

POWER PURCHASE AGREEMENT

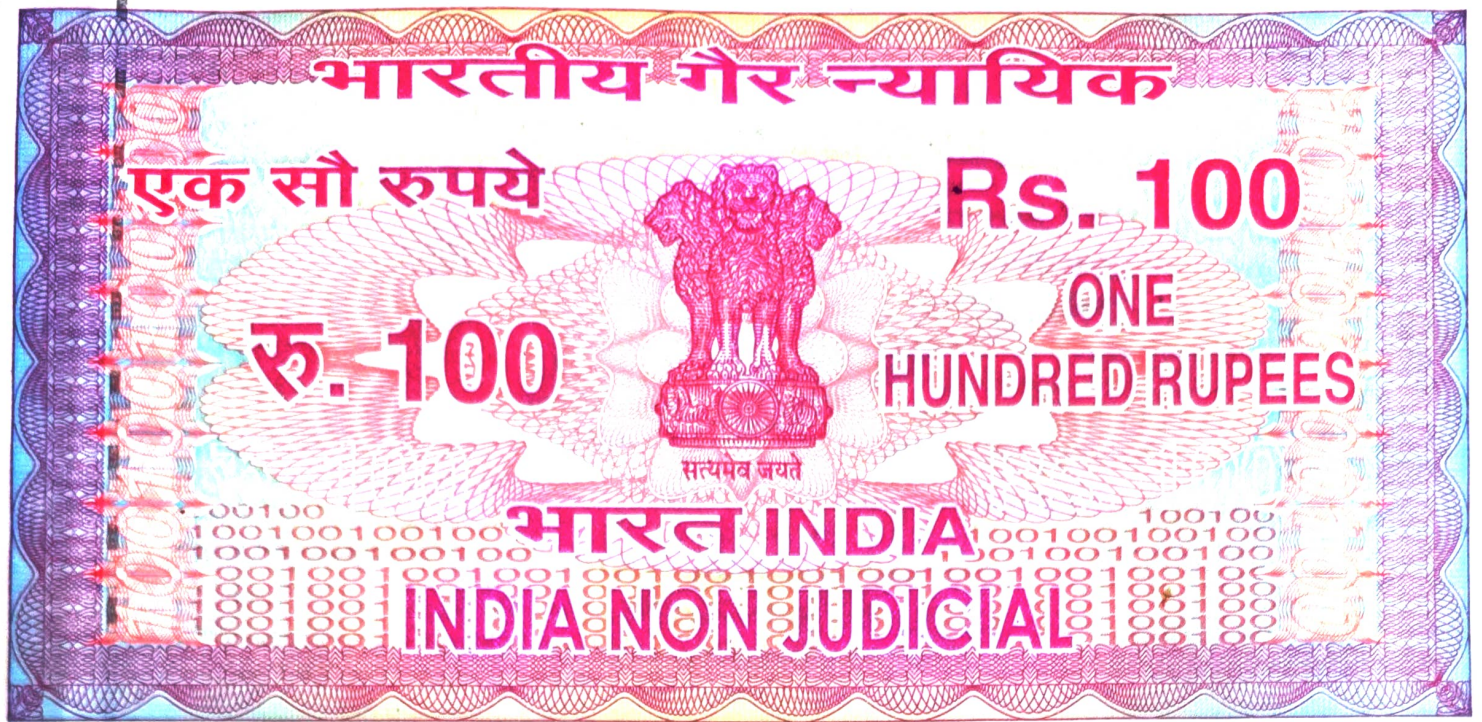
BETWEEN

GRIDCO LIMITED

AND

ROURKELA MUNICIPAL CORPORATION

**FOR PROCUREMENT OF POWER FROM THE 40 KW WASTE TO
ENERGY BIO-METHANATION POWER PLANT AT ROURKELA.**



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This POWER PURCHASE AGREEMENT hereinafter called the "Agreement" is entered into at Bhubaneswar on the 1st day of July, 2026

Between

GRIDCO Limited, a company incorporated under the Companies Act, 1956 having its registered office at Janpath, Bhoinagar, Bhubaneswar-751022, Khorda, Odisha (hereinafter referred to as 'GRIDCO', which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successor and assignees) as a party of the **First Part**;

And

ROURKELA MUNICIPAL CORPORATION, a urban local body constituted under the Odisha Municipal Act, 1950 & Odisha Municipal Corporation Act 2003 having its registered office at [ROURKELA] (hereinafter referred to as '**Developer**', which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) as a party of the **Second Part**;

The GRIDCO and RMC are individually referred to as a "Party" and collectively referred to as "Parties".


Joint Commissioner
Rourkela Municipal Corporation



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Joint Commission
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J.D. Vender
11/11/12



Joint Commission
Rourkela

WHEREAS:

1. Clause 6.4(1)(ii) of National Tariff Policy dated 28.01.2016 provides that, the Distribution Licensee(s) shall compulsorily procure 100% power produced from all the Waste-to-Energy plants in the State, in the ratio of their procurement of power from all sources including their own, at the tariff determined by the Appropriate Commission under Section 62 of the Electricity Act, 2003;
2. GRIDCO being the Bulk Supplier, has been notified as the "State Designated Entity" by the Government of Odisha for execution of Power Purchase Agreements with various generators generating energy from different sources such as Hydro, Wind, thermal, solar and power from Agricultural waste, etc. vide Notification No.PPD-II-2/05 (pt)7947 dated 17th August 2006;
3. The Government of Odisha has published the RE Policy (Odisha Renewable Energy Policy 2022) for promotion of renewable energy in the state of Odisha and has provided an aggregated target of 10 GW installed capacity by the year 2030;
4. The provision at Clause 19.3 of the RE Policy 2022 will encourage use of biodegradable waste for generation of electricity to enable development of waste-to-energy projects in the State. Further, GRIDCO shall sign PPA with the developers and procure 100% power generated in accordance with the provisions in the National Tariff Policy 2016;
5. ROURKELA MUNICIPAL CORPORATION (RMC) has established a 40 kW Biomethanation-based Waste-to-Energy Power Plant at Rourkela for generation of electricity from biodegradable municipal waste through the process of anaerobic digestion and biogas utilization;
6. GRIDCO, responsible for procurement of power from the non-fossil fuel sources to meet the Renewable Consumption Obligation on behalf of the State DISCOMs, has agreed to purchase such Power from ROURKELA MUNICIPAL CORPORATION at the tariff determined by OERC under Section 62 of Electricity Act 2003.
7. The cost of Municipal Solid Waste along with its cost of transportation up to the Plant Site shall not be claimed by RMC for the purpose of determination of Tariff;
8. [ROURKELA MUNICIPAL CORPORATION] has fulfilled the terms and conditions contained in this Power Purchase Agreement (PPA) and agreed to sign PPA with GRIDCO.

