

POWER PURCHASE AGREEMENT
FOR
PROCUREMENT OF 2.0 MW SOLAR POWER
ON LONG TERM BASIS

Between

M/s.

And

HINDUSTAN AERONAUTICS LIMITED, HYDERABAD

, 2019

UNDER 300 MW DEFENCE SCHEME FOR DEFENCE
ESTABLISHMENTS UNDER JNNSM

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This Power Purchase Agreement is made on the XXth day of XXXXX of 2019.

Between

Solar Power Developer (Name), a company incorporated under the Companies Act 1956, having its registered office at _____ (hereinafter referred to as “**SPD**”, which expression shall, unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assignees) as a Party of the **First part**.

And

M/s Hindustan Aeronautics Limited (HAL), Balanagar, Hyderabad hereinafter referred to as “**HAL, Hyderabad**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assignees) as a Party of the **Second part**.

SPD and User are individually referred to as ‘Party’ and collectively referred to as ‘Parties’.

A. Whereas a PPA has been executed between SPD and HAL, Hyderabad on _____, for setting up of 2 MW Solar Power Project at HAL, Hyderabad.

B. Whereas, SPD shall Build, Own & Operate the Project(s) and will also make all required investments for the Projects.

C. Whereas, the proposed Project being setup at HAL, Hyderabad and will be connected to designated HAL, Hyderabad grid at 33 kV voltage level or any other voltage level as consented by the HAL, Hyderabad.

D. Whereas, SPD shall also complete all other assignments required for setting up, commissioning and successful operation of the Project, considering point of sale of power at the delivery point at the outgoing feeder from the project.

E. Whereas, SPD shall operate and maintain the Project(s) for the period of minimum TWENTY FIVE (25) years (or extended period as mutually agreed) from the date of Commercial Operation Date (COD) of the project(s);

F. Whereas, SPD has agreed to sell entire energy generated from project to HAL, Hyderabad and HAL, Hyderabad has agreed to purchase such Power from the Projects as per terms and conditions contained herein and at a tariff as per **Article 9**.

G. Whereas, HAL, Hyderabad has agreed to pay for the energy purchased from SPD at a tariff to be determined as per provisions contained herein;

H. Tariff shall be as per the Article 9.

I. Whereas any implication of Change in Law as per Article 12 which shall result in a revision of the tariff accordingly, applicable from the month subsequent to such change.

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

1 ARTICLE 1: DEFINITIONS AND INTERPRETATION

1.1 Definitions

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

Accounting Year	Means the Financial Year commencing from 1st April of a calendar year and ending on 31st March of the next calendar year. The 1st accounting year for the unit shall start from the date of commissioning of the unit and shall end on the 31st March of the next calendar year;
Act or Electricity Act, 2003	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitution from time to time.
“Affiliates”	shall mean a company that, directly or indirectly, i. controls, or ii. is controlled by, or iii. is under common control with, a Company developing a Project or a Member in a Consortium developing the Project and control means ownership by one company of at least 26% (twenty six percent) of the voting rights of the other company.
Agreement or Power Purchase Agreement or PPA	shall mean this Power Purchase Agreement including its recitals and Schedules, amended or modified from time to time in accordance with the terms hereof.
Appropriate Commission	shall mean the Central Electricity Regulatory Commission referred to in sub-section (1) of section 76 or the State Electricity Regulatory Commission referred to in section 82 or the Joint Electricity Regulatory Commission referred to in Section 83 of the Electricity Act 2003, as the case may be.
Bill Dispute Notice	shall mean the notice issued by a Party raising a Dispute regarding a Monthly Bill or a Supplementary Bill issued by the other Party.
Bulk Consumer	Shall have the same meaning as provided in CERC (Indian Electricity Grid Code) Regulations, 2010 as amended from time to time.
Business Day	shall mean with respect to SPD and HAL, Hyderabad, a day other than Sunday or a statutory holiday, on which the banks remain open for business in Hyderabad.
“Buying Entity”	shall mean USER who have signed the PPA with SPD for purchase of Power;

Capacity Utilisation Factor or CUF	shall have the same meaning as provided in CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2009 as amended from time to time. However for avoidance of any doubt, it is clarified that the CUF shall be calculated on the Contracted Capacity.
CERC	shall mean the Central Electricity Regulatory Commission of India, constituted under sub-section (1) of Section 76 of the Electricity Act, 2003, or its successors.
Change in Law	shall have the meaning ascribed thereto in Article 12 of this Agreement.
“Check Meter”	Any meter and/or metering device of accuracy class equivalent to the Main Meter, which shall be connected to the same core of the Current Transformer & Voltage Transformer to which Main meter is connected and shall be used for accounting and billing of electricity in the case of failure of Main meter;
Commissioning	shall have the meaning ascribed thereto in Article 5 of this Agreement.
Commercial Operation Date (COD)	shall be the actual date of commissioning of full capacity (i.e. the full capacity of the Power Project has been commissioned and the SPD starts scheduling and injecting power from the Power Project to the Delivery Point) of the Project as declared by SNA / HAL, Hyderabad.
Competent Court of Law	shall mean any court or tribunal or any similar judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement.
Consents, Clearance and Permits	Shall mean all authorizations, licenses, approvals, registrations, permits, waivers, privileges, acknowledgements, agreements, or concessions required to be obtained from or provided by any concerned authority for the purpose of setting up of the generation facilities and / or supply of power.
Consultation Period	shall mean the period of sixty (60) days or such other longer period as the Parties may agree, commencing from the date of issuance of a SPD Preliminary Default Notice or HAL, Hyderabad Preliminary Default Notice as provided in Article 13 of this Agreement, for consultation between the Parties to mitigate the consequence of the relevant event having regard to all the circumstances.
Contract Year	shall mean the period beginning from the Effective Date and ending on the immediately succeeding March 31 and thereafter each period of 12 months beginning on April 1 and ending on March 31 provided that: (i) in the financial year in which the COD would occur, the Contract Year shall end on the date immediately before the COD and a new Contract Year shall commence once again from the COD and end on the immediately succeeding March 31, and thereafter each period of twelve (12) months commencing on April 1 and ending on March 31, and (ii) provided further that the last Contract Year of this Agreement shall end on the last day of the Term of this Agreement.
Contracted Capacity	shall mean 2 MW (AC) contracted with HAL, Hyderabad for supply by the SPD to HAL, Hyderabad at the Delivery Point from the Solar Power Project.
Day	shall mean a day, if not a Business Day, the immediately succeeding Business Day.

Delivery / Inter-connection / Metering Point	shall mean the point at 11/33 kV switchgear of the load centre of HAL, Hyderabad where the power from the solar power project is injected (including the dedicated transmission line connecting the power project with the interconnection point). Metering shall be done at this interconnection point where the power is injected i.e. the Delivery Point. For interconnection with grid and metering, the SPDs shall abide by the relevant CERC/SERC Regulations, Grid Code, and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended and revised from time to time. All charges and losses related to Transmission of power from project up to delivery point (including but not limited to open access, transmission, wheeling, Unscheduled Interchange, Scheduling, Reactive power etc.) as notified by the competent authority/ regulator up to the Delivery Point shall be borne by the SPD .
Discoms	shall mean the distribution utility or the distribution utilities.
Dispute	shall mean any dispute or difference of any kind between HAL, Hyderabad and the SPD, in connection with or arising out of this Agreement including but not limited to any issue on the interpretation and scope of the terms of this Agreement as provided in Article 16 of this Agreement.
Due Date	Shall mean the thirtieth(30 th)day after a Monthly Bill or a Supplementary Bill is received and duly accepted by HAL, Hyderabad, if such day is not a Business day, the immediately succeeding Business Day, by which date such Monthly Bill or a Supplementary Bill is payable by HAL, Hyderabad.
Effective Date	Shall have the meaning ascribed there to in Article 2.1 of this Agreement.
Electricity Laws	shall mean the Electricity Act, 2003 and the rules and regulations made there under from time to time along with amendments there to and replacements thereof and any other Law pertaining to electricity including regulations framed by the Appropriate Commission.
Energy Accounts/ Joint meter reading	shall mean Joint Meter Reading including the revisions and amendments thereof recorded by USER & SPD; For the energy accounting purpose including billing such JMRs shall be binding on both Parties
Event of Default	shall mean the events as defined in Article 13 of this Agreement.
Expiry Date	Shall mean the date occurring twenty five(25)years from the Commercial Operation Date of the Project subject to that the supply of power shall be limited for a period of 25 years from the Unit Commercial Operation Date of respective Unit(s) unless extended by the Parties as per this Agreement.
Financing Agreements	Shall mean the agreements pursuant to which the SPD has got financing for the Power Project including the loan agreements, security documents, notes, indentures, security agreements, letters of credit and other documents, as may be amended, modified, or replaced from time to time, but without in anyway increasing the liabilities of HAL, Hyderabad.
Force Majeure or Force Majeure Event	shall have the meaning ascribed thereto in Article 11 of this Agreement.

Guidelines	shall mean the “JNNSM Guidelines for a scheme for setting up of over 300 MW of Grid-connected & Off-Grid Solar PV Power Projects by Defence Establishments under JNNSM” notified vide No. 30/69/2013-14/NSM dated 07 th January 2015 including its subsequent amendments and clarifications .
Grid Code / IEGC or State Grid Code	shall mean the Grid Code specified by the CERC under Clause (h) of Sub-section (1) of Section 79 of the Electricity Act, as amended from time to time, and/or the State Grid Code as specified by the concerned State Commission, referred under Clause (h) of Sub-section (1) of Section 86 of the Electricity Act 2003, as applicable.
“Incremental Receivables”	shall mean the amount of receivables, in excess of the amounts which have already been charged or agreed to be charged in favour of the parties by way of a legally binding agreement, executed prior to the Effective Date;
Indian Governmental Instrumentality	shall mean the Government of India, Governments of state(s) of Telangana and any ministry, department, board, authority, agency, corporation, commission under the direct or indirect control of Government of India or any of the above state Government(s) or both, any political subdivision of any of them including any court or Appropriate Commission(s) or tribunal or judicial or quasi-judicial body in India.
Insurances	shall mean the insurance cover to be obtained and maintained by the SPD in accordance with Article 8 of this Agreement.
Interconnection Facilities	shall mean the facilities on SPD’s side of the Delivery Point for scheduling, transmitting and metering the electrical output in accordance with this Agreement and which shall include, without limitation, all other transmission lines and associated equipment, transformers, relay and switching equipment and protective devices , safety equipment and RTU, Data Transfer and Acquisition facilities for transmitting data subject to Article 7, the Metering System required for supply of power as per the terms of this Agreement.
Invoice or Bill	shall mean either a Monthly Bill / Supplementary Bill or a Monthly Invoice/ Supplementary Invoice raised by any of the Parties.
Late Payment Surcharge	shall have the meaning ascribed thereto in Article 10.3.3 of this Agreement.
Law	shall mean in relation to this Agreement, all laws including Electricity Laws in force in India and any statute, ordinance, regulation, notification or code, rule, or any interpretation of any of them by an Indian Governmental Instrumentality and having force of law and shall further include without limitation all applicable rules, regulations, orders, notifications by an Indian Governmental shall include without limitation all rules, regulations, decisions and orders of the Appropriate Commissions.
“Letter of Credit” or “L/C”	shall have the meaning ascribed thereto in Article 6.4 of this Agreement;
Month	shall mean a period of thirty (30) days from (and excluding) the date of the event, where applicable, else a calendar month.
“Metering date”	means the first working day of each calendar month for a scheduled time mutually agreed between the parties. However the metering date of the

