

ఆంధ్రప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

BL 278958

8827 11/8/15 100-
L.M. అక్షయ్ కుమార్ 1/0 కల్యాణ్ కుమార్
G.M.R. వరలక్ష్మి ఫౌండేషన్ 2022 నవంబర్ 20210

R. VENKATARAMAN
Licenced Sub Registrar
L.No. 01-11-16/2015
RL No. 01-11-001/20
D.No. 5-650, Sanchi
RAJAM- 532127

This Power Purchase Agreement is made and entered into at Rajam, Srikakulam district of Andhra Pradesh on this **22nd day of August, 2015** between

GMR Varalakshmi Foundation, having its registered office at **GMR Nagar, Rajam - 532127, Srikakulam District, Andhra Pradesh** (hereinafter referred to as "**Procurer**", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees) as party of the **FIRST PART**.

AND

GMR Rajam Solar Power Pvt. Ltd., having its registered office at **Skip House, 25/1, Museum Road, Bangalore - 560025** (hereinafter referred to as "**Seller**", which expression shall, unless repugnant to the context or meaning thereof, include its successors and assignees) as party of the **SECOND**.

The Procurer and Seller are individually referred to as 'Party' and collectively referred to as 'Parties'.

WHEREAS the Seller is engaged in the business of establishing solar power plants, It is also engaged in, *inter alia* generating, distributing purchasing and supplying solar energy to various utilities, such as distribution companies, industrial units and other consumers.

[Handwritten signature]



WHEREAS the Procurer, to meet its requirement of electricity for its educational wing named as GMR Institute of Technology, C/o GMR Varalakshmi Foundation at Rajam, Srikakulam district of Andhra Pradesh ("Site") has approached the Seller for establishing a solar photovoltaic grid interactive power plant of 700 KWp capacity at the Site (hereinafter referred to as "**Solar Power Plant**") and for supply of such electrical energy generated therefrom to the Procurer.

WHEREAS the Seller has agreed to set up the Solar Power Plant and to sell the electrical energy generated therefrom to the Procurer

WHEREAS the Procurer agrees to purchase such power generated from the Solar Power Plant as per terms of this agreement:

NOW THEREFORE, in consideration of the premises and mutual agreements, covenants and conditions set forth herein, it is agreed by and between the Parties as follows:

1. Definitions

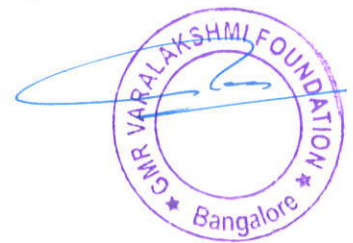
The terms used in this Agreement, unless defined below or repugnant to the context, shall have the same meaning as assigned to them by the Electricity Act, 2003 and rules or regulations framed thereunder, including those /framed by the Appropriate Commission (as defined hereunder), as amended or re-enacted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

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

"Approvals" shall mean the permits, clearances, licenses, consents, approvals, waivers, privileges, acknowledgement, agreements or concessions required to be obtained from or provided by any concerned authority for purpose of setting up of the Solar Power Plant and supply of power to Procurer;

"Appropriate Commission" shall mean Andhra Pradesh Electricity Regulatory Commission.

"Applicable Laws" shall mean the Electricity Act, 2003 and rules or regulations framed thereunder, including those /framed by the Appropriate Commission (as defined hereunder), as amended or re-acted from time to time and shall also include any Act, legislation, statute, rule, regulation, notification, directive or order issued or promulgated by the Government of India or State Government (s) and any government instrumentality relating to or governing the establishment of



solar power plants, generation, transmission and distribution of electricity generated using solar energy.

"Billing Period" shall mean calendar month ending on midnight of last day of the calendar month.

"Billing Date" shall be first business day after each respective Billing Period.

"Commercial Operation Date" or "COD" shall with respect to Solar Power Plant mean the date on which the Solar Power Plant is available for commercial operation for whole or part of Installed Capacity and such date as specified in written notice given at least 10 days in advance by the Seller to the Procurer, provided that such date (unless waived by the Procurer) shall not be more than 5 (five) months from the date of this Agreement.

"Consumed Energy" shall mean the total energy consumed by Procurer as metered at the delivery point.

"Contracted Capacity" shall mean 700 KW of DC capacity of solar photovoltaic grid interactive power plant.

