

POWER SALE AGREEMENT
FOR
SALE OF [.....MW] OF WIND POWER ON
LONG TERM BASIS
BETWEEN
SJVN LIMITED
And
[Insert the name of the Buying Entity]

This Power Sale Agreement is made on the day of of 2025 at.....,

Between

SJVN Limited, a company incorporated under the Companies Act 1956, having its registered office at Shakti Sadan, CHQ, Shanan, Shimla-171006 (HP) and Liaison Office / Expediting office at office Block, Tower-1, 6th Floor, NBCC Complex, East Kidwai Nagar, New Delhi-110023 (hereinafter referred to as “SJVN”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assignees) as a Party of the first part.

And

..... [Enter name of the Buying Entity/ Utility], a company incorporated under the Companies Act 1956 / the Companies Act 2013, having its registered office at (hereinafter referred to as “**Buying Entity/ Buying Utility**” or “.....” 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 second part.

SJVN and Buying Entity are individually referred to as ‘Party’ and collectively referred to as ‘Parties’

WHEREAS:

- A. The Government of India has announced the Policy for promotion of the renewable energy-based project installation in the country and has set an ambitious target to achieve 500 GW of non-fossil fuel-based installed energy capacity by the year 2030.
- B. The Ministry of Power, Government of India has issued the “**Guidelines for Tariff Based Competitive Bidding Process for Procurement Power from Grid Connected Wind Power Projects**” vide No. 27/02/2023-RCM dated 26.07.2023, including subsequent amendments and clarifications thereof, if any, issued until [Enter the last date of bid submission of the RfS].
- C. SJVN has been designated as a Renewable Energy Implementing Agency (REIA) vide Office Memorandum F. No. 283/33/2020-GRID SOLAR dt 24th April 2023 issued by Ministry of New and Renewable Energy (MNRE), Govt of India for developing and facilitating the establishment of the Grid connected RE Power capacity in India in terms of the above Policy of the Government of India;
- D. SJVN had initiated a Tariff Based Competitive Bid Process for “**Selection of Wind Power Developers for Supply of 600 MW Wind Power from ISTS-connected Wind Power Projects in India under Tariff-Based Competitive Bidding**” on the terms and conditions contained in the Request for Selection (hereinafter referred to as ‘RfS’) issued by SJVN vide RfS No.....

dated..... including its subsequent amendments and clarifications, if any;

- E. SJVN has signed/will sign Power Purchase Agreements (PPAs) with the Wind Power Developers (WPDs) selected under the RfS mentioned herein below (hereinafter referred to as “WPDs”) for procurement of MW of Contracted Capacity of **Wind Power** selected under the provisions of Request for Selection (RfS)No..... dated..... and subsequent amendment (if any) based on the above Guidelines, on a long- term basis, as indicated at Schedule-B of PSA;
- F. Buying Entity has agreed to purchase **Wind Power** from the SJVN under the above RfS and accordingly, SJVN has agreed to sign Power Purchase Agreements (PPAs) with WIND Power Developers (hereinafter referred to as “WPDs”) for procurement of MW Grid Connected **Wind Power** on a long-term basis, as indicated at Schedule-B of PSA. Copy of the PPA(s) shall be submitted by SJVN to Buying Utility within thirty (30) days of the signing of the PPA(s) and such PPA(s) shall become integral part of this Agreement (SJVN-Buying Entity PSA).
- G. Subject to the terms and conditions contained herein, SJVN hereby agrees to sell and make available the electricity procured by SJVN from the WPD on the terms and conditions contained in the PPA to be entered into between SJVN and the WPD, as per the initialed PPA (Schedule-A) on a back-to-back basis, to Buying Entity.
- H. Buying Entity hereby acknowledge(s) and accept(s) that SJVN is only an Intermediary Company/ Procurer and is facilitating the purchase and resale of electricity generated from Grid Connected Wind Power Projects ensuring **Wind Power** and therefore, cannot assume independently, any obligation, financial or otherwise, either to the WPD or to Buying Entity(ies), (unless otherwise specifically provided in the PPA or the PSA as the case may be), except on a back-to-back basis, namely, that whatever obligation is enforced by the WPD/WPG under the PPA against SJVN, Buying Entity shall be bound to fulfil the obligation on a back-to-back basis towards SJVN and similarly, whatever rights that Buying Entity(ies) may claim under this Agreement against SJVN, shall be subject to due enforcement of the corresponding rights on a back-to-back basis by SJVN against WPD/WPG, without an independent obligation on the part of SJVN.
- I. Pursuant to the aforesaid objective, the Parties are desirous of entering into a Power Sale Agreement (“PSA”) i.e. a definitive agreement, regarding purchase of Power from the Project under above mentioned RfS Document. Pending execution of the necessary agreements and other relevant documents in relation to the transaction contemplated herein, the Parties wish to execute this PSA setting out the respective obligations of the Parties and the steps necessary to complete the transactions contemplated herein. The Parties have accordingly agreed to enter into this PSA to record their understanding and agreement with regard to the purchase of power to be generated from the Project and in respect to the matters

incidental or ancillary thereto, upon the terms and conditions set out herein below.

- J. The damages/dues recovered by SJVN by encashing the PBG/POI/ISB, upon the default of the WPD/WPG under the PPA, shall be dealt as per the applicable guidelines / Regulations / Rules etc. issued by Govt. of India.

The Parties have accordingly agreed to enter into this PSA to record their understanding and agreement with regard to the purchase of power to be generated from the Project and in respect to the matters incidental or ancillary thereto, upon the terms and conditions set out herein below.

