

POWER PURCHASE AGREEMENT

BETWEEN

BANGALORE ELECTRICITY SUPPLY COMPANY (BESCOM)

AND

M/s ADANI GREEN ENERGY (UP) LIMITED SPV OF M/s
ADANI GREEN ENERGY LIMITED

FOR

Development of 20MW of Solar Power Project at Gubbi
Taluk, Tumkur District in the State of Karnataka
General Manager (Elec),
PP, BESCOM, B'lore,

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[Signature]
General Manager (E&E),
PP, BESCOM, B'lore.



Power Purchase Agreement

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General Manager (Ele),
PP , BESCOM, B'lore.



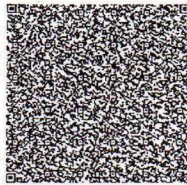


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INDIA NON JUDICIAL Government of Karnataka

e-Stamp

Certificate No. : IN-KA688677759046490
 Certificate Issued Date : 28-Jun-2016 12:44 PM
 Account Reference : NONACC (FI)/ kaksfcl08/ HANUMANTH NGR/ KA-BA
 Unique Doc. Reference : SUBIN-KAKAKSFCL08878448875807070
 Purchased by : ADANI GREEN ENERGY UP LIMITED
 Description of Document : Article 12 Bond
 Description : AGREEMENT
 Consideration Price (Rs.) : 0
 (Zero)
 First Party : BESCOM
 Second Party : ADANI GREEN ENERGY UP LIMITED
 Stamp Duty Paid By : ADANI GREEN ENERGY UP LIMITED
 Stamp Duty Amount(Rs.) : 200
 (Two Hundred only)



POWER PURCHASE AGREEMENT

This Power Purchase Agreement (PPA) (hereinafter shall be referred to as "Agreement") is entered into on this the 29th day of JUNE month, of 2016 year

AMONGST

1. Bangalore Electricity Supply Company Limited, a Company incorporated under the Indian Companies Act, 1956 having its registered office at, **K.R. Circle, Bengaluru - 560001** (hereinafter shall be referred to as "**BESCOM**", which expression shall, unless it be repugnant to the context or meaning thereof, include its administrators, successors, and assigns);

AND

[Signature]
General Manager (Ele),

PP - BESCOM - Bangalore

Statutory Agent

1. The authenticity of this PPA is verified at "www.shoelastamp.com". Any discrepancy in the details on this Certificate shall be as available on the website renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.



2. M/s Adani Green Energy (UP) Limited SPV of M/s Adani Green Energy Limited a company incorporated under the provisions of the Companies Act, [1956/2013] and having its registered office at Adani House, Nr.Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, (hereinafter shall be referred to as "Developer") which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns and substitutes) of the Other Part.

WHEREAS:

- A. Karnataka Renewable Energy Development Limited (hereinafter shall be referred to as "KREDL") incorporated under the companies Act, 1956 is a nodal agency of the Government of Karnataka (hereinafter shall be referred to as "GoK") for facilitating the development of renewable energy in Karnataka. GoK had resolved to undertake development of 1,200 MW(AC) (One Thousand and Two Hundred Mega Watt) of solar power in Karnataka to be implemented in 60 Taluks through private sector participation.
- B. Pursuant thereto, KREDL had accordingly invited proposals by its "Request for Proposal (RP)" dated:12.2.2016 prescribed the technical, commercial terms and conditions for selection of Bidders for undertaking development of solar PV ground mount power plants in Karnataka to be implemented in 12 Taluks. In this regard, KREDL had received proposals from certain bidders including, inter alia, the the single buisness entity M/s Adani Green Energy (UP) Limited SPV of M/s Adani Green Energy Limited.
- C. After evaluation of the Proposal received, KREDL had accepted the bid of the single business entity for development of 20MW (AC) capacity of [Solar PV ground mount Project (...Also specify the name of solar technology...)] in the Gubbi Taluk with google coordinate of the location as Tumkur and issued its Letter of Award No.:KREDL/07/RPO/GC/290MWs-F298/2016/1955, dated 30.5.2016 (herein after called the "LOA") [and an Allotment Letter No.:KREDL/07/RPO/GC/290MWs-F298/2016/1955, dated 30.5.2016] to the single business entity ["Selected Bidder"] requiring, inter alia, the execution of this Agreement.
- D. The single business entity has since promoted and incorporated the Developer ("Special Purpose Vehicle" or "SPV"), in accordance with the terms of RFP and has requested BESCOM through a letter bearing number AGEL/ BESCOM/ Gubbi/ 2016/ 11 dated :24.6.2016 to accept the Developer as the entity which shall undertake and perform the obligations and exercise the rights of the Selected Bidder under the LOA, including the obligation to enter into this Agreement pursuant to the LOA for executing the Project.
- E. By its letter dated: 24.6.2016 the Developer has also joined in the said request of the single business entity to BESCOM to accept it as the entity which shall undertake and perform the obligations and exercise the rights of the single business entity/including the obligation to enter into this Agreement pursuant to the LOA. The Developer has further represented to the effect that it has been promoted by the single business entity for the purposes hereof.


