

BEFORE THE ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION, HYDERABAD

FILING NO.

CASE NO. O.P. No. **5** / 201**9**

IN THE MATTER

To determine tariff for wind power project in the state of Andhra Pradesh in accordance with Section 61 (h), Section 62 (1) (a), Section 64 (1), Section 86 (1) (a), Section 86 (1) (b) and Section 86 (1) (e) of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017 and Section 21 of the Andhra Pradesh Electricity Reform Act, 1998.

AND

IN THE MATTER OF

Axis Wind Farms (Beluguppa) Private Limited

.....Petitioner

AND

Southern Power Distribution Company of AP Limited

.....Respondent

Filed on: 20.12.2018

Filed By:

Address for Service


INDUSLAW, ADVOCATES

Mr. Deepak Chowdhury

Mr. G. P. Yash Vardhan

204, Ashoka Capitol, Opp: KBR Park, Banjara Hills, Hyderabad – 500 034

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



Authorised Signatory



**BEFORE THE ANDHRA PRADESH ELECTRICITY REGULATORY
COMMISSION, HYDERABAD**

FILING NO.

CASE NO. O.P. No. *5/2019*

IN THE MATTER OF

Axis Wind Farms (Beluguppa) Private Limited

.....Petitioner

AND

Southern Power Distribution Company of AP Limited

.....Respondent

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Place: Hyderabad
Date: 19.12.2018


COUNSEL FOR THE PETITIONER

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BEFORE THE ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION
HYDERABAD

O.P. No. 5 OF 2019

BETWEEN:

Axis Wind Farms (Beluguppa) Private Limited

.....Petitioner

AND

Southern Power Distribution Company of AP Limited

.....Respondents

VAKALATNAMA

I/WE, M/S. AXIS WIND FARMS (Beluguppa) PRIVATE LIMITED a company incorporated under the Companies Act, 2013 HAVING ITS REGISTERED OFFICE at 2nd floor, Plot no. 3, H. No. 6-3-680/8/3, PMR Plaza, Thakur Mansion lane, Somajiguda, Hyderabad – 500 082 REP BY Mr. J Venkata Kumar S/o. Late JVSN Sastry, aged 49 years, DO HEREBY APPOINT AND RETAIN:

DEEPAK CHOWDHURY
G.P. YASH VARDHAN
KAUSHIK PRANAV. D
INDUSLAW, ADVOCATES

to appear for me/us in the above complaint case/suit/appeal/petition, case and to conduct and prosecute and defend the same and all proceedings that may be taken in respect of the complaint case. I/We, empower my/our advocate/s to appear in all miscellaneous proceedings in the above case or matter till all decrees or order are fully satisfied, or adjusted to compromise and obtain the return of documents and draw any money that might be payable to me/us in the said complaint case or matter and I/We do further empower my/our advocate/s to accept on my/our behalf service of notice of all or any appeal or petition filed in any court or appeal reference or revision with regard to the said suit or before disposal of the same in this Hon'ble High Court.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


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Certified that the executant's who is well acquainted with English, read this Vakalatnama that the contents of this Vakalatnama were read out and explained in Urdu/Hindi/Telugu to the executants he/she/they being un acquainted with English, who appeared perfectly to understand the same and signed or put his/her/there name or mark in my presence.

Solemnly affirmed and signed before me on this the ___ day of September, 2018 at Hyderabad.


Advocate

BEFORE THE ANDHRA PRADESH
ELECTRICITY REGULATORY COMMISSION,
HYDERABAD

FILING NO.

CASE NO. O.P. No. 5/2019

IN THE MATTER

To determine tariff for wind power project in the state of Andhra Pradesh in accordance with Section 61 (h), Section 62 (1) (a), Section 64 (1) and Section 86 (1) (a) of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017.

AND

IN THE MATTER OF

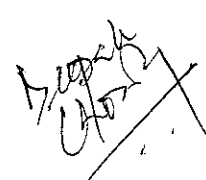
M/S Axis Wind Farms (Beluguppa) Private Limited

.....Petitioner
AND

Southern Power Distribution Company of AP Limited

.....Respondent

VAKALAT



Filed on: .09.2018

Filed By: Counsel for the Petitioner
Address for Service
INDUSLAW, ADVOCATES
Mr. Deepak Chowdhury
G. P. Yash Vardhan
204, Ashoka Capitol, Opp: KBR Park,
Banjara Hills, Hyderabad – 500 034

**BEFORE THE ANDHRA PRADESH ELECTRICITY
REGULATORY COMMISSION, HYDERABAD**

FILING NO.

CASE NO. O.P. No. **5** / 2019

IN THE MATTER

To determine tariff for wind power project in the state of Andhra Pradesh in accordance with Section 61 (h), Section 62 (1) (a), Section 64 (1), Section 86 (1) (a), Section 86 (1) (b) and Section 86 (1) (e) of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017 and Section 21 of the Andhra Pradesh Electricity Reform Act, 1998.

AND

IN THE MATTER OF

Axis Wind Farms (Beluguppa) Private Limited, a company incorporated under the provisions of the Companies Act, 1956 having its office at the 2nd floor, Plot no. 3, H. No. 6-3-680/8/3, PMR Plaza, Thakur Mansion lane, Somajiguda, Hyderabad – 500 082.

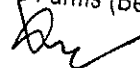
.....Petitioner

AND

Southern Power Distribution Company of AP Limited, having its office at 19-13-65/A, Raghavendra Nagar, Kesavayana Gunta, Tiruchanoor Road, Tirupati – 517 501.

.....Respondents

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



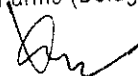
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The Petitioner most respectfully submits as follows:

Facts of the Petition:

1. The Petitioner is incorporated under the Companies Act, 1956 having its registered office at Hyderabad as detailed in the cause title above. The Petitioner is a corporate entity engaged in the construction of a wind energy project of 50.4 MW capacity around Beluguppa village, in Anantapur district ("**Project**"), Andhra Pradesh. Copies of (a) Certificate of Incorporation, (b) Memorandum and Articles of Association and (c) Letter of Authority to represent the Petitioner Company before the Hon'ble Commission have been attached as **Annexure 1, Annexure 2 and Annexure 3** respectively.
2. The Government of India ("GOI") submitted India's Intended Nationally Determined Contribution (INDC) to the United Nations Framework Convention on Climate Change (UNFCCC) during the 21st Conference of Parties (COP 21) summit held in Paris, France, in October 2015, to mitigate climate change, under which it pledged to reduce the emission intensity of its Gross Domestic Product (GDP) by 33%-35% by 2030 from 2005 level and also committed to increase the share of renewable energy to 40% of total installed capacity by 2030. India has since set a target to achieve 175 GW RE power projects by 2022. Government of India as part of its goal to achieve green energy commitment has emphasized on increasing the development of renewable energy projects and enhancement of the capacities of power production through renewable sources. This has also led to various states with high resources and possibilities of renewable energy power production, such as the state of Andhra Pradesh, to promote the establishment of renewable energy projects. The National Institute of Wind Energy (NIWE) has assessed the potential of the state of Andhra Pradesh in wind power projects to be over 14,000 MW at 80 meter level with maximum potential identified in the districts of Ananthapuram, Kadapa, Kurnool, Chittoor and Nellore. Government of Andhra Pradesh ("GoAP"), in order to promote the development of Wind Power Projects in the state issued Wind Power Policy 2015 with the following objectives:

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



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"1. To encourage, develop and promote wind power generation in the State with a view to meet the growing demand for power in an environmentally and economically sustainable manner.

2. To attract private investment to the State for the establishment of large wind power projects.

3. To promote investments for setting up manufacturing facilities in the State, which can generate gainful local employment."

GoAP in order to promote setting up of manufacturing facilities also issued the Andhra Pradesh Industrial Policy 2015-2020.

3. Suzlon Energy Limited ("Suzlon") along with its associates is in the business of design ,manufacturing and supply of Wind Operated Electricity Generator (WOEG / WTG) and developing wind and solar power projects through engineering, procurement and supply model for various independent power producers across India and has about 14 manufacturing facilities spread across India and America. Suzlon through its associate companies has built and consolidated its presence in 19 countries and installed over 17,000 MW of wind power projects globally. Suzlon while participating in the first renewable energy global investors meet RE-INVEST, 2015 held on February 15, 2015, had given a commitment to the Honourable Prime Minister of India, in the presence of Honourable Minister for New and Renewable Energy, Power and Coal of India, to develop 11,000 MW of new wind capacity and develop new manufacturing facilities over a period of 5 years. Suzlon, in pursuance to the said commitment, initially signed memorandum of understanding (MoU) dated February 15, 2015 at New Delhi with the GoAP for setting up of manufacturing facility for blades and wind power projects for an aggregate capacity of 600 MW per annum in the state of Andhra Pradesh. Subsequently, Suzlon also signed another MoU dated April 29, 2015 with the Industries Department, GoAP on the eve of the launch of Andhra Pradesh Industry Mission, 2015 and Industrial Policy 2015-20 at Vishakapatnam, for setting up of integrated manufacturing facility for manufacture of wind turbines in the state of Andhra Pradesh. Both the MoUs dated February 15, 2015 and April 29,

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

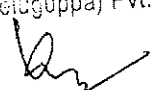


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2015 were executed in presence of Honourable Chief Minister of Andhra Pradesh.

4. Axis Energy Ventures India Private Limited ("AEVIPL"), which is in the business of developing Renewable Energy Projects, in particular Wind and Solar, had presented the "Green Energy Commitment" to the Honourable Prime Minister of India during the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 on February 15, 2015 at New Delhi. AEVIPL gave a commitment to develop 12,500 MW of Renewable Energy Projects comprising of 7,000 MW in wind and 5,500 MW in solar projects. AEVIPL, based on the commitment in RE-INVEST 2015, has committed to develop 4,000 MW wind power projects (for which, AEVIPL has also entered into an MoU related to setting up 28 Wind Monitoring Stations for Wind Resource Assessment studies with NREDCAP/NIWE ("Axis MoU")) and 2500 MW solar power projects in the State of Andhra Pradesh and entered into Memorandum of Understanding with the Government of Andhra Pradesh in the presence of the Honourable Chief Minister of Andhra Pradesh on February 15, 2015 ("GoAP MoU"). In terms of the GoAP MoU, Government of Andhra Pradesh has given undertaking to facilitate AEVIPL to obtain approvals/permissions/clearances etc. from concerned departments as per rules/policies/regulations prevailing.
5. In view of the common objectives and intention of developing renewable energy projects, both Suzlon and AEVIPL discussed and agreed to collaborate and jointly develop the Renewable Energy Projects in the state of Andhra Pradesh and accordingly on September 03, 2015 a proposal was submitted to GoAP for development of 4000 MW of renewable energy projects in Andhra Pradesh along with manufacturing facilities. GoAP, after considering the proposal with the concerned authority, approved the same and has issued government order G.O.Ms No. 15 dated November 27, 2015 ("GO"). In pursuance of the said GO, Suzlon and AEVIPL with the common objective to jointly developing 4000 MW executed a tripartite Memorandum of Understanding dated December 04, 2015 ("MoU") between Suzlon, AEVIPL and GoAP. As per the MoU, Suzlon and AEVIPL have agreed to jointly participate in developing renewable energy projects

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


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(comprising of wind power projects (3000 MW) and wind-solar hybrid power projects (1000 MW)) for an aggregate capacity of about 4000 MW ("Renewable Energy Projects") and Suzlon shall additionally develop facilities for manufacturing blade, tower, nacelle/ generator at multiple locations such as Ananthapuram and Nellore districts or such other districts identified subsequently. In terms of the MoU, Suzlon along with AEVIPL entered into a Project Implementation Agreement (PIA) with GoAP on 11th January 2016, Project Agreement with NREDCAP on 3rd February 2016 and Project Implementation Agreement with APTRANSCO, Andhra Pradesh Southern Power Distribution Company Limited and Andhra Pradesh Eastern Power Distribution Company Limited (last two entities are jointly referred as APDISCOMS) on 3rd October 2016. Copies of the MOU, PIA with the GOAP, Project Agreement, PIA with the AP Discom is attached as **Annexure 4, Annexure 5, Annexure 6 and Annexure 7** respectively.

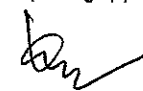
6. As per the PIA referred above, GoAP agreed to cause the APDISCOMS to procure the entire capacity of power generated from the renewable energy projects developed under the PIA. Clause 3.7 of the PIA has been reproduced below for ready reference:

"3.7 Execution of Power Purchase Agreement

GoAP shall cause the power distribution companies of Andhra Pradesh to execute confirmed and guaranteed Power Purchase Agreements in the format attached as Annexure 2 and purchase the entire capacity of power generated from the Renewable Energy Projects on take or pay basis at tariff determined by the Andhra Pradesh Electricity Regulatory Commission under Section 61 (h) of Electricity Act, 2003 and the terms of PPA approved by Commission."

Further, as per the PIA, GoAP agreed to extend all benefits available to the renewable energy projects under the Wind Power Policy 2015, Solar Power Policy, 2015 and the Andhra Pradesh Industrial Policy of 2015-2020. Clause 3.5 of the PIA has been reproduced below for ready reference:

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



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“3.5 *Benefits under renewable and industrial policies*

In relation to the development of the Renewable Energy Projects, GoAP agrees to extend benefits available under the Wind Power Policy 2015, Solar Power Policy, 2015 and the Andhra Pradesh Industrial Policy of 2015-2020.....”

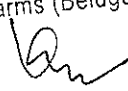
7. As per the Project Implementation Agreement dated 3rd October 2016, the APDISCOMS (including the Respondent herein) agreed to execute power purchase agreements for all the renewable energy projects being set up under the PIA. Clause 4 of the said Project Implementation Agreement dated 3rd October 2016 is reproduced below for ready reference.

“Clause 4 Execution of Power Purchase Agreement

4.1 First Party agrees to execute power purchase agreements with the third party in the format attached as Annexure 9 and as may be approved by APERC and purchase the entire capacity of the power generated from the Renewable Energy Projects at tariff determined by the Andhra Pradesh Electricity Regulatory Commission in accordance with Section 61, Section 62, Section 86 of Electricity Act, 2003 and any regulations made there under. *The terms of the PPA will be as approved by the commission from time to time.*

Provided that finalization of capacity for entering into PPA by First Party with Third Party from time to time shall be on the NREDCAP prioritization, duly considering the balance targeted RPO and the Policies of GoAP, and the project capacity as per the Annexure 10.

