AGREEMENT

BETWEEN

_____

(RESCO Developer)

AND

_____

(HEAD OF DEPARTMENT OF BUYING ENTITIES)

AND

TAMIL NADU POWER DISTRIBUTION CORPORATION LIMITED

(TNPDCL)

AND

TAMIL NADU GREEN ENERGY CORPORATION LIMITED

(TNGECL)

FOR

DESIGN, SUPPLY, ERECTION, TESTING AND COMMISSIONING INCLUDING WARRANTY, OPERATION & MAINTENANCE OF GRID CONNECTED ROOF-TOP SOLAR PHOTOVOLTAIC PLANT UNDER RESCO MODEL ON NET-FEED IN MECHANISM

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This Agreement is made on the ……. [Insert date] day of …….. [Insert month] of …….. [Insert year] at …… [Insert place]

Between

…….. [Insert name of the Bidding Company], a Company incorporated under the Companies Act 1956 or Companies Act 2013 or Limited Liability Partnership Act 2008, having its registered office at …… [Address of the registered office of Bidding Company] (hereinafter referred to as **"RESCO Developer" or** "**Developer"**, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) as a Party of the **First Part**;

AND

…… [Insert name of the Head of Department], acting for and on behalf of the Buying Entities under its administrative control and duly authorised to execute this Agreement on their behalf, having its office at …….. [Insert address] (hereinafter referred to as the **"Head of Department of the Buying Entities"**, which expression shall, unless repugnant to the context or meaning thereof, include its permitted representatives and assigns), of the Second Part;

(The Head of Department will be the authorized signatory **of the Agreement on behalf of all the Buying Entities coming under the administrative control of the Head of Department of Buying Entities. However, the invoicing of sale of power generated from the Rooftop Solar PV Project will be made directly to each individual Buying Entity.)**

AND

Tamil Nadu Power Distribution Corporation Limited, a company incorporated under the Companies Act 1956 or Companies Act 2013, having its registered office at

…….. [Address of the registered office] (hereinafter referred to as **“TNPDCL” or “DISCOM”** which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assignees) as a Party of the **Third Part**;

AND

Tamil Nadu Green Energy Corporation Limited [Tender Authority], a company incorporated under the Companies Act 1956 or Companies Act 2013, having its registered office at …….. [Address of the registered office] (hereinafter referred to as **“TNGECL”** which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assignees) as a Party of the **Four Part**;

“RESCO Developer” and “Head of Department of Buying Entities” and “Tamil Nadu Power Distribution Corporation Limited” and “Tamil Nadu Green Energy Corporation Limited” are each individually referred to as a **"Party"** and collectively as the **"Parties"**.

WHEREAS:

a. **Tamil Nadu Green Energy Corporation Limited** had initiated a Tariff Based Competitive Bidding Process for Selection of RESCO Developers for setting up of 20 MW Grid – Connected Rooftop Solar PV Projects under RESCO Mode on the terms and conditions contained in the Request for Selection (hereinafter referred to as **"RfS"**) issued by **TNGECL** vide RfS No. …… dated _____.

b. TNGECL has issued the Letter of Award No. …….. dated …….. in favour of the _____ [Insert name of the Bidding Company] for development and establishment of Rooftop Solar PV Projects with the cumulative Awarded Capacity of …… kW in the State of Tamil Nadu as per terms and conditions contained in this Agreement, RfS document and other bidding documents along with the conditions provided in the Letter of Award.

c. ……..[Insert Name of the Bidding Company] has been selected thru the Competitive Bidding Process, {in case Bidding Company is executing the Project through RESCO Developer} has constituted a Special Purpose Vehicle …… [Insert Name of the SPV] (hereinafter referred to as **'RESCO Developer'**), for development of Rooftop Solar PV Projects with the cumulative Awarded Capacity of ……. kW to be established by the RESCO Developer at the designated locations in the State of Tamil Nadu and for supply of such electricity to Buying Entities as per the Award Agreement.

d. RESCO Developer is engaged in the business of design, supply, erection, testing, commissioning, operation and maintenance of grid connected Rooftop Solar PV Projects.

e. Under this Agreement, RESCO Developer has agreed to install and operate ____ number of Rooftop Solar PV Projects of …… kW (the "**Agreement Capacity"**) capacity at the Premises of the Buying Entities falling under the administrative control of HoD. (Details provided in the Annexure 2 and Annexure 3).

f. RESCO Developer has agreed to sell, and Buying Entity has agreed to purchase the entire Solar Power generated from the Rooftop Solar PV Project installed on the premises on the terms and conditions contained in this Agreement.

ARTICLE 1: DEFINITIONS AND INTERPRETATION

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

1.1 DEFINITIONS

1.1.1 **"Act" or "Electricity Act, 2003"** shall mean the Electricity Act, 2003 and include any modifications, amendments and substitution from time to time;

1.1.2 **"Accounting Year**" means the financial year commencing from the first day of April of any calendar year and ending on the thirty-first day of March of the next calendar year;

1.1.3 **"Adjustment Period"** shall mean the period between the date of COD and the 1st day of the first Operational Year.

1.1.4 **"Adjusted Equity"** means the Equity funded in Indian Rupees and adjusted on the first day of the current month (the "Reference Date"), in the manner set forth below, to reflect the change in its value on account of depreciation and variations in WPI, and for any Reference Date occurring:

(a) on or before COD, the Adjusted Equity shall be a sum equal to the Equity funded in Indian Rupees and expended on installation of Awarded Capacity, revised to the extent of one half of the variation in WPI occurring between the date of achieving the Financial Closure and the Reference Date;

(b) from COD till the expiry of the Concession Period, an amount equal to the Adjusted Equity as on COD shall be deemed to be the base (the "Base Adjusted Equity") and the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, revised at the commencement of each year following COD to the extent of variations in WPI occurring between COD and Reference Date;

For the avoidance of doubt, the Adjusted Equity shall, in the event of Termination, be computed as on the Reference Date immediately preceding the Transfer Date; provided that no reduction in the Adjusted Equity shall be made

for a period equal to the duration, if any, for which the Concession Period is extended, but the revision on account of WPI shall continue to be made.

1.1.5 **"Affiliate"** shall mean a Bidder or Bidding entity that directly or indirectly,

(i) controls or

(ii) is controlled by or

(iii) is under common control with, a company developing a Project and control means ownership, directly or indirectly, of more than 50% (fifty percent) of the voting shares of such Company or right to appoint majority Directors;

1.1.6 **"Agreement"** shall mean this agreement executed hereof, including the schedules, amendments, modification and supplements made in writing by the parties from time to time;

1.1.7 **"Applicable Law"** means all laws in force and effect as of the date hereof and which may be promulgated or brought into force and effect hereinafter in India, including statutes, rules, regulations, directions, bye-laws, notifications, ordinances and judgments having force of law, or any final interpretation by a Court of Law having jurisdiction over the matter in question as may be in force and effect during the subsistence of this Agreement.

1.1.8 **"Applicable Tariff"** means the Tariff discovered through bidding process conducted by TNGECL on the energy generated through Rooftop Solar PV Project, in accordance with Article 10, fixed for the entire term of this Agreement, with effect from the COD of the Awarded Capacity.

1.1.9 **"Approvals"** means the permits, clearances, licenses and consents and any other statutory approvals required for execution of the Rooftop Solar PV Projects.

1.1.10 **"Assignment"** has the meaning set forth in Article 18.1;

1.1.11 **"Award Agreement"** means all the Agreements constituting the Awarded Capacity as per Article 2.3 of this Agreement.

1.1.12 **"Awarded Capacity"** shall mean the cumulative capacity of Rooftop Solar PV Project Capacities, measured in kilowatts (kW) or megawatts (MW), formally allocated to the RESCO Developer by TNGECL pursuant to the terms and conditions specified in the Request for Selection (RfS) document. (Detailed in Annexure 1 in this Agreement)

1.1.13 "Agreement Capacity" shall mean the aggregate installed capacity of the Rooftop Solar PV Projects allocated to the RESCO Developer pursuant to this Agreement, as detailed in Annexure 2 and Annexure 3 hereto. Such capacity is to be installed across the Premises of the respective Buying Entity(ies), all of which fall under the administrative control and authority of the Head of Department. For the purposes of this Agreement, the Agreement Capacity shall be deemed to be **____ kW**.

1.1.14 "Average Capacity Utilization Factor" or "Average CUF" shall mean the ratio of the actual output of the Awarded Capacity over a specific period to the maximum possible output of the Awarded Capacity during the same period, expressed as a percentage. It shall be calculated using the following formula:

In an Operational Year,

Average CUF (%) = (Sum of actual Energy Generated in kWh from the Rooftop Solar PV Project of all the Buying Entity(ies) defined in Annexure 2 and Annexure 3 during the period) ÷ (Awarded Capacity in MW × 8760) × 100.

1.1.15 "Bidder Or Bidding Entity" shall mean Bidding Company submitting the bid. Any reference to the Bidder includes Bidding Company, as the context may require; foreign companies participating in the bidding process shall be registered as companies as per the rules of their country of origin.

1.1.16 "Business Day" means any day other than Sunday or any other day on which banks in the State of Tamil Nadu are required or authorized by Applicable Law to be closed for business.

1.1.17 "Buying Entity" shall mean an entity in whose name the electricity service connection is registered, and shall include the building owner under the administrative control of the respective Head of Department (HoD).

1.1.18 "Capacity Utilization Factor (CUF)" shall have the same meaning as provided in CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2024 as amended from time to time. However, for avoidance of any doubt, it is clarified that the CUF shall be calculated on the Project Capacity;

*In any Operational Year, if 'X' MWh of energy has been metered out at the Interconnection/Delivery Point for 'Y' kW Project capacity, CUF= (X MWh/ (Y MW*8760)) X 100;*

1.1.19 "CERC" shall mean the Central Electricity Regulatory Commission of India, constituted under sub – section (1) of Section 76 of the Electricity Act, 2003, or its successors.

1.1.20 "Change in Law" shall have the meaning ascribed thereto in Article 13 of this Agreement.

1.1.21 "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 Rooftop Solar PV Project(s) and / or supply of power;

1.1.22 "Consultation Period" shall mean a period of sixty (60) days, commencing from the date on which a written notice of termination is served by either Party to the other Party, during which the Parties shall, in good faith, engage in discussions and negotiations with a view to resolving the underlying issues that have given rise to the notice and to explore the possibility of continuing the total Project capacity with respect to the Awarded Capacity without termination. No termination shall become effective unless the Consultation Period has expired without a mutual resolution, unless otherwise agreed in writing by the Parties.

1.1.23 "Concession Period" means the period starting on and from the Commercial Operation Date of the Award Agreement and ending on the Transfer Date;

1.1.24 "Commercial Operation Date or COD" shall mean the date on which the Awarded Capacity is fully commissioned, as certified by TNPDCL, and available for commercial operation.

1.1.25 "Competent Court of Law" shall mean any court or tribunal or any similar judicial or quasi-judicial body in India that has jurisdiction to adjudicate upon issues relating to this Agreement;

1.1.26 "Debt Due" shall mean the aggregate of the following sums expressed in Indian Rupees outstanding on the Transfer Date:

(a) the principal amount of the debt provided by the Lenders under the Financing Agreements for financing the Total Project Cost of the Awarded Capacity (the "principal") but excluding any part of the principal that had fallen due for repayment two years prior to the Transfer Date; and

(b) all accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in Sub-clause (a) above until the Transfer Date but excluding (i) any interest, fees or charges that had fallen due one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to Lender's, and (iii) any pre-payment charges in relation to accelerated repayment of debt except where such charges have arisen due to Authority Default;

Provided that if all or any part of the Debt Due is convertible into Equity at the option of the Lenders, it shall for the purposes of the Award Agreement with respect to the Awarded Capacity be deemed to be Debt Due even after such conversion and the principal thereof shall be dealt with as if such conversion had not been undertaken; provided further that the Debt Due, on or after COD, shall in no event exceed the lower of the following:

(i) Seventy Percent (70%) of the 'Total Project Cost' of the Awarded Capacity, or (ii) an amount equivalent to INR 70,00,000 (Rupees Seventy Lakhs only) multiplied by the Awarded Capacity in Megawatts (MW) and further multiplied by the Applicable Tariff, as specified under the Agreement i.e. [Rs.70 lakhs * (Awarded Capacity in MW) * (Applicable tariff)].

1.1.27 **"Due Date"** shall refer to the thirtieth (30th) day following the date on which TNGECL issues its confirmation to TNPDCL after completing verification of the submitted invoice. or, if such day is not a Business Day, the immediately succeeding Business Day, by which date such Invoice or a Supplementary Invoice is payable by TNPDCL.

1.1.28 **"Effective Date"** has the meaning set forth in Article 2.4;

1.1.29 **"Expiry Date"** shall mean the date occurring on twenty-five (25) years from the date of Commercial Operation Date (CoD) of the Awarded Capacity, as per the terms and conditions of this Agreement.

1.1.30 **"Electricity"** shall mean the electrical energy in kWh (kilowatt-hours).

1.1.31 "Financial Closure" *or* "Financing Arrangements" means arrangement of necessary funds for the Total Project Cost for the Awarded Capacity by the RESCO Developer either by way of commitment of funds by the Company from its internal resources and/or tie up of funds through a bank/ financial institution by way of sanction of a loan or signed financial agreement with the financial institute.

1.1.32 "Financing Documents" mean the agreements and documents entered/to be entered into between the RESCO Developer and the Financing Parties relating to the financing of the Total Project Cost for the Awarded Capacity.

1.1.33 "Financing Parties" shall mean the parties financing the Total Project Cost for the Awarded Capacity to be Installed by RESCO Developer, pursuant to the Financing Documents.

1.1.34 "Force Majeure Event" has the meaning set forth in Article 12;

1.1.35 "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 Rooftop Solar PV Project and / or for sale and purchase of Solar Power generated from the Rooftop Solar PV Project pursuant to this Agreement.

1.1.36 "GoTN" shall mean the Government of the State of Tamil Nadu and any agency, legislative body, department, political subdivision, authority or instrumentality thereof.

1.1.37 "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.

1.1.38 "Head of Department" or "HoD" shall mean the authorized signatory to execute this Agreement on behalf of the Buying Entities listed in the Annexure 2.

1.1.39 "Installation Work" means the construction and installation of the Rooftop Solar PV Project and the Start-up, testing and acceptance (but not the operation and maintenance) thereof; all performed by or for the RESCO Developer at the Premises of Buying Entity(ies).

1.1.40 "Inter-Connection Point/ Delivery Point" shall be the single point, at a location mutually agreed by the RESCO Developer and Buying Entity, in line with applicable regulation/ rules where Solar Power is delivered by the RESCO Developer from the Project to the Buying Entity.

1.1.41 "Interim Due Date" shall mean the Seventh (7th) day after the Invoice (including all the relevant documents) is received in hardcopy and duly acknowledged by the TNPDCL or, if such day is not a Business Day, the immediately succeeding Business Day, by which date such Invoice or a Supplementary Invoice is payable by TNPDCL.

1.1.42 "Invoice" or "Bill" shall mean Invoice/ Supplementary Invoice raised by any of the Parties.

1.1.43 "KV" shall mean Kilovolts**.**

1.1.44 "kWh" shall mean Kilowatt-hour.

1.1.45 "Law" shall mean any valid legislation, statute, rule, regulation, notification, directive or order, issued or promulgated by any Governmental Instrumentality.

1.1.46 "Lender" means such bank, or other financial institution, including their successors and assignees, who have agreed to provide the RESCO Developer with debt financing of Total Project Cost of the Awarded Capacity.

1.1.47 "Letter Of Award" ***or*** **"LoA"** shall mean the letter issued by TNGECL to the selected Bidder for the Awarded Capacity after successful bidding;

1.1.48 "Limited Liability Partnership" or "LLP" shall mean a Company governed by Limited Liability Partnership Act 2008 or as amended.

1.1.49 "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);

1.1.50 "Main Metering System" means all meter(s) and metering devices owned by the RESCO Developer and installed at the Delivery points of the Premises of the buying entities for measuring and recording the delivery and receipt of energy as per TNERC Grid Interactive Solar PV Energy Generating System (GISS) Regulations, 2021.

1.1.51 **"Month"** shall mean a calendar month;

1.1.52 **"MW"** means Megawatts.

1.1.53 **"kW"** means Kilowatts.

1.1.54 **"Net Billing or Net – Feed In"** based on TNERC Grid Interactive PV Solar Energy Generating System Regulations 2021, Order No. 8 of 2021 dated 22.10.2021 issued by TNERC, and subsequent amendment, therefore, means a single bidirectional meter used for net–billing or net feed–In at the point of supply Grid lnteractive Solar PV Energy Generating Systems are valued at two different tariffs, where –

(a) the monetary value of the imported energy at Buying Entity is based on the applicable Retail Tariff;

(b) the monetary value of the exported solar energy at Buying Entity is based on feed-in tariff determined by the Commission;

(c) The monetary value of the exported energy is deducted from the monetary value of the imported energy to arrive at the net amount to be billed (or credited / carried over);

1.1.55 **"Operational Year"** shall mean a period of twelve consecutive months starting from the 1st day of the succeeding month of the month in which COD is achieved, continuing for a total duration of 25 years. For clarity, if the COD is achieved on 15th September 2025, Operational Year shall start from 1st October 2025.

1.1.56 **"Party" or Parties"** has the meaning set forth in the preamble to this Agreement.

1.1.57 **"Performance Bank Guarantee"** shall mean the irrevocable unconditional bank guarantee to be submitted by the successful Bidder as per Article 4.1.

1.1.58 **"Project Capacity"** shall mean the total sanctioned capacity of each Rooftop Solar PV Project to be installed on the Premises of the respective Buying Entity, as specifically awarded to the RESCO Developer by TNGECL as detailed in Annexure 2 and Annexure 3 of this Agreement.

Provided that, the Project Capacity, once sanctioned and incorporated herein, shall be deemed final and binding upon the parties. No modification, variation, or amendment to the sanctioned Project Capacity shall be permissible or recognized unless such alteration is carried out through a formal amendment of

this Agreement, arising out of a System Disruption, Force Majeure Event, or default scenario, as contemplated and provided for under the terms of this Agreement.

1.1.59 **"Premises"** means the rooftop area owned or controlled by the Buying Entity where the Rooftop Solar PV project is to be installed and connected to the consumer's electrical system for generation and supply of solar power.

1.1.60 **"Rooftop Solar PV Project" or "Project"** shall mean the Solar Photovoltaic Project set up on Buying Entity's rooftop having a single metering point. The Project shall include all Solar Panels, Inverters, Optimisers, units/module, auxiliaries and associated facilities, structures, equipment, plant and machinery, facilities and related assets required for the efficient and economic operation of the power generation facility, whether completed or at any stage of development and construction or intended to be developed and constructed for the purpose of supply of power.

1.1.61 **"RESCO"** shall mean Renewable Energy Service Company.