General Manager (L & S),
PP, BESCOM, B'lore.



represented to the effect that it has been promoted by the single business entity for the purposes hereof.

- F. BESCOM has agreed to the said request of the single business entity and the Developer, and has accordingly agreed to enter into this Agreement with the Developer for execution of the Project, subject to and on the terms and conditions set forth hereinafter.
- G. BESCOM acknowledges that simultaneously with the execution of this Agreement, the Developer has submitted three (3) Bank Guarantees towards Performance Security for the amount and in the manner set out in Clause 4.4(a).

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


General Manager (Ele),
PP, BESCOM, B'lore.




ARTICLE 1: DEFINITION AND INTERPRETATION**1.1 Definitions**

The words and expressions beginning with capital letters and defined in this Agreement (including those in Article 21) shall, unless the context otherwise requires, have the meaning ascribed thereto herein, and the words and expressions defined in the Schedules and used therein shall have the meaning ascribed thereto in the Schedules.

1.2 Interpretation

1.2.1 In this Agreement, unless the context otherwise requires,


- a) references to any legislation or any provision thereof shall include amendment or re-enactment or consolidation of such legislation or any provision thereof so far as such amendment or re-enactment or consolidation applies or is capable of applying to any transaction entered into hereunder;
- b) references to laws of Karnataka, laws of India or Indian law or regulation having the force of law shall include the laws, acts, ordinances, rules, regulations, bye laws or notifications which have the force of law in the territory of India and as from time to time may be amended, modified, supplemented, extended or re-enacted;
- c) references to a "person" and words denoting a natural person shall be construed as a reference to any individual, 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 shall include successors and assigns;
- d) the table of contents, headings or sub-headings in this Agreement are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this Agreement;
- e) the words "include" and "including" are to be construed without limitation and shall be deemed to be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases;
- f) references to "construction" or "building" or "installation" include, unless the context otherwise requires, investigation, design, developing, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction, and "construct" or "build" or "install" shall be construed accordingly;
- g) references to "development" include, unless the context otherwise requires, construction, augmentation, up gradation and other activities incidental thereto, and "develop" shall be construed accordingly;

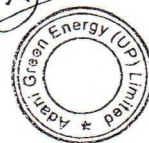

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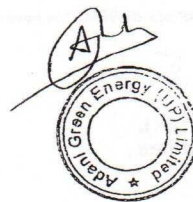
- h) any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- i) any reference to day shall mean a reference to a calendar day;
- j) references to a "business day" shall be construed as a reference to a day (other than a Sunday) on which banks in Bangalore generally open for business;
- k) any reference to month shall mean a reference to a calendar month as per the Gregorian calendar;
- l) references to any date or period shall mean and include such date, period as may be extended pursuant to this Agreement;
- m) any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates; provided that if the last day of any period computed under this Agreement is not a business day, then the period shall run until the end of the next business day;
- n) the words importing singular shall include plural and vice versa;
- o) references to any gender shall include the other and the neutral gender;
- p) "lakh" means a hundred thousand (100,000) and "crore" means ten million (10,000,000);
- q) "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;
- r) references to the "winding-up", "dissolution", "insolvency", or "reorganisation" 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;
- s) save and except as otherwise provided in this Agreement, any reference, at any time, to any agreement, deed, instrument, licence or document of any description shall be construed as reference to that agreement, deed, instrument, licence or other document as amended, varied, supplemented, modified or suspended at the time of such reference; provided that this Sub-clause shall not operate so as to increase liabilities or obligations of BESCOM hereunder or pursuant hereto in any manner whatsoever;


General Manager (Ele),
PP, BESCOM, B'lore.



