



REC/PMD/RDSS/22-23/२८५

Date: 11.10.2022

Sub: Guidance for institutionalizing the Direct Debit Facility as a payment mechanism of monthly AMISP payments

Sir/Madam,

In reference to the AMISP SBD, Utility has to establish a Direct Debit Facility as a payment mechanism of the amount due to be paid to the AMISP. To institutionalize this Direct Debit facility, Nodal agency has drafted a Direct Debit account quadripartite agreement with the following guidelines for Utilities:

1. This Quadripartite agreement shall be considered as part of the SBD and shall be included in Form 5 of Section 8 of the SBD. All other terms and conditions of the SBD shall remain the same.
 - a. In case utilities have completed the bid process, this quadripartite agreement shall be included as an addendum to the Contract and shall be signed by the respective parties at the time of contract signing and all other terms and conditions shall remain the same.
 - b. In case of live bids, Utilities may release an amendment with this quadripartite agreement included as a separate form (Form 5 of Section 8) to the tender document. All other terms and conditions of the tender shall remain the same and there shall be no possible impact on the bid submission timelines/ project structure/ payment mechanism etc.
2. In case Discoms are implementing smart metering projects through CPSEs (including their subsidiaries and JVs), the agreement shall be signed amongst the CPSE PIA, Utility, Direct debit bank account agent and the Payment gateway service provider. In such cases "AMISP" shall be replaced with "CPSE PIA" across all clauses in the Quadripartite agreement and all other terms and conditions shall be governed by the contract between the Utility and the CPSE PIA.

Thanking you.

Yours Sincerely,


11.10.22.
(R. Lakshmanan)

Enclosed: Guidance Note and draft quadripartite agreement.

To,
The Chairman/Managing Director
All State Discoms

Copy to:

1. The Additional Chief Secretary/Principal Secretary/Secretary (Power/Energy), All States/UTs.
2. The Joint Secretary (Distribution), Ministry of Power, Shram Shakti Bhawan, New Delhi.
3. The CMD, PFC Ltd, New Delhi.

REC Limited

(Formerly Rural Electrification Corporation Limited)
A Government of India Enterprise

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Guidance notes for institutionalizing the Direct Debit Facility as a payment mechanism of monthly AMISP Payments as part of the AMISP SBD

In reference to the AMISP SBD, Utility has to establish a Direct Debit Facility to ensure recovery of the amount due to be paid to the AMISP.

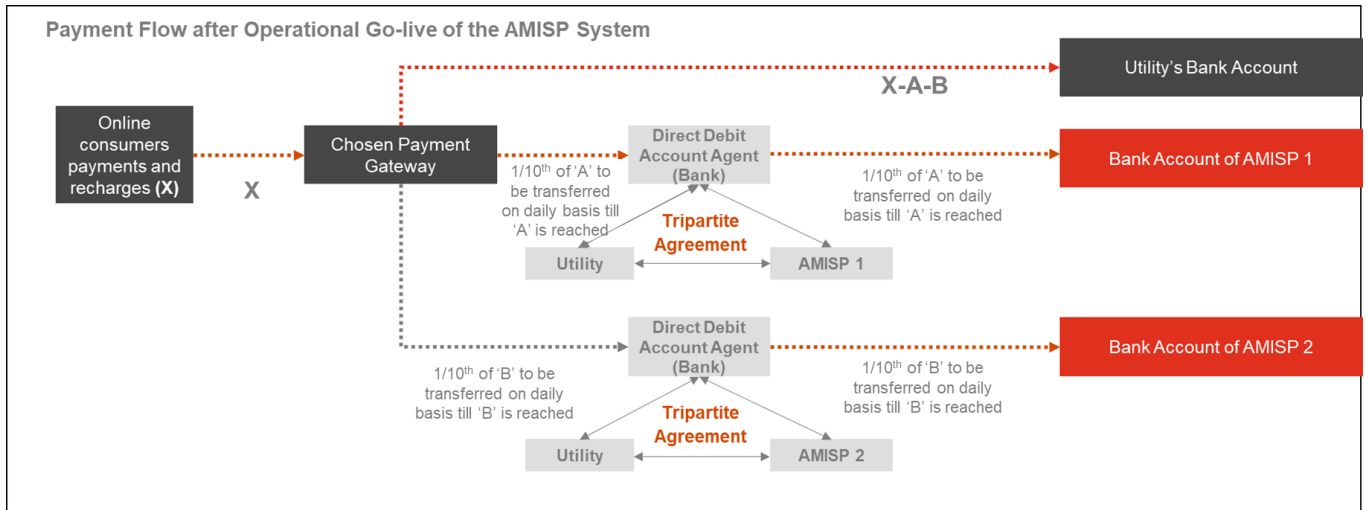
This document shall act as a guidance for states to establish the Direct Debit facility. A pictorial illustration of the process flow has been attached as Annexure-I and Key features of the proposed structure are as detailed below:

