## No.: 318/17/2024-Grid Connected Rooftop (Part-2) Ministry of New and Renewable Energy Government of India

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Atal Akshay Urja Bhawan Lodhi Road, New Delhi-110003 Dated: 03. 07.2024

#### **Office Memorandum**

# Subject: Operational Guidelines for Saturation of Government Buildings with Rooftop Solar under PM-Surya Ghar: Muft Bijli Yojana.

This refers Ministry's order No. 318/17/2024-GCRT Division dated 16<sup>th</sup> March 2024 vide which sanction was issued for the PM-Surya Ghar: Muft Bijli Yojana, aimed at installing rooftop solar plants in one crore households, with a total financial outlay of Rs. 75,021 crore.

2. The Operational Guidelines for "Saturation of Government Buildings with Rooftop Solar" under PM-Surya Ghar: Muft Bijli Yojana is enclosed.

3. This issues with the approval of competent authority.

(Divyanshu Jha) Deputy Secretary d.jha1989@ias.nic.in

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- 1. Secretaries to the Government of India
- 2. All Chief Secretaries of State Governments
- 3. All Adviser to Administrator of UT Government

#### Copy for information to:

- 1. PS to Hon'ble Minister of New & Renewable Energy
- 2. PS to Hon'ble Minister of State of New and Renewable Energy
- 3. PPS to Secretary/AS/JS/JS&FA, MNRE
- 4. All Advisers & Group Heads
- 5. Director (NIC) for uploading on Ministry's website

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# PM Surya Ghar: Muft Bijli Yojana Guidelines for Saturation of Government Buildings With Rooftop Solar

#### 1. Background

- 1.1 The Government of India has approved the PM Surya Ghar: Muft Bijli Yojana on 29th February, 2024 to increase the share of solar rooftop capacity and empower residential households to generate their own electricity. The scheme has an outlay of Rs 75,021 crore and is to be implemented till FY 2026-27. The administrative approval was granted to the scheme vide Order No. 318/17/2024-Grid Connected Rooftop dated 16th March, 2024.
- 1.2 Under the scheme, all Government rooftops under the administrative control of Central Government Ministries/Departments, including autonomous bodies, subordinate offices etc. shall be saturated with rooftop solar to the extent that is technically feasible by 31<sup>st</sup> December, 2025. Ministries may utilize available rooftop space for such saturation, through the RESCO mode or capex mode, on a priority basis. Through high levels of automation and energy generation data flows, investment in RESCO models in Government rooftops may be de-risked and enforcement and monitoring of contracts enabled without major administrative overheads. State/UTs shall be encouraged to undertake a similar exercise for RTS saturation in their buildings.
- 1.3 The Central Public Sector Enterprises (CPSEs) with experience in deployment of renewable energy technologies will be allocated on a nomination basis to Central Ministries for assisting these Ministries in deploying rooftop solar on their assets on a priority basis.

1.4 Ministry of New and Renewable Energy (MNRE) will monitor and track installations in the Government sector. All Central Ministries/Departments will collate information regarding available potential and expedite coverage within 2 months from issue of guidelines to ensure saturation of Government assets by December 2025. All buildings under Central Government shall deploy RTS in a mission mode to achieve saturation by December 2025. State/UTs shall be encouraged to undertake a similar exercise for RTS saturation in their buildings.

#### 2. **Scope**

- 2.1. These guidelines cover the role of various stakeholders in ensuring saturation of Government buildings at both Central and State levels under the PM Surya Ghar: Muft Bijli Yojana. These include select Central Public Sector Enterprises (CPSEs) with experience in the renewable energy sector, Central Ministries, State/UT Government Departments, autonomous bodies, Public Sector Enterprises and other units under the administrative control of Central Ministries and State/UT Government Departments.
- 2.2. These Guidelines lay down the process for saturation of government buildings in general and shall apply to both Central government and State/UT Government buildings.

#### 3. Implementation

- 3.1 No Central Financial Assistance shall be provided under the Scheme for buildings in the Government sector. The installation of rooftop solar on Government buildings have to be undertaken as per the implementation plan of the Administrative Ministry or its units.
- 3.2 The Ministry of New and Renewable Energy (MNRE) shall identify CPSEs, which have experience in the renewable energy sector as Scheme Implementation Partners (SIPs) for Government Rooftop Solar under the PM Surya Ghar: Muft Bijli Yojana.
- 3.3 The following CPSEs have presently been considered as SIPs under the scheme:
- i. NTPC Limited
- ii. NHPC India Limited
- iii. SJVN Limited
- iv. THDC India Limited

## PM Surya Ghar: Muft Bijli Yojana

Guidelines for Saturation of Government Buildings with Rooftop Solar

- v. Power Grid Corporation of India Limited (PGCIL)
- vi. Energy Efficiency Services Limited (EESL)
- vii. Solar Energy Corporation of India Limited (SECI)
- viii. North Eastern Electric Power Corporation Limited (NEEPCO)
- ix. Damodar Valley Corporation (DVC)
- x. REMC Limited (REMCL)
- xi. NTPC Vidyut Vyapar Nigam Ltd. (NVVN)

However, the Ministry may identify additional SIPs under the scheme from time to time.

- 3.4 The SIPs may also create Special Purpose Vehicles or fully owned subsidiaries to undertake the work relating to saturation of government buildings for their respective Ministries/Departments/States/UTs.
- 3.5 MNRE shall allocate SIPs to Ministries under the Central Government and to State/UT Governments.
- 3.6 All Central Ministries shall decide within a period of one month of the release of these guidelines on utilizing the services of the allotted CPSE for saturating their buildings with rooftop solar or alternatively to choose a different SIP (which can be the Department itself, or a different CPSE under the Ministry/Department or a different agency).
- 3.7 All State Departments shall decide within a period of one month of the release of these guidelines on utilizing the services of the allotted CPSE for saturating their buildings with rooftop solar or alternatively to choose a different SIP (which can be the Department itself, or a different CPSE under the Ministry/Department or a different agency). State/UT governments may carry out part allocation of their Departments to the nominated SIP and part allocation to other entities as per their implementation roadmap, with complete flexibility.

- 3.8 The role of the SIP is to act as the primary agency to assist Ministries/Departments allocated to them in achieving rooftop solar saturation. In this regard, the SIPs shall conduct the necessary due diligence on behalf of the Implementing Ministry/State/UT, conduct necessary baseline studies and assessments, present action plans and options for the Ministry/State/UT and to implement the plan for saturation of rooftops on buildings that are under the control of the Implementing Ministry/State/UT.
- 3.9 The SIPs shall also act as single points of contact on behalf of the Implementing Ministry/State/UT to coordinate with MNRE and the National Program Implementation Agency for the PM Surya Ghar Scheme, and shall generally assist the Implementing Ministry/State/UT in all aspects of rooftop solar installation on their buildings for the work allocated to the SIP.
- 3.10 The SIPs need to submit the action plan covering all the assets pertaining to the Ministry in consultation with Implementing Ministry, within one month from date of selection of SIP.
- 3.11 At any given time, each Ministry/Department will be allocated one dedicated SIP for the purpose of saturating their buildings with rooftop solar. In case of lack of progress in implementation of rooftop solar on the Government buildings, the Implementing Ministry may change the SIP at any point of implementation under intimation to MNRE. However, works undertaken by an earlier SIP for saturating Government rooftops that are bound through pre-existing contractual provisions shall continue to be governed by the contractual provisions.
- 3.12 For the purposes of the scheme, the "buildings under Central Ministries/State/UT Departments" shall be considered to be all buildings/assets that are fully owned by these Ministries/Departments as well as by their autonomous institutions/subordinate offices/attached offices/Public Sector Enterprises, irrespective of their status of current possession. Residential colonies under the Central Ministry/State/UT Departments shall also be saturated with rooftop solar.

- 3.13 Buildings whose roof uses are bound by pre-existing contractual conditions (for e.g. lease condition) that prohibit/curtail the free use of the rooftop may not be considered for saturation. In case long term rooftop utilization rights are available with the Ministries/Departments under such lease/contractual provisions, even these buildings shall be solarized through rooftop solar by the Implementing Ministry.
- 3.14 At the Central Ministry level, the Implementing Ministry shall be responsible for ensuring saturation of Government buildings under its administrative control. At the State/UT Government level, the State/UT Power/Energy/Renewable Energy Department shall be responsible for ensuring saturation of Government buildings under the administrative control of the State/UT Government as a whole.
- 3.15 The Central Ministry/State/UT Government shall designate one point of contact not below of level of Deputy Secretary in Central Ministries and not below the level of Joint Secretary in State/UT Energy/Power/Renewable Energy Department to coordinate with the assigned SIP.
- 3.16 The SIP will implement the target of saturating all building rooftops for the concerned Ministry/Department/State/UT by undertaking the following steps:
  - a. The Ministry/Department shall nominate a point of contact/nodal officer to facilitate the SIP in undertaking a baseline exercise for the Ministry/Department by collecting relevant details about all buildings such as availability of roof space, nature of roof usage rights, location, electricity connection, electricity consumption trends, electricity billing and payment history, physical status including structural stability and safety of the roof etc.
  - b. This exercise should ideally be undertaken through trained site assessors who shall assess rooftop capacity, shadow free areas, building age and strength of rooftop, available ground space etc. that may be collated digitally. The administrative heads of the building shall undertake the necessary assessment with the guidance of the SIP. The Ministry/Department shall provide all necessary administrative support for completion of this exercise in a timely manner.

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- c. The SIP shall calculate the capacity deployment required for Ministry/Department to reach saturation as per the target given under the scheme. The SIP shall also present the alternative approaches that may be suitable for the Ministry/Department for coverage of rooftops with rooftop solar. The alternative approaches are outlined in Para 4.
- d. The Ministry/Department shall choose a particular approach and implement the programme for saturation of rooftops with rooftop solar in the Government sector within the declared timelines of the scheme. Based on the methods of implementation, the SIP may create separate bid packages based on aggregation of sites and rooftop solar capacities.

4. Mechanisms for SIP for saturating Government rooftops under Implementing Ministries

4.1 After the baseline exercise, the SIP shall assist the concerned Ministry/Department through any combination of the following mechanisms. The choice of mechanism shall be mutually decided between the Ministry/ Department and the SIP, and the SIP shall present all feasible alternatives to the Implementing Ministry/State/UT in order for it to decide on its implementation plan.

#### 4.2 Mechanism 1: SIP Owned Deployment

i) In this model, the SIP shall undertake to invest its own resources as part of their capital expenditure plans to install, own and operate the rooftop solar plants for the Ministry/Department. The SIP may undertake its own Engineering, Procurement and Construction (EPC) contracts as it may deem fit, and install RTS plants in the sites. The power generated from these sites shall be sold by the SIP to the concerned building unit connection at a particular per unit charge of electricity and the surplus may be fed into the local DISCOM grid for additional compensation through appropriate metering arrangements. The PPA period shall not be less than 10 years and not more than 25 years. The SIP may also install RTS plants under gross metering/net billing arrangements or any other arrangement approved by the respective State Electricity

Regulatory Commission (SERC), as per the requirements of the implementing Ministry/State/UT.

- ii) The SIP shall enter into an agreement with the Ministry/Department or any of its nominated central/regional billing settlement agencies for the monthly settlement of bills on account of power generated by these systems. The SIPs shall ensure that the energy generation reporting is automatic and enabled through necessary realtime/daily generation data pooled into a data repository that is accessible and available for monitoring by the Ministry/Department or its billing settlement units.
- The Ministry/Department shall ensure that the billing settlement is not decentralized into a large number of centres and the SIP should have to settle its monthly bills from no more than 8 regional billing and settlement centres within 15 days of being raised. To the extent possible, the billing and settlement processes should be automated and require minimum physical interfacing between the SIP and the settlement agencies to reduce administrative overhead costs, translating into lower tariffs for the Ministries/Departments. In exceptional cases, in remote locations where communication network availability might be an issue, the billing mechanism may be undertaken through physical reconciliation of generation data but the settlement will be done through the billing and settlement center.
- iv) In case of delay in payment of bills by the Implementing Ministry, the SIP shall be authorized to levy a late payment surcharge @ 12% per annum on the Implementing Ministry. This late payment surcharge shall accrue to the SIP.
- v) In case the SIP undertakes a price discovery through EPC tenders, the Central Electricity Authority (CEA) shall establish a methodology to determine the state-wise applicable per unit charge of electricity on the basis of total discovered cost, after accounting for relevant costs and returns on capital for the SIP. The applicable per unit charge of electricity shall include a 5% administrative overhead to the SIP

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exclusive of taxes. This per unit charge shall be a single levelised charge for the PPA period.

- vi) In case the SIP undertakes the installation through its own pre-existing entities in which rate discovery of any kind is not undertaken or partially undertaken, in such a scenario, the CEA shall establish a methodology to determine the State-wise applicable per unit charge of electricity for a given aggregation of locations under a Ministry/Department, after consultation with SIPs listed above, MNRE and Ministry of Power (MoP). This per unit charge shall be a single levelised charge for the PPA period. The methodology shall, inter alia, take into account the following factors:
  - (1) Current indexed prices of solar modules and expected capital costs of the SIP
  - (2) EPC Tender rate discoveries for similar bids undertaken by other SIP for projects under PM Surya Ghar scheme
  - (3) Level of clustering and distributed nature of installations and associated higher overhead costs
  - (4) Included components of special configurations (nature of inverters, battery storage and backup levels etc.
  - (5) Nature of location of installation
  - (6) Adequate Returns on Capital for SIP after accounting for all relevant costs incurred
  - (7) The methodology should also lay out necessary conditions relating to conditions to grid outage and settlement of deemed generation, standards of service by installations and norms for automatic reporting and billing for generated energy by such installations.

#### 4.3 Mechanism 2: SIP as Intermediary Aggregator

- i) In this model, the SIP shall bid out the projects for Renewable Energy Service Company vendors who, in turn, shall make the necessary investments in the installation and operation of the RTS plats. The SIP shall ensure payment security to these RESCOs and shall charge the power purchased through a Power Purchase Agreement to a back-toback Power Sale Agreement to the building owning entity. The surplus may be fed into the local DISCOM grid for additional compensation through appropriate metering arrangements. The PPA period shall not be less than 10 years and not more than 25 years.
- ii) The SIP shall enter into an agreement with the Ministry/Department or any of its nominated central/regional billing settlement agencies for the monthly settlement of bills on account of power generated by these systems. The SIPs shall ensure that the energy generation reporting is automatic and enabled through necessary real-time/daily generation data pooled into a data repository that is accessible and available for monitoring by the Ministry/Department or its billing settlement units. The Ministry/Department shall ensure that the billing settlement is not decentralized into a large number of centres and the SIP should have to settle its monthly bills from no more than 8 regional billing and settlement centres within 15 days of being raised. To the extent possible, the billing and settlement processes should be automated and require minimum physical interfacing between the SIP and the settlement agencies to reduce administrative overhead costs, translating into lower tariffs for the Ministries/Departments. The SIP shall make the necessary payments to the RESCO vendors on a regular basis. In exceptional cases, in remote locations where communication network availability might be an issue, the billing mechanism may be undertaken through physical reconciliation of generation data but the settlement will be done through the billing and settlement center.
- iii) The applicable per unit charge of electricity for the PSA shall be the rate discovered by the SIP for RESCO arrangement with an addition of 3% administrative overhead for the SIP for its role as an aggregator, exclusive of taxes.

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### PM Surya Ghar: Muft Bijli Yojana Guidelines for Saturation of Government Buildings with Rooftop Solar

- iv) The SIP may install RTS plants under gross metering/net billing/net metering arrangements or any other arrangement approved by the respective State Electricity Regulatory Commission (SERC), as per the requirements of the implementing Ministry/State/UT.
- v) The SIP shall apply for trading license, if applicable, as per extant rules and regulations and shall be bound by the same.
- vi) In case of delay in payment of bills by the SIP, the RESCO player shall be liable to be paid a late payment surcharge @ 12% per annum on the SIP. In case of delay in payment of bills by the Implementing Ministry, the SIP shall be authorized to levy a late payment surcharge @ 12% per annum on the Implementing Ministry.