1.1.62 **"RESCO Model"** shall mean a business model where the RESCO Developer sets up a Rooftop Solar PV Project on the rooftop of a building owned by a different entity, by obtaining right to access the rooftop/leasing the rooftop with the rooftop owning entity on mutually agreed terms and conditions, and enters into the Agreement with Buying Entity for supply of Solar power for the term of the Agreement. The RESCO Developer is responsible for construction, commissioning, ownership and operation and maintenance of the Rooftop Solar PV Project for the entire term of the Agreement at its own risk and cost.

1.1.63 **"RESCO Developer Default"** has the meaning set forth in Article 14.1.

1.1.64 **"RfS Document"** shall mean the bidding document issued by TNGECL including all attachments; clarifications and amendments including addendum or corrigendum issued subsequently thereof vide **Spec No: CE/NCES/ O.T No……/24–25 Dated**: ___/___/2025

1.1.65 **"Scheduled Commercial Operation Date" or "SCOD"** with respect to the Awarded Capacity shall mean the date on which the Awarded Capacity is scheduled to be fully commissioned (certified by TNPDCL) and available for commercial operation.

1.1.66 "Shadow Free Area" shall mean the unobstructed portion of the rooftop or designated installation surface that remains free from any form of shading, whether caused by nearby buildings of Buying Entity, Trees, parapet walls, water tanks, antennae, or any other physical obstruction to ensure optimal solar irradiance throughout the solar generation period of the day.

1.1.67 "Solar Power" means the supply of electrical energy output from the Rooftop Solar PV Project.

1.1.68 "Subordinated Debt" means the aggregate of the following sums expressed in Indian Rupees or in the currency of debt, as the case may be, outstanding as on the Transfer Date:

a. the principal amount of debt provided by lenders for meeting the Total Project Cost of the Awarded Capacity and subordinated to the financial assistance provided by the Lenders; and

b. all accrued interest on the debt referred to in Sub-clause (a) above but restricted to the lesser of actual interest rate and a rate equal to 5% (five percent) above the Bank Rate in case of loans expressed in Indian Rupees and lesser of the actual interest rate and 6 (six) month SOFR (Secured Overnight Financing Rate) plus 2% (two percent) in case of loans expressed in foreign currency, but does not include any interest that had fallen due 1 (one) year prior to the Transfer Date;

Provided that if all or any part of the Subordinated Debt is convertible into Equity at the option of the lenders, it shall for the purposes of the Award Agreement be deemed to be Subordinated Debt even after such conversion and the principal thereof shall be dealt with as if such conversion had not been undertaken.

1.1.69 "System Disruption" any event or circumstance that causes a temporary or permanent interruption, reduction, or outage in the power generation of a Rooftop Solar PV Project as specified under Article 7.

1.1.70 "Retail Tariff" shall mean the price per unit of electricity charged by Distribution Licensee to end consumers for the supply of electricity to their premises. The Retail Tariff is determined, approved, and regulated by the Hon'ble Tamil Nadu Electricity Regulatory Commission from time to time.

1.1.71 "Term" has the meaning set forth in Article 2;

1.1.72 **"Total Project Cost"** means the Project Cost as defined in the Financing Package (or) the actual project cost certified by the Statutory Auditor and notified to TNPDCL as per the provisions in Clause 14.4.1 , whichever is lower.

1.1.73 **"Transfer Date"** means the date on which this Agreement expires pursuant to the provisions of this Agreement or is terminated as per the provisions of this Award Agreement;

1.1.74 **"Week"** shall mean calendar week;

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

1.2 **"Agreement"** shall be construed as including a reference to its Schedules and/or Appendices and/or Annexures;

1.3 An **"Article", a "Recital", a "Schedule" and a "paragraph/ clause"** shall be construed as a reference to an Article, a Recital, a Schedule and a paragraph/clause respectively of this Agreement;

1.4 A **"crore"** means a reference to ten million (1,00,00,000) and a "lakh" means a reference to one tenth of a million (1,00,000);

1.5 An **"encumbrance"** shall be construed as a reference to a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

1.6 **"Indebtedness"** shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;

1.7 A **"person"** shall be construed as a reference to any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and a person shall be construed as including a reference to its successors, permitted transferees and permitted assigns in accordance with their respective interests;

1.8 **"Rupee", "Rupees", "Rs."** or new rupee symbol **"₹"** shall denote Indian Rupees, the lawful currency of India;

1.9 The **"winding-up", "dissolution", "insolvency", or "reorganization**" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the Law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganization, dissolution, arrangement, protection or relief of debtors;

1.10 Words importing the singular shall include the plural and vice versa;

1.11 This Agreement itself or any other agreement or document shall be construed as a reference to this or to such other agreement or document as it may have been, or may from time to time be, amended, varied, replaced or supplemented only if agreed to between the parties;

1.12 A Law shall be construed as a reference to such Law including its amendments or re- enactments from time to time;

1.13 A time of day shall, save as otherwise provided in any agreement or document be construed as a reference to Indian Standard Time;

1.14 Different parts of this Agreement are to be taken as mutually explanatory and supplementary to each other and if there is any inconsistency between or among the parts of this Agreement, they shall be interpreted in a harmonious manner so as to give effect to each part;

1.15 The tables of contents and any headings or sub-headings in this Agreement have been inserted for ease of reference only and shall not affect the interpretation of this Agreement;

1.16 All interest, if applicable and payable under this Agreement, shall accrue from day to day and be calculated on the basis of a year of three hundred and sixty-five (365) days;

1.17 The words **"hereof" or "herein",** if and when used in this Agreement shall mean a reference to this Agreement;

1.18 The terms **"including" or "including without limitation"** shall mean that any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

1.19 This Agreement and other documents such as Request for Selection Documents including subsequent clarifications, amendments in regard to the tender shall be

read in conjunction with each other and interpreted in harmonious manner. However, in case of any mismatch/contradiction between provisions of different documents, following shall be the order of precedence:

- Agreement
- Corrigendum
- Letter of Award
- RfS Document

ARTICLE 2: GENERAL PROVISIONS

2.1 The total capacity committed by the RESCO Developer corresponding to the Letter of Award is _____ kW (Herein referred to as Awarded Capacity as per Article 1.1.11). The detailed list of Buying Entities and corresponding Project Capacities with respect to Awarded Capacity is annexed hereto as Annexure 1 of this Agreement.

2.2 The RESCO Developer has duly completed the site visit, rooftop site survey, shadow free area survey, solar potential assessment, and finalized the feasibility report for the identified project locations of the Awarded Capacity.

2.3 Details of all the Agreements constituting the Awarded Capacity hereinafter collectively termed as "Award Agreement"

1. Agreement between _____ (RESCO Developer) and _____ (Head of Department of Buying Entities) Dated ___/____/_____.
2. Agreement between _____ (RESCO Developer) and _____ (Head of Department of Buying Entities) Dated ___/____/_____.
3. Agreement between _____ (RESCO Developer) and _____ (Head of Department of Buying Entities) Dated ___/____/_____.
4. Agreement between _____ (RESCO Developer) and _____ (Head of Department of Buying Entities) Dated ___/____/_____.
5. Agreement between _____ (RESCO Developer) and _____ (Head of Department of Buying Entities) Dated ___/____/_____.
6. ……

2.4 Effective Date

2.4.1 The RESCO Developer shall enter into agreements with each of the Heads of Department referred to in Article 2.3, all of which shall be executed on a common date, which shall be deemed the Effective Date for the Award Agreement.

2.4.2 This Agreement shall come into effect from the date of signing of this Agreement by all the parties in accordance with the Article 2.4.1.

2.4.3 The Parties agree that decisions pertaining to adoption of the Tariff and approval of the same, for procurement of solar power generated from the Rooftop Solar PV Project, shall be binding on all concerned Parties, as contained in the Electricity Act, 2003 and any amendments thereof.

2.5 Term of Agreement

2.5.1 Subject to Article 2.6 and 2.7 of this Agreement, the Agreement shall be valid for a term from the Effective Date until the Expiry Date, unless and until terminated earlier pursuant to the provisions of the Agreement.

2.6 Early Termination

2.6.1 The Award Agreement shall terminate before the Expiry Date if either the RESCO Developer or TNPDCL terminates the Award Agreement, pursuant to Article 14 of this Agreement.

2.7 Survival

2.7.1 The expiry or termination of the Award Agreement shall not affect any rights, obligations and liabilities of the Parties that have accrued prior to such expiry or termination, including the right to claim damages as per the terms of this Agreement. Further any provision of this Agreement which, either expressly or by their nature, are intended to survive expiry or termination shall continue to remain in full force and effect, including but not limited to Article 12 (Force Majeure), Article 14 (Events of Default and Termination), Article 17 (Liability and Indemnification), Article 20 (Governing Law and Dispute Resolution), Article 21 (Miscellaneous Provisions), and any other Articles or Schedules which expressly or by implication survive.

2.8 Key Timelines of RESCO Developer

2.8.1 The RESCO Developer shall furnish the Performance Bank Guarantee to TNGECL within a period not exceeding fifteen (15) days from the Effective date, in accordance with the provisions of Article 4.1.1 hereof.

2.8.2 The RESCO Developer shall achieve Financial Closure for the Total Project Cost of the Awarded Capacity within a period of Ninety (90) days from the Effective Date, in compliance with Article 4.3 of this Agreement.

2.8.3 The RESCO Developer shall ensure the installation and commissioning of the entire Awarded Capacity, including all individual Project Capacities, within a period of One Hundred and Eighty (180) days from the Effective Date, pursuant to the terms set forth under Article 6.2 of this Agreement.

2.8.4 The RESCO Developer may undertake Part Commissioning of the Awarded Capacity, provided that a minimum of sixty percent (60%) of the Awarded Capacity has been Commissioned after One Hundred and Twenty (120) days from the effective date, in accordance with Article 6.3 of this Agreement.

2.9 Neither party is allowed to terminate the Agreement when it is at Project Capacity or Agreement Capacity; however, termination can only occur at Awarded Capacity.

2.10 Article 14, titled Event of Defaults and Termination, addresses the parties' defaults. These defaults will be taken into account for termination in accordance with Article 2.9.

ARTICLE 3: SCOPE OF AGREEMENT

3.1 Scope of Agreement –

3.1.1 This Agreement details the terms and conditions, financial arrangements, responsibilities and obligations of the parties for installing grid connected Rooftop Solar PV Projects under RESCO model on Net Feed-In Mechanism as per TNERC Grid Interactive PV Solar Energy Generating System Regulations 2021.

3.1.2 Out of the total Awarded Capacity of _____ kW, the RESCO Developer, under this Agreement, has undertaken to develop and commission _____ kW (hereinafter referred to as the 'Agreement Capacity' in accordance with Article 1.1.12) of Rooftop Solar PV Projects on the Premises of the Buying Entity(ies) falling under the administrative control of _____ (Head of Department of the Buying Entity/Entities), with the principal objective of supplying solar power to the said Buying Entity(ies). (The detailed list of Agreement Capacity is annexed hereto as Annexure 2 and Annexure 3 of this Agreement).

ARTICLE 4: CONDITIONS PRECEDENT

4.1 Conditions Precedent of RESCO Developer

4.1.1 **Performance Bank Guarantee (PBG) –** The RESCO Developer shall submit the Performance Bank Guarantee in the form of an unconditional and irrevocable Bank Guarantee for an amount of Rs _____ to TNGECL in accordance with the Format 7.3B of the RfS Document within 15 days from the Effective Date.

4.1.2 The Performance Bank Guarantee shall be initially valid for a period of twelve (12) months from SCOD.

4.1.3 TNGECL has agreed to accept the PBG in the form of an unconditional and irrevocable Bank Guarantee with the clear position intimated to the RESCO Developer that the PBG shall be encashable for being appropriated by TNGECL in terms of the guarantee.

4.1.4 The Developer shall furnish the PBG from any of the Nationalized/ Scheduled Commercial Banks as listed on the website of Reserve Bank of India (RBI) and amended as on the date of issuance of bank guarantee. Bank Guarantee issued by foreign branch of a Scheduled Commercial Bank is to be endorsed by the Indian branch of the same bank or State Bank of India (SBI).

4.1.5 The Bank Guarantee have to be executed on non-judicial stamp paper of appropriate value as per Stamp Act relevant to the place of execution.

4.1.6 All expenditure towards execution of PBG such as stamp duty etc. shall be borne by the RESCO Developer. Any Bank Guarantee or amendment to be submitted as part of the bidding process / contract execution, shall be effective only when the BG issuance message is transmitted by the issuing bank through SFMS to TNGECL and confirmation in this regard is to be received by TNGECL respectively.

4.1.7 The PBG shall be returned to the RESCO Developer within One Hundred and Eighty (180) days from the successful commissioning of the Awarded Capacity, after accounting for any damages due to delay in commissioning.

4.1.8 Upon receipt and after successful verification of the PBG, the Bid Security shall be returned by TNGECL to the RESCO Developer. The failure on the part of the Developer to furnish and maintain the Performance Bank Guarantee as per the

Clause 4 of the Agreement shall be a material breach of the term of the Agreement on the part of the Developer.

4.1.9 If the RESCO Developer fails to commence supply of power from the SCOD specified in this Agreement or any further extension thereof by TNGECL, subject to conditions, TNGECL shall encash the Performance Bank Guarantee equivalent to the amount calculated as per Article 6.2.1.5, without prejudice to the other rights of TNGECL under this Agreement.

4.1.10 The RESCO Developer further acknowledges and accepts that a breach of any of the obligations contained herein result in injuries and that the amount of the damages or the method of calculating the damages specified in this Agreement is a genuine and reasonable pre estimate of the damages that may be suffered by Buying Entity/TNPDCL/TNGECL in each case specified under this Agreement.

4.2 Return of Performance Bank Guarantee

4.2.1 Subject to Article 4.1, TNGECL shall return / release the Performance Bank Guarantee within (One Hundred and Eighty) 180 days from the successful commissioning of the Awarded Capacity, after taking into account any penalty due to delays in commencement of power supply beyond the SCOD as per provisions stipulated in this Agreement.

4.2.2 The return / release of the Performance Bank Guarantee shall be without prejudice to other rights of TNGECL under this Agreement.

4.3 Financial Closure

4.3.1 The RESCO Developer at its own cost and risk, within Ninety Days (90) days from the Effective Date (referred to as "Financial Closure Date") make financing arrangements for Awarded Capacity.

4.3.2 The RESCO Developer will have to submit the required documents related to Financial Closure to TNGECL at least 14 days prior to the Financial Closure Date. In case of delay in submission of documents, TNGECL shall not be liable for delay in verification of documents and subsequent delay in Financial Closure.

4.4 Consequences of non-achievement of Financial Closure

4.4.1 In the event the RESCO Developer anticipates delay in Financial Closure within the timeline stipulated under Article 4.3.1 of this Agreement, the RESCO Developer may submit a written request to TNGECL seeking an extension. Upon receipt of such request, TNGECL may, at its sole discretion, grant an extension not exceeding thirty (30) days for the achievement of Financial Closure.

Provided further, that for each day of delay beyond the original Financial Closure Date, the RESCO Developer shall be liable to pay extension charges at the rate of INR 2,000 (Indian Rupees Two Thousand) per MW per day. Such extension charges shall be payable to TNGECL in advance, corresponding to the period of extension requested.

4.4.2 The RESCO Developer has deposited any amount with TNGECL towards an extension granted for achieving Financial Closure, such amount shall be refunded subject to the following conditions:

a. If the RESCO Developer achieves Financial Closure within the period of extension actually sought, TNGECL shall refund, within ten (10) days of such achievement, the proportionate amount corresponding to the difference between the extension period sought and the actual number of days taken to achieve Financial Closure,without any interest;

b. The balance amount without any interest liability, corresponding to the actual number of days of delay in achieving Financial Closure, shall be refunded to the RESCO Developer only if the Developer successfully achieves the Commercial Operation Date (COD) for the Awarded Capacity within one hundred and eighty (180) days from the Effective Date of this Agreement;

c. If the Developer fails to achieve COD within the aforesaid one hundred and eighty (180) day period, TNGECL shall be entitled to forfeit such balance amount, and the Developer shall have no claim whatsoever in respect thereof.

4.4.3 In case RESCO Developer's failure to achieve financial closure, TNGECL shall encash the Performance Bank Guarantee furnished by the RESCO Developer.

4.4.4 Furthermore, TNGECL shall have the right to terminate the Award Agreement signed with the RESCO Developer and the RESCO Developer shall be directed to vacate the premises. Such termination shall be preceded by a written notice of

fifteen (15) days issued by TNGECL to the RESCO Developer, upon the expiry of which the termination shall become effective.

4.4.5 Unless the delay is on account of delay in allotment of premises (Government Buildings) not owing to any action or inaction on the part of the Developer or caused due to a Force Majeure.

4.4.6 For the avoidance of doubt, it is clarified that this Article shall survive the termination of this Agreement.

4.4.7 In case of inability of the Developer to fulfil the conditions specified in Article 4.4.1 due to any Force Majeure event, the time period for fulfilment of the Financial Closure as mentioned Article 4.4.1 respectively, shall be extended for the period of such Force Majeure event.

4.5 General Conditions of RESCO Developer

4.5.1 RESCO Developer shall, within fifteen (15) working days of the Effective Date, submit Project details and drawings of all the Rooftop Solar PV Projects corresponding to the Awarded Capacity to TNGECL for the records.

4.6 Conditions Precedent of Buying Entity

4.6.1 Upon completion of the site survey by the RESCO Developer, the Buying entity shall not undertake any construction or place any obstruction on the designated rooftop area. In the event of any alteration to the designated Shadow Free Area of designated rooftop area after the survey, the RESCO Developer shall bear no liability for such changes and shall have the right to replace the affected building from the cluster list provided by TNGECL upon request to TNGECL given in writing.

4.6.2 After the survey of premises, in case the RESCO Developer suggests removal or cutting of trees or any such obstacles to get necessary solar access, the Buying Entity will arrange necessary approval for the same from concerned authorities or stakeholders and shall remove such obstacles.

4.6.3 Buying entity shall apply to the TNPDCL for connectivity of the Grid Interactive Solar PV Energy Generating System as per the TNERC Grid Interactive Solar PV Energy Generating System (GISS) Regulations, 2021. RESCO Developer will assist and coordinate for the same with the Buying Entity.

4.6.4 The Buying Entity shall ensure complete access of the premises to Project Lenders and Lenders Representatives during the tenor of the loan facility if taken, TNGECL and TNPDCL for regular monitoring of the Project.

4.7 Conditions Precedent of Tamil Nadu Power Distribution Corporation Limited (TNPDCL)

4.7.1 TNPDCL shall provide to the RESCO Developer, in respect of payment of its invoices, unconditional, revolving and irrevocable letter of credit ("Letter of Credit") with the provision set forth in Article 11.8 of this Agreement.