1. Choosing the Payment Gateway:
 - a. Utility shall choose the Payment Gateway (“Chosen Payment Gateway”) which has the maximum average monthly inflow of monies, which maybe at least 5 (five) times the estimated monthly payment to the AMISP, calculated on the total contract award quantity. Average monthly inflow shall be calculated for the last six calendar months from the date of letter of award.
2. Creation of the Direct Debit Facility
 - a. Utility shall, at the time of contract signing, enter into a Quadripartite Agreement, with AMISP, Payment Gateway service provider & Direct Debit Account Agent as designated Bank, to establish a separate Direct Debit Account (hereinafter referred to as “Direct Debit Account”)
 - b. Direct Debit Account shall be linked to the Utility’s Chosen Payment Gateway, Utility’s Bank Accounts (where online consumer payments from sale of power by the Utility are deposited) as well as the AMISP's Bank Account (where the AMISP Monthly Fee shall be credited to).
 - c. Direct Debit Account Agent would act as the sole authorizing agency for any transaction related to the Direct Debit Account in line with agreed terms & conditions of the Agreement.
 - d. Utility shall ensure that a separate Direct Debit Account is created for each AMISP project area and that the Direct Debit Account so created shall be utilized specifically for making monthly payments to the AMISP as per the contract.
3. Deposits in the Direct Debit Facility
 - a. Utility shall ensure that a daily inflow of at least 1/10th of the approved invoice amount is transferred from the Chosen Payment Gateway to the Direct Debit Bank account from the 11th working day of the month till the time the due approved payment to the AMISP is cleared in its entirety.
4. Withdrawal from the Direct Debit Account
 - a. Utility shall authorize Direct Debit Account Agent and issue standing and irrevocable instructions to automatically make payments to AMISP Bank Account for purpose of this Agreement.
 - b. AMISP will raise invoice to the Utility for monthly payments within first 5 working days of every month and shall share a copy of the invoice with the Direct Debit Account Agent as well.
 - c. Utility will review AMISP invoice and notify Direct Debit Account Agent within 5 working days of submission of invoice on the approved amount to be paid to AMISP. In case the

Utility doesn't provide the approved amount report to AMISP, and Direct Debit Account Agent as mentioned above, it shall be deemed that the entire invoice amount as raised by AMISP is undisputed and shall be deemed approved.

- d. From the 11th working day of the month, Direct Debit Account Agent shall transfer amount from the Direct Debit Account to the AMISP Bank Account on a daily basis till the amount equivalent to approved AMISP Invoice amount is reached.
 - e. In case of any difference in the due AMISP invoice amount and approved amount report provided by utility, the disputed portion of the AMISP Monthly fee shall be dealt with in accordance with the terms and conditions of the AMISP Contract and post dispute resolution, the disputed portion shall be paid with the subsequent month's invoice of the AMISP.
5. Key contours of the agreement:
- a. This Agreement shall be effective from the date of opening of the Direct Debit Account and shall remain in full force and effect until the Utility and AMISP issues an unconditional written notice to the Direct Debit Account Agent directing the Direct Debit Account Agent to close the Direct Debit Account.
 - b. The Direct Debit Account Agent may at any time resign by giving ninety (90) Business Days prior written notice of resignation to the other Parties, provided a successor Direct Debit Account Agent has been appointed to the satisfaction of the Utility and AMISP.
 - c. The Payment Gateway service provider may at any time resign, or the Utility may choose to change the Payment Gateway service provider at any time, by giving ninety (90) Business Days prior written notice of resignation/ change to the other Parties, provided a successor Payment Gateway service provider has been chosen by the Utility to the satisfaction of the AMISP. In this scenario, an agreement with the new Chosen Payment Gateway along with necessary approval from the AMISP shall be included as an addendum to this Quadripartite Agreement.
 - d. This Quadripartite Agreement shall be considered terminated if the AMISP Contract is terminated in entirety.

Annexure-I



Utility shall ensure that a daily inflow of at least $1/10^{\text{th}}$ of the approved invoice amount is transferred from the Chosen Payment Gateway to the Direct Debit Bank account from the 11th working day of the month till the time the due approved payment to the AMISP is cleared in its entirety.