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND MUTUAL

AGREEMENTS, COVENANTS AND CONDITIONS SET FORTH HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

- I This Agreement shall come into effect from signing of this Agreement by both the parties and such date shall be the Effective Date for the purpose of this Agreement.
- II SJVN/Buying Entity as the case may be, shall obtain the order of the Appropriate Commission adopting the tariff and approving the procurement of the Contracted Capacity on the terms and conditions contained in this agreement read with the terms and conditions contained in the PPA to be entered into between SJVN and the WPD/WPG. The Trading Margin shall be applicable as per Article-1 of this Agreement.

Notwithstanding the Effective Date, the condition precedent for the enforcement of the obligations of either Party against the other under this Agreement shall be that, within 60 days of submission of application/petition for tariff adoption under Section 63 of the Electricity Act,2003 in Appropriate Commission or within 120 days from the date of signing of Power Sale Agreements (PSA), whichever is more, SJVN shall obtain adoption of tariff from Appropriate Commission, on the terms and conditions contained in this Agreement read with the terms and conditions contained in the Power Purchase Agreement entered into between SJVN and the WPD. The Parties agree that in the event the order of adoption of tariff as mentioned above (i.e. under Section 63 of the Electricity Act,2003) is not issued by the Appropriate Commission within the time specified above, this shall entail a corresponding extension in Scheduled Commencement of Supply Date (SCSD) of the Projects for equal number of days for which the Appropriate Commission order has been delayed beyond the above deadline.

- III The duration of this Agreement shall be co-extensive and co-terminus with the duration of the Power Purchase Agreement to be entered into between the SJVN and the WPD for all intent and purposes.
- IV Subject to the terms and conditions contained herein, SJVN hereby agrees to sell and make available the electricity procured by SJVN from the MW Wind Power Project to be set up by the WPD at various places on the terms and conditions contained in the PPA to be entered into between SJVN and the WPD, as per the initialed PPA (Schedule-A) on a back-to-back basis, to Buying Entity.
- V Buying Entity hereby acknowledges and accepts that SJVN is an Intermediary to facilitate the promotion of RE Power Projects with ESS and to purchase and re-sell the electricity to the Buying Entities to enable them to fulfill the energy demand / Renewable Purchase Obligation / Energy Storage Obligations and, therefore, the sale of electricity by SJVN to Buying Entity under this Agreement shall be entirely on a back-to-back basis to the purchase of electricity by SJVN from the WPDs under the SJVN-WPD PPA, with the intent that there shall be no residual liability

on the SJVN towards the WPD which will not be fulfilled by the Buying Entity.

- VI In accordance with the above and except as otherwise specifically provided in this agreement, the rights and obligations of Buying Entity under this agreement shall be available and enforceable entirely and effectively on a back-to-back basis to the rights and obligations of the SJVN in the SJVN-WPD PPA and in the event SJVN is not in a position to enforce its rights against the WPD or is subject to any obligation to be performed towards WPD, Buying Entity shall be liable to perform such obligation or shall be entitled to such rights only on a mutatis mutandi basis, without any additional or independent exposure whatsoever to SJVN.
- VII Except as otherwise specifically provided in this agreement, Buying Entity acknowledges and accepts that the terms and conditions of the SJVN-WPD PPA shall mutatis mutandi apply to this Agreement between the parties. Buying Entity agrees to correspondingly fulfill, on back-to-back basis, all the obligations assumed by SJVN towards WPD. Buying Entity further agrees, acknowledges and accepts that as an Intermediary, SJVN is not assuming any obligation to Buying Entity over and above the obligation which the WPD shall duly performs under the SJVN-WPD PPA.
- VIII SJVN has agreed with the WPD in regard to the payment of money becoming due to WPD under the SJVN-WPD PPA and SJVN shall be liable to discharge the payment obligation in terms of the provisions of the SJVN-WPD PPA. Accordingly, Buying Entity agrees to effectively securitize the payment of money becoming due from Buying Entity to SJVN as detailed in this Agreement
- IX The parties agree that in respect of the obligations other than the payment obligation specifically mentioned herein above, in the event Buying Entity has any claim against SJVN in regard to the performance of any obligation of SJVN under this Agreement or enforcement of any right of Buying Entity against SJVN under this Agreement, the same shall be subject to the ability of SJVN to enforce the corresponding obligations assumed by WPD to SJVN under the SJVN-WPD PPA. SJVN shall not be required to perform and implement the obligations of SJVN or agree to the enforcement of the rights of Buying Entity under this Agreement till such time the corresponding obligations under SJVN-WPD PPA is duly implemented by the WPD and in case of monetary obligations the amount is received by SJVN from the WPD. In the event of any such claim arising at the instance of Buying Entity, the parties shall discuss on the course of action to be initiated by SJVN against the WPD for enforcement of the corresponding obligation and all proceedings to be initiated by SJVN against the WPD for such enforcement shall be pursued by SJVN in consultation with Buying Entity.
- X The parties hereby agree that the penalties / Liquidated damages are payable by WPD under the SJVN-WPD PPA for the delay in the commencement of power supply from the Wind Power Projects and for short supply of the contracted capacity of the Wind Power. Buying Entity shall not be entitled to make any

deductions towards the claim of penalties against any payment due to SJVN and all such other payments shall be made by Buying Entity by the Due Dates, notwithstanding the status of the pending claims on penalties. The Parties agree that as an intermediary, SJVN shall have no legal obligation to pay any amount towards penalties except when the amount of such penalties has been recovered from the WPD by SJVN without any conditions and encumbrances and the amount is available for appropriation by SJVN.

