract year) × (number of hours of grid unavailability beyond Delivery

6 pm to be counted):	Point during the contract year)] Where, Average Generation per hour during the contract year (kWh) = Total generation in the contract year (kWh) ÷ Total hours of generation in the contract year The excess generation by the Power Producer equal to this generation loss shall be procured by TPL at the tariff as per Clause 5.2 of this PPA so as to offset this loss in the succeeding 3 (three) Contract Years.
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3.6 Offtake Constraints Due to Back down

The Power Producer and TPL-D shall follow the forecasting and scheduling process as per the regulations in this regard by the GERC as amended from time to time. 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 Back down arises on instruction of TPL-D, except for the cases where the Back down 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 TPL-D, 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 = 50% of [(Average Generation per hour during the month) × (number of Back down hours during the month)] X Tariff as per clause 5.2 of this PPA 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.

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 and TPL-D, of the date on which it intends to synchronize the Project/Unit to the Grid System.
- 4.1.2 Subject to Article 4.1.1, the 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/Unit within SCOD.
- 4.1.6 The Power Producer shall be required to obtain Developer and/ or Transfer Permission, Key Plan drawing etc. from GEDA prior to mounting of panels and submit the same to TPL-D prior to actual commissioning of the Project / Unit.
- 4.1.7 Part Commissioning: Part commissioning of the Project shall be accepted by TPL-D 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 as per clause 3.3 of this PPA, on the part which is not commissioned. However, the SCOD - 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 Commissioning: The Power Producer shall be permitted for full commissioning as well as part commissioning of the Project even prior to the SCOD) subject to availability of transmission connectivity and Long Term Access (LTA). In cases of early part-commissioning, till SCOD, TPL-D shall reserve the right to purchase the generation till SCOD, at 75% (seventy-five

per cent) of the tariff as per clause 5.2 of this PPA. However, in case the entire capacity is commissioned prior to SCOD, TPL may purchase the generation at the Tariff as per clause 5.2.

4.1.9 Penalty for Delay in Commissioning shall be as per Article 3.3 of this PPA

4.2 Performance Bank Guarantee

4.2.1 The Performance Bank Guarantee of Rs. _____ furnished by Power Producer to TPL-D shall be for guaranteeing the Financial Closure, commissioning / 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 or fails to pay extension charges on account of extension of Financial Closure, TPL-D shall have the right to encash the Performance Bank Guarantee without prejudice to the other rights of the TPL-D under this Agreement as per Article 3.3.

4.2.3 TPL-D 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 / SLDC/ RLDC and maintain compliance to the Grid Code requirements and directions, as specified by 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 to the account of the Power Producer.

ARTICLE 5: RATES AND CHARGES

- 5.1 TPL-D shall pay for the Delivered Energy as certified in the SEA by Gujarat SLDC, for the Term of this Agreement from the SCOD, to the Power Producer every month ("Monthly Charge"). The Tariff payable by TPL-D for energy purchased shall be as per Article below.
- 5.2 TPL-D shall pay a fixed Tariff of Rs. ____ / unit (Rupees _____) as discovered under the Competitive Bidding (followed by e-reverse auction) or as adjusted pursuant to Article 3.3 of this PPA for Delivered Energy from the Project as certified in SEA published by Gujarat SLDC during the period of 25 years life of the Project from the SCOD 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, TPL-D 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, TPL-D may purchase the generation at PPA Tariff.
- 5.5 In case of delay in commissioning of the Project or any Unit 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 payable by the developer to TPL-D.
- 5.7 The Intra-State ABT is already implemented in the State, energy certified by SLDC in the SEA shall be considered for monthly energy bill. The other provisions of Intra-State ABT and Open Access and Other Regulations of GERC / CERC and amendments thereto from time to time shall be applicable.

ARTICLE 6: BILLING AND PAYMENT

6.1 Billing Provision:

The Billing will be on monthly basis. TPL-D will be billed by the Power Producer based on Delivered Energy as certified by SEA of Gujarat SLDC following the end of each month for the energy supplied and payment will be due on the 30th (thirtieth) day following the receipt of the billing invoice.