From the 11th working day of the month, Direct Debit Account Agent shall transfer amount from the Direct Debit Account to the AMISP Bank Account on a daily basis till the amount equivalent to approved AMISP Invoice amount is reached.

TO BE EXECUTED ON STAMP PAPER

OF Rs. 500/-

**DIRECT DEBIT ACCOUNT QUADRIPARTITE AGREEMENT FOR MONTHLY
AMISP PAYMENTS**

This Quadripartite Agreement is made on this _____ day of _____
2022 at [Location]

AMONGST

[Name of the Utility], a Company registered under the Companies Act, 1956/2013, and having its Registered Office at [Address of the Utility] (hereinafter referred as 'Utility', which expression shall unless it be repugnant to the context or meaning thereof be deemed to include its successors, assigns and permitted substitutes);

AND

[Name of the SPV (OR) the lead consortium member/ sole bidder (in case CPSE/PSU or any subsidiary/ Joint venture of a CPSE/ PSU is the sole/ lead member)], a Company registered under the Companies Act, 1956/2013 and having its registered office at [Name (hereinafter referred to as "AMISP", which expression shall unless repugnant to the context or meaning thereof include its successors, assigns and permitted substitutes);

AND

[Name of the Direct Debit Account Bank], a Bank constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 having its Head Office at [Address of the Bank] and several branches throughout the country and abroad and having branch at [Address of the branch] (hereinafter referred to as the "Direct Debit Account Agent" which expression shall unless it be repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns).

AND

[Name of the Payment Gateway service provider], a Company authorized under the Payment and Settlements Act, 2007, and having its Registered Office at [Address of the Payment Gateway service provider] (hereinafter referred as 'Payment Gateway service provider', which expression shall unless it be repugnant to the context or meaning thereof be deemed to include its successors, assigns and permitted substitutes);

The utility, the AMISP, the Payment Gateway service provider and the Direct Debit Account Agent are collectively referred to as "Parties" and individually as a "Party".

WHEREAS:

- A. The Utility and AMISP have entered into an agreement for Implementation of AMI project in prepaid mode on DBFOOT basis for a consumer base of [XX nos] in the [areas of XX] (hereinafter referred to as the 'AMISP Contract" which expression shall include all amendments thereto), as presented in Schedule II of this Agreement.
- B. In terms of the said AMISP Contract enclosed at Schedule II, the utility is required to provide Payment Security Mechanism and duly secure the AMISP by establishing a separate facility for securing the payment obligations outlined in the AMISP Contract. For the said purpose and as per the AMISP Contract, Utility shall enter into a Quadripartite Agreement with AMISP, Payment Gateway service provider and the designated bank ("Direct Debit Account Agent") for ensuring prompt payment to AMISP of amounts due under the AMISP Contract.
- C. The Parties have decided to reduce the terms and conditions agreed upon, into writing, through these presents.

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

ARTICLE – I

1. DEFINITIONS:

In this Agreement, unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meanings viz.:

"AMISP's Bank Account" shall mean the Account Number [A/c No.] held by AMISP with [Name of the Bank with Address] and denominated in Rupees or any other account and bank as may thereafter be notified by AMISP to the other parties to this agreement in writing.

"AMISP Monthly Fee" shall have the meaning ascribed to such term in the AMISP Contract

"Business Day" means any day on which the Office of the Direct Debit Account Agent is open for normal business transaction in terms of the Negotiable Instruments Act 1881 or such other office as may be notified by the Direct Debit Account Agent are open for normal business transactions.

"Business Hours" Shall mean 10 AM to 5 PM on any Business Day.

"Effective Date" means the date on which this Agreement is executed.

"Default Interest" means interest on the overdue amount from the due date.

"Fees" shall have the meaning as set forth in Section 8.1 hereof due and payable to the Direct Debit Account Agent.

"Force Majeure" shall mean as ascribed in AMISP Contract

"Payment Due Date" shall have the meaning as set forth in Section 5.2.5 hereof.

"Direct Debit Account" means a current bank account opened in terms of this agreement and Account Number [A/c No.] denominated in Rupees established and maintained by the Utility, with the Direct Debit Account Agent at its branch situated at [location].

"SLA" shall have the meaning as set forth in Section 4.2.1 hereof.

"Utility's Bank Accounts" shall mean the accounts as mentioned in the Schedule-I where all online consumer payments for sale of power by the Utility are deposited - Collectively called as Utility's Bank Accounts.

