

## IMPLEMENTATION AGREEMENT

This Agreement made on this \_\_\_\_\_ day of the December'2019.

### **BETWEEN**

**Punjab Energy Development Agency (PEDA)** under the Department of New and Renewable Energy, Govt. of Punjab, having its office at Plot No. 1&2, Sector 33-D, Chandigarh (hereinafter referred to as the "**PEDA**" which expression unless repugnant to the context or meaning thereof, shall include its successors, administrators or permitted assigns), of the FIRST PART;

**&**

**M/s** \_\_\_\_\_ i.e. SPV company of \_\_\_\_\_, incorporated under the Companies Act, 2013, having its registered office at \_\_\_\_\_

Sh./Smt \_\_\_\_\_ S/o Sh. \_\_\_\_\_ Resident of \_\_\_\_\_

(Either of the above/Delete one)

(hereinafter referred to as "**Allottee**" which expression unless repugnant to the context or meaning thereof, shall include its successors, or permitted assigns), of the OTHER PART through \_\_\_\_\_ as authorised representative of the Allottee.

Expressions "**PEDA**" and "**Allottee**" are collectively referred to as the "**Parties**" and either of them as "**Party**").

### **WHEREAS:**

A. Government of Punjab resolved to undertake development of Solar

PV Power Generation Capacity in the State of Punjab under NRSE Policy 2012 through private sector participation and implementation of solar PV power projects under the “**Farmer’s Solar Power Scheme-2015**”. Government of Punjab has appointed PEDDA as the State Nodal Agency for facilitating the development of Renewable Energy in the State of Punjab under NRSE Policy 2012.

- B. Pursuant thereto, PEDDA had accordingly invited applications through its “**Scheme for Allocation of Solar Power Projects to Land Owning Farmers**” (herein after referred to as “**Scheme**”) prescribing the eligibility, technical and commercial terms & conditions etc, for selection of Farmers for undertaking development of solar PV power plants in the State of Punjab through discount on generic tariff based competitive bidding. In this regard, PEDDA had received applications from Farmers including, the petitioners herein. The terms and conditions thereof shall be read as part and parcel of this IA.
- C. The said Scheme was withdrawn before the allotment of projects by PEDDA in April 2016. Some of the applicants filed CWP No 5855 of 2016, 7504 of 2016, 11155 of 2016 and 19440 of 2018 in the Hon’ble High Court of Punjab and Haryana. In pursuance of the orders of the Hon’ble High Court dated 25.11.2019, PEDDA is required to sign the Implementation Agreement with the Petitioners therein, thus serving the proposed allocation and implementation of the project under reference
- D. Accordingly, in view of the orders of Hon’ble High Court of Punjab and Haryana, and after having found the applicant eligible as per the said scheme, PEDDA allows the application of the petitioner for development of \_\_\_\_\_ **MW Solar PV Power Project on the land at Village\_\_\_\_\_ Tehsil\_\_\_\_\_ Distt\_\_\_\_\_ as detailed in the application.**

**Now therefore in consideration of the foregoing and respective covenants and agreements set forth in this Implementation Agreement, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:**

## **ARTICLE 1: DEFINITIONS**

In this Agreement unless the context otherwise requires or implies the following expressions shall have the meaning herein respectively assigned to them:

**“Agreement”** means this Implementation Agreement signed between PEDDA and the petitioner.

**“Approvals”** means the consents, licenses, permits, approvals and registrations by or with any Government Agency or any other authority as may be necessary for setting up and operating the Solar PV Power Project including but not limited to the approvals from GoP, State Nodal Agency(s) for promotion of NRSE Projects, Punjab State Power Corporation Limited (PSPCL) etc.

**“Capacity of Project”** means the allocated capacity of \_\_\_\_\_ MW (AC). **“Commencement of Commercial Operation / Scheduled Date of Commercial Operation”** means the Scheduled Date of Synchronization with Grid on which the project shall start delivering Active Power and Reactive Power to PSPCL as per Prudent Utility Practices. This date shall be considered as the commissioning date for the project.

**“Commission”** means the Punjab State Electricity Regulatory Commission (PSERC).

**“Conventional Sources of Energy”** means sources conventionally used to generate electricity including *inter alia*, coal, coke or any petroleum product, natural gas or any other similar source.

**“Dispute”** means any dispute or difference whatsoever arising between the parties, out of or relating to the construction, meaning, scope, operation or effect of this Agreement, or the validity, breach or termination thereof.

**“Duration of the Agreement”** means the period starting from the date of execution of this Agreement till 25 years from the date of Commencement of Commercial Operation.

**“Effective Date”** means the date of signing of this Agreement.

**“Energy Unit”** means one Kilo Watt Hour (kWh) of electrical energy.

**“GOP”** means the Government of Punjab and includes all agencies and authorities under its control / regulations including but not limited to PEDDA

**“GOI”** means Government of India and includes all agencies, authorities under its control / regulation including but not limited to Ministry of New & Renewable Energy, Ministry of Power, Ministry of Environment & Forests and IREDA.

**“Grid”** means the total system of electrical transmission circuits, transformers, switchgear and other equipment (including Interconnection Facilities) at the PSPCL’s side of Interconnection Point.

**"Inter-connection Point"** shall mean the point where the power from the solar power project is injected into Grid of PSPCL which shall be the line isolator on outgoing feeder on HV side of Generator Transformer or line isolator on outgoing feeder on HV side of the pooling Substation. Metering shall be done at this interconnection point.