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

1. DEFINITIONS

The words or expressions used in this agreement but not defined hereunder shall have the same meaning assigned to them by the Electricity Act, 2003 as amended from time to time, the Rules framed there under, and Regulations issued by OERC from time to time.

The words or expressions mentioned below, unless repugnant to the context or meaning thereof, shall have the meanings respectively as assigned hereunder.


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Rourkela Municipal Corporation



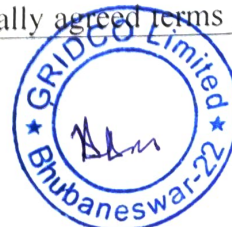
“Act”	shall mean the Electricity Act, 2003 and include any modifications, amendments and substitution from time to time;
“Appropriate Commission / Commission”	shall mean Odisha Electricity Regulatory Commission (OERC)
“Auxiliary Consumption” Energy	shall mean the quantum of energy consumed by auxiliary equipment of the generating station, such as the equipment being used for the purpose of operating plant and machinery including switchyard of the generating station and the transformer losses within the generating station, expressed as a percentage of the sum of gross energy generated at the generating terminals of all the units of the generating station, provided that auxiliary energy consumption shall not include energy consumed for supply of power to housing colony and other facilities at the generating station and the power consumed for construction works at the generating station.
“Beneficiary”	Beneficiary in relation to the generating station shall mean GRIDCO
“Bus bars”	shall mean (11/0.44 kV) Bus bars of DISCOM substation
“Business Day”	shall mean a working day other than Sunday or a notified holiday of GRIDCO, on which GRIDCO’s office remain open for business at Bhubaneswar in the state of Odisha;
“Capital Cost”	shall mean the actual completed cost of the project as on the cutoff date as per the audited accounts of the company certified by the Chartered Accountants or the normative/benchmark capital cost as fixed by OERC whichever less.
“CEA”	shall mean Central Electricity Authority
“Commercial Operation Date (COD)”	shall mean, in relation to a Unit, the date on which the unit is commissioned and in relation to the Station, the date on which the last unit of the Station is commissioned
“Date of presentation of Bill”	shall mean the date on which the monthly bill and/or the supplementary bill is physically/email received by the office of CGM (PP), GRIDCO
“Delivered Energy”	shall mean, with respect to any billing month, the kilo watt hours (kWh) of electrical energy delivered to GRIDCO, as measured by the energy meter/s at the Delivery Point during that Billing Month.
“Deliverable Power”	shall mean, the power output expressed in kW and measured at the Delivery Point
“Delivery Point”	shall mean the point at the voltage level of 11/0.44 kV of the Distribution System.


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“Deviation Settlement”	shall mean charges payable/receivable on deviation from supply of the energy as per the schedule at the rate determined by OERC from time to time
“Developer”	shall mean Rourkela Municipal Corporation
“Dispute”	shall mean any dispute or difference of any kind between GRIDCO and the ROURKELA MUNICIPAL CORPORATION, in connection with or arising out of this Agreement including but not limited to any issue on the interpretation and scope of the terms of this Agreement
“Due Date”	shall mean the 45th day after a monthly bill or a supplementary Bill is received by the GRIDCO or, if such day is not a Business Day, the immediately succeeding Business Day, by which date such Monthly Bill, or a Supplementary Bill is payable by the GRIDCO
“Effective Date”	shall mean the date of signing of this Agreement
“IEGC”	shall mean the Indian Electricity Grid Code framed under section 79 of the Act as in force from time to time.
“Infirm Power”	shall mean electricity injected into the grid prior to the commercial operation date of a unit of the Generating station
“Installed Capacity”	Shall mean the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station (reckoned at the Rourkela Municipal Corporation terminals) as approved by the Commission from time to time
“Inter-Connection Point”	shall mean point of connection at the nearest 11/0.44 kV level of Distribution System
kW	Shall mean Kilo Watt
kWH	Shall mean Kilo Watt Hour
“Main and Check Meter”	shall mean meter installed for measurement and checking of import/export of energy on the outgoing feeders of the station bus bars for Energy Accounting
“Month”	shall mean a calendar month
“Monthly Bill”	shall mean a bill presented by the Rourkela Municipal Corporation on a day of the month for payment in respect of energy supplied during the preceding month
Scheduled Commissioning Date (SCD)	shall mean the scheduled date for achieving COD of the Station
“Supplementary Bill”	shall mean a bill other than the monthly bill raised by the ROURKELA MUNICIPAL CORPORATION
“OERC”	shall mean Odisha Electricity Regulatory Commission
“Operation Period”	shall mean the period from the Commercial Operation Date of the project to the expiry date i.e. 25 years from the date of COD of last unit of the station and may be extended beyond the same on mutually agreed terms &


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	conditions.
"Party or Parties"	A party shall mean either GRIDCO or the ROURKELA MUNICIPAL CORPORATION and together shall mean as parties
"Project"	shall mean the generating station of Rourkela Municipal Corporation Waste to Energy project having capacity of 40 kW
"PPA"	shall mean Power Purchase Agreement
"Rupees"	shall mean the lawful currency of India
"SLDC"	shall mean State Load Dispatch Centre of Odisha
"State Designated Entity"	shall mean GRIDCO
"State Energy Accounting"	shall mean periodic Energy Accounting including amendments thereof issued by DISCOM/SLDC
"Station"	shall mean the Generating Station of the Project
"Tariff"	shall mean the tariff payable for the drawl of energy from the Project
"Terms of Agreement"	shall mean 25 years from the date of COD of last unit of the station and may be extended beyond the same on mutually agreed terms & conditions
"Unit"	shall mean a generating set and all equipment and installation that can be assigned independently and exclusively to such generating set

Words and expressions not defined herein but defined in the Act or the Regulations issued by OERC, or any other regulations issued by the Commission, shall have the same meaning as assigned to them in the Act or such Regulations.