#### 4.4 Mechanism 3: Process Management Consultant

- i) In this model, the Ministry/Department will undertake to fund the project entirely from its own resources. The SIP role shall be restricted to designing the bid document, assisting the Ministry/Department in bid process management and handholding till the commissioning of all plants, and then for further one year of operations of the commissioned plants to resolve operational issues between the Implementing Ministry/Department and the contractor responsible for operation and maintenance of the commissioned plants.
- ii) The SIP shall be paid a Consultancy Fees of 3% of the overall project cost, exclusive of taxes.
- iii) The SIP shall undertake the activities under the agreement signed with the Ministry/Department. The actual bids can be carried out by the Ministry/Department or any other suitable entity under it.
- iv) The bid itself can be capex based (wherein the Ministry/Department undertakes payment to EPC contractor/s for the project) or RESCO based (wherein the Ministry/Department undertakes electricity procurement from a RESCO contractor/s).

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## PM Surya Ghar: Muft Bijli Yojana

Guidelines for Saturation of Government Buildings with Rooftop Solar

v) The bid shall clarify the metering arrangement for the installation. This may be under gross metering/net billing/net metering arrangements or any other arrangement approved by the respective State Electricity Regulatory Commission (SERC), as per the requirements of the implementing Ministry/State/UT.

#### 4.5 Mechanism 4: Turnkey Project

- i) In this model also, the Ministry/Department will undertake to fund the project entirely from its own resources and assign the work to the SIP on a turnkey basis. The SIP will undertake the work either by itself or through its own sub-contractors, build the rooftop solar installations and handover the built assets to the concerned Ministry/Department as per the agreement. The SIP and its sub-contractors will provide Operation and Maintenance Services for a minimum period of 5 years.
- ii) The SIP shall formulate and finalize the tender document for choosing its subcontractors and discover the tender-based rate for the project. The SIP shall add a project management charge of 5% on the discovered rate exclusive of taxes and accordingly submit the rates to the Ministry/Department on the basis of which the payment to the SIP shall be made.
- iii) The SIP may install RTS plants under gross metering/net billing/net metering arrangements or any other arrangement approved by the respective State Electricity Regulatory Commission (SERC), as per the requirements of the implementing Ministry/State/UT.

### 5. Monitoring

- 5.1 The Steering Committee at the national level headed by the Cabinet Secretary, constituted under the scheme, shall monitor the progress regarding saturation of all Government buildings with rooftop solar. The Committee may invite any Secretary to Government of India/Chief Secretary of State/UT or any other person to participate in its deliberations.
- 5.2 State Level Monitoring Committee (SLMC) headed by the Chief Secretary at the State/UT level, constituted under the scheme, shall monitor the progress regarding saturation of State Government buildings owned/under the control of the State/UT or any of its autonomous bodies/entities with rooftop solar.
- 5.3 Entire progress of saturation of all Government buildings will be tracked digitally through the PM Surya Ghar National Portal. All Central Government Ministries/ Departments as well as State Governments/Departments as well as their respective SIPs would be provided access to the Portal for updating the baseline data, progress of installation of rooftop solar on their buildings and other relevant data as may be required by MNRE from time to time.
- 5.4 The National Programme Implementation Agency (NPIA) for PM Surya Ghar: Muft Bijli Yojana shall coordinate with all Central Ministries/State/UT Governments and their SIPs in order to regularly track progress in achievement of rooftop solar saturation in Government buildings and provide necessary assistance to all stakeholders with regards to capacity building and awareness generation.
- 5.5 All SIPs shall also appoint respective Nodal Officers(s) for effective coordination between stakeholders.

#### 6. Model Documents

6.1 In order to implement the solarization of Government rooftops, the implementing Ministries/Departments and the SIPs may refer to model documents prepared by MNRE vide OM no. File No. 03/12/2016-17/GCRT dated: 11-11-2016 (Copy at Annex A).

## PM Surya Ghar: Muft Bijli Yojana Guidelines for Saturation of Government Buildings with Rooftop Solar

However, these documents are indicative in nature and may be modified as per the context and mutual discussions between SIPs and the Implementing Ministries.

#### 7. Amendment

7.1 MNRE may make necessary amendments in the guidelines or issue any clarification to remove difficulties in the implementation of the scheme, as and when required, with the approval of Hon'ble Minister, New and Renewable Energy.

Annex-A

**PM Surya Ghar: Muft Bijli Yojana** Guidelines for Saturation of Government Buildings with Rooftop Solar



Government of India Ministry of New and Renewable Energy

## File No. 03/12/2016-17/GCRT

## Dated: 11-11-2016

- i. **Model Memorandum of Understanding** between Government Ministry/Department and Expert Public Sector Undertaking for Development of Grid Connected and Off-grid Roof-Top Solar Photovoltaic and Small Solar Power Plants
- ii. Model Power Purchase (PPA) Agreement between Organization/ **PSU** Contractor and Government and Offices for Design, Manufacture, Government Supply, Erection, Testing and Commissioning including Warranty, Operation & Maintenance of Grid Connected Roof-Top Solar Photovoltaic and Small Solar Power Plants in **RESCO** model.
- Model Engineering, Procurement & Construction (EPC) Agreement Between Contractor and Government organization, PSU and Govt. Offices for Design, Manufacture, Supply, Erection, Testing and Commissioning including Warranty, Operation & Maintenance of Grid Connected and Off-grid Roof-Top Solar Photovoltaic and Small Solar Power Plants in CAPEX model.

These documents are duly vetted by

- Department of Legal Affairs, Ministry of Law & Justice vide dy. No.22065/Adv. B/2016 dated 30th August 2016
- Department of Expenditure, Ministry of Finance vide no. 03(04)/PF-II/2014 dated 8th September 2016

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उपेन्द्र त्रिपाठी Upendra Tripathy

D.O.No.03/12/2016-17/GCRT

Secretary Dear

Sub: Progress under Rooftop Solar Scheme to save tariff & meeting taken by Cabinet Secretary on 28.07.2016

Kindly refer to the directions of Committee of Secretaries (CoS) in its meeting held on 28.07.2016 regarding Grid-Connected Roof Top Solar (RTS) systems in Government buildings (copy attached). The CoS had stipulated the deadline of 31.03.2017 for such projects on all Government/PSU buildings of every Ministry/Department.

2. Government offices can develop such projects by investing their own funds (CAPEX/EFC mode) or by engaging private developer (RESCO/PPA) mode. To facilitate development of such projects, Ministry of New and Renewable Energy (MNRE) has developed model bidding documents for both the modes and these are available on MNRE website. MNRE also supports development of such projects in Government/PSU buildings, under which achievement linked financial incentives. To facilitate full realisation of RTS potential, MNRE has also empanelled various PSUs for supporting Ministries and Departments in their projects. For this purpose, such PSU would sign MoU with the respective Department for undertaking competitive bidding for identifying developers for RTS projects.

3. For developing such projects, Government offices under the Department need to sign EPC Agreement for CAPEX mode or Power Purchase Agreement (PPA) for RESCO/PPA mode with the developer selected through competitive bidding. To facilitate expeditious development, MNRE has got the model PPA, EPC Agreement and MoU duly vetted by Department of Legal Affairs, Ministry of Law & Justice, vide No.22065/Pt/2016 dated 30.8.2016 and by Department of Expenditure, Ministry of Finance, vide F.No.03(04/PF-II/2014 dated 8.9.2016. A copy of these duly vetted model documents is enclosed.

4. Further the empanelled PSUs have already established contact with your Ministry/Department and have initiated work for site assessment of various buildings. In this regard, I urge you to:



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ब्लॉक नं. 14, केन्द्रीय कार्यालय परिसर, लोदी रोड, नई दिल्ली–110003 Block No. 14, CGO Complex, Lodi Road, New Delhi - 110 003 Tel. : 011-24361481, 24362772 • Facsimile : 011-24367329 • E-mail : secy-mnre@nic.in website : www.mnre.gov.in

भारत सरकार नवीन और नवीकरणीय ऊर्जा मंत्रालय SECRETARY GOVERNMENT OF INDIA MINISTRY OF NEW AND RENEWABLE ENERGY

29.09.2016

Conclude signing of the MoU with the empanelled PSU for developing the RTS projects;

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(ii) Review the progress of site assessments, bidding and installation of RTS projects along with the empanelled PSU;
 (iii) Issue clear directions to field offices for facilitating site assessment and for

(iii) Issue clear directions to field offices for facilitating site assessment and for singing PPA or EPC Agreement with the developer identified based on competitive bidding.

> Yours sincerely, the additional of the second secon

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All Secretaries to Government of India



गांव गांव बिजली, घर घर प्रकाश

ब्लॉक नं. 14, केन्द्रीय कार्यालय परिसर, लोदी रोड, नई दिल्ली–110003 Block No. 14, CGO Complex, Lodi Road, New Delhi - 110 003 Tel. : 011-24361481, 24362772 • Facsimile : 011-24367329 • E-mail : secy-mnre@nic.in website : www.mnre.gov.in

#### F.No.03/12/2016-17/GCRT Government of India Ministry of New and Renewable Energy

Block No.14, CGO Complex, Lodhi Road, New Delhi-110003

Dated: 21<sup>st</sup> September 2016

#### **OFFICE MEMORANDUM**

Reference is invited to the directions of Committee of Secretaries (CoS) in its meeting held on 28.7.2016 regarding Grid-Connected Roof Top Solar (RTS) systems in Government buildings (**copy attached**). The CoS had stipulated the deadline of 31.03.2017 for such projects on all Government/PSU buildings of every Ministry/Department.

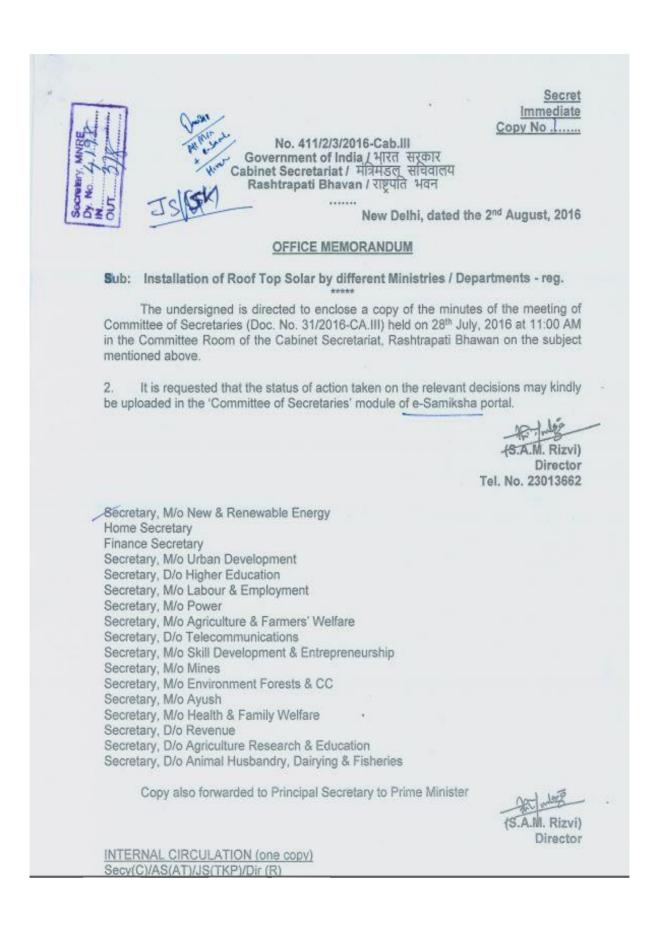
2. Government offices can develop such projects by investing their own funds (CAPEX/EFC mode) or by egaging private developer (RESCO/PPA) mode. To facilitate development of such projects, Ministry of New and Renewable Energy (MNRE) has developed model bidding documents for both the modes and these are available on MNRE website. MNRE also supports development of such projects in Government/PSU buildings, under which achievement linked financial incentives. To facilitate full realisation of RTS potential, MNRE has also empanelled various PSUs for supporting Ministries and Departments in their projects. For this purpose, such PSU would sign MoU with the respective Department for undertaking competitive bidding for identifying developers for RTS projects.

3. For developing such projects, Government offices under the Department need to sign EPC Agreement for CAPEX mode or Power Purchase Agreement (PPA) for RESCO/PPA mode with the developer selected through competitive bidding. To facilitate expeditious development, MNRE has got the model PPA, EPC Agreement and MoU **duly vetted** by Department of Legal Affairs, Ministry of Law & Justice, vide No.22065/Pt/2016 dated 30.8.2016 and by Department of Expenditure, Ministry of Finance, vide F.No.03(04/PF-II/2014 dated 8.9.2016. A **copy** of these duly vetted model documents are **enclosed**.

(Santosh D. Vaidya) Joint Secretary

То

- The Managing Director, Solar Energy Corporation of India, 1<sup>st</sup> Floor, D-3, A Wing, Religare Building, District Center, Saket, New Delh-110017.
- 2. The Managing Director, Central Electronics Limited, Site-IV, Sahibabad-201010.
- 3. The Managing Director, M/s India SME Technology Services (Ltd.), E-1, First Floor, Baluja House, Jhandewalan Extension, New Delhi-110055.
- 4. The Managing Director, PEC Limited, Hansalaya, 15 Barakhamba Road, New Delhi-110001.
- 5. The Managing Director, Rajasthan Electronics & Instruments Limited, 2, Kanakpura Industrial Area, Sirsi Road, Jaipur-302012, Rajasthan.
- The Managing Director, Bharat Heavy Electrical Limited, Industry Sector, Renewables & Water Business, 1<sup>st</sup> Floor, Integrated Office Complex, Lodhi Road, New Delhi-110003
- 7. The Managing Director, Bharat Electronics Limited, Corporate Office, Outer Ring Road, Nagavara, Bangalore-560045.
- 8. The Managing Director, Punjab Communications Limited, B-91, Phase-VIII, Industrial Area, S.A.s.Nagar, Chandigarh-160071.
- 9. The Managing Director, Railway Energy Mangement Co. Ltd., Ground Floor, Central Wing, Plot No.1, Sector 29, Gurgaon.
- 10. The Managing Director, C-DIT City Centre, Behind S.M.S.M. Institute, Statue, Thiruvananthapuram-695001.



### CABINET SECRETARIAT

Doc. No. 31/2016-CA.III

#### MINUTES OF THE MEETING OF COMMITTEE OF SECRETAIRES

Venue

Committee Room, Cabinet Secretariat Rashtrapati Bhavan.

Date of meeting : 28.07.2016

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Time of meeting : 11:00 AM

#### PRESENT

Sh. Pradeep Kumar Sinha, Cabinet Secretary

Sh. Upendra Tripathy, Secretary, M/o New & Renewable Energy

Sh. Rajiv Gauba, Secretary, M/o Urban Development

Sh. Balvinder Kumar, Secretary, M/o Mines

Sh. J.S. Deepak, Secretary, D/o Telecommunications

Sh. Ajit M. Sharan, Secretary, M/o Ayush

Sh. Pramod Das, Addl. Secretary, D/o Expenditure

Sh. Heera lal Samariya, Addl. Secretary, M/o Labour & Employment

Dr. A.K. Panda, Addl. Secretary, M/o Health & Family Welfare

Sh. R. Subrahmanyam, Addl. Secretary, D/o Higher Education

Sh. C. Roul, Addl. Secretary, D/o Agriculture Research & Education

Sh. Tuhin K. Pandey, Joint Secretary, Cabinet Secretariat

Sh. Santosh D. Vaidya, Joint Secretary, M/o New & Renewable Energy

Ms. Anju Bhalla, Joint Secretary, M/o Power

Sh. R.K. Mitra, Joint Secretary, M/o Home Affairs

Sh. Bishwanath Sinha, Joint Secretary, M/o Environment Forests & CC

Sh. A.J.V. Prasad, Joint Secretary, D/o Animal Husbandry, Dairying & Fisheries

Ms. Hemambika Priya, Commissioner, CBEC, D/o Revenue

Sh. B.K. Sinha, Commissioner, CBDT, D/o Revenue

Sh. Abhai Sinha, Spl. Director General, CPWD, M/o Urban Development

Sh. S.A.M. Rizvi, Director, Cabinet Secretariat

Sh. Hiren Borah, Scientist 'C', M/o New & Renewable Energy

Representatives from SECI: Dr. Ashwini Kumar, CMD

Sub: Installation of Roof Top Solar by different Ministries - reg.