- t) any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effective only if it is in writing under the hand of a duly authorized representative of such Party, as the case may be, in this behalf and not otherwise;
 - u) the Schedules and Recitals to this Agreement form an integral part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement;
 - v) references to Recitals, Articles, Clauses, Sub-clauses or Schedules in this Agreement shall, except where the context otherwise requires, mean references to Recitals, Articles, Clauses, Sub-clauses and Schedules of or to this Agreement, and references to a Paragraph shall, subject to any contrary indication, be construed as a reference to a Paragraph of this Agreement or of the Schedule in which such reference appears;
 - w) the damages payable by either Party to the other of them, as set forth in this Agreement, whether on per diem basis or otherwise, are mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Party entitled to receive the same and are not by way of penalty (the "Damages"); and
 - x) time shall be of the essence in the performance of the Parties' respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence.
- 1.2.2 Unless expressly provided otherwise in this Agreement, any Documentation required to be provided or furnished by the Developer to BESCOM shall be provided free of cost and in three copies, and if BESCOM is required to return any such Documentation with their comments and/or approval, they shall be entitled to retain two copies thereof.
- 1.2.3 The rule of construction, if any, that a contract should be interpreted against the parties responsible for the drafting and preparation thereof, shall not apply.
- 1.2.4 Any word or expression used in this Agreement shall, unless otherwise defined or construed in this Agreement, bear its ordinary English meaning and, for these purposes, the General Clauses Act 1897 shall not apply.
- 1.3 **Measurements and arithmetic conventions**
- All measurements and calculations shall be in the metric system and calculations done to two (2) decimal places, with the third digit of five (5) or above being rounded up and below five (5) being rounded down.


General Manager (Elec),
PP, BESCOM, B'lore.



1.4 Priority of agreements, clauses and schedules

1.4.1 This Agreement, and all other agreements and documents forming part of or referred to in this Agreement are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this Agreement, the priority of this Agreement and other documents and agreements forming part hereof or referred to herein shall, in the event of any conflict between them, be in the following order:

- a) this Agreement; and
- b) all other agreements and documents forming part hereof or referred to herein; i.e the Agreement at (a) above shall prevail over the agreements and documents at (b) above.

1.4.2 Subject to provisions of Clause 1.4.1 in case of ambiguities or discrepancies within this Agreement, the following shall apply:

- a) between two or more Clauses of this Agreement, the provisions of a specific Clause relevant to the issue under consideration shall prevail over those in other Clauses;
- b) between the Clauses of this Agreement and the Schedules, the Clauses shall prevail and between Schedules and Annexes, the Schedules shall prevail;
- c) between any two Schedules, the Schedule relevant to the issue shall prevail;
- d) between any value written in numerals and that in words, the latter shall prevail.


General Manager (Ele),
PP, BSESOM, Blore.




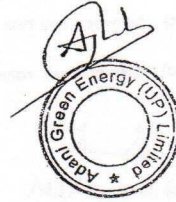
ARTICLE 2: SCOPE OF THE PROJECT

2.1 Scope of the Project

The scope of the Project (the "Scope of the Project") shall mean and include, during the term of this Agreement:

- a) designing, constructing, erecting, testing, commissioning and completing the [Solar PV ground mount Project] and supply of Contracted Capacity;
- b) Operation and maintenance of the [Solar PV ground mount Project] in accordance with the provisions of this Agreement; and
- c) Performance and fulfillment of all other obligations of the Developer in accordance with the provisions of this Agreement and matters incidental thereto or necessary for the performance of any or all of the obligations of the Developer under this Agreement.


General Manager (Elec),
PP, BESCOM, B'lore.



ARTICLE 3: TERM OF AGREEMENT**3.1 Effective Date**

"This Agreement shall come into effect from the date of getting concurrence from KERC on the PPA and such date shall be referred to as the Effective Date."

3.2 Term of Agreement

This Agreement shall subject to Clauses 3.2, 3.3 and 3.4 be valid for a term of 25 years commencing from the Effective Date and ending on the Expiry Date. However, the Parties may, 180 (one hundred eighty) days prior to the Expiry Date, decide to extend the term of this Agreement on mutually agreed terms and conditions. .

3.3 Early Termination

This Agreement shall terminate before the Expiry Date if either BESCOM or Developer terminates the Agreement, pursuant to Article 16 of this Agreement.