- XI The parties agree that the various terms contained in the SJVN–WPD PPA such as Scope of Project, Term of the Agreement, Conditions Subsequent, Construction & Development of the Project, Performance Guarantee, Performance Security, Obligations of the respective Parties, Synchronization, Commissioning and Commencement of Supply of power, Operation and Maintenance, Purchase and Sale of Wind Power, Metering, Dispatch and Scheduling of Power, Billing and Power Accounting, Liabilities, Force Majeure, Events of Default, Termination, Transfer, Change in Law, Indemnity, Insurance, Assignment and Changes, Financing and Bankability, Representations and Warranties, Governing Law, Notices and all other Miscellaneous Terms etc. provided in the SJVN- WPD PPA shall mutatis mutandi apply to this agreement between SJVN and Buying Entity.
- XII The Buying Entity shall be responsible for coordinating and dealing with the WPD/WPG, Regional Load Dispatch Centers, State Load Dispatch Centers, Regional Power Committees and other authorities as applicable and due compliance with deviation and settlement mechanism and the applicable Grid code Regulations, acknowledging that the WPD/WPG and Buying Entity are the Grid connected entities and SJVN as intermediary procurers/REIA/trading licensee is not a Grid connected entity in respect of the Power contracted under this Agreement.
- XIII The Buying Entity undertakes to file petition before SERC seeking necessary approval for procurement of electricity and Contracted Capacity from SERC, under this PSA within one month from signing of PPA or PSA, whichever is later.
- XIV The Buying Entity shall be responsible for obtaining Grid Access as per the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 and its amendments if any, and for obtaining any Grid Access/NOC/clearance from the respective State Transmission Utility (STU)/SLDC, at its own risk and cost. The Buying Entity is required to obtain the open access/grid access application as per extant regulations for power evacuation from delivery point(s). The Buying Entity shall ensure that they obtain the GNA prior to Scheduled Commencement of Supply Date or actual commencement of supply of power under the PSA, whichever is earlier. In case of failure to obtain the GNA by the above deadline, all the charges pertaining to supply of power (including but not limited to t-GNA charges, Power Curtailment Charges (Equivalent to deemed energy) due to merit order dispatch,

DSM charges, etc.) shall be borne by Buying Entity.

ARTICLE-1: APPLICABLE TARIFF

1.1 The Tariff applicable for the sale of Power by SJVN to the Buying Entity under this

Agreement shall be the Tariff as applicable for payment by SJVN to WPD/WPG i.e. INR / kWh under the terms of the Power Purchase Agreement between SJVN and the WPD/WPG (Individual WPD/WPGs tariff as per schedule-B) for entire term of agreement at Delivery Point and in addition thereto, a trading margin of Seven (7) paisa/kWh shall be payable by the Buying Entity to SJVN which SJVN shall be entitled to appropriate as its income.

- 1.2** As per provisions of the PPA, the WPDs are permitted for full as well as part commissioning of the Project even prior to the SCSD. In case of early part/full commissioning of the Project(s) prior to SCSD, Buying Entity shall have the first right of refusal and Buying Entity may purchase the power at the Applicable tariff as per the PPA plus SJVN's Trading Margin of Rs 0.07/kWh (Seven Paisa per kWh). Subsequent to SCSD, Buying Entity shall purchase the power at the Applicable tariff as per the PPA plus SJVN's Trading Margin of Rs 0.07/kWh.

However, energy procurement from the Project upon early part/ full commissioning of the Project shall be subject to the approval of the Buying Entity. Such intimation regarding consent to procure energy from early commissioning shall be provided by the Buying Entity within 15 days of receipt of the request being made by SJVN, beyond which, it would be considered as deemed refusal on part of the Buying Entity.

ARTICLE-2: BILLING AND PAYMENT

2.1 General

- 2.1.1 The Parties acknowledge and accept that the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified by the Central Government in exercise of the power conferred by Sub-section (1) of Section 176 of the Electricity Act, 2003 and its amendments (if any) shall apply and govern the terms and conditions of this Agreement in regard to matters contained in the said Rules including but not limited to the Late Payment Surcharge, adjustment towards the Late Payment Surcharge, Payment Security mechanism-its operations and consequences, actions of Defaulting Entities, supply obligation of WPD/WPG, power not requisitioned by the Buying Entity, the order of payment and adjustment towards late payment surcharge and indemnification. In case of any inconsistency in the Guidelines and/or the provisions of this Agreement, with the provisions of the above Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 will supersede and be applicable and govern the terms and conditions of this Agreement. The above shall apply both in regard to the present agreement as well as on mutatis mutandi and back-to-back basis to the PPA. The Rules referred to herein above being statutory shall, to the extent applicable, supersede any provisions in the PPA and PSA which are inconsistent or contrary to the provisions of the Rules.
- 2.1.2 The Parties acknowledge and accept that the Electricity (Promotion of Generation of Electricity from Must-Run Power Plants) Rules, 2021 notified by the Central Government in exercise of the power conferred by Sub-section (1) of Section 176 of the Electricity Act, 2003 shall apply in regard to the Must-Run Power Plants forming part of this Agreement, including in regard to curtailment, the regulation of power supply and sale of power to the power exchange and consequential adjustment of the recoveries. In case of any inconsistency in the Guidelines and/or the provisions of this Agreement, with the provisions of the above Electricity (Promotion of Generation of Electricity from Must-Run Power Plants) Rules, 2021, the Electricity (Promotion of Generation of Electricity from Must-Run Power Plants) Rules, 2021 will supersede and be applicable and govern the terms and conditions of this Agreement. The above shall apply both in regard to the present agreement as well as on mutatis mutandi and back-to-back basis to the PPA. The Rules referred to hereinabove being statutory shall, to the extent applicable, supersede any provisions in this Agreement and the PSA which are inconsistent or contrary to the provisions of the Rules.
- 2.1.3 Subject to the above, from the commencement of supply of power by SJVN, the Buying Entity shall pay to SJVN the monthly Tariff Payments, on or before the Due Date, in accordance with Tariff as specified in Article 1. All Tariff Payments by the Buying Entity shall be in Indian Rupees.
- 2.1.4 SJVN shall issue to the Buying Entity a signed Monthly Bill every month either