**"Interconnection Facilities"** means all the facilities to be installed by the PSPCL at the PSPCL's side of the Interconnection Point to enable it to provide stable and adequate power during Start up and Shut down, to the project of the Allottee and to receive and utilize power from the Project in accordance with this Agreement.

**"NRSE Policy - 2012"** means the **New & Renewable Sources of Energy** policy notified by GOP to give incentives for the generation of power from new and renewable sources of energy and any amendment thereto.

**" New & Renewable Sources of Energy"** means sources other than conventional sources which are set out in NRSE Policy, 2012.

**"PPA" means** Power Purchase Agreement signed between PSPCL & the Allottee.

**"PEDA"** means the Punjab Energy Development Agency with headquarters at Chandigarh, which is the Nodal Agency of Govt. of Punjab for development of New & Renewable Energy Sources.

**"Pooling Point"** shall mean a point where more than one solar PV Projects may connect to a common transmission line for interfacing of the solar power projects and the grid of the PSPCL. In this case, metering will be done at the HV or outgoing side of the pooling Substation/Cluster Substation along with subsidiary meters on incoming

lines of individual SPDs pooling power at the pooling point to determine the net generation by each Project for billing purpose after apportioning energy recorded at the HV or outgoing side of the Pooling Substation/ Cluster Substation to individual SPDs. Composite capacity of Pooling Sub-station including all solar projects connected with it combined together shall be used to determine 'Interface Voltage Level' at interconnection. The Pooling Substation shall be considered common part of individual Projects.

**“Project”** means \_\_\_\_\_ MW Solar PV Power Plant (Generating Facility) including land, civil structures, Solar Panels, Power Conditioning Units, electrical and mechanical plant and equipment, 11 KV switch yard and Pooling Sub Station (If applicable) including transformers, breakers, CT/ PTs, wave traps, structures, isolators etc., instrumentation and control equipment, dedicated transmission line, telephone and wireless systems.

**“Prudent Utility Practices / Prudent Practices”** means those practices, methods, techniques and standards as adopted from time to time that are generally accepted for use in electric utility industries taking into account applicable law, conditions in India and commonly used for the designing, construction, testing, operation and maintenance of the Project, lawfully, safely, efficiently and economically as applicable to the generating stations of the size, service and type being set up by the Allottee and those generally conform to the manufacturer’s operation and maintenance guidelines.

**“PSPCL”** means the Punjab State Power Corporation Ltd. with headquarters at Patiala.

**“PSPCL’s Grid Substation”** means the nearest technically feasible grid substation of PSPCL for evacuation of power from the project.

**“Project Site”** means land situated at (A) \_\_\_\_\_Village in \_\_\_\_\_Tehsil of \_\_\_\_\_District in the name of Sh/Smt \_\_\_\_\_ ,(B) \_\_\_\_\_Village in \_\_\_\_\_Tehsil of \_\_\_\_\_District in the name of Sh/Smt \_\_\_\_\_and (C) \_\_\_\_\_Village in \_\_\_\_\_Tehsil of \_\_\_\_\_District in the name of Sh/Smt \_\_\_\_\_totaling \_\_\_\_\_acre \_\_\_\_\_kanal \_\_\_\_\_marlas, as detailed out in the application, where the Project is proposed to be located, (further leased out in the name of the company M/s. \_\_\_\_\_ vide registered lease dated \_\_\_\_\_). (Include all as per application)

**“Scheme”** means **Farmers Solar power Scheme-2015** document issued by PEDDA;

**“Scheduled Date of Synchronization”** means the date on which the project shall be synchronized with Grid & starts injecting power to the PSPCL grid substation.

**“Useful Life”** In relation to a Solar PV Power Projects shall mean 25 years from the Commercial Operation Date (COD) of such generating facility.

## **ARTICLE 2: INTERPRETATIONS**

- 2.1 The nomenclature of the headings and paragraphs are for the convenience of reference only and shall be ignored in construing or interpreting this Agreement.
- 2.2 References to persons and words denoting natural persons shall include bodies corporate, partnerships, joint ventures, statutory and other authorities & entities.

- 2.3 References to any enactment, ordinance or regulation or any provision thereof shall include any amendment or any replacement thereof in whole or in part.
- 2.4 Reference to recital(s), article(s), clause(s), sub-clause(s) annexure(s) or schedule(s) shall unless the context otherwise requires, be the recital(s), article(s), clause(s), sub-clause(s) annexure(s) or schedule(s) of this Agreement.
- 2.5 The words importing singulars shall include plurals and vice-versa as may be necessary.
- 2.6 Any reference at any time to any agreement, deed, instrument, license or document of any description shall be construed as reference to that agreement, deed, instrument, license or other document as amended, varied, supplemented, modified or suspended at the time of such reference provided that this clause shall not operate so as to increase the-liability or obligations of any Party hereunder or pursuant hereto in any manner whatsoever.
- 2.7 Any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effectual only if it is in writing and under the hands of a duly authorized representative of such Party in this behalf and not otherwise.
- 2.8 Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates.

### **ARTICLE 3: Tariff for Sale of Power to PSPCL**

- 3.1 The Petitioner shall sell the net energy exported from the Project as measured at Interconnection Point at a tariff of **Rs. 3.20 per kWh** which is the net tariff as



agreed between the parties as per directions of the Hon'ble High Court of Punjab and Haryana and further subject to approval by the PSERC. This tariff shall be applicable for tariff period of 25 years from Date of commercial operation. The tariff shall remain constant throughout the Tariff Period. No additional payment shall, on any account be payable to the Allottee. The Allottee will undertake that it shall not avail any grant / subsidy from GOI / GOP for the project and if availed, it will be passed on to the PSPCL.