ARTICLE 5: CONSTRUCTION, INSTALLATION, TESTING AND COMMISSIONING OF THE ROOFTOP SOLAR PV PROJECT.

5.1 Installation Work

5.1.1 It is agreed between the Parties that the RESCO Developer shall commission the Rooftop Solar PV Projects with Agreement Capacity of _____kW. The RESCO Developer shall install a Rooftop Solar PV Projects corresponding to the Agreement Capacity as specified in Annexure 2 and Annexure 3 and shall not deviate from the said capacity.

5.1.2 The RESCO Developer shall be responsible for design, engineering, supply, civil work, erection, testing & commissioning of the grid connected Rooftop Solar PV Projects along with Operation and Maintenance (O & M) of the Project for a period of 25 years after commissioning of the Awarded Capacity as per the Terms and Conditions of this Agreement.

5.2 Obligations for RESCO Developer, Buying Entity, TNGECL and TNPDCL

5.2.1 RESCO Developers Obligations –

The RESCO Developer is required to meet the following obligations for each individual Buying entity.

a) RESCO Developer shall be responsible in obtaining all necessary Government Approvals, Consents required under applicable regulations, building codes and approvals needed as per TNERC Grid Interactive PV Solar Energy Generating System (GISS) Regulations, 2021 and amendments thereof.

b) RESCO Developer shall abide any other applicable regulations relating to installation and operation of the Project and generation and supply of solar power from the Rooftop Solar PV Project to Buying Entity and maintain the same in full force and effect during the Term of this agreement.

c) RESCO Developer is required to complete all the Rooftop Solar PV Projects as per Annexure 2 and Annexure 3 of this Agreement within One Hundred and Eighty (180) days from the Effective date on Build, Own, Operate, and Maintain (BOOM) model.

d) RESCO Developer shall provide and lay the dedicated electrical cables for transmission of Solar Power from the Rooftop Solar PV Project up to the Delivery Point.

e) RESCO Developer shall provide timely basis relevant information on Project specifications which may be required for interconnecting Project with the Grid to TNPDCL and Buying Entity.

f) Unless otherwise agreed between the RESCO Developer and Buying Entity, the RESCO Developer shall not do (a) chipping of rooftop; or (b) Carry out any other modification of the Premises without the written consent of the Buying Entity. Provided that, in case any damages caused to the equipment / facilities owned by the Buying Entity due to the RESCO Developer, the same shall be made good rectified by the RESCO Developer at RESCO Developer's own cost.

g) RESCO Developer is responsible for the waterproofing of the roof disturbed/ pierced for installation of Project for the O&M period of first three (03) Operational Years. The RESCO Developer should immediately take necessary action to repair any damage to the water proofing. However, in such situations, RESCO Developer shall bear any loss or damage to Project and rectify the same within reasonable timeframe but any generation loss in such eventualities shall not be passed on to Buying Entity. If RESCO Developer fails to do required water proofing within 7 days from the day of identification of issue, Buying Entity may get the same done at prevailing market rate and RESCO Developer shall reimburse the same to Buying Entity. If the RESCO Developer fails to reimburse the expenses to the Buying Entity, then such expenses shall be adjusted by the TNPDCL from the energy bills of the next six (6) months.

h) RESCO Developer shall maintain general cleanliness of area around the Project during construction and operation and maintenance period of the Project.

i) RESCO developer shall fulfil the above obligations for each and every Premises. In case the developer fails to fulfil the obligation leading to delay in commissioning will lead to penalty as per Article 6.2.1 of the Agreement.

j) RESCO Developer shall maintain its shareholding pattern as per Annexure -6 in the Agreement.

k) RESCO Developer shall be solely responsible for ensuring that all personnel deployed by it possess valid credentials, have undergone thorough background verification, and are supported by all requisite documentation as required.

5.2.2 Buying Entity Obligations –

a) Buying Entity shall provide full access of the Premises to the RESCO Developer to perform the Installation Work and future operations, and maintenance works at the Premises in a manner that minimizes inconvenience to and interference with the use of the Premises to the extent commercially practical.

b) Buying Entity shall provide access to Project Lenders and Lenders Representatives during the tenor of the loan facility if taken any by the RESCO Developer.

c) Buying Entity should not have any lien over the assets financed by Banks like solar modules, inverters, etc. on the rooftop of the procurer as those assets belong to the RESCO Developer.

d) Buying entity with help of RESCO Developer shall be responsible in obtaining approvals for getting Electricity Bill Connection as per TNERC Grid Interactive PV Solar Energy Generating System (GISS) Regulations, 2021 and amendments thereof.

e) Buying Entity 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 term of the Agreement.

f) **Power Supply:** Buying Entity shall provide sufficient auxiliary power to the RESCO Developer for the maintenance and operation of its Rooftop Solar PV Project.

5.2.3 TNGECL Obligation

a) TNGECL will be responsible for monitoring the timely installation and progress of Awarded Capacity to the RESCO Developer.

b) TNGECL shall monitor the progress of the installation of the Rooftop Solar PV Projects comprising the Project Capacity and shall have the right to inspect the quality of such installations at any time during the commissioning process or

upon completion thereof. Such inspections may be carried out by officers of TNGECL or by any agency or experts duly designated or authorized by TNGECL from time to time.

c) TNGECL shall depute a technical person(s) from time to time for inspection, third party verification, monitoring of Rooftop Solar PV Project installed to oversee, the implementation as per required standards.

d) Verify the invoices as and when raised by the RESCO Developer to TNPDCL with a copy sent to TNGECL.

e) TNGECL shall, upon receipt of a written request from the RESCO Developer, provide alternative buildings for the implementation of the Rooftop Solar PV Project in the event of any System Disruption, in accordance with the provisions of Article 7 of this Agreement.

5.2.4 TNPDCL Obligation

a) TNPDCL shall process the payments against the invoice raised by RESCO Developer as per Article 11.3 of the Agreement.

b) TNPDCL shall adhere to Article 11.8 in order to maintain payment security of RESCO Developer.

c) In the event that TNGECL, or the Buying Entity, or TNPDCL fails to fulfil any of its obligations under this Agreement, including but not limited to occurrences of Loss of Revenue, Disruption, or any other breach, TNPDCL shall be solely responsible for making the corresponding payments to the Developer. All such payment transactions and related financial settlements shall be exclusively handled and processed through TNPDCL.

5.3 Interconnection Facility

5.3.1 The TNERC Regulations for Grid-Interactive Solar Systems (GISS) outline clear standards for interconnection, safety, and operational responsibilities. The RESCO Developer must comply with the set standards as per clause 8 of the TNERC GISS Regulations. All Rooftop Solar PV Projects must comply with Central Electricity Authority (CEA) and Tamil Nadu Electricity Grid Code standards. RESCO Developer is responsible for Rooftop Solar PV Project maintenance up to the metering point.

Unauthorized connections without prior approval may lead to disconnection, penalties, and reapplication delays. Adequate protective devices, such as fuses, circuit breakers, and isolators, are mandatory to ensure safety, prevent back-feeding, and maintain power quality. Rooftop Solar PV Projects must auto isolate under grid failure or abnormal conditions. Buying Entity along with RESCO Developer must obtain safety certifications and follow all regulatory requirements. TNPDCL holds the right to disconnect any Rooftop Solar PV Project posing a threat to the grid.

5.4 Purchase Sale Transactions

5.4.1 Subject to the terms and conditions of this Agreement, the RESCO Developer undertakes to sell 100% of Solar Power generated from Rooftop Solar PV Project to the Buying Entity and the Buying Entity undertakes to purchase such generated power supplied at the Delivery Point.

5.4.2 It is further clarified that the Parties herein agree that during the subsistence of this Agreement, the RESCO Developer shall not negotiate, engage in discussions, or enter into any arrangement or agreement with any third party for the sale or supply of solar power that is the subject matter of this Agreement.

5.5 Performance Parameters

5.5.1 Subsequent to commissioning of the Project, for any Operational Year, the RESCO Developer shall be required to maintain and demonstrate the following performance parameters:

a) <u>Capacity Utilization Factor (CUF) of 17%</u>

The RESCO Developer shall maintain minimum CUF of 17% for each Rooftop Solar PV Project for every Operational Year. It shall be the responsibility of the RESCO Developer, entirely at his cost and expense to install such number of Solar panels and associated equipment as may be necessary to achieve the required CUF, and for this purpose the RESCO Developer shall make its own study and investigation of the GHI and other factors prevalent in the area which have implication on the quantum of generation. The RESCO Developer

shall maintain generation so as to achieve minimum CUF during the term of the Agreement.

5.6 Supply of Power

5.6.1 The RESCO Developer shall ensure supply of energy throughout the Term of the Agreement in compliance with Article 5.5.

5.6.2 The RESCO Developer shall not, under any circumstances, disconnect the Rooftop Solar PV Project or discontinue the supply of power, except when expressly directed by TNPDCL for reasons related to grid security, operational requirements, or in connection with the operation and maintenance activities of the Rooftop Solar PV Project undertaken by the RESCO Developer.

5.7 Damages

5.7.1 For any Operational Year, in the case of shortfall in generation due to CUF less than 17%, the RESCO Developer shall be liable to pay the compensation for reasons solely attributable to the RESCO Developer. This compensation shall not be applicable in events of Force Majeure identified under this Agreement affecting supply of Solar Power by RESCO Developer. For the shortfall of units on account of not maintaining minimum CUF of 17%:

Penalty for each Rooftop Solar PV Project for a given Operational Year = *(Tariff for LT - IIB (2) Category as notified by TNERC time to time – Applicable tariff) * (Shortfall Units)*

[**"Shortfall Units"** shall mean the difference between the Solar Power generated at CUF of 17% (minimum committed energy) for a specific period and the actual Solar Power delivered by the RESCO Developer to the Buying Entity during that same period, where the Actual Solar Power is less than the minimum committed energy. The following table depicts the calculation for Shortfall units]

Illustration –

Parameter	Legend	Value
Plant Capacity (kW)	**A**	25
Operating Hours/Day	**B**	24

Parameter	Legend	Value
Operating Days	**C**	365
Total Hours	**D = (B*C)**	8760
CUF (%) to be maintained	**E**	17%
Actual CUF (%) achieved	**F**	16%
Desired Solar Power Generation (kWh)	**G = (A*D*E)**	37,060
Actual Solar Power Generated (kWh)	**H = (A*D*F)**	34,880
Shortfall Units (kWh)	**I = G - H**	2,180
Tariff for LT - IIB (2) Category as notified by TNERC time to time	**J**	8.80*
Applicable Tariff in Rs/kWh	**K**	4.50
Penalty on RESCO Developer in Rs.	**L = (J-K)*I**	9,374
*INR 8.80 has been assumed based on current year approved Tariff for consumer category [LT - IIB (2)] by TNERC.		

5.7.2 If, for reasons other than the RESCO Developer's breach of its obligations under this Agreement, RESCO Developer is not provided with the access to the Premises as necessary to operate and maintain the Project, such time period shall be excluded from the calculation of CUF. However, The RESCO Developer shall submit a written communication to TNGECL outlining the challenges encountered concerning the project timelines.

5.7.3 If, for reasons other than the RESCO Developer's breach of its obligations under this Agreement, energy generation from Rooftop Solar PV Project is hampered significantly or stopped due to System Disruption as per Article 6, such time period shall be excluded from the calculation of CUF.

5.8 System Acceptance Testing

a) The RESCO Developer shall give 15 days advance notice to conduct the testing of the Rooftop Solar PV Project and shall conduct testing of the Rooftop Solar PV Project in the presence of designated representatives of TNGECL, TNPDCL and Buying Entity.

b) If the results of such testing indicate that the Rooftop Solar PV Project is capable of generating electric energy as per the norms, then the RESCO Developer shall submit

commissioning certificate of the Project issued by TNPDCL in accordance with the TNERC Grid Interactive PV Solar Energy Generating System (GISS) Regulations, 2021. RESCO Developer shall send a written notice to TNGECL with a copy to Buying Entityto that effect, and the date of successful conducting such tests and injection of Power at Delivery Point.

c) Operational Date of Rooftop Solar PV Project shall be the date on which the commissioning certificate is issued upon successful commissioning of that capacity by TNPDCL. However, the capacity so commissioned shall be deemed to achieve COD on such date as per Article 6 of this Agreement.

5.9 Verification by Government Instrumentality

5.9.1 The Buying Entity shall be further required to provide entry to the Premises, free of all encumbrances at all times during the Term of the Agreement to TNGECL/TNPDCL and their representatives, any Governmental Instrumentality for inspection and verification of the works being carried out by the RESCO Developer at the Premises. The RESCO Developer shall provide full support to TNGECL/TNPDCL and their representatives, and Government Instrumentality in this regard.

5.9.2 TNGECL/TNPDCL and their representatives, and Government Instrumentality may verify the construction works/operation of the Rooftop Solar PV Project being carried out by the RESCO Developer and if it is found that the construction works/operation of the Rooftop Solar PV Project is not as per the Prudent Practices, it may seek clarifications from RESCO Developer or require the works to be stopped or to comply with the instructions of such third party.

5.10 Suspension of Delivery

5.10.1 RESCO Developer shall be entitled to suspend delivery of electricity from the Rooftop Solar PV Project to the Delivery Point for the purpose of maintaining and repairing the Rooftop Solar PV Project upon giving one week's advance written notice to TNPDCL and Buying Entity, except in the case of emergency repairs. Such suspension of Service shall not constitute a breach of this Agreement, provided that the RESCO Developer shall use commercially reasonable efforts to

minimize any interruption in service to the Buying Entity. However, any preventive maintenance shall be done only during the period during non-solar hours.

5.10.2 RESCO Developer shall be entitled to suspend delivery of electricity as and when notified by TNPDCL as per TNERC Grid Interactive Solar PV Energy Generating System (GISS) Regulations, 2021.

5.11 De-Installation of the Project

5.11.1 The RESCO Developer shall be solely responsible for the de-installation of the Rooftop Solar PV Project within 2 months at the end of the Term of Agreement/expiry of the Agreement.

5.11.2 All de-installation activities, including dismantling, removal, and site restoration, shall be carried out in accordance with applicable prevailing laws, including the E-Waste (Management and Handling) Rules, 2021, and the relevant guidelines issued by the Ministry of Environment, Forest and Climate Change (MoEFCC).

5.11.3 The RESCO Developer shall ensure safe and environmentally compliant disposal of all Project components and materials, including but not limited to photovoltaic panels, batteries, cables, and electronic waste.

5.11.4 TNPDCL shall withhold payment of the invoice pertaining to the final two (2) months preceding the Expiry Date of the Agreement and shall release such payment only upon the RESCO Developer's completion of de-installation in accordance with Article 5.11.1.

5.11.5 Such withheld amount shall be released only upon RESCO Developer duly de-installing the Project.

ARTICLE 6 - SYNCHRONIZATION, COMMISSIONING, AND COMMERCIAL OPERATIONS

6.1 Synchronization, Commissioning and Commercial Operation

6.1.1 The Developer shall strictly adhere to the TNERC Grid Interactive Solar PV Energy Generating System (GISS) Regulations, 2021 for synchronization of the Rooftop Solar PV Projects.

6.2 Commissioning and Commercial Operation

6.2.1 Commissioning of the Awarded Capacity and Penalty for delay in Commissioning

6.2.1.1 RESCO Developer is required to complete the installation of Awarded Capacity within One Hundred and Eighty (180) days from the Effective Date on Build, Own, Operate, and Maintain (BOOM) Model.

6.2.1.2 The RESCO Developer is under a binding obligation to strictly conform to the individual Project Capacities as delineated in Annexure 2 and Annexure 3 of this Agreement during the course of installation of the Rooftop Solar Photovoltaic (PV) Projects, in order to fully meet the Awarded Capacity.

6.2.1.3 It is expressly stipulated that any deviation, variation, or non-conformity from the approved project capacities, whether in excess or deficiency, shall be deemed non-compliant and, accordingly, such non-conforming installations shall not be eligible for consideration under Commissioning provisions of this Agreement.

6.2.1.4 In the event such deviation is identified, the RESCO Developer shall, at its sole cost and responsibility, promptly undertake all necessary corrective measures, including but not limited to the removal of excess capacity or augmentation of deficient capacity, so as to bring the installed capacity into full and exact alignment with the sanctioned Project Capacities.

6.2.1.5 The RESCO Developer shall commission the Awarded Capacity within SCOD as per the Article 6.2.1.1. If the RESCO Developer is unable to commission the Awarded Capacity by the SCOD for the reasons other than those specified in

Article 6.5.1 and Article 6.5.2, the RESCO Developer shall pay to TNGECL, penalty for the delay in commissioning and making the Capacity available for dispatch by the SCOD as per the following:

A. Delay beyond the SCOD up to (& including) the date as on 3 months after the SCOD: The total PBG amount shall be encashed on per-day basis. For example, if the commissioning of 4 MW of the 10 MW is delayed by 18 days beyond the SCOD, then the penalty shall be: PBG amount X (18/90) X (4/10).

B. For avoidance of doubt, it is clarified that provisions of Article 6.2.1.3 will be applicable even in case where no capacity (i.e. 0 MW) has been commissioned.

6.2.1.6 The RESCO Developer acknowledges and accepts that the methodology specified herein above for calculation of penalty payable by the RESCO Developer is a genuine and accurate pre-estimation of the actual loss that will be suffered by TNGECL. RESCO Developer further acknowledges that a breach of any of the obligations contained herein result in injuries and that the amount of the penalty or the method of calculating the penalty specified in this Agreement is a genuine and reasonable pre-estimate of the damages that may be suffered by the TNGECL in each case specified under this Agreement.

6.2.1.7 The maximum time period allowed for commissioning of the Awarded Capacity with encashment of Performance Bank Guarantee shall be limited to 3 months after the SCOD of the Awarded Capacity. In case, the commissioning of the Awarded Capacity is delayed beyond Ninety (90) days after the SCOD, the Award Agreement shall stand terminated.

6.3 Part Commissioning

6.3.1 Part Commissioning of the Awarded Capacity shall be permitted only if the following conditions are duly fulfilled:

(i) At least Sixty Percent (60%) of "Awarded Capacity" has been successfully commissioned.

6.3.2 The RESCO Developer shall be entitled to commence part commissioning of the Awarded Capacity on or after One Hundred and Twenty (120) days following the

Effective Date of the Agreement, provided that the RESCO Developer has fully complied with all conditions and obligations specified under Articles 6.3.1 and 6.3.4 of the Agreement.

6.3.3 There shall be no part commissioning at Agreement Capacity level.

6.3.4 It is expressly stipulated and agreed that partial commissioning of the Rooftop Solar PV Project shall not be permitted on Project basis. For the avoidance of doubt, in instances where the sanctioned capacity for a particular premises is 500 kW and the RESCO Developer installs only 300 kW, such installation shall be deemed non-compliant and the Project at that premises shall be considered incomplete. Accordingly, no such partial installation shall qualify for Part Commissioning or any associated benefits or entitlements under this Agreement.