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2.EFFECTIVE DATE

This Agreement shall come into effect from the date of signing of this Agreement and such date shall be referred to as the Effective Date.

3. TERM OF THE AGREEMENT

- 3.1 This Agreement shall be valid for a 'Term' from the Effective Date until the Expiry Date. This Agreement may be extended for a further period at least one hundred eighty (180) days prior to the Expiry Date, on mutually agreed terms and conditions.
- 3.2 RMC is free to operate the Project beyond the Expiry Date if other conditions like Land Lease Agreement (as applicable), Consents, Clearances and Permits etc. allow. In such case, unless otherwise agreed by GRIDCO, GRIDCO shall not be obligated to procure power beyond the Expiry Date.

4. EARLY TERMINATION

This Agreement shall terminate before the Expiry Date if either GRIDCO or RMC terminates the Agreement, pursuant to Clause 23 of this Agreement.

5. 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 Clause 20 (Force Majeure), Clause 23 (Events of Default and Termination), Clause 24 (Liability and Indemnification), Clause 12 (Disputed Bill), Clause 27 (Miscellaneous Provisions), and other Clauses 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.

3.ENTITLEMENT OF POWER FOR GRIDCO

- a) GRIDCO shall at all times have the right on behalf of Government of Odisha to receive the entire power sent out from the Waste to Energy Plant of 40 KW,
- b) GRIDCO will be entitled to further receive on behalf of Government of Odisha the entire infirm power sent out from the Waste to Energy Plant.

4.OPERATION OF THE POWER STATION

It is understood and agreed by and between the parties that Rourkela Municipal Corporation shall operate the station as per the manufacture's guidelines, applicable grid operating standards, directions of the OERC and relevant statutory provisions, as applicable from time to time.


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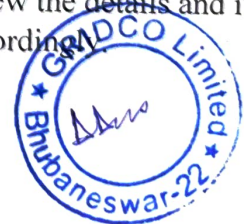
5.ENERGY ACCOUNTING

- 5.1 DISCOM shall take the meter readings separately for the total energy export and total energy import data during a month and accordingly intimate the same to SLDC, GRIDCO and RMC for necessary billing.
- 5.2 The total energy Export by the RMC in any month shall be billed by RMC to GRIDCO at the Tariff as per Clause 10 of this Agreement.
- 5.3 The energy Import by the RMC in any month shall be billed by the DISCOM basing on the applicable RST Orders of OERC from time to time.

6.BILLING, REBATE , PAYMENT & LATE PAYMENT SURCHARGE

- 6.1 Energy Accounting, i.e. energy export and import shall be certified by DISCOM on a monthly basis. The same shall be considered for billing by the RMC and DISCOM.
- 6.2 For Delivered Energy purchased, RMC shall furnish monthly bills to GRIDCO as per the Tariff mentioned in Clause-10.
- 6.3 Rourkela Municipal Corporation shall submit bills along with all supporting documents for the energy delivered during the billing period. Until all supporting documents of the bill is submitted by the Developer, the bill shall be treated as incomplete.
- 6.4 Upon submission of all supporting documents of the bill by the Developer, GRIDCO shall make payment for the eligible bill amount by the revised due date of payment, which shall be counted from the date of submission of all supporting documents.
- 6.5 Monthly bill (s) shall be presented physically/e-mail to the office of CGM (PP), GRIDCO.
- 6.6 One Point Five percent (1.5 %) rebate shall be allowed to GRIDCO on payment of bills within 05 (Five) working days excluding the date of receipt of the bill by GRIDCO. Date of receipt of bill by GRIDCO shall be considered as Zero Date subject to the bill received within the official hours of a business day of GRIDCO in hard copy or through email to the designated e-mail address of GRIDCO.
- 6.7 For payments made beyond 05 working days but within a period of one month (30 days) from the bill receiving date, a rebate of One percent (1%) shall be applicable.
- 6.8 In case the payment of any bill for charges payable under these Guidelines is delayed beyond a period of 45 days from the zero date as mentioned above, a late payment surcharge (LPS) at the rate of 1.50% per month shall be levied by the Developer.
- 6.9 The undisputed portion of the bill shall be paid by GRIDCO after availing applicable rebate. However, if GRIDCO identifies any discrepancy in the bill and disputes all or part of the bill amount, it shall notify the Developer of the disallowed amount within thirty (30) days from the date of invoice. Upon receiving the notification, the Developer shall promptly engage with GRIDCO, providing all relevant information and data. GRIDCO shall review the details and if the dispute is resolved satisfactorily, the disputed amount shall be paid according to the bill.


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7. APPLICABLE TARIFF

- 7.1 The Developer shall be paid tariff which shall be determined by OERC under Section 62 of Electricity Act 2003 and in accordance with the applicable OERC Regulations. However, the cost of Municipal Solid Waste along with its cost of transportation up to the Plant Site shall not be considered for the purpose of determination of Tariff. The tariff determined by OERC for the Project will remain valid for the entire term of the PPA.
- 7.2 The Developer shall apply for Levelised Project Specific Tariff before OERC as per the prevailing Tariff Regulations/ Orders within 3 months from the COD of the Project. In the absence of Generic Tariff, till determination of Tariff by OERC, the Developer shall be paid indicative/ provisional Tariff for the firm power as well as for the infirm power @ Rs. 6.57/- per unit.
- 7.3 The above provisional tariff is inclusive of all taxes, duties and levies which are applicable as on the Effective Date. The actual levelized tariff will be determined by OERC through formal filling of tariff petition by RMC within 3 months of COD.