#### Subject: Grid connected Roof Top Solar Systems in Government Buildings

A meeting of the Committee of Secretaries (CoS) on the above subject was chaired by Cabinet Secretary on 28.07.2016 at 11.00 AM in the Committee Room, Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.

2. Secretary, MNRE informed that of the target of 100GW by 2022 for installed solar power capacity, 40GW of capacity is to be achieved through Roof Top Solar (RTS) projects. Government has decided to promote RTS projects on Government / PSU buildings also and MNRE has suggested two alternative models, viz., (i) CAPEX (ownership model) in which investment is made by the roof top owner and bids are invited on project cost and (ii) RESCO (PPA model) in which the project investment is made by an identified developer and bids are invited on tariff with long term PPA. Recently, costs of both models have reduced significantly. Such projects are an attractive proposition for Ministries with considerable potential to economize on energy bills as price of Discom power is usually higher than the price at which solar power can be purchased / generated.

3. Secretary, MNRE further informed that in order to facilitate Ministries to take up RTS projects, MNRE had developed a model tender document and a model PPA. A panel of expert PSUs has also been prepared by MNRE to assist Ministries in this regard. The PSUs are to survey the potential, prepare feasibility report, manage bidding and facilitate signing of PPA between the selected developer and the Ministry. It is estimated that there is potential to take up nearly 6 GW of RTS projects on different government buildings leading to annual savings of approximately Rs. 780 crore. However, the pace of progress of works at the field level is yet to pick up. He stated that Ministries need to nominate senior officers specifically to coordinate and oversee expeditious development of RTS projects in all buildings under the Ministry.

4. Secretary, MoUD stated that Solar Energy Corporation of India (SECI) and CPWD had initiated projects to install RTS plants on CPWD buildings. Preliminary assessments of 311 buildings were conducted. SECI invited tenders for 50 MW of RTS capacities in the RESCO mode based on a uniform Power Purchase Agreement (PPA). However, till date PPAs have been signed for a cumulative capacity of only 14 MW and yet to be signed for 169 buildings. He apprised that PPAs were mainly delayed for buildings where client Ministries pay their electricity bills separately requiring each of them to enter into separate PPAs with the identified developer.

- After detailed deliberations, the following recommendations were made:
  - (i) MNRE may get the model PPA and MoU for taking up solar roof top projects vetted by D/o Legal Affairs and D/o Expenditure, if necessary, at the earliest and circulate them to all Ministries for adoption;

#### SECRET

- (ii) All Ministries located in buildings owned by CPWD which have separate meters for electricity may sign PPA with the developer identified by the CPWD and SECI within August 2016 and the commissioning of the projects on all CPWD buildings should be completed preferably by September / October, 2016;
- Joint Secretary (Administration) of all Ministries may be designated as the nodal officer for coordination and implementation of roof top solar projects on all buildings under the Ministry;
- (iv) Ministries may ensure that solar roof top projects are implemented in all buildings owned by them. Any exemptions on account of non-feasibility may be decided in consultation with MNRE;
- (v) Ministries may authorize heads of field establishments to sign PPAs with developers identified based on open competitive bidding by nodal PSUs using the model PPA finalized by MNRE;
- A deadline of 31<sup>st</sup> March 2017 may be stipulated, by which date, every Ministry may ensure that all the buildings under it have completed the installation of solar roof top projects;
- (vii) MNRE may closely monitor progress with Ministries.

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## MEMORANDUM OF UNDERSTANDING BETWEEN

## GOVERNMENT MINISTRY/DEPARTMENTS AND EXPERT PUBLIC SECTOR UNDERTAKINGS FOR

## DEVELOPMENT OF GRID CONNECTED AND OFF-GRID ROOF-TOP SOLAR PHOTOVOLTAIC AND SMALL SOLAR POWER PLANTS

This Memorandum of Understanding (hereinafter called as 'MOU') is entered into on this **day of 2016**.

### BETWEEN

<Name of Ministry/Department> (herein after referred to as <Name of Ministry/Department>), having its head office at <Address of the organisation>, which expression shall, unless the context otherwise specifies or requires, mean and include its successors and permitted assigns), of the First Party

## AND

< Name of the expert PSU>a Government of India Enterprise under the administrative control of < Name of the Ministry>, incorporated under the Companies Act, 1956, having its registered office at <.....>. (Hereinafter referred to as < name of the PSU>, which expression shall, unless the context otherwise specifies or requires, mean and include its successors and permitted assigns) of the Second Party.

<**Name of Ministry/Department>**&< **name of the Expert PSU>** are hereinafter referred to individually as "Party" or collectively as "Parties").

### WHEREAS

### <Name of Organisation and its activities>

<Name of the expert PSU> is a Government of India Enterprise under administrative control of < Name of the Ministry> having the mandate to implement and promote < Business allocation> which also includes development of both Grid Connected and Off Grid Solar Power Projects.

The parties thus agree to collaborate for rooftop solar PV power projects at identified [Name of Organisation] buildings/locations and for this purpose agree to enter into anMoU:

## NOW therefore this MOU witnesses as follows:

## **1. INTRODUCTION**

India represents a fast growing economy and has ever increasing demand of energy. Recognising need to develop additional energy supply options, the Government has laid strong emphasis on renewable energy. Solar energy is regarded as one of the fastest growing clean technologies in recent years.

The Government of India has launched Jawaharlal Nehru National Solar Mission (JNNSM) which now has a target of 100,000 MW of grid solar power by 2022, out of which grid connected rooftop Solar PV systems is considered as very potent area and has a target of 40,000 MW

To achieve energy security and for having good optics, it is envisaged to develop solar rooftop projects on large scale by utilising vacant roofs of buildings and adjoining lands of the campus etc.,

< Name of Ministry/Department >desires to implement grid connected rooftop solar PV projects on the roofs of its buildings/offices as well as ground mounted Solar PV systems as a part of its Renewable Energy Initiatives.

<Name of Ministry/Department> desires to directly engage with < Name of the expert PSU> for setting up such solar PV systems and supply solar power at a tariff determined through competitive bidding process (mutually agreed between < Name of the expert PSU> and [Name of Organisation]) to <Name of Ministry/Department> on long term basis mostly for internal consumption.

## 2. SCOPE & INTENT

I. The parties are therefore willing to enter into MOU for collaborating and jointly undertaking the identification,technical evaluation and development of potential sites for execution of Solar Power Projects.

- II. < Name of the expert PSU> having expertise in the field of Solar Power Projects shall either directly or through an agency(ies) selected through a competitive bidding process will provide the CAPEX/RESCO services at <Name of Ministry/Department> sites.
- III. The commercial mechanism, pricing and other applicable terms shall be on the basis of mutual agreement on case to case basis.
- 3. <Name of Ministry/Department> Responsibilities: <Name of Ministry/Departments> shall be responsible for carrying out following activities:
  - I. <Name of Ministry/Department> shallidentify the buildings/locations suitable for development of solar projects and provide basic information regarding energy consumption, tariff, consumer number, connected load and design drawing documents of the sites for proper design of the solar projects.
  - II. <Name of Ministry/Department> shall direct all its Govt. organization, PSUs and Offices to enter into PPA/AGREEMENT with < Name of the expert PSU> or its authorized agency(ies) at a mutually agreed tariff on zero lease rental basis for a predefined period.
  - III. <Name of Ministry/Department> shall direct all its Govt. organization,
    PSUs and Offices to make available the roof of the buildings on right to
    use basis to the <Name of the expert PSU> and/or its authorized representatives for the predefined period of PPA/EPC AGREEMENT.
  - IV. <Name of Organization/ULB/Ministry/Department> shall direct all its Govt. organizations, PSUs and Offices to provide unhindered access to the building, roof and interconnection points to <Name of the expert</p>

**PSU**>and/or its authorized representatives for the predefined period of PPA/EPC AGREEMENT.

- V. <Name of Ministry/Department> will direct all its Govt. organization, PSUs and Offices to take necessary permission for trimming of trees etc., if necessary during the duration of PPA/EPC AGREEMENT.
- 4. <Name of the expert PSU> Responsibilities: <Name of the expert PSU> shall be responsible for carrying out following activities:
  - I. <Name of the expert PSU>will undertake all the activities pertaining to communication with the concerned allotted Ministry/Departments for available solar potential locations, conducting the actual site survey and technical evaluation, finalization of feasibility report for each individual building, collation of State-wise projects for economics of scale, discussion and approval for the estimated consolidated potential after the site surveys from the Ministry/Departments and preparing the final complete site assessment report for MNRE, submission of project proposals and PCR in SPIN portal ( online portal of MNRE), getting sanction from MNRE.<Name of the expert PSU> will also advise the < Ministry/Departments> on the suitable business models such as CAPEX /RESCO.
  - II. <Name of the expert PSU> will undertake all the activities pertaining to bidding process including finalization of biding document for CAPEX/RESCO mode, planning, selection of vendors for design, manufacture, supply, installation, testing, commissioning, operation and maintenance ( for 5 years in Capex / 25 years in RESCO model) of grid connected rooftop solar power plants either on its own or through its competitive selected associates on the basis of above estimated solar potential.<Name of the expert PSU> will be responsible for supervising of quality control during the entire process, supervision during O&M

period, dispute resolution and contract management. The PMC agency will submit their complete project details online in the website <u>www.solarrooftop.gov.in</u>. The <Name of the expert PSU>will enter all details of the project, viz. capacity, project cost, address, district, State, latitude, longitude etc. in the website.

- III. Based on the mutually agreed terms and conditions of PPA/ EPC AGREEMENT, <Name of the expert PSU> or its authorized agency (ies) will provide solar energy to the identified locations of [Name of Ministry/Department] depending on the solar resource in the specified area.
- IV. <Name of the expert PSU> and/or its associates will also coordinate with local DISCOMs in association with <Name of Ministry/Department> for net metering of generated solar power as per the prevailing regulation of the concerned States / UTs.
- V. <Name of the expert PSU> or its authorized agency(ies) will collect the revenue from the rooftop owners of [Name of Ministry/Department] buildings as per the terms and conditions of PPA/ EPC AGREEMENT.

## 5. Procedures for Amendment, Cancellation and Non- exclusivity

- I. This Memorandum may be amended at any time during its term and shall not be amended except in writing.
- II. Pursuant to this MoU, separate agreements will be negotiated and entered into between the Parties that identify specific proposals for implementation while taking into consideration the overall objective of < Name of the expert PSU> / [Name of Ministry/Department]
- III. This Memorandum embodies the entire understanding of the parties as to its subject matter.

- IV. Either of the two parties can, at any time during the validity period of the Memorandum, rescind/cancel the same after giving a month's notice in writing.
- V. This Memorandum does not grant any exclusive right to any of the two Parties in the areas of cooperation that they mutually agree to and shall not create any legal binding obligations upon either Party.

## 6. Dispute Resolution

In case of any dispute or difference arising between the parties arising out of or in relation to this Memorandum, the parties shall promptly and in good faith refer the same to the senior officials with a view to its amicable resolution and settlement. In case the parties are not able to resolve the dispute within 30 days of its being raised, the same shall be referred to arbitration as per the Permanent Machinery of Arbitration (PMA) issued vide DPE O.M. No.3/3/91-PMA dated 5th May, 1993 and its subsequent amendments / modifications. The venue of the Arbitration shall be at New Delhi.

## 7. Confidentiality

- I. The Parties agree, to the extent of their respective obligations to do so, to exchange such technical, business and commercial information, and data as is reasonably required of each Party for the purpose of negotiating, finalizing and entering into Power Purchase Agreement (s) and to perform its responsibilities under this MOU.
- II. All information and documents exchanged under this MOU shall be confidential.
- III. Neither of the parties shall, during this MOU and for a period of two (2) years after its expiration or cancellation, disclose to any third party, any information of the other party declared to be confidential or recognizable as such, without the prior written consent of the other party, however such consent shall not be unreasonably withheld.

## 8. Term & Termination

This Memorandum will remain in force for a period of two years from the date of its execution from the date of sign. The Memorandum can be extended for such periods or further periods by the mutual consent of the Parties. All such extensions shall be in writing.

IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the date first above mentioned.

[Name of Ministry/Departments]	<name expert="" of="" psu="" the=""></name>
New Delhi	New Delhi
Authorized Representative of Ministry/Departments	ManagingDirectororAuthorizedRepresentative of the PSU

## MODEL POWER PURCHASE AGREEMENT (PPA)

## BETWEEN

# CONTRACTOR AND GOVT.ORGANIZATION, PSU AND OFFICES

## FOR

## DESIGN, MANUFACTURE, SUPPLY, ERECTION, TESTING AND COMMISSIONING INCLUDING WARRANTY, OPERATION & MAINTENANCE OF GRID CONNECTED ROOF-TOP SOLAR PHOTOVOLTAIC AND SMALL SOLAR POWER PLANTS IN RESCO MODEL

This Power Purchase Agreement (PPA) is executed on \_\_\_\_ (date), \_\_\_\_(month), \_\_\_\_\_ (year) at <location>between \_\_\_\_\_\_ Authorized representative of Purchaser<i.e. Government Organization, PSU and Offices>(detail address), (hereinafter referred to as "Purchaser")ANDM/s (Name of Power Producer) (CIN No. \_\_\_\_\_\_), a company incorporated under the Companies Act, 1956/2013 having its registered office at \_\_\_\_\_\_(detail address) (hereinafter referred to as "Power Producer" which expression shall, unless repugnant to the meaning or context hereof, be deemed to include its successors and assigns). The Purchaser and Power Producer are each individually referred to as a "Party" and collectively as the "Parties".

#### WHEREAS:

- A. The Power Producer has been notified as successful bidder by <Name of Expert PSU> for "Design, Manufacture, Supply,Erection, Testing and Commissioning including Warranty, Operation & Maintenance of \_\_\_\_ kWp Rooftop Solar PV System at (building name)" (Project) and as per competitive biddingunder RFS No \_\_\_\_\_ dated \_\_\_\_\_
- B. The Power Producer is engaged in the business of design, supply, erection, testing, commissioning, operating and maintenance power plants, including grid connected rooftop power projects.
- C. The Power Producer has agreed to install and operate a solar photovoltaic power plant of \_\_\_\_kWp capacity at the Premises after due inspection of the Premises as defined hereinafter and supply the entire Solar Power of the Project to Purchaser on the terms and conditions contained in this Agreement.
- D. The Purchaser has agreed to purchase the entire Solar Power of the Project on the terms and conditions contained in this Agreement.