4.2 The Second Party hereby confirm and agrees to evacuate power produced from the Renewable Energy Projects. The power generated from the Renewable Energy Projects shall be provided with adequate power evacuation facilities by the Second Party for evacuation of power from the Interconnecting Point of Renewable Energy projects as per the procedure in vogue and in compliance of APERC orders.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

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4.3 Out of this 4000 MWs of Renewable Energy Projects, 2800 MWs will be evacuated through existing grid infrastructure and/or green energy corridor which is created/to be created by Second Party for evacuating Wind/Solar power projects and for remaining 1200 MWs of Renewable Energy Projects power evacuation infrastructure will be taken up by the Third Party through PPP model on behalf of the Second Party. The Second Party will constitute a committee along with the Third party and work out the modalities and guidelines for finalization of PPP model.”

8. AEVIPL has incorporated various special purpose companies for setting up the renewable energy projects committed under the Project Implementation Agreement (PIA) with GoAP on 11th January 2016. The Petitioner is one such special purpose company incorporated by AEVIPL. The Project was accorded approval by the New and Renewable Energy Development Corporation of Andhra Pradesh in its proceedings no. NREDCAP/WE/AXIS/Vajrakarur/2011, dated 24.09.2011 and proceedings no. NREDCAP/WE/AXIS/Vajrakarur/2017, dated 16.09.2017. Based on the said proceedings the Petitioner entered into agreement with NREDCAP on 24.09.2011. Copies of the proceedings and the above mentioned agreements with NREDCAP are attached as **Annexure 8**.

9. As per the agreements stated in para 5 above, the Respondent and the Petitioner executed a power purchase agreement dated 3rd June 2017 (“PPA”) with respect to the Project, which is attached herewith as **Annexure 9**. In terms of the PPA, the power sold was to be billed as per the tariff determined by this Hon’ble Commission in accordance with Section 61, 62 and 86 of the Electricity Act, 2003 and the regulations made thereunder without accelerated depreciation. Clause 2.2 is reproduced below for ready reference.

“2.2 The Wind Power Producer shall be paid tariff for energy delivered at the interconnection point of sale to the DISCOM, which shall be at the tariff rate as determined by APERC in accordance with Section 61, 62 and 86 of the Electricity Act, 2003 and any Regulation made thereunder without

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considering Accelerated Depreciation for a period of 25 years from the Commercial Operation Date.”

Section 61 of the Electricity Act, 2003 (the “Act”) requires this Hon’ble Commission to specify terms and conditions for determination of tariff applicable to generating companies. The said provision of the Act is reproduced below for reference:

“Section 61. (Tariff regulations):

The Appropriate Commission shall, subject to the provisions of this Act, specify the terms and conditions for the determination of tariff, and in doing so, shall be guided by the following, namely: -

(a) the principles and methodologies specified by the Central Commission for determination of the tariff applicable to generating companies and transmission licensees;

(b) the generation, transmission, distribution and supply of electricity are conducted on commercial principles;

(c) the factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments;

(d) safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner;

(e) the principles rewarding efficiency in performance;

(f) multi year tariff principles;

(g) that the tariff progressively reflects the cost of supply of electricity and also, reduces cross-subsidies in the manner specified by the Appropriate Commission;

(h) the promotion of co-generation and generation of electricity from renewable sources of energy.

(i) the National Electricity Policy and tariff policy.....”

(Emphasis supplied)

Section 62 of the Act requires this Hon’ble Commission to fix the tariff for supply of electricity by generating companies to distribution licensee. The said provision of the Electricity Act 2003 is reproduced below for ready reference:

For Axis Wind Farms (Betuguppa) Pvt. Ltd.

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“Section 62. (Determination of tariff): ---

(1) The Appropriate Commission shall determine the tariff in accordance with the provisions of this Act for –

(a) supply of electricity by a generating company to a distribution licensee:

.....” (Emphasis supplied)

Section 64 (1) of the Act further mandates that an application for the determination of tariff under Section 62 shall be made by a generating company or licensee in such a manner and accompanied by such fee, as may be determined by regulations. Section 64 (1) of the Act is reproduced below for ready reference:

“Section 64. (Procedure for tariff order): --- (1) An application for determination of tariff under section 62 shall be made by a generating company or licensee in such manner and accompanied by such fee, as may be determined by regulations.

.....”(Emphasis supplied)

Further as per Section 86 (1) (a) of the Act, one of the functions of this Hon’ble Commission is to fix the tariff according to which the distribution companies shall procure power for the generating companies. As per Section 86 (1) (b) of the Act and Section 21 of the Andhra Pradesh Electricity Reform Act, 1998 consent is required to be obtained from the Hon’ble Commission prior to procurement of electricity by the APDICOMS under a power purchase agreement. Further, in terms of Section 86 (1) (e) this Hon’ble Commission shall promote cogeneration and generation of electricity from renewable sources and also sale of electricity to any person as well as specify for purchase of electricity from such sources, a percentage of consumption of electricity in the ears for the distribution licensee. The said provision of the Act is reproduced below for ready reference:

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



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“Section 86. (Functions of State Commission): ---

(1) The State Commission shall discharge the following functions, namely:

(a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State: Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers;

(b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;.....”

(c) promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee;.....”

(Emphasis supplied)

As per Section 62 of the Act, this Hon'ble Commission had issued the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Tariff determination for Wind Power Projects) Regulations, 2015 in the official gazette of AP on 31.07.2015 (“APERC Regulations 2015”). The tariff for procurement of power generated from wind power projects until March 2017 was being determined by this Hon'ble Commission in accordance with the APERC Regulations 2015

10. On 06th March, 2017 the APDISCOMS filed a petition under section 55 (1) & (2) of APERC business regulations 2 of 1999 read with the Articles 23,

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

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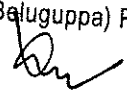
24, 25 and 26 of the APERC Regulation No. 01 of 2015 dated 31-07-2015 praying the Commission (i) to curtail the control period of the Regulation No.01 of 2015 (Terms and Conditions for Tariff Determination for Wind Power Projects in the State of Andhra Pradesh) for the period valid up to 31-03-2017; and (ii) to determine the tariff for FY2017-18 considering the emerged facts stated in the petition and market discovered price and formulating appropriate parameters, in view of the issues stated in the petition and also the precarious financial position of the petitioners (APDISCOMS), which was numbered as O.P. No. 5 of 2017. This Hon'ble Commission was pleased to curtail the control period of the APERC Regulation 2015 vide order dated 13.07.2018 in O.P. No. 05 of 2017, dated 13-07-2018. The operative part of the order passed by this Hon'ble Commission in O.P. No. 5 of 2017 is reproduced below for ready reference:

*(a) In exercise of the powers conferred on the Commission by Section 181 of the Electricity Act, 2003, Section 54 of the Andhra Pradesh Electricity Reform Act, 1998 and clause 1 (2) of The Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Tariff Determination for Wind Power Projects) Regulations, 2015, Regulation 1 of 2015, it is hereby declared that **the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Tariff Determination for Wind Power Projects) Regulations, 2015, Regulation 1 of 2015 shall be deemed to have remained in force upto 31-03-2017 and shall be deemed to have ceased to be in force with effect from 01-04-2017;***

(b) The petitioners are at liberty to procure power through a transparent process of bidding in accordance with the guidelines for tariff based competitive bidding process for procurement of power from grid connected wind power projects formulated and issued by the Ministry of Power, Government of India dated 08-12-2017 under Section 63 of the Electricity Act, 2003;

(c) The petitioners are also at liberty to procure power from wind power projects in accordance with Sections 61, 62, 64 and 86 (1) (b) of the Electricity Act, 2003 and Sections 21 and 26 of the Andhra Pradesh Electricity Reform Act, 1998 and rules, regulations, practice directions and

For Axis Wind Farms (Baluguppa) Pvt. Ltd.


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orders issued there under until an appropriate regulation in that behalf is made by this Commission and any Power Purchase Agreement or tariff there under for such procurement shall be guided by the principles contained in the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017;

(Emphasis supplied)

11. In light of the order passed by this Hon'ble Commission in O.P. No. 5 of 2017 and subsequent instructions issued by this Hon'ble Commission the Respondent has amended the Power Purchase Agreement duly amending Article 2.2 therein, which has been represented below for ready reference:

“The Wind Power Producer shall be paid tariff for energy delivered at the interconnection point for sale to DISCOM, which shall be at the tariff rate as determined by APERC in accordance with section 61, Section 62, Section 86 of Electricity Act, 2003 and the principles contained in the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017 and the orders of APERC, without considering Accelerated Depreciation for a period of 25 years from the Commercial Operation Date.”

Copy of the said amendment to the power purchase agreement is attached herewith as part of **Annexure 9**

Further, this Hon'ble Commission has directed in its order in O.P. No. 5 of 2017 that till such time an appropriate regulation is made by this Hon'ble Commission any Power Purchase Agreement or tariff for procurement of wind power shall be guided by the principles contained in the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017 (“**Tariff Regulations 2017**”) attached herewith as **Annexure 11**. It is pertinent to mention that the sites in the state of Andhra Pradesh that have the potential for wind power generation have low wind density. The potential of these sites can be harnessed to the fullest extent only with the

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



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use of most advanced technology and by increasing the hub height of turbines along with increasing the rotor diameter to increase the aperture area for capturing more wind. The Petitioner therefore proposes to use new and improved wind turbine generators with higher hub height of up to 140 meters so that the potential of wind power generation at a site can be maximized.

12. It may also be noted that the Eastern Power Distribution Company of Andhra Pradesh Limited and the Respondent herein filed two petitions numbered as O.P. No. 60 of 2017 and O.P.No.61 of 2017 before this Hon'ble Commission in respect of their individual Retail Supply businesses for various consumer categories for FY2018-19. These matters were placed for public hearing pursuant to which this Hon'ble Commission was pleased to pass a common order dated 27th March 2018. In the said order this Hon'ble Commission has approved various projections including the power purchase requirement and the power purchase cost. While approving the ARR projections, the energy availability for 2018-2019 was projected by the Eastern Power Distribution Company of Andhra Pradesh Limited and the Respondent. To arrive at the energy availability projections the capacities being developed by various special purpose companies of AEVIPL, i.e; an aggregate capacity of 762.3 MW for which power purchase agreements have already been executed, have also been taken into consideration. The Project herein forms part of the aforementioned capacity of 762.3 MW which has already been considered by this Hon'ble Commission while approving the ARR projections for FY 2018-2019.
13. It is pertinent to note that the Petitioners projects have been set up as part of the renewable energy projects committed under the Project Implementation Agreement dated 11th January 2016. This Hon'ble Commission has vide it's letter dated 15th May 2018 directed to the Respondents to file petitions under Section 62 of the Act for determination of project specific tariff. The letter dated 15th May 2018 issued by this Hon'ble Commission is attached herewith as **Annexure 10**.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



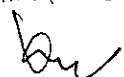
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14. The National Institute of Wind Energy (NIWE) has assessed the potential of the State of Andhra Pradesh in wind power projects to be over 14,000 MW at 80 meter hub level with maximum potential identified in the districts of Ananthapuram, Kadapa, Kurnool, Chittoor and Nellore. However, the fact remains that the sites in the state of Andhra Pradesh with the potential of wind power generation have of low wind density. The potential of these sites can be harnessed to the fullest extent only with the use of most advanced technology and by increasing the hub height of turbines along with increasing the rotor diameter to increase the aperture area for capturing more wind. The Petitioner therefore proposes to use new wind turbine generators with advanced technology and higher hub height of upto 140 meters, which helps in the growth of wind energy sector and better utilization of capital investment through maximization of wind power generation at potential sites. The aforementioned wind turbine generators provide a higher CUF which benefits consumers by lowering of the tariff and benefit the counter-party distribution companies in form of injection of a greater number of renewable energy units and thus faster achievement of its Renewable Purchase Obligation (RPO). As the turbines use modern technology and have higher hub height than the 100 meters level considered by the Hon'ble Central Electricity Regulatory Commission while finalizing the Tariff Regulations 2017 and hence the capital cost of these turbines works out to be higher. In line with the directions of this Hon'ble Commission in O.P. No. 05 of 2017 and the letter dated 15th May 2018 directing to file petitions under Section 62 of the Act for determination of project specific tariff the Petitioner is filing this petition as per the Tariff Regulations 2017. The Petitioner has in the following paragraphs of this Petition explained the various cost components for the Project for the consideration of this Hon'ble Commission in determining levelized tariff for the Project.

15. Regulation 7 of the Tariff Regulations, 2017, provides that for wind energy projects, no annual generic tariff shall be determined but only project specific tariff, on case-to-case basis, shall be determined. The said regulation is stated below for ease of reference:

7. Project Specific tariff

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

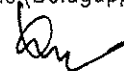


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- a) **Project specific tariff, on case to case basis, shall be determined by the Commission for the following types of projects:**
- i. *Solar PV and Solar Thermal;*
 - ii. **Wind Energy (including on-shore and off-shore);**
 - iii. *Biomass Gasifier based projects; if a project developer opts for project specific tariff;*
 - iv. *Biogas based projects; if a project developer opts for project specific tariff;*
 - v. *Municipal Solid Waste and Refuse Derived Fuel based projects with Rankine cycle technology;*
 - vi. *Hybrid Solar Thermal Power Projects;*
 - vii. *Other hybrid projects include renewable-renewable or renewable-conventional sources, for which renewable technology is approved by MNRE;*
 - viii. *Any other new renewable energy technologies approved by MNRE.*
- b) *Determination of Project specific tariff for generation of electricity from such renewable energy sources shall be in accordance with such terms and conditions as stipulated under relevant Orders of the Commission.*
- c) **No annual generic tariff shall be determined for the technologies mentioned in Clause (a) of this Regulation. Financial and Operational norms as may be specified would be the ceiling norms while determining the project specific tariff. Provided that the financial norms as specified under Chapter-2 of these Regulations, except for capital cost, shall be ceiling norms while determining the project specific tariff.**

16. In accordance with the directions of this Hon'ble Commission vide its letter dated 15th May, 2018, order of the Hon'ble Commission in O.P. No. 05 of

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



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2017 and Regulation 7 of the Tariff Regulations, 2017, the Petitioner is filing this Petition before the Hon'ble Commission for determination of project specific tariff for wind based generating station of the Petitioner in the state of Andhra Pradesh, based on the cost components mentioned below. The Petitioner has explained below the various cost components and accordingly determined the tariff.

16.1 Overview of the Tariff Proposal

Regulation 9 of the Tariff Regulations, 2017 provides the structure for determining the tariff for Renewable Energy projects:

9. Tariff Structure:

The tariff for wind power projects shall be single part tariff consisting of the following cost components:

- a) Return on equity;*
- b) Interest on loan capital;*
- c) Depreciation;*
- d) Interest on working capital;*
- e) Operation and Maintenance expenses;*

Accordingly, the Petitioner in this petition has determined the Project tariff based on the tariff structure specified. The description of each of the cost component comprising the tariff is provided in the subsequent sections.