3.4 Survival

The expiry or termination of this Agreement shall not affect any accrued rights, obligations and liabilities of the Parties under this Agreement, including the right to receive penalty as per the terms of this Agreement, nor shall it affect the survival of any continuing obligations for which this Agreement provides, either expressly or by necessary implication, which are to survive after the Expiry Date or termination including those under Article 14 (Force Majeure), Article 16 (Events of Default and Termination), Article 17 (Liability and Indemnification), Article 18 (Governing Law and Dispute Resolution), Article 20 (Miscellaneous Provisions), and other Articles and Schedules of this Agreement which expressly or by their nature survive the Term or termination of this Agreement shall continue and survive any expiry or termination of this Agreement.


General Manager (Ele),
PP , BESCOM, B'lore.



ARTICLE 4: CONDITION PRECEDENT**4.1 Conditions Precedent**

"Save and except as expressly provided in Articles 4, 14, 18, 20 or unless the context otherwise requires, the respective rights and obligations of the Parties under this Agreement shall be subject to the satisfaction in full of the conditions precedent specified in this Clause 4 (the "Conditions Precedent") by the Developer within 8 (eight) months from the Effective Date, unless such completion is affected by any Force Majeure event, or if any of the activities is specifically waived in writing by BESCOM."

4.2 Conditions Precedent for the Developer

The Conditions Precedent is required to be satisfied by the Developer shall be deemed to have been fulfilled when the Developer shall have:

- a) obtained all Consents, Clearances and Permits¹ required for supply of power to BESCOM as per the terms of this Agreement;
- b) achieved Financial Closure and provided a certificate to BESCOM from the lead banker to this effect;
- c) made adequate arrangements to connect the Power Project switchyard with the Interconnection Facilities at the Delivery Point;
- d) obtained power evacuation approval from Karnataka Power Transmission Company Limited ("KPTCL")/BESCOM, as the case may be;
- e) produced as per the requirements set out in Schedule 1, the documentary evidence of having the clear title and possession of the land required for the Project in the name of Developer;
- f) fulfilled Technical Requirements for [Solar PV ground mount Project] as per the format provided in Schedule 2 and also provides the documentary evidence for the same;
- g) delivered to BESCOM from {the Consortium Members, their respective} confirmation, in original, of compliance with the equity lock-in condition set out in 5.2²; and
- h) delivered to BESCOM a legal opinion from the legal counsel of the Developer with respect to the authority of the Developer to enter into this Agreement and the

¹ Land conversion, clearance from GP for establishment of Project, environmental clearance, if applicable the approval for power evacuation and any other clearance that may be required as per applicable laws.

² Documentary evidence such as MOA, AOA of the SPV, share certificates of the shareholders and all other documents relating to the shareholding in the SPV shall be submitted to the BESCOM


General Manager (G.M.),
PP, BESCOM, B'lore.



enforceability of the provisions thereof.

4.2.1 Developer shall make all reasonable endeavours to satisfy the Conditions Precedent within the time stipulated and BESCOM shall provide to the Developer all the reasonable cooperation as may be required to the Developer for satisfying the Conditions Precedent.

4.2.2 The Developer shall notify BESCOM in writing at least once a month on the progress made in satisfying the Conditions Precedent. Developer shall promptly inform the BESCOM when any Conditions Precedent is satisfied by it.

4.3 Damages for delay by the Developer

"In the event that the Developer does not procure fulfillment of any or all of the Conditions

Precedent set forth in Clause 4.2 within the period of 8 (eight) months and the delay has not occurred for any reasons attributable to BESCOM or due to Force Majeure, the Developer shall pay to BESCOM Damages in an amount calculated at the rate of 0.2% (zero point two per cent) of the Performance Security for each day's delay until the fulfillment of such Conditions Precedent, subject to a maximum period of 30 (thirty) days. On expiry of the said 30 (thirty) days, BESCOM at its discretion may terminate this Agreement."