6.2 Payment:

TPL-D shall make payment of the amounts due in Indian Rupees within thirty (30) Business days from the date of receipt of the Tariff Invoice by the designated office of the TPL-D by 5:00 PM.

6.3 Late Payment:

For payment of Monthly bill by TPL-D, if paid after Due Date of Payment, a late Payment charge shall be payable by TPL-D to the Power Producer at the rate of seven (7) percent in excess of the SBI 1 year Marginal Cost of Funds Based Lending Rate (MCLR) per annum / any replacement thereof by SBI, on the amount of outstanding payment, calculated on a week or part thereof basis viz.

$$\begin{aligned} & \text{(SBI MCLR rate + 7\%)} \\ = & \frac{\text{_____}}{52} \text{ per week or part thereof.} \end{aligned}$$

6.4 Rebate:

For payment of Monthly Bill by TPL-D, if paid before Due Date of Payment, a Rebate shall be deducted by TPL-D 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.

$$\begin{aligned} & \text{(SBI MCLR rate + 7\%)} \\ = & \frac{\text{_____}}{52} \text{ per week or part thereof.} \end{aligned}$$

6.5 Payment Security:

- 6.5.1 TPL-D 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 TPL-D for opening, maintenance and other cost related to establishment of Letter of Credit shall be borne by TPL-D.
- 6.5.2 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 TPL-D and all times during the Term of the Agreement.
- 6.5.3 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 payable by TPL-D pursuant to the terms of this Agreement is not paid in full by TPL-D 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 TPL-D shall replenish the Letter of Credit to bring it to the original amount within 30 days in case of any valid drawdown.
- 6.5.4 The Letter of Credit shall be renewed and/or replaced by the TPL-D not less than 30 days prior to its expiration.
- 6.5.5 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 Tariff Invoice along with relevant extract of the SEA, 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 TPL-D in respect of such Tariff Invoice has not been paid and not disputed by TPL-D till the Due Date of Payment of the Tariff Invoice.

6.6 Disputes:

In the event of a dispute as to the amount of any Tariff Invoice, TPL-D shall notify the Power Producer of the amount in dispute and TPL-D shall pay the Power Producer 100% of the undisputed amount plus 50% 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 TPL-D 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 79 or 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. If the dispute is not settled during such discussion then the payment made by TPL-D 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 with an interest of SBI 1 year Marginal Cost of Funds Based Lending Rate (MCLR) per annum plus 7% for the period it retained the additional amount. TPL-D/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, which is the point at which energy supplied to the Procurer shall be measured, shall be the low voltage bus bar of the STU / CTU substation. All expenses including wheeling charges and losses between the Project and the Delivery Point shall be paid by the Power Producer without any reimbursement by the Procurer.
- (ii) For the purpose of energy accounting the power producer shall install ABT compliant meter at the metering point.
- (iii) Interface metering shall conform to the Central Electricity Authority (Installation and Operation of Meters) Regulations 2014 and amendment thereto. GETCO/CTU shall stipulate specifications in this regard.
- (iv) 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, TPL-D and GETCO/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 TPL-D / GETCO / CTU at Power Producer's cost, as soon as possible.
- (iii) Any meter seal(s) shall be broken only by GETCO/CTU's representative in the presence of Power Producer's 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 & Exclusions:

8.1.1 Force Majeure Events: 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:

- a) Acts of God;
- b) Typhoons, floods, lightning, cyclone, hurricane, drought, famine, epidemic, plague or other natural calamities;
- c) Acts of war (whether declared or undeclared), invasion or civil unrest;
- d) 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 TPL-D of any Law or any of their respective obligations under this Agreement);
- e) Earthquakes, explosions, accidents, landslides; fire;
- f) Expropriation and/or compulsory acquisition of the Project in whole or in part by Government Instrumentality;
- g) Chemical or radioactive contamination or ionizing radiation; or
- h) Damage to or breakdown of transmission facilities of GETCO / DISCOMs;
- i) Exceptionally adverse weather condition which are in excess of the statistical measure of the last hundred (100) years.

8.1.2 **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. In efficiency 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.

8.1.3 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.

8.1.4 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.