16.2 Tariff period

Regulation 2 (1) (bb) and Regulation 6 of the Tariff Regulations, 2017 define the tariff period as follows:

bb) 'Tariff period' means the period for which tariff is to be determined by the Commission on the basis of norms specified under these Regulations;



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6. Tariff Period:

- a) *The Tariff Period for Renewable Energy power projects will be same as their Useful Life as defined in Regulation 2 (1) (cc)*
- b) *Tariff period under these Regulations shall be considered from the date of commercial operation of the renewable energy generating stations.*
- c) *Tariff determined as per these Regulations shall be applicable for Renewable Energy power projects, for the duration of the Tariff Period as stipulated under Clause (a) and (b).*

Regulation 2 (1) (cc) of the Tariff Regulations, 2017 defines useful life as follows:

cc) 'Useful Life' in relation to a unit of a generating station including evacuation system shall mean the following duration from the date of commercial operation (COD) of such generation facility, namely:-

- (a) Wind energy power project 25 years*

16.3 Applicability of the Tariff determined under these proceedings

Regulation 2(1)(i) and Regulation 5 of the Tariff Regulations, 2017 define control period as follows:

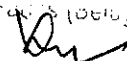
- (i) 'Control Period or Review Period' means the period during which the norms for determination of tariff specified in these regulations shall remain valid;*

5. Control Period or Review period:

The Control Period or Review Period under these Regulations shall be of three (3) years, of which the first year shall be the financial year 2017-18.

Provided further that the tariff determined as per these Regulations for the RE projects commissioned during the Control Period, shall continue to be applicable for the entire duration of the Tariff Period as specified in Regulation 6 below.

For Axis Wind Energy (India) Pvt. Ltd.



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Provided also that the revision in Regulations for next Control Period shall be undertaken six months prior to the end of the first Control Period and in case Regulations for the next Control Period are not notified until commencement of next Control Period, the tariff norms as per these Regulations shall continue to remain applicable until notification of the revised Regulations subject to adjustments as per revised Regulations.

Thus, the tariff determined under current proceedings by the Hon'ble Commission shall remain applicable for the entire tariff period i.e. upto the last day of Useful Life of the Project.

16.4 Project configuration and technology:

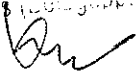
The Project is located around Beluguppa village, Anantapur district in the state of Andhra Pradesh. It has a total installed capacity of 50.4 MW, comprising of 24 wind turbines of 2.1 MW each. The turbines are proposed to be installed at varying hub heights of upto 120 meters and 140 meters in order to optimize the capital cost and CUF. The inter-connection point of the Project is located at the 400/220 kV Urvakonda substation situated at a distance of about 22 kms from the Project location, where the Project connects with the network of APTRANSCO

16.5 Project construction

The construction of the Project shall involve the following components:

- (i) Financial closure
- (ii) Acquisition of statutory clearances and permits
- (iii) Supply of wind turbine-generator
- (iv) Balance of Plant (BoP) works consisting of:
 - (a) Land acquisition for sites identified for WTG and access road to such sites and acquisition of Right of Way (RoW) for power evacuation infrastructure
 - (b) Electrical works
 - (c) Power evacuation infrastructure
 - (d) Erection, synchronizing and commissioning

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


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- (e) Civil works
- (f) Road construction.

The total time for construction of the Project is **10 months**.

16.6 Capital Cost

As per Regulation 12 of the Tariff Regulations, 2017 the term 'Capital Cost' is defined as follows:

"12. Capital Cost:

The norms for the Capital cost as specified in the subsequent technology specific chapters shall be inclusive of all capital work including plant and machinery, civil work, erection and commissioning, financing and interest during construction, and evacuation infrastructure up to inter-connection point.

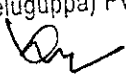
Provided that for project specific tariff determination, the generating company shall submit the break-up of capital cost items along with its petition in the manner specified under Regulation 8."

The Petitioner proposes to use advanced technology wind turbine generators and install them at a higher hub height of upto 140 meters, which will result in high CUF (as detailed in subsequent paragraphs). Higher CUF would benefit consumers in form of lowering of the tariff and benefit the counter-party Discom in form of injection of a greater number of renewable energy units and thus faster achievement of its Renewable Purchase Obligation (RPO).

The use of advanced technology and higher hub height (and consequent increase in the quantum of raw material required for manufacturing the tower) impact the capital cost. A summary of the capital cost envisaged by the Petitioner is provided in the table below. It is to be noted that the below mentioned cost is on a per WTG basis, i.e. corresponds to a capacity of 2.1 MW:

No.	Particulars	Cost (Rs. Crore)
(i)	Supply, Installation and Commissioning(SIA)	11.86
(ii)	Balance of Project ("BOP")	3.48
(iii)	Interest During Construction and other financial charges	1.12

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


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No.	Particulars	Cost (Rs. Crore)
	Total capital cost	16.46

Construction time is assumed to be 10 months and capex phasing is assumed to be as follows:

Month	1	2	3	4	5	6	7	8	9	10
% phasing	25%	0%	0%	0%	0%	6%	15.6%	18%	18%	17.5%

16.6.1 Debt Equity Ratio

A normative debt equity ratio of 70:30 has been considered by the Petitioner. The same corresponds to a normative debt of Rs. 11.52 crores and normative equity of Rs. 4.94 Crores considering the Capital Cost stated hereinabove.

16.6.2 Interest on Loan Capital

In terms of Regulation 14 of the Tariff Regulations, 2017 the Petitioner has considered the following:

- (i) Loan tenure: 13 years, without any moratorium
- (ii) Interest rate: SBI MCLR for last 6 months (8.12%) + 200 bps = 10.12%
- (iii) Repayment = annual depreciation

16.6.3 Return on Equity (RoE)

As per Regulation 16 of the Tariff Regulations, 2017 the normative Return on Equity shall be 14%, to be grossed up by prevailing Minimum Alternate Tax (MAT) as on 1st April of previous year for the entire useful life of the project. The Petitioner has accordingly considered return on equity at the rate of 17.80% (after grossing up by prevailing MAT rate of 21.34% as on 1 April 2017) for the useful life of the project.

16.6.4 Depreciation

As per Regulation 15 of the Tariff Regulations, 2017 the salvage value of the asset shall be considered as 10% and depreciation shall be allowed upto maximum of 90% of Capital cost of asset. The Petitioner also seeks the depreciation of gross fixed asset value of the power plant to be at 90% of the asset value which corresponds to Rs. 16.46 Crores. The rate of depreciation

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

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for first thirteen years shall be 5.28% and 1.78% for the remaining useful life of the project from 14th year onwards, in accordance with Regulation 15.

16.6.5 Working Capital and Interest on Working Capital:

In accordance with Regulation 17 of the Tariff Regulations 2017, the Petitioner also envisaged the working capital requirement by considering the sum of maintenance spares @ 15% of O&M expense, receivables equivalent to 2 months of Energy Charge for sale of electricity calculated on the normative CUF and O&M equal to 1 month. Accordingly, the Petitioner envisages that a working capital interest rate of 11.12% shall apply to the Project.

16.6.6 Operation & Maintenance (O&M) expenses:

In accordance with Regulation 20 of the Tariff Regulations 2017

(1) *'Operation and Maintenance or O&M expenses' shall comprise repair and maintenance (R&M), establishment including employee expenses, and administrative and general expenses.*

(2) *Operation and maintenance expenses shall be determined for the Tariff Period based on normative O&M expenses specified by the Commission subsequently in these Regulations for the first Year of Control Period.*

(3) *Normative O&M expenses allowed during first year of the Control Period (i.e. FY 2017-18) under these Regulations shall be escalated at the rate of 5.72% per annum over the Tariff Period.*

The Petitioner envisages O&M expense at Rs. 10.71 Lakhs/MW for the first year of the operational period from the date of commissioning of the Project and for the remaining term of the project life the escalation rate of 5.72% shall be applied.

16.6.7 Capacity Utilization Factor (CUF)

As per the Regulation 26 of the Tariff Regulations 2017,

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


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26. Capacity Utilisation Factor (CUF)

(1) CUF norms for this control period shall be as follows:

<i>Annual Mean Wind Power Density (W/m²)</i>	<i>CUF</i>
<i>upto 220</i>	<i>22%</i>
<i>221-275</i>	<i>24%</i>
<i>276-330</i>	<i>28%</i>
<i>331-440</i>	<i>33%</i>
<i>>440</i>	<i>35%</i>

(2) The annual mean wind power density specified in sub-regulation (1) above shall be measured at 100 meter hub-height.

(3) For the purpose of classification of wind energy project into particular wind zone class, as per MNRE guidelines for wind measurement, wind mast either put-up by NIWE or a private developer and validated by NIWE, would be normally extended 10 km from the mast point in all directions for uniform terrain and limited to appropriate distance in complex terrain with regard to complexity of the site. Based on such validation by NIWE, state nodal agency should certify zoning of the proposed wind farm complex.

The Petitioner proposes to use wind turbine generators of advanced technology and of a higher hub height of upto 140 meters, which would enable achievement of a CUF of 32%. Hence, for determination of tariff, the Petitioner proposes CUF to be considered at 32%.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.



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16.6.8 Levellized tariff

As per Regulation 10(3) of the Tariff Regulations 2017, the tariff shall be determined on levellized basis for the 'useful life' of the Renewable Energy Project.

The discount factor considered for this purpose is equal to the Post tax weighted average cost of capital on the basis of normative debt-equity ratio (70:30) specified under section 13 of the said regulations. Considering the normative debt equity ratio and weighted average of the rates of interest and post-tax return on equity, the discount factor is calculated. Interest rate for the loan component (i.e.70%) of Capital Cost is considered as 10.12% (as derived in paragraph 16.6.2 of this petition). For equity component (i.e. 30%), post-tax Return on Equity (ROE) of 14% is considered. The discount rate derived by this method is 9.22%.

Levellized tariff is calculated by carrying out levellization for 'useful life' considering the discount factor for time value of money specified under Regulation 10. Hence, considering the above parameters, the Petitioner has computed the levelized tariff for the Project at Rs. 4.27 per unit in view of the facts stated above and as reiterated in the below table. Also, as per CERC regulation, 2017 the detailed computation for the tariff is shown in Form 1.1 and Form 2.1 which are enclosed as **Annexure 12(Colly)**.

S.No	Particulars	Units	FY 2019-20
1	O&M Expenses	Rs Lakhs	22.5
2	Return on Equity	Rs Lakhs	87.9
3	Interest on Loan Capital	Rs Lakhs	112.2
4	Depreciation	Rs Lakhs	86.9
5	Interest on Working Capital	Rs Lakhs	5.40
6	Total Cost		314.90
7	Unit Generated	MU	6.04
8	Per Unit Cost	Rs	5.21

For Axis Wind Farms (India) Pvt. Ltd.

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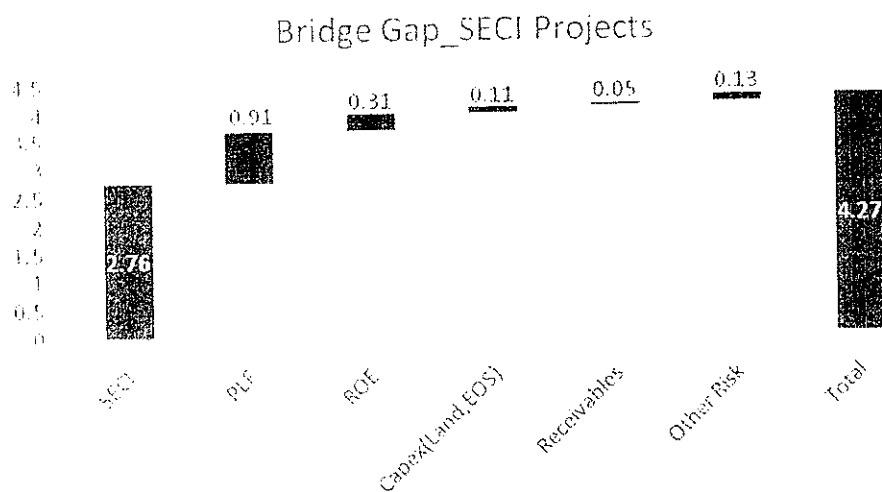
S.No	Particulars	Units	FY 2019-20
9	Discount Factor	%	9.22
10	Levelised Tariff	Rs	4.27

17. Comparison of filed Tariff with that of competitive bidding

17.1 The Petitioner has compared the tariff derived through cost plus method with the average of last four bids conducted by SECI with respect to allotment of wind power projects i.e. Rs 2.76. The details of SECI projects is given below:

Particulars	Customer	Site	Capacity(MW)	Tariff
SECI I	SembCorp (Green Infra)	Chandragiri, TN	249.9	3.43
SECI II	SembCorp (Green Infra)	Desalpar, GJ	252	2.64
SECI III	Torrent Power	Lakhpeth + Junachay, GJ	499.8	2.44
SECI IV	ENEL	Baranda, GJ	285.6	2.51
Average				2.76

The difference between average of per unit rate discovered through the competitive bids conducted by SECI and levelized tariff proposed by the Petitioner in para 16.6.8 above is Rs 1.51 per unit. The difference is shown by waterfall graph below.



For Axis Wind Farms (Bengaluru) Pvt. Ltd.

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17.2 A bridge gap analysis has been depicted in the following sections to demonstrate the difference between SECI bids and the cost plus tariff.

- (i) Plant Load Factor (PLF): The PLF of the petitioner plant is 33% while the SECI bids III and IV were for high wind density sites in Gujarat where PLF is as high as 42%. The attachment as **Annexure 13** shows the estimated generation at SECI bid III site, which is around 42%. The per unit impact of the PLF reducing from 42% (Base case) to 33% (Change case) is Rs 0.91/unit.
- (ii) CAPEX: The CAPEX of the petitioner's project is higher than the SECI wind plant projects. The higher CAPEX of the plant is attributed to the following factors:
- a) Land: SECI bid plants are set-up on revenue lands while the petitioner's plant is on private land which results in a cost difference. The cost difference between private and revenue land is mostly on account of private land purchase cost, stamp duty, NALA charges and relevant overhead charges. This pushes up the CAPEX by approximately Rs 50 lakh/ WTG. The impact of Capex (land cost) is estimated to be Rs. 0.11/ unit.
- b) Economies of scale: Project size of SECI project was in the range of 250-300 MW whereas the project size here is upto 50 MW. There are economies of scale involved in terms of negotiation capabilities with vendors, costs involved in balance of plant, etc. whose impact is material. However, in absence of specific data, the Petitioner is unable to determine this impact.
- (iii) Return on Equity: The equity return expectations (on post tax basis) of equity holders in SECI bid projects is expected to be in the range of 11-12% while the same for petitioner's project is 14%. The reason for lower return expectation in SECI projects is on account of their **better risk profile** (more robust payment security mechanism in the PPA, higher credit-worthy party in form of Central Government, assurance of power evacuation arrangements, etc.) and **competitive nature of**

For Axis Wind Farms (Pune/Gujappa) Pvt. Ltd.