3.2 CDM benefits availed if any by the Allottee shall be shared between PSPCL and the Allottee as per applicable CERC/ PSERC RE Regulations. In case the Allottee/Project Company intends to avail the Accelerated Depreciation benefit, it shall inform PEDDA and PSPCL and in such case the levellised benefit of Accelerated Depreciation shall be reduced from the Net tariff of Rs 3.20 per unit and revised sale rate shall be re-determined accordingly. PSPCL shall determine the levellised benefit of Accelerated Depreciation and get it approved from the Commission. (PSPCL should get the tariff with AD benefit approved in advance from PSERC)

3.3 The net tariff of Rs 3.20/ Kwh is agreed between the parties during the meeting held before PSNRE, Govt. of Punjab on 31.10.2019 on the directions of Hon'ble High Court of Punjab and Haryana for the projects to be set up as per the Policy and shall be payable to the

Projects commissioned with in the Schedule detailed out in Annexure- A. No extension in the commissioning schedule shall be permitted except as provided in this Agreement and the IA for the un-commissioned capacity shall be terminated as per provisions of Article 7 below.

## **ARTICLE 4: TERMS OF AGREEMENT**

### **4.1 General**

- i) The PEDA hereby grants permission to the Allottee to establish, operate and maintain the Solar PV Power Project on Build, Own and Operate (BOO) basis and sell power from the project to PSPCL @ of Net tariff of Rs. 3.20 Kwh for the useful life of the projects i.e 25 years.
- ii) The Allottee shall be permitted to use the project site for generation of energy through Solar PV power plant only and not to carry any other activity, business, and transactions on the project site.
- iii) The Allottee shall not assign or transfer its rights and benefits under the allotment to any other third party.
- iv) The Allottee agrees to carry out the investigations as well as implement the Solar PV Power Project keeping in view the quality control measures as well as safety standards as per laws of the State & Government of India. The Allottee shall submit to PEDA monthly progress report of implementation of project along with photographs of the progress till its Commissioning before 7<sup>th</sup> day of each calendar month.

- v) The Allottee shall ensure that the Technology being deployed is commercially established and solar PV modules, Power conditioning units adhere to the relevant and applicable environmental and safety standards as per IEC codes /BIS standards. The solar panels must be made in India
- vi) The Allottee shall take insurance cover from reputed insurance Company as is required by law and prudent utility practices and PEDDA shall not be liable for safety of persons and property of the Allottee and shall not be in any way liable for any damage that may occur to the power project or the Allottee's employees, agents, representatives etc.
- vii) The Change of Land use allowed from Agriculture/ Horticulture land for installation of the Project shall revert back to Agriculture / Horticulture on expiry of the Project period or in the event the Project is removed from the site.
- viii) Canal water connection and supply schedule shall remain as it is in the name of the farmer.
- ix) Allottee/Farmer(s) may also operate their agriculture pumps (Both DC or AC pumps) by taking power from the Project, which shall be treated as part of the auxiliary power of the Project.

#### **4.2 Effectiveness**

This Agreement shall come into force from the effective date.

#### **4.3 Agreement Period**

This Agreement shall remain in force from signing of this Agreement till 25 (Twenty five) years from the date of

Commencement of Commercial Operations of the Project, unless terminated earlier in accordance with the provisions of this agreement, Scheme and PPA. This IA shall be deemed terminated in case the PPA is terminated by PSPCL,

#### **4.4 Supplementary Agreements:**

##### **Agreement with PSPCL**

The Allottee shall enter into a Power Purchase Agreement with PSPCL which shall remain in force for a period of 25 (Twenty five) years from the date of commissioning of the project. The PSPCL shall purchase the power generated from the project as per the terms and conditions of PPA to be signed by the Allottee with PSPCL.

The Allottee shall establish, operate and maintain the Solar PV Power Project and facilities for power evacuation from the project as per provisions of the Scheme, this IA & PPA. For interconnection with grid and metering, the Allottee shall abide by the relevant CERC/P SERC Regulations, Grid Code and Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended and revised from time to time.

- 4.5 The Allottee shall submit a Detailed Project Report (DPR) with in 60 days of signing of this IA. The Detailed Project Report shall contain Executive Summary, Solar PV Technology Overview, Solar Resource Assessment & Technology Selection, Project Description, Plant and Equipment Design Criteria, Power Evacuation System & Grid Interaction, Construction Programme Schedule, Permits and License Required Operation and

Maintenance Requirements, Social & Environment Impact Assessment, Risk Assessment, Project Cost Estimate and Financial Analysis etc of the Project.

**ARTICLE 5: BENEFITS OF NEW AND RENEWABLE SOURCES OF ENERGY (NRSE) POLICY OF 2012 TO THE ALLOTTEE**

The Department of Science, Technology, Environment & Non Conventional Energy Sources, Govt. of Punjab vide notification No. 10/174/2012/STE(3)/4725, dated 26 December , 2012 has issued a New and Renewable Sources of Energy (NRSE) Policy 2012 under which State Government will provide fiscal and technical assistance to the Allottee.

**ARTICLE 6: OBLIGATIONS OF PARTIES**

**6.1 Obligations of PEDAs:**

PEDA and Punjab Bureau of Investment Promotion will provide necessary support including Single Window Clearances to facilitate the development of the projects. This may include facilitation in assisting and advising in respect of obtaining various approvals from the Government Departments. However, it will be the sole responsibility of the Allottee to obtain all the requisite approvals for the allotted project.