8.1.5 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:

8.2.1 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.

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 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.

9.2 Relief for Change in Law

9.2.1 In case Change in Law on account of 9.1.1 (a) above 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 The Power Procurer 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.

9.2.3 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 and approved by Appropriate Commission, provided the arrangements with land & infrastructure owning agencies, relevant transmission utilities / system operators permit operation beyond this period of 25 years.

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 TPL-D and consequent non-extension of Financial Closure deadline.

- f) Power Producer fails to make any payment required to be made to TPL-D under this agreement within three (3) months after the due date of a valid invoice raised by the TPL-D 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 as per Clause 3.1 of this PPA.
- 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.
- l) Breach of representations and warranties as specified in Article 13.12 of this PPA

10.2.2 TPL-D'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 TPL-D:

- a) Failure or refusal by TPL-D to pay any portion of undisputed monthly bill for a period of 90 days after due date
- b) TPL-D repudiates this Agreement.
- c) If TPL-D 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 TPL-D 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 TPL-D 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's Default:

- a) Upon the occurrence of an event of default as set out in sub-clause 10.2.1 above, TPL-D 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 TPL and the Power Producer to remedy, TPL shall render all reasonable co-operation to enable the Event of Default to be remedied without any legal obligations.
- b) At the expiry of 30 (thirty) days from the delivery of this 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 TPL equivalent to six (6) months' billing at Declared CUF for its contracted capacity. Further, any damages or charges payable to GETCO/CTU for the connectivity of the plant or relinquishment charges of Open Access, shall be borne by Power Producer. Also, TPL shall have the right to recover the said damages by way of forfeiture of Performance Bank Guarantee, if any, without prejudice to resorting to any other legal course or remedy.
- c) In addition to the levy of damages as aforesaid, in the event of a default by Power Producer, the lenders shall be entitled to exercise their rights to substitute the Power Purchase by a selectee, in concurrence with TPL-D. However, in the event the lenders do not substitute the defaulting Power Producer within the stipulated period of 7 days following expiry of notice period, TPL-D 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.

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 TPL-D.

- d) The lenders in concurrence with TPL-D, may seek to exercise right of substitution under Article 10.3.1 (C) by an amendment or novation of the PPA in favour of the selectee. The Power Producer shall cooperate with TPL-D 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 payable by the developer to TPL-D.

10.3.2 Termination for TPL-D'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 TPL-D in writing which shall specify in reasonable detail the Event of Default giving rise to the Default Notice and calling upon TPL-D to remedy the same.

TPL-D 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 TPL-D within the stipulated period of 7 days, then the Power Producer may terminate the PPA and at its discretion require the TPL-D to either (i) takeover the Project assets by making a payment of the termination compensation equivalent to the amount of the debt due and 150% (one hundred and fifty per cent) of the adjusted equity by issuing a "termination notice" / "takeover notice", or, (ii) pay to the Power Producer, damages, equivalent to 6 (six) months billing at Declared CUF, or balance Term of this PPA whichever is less, of charges for its contracted capacity, with the Project assets being retained by the Power Producer.

In the event of termination of PPA due to TPL-D's default, any damages or charges payable to GETCO/ CTU, for the connectivity of the plant or relinquishment charges of Open Access, shall be borne by TPL-D.

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 or shall be referred for arbitration by GERC.

ARTICLE 12: INDEMNITY

- 12.1 Power Producer's Indemnity:** The Power Producer agrees to defend, indemnify and hold harmless TPL-D, 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, TPL-D, or by an officer, director, sub-contractor, agent or employee of the TPL-D.
- 12.2 TPL-D's Indemnity:** TPL-D 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 TPL-D, or by an officer, director, sub-contractor, agent or employee of TPL-D 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 Producer:

Name:

Designation:

Address:

Ph. Nos.:

Fax No.:

In case of Torrent Power Limited:

Name:

Designation:

Address:

Ph. Nos.:

Fax No.:

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, TPL-D 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 TPL-D 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, TPL-D 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. TPL-D 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 TPL-D 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 TPL-D 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.