Authorised Signatory

procurement. The difference in ROE expectation has an impact of Rs 0.31/ unit on the tariff.


- (iv) **Receivables:** Payments in SECI projects are made within 1 month whereas the petitioner has assumed receivables to the extent of 2 months for this project (although average delays faced by projects in Andhra Pradesh is to the tune of 6-8 months). The difference of 1 month in the timing of payment accounts for an impact of Rs. 0.05/ unit.
- (v) **Other risks:** This includes risk of curtailment which is much higher in Andhra Pradesh at around 1%. Further, the contracting cost in Andhra Pradesh is more than Gujrat. Impact of these risk factors is assessed to be around Rs 0.13/ unit.
- (vi) **Inter-State transmission (ISTS) charges:** ISTS charges for transmission of power for interstate has been exempted. Due to this reason, SECI bids at such a low FIT rates are becoming viable, if such applicable charges are levied, the rate would be upwards of Rs 4.00

18. **Additional Project Support Cost**

In addition to the investment of project cost of Rs. 16.46 Crore per WTG, the Petitioner expects to incur additional cost of Rs 0.3 Crore per WTG for upgrading the power evacuation infrastructure of APTRANSCO.

The additional cost per WTG on account of the above upgradation is Rs. 0.3 Crore per WTG. APTRANSCO has given approval to petitioner for financing and construction at existing 400 kV Urvakonda-1 SS. The detail for the same is attached as **Annexure 14**. Hence, the Petitioner requests for recovery of this additional cost through a suitable mechanism, over and above the tariff determined under these proceedings. It is to be noted that this infrastructure is critical to evacuate power from the wind projects and hence is an essential capex. The Petitioner is incurring this cost so as to achieve commissioning of the infrastructure in a timely manner. The created infrastructure will ultimately form a part of APTRANSCO's asset base, and as such APTRANSCO will be able to recover the cost corresponding to this

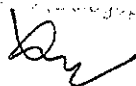
For Axis Wind Farms (Beluguppa) Pvt. Ltd.


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asset from its consumers. The Hon'ble Commission may please devise a mechanism for the Petitioner to be suitably reimbursed for the cost incurred to create the infrastructure.

19. For the grounds elucidated between Para 5 to Para 18, we request this Hon'ble Commission to kindly initiate proceedings for the determination of project specific levelized tariff for the Project.
20. This Hon'ble Commission may permit the petitioner to urge such additional grounds, if any, in defence of the contentions by permitting to amend the existing petition or to file such additional information, pleadings and rejoinders as may be necessary.
21. The Petitioner submits that it has already made substantial investment in the development of the Project and the Respondent is willing to procure the power generated from the Project. Hence, this Hon'ble Commission may be pleased to allow this petition.
22. The Petitioner submits that it has paid the requisite fee as required in accordance with the regulations of this Hon'ble Commission. This petition is in compliance with the directions of this Hon'ble Commission in O.P. No. 5 of 2017 and subsequent direction/instructions issued by this Hon'ble Commission. This petition is filed under Section 62, Section 64 (1), Section 86 (1) (a), Section 86 (1) (b), Section 86 (1) (e) of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017 and Section 21 of the Andhra Pradesh Electricity Reform Act, 1998
23. That this Hon'ble Commission has jurisdiction to entertain the present petition and grant relief as prayed herein, under Section 62 Section 64 (1), Section 86 (1) (a) Section 86 (1) (b), Section 86 (1) (e) of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017 and Section 21 of the Andhra Pradesh Electricity Reform Act, 1998. The Project is situated around Beluguppa village, Ananthapur

For AXIS Wind Energy Pvt. Ltd.



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district of the state of Andhra Pradesh and is therefore within the territorial jurisdiction of this Hon'ble Commission.

PRAYER

The Petitioner, therefore, prays that the Hon'ble Commission may be pleased to pass necessary orders on the following:

- (a) regulate the PPA (including any amendment thereof) by granting it's consent and taking the same on record in accordance with Section 86 (1) (b) of the Electricity Act, 2003 read with Section 21 of the Andhra Pradesh Electricity Reform Act, 1998;
- (b) fix project specific levelized tariff for the Project at Rs. 4.27 per unit;
- (c) allow the levelized tariff for the Project at Rs. 4.27 to be applicable for PLF upto and including 33% . Any generation beyond 33 % PLF, petitioner may consider the tariff applicable to be 75% of tariff determined for project.
- (d) approve amendment of the original PPA executed with the Respondent, to the extent of tariff approved;
- (e) pass necessary orders allowing the Petitioner to achieve COD of the Project within 2 years from the date of the order passed by this Hon'ble Commission under these proceedings;
- (f) allow recovery of the Project Support cost through a suitable mechanism over and above the tariff determined under these proceedings;
- (g) pass such other further orders as this Hon'ble Commission may deem fit and proper in the interest of justice and equity.



COUNSEL FOR THE PETITIONER

For Axis Wind farms (Vijayagadda) Pvt. Ltd.



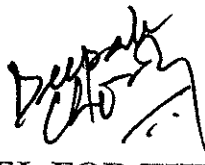
PETITIONER'S Signatory
Authorized Signatory

VERIFICATION

I, Mr. J Venkata Kumar S/o JVSN Sastry, Aged 49 years, being authorised signatory of the Petitioner, having office address at 2ND Floor, Plot No. 3, H. NO. 6-3-680/8/3, PMR Plaza, Thakur Mansion Lane, Somajiguda, Hyderabad – 500 082, do hereby verify that the contents of the paras 1 to 23 are true and correct to my personal knowledge as well as from the records of the Petitioner. Hence verified.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

Hyderabad
19.12.2018





PETITIONER

COUNSEL FOR THE PETITIONER

LIST OF DOCUMENTS

ANNEXURE NUMBER	DESCRIPTION OF DOCUMENT	REMARKS
1	Copies of (a) Certificate of incorporation	Photocopies
2	Copy of Memorandum and Articles of Association and	Photocopies
3	Copy of Letter of Authority	Photocopies
4	Copies of the Memorandum of Understanding	Photocopies
5	Copy of PIA with the GOAP	Photocopies
6	Copy of Project Agreement	Photocopies
7.	Copy of PIA with the AP Discom	Photocopies
8.	Copies of the proceedings and agreements with NREDCAP	Photocopies
9.	Power Purchase Agreement and Amendment to Power Purchase Agreement	Photocopies
10.	Copy of the letter dated 15 th May 2018 issued by this Hon'ble Commission	Photocopies
11.	Copy of Central electricity regulatory commission (terms and conditions for tariff determination from renewable energy sources) regulations 2017	Photocopies
12.	Copy CERC regulation, 2017 the detailed computation for the tariff is shown in Form	Photocopies

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

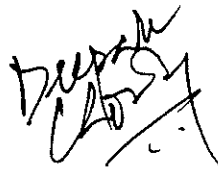

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	1.1 and Form 2.1	
13.	Copy showing the estimated generation at SECI bid III site, which is around 42%.	Photocopies
14.	Copy of approval given by APTRANSCO to the Petitioner for financing and construction at existing 400 kV Urvakonda-1 SS.	Photocopies

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


PETITIONER'S Signatory

Hyderabad.
 19.12.2018



COUNSEL FOR THE PETITIONER

**BEFORE THE ANDHRA PRADESH ELECTRICITY
REGULATORY COMMISSION, HYDERABAD
FILING NO.**

CASE NO. O.P. No. / 2018

IN THE MATTER

To determine tariff for wind power project in the state of Andhra Pradesh in accordance with Section 61 (h), Section 62 (1) (a), Section 64 (1), Section 86 (1) (a), Section 86 (1) (b) and Section 86 (1) (e) of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017 and Section 21 of the Andhra Pradesh Electricity Reform Act, 1998.

AND

IN THE MATTER OF

Axis Wind Farms (Beluguppa) Private Limited

.....Petitioner

AND

Southern Power Distribution Company of AP Limited

.....Respondents

VERIFYING AFFIDAVIT

I, Mr. J Venkata Kumar S/o JVSN Sastry, Aged 49 years, being authorised signatory of the Petitioner, do hereby solemnly affirm and state on oath as under:


01. I state that I am working as Project Director in the Petitioner in the Petitioner Company.

02. I state that I am well aware of the facts and circumstances of this case and hence authorized to swear to this affidavit.

03. I state that the contents of the accompanying the Petition from Para 1 to 23 are true and correct to the best of my knowledge, information and belief.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

Identified by me:


Advocate


Deponent
Authorised Signatory

**BEFORE THE ANDHRA PRADESH
ELECTRICITY REGULATORY
COMMISSION, HYDERABAD**

FILING NO.

CASE NO. O.P. No. / 2018

IN THE MATTER

To determine tariff for wind power project in the state of Andhra Pradesh in accordance with Section 61 (h), Section 62 (1) (a), Section 64 (1), Section 86 (1) (a), Section 86 (1) (b) and Section 86 (1) (e) of the Electricity Act, 2003 read with the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017 and Section 21 of the Andhra Pradesh Electricity Reform Act, 1998.

AND

IN THE MATTER OF

Axis Wind Farms (Beluguppa) Private Limited

.....Petitioner

AND

Southern Power Distribution Company of AP Limited

.....Respondent

Filed on: 19.12.2018

Filed By: Counsel for the Petitioner

Address for Service

INDUSLAW, ADVOCATES

Mr. Deepak Chowdhury

G. P. YashVardhan

204, Ashoka Capitol, Opp: KBR Park, Banjara Hills, Hyderabad – 500 034



सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Central Registration Centre

Certificate of Incorporation

[Pursuant to sub-section (2) of section 7 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014]

I hereby certify that **AXIS WIND FARMS (BELUGUPPA) PRIVATE LIMITED** is incorporated on this Eleventh day of April Two thousand seventeen under the Companies Act, 2013 (18 of 2013) and that the company is limited by shares

The Corporate Identity Number of the company is **U40300TG2017PTC116457**.

The Permanent Account Number (PAN) of the company is **AAPCA4403K ***

Given under my hand at Manesar this Eleventh day of April Two thousand seventeen.

DS MINISTRY OF
CORPORATE AFFAIRS 01

Digital Signature Certificate
ALOK TANDON

For and on behalf of the Jurisdictional Registrar of Companies
Registrar of Companies
Central Registration Centre

Disclaimer: This certificate only evidences incorporation of the company on the basis of documents and declarations of the applicant(s). This certificate is neither a license nor permission to conduct business or solicit deposits or funds from public. Permission of sector regulator is necessary wherever required. Registration status and other details of the company can be verified on www.mca.gov.in

Mailing Address as per record available in Registrar of Companies office:

AXIS WIND FARMS (BELUGUPPA) PRIVATE LIMITED
3-680/8/3, PNO-03, PMR Plaza,, Thakur Mansion Lane, Somajiguda,
HYDERABAD, Hyderabad, Telangana, India, 500082



* as issued by the Income Tax Department



INCORPORATED
UNDER THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION

OF
M/s. AXIS WIND FARMS (BELUGUPPA) PRIVATE LIMITED

- I. The name of the Company is **M/s. Axis Wind Farms (Beluguppa) Private Limited.**
- II. The Registered Office of the Company will be situated in the State of Telangana.
- III. The objects for which the Company is established are:
 - A. **MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION;-**
 1. To carry on business of manufacturing, producing, processing, generating, accumulating, distributing, transferring, preserving, mixing, supplying, contracting, as consultants, importers, exporters, buyers, sellers, assemblers, hirers, repairers, dealers, distributors, stockiest, wholesalers, retailers, jobbers, traders, agents, brokers, representatives, collaborators, of merchandising, marketing, managing, leasing, renting, utilizing of electricity, steam, power, solar energy, wind energy, biomass energy, geothermal energy, hydel energy, tidal and wave energy, and other conventional, non-conventional and renewal energy sources, waste treatment plants of all kinds and equipment thereof in India and outside India
 2. To construct establish, operate, manage power stations, boiler houses, steam turbines, switch yards, transformer yards, substations, transmission lines, accumulators, workshops and all such other works necessary for generating, accumulating, distributing and supplying of electricity.
 3. To promote, own, acquire, erect, construct, establish, maintain, improve, manage, operate, alter carry on, control, take on hire/lease, power plants, co-generation power plants, energy conservation projects, power houses, canals, transmission and distribution systems for generation, distribution, transmission and supply of electrical energy and to buy, sell supply, exchange, market, function as a licensee and to deal in electrical energy and to buy, sell supply, exchange, market, function as a licensee and to deal in electrical power, energy to the State Electricity Board, State Government,

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Appropriate Authorities, licencees, specific industrial units and other consumers for industrial, commercial, agricultural, household and or for any other purpose in India and elsewhere in any area to be specified by the State Government, Central Government, Local Authority, State Electricity Boards and any other competent authority in accordance with authority in accordance with the provisions of Indian electricity Act, 1910 and /or Electricity (supply) Act, 1948 or any other Statutory modifications or reenactment thereof and rules made there under.

4. To construct establish, operate, manage power stations, boiler houses, steam turbines, switch yards, transformer yards, substations, transmission lines, accumulators, workshops and all such other works necessary for generating, accumulating, distributing and supplying of electricity.
5. To plan, promote and organize an integrated and efficient development of thermal, hydel, nuclear power and power through non-conventional/renewable energy sources in India and abroad including planning, investigation, research, design and preparation of preliminary, feasibility and definite project reports, construction, generation, operation & maintenance, renovation and modernization of power stations and projects, transmission, distribution, sale of power generated at Stations in India and abroad in accordance with the national economic policies and objectives laid down by the Central Government from time to time, the management of front and back-end of nuclear fuel cycle and ensure safe and efficient disposal of waste

B. THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE:

1. To establish branches, offices and agencies, depots in India and abroad, to procure the registration or recognition and for the conduct of the business of the Company or for their purchase and sale of any goods, merchandise, materials, articles and things require for all dealt or manufactured by or at the disposal of the Company.
2. To employ or otherwise acquire the services of technical experts, engineers, mechanics, or skilled and unskilled labour for any of the purpose or business of the Company.
3. To enter into agreements or arrangements with any Indian or Foreign company or persons for obtaining by grant, licence or on other terms, formulate and other rights and benefits, technical information, know-how and expert guidance and to arrange facilities for training of technical personnel by them.
4. To acquire and undertake the whole or any part of the business, property rights and liabilities of any person or Company carrying on or proposing to carryon any business which the Company is authorised to carryon or proposing to carryon any business which the Company is authorised to carry on or possessed of the property suitable for the purpose of the Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to the benefit of the company and to purchase, acquire, promote, aid, sell and deal in property shares, stocks, debentures, debenture stocks of any such person, firm or company and to conduct, make or carry on

and to effect any arrangement in regard to the winding up of the such persons, firm or company.