"Chosen Payment Gateway" shall mean the Payment Gateway chosen by the Utility for the purpose of this agreement

ARTICLE - II

2. APPOINTMENT OF DIRECT DEBIT ACCOUNT AGENT:

- 2.1. The [Name of the Direct Debit Account Bank] is hereby appointed and [Name of the Direct Debit Account Bank] accepts appointment as the Direct Debit Account Agent under this Agreement and undertakes to carry out its obligations in accordance with the terms and conditions contained herein.
- 2.2. Any Fees and expenses of the Direct Debit Account Agent in connection with its duties hereunder shall be paid by Utility.

3. CHOOSING THE PAYMENT GATEWAY:

- 3.1. Utility shall choose the Payment Gateway ('Chosen Payment Gateway') which has the maximum average monthly inflow of monies, which maybe at least 5 (five) times the estimated monthly payment to the AMISP, calculated on the total contract award quantity. Average monthly inflow shall be calculated for the last six calendar months from the date of letter of award.

ARTICLE - III

4. ESTABLISHMENT OF DIRECT DEBIT ACCOUNT

- 4.1. Utility shall enter into a Quadripartite Agreement, with the AMISP, Payment Gateway service provider and Direct Debit Account Agent as designated Bank, at the time of contract signing, to establish a separate current Direct Debit Account (hereinafter referred to as "Direct Debit Account").
- 4.2. This Direct Debit Account shall be linked to the Utility's Chosen Payment Gateway (where online consumer payments from sale of power by the Utility are routed through), Utility's Bank Accounts (where all online consumer payments from sale of power by the Utility are deposited) as well as the AMISP's Bank Account (where the AMISP Monthly Fee shall be credited to).
- 4.3. The Direct Debit Account Agent would act as the sole authorizing agency for any transaction related to the Direct Debit Account in line with the agreed terms and conditions of this Agreement.

- 4.4. The Utility hereby authorize the Direct Debit Account Agent and has issued standing and irrevocable instructions to automatically make payments to the AMISP Bank Account for the purpose of this Agreement.
- 4.5. As soon as practicable but in no event later than 14 (fourteen) days from the execution of this Agreement, Utility, AMISP and Payment Gateway service provider shall deliver to each other and to the Direct Debit Account Agent, specimen signatures of their respective authorized officers duly attested by their banks for the purposes of this Agreement. Utility, AMISP and Payment Gateway service provider shall have the right to change their respective authorized officers by delivering specimen signatures of their respective new authorized officers. All the instruction should be provided by the authorized officers of the Parties.
- 4.6. The Utility, AMISP and the Payment Gateway service provider shall be bound by the acts done by the Direct Debit Account Agent in accordance with such instructions as per the terms of this Agreement.

ARTICLE - IV

5. OPERATION OF THE DIRECT DEBIT ACCOUNT

- 5.1. Deposits
 - 5.1.1. The Utility shall ensure that a daily inflow of at least 1/10th of the approved invoice amount is transferred from the Chosen Payment Gateway to the Direct Debit Bank account from the 11th working day of the month of invoice submission during the term of this Agreement till the due approved payment to the AMISP is cleared in its entirety as per clause 5.2.5
 - 5.1.2. The Direct Debit Account Agent shall monitor the inflow into the Direct Debit Account during the AMISP Contract period. In case the daily inflow is less than 1/10th of the approved invoice amount, Direct Debit Account Agent shall pass on necessary instructions in writing within 1 (one) working day of such default to the Utility and AMISP. Utility shall be responsible to address the non-adherence within 2 working days of receiving such intimation from the Direct Debit Account Agent.