6.3.5 During the period of Part Commissioning, the RESCO Developer shall endeavour to maintain a Capacity Utilization Factor (CUF) of 17%. However, CUF shall not be subject to monitoring during this period, and no penalties shall be levied for any shortfall in CUF until the Scheduled Commercial Operation Date (SCOD).

6.3.6 Part commissioning of the Awarded Capacity will be allowed solely at the risk and cost of the RESCO Developer.

6.3.7 In the case of part commissioning as per Article 6.3.1, on/before the SCOD, Buying Entity may purchase the power at the Applicable Tariff mentioned in Article 10.

6.3.8 In the event of Part Commissioning, any payments due against Part Commissioning shall be adjusted in the first Invoice raised by the RESCO Developer following the COD.

6.4 Early Commissioning

6.4.1 The RESCO Developer shall be permitted for full commissioning of the Awarded Capacity prior to the SCOD. Early Commissioning of the Awarded Capacity will be allowed solely at the risk and costs of the RESCO Developer, and Buying Entity shall purchase the capacity from such early commissioned installed Awarded Capacity at Applicable Tariff as per Article 10 of this Agreement.

6.4.2 Such intimation for early commissioning shall be provided to TNGECL at least 15 days before the proposed early commissioning date as per the Commissioning

Procedure. In case there is no response provided by TNGECL within 7 days from the receipt of such intimation, such early commissioned capacity shall be deemed to be rejected by TNGECL.

6.4.3 The COD of the Awarded Capacity under the agreement will be the date on which the commissioning certificate is issued upon successful commissioning of the Awarded Capacity. Subject to the provisions of this Agreement, in case of early commissioning, the RESCO Developer will have to demonstrate 100% of Awarded Capacity (as per the Commissioning Procedure) to TNGECL, TNPDCL and Buying Entity from the date of commencement.

6.5 Extension of time

6.5.1 In the event that the RESCO Developer is prevented from performing its obligations under Article 5.2.1 by the SCOD due to:

- any Buying Entity/TNGECL/TNPDCL Event of Default; or
- Force Majeure Events affecting TNGECL,

the SCOD and the Expiry Date shall be deferred, for a reasonable period but not less than 'day for day' basis, to permit the RESCO Developer or Buying Entity through the use of due diligence, to overcome the effects of the Force Majeure Events affecting the RESCO Developer or Buying Entity, or till such time such Event of Default is rectified.

6.5.2 In case of extension due to reasons specified in Article 6.5.1, and if such Force Majeure Event continues even after a maximum period of nine (9) months from the date of the Force Majeure Notice, termination at Awarded Capacity shall be caused as per the provisions of Article 14.

6.5.3 If the Parties have not agreed, within thirty (30) days after the affected Party's performance has ceased to be affected by the relevant circumstance, on the time period by which the SCOD or the Expiry Date should be deferred, either Party may raise the Dispute to be resolved in accordance with Article 20.

6.5.4 As a result of such extension on account of Article 6.5.1, the newly determined SCOD and newly determined Expiry Date shall be deemed to be the SCOD and the Expiry Date for the purposes of this Agreement.

6.5.5 Delay in commencement of power supply from all the Rooftop Solar PV Projects corresponding to the Awarded Capacity beyond the SCOD for reasons other than those specified in Article 6.5.1 shall be an event of default on part of the RESCO Developer and shall be subject to the consequences specified in the Article 14.

ARTICLE 7: SYSTEM DISRUPTION

7.1 System Disruption due to Buying Entity

In the event that –

a) The Buying Entity repairs the premises for any reason not directly related to damage, if any, caused by the Rooftop Solar PV Project, and such repair requires the partial or complete disassembly or movement of the Rooftop Solar PV Project, or

b) any act or omission of Buying Entity or Buying Entity's employees, Affiliates, agents or subcontractors (collectively, a "Buying Entity Act") results in a disruption or outage in Rooftop Solar PV Project production, and such events attributable to Buying Entity except Force majeure, or

c) any construction or demolition of existing Buying Entity on which Rooftop Solar PV Project is installed, then

i. The cost of dismantling and reinstalling the modules and related equipment shall be borne by TNPDCL on per kW basis. TNPDCL shall be obligated to pay the RESCO Developer Rs. 2,500/kW, subject to an annual escalation based on the Consumer Price Index (CPI).

ii. In the event of a System Disruption, the RESCO Developer shall be entitled to receive compensation for the Disruption Period. Such compensation shall be calculated based on the average electricity generation during the preceding three (03) months at the Applicable Tariff. However, if the System Disruption occurs within the first three (03) months from the Commercial Operation Date (COD), the compensation shall be based on the actual average electricity generation from the COD up to the date of System Disruption, at the Applicable Tariff,

Provided that such compensation shall be payable for the entire period commencing from the date on which generation is adversely affected until the date the Developer completes installation of the Rooftop Solar PV Project at the newly allotted government building, which shall in any case be within one (1) month from the date of such allotment (the "Disruption Period");

Provided that RESCO Developer shall not be entitled to any compensation beyond the Disruption Period specified hereinabove. In the event that the RESCO Developer exceeds the installation timeline of the Rooftop Solar PV Project by more than one (1) month, the RESCO Developer shall be liable to pay penalties in accordance with Clause 5.7.1 of the Agreement to TNPDCL for such delay.

iii. In the event of the demolition of the building or the shading of the Rooftop Solar PV Project, whether partially or completely, the RESCO Developer shall provide written notice to the relevant authorities requesting an alternative government building or rooftop area to accommodate the affected capacity of the Rooftop Solar PV Project, along with a detailed report. Upon receipt of this written notice, TNGECL shall verify the request and, within 15 days, provide the RESCO Developer with an alternative government building or buildings identified by TNGECL that can support the same capacity for the installation of the Rooftop Solar PV Project. During the dismantling and reinstallation of the Rooftop Solar PV Project, payments shall be made in accordance with the provisions outlined in Article 7.1.

iv. Annexure 2 and Annexure 3 of this Agreement shall be deemed amended to include the allocation of new alternative Government Building(s) to the RESCO Developer by TNGECL. The alternate allocated Government Building(s) shall be regarded as an integral part of this Agreement for the duration of the remaining term of the Agreement.

7.2 System Disruption due to Unforeseen or Uncontrolled Site Conditions

7.2.1 In the event that power generation from the Rooftop Solar PV Project is adversely impacted due to circumstances beyond the reasonable control of the Buying Entity and the RESCO Developer, the RESCO Developer may submit a formal written request to TNGECL for a change in the allocated building. This request may be made if the current allocation negatively affects the overall Rooftop Solar PV Project, or alternatively, the RESCO Developer may request the allocation of a different rooftop area for the affected portion of the Project Capacity. Any such request must be adequately justified and will be subject to review and approval by TNGECL at its sole discretion. Upon verification and confirmation that the cited

reason is valid, TNGECL may allocate an alternative government building for the relocation of the Project, contingent upon the availability of government buildings. *Provided that no compensation shall be claimed by the RESCO Developer if the System Disruption occurs as per Article 7.2.1.*

7.2.2 In the event as per Article 7.2.1, alternate Government Buildings are allocated to the RESCO Developer, the RESCO Developer shall be solely responsible for the dismantling, transportation, and reinstallation of the Rooftop Solar PV Project at the newly allotted premises at his cost. Such dismantling and reinstallation shall be completed within a period not exceeding one (1) month from the date of allotment of the alternate government building.

ARTICLE 8: METERING

8.1 Metering

8.1.1 The RESCO Developer shall install the Metering System in accordance with TNERC (Grid Interactive Solar PV Energy Generating Systems) (GISS) Regulations, 2021 and any amendments thereof.

8.1.2 Remote Monitoring and data acquisition through Remote Monitoring System software with latest software/hardware configuration and service connectivity for online / real time data monitoring control complete to be supplied and O&M control to be installed at inverter point of every Rooftop Solar PV Project by the RESCO Developer. Provision for interfacing these data on TNGECL server and portal in future shall be maintained.

8.1.3 All meters installed at the Rooftop Solar PV Project shall comply with the CEA (installation and Operation of Meters) Regulations, 2006 and subsequent amendments thereof.

8.1.4 All meters shall have Advanced Metering infrastructure (AMl) facility with RS 485 (or higher) communication port.

8.1.5 The bi-directional metering arrangement shall include a single-phase or a three-phase bi-directional meter, as may be required by the Buying Entity, located at the point of inter-connection as ascertained by the TNPDCL.

8.1.6 Existing Meter in the premises at the Buying Entity shall be replaced by the bi-directional meter at the cost of the RESCO Developer.

8.1.7 All the meters under all mechanisms of TNERC GISS Regulation, 2021 such as Bidirectional meter, Renewable Energy Generation Meter etc., shall be installed at such locations in the premises of the Buying Entity that would enable easy and safe access to the TNPDCL for inspection and meter reading at any time.

8.1.8 ln case of Rooftop Solar PV Project with capacity above 20 kW a Check Meter of appropriate class may be installed for the Renewable Energy Generation Meter, provided that installation of Check Meter shall be optional for Renewable Energy Generating System with capacity up to and including 20 kW;

8.1.9 In case of defective/failure/burnt condition of any meter, TNPDCL shall replace the meter as specified in the Electricity Supply Code at the cost of RESCO Developer.

8.1.10 The electricity generated by the Rooftop Solar PV Project during the period in which the meter is defective shall be determined based on the readings of the Check Meter or the reading / consumption recorded in the inverter.

8.1.11 In case of defect of both meter and inverter, if the recorded data are retrievable from the internal storage of the meter, invoicing shall be done based on the data so retrieved.

8.1.12 In case of data not being retrievable, the consumption during the period in which the Meter is defective shall be determined as specified in the Electricity Supply Code.

8.1.13 The details of meter, nature of defect, action taken to retrieve the data and reason for non-retrieval of data shall be documented by a competitive authority and preserved to be produced at any time in future.

8.2 Records

8.2.1 Each Party shall keep complete and accurate records and all other data required by each of them for the purposes of proper administration of this Agreement and the operation of the Project. Among such other records and data, the RESCO Developer shall maintain an accurate and up-to-date operating log at the Power Plant with records of:

a) Fifteen (15) minutes logs of real and reactive power generation, frequency, transformer tap position, bus voltage(s), Main Meter and Back up Meter Readings and any other data mutually agreed.

b) any unusual conditions found during operation / inspections.

c) chart and printout of event loggers, if any, for system disturbances/ outages.

d) All the records will be preserved for a period of 36 months.

ARTICLE 9: INSURANCE

9.1 Insurance

9.1.1 The RESCO Developer shall effect and maintain at its own cost, during the Term of the Agreement, such insurances for such maximum sums as may be required under the Financing Agreements and Applicable Laws, and such insurances as may be necessary or prudent in accordance with Good Industry Practice. The RESCO Developer shall also effect and maintain such insurances as may be necessary for mitigating the risks that may devolve on the Buying Entity as a consequence of any act or omission of the RESCO Developer during the term of the Agreement.

9.2 Insurance Cover

9.2.1 Such insurance coverage shall be procured from a reputable and duly licensed insurer and shall be maintained at levels and with terms that are adequate and sufficient to cover all foreseeable and insurable risks arising from or in connection with the design, engineering, procurement, installation, testing, commissioning, operation, and maintenance of the Rooftop Solar PV Projects. The scope of such insurance coverage shall include, but shall not be limited to, the following risks and liabilities:

a. comprehensive general liability insurance including theft and vandalism.

b. Natural Calamity (not limited to Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood, Inundation)

c. Fire

d. Lightning

e. Explosion/Implosion

f. Removal of Debris

g. Accidental Damages (not limited to Damage due to Drone, Aircraft Damage)

h. Accidental losses, bodily harm, injury, death of all individuals employed/ assigned;

9.3 Notice to TNGECL

9.3.1 No later than 30 (Thirty) days prior to commencement of the COD, the RESCO Developer shall, by notice, furnish to TNGECL, in reasonable detail, information in respect of the insurances that it proposes to effect and maintain in accordance with this Article 9. Within 15 (thirty) days of receipt of such notice, TNGECL may require the RESCO Developer to effect and maintain such other insurances as may be necessary pursuant hereto, and in the event of any difference or disagreement relating to any such insurance, the Dispute Resolution Procedure shall apply.

9.4 Evidence of Insurance Cover

9.4.1 All insurances obtained by the RESCO Developer in accordance with this Article 9 shall be maintained with insurers on terms consistent with Good Industry Practice. Within 15 (fifteen) days of obtaining any insurance cover, the RESCO Developer shall furnish toTNGECL, notarised true copies of the certificate(s) of insurance, copies of insurance policies and premia payment receipts in respect of such insurance, and no such insurance shall be cancelled, modified, or allowed to expire or lapse until the term of the Agreement.

9.5 Remedy for failure to insure

9.5.1 If the RESCO Developer shall fail to effect and keep in force all insurances for which it is responsible pursuant hereto, TNGECL shall have the option to either keep in force any such insurances, and pay such premia and recover the costs thereof from the RESCO Developer, or in the event of computation of a Termination Payment, treat an amount equal to the Insurance Cover as deemed to have been received by the RESCO Developer.

9.6 Waiver of subrogation

9.6.1 All insurance policies in respect of the insurance obtained by the RESCO Developer pursuant to this Article 9 shall include a waiver of any and all rights of subrogation or recovery of the insurers thereunder against, inter alia, the Utility, and its assigns, successors, undertakings and their subsidiaries, affiliates, employees, insurers and underwriters, and of any right of the insurers to any set- off or counterclaim or any other deduction, whether by attachment or otherwise, in

respect of any liability of any such person insured under any such policy or in any way connected with any loss, liability or obligation covered by such policies of insurance.

9.7 RESCO Developer's waiver

9.7.1 RESCO Developer hereby further releases, assigns and waives any and all rights of subrogation or recovery against, inter alia, TNGECL and its assigns, undertakings and their subsidiaries, affiliates, employees, successors, insurers and underwriters, which the RESCO Developer may otherwise have or acquire in or from or in any way connected with any loss, liability or obligation covered by policies of insurance maintained or required to be maintained by the RESCO Developer pursuant to this Agreement (other than third party liability insurance policies) or because of deductible clauses in or inadequacy of limits of any such policies of insurance.

9.8 Application of Insurance Proceeds

9.8.1 In case of the Award Agreement is not being implemented through Financing Agreement(s), save as expressly provided in the Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Rooftop Solar PV Projects falling within the Awarded Capacity, or any part of the Rooftop Solar PV Project falling within the Awarded Capacity shall be first applied to reinstatement, replacement or renewal of such loss or damage.

9.8.2 In case of the Rooftop Solar PV Project falling within the Awarded Capacity being financed through Financing Agreement(s), save as expressly provided in this Agreement or the Insurances, the proceeds of any insurance claim made due to loss or damage to the Rooftop Solar PV Project falling within the Awarded Capacity or any part of the Project falling within the Awarded Capacity shall be applied as per such Financing Agreements.

9.8.3 If a Force Majeure Event renders the Rooftop Solar PV Project falling within the Awarded Capacity no longer economically and technically viable and the insurers under the Insurances make payment on a "total loss" or equivalent basis, TNGECL shall have claim on such proceeds of such Insurance limited to outstanding dues, if any.

ARTICLE 10: APPLICABLE TARIFF

10.1 Applicable Tariff

10.1.1 Subsequent to the commencement of power supply by the RESCO Developer on the terms contained in this Agreement, the RESCO Developer shall be entitled to receive the Tariff of Rs.____/kWh [Insert the Tariff discovered through the bidding process conducted by TNGECL] on the energy generated through Rooftop Solar PV Project, in accordance with Article 5.5 and Article 5.6, fixed for the entire term of this Agreement, with effect from the COD.

10.1.2 In case of Part Commissioning, the RESCO Developer shall sell the electricity generated to Buying Entity as per the Applicable Tariff mention in Article 10.1.1.

10.1.3 Any implication of Change in Law as per Article 13 which shall result in a revision of the tariff accordingly, applicable from the month subsequent to such change.

ARTICLE 11: BILLING AND PAYMENT

11.1 General

11.1.1 From the Commercial Operation Date (COD), TNPDCL shall make payments to the RESCO Developer during the Operational Year in accordance with the Applicable Tariff as specified in Article 10.1.1. All tariff payments made by TNPDCL shall be denominated in Indian Rupees.

11.1.2 RESCO Developer shall ensure that all Rooftop Solar PV Projects are Remote Monitoring System ("RMS") enabled. The data from such RMS enabled Projects would be monitored or analysed remotely by TNGECL, at its Centralized Monitoring Centre. The RESCO Developer shall support TNGECL or its authorised representatives in establishing technical handshake between RMS and the Centralized Monitoring Centre. The internal data logger of the RMS system shall work on store-and-forward mechanism. It should be able to store data in case of connectivity outage and forward the stored data once the connectivity is attained. The RMS shall incorporate a 5G-capable modem/router with a valid SIM card to enable wireless broadband communication.

11.1.3 The Developer shall bear all costs related to procurement, installation, maintenance, data storage, and transmission associated with the Remote Monitoring System for the Term of the Agreement.

11.1.4 The RESCO Developer shall ensure data for a minimum period of 36 months to be stored in the data logger. The RMS system must also be capable of interfacing with external data loggers as may be installed by the TNGECL/TNPDCL or its authorised representatives at no extra cost. The RESCO Developer shall ensure that the connectivity of the Rooftop Solar Project with the Centralized Monitoring Centre of TNGECL is uninterrupted at all times during O&M period and shall make all necessary arrangements for the same.

11.1.5 In addition to the above, the RESCO Developer shall ensure and shall have no objection to provide access to RMS and / or any other medium used to transfer data for data acquisition and monitoring the performance of Project(s) to TNGECL. TNGECL or their authorized agency reserves right to validate the

authenticity of such data for which RESCO Developer shall extend full access and its cooperation.

11.1.6 Performance of RMS System – The RMS should have ability to send data on defined internal time so that data should not be lost due to performance and load issue. The information should be shared with trusted system only and should not be available to any other unknown system. The RESCO Developer must ensure the yearly availability and connectivity of the RMS system to be at least 99%.

11.1.7 In case of any disruption in data transmission or hardware failure, the RESCO Developer shall be responsible for rectifying the issue within 72 hours.

11.2 Delivery and Content of Invoices/Supplementary Invoices

11.2.1 Commencing from the Commercial Operation Date (COD), the RESCO Developer shall raise and submit the first invoice to TNPDCL on behalf of Buying Entity for the initial month of the first Operational Year. This invoice shall also include the charges for the quantum of solar power supplied during the Adjustment Period, if applicable.

Subsequent to the issuance of the first invoice, the RESCO Developer shall raise and submit invoices on a bi-monthly basis for the solar power supplied during each respective bi-monthly billing period thereafter.

11.2.2 In the event of Part Commissioning, any payments due against Part Commissioning shall be adjusted in the Invoice raised following the COD.