**6.2 Obligations of Allottee:**

- i. The Allottee shall act as per the terms and conditions of Scheme;
- ii. The Allottee shall continuously hold 51%

equity/share/ownership/stake in the project till 7 years from the date of signing of the PPA .

iii. Prior approval of PEDDA shall be taken for any change in the equity/share/ownership/stake in the Project after 7 years.

iv. **Power Purchase Agreement (PPA):**

The PPA shall be executed between PSPCL and the Allottee within 14 days after signing of this Implementation Agreement. However, PPA will remain in force for 25 (Twenty five) years from the date of Commercial Operation.

v. **Technology:**

The Allottee shall utilize only commercially established and operational technologies to minimize the technology risk and to achieve the timely commissioning of the Project.

Tolerance of +5% is allowed on the capacity of the project. e.g. 1 MW capacity project can have 1.05 MW as DC capacity based on the rated capacity of PV modules at STC conditions (1000 W/m<sup>2</sup>, 25°C, 1.5 AM). No negative tolerance is acceptable. **(May be replaced with new clause in view of**

**MOP directions for no ceiling on DC capacity as under):-**

There will be no plus tolerance/limitation on DC capacity of the project. However, no negative tolerance is acceptable. DC capacity shall be decided by the developer in such a way that the export of power (AC) at Interconnection Point shall not exceed the Contracted Capacity. The allottee shall declare the installed capacity on DC side in the DPR and the assessment of the installed capacity shall be based on the DC rated capacity of the modules x no. of modules installed at the time of

Commissioning. In case it is found during inspection at the time of commissioning or afterwards that total plant installed capacity is exceeding the capacity approved in DPR, then over capacity installed modules will have to be removed and disconnected from the project with in 5 days. In case of non compliance, PEDDA retains the right to terminate IA and also recommend to PSPCL for PPA termination

**vi. Land for Construction of Solar PV Power Project :**

The Allottee shall set up the project on the land indicated in his Application, the details of which are as under:-

Distt			
Tehsil			
	<b>A</b>	<b>B</b>	<b>C</b>
Village			
Owners Name			
Khewat No			
Khatauni No			
Area			
Total Area			

In case the project company is formed, then Record of Revenue Rights / certified copy of title deeds showing ownership rights or lease hold rights for at least 27 years in respect of land in the name of the Project Company is required to be submitted within 120 days from the date of signing of Power Purchase Agreement. The title deeds must be only registered as per the provisions of Land Registration Act.

**vii ) Financial Closure or Project Financing Arrangements**

The Project Developer shall report tie up of Financing Arrangements for the projects within 120 days from the date of

signing Power Purchase Agreement. At this stage, the Project Developer would furnish the following documents:

(i) Final technology selection viz. Crystalline/ Thin Film/ Concentrator /PV/specific any other technology etc. along with Order copy / agreement copy, with Technology Provider / supplier for supply of modules, equipments for said technology.

(ii) A certificate from the project / client situated anywhere in world that the technology supplied by the Manufacturer / Technology Provider is in successful operation.

(iii) Final loan sanction letter from the bank/FI along with copy of the signed loan agreement with the FI/Bank as compliance documents indicating financial closure. In case the financial closure is achieved from foreign lenders/other Pvt. institutions/ lenders, certified copy of the sanction letter and loan agreement copy will have to be furnished along with the CA statement certifying that the documents are final and true and that the Allottee has achieved financial closure.

**viii) Grid Feasibility Letter from PSPCL:**

The Allottee shall obtain and submit to PEDDA the grid feasibility letter from PSPCL within 120 days from the date of signing of PPA.

**ix) Connectivity with the Grid and Pooling substations**

i) The plant should be designed for inter - connection with PSPCL at voltage level of 11 KV.

ii) Two Allottees having adjoining lands shall be allowed to evacuate power on one 11 KV transmission line with double



circuit with individual plant having separate interconnection (at 11 KV) in the plant yard, separate metering arrangement and separate bay arrangement in the nearest technically feasible PSPCL substation.

iii) Allottees who have projects in the same village or adjoining villages have the option to setup a common 66KV pooling sub-station for evacuation of power from their independent projects through a common 66KV transmission line to the nearest technically feasible PSPCL sub-station. Energy accounting and metering shall happen on the HT side of the pooling sub-station as per applicable regulations. The transmission of power up to the point of interconnection where the metering is done for energy accounting shall be the responsibility of the Allottees at their own cost. The maintenance of Transmission system up to the Inter-connection point/ pooling point in case of such cluster of projects shall be the responsibility of the Allottees. The energy meters, both main and check and CTs/PTs shall be installed at the interconnection point/pooling point of the project/cluster of projects by Allottees.

iv) The arrangement of connectivity through pooling Substation can be made by the Allottee through a dedicated 11 KV transmission line for each project upto the pooling/ cluster Substation which the Allottees may construct himself or get constructed by PSPCL or any other agency. Allottees shall bear the cost of the complete pooling sub-station including Transmission lines, step up 11/66 KV transformer bays & Breakers and all other infrastructure required as per State Grid Code/ Regulations. The entire cost of transmission including

cost of construction of line, pooling sub-station and losses etc from the projects upto the interconnection point will be borne by the allottee and will not be met by the PSPCL. Allottees shall be required to jointly set up, maintain and operate the pooling sub-station along with communication links.

iv) The cost of transmission line from HV side of the Generator transformer of the Project/pooling point upto the Grid sub-station of PSPCL for evacuation of power from the project/pooling sub-station will be borne by the Allottees.

v) The Allottee shall also provide and maintain at its own cost, requisite facilities for transfer of real time data of the power plant to State or Area Load Dispatch Centre as per the requirements of PSPCL, PSTCL and SLDC and comply with scheduling regulations and procedures as applicable to the project.