8. PAYMENT SECURITY MECHANISM

- 8.1. GRIDCO shall provide to the RMC, in respect of payment of its Monthly Bills a Monthly unconditional, revolving and irrevocable letter of credit ("Letter of Credit"), opened and maintained which may be drawn upon by the RMC in accordance with this Clause.
- 8.2. Within one (1) Month after the COD, GRIDCO through a scheduled bank open a Letter of Credit in favour of the RMC, to be made operative from a date 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:
- 100% of the estimated average monthly billing for the first Contract Year. For the subsequent Contract Years, the LC shall cover 100% of the actual average monthly billing.
 - The LC shall be reviewed before each financial year on the basis of the average billing of previous 12 months. Accordingly, LC shall be enhanced /reduced before each contract period.
 - The LC shall be established for a minimum period of one year. GRIDCO shall ensure that LC remains valid at all times during the entire validity of this agreement.
- 8.3 Provided that the Letter of Credit (LC) shall be a stand by one and in the event GRIDCO fails to pay the current monthly energy dues by the due date, RMC may in its discretion invoke the Letter of Credit for recovery of the amount due. Further RMC shall not make more than one drawl in a Month. At no point of time the liability under LC shall exceed the LC amount.
- 8.4 Provided further that if at any time, such Letter of Credit amount falls short of the amount specified in Clause 11.2 due to any reason whatsoever, GRIDCO shall restore such shortfall within fifteen (15) days.


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- 8.5 GRIDCO shall cause the scheduled bank issuing the Letter of Credit to intimate the RMC, in writing regarding the establishing of such irrevocable Letter of Credit.
- 8.6 GRIDCO shall ensure that the Letter of Credit shall be renewed not later than its expiry.
- 8.7 All costs relating to opening, maintenance of the Letter of Credit shall be borne by GRIDCO.
- 8.8 If GRIDCO fails to pay undisputed Monthly Bill or a part thereof within the Due Date, then, subject to Clause 11.6 & 12.2, the RMC may draw upon the Letter of Credit, and accordingly the bank shall pay without any reference or instructions from GRIDCO, an amount equal to such Monthly Bill or part thereof, in accordance with Clause 11.3 above, by presenting to the scheduled bank issuing the Letter of Credit, the following documents:
- a. copy of the Monthly Bill which has remained unpaid to RMC and;
 - b. a certificate from the RMC to the effect that the bill at item (a) above, or specified part thereof, is in accordance with the Agreement and has remained unpaid beyond the Due Date;

9. DISPUTED BILL

9.1 If GRIDCO does not dispute a Monthly Bill or a Supplementary Bill raised by the Developer within the due date of the bill, then such Bill shall be taken as conclusive.

9.2 If GRIDCO disputes the amount payable under a Monthly Bill or a Supplementary Bill, as the case may be, it shall pay undisputed amount of the 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.

9.3 If the Developer does not agree to the claim raised in the Bill Dispute Notice issued pursuant to Clause 12.2, it shall, within fifteen (15) days of receiving the Bill Dispute Notice, furnish a notice (Bill Disagreement Notice) to the GRIDCO 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.

9.4 Upon receipt of the Bill Disagreement Notice by the GRIDCO under Clause 12.3, authorized representative(s) or a director of the Board of Directors/ member of the Board of GRIDCO and


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Developer shall meet and make best endeavors to amicably resolve such dispute within fifteen (15) days of receipt of the Bill Disagreement Notice.

9.5 If the Parties do not amicably resolve the Dispute within fifteen (15) days of receipt of Bill Disagreement Notice pursuant to Clause 12.4, the matter shall be referred to Dispute resolution in accordance with Clause 18.

10. SUPPLEMENTARY BILL

- a) RMC shall raise Supplementary Energy Bills for payment on account of any of the following:
 - (i) Adjustments required based on revised State Energy Accounting statement issued by DISCOM,
 - (ii) Change in Law and
 - (iii) Any other amounts due from/to GRIDCO under this Agreement
- b) In the case of the debit supplementary bill, the same shall be raised along with the monthly bill. In the case of credit bill the amount receivable by GRIDCO shall be adjusted against the payable towards the monthly bill.
- c) The due date, rebate and surcharge for supplementary bill shall be the same as applicable for monthly bills.
- d) Upon determination or revision of the project-specific tariff by the Commission, all payments made against the invoices raised by the Developer with effect from the Effective Date shall be reconciled. Any differential amount arising as a result of such determination or revision of tariff shall be settled through a Supplementary Invoice (Debit / Credit Invoice), which the Developer shall issue within thirty (30) days from the date of the relevant tariff order. Such Debit /Credit amount shall be paid / adjusted by GRIDCO in six equal subsequent monthly instalments.

11. QUARTERLY AND ANNUAL RECONCILIATION

- a) The quantum of energy and monetary transactions shall be reconciled with GRIDCO on quarterly and annual basis.
- b) The RMC shall submit the reconciliation statement, incorporating the bills raised, payment made, rebate allowed and other relevant information (if any) on quarterly/annual basis to GRIDCO for acceptance. After verification of the reconciliation statement, GRIDCO shall sign the same and return the copy to the RMC.