11.2.3 The subsequent invoice(s) prepared by the RESCO Developer, shall include the following –

- Bi-monthly Invoice for Power Supplied.
- Any other adjustments to cover charges related to supply of power and any other prior-period adjustments.
- Late Payment Surcharge, if any (shall be raised through Supplementary Invoice); and
- Taxes, Duties, Levies etc. as applicable.

11.3 Payment of Invoices

11.3.1 Subsequent to the issuance of the first invoice, RESCO Developer will raise bi-monthly invoice on the first day of every alternate month to TNPDCL on behalf of Buying Entity ("Invoice Date") for the total number of units of Solar Power generated and supplied, as recorded by the Remote Monitoring System. RESCO Developer shall submit a copy of the Invoice to TNGECL as and when raised to TNPDCL.

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

- deductions required by the Law; and
- shortfalls in meeting the stipulated performance requirement, and
- amount claimed by TNPDCL, if any, from the RESCO Developer, will be adjusted from the bi-monthly energy payment. In case of any excess payment adjustment, the interest applicable will be same as rate of Late Payment surcharge will be applicable on day-to-day basis.

11.3.3 The invoice to TNPDCL in the name of Buying Entity should include Solar Power calculations for the relevant billing period and supporting data, documents and calculations.

11.3.4 The Developer shall open a bank account ("RESCO Developer's Designated Account") for all Payments related to invoice(s) (including Supplementary Bills) to be made by the TNPDCL to RESCO Developer and notify TNPDCL of the details of such account at least ninety (90) Days before the dispatch of the first Month Bill.

TNPDCL shall also designate a bank account (the "TNPDCL's Designated Account") for payments to be made by RESCO Developer to the TNPDCL, if any, and notify RESCO Developer of the details of such account in ninety (90) Days before the dispatch of its first request for such payment.

Upon receipt of an invoice from the RESCO Developer, TNPECL shall pay eighty percent (80%) of the invoiced amount by the Interim Due Date to the RESCO Developers Designated Bank Account as per the terms of this Agreement.

11.3.5 Simultaneously, TNGECL/TNPDCL shall undertake verification of the invoice within ten (10) days from the date of its receipt. TNPDCL shall pay the

remaining payment by the Due Date to the RESCO Developers Designated Account as per the terms of this Agreement.

Provided that, in the event of any dispute or discrepancy arising in relation to the invoice, the same shall be addressed and resolved in accordance with the provisions stipulated under Article 11.5 (Disputed Bills) of this Agreement.

11.3.6 TNPDCL and the RESCO Developer shall instruct their respective bankers to make all payments under this Agreement to the either party Designated Bank Account onlyand shall notify either Party of such instructions on the same day.

11.4 Late Payment Surcharge

11.4.1 In the event that TNPDCL delays payment of an invoice raised by the RESCO Developer beyond its due date, a late payment surcharge shall be payable by TNPDCL to the RESCO Developer at a rate of 1% ("Late Payment Surcharge") on the amount of the outstanding payment, calculated on a day-to-day basis. The Late Payment Surcharge shall be claimed by the RESCO Developer in its subsequent invoice.

11.5 Disputed Payments

11.5.1 If the TNPDCL disputes the amount payable under the Invoice or a Supplementary Invoice, as it may be, TNPDCL shall issue a notice (the “Invoice Dispute Notice”) to the RESCO Developer against disputed amount setting out:

i. the details of the disputed amount;
ii. its estimate of what the correct amount should be; and
iii. all written material in support of its claim.

It is clarified that the non-issuance of a Invoice Dispute Notice or payment of the Invoice Amount would not foreclose TNPDCL’s rights and interests in regard to the Invoices or any claims and TNPDCL may also raise a Dispute at a later stage and take appropriate steps.

11.5.2 If the RESCO Developer agrees to the claim raised in the Invoice Dispute Notice issued pursuant to Article 11.5.1, the RESCO Developer shall make appropriate adjustment in the next Invoice. In such a case, excess amount shall be refunded along with interest at the same rate as Late Payment Surcharge, which shall be applied

from the date on which such excess payment was made by the TNPDCL to the RESCO Developer and up to and including the date on which such payment has been received as refund.

11.5.3 If the RESCO Developer does not agree to the claim raised in the Invoice Dispute Notice issued, it shall, within ten (10) days of receiving the Invoice Dispute Notice, furnish a notice ("Invoice Disagreement Notice") to the TNPDCL providing:

i. reasons for its disagreement;
ii. its estimate of what the correct amount should be; and
iii. all written material in support of its counter-claim.

11.5.4 Upon receipt of the Invoice Disagreement Notice by the TNPDCL, authorized representative(s) or a director of the board of directors/ member of board of the TNPDCL official and RESCO Developer shall meet and make best endeavours to amicably resolve such dispute within thirty (30) days of receipt of the Invoice Disagreement Notice.

11.5.5 If the Parties do not amicably resolve the Dispute within thirty (30) days of receipt of Invoice Disagreement Notice, the matter shall be referred to Dispute resolution in accordance with Article 20.

11.6 Bi-Annual and Annual Reconciliation

11.6.1 Bi-Annual Reconciliation: A Bi-Annual reconciliation shall be conducted by TNGECL within 30 days after the end of such period**,** to account for adjustments arising from the Energy Accounts, Tariff Adjustments, Tariff Rebates, Late Payment Surcharge, or any other relevant factors as provided under this Agreement.

11.6.2 Annual Reconciliation: An annual reconciliation shall be carried out by TNGECL within 30 days after the end of each Operational Year to incorporate any cumulative adjustments not captured in the bi-monthly reconciliations, including but not limited to those related to Energy Accounts, Tariff Adjustment Payments, Tariff Rebates, Late Payment Surcharge, or any other reasonable circumstances under this Agreement.

11.6.3 The Parties hereby agree that once all relevant amounts have been finally verified and adjusted by TNGECL in accordance with the Annual Reconciliation,

the RESCO Developer, TNGECL, and TNPDCL shall jointly sign the reconciliation statement. Within fifteen (15) days of the signing of the reconciliation statement, the RESCO Developer shall make the necessary adjustments in the subsequent invoice. In such cases, a Late Payment Surcharge or interest shall be payable from the date on which the payment was made to the invoicing Party or from the date on which any payment was originally due, as applicable. Any disputes regarding the aforementioned reconciliation shall be addressed in accordance with the provisions outlined in Article 20.

11.7 Payment of Supplementary Bill

11.7.1 RESCO Developer may raise a ("Supplementary Bill") for payment on account of:

i. Adjustments required by the Energy Accounts (if applicable); or

ii. Change in Law as provided in Article 13, or

And such Supplementary Bill shall be paid by the other Party.

11.7.2 TNPDCL shall remit all amounts due under a Supplementary Invoice raised by the RESCO Developer to the RESCO Developers Designated Bank Account by the Due Date. No Late Payment Surcharge will be applicable other than that on the bi-monthly invoices and associated debit and credit note.

11.8 Payment Security Mechanism

The Payment Security shall be provided in the form of Revolving Letter of Credit (LC) as per Article 11.8.1 of this Agreement.

11.8.1 Letter of Credit (LC):

11.8.1.1 TNPDCL shall provide to the RESCO Developer, in respect of payment of its invoices, unconditional, revolving and irrevocable letter of credit (“Letter of Credit”), opened and maintained which may be drawn upon by the RESCO Developer in accordance with this Article.

11.8.1.2 Before the commencement of operation of the Awarded Capacity, TNPDCL shall, through a scheduled bank, open a Letter of Credit in Favor of the RESCO Developer, to be made operative from a date prior to the Interim Due Date of its first invoice under this Agreement followed by bi-monthly invoices. The Letter of

Credit shall have a term of twelve (12) Months and shall be renewed annually, for an amount equal to:

i. for the first Operational Year, equal to 100% of the estimated total amount for two months based on solar power generation based on 17% CUF for the Awarded Capacity at the Applicable Tariff.

ii. for each subsequent Operational Year, equal to 100% of the average of the bi-monthly invoices of the previous Operational Year.

11.8.1.3 Provided that the RESCO Developer shall not draw upon such Letter of Credit prior to the Due Date of the relevant Invoice and/or Supplementary Invoice and shall not make more than one drawl in consecutive two Months.

11.8.1.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Article 11.8.1.2 due to any reason whatsoever, TNPDCL shall restore such shortfall before next drawl.

11.8.1.5 TNPDCL shall cause the scheduled bank issuing the Letter of Credit to intimate the RESCO Developer, in writing regarding establishing of such irrevocable Letter of Credit.

11.8.1.6 TNPDCL shall ensure that the Letter of Credit shall be renewed not later than its expiry.

11.8.1.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by RESCO Developer.

11.8.1.8 If TNPDCL fails to pay undisputed Invoices or Supplementary Bills or a part thereof within and including the Due Date, then, as per Article 11.8 of the provisions in Agreements, the RESCO Developer may draw upon the Letter of Credit, and accordingly the bank shall pay, an amount equal to such Invoice or Supplementary Invoice or part thereof, in accordance with Article 11.5 above, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:

i. a copy of the Invoice or Supplementary Bill (only for energy related bills) which has remained unpaid to RESCO Developer and;

ii. A certificate from the RESCO Developer to the effect that the invoice at item (i) above, or specified part thereof, is in accordance with the Agreement and has remained unpaid beyond the Due Date; In case of

wrongful drawl of the Letter of Credit, the RESCO Developer would be liable to further interest equivalent to late payment surcharge considered from the date of drawl of letter of credit.

ARTICLE 12: FORCE MAJEURE

12.1 Force Majeure

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

a) Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, volcanic eruption, landslide, flood, cyclone, typhoon or tornado if and only if it is declared / notified by the competent state / central authority / agency (as applicable)

b) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action if and only if it is declared / notified by the competent state / central authority / agency (as applicable)

c) radioactive contamination or ionizing radiation originating from a source in India or resulting from another Force Majeure Event mentioned above excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the Power Project by the Affected Party or those employed or engaged by the Affected Party.

d) The discovery of geological conditions, toxic contamination or archaeological remains on the Project land that could not reasonably have been expected to be discovered through an inspection of the Project land and/or as per prudent industry practices.

e) Exceptionally adverse weather condition which are in excess of the statistical measure of the last hundred (100) years.

f) Nationalization or any compulsory acquisition by any Indian Governmental Authority/ State Government in national interest or expropriation of any

material Project assets or rights of the RESCO Developer, as a result of which RESCO Developer or its shareholders are deprived (wholly or partly) of their rights or entitlements under this Agreement. Provided that such action does not constitute remedies or sanctions lawfully exercised by the Procurer or any other Government Authority as a result of any breach of any of the Applicable Laws or the Applicable Permits by the RESCO Developer or the RESCO Developer related parties.

12.2 Force Majeure Exclusions

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

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

12.3 Notification of Force Majeure Event

12.3.1 The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than fifteen (15) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force

Majeure results in a breakdown of communications rendering it unreasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement. The other Party shall respond on the claim of the Affected Party within 15 days of receipt of the said intimation of Force Majeure.

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

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

12.4 Excused Performance

12.4.1 The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under this Agreement as a consequence of the Force Majeure Event, shall be excused from performance of the obligations, provided that the period shall not exceed One Hundred and Eighty (180) Days from the date of issuance of the Force Majeure Notice or any extended period as mutually agreed. The Parties may mutually agree to extend the period for which performance is excused due to a Force Majeure Event. However, in case of the force majeure continuing up to a period of One Hundred and Eighty (180) days or any extended period as mutually agreed, either Party has the right to terminate the agreement at Awarded Capacity.

12.4.2 For the time period, as mutually agreed by the Parties, during which the performance shall be excused, the RESCO Developer shall be entitled for a day-to-day extension of the period provided for Financial Closure or SCOD or the agreement period, as the case may be. The Term of this Agreement will be suitably extended. However, adjustment in tariff shall not be allowed on account of Force Majeure event.

12.5 Resumption of Performance

12.5.1 During the period that a Force Majeure Event is subsisting, the Affected Party shall, in consultation with the other Parties, make all reasonable efforts to limit or mitigate the effects of such Force Majeure Event on the performance of its obligations under the Agreement. The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption, shall notify other Parties of the same in writing. The other Parties shall afford all reasonable assistance to the Affected Party in this regard.

12.6 Duty to perform and duty to mitigate

12.6.1 To the extent not prevented by a Force Majeure Event pursuant to Article 12.2, the Affected Party shall continue to perform its obligations pursuant to this Agreement. The Affected Party shall use its reasonable efforts to mitigate the effect of any Force Majeure Event as soon as practicable.

12.7 Available Relief for a Force Majeure Event

12.7.1 Subject to this Article 12:

a. no Party shall be in breach of its obligations pursuant to this Agreement to the extent that the performance of its obligations was prevented, hindered or delayed due to a Force Majeure Event;

b. every Party shall be entitled to claim relief in relation to a Force Majeure Event in regard to its obligations as specified under this Agreement, including but not limited to those specified under Article 5.5;

c. For avoidance of doubt, neither Party's obligation to make payments of money due and payable for the period prior to occurrence of Force Majeure events under this Agreement shall be suspended or excused due to the occurrence of a Force Majeure Event in respect of such Party.

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

12.8 Termination due to Force Majeure

12.8.1 If the Force Majeure Event or its effects continue to be present beyond a period of nine (9) months; either Party shall have the right to cause termination of the Award Agreement. In such an event the Award Agreement shall terminate on the date of such Termination Notice without any further liability to either Party from the date of such termination.

12.8.2 If the Force Majeure Event or its effects continue to be present beyond the period as specified in Article 6.5, termination of the Award Agreement shall be caused by TNGECL or TNPDCL or RESCO Developer. In such an event, the Award Agreement shall terminate on the date of such Termination Notice as issued by TNGECL or TNPDCL or RESCO Developer without any further liability to either Party from the date of such termination.

ARTICLE 13: CHANGE IN LAW

13.1 Definitions

In these rules, unless the context otherwise requires,

13.1.1 In this Article 13, the term "Change in Law" shall refer to the occurrence of any of the following events pertaining to the total Awarded Capacity only after ___ [Enter the date of E-Reverse Auction (e-RA) conducted under the referred RfS] including any enactment or amendment or repeal of any law, leading to corresponding changes in the cost requiring change in tariff, and includes-

a. the enactment, bringing into effect, adoption, promulgation, amendment, modification or repeal, of any statute, decree, ordinance or other law, regulations, notice, circular, code, rule or direction by Governmental Authority having a binding mandate or a change in its interpretation by a Competent Court of law, tribunal, government or statutory authority or any of the above regulations, taxes, duties charges, levies that results in any change with respect to any tax or surcharge or cess levied or similar charges by the Competent Government on the Applicable Tariff of electricity.

b. Introduction/ modification/ changes in rates of Safeguard Duty and/or Anti-Dumping Duty and/or Customs Duty and/or Goods and Services Tax including surcharge thereon which have direct effect on the on the Total Project Cost for the Awarded Capacity,

but does not include-

a. Any change in any withholding tax on income or dividends distributed to the shareholders of the generating company or transmission licensee; or

13.1.2 In the event of occurrence of any of events as provided under Article 13.1.1 which results in any adverse financial loss or gain to the RESCO Developer then, the RESCO Developer shall be entitled to compensation in case of financial loss from TNPDCL and in case of financial gain shall be liable to compensate TNPDCL, as the case may be, such compensation payment on account of such 'Change in Law' shall be determined and shall be effective from such date as may be decided by the Appropriate Commission and shall be adjusted in the tariff.

13.1.3 Provided however that, the compensation of Change in Law shall be applicable only if the impact of the same in the Operational Year is on net basis more than or equal to one percent (1%) of:

a. The total estimated Project Cost of the Awarded Capacity (during the Construction period) or
b. Revenue for the Operational Year for which such adjustment becomes applicable (during term of agreement), as the case may be.

13.2 Relief for Change in Law

13.2.1 In case of Change in Law taking place prior to commissioning of the Rooftop Solar PV Project, the compensation may be passed through in the form of increase/decrease in the tariff, linked with increase/decrease in the Total Project Cost for the Awarded Capacity, which is to be paid through bi-monthly billing. The pass through in this case shall be as per decision of Appropriate Commission and shall be effective from date of commissioning of the Awarded Capacity. RESCO Developer shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 13.

13.2.2 In case of Change in Law taking place subsequent to commissioning of the Rooftop Solar PV Project capacity, and changes in taxes/duties/cess etc. are defined as a percentage or the ratio of the tariff, the changes will be passed on as appropriate increment/decrement in the tariff and will be paid through bi-monthly billing as per decision of Appropriate Commission. In other cases, if any, where the Change in Law is not a percentage or ratio of tariff, suitable compensation will be provided as decided by the Appropriate Commission. RESCO Developer shall be required to provide a statutory auditor certificate supported by Board Resolution in regard to implications (loss/ gain) arising out of Article 13.

13.2.3 For the purpose of Article 13.2.2 above, RESCO Developer or TNGECL, which intends to adjust and recover the costs due to Change in Law, may file a petition before TNERC with the proposed impact in the tariff or charges, positive or negative, to be recovered from such other party. RESCO Developer

shall furnish to TNGECL, the computation of impact in tariff or charges to be adjusted and recovered and file the Petition with the Appropriate Commission, within 30 days of the occurrence of the Change in Law, and the recovery of the proposed impact in tariff or charges shall start after and in accordance with the approval of Appropriate Commission.

13.2.4 In the event of any decrease in the Total Project Cost of the Awarded Capacity by the RESCO Developer or any income to the RESCO Developer on account of any of the events as indicated above, RESCO Developer, shall pass on the benefit of such reduction to TNPDCL. In the event of the RESCO Developer failing to comply with the aforementioned requirement, TNPDCL, at its option, shall make such deductions in the bi-monthly tariff payments on immediate basis or file a petition as per Article 13.2.2 above.

13.2.5 After the adjustment of the amount of the impact in the tariff, the RESCO Developer shall adjust the bi-monthly tariff or charges annually based on actual amount recovered/ paid, to ensure that the payment is not more than the financial implication on account of Change in Law. It is to clarify further that the Change in Law compensation/payment shall be limited to the Awarded Capacity only.

13.3 Notification of Change in Law

13.3.1 In case any increase or decrease in the Total Project Cost of the Awarded Capacity occurs due to Change in Law affecting the Tariff payable under this Agreement, in accordance with Article 13, the RESCO Developer shall serve notice to TNPDCL of such Change in Law within 7 days about the proposed impact in tariff, positive or negative, to be recovered.