	financial year ends at 23:59 hrs on 31st March of subsequent year and so on;
“MUST RUN”	means this power plant which is not subjected to Merit Order dispatch principles; USER shall also ensure deployment of efficient energy management system so as to ensure entire energy generation capability of the Project;
National Solar Mission or JNNSM	shall mean the Jawaharlal Nehru National Solar Mission launched by the Government of India vide resolution No.5/14/2008-P&C dated 11th January 2010, as amended from time to time.
Operating Period	shall mean the period commencing from the Commercial Operation Date, until the last day of the Term of this Agreement or date of earlier termination of this Agreement in accordance with Article 2 of this Agreement.
Open Access Charges	shall mean the charges levied by the CTU/ RLDC / STU/ SLDC of the State wherein the Solar Power Project is located for the grant of Open Access as defined in Electricity Act 2003 and amended time to time.
Payment Security Mechanism”	shall have the meaning ascribed thereto in Article 6.4 of this Agreement;
Party and Parties	Shall have the meaning ascribed there to in the recital to this Agreement.
Performance Bank Guarantee	Shall mean the irrevocable unconditional bank guarantee, submitted by the SPD to HAL, Hyderabad from a bank mentioned in Schedule 2 of this Agreement in the form attached hereto as Schedule 1.
Power Project or Project	Shall mean the solar power generation facility of Contracted Capacity of 2 MW , located at HAL Township, Balanagar, Hyderabad, Telangana State having a separate boundary, control system, metering and separate points of injection into the grid at Delivery/Interconnection/metering point at STU/CTU substation or in case of sharing of transmission lines, by separate Injection at pooling point. This includes all units and auxiliaries such as water supply, treatment or storage facilities, bay/s for transmission system in the switch yard, dedicated transmission line up to the Delivery Point and all the other assets, buildings/structures, equipment, plant and machinery, facilities and related assets required for the efficient and economic operation of the power generation facility, whether completed or at any stage of development and construction or intended to be developed and constructed for the purpose of supply of power as per this Agreement.
Preliminary Default Notice	Shall have the meaning ascribed there to in Article 13 of this Agreement.
Project Financing /Arrangements Financial Closure	Shall mean arrangement of necessary funds by the Project Developer either by way of commitment of funds by the company from its internal resources and/or tie up of funds through a bank /financial institution by way of sanction of a loan or letter agreeing to finance.
Prudent Utility Practices	shall mean the practices, methods and standards that are generally accepted internationally from time to time by electric utilities for the purpose of ensuring the safe, efficient and economic design, construction, commissioning, operation and maintenance of power generation equipment and which practices, methods and standards shall be adjusted

	as necessary, to take account of: operation and maintenance guidelines recommended by the manufacturers of the plant and equipment to be incorporated in the Power Project. the requirements of Indian Law. and the physical conditions at the site of the Power Project.
RBI	shall mean the Reserve Bank of India.
RLDC	shall mean the relevant Regional Load Dispatch Centre established under Sub-section (1) of Section 27 of the Electricity Act, 2003.
Rupees, Rs., ₹	shall mean Indian rupees, the lawful currency of India.
Scheduled Commissioning Date	shall mean _____
SLDC	shall mean the centre established under Sub-section (1) of Section 31 of the Electricity Act 2003, relevant for the State(s) where the Delivery Point is located.
SLDC Charges	Shall mean the charges levied by Telengana state.
Solar Photovoltaic or Solar PV	shall mean the solar photovoltaic power project that uses sunlight for conversion into electricity and that is being set up by the SPD to provide Solar Power to HAL, Hyderabad as per the terms and conditions of this Agreement.
Solar Power	shall mean power generated from the Solar Photovoltaic Power Project.
Standby Meter	A meter connected to CT and PT, other than those used for main meter and check meter and shall be used for accounting and billing of electricity in case of both Main meter and Check meter is not working; This may be located at the plant side or substation side as per applicable regulation;
State Transmission Utility or STU	shall mean the Board or the Government company notified by the respective State Government under Sub-section (1) of Section 39 of the Act.
Tariff	shall have the same meaning as provided for in Article 9 of this Agreement.
Tariff Payment	shall mean the payments to be made under Monthly Bills as referred to in Article 10 and the relevant Supplementary Bills.
Termination Notice	shall mean the notice given by either Parties for termination of this Agreement in accordance with Article 13 of this Agreement.
Term of Agreement	Shall have the meaning ascribed there to in Article 2 of this Agreement.
Trading Margin	shall mean the margin as fixed by MNRE under this scheme on sale of solar power to State Utilities/Discoms/other Bulk Consumers.
Unit	shall mean the Solar PV Capacity (AC MW) commissioned as per provisions of the Part Commissioning as per the RfS document and this Agreement.
Unit Commercial Operation Date (UCOD)	shall mean the actual commercial operation date (i.e. the date of commissioning) of respective Unit(s) of the Power Project whereupon the SPD starts injecting and scheduling power from the Power Project to the Delivery Point and availability / installation of all necessary arrangements / equipment including RTU for scheduling of power generated from the Project and transmission of data to the concerned authority as per applicable.
Week	Shall mean a calendar week commencing from 00:00 hours of Monday, and ending at 24:00 hours of the following Sunday.

1.2 Interpretation

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

- 1.2.1 "Agreement" shall be construed as including a reference to its Schedules and/or Appendices and/or Annexures;
- 1.2.2 An "Article", a "Recital", a "Schedule" and a "paragraph / clause" shall be construed as a reference to an Article, a Recital, a Schedule and a paragraph/clause respectively of this Agreement;
- 1.2.3 A "crore" means a reference to ten million (10,000,000) and a "lakh" means a reference to one tenth of a million (1, 00,000);
- 1.2.4 An "encumbrance" shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;
- 1.2.5 "Indebtedness" shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.2.6 A "person" shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal entity) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests;
- 1.2.7 "Rupee", "Rupees", "Rs" or rupee symbol "₹" shall denote Indian Rupees, the lawful currency of India;
- 1.2.8 The "winding-up", "dissolution", "insolvency", or "reorganization" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the Law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganization, dissolution, arrangement, protection or relief of debtors;
- 1.2.9 Words importing the singular shall include the plural and vice versa;
- 1.2.10 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented;
- 1.2.11 A Law shall be construed as a reference to such Law including its amendments or re-enactments from time to time;
- 1.2.12 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time;
- 1.2.13 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part;

- 1.2.14 The tables of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement;
- 1.2.15 All interest, if applicable and payable under this Agreement, shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty five (365) days;
- 1.2.16 The words “hereof” or “herein”, if and when used in this Agreement shall mean a reference to this Agreement;
- 1.2.17 The terms “including” or “including without limitation” shall mean that any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

2 ARTICLE 2: TERM OF AGREEMENT

2.1 Effective Date

- 2.1.1 This Agreement shall come into effect from Date. _____.

2.2 Term of Agreement

- 2.2.1 This Agreement subject to Article 2.3 and 2.4 shall be valid for a term from the Effective Date until the Expiry Date. This Agreement may be extended for a further period at least one hundred eighty (180) days prior to the Expiry Date, provided such an extension is agreed by the parties in writing on agreed terms and conditions between the Solar Power Developer (SPD) and HAL, Hyderabad.
- 2.2.2 On extension of the PPA, the SPD is free to operate their plants beyond the Expiry Date if other conditions like land lease, permits, approvals and clearances etc., allow.

2.3 Early Termination

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

2.3.4 Obligation on Expiry of the Agreement

Subject to Article 2.2 above, at the end of the Term of the Agreement, the SPD shall transfer the solar power plant to HAL, Hyderabad without any cost, in full working condition along with all the related documents. The SPD undertakes to execute all the required documents for transferring the power plant to effectuate such transfer without any encumbrance to HAL, Hyderabad.

2.4 Survival

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

Term or termination of this Agreement shall continue and survive on expiry or termination of this Agreement.

3 ARTICLE 3: CONDITIONS SUBSEQUENT

3.1 Satisfaction of conditions subsequent by the SPD

The SPD agrees and undertakes to duly perform and complete all of the following activities at SPD's own risk and cost within six (6) months from the Effective Date, unless such completion is affected by any Force Majeure event, or if any of the activities is specifically waived in writing by HAL, Hyderabad:

- a) The SPD shall obtain or apply (as applicable) for all Consents, Clearances and Permits required for construction of the Project as per the terms of this Agreement. The SPD shall also obtain all Consents, Clearances and Permits required for operation and supply of power to HAL, Hyderabad before Commissioning of the Project;
- b) The SPD shall make Project financing arrangements and provide necessary certificates to HAL, Hyderabad within 90 days from the date of signing the PPA.
- c) The SPD shall make adequate arrangements to connect the Power Project switchyard with the Interconnection Facilities at the Delivery Point;
- d) The SPD shall sign a Transmission Agreement with CTU/STU/ Transmission Utilities confirming the evacuation and connectivity of the CTU/STU / Transmission Utilities system up to the delivery point of SPD by the Scheduled Commissioning Date.
- e) The SPD shall ensure levelling and clearing of land from debris / bushes / trees with necessary approvals, provided by HAL, Hyderabad for commissioning the project. Cost to be borne by SPD.
- f) The SPD shall fulfil the technical requirements according to criteria mentioned under Annexure-B of the RfS document and produce the documentary evidence of the same.
- g) The SPD shall make necessary arrangement required for water required for power project (water harvesting facility shall be planned).
- h) SPD shall make necessary pathway for movement, maintenance of solar modules along the fencing and in rows of solar modules. Sufficient lighting arrangements shall be provided along the path way. The SPD shall construct a boundary with 8 feet high chain fence all around the solar power plant with two gate for access. The SPD shall also provide sufficient CCTV cameras(minimum 8 nos.) in consultation with HAL, Hyderabad to monitor the movement of personnel etc. in the entire Solar PV plant.
- i) The manpower engaged by SPD shall have access to HAL, Hyderabad campus provided they fulfil with HAL, Hyderabad security permission & procedures in force from time to time.

The SPD shall submit to HAL, Hyderabad the relevant documents as stated above, complying with the Conditions Subsequent, within three (3) months from the Effective Date.

3.2 Consequences of non-fulfilment of conditions subsequent

- 3.2.1 In case of a non fulfilments of condition subsequent as enumerated in Article 3.1 above, HAL, Hyderabad shall encash the Performance Bank Guarantee submitted by the SPD. HAL, Hyderabad shall have the right to terminate this Agreement by giving a notice to the SPD in writing of at least seven (7) days unless the delay is on account of delay by Government or Force Majeure. The termination of the Agreement shall take effect upon the expiry of the 7th day of the above notice.
- 3.2.2 For the avoidance of doubt, it is clarified that this Article shall survive the termination of this Agreement.
- 3.2.3 In case of inability of the SPD to fulfil any one or more of the conditions specified in Article 3.1 due to any Force Majeure event (Article 4.5.2), the time period for fulfilment of the Conditions Subsequent as mentioned in Article 3.1, shall be extended for the period of such Force Majeure event.
- 3.2.4 Provided that due to the provisions of this Article 3.2.3, any increase in the time period for completion of conditions subsequent mentioned under Article 3.1, shall also lead to an equal extension in the Scheduled Commissioning Date.