"Delivery Point" shall mean interconnection with SS-1 - 480kva for 400 KWp and SS-2 - 500kva for 300 KWp at LT side at GMR Varalakshmi Foundation, Rajam located inside Procurer premises where the electrical energy shall be delivered to the grid at 0.4 KV from the Solar Power Plant.

"Delivered Energy" shall mean the kilowatt hours of electricity actually fed and measured by the energy meters at the Delivery Point in a Billing Period.

"DISCOM" shall mean Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL)

"Due Date of payment" in respect of any payment under this Agreement shall mean the date which is 15 days from the date of receipt of invoice by Party.

"Expiry Date" shall mean the 25th anniversary of the COD.

"Installed Capacity" shall mean 700 KW of DC capacity of solar photovoltaic grid interactive power plant.

"Grid Code" shall mean the Grid Code specified by the CERC under Clause (h) of Sub-Section (1) of 79 of Electricity Act, as amended from time to time and/or State Grid Code as specified by the Andhra Pradesh Electricity Regulatory Commission, referred under Clause (h) of Sub-Section (1) of Section 86 of the Electricity Act, 2003, as applicable;



“SLDC” shall mean State Load Dispatch Centre as notified by the Andhra State Government.

“Tariff” shall have meaning as set forth in Article [8].

1.2 Interpretation

- (a) In this Agreement, unless the context otherwise requires (i) singular shall include plural and vice versa; (ii) wording denoting persons shall include partnerships, firms, companies and DISCOM (iii) the word ‘include’ and ‘including’ are to be construed without limitation and (iv) a reference to Party include that Party’s successors and permitted assigns.

2. Approvals

- 2.1. The Seller shall, at its sole cost and expenses, acquire and maintain in effect all Approvals required for establishment of the Solar Power Plant and for performance of its obligations under this Agreement. Procurer shall render all assistance and support to the Seller to enable the latter to obtain such Approvals. In the event of delays in the receipt of such Approvals by the Seller, each of the Parties shall take such steps as may be required, which *inter alia* include extension of the COD and timelines for commencement of supply of electrical energy under this Agreement.

3. Term of Agreement

3.1. Effective Date

- 3.1.1. This Agreement shall come into effect from the date of its execution by both the Parties and such date shall be referred to as Effective Date.

3.2. Term of Agreement

- 3.2.1. This Agreement subject to Article 2 shall be valid for a term from the Effective Date until the Expiry Date. This Agreement may be further extended on mutual agreement between the Parties.

3.3. Early Termination

- 3.3.1. This Agreement shall terminate before the Expiry Date if either Procurer or Seller terminates this Agreement as per terms of this Agreement or as per mutual agreement between the Parties.



3.4. Survival

3.4.1. The expiry or termination of this Agreement shall not affect any accrued rights, obligations and liabilities of the Parties under this Agreement, nor shall it affect the survival of any continuing obligations for which this Agreement provides, either expressly or by necessary implication or nature which are to survive after the Expiry Date or termination.

4. Construction and Operation of the plant

- 4.1 The Seller shall undertake all activities required for financing, designing, engineering, construction, installation, commissioning, operation & comprehensive maintenance (including spares) of the Solar Power Plant. Obligations of the Seller to supply power to the Procurer shall commence only on or after the COD.
- 4.2 Each of the Parties agree that the Solar Power Plant will be established at the Site. In this respect the Procurer shall ensure the availability of appropriate and adequate land at Site and also provide free access to such land and the Site for undertaking and performing its obligations under this Agreement. It is however, clarified that save for the purposes stated herein above the ownership, title and rights to the land at Site will remain and continue to remain with the Procurer. It is further clarified that the ownership of the Solar Power Plant shall and will continue to remain and vest with the Seller.
- 4.3 The Seller shall undertake the operation of the Solar Power Plant throughout the term of this Agreement in compliance with the Applicable Laws.

5. Obligations

5.1 Seller's Obligations

The Seller undertakes to be responsible at its own cost and risk for:-

- 5.1.1. Financing, Designing, constructing, erecting, commissioning and testing of Solar Power Plant in accordance with Applicable Law & Grid Code.