12. SYNCHRONISATION, COMMISSIONING AND COMMERCIAL OPERATION

- 12.1. Power generated shall be evaluated by the 11/0.44 kV line to be constructed by the company at their own cost, which shall be connected to the 11 kV Luhakera feeder of TPWODL emanating from 33/11 kV Chhend PSS.
- 12.2. RMC shall be responsible for design, construction, commissioning, operation and maintenance of the equipment, works, switch yard and transmission/distribution lines and related equipment up to the Delivery Point.
- 12.3. RMC shall co-ordinate with DISCOM and GRIDCO during the term of the agreement to ensure that the facilities at the Interconnection Point are tested and commissioned prior to the scheduled Synchronization date and such facilities are maintained and operated in accordance


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with Prudent Utility Practices. RMC shall ensure at all times the Deliverable Power and Deliverable Energy would be made available to GRIDCO at the Delivery Point.

- 12.4. The RMC shall give SLDC/DISCOM and GRIDCO at least sixty (60) days' advanced preliminary written notice and at least thirty (30) days' advanced final written notice of the date on which it intends to synchronize the Project to the Grid System.
- 12.5. The Project may be synchronized by the Rourkela Municipal Corporation to 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.
- 12.6. The synchronization equipment and all necessary arrangements / equipment including RTU for transmission of data to the concerned authority as per applicable regulations shall be installed by the RMC at its generation facility at its own cost. The RMC shall synchronize its system with the Grid System only after the approval of synchronization scheme by the head of the concerned substation/Grid System and checking/verification is made by the concerned authorities of the Grid System.
- 12.7. The RMC shall immediately after each synchronization/tripping of the power plant inform SLDC/DISCOM and the sub-station of the Grid System to which the station is electrically connected in accordance with applicable Grid Code under intimation to GRIDCO. In addition, the RMC will draw start-up/construction power and inject in-firm power from/to the grid from time to time to carry out operational/ functional test prior to commercial operation. For avoidance of doubt, it is clarified that Synchronization / Connectivity of the station with the grid shall not to be considered as Commissioning of the station.
- 12.8. For drawl of Start-up/Construction power from the grid, the RMC shall be the consumer of the concerned DISCOM and pay applicable tariff to the DISCOM.

13. DISPATCH AND SCHEDULING

- 13.1 The Developer shall be required to schedule its power as per the applicable Regulations / requirements / guidelines of OERC /SLDC and maintain compliance to the applicable Codes/ Grid Code requirements and directions, if any, as specified by concerned DISCOM/SLDC from time to time.
- 13.2 Any deviation from the Schedule will attract the provisions of applicable Regulation / guidelines / directions and any financial implication on account of this shall be on the account of the Developer.
- 13.3 The RMC shall be responsible for directly coordinating and dealing with the GRIDCO and SLDC in all respects in regard to declaration of availability, scheduling and dispatch of Solid Power and due compliance with deviation and settlement mechanism and the applicable Grid Code.


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- 13.4 The RMC shall be responsible for any deviation from scheduling and for any resultant liabilities on account of charges for deviation as per applicable Regulations. Deviation Settlement Mechanism (DSM) charges, if applicable on this account shall be directly paid by the RMC.

14. METERING

Metering of electrical energy at the Delivery Point shall be carried out by RMC in accordance with the Connection Agreement executed with the concerned DISCOM and the applicable provisions of the Electricity Act, 2003, CEA Metering Regulations, and the Odisha Grid Code, as amended from time to time.

On request of RMC, DISCOM shall install, operate and maintain approved energy meters capable of recording import and export of energy separately. The readings from meter, duly tested and sealed by the DISCOM or its authorised agency, shall form the sole basis for energy accounting, billing and settlement under this Agreement. In case of meter defect or discrepancy, energy accounting shall be carried out as per the applicable Regulations and the Connection Agreement.

15. DISPUTE RESOLUTION

Where any Dispute or differences arises in relation to this agreement of any nature whatsoever including the construction, interpretation or implementation of the provisions of this agreement as well as claim made by any Party for any change in Tariff or any matter related to Tariff or claims made by any Party which partly or wholly relate to any change in the Tariff or determination of any of such claims could result in change in the Tariff, and relates to any matter agreed to be referred to the Appropriate Commission, shall be submitted to adjudication by the Appropriate Commission. Appeal against the decisions of the OERC shall be made only as per the provisions of the Electricity Act, 2003, as amended from time to time.

16. ARBITRATION AND JURISDICTION

In the event that the parties are unable to resolve any dispute, controversy or claim relating to or arising under this Agreement, as stated above the same shall be referred to the Odisha Electricity Regulatory Commission for adjudication in accordance with section 86 (1) (f) read with section 158 of the Electricity Act, 2003.

17. FORCE MAJEURE

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


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- a) Act of God, including, but not limited to lightning, drought, fire and explosion (to the extent originating from a source external to the site), earthquake, epidemic, pandemic, volcanic eruption, landslide, flood, cyclone, typhoon or tornado if and only if it is declared / notified by the competent state / central authority / agency (as applicable);
- b) Any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action if and only if it is declared / notified by the competent state / central authority / agency (as applicable); or
- c) Radioactive contamination or ionising radiation originating from a source in India or resulting from another Force Majeure Event mentioned above excluding circumstances where the source or cause of contamination or radiation is brought or has been brought into or near the station by the Affected Party or those employed or engaged by the Affected Party.

17.1 NOTIFICATION OF FORCE MAJEURE EVENT

- a) The Affected Party shall give notice to the other Party of any event of Force Majeure as soon as reasonably practicable, but not later than fifteen (15) days after the date on which such Party knew or should reasonably have known of the commencement of the event of Force Majeure. If an event of Force Majeure results in a breakdown of communications rendering it unreasonable to give notice within the applicable time limit specified herein, then the Party claiming Force Majeure shall give such notice as soon as reasonably practicable after reinstatement of communications, but not later than one (1) day after such reinstatement. The other Party shall take a decision on the claim of the Affected Party within 15 days of receipt of the said intimation of Force Majeure.
- b) Provided that such notice shall be a pre-condition to the Affected Party's entitlement to claim relief under this Agreement. Such notice shall include full particulars of the event of Force Majeure, its effects on the Party claiming relief and the remedial measures proposed. The Affected Party shall give the other Party regular (and not less than monthly) reports on the progress of those remedial measures and such other information as the other Party may reasonably request about the Force Majeure Event.
- c) The Affected Party shall give notice to the other Party of (i) the cessation of the relevant event of Force Majeure; and (ii) the cessation of the effects of such event of Force Majeure on the performance of its rights or obligations under this Agreement, as soon as practicable after becoming aware of each of these cessations.

