

Format for Performance Bank Guarantee

(**Note:** - Total Performance Bank Guarantee is to be submitted in three separate Bank Guarantees, viz, Rs. 2 lakhs/MW, Rs.3 lakhs/MW, Rs. 5 lakhs/MW).

(To be on non-judicial stamp paper of appropriate value as per stamp Act relevant to place of execution.)

In consideration of the ----- [Insert name of the Developer] (herein after referred to as Solar Power developer) submitting the response to letter of intent dated:_____for the project of the capacity of _____ MW, at[Insert name of the place], for supply of power there from on long term basis,[insert the name of the selected Solar Power Developer] (which expression shall unless repugnant to the context or meaning thereof include its executors, administrators, successors and assignees) and selecting the Solar Power Project of the Developer and issuing Letter of Intent No ----- to (Insert Name of Solar Power Developer) as per guidelines issued and the same having been accepted by the selected Solar Power Developer resulting in a Power Purchase Agreement (PPA) to be entered into, for purchase of Power [from selected Solar Power Developer or a Project Company, M/s ----- ---- {a Special Purpose Vehicle (SPV) formed for this purpose}, if applicable]. The [insert name & address of bank] hereby agrees unequivocally, irrevocably and unconditionally to pay to APTRANSCO/ DISCOM at [Insert Name of the Place from the address of the APTRANSCO/DISCOM] forthwith on demand in writing from APTRANSCO/ DISCOM or any Officer authorized by it in this behalf, any amount up to and not exceeding Rupees---- -- [Total Value] only, on behalf of M/s _____ [Insert name of the Solar Power Developer / Project Company]

This guarantee shall be valid and binding on this Bank up to and including _____ and shall not be terminable by notice or any change in the constitution of the Bank or the term of contract or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between parties to the respective agreement.

Our liability under this Guarantee is restricted to Rs._____ (Rs._____ Only). Our Guarantee shall remain in force until _____[Insert date] APTRANSCO/ DISCOM shall be entitled to invoke this Guarantee till _____(insert date)

The Guarantor Bank hereby agrees and acknowledges that the DISCOM shall have a right to invoke this PERFORMANCE BANK GUARANTEE in part or in full, as it may deem fit.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand by APTRANSCO/ DISCOM, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to APTRANSCO/ DISCOM

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by -----

[Insert name of the selected Solar Power Developer / Project Company as applicable] and/or any other person. The Guarantor Bank shall not require APTRANSCO/ DISCOM to justify the invocation of this PERFORMANCE BANK GUARANTEE, nor shall the Guarantor Bank have any recourse against APTRANSCO/ DISCOM in respect of any payment made hereunder

This PERFORMANCE BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Andhra Pradesh shall have exclusive jurisdiction.

The Guarantor Bank represents that this PERFORMANCE BANK GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This PERFORMANCE BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring or any other change in the constitution of the Guarantor Bank.

This PERFORMANCE BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly DISCOM shall not be obliged before enforcing this PERFORMANCE BANK GUARANTEE to take any action in any court or arbitral proceedings against the Solar Power Developer.

Developer / Project Company, to make any claim against or any demand on the selected Solar Power Developer / Project Company or to give any notice to the selected Solar Power Developer / Project Company or to enforce any security held by APTRANSCO/ DISCOM or to exercise, levy or enforce any distress, diligence or other process against the selected Solar Power Developer / Project Company .

The Guarantor Bank acknowledges that this PERFORMANCE BANK GUARANTEE is

not personal to APTRANSCO/ DISCOM and may be assigned, in whole or in part, (whether absolutely or by way of security) by APTRANSCO/ DISCOM to any entity to whom APTRANSCO/ DISCOM is entitled to assign its rights and obligations under the PPA.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to Rs. _____ (Rupees _____ only) and it shall remain in force until _____ with an additional claim Period of thirty (30) days thereafter. We are liable to pay the Guaranteed amount or any part thereof under this Bank Guarantee only if DISCOM serves upon us a written claim or Demand.

Signature

Name and Address

Power of Attorney No. _____

For

_____ (insert name of the Bank) _____

Banker's Stamp and Full address.

Dated this _____ day of _____, 20____.

Witness:

1. _____

Signature

Name and Address

2. _____

Signature

Name and Address

Notes:

The Stamp Paper should be in the name of the Executing Bank.

The Performance Bank Guarantee shall be executed by any of the scheduled Bank.