- 5.1.2. the commencement of supply of power up to the Contracted Capacity to Procurer from the COD and ensuring continuous supply of power throughout the term of this Agreement;
- 5.1.3. Connecting the Solar Power Plant switchyard with the SS-1 - 480kva for 400 KWp and SS-2 - 500kva for 300 KWp at LT side at the Delivery Point.
- 5.1.4. The imported energy supplied by DISCOM to the Solar Power Project shall be measured during the Billing Period at delivery point and payment for such imported energy will be made to the Procurer.
- 5.1.5. The Seller shall fulfill all its obligations under this Agreement

5.2 Procurer's Obligations

- 5.2.1 Procurer, at the cost of the Seller, shall provide construction power for construction of Solar Power Plant. In this respect the Procurer shall take all and such steps as may be required for ensuring availability and supply of construction power to the Seller.
- 5.2.2 The Procurer shall, at its costs, be responsible for obtaining any and all approvals from the concerned authorities for availing net metering facility.
- 5.2.3 The Procurer shall, at its cost, obtain start up and stand by power arrangements from the DISCOM for balance power requirement of the Solar Power Plant or in case of outage of Solar Power Plant.
- 5.2.4 The Procurer shall ensure timely availability of appropriate land at the Site for establishment of the Solar Power Plant. Any delay in the commissioning of the Solar Power Plant owing to delays in availability of land shall be the liability of the Procurer.

6. Purchase and Sale of Contracted Capacity

- 6.1.1. Subject to terms and conditions of this Agreement, the Seller undertake to sell power to the Procurer corresponding to the Contracted Capacity and the Procurer undertakes to pay Tariff as per terms of this Agreement for the Delivered Energy supplied at the Delivery Point.
- 6.1.2. Net metering: For mutual benefit of the Seller and the Procurer, it is essential to ensure 100% utilization of the solar energy produced. In order to ensure complete utilization of the solar energy produced by the Solar Power Plant, the Procurer shall avail the net metering facility of A.P



Government, where excess electrical energy from the Solar Power Plant not utilized by the Procurer is fed to the grid. All benefits, including payments, under net metering shall accrue to the Procurer. Procurer will be solely responsible for obtaining the necessary approvals for this net metering scheme. Seller will provide all the technical details and necessary support in obtaining this permission.

6.1.3. All future increase in taxes, duties and levies on the Delivered Energy will be borne by the Procurer.

7. Dispatch

7.1. Each of the Parties acknowledge and agree that the supply of power from the Solar Power Plant shall be in compliance with the applicable Grid Code requirements and directions, if any specified by concerned SLDC from time to time. In this respect each of the Parties agrees and undertakes to cooperate with each other and execute and/or seek approvals and permission as may be required.

8. Metering

8.1. Meters

8.1.1. For installation of meters, meter testing, meter calibration and meter reading and all matters incidental thereto, the Seller and Procurer shall follow and be bound by the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, Grid Code as amended and revised from time to time. The Seller meters shall be ABT complaint meters.

8.1.2. The Seller shall bear all costs pertaining to installation, testing, calibration, maintenance, renewal and repair of meters at Seller's side of Delivery Point. The Procurer shall bear all cost relating to installation, testing, calibration, maintenance, renewal and repair of meters at Procurer's side.

8.1.3. Each Party shall keep complete and accurate records and all other data required by each of them for the purpose of proper administration of this Agreement.

8.1.4. Seller shall be responsible for installation of necessary equipment to continuously monitor, measure and record solar irradiance. Ambient



temperature and other weather parameters and simultaneously measure generation of power from the Solar Power Plant. Reporting of this data to SLDC or Ministry of New and Renewable Energy, Government of India shall be responsibility of the Seller.

9. Insurance

- 9.1. Seller shall obtain and maintain at its' own cost, throughout the term of this Agreement the insurance coverage for Solar Power Plant.
- 9.2. Procurer shall obtain and maintain at its' own cost, throughout the term of this Agreement the insurance coverage for all facilities at Site excluding Solar Power Plant.

10. Tariff & Payment

10.1. Tariff

- 10.1.1. Procurer shall pay to the Seller every month the tariff @ Rs 6.97/kWh (the "Tariff") for the Delivered Energy corresponding to the Contracted Capacity.

10.2. Billing Provisions

- 10.2.1. Seller shall prepare the invoices on monthly basis and shall submit the same to the Procurer on the 10th day of the following month. The invoice shall show the amount of Delivered Energy corresponding to the Contracted Capacity injected at the Delivery Point, recorded jointly by the Seller and the Procurer through the energy meters installed at the Delivery Point.
- 10.2.2. Procurer shall make payments of amount due in Indian Rupees within the Due Date. For any payment beyond the Due Date, a late payment surcharge at the rate of 12% p.a. (compounded quarterly) shall be applicable on the amount outstanding after the Due Date.
- 10.2.3. All benefits under Renewable Energy Certificate or Clean Development Method or any other certificates applicable to the solar energy shall be to the sole benefit of Procurer. Provided that any expenditure towards these certifications shall be to the account of the Procurer.