5.2. Withdrawals

- 5.2.1. As per the covenants of the AMISP Contract, AMISP will raise the invoice for AMISP Monthly payment along with the service level agreement ("SLA") performance report and deliver a copy of the invoice to the Direct Debit Account Agent for the monthly payments within first 5 (five) working days of the month.
- 5.2.2. The Direct Debit Account Agent will duly notify the Utility upon receipt of any invoice for the AMISP Monthly Fee from AMISP to the Utility within 1 (one) working day.
- 5.2.3. The Utility will review/examine/verify the invoice and the SLA performance report raised by AMISP, within Five (5) working days from the date of invoice submission and shall prepare an approved amount report along with deductions (if any) in form of penalties, liquidated damages and taxes. The approved amount report of the invoice shall be notified to AMISP and Direct Debit Account Agent within Five (5) working days from the date of invoice submission.
- 5.2.4. In case the Utility doesn't provide the approved amount report to AMISP, and Direct Debit Account Agent as mentioned above, it shall be deemed that the entire invoice amount as raised by AMISP is undisputed and shall be deemed approved.
- 5.2.5. The Direct Debit Account Agent shall pay the approved amount of the AMISP Monthly Fee starting from the 11th working day of the month and shall ensure that all payments are made in full to the AMISP within 45 (forty-five) days (the "Payment Due Date") of receipt of invoices in which the concerned invoice has been raised and inform Utility of the due payments made to AMISP. At the end of each day during the AMISP Contract period, any amount remaining in the Direct Debit Account after paying any pending approved amount to the AMISP shall automatically be transferred to the Utility's Bank Accounts.
- 5.2.6. In the event Utility fails to clear any payment to the AMISP (including disputed payment) within the Payment Due Date, Utility shall pay interest on the delayed payment to the AMISP from the Payment Due Date till the date of release of payment. Utility shall pass on necessary instructions to the Direct Debit Account Agent on this regard for clearing any delayed payment along with the interest. Direct Debit Account

Agent shall transfer the notified amount (delayed payment plus interest) to the AMISP within 1 (one) working day from such notification from the Utility.

- 5.2.7. In case the Utility fails to make any interest payment on the delayed amount, AMISP may raise a separate invoice on a quarterly basis within 5 (five) working day of the first month of the quarter and deliver two copies of the invoices for interest payment to Utility and the Direct Debit Account agent. The Utility will review/examine/verify the invoice on the due interest amount, within Five (5) working days from the date of invoice submission and shall prepare an approved interest amount report. Same shall be notified to AMISP and Direct Debit Account Agent by the 10th working day of the first month of the quarter in which the concerned invoice is raised.
- 5.2.8. In case of any difference in the due AMISP invoice amount and approved amount report provided by utility, the disputed portion of the AMISP Monthly fee shall be dealt with in accordance with the terms and conditions of the AMISP Contract and post dispute resolution, the disputed portion shall be paid with the subsequent month's invoice of the AMISP.

ARTICLE - V

6. REPRESENTATIONS AND WARRANTIES

The Parties hereby represent and warrant:

- 6.1. That they are fully authorized to enter into this agreement and that this agreement is not in violation of any terms and conditions or covenant of any agreement to which the Utility, AMISP, Payment Gateway service provider and Direct Debit Account Agent is a party.
- 6.2. That this Agreement constitutes a valid, legal and binding legal obligation and is enforceable against the Utility, AMISP, Payment Gateway service provider and Direct Debit Account Agent in accordance with the terms hereof.
- 6.3. That neither the execution and delivery of this Agreement nor the fulfillment of or compliance with the terms and conditions thereof conflict with or result in a breach of or a default under any of the terms, conditions or provisions of any legal restriction

(including, without limitation, any judgment, order, injunction, decree or ruling of any court or governmental authority, or any federal, state, local or other law, statute, rule or regulation) or any covenant or agreement or instrument to which the Utility, AMISP, Payment Gateway service provider and Direct Debit Account Agent are a party.

ARTICLE - VI

7. RIGHTS AND DUTIES OF THE DIRECT DEBIT ACCOUNT AGENT

- 7.1. The Direct Debit Account Agent:
 - a) may, in good faith, rely as to any matters of fact, which might reasonably be expected to be within the knowledge of Utility and AMISP; and
 - b) may, in good faith, rely upon the authenticity of any communication or documents believed by it to be authentic.
- 7.2. The duties and responsibilities of the Direct Debit Account Agent shall be restricted to the terms of this Agreement only and the Direct Debit Account Agent shall not be responsible for the performance or non-performance and the observance or non-observance of any contractual or any legal obligations by any other party.
- 7.3. The Direct Debit Account Agent shall provide to the Utility and AMISP no later than fifteen (15) Business Days from the end of each month, a statement of account detailing all deposits, transfers, disbursements or payments into and from the Direct Debit Account during the previous month.
- 7.4. Monies received by the Direct Debit Account Agent under this Agreement shall, until used or applied in accordance with this Agreement, be held by the Direct Debit Account Agent for the purposes for which they were received.
- 7.5. The Direct Debit Account Agent shall have no liability to either the Utility or AMISP for any loss or damage that either or any may claim to have suffered or incurred either directly or indirectly, by reason of this Agreement or any transaction or service contemplated by the provisions of this Agreement unless caused by the gross negligence or willful misconduct or fraud or breach of obligations of the Direct Debit Account Agent. The Utility and AMISP agree to indemnify the Direct Debit Account