17.2 DUTY TO PERFORM AND DUTY TO MITIGATE

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


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17.3 AVAILABLE RELIEF FOR A FORCE MAJEURE EVENT

Subject to this Clause:

- (i) Neither Party shall be in breach of its obligations pursuant to this Agreement except to the extent that the performance of its obligations was prevented, hindered or delayed due to a Force Majeure Event;
- (ii) For avoidance of doubt, neither Party's obligation to make payments of money due nor payable prior to occurrence of Force Majeure events under this Agreement shall be suspended or excused due to the occurrence of a Force Majeure Event in respect of such Party.
- (iii) Provided that no payments shall be made by either Party affected by a Force Majeure Event for the period of such event on account of its inability to perform its obligations due to such Force Majeure Event.

18. STATUTORY APPROVALS AND IMPLEMENTATION OF THE AGREEMENT

18.1 RMC undertakes that it shall comply with all statutory requirements, laws, rules, regulations and procedures governing establishment and operation of industries in the State of Odisha including the project and obtain all clearances, licenses/permissions as may be so required before commencement, during implementation and throughout this life of the project.

18.2 All discretions should be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post.

19. CHANGE IN LAW

19.1 In this clause, the change in Law means occurrence of the following after the date of this agreement:

- (i) The enactment of any new Indian Law;
- (ii) The amendment, modification or repeal of any existing Indian law or;
- (iii) The commencement of any Indian law which has not yet entered into effect;
- (iv) A change in the interpretation or application of Indian Law;
- (v) The interpretation, application or enforcement of any existing law or statutory notification in a manner which was not reasonably foreseeable by the RMC (after making due and careful enquiry) at the date of this agreement.
- (vi) The requirement to obtain new consent, permit or license, not owing to any default of the RMC.


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- (vii) After the date of grant of any clearance a change in terms and conditions attaching to such clearance or attachment of any terms or conditions; or
- (viii) Any such Clearance as has been granted ceasing in part or in whole to remain in full force at effect; save, in case of paragraphs (vi), (vii) above to the extent that such circumstances arose as a result of any default or neglect on the part of the RMC, its contractors, servants or agents.
- (ix) That results in any change with respect to any tax or surcharge or cess levied or similar charges by the Competent Government on the generation of electricity (leviable on the final output in the form of energy) or sale of electricity.

19.2 If a Change in Law results in the RMC's costs directly attributable to the Project being decreased or increased by one percent (1%), of the estimated revenue from the Electricity for the Contract Year for which such adjustment becomes applicable or more, during Operation Period, the Tariff Payment to the RMC shall be appropriately increased or decreased with due approval of OERC.

19.3 The RMC, as the case may be, shall provide the other Party with a certificate stating that the adjustment in the Tariff Payment is directly as a result of the Change in Law and shall provide supporting documents to substantiate the same and such certificate shall correctly reflect the increase or decrease in costs.

19.4 The revised tariff shall be effective from the date of such Change in Law as approved by OERC, the Parties hereto have caused this Agreement to be executed by their fully authorised officers, and copies delivered to each Party, as of the day and year first above stated.

20. EVENTS OF DEFAULT AND TERMINATION

20.1 RMC Events of Default

The occurrence and/or continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by GRIDCO of its obligations under this Agreement, shall constitute a RMC Event of Default:

- (i) The failure to commence supply of power to GRIDCO up to the Contracted Capacity, by the end of the period specified in Scheduled COD or failure to continue supply of Contracted Capacity to GRIDCO after Commercial Operation Date throughout the term of this Agreement, or

if;

- (a) The RMC assigns, mortgages or charges or purports to assign, mortgage or charge any of its assets or rights related to the station in contravention of the provisions of this Agreement; or
- (b) The RMC transfers or novates any of its rights and/ or obligations under this agreement, in a manner contrary to the provisions of this Agreement, except where such transfer


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1. Is in pursuance of an Applicable Law; and does not affect the ability of the transferee to perform, and such transferee has the financial capability to perform, its obligations under this Agreement or ;
2. Is to a transferee who assumes such obligations under this Agreement and the Agreement remains effective with respect to the transferee;

If

(a) the RMC 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 RMC , or

(c) the RMC 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 RMC will not be a RMC event of default if such dissolution or liquidation is for the purpose of a merger, acquisition, consolidation or reorganization and where the resulting company retains creditworthiness similar to the RMC and expressly assumes all obligations of the RMC under this Agreement and is in a position to perform them; or

(d)The RMC repudiates this Agreement and does not rectify such breach within a period of thirty (30) days from a notice from GRIDCO in this regard; or

(e)Except where due to any GRIDCO's failure to comply with its material obligations, the RMC is in breach of any of its material obligations pursuant to this Agreement, and such material breach is not rectified by the RMC within thirty (30) days of receipt of first notice in this regard given by GRIDCO.

Occurrence of any other event which is specified in this Agreement to be a material breach/default of the RMC.