3.3 Performance Bank Guarantee

- 3.3.1 The Performance Bank Guarantee having validity of twelve (24) months from the date of signing this Agreement and of Rs. 30 Lakh/MW to be furnished under this Agreement shall be for guaranteeing the commencement of the supply of power up to the Contracted Capacity within the time specified in this Agreement as per format provided in Schedule1.
- 3.3.2 The failure on the part of the SPD to furnish and maintain the Performance Bank Guarantee shall be a material breach of the term of this Agreement on the part of the SPD.
- 3.3.3 If the SPD fails to commence supply of power from the Scheduled Commissioning Date specified in this Agreement or any further extension thereof granted by HAL, Hyderabad, subject to conditions mentioned in Article 4.5, HAL, Hyderabad shall encash the Performance Bank Guarantee without prejudice to the other rights of HAL, Hyderabad under this Agreement.

3.4 Return of Performance Bank Guarantee

- 3.4.1 Subject to Article 3.3, HAL, Hyderabad shall return / release the Performance Bank Guarantee within 15 days after the successful CoD of the Project after taking into account any liquidated damages / penalties due to delays in commissioning as per provisions stipulated in this Agreement.
- 3.4.2 The return / release of the Performance Bank Guarantee shall be without prejudice to other rights of HAL, Hyderabad under this Agreement.

4 ARTICLE 4: CONSTRUCTION & DEVELOPMENT OF THE PROJECT

4.1 SPD's Obligations

- 4.1.1 The SPD undertakes to be responsible, at SPD's own cost and risk, for:
- a) obtaining all Consents, Clearances and Permits other than those obtained under Article 3.1 and maintaining all Consents, Clearances and Permits in full force and effect during the Term of this Agreement; and
 - b) designing, constructing, erecting, commissioning, completing and testing the Power Project in accordance with the applicable Law, the Grid Code, the terms and conditions of this Agreement and Prudent Utility Practices; and
 - c) the commencement of supply of power up to the Contracted Capacity to HAL, Hyderabad not later than the Scheduled Commissioning Date and continuance of the supply of power throughout the term of the Agreement;
 - d) connecting the Power Project switchyard with the Interconnection Facilities at the Delivery Point; and
 - e) owning the Power Project throughout the Term of Agreement free and clear of encumbrances, except those expressly permitted under Article 15;
 - f) maintaining its controlling shareholding (controlling shareholding shall mean not less than 51% of the voting rights and paid-up share capital) prevalent at the time of signing of PPA in the Company/Consortium developing the project up to a period of one (1) year after Commercial Operation Date. However transfer of controlling shareholding within the same Group Companies will be allowed with the written permission of HAL, Hyderabad even before one year period from COD subject to the condition that the management control remains within the same Group Companies; and
 - g) Performance and fulfilment of all the obligations of the SPD in accordance with the provisions of this Agreement and matters incidental thereto or necessary for the performance of any or all of the obligations of the SPD under this Agreement.
 - h) SPD warrants that it will comply with all the warranty conditions of the original equipment manufacturer from the date of acceptance of the equipment by the SPD, conform to the specifications and shall maintain the solar power plant as per the recommendations of the original equipment manufacturer.
 - i) SPD warrants and confirms that, at all time during the currency of the Agreement, it shall maintain the solar power plant in accordance with the recommendation of OEM.
 - j) SPD undertakes and confirms that, it shall impart training to HAL, Hyderabad's employees related to day-to-day operation and maintenance of solar power plant without any additional cost.
 - k) The SPD shall not cause any damages to the property of HAL, Hyderabad during the installation of the solar power plant and also during the operation and maintenance of the same. In the event of any damage caused to property of HAL, Hyderabad due to negligence or misconduct of the SPD, the same shall be rectified or replaced (as instructed by HAL, Hyderabad) by the SPD at its own cost and expenses. The SPD confirms that, in the event of failure to adhere to the above, HAL, Hyderabad shall have the right to withhold the payments due to the SPD until the defect is rectified.
 - l) Operation and maintenance of the Power Project in accordance with the provisions of this Agreement.

- m) Unless otherwise agreed between the Parties, the SPD shall not carry out any modification of the Premises without the written consent of HAL, Hyderabad. The SPD shall maintain general cleanliness of the area around the Power Project during the term of the Agreement.

4.1.2 The SPD shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set out in this Agreement:

- a) make, or cause to be made, necessary applications to the relevant government agencies with such particulars and details, as may be required for obtaining Applicable Permits and obtain and keep in force and effect such Applicable Permits in conformity with the Applicable Laws;
- b) procure, as required, the appropriate proprietary rights, licenses, agreements and permissions for materials, methods, processes and systems used or incorporated into the Power Project;
- c) make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its Contractors in connection with the performance of its obligations under this Agreement;
- d) ensure and procure that the SPD and its Contractors comply with all Applicable Permits and Applicable Laws in the performance by them of any of the SPD's obligations under this Agreement;
- e) take all necessary and reasonable safety precautions with respect to providing the installation work, solar power and operations during the term of the Agreement that shall comply with all applicable Laws pertaining to the health and safety of persons and real and personal property; and
- f) not do or omit to do any act, deed or thing which may in any manner be violative of any of the provisions of this Agreement.

4.2 Information regarding Interconnection Facilities

4.2.1 The SPD shall be required to obtain all information with regard to the Interconnection Facilities necessary to enable it to design, install and operate Plant and all interconnecting apparatus/ equipment on the SPD's side of the Delivery Point to enable delivery of electricity at the Delivery Point.

4.2.2 The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the SPD at his own cost. The maintenance of Transmission system up to the inter-connection point shall be the responsibility of the SPD.

4.2.3 The arrangement of connectivity shall be made by the SPD through a dedicated transmission line which the SPD may construct itself or get constructed by STU or any other agency. The entire cost of transmission including cost of construction of line, any other charges, losses etc. from the Project up to the Interconnection Point will be borne by the SPD. The SPD shall not be entitled to any deemed generation in case of any delay in connectivity to the Project.

4.2.4 All costs and charges including but not limited to the wheeling charges and losses up to the interconnect point associated with this arrangement will also be borne by the SPD.

4.3 Purchase and sale of Contracted Capacity

- 4.3.1 Subject to the terms and conditions of this Agreement, the SPD undertakes to sell only to HAL, Hyderabad and HAL, Hyderabad subjected to clause 4.4 below, undertakes to pay Tariff for all the energy supplied at the Delivery Point corresponding to the Contracted Capacity.

4.4 Right to Contracted Capacity & Energy

- 4.4.1 HAL, Hyderabad, at any time during a Contract Year, shall not be obliged to Purchase any additional energy from the SPD beyond <E1>Million kWh (MU). The declared annual CUF shall in no case be less than 15%. If For any Contract Year, it is found that the SPD has not been able to generate minimum energy of <E2>Million kWh (MU) till the end of 25 years from the COD, on account of reasons solely attributable to the SPD, the non-compliance by SPD shall make SPD liable to pay the compensation and shall duly pay such compensation to HAL, Hyderabad. This will, however, be relaxable by HAL, Hyderabad to the extent of grid non-availability for evacuation, which is beyond the control of the developer. This compensation shall be applied to the amount of shortfall in generation during the Contract Year. The compensation shall be equal to the excess tariff payable by HAL, Hyderabad (prevailing tariff determined by the Telangana State Electricity Regulatory Commission as applicable to HAL, Hyderabad including all taxes) over and above the agreed tariff as per Article 9 of this Agreement. However, this compensation shall not be applicable in events of Force Majeure identified under PPA with HAL, Hyderabad affecting supply of solar power by SPD.

Note: Energy Limits – E1, E2 shall be governed by the Criterion for Generation (as laid down at para 3.12 (i) of the RfS document)

- 4.4.2 Notwithstanding Article 4.4.1, any excess generation over and above 10% of declared annual CUF may be purchased by HAL, Hyderabad unless refused by HAL, Hyderabad. While the SPD should install DC solar field as per its design of required output, including its requirement of auxiliary consumption and to reconfigure and repower the Project from time to time during the term of the PPA, it will not be allowed to sell any excess power to any other entity other than HAL, Hyderabad (unless refused by HAL, Hyderabad). However, in case at any point of time, the peak of capacity reached is higher than the contracted capacity and causes disturbance in the system at the point where power is injected, the SPD will have to forego the excess generation and reduce the output to the rated capacity and shall also have to pay the penalty/charges (if applicable) as per applicable regulations / requirements / guidelines of CERC / SERC /SLDC or any other competent agency.

However, this compensation shall not be applicable in events of Force Majeure identified under PPA with HAL, Hyderabad affecting supply of solar power by SPD. However, the amount of shortfall in generation shall be adjusted, on account of non-availability of grid for power evacuation which is beyond the control of the SPD and / or occurrence of abnormally low Global Horizontal Irradiance (GHI) year (i.e. if the actual global solar irradiance in the year under consideration is less than 50% of average values of two (2) years of annual GHI as available from the nearest IMD/SRRA stations). For avoidance of any doubt, it is clarified that the extent of adjustment in CUF in case of non-availability of grid for evacuation which is beyond the control of SPD and / or abnormally low annual Global Horizontal Irradiance year and /or force majeure shall not qualify for revenue billing. Moreover, in case annual GHI is equal to or more than 50% of average value of two (2) years of annual GHI as

available from the nearest IMD/SRRA stations, no adjustment shall be made in the annual CUF on account of abnormally low annual GHI year.

Any energy produced and flowing into the grid before COD shall not be at the cost of HAL, Hyderabad under this scheme.

4.5 Extensions of Time

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

- a) any HAL, Hyderabad Event of Default; or
- b) Force Majeure Events affecting HAL, Hyderabad, or
- c) Force Majeure Events affecting the SPD,

the Scheduled Commissioning Date and the Expiry Date shall be deferred for a reasonable period but not less than 'day for day' basis, to permit the SPD or HAL, Hyderabad through the use of due diligence, to overcome the effects of the Force Majeure Events affecting the SPD or HAL, Hyderabad, or till such time such Event of Default is rectified by HAL, Hyderabad.

4.5.2 In case of extension due to reasons specified in Article 4.5.1(b) and (c), and if such Force Majeure Event continues even after a maximum period of three (3) Months, any of the Parties may choose to terminate the Agreement as per the provisions of Article 13.5.

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

4.5.4 As a result of such extension, the Scheduled Commissioning Date and the Expiry Date newly determined shall be deemed to be the Scheduled Commissioning Date and the Expiry Date for the purposes of this Agreement.

4.5.5 Notwithstanding anything to the contrary contained in this Agreement, any extension of the Scheduled Commissioning Date arising due to any reason envisaged in this Agreement shall not be allowed beyond the date determined pursuant to Article 4.6.

4.6 Liquidated Damages for delay in commencement of supply of power to HAL, Hyderabad

4.6.1 If the SPD is unable to commence supply of power to HAL, Hyderabad by the Scheduled Commissioning Date other than for the reasons specified in Article 4.5.1, the SPD shall pay to HAL, Hyderabad, damages for the delay in such commencement of supply of power and making the Contracted Capacity available for dispatch by the Scheduled Commissioning Date as per the following:

- a) Delay up to one (1) months – 1st part of the PBG amounting to Rs. 12 Lakhs shall be encashed by HAL, Hyderabad, proportionally calculated on per day basis for delay upto 1 month from the Scheduled Commissioning Date.
- b) Delay of more than one (1) month and upto three (3) months: HAL, Hyderabad shall encash the remaining 48lakhs of PBG, proportionally calculated on per day basis for delay upto another two months.