13.12 Representations and warranties

Parties hereby represent and warrant to the other Party that as at the date of this Agreement:

- 13.12.1 It is validly incorporated, in existence and duly registered under the Laws of India and has full power to conduct its business as conducted as at the date of this Agreement.
- 13.12.2 It has obtained all corporate authorisations and all other Consents required to empower it to enter into and perform its obligations under this Agreement where failure to obtain them would adversely affect to a material extent its ability to enter into and perform its obligations under this Agreement.
- 13.12.3 This Agreement will, when executed, constitute its valid and binding obligations; and entry into and performance by it of this Agreement will not (i) breach any provision of its memorandum and articles of association, bylaws or equivalent constitutional documents; (ii) result in a breach of any Laws or of any order, decree or judgment of any court or any governmental or regulatory authority, where any such breach would affect to a material extent its ability to enter into or perform its obligations under this Agreement; and (iii) breach any agreement or understanding (oral or written) to which it may be bound.

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.

<p>FOR AND ON BEHALF OF _____</p> <p>Authorised Signatory</p> <p>Name Designation</p> <p>WITNESSES</p> <p>1. _____</p> <p>Name Designation</p> <p>2. _____</p> <p>Name Designation</p>	<p>FOR AND ON BEHALF OF TORRENT POWER LIMITED</p> <p>Authorised Signatory</p> <p>Name Designation</p> <p>WITNESSES</p> <p>1. _____</p> <p>Name Designation</p> <p>2. _____</p> <p>Name Designation</p>
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Annexure 1: Project Site

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: 400/220/
132/66 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 TPL-D.

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 Generator 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

1. 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.

2. 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
3. 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 GETCO / 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
5. Clearance from Department of Forest, Ecology and Environment, if required
6. Any other clearances as may be legally required.

SCHEDULE 3: Documents to be submitted at the time of Financial Closure

- a) Documentary Evidence of achieving complete tie-up of Project Cost through internal accruals or through external Financing Agency
- b) Connectivity arrangement with GETCO and/or CTU, if applicable and requisite consent for Power Evacuation from GETCO and/or CTU, if applicable confirming technical feasibility of connectivity of the Solar Power Project upto the Delivery Point.
- c) Evidence of clear possession of the required land for the Project along with the following documentary evidence:-
 - a) Ownership of lease hold and possession of 100% (hundred per cent) of the required land for the Project in the name of Solar Project Developer
 - b) Certificate by the concerned and competent revenue / registration authority for acquisition / ownership / right to use / vesting of land in the name of Solar Project Developer
 - c) No Objection Certificate / Environmental clearance (if applicable) for the Project.
 - d) Forest Clearance (if applicable) for the land for the Project.
 - e) Approval for Water from the concerned authority (if applicable) required for the Project.
 - f) Sworn affidavit from the authorized person listing the details of the land and certifying
 - g) total land required for the project under clear possession of the Power Producer.
 - h) The technology adopted as per Annexure A of RfS.

SCHEDULE 4: Project Location Details

	Capacity (MW)	Location Details	CUF (%)	Sending Substation/Pooling Station
01				
02				

Note:

The Power Producer shall be solely responsible for getting the connectivity within the period of 12 months from the date of execution of PPA

Annexure – A: Technical Parameter of PV Module and various other components for use in Grid Connected Solar Power Plants

All components of the PV plant shall be in accordance with technical specifications given in relevant IS/IEC Standards. The design and commissioning also shall be as per latest IEC/IS standards. The following are some of the technical measures required to ensure quality of the major components used in grid connected solar power Projects.

1. PV Module Qualification

The PV modules used in the grid connected solar power Projects must qualify to the latest edition of any of the following IEC PV module qualification test or equivalent BIS standards.

Crystalline Silicon Solar Cell Modules	IEC 61215
Thin Film Modules	IEC 61646
Concentrator PV modules	IEC 62108

In addition, PV modules must qualify to IEC 61730 for safety qualification testing @1000 V DC or higher. For the PV modules to be used in a highly corrosive atmosphere throughout their lifetime, they must qualify to IEC 61701.