20.2 GRIDCO Event of Default

The occurrence and the continuation of any of the following events, unless any such event occurs as a result of a Force Majeure Event or a breach by the RMC of its obligations under this Agreement, shall constitute the Event of Default on the part of defaulting GRIDCO:

- (i) GRIDCO fails to pay (with respect to an undisputed monthly bill or undisputed supplementary bill), for a period of ninety (90) days after the Due Date and the Developer is unable to recover the amount outstanding to the Developer through the Letter of Credit,
- (ii) GRIDCO repudiates this Agreement and does not rectify such breach even within a period of sixty (60) days from a notice from the Developer in this regard; or
- (iii)Except where due to any Developer 's failure to comply with its obligations, GRIDCO is in material breach of any of its obligations pursuant to this Agreement, and such material


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breach is not rectified by GRIDCO within sixty (60) days of receipt of notice in this regard from the Developer to GRIDCO; or

If,

- a) GRIDCO becomes voluntarily or involuntarily the subject of any bankruptcy or insolvency or winding up proceedings and such proceedings remain uncontested for a period of sixty (60) days, or
- b) Any winding up or bankruptcy or insolvency order is passed against GRIDCO, or
- c) GRIDCO goes into liquidation or dissolution or a receiver or any similar officer is appointed over all or substantially all of its assets or official liquidator is appointed to manage its affairs, pursuant to Law, provided that it shall not constitute a GRIDCO Event of Default, where such dissolution or liquidation of Buyer or GRIDCO is for the purpose of a merger, acquisition, consolidation or reorganization and where the resulting entity has the financial standing to perform its obligations under this Agreement and has creditworthiness similar to GRIDCO and expressly assumes all obligations of GRIDCO and is in a position to perform them; or:

Occurrence of any other event which is specified in this Agreement to be a material breach or default of GRIDCO.

20.3 Procedure for cases of Developer Event of Default

- (i) Upon the occurrence and continuation of any RMC Event of Default under clause 23.1, GRIDCO shall have the right to deliver to the RMC, with a copy to the representative of the lenders to the RMC with whom RMC has executed the financing agreements, a notice stating its intention to terminate this Agreement ("GRIDCO Preliminary Default Notice"), which shall specify in reasonable detail, the circumstances giving rise to the issue of such notice.
- (ii) Following the issue of a GRIDCO Preliminary Default Notice, the consultation period of ninety (90) days or such longer period as the Parties may agree ("Consultation Period"), shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant Event of Default having regard to all the circumstances.
- (iii) During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.
- (iv) 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 RMC Event of Default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, GRIDCO may terminate this Agreement by giving a written termination notice of sixty (60) days to the RMC.

20.4 Procedure for cases of GRIDCO Event of Default

- (i) Upon the occurrence and continuation of any GRIDCO Event of Default specified in Clause-23.2, the RMC shall have the right to deliver to GRIDCO, a notice stating its


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intention to terminate this Agreement (“RMC Preliminary Default Notice”), which notice shall specify in reasonable detail the circumstances giving rise to its issue.

- (ii) Following the issue of a RMC Preliminary Default Notice, the consultation period of ninety (90) days or such longer period as the Parties may agree (“Consultation Period”), shall apply and it shall be the responsibility of the Parties to discuss as to what steps shall be taken with a view to mitigate the consequences of the relevant event of default having regard to all the circumstances.
- (iii) During the Consultation Period, the Parties shall continue to perform their respective obligations under this Agreement.
- (iv) After a period of seven (7) days following the expiry of the Consultation Period and unless the Parties shall have otherwise agreed to the contrary or GRIDCO event of default giving rise to the Consultation Period shall have ceased to exist or shall have been remedied, GRIDCO and the RMC shall, subject to the prior consent of the RMC, novate its part of the PPA to any third party, including its Affiliates within the stipulated period. In the event the aforesaid novation is not acceptable to the RMC, or if no offer of novation is made by GRIDCO within the stipulated period, then the RMC may terminate the PPA.

The GRIDCO shall also be required to pay all the outstanding dues including any unpaid monthly bill or supplementary bill for the energy supplied to the Delivery Point, prior to the date of such termination.

20.5 Termination due to Force Majeure

If the Force Majeure Event or its effects continue for an uninterrupted period of 180 (one hundred and eighty) days, either Party shall have the right to cause termination of the Agreement. In such an event, this Agreement shall terminate on the date of such termination notice without any financial liability on either Party from the date of such termination.

21. LIABILITY AND INDEMNIFICATION

21.1 INDEMNITY

The RMC shall indemnify, defend and hold GRIDCO harmless against:

- (i) any and all third-party claims against GRIDCO 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 Developer of any of its obligations under this Agreement or due to the RMC 's willful misconduct, gross negligence or fraudulent behavior or violations of Applicable Law; and
- (ii) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by GRIDCO from third party claims arising by reason of a breach by the RMC of any of its obligations under this Agreement, (provided


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that the Clause-19 shall not apply to such breaches by the RMC, for which specific remedies have been provided for under this Agreement).

The GRIDCO shall indemnify, defend and hold the RMC harmless against:

- (i) any and all third-party claims against the RMC, for any loss of or damage to property of such third party, or death or injury to such third party, arising out of GRIDCO's breach of any of their obligations under this Agreement or due to the GRIDCO's willful misconduct, gross negligence or fraudulent behavior or violations of Applicable Law; and
- (ii) any and all losses, damages, costs and expenses including legal costs, fines, penalties and interest actually suffered or incurred by the RMC from third party claims arising by reason of a breach by GRIDCO of any of its obligations under this Agreement,
- (iii) except as expressly provided in this Agreement, neither GRIDCO nor its respective officers, directors, agents, employees or affiliates, shall be liable or responsible to the RMC or its affiliates, officers, directors, agents, employees, successors or permitted assigns or their respective insurers for incidental, indirect or consequential damages, connected with or resulting from performance or non-performance of this Agreement, or anything done in connection herewith, including claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), any increased expense of, reduction in or loss of power generation or equipment used therefore, irrespective of whether such claims are based upon breach of warranty, tort (including negligence, whether of GRIDCO, or others), strict liability, contract, breach of statutory duty, operation of law or otherwise.

22.ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by any Party.

23.REPRESENTATIONS AND WARRANTIES

Each of the Parties hereby represents and warrants to the other, as on the Effective Date as follows:

- (i) It is duly organized and validly existing under the laws of the jurisdiction of its incorporation and has all requisite power and authority to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby; the execution and delivery of this Agreement and the performance of each Party's obligations hereunder have been duly authorized by all necessary corporate actions and authorizations.
- (ii) This Agreement is its legal, valid and binding obligation enforceable against it in accordance with its terms, subject to the qualification, however, that the enforcement of


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the rights and remedies herein is subject to bankruptcy and other similar laws of general application affecting rights and remedies of creditors.