ARTICLE 14: EVENT OF DEFAULT AND TERMINATION

14.1 Termination for RESCO Developer's Event of Default

14.1.1 Subject to Applicable Laws and save as otherwise provided in this Agreement, in the event that any of the defaults specified below shall have occurred, and the RESCO Developer fails to cure the default within the Consultation Period, RESCO Developer shall be deemed to be in default of the Award Agreement (the "RESCO Developers Default"), unless the default has occurred solely as a result of any breach of this Agreement by TNGECL/TNPDCL or due to Force Majeure. In addition to default events set forth elsewhere in this Agreement, the defaults referred to herein shall include the following:

i. the RESCO developer undergoes insolvency, bankruptcy, liquidation, dissolution or winding up process or a Corporate Insolvency Resolution Professional, liquidator, receiver or a similar officer is appointed for the whole of the assets of the RESCO developer or part of its assets necessary for performance of the RESCO developer's obligations under this Agreement.

ii. Provided that a dissolution or liquidation of the RESCO developer shall not be a RESCO developer's Event of Default if such dissolution or liquidation is for the purpose of a merger, consolidation or reorganization and where the resulting company retains creditworthiness similar to the Developer and expressly assumes all obligations of the Developer under this Agreement and is in a position to perform them; or

iii. RESCO developer becomes voluntarily or involuntarily the subject of a bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days; or

iv. RESCO developer's failure to achieve Commissioning of the total Awarded Capacity within the time period as specified under Article 6.2 of this Agreement; or

v. If the RESCO Developer fails to supply the annual energy corresponding to the minimum specified Average Capacity Utilisation Factor (CUF) for the awarded capacity for any two (2) Operational Years within a rolling period

of five (5) consecutive Operational Years during the Term of this Agreement, such failure shall constitute a material breach. In such event, TNPDCL shall be entitled to terminate the Award Agreement forthwith, in accordance with the provisions hereof.

vi. The RESCO Developer is in a breach of this Agreement and does not rectify such breach within a period of thirty (30) days from receipt of a notice from TNPDCL for rectification of such material default or breach, except where such default is due to failure of TNPDCL or TNGECL to comply with its material obligations under this Agreement; or

vii. Change in shareholding of the RESCO Developer before the specified time frame as mentioned in Article 5.2.1(b) (RESCO Developer's responsibility) of this Agreement, without prior consent of TNGECL; or

viii. occurrence of any other event which is specified in this Agreement to be a material breach/ default of the RESCO Developer; or

ix. any representation or warranty provided by the RESCO developer during the time of the bid or anytime thereafter is found to be materially false.

14.1.2 Without prejudice to any other rights or remedies which TNPDCL may have under this Agreement, upon occurrence of a RESCO Developers Default, TNPDCL shall be entitled to terminate this Agreement with respect to the Total Awarded Capacity by issuing a Termination Notice to the RESCO Developer;

Provided that before issuing the Termination Notice, TNPDCL by a notice inform the RESCO Developer of its intention to issue such Termination Notice and grant 15 (fifteen) days to the RESCO Developer to make a representation, and may after the expiry of such 15 (fifteen) days, whether or not it is in receipt of such representation, issue the Termination Notice, subject to the provisions of Article 14.1.3.

14.1.3 TNPDCL shall, if there be Senior Lenders, send a copy of its notice of intention to issue a Termination Notice referred to in Article 14.1.2 to inform the Lender's Representative and grant 15 (fifteen) days to the Lender's Representative, for making a representation on behalf of the Senior Lenders stating the intention to substitute the RESCO Developer under this Agreement as per Article 18.2 and Article 21.3 of this Agreement. In the event TNPDCL

receives such representation on behalf of Lenders, it shall, in its discretion, either withhold Termination for a period not exceeding 120 (one hundred and twenty) days from the date of such representation or exercise its right of Suspension, as the case may be, for enabling the Lender's Representative to exercise the Lender's right of substitution.

Provided that the Lender's Representative may, instead of exercising the Lender's right of substitution, procure that the default specified in the notice is cured within the aforesaid period of 120 (one hundred and twenty) days, and upon such curing thereof, TNPDCL shall withdraw its notice referred to above and restore all the rights of the RESCO Developer:

Provided further that upon written request from the Lender's Representative and the RESCO Developer, TNPDCL shall extend the aforesaid period of 120 (one hundred and twenty) days by such further period not exceeding 60 (sixty) days, as TNPDCL may deem appropriate.

14.2 Termination for Authority Event of Default

14.2.1 In the event that any of the defaults specified below shall have occurred, and TNGECL/TNPDCL fails to cure such default within a Consultation Period or such longer period as has been expressly provided in this Agreement, TNPDCL shall be deemed to be in default of the Award Agreement (the "Authority Default") unless the default has occurred as a result of any breach of this Agreement by the RESCO Developer or due to Force Majeure. The defaults referred to herein shall include the following:

(i) An Insolvency Event shall have occurred with respect to TNPDCL/TNGECL; or

(ii) TNPDCL fails to make payments to pay the Invoice amount to the RESCO Developer, any undisputed amount or, in a scenario where the amount is disputed, fails to pay to the RESCO developer an amount based on average consumption of last three consecutive undisputed Invoices within thirty (30) days from receipt of notice from the RESCO Developer of such past due amount; or

(iii) TNPDCL repudiates this Agreement and does not rectify such breach even within a period of sixty (60) days from a notice from the RESCO Developer in this regard; or

(iv) except where due to any RESCO Developer's failure to comply with its obligations, TNPDCL/TNGECL is in material breach of any of its obligations pursuant to this Agreement, and such material breach is not rectified by TNPDCL within sixty (60) days of receipt of notice in this regard from the Developer to TNPDCL, or if

(v) TNPDCL becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of sixty (60) days, or

(vi) any winding up or bankruptcy or insolvency order is passed against TNPDCL, or

(vii) Occurrence of any other event which is specified in this Agreement to be a material breach or default of TNPDCL/TNGECL.

14.2.2 Without prejudice to any other right or remedy which the RESCO Developer may have under this Agreement, upon occurrence of an Authority Default, the RESCO Developer shall be entitled to terminate this Agreement by issuing a Termination Notice to TNPDCL; provided that before issuing the Termination Notice, the RESCO Developer shall by a notice inform TNPDCL of its intention to issue the Termination Notice and grant 15 (fifteen) days to TNPDCL to make a representation, and may after the expiry of such 15 (fifteen) days, whether or not it is in receipt of such representation, issue the Termination Notice.

14.3 Termination Payments

14.3.1 Upon Termination on account of a RESCO Developer Default during the Operation Period, TNPDCL shall pay to the RESCO Developer, by way of Termination Payment, an amount equal to: 90% (ninety per cent) of the Debt Due less Insurance Cover, provided that if any insurance claims forming part of the Insurance Cover are not admitted and paid, then 80% (eighty per cent) of such unpaid claims shall be included in the computation of Debt Due. For the avoidance of doubt, the RESCO Developer hereby acknowledges that no

Termination Payment shall be due or payable on account of a RESCO Developer Default occurring prior to COD.

14.3.2 Upon Termination on account of TNPDCL Default, TNPDCL shall pay to the RESCO Developer, by way of Termination Payment, an amount equal to:

(a) Debt Due; and

(b) 120% (one hundred and twenty per cent) of the Adjusted Equity.

14.3.3 Termination Payment shall become due and payable to the RESCO Developer within 30 (thirty) days of a demand being made by the RESCO Developer to TNPDCL with the necessary particulars, and in the event of any delay, TNPDCL shall pay interest at a rate equal to 2% (two per cent) above the prevailing SBI MCLR on the amount of Termination Payment remaining unpaid;

Provided that such delay shall not exceed 90 (ninety) days. For the avoidance of doubt, it is expressly agreed that Termination Payment shall constitute full discharge by TNPDCL of its payment obligations in respect thereof hereunder.

14.3.4 Upon Termination on expiry of the Concession Period by efflux of time, no Termination Payment shall be due and payable to the RESCO Developer. Upon termination, all Project Assets with respect to the Awarded Capacity shall be transferred to TNPDCL at free of cost.

14.3.5 RESCO Developer expressly agrees that Termination Payment under this Article 14 shall constitute a full and final settlement of all claims of the RESCO Developer on account of Termination of this Agreement for any reason whatsoever and that the RESCO Developer or any shareholder thereof shall not have any further right or claim under any law, treaty, convention, contract or otherwise.

14.4 Certain limitations on Termination Payment

14.4.1 Termination Payment, due and payable under this Award Agreement shall be limited to the Debt Due and Adjusted Equity, as the case may be, which form part of the Total Project Cost of the Awarded Capacity, in accordance with the provisions of this Agreement. For avoidance of doubt, it is agreed that within a period of [60 (sixty)] days from COD, the RESCO Developer shall notify to TNPDCL, the actual project cost of the Awarded Capacity, certified by the

Statutory Auditor, and its disaggregation between Debt Due and Equity, and only the amounts so conveyed shall form the basis of computing Termination Payment, and it is further agreed that in the event such disaggregation is not notified to TNPDCL, the Equity and Debt Due shall be arrived at by adopting the proportion between debt and equity as specified in the Financing Agreements. The Parties also agree that, notwithstanding anything contained in this Agreement, for the purposes of computing Termination Payment, provided further that the Debt Due, on or after COD, shall in no case exceed 70% (seventy percent) of the Total Project Cost or Rs.70 lakhs * [Awarded Capacity in MW] * [Applicable tariff], whichever is lowest.

14.4.2 The amount payable in respect of any Debt Due expressed in foreign currency shall be computed at the Reference Exchange Rate for conversion into the relevant foreign currency as on the date of Termination Payment. Provided, however, that the provisions of this Article 14.4.2 shall not apply if the RESCO Developer does not notify the particulars of any foreign currency loans within [60 (sixty)] days of the date of conversion of such foreign currency loans into Indian currency. Provided further that all borrowings in foreign currency shall be restricted to the financing of the 'Total Project Cost' of the Awarded Capacity and any borrowings in excess thereof shall not qualify for computation of Termination Payment.

14.5 Other rights and obligations of TNPDCL

14.5.1 Upon Termination for any reason whatsoever, TNPDCL shall:

(a) take possession and control of the Rooftop Solar PV Projects falling within the Awarded Capacity forthwith;

(b) take possession and control of all materials, implements, plants and equipment, if any, on or about the premises;

(c) be entitled to restrain the RESCO Developer and any person claiming through or under the RESCO Developer from entering upon the premises or any part of the Project(s); and

(d) require the RESCO Developer to comply with the Divestment Requirements set forth in Article 15.1; and

(e) succeed upon election by TNPDCL, without the necessity of any further action by the RESCO Developer, to the interests of the RESCO Developer under such of the Agreement as TNPDCL may in its discretion deem appropriate, and shall upon such election be liable to the Contractors only for compensation accruing and becoming due and payable to them under the terms of their respective Agreements from and after the date TNPDCL elects to succeed to the interests of the RESCO Developer. For the avoidance of doubt, the RESCO Developer acknowledges and agrees that all sums claimed by such Contractors as being due and owing for works and services performed or accruing on account of any act, omission or event prior to such date shall constitute debt between the RESCO Developer and such Contractors, and TNPDCL shall not in any manner be liable for such sums. It is further agreed that in the event TNPDCL elects to cure any outstanding defaults under such Project Agreements, the amount expended by TNPDCL for this purpose shall be deducted from the Termination Payment.

14.6 Survival of rights

14.6.1 Notwithstanding anything to the contrary contained in this Agreement, but subject to the provisions of Article 14.3.5, any Termination of the Award Agreement pursuant to the provisions of this Agreement shall be without prejudice to the accrued rights of either Party including its right to claim and recover money damages, insurance proceeds, security deposits, and other rights and remedies, which it may have in law or contract. All rights and obligations of either Party under this Agreement, including Termination Payments and Divestment Requirements, shall survive the Termination to the extent such survival is necessary for giving effect to such rights and obligations.

ARTICLE 15: DIVESTMENT OF RIGHTS AND INTEREST

15.1 Divestment Requirements

15.1.1 Upon Termination, RESCO Developer shall comply with and conform to the following Divestment Requirements:

i. notify to TNPDCL forthwith the location and particulars of all Project Assets;

ii. deliver forthwith the actual or constructive possession of the Project Facilities, free and clear of all Encumbrances;

iii. cure defects of Rooftop Solar PV Projects falling under the Awarded Capacity and deficiencies so that the Project is compliant with the Maintenance Requirements; provided that in the event of Termination during the Construction Period, all Project Assets shall be handed over on an as is where is basis after bringing them to a safe condition;

iv. deliver and transfer relevant records, reports and other relevant documents and assets pertaining to the Rooftop Solar PV Projects falling under the Awarded Capacity and its design, engineering, construction, operation and maintenance, including all programmes and manuals pertaining thereto, and complete as built Drawings as on the Transfer Date, provided that in the event RESCO Developer has used the brand name and/or logo, if any, in relation to the Rooftop Solar PV Projects falling under the Awarded Capacity or otherwise, RESCO Developer shall not be obliged to deliver and transfer such brand name and/or logo to TNPDCL. For avoidance of doubt, RESCO Developer represents and warrants that the Intellectual Property delivered hereunder shall be adequate and complete for the design, engineering, construction, operation and maintenance of the Project and shall be assigned to TNPDCL free of any Encumbrance;

v. transfer and/or deliver all Applicable Permits to the extent permissible under Applicable Laws;

vi. execute such deeds of conveyance, Documents and other writings as TNPDCL may reasonably require for conveying, divesting and assigning all

the rights, title and interest of RESCO Developer in the Rooftop Solar PV Projects falling under the Awarded Capacity, including manufacturers' warranties in respect of any plant or equipment and the right to receive outstanding insurance claims, to the extent due and payable to TNPDCL, absolutely unto TNPDCL or its nominee; and

vii. comply with all other requirements as may be prescribed or required under Applicable Laws for completing the divestment and assignment of all rights, title and interest of RESCO Developer in the Rooftop Solar PV Projects falling under the Awarded Capacity, free from all Encumbrances, absolutely unto TNPDCL or to its nominee.

15.1.2 Subject to the exercise by TNPDCL of its rights under this Agreement or under Award Agreement to perform or procure the performance by a third party of any of the obligations of the RESCO Developer, the Parties shall continue to perform their obligations under this Agreement, notwithstanding the giving of any Termination Notice, until the Termination of this Agreement becomes effective in accordance with its terms.

15.2 Inspection and Cure

Not earlier than [90 (ninety)] days prior to Termination but not later than [15 (fifteen)] days prior to the effective date of such Termination, TNPDCL shall verify, after giving due notice to the RESCO Developer specifying the time, date and venue of such verification and/or inspection, compliance by the RESCO Developer with the Maintenance Requirements. Defaults, if any, in the Maintenance Requirements shall be cured by the RESCO Developer at its cost.

15.3 Cooperation and assistance on transfer of Project

15.3.1 The Parties shall cooperate on a best effort basis and take all necessary measures, in good faith, to achieve a smooth transfer of the Rooftop Solar PV Projects in accordance with the provisions of this Agreement so as to protect the safety of and avoid undue delay or inconvenience to Buying Entities, other members of the public.

15.4 Vesting Certificate

The divestment of all rights, title and interest in the Rooftop Solar PV Projects shall be deemed to be complete on the date when all of the Divestment Requirements have been fulfilled, and TNPDCL shall, without unreasonable delay, thereupon issue a certificate substantially in the form set forth in Annexure 7 (the "Vesting Certificate"), which shall have the effect of constituting evidence of divestment by the RESCO Developer of all of its rights, title and interest in the Rooftop Solar PV Projects falling under the Awarded Capacity, and their vesting in TNPDCL pursuant hereto. It is expressly agreed that any defect or deficiency in the Divestment Requirements shall not in any manner be construed or interpreted as restricting the exercise of any rights by TNPDCL that all Divestment Requirements have been complied with by the RESCO Developer.

ARTICLE 16: REPRESENTATIONS & WARRANTIES

16.1 Representations and Warranties Relating to Agreement Validity

16.1.1 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 no 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 its 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.

16.2 Representations Regarding Security Interest

16.2.1 Buying Entity has been advised that part of the collateral securing the financial arrangements for the Rooftop Solar PV Project may be the granting of a first priority perfected security interest (the "Security Interest") in the System to a Financing Party. Alternatively, the RESCO Developer may assign all its rights and liabilities under this Agreement to a Financing Party under intimation to the Buying Entity, such that the Financing Party becomes the owner of the

Rooftop Solar PV Project. In connection therewith, Buying Entity represents and warrants as follows:

a) Buying Entity is aware of no existing lease, mortgage, security interest or other interest in or lien upon the Premises that could attach to the Rooftop Solar PV Project as an interest adverse to the RESCO Developers' Financing Party's Security Interest therein.

b) Buying Entity shall extend all co-operation necessary to the extent required to enable the RESCO Developer to assign its rights and liabilities to a Financing Party, in the event the RESCO Developer chooses to do so.

16.3 Sale or Transfer of Premises

a) In the event the Buying Entity sells or transfers the Premises or the building housing the Rooftop Solar PV Project, it shall give at least 90 days prior notice to the RESCO Developer and will ensure that this Agreement is transferred/ amended to transferee, without any interruption in payments. The Buying Entity shall also ensure that a clause to this effect, to the satisfaction of the RESCO Developer, is incorporated in the transfer documents between itself and the transferee. The Buying Entity shall not sell or otherwise transfer the Premises if the transferee fails to accept the terms and conditions of this Agreement for the remainder of the Term.

b) If either the Buying Entity or the RESCO Developer merges with any other entity, the terms of this Agreement shall continue to be binding upon the merged entity.

ARTICLE 17: LIABILITY AND INDEMNIFICATION

17.1 Indemnity

17.1.1 The parties agrees to defend, indemnify and hold harmless other parties, its officers, directors, agents, employees and affiliates (and their respective officers, directors, agents and employees) from and against any and all claims, liabilities, actions, demands, judgments, losses, costs, expenses, suits, actions and damages arising by reason of bodily injury, death or damage to property sustained by third parties that are caused by an act of negligence or the wilful misconduct of the party(ies) mentioned in here, or by an officer, director, sub-contractor, agent or employee of the party(ies) except to the extent of such injury, death or damage as is attributable to the wilful misconduct or negligence of, or breach of this Agreement by, parties, or by an officer, director, sub-contractor, agent or employee of the TNGECL/Buying Entity/TNPDCL.

17.2 Limitation on Liability

17.2.1 Except as expressly provided in this Agreement, neither of the parties nor its/ their respective officers, directors, agents, employees or affiliates (or their officers, directors, agents or employees), shall be liable or responsible to the other Party or its affiliates, officers, directors, agents, employees, successors or permitted assigns or their respective insurers for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of Buying Entity , the RESCO Developer or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.

17.2.2 Neither party shall have any recourse against any officer, director or shareholder of the party(ies) or any Affiliate of the party(ies) or any of its officers, directors or shareholders for such claims excluded under this Article.

17.3 TNPDCL's Liability

17.3.1 It is specifically agreed that the payment of money becoming due from the TNPDCL to the RESCO Developer under this Agreement for supply of Power shall not be on a back-to-back basis and will be as per the Article 21 and Article 11 of this Agreement.