**x) Commissioning of Project:**

The Solar PV Project shall be commissioned by 22.10.2020. The allottee shall be under a bounden obligation to meet the time line provided for submission of the aforesaid requisites / documents, more particularly as mentioned in Schedule- A attached.

**xi) Project Maintenance & Operation**

The Allottee shall ensure that the project is maintained in accordance with the manufacturer's instructions, procedures, relevant safety codes, Electricity Act / Rules and prudent utilities practices and Indian/International Standards during the Agreement period. The Allottee shall strive to achieve the PLF

as per CERC Regulation and/or as stated in its technology selection data undertaking.

**xii) Alternative Facilities**

The Allottee shall ensure that while implementing the Project, the Project will not affect any public utility scheme such as drinking water, irrigation schemes, transmission lines, approach roads / paths etc. except to the extent required and approved by the concerned department/authority. The cost of the remedial measures shall be a part of the Project cost. The Allottee shall not interfere with any of the existing facilities till an alternate facility as identified is created.

**xiii) Water requirement for construction:**

The Allottee shall ensure that the water requirement for construction of the project including potable water shall be arranged and harnessed by them from the local sources of water supply including underground water with the permission of Ground Water Board as applicable.

**xiv) Adherence to law**

The Allottee shall follow and obtain all necessary clearances / approvals under all the relevant laws, including without limitation, all labour laws, and shall also provide for safety provisions as per the Electricity Act, 2003, Electricity Rules 2005, State Grid Code, CEA Regulations on grid connectivity, CEA Regulations on safety standards for construction and O&M of Electrical Plants and lines, Factories Act, 1948 and such other statutory provisions as applicable to the project.

## **Article 7.0: CONSEQUENCES OF DELAY IN COMMISSIONING BY THE ALLOTTEE**

### **7.1 Charges for extension in Scheduled Date of Commissioning:**

The Solar PV Project shall be commissioned by 22<sup>nd</sup> October' 2020. After this date, extension can be given for 30 days i.e. up to 22-11-2020 in the First go on payment of a fee of Rs. 5000/MW/day and thereafter for further period up to 21-01-2021, on a payment of a fee of Rs.10,000/MW/day (for the allocated capacity). Allottee shall be required to intimate at least 15 days in advance to PEDA that they need extension in commissioning and they shall pay the extension fee for the period extension is sought at least 7 days in advance. In case the Allottee fails to pay the applicable extension fees to PEDA, PEDA shall in first go recover the same from the energy dues payable to the Allottee by PSPCL under PPA along with an interest rate of 1.5% per month. In case any power is injected by the Allottee to PSPCL without submitting request for extension of Date of Scheduled Synchronization, such power shall be treated as dumped power and will not be paid for by PSPCL. PSPCL shall release the extension fee so recovered to PEDA within 15 days of the actual recovery under intimation to the Allottee.

### **7.2 Termination of IA and Revocation of Allocation:**

In case, the Commissioning of the Project is delayed beyond 21-01-2021, the PPA capacity shall stand reduced / amended to the Project Capacity commissioned (not less than 1 MW) and the PPA for the balance Capacity will stand terminated and shall be reduced from the selected Project Capacity. The

Allocation / IA shall also stand amended for the actual capacity commissioned / terminated for the balance un-commissioned capacity. PEDDA/GOP shall not be responsible for loss of any kind to the Allottee due to such revocation/termination of Allocation / IA.

In the event of revocation of Allocation and Cancellation of IA and / or PPA, the project developer shall not be entitled to avail the fiscal benefits / exemptions granted to it such as, including but not limited, to stamp duty / registration fee for purchase / acquiring leasehold rights of project land, exemption of CLU, EDC charges etc. The project developer shall be liable to return all the benefits to the Government.

### **7.3 Part Commissioning:**

In the event of delay in successful commissioning of part of the project, the commissioning of remaining Part of the Project with delay shall be accepted by PEDDA subject to other terms of Scheme and subject to the condition that the minimum capacity for acceptance of part commissioning shall be 1 MW.

7.4. The allottee may approach PSERC for fixation of tariff and acceptance of power by PSPCL for the project capacity not commissioned by 21-01-2021.

In such a case, the PPA will remain in force for a period of 25 years from the date of part commissioning of the Project.

## **ARTICLE 8: DEFAULTS**

### **8.1 Default by PEDDA**

The occurrence and continuation of the following events shall constitute a default on the part of PEDDA unless such event(s) occur(s) as a result of an Allottee default as defined in clause 8.2.

- i) PEDDA repudiates this agreement or otherwise evidences an intention not to perform its obligations under, or to be bound by this agreement.
- ii) Occurrence of a political force majeure event.

## **8.2 DEFAULT BY ALLOTTEE**

The occurrence and continuation of any of the following events shall constitute “Allottee Default” unless any such event occurs as a result, of a PEDDA default as defined in Clause 8.1.

- i) The Allottee repudiates the Agreement or otherwise evidences an intention not to perform its obligations under, or to be bound by this agreement.
- ii) The Allottee fails to make payments in respect of its obligation under the agreement.
- iii) The Allottee assigns all or part of its rights or its obligations under this agreement or transfer its assets in violation of any of the provisions of this agreement.
- iv) The transfer pursuant to law of either the Allottee’s rights and or its obligations under this agreement of all or a substantial portion of the Allottee’s assets or undertakings or the dissolution of the Allottee pursuant to law including, by way or merger or consolidation, liquidation and reconstitution or re-organization

- v) The material breach(s) by the Allottee of any of the terms of this agreement
- vi) The allottee fails to meet with any of the time line mentioned in the Schedule-A.