- c) In case the commissioning of the Project is delayed by more than 3 months after scheduled commissioning date, i.e. beyond 9 months from signing of PPA, HAL, Hyderabad reserves the right to terminate the PPA and cancel the Project.
- d) For the purpose of calculations for penalty, the month shall be considered consisting of 30 days

4.7 Acceptance/Performance Test

- 4.7.1 Prior to synchronization of the Power Project, the SPD shall be required to get the Project certified for the requisite acceptance/performance test as may be laid down by Central Electricity Authority or Chief Electrical Inspectorate, Govt. of Telengana or agency identified by the central government to carry out testing and certification for the solar power projects. All the results of the performance test shall be made available to HAL, Hyderabad. Any suggestion or recommendations by such test report shall be adhered by the SPD and shall furnish proof to HAL, Hyderabad. The cost incurred in pursuance to such acceptance/performance test shall be borne by SPD.

4.8 Third Party Verification

- 4.8.1 The SPD shall be further required to provide entry to the site of the Power Project free of all encumbrances at all times during the Term of the Agreement to HAL, Hyderabad and a third Party if nominated by HAL, Hyderabad or any Govt. agency for inspection and verification of the works being carried out by the SPD at the site of the Power Project. The SPD shall bear the all the costs of Third Party verification.
- 4.8.2 The third party may verify the construction works/operation of the Power Project being carried out by the SPD and if it is found that the construction works/operation of the Power Project is not as per the Prudent Utility Practices, it may seek clarifications from SPD or require the works to be stopped or to comply with the instructions of such third party.
- 4.8.3 The third party may carry out checks for testing the CUF of the Power Project in accordance with Clause4.4.1.
- 4.8.4 During the Term of this Agreement, the SPD shall undertake to conduct performance test or the third party verification on a yearly basis at its own cost and expenses and shall comply with the recommendation of such test. The SPD shall share the copies of such report, if any, with HAL, Hyderabad.

4.9 HAL, Hyderabad's Obligations

- 4.9.1 HAL, Hyderabad shall, at its own cost and expense, undertake, comply with and perform all its obligations set out in this Agreement or arising hereunder.
- 4.9.2 HAL, Hyderabad shall make timely payments of Tariff to the SPD as per the procedure set out in Article10.
- 4.9.3 HAL, Hyderabad shall provide the land free to use basis (12 acres max.) at HAL Township, Balanagar, Hyderabad for installation of the solar power plant and the access thereto;

The geographical coordinates of the designated land area are 17.47650 N and 78.45480 E.

- 4.9.4 HAL, Hyderabad agrees to provide support to the SPD and undertake to observe, comply with and perform, subject to and in accordance with the provisions of this Agreement and the Applicable Laws, the following:

- a) upon written request from the SPD, and subject to the SPD complying with Applicable Laws, provide reasonable support and assistance to the SPD in procuring Applicable Permits required from any government agencies for implementation and operation of the Project;
- b) not do or omit to do any act, deed or thing which may in any manner be violative of any of the provisions of this Agreement;
- c) act reasonably, while exercising its discretionary power under this Agreement;
- d) support, cooperate with and facilitate the SPD in the implementation and operation of the Project in accordance with the provisions of this Agreement.

However HAL, Hyderabad is not obligatory for the safety, security and wages for the employees/ labours working under SPD and executing this project.

5. ARTICLE 5: SYNCHRONISATION, COMMISSIONING & COMMERCIAL OPERATION

5.1 Synchronization, Commissioning and Commercial Operation

- 5.1.1 The SPD shall give the concerned RLDC/SLDC, HAL, Hyderabad at least twenty (20) days advanced preliminary written notice and at least ten(10)days advanced final written notice, of the date on which it intends to synchronize the Power Project to the Grid System.
- 5.1.2 Subject to Article 5.1.1, the Power Project may be synchronized by the SPD to the Grid System when it meets all the connection conditions prescribed in applicable Grid Code then in effect and otherwise meets all other Indian legal requirements for synchronization to the Grid System.
- 5.1.3 The synchronization equipment shall be installed by the SPD at its generation facility of the Power Project at its own cost. The SPD shall synchronize its system with the Grid System only after the approval of synchronization scheme is granted by TSSPDCL in intimation to HAL, Hyderabad or a third party nominated by HAL, Hyderabad.
- 5.1.4 The SPD shall immediately after each synchronization/tripping of generator, inform HAL, Hyderabad and all other concerned authorities in accordance with applicable Grid Code under intimation to HAL, Hyderabad. In- Addition the SPD will inject in-firm power to grid time to time to carry out operational/ functional test prior to commercial operation.
- 5.1.5 The SPD shall commission the Project as detailed in “Schedule 3: Commissioning Procedure” within six (6) Months of the date of signing of PPA.

6. ARTICLE 6: DISPATCH AND SCHEDULING

6.1 Dispatch and Scheduling

- 6.1.1 The SPD shall be required to Schedule its power as per the applicable regulations / requirements / guidelines of CERC / SERC /SLDC / RLDC or any other competent

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

7 ARTICLE 7: METERING

7.1 Meters

- 7.1.1 For installation of Meters, Meter testing, Meter calibration and Meter reading and all matters incidental thereto, the SPD and HAL, Hyderabad shall follow and be bound by the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, the Grid Code, as amended and revised from time to time.
- 7.1.2 The SPD shall bear all costs pertaining to installation, testing, calibration, maintenance, renewal and repair of meters at SPD's side of Delivery Point.
- 7.1.3 In addition to ensuring compliance of the applicable codes, the SPD shall install Main & Check meters with common CT, PT and one standby meter with separate CT, PT (different from the CT, PT for main and check meter but having identical specification) at the Delivery Point. All the meters must be ABT compliant.
- 7.1.4 Measurement of Electrical Energy shall be done at the Interconnection point jointly by the parties.
- 7.1.5 The scope of net metering and the suitable arrangement in accordance with the TSSPDCL shall be under the scope of SPD.

7.1.6 Energy Scheduling

It is understood and agreed by and between the parties that SPD shall operate the Project as per applicable grid operating standards and relevant statutory provisions/ guidelines and codes, as applicable from time to time.

It is agreed between the Parties that the Project shall be treated as 'MUST RUN' and shall not be subject to merit order dispatch.

7.2 Reporting of Metered Data and Parameters

- 7.2.1 The grid connected solar PV power plants will install necessary equipment for regular monitoring of solar irradiance (including GHI, DHI and solar radiation in the module plane), ambient air temperature, wind speed and other weather parameters and simultaneously for monitoring of the electric power (both DC and AC) generated from the Project.
- 7.2.2 Online arrangement would have to be made by the SPD at its own cost for submission of above data regularly for the entire period of this Power Purchase Agreement to the SLDC, HAL, Hyderabad and the concerned Ministry or concerned agency as per applicable regulation / directions. Suitable arrangement should be made for SCADA facility. SPD shall built adequate capacity RCC roof building within the premises of SPV power project site for housing the inverters, SCADA, metering units and utility room etc.

- 7.2.3 Reports on above parameters on monthly basis shall be submitted by the SPD to HAL, Hyderabad for entire period of PPA.

8 ARTICLE 8: INSURANCES

8.1 Insurance

- 8.1.1 The SPD shall effect and maintain or cause to be effected and maintained, at its own cost and expense, throughout the Term of PPA, Insurances against such risks, with such deductibles and with such endorsements and co-insured(s), which the Prudent Utility Practices would ordinarily merit maintenance of and as required under the Financing Agreements and under applicable laws.

8.2 Application of Insurance Proceeds

- 8.2.1 Save as expressly provided in this Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Power Project or any part of the Power Project shall be first applied to reinstatement, replacement or renewal of such loss or damage.

8.3 Effect on liability of HAL, Hyderabad

- 8.3.1 Notwithstanding any liability or obligation that may arise under this Agreement, any loss, damage, liability, payment, obligation or expense which is insured or not or for which the SPD can claim compensation, under any Insurance shall not be charged to or payable by HAL, Hyderabad.

9 ARTICLE 9: APPLICABLE TARIFF

- 9.1 The tariff for sale of power is determined as per the tariff discovered through the Competitive bidding process. This tariff is valid for entire duration of this agreement. Any implication of Change in Law as per Article 12 which shall result in a revision of the tariff accordingly, applicable from the month subsequent to such change.
- 9.2 Subsequent to the commissioning of the Project, if there is any de-commissioning / dismantling activity is taken by SPD for the reasons not attributable to the SPD, HAL Hyderabad shall make good of such expenses incurred by SPD for carrying out activities and loss in generation. Loss in generation shall be calculated as per methodology given in Article 10.7.
- 9.3 The SPD shall be entitled to receive the Tariff of Rs. ____ / kWh, fixed for the entire Term of the PPA with effect from the COD.
- 9.4 Any energy produced and flowing into the grid before COD shall not be at the cost of HAL, Hyderabad under this scheme and in case of excess generation over and above 10% of declared CUF, the first right of refusal for purchase of such power shall be with HAL, Hyderabad.
- 9.5 The Selected Project Developer will be required to submit all information and documents as desired by HAL, Hyderabad from time to time.
- 9.6 **Auxiliary Power Consumption by the SPD**

SPD shall be entitled to draw the power for its auxiliary consumption from the grid. Auxiliary power shall be adjusted by HAL Hyderabad from energy billing through net off scheme from the delivered energy, as indicated below:

Net Energy = Delivered Energy by the SPD at Delivery Point - Energy draws from Buying Entity Grid for auxiliaries as recorded at the Delivery Point.

ARTICLE 10: BILLING AND PAYMENT

10.1 General

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

10.2 Delivery and Content of Monthly Bills/Supplementary Bills

10.2.1 The SPD shall issue to HAL, Hyderabad a signed Monthly Bill/Supplementary Bill for the immediately preceding Month. Each Monthly Bill shall include all charges as per this Agreement for the energy supplied for the relevant Month based on Joint Meter reading. The Monthly Bill amount shall be the product of the energy supplied and the applicable Tariff.

10.3 Payment of Monthly Bills

10.3.1 HAL, Hyderabad shall pay the amount payable under the Monthly Bill/Supplementary Bill by the Due Date to such account of the SPD, as shall have been previously notified by the SPD in accordance with Article 10.3.2 (iii) below.

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

- (i) deductions required by the Law; and
- (ii) amounts claimed by HAL, Hyderabad, if any, from the SPD, through an invoice to be payable by the SPD, and not disputed by the SPD within fifteen (15) days of receipt of the said Invoice and such deduction or set-off shall be made to the extent of the amounts not disputed. It is clarified that HAL, Hyderabad shall be entitled to claim any set off or deduction under this Article, after expiry of the said fifteen (15) Days period.
- (iii) The SPD shall open a bank account at [Insert name of place] (the "SPD's Designated Account") for all Tariff Payments (including Supplementary Bills) to be made by HAL, Hyderabad to the SPD, and notify HAL, Hyderabad, of the details of such account at least ninety (90) Days before the dispatch of the first Monthly Bill. HAL, Hyderabad shall also designate a bank account at(insert place) for payments to be made by the SPD to HAL, Hyderabad, if any, and notify the SPD of the details of such account ninety (90) Days before the Scheduled Commissioning Date. HAL, Hyderabad and the SPD shall instruct their respective bankers to make all payments under this Agreement to the SPD' Designated Account or HAL, Hyderabad's Designated Account, as the case may be, and shall notify either Party of such instructions on the same day.