NOW THEREFORE in consideration of the mutual promises, conditions and covenants set forth herein, the Parties hereby agree as below:

### **1.** Definitions and Interpretation

### **1.1 Definitions**

In addition to other capitalized terms specifically defined elsewhere in the Agreement or unless the context otherwise requires the following words and phrases shall be defined as follows:

- (a) "Actual Monthly Production" means the amount of energy recorded by the Main Metering System during each calendar month of the Term, pursuant to Section 5.2;
- (b) "Affiliate" means with respect to any specified Person, any other Person, directly or indirectly controlling, controlled by or under common control with such specified Person)
- (c) "Agreement" means this Power Purchase Agreement executed hereof, including the schedules, amendments, modifications and supplements made in writing by the Parties from time to time.
- (d) "Applicable Law" me
- (e) ans, with respect to any Person, any constitutional provision, law, statue, rule, regulation, ordinance, treaty, order, decree, judgment, decision, certificate, holding, injunction, registration, license, franchise, permit, authorization, guideline, Governmental Approval, consent or requirement or any Governmental Authority in India having jurisdiction over such Person or its property, enforceable by law or in equity, including the interpretation and administration thereof 1:4 such Governmental Authority.
- (f) "Assignment" has the meaning set forth in Section 14.1:
- (g) "Business Day" means any day other than Sunday or any other day on Page 18 of 93

which banks in < name of the State> are required or authorized by Applicable Law to be closed for business:

- (h) "Commercial Operation Date" has the meaning set forth in Section 4.3(b)
- "Consents, Clearances and Permits" shall mean all authorization, 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:
- (j) "Deemed Generation" has the meaning set forth in Section 5.3 (c)
- (k) "Delivery Point" shall be the single point, at a location mutually agreed by the Parties, in line with applicable regulation/ rules where Solar Power is delivered by the Power Producer from the System to the Purchaser.
- (l) "Dispute" has the meaning set forth in Section 17.7 (b);
- (m) "Disruption Period" has the meaning set forth in Section 5.3 (c)
- (n) "Distribution Utility" means the local electric distribution owner and operator providing electric distribution and interconnection services to Purchaser at the Premises;
- (o) "Due Date" has the meaning set forth in Section 7.4;
- (p) "Effective Date" has the meaning set forth in Section 2;
- (q) "Estimated Remaining Payments" means as of any date, the estimated Page 19 of 93

remaining Solar Power Payments to be made through the end of the applicable Term, as reasonably determined by the Power Producer in accordance with Section 7.1;

- (r) "Expiration Date" means the date on which the Agreement terminates by reason of expiration of the Term.
- (s) "Force Majeure Event" has the meaning set forth in Section 11.1
- (t) "Governmental Approval" means any approval, consent, franchise, permit, certificate, resolution, concession, license or authorization issued by or on behalf of any applicable Governmental Authority for the purpose of setting up of the Project and / or for sale and purchase of Solar Power of the Project pursuant to the Agreement.
- (u) "Governmental Authority" means any central, state, regional, district, town, city or municipal government, whether domestic or foreign, or any department, agency, bureau, or other administrative, regulatory or judicial body of any such government.
- (v) "Indemnified Persons" means the Purchaser Indemnified Parties or the Power Producer-indemnified Parties, as the context requires.
- (w) "Insolvency Event" means with respect to a Party, that either
  - i. Such party has (A) applied for or consented to the appointment of or the taking of possession by a receiver, custodian, trustee, administrator, liquidator on the likes of itself or of all or a substantial part of its assets or business; (B) been unable to pay its debts as such-debts become due; (C) made a general assignment for the benefit of its creditors, (D) commenced a voluntary proceeding under any insolvency or bankruptcy law; (E) filed a petition seeking to take advantage of any other law Page 20 of 93

relating to the bankruptcy, insolvency, reorganization, winding up or composition or readjustment of debts; or (F) taken any corporate or other action for the purpose of effecting any of the foregoing; or

- ii. It is clarified that a dissolution or liquidation will not be an Insolvency Event if such dissolution or liquidation is for the purpose of a merger, consolidation or reorganization, and the resulting company retains credit worthiness similar to the dissolved or liquidated entity and expressly assumes all obligations of the dissolved and liquidated entity under this Agreement and is in a position to the perform them.
- (x) "Installation Work" means the construction and installation of the System and the Start-up, testing and acceptance (but not the operation and maintenance) thereof; all performed by or for the Power Producer at the Premises.
- (y) "Invoice Date has the meaning set forth in Section 7.2.
- (z) "Losses" means all losses, liabilities, claims, demands, suits, causes of action, judgments, awards, damages, cleanup and remedial obligations, interest, fines, fees, penalties, costs and expenses (including all attorneys' fees and other costs and expenses incurred in defending any such claims or other matters or in asserting or enforcing and indemnity' obligation)
- (aa) "Main Metering System" means all meter(s) and metering devices owned by the Power Producer and installed at the Delivery point for measuring and recorded the delivery and receipt of energy.
- (aa) "Metering Date" means the first Business day of each calendar month subsequent to the month in which the Solar Power is generated by the Power Producer. The billable units shall be equal to the difference Page 21 of 93

between the meter reading on the Metering Date and the meter reading on the previous month's Metering Date.

- (bb) "Party" or Parties" has the meaning set forth in the preamble to this Agreement.
- (cc) "Performance Ratio" (PR) means the ratio of plant output versus installed plant capacity at any instance with respect to the radiation measured. PR=(Measured output in kW / Installed plant capacity in kW\* 1000 W/m<sup>2</sup> /Measured radiation intensity in W/m<sup>2</sup>)
- (dd) "Person" means an individual, partnership, corporation, Limited Liability Company, business trust, Joint Stock Company, trust, unincorporated association, joint venture, firm, or other entity, or a Governmental Authority.
- (ee) "Power Producer Default" has the meaning set forth in Section 12.1 (a).
- (ff) "Power Producer Indemnified" has the meaning set forth in Section 16.2.
- (gg) "Premises" means the premises described in Schedule 1 to this Agreement. For the avoidance of doubt, the Premises include, the entirely of any and underlying real property located at the address described in Schedule 1 to this Agreement.
- (hh) "Purchase Date" means the date on which title to the System transfers to the Purchaser pursuant to the Purchaser exercising its purchase option under Section 3.2.
- (ii) "Purchase Price" means the fee payable by Power Purchaser to thePower Producer under the circumstances described in Section 3.2
- (jj) "Purchaser Default" has the meaning set forth in Section 12.2 (a). Page 22 of 93

- (kk) "Purchaser Indemnified Parties" has the meaning set forth in Section 16.1
- (ll) "Representative" has the meaning forth in Section 15.1.
- (mm) "Scheduled Complete Date" has the meaning set forth in Section 4.1(g)
- (nn) "Selectee" means, a new company (i) proposed by the Lenders read with Schedule III hereof and approved .by the Purchaser (ii) or proposed by the Purchaser in accordance. with Schedule III hereof and approved by-the Lenders, for substituting the Power Producer for the residual period of the Agreement by amendment of the Agreement or by execution of a fresh power purchase agreement in-accordance with the terms and conditions contained in the said Schedule.
- (00) "Solar Power" means the supply of electrical energy output from the System.
- (pp) "Solar Power Payment" has the meaning set forth in Section 7.1.
- (qq) "System" includes the integrated assembly of photovoltaic panels, mounting, assemblies, inverters, converters, metering, lighting fixtures, transformers, ballasts, disconnects, combiners, switches, wiring devices and wiring, and all other material comprising the Installation Work.
- (rr) "System Operations" means the Power Producer's operation; maintenance and repair of the System performed in accordance the requirement herein.

- (ss) "Tariff" means the price per kWh set forth in Schedule II hereto.
- (tt) "Term" has the meaning set forth in Section 3.1:

## **1.2** Interpretation

- (a) Unless otherwise stated, all references made, in this Agreement to "Sections", "Clauses" and "Schedules" shall refer respectively to Sections, clauses and Schedules of this Agreement. The Schedules to this Agreement form an integral part of this Agreement and shall have effect as though they were expressly set out in the body of this Agreement.
- (b) In the Agreement, unless the context otherwise requires (i) words imparting singular connotation shall include plural and vice versa: (ii) the words "include", "includes", and "including" mean include, includes and including "without limitation" and (iii) the words "hereof", "hereto", "herein" and "hereunder" and words of similar import refer to the Agreement as a whole and not to any particular provision of the Agreement.

# 2. Effective Date

This Agreement shall be effective on the day that falls one Business Day after the date of signing of this Agreement.

## **3.** Terms and Termination

#### 3.1 **Term**

The term of the Agreement shall commence on the Effective Date and shall continue for twenty five (25) years from the Commercial Operations Date (the "Term"), unless and until terminated earlier pursuant to the provisions of the Agreement. After the Term, the ownership of the System shall be transferred to the Purchaser free of cost.

## 3.2 Purchase Option/ Purchase Obligation

So long as a Purchaser default shall not have occurred and be continuing, Purchaser has -the option to purchase the System by paying the Power Producer the Purchase price as per Schedule III to this Agreement. To exercise its purchase option, the Purchaser shall not less than Ninety (90) days prior to the proposed Purchase Date, provide written notice to the Power, Producer of Purchaser's intent to exercise .its option to purchase the System on such purchase date: In the event Purchaser confirms its intention to exercise the purchase option in writing to the Power Producer, (i) Purchaser shall pay the applicable purchase price to the Power Producer on the Purchase Date, and such payment shall be made in accordance with any written instructions delivered to Purchaser by the Power Producer for payments under the Agreement, and (ii) the Parties shall promptly execute all documents necessary to (A) cause title to the System to pass to Purchaser on the Purchase Date, free and clear of all liens and (B) assign all vendor warranties for the System to Purchaser. Upon execution of the documents and payment of the applicable purchase price in each case as described in the preceding sentence, the agreement shall terminate automatically and the Purchaser shall become the owner of the System. Upon such termination, the Power Producer shall offer' its operations and maintenance ("O&M") services to the Purchaser and the Parties may enter into an O&M agreement in this regard. The terms and conditions of the O&M agreement will be negotiated in good faith between the Parties.

# **3.3** Conditions of the Agreement prior to installation

In the event that any of the following events or circumstances occur prior to the Commercial Operation Date, the Power Producer may terminate the Agreement, in which case neither Party shall have any liability to the other except for any such liabilities that may have accrued prior to such termination.

- (a) There has been a, material adverse change in the rights of Purchaser to occupy the Premises or the Power Producer to install the System at the Premises.
- (b) The Power Producer has determined that there are easements, Capacity Cost Recovery (CCRs) or other liens or encumbrances that would materially impair or prevent the installation, operation, maintenance or removal of the System. If any dispute arises before commercial operation date, the same shall be resolved under clause, 17.7 (c)

# 4 Construction, Installation, Testing and Commissioning of the System.

# 4.1 Installation Work

a) The Power Producer will cause the Project to be designed, manufactured, supplied, engineered, erected, tested and commissioned, operated & maintained and constructed substantially in accordance with RFS No \_\_\_\_\_\_ dated: \_\_\_\_\_\_ and the sanction letter issued by <NAME OF EXPERT PSU>. The Power Producer shall provide to the Purchaser a bill of materials listing the major equipment constituting the System. Such bill of materials shall be provided within 30 days of the Commercial Operation Date.

- b) The Power Producer shall have access as reasonably permitted by the Purchaser to perform the Installation Work at the Premises in a manner that minimizes inconvenience to and interference with the use of the Premises to the extent commercially practical.
- c) It is agreed between the Parties that the Power Producer shall commission the System with a capacity of \_\_\_\_kWp. Power Producer may construct a System of smaller size if it receives only part approval of government subsidies or for any other material commercial reason, as mutually agreed between the Parties in writing, In the event a System of smaller capacity is eventually agreed to be installed, the clauses pertaining to Purchase Price as set out under this Agreement shall be adjusted proportionately as per mutual agreement between the Parties in writing.
- d) The Power Producer shall provide and lay the dedicated electrical cables for transmission of Solar Power from the System up to the Delivery Point. Transmission or distribution of Solar Power beyond this point will be the responsibility of the Purchaser. The Delivery Point shall be where the Main Metering System is located.
- e) Unless otherwise agreed between the Parties, the Power Producer shall not do
   (a) chipping of rooftop; or (b) water proofing of roof to be disturbed ;(c) Carry out any other modification of the Premises without the written consent of the Purchaser.
- f) The Power Producer shall maintain general cleanliness of area around the Project during construction and operation period of the Project. In case any damages is caused to the equipment / facilities owned by the Purchaser due to the Power Producer, the same shall be made good rectified by the Power Producer at their cost.

- The Power Producer shall, within fifteen (15) working days of the **g**) Effective Date, submit to the Purchaser shop drawings of the Project for approval ("Shop Drawings"). The drawings will have to be approved from the Power Purchaser within 3 working days from the submission the drawings. If the Purchaser of has any objection/'recommendation in the Shop Drawings, he shall communicate the same to Power Producer within a period of ten (10) working days of the date of submission of the Shop Drawings. Any delay will extend the Effective Date and such approval shall not be unreasonably withheld.Subject to any punch-list items which shall be agreed by the. Purchaser as not being material to completion of the Project, the Power Producer agrees that it shall achieve the completion of the Project/ Commissioning of the Project within the scheduled completion period from the Effective Date ("Scheduled Completion Date"). Purchaser shall ensure that sufficient load is available at the Delivery Point to ensure synchronization and drawl of power from System.
- h) If the Power Producer is unable to commence supply of Solar Power to the Purchaser by the Scheduled Completion Date, other than for the reasons specified in Article 11 and 12.2 (Force Majeure or Purchaser Default), the Power Producer or its contractor shall pay to <NAME OF EXPERT PSU> genuine pre-estimated liquidated damages for the delay in such commencement of supply of Solar Power as per the clause of the <NAME OF EXPERT PSU> RFS appended as Schedule VI format as per respective RFS document to this Agreement.
- The Purchaser shall ensure that all arrangements and infrastructure for receiving Solar Power beyond the Delivery Point are ready on or prior Page 28 of 93

to the Commercial Operation Date and is maintained in such state in accordance with applicable laws through the Term of the Agreement.

 j) Power Producer shall fulfill all obligations undertaken by it under this Agreement.

## 4.2 Approvals and Permits

Each of the Parties shall assist the other Party in obtaining all necessary Government Approvals, third party approvals and permits including but not limited to those listed in Schedule V hereto and any waivers, approvals or releases required pursuant to any applicable CCR.

## 4.3 System Acceptance Testing

- (a) The Power Producer shall give 10 days advance notice to conduct the testing of the Project and shall conduct testing of the Project in the presence of Purchaser's designated representative.
- (b) If the results of such testing indicate that the System is capable of generating electric energy (at full rated KWp) for 5 continuous hours using such instruments and meters as have been installed for such purposes, then the Power Producer shall send' a Written notice to Purchaser to that effect, and the date of successful conducting such tests and injection of. Power at Delivery Point shall be the "Commercial Operation Date"

## **5** System Operations

## 5.1 The Power Producer as Owner and Operator

The System will be legally and beneficially owned by the Power Producer and will be Page 29 of 93

operated and maintained and, as necessary, repaired by the Power Producer at its sole cost and expense. Replacement of spare parts if any shall be responsibility of Power Producer for the complete period of Agreement. If any repair or maintenance costs incurred by the Power Producer as a result of Purchaser's breach of its obligations, shall be reimbursed in full by Purchaser.

Power Producer shall not be responsible for any work done by others on any part of the System/Project authorized by the Purchaser and not authorized in advance by the Power Producer in writing. Power Producer shall not be responsible for any loss, damage, cost or expense arising out of or resulting from improper operation or 'maintenance of the System by Purchaser or anyone instructed to do such work by Purchaser. In the event of a problem with the System, as a result of the Purchaser actions for which Power Producer is not responsible as provided in this Agreement, Purchaser may choose and pay Power Producer for diagnosing and correcting the problem at Power Producer or Power Producer's contractors standard rates.

# 5.2 Metering

- (a) The Power producer shall install the Main Metering System with due certification for the measurement of electrical energy produced by the System.
- (b) The meter will be read by Power Producer's personnel on the Metering date. The authorized representative of the Purchaser shall be present at the time of meter reading. Both the Parties shall sign a joint meter reading report. However, in case the Joint meter reading report is not signed in the first three business days of any month due to nonavailability of the Purchaser's authorized representative, the report signed by the Power Producer shall be considered as Joint Meter Reading Report. The Parties agree that such Joint meter reading Report shall be final and binding on the Parties.

- (c) The Main Metering System at the Delivery Point and any additional meters required by Applicable Law shall be tested, maintained and owned by the Power Producer.
- (d) The Power Producer shall connect the Solar output to the existing system of the Purchaser as per the requirements and guidelines of the state DISCOM
- (e) The Purchaser may, at its own discretion, install a check meter, at its cost, to verify the measurements of the Main Metering System.
- (f) The title to the Solar Power supplied by the Power Producer shall pass to the Purchaser at the Delivery Point.
- (g) Power Producer shall be responsible for transformer etc. "if required" & metering as per respective clause of RFS (reference to be quoted).

# 5.3 System Disruptions

- (a) Availability of premises: Purchaser will provide full access of the site to Power Producer for installation, operation and maintenance of solar power plant during the period of Agreement. Power Purchaser will also provide restricted access of the Premises to Power Producer for operation and maintenance of solar power plant.
- (b) Purchaser will not provide/construct any structure within its Premises or around its premises which shades the solar panels effecting the generation of the energy during the Agreement period.