17.4 Duty to Mitigate

17.4.1 The Parties shall endeavour to take all reasonable steps so as mitigate any loss or damage which has occurred under this Article 17.

ARTICLE 18: ASSIGNMENT AND CHARGES

18.1 Assignment

18.1.1 Notwithstanding anything contained herein, the RESCO Developer 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 TNPDCL. TNPDCL shall not unreasonably withhold such consent.

18.1.2 In the event of such assignment, the TNPDCL will be able to hold the RESCO Developer 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, TNPDCL agrees to make the payments due to the RESCO Developer under this agreement, directly to the assignee, upon receipt of such notice by the RESCO Developer.

18.2 Restrictions on Assignment and Charges:

18.2.1 Subject to Clauses 18.3 and Clause 18.4, this Agreement shall not be assigned by the RESCO Developer to any person, save and except with the prior consent in writing of the TNPDCL, which consent TNPDCL shall be entitled to decline without assigning any reason.

18.2.2 Subject to the provisions of Clause 18.3, the RESCO Developer shall not create nor permit to subsist any Encumbrance, or otherwise transfer or dispose of all or any of its rights and benefits under Substitution Agreement or any Agreement to which the RESCO Developer is a party except with prior consent in writing of the TNPDCL, which consent TNPDCL shall be entitled to decline without assigning any reason.

18.3 Permitted assignment and charges:

18.3.1 The restraints set forth in Clause 18.2 shall not apply to:

a. Liens arising by operation of law (or by an agreement evidencing the same) in the ordinary course of business of the **Rooftop Solar PV Project** or liens or encumbrances required by any Applicable Law;

b. Mortgages, pledges or hypothecation of goods or assets other than Rooftop Solar PV Project assets corresponding to the Awarded Capacity and their related documents of title, arising or created in the ordinary course of business of the Rooftop Solar PV Project corresponding to the Awarded Capacity and as security only for indebtedness to the Lenders under the Financing Agreements and/or for working capital arrangements for the Rooftop Solar PV Project Facilities corresponding to the Awarded Capacity;

c. Assignment of rights, interest and obligations of the RESCO Developer to or in favour of the Lenders' Representative as nominee and for the benefit of the Lenders, to the extent covered by and in accordance with the Substitution Agreement as security for financing provided by Lenders under the Financing Agreements.

18.4 Substitution Agreement:

18.4.1 Lenders' Representative, on behalf of Lenders, may exercise the right to substitute the RESCO Developer pursuant to the Agreement for substitution of the RESCO Developer (the "Substitution Agreement") to be entered into amongst the RESCO Developer, TNPDCL and the Lenders' Representative, on behalf of Lenders, substantially in the form set forth in Annexure 8.

18.4.2 Upon substitution of the RESCO Developer under and in accordance with the Substitution Agreement, the Nominated Company substituting the RESCO Developer shall be deemed to be the RESCO Developer under this Agreement and shall enjoy all rights and be responsible for all obligations of the RESCO Developer under this Agreement as if it were the RESCO Developer; provided that where the RESCO Developer is in breach of this Agreement on the date of such substitution, TNPDCL shall by notice grant a Cure Period of [120 (one hundred and twenty)] days to the RESCO Developer for curing such breach.

18.5 Assignment by the Authority

18.5.1 Notwithstanding anything to the contrary contained in this Agreement, TNPDCL may, after giving [60 (sixty)] days' notice to the RESCO Developer,

assign and/or transfer any of its rights and benefits and/or obligations under this Agreement to an assignee who is, in the reasonable opinion of TNPDCL, capable of fulfilling all of TNPDCL then outstanding obligations under this Agreement.

18.5.2 Any assignment under this Article 18 shall be subject to the approvals and consents required therefore under Applicable Laws. Provided, however, that the grant of any consent or approval under Applicable Laws shall not oblige TNPDCL to grant its approval to such assignment, save and except as provided herein.

18.6 Notices:

18.6.1 Unless otherwise provided in the Agreement, all notices and communications concerning the Agreement shall be in writing and addressed to the Parties at the addresses set forth below:

RESCO Developer's address and contact details: _____

Buying Entity's address and contact details: _____

TNGECL address and Contact details: _____

TNPDCL address and contact details: _____

Notices: Unless otherwise provided in the Agreement, all notices and communication shall be given to TNGECL in writing.

18.6.2 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 by courier delivery, upon posting if sent by registered post and upon confirmation of sending when sent by facsimile on the next Business Day.

ARTICLE 19: CONFIDENTIALITY

19.1 **Confidentiality**

19.1.1 During the tenure of Agreement and thereafter, all parties undertake on their behalf and on behalf of their subcontractors/ employees/ representatives/ associates to maintain strict confidentiality and prevent disclosure of any/ all information & data exchanged, generated pertaining to work under this Agreement for any purposes other than in accordance with this Agreement.

19.1.2 If the RESCO Developer provides confidential information, including business plans, strategies, financial information, proprietary, patented, licensed, copy righted or trademarked information, and / or technical information regarding the financing, design, operation and maintenance of the Rooftop Solar PV Project ("Confidential Information") to Buying Entity/TNGECL/TNPDCL or, if in the course of performing under the Agreement or negotiating the Agreement. Buying Entity learns Confidential Information regarding the facilities or plans of the RESCO Developer, Buying Entity 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, Buying Entity 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 Buying Entity of its confidential nature and shall be directed to treat such information confidentially and shall agree to abide by these provisions. Buying Entity 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 RESCO Developer and shall be returned to it after Buying Entity's need for it has expired or upon the request of the RESCO Developer.

19.1.3 If the Buying Entity provides confidential information, including business plans, strategies, financial information, proprietary, patented, licensed, copy righted

or trademarked information, ("Confidential Information") to the RESCO Developer or, if in the course of performing under the Agreement or negotiating the Agreement the RESCO Developer learns Confidential Information regarding the facilities or plans of the Buying Entity, the RESCO Developer 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, the RESCO Developer 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 RESCO Developer of its confidential nature and shall be directed to treat such information confidentially and shall agree to abide by these provisions. The RESCO Developer 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 Buying Entity and shall be returned to it after the RESCO Developer's need for it has expired or upon the request of the Buying Entity.

ARTICLE 20: GOVERNING LAW AND DISPUTE RESOLUTION

20.1 Governing Law

20.1.1 This Agreement shall be governed by and construed in accordance with the Laws of India. Any legal proceedings in respect of any matters, claims or disputes arising out of or in connection with this Agreement shall be under the jurisdiction of appropriate courts in Tamil Nadu.

20.2 Amicable Settlement and Dispute Resolution

20.2.1 Amicable Settlement

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

a. a description of the Dispute;

b. the grounds for such Dispute; and

c. all written material in support of its claim.

20.2.2 The other Party shall, within thirty (30) days of issue of Dispute Notice issued under Article 20.2.1 (i), furnish:

a. counter-claim and defences, if any, regarding the Dispute; and

b. all written material in support of its defences and counter-claim.

20.2.3 Within thirty (30) days of issue of Dispute Notice by any Party pursuant to Article 20.2.1 (i),

a. if the other Party does not furnish any counter claim or defence under Article 20, or

b. thirty (30) days from the date of furnishing counter claims or defence by the other Party, both the Parties to the Dispute shall meet to settle such Dispute amicably. If the Parties fail to resolve the Dispute amicably within thirty (30) days from the later of the dates mentioned in this Article 20.2.1 (i),

c. the Dispute shall be referred for dispute resolution in accordance with Article 20.3.

20.3 Dispute Resolution

20.3.1 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 invalidity thereof, shall firstly be attempted to be resolved by conciliation.

20.3.2 If there is no outcome based upon mutual discussions, then TNGECL shall intervene and look into the matter. The venue shall be as agreed by the parties. The place of jurisdiction of court shall be Chennai.

ARTICLE 21: MISCELLANEOUS PROVISION

21.1 Title to the System

21.1.1 Throughout the duration of the Agreement, RESCO Developer shall always be the legal and beneficial owner of the Rooftop Solar PV Project, and the Rooftop Solar PV Project shall remain the property of the RESCO Developer and shall not attach to or be deemed a part of, or fixture to, the Premises.

21.1.2 Buying Entity covenants that it will use its best efforts to place all parties having an interest in or lien or encumbrance upon the real property comprising the Premises on notice of the ownership of the Rooftop Solar PV Project and the legal status the Rooftop Solar PV Project as the property of the RESCO Developer. If there is any mortgage or other security interest created or granted upon the Premises which could reasonably be construed as attaching to the Rooftop Solar PV Project as a fixture of the Premises, Buying Entity shall procure, at the RESCO Developer's request, a release from such lien holders.

21.2 Notices

21.2.1 All notices and communications should be in writing and shall be submitted to TNGECL with copy to other parties.

21.3 Amendments to the Agreement

21.3.1 No amendment or modification of this Agreement shall be valid unless the same is made in writing by any party(ies) and their authorized representatives in the presence of TNGECL authorized representative and specifically stating the same to be an amendment of this Agreement. The modifications/ changes shall be effective from the date on which it is made executed unless otherwise agreed to.

21.3.2 In the event the RESCO Developer submits a written request to TNGECL, subsequent to the Effective Date of this Agreement, seeking allocation of alternate building(s) for the installation of Rooftop Solar PV Project, and such request is duly considered and approved by TNGECL, the Parties agree that this Agreement shall be formally amended to incorporate the revised site

allocation. Such amendment shall be effected through a Amendment Addendum, which shall clearly reflect the updated details of the alternate building(s), and shall be duly executed by all relevant parties in accordance with the terms of this Agreement and applicable legal requirements. Until such amendment is executed, the original terms of the Agreement shall remain binding and enforceable.

21.4 Assignment of the Agreement

21.4.1 Any rights and/or liabilities arising to any party/ies on account of this Agreement shall not be assigned except with the written consent of other parties and subject to such terms and conditions as may be mutually agreed upon.

21.5 Waiver

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

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

21.6 Language

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

21.6.2 If any of the agreements, correspondence, communications or documents are prepared in any language other than English, the English translation of such

agreements, correspondence, communications or documents shall prevail in matters of interpretation.

21.7 Order of priority in application

21.7.1 In case of inconsistencies between the Agreement executed between the Parties, Applicable Law including rules and regulations framed thereunder, the order of priority as between them shall be the order in which they are placed below:

i. Applicable Law, rules and regulations framed thereunder;
ii. the Grid Code
iii. the terms and conditions of this Agreement;

21.8 Compliance with Law

21.8.1 Despite anything contained in this Agreement but without prejudice to this Article, if any provision of this Agreement shall be in deviation or inconsistent with or repugnant to the provisions contained in the Electricity Act, 2003, or any rules and regulations made thereunder, such provision of this Agreement shall be deemed to be amended to the extent required to bring it into compliance with the aforesaid relevant provisions as amended from time to time.

21.9 Breach of Obligations

21.9.1 The Parties acknowledge that a breach of any of the obligations contained herein would result in injuries. The Parties further acknowledge that the amount of the damages/ penalty or the method of calculating the damages/ penalty specified in this Agreement is a genuine and reasonable pre-estimate of the damages that may be suffered by the non-defaulting party in each case specified under this Agreement.

ANNEXURE 1 – LIST OF BUYING ENTITIES ALLOTTED TO _____ (RESCO DEVELOPER) FOR AWARDED CAPACITY OF ___.

1.

2.

3.

4.

5.

ANNEXURE 2– FINAL LIST OF BUYING ENTITY(S)

(Final List of Buying Entity)

Sr. No.	Building Name	Site Name	Rooftop Area (Sq.m)	Feasible Area RTS (Sq.m)	Feasible Capacity RTS (kW)	Addr ess	Dist rict	PIN Code
HoD 1 – (Name of Department)								
1								
2								
3								
4								
5								
6								

ANNEXURE 3 – SPECIFIC DETAILS OF BUYING ENTITY UNDER HoD

DETAILS OF BUILDINGS UNDER EACH CLIENT ORGANIZATION						
Name of Organization:						
Ministry/Department:						
Site Location:						
Geographic Coordinate:						
Site contact detail:						
S. No.	**Building Name**	**Total Feasible area for RTS installation**	**Total feasible capacity for RTS installation**	**Already installed RTS capacity**	**Sanctioned Load**	**Tentative assessed RTS capacity**

ANNEXURE 4 – FULFILLMENT CERTIFICATE

FULFILLMENT CERTIFICATE

This is to certify that, RESCO Developer has installed a _____ kW Capacity of Project on the Premise of the Buying Entity in accordance with RFP No. _____. The key features of the Capacity are as follows:

Sr. No.	Parameter	Description
1.	Rooftop Solar PV Project Size Installed	_____ kW
2.	Expected Annual Energy Generation	
3.	Module Type	No. of Module installed: Module Supplier Name: Capacity (kWp):
4.	Inverter Type & Rating	No. Inverter: RESCO Developer Name: Capacity (kW or kVA)
5.	Combiner Box	Number: Supplier:
6.	Electrical Parameter for Interconnection	
7.	Mounting type	
8.	Surface Azimuth Angle	
9.	Tilt Angle	
10.	Wind Resistance	
11.	Remote Monitoring System	
12.	Net – Feed In Metering System	
13.	Sign Board	
14.	Danger Board	
15.	Internal wiring upto use points, if required	
16.	Any additional work done, please	

	specify	

The RESCO Developer shall provide Remote Monitoring System (RMS) to TNGECL/Buying Entity in accordance with the Agreement.

ANNEXURE 5 – SHAREHOLDING PATTERN

SHAREHOLDING PATTERN
(To be filled by the Developer)

1. The Developer shall indicate its shareholding in the company indicating the controlling shareholding while signing of the Agreement.
2. Following shall not be considered as change in shareholding as mentioned above:
    a. Infusion of Fresh equity capital amongst the existing shareholders/promoters at the time of Bid Submission to meet equity requirements.
    b. Conversion of CCDs, CCPs etc. already issued to existing shareholders.
    c. Death, Marriage, Divorce, minor attaining major (any legal heir who was minor at the time of signing of Agreement), insolvency, insanity of existing shareholders.
    d. Transfer of shares within the members of Promoter Group.
    e. Transfer of shares to Investor Education and Provident Fund (IEPF).
    f. Issue of Bonus Shares.
3. In case of Project being executed through SPVs: The successful Bidder, if being a single company, shall ensure that its shareholding in the SPV/Project Company executing the Agreement, shall not fall below 51% at any time prior to 03 (Three) years from the Commissioning of entire capacity, except with the prior approval of TNGECL. Any change in the shareholding after the expiry of 3 years after COD can be undertaken under intimation to TNGECL.
4. In case of the Developer itself executing the Agreement, it shall ensure that its promoters shall not cede control (Control shall mean the ownership, directly or indirectly, of more than 50% of the voting shares of such Company or right to appoint the majority Directors), till 3 (three) year after the COD. However, in case the Project is being set up by a Company listed on BSE/NSE, this condition will not be applicable. Any change in the shareholding after the expiry of 3 years after COD can be undertaken under intimation to TNGECL.

5. In case of companies having multiple promoters (with none holding at least 51% of the voting rights or paid-up share capital), the Company shall be considered to be under joint control. In such cases, the shareholding pattern submitted at the time of bidding may be changed,subject to the condition that the existing promoters collectively retain atleast fifty-one percent (51%) of the paid-up share capital and voting rights of the Company for a period of one (1) year from the SCOD. Any change in the shareholding after the expiry of 1 year after SCOD can be undertaken under intimation to TNGECL.
6. In the event of Change in Shareholding as in Clause 3,4 and 5 above/ Substitution of Promoters triggered by the Financial Institutions leading to signing of fresh Award Agreement with a new entity, an amount of INR 10 Lakh plus 18% GST as Facilitation Fee (non-refundable) shall be deposited by the Developer to TNGECL.
7. In case, the financial eligibility and qualification is attained through financials of Parent Company or Affiliate, then the shareholding pattern of the Parent Company or Affiliate shall not change till the achievement of Financial Closure and modifications in the shareholding pattern of the bidding entity shall be subject to Clause 3, 4 and 5 above.

ANNEXURE 7 – VESTING CERTIFICATE

VESTING CERTIFICATE

1. _____, <Insert Name> (the "Authority") refers to the Agreement dated _____ (the "Award Agreement") entered into between TNPDCL, TNGECL, Head of Department of Buying Entities and _____ (the "RESCO Developer") for _____ a period of ___ years.
2. TNPDCL hereby acknowledges compliance and fulfilment by the RESCO Developer of the Divestment Requirements set forth in Article 15.4 of the Agreement on the basis that upon issue of this Vesting Certificate, the Authority shall be deemed to have acquired, and all title and interest of the RESCO Developer in or about the Rooftop Solar PV Project falling under the Awarded Capacity (Annexure 1) shall be deemed to have vested unto the Authority, free from any encumbrances, charges and liens whatsoever.
3. Notwithstanding anything to the contrary contained hereinabove, it shall be a condition of this Vesting Certificate that nothing contained herein shall be construed or interpreted as waiving the obligation of the RESCO Developer to rectify and remedy any defect or deficiency in any of the Divestment Requirements and/or relieving the RESCO Developer in any manner of the same.

Signed this ___ day of ____, 20 at [_____]

AGREED, ACCEPTED AND SIGNED, SEALED AND DELIVERED For and on behalf of RESCO Developer by (Signature) (Name) (Designation) (Address)	AGREED, ACCEPTED AND SIGNED, SEALED AND DELIVERED For and on behalf of TNPDCL by: (Signature) (Name) (Designation) (Address)
In the presence of: 1. 2.	In the presence of: 1. 2.

ANNEXURE 8 - SUBSTITUTION AGREEMENT

THIS SUBSTITUTION AGREEMENT is entered into on this the _____day of _____ 20____.

AMONGST

1. **Tamil Nadu Power Distribution Corporation Limited**, a company incorporated under the Companies Act 1956 or Companies Act 2013, having its registered office at …….. [Address of the registered office] (hereinafter referred to as **"TNPDCL" or "DISCOM"** which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assignees);
2. **Tamil Nadu Green Energy Corporation Limited** [Tender Authority], a company incorporated under the Companies Act 1956 or Companies Act 2013, having its registered office at …….. [Address of the registered office] (hereinafter referred to as **"TNGECL"** which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assignees);
3. …….. [Insert name of the Bidding Company], a Company incorporated under the Companies Act 1956 or Companies Act 2013 or Limited Liability Partnership Act 2008, having its registered office at …… [Address of the registered office of Bidding Company] (hereinafter referred to as **"RESCO Developer" or** "**Developer"**, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns and substitutes);
4. _____ (insert name and particulars of Lenders' Representative) and having its registered office at _____, acting for and on behalf of the Lenders as their duly authorized agent with regard to matters arising out of or in relation to this Agreement (hereinafter referred to as the "**Lenders' Representative**", which expression shall unless repugnant to the context or meaning thereof include its successors and substitutes)

WHEREAS:

A. TNPDCLhas entered into an Agreement dated _____ with the RESCO Developer (the "Agreement") for Setting up of __ MW of Grid Connected Rooftop Solar PV Project on

Government Buildings at different locations in Tamil Nadu under RESCO Model on Net Feed-In Mechanism through Tariff Based Competitive Bidding pursuant to LoA No. _____ and a copy of which is annexed hereto and marked as Annex-__ to form part of this Agreement.