Agent and hold it harmless from and against any and all claims, other than those ultimately determined to be founded on gross negligence or willful misconduct or fraud of the Direct Debit Account Agent or as a result of breach of its obligations and from and against any damages, penalties, judgements, liabilities, losses or expenses (including reasonable attorney's fees and disbursements) incurred as a result of the assertion of any claim by any person or entity, arising out of or otherwise related to any transaction conducted or service provided by the Direct Debit Account Agent through the use of any account at the Direct Debit Account Agent pursuant to the procedures provided for or contemplated by this Agreement. All indemnities in favour of the Direct Debit Account Agent in terms of this Agreement shall survive the termination of Agreement.

- 7.6. Notwithstanding anything contained to the contrary, the Parties agree that the liability of Direct Debit Account Agent to Utility and AMISP (in contract or tort or under statute or otherwise) under this Agreement, shall be limited to the Fees agreed by the Direct Debit Account Agent for such services other than on account of its gross negligence or willful misconduct or fraud or breach of obligations of the Direct Debit Account Agent.
- 7.7. The Direct Debit Account Agent is not expected or required to be familiar with the provisions of any other agreement or documents and shall not be charged with any responsibility or liability in connection with the observance of the provisions of any such other agreement.
- 7.8. The Direct Debit Account Agent shall in no event be liable for any direct, indirect, consequential, exemplary or other damages, claims or suits in any action brought by any Party, for any reason whatsoever, even if the Direct Debit Account Agent is advised of such claims or damages.
- 7.9. None of the provisions of this Agreement shall require the Direct Debit Account Agent to expend or risk its own funds or otherwise incur financial liability or expense in the performance of any of its duties hereunder.
- 7.10. The Direct Debit Account Agent is hereby authorized to comply with and obey all orders, judgments, decrees or writs entered or issued by any court, and in the event the Direct Debit Account Agent obeys or complies with any such order, judgement, decree or writ of any court, in whole or in part, it shall not be liable to

Utility and AMISP, nor to any other person or entity, by reason of such compliance, notwithstanding that it shall be determined that any such order, judgement, decree or writ be entered without jurisdiction or be invalid for any reason or be subsequently reversed, modified, annulled or vacated.

- 7.11. The Direct Debit Account Agent may rely upon any notice or certificate believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person and not on its face contrary to any provision of this Agreement and the Direct Debit Account Agent shall not be bound in any such case to call for further evidence or be responsible for any losses, liabilities, costs, damages, expenses or inconvenience that may be occasioned by its failure to do so. The Direct Debit Account Agent neither makes any representation or warranty whatsoever nor be required to check, ensure or determine the validity, authenticity or genuineness of any documents/ instructions/ confirmations/ certifications received by it pursuant to this Agreement and shall be entitled to rely and act upon them.
- 7.12. No Party shall raise any dispute, objection or raise any question on any act, deed or thing done by Direct Debit Account Agent pursuant to acting or relying upon any documents/ instructions/ confirmations/ certifications received by it in accordance with this Agreement.
- 7.13. The Direct Debit Account agent is not acting nor shall be required to act in its capacity as the security trustee or agent on behalf of the Utility and AMISP or any third party and no security or encumbrance is being created by the Direct Debit Account Agent or shall be required to be created by the Direct Debit Account Agent or in favour of the Direct Debit Account Agent or in favour of any third Party with respect to the amounts in the Direct Debit Account and the Direct Debit Account Agent shall not responsible to ensure or keep track of the fact whether any encumbrance is created or has been created or may be created by any person or entity with respect to the amounts in the Direct Debit Account.
- 7.14. The Direct Debit Account Agent does not have any interest in the deposited amount hereunder but is serving as escrow holder only and only has possession hereof.
- 7.15. The Direct Debit Account Agent makes no representation and assumes no responsibility as to the validity, value, genuineness

or the enforceability of any security or any other document or instrument held by or delivered to it.