through e-mail or any other means on any business day based on provisional Wind energy of the preceding month (except for first month which shall be computed based on designed CUF and capacity of project). However, hard copy of the bill will also be sent by the SJVN afterwards. The monthly bill shall also include the following:

- (i) Monthly bill / Adjustments bill against the Provisional Bills may be raised based on the applicable energy account/JMR for the power supplied in the preceding months, the final adjustments in bill if any may be done on the basis of the final REA / amended REA/ SEA along with Debit/Credit Note
- (ii) Late Payment Surcharge if any
- (iii) Taxes, duties Levies etc, as applicable
- (iv) Change in Law if any as applicable
- (v) Losses and Transmission Charges as applicable, in accordance with CERC notification and amendments.

2.2 Payment of Monthly Bills

2.2.1 The Buying Entity shall pay the amount payable under the Monthly Bill/Supplementary Bill on or before the Due Date i.e. within 45 days of presentation of bill within official hours, to such account of SJVN, as shall have been previously notified to the Buying Entity in accordance with Article 2.2.2 below.

2.2.2 SJVN shall open a bank account at New Delhi ("SJVN's Designated Account") for all Tariff Payments to be made by the Buying Entity to SJVN and notify the Buying Entity of the details of such account at least ninety (90) Days before the dispatch of the first Monthly Bill. The Buying Entity shall also designate a bank account at (The Buying Entity's Designated Account) for payments to be made by SJVN to Buying Entity, if any. The Buying Entity shall inform SJVN the details of such account ninety (90) days before the dispatch of the first Monthly Bill. SJVN and the Buying Entity shall instruct their respective bankers to make all payments under this Agreement to the Buying Entity' Designated Account or SJVN's Designated Account, as the case may be, and shall notify either Party of such instructions on the same day.

2.3 Late Payment Surcharge:

Subject to Article 2.1, 2.2, In the event of payment of a Monthly Bill by the Buying Entity beyond the Due Date, a Late Payment Surcharge (LPS) shall be payable by the Buying Entity to SJVN on the outstanding payment, at the base rate of Late Payment Surcharge applicable for the period for the first month of default. The rate of Late Payment Surcharge for the successive months of default shall increase by 0.5 percent (50 bps) for every month of delay provided that the Late Payment

Surcharge shall not be more than three (3) percent higher than the base rate at any time.

“Base rate of Late Payment Surcharge” means the marginal cost of funds-based lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds-based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify. Provided, that if the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.

The parties acknowledge and accept that the Electricity (Late Payment Surcharge and related matters) Rules, 2022 notified by the Central Government in exercise of the power conferred by Subsection (1) of Section 176 of the Electricity Act, 2003 shall apply and govern the terms and conditions of this Agreement in regard to matters contained in the said Rules including but not limited to the Late Payment Surcharge, adjustment towards the Late Payment Surcharge, Payment Security mechanism-its operations and consequences, actions of Defaulting Entities, supply obligation of WPD/RE-PG, power not requisitioned by the Discom, the order of payment and adjustment towards late payment surcharge and indemnification. The above shall apply both in regard to the present agreement as well as on mutatis mutandi and back to back basis to the PPA. The LPS Rules referred to hereinabove being statutory shall, to the extent applicable, supersede any provisions in this PSA and the PPA which are inconsistent or contrary to the provisions of the Rules.

The Late Payment Surcharge shall be claimed by SJVN through the subsequent monthly bill. All payments by the Buying Entity to SJVN for power procured from it shall be first adjusted towards Late Payment Surcharge and thereafter, towards monthly charges, starting from the longest overdue bill.

Order of payment and adjustment towards Late Payment Surcharge - All the bills payable by the Buying Entity to SJVN for the energy procured from it, shall be time tagged with respect to the date and time of submission of the bill and the payment made by the Buying Entity shall be adjusted first against the Late Payment Surcharge and thereafter the oldest bill and then to the second oldest bill and so on, so as to ensure that payment against a bill is not adjusted unless and until all bills older than it have been paid for.

If the period of default lies in two or more financial years, the base rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years.

2.4 Rebate

For payment of any Bill including Supplementary Bill on or before Due Date, the following Rebate shall be paid by the SJVN to Buying Entity in the following manner:

- a) A Rebate of 1.5% shall be payable to the Buying Entity for the payments made within a period of 5 days of the date of presentation of bills through e-mail.
- b) Any payments made beyond a period of 5 days upto and including the **30th** Day from the date of presentation of bills through email, shall be allowed a rebate of 1%.
- c) Any payments made beyond a period of **30 days** upto and including the Due date from the date of presentation of bills through email, no rebate shall be allowed.
- d) No Rebate shall be payable on the Bills raised on account of Change in Law (except in case of annuity tariff model being implemented, where rebate will be applicable), taxes, duties, cess etc., Late Payment Surcharge and transmission & scheduling related charges, RLDC/SLDC charges, CTU/STU charges, open access charges etc.
- e) The bill receipt date shall be considered as zero date.