### **8.3 Cure period**

- i) Upon occurrence of a default by a party pursuant to Clauses 8.1 or 8.2 (Defaulting party), the other party (Non defaulting party) has the right to issue a default notice.
- ii) On receipt of the default notice, the defaulting party shall take immediate steps to cure such a default within a period of 15 days(fifteen days) from the receipt of the default notice with due notice to the non-defaulting party of steps taken by it to cure the above default.
- iii) In the event the reasons leading to the default have been cured to the reasonable satisfaction of the non-defaulting party, the default notice shall cease to have any effect.

In the event the party is unable to cure the default to the reasonable satisfaction of the non-defaulting party within the period specified in Sub Clause 8.3 (ii) above, the provisions of the clause 8.4 shall apply as the case may be.

### **8.4 Remedies available to the PEDDA**

Upon the occurrence, and continuation of an Allottee default under Article 8.2 above, and the failure by the Allottee to cure such a default within the applicable cure periods, if any, as specified in Article 8.3, the PEDDA shall have the right to terminate this

Agreement without any further notice to the Allottee subject to the cure rights mentioned above and the default notice mentioned as per Article 8.3 shall be final and conclusive. This is without prejudice to right of claim & recovery of penalty from the Allottee.

## **ARTICLE 9: TERMINATION**

9.1 This agreement may be terminated on serving a fifteen days notice (Termination notice) by PEDDA if,

- i) The documents mentioned in the Scheme and **Article no. 6.2 (vi, vii and viii) of this IA** are not submitted by the Allottee within the stipulated time period i.e 120 days from date of signing of PPA and extension granted if any as per Scheme, then IA and PPA shall stand terminated.
- ii) In case, the Commissioning of the Project is delayed beyond 21-01-2021, the PPA capacity shall stand reduced / amended to the Project Capacity Commissioned and the PPA for the balance Capacity will stand terminated and shall be reduced from the allocated Project Capacity. The IA shall also stand amended for the commissioned capacity/terminated for the balance un-commissioned capacity.

9.2 Termination of the agreement shall be without prejudice to the accrued rights and liabilities of the parties as on the date of the termination unless waived in writing by the parties.

9.3 In the event that this agreement is terminated prior to the start of the construction of the project, all rights of the Allottee shall revert back to the PEDDA.



## **ARTICLE 10: FORCE MAJEURE**

### **10.1 Force Majeure Event**

In this Agreement, Force Majeure means occurrence of an event in India of any or all of non-political events described in clause 10.2 and political events described hereinafter in clause 10.3 respectively which prevents the party claiming Force Majeure. (The affected party) from performing its obligations under this agreement and which act or event,

- i. Is beyond the reasonable control of and not arising out of the fault of the affected party.
- ii. The affected party has been unable to prevent by the exercise of due diligence and reasonable efforts, skill and care, including through expenditure of reasonable sum of money and
- iii. Has a materially adverse effect on the project.

### **10.2 Non-political force majeure events**

For the purpose of 10.1 non-political force majeure events shall mean one or more of the following acts or events:

- i) Acts of God or events beyond the reasonable control of the affected party which could not reasonably have been expected to occur such as extreme adverse weather or environment conditions, lightening, heavy rains, cyclones, tempest, whirlwind, landslides, storms, floods, volcanic, eruptions or fire (to the extent originating from the source external to the site or not designed for in construction works);

- ii) Radioactive contamination or ionising radiation;
- iii) An act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, unexpected call up of armed forces, embargo, blockade, rebellion, riot, religious strike, bombs or civil commotion, sabotage terrorism;
- iv) Strikes or boycotts interrupting operations of the project continuing for at least 7 days;
- v) Any judgement or order of any court of competent jurisdiction or statutory authority in India made against the Allottee in any proceedings for the reason other than failure of the Allottee to comply with any applicable law or clearance or on account of breach thereof, with any applicable law or clearance or on account of breach thereof, or of any contract, or enforcement of this Agreement or exercise of any of its rights under this Agreement by PEDDA; or
- vi) Any other event or circumstances of nature analogous to the foregoing.

### **10.3 Political Force Majeure Event**

Political Events shall mean one or more of the following acts or events by or an account of PEDDA, GoP, GoI or any other Government Agency or Statutory Authority.

- i) Change in law.
- ii) Expropriation or compulsory confiscation, by any Government Agency of any Project Assets or rights of the Allottee.

iii) The unlawful or un-authorized or without jurisdiction revocation of, or refusal to renew or grant without valid cause, any consent or approval required by the Allottee to perform its obligations under the Agreement (Other than a consent the obtaining of which is a condition precedent) provided that such delay, modification, denial, refusal or revocation did not result from the Allottee's inability or failure to comply with any condition relating to grant, maintenance or renewal of such consent or permits.

#### **10.4 Notification obligations**

If a party is affected by any force Majeure event, the affected party shall give the other parties written notice describing the particulars of the Force Majeure event as soon as reasonably practicable after its occurrence but not later than five days after the date on which such party knew of the commencement of the Force Majeure event or of its effect on such party.

#### **10.5 Obligations of the parties in case of Force Majeure Event:**

- i) The parties shall cooperate and negotiate in good faith and will develop implementation plan of remedial and reasonable alternative measures to remove / remedy Force Majeure event to enable the performance of the affected party provided however, that no party shall be required under this provision to settle strike or other labour dispute.
- ii) Upon the occurrence and during the subsistence of any Force Majeure event, none of the parties shall be relieved of their liabilities/obligations including liability for payment as per the Agreement.