10.3.3 Late Payment Surcharge

In the event of delay in payment of a Monthly Bill by HAL, Hyderabad beyond thirty (30) days of its Due Date, a Late Payment Surcharge shall be payable to the SPD at the rate of 1.25% per month on the outstanding amount calculated on a day to day basis. The Late Payment Surcharge shall be claimed by the SPD through the Supplementary Bill.

10.3.4 In the event of early Commissioning of the Project the payment for the power fed to the grid will be accounted from the date of COD, but SPD would be allowed to raise

Bills against such power only from the date not earlier than two months prior to Scheduled Commissioning Date.

10.4 Disputed Bill

- 10.4.1 If the Party does not dispute a Monthly Bill or a Supplementary Bill raised by the other Party by the Due Date, such Bill shall be taken as conclusive.
- 10.4.2 If the HAL, Hyderabad disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay 50% of the disputed amount and it shall within fifteen (15) days of receiving such Bill, issue a notice (the "Bill Dispute Notice") to the invoicing Party setting out:
- (i) the details of the disputed amount;
 - (ii) its estimate of what the correct amount should be; and
 - (iii) all written material in support of its claim.
- 10.4.3 If the SPD agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.4.2, the SPD shall revise such Bill and present along with the next Monthly Bill. In such a case excess amount shall be refunded along with interest at the same rate as Late Payment Surcharge, which shall be applied from the date on which such excess payment was made by the disputing Party to the invoicing Party and up to and including the date on which such payment has been received as refund.
- 10.4.4 If the SPD does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Article 10.4.2, it shall, within fifteen (15) days of receiving the Bill Dispute Notice, furnish a notice (Bill Disagreement Notice) to the HAL, Hyderabad providing:
- (i) reasons for its disagreement;
 - (ii) its estimate of what the correct amount should be; and
 - (iii) all written material in support of its counter-claim.
- 10.4.5 Upon receipt of the Bill Disagreement Notice by the HAL, Hyderabad under Article 10.4.4, authorized representative(s) of the HAL, Hyderabad and SPD shall meet and make best endeavours to amicably resolve such dispute within fifteen (15) days of receipt of the Bill Disagreement Notice.
- 10.4.6 If the Parties do not amicably resolve the Dispute within fifteen (15) days of receipt of Bill Disagreement Notice pursuant to Article 10.4.4, the matter shall be referred to Dispute resolution in accordance with Article 16.
- 10.4.7 For the avoidance of doubt, it is clarified that despite a Dispute regarding an Invoice, HAL, Hyderabad shall, without prejudice to its right to Dispute, be under an obligation to make payment of 50% of the Disputed Amount in the Monthly Bill.

10.5 Quarterly and Annual Reconciliation

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

10.5.2 The Parties, therefore, agree that as soon as all such data in respect of any quarter of a Contract Year or a full Contract Year as the case may be has been finally verified and adjusted, the SPD and HAL, Hyderabad shall jointly sign such reconciliation statement. Within fifteen (15) days of signing of a reconciliation statement, the SPD shall make appropriate adjustments in the next Monthly Bill. Late Payment Surcharge/ interest shall be payable in such a case from the date on which such payment had been made to the invoicing Party or the date on which any payment was originally due, as may be applicable. Any Dispute with regard to the above reconciliation shall be dealt with in accordance with the provisions of Article 16.

10.6 Payment of Supplementary Bill

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

- (i) Adjustments required by Joint Meter Reading (if applicable); or
- (ii) Change in Law as provided in Article 12, or and such Supplementary Bill shall be paid by the other Party.

10.6.2 HAL, Hyderabad shall remit all amounts due under a Supplementary Bill raised by the SPD to the SPD's Designated Account by the Due Date. If any claim is being raised pursuant to the Article 4.4.1, HAL, Hyderabad shall make adjustment in the payment made to the SPD.

10.6.3 In the event of delay in payment of a Supplementary Bill by either Party beyond its Due Date, a Late Payment Surcharge shall be payable at the same terms applicable to the Monthly Bill in Article 10.3.3.

10.7 Off take constraints due to Connectivity Infrastructure /Grid/ load Unavailability & Back down

10.7.1 Generation Compensation in offtake constraint (Connectivity constraint): After the Scheduled Commissioning Date, if the plant is ready but the necessary power evacuation/ connectivity infrastructure is not ready or limitations of the HAL, Hyderabad Substation, for reasons not attributable to the SPD, leading to offtake constraint, the provision for generation compensation is as follows

: Connectivity Constraint	Provision for Generation Compensation
If the Project is ready but the necessary power evacuation/connectivity infrastructure is not ready or limitations of the HAL, Hyderabad Substation, leading to offtake constraint	a. The CUF as per the RfS Document, for the period of grid/load unavailability, shall be taken for the purpose of calculation of generation loss. Corresponding to this generation loss, SPD shall raise bill to HAL, Hyderabad and shall be paid by the HAL, Hyderabad at the PPA tariff so as to offset this loss.

10.7.2 Generation Compensation in offtake constraints due to Load

Unavailability:

During the operation of the Project, there can be some periods where the Project can generate power but due to temporary transmission/ distribution unavailability/ low load availability, the power is not evacuated, for reasons not attributable to the SPD. In such cases the generation compensation shall

be addressed in following manner:

Duration of Grid Unavailability	Provision for Generation Compensation
Hours of load unavailability during a monthly bill cycle	<p>Minimum Generation Compensation = 50% of (Estimated generation based on radiation of the month measured – Actual generation) x PPA Tariff</p> <p>Any outage hours of plant will not considered for this calculation SPD shall raise bill to HAL, Hyderabad for such generation loss and shall be paid by HAL, Hyderabad at the PPA tariff so as to offset this loss. In case if there is no generation in a contract year, generation in the previous contract year shall be considered for the purpose of calculation.</p>

11 ARTICLE 11: FORCE MAJEURE

11.1 Definitions

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

11.2 Affected Party

11.2.1 An affected Party means HAL, Hyderabad or the SPD whose performance has been affected by an event of Force Majeure.

11.3 Force Majeure

11.3.1 A 'Force Majeure' means any event or circumstance or combination of events those stated below that wholly or partly prevents or unavoidably delays an Affected Party in the performance of its obligations under this Agreement, but only if and to the extent that such events or circumstances are not within the reasonable control, directly or indirectly, of the Affected Party and could not have been avoided if the Affected Party had taken reasonable care or complied with Prudent Utility Practices:

- a) Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon or tornado if and only if it is declared / notified by the competent state / central authority / agency (as applicable);
- b) Any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action if and only if it is declared / notified by the competent state / central authority / agency (as applicable); or
- c) Radioactive contamination or ionising radiation originating from a source in India or resulting from another Force Majeure Event mentioned above excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the Power Project by the Affected Party or those employed or engaged by the Affected Party.

11.4 Force Majeure Exclusions

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

- a) Unavailability, late delivery, or changes in cost of the plant, machinery, equipment, materials, spare parts or consumables for the Power Project;
- b) Delay in the performance of any contractor, sub-contractor or their agents;
- c) Non-performance resulting from normal wear and tear typically experienced in power generation materials and equipment;
- d) Strikes at the facilities of the Affected Party;
- e) Insufficiency of finances or funds or the agreement becoming onerous to perform; and
- f) Non-performance caused by, or, connected with the Affected Party's:
 - (i) Negligent or intentional acts, errors or omissions;
 - (ii) Failure to comply with an Indian Law; or
 - (iii) Breach of, or default under this Agreement.

11.5 Notification of Force Majeure Event

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

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

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

11.6 Duty to Perform and Duty to Mitigate

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

11.7 Available Relief for a Force Majeure Event

11.7.1 Subject to this Article 11:

- a) no Party shall be in breach of its obligations pursuant to this Agreement except to the extent that the performance of its obligations was prevented, hindered or delayed due to a Force Majeure Event;
- b) every Party shall be entitled to claim relief in relation to a Force Majeure Event in regard to its obligations, including but not limited to those specified under Article 4.5;
- c) For avoidance of doubt, neither Party's obligation to make payments of money due and payable prior to occurrence of Force Majeure events under this Agreement shall be

suspended or excused due to the occurrence of a Force Majeure Event in respect of such Party.

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

12 ARTICLE 12: CHANGE IN LAW

Definitions

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

“Change in Law” means the occurrence of any of the following events after the last date of Bid submission resulting into any additional recurring/ non-recurring expenditure by SPD or any income to SPD:

the enactment, coming into effect, adoption, promulgation, amendment, modification or repeal (without re-enactment or consolidation) in India, of any Law, including rules and regulations framed pursuant to such Law;

- a change in the interpretation or application of any Law by any Indian Governmental Instrumentality having the legal power to apply such Law, or any Competent Court of Law;
- the imposition of a requirement for obtaining any Consents, Clearances and

Permits which was not required earlier;

- a change in the terms and conditions prescribed for obtaining any Consents, Clearances and Permits or the inclusion of any new terms or conditions for obtaining such Consents, Clearances and Permits; except due to any default of the Buying Entity;
- any statutory change in tax structure, i.e. change in rates of taxes, duties and cess, or introduction of any new tax, duties and cess made applicable for setting up of Solar Power Project and supply of power from the Project by the SPD and has direct effect on the Project. However, Change in Law shall not include
 - (i) any change in taxes on corporate income or
 - (ii) any change in any withholding tax on income or dividends distributed to the shareholders of the SPD (if applicable), or
 - (ii) any change on account of regulatory measures by the Appropriate Commission

In the event a Change in Law results in any adverse financial loss/ gain to the Solar Power Generator then, in order to ensure that the Solar Power Generator is placed in the same financial position as it would have been had it not been for the occurrence of the Change in Law, the Solar Power Generator/ Procurer shall be entitled to compensation by the other party, as the case may be, subject to the condition that the quantum and mechanism of compensation payment shall be determined and shall be effective from such date as may be decided by the Appropriate Commission.

In the event of any decrease in the recurring/ nonrecurring expenditure by the SPD or any income to the SPD on account of any of the events as indicated above, SPD shall file an application to the appropriate commission no later than sixty (60) days from the occurrence of such event, for seeking approval of Change in Law. In the event of the SPD failing to comply with the above requirement, in case of any gain to the SPD, HAL, Hyderabad shall withhold the monthly tariff payments on immediate basis, until compliance of the above requirement by the SPD.

Relief for Change in Law

The aggrieved Party shall be required to approach the Appropriate Commission for seeking approval of Change in Law.

The decision of the Appropriate Commission to acknowledge a Change in Law and the date from which it will become effective, provide relief for the same, shall be final and governing on both the Parties.