4.4 Performance Security


a) For due and punctual performance of its obligations under this Agreement, relating to the Project, the Developer has delivered to BESCOM, simultaneously with the execution of this Agreement, an irrevocable and revolving bank guarantees from a scheduled bank acceptable to BESCOM for an amount of INR 2,00,00,000 (Rupees 2 Crores only) ("Performance Security"). The Performance Security is furnished to BESCOM in the form of three (3) Bank Guarantees in favor of "Managing Director" of the BESCOM as per the format provided in Schedule 3 and having validity up to twelve (12) months from the Scheduled Commissioning Date. The details of the bank guarantees furnished towards the Performance Security are given below;

- (i) Bank Guarantee No.022GM07161800004 dated 28.6.2016 for an amount of INR 40,00,000³(Rupees Forty Lakhs only)
- (ii) Bank Guarantee No.022GM07161800005 dated 28.6.2016 for an amount of INR 80,00,000⁴(Rupees Eighty Lakhs only); and
- (iii) Bank Guarantee No.022GM07161800006 dated 28.6.2016 for an amount of INR 80,00,000⁵(Rupees Eighty Lakhs only).

³ This amount shall be equivalent to 20% of total Performance Security

⁴ This amount shall be equivalent to 40% of total Performance Security

⁵ This amount shall be equivalent to 40% of total Performance Security


General Manager (R&C),
PP, BESCOM, Bangalore.



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b) Appropriation of Performance Security

Upon occurrence of a Developer Default or failure to meet the Conditions Precedent by the Developer, BESCOM shall, without prejudice to its other rights and remedies hereunder or in law, shall be entitled to encash and appropriate the relevant amounts from the Performance Security as Damages for such Developer Default or Conditions Precedent. Upon such encashment and appropriation from the Performance Security, the Developer shall, within 30 (thirty) days thereof, replenish, in case of partial appropriation, to its original level the Performance Security, and in case of appropriation of the entire Performance Security provide a fresh Performance Security, as the case may be, and the Developer shall, within the time so granted, replenish or furnish fresh Performance Security as aforesaid failing which BESCOM shall be entitled to terminate this Agreement in accordance with Article 16.

c) Release of Performance Security

Subject to other provisions of this Agreement, BESCOM shall release the Performance Security, if any after twelve (12) months from the Commissioning Date.(CoD)

The release of the Performance Security shall be without prejudice to other rights of BESCOM under this Agreement.


General Manager (Elec),
PP, BESCOM, B'lore.



ARTICLE 5: OBLIGATION OF THE DEVELOPER**5.1 Obligations of the Developer**

- 5.1.1 Subject to and on the terms and conditions of this Agreement, the Developer shall at its own cost and expense;
- a) procure finance for and undertake the designing, constructing, erecting, testing, commissioning and completing of the Power Project in accordance with the Applicable Law and Grid Code observe, fulfill, comply with and perform all its obligations set out in this Agreement or arising hereunder;
 - b) comply with all Applicable Laws and obtain applicable Consents, Clearances and Permits (including renewals as required) in the performance of its obligations under this Agreement and maintaining all Applicable Permits in full force and effect during the Term of this Agreement;
 - c) commence supply of power up to the Contracted Capacity to BESCOM no later than the Scheduled Commissioning Date and continue the supply of power throughout the term of the Agreement;
 - d) connect the Power Project switchyard with the Interconnection Facilities at the Delivery Point.
 - e) own the Power Project throughout the Term of Agreement and keep it free and clear of encumbrances, except those expressly permitted under Article 19;
 - f) Comply with the equity lock-in conditions set out in Clause 5.2; and
 - g) be responsible for all payments related to any taxes, cess, duties or levies imposed by the Government Instrumentalities or competent statutory authority on land, equipment, material or works of the project to or on the electricity consumed by the Project or by itself or on the income or assets owned by it.
- 5.1.2 The Developer shall discharge its obligations in accordance with Good Industry Practice and as a reasonable and prudent person.
- 5.1.3 The Developer shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set out in this Agreement:
- a) make, or cause to be made, necessary applications to the relevant government agencies with such particulars and details, as may be required for obtaining Applicable Permits and obtain and keep in force and effect such Applicable Permits in conformity with the Applicable Laws;
 - b) procure, as required, the appropriate proprietary rights, licenses, agreements and


General Manager (Eie),
PP, BESCOM, B'lore.



permissions for materials, methods, processes and systems used or incorporated into the Power Project;

- c) make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its Contractors in connection with the performance of its obligations under this Agreement;
- d) ensure and procure that its Contractors comply with all Applicable Permits and Applicable Laws in the performance by them of any of the Developer's obligations under this Agreement; and
- e) not do or omit to do any act, deed or thing which may in any manner violate any of the provisions of this Agreement.