- iii) In case a Non-political force majeure event necessitates extension of time for the Project implementation both the parties will duly accept it.
- iv) The extra cost for completion of Project due to a non-political force majeure event including inter alia, additional or extra work required to be done, interest due during the extended period of project completion and escalation shall be duly considered in the project completion cost for all purposes of the agreement.
- v) In case of Force Majeure events after completion of the project the parties shall take action as per sub clause (i) above and the additional cost required for remedial and alternative measures to remove/remedy the force majeure shall be added to the project completion cost for all purpose of the agreement.
- vi) In case of any party not willing to implement the plan of remedial and reasonable alternative measure to remove/remedy the force majeure event it shall be construed as a default of such party and then relevant provisions of Article 10 shall apply.
- vii) The suspension of performance shall be within the affected scope and duration as required by force majeure.
- viii) When the non performing parties liable to resume performance of its obligation under this agreement that party shall give the other parties written notice to that affected so as soon as practicable.

- ix) In case the commissioning of the project is delayed due to force majeure conditions stated above and the same are accepted by the competent authority, the scheduled date for commissioning shall be extended accordingly without levy of charges for extension. In case PEDDA extends the date of COD due to delay, there will not be any change in tariff.

## **ARTICLE 12: REPRESENTATION AND WARRANTIES**

### 12.1 PEDDA hereby represents and warrants to the Allottee

- i) That PEDDA has the power to execute, deliver and perform fully all its obligations and liabilities under this agreement and
- ii) That the execution, delivery and performance by the PEDDA of this agreement will not violate any court, provision of any existing law or notification or regulation or order or decree of any court, governmental authority, or agency or any contract undertaking or agreement to which PEDDA is a party/binding on PEDDA and will not result in the imposition or creation of any lien, charge or encumbrance or party thereof.

### 12.2 The Allottee/company hereby represents and warrants to PEDDA that:

- i) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation;
- ii) It has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;

- iii) It has taken all necessary corporate and other action under Applicable Laws and its constitutional documents to authorise the execution, delivery and performance of this Agreement;
- iv) It has the financial standing and capacity to undertake the Project;
- v) This Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- vi) it is subject to civil and commercial laws of India with respect to this Agreement and it hereby expressly and irrevocably waives any immunity in any jurisdiction in respect thereof;
- vii) All the information furnished in the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under or accelerate performance required by any of the terms of the Allottee's Memorandum and Articles of Association or any Applicable Laws or any covenant, agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;
- viii) The Allottee has complied with all Applicable Laws and has not been subject to any fines, penalties, injunctive relief or any other Civil or criminal liabilities which in the aggregate have or may have material adverse effect on its financial condition or its ability to perform its obligations and duties under this Agreement;

### **ARTICLE 13: INDEMNITY**

- 13.1 The Allottee shall bear the responsibility, for any third party claim action of any proceedings of whatsoever nature (including without limitation) those initiated by any statutory authority, court or tribunal or government agency against the PEDDA, its officers and employees in respect of any loss of or damages to the property death or injury to the person together with all expenses relating thereto (including without limitation all legal fees) arising out of or in relation to the design, constructions, ownership operation and maintenance of the project etc. or omission of the Allottee, contractors or their sub contractors or the lenders to comply with the applicable laws, without recourse to the PEDDA and the Allottee shall hold PEDDA, its officers and employees fully indemnified in respect thereof.
- 13.2 PEDDA shall notify the Allottee of any claim, action or proceedings in respect of which it is entitled to be indemnified under this clause. Such notice shall be given within 60 days after PEDDA becomes aware of such claims, action or proceedings.
- 13.3 PEDDA shall have the right, but not the obligation to defend and litigate (and to retain the legal advisors of its choice in connection therewith) any claim action or proceedings alleged or asserted against PEDDA its officers or its employees in respect of which it is indemnified under this clause, and the reasonable costs and expenses thereof shall be subject to such indemnify provided that the Allottee shall be entitled at its option, and if permitted by law, to assume and control the conduct and defence of such claim, action or proceedings at its expenses and through its own legal advisors if it.
- a) Gives notice of its intention to do so to PEDDA

- b) Acknowledges to PEDDA in writing its obligation to indemnify PEDDA of its officers or employees or all of them both in their personal and official capacity.
- c) Reimburse the government for the reasonable costs and legal fees incurred that far by PEDDA prior to the assumption of the defence by the Allottee, PEDDA shall not compromise or settle any claim, action or proceedings in respect of which it is entitled to be indemnified under this clause without prior consent of the Allottee.

#### **ARTICLE 14: RESOLUTION OF DISPUTES**

14.1 The parties shall attempt to resolve any dispute, arising out of or in connection with this agreement (hereinafter referred as the dispute) by mutual discussion. In the event that any dispute cannot be resolved between the parties within a period of 30 days of the commencement of the discussions, then such dispute shall be settled under the Arbitration & Reconciliation Act 1996 as amended upto date. The arbitration shall be conducted at Chandigarh, India in English language. Any award given by the arbitrator shall be final and binding on the parties and shall be in lieu of any other remedy within the meaning of Arbitration and Reconciliation Act'1996.

14.2 In the event of dispute between the parties, the appointment of arbitrator shall be governed by the provisions of Arbitration & Reconciliation Act 1996 as amended upto date.