- (iii) It has obtained or shall obtain all approvals required in connection with the due authorization, execution and delivery of this Agreement by such Party or the performance by such Party of its obligations hereunder in accordance with applicable Laws.
- (iv) Neither the execution and delivery of this Agreement by each Party nor compliance by each Party with any of the terms and provisions of this Agreement conflicts with, breaches or contravenes the provisions of such Party's constitutional documents or any law as applicable to such Party or any other agreement by which such Party is bound.
- (v) There are no actions, suits or proceedings pending before any court or administrative body or arbitral tribunal that might materially and/or adversely affect the ability of such Party to perform their respective obligations under this Agreement; and
- (vi) All the information provided by it, is to the best of its knowledge and belief, true and accurate in all material respects.

24. MISCELLANEOUS PROVISIONS

24.1 AMENDMENT

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

24.2 SEVERABILITY

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.

24.3 NOTICES

- (i) All notices or other communications which are required to be given under this Agreement shall be in writing and in the English language.
- (ii) If to the RMC, 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:

Address: Rourkela Municipal Corporation, Udit Nagar, Rourkela

Attention: Commissioner, RMC

Email: rourkelamunicipality@gmail.com

Telephone No.: 0661-2500388

- (iii) If to GRIDCO, all notices or communications must be delivered personally or by registered post or facsimile or any other mode duly acknowledged to the address (es) below:

Address: GRIDCO Limited, Janpath, Bhoinagar, Bhubaneswar, 751022.

Attention: The Chief General Manager (PP)


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Email: cgm.pp@gridco.co.in

Telephone No.: 0674-2545308

- (iv) All notices or communications given by facsimile shall be confirmed by sending a copy of the same via post office in an envelope properly addressed to the appropriate Party for delivery by registered mail. All notices shall be deemed validly delivered upon receipt evidenced by an acknowledgment of the recipient, unless the Party delivering the notice can prove in case of delivery through the registered post that the recipient refused to acknowledge the receipt of the notice despite efforts of the postal authorities.
- (v) Any Party may by notice of at least fifteen (15) days to the other Party change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

24.4 LANGUAGE

- (i) All agreements, correspondence and communications between the Parties relating to this Agreement and all other documentation to be prepared and supplied under the Agreement shall be written in English, and the Agreement shall be construed and interpreted in accordance with English language.
- (ii) If any of the agreements, correspondence, communications or documents are prepared in any language other than English, the English translation of such agreements, correspondence, communications or documents shall prevail in matters of interpretation.

24.5 TAXES AND DUTIES

- (i) The RMC shall bear and promptly pay all statutory taxes, duties, levies and cess, assessed/levied on the RMC, contractors or their employees that are required to be paid by the RMC as per the Law in relation to the execution of the Agreement and for supplying power as per the terms of this Agreement.
- (ii) GRIDCO shall be indemnified and held harmless by RMC against any claims that may be made against GRIDCO in relation to the matters set out in Clause 27.5 (i).
- (iii) GRIDCO shall not be liable for any payment of, taxes, duties, levies, cess whatsoever for discharging any obligation of the RMC by GRIDCO on behalf of RMC.

24.6 INDEPENDENT ENTITY

- (i) The RMC shall be an independent entity performing its obligations pursuant to the Agreement.
- (ii) Subject to the provisions of the Agreement, the RMC shall be solely responsible for the manner in which its obligations under this Agreement are to be performed. All employees and representatives of the RMC or contractors engaged by the RMC in connection with the performance of the Agreement shall be under the complete control of the RMC and shall not be deemed to be employees, representatives, contractors of GRIDCO and nothing contained in the Agreement or in any agreement or contract awarded by the RMC shall be construed to


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create any contractual relationship between any such employees, representatives or contractors and GRIDCO. The relationship between the parties is strictly on a "Principal to Principal" basis.

24.7 COMPLIANCE WITH LAW

Despite anything contained in this Agreement but without prejudice to this Clause, if any provision of this Agreement shall be in 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.

24.8 ENTIRE AGREEMENT AND ANNEXURES

This Agreement constitutes the entire agreement between GRIDCO and the RMC, concerning the subject matter hereof. All previous documents, undertakings and agreements, if any whether oral, written, or otherwise, between the Parties concerning the subject matter hereof are hereby cancelled and shall be of no further force or effect and shall not affect or modify any of the terms or obligations set forth in this Agreement, except as the same may be made part of this Agreement in accordance with its terms, including the terms of any of the annexures, attachments or exhibits. The annexures, attachments and exhibits are hereby made an integral part of this Agreement and shall be fully binding upon the Parties.

24.9 ORDER OF PRIORITY IN APPLICATION

In case of inconsistencies between the agreement(s) executed between the Parties, applicable Law including rules and regulations framed thereunder, the order of priority as between them shall be the order in which they are placed below:

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

25. APPROVAL OF THE AGREEMENT

This Power Purchase Agreement is subject to the approval of OERC, with or without modification.


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IN WITNESS WHEREOF the Parties have executed these parents through their authorized representatives on the date mentioned herein above.

For and on behalf of GRIDCO	For and on Behalf of Rourkela Municipal Corporation
Name, Designation and Address <i>Debasish Das</i>	Name, Designation and Address <i>MS. Pallavi Nayak (OAS)</i>
Signature with seal <i>Debasish Das</i> DIRECTOR (COMMERCIAL) GRIDCO Limited BHUBANESWAR	Signature with seal <i>[Signature]</i> Joint Commissioner Rourkela Municipal Corporation
Witness - <i>[Signature]</i> Sr. General Manager (Ele.) P P Branch	Witness - <i>[Signature]</i> Superintending Engineer Rourkela Municipal Corporation