(c) Roof Repair and other System Disruptions In the event that (a) the Purchaser repairs the Premises' roof for any reason not directly related to damage, if any, caused by the System, and such repair required the partial or complete temporary disassembly or movement of the System, or (b) any act or omission of Purchaser or Purchaser's employees, Affiliates, agents or subcontractors (collectively, a "Purchaser Act") result in a disruption or outage in System production, and such events attributable to Purchaser (except Force majeure, then, in either case) Purchaser shall (i) pay the Power Producer for all work required by the Power Producer to disassemble or move the System and re-assemble the system after completion of the repair work and (ii) continue to make all payments for the Solar Power during such period of System disruption (the "Disruption Period"). For the purpose of calculating Solar Power Payments and lost revenue for such Disruption Period, Solar Power shall be deemed to have been produced at the average rate. Over the preceding 12 (Twelve) months, or, if the disruption occurs within the first 12 months of operation, the average over such period of operation (deemed generation). Power producer shall inform about the 'disruption or outage in System production, for reasons attributable to purchaser in 'writing with date and time of such occurrences, and Purchaser's liability shall start from the date of intimation for above of disruption or outage in system production, on account of Purchaser.

#### 6 **Delivery of Solar Power**

#### 6.1 Purchaser Requirement:

Purchaser agrees to purchase one hundred percent (100%) of the Solar Power generated by the System and made available by the Power Producer to Purchaser at the Delivery Point during each relevant month of the Term. In the event that the Purchaser is unable to off take 100% of the electricity generated, when it is generated, then Deemed Generation will apply only in case following conditions:

- a) In the event Power Producer is generating power more than the available load, and the Purchaser is not able to export or record the excess units generated due to faults in the equipment's of the Purchaser e.g., Net meter Cables, Equipment's etc., which may stop the feeding / record of the Solar Power generated.
- b) In the event that the Purchaser fails to ensure adequate space for solar equipment to ensure that other structures do not partially or wholly shade any part of the Solar Power Plant and if such shading occurs, the Power Producer may apply for Deemed Generation furnishing the calculation for loss in generation due to such shading supported by the relevant data, which shall be approved by Purchaser within one month of submission failing which the Power Producer shall claim provisional deemed generation till the issue is finally settled.

## 6.2 Estimated Annual Production

The annual estimate of Solar Power with respect to the System for any given year as determined pursuant to this Section shall be the "Estimated Annual Production". The Estimated Annual Production for each year of the Initial Term is set forth in Schedule IV hereof.

## 6.3 Suspension of Delivery

Power Producer shall be entitled to suspend delivery of electricity from the System to the Delivery Point for the purpose of maintaining and repairing the System upon giving one week's advance written notice to the Purchaser except in the case 'of emergency repairs. Such suspension of Service shall not constitute a breach of this Agreement provided that the Power Producer shall use commercially reasonable efforts to minimize any 'interruption in service to the Purchaser. However, any preventive maintenance shall be done only during the period when plant is not generating.

# 7 Tariff and Payments

7.1 Consideration Purchaser shall pay to the Power Producer a monthly payment (the "Solar Power Payment") for the Solar Power generated by the System as per the Metering clause 5.2 (b) above during each calendar month of the Term equal to the actual Monthly Production as recorded in Joint Meter Reading Report for the System for the relevant month multiplied by the Tariff irrespective of (i) whether any or all units of Solar Power has been drawn, consumed or utilized by Purchaser and / or (ii) whether any Solar Power has been injected, whether inadvertently or otherwise, into the grid of the Distribution Utility. The Power Producer will bill the Purchaser for each KWh metered as above at the Delivery Point, at the Tariff prevailing at that point of time. As detailed in Schedule - II, the Tariff will be equal to Rs. \_\_\_\_/kWh levelized tariff as per <NAME OF EXPERT PSU> allocations. The 'year' Considered shall be the financial year which April 1st to 31st March of every year as per <NAME OF EXPERT PSU>Schedule II provides a detailed year on year tariff schedule.

## 7.2 Invoice

The Power Producer shall invoice Purchaser on the first day of each month (each, an "**Invoice Date**") commencing on the first Invoice Date to occur after the Commercial Operation Date, for the Solar Power Payment in respect of the immediately preceding month. The last invoice shall -include production only through the Expiration Date of this Agreement.

- 7.3 The invoice to the purchaser shall include.
  - (a) The Solar Power calculations for the relevant billing period.
  - (b) Supporting data, documents and calculations in accordance with this Agreement.

# 7.4 Time of payment

Purchaser shall pay all amounts due hereunder within 30 days after the date of the receipt of the invoice via email or post ("**Due Date**").

# 7.5 Method of Payment

Purchaser shall make all payments under the Agreement by cheque / demand draft/ electronic funds transfer only in immediately available funds to the' account designated by the Power Producer from time to time.. All payments made hereunder shall be non-refundable, subject to the applicable tax deduction at source, and be made free and clear of any other tax, levy, assessment; duties or other charges and not subject to reduction, set-off, or adjustment of any kind. Further, if any taxes and duties are leviable currently or in future, such taxes and duties shall be paid by the Purchaser over and above the solar electricity tariff mentioned in this agreement. Such taxes and duties could include, but not restricted to Electricity Duty, Tax on Sale of Electricity (TOSE). If the Purchaser deducts any tax at source, the Purchaser will issue a tax credit certificates as per law.

# 7.6 Late Payment Surcharge/ Early Payment Discount

In case payment of any invoice is delayed by the Purchaser beyond its Due Date, a late payment surcharge shall be payable by Purchaser to the Power Producer at the rate of 1.25% per month ("**Late Payment Surcharge**") calculated on the amount of outstanding payment, calculated on a day to day basis for each day of the delay,

compounded on monthly rates. Late Payment Surcharge shall be claimed by the Power Producer, through its subsequent invoice.

# 7.7 Disputed Payments

In the event that the Purchaser disputes an invoice, it shall give notice of such a dispute within 15 days of receiving the invoice setting out details of the disputed amount. The Purchaser shall pay by the Due Date 100% of any undisputed amount and in case the invoice is disputed, the Purchaser shall pay an amount based on average consumption of last three consecutive undisputed invoices. Amount so recovered shall be subject to final adjustment on resolution of the dispute. Thereafter, the Parties shall discuss and try to resolve the disputed amount within a week of receipt of such notice of dispute. If the Parties resolve the dispute, an appropriate adjustment shall be made in the next invoice. If the dispute has not been resolved by the date of the next invoice the dispute shall be referred to a committee of one member from each of Purchaser and Power Producer, If the dispute is still-not resolved by the next following invoice if shall be 'referred to Arbitration as provided in the present Agreement.

# 7.8 Change in Law:

(a) For the Purpose of this section 7.8, the term "Change in Law" shall mean the occurrence of any of the following events after the Effective date, resulting into any additional recurring / non-recurring expenditure by the Power Producer or any income to the Power Producer. 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: or

 A change in the interpretation of any Law by any Governmental Authority having the legal power to interpret or apply such Law, or any competent court; or

- (ii) The imposition of a requirement, for obtaining any Government Approvals which was not required earlier; or
- (iii) a change in the terms and conditions prescribed for obtaining any Government Approvals or the inclusion of any new terms or conditions for Obtaining such Government Approvals; or
- (iv) any introduction of any tax made applicable for supply of power by the Power Producer as per the terms of this Agreement. Any benefit due to change in tax on the sale of solar energy shall be passed on to Purchaser.
- (v) Any benefit arising due to change in above para (i) to (iv) shall be passed on to the Purchaser. But not include any change in any withholding tax on income or dividends distributed to the shareholders of the Power Producer.
- (b) Application and Principles for computing impact of Change in Law:

While determining the consequence of Change in Law under this Article 7.8, the Parties shall have due regard to the Principle that the purpose of compensating the Party affected by such change in Law, is to restore through monthly bill payment, to the extent contemplated in this Article 7.8, the affected Party to the same economic position as if such Change in Law has not occurred and such impact shall be mutually decided in writing.

(c) Solar Power Payment Adjustment Payment on account of Change in Law Subject to provisions mentioned above, the adjustment in Solar Power Payment shall be effective from:

(i) The date of adoption, promulgation, amendment, re-enactment or Page  $\mathbf{37}$  of  $\mathbf{93}$ 

repeal of the Law or Change in Law; or

(ii) The date of order/ judgment of the competent court; of tribunal or Governmental Authority, if the Change in •law is on account of a change in interpretation of Law.

#### 8 General Covenants

#### 8.1 **Power Producer's Covenants**

The Power Producer covenants and agrees to the following:

- (a) Notice of Damage or Emergency: The Power Producer shall (a) promptly notify Purchaser if it becomes aware of any damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System, (b) immediately notify Purchaser once it becomes aware of any event or circumstance that poses an imminent risk to human health, the environment, the System or the Premises.
- (b) System Condition: The Power Producer shall take all actions reasonably necessary to ensure that the System is capable of providing Solar Power at a commercially reasonable continuous rate: Subject to there being no Purchaser Default, the Power Producer 'shall provide 24 x 7 offsite / offsite monitoring and maintenance of the System throughout the period of this agreement at no additional cost.
- (c) The System shall meet minimum guaranteed generation with Performance Ratio (PR) at the time of commissioning and related Capacity Utilization Factor (CUF) as per the daily normalized irradiance levels of the location during the O&M period. PR shall be minimum of 75% at the time of inspection for initial Project Page 38 of 93

acceptance.

- (d) Governmental Approvals : While providing the Installation work, solar Power and System Operations, the Power Producer shall obtain and maintain and secure all Governmental Approval required to be obtained and maintained and secured by the Power Producer and to enable the Power Producer to perform such obligations
- (e) The interconnection of the rooftop solar system with the network of the distribution licensee shall be made as per the technical standards for connectivity of distributed generated resources regulation's .as may be notified by the competent authority. The interconnection of the rooftop solar system shall be as per the contracted load and / or respective voltage level applicable to the Purchaser as per the provisions of the guidelines issued by the competent authority.
- (f) Health and Safety: The Power Producer shall take all necessary and reasonable safety precautions with respect to providing the installation Work, Solar Power, and System Operations that shall comply with all Applicable Law pertaining-to the health and safety of persons and real and personal property.

# 8.2 **Power Producer's Representatives**

During the subsistence of this Agreement, the Power Producer undertakes to respond to all questions, concerns and complaints of the Purchaser regarding the System in a prompt and efficient manner. The Power Producer designates the following individual as its representative pertaining to performance of this Agreement till the Commercial Operation Date:

Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

The Power Producer designates the following individuals as its representative and primary point of contact pertaining to performance of this Agreement following the Commercial Operation Date till termination:

Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email:\_\_\_\_\_

## 8.3 Purchaser's Covenants

Purchaser covenants and agrees to the following:

- (a) Notice of Damage or Emergency: Purchaser shall (a) promptly notify the Power Producer if it becomes aware of any damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System;
  (b) immediately notify the- Power Producer once it becomes aware of any event or circumstance that poses an imminent risk to human health, the environment, the System or the Premises.
- (b) Liens: Purchaser shall not directly or indirectly cause, create, incur, assume or suffer to exist any Liens on or with respect to the System or any interest therein. If Purchaser breaches its obligations under this Clause, it shall immediately notify the Power Producer in writing, and shall promptly cause such Lien to be discharged and released of record without any cost to the Power Producer, and shall indemnify the Power Producer against all costs and Page 40 of 93

expenses (including reasonable attorneys fees and court costs) incurred in discharging and releasing such Lien.

- (c) Consents and Approvals: Purchaser shall ensure that any authorizations required of Purchaser under this Agreement, including those required for installation of System at the Premises and to drawl consume Solar Power are provided in a timely manner. The Purchaser shall cooperate with the Power Producer to obtain such approvals, permits, rebates or other 'financial incentives.
- (d) Access to Premises Grant of License: Purchaser hereby grants to the Power Producer a license co-terminus with the Term, containing all the rights necessary for the Power Producer to use portions of the Premises for the installation, operation and maintenance of the System pursuant to the terms of this Agreement, including ingress and egress rights to the Premises for the Power Producer and its employees and authorized representatives and access to electrical panels and conduits to interconnect or disconnect the System with the Premises electrical wiring with the consent and approval of the Purchaser's authorized representative identified by the Purchaser. Photo IDs will be provided by the Power Producer. Power Purchaser will assist in availing permissions to the site.
- (e) Security: The building which has enhanced security of Solar Power System Purchaser will keep the premises locked. Inspite of these measures, if any damages to the System takes place due to theft or vandalism then the same shall be claimed or reimbursed through insurances by Power producer. In case of theft and vandalism acts, the Purchaser will assist the Power Producer in procedures of filing FIRs, insurance claims and any other related activities. Whenever, the damages to the System occurs (except due to negligence of Power Producer) then the same shall be jointly assessed by both the Parties and a severity level will be decided, which will further decide the duration offered to the Power Producer to correct the damage, and the Power Producer Page 41 of 93

shall he paid the amount on the basis of 'Deemed generation' for such a period. Power Producer shall be entitled to any insurance proceeds received for damages in this clause. Purchaser will not conduct activities on, in or about the Premises that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting the System. If System is damaged due to any such activity or through any other agency contracted by the Purchaser directly or indirectly, such damage will be borne by the Purchaser.

- (f) Regardless of whether Purchaser is owner of the Premises or leases the Premises from a landlord, Purchaser hereby covenants that (a) the Power Producer shall have access to the Premises and System during the Term of this Agreement, and (b) neither Purchaser nor Purchaser's landlord will interferer or handle any of the Power Producer's equipment or the System without written authorization from the Power Producer.
- (g) **Temporary storage space during installation :** Purchaser shall provide sufficient space at the Premises for the temporary storage and. staging of tools, materials and equipment and for the parking of construction crew vehicles and temporary Construction, trailers and facilities reasonably necessary during the Installation Work, System Operations and access for rigging and material handling.
- (h) Sunlight Easements: Purchaser will take all reasonable actions as necessary to prevent other building, structures or flora from overshadowing or otherwise blocking access of 'sunlight to the System, including but not limited to-such actions as may be reasonably necessary to obtain a solar access easement for such purpose.
- (i) Evacuation Purchaser shall off take 100% of the Solar Power generated from the Delivery Point, and pay all invoices raised by the Power Producer under this Agreement by the 'Due Date and pay interest on delayed payments, Page 42 of 93

if any, as per this Agreement.

- (j) Water Power Purchaser at zero cost shall arrange Raw Water at a given point as per the requirements of the Power Producer, for periodic cleaning of the solar panels (\_\_\_\_\_ liters - twice a month).
- (k) Auxiliary Power The Purchaser shall provide sufficient auxiliary power to the Power Producer for the maintenance and operation of its system, if available and possible, at the rate Purchaser is paying to the DISCOM.
- (1) Relocation If one or more of the Solar Power Plant panels needs to be temporarily moved or its generation suspended, for any other reason requested by the Power Purchaser, the Power Purchaser will be responsible for pre-agreed costs on actuals only, arising from moving, disassembling and re-installing/ commissioning the Solar Power Plant, as agreed between the Parties. The Power Producer will be responsible for providing detailed documentary proof of the actual pre-agreed costs borne for such relocation/disassembling. Within 30 days of these satisfactory documents being provided by the Power Producer, the Purchaser shall reimburse these pre-agreed expenses in full, and delayed payment beyond the date mentioned above will attract Late Payment charges as described in Clause 7.6. During any interruption in generation during such relocation, during the period of interruption, for the affected Solar Power Plant(s).

# 9 Representations & Warranties

9.1 Representations and Warranties Relating to Agreement Validity In addition to any other representations and warranties contained in the Agreement, each Party represent and warrants to the other that:

- (a) It is duly organized and validly existing and in good standing in the jurisdiction of its incorporation;
- (b) It has the full right and authority to enter into, execute, deliver, and perform its obligations under the Agreement.
- (c) It has taken all requisite corporate or other action to approve the execution, delivery, and performance of the Agreement;
- (d) The Agreement constitutes its legal, valid and binding obligation enforceable against such Party in accordance with its terms;
- (e) There is not litigation, action, proceeding or investigation pending or, to the best of its knowledge, threatened before any court or other Governmental Authority by, against, affecting or involving any of it's business or assets that could reasonably be expected to adversely affect its ability to carry out the transactions contemplated herein; and
- (f) Its execution and performance of the Agreement and the transactions contemplated hereby do not constitute a breach of any term or provision of, or a default under (i) any contract or agreement to which it or any of its Affiliates is a party or by which it or any of its Affiliates or its or their property is bound, (ii) its organizational documents, or (iii) any Applicable Laws.