- 5. To establish, provide, maintain and conduct or otherwise subsidize research laboratories and experimental workshops for scientific and technical research and experiments, and tests of all kinds and to promote studies and research both scientific and technical investigation and invention by providing subsidizing, endowing, or assisting laboratories, workshops, libraries, lecturers, meeting and conferences and by providing (remuneration) of scientific or technical scholarships, prizes, grants and bursaries to students or independent students, or otherwise, and generally to encourage, promote and reward studies, researches, investigation experiment, test and invention of which the Company is authorised to carry on.
- 6. To let on lease any machinery, plant, building and equipment of the company for the time being the property of the Company or whether as a whole or part by part to any person, firm or company to the best advantage of the Company.
- 7. To sell, improve, alter, manage, develop exchange, lease, mortgage, dispose off, turn to account or otherwise deal in all or any part of the business, land and buildings, property, assets, rights and generally the resources undertaking of the company in whole or part in such manner and on such terms as directors deems fit.
- 8. To acquire by concessions, grant, purchase, barter, lease or otherwise, whether absolutely or conditionally, and either alone or jointly with others, any lands, buildings, machinery, plant, utensils, works, conveniences and other movable and immovable property of any description for the Company.
- 9. To mortgage, pledge or give as a collateral security of any assets of the company or to issue guarantees to any Financial Institutions, Banks, Government Departments for due performance of the agreements, contracts or borrowings by any person, firm or company but shall not do the business of banking as defined under the Banking Regulations Act, 1949.
- 10. To invest and deal with monies of the Company not immediately required in such manner as may from time to time be determined by the Board of Directors.
- 11. To incur debts and obligations for the conduct of any business of the Company and to purchase or hire the goods, materials or machinery on credit or otherwise for any business or purpose of the company.
- 12. To accumulate funds, to lend, invest or otherwise employ money belonging or entrusted to the company upon securities and shares or without security, upon such terms as may be brought proper and from time to time to vary such transactions in such manner as the company thinks fit but not to do the business of banking within the meaning of the banking within the meaning of the Banking Regulations Act, 1949.
- 13. To open accounts with any individual, firm or company or with any banker or banks or offshore and to pay into and to withdraw money from such account or accounts.

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14. To make advances of such sum or sums of money upon or in respect or for the rendering of services to the Company, purchase of materials, goods, machinery, stores or any other property, articles and things required for the purpose of the Company upon such terms with or without security as the company may deem expedient.
 15. Subject to the provisions of the Companies Act, 2013, to borrow or raise or secure the payment of the monies in such manner and on such terms and with such powers and privileges as may be thought fit and in particular by the issue of or upon bonds, debentures, bills of exchanges, promissory notes, or other obligations or securities of the Company and with a view thereto mortgage, pledge and charge the undertaking and all or any of the immovable property, present and future, and all or any of the uncalled capital for the time being of the Company and to purchase, redeem or pay off any such securities.
 16. To pay all costs, charges and expenses of and incidental to the promotion, formation, registration, establishment and the development of the company and to remunerate or make donations to (by cash by the allotment of fully or partly paid shares of by call or option on shares, debentures, debentures stocks or securities of this or any other company or in any other manner whether out of company's capital or profits or otherwise) any person, firm and/or company for services rendered or to be rendered in introducing any property to the business of the Company, or of for any other reason which the company may think proper.
 17. To procure the registration or other recognition of the Company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business and to apply or join in applying to any parliament, local government, Municipal or other authority or body, Indian or Foreign, for any act of the parliament laws, decrees, concessions, orders, rights or privileges that may seem conducive to the company's objects or any of them and to oppose any proceeding or application which may seem, calculated directly or indirectly to prejudice the company's interests.
 18. To remunerate (by cash or otherwise or by other assets or allotment of fully or partly paid shares of in any other manner) any person, firm, association or company for services rendered or to be rendered in giving technical aid and advice, granting licenses or permissions for the use of patents, trade secrets, trademarks, posses and in acting as trustees for debenture holders of the Company or subscriptions whether absolutely or conditionally or for services rendered in or about the formation or promotion of the company if any or for guaranteeing payment of such debentures or other securities including brokerage and commission for obtaining of taking, placing or underwriting or procuring the underwriting of the shares, debentures and other securities of the company and any company promoted by the company or in introducing any property of business to the company or in or about the conduct of the business of the company or interest thereon.
 19. To pay all preliminary expenses of any company promoted by the Company or any Company and Firm which the Company is or may contemplate being interested,

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- including in such preliminary expenses all or any Part of the costs and expenses of owners of any business or property acquired by any such Company.
20. To create depreciation fund, reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for any other purpose conducive to the interests of the Company.
 21. To form, incorporate or promote any company or companies, association or associations, subsidiary or otherwise for the purpose of acquiring all or any of the property rights and liabilities of the Company for any other purpose which may seem directly or indirectly calculated to the benefit of the company and to transfer to any such company property and to be interested in to take or otherwise acquire, hold, sell, or otherwise dispose of shares, stocks, debentures and other securities in or other company for all or any other objects mentioned in this memorandum and subsidize or otherwise such company.
 22. To assist any company, firm, or individual financially or otherwise or by issuing guarantees, the subscription and issue of Capital, shares, stocks, debenture stock or other securities and to hold and deal in shares, stocks and securities of any Company, notwithstanding there may be liability thereon.
 23. To enter into agreements and arrangements with any Governments or authorities (supreme, municipal, local or otherwise) or any corporations, Companies or persons that may seem conducive to the Company's objects or any of them; and obtain from any such Government authority, corporations, company or persons, any charters contracts, decree, rights or privileges and concessions which the company may think desirable to obtain and to carry out, exercise, dispose off, turn to account or comply with any such agreements or arrangements, charters, contracts, decree rights, privileges and concessions.
 24. To sub-let all or any contracts from time to time and upon such terms and conditions as may be thought expedient.
 25. To take such steps as are/may be necessary to give to the Company the same rights and privileges in any part of the world as are possessed by local companies or partnership of a similar nature.
 26. To dedicate, present or otherwise dispose of either voluntarily or for value any property of the Company deemed to be of national, public or local interest, to any national trust, public body, museum, corporation, or authority of any trustees for or on behalf of any, of the same or of the public.
 27. To guarantee the performance of contracts by members or persons having dealings with the Company.
 28. Subject to the provisions of Banking Regulations Act, 1949, to draw, accept, make, negotiate, assign, execute and to issue and to buy, sell promissory notes, hundis, bills of exchange, bill of lading and other negotiable instruments connected with the business of the Company

29. To amalgamate with any company or companies having objects altogether or in part similar to those of the Company.
30. To acquire by subscription or otherwise and hold shares, stocks, debentures or other interests in any company or companies having objects wholly or partly similar to that of the Company.
31. To buy, sell, import, export, refine, manipulate and otherwise deal in any articles of whatever description including stores and raw materials for all or any of the objects of the Company.
32. To adopt such means of making known the business activities and products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchases and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations and holding exhibitions, demonstrations and displays.
33. Subject to the provisions of the Companies Act, 2013, to distribute among the Members in special any property of the Company, or any proceeds of sale or disposal of any property of the Company.
34. To apply for, purchase or otherwise acquire, obtain, protect, sell, prolong and renew any patent rights, trademarks, designs, licenses, protections, permissions, concessions, processes and the like, conferring any exclusive or limited right (either point of time or otherwise) to use the same or any secret or other information as to any invention which may seem capable of being used for any purpose of the Company and use, exercise, develop or grant licenses in respect of or otherwise turn to account any such patents, inventions, permissions, concessions and processes.
35. To insure all or any of the properties or assets or obligations of the Company of whatsoever nature against any losses, damages, risk and liabilities of any kind which may effect the Company wholly or partly.
36. To train or pay for the training in India or abroad of the Company's Directors, members, officers, employees or their children or any candidate in the interest of or for the furtherance Company's objects.

IV. The Liability of the Members of the Company is Limited.

V. The Authorised Capital of the Company is Rs.1,00,000/-(Rupees One Lakh only) divided into 10,000 (Ten Thousand only) Equity Shares of Rs. 10/-(Rupees Ten only) each.

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THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF

M/S. AXIS WIND FARMS (BELUGUPPA) PRIVATE LIMITED

PRELIMINARY

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to Private Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

INTERPRETATION

2. (1) In these Regulations :-
- a) "Company" means "AXIS WIND FARMS (BELUGUPPA) PRIVATE LIMITED.
 - b) "Office" means the Registered Office of the Company.
 - c) "Act" means the Companies Act, 2013, and any statutory modification thereof.
 - d) "Seal" means the Common Seal of the Company.
 - e) "Directors" means the Directors of the Company and includes persons occupying the position of the Directors by whatever names called.
- (2) Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

PRIVATE COMPANY

3. The Company is a Private Company within the meaning of Section 2(68) of the Companies Act, 2013, and accordingly:
- (i) The right to transfer shares in the Company is restricted in the manner and to the extent hereinafter appearing;
 - (ii) The number of members of the Company (exclusive of persons who are in the employment of the Company, and persons who having been formerly in the employment of the Company, were members of the Company while in the employment and have continued to be members after the employment ceased) shall be limited to two hundred; provided that for the purpose of this definition where two or more persons jointly hold one or more shares in the Company, the shall, be treated as a single member, and.
 - (iii) prohibits any invitation to the public to subscribe for any securities of the company;

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SHARE CAPITAL AND VARIATION OF RIGHTS

4.

- (b) (a) The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.
- (c) The rights of the holders of any class of shares forming part of capital for the time being of the Company may be modified, affected, varied, extended, surrendered or Abrogated in such manner as is or may be provided by the Articles of Association of the Company as originally registered or as altered from time to time.
- (d) The business of the Company may be commenced soon after the incorporation of the Company as and when the Directors shall think fit notwithstanding that part of the shares have been allotted.
- (e) The shares shall be under the discretionary control of the Directors who may allot or otherwise dispose of the same.
- (f) The Company in general meeting may decide to issue fully paid up bonus share to the member if so recommended by the Board of Directors.
- (g) The certificate to share registered in the name of two or more persons shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.

5.

- (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
 - (a) One certificate for all his shares without payment of any charges; or
 - (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid -up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

6.

- (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

- (ii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.
7. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even after having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any share or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 8.
- (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (ii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 9.
- i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one third of the issued shares of the class in question.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.
11. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

PREFERENCE SHARES

12. The Company shall, subject to provisions of the Companies Act has power to issue preference shares redeemable at the option of the Company or to issue share with disproportionate voting rights.

ALTERATION TO MEMORANDUM

13. The Company shall have the power to alter the conditions of the Memorandum in any manner.

CONTROL OF SHARES

14. The shares of the Company shall be under the control and discretion of the Board of Directors who may divide the shares into several classes and subject to the provisions herein contained may allot, transfer or persons and for such consideration upon such terms and conditions, at such time as the directors may in their absolute discretion think fit and such shares may be issued at par, at a premium or at a discount. The Directors may allot and issue shares in the capital of the company in payment or part payment for any property sold and transferred or for services rendered to the company or the conduct of its business or for any other consideration and any shares so allotted may be issued as fully paid up and/or partly paid up shares. The company shall have the power to issue shares having disproportionate voting rights.

SHARES HELD JOINTLY

15. If the shares are held in the name of two or more jointly, then the person first named in the Register of Members shall for all the purpose except voting and transfer, be deemed to be sole holder thereof. But the joint holders are severally and jointly liable for all purpose.

INCREASE OF CAPITAL

16. The Company in General Meeting may, from time to time increase the Capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased Capital shall be issued upon such terms and conditions and with such right and privileges annexed thereto, as the General Meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine and in particular, such may be issued with a preferential or qualified right to divide and in the distribution of Assets of the Company.

LIEN

17. The Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually alien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 124 and bonuses declared from time to time in respect of such shares under the Act. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.

CALLS ON SHARES AND TRANSFER OF SHARES

18. The Directors are empowered to make call on members of any amount payable at a time fixed by them.
19. Any member desiring to sell any of his shares must notify the Board of Directors of the number of shares, the fair value and the name of the proposed transferee and the Board must offer to the other share holders the shares offered at the fair value and if

the offer is accepted, the shares shall be transferred to the acceptor and if the shares or any of them, are not so accepted within one month from the date of notice to the Board the members proposing transfers shall, at any time within three months afterwards, be at liberty, subject to Articles 19 and 20 hereof, to sell and transfer the shares to any persons at the same or at higher price.

20. No transfer of shares shall be made or registered without the previous sanction of the Directors, except when the transfer is made by any member of the Company to another member or to a member's wife or child or children or his heirs and the Directors may decline to give such sanction without assigning any reason subject to Section 58 and 59 of the Act.
21. Save and except any transfer pursuant to the Financing Documents, the Directors may refuse to register any transfer of shares (1) where the Company has a lien on the shares or (2) where the shares are not fully paid up shares, subject to Section 58 and 59 of the Companies Act, 2013.
22. Subject to Section 58 and 59 of the Act, the Directors may in their discretion, without assigning any reason, refuse to register the transfer of any shares to any person, whom it shall, in their opinion, be undesirable in the interest of the Company to admit to membership.
23. At the death of any members his or her shares be recognised as the property of his or her heirs upon production of reasonable evidence as may required by the Board of Directors.
24. The instrument of transfer must be accompanied by the certificates of shares.

TRANSMISSION OF SHARES

25.
 - (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
 - (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
26.
 - (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
 - (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
 - (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
27.
 - (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
 - (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
28. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

29. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
30. The notice aforesaid shall—
- (a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
31. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
32.
 - (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
33.
 - (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
 - (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
34.
 - (i) A duly verified declaration in writing that the declared is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
 - (iii) The transferee shall thereupon be registered as the holder of the share.
 - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
35. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

36. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in there solution.
37. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
38. Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- (c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
39. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) Its share capital;
- (b) Any capital redemption reserve account; or
- (c) Any share premium account.

CAPITALISATION OF PROFITS

40. (i) The company in general meeting may, upon the recommendation of the Board, Resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (B) Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions afore said;
- (C) Partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
41. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—

- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable fractions; and
- (b) to authorise any person to enter, on behalf of all the members entitled there to, into an agreement with the company providing for the allotment to them respectively, credited a fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

- 42. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

ISSUE OF SHARES IN KIND

- 43. The Company subject to the provisions of the Companies Act, 2013 and the statutory modifications and applicable provisions, if any, is authorised to issue the Shares in kind to the Shareholders.