13 ARTICLE 13: EVENTS OF DEFAULT AND TERMINATION

13.1 SPD Event of Default

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

- (i) the failure to commence supply of power to HAL, Hyderabad up to the Contracted Capacity, by the end of the period specified in Article 4, or
if
 - a) the SPD assigns, mortgages or charges or purports to assign, mortgage or charge any of its assets or rights related to the Power Project in contravention of the provisions of this Agreement or
 - b) the SPD transfers or novates any of its rights and/ or obligations under this agreement, in a manner contrary to the provisions of this Agreement except where such transfer
 - is in pursuance of a Law; and does not affect the ability of the transferee to perform, and such transferee has the financial capability to perform, its obligations under this Agreement or
 - is to a transferee who assumes such obligations under this Agreement and the Agreement remains effective with respect to the transferee;
- (ii) if (a) the SPD becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or (b) any winding up or bankruptcy or insolvency order is passed against the SPD, or (c) the SPD goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, provided that a dissolution or liquidation of the SPD will not be a SPD Event of Default if such dissolution or liquidation is for the purpose of a merger, consolidation or reorganization and where the resulting company retains credit-worthiness similar to the SPD and expressly assumes all obligations of the SPD under this Agreement and is in a position to perform them; or
- (iii) the SPD repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from HAL, Hyderabad in this regard; or
- (iv) if SPD fails to fulfil any obligation or discharge any duty imposed on it, under this Agreement; or
- (v) change in controlling shareholding before the specified time frame as mentioned in Article 4.1.1 of this Agreement; or
- (vi) Occurrence of any other event which is specified in this Agreement to be a material breach/ default of the SPD.

13.2 HAL, Hyderabad Event of Default

13.2.1 The occurrence and the continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by the SPD of its obligations under

this Agreement, shall constitute the Event of Default on the part of defaulting HAL, Hyderabad:

- (i) HAL, Hyderabad fails to pay (with respect to a Monthly Bill or a Supplementary Bill), subject to Article 10.4, for a period of ninety (90) days after the Due Date and the SPD is unable to recover the amount outstanding to the SPD.
- (ii) HAL, Hyderabad repudiates this Agreement and does not rectify such breach even within a period of thirty (30) days from a notice from the SPD in this regard; or
- (iii) except where due to any SPD's failure to comply with its obligations, HAL, Hyderabad is in material breach of any of its obligations pursuant to this Agreement, and such material breach is not rectified by HAL, Hyderabad within thirty (30) days of receipt of notice in this regard from the SPD to HAL, Hyderabad; or if
 - HAL, Hyderabad becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or
 - any winding up or bankruptcy or insolvency order is passed against HAL, Hyderabad, or
 - HAL, Hyderabad goes into liquidation or dissolution or a receiver or any similar officer is appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, Provided that it shall not constitute a HAL, Hyderabad Event of Default, where such dissolution or liquidation of HAL, Hyderabad or HAL, Hyderabad is for the purpose of a merger, consolidation or reorganization and where the resulting entity has the financial standing to perform its obligations under this Agreement and has creditworthiness similar to HAL, Hyderabad and expressly assumes all obligations of HAL, Hyderabad and is in a position to perform them; or;
- (iv) Occurrence of any other event which is specified in this Agreement to be a material breach or default of HAL, Hyderabad.

13.3 Procedure for cases of SPD Event of Default

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

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

13.3.3 Subject to the terms of this Agreement, upon occurrence of a SPD Event of Default under this Agreement, the lenders in consultation with HAL, Hyderabad may exercise their rights, if any, under Financing Agreements, to seek substitution of the SPD by a selectee for the residual period of the Agreement, for the purpose of securing the payments of the total debt amount from the SPD and performing the obligations of the SPD.

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 HAL, Hyderabad and accepts and honours all the terms and condition of this PPA signed between SPD and HAL, Hyderabad.

13.3.4 The lenders in consultation with HAL, Hyderabad may seek to exercise right of substitution under Article 13.3.3 by an amendment or novation of the PPA in favour of the selectee.

The SPD shall cooperate with HAL, Hyderabad 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.

13.3.5 In case the lending institution exercises the right to step in or take over the Project, HAL, Hyderabad will also have right to step in along with the lending institution.

13.4 Procedure for cases of HAL, Hyderabad Event of Default

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

13.4.2 Following the issue of a SPD Preliminary Default Notice, the Consultation Period of sixty (60) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.

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

13.4.4 After a period of seven (7) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed to the contrary or HAL, Hyderabad Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, this Agreement may be terminated by the SPD.

13.5 Termination due to Force Majeure

13.5.1 If the Force Majeure Event or its effects continue to be present beyond the period as specified in Article 4.5.2, either Party shall have the right to cause termination of the Agreement. In such an event, this Agreement shall terminate on the date of such Termination Notice.

14 ARTICLE 14: LIABILITY AND INDEMNIFICATION

14.1 Indemnity

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

- a) any and all third party claims against HAL, Hyderabad for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the SPD of any of its obligations under this Agreement; and
- b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by HAL, Hyderabad from third party claims arising by reason of a breach by the SPD of any of its obligations under this Agreement, (provided that this Article 14 shall not apply to such breaches by the SPD, for which specific remedies have been provided for under this Agreement)
- c) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by HAL, Hyderabad arising out of the claims by contract labourers employed by SPD. SPD shall be the Principal Employer in respect to such contract labourers and SPD shall comply with all applicable labour laws; and
- d) all claims for (i) bodily injuries, including death, or damages to property, as well as any indirect or incidental cost, losses or damages, caused by the SPD or its employees in connection with the performance of this Agreement or by his Power Plant, or (ii) any consequential damages and/or any economic loss caused directly or indirectly by SPD, its employees or its Power Plant.

14.1.2 HAL, Hyderabad shall indemnify, defend and hold the SPD harmless against:

- a) any and all third party claims against the SPD, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by HAL, Hyderabad of any of their obligations under this Agreement; and
- b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest ('Indemnifiable Losses') actually suffered or incurred by the SPD from third party claims arising by reason of a breach by HAL, Hyderabad of any of its obligations.

14.2 Procedure for claiming Indemnity

14.2.1 Third party claims

- a) Where the Indemnified Party is entitled to indemnification from the Indemnifying Party pursuant to Article 14.1.1(a) or 14.1.2(a), the Indemnified Party shall promptly notify the Indemnifying Party of such claim referred to in Article 14.1.1(a) or 14.1.2(a) in respect of which it is entitled to be indemnified. Such notice shall be given as soon as reasonably practicable after the Indemnified Party becomes aware of such claim. The Indemnifying Party shall be liable to settle the indemnification claim within thirty (30) days of receipt of the above notice. Provided however that, if:

- (i) the Parties choose to refer the dispute before the Arbitrator in accordance with Article 16.3; and
- (ii) the claim amount is not required to be paid/ deposited to such third party pending the resolution of the Dispute,

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

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

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

14.3 Indemnifiable Losses

- 14.3.1 Where an Indemnified Party is entitled to Indemnifiable Losses from the Indemnifying Party pursuant to Article 14.1.1(b) or 14.1.2(b), the Indemnified Party shall promptly notify the Indemnifying Party of the Indemnifiable Losses actually incurred by the Indemnified Party. The Indemnifiable Losses shall be reimbursed by the Indemnifying Party within thirty (30) days of receipt of the notice seeking Indemnifiable Losses by the Indemnified Party. In case of non-payment of such losses after a valid notice under this Article 14, such event shall constitute a payment default under Article 13.

14.4 Limitation on Liability

- 14.4.1 Except as expressly provided in this Agreement, neither the SPD nor HAL, Hyderabad nor its/ their respective officers, directors, agents, employees or affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its affiliates, officers, directors, agents, employees, successors or permitted assigns or their respective insurers for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in

connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of the SPD or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.

14.4.2 HAL, Hyderabad shall have no recourse against any officer, director or shareholder of the SPD or any Affiliate of the SPD or any of its officers, directors or shareholders for such Claims excluded under this Article. The SPD shall have no recourse against any officer, director or shareholder of HAL, Hyderabad, or any affiliate of HAL, Hyderabad or any of its officers, directors or shareholders for such claims excluded under this Article.

14.5 Duty to Mitigate

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

15 ARTICLE 15: ASSIGNMENTS AND CHARGES

15.1 Assignments

This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any Party other than by mutual consent between the Parties to be evidenced in writing. Provided that HAL, Hyderabad shall permit assignment of any of SPD's rights and obligations under this Agreement in favour of the lenders to the SPD, if required under the Financing Agreements.

Provided that, such consent shall not be withheld by the SPD if HAL, Hyderabad seeks to transfer to any affiliate all of its rights and obligations under this Agreement. Provided further that any successor(s) or permitted assign(s) identified after mutual agreement between the Parties may be required to execute a new agreement on the same terms and conditions as are included in this Agreement.

15.2 Permitted charges

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

16 ARTICLE 16: GOVERNING LAW AND DISPUTE RESOLUTION

16.1 Governing Law

16.1.1 This Agreement shall be governed by and construed in accordance with the Laws of India. Any legal proceedings in respect of any matters, claims or disputes under this Agreement shall be as per Arbitration and Conciliation Act, 1996 and amendments thereof.

16.2 Amicable Settlement and Dispute Resolution

16.2.1 Amicable Settlement

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

- a) a description of the Dispute;
- b) the grounds for such Dispute; and
- c) all written material in support of its claim.

(ii) Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 16.2.1(i) Both Parties shall endeavour and make all efforts to amicably settle the Dispute.

- (iii) If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article 16.2.1 (ii), the Dispute shall be referred for dispute resolution in accordance with Article 16.3.

16.3 Dispute Resolution

16.3.1 Dispute Resolution through Arbitration

Where any Dispute arises from a claim made by any Party under this agreement, such Dispute shall be resolved by arbitration under the Indian Arbitration and Conciliation Act, 1996 and amendment thereof, provided not settled amicably as per Article 16.2.1:

- (i) The Arbitration Tribunal shall consist of three (3) Arbitrators. Each party shall appoint one Arbitrator within 30 days of the receipt of request for settlement of dispute by Arbitration. The two appointed Arbitrators shall within 30 days of their appointment, appoint a third Arbitrator who shall act as presiding Arbitrator. In case the party fails to appoint an Arbitrator within 30 days from the date of receipt of request or the two appointed Arbitrator fails to agree on third Arbitrator within 30 days of their appointment, the appointment of Arbitrator, as the case may be, shall be made in accordance with the Indian Arbitration and Conciliation Act, 1996.
- (ii) The place of arbitration shall be Hyderabad. The language of the arbitration shall be English.
- (iii) The Arbitration Tribunal's award shall be substantiated in writing. The Arbitration Tribunal shall also decide on the costs of the arbitration proceedings and the allocation thereof.
- (iv) The provisions of this Article shall survive the termination of this PPA for any reason whatsoever.
- (v) The award shall be of majority decision. If there is no majority, the award will be given by the presiding Arbitrator.
- (vi) HAL, Hyderabad shall be entitled to co-opt the lenders (if any) as a supporting party in such arbitration proceedings.

16.4 Parties to Perform Obligations

16.4.1 Notwithstanding the existence of any Dispute and difference referred to the Appropriate Commission or the Arbitration Tribunal as provided in Article 16.3 and save as the Central Commission or the Arbitration Tribunal may otherwise direct by a final or interim order, the Parties hereto shall continue to perform their respective obligations (which are not in dispute) under this Agreement.