Illustration – For the invoice received through e-mail on the 1st January, the Due Date shall be the **15th February** considering the bill receipt date as zero date and 45th day as the Invoice Due Date.

2.5 Payment Security Mechanism

(A) Letter of Credit (LC):

2.5.1 The Buying Entity shall provide to SJVN, in respect of payment of its Monthly Bills, a single, unconditional, revolving and irrevocable letter of credit (“Letter of Credit”) opened and maintained by the Buying Entity, which may be drawn upon by SJVN in accordance with this Article. The Buying Entity shall provide SJVN draft of the Letter of Credit proposed to be provided to SJVN two (2) months before the Scheduled Commencement of Supply Date (SCSD).

2.5.2 Not later than one (1) Month before the Commencement of Supply, the Buying Utility shall through a scheduled bank at.....open a Letter of Credit in favour of SJVN, to be made operative at least 15 days prior to the Due Date of its first Monthly Bill under this Agreement. The Letter of Credit shall have a term of twelve (12) Months and shall be renewed annually for an amount equal to:

- i) equal to 110% of the estimated average monthly billing; for the first Contract year;

ii) equal to 110% of the average of the monthly billing of the previous Contract Year, for each subsequent Contract Year.

2.5.3 SJVN shall not draw upon such Letter of Credit prior to the Due Date of the relevant Monthly Bill and shall not make more than one drawl in a Month provided that there are no outstanding dues.

2.5.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Article 2.5.2 due to any reason whatsoever, the Buying Entity shall restore such shortfall within seven (7) days of receipt of such information from SJVN.

2.5.5 The Buying Entity shall cause the scheduled bank issuing the Letter of Credit to intimate SJVN, in writing regarding establishing of such irrevocable Letter of Credit and any of the changes therein.

2.5.6 The Buying Entity shall ensure that the Letter of Credit shall be renewed not later than its expiry.

2.5.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by the Buying Entity.

2.5.8 If the Buying Entity fails to pay a Monthly Bill or part thereof within and including the Due Date, then, subject to Article 2.5.3 and 2.7 SJVN may draw upon the Letter of Credit and accordingly the bank shall pay without any reference or instructions from the Buying Entity, an amount equal to such Monthly Bill or part thereof, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:

- i) a copy of the Monthly Bill which has remained unpaid by the Buying Entity;
- ii) a certificate from SJVN to the effect that the bill at item (i) above, or specified part thereof, is in accordance with the Agreement and has remained unpaid beyond the Due Date as per the provision of this PSA;

(B) Not Used

(C) Not Used

2.6 Third Party Sales by SJVN

2.6.1 Notwithstanding anything to the contrary contained in this Agreement, SJVN shall be entitled to but not obligated to regulate supply of Power of the Buying Entity in

case of Default in making payment by the 30th day after the Due Date of the Buying Entity. SJVN shall issue the Notice for Regulation of Power Supply on the date above and shall give a notice of 15 days to start the regulation on the 16th day thereafter.

2.6.2 Regulation of power supply would be on pro rata basis i.e., in the ratio of amount due and unpaid to total amount due against the relevant Monthly Bill.

In order to avoid any doubts, it is illustrated that:

In the event of a bill amounting to Rs. 25 Crore is unpaid to the extent of Rs. 10 Crore, SJVN would have a right to regulate and sell Buying Utility's allocation of the power to third parties to the extent of 40% (i.e. $10/25 \times 100$). SJVN/WPD/WPG shall have the right to divert the Power or part thereof and sell it to any third party namely;

- i) Any consumer, subject to applicable Law; or
- ii) Any licensee under the Act;

SJVN shall request the concerned RLDC/SLDC to divert such power to third party as it may consider appropriate.

Provided that such sale of power to third party shall not absolve Buying Entity from its obligation to pay in full to SJVN for the obligation for the purchase of Power as per Schedule-A & B of this Agreement and any other outstanding payment liability of Buying Entity as per this Agreement.

The rights of SJVN under this clause is without prejudice to other rights provided under the Agreement.

Further, in such case, Buying Entity shall have the unconditional obligation to provide and facilitate all necessary clearances and support for the evacuation of power to the third party to whom the power is diverted and further to bear any and all incremental charges and losses including but not limited to application fee, connectivity/GNA/T-GNA, open access, ISTS charges & Losses, transmission, wheeling, Unscheduled Interchange, Scheduling, Reactive power, RLDC. These obligations are assumed by the Buying Entity as being necessarily arising out of the failure to draw the power generated and duly discharge the payment obligation arising therefrom. (applicable in case of STU connected Projects).

2.6.3 The gains from the diversion and sale of such power to third party, which shall be the difference between selling price of such power in the power exchange and the expense borne for such power sale including energy charges, transmission charges; other incidental charges and shall be adjusted in accordance with Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 and subsequent amendments thereof and the deficit if any shall be made good by the

Buying Entity.

2.6.4 Sale to any third party shall cease and regular supply of electricity to the Buying Utility shall commence and be restored within five (5) days from the date of clearing all outstanding dues payable to SJVN for the Power under this Agreement.

2.6.5 Further, the liability of the Buying Entity to make the Tariff Payments to SJVN as per Energy Accounts shall start from the day of such restoration of supply of power and shall continue for such periods wherein such power was made available by WPD/WPG for usage by the Buying Entity.