## 10 Taxes and Governmental Fees

#### 10.1 Purchaser obligations

Purchaser shall pay for any taxes, fees or charges imposed or authorized by any Governmental Authority in future (as on date no such taxes/fees/charges are being Page 44 of 93 levied) on sale of the Solar Power to Purchaser pursuant to clause 7. The Power Producer shall notify Purchaser in writing with a detailed statement of such amounts, which shall be invoiced by the Power Producer in the monthly bills and payable by Purchaser. Purchaser shall timely report, make filings for, and pay any and all sales, use, income or other taxes, and any other amounts assessed against it due to its purchase of the Solar Power. This Section10.1 excludes taxes specified in Section 10.2.

#### **10.2** Power Producer Obligations

The Power Producer shall be responsible for all income taxes and any and all franchise fees or similar fees assessed against it due to its ownership of the System. The Power Producer shall not be obligated for any taxes payable by or assessed against Purchaser based on or related to Purchasers overall income or revenues.

#### **11** Force Majeure

#### 11.1 Definition

"Force Majeure Event" means any act or event that prevents the affected Party from performing its obligation in accordance with the Agreement, if such act or event is beyond the reasonable control of the affected Party and such Party had been unable to overcome such act or event with the exercise of due diligence (including the expenditure of reasonable sums). Subject to the foregoing conditions, "Force Majeure Event" shall include without limitation the following acts or events: (i) natural phenomena, such as storms, hurricanes, floods, lightning, volcanic eruptions and earthquakes; (ii) explosions or fires arising from lighting or other causes unrelated to the acts or omissions of the Party seeking to be excused from performance; (iii) acts of war or public disorders, civil disturbances, riots, insurrection, sabotage, epidemic, terrorist acts, or rebellion. A Force Majeure Event shall not be based on the economic hardship of either Party. In case of any damage because of force majeure event, the System shall be repaired / commissioned at its own cost by the Power Producer.

11.2 Excused Performance: Except as otherwise specifically provided in theAgreement, neither Party shall be considered in breach of the Agreement or liable for any delay or failure to comply with the Agreement, if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event; provided that the Party claiming relief under this Section 11 shall immediately (i) notify the other Party in writing of the existence of the Force Majeure Event, (ii) exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, (iii) notify the other Party in writing of the cessation or termination of said Force Majeure Event and (iv) provided, however, that Purchaser shall not be excused from making any payments and paying any unpaid amounts due in respect of Solar Power delivered to Purchaser prior to the Force Majeure Event performance interruption.

#### **11.3** Termination as a Consequence of Force Majeure Event

If a Force Majeure Event shall have occurred that has affected the Power Producer's performance of its obligations hereunder and that has continued for a continuous period of one hundred eighty (180) days, then Purchaser shill be entitled to terminate the Agreement and if such Force Majeure Event continues for further ninety (90) days period, the Agreement shall automatically terminate. Upon such termination for a Force Majeure Event, neither Party shall have any liability to the other (other than any such liabilities that have accrued prior to such termination).

#### 12 Default

#### **12.1** Power Producer Defaults and Power Purchaser Remedies

(a) Power Producer Defaults: The following events shall be defaults with respect to the Power Producer (each, a "Power Producer Default").
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- (i) An Insolvency Event shall have occurred with respect to the Power Producer;
- (ii) Failure to achieve Commissioning of the System within the period as per RFS document; and
- (iii) The Power Producer breathes any material term of the Agreement and
  - (A) if such breach can be cured within sixty (60) days after Purchaser's written notice of such breach and the-Power Producer fails to cure the same; or (B) the Power Producer fails to commence and pursue a cure within such sixty (60) days period if a longer cure period is needed.

### (b) Purchaser's Remedies:

- (i) If a Power Producer Default described in Section 12.1 (a) has occurred and is continuing, in addition to other remedies expressly provided herein, and subject to Section 13, Purchaser shall have a right to deliver a notice of its intention to terminate this Agreement ("Purchaser Preliminary Default Notice"), which shall specify in reasonable detail, the circumstances giving rise to the issue of such notice.
- (ii) Upon the occurrence and continuation of Power Producer Default and the failure by the Power Producer to cure such default within the applicable cure period specified in this Article; the Purchaser shall be at liberty avail the services of any other firm / successful bidder.
- (iii) Following the issue of Purchaser Preliminary Default Notice, 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 Power

Producer's Default having regard to all the circumstances: If the Power Producer Default is not cured within a period of sixty (60) days of the issue of Purchaser Preliminary Default Notice or any other such period mutually agreed upon by the Parties, the Purchaser shall have the right to terminate this Agreement by issuing a Purchaser Termination Notice.

- (iv) Upon the delivery of the Purchaser Termination Notice, this Agreement shall stand terminated. The Power Producer shall have the liability tomake payment within sixty (60) days from the date of Purchaser Termination Notice towards compensation to Purchaser equivalent to the difference between the Tariff and the grid rate notified by the relevant Government Authority for that point in time multiplied by the estimated Solar Power generated for a period of two years following the termination, considered on normative capacity utilization factor.
- (v) if the Power Producer fails to remove the System from the Premises within one month from me date of termination, the Purchaser shall be entitled to dispose of the System in any manner it deems fit.
- (vi) The Power Purchaser may exercise any other remedy it may have at law or equity or under the Agreement.

### 12.2 Power Purchaser Defaults and Power Producer's Remedies

- (a) Purchaser Default : The following events shall be defaults with respect to Purchaser (each, a "Purchaser Default")
- (i) An Insolvency Event shall have occurred with respect to Purchaser;
- (ii) Purchaser breaches any material term of the Agreement if (A) such breach can be cured within sixty (60) days after the Power Producer's notice of such breach and Purchaser fails to so Cure, or (B)
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Purchaserfails to commence and pursue said cure within such sixty (60) day period if a longer cure period is needed; and

- (iii) Pin-chaser-fails to pay the Power Producer any undisputed amount or, if the amount is disputed, an amount based on average consumption of last three consecutive undisputed invoices to the Power Producer under Section 7.7 of this Agreement within sixty (60) days from the receipt of notice from the Power Producer of such past due amount
- (b) Power Producer's Remedies: If a Purchaser Default described in Sections 12.2 (a) has occurred and is continuing, in addition to other remedies expressly provided herein, and subject to Section 13, the Power Producer shall be entitled to terminate this Agreement by serving a fifteen (15) days' notice and upon such termination, (A) the Power Producer shall be entitled to receive from Purchaser the Purchase Price. The Purchase Price payable shall be the Purchase Price Specified in Schedule III that falls on such date. Upon the payment of the Purchase Price, the Power Producer shall cause the title of the System to transfer to the Purchaser and (b) the Power Producer may exercise any other remedy it may have at law or equity or under the Agreement.

# **13** Limitations of Liability

- 13.1 Except as expressly provided herein, neither Party shall be liable to the other Party or its Indemnified Persons for any special, punitive, exemplary, indirect, or consequential damages, losses or damages for lost revenue or lost profits, whether foreseeable or not, arising out of, or in connection with the Agreement.
- 13.2 Subject to the provisions of the Agreement, the Power Producer shall be solely

responsible for the manner in which its obligations under this Agreement are to be performed. All employees and representatives of the Power Producer, or contractors engaged by the Power producer in connection with Power Producer and shall not be deemed to be employees, representatives, contractors of the Purchaser Nothing contained in the Agreement or in any agreement or contract executed by the Power Producer shall be construed to create any contractual relationship between any such employees, representatives or contractors and the Purchaser.

13.3 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 Purchaser can claim compensation under any insurance policy, shall not be charged to or payable by the Purchaser

#### 14 Assignment & Novation

14.1 Assignment: Notwithstanding anything contained herein, the Power Producer has the right to assign all or any of its rights under this Agreement (including rights over any assets hereunder), to any third party including, though not restricted to any lender, equipment lessor or other party("Assignment"), with the consent of the Power Purchaser. The Power Purchaser shall not unreasonably withhold such consent. In the event of such assignment, the Purchaser will be able to hold the Power Producer as well as the party to whom the benefits under this contract are assigned, to be jointly and severally responsible for performing the obligations under this contract. Further, in the event of assignment, the Purchaser agrees to make the payments due to the Power Producer under this agreement, directly to the assignee, upon receipt of such notice by the Power Producer. If the Power Producer were to sell the Solar Power Plant, then the new buyer(s) would need to abide by this Agreement. Further, the Power Producer reserves the right to assign whole or part of the assets to lenders/ leasing companies. Purchaser may assign its Page 50 of 93

rights under this Agreement, without the prior consent of Power Producer, to an Affiliate or any successor in interest to Purchaser, whether by way of merger, reorganization or sale of assets (including any sale of a line of business). This Agreement shall insure to the benefit of and be binding upon Purchaser and its successors or assigns. However, any such actions as intended by the Power Producer under Article 14.1 and Article 14.2 shall be binding on Power Purchaser ,if there are zero material inconsistencies present in the contract provisions during the time of assignment/novation, else, it shall be construed as default in contract and appropriate actions shall be taken as deemed fit.

14.2 **Novation:** The Parties agree and acknowledge that the Power Producer may intend to novate the Agreement to a party, and has the right to transfer any or all of its rights and obligations under this Agreement to a party or any other third party ("New Party"), with the consent of the Power Purchaser. The Power Purchaser shall not unreasonably withhold such consent. Upon Novation, the New Party shall automatically and without any further action be entitled to all the same rights and assume the same obligations, under this Agreement, as if it were originally a party to this Agreement. Further, the Purchaser hereby agrees and undertakes that, promptly upon receiving a request from the Power Producer, the Purchaser shall execute such further writings, deeds and/or agreements and take all such further actions as may be necessary for effecting or implementing the transfer of any or all of the Power Producer's rights and/or obligations under this Agreement to the New Party. If the parties agree to do Novation then separate Novation agreement shall be executed.

#### 14.3 Notices

Unless otherwise provided in the Agreement, all notices and communications concerning the Agreement shall be in writing and addressed to the Parties at Page **51** of **93** 

the addresses set forth below:

Power Producer's address and contact details:

Purchasers address and contact details:

# 14.4Notice

Unless otherwise provided herein, any notice provided for in the Agreement shall be hand delivered, sent by registered post, or by courier delivery, or transmitted by facsimile and shall be deemed delivered to the addressee or its office when received at the address for notice specified above when hand delivered or sent toy courier delivered or sent by courier delivery, upon posting if sent by registered post and upon confirmation of sending when sent by facsimile on the next Business Day.

## 15. Confidentiality

- 15.1 Confidentiality obligation
  - (a) If the Power Producer provides confidential information, including business plans, strategies, financial information, proprietary, patented,

licensed, copy righted or trademarked information, and / or technical information regarding the, design, operation and maintenance of the System ("Confidential Information") to Purchaser or, if in the course of performing under the Agreement or negotiating the Agreement Purchaser learns Confidential Information regarding the facilities or plans of the Power Producer, Purchaser shall (a) protect the Confidential information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (b) refrain from using such Confidential Information, except in the negotiation and performance of the Agreement. Notwithstanding the above, Purchaser may provide such Confidential Information to its officers, directors, manager, employees and Affiliates (collectively "Representatives"), in each case whose access is reasonably necessary for purposes of the Agreement. Each such recipient of confidential information shall be informed by Purchaser of its confidential nature and shall be directed to treat such information confidentially and shall agree to abide by these provisions. Purchaser shall be liable for any breach of this provision by any entity to whom it improperly discloses Confidential Information. All Confidential Information shall remain the property of the Power Producer and shall be returned to. It after Purchaser's need for it has expired or upon the request of the Power Producer.

(b) If the Purchaser provides confidential information, including business plans, strategies, financial information, proprietary, patented, licensed, copy righted or trademarked information, ("Confidential Information") to the Power Producer or, if in the course of performing under the Agreement or negotiating the Agreement the Power Producer learns Confidential Information regarding the facilities Or plans of the Purchaser, the Power Producer shall (a) protect the Confidential Information from disclosure to third parties with the same degree of Page 53 of 93

care accorded its own confidential and proprietary information, and (b) refrain from using such Confidential Information, except in the negotiation and performance of the Agreement. Notwithstanding the above, the Power Producer may provide such Confidential Information to its officers, directors, managers, employees and Affiliates (collectively, "Representatives"), in each case whose access is reasonably necessary for purposes of the Agreement. Each such recipient of Confidential Information shall be informed by the Power Producer of its confidential nature and shall be directed to treat such information confidentially and shall agree to abide by these provisions. The Power Producer shall be liable for any breach, of this provision by any entity to whom it improperly discloses Confidential Information. All Confidential Information shall remain the property of the Purchaser and shall be returned to it after the Power Produce's need for it has expired or upon the request of the Purchaser.

#### 15.2 Permitted Disclosures

Notwithstanding any other provision contained herein, neither Party shall be required to hold confidential any information that;

- (a) Becomes publicity available other than through the receiving Party.
- (b) Is required to be disclosed under Applicable Law or pursuant to a validity issued notice or required filling, but a receiving Party subject to any such requirement shall promptly notify the disclosing Party of such requirement
- (c) Is independently developed by the receiving Party ; or
- (d) Becomes available to the receiving Party without restriction from a Page 54 of 93

third party under no obligation of confidentiality..

### 16 Indemnity

### 16.1 Power Producer's Indemnity

Subject to Section 13, the Power Producer agrees that it shall indemnify and hold harmless Purchaser and its members, officers, employees, students, casual laborers, persons permitted' to run any business or service, such as canteens, stores, photocopy units, banks, post office, courier service, hospital and to any lawful visitors (collectively, the "Purchaser Indemnified Parties") from and against any and all Losses incurred by the Purchaser Indemnified Parties to the extent arising from or out of the following any claim for or arising out of any injury to Or death of any Person or Loss or damage to Property of any Person to the extent arising out of the Power Producer's negligence or willful misconduct. The Power Producer shall not, however, be required to reimburse or indemnify any Purchaser Indemnified Party for any Loss to the extent such Loss is due to the negligence or willful misconduct of any Purchaser indemnified Party.

### 16.2 Purchaser's Indemnity

Subject to Section 13, Purchaser agrees that it shall indemnity, defend and hold harmless the Power Producer, its permitted successors and assigns and their respective directors, officers, employees, contractors, sub-contractors, and agents (collectively, the "Power Producer indemnified Parties") from and against any and all Losses incurred by the Power Producer Indemnified Parties to the extent arising from or out of any claim for or arising out of any injury to or death or any Person or loss or cl6mage to property of any Person to the extent arising out of Purchaser's negligence or willful misconduct. Purchaser shall not, however, be required to reimburse or indemnify any rowel Producer Indemnified Party for any Loss to the extent such Loss is due to the negligence or willful misconduct of any Power Producer Indemnified Party for 30 Power Producer Indemnified Party For 30

Party.

### 17. Miscellaneous

### 17.1 Amendments

This Agreement may only be amended, modified or, supplemented by an instrument in writing executed by duly authorized representatives of the Power Producer and Purchaser.

### 17.2 Goodwill and Publicity

Neither Party shall use any name, trade name, service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of such other Party. The Parties shall coordinate arid 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 publicity releases or other public statements (except for fillings or other statements or releases as may be required by applicable law) 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 or obtained, all public statements must accurately reflect the rights and obligations of the Parties under this Agreement.

### 17.3 Industry Standards

Except as otherwise set forth herein, for the purpose of the Agreement, the normal standards of performance within the solar photovoltaic power generation Industry in the relevant market shall be the, measure of whether a Party's performance is reasonable and timely. Unless expressly defined herein, words having well-known Page 56 of 93

technical or trade meanings shall be so construed.

### **17.4 Cumulative Remedies**

Except as set forth to the contrary herein, any right or remedy of the Power Producer or Purchaser shall be cumulative and without prejudice to any other right or remedy.

### 17.5 No Waiver

The failure of the Power Producer or Purchaser to enforce any of the provisions of the Agreement, or the waiver thereof, shall not be construed as a general waiver or relinquishment on its part of any such provision in any other instance or of any other provision in any instance.