14.3 Neither party shall resort to any proceeding in the court except for the enforcement of award in respect of a dispute having first exhausted the remedy under this clause.

14.4 During the subsistence of the arbitration proceedings both parties shall continue to perform their respective obligations under this agreement provided that the right of either party to terminate this agreement in accordance with the provisions thereof shall not be effected by the subsistence of arbitration proceedings.

## **ARTICLE 15: Miscellaneous**

### ***15.1 Good faith***

Both the Parties shall do and execute all such acts, deeds, assurances and things as may be necessary and proper for carrying out the terms of this Agreement. The Parties agree to negotiate and enter into such agreements as may be required to give effect to the understanding reached herein.

### ***15.2 Further Assurance***

The Parties shall, and shall use their respective reasonable endeavours to procure that any necessary third parties shall, do, execute and perform all such further deeds, documents assurances, acts and things as any of the Parties hereto may reasonably require by notice in writing to the others to carry the provisions of this Agreement and the clauses into full force and effect.

### **15.3 No Partnership**

Nothing in this Agreement shall constitute or be deemed to constitute a partnership between any of the Parties hereto and none of them shall have any authority to bind the other in any way.

### **15.4 Waiver**

No failure to exercise and no delay in exercising on the part of the party of any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any right, power or privilege. The rights and remedies provided in this agreement are cumulative and not exclusive of any rights or remedies otherwise provided by law.

### **15.5 Severability**

Notwithstanding that any provision of this agreement may prove to be illegal or enforceable the remaining provisions of this agreement shall continue in full force and effect. Parties shall in good faith negotiate and agree upon a replacement provisions which shall be as close as permissible in law to such a provision.

### **15.6 Survival**

The termination or expiry of this agreement shall not affect the accrued rights, obligations and liabilities of the either party under this agreement nor shall it affect any continuing obligation, which this agreement provides, whether expressly or by necessary implication.

### **15.7 Confidentiality**

The parties shall on a confidential basis at all times forthwith provide to each other information as is available and is necessary or useful to enable each party to perform its obligation under this agreement. Each of the parties may however, use or disclose confidential information to a third party to the extent necessary for the performance of and control of the financing, construction and operation of the project, subject to prior consent from the other party, provided that the either party may disclose any such confidential information without the consent of the other party to a Government Agency.

Upon the transfer of the reports and studies prepared as a result of investigations and geological surveys conducted by PEDDA in respect of the site to the Allottee neither party shall disclose such reports and studies to any third party or publish the same in any manner except with the prior approval of the other party.

The parties hereto shall pass their directors, officers, employees, servant's agents and contractors to be similarly bound by the convent specified in this clause above.

### **15.8 Governing law**

The rights and obligations of the parties under or pursuant to this agreement shall be governed by and constructed according to Indian law. This agreement shall be subject to the jurisdiction of the courts in Chandigarh.

### **15.9 Assignment**

The Allottee shall not sublet or transfer its rights accrued under this agreement to any third party except for the purpose of arranging or re-arranging finance for the project.

### **15.10 Communication**

Any communication to be made by one party to the other party under this agreement shall be validly made when delivered in writing by hand or through fax or through regd. Mail.

The communication shall be addresses as below:

If to the Allottee

**M/s.**

If to PEDDA

**Director**

**Punjab Energy Development Agency**

Solar Passive Complex

Plot No. 1&2, Sector 33-D

Chandigarh – 160 034

Any party may by notice, change the address of communication to be delivered or mailed.

### **15.11 Headings**

That the heading or titles of the several sections hereof are for convenient of reference and shall not affect the construction or interpretation of this agreement.

**15.12 Amendment**

No amendment or waiver of any provision of the agreement and no consent to any departure by either party here from, shall in any event be effective unless the same shall be in writing and signed by each of the parties.

**15.13 Successors bound**

This agreement shall be binding on and shall ensure for the benefits of the successors of the parties.

**15.14 Continuing Agreement**

All provisions of the agreement shall so far as they are capable of being performed and observed continue in full force and effect except in respect of those matters then already performed.

In witness whereof, the parties hereto have executed and delivered this agreement in the presence of witnesses at Chandigarh, India on the date, first month and year written above,

**For and on behalf of**

**For and on behalf of**

**Director**

**(Authorised Signatory)**

**Punjab Energy Development Agency**

**M/s.**

**Witnessed by:**

**Witnessed by:**

1.

1.

## Schedule-A

### Time Schedule for Commissioning of Solar PV Power Projects under Farmer Solar Power Scheme-2015 (FSPS)

Implementation of Solar PV Power Projects shall be carried out according to the timeline given below:

Sr. No.	Event	Date
1.	Issue of Letter for Demonstrating/ Verification of claim	Date of issue of letter
2.	Signing of Implementation Agreement	Within 14 days from the date of order of Hon'ble High Court i.e. before 09.12.2019
3.	Signing of Power Purchase Agreement	Within 14 days from the date of Signing of IA i.e. before 23.12.2019
4.	Financial closure / Grid Technical Feasibility for the project	Submission of documents for Financial Closure, Grid Technical Feasibility, land documents in case of company and Technology selection within 120 days from the date of signing of PPA ( PPA + 120 days) 21.04.2020
5.	Commissioning of the Project	10 Months from the date of signing of PPA 22.10.2020
6	Extension of 30 days with fee of Rs. 5000/day/MW	11 Months from the date of signing of PPA 21.11.2020
7	Further Extension of 60 days with Fee of Rs. 10,000/day/MW	Upto 21.01.2021

**Note: - After this, the PPA will be terminated for the un-commissioned capacity/plant not commissioned.**