2.7 Disputed Bill

2.7.1 If the Buying Entity does not dispute a Monthly Bill or a Supplementary Bill raised by the other Party within fifteen (15) days of receiving such Bill, the same shall be taken as conclusive and binding.

2.7.2 If Buying Entity disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay undisputed invoice amount and it shall within fifteen (15) days of receiving such Bill, issue a notice (the "Bill Dispute Notice") to the invoicing Party setting out:

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

2.7.3 If the SJVN agrees to the claim raised in the Bill Dispute Notice issued pursuant to Article 2.7.2, the SJVN shall make appropriate adjustment in the next Monthly Bill. In such a case excess amount shall be refunded by SJVN to Buying Entity 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 Buying Entity and up to and including the date on which such payment has been received as refund. Similarly, in case, an amount becomes payable by the Buying Entity to SJVN from the disputed amount in the invoice after the dispute is resolved, then the same shall be paid along with interest at the same rate as Late Payment Surcharge, which shall be applied from the Due Date.

2.7.4 If SJVN does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Article 2.7.2 it shall, within fifteen (15) days of receiving the Bill Dispute Notice, furnish a notice (Bill Disagreement Notice) to the disputing Party 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.

2.7.5 Upon receipt of the Bill Disagreement Notice by the Buying entity under Article

2.7.4, authorized representative(s) or a director of the board of directors/ member of board of the Buying entity and SJVN shall meet and make best endeavors to amicably resolve such dispute within fifteen (15) days of receipt of the Bill Disagreement Notice.

2.7.6 If the Parties do not amicably resolve the Dispute within fifteen (15) days of receipt of Bill Disagreement Notice pursuant to Article 2.7.4, the matter shall be referred to Dispute resolution in accordance with governing Laws and Dispute resolution in PPA.

2.7.7 For the avoidance of doubt, it is clarified that despite a Dispute regarding an Invoice, the Buying entity shall, without prejudice to its right to Dispute, be under an obligation to make payment of undisputed invoice amount in the Monthly Bill.

2.8 Quarterly and Annual Reconciliation

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

2.8.2 The Parties, therefore, agree that as soon as all such data in respect of any quarter of a Contract Year or a full Contract Year as the case may be has been finally verified and adjusted, the Buying Utility and SJVN shall jointly sign such reconciliation statement. After signing of a reconciliation statement, the SJVN shall make appropriate adjustments in the following Monthly Bill, with Surcharge/Interest, as applicable., Late Payment Surcharge/ interest shall be payable in such a case from the date on which such payment had been made to the invoicing Party or from the date on which any payment was originally due, as may be applicable. Any Dispute with regard to the above reconciliation shall be dealt with in accordance with the provisions of Article 16 of PPA.

2.9 Renewable Purchase Obligation

2.9.1 The Buying Utility may identify the energy procured from the WPD/WPG Delivery Point to meet its renewable purchase obligations (as mandated by the Appropriate Commission). Provided that the renewable purchase obligation of the Buying Entity shall be considered to be met by the Buying Entity only if there is no payment default for such energy procured by the Buying Entity and a certificate to such effect shall be provided by SJVN to the Buying Entity.

2.9.2 SJVN shall provide such certificate identifying the quantum of Wind energy supplied by SJVN and being met by the Buying Utility for each Contract Year not later than 30 days of the reconciliation for such Contract Year.

2.9.3 The provisions of Article 4.4 of the PPA shall be applicable mutatis mutanda to this Agreement. As per the terms of PPA, maximum energy to be supplied is MUs (i.e. + 20 %) and minimum energy to be supplied is MUs (i.e. - 10 %).

The WPD will declare the CUF of the Project and will be allowed to revise the same once within first three years after the commencement of power supply from full Project Capacity. Any penalty with respect to shortfall of energy will be dealt as per the terms of PPA.

2.9.4 The compensation as per Article 4.4.3 of the PPA shall be applied to the amount of shortfall in achieving annual minimum CUF during any Contract Year. SJVN shall pass such compensation recovered from WPD under the SJVN-WPD PPA to Buying Entity not later than 15 days of receipt of the same from WPD/WPG under the SJVN-WPD/WPG PPA. However, this compensation shall not be applicable in events of Force Majeure identified under this Agreement affecting supply of power by SJVN/WPD/WPG, Grid Non-Availability beyond control of the WPD (as applicable).

2.9.5 Notwithstanding Article 2.9.3, the SJVN/WPD is free to sell such power to any third party which is in excess of the quantum of power as per Article 2.9.3 of this Agreement from SCSD, or date of commencement of power supply from the full Contracted capacity, whichever is earlier. Any power which is in excess of the quantum of power agreed to be supplied under this Agreement shall be offered to the Buying Utility at the Applicable Tariff as per Article 1.1, and in case the Buying Utility does not accept the same, SJVN shall take appropriate action as per PPA.

2.10 Payment of Supplementary Bill

2.10.1 SJVN may raise a "Supplementary Bill" for payment on account of:

- i) Change in Law as provided in Article 12 of PPA, or
- ii) Payment under Article 2.11 and other charges, if any.
- iii) Any subsequent revision in energy account by concerned RLDC/SLDC, as applicable.

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

2.10.2 Buying Entity shall remit all amounts due under a Supplementary Bill raised by the SJVN to the SJVN's Designated Account by the Due Date.

2.10.3 In the event of delay in payment of a Supplementary Bill by either Party beyond its Due Date, a Late Payment Surcharge shall be payable at the same terms applicable to the Monthly Bill in Article 2.3.