17 ARTICLE 17: REPRESENTATIONS AND WARRANTIES

17.1 Representations and warranties of the SPD

SPD represents and warrants to HAL, Hyderabad that:

- 17.1.1 it is duly organized, validly existing and in good standing under the laws of India;
- 17.1.2 it has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated here-by;
- 17.1.3 it has taken all necessary corporate and other action under Applicable Laws and its constitutional documents to authorize the execution, delivery and performance of this Agreement;
- 17.1.4 it has the financial standing and capacity to undertake the Project;
- 17.1.5 this Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- 17.1.6 the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under or accelerate performance required by any of the

terms of the SPD's Memorandum and Articles of Association or any Laws or any covenant, agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets are bound or affected;

- 17.1.7 there are no actions, suits, proceedings or investigations pending or to the SPD's knowledge threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may constitute SPD Event of Default or which individually or in the aggregate may result in Material Adverse Effect;
- 17.1.8 it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Agency which may result in Material Adverse Effect;
- 17.1.9 it has complied with all Laws and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have Material Adverse Effect;
- 17.1.10 no representation or warranty by the SPD contained herein or in any other document furnished by it to HAL, Hyderabad or to any Government Agency in relation to Permits contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading; and
- 17.1.11 without prejudice to any express provision contained in this Agreement, the SPD acknowledges that prior to the execution of this Agreement, the SPD has after a complete and careful examination made an independent evaluation of the Project, and the information provided by HAL, Hyderabad, and has determined to its satisfaction the nature and extent of risks and hazards as are likely to arise or may be faced by the SPD in the course of performance of its obligations hereunder. The SPD also acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth above and hereby confirms that HAL, Hyderabad shall not be liable for the same in any manner whatsoever to the SPD.
- 17.1.12 the SPD or SPDs' agents or representatives have visited, inspected, familiar with and satisfied with the premises, its physical condition, roads, access rights, utilities, topographical conditions, except for unusual or unknown surface or subsurface conditions, or unusual or unknown conditions, and have performed all reasonable investigations necessary to determine that the project site is suitable for the construction /modification and installation of the solar power plant, and are familiar with the local and other conditions which may be material to SPDs' performance of its obligations under this Agreement.
- 17.1.13 It has the requisite skill, knowledge, experience, expertise, infrastructure and capability to carry out the scope of services and also has trained and experienced persons having requisite skills, knowledge, experience, and expertise to perform the functions, operation and maintenance service, in terms of this Agreement.

17.2 Representations and Warranties of HAL, Hyderabad

HAL, Hyderabad represents and warrants to the SPD that:

- 17.2.1 HAL, Hyderabad has full power and authority to enter into this Agreement and has taken all necessary action to authorize the execution, delivery and performance of this Agreement; and
- 17.2.2 This Agreement constitutes HAL, Hyderabad's legal, valid and binding obligation enforceable against it in accordance with the terms hereof.

17.3 Obligation to Notify Change

In the event that any of the representations or warranties made/given by a Party ceases to be true or stands changed, the Party who had made such representation or given such warranty shall promptly notify the other of the same and where reasonably possible, prior

consent for such change shall be taken from the other party.

18 ARTICLE 18: MISCELLANEOUS PROVISIONS

18.1 Amendment

18.1.1 This Agreement can only be amended or supplemented by a written agreement between the Parties.

18.2 Third Party Beneficiaries

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

18.3 Waiver

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

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

18.4 Confidentiality

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

- a) to their professional advisors;
- b) to their officers, contractors, employees, agents or representatives, financiers, who need to have access to such information for the proper performance of their activities; or
- c) disclosures required under Law without the prior written consent of the other Party.

18.5 Severability

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

18.6 Notices

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

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

Address:

Attention:

Email:

Fax No.

Telephone No.

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

Address: Hindustan Aeronautics Limited
Attention: Chief Manager (Maint)
Email: maint.hyd@hal-india.co.in
Fax No. 040 2387 8187
Telephone No. 040 2387 8039 / 2377 8288

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

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

18.7 Language

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

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

18.8 Restriction of Shareholders' / Owners' Liability

18.8.1 Parties expressly agree and acknowledge that none of the shareholders of the Parties hereto shall be liable to the other Parties for any of the contractual obligations of the concerned Party under this Agreement.

18.9 Taxes and Duties

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

18.9.2 HAL, Hyderabad shall be indemnified and held harmless by the SPD against any claims that may be made against HAL, Hyderabad in relation to the matters set out in Article 18.9.1.

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

18.10 Independent Entity

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

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

18.11 Compliance with Law

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

18.12 Notice of Damage or Emergency

The SPD shall-

- (i) Promptly notify HAL, Hyderabad if it becomes aware of any damage to or loss of the use of the Power Project or that could reasonably be expected to adversely affect the Power Project,
- (ii) Immediately notify HAL, Hyderabad once it becomes aware of any event or circumstances that pose an imminent risk to human health, the environment, the Power Project or Premises.

18.13 Goodwill and Publicity

Neither party shall use any trade name, service mark nor trademark of the other Party in any promotional or advertising material without the prior written consent of the other Party, the parties shall co-ordinate and cooperate with each other when making public announcements related to the execution and existence of this Agreement, and each Party shall have the right to promptly review, comment upon and approve any publicity materials, press releases and other public statements by the other Party that refer to, or that describe any aspect of, this Agreement; provided that no such releases or their public statements shall be made by either Party without the prior written consent of the other Party. Without limiting the generality of the foregoing and whether or not the consent of the other Party is required to be obtained, all public statements must accurately reflect the rights and obligations of the Parties under this Agreement.

18.14 Entire Agreement

This Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements and undertakings, written or oral, with respect to the subject matter hereof except as otherwise expressly provided herein.

18.15 Counterparts

This Agreement may be executed in two counterparts, each of which, when executed and delivered, shall constitute an original of this Agreement.

18.16 Immunity to Government of India

It is understood and agreed that the Government of India is not a party to this Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that HAL, Hyderabad is an independent legal entity with power and authority to enter into contracts solely in its own behalf under the applicable Laws of India and General Principles of Contract Law. The SPD shall agree, acknowledge and understand that HAL, Hyderabad is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of the Agreement. Accordingly, SPD expressly waives, releases and foregoes any and all actions or claims against the Government of India arising out of this Agreement, not to sue the Government of India as to any manner, claim, and cause of action or thing whatsoever arising out of or under this Agreement.

18.17 Bribes and Gifts

Any bribe, commission, gift or advantage given, promised or offered by or on behalf of the SPD or his parties, agent or servant or any one on his or their behalf to any officer, servant, representative or agent of HAL, Hyderabad or any person on his or their behalf in relation to the obtaining or to the execution of this or any other Agreement with HAL, Hyderabad shall in addition to any criminal liability which the SPD may incur, subject the SPD to the cancellation of this and all other Agreements with HAL, Hyderabad and also to payment of any loss or damage resulting from any such cancellation. Any question or dispute as to the commission of any offence under the present clause shall be settled by HAL, Hyderabad in such manner and on such evidence or information as they may think fit and sufficient and their decision shall be final and conclusive.

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

For and on behalf of	On behalf of
[HAL HYDERABAD]	Name, Designation and Address
Name, Designation and Address	

(Signature with Seal)

(Signature with Seal)

Witness:

Witness:

1.

2.

SCHEDULE 1: FORMAT OF THE PERFORMANCE BANK GUARANTEE

(Note: Total Performance Guarantee is to be submitted in 2 Nos. of Bank Guarantee in the ratio of 20% & 80% Value.)

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

In consideration of the [Insert name of the Bidder] (here in after referred to as selected Solar Power Developer') submitting the response to RfS inter alia for selection of the project of the capacity of MW, at[Insert name of the place] under the scheme for setting up of over 300 MW of Grid-connected & Off-Grid Solar PV Power Projects by Defence Establishments with discounted tariff under JNNSM ,for supply of power there from on long term basis, in response to the RfS dated..... issued by Hindustan Aeronautics Limited(hereinafter referred to as HAL, Hyderabad) and HAL, Hyderabad considering such response to the RfS of[insertthe name of the selected Solar Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executers, administrators, successors and assignees) and selecting the Solar Power Project of the Solar Power Developer and issuing Letter of Intent No ----- to (Insert Name of selected Solar Power Developer) as per terms of RfS and the same having been accepted by the selected SPD resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase of Power [from selected Solar Power Developer or a Project Company, M/s ----- {a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable]. As per the terms of the RfS, the _____ [insert name & address of bank] hereby agrees unequivocally, irrevocably and unconditionally to pay to HAL, Hyderabad at [Insert Name of the Place from the address of the HAL, Hyderabad] forthwith on demand in writing from HAL, Hyderabad or any Officer authorised by it in this behalf, any amount upto and not exceeding Rupees----- [Total Value] only, on behalf of M/s_____ [Insert name of the selected Solar Power Developer / Project Company]

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

Our liability under this Guarantee is restricted to Rs. _____ (Rs. _____) only.

Our Guarantee shall remain in force until..... HAL, Hyderabad shall be entitled to invoke this Guarantee till

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

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

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

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

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

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

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

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

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. _____ (Rs. _____ only) and it shall remain in force until We are liable to pay the guaranteed amount or any part thereof under this Bank

Guarantee only if HAL, Hyderabad serves upon us a written claim or demand.

Signature _____

Name _____

Power of Attorney No. _____

For

_____ [Insert Name of the Bank]__

Banker's Stamp and Full Address.

Dated this ____ day of ____, 20__

Witness:

1.....

Signature

Name and Address

2.

Signature

Name and Address

Notes:

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

SCHEDULE 2: List of Banks for Issuance of Performance Bank Guarantee

A. Scheduled Commercial Banks	Foreign Banks (Continued ...)
1. State Bank of India	14. CréditAgricole Corporate and Investment Bank
2. State Bank of Bikaner & Jaipur	15. MIZUHO BANK, Ltd.
3. State Bank of Hyderabad	16. HSBC Bank Oman S.A.O.G
4. State Bank of Indore	17. Sonali Bank Ltd
5. State Bank of Mysore	18. J. P. Morgan Chase Bank, National Association
6. State Bank of Patiala	19. State Bank of Mauritius Ltd
7. State Bank of Travancore	20. BANK of CEYLON
	21. BANK INTERNASIONAL INDONESIA
	22. A B BANK
B. Nationalised Banks	23. SHINHAN BANK
1. Allahabad Bank	24. CTBC BANK Co. Ltd.
2. Andhra Bank	25. Krung Thai Bank Public Company Ltd
3. Bank of India	26. Antwerp Diamond Bank N.V
4. Bank of Maharashtra	27. Australia And Newzealand Banking Group Limited
5. Canara Bank	28. Sumitomo Mitsui Banking Corporation
6. Central Bank of India	29. American Express Banking Corporation
7. Corporation Bank	30. Common wealth Bank of Australia
8. Dena Bank	31. Credit Suisse A.G
9. Indian Bank	32. FirstRand Bank Ltd
10. Indian Overseas Bank	33. Industrial And Commercial Bank of China Ltd.
11. Oriental Bank of Commerce	34. JSC VTB Bank
12. Punjab National Bank	35. National Australia Bank
13. Punjab & Sind Bank	36. Rabobank International
14. Syndicate Bank	37. Sberbank
15. Union Bank of India	38. USB AG
16. United Bank of India	39. United Overseas Bank Ltd
17. UCO Bank	40. Westpac Banking Corporation
18. Vijaya Bank	41. Woori Bank
19. Bank of Baroda	42. Doha Bank Qsc
20. BhartiyaMahila Bank	
	E. Scheduled Private Banks
C. Other Public Sector Banks	1. Federal Bank Ltd.
1. IDBI Bank Ltd.	2. ING Vysya Bank Ltd
	3. Axis Bank Ltd.
D. Foreign Banks	4. Catholic Syrian Bank
1. Bank of America NA	5. City Union Bank
2. Bank of Tokyo Mitsubishi UFJ Ltd.	6. Dhanlaxmi Bank. Ltd
3. BNP Paribas	7. Jammu & Kashmir Bank Ltd
4. Calyon Bank	8. Karnataka Bank Ltd
5. Citi Bank N.A.	9. Laxmi Vilas Bank Ltd
6. Deutsche Bank A.G	10. Nainital Bank Ltd
7. The Hong Kong and Shanghai Banking Corpn. Ltd	11. Ratnakar Bank Ltd
8. Standard Chartered Bank	12. South Indian bank Ltd
9. SocieteGenerale	13. Tamilnadu Mercantile Bank Ltd
10. Barclays Bank	14. DCB Bank Ltd
11. Royal Bank of Scotland	15. ICICI Bank
12. Bank of Nova Scotia	
13. Development Bank of Singapore(DBS Bank Ltd.)	