10.2.4. Stand-by (backup) Letter of Credit shall be opened by the Procurer for an estimated value of one month bill, which will be valid for a period up to one year. The Letter of Credit so opened shall be renewed year after year for the value based on average value of previous 12 months bills. The Letter of Credit will be revolved in the event of invocation due to non-payment of energy charges within the stipulated time frame. All the charges relating to establishment, amendment and operation of Letter of Credit shall be to the account of the Procurer.

10.2.5. For the start-up and stand-by power arrangements for the Solar Power Plant the Procurer shall submit the true copy of the energy bill received from DISCOM to the Seller within 2 working day of receipt of same from the DISCOM. The Seller shall make payment of such amount corresponding to the start-up and stand-by power arrangement to the Procurer before the due date as per the bills received from the DISCOM.

10.2.6. Disputes

In the event of dispute as to amount of any Tariff invoice, the Procurer shall notify the Seller of the amount in dispute and pay the entire undisputed amount along with 85% of the disputed amount within the Due Date. For resolution of the dispute amount, the [MD/CEO] shall in good faith discuss and arrive at an amicable settlement, failing which such dispute shall be resolved by arbitration in accordance with Article [14.6]. Such discussion will, in addition to the amount in dispute also include the rate of interest, (compounded or otherwise) to payable by the Procurer (in the event it is found that the disputed amount is correct and payable to the Seller).

11. Force Majeure Events

11.1. Force Majeure Event

11.1.1. Neither Party shall be responsible or liable for or deemed in breach hereof because of any delay or failure in performance of its obligations hereunder (except for obligations to pay money due prior to occurrence of Force Majeure Event and shall continue to perform obligations not affected by the Force Majeure Event under this Agreement) due to any



event or circumstance (a "Force Majeure Event") beyond the reasonable control of the Party experiencing such delay or failure.

11.1.2. Force Majeure Event shall not include :-

- a) nonperformance caused by or concerned with affected Party's negligent and intentional act, errors, omissions, failure to comply with Applicable Law
- b) Any event which would have been reasonably foreseen by the Party and effects of which could have been reasonably mitigated.

11.1.3. The affected Party shall give notice to the other Party of any Force Majeure Event as soon as reasonably practical, but not later than 7 days after the date on which the Party knew of the commencement of the Force Majeure Event. Such notice should also provide the details of the remedial measures to be taken by the affected Party towards mitigation of the Force Majeure Event.

11.1.4. If a Force Majeure Event occurs which results in either Party, incurring additional costs as a result of such occurrence (including resulting from any delay or interruption in performance of its obligations hereunder in respect of such event), such costs shall not be recoverable from the other Party.

12. Termination

12.1. Event of Default

12.1.1. Seller's Event of Default: The occurrence of any of the following event at any time during the term of this Agreement shall constitute Event of Default by the Seller:-

- a) Failure or refusal by Seller to perform any of material obligations of this Agreement;
- b) If Seller becomes subject to proceeding under the bankruptcy or insolvency laws or goes into liquidation or dissolution;
- c) Seller fails to operate the Solar Power Plant as per Grid Code or SLDC instruction; and
- d) The Seller repudiates or abandons this Agreement.



12.1.2. Procurer's Event of Default : The occurrence of any of the following event at any time during the term of this Agreement shall constitute Event of Default by the Procurer:-

- a) Failure or refusal by Procurer to perform any of material obligations of this Agreement;
- b) If Procurer becomes subject to proceeding under the bankruptcy or insolvency laws or goes into liquidation or dissolution;
- c) The Procurer repudiates or abandon this Agreement; and
- d) Failure or refusal by Procurer to pay any portion of undisputed monthly bill for a period of 60 days after Due Date.

12.2 Upon occurrence of an event of default as set out in Article [12.1.1 or Article 12.1.2, the non-defaulting party shall have the right to terminate this Agreement by providing a written notice to defaulting party providing a cure/remedy period of 60 days. If the event of default is not remedied or cured within the aforesaid period of 60 days, this Agreement shall terminate at the end of the aforementioned cure period.