2.11 Offtake constraints due to Grid Unavailability

2.11.1 Generation Compensation in offtake constraints due to Grid Unavailability:

During the operation of the plant, there can be some periods where the Project can generate power but due to temporary transmission unavailability, the power is

not evacuated, for reasons not attributable to the Hybrid Power Developer. In such cases, subject to the submission of documentary evidences from the competent authority, the generation compensation from Buying Entity shall be restricted to the following and there shall be no other claim, directly or indirectly against SJVN:

Duration of Grid unavailability	Provision for Generation Compensation
Grid unavailability in a Contract Year as beyond 50 hours in a Contract Year as defined in SJVN-WPD PPA:	<p><i>Generation Compensation= (Tariff X RE Power (MW) offered but not scheduled by the Buying Entity) X 1000 X no. of hours of grid unavailability.</i></p> <p><i>However, in the case of third-party sale or sale in the power exchange, as price taker, the 95% of the amount realized, after deducting expenses, shall be adjusted against the Generation compensation payable, on monthly basis.</i></p>

Compensation (if any) calculated as per above provision, will be paid by Buying Entity to the WPD on an annual basis.

2.11.2 Payment in case of reduced off take:

In case the plant is available to supply power but the off take of power is not done by the Buying Entity, including non-dispatch of power due to non-compliance with “Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified by the Ministry of Power vide Gazette notification dated 3rd June 2022” and any clarifications or amendment thereto, considering the principle of “must run” status for RE Power, the WPD shall be eligible for payment from the Buying Entity, corresponding to the reduced off take, in terms of following manner:

Reduced Off-take	Provision for Generation Compensation
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Reduced off-take beyond 50 hours in a Contract Year as defined in SJVN-WPD PPA:	$\text{Generation Compensation} = (\text{Tariff} \times \text{RE Power (MW) offered but not scheduled by the Buying Entity}) \times 1000 \times \text{no. of hours of Reduced Off take.}$
	<p><i>However, in the case of third-party sale or sale in the power exchange, as price taker, the 95% of the amount realized, after deducting expenses, shall be adjusted against the Generation compensation payable, on monthly basis.</i></p>

2.11.3 For claiming compensation the WPD must sell their power in the power exchange as a price taker. Thus, the compensation would be limited to the difference of the actual generation up to declared capacity subject to a maximum of up to the Contracted Capacity and the quantum of power scheduled by the Buying Entity.

2.11.4 The WPD shall not be eligible for any compensation in case the Backdown is on account of events like consideration of grid security or safety of any equipment or personnel or other such conditions.

2.11.5 The WPD shall be eligible for payment from the Buying Entity, corresponding to the reduced offtake of Power as per above mentioned methodology. The Generation Compensation shall be paid as part of the energy bill for the successive month after receipt of Energy Accounts (REA)/SEA/JMR. No Trading Margin shall be applicable on the Generation Compensation as provided in Article 2.11.

It is hereby clarified that for the purpose of Article 2.11 “generation” shall mean scheduled/actual energy as applicable based on Energy Accounts. “Tariff/Applicable Tariff” in this Article 2.11 shall mean “Applicable Tariff” as per SJVN-WPD PPA.

ARTICLE- 3: EVENTS OF DEFAULT AND TERMINATION

3.1 Buying Entity Event of Default

3.1.1 The occurrence and continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event, shall constitute a Buying Entity Event of Default:

- (i) Any amount (with respect to a Monthly Bill or a Supplementary Bill) subject to Article 2.7 remains outstanding beyond a period of ninety (90) days after the Due Date and SJVN is unable to recover the amount outstanding from the Buying Entity through the Letter of Credit, Payment Security Fund and; or
- (ii) The Buying Entity fails to evacuate/off take power from the Delivery Points for a continuous period of one year.
- (iii) if (a) the Buying Entity becomes voluntarily or involuntarily the subject of any

bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of thirty (30) days, or (b) any winding up or bankruptcy or insolvency order is passed against the Buying Entity, or (c) the Buying Entity goes into liquidation or dissolution or has a receiver or any similar officer appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law,

Provided that a dissolution or liquidation of the Buying Entity will not be a Buying Entity 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 Buying Entity and expressly assumes all obligations of the Buying Entity under this Agreement and is in a position to perform them; or

- (iv) the Buying Entity repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from SJVN in this regard; or
- (v) except where due to any Buying Entity's failure to comply with its material obligations, the Buying Entity is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the Buying Entity within thirty (30) days of receipt of first notice in this regard given by SJVN.
- (vi) Occurrence of any other event which is specified in this Agreement to be a material breach/ default of the Buying Entity.

3.2 Procedure for cases of Buying Entity Event of Default

- 3.2.1 Upon the occurrence and continuation of any Buying Entity Event of Default under Article 3.1, SJVN shall have the right to deliver to the Buying Entity a notice, stating its intention to terminate this Agreement (SJVN Preliminary Default Notice), which shall specify in reasonable detail, the circumstances giving rise to the issue of such notice.
- 3.2.2 Following the issue of SJVN Preliminary Default Notice, the Consultation Period of sixty (60) days or such longer period as the Parties may agree, shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall have to be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.
- 3.2.3 During the Consultation Period, the Parties shall, save as otherwise provided in this Agreement, continue to perform their respective obligations under this Agreement.
- 3.2.4 Within a period of seven (7) days following the expiry of the Consultation Period unless the Parties shall have otherwise agreed to the contrary or the Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, the SJVN may terminate this Agreement by giving a written Termination Notice of thirty (30) days to the Buying Entity.