5.2 Equity Lock-in Conditions

- a) The shareholding as on the Effective Date is as follows:

Names of Shareholders	Description of Shareholding
Adani Green Energy Ltd (AGEL)	49,994(99.998%)
Mr. Vasant S. Adani (Nominee of AGEL)	1(0.002%)
Mrs. Priti G. Adani (Nominee of AGEL)	1(0.002%)
Mr. Pranav V. Adani (Nominee of AGEL)	1(0.002%)
Mr. Jatinkumar Jalundhwala (Nominee of AGEL)	1(0.002%)
Mr. Hardik Snnghvi (Nominee of AGEL)	1(0.002%)
Mr. Gunjan Taunk (Nominee of AGEL)	1(0.002%)

- b) The Developer having been set up for the sole purpose to exercise the rights and observing and performing its obligations and liabilities under this Agreement, the Developer hereby undertakes and agrees to comply with the following lock-in conditions:

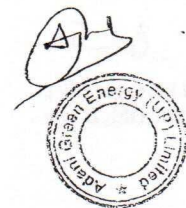
In case the Selected Bidder is a Consortium then,

- (i) Members of the Consortium shall collectively hold at least 51% of subscribed and paid up equity share capital of the Developer at all times until first anniversary of the commercial operations date of the Project.
- (ii) Lead Member shall have 26% shareholding of the SPV until first anniversary of the commercial operations date of the Project.

or

In case the Selected Bidder is a single entity,

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The Selected Bidder shall hold at least 51% (fifty one percent) of subscribed and paid up equity share capital of the Developer, until first anniversary of the commercial operations date of the Project. This condition is applicable only in case the single business entity incorporates an SPV to execute the PPA and implement the Project.

- c) In the event of non-compliance of the above, the same shall constitute an event of default by Developer and BESCOM shall be entitled to terminate this Agreement in accordance with Article 16.

5.3 Information regarding Interconnection Facilities

The Developer shall be required to obtain all information with regard to the Interconnection Facilities as is reasonably necessary to enable it to design, install and operate all interconnection plant and apparatus on the Developer's side of the Delivery Point to enable delivery of electricity at the Delivery Point.

5.4 Connectivity to the grid

The Developer shall be responsible for power evacuation from the Power Project to the nearest Delivery Point.

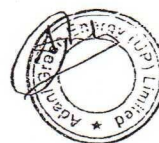
5.5 Purchase and sale of Contracted Capacity

Subject to the terms and conditions of this Agreement, the Developer undertakes to sell to BESCOM and BESCOM subject to Clause 5.6 below, undertakes to purchase all the powers supplied at the Delivery Point corresponding to the Contracted Capacity.

5.6 Right to Contracted Capacity & Energy

- 5.6.1 BESCOM, at any time during a Contract Year, shall not be obliged to purchase any additional energy from the Developer beyond 47.269 Million kWh (MU) to a maximum CUF of 26.98% for solar PV (new projects). Provided that in case of solar projects using advanced technologies, the value of CUF shall be the average CUF committed by the Developer at the point of signing the PPA. If for any Contract Year, it is found that the Developer has not been able to generate minimum energy of 35.005 Million kWh (MU) with CUF of 19.98% for solar PV (new projects) and further provided that in case of solar projects using advanced technologies, the value of CUF shall be 7% below the average CUF committed by the Developer at the point of signing the PPA, on account of reasons solely attributable to the Developer, the noncompliance by Developer shall make Developer liable to pay the compensation provided in the Agreement as payable to BESCOM. This compensation shall be applied to the amount of shortfall in generation during the Contract Period. The amount of compensation shall be computed at the rate equal to the compensation payable by the BESCOM, towards non meeting of RPOs subject to a minimum of 25% of the applicable tariff.


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5.7 Extensions of Time

5.7.1 In the event that the Developer is prevented from performing its obligations under Clause 5.1 by the Scheduled Commissioning Date due to:

- a) any BESCOM Event of Default; or
- b) Force Majeure Events affecting BESCOM; or
- c) Force Majeure Events affecting the Developer,

the Scheduled Commissioning Date and the Expiry Date shall be deferred, subject to the limit prescribed in Clause 5.7.2 and Clause 5.7.3 for a reasonable period but not less than 'day for day' basis, to permit the Developer or BESCOM through the use of due diligence, to overcome the effects of the Force Majeure Events affecting the Developer or BESCOM, or till such time such Event of Default is rectified by BESCOM.