13. Indemnity Provisions

13.1. Indemnity

13.1.1. Each Party agrees to defend, indemnify and hold harmless the other Party, its directors, agents, employees, and affiliates from and against any and all claims, liabilities, actions, demands, judgments, losses, costs, expenses, suits, actions and damages arising by reason of bodily injury, death, damage to property sustained by third parties that are caused by an act of negligence or the willful misconduct of the Party, or by an officer, director, subcontractor, agent or employee of the Party except to the extent of such injury, death or damage is attributable to the willful misconduct or negligence of or breach of this Agreement by other Party or by an officer, director, subcontractor, agent or employee of the other Party.



14. Miscellaneous Provisions

14.1. Governing Laws

14.1.1. This Agreement shall be governed by the laws of India and the courts of **SENIOR CIVIL JUDGE COURT. RAJAM**, in Andhra Pradesh, India, shall have exclusive jurisdiction.

14.2. Assignment

14.2.1. Neither Party shall be entitled to assign the whole or any part of this Agreement or any benefit or interest in or under the Agreement without the consent of the other Party.

14.2.2. Notwithstanding anything contained in this Agreement, the Procurer hereby consents to the grant and creation by Seller of a security interest in and assignment of this Agreement and any and all of Seller's rights, title and interests in and under this Agreement in favor of any Lender or its security agent or trustee; and in furtherance of and to give effect to such security interest and assignment. Procurer shall not be entitled to assign any part of the Agreement or any benefit or interest in or under this agreement without the prior written consent of the Seller.

14.3. Consequential Damages

14.3.1. Notwithstanding any provision of this Agreement to the contrary, neither Party shall be liable to the other for any kind of special, incidental, indirect and/or consequential damages whatsoever, such as but not limited to loss of use, loss of profits and loss of production irrespective of the legal basis for any such claim.

14.4. Severability

14.4.1. The invalidity, illegality or unenforceability of any of the terms and conditions of the Agreement shall not affect or impair the validity, legality or enforceability of any other provision of the Agreement. The parties shall make all reasonable endeavors to agree as far as possible that invalid terms are amended or replaced by valid terms with a similar effect in order to maintain the purpose and continuity of the Agreement.



14.5. Arbitration

14.5.1. All disputes arising out of this Agreement shall be resolved amicably. In the event that the dispute cannot be resolved amicably within period of 60 days of rising of dispute, the same shall be referred for arbitration by the Sole Arbitrator to be appointed by the Seller. The arbitration shall be conducted in accordance with the Arbitration and Conciliation Act, 1996 and amendment thereto. The place of arbitration shall be at Rajam, in Andhra Pradesh, India and the Language of arbitration shall be English. The Parties agree that any arbitration award shall be final and binding upon the Parties. The Parties hereto agree that the parties shall be obliged to carry out its obligations under this Agreement even in the event a dispute is referred to Arbitration.

14.6. All correspondence shall be addressed as below:

All correspondence to Seller	All correspondence to Procurer
Name: GMR Rajam Solar Power Pvt. Ltd.	Name: GMR Varalakshmi Foundation
Address: New Shakti Bhawan, Airport Building No 302, Near Terminal 3, IGI Airport, New Delhi, 110037	Address : GMR Nagar, Rajam – 532127. Srikakulam District. Andhra Pradesh
Phone No : 011 4988 2203	Phone No : 08941 - 251592
Email : Aniruddha.Ganguly@gmrgroup.in	Email : Laxmanmurthy.LM@gmrgroup.in
Fax : 011 4988 2255	Fax : 08941 - 251591

14.7. Amendment

14.7.1. This Agreement may only be amended or supplemented by a written agreement between the Parties.



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

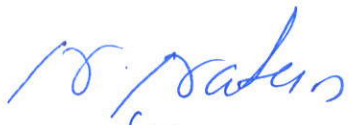

For and on behalf of GMR Rajam Solar Power Pvt. Ltd. ("Seller")



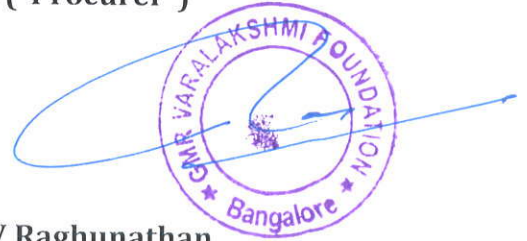
Name: Aniruddha Ganguly

Designation: President - Renewable Business

Witness:

1. 
(N. NATESH)
2. 
(M. RAMA CHANDRA REDDY)


For and on behalf of GMR Varalakshmi Foundation ("Procurer")



Name: Dr. V Raghunathan

Designation : Chief Executive Officer - GMRVF

Witness :

1. GIRIDHARA

2. L.M. Laxman Murthy 