SCHEDULE 3: COMMISSIONING PROCEDURE

Capacity of Solar PV Projects:

- (i) Maximum AC Capacity at the delivery point as described below:

Sr. No.	Solar PV Project Capacity Bid	Minimum DC Arrays Capacity to be installed	Minimum Rated Inverter Capacity*	Maximum AC Capacity Limit At Delivery point
1	2 MW	2 MW	2 MW	2 MW

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

- (ii) Higher DC capacity arrays so as to achieve AC capacity limit as mentioned above for scheduling at the delivery point in compliance to Article 4.4 “Right to Contracted Capacity & Energy” of the PPA is allowed.
- (iii) For commissioning of the Project, capacity of DC arrays installed shall be considered..
- (iv) Provisions of Article 4.6.1 of the PPA with SPD shall apply.
- (v) If generation at any time exceeds the maximum permissible AC capacity at delivery point, the excess generation during that period shall not be considered under PPA.

Commissioning Procedure

- (i) At the time of commissioning, the Commissioning Committee shall verify compliance of technical parameter of the Project as per Annexure B of the RFS document.
- (ii) SPDs shall give to the concerned RLDC/SLDC, State Nodal Agency (SNA) and HAL, Hyderabad at least twenty(20) days advance preliminary written notice and at least ten (10) days advance final written notice, of the date on which it intends to synchronize the Power Project to the Grid System. The SPD shall be solely responsible for any delay or non-receipt of the notice by the concerned agencies, which may in turn affect the Commissioning Schedule of the Project.
- (iii) A Solar PV Project will be considered as commissioned if all equipment as per rated project capacity has been installed and energy has flown into the grid.
- (iv) SPD shall ensure that the equipment up to the rated Capacity has been installed and completed in all respects and STU/ CTU/ Discom has provided inter-connection with the Grid before the Schedule Commissioning Date. The same shall be verified by the Committee during their visit to the Project and documented as per prescribed format.

Documents to be submitted to HAL, Hyderabad:

The SPD will have to submit following documents (duly signed and stamped by authorized signatory) well in advance, prior to the scheduled commissioning date:

1. Covering Letter
2. Board resolution for authorized signatory.
3. Invoice of the major equipment (including but not limited to modules, Inverters/PCUs, Weather Monitoring Stations/ DC Cables and for all the equipment as available on HAL, Hyderabad CPM portal).
4. All supporting documents towards meeting the technical compliance along with datasheet/ warranty certificates/ contract agreement etc. as mentioned in Annexure- A.
5. Installation report duly signed by the authorized signatory as per Appendix-A-2.
6. Plant Layout clearly mentioning the details of rows and number of modules in each row.
7. Electrical inspector report along with all annexures/attachments. It would be the responsibility of the SPD to collect the certificate. .
8. SPD shall ensure Connectivity to the grid from concerned CTU/STU/Transmission Utility/DISCOM. Connectivity report as per the Appendix-A-3.
9. Synchronization Certificate as per prescribed format issued by respective CTU/STU/Transmission Utility/DISCOM for ascertaining injection of power into grid as per Appendix-A-4.
10. Consent to Operate
11. Snap shots of the plant from various angles shall be taken for covering installation of important components of the solar power plant and made part of Installation Report.
12. Reading of all the inverters (instantaneous and total generation) along with its serial number of a particular date.
13. Relevant document from SLDC/ RLDC acknowledging successful data communication between plant end and SLDC/RLDC.

- (v) After the submission of the documents by SPD, HAL, Hyderabad shall verify the documents and intimate/reply with remarks. In case any additional supporting/revised documents are asked by HAL, Hyderabad, the same have to be submitted by the SPD.
- (vi) Only after all the required documents are verified by HAL, Hyderabad, the SPD shall have to submit/update on the portal the proposed commissioning date along with commissioning order issued by MEDA, State Nodal Agency or HAL, Hyderabad.
- (vii) After the proposed commissioning date along with commissioning order is submitted, the commissioning committee formed as per MNRE guidelines shall visit the site within 07 working days to verify the technical compliance on site as per the information submitted by the bidder. In case the committee finds discrepancy/deviation from the information submitted by the SPD during on site verification, the committee shall schedule its next visit only on the next available date as per the availability of all the committee members.
- (viii) SPD shall have to submit the as-built drawing after the commissioning prior to the COD.
- (ix) SPD shall have to provide the login details/ SCADA login to HAL, Hyderabad for online real time data prior to COD.
- (x) Early Commissioning of a Solar Project prior to the scheduled commissioning date is permitted on acceptance of power by HAL, Hyderabad. In order to facilitate this, SPDs shall inform the concerned RLDC/SLDC and HAL, Hyderabad well in advance the date on which it intends to synchronize the Power Project to the Grid System. The SPD shall be required to give an advance notice of at least 60 days prior to the proposed commissioning date.
- (xi) Joint Meter Reading (JMR) shall be taken at Delivery Point and Pooling Substation (if applicable)/plant premise at the time of connectivity of the Project with Grid. This shall include information of respective meters installed at delivery/ interconnection point and pooling substation/plant premises.
- (xii) Solar power developers would be required to plan commissioning/synchronization with grid at least ten days ahead of the last permissible date for commissioning. If not done so, whole responsibility for not meeting the deadline for commissioning on account of inability of the Committee to visit the project site for commissioning rests solely on the developer.

Installation Report

(To be provided by SPD and to be submitted at least 10 days prior to commissioning date which shall be verified by Commissioning Committee)

Sr. No.	Capacity of the Project (MW)	
	Capacity already commissioned (MW)	
	Capacity proposed to be commissioned (MW)	
I.	Technology used (Mono/Multi Crystalline / thin film / Others; please specify along with capacity of each type)	
II.	Rating of the each module (Wp)	
III.	Angle from horizontal at which array is installed	
IV.	Number of modules installed of each type	
V.	Source(s) of the cells installed of each type	
VI.	Source(s) of the Modules installed of each type	
VII.	Number of PCUs / Inverters installed	
VIII.	Source of the PCUs / Inverters (Name of supplier with address)	
IX.	Rating of PCUs / Inverters	
X.	Date of installation of full capacity (as per capacity proposed to be commissioned)	-----
	PV arrays	
	PCUs / Inverters	
	Transformers	

Sample Connectivity Report

(To be provided by concerned CTU/STU/Transmission Utility/Discom)

This is in compliance to the office order of the -----,----- Discom, <Place> issued vide office order <No.><dated>, the committee constituted vide said order has completed the work for commissioning of <kV> Bay & Metering Equipment to interconnect the <MW> Solar Power Generation Plant (having <technology>) with Grid under JNNSM Phase-II Batch-III, Tranche-I scheme installed at <Village>, <Tehsil>, <District> in the <State> on <date>. The details of Solar Power Plant are as under:-

S. No	Name of Solar Power Developer & Location	Capacity Mentioned in PPA	Connectivity	Details of Solar Power Plant (Transformer, Inverter, Modules, Switchgear)
1	<M/s> <Village> <Tehsil> <District.	<> MW	Metering Detail at Delivery Point (<Village>) S.No. of <kV> CT i) <R- Phase> ii) <Y- Phase> iii) <B- Phase> S.No. of < kV> PT i) <R- Phase> ii) <Y- Phase> iii) <B Phase>	Transformer <Make/Type:> <Sr. No.> Inverters <Make/Type:> <Sr. No.> Modules <Make: > <W>, < W > <Total: Nos.> Switchgear Panels <Make/Type:> <Sr. No.> Protection Provided: Under/Over voltage, Over current & Earth fault.

			<p>S.No. of Main<ABT> Meter></p> <p>S.No. of Check <ABT Meter></p> <p>Metering Equipment installed at</p> <p>Receiving end on dated: <> _____ kV GSS, <>, <>, (<Distt.>)</p>	
--	--	--	---	--

The Commissioning date of various equipment is as under:

<kV> line from --- to -----, completed on date -----.

Line Bay at < kV > GSS, ----- charged for ---- on -----.

<kV> line charged from -----to----- on date-----.

Main & check metering commissioned on (initial record of main/Check meters at the time of Commissioning is to be taken and enclosed)

Complete system commissioned on date-----

The Joint Inspection Report of metering arrangement & copy of permission of Electrical Inspector is enclosed herewith.

Sample Synchronization Certificate

It is certified that ----MW (Capacity) Solar Photovoltaic Power Project of M/s ----, Village--
---- Tehsil/Taluka -----, District -----was Grid connected on (Date) at-----
Hrs.

It is further certified that the Project was synchronized and supply of power into the grid
fromthe Project connected on (Date) at ----- Hrs.

The above certificate is issued on the basis of MRI record.

NB:

- (i) The above certificate shall be issued by concerned CTU/ STU/ Transmission
Utility/Discoms
- (ii) Copy of duly signed MRI is to be enclosed.

Commissioning Certificate of Solar PV Power Project

This is to certify that <M/s> having its registered office at -----has successfully commissioned Capacity < MW > out of total <MW> installed Capacity on (Date) of their Solar PV Power Generation Project at Village -----, Tehsil/Taluka ----- & Dist. -----

The Commissioning Certificate has been issued on the basis of the following documents enclosed:

- (i) Installation Report including Snap shots of the Project from various angles
- (ii) Electrical Inspector Report
- (iii) Connectivity Report
- (iv) Synchronization Certificate including MRI record

NB: To be issued by as mentioned in the RfS.

The Buyback Price with respect to the Solar PV power plant shall be calculated as follows:

Initial Cost: - Total Estimated project cost quoted by the bidder in Annexure A or the Completed Project cost duly certified by a Chartered Accountant whichever is lower. The Depreciation rate is taken as 6.50 % Per Year.

Year of Term (End of the year)	%age of the Initial Cost (INR)
1	93.5%
2	87%
3	80.5%
4	74%
5	67.5%
6	61%
7	54.5%
8	48%
9	41.5%
10	35%
11	28.5%
12	22%
13	15.5%
14	9%
15	2.5%
16	2.5%
17	2.5%
18	2.5%
19	2.5%
20	2.5%
21	2.5%
22	2.5%
23	2.5%
24	2.5%
25	2.5%

The Buyback Price payable shall be the Buyback Price specified in this Annexure that falls on such date before the proposed Purchase Date.