5.7.2 In case of extension occurring due to reasons specified in clause 5.7.1(a), any of the dates specified therein can be extended, subject to the condition that the Scheduled Commissioning Date would not be extended by more than 6(six) months.

5.7.3 In case of extension due to reasons specified in Article 5.7.1(b) and (c), and if such Force Majeure Event continues even after a maximum period of 3(three) months, any of the Parties may choose to terminate the Agreement as per the provisions of Article 16.

If the Parties have not agreed, within 30 (thirty) days after the affected Party's performance has ceased to be affected by the relevant circumstance, on the time period by which the Scheduled Commissioning Date or the Expiry Date should be deferred by, any Party may raise the Dispute to be resolved in accordance with Article 18.

5.7.4 As a result of such extension, the Scheduled Commissioning Date and the Expiry Date newly determined shall be deemed to be the Scheduled Commissioning Date and the Expiry Date for the purposes of this Agreement.

5.8 Liquidated Damages for delay in commencement of supply of power to BESCOM

5.8.1 If the Developer is unable to commence supply of power to BESCOM by the Scheduled Commissioning Date other than for the reasons specified in Clause 5.7.1, the Developer shall pay to BESCOM, Liquidated Damages for the delay in such commencement of supply of power and making the Contracted Capacity available for dispatch by the Scheduled Commissioning Date as per the following:


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- a. For the delay up to one month an amount equivalent to 20% of the Performance Security.
- b. For the delay of more than one (1) month and upto two months an amount equivalent to 40% of the total Performance Security in addition to the 20% deducted above
- c. For the delay of more than two and upto three months an amount equivalent to 40% of the Performance Security in addition to the 20%+40% deducted above

For avoidance of doubt, in the event of failure to pay the above mentioned damages by the Developer entitles the BESCOM to encash the Performance Security.

5.8.2 In case the Developer delays the achievement of Commercial Operation Date beyond 3 (three) months, the Developer shall pay to BESCOM, the Liquidated Damages at rate of INR 50,000/- (Rupees Fifty Thousand only) per MW per day of delay for the delay in such commissioning. Provided that the Developer shall be required to make such payments to BESCOM in advance on a week to week basis for the period of delay.

5.8.3 "The maximum time period allowed for achievement of Commercial Operation Date with payment of Liquidated Damages shall be limited to 16 (sixteen) months from the Effective Date. In case, the achievement of COD is delayed beyond 16 (sixteen) months from the Effective Date, it shall be considered as an Developer's Event of Default and provisions of Article 16 shall apply and the Power Project shall be removed from the list of selected projects in the event of termination of this Agreement."

5.9 Acceptance/Performance Test

5.9.1 Prior to synchronization of the Power Project, the Developer shall be required to get the Project certified for the requisite acceptance/performance test as may be laid down by Central Electricity Authority or Chief Electrical Inspectorate, Government of Karnataka to carry out testing and certification for the solar power projects.

5.10 Third Party Verification

5.10.1 The Developer shall be further required to provide entry to the site of the Power Project free of all encumbrances at all times during the Term of the Agreement to BESCOM, its authorised representatives including representatives from KREDL and a third Party nominated by any Governmental Instrumentality for inspection and verification of the works being carried out by the Developer at the site of the Power Project. The Developer shall bear the cost of appointment of Third Party verification.


5.10.2 The third party may verify the construction works/operation of the Power Project being carried out by the Developer and if it is found that the construction works/operation of the Power Project is not as per the Prudent Utility Practices, it may seek clarifications from Developer or require the works to be stopped or to comply with the instructions of such third party.

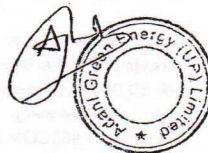

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3 The third party may carry out checks for testing the CUF of the Power Project. During a Contract Year, if the CUF of the Power Project is found to be below 12%⁶ with respect to Solar PV technology/ 16%⁷ with respect to Solar PV technology using tracker/19.98% with respect to advance technology on account of reasons solely attributable to Developer, the Developer shall be liable for non fulfillment of its obligation. The liability, shall be levied by the concerned BESCOM for non supply of Power by the Developer.