### 17.6 Survival

The obligations under Section 8:1 (d) (Power Producer Covenant), Sections 8.3(d), (e), (f) and (g) (Purchaser Covenants), Section 10 (Taxes and Governmental Fees), Section 13 (Limitation of Liability) Section 12.2 (Notices), Section 15 (Confidentiality), or pursuant to other provisions of this Agreement that, by their nature and context, are intended to survive. Termination of this Agreement shall survive the expiration or termination of this Agreement for any reason.

### 17.7 Governing Law & Jurisdiction

- (a) This Agreement shall be governed by and construed in accordance with the laws of India. The Parties agree that the courts in Delhi shall have jurisdiction over any action or proceeding arising under the Agreement.
- (b) In the event of any Dispute, difference of opinion or dispute or claim arising out of or relating to this Agreement or breach, termination or the Page 57 of 93

invalidity thereof, shall firstly be attempted to be resolved by conciliation. Any Dispute that cannot be settled through conciliation procedure shall be referred to arbitration in accordance with the procedure given below. The Parties agree to comply with the awards resulting from arbitration and waive their rights to any form of appeal insofar as such waiver can validly be made. Cost of conciliation shall be equally shared by both the parties.

### (c) Arbitration Procedure:

#### **Settlement of Dispute :**

If any dispute of any kind whatsoever arises between Purchaser and Power Producer in connection with or arising out of the contract including without prejudice to the generality of the foregoing, any question regarding the existence, validity or termination, the parties shall seek to resolve any such dispute or difference by mutual consent.

If the parties fail to resolve, such a dispute or difference by mutual consent, within 45 days of its arising, then the dispute shall be referred by either party by giving notice to the other party in writing of its intention to refer to arbitration as hereafter provided regarding matter under dispute. No arbitration proceedings will commence unless such notice is given. Any dispute in respect of which a notice of intention to commence arbitration has been given in accordance with Sub Clause\_\_\_\_\_, shall be finally settled by arbitration.

# In case the Contractor (Power Producer) is a Public Sector Enterprise or a Government Department:

In case the Contractor is a Public Sector Enterprise or a Government Department, the dispute shall be referred for resolution in Permanent Machinery for Arbitration (PMA) of the Department of Public Enterprise, Page 58 of 93 Government of India. Such dispute or difference shall be referred by either party for Arbitration to the sole Arbitrator in the Department of Public Enterprises to be nominated by the Secretary to the Government of India incharge of the Department of Public Enterprises. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Government of India. Upon such reference the dispute shall be decided by the Law Secretary or the Special Secretary / Additional Secretary, when so authorized by the Law Secretary, whose decision shall bind the Parties finally and conclusive. The Parties to the dispute will share equally the cost of arbitration as intimated by the Arbitrator.

# In All Other Cases

In all other cases, any dispute submitted by a party to arbitration shall be heard by an arbitration panel composed of three arbitrators, in accordance with the provisions set forth below.

The Purchaser and the Power Producer shall each appoint one arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the two arbitrators do not succeed in appointing a third arbitrator within Thirty (30) days after the later of the two arbitrators has been appointed, the third arbitrator shall, at the request of either party, be appointed by the Appointing Authority for third arbitrator which shall be the President, Institution of Engineers.

If one party fails to appoint its arbitrator within thirty (30) days after the other party has named its arbitrator, the party which has named an arbitrator may request the Appointing Authority to appoint the second arbitrator. If for any reason an arbitrator is unable to perform its function, the mandate of the Arbitrator shall terminate in accordance with the provisions of applicable laws as mentioned in Clause \_\_\_\_\_ (Governing Law) and a substitute shall be appointed in the same manner as the original arbitrator.

Arbitration proceedings shall be conducted with The Arbitration and Conciliation Act, 1996. The venue or arbitration shall be New Delhi.

The decision of a majority of the arbitrators (or of the third arbitrator chairing the arbitration panel, if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction as decree of the court. The parties thereby waive any objections to or claims of immunity from such enforcement.

The arbitrator(s) shall give reasoned award.

Notwithstanding any reference to the arbitration herein, the parties shall continue to perform their respective obligations under the agreement unless they otherwise agree.

Cost of arbitration shall be equally shared between the Power Producer and Purchaser.

# 17.8 Severability

If any term, covenant or condition in the Agreement shall, to arty extent, be invalid or unenforceable in any respect under Applicable Law, the remainder of the Agreement shall not be affected thereby, and each term, covenant or condition of the Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law and if appropriate, such invalid or unenforceable provision shall be modified or replaced to give effect to the underlying intent of the Parties and to the intended economic benefits of the Parties.

#### 17.9 Successors and Assigns

This Agreement and the rights and obligations under the Agreement shall be binding upon and shall inure to the benefit of the Power Producer and Purchaser and their respective successors and permitted assigns.

### 17.10 Counterparts

This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument.

### 17.11 Independent Service Provider

This Agreement is on a principal to principal basis between the parties hereto Nothing contained in tills Agreement shall be construed or deemed to create any association, partnership or joint venture or employer employee relationship or principal-agent relationship in any manner whatsoever between the Parties

#### **17.12** Non-Exclusive Agreement

This Agreement is on non-exclusive basis. The Purchaser is free to engage any other service provider's or may entrust services similar to those provided by the Power Producer under this Agreement to any other person/s, provided the Power Producer's rights under this Agreement are not affected in any manner

### **17.13 Entire Agreement**

This Agreement constitutes the entire agreement between the Parties hereto with respect of 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. The Schedules annexed to this Agreement also Page **61** of **93** 

form a part of this Agreement.

# 17.14 Insurance

The Power Producer shall maintain at its own costs, throughout the tenure of this Agreement and any extensions thereof all mandatory insurance coverage for adequate amount including but not restricted to comprehensive general liability insurance including theft and vandalism, covering the System and accidental losses, bodily harm, injury, death of all individuals employed/ assigned by the Power Producer to perform the services required under this Agreement.

17.15 Annual accounts reconciliation shall be conducted annually between the Power Producer and Purchaser.

# **17.16 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. The Schedules annexed to this Agreement also form a part of this Agreement.

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

FOR & ON BEHALF OF		FOR	& ON BEHALF OF
		POWER	
THE PRESID	DENT OF INDIA	PRODUCER	
Signature:		Signature:	
Name:		Name:	
Designation:		Designation:	

V	VITNESSES			WITNESSES	
1)	Signature:	1)	)	Signature:	
	Name:			Name:	
	Designation:			Designation:	

2)	Signature:	2)	Signature	
	Name:		Name	
	Designation:		Designation	

# SCHEDULE-I

Description of the Premises:

Premises Overview	
Segment	
Type of Roof	
Hours of Operation	
Security	
	Capacity and Area Requirement
Capacity	kWp
Module Area	sqrmtr (PV System)
Number of Building	
Roofs	
Capacity	
Distribution	

# SCHEDULE II

# FEES

Following are the details of the tariff agreed between the parties.

Purchase shall pay power producer for solar power at the rate equal to INR \_\_\_\_/kWh which is the levelized tariff as per <NAME OF EXPERT PSU> allocation. Year wise tariff is as follows;

Year 1Year 2Year 3Year 4Year 5Year 6Year 7Year 8Year 9Year 10Year 11Year 12Year 13Year 14Year 15	<b>TT</b> -	
Year 3Year 4Year 5Year 6Year 7Year 8Year 9Year 10Year 11Year 12Year 13Year 14		
Year 4Year 5Year 6Year 7Year 8Year 9Year 10Year 11Year 12Year 13Year 14	Year 2	
Year 5Year 6Year 7Year 8Year 9Year 10Year 11Year 12Year 13Year 14	Year 3	
Year 6Year 7Year 8Year 9Year 10Year 11Year 12Year 13Year 14	Year 4	
Year 7Year 8Year 9Year 10Year 11Year 12Year 13Year 14	Year 5	
Year 8Year 9Year 10Year 11Year 12Year 13Year 14	Year 6	
Year 9Year 10Year 11Year 12Year 13Year 14	Year 7	
Year 10Year 11Year 12Year 13Year 14	Year 8	
Year 11       Year 12       Year 13       Year 14	Year 9	
Year 12 Year 13 Year 14	Year 10	
Year 13 Year 14	Year 11	
Year 14	Year 12	
	Year 13	
Year 15	Year 14	
	Year 15	
Year 16	Year 16	

Year 17	
Year 18	
Year 19	
Year 20	
Year 21	
Year 22	
Year 23	
Year 24	
Year 25	

The fees and payment details are provided in detail under clause 7 of this agreement.

# **SCHEDULE III**

The following is the purchase value of the system over a period of 25 years. This may be applicable under the following conditions.

- 1. The Power Purchaser terminates the PPA before the 25 years PPA Tenure
- 2. The Power Purchaser wishes to own the Project before the Tenure of the PPA.
- 3. The Solar Project is relocated or shifted owing to demolition of the Building, damage to the building, change of city plans or any other mason.

The Price reference taken for calculating the total cost of the system is as per RFS rates for the state of \_\_\_\_\_ has used the CERC guidelines for arriving at the Project cost.

Year of Term ( End of Year)	Calendar Year	Purchase Price in Crores ( Rs)
1		
2		
3		
4		
5		
6		
7		
8		

9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
L	1	1

# **SCHEDULE IV**

	Project :	kW	Vp Solar On-Grid Power P	roject
	Location :	New Delhi		
			Design Criteria	
	Expected Ye	arly Energy Ge	eneration Sheet	
End of	Yearly I	Degradation	Global incident in	Energy injected
Year	'MWh' (	Modules &	coll. Plane (GlobInc)	into grid (E_Grid)
	Sy	vstem)	'kWh/Sq.mtr' Yearly	'MWh' Yearly 'A'

Client :	Degradation consider in PV	
	system generation data	
1.	1.0%	
2.	1.0%	
3.	1.0%	
4.	1.0%	
5.	1.0%	
6.	1.0%	
7.	1.0%	
8.	1.0%	
9.	1.0%	

10.	1.0%	
11.	1.0%	
12.	1.0%	
13.	1.0%	
14.	1.0%	
15.	1.0%	
16	1.0%	
17	1.0%	
18	1.0%	
19	1.0%	
20	1.0%	
21	1.0%	
22	1.0%	
23	1.0%	
24	1.0%	
25	1.0%	

# SCHEDULE V

# **Government approvals**

1. To be obtained by the power producer

All approvals including approvals/consents required under local regulations, building codes and approvals required from the distribution utility etc. relating to installation and operation of the system (including the government incentives/subsidies available for the project) and generation and supply of solar power from the Project.

2. To be obtained by Power Purchaser

Any authorizations required of purchaser, including those required for installation of system at the premises. Permissions and coordination with DISCOM or any related organization for NET METERING. Power Purchaser will apply for net metering and bear the cost of net meter only.

### **REMAINDER OF THE PAGE IS INTENTIONALLY LEFT BLANK**

Purchase Price forkWp system @ Rs/- Watt.		
Year	Year Salvage Value (Rs.)	
1st year		
2nd year		

3rd year	
4th year	
5th year	
6th year	
741	
7th year	
8th year	
9th year	
, sur your	
10th year	
11th year	
12th second	
12th year	
13th year	
14th year	
15th year	
16th year	

12th year	
13th year	
14th year	
15th year	
16th year	
17th year	
18th year	
19th year	
20th year	
21th year	
23rd year	
24th year	
25th year	

# **SCHEDULE VI**

RFS

# ANNEXURE-I

# **BANK DETAILS**

NAME OF THE BENEFICIARY:

PRINCIPAL PLACE OF BUSINESS&ADDRESS:

NAME OF THE BANK:

BANK ADDRESS:

BANK ACCOUNT NO:

TYPE OF BANK ACCOUNT - SB/CA/CC:

IFSC/NEFT/RTGS CODE:

MICR CODE:

PAN CARD NO:

PHONE NO./FAX NO. WITH STD CODE:

EMAIL ID OF CONTACT PERSON:

# ENGINEERING, PROCUREMENT & CONSTRUCTION (EPC) AGREEMENT BETWEEN CONTRACTORS

# AND

# GOVERNMENT ORGANIZATION, PSU AND OFFICES FOR

# DESIGN, MANUFACTURE, SUPPLY, ERECTION, TESTING AND COMMISSIONING INCLUDING WARRANTY, OPERATION & MAINTENANCE OF GRID CONNECTED AND OFF-GRID ROOF-TOP SOLAR PHOTOVOLTAIC AND SMALL SOLAR POWER PLANTS IN CAPEX MODEL

### ENGINEERING, PROCUREMENT & CONSTRUCTION AGREEMENT

This Engineering, Procurement & Construction Agreement (hereinafter referred to as the "Agreement") is entered into on this \_\_\_\_\_(date), at \_\_\_\_\_(Location)BY and BETWEENa company incorporated under the Companies Act, 1956/2013 and having its registered office

\_\_\_\_\_\_(hereinafter referred to as the " **CONTRACTOR**" which expression shall where the context so admits be deemed to include its executors, administrators, representatives and permitted assigns) of the ONE PART;

AND\_\_\_\_\_\_ legal owner of the premises (address of the customer who he/she intend to get installed the GCRT solar PV system, say **Government Organization, PSU and Offices**),(hereinafter referred to as the "CUSTOMER/BENEFICIARY" which expression shall where the context so admits be deemed to include its heirs, executors, administrators, representatives and permitted assigns) of the OTHER PART;

The expressions "CONTRACTOR" and "CUSTOMER/BENEFICIARY", wherever the context so permits or requires shall collectively be referred to as "Parties" and individually as the "Party".

### WHEREAS:

- **A.** CONTRACTOR is a fully integrated solar solutions provider that offers comprehensive solar solutions to governments, corporate houses, villages, industries and other consumers.
- B. CUSTOMER/BENEFICIARY is a <Government Organization, PSU/ Office>
- C. CONTRACTOR has been notified as successful bidder by (<IMPLEMENTING AGENCY/EXPERT PSU>) vide its Letter of Allocation dated \_\_\_\_\_\_ for design, manufacture, supply, erection, testing and commissioning including warranty, operation and maintenance for a period of \_\_\_\_\_ years of roof-top Solar PV System and has been awarded \_\_\_\_\_kW capacity in \_\_\_\_\_.
- **D.** CONTRACTOR and CUSTOMER/BENEFICIARY enter into this Agreement for engineering, procurement & construction of a roof-top Solar PV Power System.

NOW, this Agreement witnessed as follows:

# 1. PURPOSE & SCOPE OF THE AGREEMENT

- 1.1 The purpose of this Agreement includes design, manufacture, supply, erection, testing and commissioning including warranty, operation & maintenance for a period of 5 years of a \_\_\_\_\_KW proof-top Solar PV Power System (hereinafter referred the "Solar **Power** System") for the to as CUSTOMER/BENEFICIARY, (hereinafter cumulatively referred to as the "Works"), for which the CUSTOMER/BENEFICIARY has handed over the premises, which is with a clear title and is encumbrance free, to the CONTRACTOR, along with required approvals from concerned authorities, and the CUSTOMER/BENEFICIARY's entering into this Agreement is proof enough of its consent to start work thereon.
- 1.2 The technical specifications (hereinafter referred to as the "Technical Specifications") that need to be adhered to by the CONTRACTOR in implementing the roof-top Solar PV Plant for the CUSTOMER/BENEFICIARY shall be in accordance with the ones issued by <IMPLEMENTING AGENCY/EXPERT PSU> vide RfS / Tender No.\_\_\_\_\_\_dated\_\_\_\_\_ and the performance parameters (hereinafter referred to as the "Performance Parameters") that shall govern the Scope of Duty of the CONTRACTOR regarding the Works for the CUSTOMER/BENEFICIARY are mentioned in detail in Schedule 1 to this Agreement.
- 1.3 All the pedestals meant for mounting the modules must be casted on the lintel by removing the tiles and other loose material in the area where the pedestals are to be casted. The surface of the lintel should be thoroughly cleaned and an adhesive should be applied on the lintel surface before casting the pedestals in order to have strong bonding with the lintel. After casting of the pedestals the water proofing material should be applied surrounding the pedestals in order to avoid any water seepage during rainfall.