B. Lenders have agreed to finance the Total Project Cost of the Awarded Capacity in accordance with the terms and conditions set forth in the Financing Agreements.

C. Lenders have requested TNPDCL to enter into this Substitution Agreement for securing their interests through assignment, transfer and substitution of the RESCO Developer to a Nominated Company in accordance with the provisions of this Substitution Agreement and the Agreement.

D. In order to enable implementation of the Awarded Capacity including its financing, operation and maintenance, TNPDCL has agreed and undertaken to transfer and assign the RESCO Developer to a Nominated Company in accordance with the terms and conditions set forth in this Substitution Agreement and the Agreement.

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

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Substitution Agreement, the following words and expressions shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively assigned to them:

"Substitution Agreement" means this Substitution Agreement and any amendment thereto made in accordance with the provisions contained in this Agreement;

"Financial Default" means occurrence of a material breach of the terms and conditions of the Financing Agreements or a continuous default in Debt Service by the RESCO Developer for a minimum period of 3 (three) months;

"Lenders' Representative" means the person referred to as the Lenders' Representative in the foregoing Recitals;

"Nominated Company" means a company, incorporated under the provisions of the Companies Act, 1956 or Companies Act, 2013 or Limited Liability Partnership Act, 2008 including any re-enactment or amendment thereof, selected by the Lenders' Representative, on behalf of Lenders, and proposed to TNPDCL for assignment/transfer of the Concession as provided in this Agreement;

"Notice of Financial Default" shall have the meaning ascribed thereto in Clause 3.2.1; and

"Parties" means the parties to this Agreement collectively and "Party" shall mean any of the Parties to this Agreement individually.

1.2 Interpretation

1.2.1 References to Lenders' Representative shall, unless repugnant to the context or meaning thereof, mean references to the Lenders' Representative, acting for and on behalf of Lenders.

1.2.2 References to Clauses are, unless stated otherwise, references to Clauses of this Substitution Agreement.

1.2.3 The words and expressions beginning with capital letters and defined in this Substitution Agreement shall have the meaning ascribed thereto herein, and the words and expressions used in this Substitution Agreement and not defined herein but defined in the Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Agreement.

1.2.4 The rules of interpretation stated in Article 1 of the Agreement shall apply, mutatis mutandis, to this Agreement.

2. ASSIGNMENT

2.1 Assignment of rights and title

The RESCO Developer hereby agrees to assign the rights, title and interest, roles and responsibilities and Obligations to, and in Favor of, the Lenders' Representative pursuant to and in accordance with the provisions of this Substitution Agreement and the Agreement by way of security in respect of financing by the Lenders under the Financing Agreements.

3. SUBSTITUTION OF THE RESCO Developer

3.1 Rights of substitution

3.1.1 Pursuant to the rights, title and interest assigned under Clause 2.1, the Lenders' Representative shall be entitled to substitute the RESCO Developer by a Nominated Company under and in accordance with the provisions of this Substitution Agreement and the Agreement.

3.1.2 TNPDCL hereby agrees to substitute the RESCO Developer by endorsement on the Agreement in favor of the Nominated Company selected by the Lenders' Representative in accordance with this Substitution Agreement. For the avoidance of doubt, the Lenders or the Lenders' Representative shall not be entitled to operate and maintain the Rooftop Solar PV Project as RESCO Developer either individually or collectively.

3.2 Substitution upon occurrence of Financial Default

3.2.1 Upon occurrence of a Financial Default, the Lenders' Representative may issue a notice to the RESCO Developer (the "Notice of Financial Default") along with particulars thereof and send a copy to TNPDCL for its information and record. A Notice of Financial Default under this Clause 3 shall be conclusive evidence of such Financial Default and it shall be final and binding upon the RESCO Developer for the purposes of this Substitution Agreement.

3.2.2 Upon issue of a Notice of Financial Default hereunder, the Lenders' Representative may, without prejudice to any of its rights or remedies under this Agreement or the Financing Agreements, substitute the RESCO Developer by a Nominated Company in accordance with the provisions of this Substitution Agreement.

3.2.3 At any time after the Lenders' Representative has issued a Notice of Financial Default, it may by notice require TNPDCL to suspend all the rights of the RESCO Developer and undertake the operation and maintenance of the Rooftop Solar PV Project of the Agreement, and upon receipt of such notice, TNPDCL shall undertake Suspension under and in accordance with the provisions of the Agreement. The aforesaid Suspension shall be revoked upon substitution of the RESCO Developer by a Nominated Company, and in the event such substitution

is not completed within 180 (one hundred and eighty) days from the date of such Suspension, TNPDCL may terminate the Agreement forthwith by issuing a Termination Notice in accordance with the provisions of the Agreement; provided that upon written request from the Lenders' Representative and the RESCO Developer, TNPDCL may extend the aforesaid period of 180 (one hundred and eighty) days by a period not exceeding 90 (ninety) days. For the avoidance of doubt, TNPDCL expressly agrees and undertakes to terminate the Agreement forthwith, upon receipt of a written request from the Lenders' Representative at any time after 240 (two hundred and forty) days from the date of Suspension hereunder.

3.3 Substitution upon occurrence of RESCO Developer's Default

3.3.1 Upon occurrence of a RESCO Developers Default, TNPDCL shall by a notice inform the Lenders' Representative of its intention to issue a Termination Notice and grant 15 (fifteen) days' time to the Lenders' Representative to make a representation, stating the intention to substitute the RESCO Developer by a Nominated Company.

3.3.2 In the event that the Lenders' Representative makes a representation to TNPDCL within the period of 15 (fifteen) days specified in Clause 3.3.1, stating that it intends to substitute the RESCO Developer by a Nominated Company, the Lenders' Representative shall be entitled to undertake and complete the substitution of the RESCO Developer by a Nominated Company in accordance with the provisions of this Agreement within a period of 180 (one hundred and eighty) days from the date of such representation, and TNPDCL shall either withhold Termination or undertake Suspension for the aforesaid period of 180 (one hundred and eighty) days; provided that upon written request from the Lenders' Representative and the RESCO Developer, TNPDCL shall extend the aforesaid period of 180 (one hundred and eighty) days by a period not exceeding 90 (ninety) days; provided further that the Lenders' Representative may at any time withdraw its representation hereunder and upon such withdrawal, TNPDCL may terminate this Substitution Agreement in accordance with the provisions hereof.

3.4 Procedure for substitution

3.4.1 TNPDCL and the RESCO Developer hereby agree that on or after the date of Notice of Financial Default or the date of representation to TNPDCL under Clause 3.3.2, as the case may be, the Lenders' Representative may, without prejudice to any of the other rights or remedies of the Lenders, invite, negotiate and procure offers, either by private negotiations or public auction or tenders for the take over and transfer of the Rooftop Solar PV Project corresponding to the Awarded Capacity including the obligations, roles and responsibilities to the Nominated Company upon such Nominated Company's assumption of the liabilities and obligations of the RESCO Developer towards TNPDCL under the Agreement and towards the Lenders under the Financing Agreements.

3.4.2 To be eligible for substitution in place of the RESCO Developer, the Nominated Company shall be required to fulfil the eligibility criteria that were laid down by TNPDCL for short listing the bidders for award of the roles and responsibilities and obligations under the Agreement; provided that the Lenders' Representative may represent to TNPDCL that all or any of such criteria may be waived in the interest of the Rooftop Solar PV Project corresponding to the Awarded Capacity, and if TNPDCL determines that such waiver shall not have any material adverse effect on the Project, it may waive all or any of such eligibility criteria.

3.4.3 Upon selection of a Nominated Company, the Lenders' Representative shall request TNPDCL to:

a. Accede to transfer to the Nominated Company the right to construct, operate and maintain the Project in accordance with the provisions of the Concession Agreement;

b. Endorse and transfer the Concession to the Nominated Company, on the same terms and conditions, for the residual Concession Period; and

c. Enter into a Substitution Agreement with the Lenders' Representative and the Nominated Company on the same terms as are contained in this Substitution Agreement.

3.4.4 If TNPDCL has any objection to the transfer of rights, obligations, roles and responsibilities in favor of the Nominated Company in accordance with this Substitution Agreement, it shall within 15 (fifteen) days from the date of proposal made by the Lenders' Representative, give a reasoned order after hearing the Lenders' Representative. If no such objection is raised by TNPDCL, the Nominated Company shall be deemed to have been accepted. TNPDCL shall thereupon transfer and endorse the rights, obligations, roles and responsibilities within 15 (fifteen) days of its acceptance/deemed acceptance of the Nominated Company; provided that in the event of such objection by TNPDCL, the Lenders' Representative may propose another Nominated Company whereupon the procedure set forth in this Clause 3.4 shall be followed for substitution of such Nominated Company in place of the RESCO Developer.

3.4.5 The transfer of rights, obligations, roles and responsibilities hereunder to a Nominated Company may, notwithstanding anything to the contrary in this Substitution Agreement and the Agreement, be undertaken by transfer of no less than 75% (seventy five percent) of the equity of the RESCO Developer to the Nominated Company, and upon such transfer hereunder, the RESCO Developer shall be deemed to be the Nominated Company under and in accordance with the provisions of this Substitution Agreement and the Agreement.

3.5 Selection to be binding

3.5.1 The decision of the Lenders' Representative and TNPDCL in selection of the Nominated Company shall be final and binding on the RESCO Developer. The RESCO Developer irrevocably agrees and waives any right to challenge the actions of the Lenders' Representative or the Senior Lenders or TNPDCL taken pursuant to this Agreement including the transfer/assignment in favor of the Nominated Company. The RESCO Developer agrees and confirms that it shall not have any right to seek revaluation of assets of the Rooftop Solar PV Project corresponding to the Awarded Capacity or the RESCO Developer's shares. It is hereby acknowledged by the Parties that the rights of the Lenders' Representative are irrevocable and shall not be contested in any proceedings before any court or TNPDCL and the RESCO Developer shall have no right or

remedy to prevent, obstruct or restrain TNPDCL or the Lenders' Representative from effecting or causing the transfer by substitution and endorsement of the rights, obligations, roles and responsibilities as requested by the Lenders' Representative.

4. PROJECT AGREEMENTS

4.1 Substitution of Nominated Company in Agreement

The RESCO Developer shall ensure and procure that each Agreement contains provisions that entitle the Nominated Company to step into such Agreement, in its discretion, in place and substitution of the RESCO Developer in the event of such Nominated Company's assumption of the liabilities and obligations of the RESCO Developer under the Agreement.

5. TERMINATION OF CONCESSION AGREEMENT

5.1 Termination upon occurrence of Financial Default

At any time after issue of a Notice of Financial Default, the Lenders' Representative may by a notice in writing require TNPDCL to terminate the Agreement forthwith, and upon receipt of such notice, TNPDCL shall undertake Termination under and in accordance with the provisions of Article 14 of the Agreement.

5.2 Termination when no Nominated Company is selected

In the event that no Nominated Company acceptable to TNPDCL is selected and recommended by the Lenders' Representative within the period of 180 (one hundred and eighty) days or any extension thereof as set forth in Clause 3.3.2, TNPDCL may terminate the Award Agreement forthwith in accordance with the provisions thereof.

5.3 Realization of Debt Due

TNPDCL and the RESCO Developer hereby acknowledge and agree that, without prejudice to their any other right or remedy, the Lenders' Representative is entitled to receive from the RESCO Developer, without any further reference to or consent of the RESCO Developer, the Debt Due upon Termination of the Award Agreement.

6. DURATION OF THE SUBSTITUTION AGREEMENT

6.1 Duration of the Substitution Agreement

This Substitution Agreement shall come into force from the date hereof and shall expire at the earliest to occur of the following events:

a. Termination of the Agreement; or

b. No sum remains to be advanced and no sum are outstanding to the Senior Lenders, under the Financing Agreements.

7. INDEMNITY

7.1 General indemnity

7.1.1 The RESCO Developer will indemnify, defend and hold TNPDCL and the Lenders' Representative harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense of whatever kind and nature arising out of any breach by the RESCO Developer of any of its obligations under this Substitution Agreement or on account of failure of the RESCO Developer to comply with Applicable Laws and Applicable Permits.

7.1.2 TNPDCL will indemnify, defend and hold the RESCO Developer harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of TNPDCL to fulfil any of its obligations under this Substitution Agreement, materially and adversely affecting the performance of the RESCO Developer's obligations under the Agreement or this Substitution Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by TNPDCL, its officers, servants and agents.

7.1.3 The Lenders' Representative will indemnify, defend and hold the RESCO Developer harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Lenders' Representative to fulfil its obligations under this Substitution Agreement, materially and adversely affecting the performance of the RESCO Developer's obligations under the Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Lenders' Representative, its officers, servants and agents.

7.2 Notice and contest of claims

In the event that any Party hereto receives a claim from a third party in respect of which it is entitled to the benefit of an indemnity under Clause 7.1 or in respect of which it is entitled to reimbursement (the "Indemnified Party"), it shall notify the other Party responsible for indemnifying such claim hereunder (the "Indemnifying Party") within 15 (fifteen) days of receipt of the claim and shall not settle or pay the claim without the prior approval of the Indemnifying Party, such approval not to be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim, it may conduct the proceedings in the name of the Indemnified Party and shall bear all costs involved in contesting the same. The Indemnified Party shall provide all cooperation and assistance in contesting any claim and shall sign all such writings and documents as the Indemnifying Party may reasonably require.

8. DISPUTE RESOLUTION

8.1 Dispute resolution

8.1.1 In the event of any Dispute, difference of opinion or dispute or claim arising out of or relating to this Substitution Agreement or breach, termination or the invalidity thereof, shall firstly be attempted to be resolved by conciliation.

8.1.2 If there is no outcome based upon mutual discussions, then TNPDCL shall intervene and look into the matter. The venue shall be as agreed by the parties. The place of jurisdiction of court shall be Chennai.

9. MISCELLANEOUS PROVISIONS

9.1 Governing law and jurisdiction

This Substitution Agreement shall be construed and interpreted in accordance with and governed by the laws of India, and the courts in Chennai shall have jurisdiction over all matters arising out of or relating to this Agreement.

9.2 Waiver of sovereign immunity

TNPDCL unconditionally and irrevocably:

a. agrees that the execution, delivery and performance by it of this Substitution Agreement constitute commercial acts done and performed for commercial purpose;

b. agrees that, should any proceedings be brought against it or its assets, property or revenues in any jurisdiction in relation to this Substitution Agreement or any transaction contemplated by this Substitution Agreement, no immunity (whether by reason of sovereignty or otherwise) from such proceedings shall be claimed by or on behalf of TNPDCL with respect to its assets;

c. waives any right of immunity which it or its assets, property or revenues now has, may acquire in the future or which may be attributed to it in any jurisdiction; and

d. consents generally in respect of the enforcement of any judgment or award against it in any such proceedings to the giving of any relief or the issue of any process in any jurisdiction in connection with such proceedings (including the making, enforcement or execution against it or in respect of any assets, property or revenues whatsoever irrespective of their use or intended use of any order or judgment that may be made or given in connection therewith).

9.3 Priority of Agreements

In the event of any conflict between the Agreement and this Substitution Agreement, the provisions contained in the Agreement shall prevail over this Substitution Agreement.

9.4 Alteration of terms

All additions, amendments, modifications and variations to this Substitution Agreement shall be effectual and binding only if in writing and signed by the duly authorized representatives of the Parties.

9.5 Waiver

9.5.1 Waiver by any Party of a default by another Party in the observance and performance of any provision of or obligations under this Substitution Agreement:

a. Shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Substitution Agreement;

b. Shall not be effective unless it is in writing and executed by a duly authorized representative of the Party; and

c. Shall not affect the validity or enforceability of this Agreement in any manner.

9.5.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Substitution Agreement or any obligation thereunder nor time or other indulgence granted by a Party to another Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

9.6 No third party beneficiaries

This Substitution Agreement is solely for the benefit of the Parties and no other person or entity shall have any rights hereunder.

9.7 Survival

9.7.1 Termination of this Agreement:

a. Shall not relieve the Parties of any obligations hereunder which expressly or by implication survive termination hereof; and

b. except as otherwise provided in any provision of this Substitution Agreement expressly limiting the liability of either Party, shall not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party prior to the effectiveness of such termination or arising out of such termination.

9.7.2 All obligations surviving the cancellation, expiration or termination of this Agreement shall only survive for a period of 3 (three) years following the date of such termination or expiry of this Agreement.

9.8 Severability

If for any reason whatever any provision of this Substitution Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under Clause 8 of this Substitution Agreement or otherwise.

9.9 Successors and assigns

This Substitution Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

9.10 Notices

All notices or other communications to be given or made under this Substitution Agreement shall be in writing, shall either be delivered personally or sent by courier or registered post with an additional copy to be sent by facsimile or e-mail. The address for service of each Party, its facsimile number and email address are set out under its name on the signing pages hereto. A notice shall be effective upon actual receipt thereof, save that where it is received after 5.30 (five thirty) p.m. on any day, or on a day that is a public holiday, the notice shall be deemed to be received on the first working day following the date of actual receipt. Without prejudice to the foregoing, a Party giving or making a notice or communication by facsimile or e-mail shall promptly deliver a copy thereof personally or send it by courier or registered post to the addressee of such notice or communication.

It is hereby agreed and acknowledged that any Party may by notice change the address to which such notices and communications to it are to be delivered or mailed. Such change shall be effective when all the Parties have notice of it.

9.11 Language

All notices, certificates, correspondence and proceedings under or in connection with this Agreement shall be in English.

9.12 Authorized representatives

Each of the Parties shall by notice in writing designate their respective authorized representatives through whom only all communications shall be made. A Party hereto shall be entitled to remove and/or substitute or make fresh appointment of such authorized representative by similar notice.

9.13 Original Document

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

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN THE COMMON SEAL OF

RESCO Developer has been affixed pursuant to the resolution passed by the Board of Directors of the RESCO Developer at its meeting held on the ****day of the *****20** here unto affixed in to the presence of ****** the Director, who has signed these presents in token thereof, ****Company Secretary /Authorized Officer who has countersigned the same in token thereof

AGREED, ACCEPTED AND SIGNED, SEALED AND DELIVERED For and on behalf of LENDERS by Lenders' Representative by	AGREED, ACCEPTED AND SIGNED, SEALED AND DELIVERED For and on behalf of TNPDCL by:
(Signature) (Name) (Designation) (Address)	(Signature) (Name) (Designation) (Address)

In the presence of: 1. 2.	In the presence of: 1. 2.