GENERAL MEETINGS

- 44. All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 45. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

- 46. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceed to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- 47. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 48. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

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49. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

50. (i). The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii). No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(a) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(b) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS AND PROXY

51. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and
(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

52. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

53. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

54. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

55. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

56. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

57. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii). Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

58. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the

instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

59. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
60. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

DIRECTORS

61. The number of Directors shall not be less than two and not more than fifteen.
62. The first Directors of the Company shall be:-
1. Mr. PERUMAL KUMAR KONIDALA
 2. Mr. VENKATA SIVANAGENDRA SRIHARSHA BANDARUPA
63. The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.
64. Subject to the provisions of section 149, the Board of Directors, at any time and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these articles, Any Directors so appointed shall hold office only until the next following Annual General Meeting but shall be eligible thereof for election as Director.
65. The Managing Director may be paid such remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another subject to the provisions of the Companies Act, 2013.
66. The quorum necessary for the transaction, of the business of the Board meeting subject to Section 174 of the Act, shall be one third of the total strength or at least two whichever is higher. The participation of the directors by video conferencing or by other audio visual means shall also be count for the purpose of quorum.
67. Subject to section 175 of the Act, a resolution in writing signed by the Director except a resolution which the Act specifically required it to be passed at a Board meeting shall be effective for all purposes as a resolution passed at a meeting of Directors duly called, held and constituted.
68. If any Director or Directors shall undertake **special services** for the company, the Board of Directors may sanction a special remuneration for his or their work, as they may think proper provided that the confirmation of the members in the General Meeting shall be taken thereof.

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PROCEEDINGS OF THE BOARD

69. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
70. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
71. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
72. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.
73. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii). Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
74. i) A committee may elect a Chairperson of its meetings;
- ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- iii) (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- (iii) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- (iv) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid

and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

75. The quorum necessary for the transaction of the business of Directors shall be two Directors or one third of the total number of Directors whichever is higher. A meeting of the Directors for the time being, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions by law or under the Articles and regulations for the time being vested or exercisable by the Directors generally.
76. For Meeting of Board of Directors of the Company, the Board of Directors may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit.
77. A Director or Directors may on the requisition of a director or director of the Company, at any time, summon a meeting of the Board.
78. Save as otherwise expressly provided in the Act, question arising at any meeting of the Board shall be decided by a simple majority of votes.
79. The Members may by passing an Ordinary Resolution remove a director, before the expiry of his period of office.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR
CHIEF FINANCIAL OFFICER**

80. Subject to the provisions of the Act,—
 - (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
81. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

COMMON SEAL

82. (a) The Common Seal of the Company may be made either of metal or of rubber as the directors may decide.
- (b) The Board shall provide for the safe custody of the Company's Common Seal.
- (c) The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf and except in the presence of at least one director who shall sign every instrument to which the seal of the Company is so affixed. The share certificate will, however, be signed and sealed in accordance with Rule prescribed by Central Government in this regard.

BORROWING POWERS

83. Subject to section 73 and 179 of the Companies Act, 2013, and Regulations made there under and Directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the company on such interest as may be approved by the Directors.
84. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

OPERATION OF BANK ACCOUNTS

85. The Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorise any other person or persons to exercise such powers.

DIVIDENDS AND RESERVE

86. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
87. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
88. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary to divide, without setting them aside as a reserve.
89. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

90. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
91. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
92. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
93. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
94. No dividend shall bear interest against the company.

ACCOUNTS

95. (a) The Board shall, from time to time, determine whether and to what extent and at what, times and places and under what conditions or regulation the accounts and books of the Company or any of them shall be open to the inspection of members (not being Director).
96. No members (not being Director) shall have any right of inspecting any accounts or books of account of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.
97. The Directors shall in all respect comply with the provisions of Section 128, 134, 137, 206, 207 and 208, of the Act, and profits and Loss Account, Balance Sheet and Auditors Report and every other document required by law to annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the debentures issued by the Company at least twenty one days before the date of Annual general meeting of the Company at which they are to be laid, subject to the provisions of section 136 of the Act.

AUDIT

98. (a) The first Auditor of the Company shall be appointed by the Board of Directors within one month from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- (b) At first annual General Meeting the Company shall appoint an Auditor to hold Office from the conclusion of the Meeting till the conclusion of its sixth Annual General Meeting and thereafter till the conclusion of every sixth meeting.
- (c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.

WINDING UP

99. Winding up when necessary will be done in accordance with the requirements of the Companies Act, 2013 or statutory modification thereto.

SECRECY

100. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

INDEMNITY

101. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

GENERAL AUTHORITY

102. Wherever in the applicable provisions under Companies Act, 2013 it has been provide that any Company shall have any right, privilege or authority or that any Company could carry out any transaction only if the Company is authorised by it Articles, then and in that case this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any other specific regulation in that behalf herein provided.


Date: 19-08-2018


AUTHORITY LETTER

I, Dinesh Kumar Sharma being a Director of M/s. Axis Wind Farms (Beluguppa) Private Limited (the "Company"), hereby authorise Mr. J. Venkata Kumar S/o. Late J V S N Sastry, aged about 49 Years, working as Group Project Director, in the Company, to sign, verify, file petition and appear on behalf of the Company, before the Hon'ble Andhra Pradesh Electricity Regulatory Commission for determination of tariff for the Wind Power Project of 50.4 MW capacity proposed to be developed by the Company at Beluguppa Village, North of Ananthapuram district of Andhra Pradesh.

Mr. J. Venkata Kumar, is further authorised to personally appear and make submissions, give evidence, file supporting affidavits, supplementary petitions, documents etc. as may be required from time to time during the hearings, in the above matter and do all other acts, things and deeds as may be necessary in the connection with the aforesaid matter.

For Axis Wind Farms (Beluguppa) Private Limited

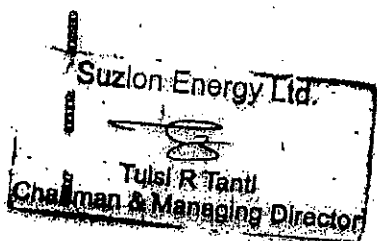

Dinesh Kumar Sharma
Director
DIN: 07118377




axis wind farms (beluguppa) private limited


registered and corporate office: 2nd floor, plot no. 3, h.no. 6-3-680/8/3, pmr plaza, thakur mansion lane somajiguda, hyderabad - 500082. tel: +91-40-2341 2312, 2341 2313, fax: +91-40-2341 2314. email: contact@axisenergy.in. web site: www.axisenergy.in CIN: U40300TG2017PTC116457

site office: flot no 203, triveni homes, ram nagar, anantapur, andhra pradesh, 515001 tel: +91-8554-271311, 241311

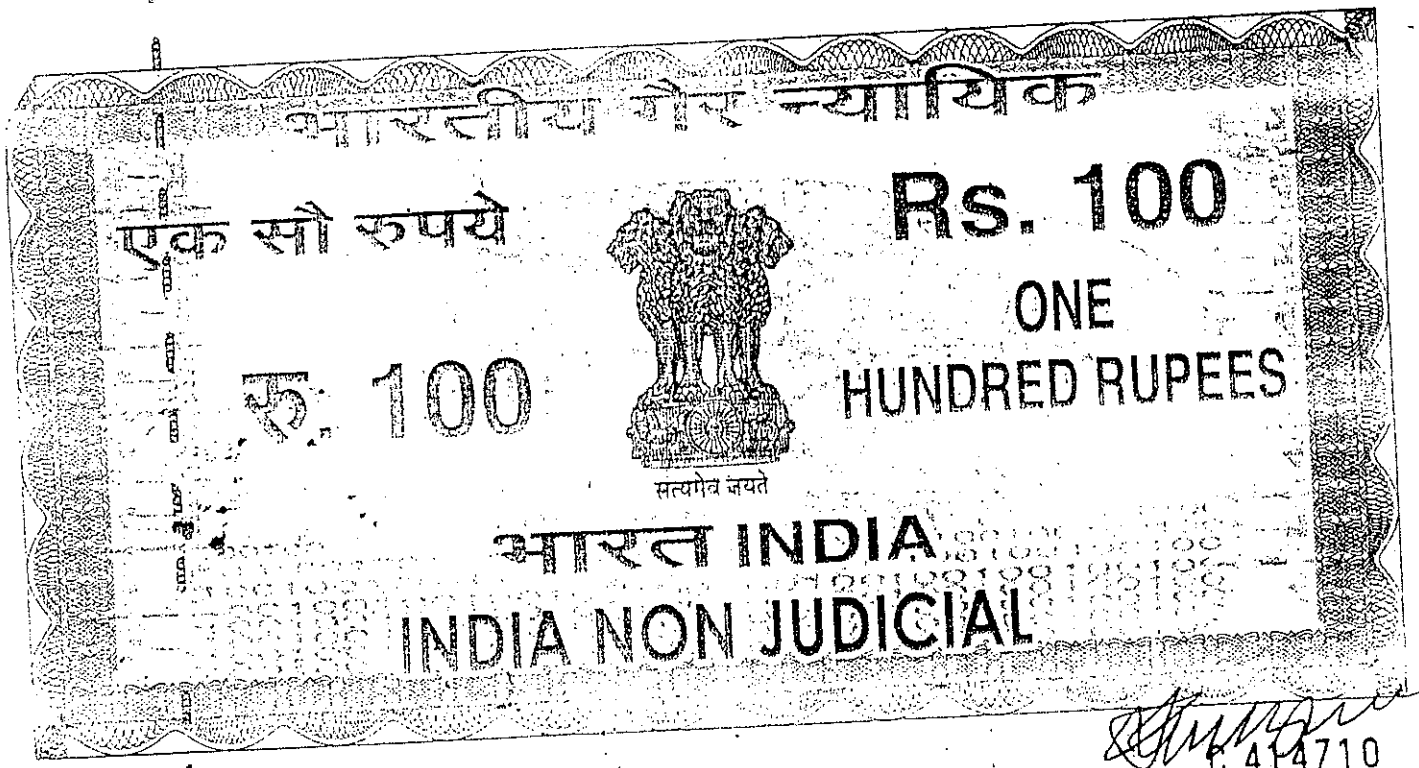

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

Page 1 of 8


AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept
A.P. Secretariat, Hyderabad - 500 022.

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తెలంగాణ తెలంగాణ TELANGANA

Sl. No: 23346 Date: 17/10/2015.
 Sold To : Jaisimha
 S/o : Narsig Rao R/o. Hyd.
 To Whom : Suzlon Energy Ltd.

K. N. LAL BABU
 Licenced Stamp Vendor
 LICENCE NO. 16-07-086/2012,
 R.L. NO. 16-07-002/2015.
 H.No. 3-5-948/91/A, Himayath Nagar
 HYDERABAD DISTRICT
 PHONE NO. 09492424379

2

AXIS ENERGY VENTURES INDIA PRIVATE LIMITED, a holding Company of Axis Energy Group, a Company duly incorporated under the Companies Act 1956, Having its registered office at 2nd floor, Plot No.3, H No.6-3-680/8/3, PMR Plaza, Thakur Mansion Lane, Somajiguda, Hyderabad - 500082, represented by its authorised signatory Mr. K. Ravikumar Reddy, Chairman & Managing Director (hereinafter referred to "Axis Energy Group" which term shall mean and include its successors in interest, group companies, associates and assigns),

Suzlon Group and Axis Energy Group, hereinafter shall jointly be referred to as the "Parties of First Part/First Party".

AND

GOVERNMENT OF ANDHRA PRADESH, represented by its Secretary, Energy, Infrastructure and Investment Department & CRDA, Government of Andhra Pradesh, Secretariat, Hyderabad, hereinafter referred to as the "Party of the Second Part/Second Party".

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Suzlon Energy Ltd.

 Tulsir R Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited

 K. Ravikumar Reddy
 Chairman & Managing Director

AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment
 A.P. Secretariat, Hyderabad - 500 02



తెలంగాణ తెలంగాణ TELANGANA

[Signature]
C 41470

Sl. No. 23345 Date 17/10/2015.
Sold To : Jaisimha
S/o : Narsig Rao R/o. Hyd.
To Whom : Suzlon Energy Ltd.

K. N. LAL BABU
Licenced Stamp Vendor
LICENCE NO. 1607-086/2012,
R.L. NO. 16-07-002/2015.
H.No. 3-5-948/91A, Himayath Nagar
HYDERABAD DISTRICT
PHONE NO. 09492424379

3

WHEREAS:

The Government of India as part of its goal to achieve green energy commitment has emphasized on increasing the development of renewable energy projects and enhancement of the capacities of power production through renewable sources. This has also led to various states with high resources and possibilities of renewable energy power production, such as the state of Andhra Pradesh, to promote the establishment of new and renewable energy projects.

The National Institute of Wind Energy (NIWE) has assessed the potential of the State of Andhra Pradesh in wind power projects to be over 22,000 MW with maximum potential identified in the districts of Ananthapuramu, Kadapa, Kurnool, Chittoor and Nellore. The Second Party, in order to promote the development of clean energy initiative, has issued Wind Power Policy 2015 and the Andhra Pradesh Industrial Policy 2015-2020.

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Suzlon Energy Ltd.
[Signature]
Tulsi R. Tanti
Chairman & Managing Director

For Andhra Energy Ventures India Private Limited

[Signature]
Chairman & Managing Director


[Signature]
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment
A.P. Secretariat, Hyderabad - 500 0


Suzlon Group which is the largest wind energy player of India, and one of the world leaders, along with its associates is in the business of manufacturing wind turbine generators and developing wind and solar power projects through engineering, procurement and supply model for various independent power producers across India and has about 14 manufacturing facilities spread across India and America. Suzlon Group has built and consolidated its presence in 19 countries and installed over 14,600 MW of wind power projects globally.

Suzlon Group while participating in the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 held on February 15, 2015, had given a commitment to the Honourable Prime Minister of India, in presence of Honourable Minister for New & Renewable Energy, Power and Coal of India, to develop 11,000 MW of capacity of new wind capacity and develop new manufacturing facilities over a period of five years.

Suzlon Group in pursuance to the said commitment initially signed Memorandum of Understanding dated February 15, 2015 at New Delhi with the Second Party for setting up of manufacturing facility for blades and wind power projects for an aggregate capacity of 430 MW in state of Andhra Pradesh. Subsequently, the Suzlon Group also signed another Memorandum of Understanding dated April 29, 2015 with Industries Department, GoAP on the eve of the launch of Andhra Pradesh Industry Mission, 2015 and Industrial Policy 2015-2020 at Visakhapatnam, for setting up of integrated manufacturing facility for manufacture of wind turbines in the state of Andhra Pradesh. Both the memorandum of understandings dated February 15, 2015 and April 29, 2015 were executed in presence of Honourable Chief Minister of Andhra Pradesh (hereinafter both MoUs are jointly referred as "Suzlon MoUs").

Suzlon Group is desirous of participating in the initiatives of Second Party in harnessing the wind power potential in the state of Andhra Pradesh, by (i) setting up three manufacturing facilities i.e. two (2) at Anathapuram (for nacelles and blades) and one at Krishnapatnam (for towers) ("Manufacturing Facilities"); and (ii) setting up renewable energy projects for an aggregate capacity of around 3,000 MW capacity of wind power projects and 1000 MW Wind Solar Hybrid project, at sites feasible for developing such projects in the State of Andhra Pradesh (together "Renewable Energy Projects");

Suzlon Energy Ltd.