- 1.4 Contractor shall ensure that SPV modules, parts of MS structures, other hardware like nuts, bolts and grouting hardware etc., are not loosely scattered over the terrace of a building. These items must be securely stored in an enclosed room where they cannot be affected by winds or such loose materials must be tied properly. Further, Successful bidder shall ensure that rooftop Solar PV system should be designed and installed in such a way that its performance should not be affected due to the problem of water logging at site etc.
- 1.5 The design, engineering, manufacture, supply, installation, testing and performance of the equipment shall be in accordance with latest appropriate IEC/Indian Standards as detailed in the relevant MNRE's scheme. Where appropriate Indian Standards and Codes are not available, other suitable standards and codes as approved by the MNRE shall be used.
- 1.6 Any supplies which have not been specifically mentioned in this Contract but which are necessary for the design, engineering, manufacture, supply & performance or completeness of the project shall be provided by the Bidder without any extra cost and within the time schedule for efficient and smooth operation and maintenance of the SPV plant.

### 2. **EFFECTIVE DATE**

The Agreement will enter into effect from the date of its execution (the "Effective Date") for all contractual obligations under this Agreement.

### 3. NON DISCLOSURE & CONFIDENTIALITY

Any information (whether oral, written, visual or otherwise, hard or soft copy as may be provided by either Parties, provided the same is reduced in writing immediately and marked and identified as confidential information) disclosed or made known by the Parties to each other, shall be considered "**Confidential Information**" unless otherwise specified. Both the Parties commit to a strict maintenance of confidentiality, of any information shared by either of the Parties. Any confidential information shared as a result of this Agreement shall remain in force until that particular Confidential Information falls into the public domain through no act or omission on part of the Parties or for a period of two (2) years from the last disclosure, whichever is later.

# 4. **COMPLETION PERIOD**

The completion period of the project shall be \_\_\_\_\_\_ from receipt of sanction letter from <IMPLEMENTING AGENCY/EXPERT PSU>

# 5. **PAYMENT TERMS**

- 5.1 In consideration of the completion of Works, the CUSTOMER/BENEFICIARY shall pay to CONTRACTOR the Contract Price in Indian Rupee (INR). The "**Price**" shall mean the total of the Price for completion of Works including the price for operation and maintenance of the Solar Power System, as mentioned in detail in **Schedule 2** to this Agreement.
- 5.2 For any extra work beyond CONTRACTOR's scope, the same is payable additionally by the CUSTOMER/BENEFICIARY
- 5.3 In case of any statutory variations in the rate of applicable taxes and duties or imposition of new taxes & duties, including, but not limited to anti-dumping duties, during the tenure of the Agreement, which will impact the Contract Price, the same shall be borne by the CUSTOMER/BENEFICIARY

### 6. WARRANTIES

- 6.1 In case of CUSTOMER/BENEFICIARY being a company, it warrants to the CONTRACTOR as follows:
  - (a) it is a company duly incorporated under the laws of India, and it has all corporate powers and has applicable governmental approvals, if any, required to own the Site and to carry on its business as now conducted and is duly qualified to do business in the jurisdiction where it operates;
  - (b) It has the full legal right, capacity and authority to enter into this Agreement and this Agreement constitutes a legal, valid and binding obligation on it; and,
  - (c) It has the corporate power and authority to execute and deliver the terms and provisions of this Agreement and has taken all necessary corporate action to authorize the execution and delivery by it of this Agreement and the transactions contemplated hereby.
- 6.2 The CONTRACTOR hereby warrants to the CUSTOMER/BENEFICIARY that the Scope of Work as executed by the CONTRACTOR shall be of good workmanship for a period of 5 years from Acceptance. During the period of 5 years from the date of completion of work (**"Warranty Period"**) the CONTRACTOR shall rectify any part of the Works done found defective due to faulty materials and workmanship, for reasons solely attributable to the CONTRACTOR.
- 6.3 The CONTRACTOR will obtain manufacturers' warranties on the PV modules, inverters, as well as other components of the Power System for which

manufacturer's warranties are available, in the name of the CUSTOMER/BENEFICIARY. Up until Acceptance, the CONTRACTOR will exercise any rights under the manufacturers' warranties on behalf of the CUSTOMER/BENEFICIARY.

### 7. FORCE MAJEURE

- 7.1 Force majeure shall mean any cause, existing or future, which is beyond the reasonable control of any of the parties including acts of God, storm, fire, floods, explosion, epidemics, quarantine, earthquake, strike, riot, lock out, embargo, interference by civil or military authorities, acts, regulations or orders of any governmental authority in their sovereign capacity, acts of war (declared or undeclared) including any acts of terrorism.
- 7.2 None of the parties shall be liable for the failure to perform any obligation in terms of this Agreement if and to such extent such failure is caused by a Force Majeure, provided that none of such acts of Force Majeure will relieve the CUSTOMER/BENEFICIARY from meeting its payment obligations.
- 7.3 The party prevented to fulfil its obligations (hereinafter referred to as "**the Affected Party**") by Force Majeure shall notify the other party through written means including fax/email/ post within one week after occurrence and cessation of such Force Majeure and it shall be established by the Affected Party that the Force Majeure had delayed performance of the Affected Party's obligations and services and was beyond the reasonable control of the Affected Party and not due to the default or negligence of the Affected Party.
- 7.4 The periods for performance of this Agreement as agreed upon shall be extended by the periods of delay caused by such Force Majeure, as long as the period of Force Majeure does not last longer than three months.

- 7.5 If a Force Majeure continues for more than three months and the parties are not able to reach an agreement on the continuation of the Agreement within a further term of one month, the fulfilment of the Agreement shall automatically be deemed impossible and shall stand suspended / terminated.
- 7.6 Upon such suspension/termination, the CONTRACTOR shall be entitled to be paid the following amount:
  - a) the amounts payable for the work completed until the date of suspension,
  - of the materials which have delivered b) cost been to CUSTOMER/BENEFICIARY, or of which CONTRACTOR is liable to delivery: this material shall become the accept property of CUSTOMER/BENEFICIARY when paid for by it, and CONTRACTOR shall place the same at CUSTOMER/BENEFICIARY's disposal,
  - c) any other cost or liability, including unamortized cost of materials, which in the circumstances was reasonably incurred by CONTRACTOR in the expectation of completion of the Works,
  - d) demobilization costs of CONTRACTOR personnel and equipment,
  - e) all other costs incurred by CONTRACTOR on account of cancellation of order on such other suppliers.

# 8. INSURANCE

- 8.1 CUSTOMER/BENEFICIARY shall at its expense take out and maintain in effect, or cause to be taken out and maintained in effect, during the performance of the Agreement, the appropriate insurances set forth the sums equivalent to the contract price.
- 8.2 CONTRACTOR shall at its expense take out and maintain in effect or cause to be taken out and maintained in effect, during the construction period, the appropriate insurances for transportation of goods and materials

### 9. SITE ACCESS

- 9.1 The CUSTOMER/BENEFICIARY shall ensure the accuracy of all information and/or data to be supplied by the CUSTOMER/BENEFICIARY and shall be responsible for acquiring and providing legal and physical possession of the Site and access thereto, for preparation and maintenance of proper access roads to, and provide the right of way for, the Site, and for providing possession of and access to all other areas reasonably required for the proper execution of the Agreement, including all requisite rights of way, on or before the Effective Date.
- 9.2 The CUSTOMER/BENEFICIARY is under an obligation to provide access to Site at all times to the CONTRACTOR and to<IMPLEMENTING AGENCY/EXPERT PSU> officials, for the entire life of the Power System.
- 9.3 The progress of Works will be monitored by <IMPLEMENTING AGENCY/EXPERT PSU> and the Power System will be inspected for quality at any time during commissioning or after the completion of the Power System either by officer(s) from <IMPLEMENTING AGENCY/EXPERT PSU> or a team comprising of officers from <IMPLEMENTING AGENCY/EXPERT PSU>, and State Nodal Agency (SNA).

# 10. CUSTOMER/BENEFICIARY OBLIGATIONS

- 10.1 The CUSTOMER/BENEFICIARY must not interrupt the Works, and/or shall abstain from any act or omission of which it can reasonably be expected that it may delay the Works or make the Works more difficult and or expensive for CONTRACTOR. In addition to this, the CUSTOMER/BENEFICIARY alone shall be responsible, at his cost and expenses, for:
  - a) Necessary statutory declaration forms, certificates, way bills, etc. on timely basis as may be required by the CONTRACTOR for movement of the goods to the Site and for claiming the tax or duty benefits on the imported, inter-state and local supplies and the services provided under this Agreementin line with policies in vogue.
  - b) The CUSTOMER/BENEFICIERY &CONTRACTOR shall obtain in a timely and expeditious manner No Objection certificate from the DISCOM

# 11. SITE ADDRESS

The Site address where Works need to be performed to construct the Power System is:

# 12. **PROVISION OF DATA**

The CONTRACTOR shall be under an obligation to provide all data pertaining to Works and Power System for 5 years to <IMPLEMENTING AGENCY/EXPERT PSU>, *inter alia*, about PV array energy production, solar irradiance, wind speed, temperature, etc. The customer/beneficiary as such will allow the CONTRACTOR to install a data logging system for power system monitoring.

- 12.1 The parameters of Works, and/or Power System shall be measured by using solar monitoring system to maintain and to study the performance of Power System.
- 12.2 For access to real-time data, the CUSTOMER/BENEFICIARY agrees to provide <IMPLEMENTING AGENCY/EXPERT PSU>with the right to install any additional online monitoring equipment(s) on the Power System.

# 13. INDEMNITY

Both Parties shall fully Indemnify and hold harmless both parties and its affiliates, associates, directors and employees from and against, any and all losses, costs, damages, injuries, liabilities, claims and causes of action, including without limitation arising out of or resulting from claims by third Parties, acts, omissions or breach of any of the both parties affiliates, suppliers, employees, agents or contractors in the performance of both parties obligations under this Agreement or otherwise arising out of the Power System or its usage

### 14. NOTICES

Any notice through facsimile/e-mail/post and other communication provided for in this Agreement shall be in writing and sent to the address mentioned on the first page of the agreement

# 15. DISPUTE RESOLUTION

If any dispute of any kind whatsoever arises between Customer and Contractor in connection with or arising out of the contract including without prejudice to the generality of the foregoing, any question regarding the existence, validity or termination, the parties shall seek to resolve any such dispute or difference by mutual consent. If the parties fail to resolve, such a dispute or difference by mutual consent, within 45 days of its arising, then the dispute shall be referred by either party by giving notice to the other party in writing of its intention to refer to arbitration as hereafter provided regarding matter under dispute. No arbitration proceedings will commence unless such notice is given. Any dispute in respect of which a notice of intention to commence arbitration has been given in accordance with Sub Clause either 15.1 or 15.2, shall be finally settled by arbitration.

15.1 In case the contractor is a Public Sector Enterprise or a government department.

In case the Contractor is a Public Sector Enterprise or a Government Department, the dispute shall be referred for resolution in Permanent Machinery for Arbitration (PMA) of the Department of Public Enterprise, Government of India. Such dispute or difference shall be referred by either party for Arbitration to the sole Arbitrator in the Department of Public Enterprises to be nominated by the Secretary to the Government of India incharge of the Department of Public Enterprises. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Government of India. Upon such reference the dispute shall be decided by the Law Secretary or the Special Secretary / Additional Secretary, when so authorized by the Law Secretary, whose decision shall bind the Parties finally and conclusive. The Parties to the dispute will share equally the cost of arbitration as intimated by the Arbitrator. In all other cases, any dispute submitted by a party to arbitration shall be heard by an arbitration panel composed of three arbitrators, in accordance with the provisions set forth below.

The Customer and the Contractor shall each appoint one arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the two arbitrators do not succeed in appointing a third arbitrator within Thirty (30) days after the later of the two arbitrators has been appointed, the third arbitrator shall, at the request of either party, be appointed by the Appointing Authority for third arbitrator which shall be the President, Institution of Engineers.

If one party fails to appoint its arbitrator within thirty (30) days after the other party has named its arbitrator, the party which has named an arbitrator may request the Appointing Authority to appoint the second arbitrator.

If for any reason an arbitrator is unable to perform its function for a period of 45 days or more, the mandate of the Arbitrator shall terminate in accordance with the provisions of applicable laws as mentioned in Clause 16 (Governing Law) and a substitute shall be appointed in the same manner as the original arbitrator.

Arbitration proceedings shall be conducted with The Arbitration and Conciliation Act, 1996. The venue or arbitration shall be New Delhi.

The decision of a majority of the arbitrators (or of the third arbitrator chairing the arbitration panel, if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction as decree of the court. The parties thereby waive any objections to or claims of immunity from such enforcement.

The arbitrator(s) shall give reasoned award. Notwithstanding any reference to the arbitration herein, the parties shall continue to perform their respective obligations under the agreement unless they otherwise agree.

Cost of arbitration shall be equally shared between the Contractor and Customer.

# 16. GOVERNING LAW

All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of India, and the courts at New Delhi, India shall have exclusive jurisdiction with respect to any Dispute that occurs according to, or in relation to, the Agreement.

# 17. SEVERABILITY

If any provision of this Agreement is deemed or held by a court of competent jurisdiction, to be contrary to law or otherwise unenforceable, the provisions of this Agreement shall be enforced to the extent legally permissible and unenforceability of any of the provisions of this Agreement shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect.

# 18. LIMITATION OF LIABILITY

18.1 Subject to Clause 13 of this Agreement, but notwithstanding anything contained anywhere else in this Agreement, in no event shall a Party be liable, whether in contract, tort or otherwise, to the other Party for special, indirect or consequential loss or damages (such as, not exclusively, loss of production, loss of reputation, loss of income, loss of profit), except in case of fraud, wilful default or reckless misconduct by the defaulting Party.

18.2 The maximum aggregate liability of the CONTRACTOR to the CUSTOMER/BENEFICIARY, arising out of or in connection with this Agreement or any breach, non-performance or performance of any provisions hereof, after Acceptance, and till up to the period of operation and maintenance, cannot amount to more than 5% (five per cent) of the Price for the Power System.

### 19. **BINDING AGREEMENT**

19.1 This Agreement, along with its Schedules, in and of itself is an enforceable binding contract and constitutes the entire agreement between the Parties with respect to the subject matter hereof to the exclusion of all other understandings and assurances, either written or oral. The clauses contained in this Agreement shall not be construed as creating a partnership or joint venture, agency or employment relationship among the Parties. The relationship between the Parties under this Agreement is as principal to principal basis.

**IN WITNESS WHEREOF** the authorized signatories of the Parties hereto have signed this Agreement on the day, month and year first above written:

FORANDONBEHALFOF	FORANDONBEHALFOF
< Name of Contractor>	<name <="" customer="" of="" td=""></name>
	beneficiary, i.e. Government
	Organization, PSU and
	Offices>
M/s	
AUTHORISED SIGNATORY	AUTHORISED SIGNATORY
	(Of Government
	Deptt./PSU/Office)
NAME:	NAME:
DESIGNATION:	DESIGNATION:
WITNESSNAME:	WITNESSNAME:

# SCHEDULE 1: PERFORMANCE PARAMETERS

**Project-**

Site Location- (Latitude & Longitude)

Total Rooftop Area (m<sup>2</sup>)

**Total Usable Rooftop Area for solar installation** (m<sup>2</sup>)

**Type of Roof & Tilt** 

**Radiation data reference:** 

**Energy Simulation:** 

**Power evacuation:** 

# Energy in Thousand kWp

End	Of	Global	Global	Net Energy at	<b>PR</b> (%) at
year		Horizontal	Inclined	Metering point	the
		(kWh/m2/year)	(kWh/m2/year)	((kWh/kWp/year))	metering
					point
1					
2					
3					
4					
5					

# **SCHEDULE 2: PAYMENT TERMS**

Price including shall remain fixed and will not be subject to revision during the Agreement duration subject to the conditions mentioned within this Agreement.

# PRICE

Total project capacity is \_\_\_\_\_kWp. Subsidy amount on \_\_\_\_\_kWp which is of price Rs\_\_\_\_\_Wp

Capacity (kWp)	Total price	Subsidy	Total Payable

### TERMS

- \_\_% advance payment on signing of agreement & submission of Proforma Invoice
- \_\_\_\_on Pro-rata basis upon submission of running bills/invoices for various services
- \_\_\_\_\_ upon completion of installation & commissioning
- \_\_\_\_on final acceptance

# TAXES:

The pricing given is inclusive of all taxes