2. Power Conditioners/ Inverters

The Power Conditioners/Inverters of the SPV power plants must conform to the latest edition of IEC/ equivalent BIS Standards as specified below:

Efficiency Measurements	IEC 61683
Environmental Testing	IEC 60068-2/ IEC 62093
Electromagnetic Compatibility (EMC)	IEC 61000-6-2, IEC 61000-6-4
Electrical Safety	IEC 62103/ 62109-1&2
Protection against Islanding of Grid	IEEE1547/IEC 62116/ UL1741 or equivalent EN/BIS Standards
LVRT Compliance	As per the latest GERC/ CERC Guidelines/ Order/ Regulations
Grid Connectivity	Relevant GERC/ CERC Regulations (including LVRT compliance) and Grid Code as amended and revised from time to time.
Rated capacity	Nominal/ Rated output power of the inverter (if different power ratings are mentioned at different temperatures, then power rating at 50°C shall be considered) in kW will be considered as inverter rated capacity.

3. Cables and connectors:

All cables and connectors for used for installation of solar field must be of solar grade which can withstand harsh environment conditions for 25 years from the SCOD of the project and voltages as per latest IEC standards. (Note: IEC Standard for DC cables for PV systems is under development. It is recommended that in the interim, the Cables of 600-1800 Volts DC for outdoor installations should comply with the EN50618/ TUV 2pfg 1169/08/07 or equivalent IS for service life expectancy of 25 years).

4. Other Sub-systems/Components

Other subsystems/components used in the SPV power plants (Cables, Connectors, Junction Boxes, Surge Protection Devices, etc.) must also conform to the relevant international/national Standards for Electrical Safety besides that for Quality required for ensuring Expected Service Life and Weather Resistance

5. Authorized Test Centres

The PV modules / Power Conditioners deployed in the power plants must have valid test certificates for their qualification as per above specified IEC/ BIS Standards by one of the NABL Accredited Test Centres in India. In case of module types/ equipment for which such Test facilities may not exist in India at present, test certificates from reputed ILAC Member body accredited Labs abroad will be acceptable.

6. Warranty

- a. PV modules used in grid connected solar power plants must be warranted for peak output wattage, which should not be less than 90% at the end of 10 years and 80% at the end of 25 years from the COD of the project.
- b. The modules shall be warranted for at least 10 years for failures due to material defects and workmanship.
- c. The mechanical structures, electrical works and overall workmanship of the grid solar power plants must be warranted for a minimum of 5 years.
- d. The Inverters/PCUs installed in the solar power plant must have a warranty for 5 years.

7. Identification and Traceability

Each PV module used in any solar power Project must use a RF identification tag. The following information must be mentioned in the RFID used on each module (This can be inside or outside the laminate, but must be able to withstand harsh environmental conditions):

- i) Name of the manufacturer of PV Module
- ii) Name of the Manufacturer of Solar cells
- iii) Month and year of the manufacture (separately for solar cells and module)

- iv) Country of origin (separately for solar cells and module)
- v) I-V curve for the module at Standard Test Condition (1000 W/m², AM 1.5, 25⁰C)
- vi) Wattage, Im, Vm and FF for the module
- vii) Unique Serial No. and Model No. of the module
- viii) Date and year of obtaining IEC PV module qualification certificate
- ix) Name of the test lab issuing IEC certificate
- x) Other relevant information on traceability of solar cells and module as per ISO 9000

Site owners would be required to maintain accessibility to the list of Module IDs along with the above parametric data for each module.

8. Performance Monitoring:

All grid solar PV power projects must install necessary equipment to continuously measure solar radiation, ambient temperature, wind speed and other weather parameters and simultaneously measure the generation of DC power as well as AC power generated from the plant. They will be required to submit this data to TPL and MNRE or GEDA on line and/or through a report on regular basis every month for the entire duration of PPA. In this regard they shall mandatorily also grant access to TPL and MNRE or GEDA to the remote monitoring portal of the power plants on a 24X7 basis.

9. Safe Disposal of Solar PV Modules:

The Bidder will ensure that all Solar PV modules from their plant after their 'end of life' (when they become defective/ non-operational/ non-repairable) are disposed in accordance with the "e-waste (Management and Handling) Rules, 2011" notified by the Government and as revised and amended from time to time.