- 7.16. This Agreement expressly sets forth all the duties of the Direct Debit Account Agent with respect to any and all matters pertinent hereto. No implied duties or obligations shall be read into this Agreement against the Direct Debit Account Agent, charges and expenses arising out of or resulting from this Direct Debit Account Agreement (including without limitation, enforcement of the Direct Debit Account Agreement but excluding any such claims, losses or liabilities resulting from the Direct Debit Account Agents' gross negligence or willful misconduct).
- 7.17. It is hereby specifically agreed and confirmed by the Parties hereto that any act performed by the Direct Debit Account Agent pursuant to the due instructions received by the Direct Debit Account Agent from Utility and AMISP, shall be considered to be performed by the Direct Debit Account Agent in Good Faith under the instructions of Utility and AMISP and shall not be contested/ questioned by Utility and the AMISP unless the act so done by the Direct Debit Account Agent was due to its own negligence or willful default or fraud.
- 7.18. The Direct Debit Account Agent is authorized to rely on any document believed by it to authentic in making delivery of the Direct Debit Account. It shall have no responsibility for the genuineness or the validity of any document or any other item deposited with it and it shall be fully protected in acting in accordance with this agreement or instructions received.

ARTICLE - VII

8. UTILITY, PAYMENT GATEWAY SERVICE PROVIDER AND AMISP COVENANTS:

- 8.1. The Utility hereby unconditionally and irrevocably agrees that the Utility's Bank Accounts are its only accounts wherein all online consumer payments from sale of power by the Utility is being accumulated.
- 8.1.1. The Utility shall ensure that during the tenure of this Agreement under any circumstances, Utility's Bank Accounts

- will not change. In case of any such event, a prior written consent from the AMISP will be required.
- 8.1.2. The Utility shall ensure submission of acknowledgement to AMISP from the new Utility Bank Account of the Letter in Schedule I within 7 working days from the AMISP's written consent.
 - 8.2. In no event and under no circumstances, the Chosen Payment Gateway shall deny to adhere to withdrawal requests from Direct Debit Account Agent for transferring the monies from the Payment Gateway into the Direct Debit Account therefore ensuring the terms and conditions of this agreement are adhered to. For the said purpose Utility shall provide the letter of authorization to Direct Debit Account Agent duly acknowledged and agreed by Utility Bank Account and as per the format provided in Schedule I on the date of executing this Agreement.
 - 8.3. The Direct Debit Account shall not be discontinued / closed without the prior written consent from both AMISP and the Utility. The Utility's Bank Accounts shall not be discontinued / closed without the prior written Consent from AMISP and with a written intimation to Direct Debit Account Agent. AMISP's Account shall not be discontinued / closed without the prior written consent from the Utility and with a written intimation to Direct Debit Account Agent. The Chosen Payment Gateway shall not be discontinued / closed without the prior written consent from the Utility.
 - 8.4. The Utility and AMISP represent and warrant that they have the necessary power, authority and legal right to agree to these terms and have taken all necessary actions required for the validity, enforceability and performance of their respective obligations/duties in terms hereof.

ARTICLE - VIII

9. FEES

- 9.1. The Utility shall pay, on demand, all the usual and customary service charges, transfer fees, account maintenance, account acceptance, statement, investigation, funds transfer and any other charges as are levied by the Direct Debit Account Agent as

mutually agreed and such other out of pocket expenses as are claimed by the Direct Debit Account Agent (collectively, the "Fees") in connection with the Account.

- 9.2. Notwithstanding anything contained in this Agreement, in the event that the Direct Debit Account Agent is not paid its undisputed fees within 28 days of the same becoming due then penal interest shall be payable for the defaulted amounts. The applicable penal interest rate will be equal to the marginal cost of funds-based lending rate (MCLR) for one year of the State Bank of India (*MCLR shall be as applicable on the 1st April of the financial year in which the date of release of delayed payment lies*)

ARTICLE - IX

10. SEGREGATION

- 10.1. The Direct Debit Account Agent shall, if by the terms of this Agreement, be required to perform any act / take any action on or within a period ending on a day which is not a Business Day, and then such action will be performed / taken by the Direct Debit Account Agent on the immediately succeeding Business Day.
- 10.2. Monies received by the Direct Debit Account Agent under this Agreement shall, until transferred in accordance with this agreement, be held for the purposes for which they were received and shall be segregated from other accounts of the constituents of the Direct Debit Account Agent and from the funds of the Direct Debit Account Agent, in accordance with the Banking law and practice and the Direct Debit Account Agent shall not exercise any right of set off or lien on any such monies.

ARTICLE - X

11. INDEMNITY

- 11.1. The duties and obligations of the Direct Debit Account Agent shall be determined solely by this Agreement, and the Direct Debit Account Agent shall not be liable except for the performance of such duties and obligations as are specifically set

forth in this Agreement. The Direct Debit Account Agent shall not be liable for any error of judgment, or any action taken, suffered or omitted to be taken, hereunder.