- 3.2.5 Subject to the occurrence and continuation of default by as contained under Article 3.1 and before expiry of time period of 30 days as per Clause 3.2.4,
- 3.2.6 Subject to the prior consent of the SJVN, the Buying Entity shall novate its part of the PSA to any third party, including its Affiliates within the period of 210 days beyond the period as per 3.2.4,
- 3.2.7 In the event the aforesaid novation is not acceptable to SJVN, or if no offer of novation is made by the defaulting Buying Entity, then SJVN on expiry of 30 days as provided in article 3.2.4 & 3.2.6 may terminate the PSA and at its discretion require the defaulting Buying Entity to pay to the WPD, damages, equivalent to 24 (twenty-four) months, or balance PPA period, whichever is less, of charges for its Contracted Capacity, with the stipulated minimum CUF.

Further, in the event of termination of PPA, any damages or charges payable to the STU/ CTU, for the connectivity of the plant, shall also be borne by the Buying Entity.

3.3 Termination due to Force Majeure

If the Force Majeure Event or its effects continue to be present beyond a period as specified in Article 4.5.3 of the PPA; the termination of the PPA shall be caused solely at the discretion of SJVN. In such an event, this Agreement shall terminate on the date of such Termination Notice without any further liability to either Party from the date of such termination.

3.4 Termination of back-to-back agreements

In case of termination of SJVN-WPD PPA, this Agreement shall automatically terminate to the extent of relevant SJVN-WPD PPA(s). Provided that in case of such termination as identified in this Article any pending monetary liabilities of either Party shall survive on the termination of this Agreement. In the event of termination of PPA/PSA, any damages or charges payable to the STU/ CTU, for the connectivity of the plant, shall be borne by the entity due to whose failure, the termination was triggered.

ARTICLE-4: MISCELLANEOUS PROVISIONS

4.1 Amendment

4.1.1 This Agreement may only be amended or supplemented by a written agreement between the Parties, with the approval of the Appropriate Commission, if necessary. Subject to the provisions of the RfS Document and keep this Agreement as principle Agreement, both Parties may execute further Agreement on similar terms and conditions.

4.2 Third Party Beneficiaries

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

4.3 Waiver

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

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

4.4 Confidentiality

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

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

4.5 Severability

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

4.6 Notices

4.6.1 All notices or other communications which are required to be given under this

Agreement shall be in writing and in the English language.

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

Name :
Attention :
Address :
Email :
Fax. No. :
Tele. No. :

- 4.6.3 If to SJVN, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the address below:

Name :
Attention :
Address : SJVN Limited, 6th Floor, Plate-B, NBCC Office
Block Tower-1, East Kidwai Nagar, New Delhi-110023
Email : sjvn.reia@sjvn.nic.in
Fax. No. :
Tele. No. :

4.7 Compliance with Law

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

- 4.8 The duly executed Power Purchase Agreement between SJVN and WPD shall be attached to this Agreement and shall be read along with Agreement as a composite back-to-back process for Generation and supply of electricity to Buying Entity to fulfill the Renewable Purchase Obligations or demand under the provisions of the Electricity Act, 2003 and the Regulations notified thereunder.

4.9 Indemnity

- 4.9.1 Buying Entity shall indemnify, defend and hold SJVN/WPD harmless against:

- a) any and all third-party claims against SJVN/WPD for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by the Buying Entity of any of its obligations under this Agreement; and
- b) any and all losses, damages, costs and expenses including legal costs, fines,

penalties and interest actually suffered or incurred by SJVN/WPD from third party claims arising by reason of a breach by the Buying Entity of any of its obligations under this Agreement, (provided that this Article 4.9 shall not apply to such breaches by the SJVN/WPD, for which specific remedies have been provided for under this Agreement).

4.9.2 SJVN shall cause the WPD to indemnify, defend and hold Buying Entity harmless against:

- a) any and all third-party claims against Buying Entity, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of a breach by WPD of any of their obligations under this Agreement; and
- b) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest ('Indemnifiable Losses') actually suffered or incurred by Buying Entity from third party claims arising by reason of a breach by WPD of any of its obligations. SJVN shall incorporate appropriate covenants in the PPA for the above obligations of WPD. In so far as indemnity to Buying Entity is concerned, WPD shall be the indemnifying party and not SJVN.

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

For and on behalf of
[SJVN]

For and on behalf of
[.....]

Signature with seal

Signature with seal

Witness

Witness

Witness

Witness

SCHEDULE-A

SJVN-WPD PPA

SCHEDULE-B

(List of Wind Power Developers)

SCHEDULE-C: Billing Methodology

AMOUNT REALISATION FOR SALE OF POWER

- (i) The billing to Buying Entity shall be done by SJVN for realization of amount for Power.
- (ii) The payments to be made by Buying Entity to SJVN for the Power in a Monthly Invoice shall comprise of amounts to be realized for Power.
- (iii) The Bills shall be raised by SJVN to Buying Entity as mentioned under:

- a) Provisional billing Amount for power for the applicable month (invoice) $A_p = (E_p \times T_p)$

Where,

$A_p =$ Provisional Billing amount (in Rs.) for Power for the applicable Month;

$E_p =$ No. of units (kWh) as per the REA/SEA/JMR etc.

$T_p =$ tariff (in Rs./kWh) of the respective Project as per Schedule-B + Trading Margin of SJVN @ Rs 0.07/kWh i.e Rupees Seven Paisa/kWh)

- b) Final billing will be computed through Credit/Debit note as applicable based on Final REA/SEA/JMR/ etc. for applicable month.