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⁶ For Solar PV Projects
⁷ For Solar PV Projects using trackers

ARTICLE 6: OBLIGATION OF BESCOM

6.1 Obligations of BESCOM

- 6.1.1 BESCOM shall, at its own cost and expense undertake, comply with and perform all its obligations set out in this Agreement or arising hereunder.
- 6.1.2 BESCOM shall make timely payments of Tariff to the Developer as per the procedure set out in Article 12.
- 6.1.3 BESCOM agrees to provide support to the Developer and undertake to observe, comply with and perform, subject to and in accordance with the provisions of this Agreement and the Applicable Laws, the following:
- a) upon written request from the Developer, and subject to the Developer complying with Applicable Laws, provide reasonable support and assistance to the Developer in procuring Applicable Permits required from any government agencies for implementation and operation of the Project;
 - b) not do or omit to do any act, deed or thing which may in any manner violate any of the provisions of this Agreement;
 - c) act reasonably, while exercising its discretionary power under this Agreement; and
 - d) support, cooperate with and facilitate the Developer in the implementation and operation of the Project in accordance with the provisions of this Agreement;

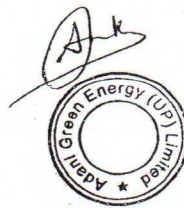

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Article 7: REPRESENTATIONS AND WARRANTIES**7.1 Representations and warranties of the Developer**

- a) it is duly organised, validly existing and in good standing under the laws of India;
- b) it has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- c) it has taken all necessary corporate and other action under Applicable Laws and its constitutional documents to authorise the execution, delivery and performance of this Agreement;
- d) it has the financial standing and capacity to undertake the Project;
- e) this Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- f) the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under or accelerate performance required by any of the terms of the Developer's Memorandum and Articles of Association or any Applicable Laws or any covenant, agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets are bound or affected;
- g) there are no actions, suits, proceedings or investigations pending or to the Developer's knowledge threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may constitute Developer Event of Default or which individually or in the aggregate may result in Material Adverse Effect;
- h) it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Agency which may result in Material Adverse Effect;
- i) it has complied with all Applicable Laws and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have Material Adverse Effect;
- j) no representation or warranty by the Developer contained herein or in any other document furnished by it to BESCOM or to any Government Agency in relation to Applicable Permits contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading; and


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- k) Without prejudice to any express provision contained in this Agreement, the Developer acknowledges that prior to the execution of this Agreement, the Developer has after a complete and careful examination made an independent evaluation of the Project, and the information provided by BESCOM, and has determined to its satisfaction the nature and extent of risks and hazards as are likely to arise or may be faced by the Developer in the course of performance of its obligations hereunder.

The Developer also acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth above and hereby confirms that BESCOM shall not be liable for the same in any manner whatsoever to the Developer.


7.2 Representations and Warranties of BESCOM

BESCOM represents and warrants to the Developer that:

- a) BESCOM has full power and authority to enter into this Agreement and has taken all necessary action to authorize the execution, delivery and performance of this Agreement; and
- b) This Agreement constitutes BESCOM's legal, valid and binding obligation enforceable against it in accordance with the terms hereof.

7.3 Obligation to Notify Change

In the event that any of the representations or warranties made/given by a Party ceases to be true or stands changed, the Party who had made such representation or given such warranty shall promptly notify the other of the same.


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ARTICLE 8: Synchronisation, Commissioning and Commercial Operation

- 8.1 The Developer shall provide at least forty (40) days advanced preliminary written notice and at least twenty (20) days advanced final written notice to BESCOM of the date on which it intends to synchronize the Power Project to the Grid System.
- 8.2 Subject to Clause 8.1, the Power Project shall be synchronized by the Developer with the Grid System when it meets all the connection conditions prescribed in applicable Grid Code then in effect and otherwise meets all other Indian legal requirements for synchronization to the Grid System.
- 8.3 The synchronization equipment shall be installed by the Developer at its generation facility of the Power Project at its own cost. The Developer shall synchronize its system with the Grid System only after the approval of synchronization scheme is granted by the head of the concerned sub-station/Grid System and checking/verification is made by the concerned authorities of the Grid System.
- 8.4 The Developer shall immediately after each synchronization/tripping of generator, inform the sub-station of the Grid System to which the Power Project is electrically connected in accordance with applicable Grid Code.

The Developer shall commission the Project within 12 (Twelve) months from the Effective Date.


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