- 11.2. The Utility and AMISP severally for their respective breaches shall reimburse and indemnify the Direct Debit Account Agent, its directors, employees and agents, and hold them harmless from and against, any damages, loss, liability or expenses, including, without limitation, reasonable attorneys' fees, incurred arising out of, or connection with the acceptance of, or the performance of, its duties and obligations under this Agreement (other than on account of gross negligence, willful misconduct or fraud of the Direct Debit Account Agent).

ARTICLE - XI

12. CONFIDENTIALITY

- 12.1. The Parties will maintain the utmost confidentiality regarding the contents of this agreement at all times and they shall not make any announcement to the public or to any third party regarding the arrangements contemplated by this agreement without the consent of the Parties involved, such consent not to be unreasonably withheld, provided that the Parties to this Agreement shall not be liable for disclosure or use of any confidential information if the same is required to be disclosed by law or regulation (including Stock Exchange regulations).

ARTICLE - XII

13. TERM AND TERMINATION

- 13.1. This Agreement shall be effective from the date of opening of the Direct Debit Account and shall remain in full force and effect until the Utility and AMISP issues an unconditional written notice to the Direct Debit Account Agent directing the Direct Debit Account Agent to close the Direct Debit Account.
- 13.2. The Direct Debit Account Agent may at any time resign by giving ninety (90) Business Days prior written notice of resignation to the other Parties, provided that the resignation shall be effective only after a successor Direct Debit Account Agent has been appointed to the satisfaction of the Utility and AMISP.

- 13.3. The Payment Gateway service provider may at any time resign, or the Utility may choose to change the Payment Gateway service provider at any time, by giving ninety (90) Business Days prior written notice of resignation/ change to the other Parties, provided that the resignation/ change shall be effective only after a successor Payment Gateway service provider has been chosen by the Utility to the satisfaction of the AMISP.
- 13.4. This Agreement shall be considered terminated if the AMISP Contract is terminated in entirety.

ARTICLE - XIII

14. MISCELLANEOUS

14.1. ASSIGNMENT

AMISP shall be free to assign, only after due intimation to and approval of the Utility, all or any of the rights and interest of this Agreement in favour of its lenders (including their agents and trustees) as per the terms and conditions of the AMISP Contract. Such approval shall be granted within the shortest time possible and shall not be withheld except on causes to be recorded in writing by the Utility or the Direct Debit Account Agent and communicated to AMISP.

14.2. FORCE MAJEURE

The Direct Debit Account Agent shall not be held liable for any failure to perform its obligations hereunder, or for any delay in the performance thereof, due to Force Majeure.

14.3. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with laws of India.

14.4. JURISDICTION

The Courts in [Name of the Location] shall have exclusive jurisdiction in respect of all matters arising out of or relating to this Agreement. Notwithstanding anything contained in this Agreement, the Direct Debit Account Agent shall be entitled to restrain from taking actions that are determined by it as being in contravention of any applicable laws or regulations or mala-fide.

14.5. NOTICES

All Notices, request and other communications to any party hereunder shall be in writing (including facsimile and email transmission) and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by telecopy, by courier or by registered or certified mail (Postage prepaid, return receipt requested) or by facsimile (with correct answerback) or email (without a delivery failure message) to the respective Parties at the following address and details (or at such other address and details as maybe intimated to the Parties)

If to the Utility:

Attn:

Address:

Tel:

Fax:

Email:

If to the AMISP:

Attn:

Address:

Tel:

Fax:

Email:

If to the Direct Debit Account Agent:

Attn:

Address:

Tel:

Fax:

Email:

If to the Payment Gateway Service Provider:

Attn:

Address:

Tel:

Fax:

Email:

14.6. AMENDMENTS

Any amendments of any provision of this Agreement shall be in writing and signed by the Parties hereto.

This Agreement is binding upon and will insure to the benefit of the Parties.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed on the day, month and year first hereinabove written as hereinafter appearing.

For Utility

[Signature of Authorized Representative]

For AMISP

[Signature of Authorized Representative]

For Direct Debit Account Agent

[Signature of Authorized Representative]

For Payment Gateway Service Provider

[Signature of Authorized Representative]

WITNESS:

For Utility:

For AMISP:

For Direct Debit Account Agent:

For Payment Gateway Service Provider:

SCHEDULE-I

Letter from Utility to Chosen Payment Gateway and Direct Debit Account Agent granting permission to withdraw amounts from the Chosen Payment Gateway to deposit in the Direct Debit Account

SCHEDULE-II

Executed copy of the AMISP Contract