Tuls R Tanti
Chairman & Managing Director

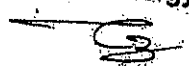
For Andhra Energy Ventures India Private Limited

Chairman & Managing Director

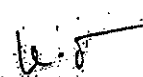
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AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.


Axis Energy Group which is in the business of developing Renewable Energy Projects, in particular Wind and Solar, and had presented the "Green Energy Commitment" to the Honourable Prime Minister of India during the First Renewable Energy Global Investors Meet (RE-INVEST) 2015 on February 15, 2015 at New Delhi. Axis Energy Group gave a commitment to develop 12,500 MW of Renewable Energy Projects comprising of 7,000 MW in wind and 5,500 MW in solar projects.

Axis Energy Group has committed to develop 4,000 MW wind power projects (for which, Axis Energy Group has already entered into a MoU on 28 Wind Monitoring Stations for Wind Resource Assessment studies with NREDCAP/NIWE ("Axis MoU") and 2500 MW solar power projects in the State of Andhra Pradesh. As per initial studies, the potential generation capacity estimated under the Axis MOU is around 3500-4000 MW of wind power projects, in addition to the 1,066 MW capacities of wind power projects sanctioned by the Government of Andhra Pradesh. Accordingly, Axis Energy Group had given commitment to establish wind power projects in state of Andhra Pradesh and had entered into Memorandum of Understanding with the Government of Andhra Pradesh in the presence of the Honourable Chief Minister of Andhra Pradesh on February 15, 2015 ("GoAP MoU"). Government of Andhra Pradesh has given undertaking to facilitate the Axis Energy Group to obtain approvals /permissions / clearances etc. from concerned departments as per rules/policies/regulations prevailing.

The Parties of the First Part, in view of the common objectives under GoAP MoU and the Suzlon MoUs, are proposing to collaborate and jointly develop (under various business models) the Renewable Energy Projects (SUZLON group jointly with Axis Group) and the Manufacturing Facilities (by SUZLON Group) in the State of Andhra Pradesh over a period of next five years. Hence, the Parties of the First Part have also held discussions and decided to jointly approach the Second Party, seeking assistance for setting up the Manufacturing Facilities and developing the Renewable Energy Projects. The Second Party, on the request of the Parties of First Part, have agreed to facilitate the establishment of the Manufacturing Facilities and the development of the Renewable Energy Projects in the State of Andhra Pradesh, pursuant to the provisions of this MoU.

Suzlon Energy Ltd.

Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director


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Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 02

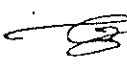
NOW THEREFORE, PARTIES HEREIN HAVE AGREED TO THE FOLLOWING.

1. The Parties of First Part propose to develop (under various business models) the Manufacturing Facilities and Renewable Energy Projects in State of Andhra Pradesh over a period of next five years between 2015 to 2020. The Parties of First Part in this regard agree and undertake to the following:

- (i) Achieve the implementation of Manufacturing Facilities by SUZLON Group and Renewable Energy Projects by SUZLON & Axis Group by March 31, 2020;
- (ii) To generate employment, subject to applicable laws and requirement of the Manufacturing Facilities and Renewable Energy Projects;
- (iii) Set up skill development centres in relation to Manufacturing Facilities and Renewable Energy Projects;
- (iv) Submit a business plan/project schedule identifying the development of the Manufacturing Facilities and the Renewable Energy Projects; and
- (v) Provide security in the form of Bank Guarantee at the rate of Rs. 5 lakhs per MW for the entire capacity of the Renewable Energy Projects, on a progressive basis to the Second Party.

2. The Second Party agrees to the following:


- (i) In relation to setting up of the Manufacturing Facilities and development of the Renewable Energy Projects:
 - Priority allotment of government land on long term lease basis to the First Party/ Parties of First Part in accordance with procedure in vogue, and wherever required assistance to the First Party/ Parties of First Part, as the case may be, for procurement of Private and Forest land;
 - Facilitate the First Party/ Parties of First Part, as the case may be, in the acquisition of identified land in accordance with law.
 - Permit the development of Renewable Energy Projects on the land identified by the First Party;

Suzlon Energy Ltd.

 Tuls R Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited


 Chairman & Managing Director

Page 6 of 8


 AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.


- Facilitate the approval of the relevant gram panchayats for setting up the Renewable Energy Projects;
 - Facilitate availability the benefits under single window clearance for procuring necessary approvals and clearances for setting up of the Manufacturing Facilities and development of the Renewable Energy Projects; and
- (ii) Priority allocation of capacities for the Renewable Power Projects as per the procedures in vogue by NREDCAP;
 - (iii) Make Availability of all benefits under the Wind Power Policy 2015 and the Andhra Pradesh Industrial Policy of 2015-2020.
 - (iii) Make Availability of adequate power evacuation facilities by the power transmission corporation/s for evacuation of power from the inter connecting point of Renewable Energy Projects as per the procedure in vogue.
 - (iv) Make Availability of necessary infrastructure for ensuring unhindered access to and utilisation of the Manufacturing Facilities and the Renewable Energy Projects.
 - (v) Provide to the First Party incentives under the Mega Industrial Policy of the Government of Andhra Pradesh.
3. Execution of firm Power Purchase Agreements for the capacities committed under this MOU with Feed in Tariff as per the prevailing regulations and orders of the AP Electricity Regulatory Commission for Wind Power and Wind Solar Hybrid Power Projects
 4. Axis Energy Group represents to the Second Party that they are collaborating with Suzlon Group, for the development of the above mentioned projects and further agrees and confirms to Second Party that as part of the said collaboration, they will allocate capacity to the First Party/ Parties of First Part for development of the Renewable Energy Projects, and extend other rights and benefits to the First Party/ Parties of First Part as may be available to it in terms of the MoU with the Second Party.

Suzlon Energy Ltd.

 Tuls R. Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited

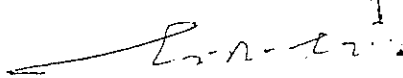

 Chairman & Managing Director


AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment D
 A.P. Secretariat, Hyderabad - 500 07

- 5. Besides the understanding agreed herein, the Second Party and the First Party will execute a Project Implementation Agreement within 30 days from the execution of this MoU, setting out in detail the terms and conditions (including the timelines) for implementation of the commercial transaction contemplated herein.
- 6. This MoU shall be governed by laws of India.

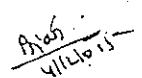
IN WITNESS WHEREOF, the parties have caused this MoU to be duly executed by their duly authorised representatives on the date and year first here in above.

For and on behalf of
Suzlon Energy Ltd




Tulsi Tanti
Chairman &
Managing Director

For and on behalf of
Government of Andhra Pradesh

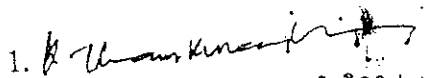
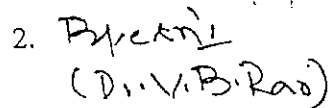


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Energy, I&F and CRDA

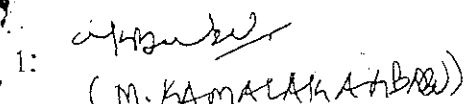
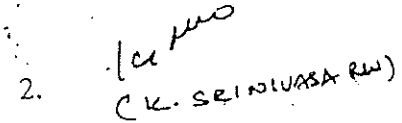
For and on behalf of
Axis Energy Ventures
India Private Limited

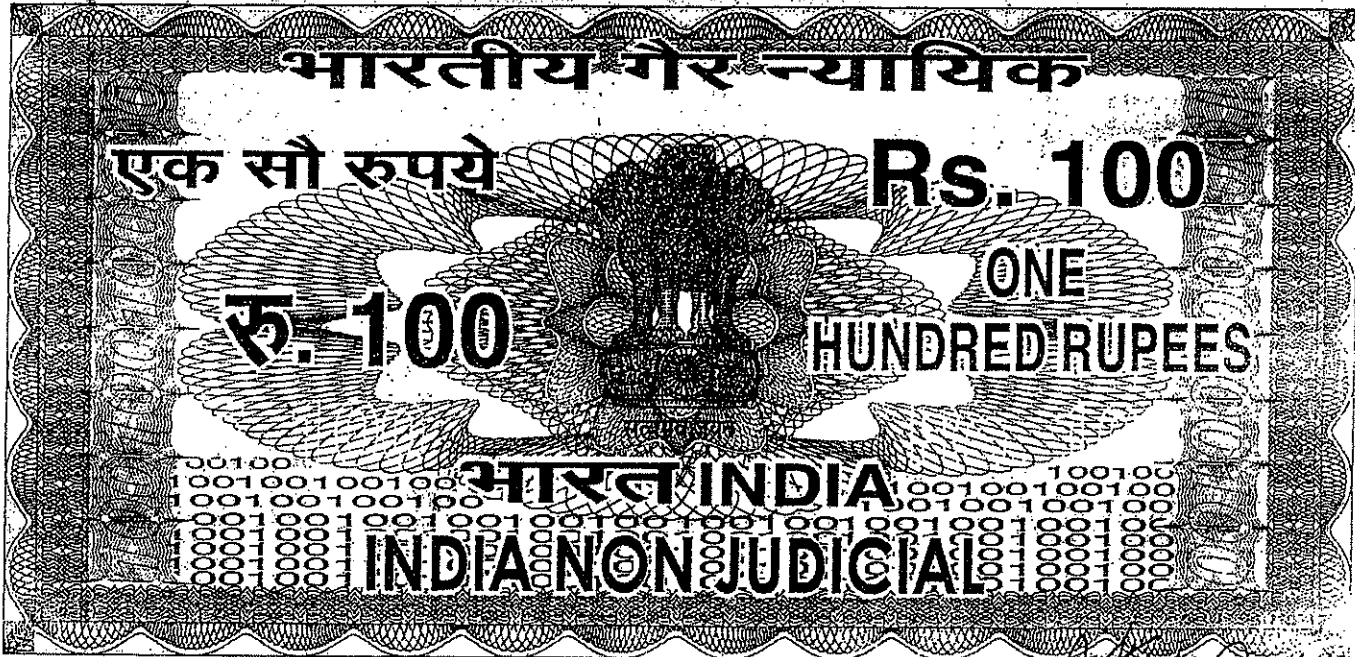

K. RAVI KUMAR REDDY
Chairman &
Managing Director

Witness:

- 1. 
(K-KIRAN KUMAR REDDY)
- 2. 
(D.V.B. Rao)

Witness:

- 1. 
(M. KAMALAKAR BABU)
- 2. 
(K. SRINIVASA RAO)



తెలంగాణ తెలంగాణ TELANGANA

Sl. No: 828 Date: 08/01/2016.
 Sold To : Karunakar
 S/o : Late Ramulu R/o. Hyd.
 To Whom : Axis Energy Ventures India Private Limited.

K. N. LAL BABU
 Licenced Stamp Vendor
 LICENCE NO. 16-07-086/2012,
 R.L. NO. 16-07-002/2015,
 H.No. 3-5-948/91/A, Himayath Nagar
 HYDERABAD, DISTRICT
 PHONE NO. 09492424379

PROJECT IMPLEMENTATION AGREEMENT


THIS PROJECT IMPLEMENTATION AGREEMENT ("Agreement") is executed on the 11th day of the month of January, 2016 between:

THE GOVERNMENT OF ANDHRA PRADESH, represented by Secretary, Energy, Infrastructure and Investment Department & CRDA, Government of Andhra Pradesh, Secretariat, Hyderabad. (hereinafter referred to as "GoAP" or the "First Party" which expression shall include its successors);

AND

SUZLON ENERGY LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 5 Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380009, Gujarat, India and its Corporate Office at "One Earth" Building, Hadapsar, Pune-411028, Maharashtra, India represented by its authorised signatory Mr. Tulsi Tanti, Chairman and Managing Director, (hereinafter referred to as "Suzlon", which term shall mean and include its successors in interest, group companies, associates and assigns);

^{hsh}
 AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

 Tulsi R. Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director


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AND


AXIS ENERGY VENTURES INDIA PRIVATE LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 2nd Floor, Plot no.3, House No. 6-3-680/8/3, PMR Plaza, Thakur Mansion Lane, Somajiguda, Hyderabad – 500 082, represented by its authorised signatory Mr. K. Ravi Kumar Reddy, Chairman and Managing Director (hereinafter referred to “**Axis**” which term shall mean and include its successors in interest, group companies, associates and assigns),

Suzlon and Axis are hereinafter jointly referred to as “**Second Party**”

WHEREAS:

- A. Suzlon along with its associates is engaged in the business of manufacturing wind turbine generators and developing wind and solar power projects through engineering, procurement and supply model for various independent power producers. Axis, is one of the largest independent power producers in India with primary focus in development and operations of renewable energy projects.
- B. Government of India (GoI) (defined hereinafter) as part of its goal to achieve green energy commitment has emphasized on increasing the development of renewable energy projects and enhancement of the capacities of power production through renewable energy sources. This has also led to various states with high resources and possibilities of renewable energy power production, such as the state of Andhra Pradesh, to promote the establishment of new and renewable energy projects. The GoAP, in order to promote the development of clean energy initiative, has issued Wind Power Policy 2015 and the Andhra Pradesh Industrial Policy 2015-2020.
- C. The National Institute of Wind Energy (NIWE) has assessed the potential of the state of Andhra Pradesh in wind power projects to be over 22,000 MW with maximum potential identified in the districts of Ananthapuramu, Kadapa, Kurnool, Chittoor and Nellore.
- D. Suzlon while participating in the first renewable energy global investors meet (RE-INVEST), 2015 held on February 15, 2015, had given a commitment to the Honorable Prime Minister of India, in the presence of Honorable Minister for New and Renewable Energy, Power and Coal of India, to develop 11,000 MW of capacity of new wind capacity and develop new manufacturing facilities over a period of 5 years. Suzlon in pursuance to the said commitment initially signed memorandum of understanding (MoU) dated February 15, 2015 at New Delhi with the GoAP for setting up of manufacturing facility for blades and wind power projects for an aggregate capacity of 430 MW in the state of Andhra Pradesh. Subsequently, Suzlon also signed another MoU dated April 29, 2015 with Industries Department, GoAP on the eve of the launch of Andhra Pradesh Industry Mission, 2015 and Industrial Policy 2015-20 at Vishakapatnam, for setting up of integrated manufacturing facility for manufacture of wind turbines in the state of Andhra Pradesh. Both the MoU dated February 15, 2015 and April 29, 2015 were executed in presence of Honorable Chief Minister of Andhra Pradesh. (both these documents are attached as **Annexure 1**).
- E. Axis Energy which is in the business of developing Renewable Energy Projects, in particular Wind and Solar, and had presented the “**Green Energy Commitment**” to the Honourable Prime Minister of India during the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 on February 15, 2015 at New Delhi. Axis Energy Group gave a commitment to develop 12,500 MW of Renewable Energy Projects comprising of 7,000 MW in wind and 5,500 MW in solar projects.


AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsirant
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

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Chairman & Managing Director


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- F. Axis Energy based on the commitment in RE-INVEST 2015 has committed to develop 4,000 MW wind power projects (for which, Axis Energy has already entered into a MoU on 28 Wind Monitoring Stations for Wind Resource Assessment studies with NREDCAP/NIWE ("Axis MoU") and 2500 MW solar power projects in the State of Andhra Pradesh and entered into *Memorandum of Understanding* with the Government of Andhra Pradesh in the presence of the Honourable Chief Minister of Andhra Pradesh on February 15, 2015 ("GoAP MoU"). In terms of the GoAP MoU, Government of Andhra Pradesh has given undertaking to facilitate the Axis Energy Group to obtain approvals/permissions/clearances etc. from concerned departments as per rules/policies/regulations prevailing.
- G. In view of the common objectives and intention of developing renewable energy projects both Suzlon and Axis have discussed and agreed to collaborate and jointly develop the Renewable Energy Projects (as defined hereinafter) in the state of Andhra Pradesh and accordingly on September 03, 2015 a proposal was submitted to GoAP for development of 4000 MW of renewable energy projects in AP along with manufacturing facilities. GoAP after considering the proposal with the concerned authority approved the same and has issued government order G.O.Ms No. 15 dated November 27, 2015 ("GO") (attached herewith as Annexure 2).
- H. The Parties in pursuance of said GO, have executed Memorandum of Understanding dated December 04, 2015 ("MoU") attached herewith as Annexure 3. As per the MoU, Suzlon and Axis have agreed to jointly participate in developing renewable energy projects (comprising of wind power projects (3000 MW) and wind-solar hybrid power projects (1000 MW) projects) for an aggregate capacity of about 4000 MW ("Renewable Energy Projects") and Suzlon shall additionally develop facilities for manufacturing blade, tower, nacelle/generator at multiple locations such as Anathapuramu and Nellore districts or such other districts identified subsequently ("Manufacturing Facilities").
- I. In terms of the MoU the Parties had agreed to execute Project Implementation Agreement incorporating the terms and conditions relating to the implementation of the Renewable Energy Projects and the Manufacturing Facilities.

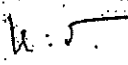
NOW THEREFORE, PARTIES HEREIN HAVE AGREED TO THE FOLLOWING.

1. INTERPRETATIONS

- 1.1 The nomenclature of this Agreement, heading and paragraph numbers are only for the convenience of reference -.
- 1.2 Reference to persons and words denoting natural persons shall include bodies, corporate, partnerships, joint ventures, statutory and other authorities and entities.
- 1.3 Reference to any enactment, ordinance or regulation or any provision thereof shall include any amendment thereof or any replacement in whole or in part.
- 1.4 Reference to Recitals, Clauses, or Sub-Clauses shall unless the context otherwise requires, be deemed to include the Recitals, Clause or Sub-Clauses of this Agreement.
- 1.5 The words importing singulars shall include plurals and vice-versa as the case may be.
- 1.6 Terms beginning with capital letters and defined as per this Agreement shall have the same meaning ascribed thereto.
- 1.7 Any reference at any time to any agreement, deed, instrument, license or document of any description shall be construed as reference, to that agreement, deed, instrument, license or other document as amended varied, supplemented, modified or suspended at the time of such

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tufsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

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reference provided that this Clause shall not operate so as to increase liability or obligations of any Party hereunder or pursuant hereto in any manner whatsoever.

- 1.8 Any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or report required under or pursuant to this Agreement from or by any party shall be valid and effectual only if it is in writing and under the hands of duly authorized representative of such party in this behalf and not otherwise.
- 1.9 Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days' or dates.
- 1.10 The words / expressions used in this Agreement shall bear the same meaning as assigned to them in the context in which these have been used in this Agreement.

2. DEFINITIONS

- 2.1 In this Agreement, the various terms shall have the following meanings, except where the context otherwise requires, definitions and other terms expressed in the singular shall also include the plural and vice versa, namely:-

"Agreement" means this Agreement together with the Schedules attached herein and any amendments made thereto in accordance with the provisions herein contained.

"Applicable Permits" shall mean all clearances, permits, authorisations, consents and approvals required to be obtained or maintained under applicable laws in connection with the Renewable Energy Projects and/or the Manufacturing Facilities during the subsistence of this Agreement.

"Arbitration Act" means the Arbitration and Conciliation Act, 1996 and shall include modifications to or any re-enactment thereof as in force from time to time.

"Commercial Operation" shall mean the date when the Renewable Energy Projects or the Manufacturing Facilities, as the case may be, shall be commissioned as per the respective implementation plan agreed with GoAP.

"Dispute" shall have the meaning as specified in Clause 10.

"Effective Date" shall mean the date of signing of this Agreement.

"Force Majeure" shall have the meaning as ascribed thereto in Clause 8.

"GoAP" shall mean the state government of the Andhra Pradesh.

"GoI" shall mean Government of India.

"Individual Project" shall mean each renewable energy project set up as part of the Renewable Energy Projects based on allotment issued by NREDCAP.

"Interconnection Facilities" means all the equipment and facilities, including, but not limited to, all metering facilities, switchgear, substation facilities, transmission lines and

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Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
[Signature]
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
[Signature]
4
Chairman & Managing Director

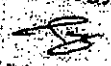
Related infrastructure necessary to enable the evacuation of power from the inter connecting point of an Individual Project to the grid.

"Power Purchase Agreement" shall mean a contractual agreement to be signed with the Andhra Pradesh Power Distribution Companies or any other body for the sale of power generated from the Renewable Energy as may be approved by APERC from time to time.

"Parties" shall mean collectively GoAP and the Second Party.

"Site" means the land used for development of Renewable Energy Projects and the Manufacturing Facilities.

~~No.~~
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsu R. Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Lim

Chairman & Managing Dire

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CLAUSE 3

TERMS OF THE AGREEMENT

3.1 Effectiveness

This Agreement shall come into force from the Effective Date.

3.2 Term of the Agreement

This Agreement shall remain in force for a period of 7 (seven) years from the Effective Date to remain valid till December 31, 2022 ("Term") including period of construction / development and operation of the Renewable Energy Projects and the Manufacturing Facilities.

3.3 GoAP Support

GoAP agrees that the principal objective of this Agreement is support for timely completion of the Renewable Energy Projects and the Manufacturing Facilities. GoAP therefore agrees to provide the support to the Second Party as set out in this Agreement.

CLAUSE 4

EXECUTION OF RENEWABLE ENERGY PROJECTS

4.1 ASSURANCES OF GoAP

4.1.1 Grant of Consents and Approvals

In order to facilitate the construction and operation of the Renewable Energy Projects, GoAP agrees to extend the following benefits, either through single window clearance mechanism as per GOMs No. 15 Wind Power Policy 2015 or through priority allocation and shall:

- (i) Cause NREDCAP as per the prevailing policies to provide permissions to the Second Party for conducting Wind Resource Assessment studies at potential sites.
- (ii) Cause that NREDCAP as per the prevailing policies to allot capacities in National Wind Energy Institute (NIWE)/ NREDCAP notified sites and also in the potential sites identified by Second Party in the state of Andhra Pradesh in private, revenue and forest lands.
- (iii) Upon application by Second Party or any associate/subsidiary company of Second Party or vendors identified by the Second Party for executing the Renewable Energy Projects, any other person acting on their behalf, GoAP agrees, in compliance of with applicable laws, to grant such Applicable Permits or extensions and/or renewals as are required for or in connection with the Renewable Energy Projects, for the execution and development of the Renewable Energy Projects to complete in a timely manner.

4.1.2 Allocation of Land

The availability of land being one of the paramount requirements, GoAP agrees to take the following actions in connection with the construction and operation of the Renewable Energy Projects:

Asst
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
S
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
U.S.
Chairman & Managing Director

- 30
- (i) subsequent to the allotment of capacities for the Renewable Energy Projects, wherever available provide to the Second Party or subsidiary company of the Second Party, revenue land owned by GoAP on long term lease basis as per the policy in force in this regard. The lease agreements should entitle the lessee to mortgage the lease hold rights on such land to the lenders / financiers of the Renewable Energy Projects, with prior consent of the GoAP / NREDCAP;
 - (ii) To facilitate the Second Party by issue of necessary governmental orders / directions / notifications and taking all administrative actions in compliance of provisions of applicable law for the acquisition process of private land in favour of Second party or any associate/subsidiary company of Second Party, in the potential areas to be identified by Second Party in the districts of Ananthapuramu, Kadapa, Kurnool, Chittoor and Nellore or such other districts identified from time to time;
 - (iii) To facilitate the capacities that have been identified in the endowment lands, GoAP will extend the necessary support to expedite the approvals from the concern authority as per the applicable rules and procedures.
 - (iv) to facilitate the capacities that have been identified in the forest areas, GoAP will extend the necessary support to expedite the approvals and diversion of forest land at the State and Central level. The Compensatory Afforestation land required for such projects may be allotted from the land bank available with the GoAP by collecting the necessary fee/ charges as per applicable law.
 - (v) to provide access to the Site for conducting wind resource assessment tests and any pre-feasibility tests in relation to the Renewable Energy Projects.

4.1.3 Access Rights to Site

GoAP agrees to, on a continuous basis and within the time period decided by the Co-ordination Committee provide: (i) unhindered rights of access rights to the Site; and (ii) such other rights of access and, as may be required by the Second Party, in relation to construct, operate and maintain the Renewable Energy Projects. In case of any issues pertaining to such right-of-way, GoAP shall provide all administrative assistance to Second Party.

4.1.4 Approvals and Permits from Gram Panchayat and Local bodies

GoAP will facilitate the approvals and permits required from the village panchayats and the local bodies by payment of necessary Development Charges and Layout fee on a time bound basis.

4.1.5 Benefits under Renewable Energy Policies of Andhra Pradesh

In relation to the development of the Renewable Energy Projects, GoAP agrees to extend all benefits available under the Wind Power Policy 2015, Solar Power Policy, 2015 including but not limited to the following:

- (i) provide the Second Party or any associate/subsidiary of the Second Party/Suzlon/Axis identified by the Second Party incentives and exemptions and benefits under the Wind Power Policy 2015, Solar Power Policy, 2015;
- (ii) exemption of the Renewable Energy Projects from payment of electricity duty applicable toward sale of power to the power distribution companies of Andhra Pradesh;

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

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- (iii) grant deemed PPP status to the Renewable Energy Projects;
- (iv) grant deemed industry status to the Renewable Energy Projects so that they are eligible for incentives made available to the industrial units under various schemes launched by the Industrial Department, GoAP from time to time;
- (v) grant must run status to the Renewable Energy Projects;
- (vi) In relation to the Site for development of the Renewable Energy Projects GoAP shall issue deemed non-agricultural use permission, subject to payment of applicable charges by the Second Party
- (vii) exemption for obtaining clearance from State Pollution Control Board;

4.1.6 Power Evacuation Infrastructure for Renewable Energy Projects

GoAP agrees to cause the APTRANSCO to evacuate power produced from the Renewable Energy Projects, on preferential basis. The power generated from the Renewable Energy Projects shall be provided adequate power evacuation facilities by the power transmission corporation for evacuation of power from the inter connecting point of Renewable Energy projects as per procedure in vogue and in compliance of APERC orders.

4.1.7 Execution of Power Purchase Agreement

GoAP agrees to cause the power distribution companies of Andhra Pradesh/ APPCC to execute firm Power Purchase Agreements in the format attached as **Annexure 5** as may be approved by APERC and purchase the entire capacity of power generated from the Renewable Energy Projects at tariff determined by the Andhra Pradesh Electricity Regulatory Commission under Section 61 (h) of Electricity Act, 2003 and the terms of PPA approved by Commission from time to time.

4.2 COVENANTS OF THE SECOND PARTY

4.2.1 Commissioning of Renewable Energy Projects

The Second Party, agrees to achieve the implementation of the Renewable Energy Projects by March 31, 2022, as per the indicative schedule attached in **Annexure 4**.

4.2.2 In this regard the Parties agree to mutually discuss and arrive at implementation plans indicating the schedule of different activities to be performed by the development of the Renewable Energy Projects.

4.2.3 The Renewable Energy Projects shall require manpower during its construction and operation, Second Party agrees, subject to applicable laws, to provide employment and make necessary arrangements to provide employments to local residents and/or residents of the state of Andhra Pradesh based on the educational qualifications and technical skills.

4.2.4 Upon commissioning of each Individual Project, the Second Party agrees to make payments of any fee payable to NREDCAP, DISCOM, or any other government department as may be levied from time to time in relation to such Individual Project.

4.2.5 In relation to the development and construction of the Renewable Energy Projects, Second Party shall have the option to incorporate special purpose companies and GoAP agrees to

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

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extend all the benefits available to Second Party, directly or indirectly, under this Agreement to such special purpose companies.

Second Party shall however be jointly and severally responsible to perform all the obligations stated in this Clause 4.2.

CLAUSE 5

EXECUTION OF MANUFACTURING FACILITIES

5.1 OBLIGATIONS OF GoAP

5.1.1 Grant of Consents and Approvals

In order to facilitate the construction and operation of the Manufacturing Facilities upon application by Suzlon or any of its associate/subsidiary company or any other person acting on its behalf, GoAP agrees to ensure in a time bound manner and in compliance with applicable laws the issuance of such Applicable Permits or extensions and/or renewals as are required, either through single window clearance mechanism or through priority allocation.

5.1.2 Allocation of Land

In relation to the Site for the Manufacturing Facilities, GoAP agrees:

- (i) to allot to Suzlon or any of its associate/subsidiary company or any other person acting on its behalf, available revenue land owned by GoAP on long term lease basis as per Industrial Policy of 2015-2020 valid for a period of 99 (ninety nine) years, in accordance with applicable law. GoAP agrees and warrants, that it shall provide and handover physical, vacant, peaceful, obstacle free, unencumbered possession of the entire allotted land free from any and all liens. The lease agreements should entitle the lessee to mortgage the lease hold rights on such land to the lenders / financiers of the Manufacturing Facilities, with prior consent of the GoAP.
- (ii) extend all support and assistance and issue necessary governmental orders / directions / notifications and take all administrative actions facilitating the acquisition process especially in the potential areas to be identified by Suzlon, where private land is to be acquired by Suzlon or any of its associate/subsidiary company or any other person acting on its behalf.
- (iii) in case the allotted land involves forest land, by expediting the process at GoAP level and also facilitate on a best efforts basis those required at GoI level.

5.1.3 Access Rights to Site

GoAP agrees to, on a continuous basis and within time periods decided by the Coordination Committee provide; (i) unhindered rights of access to the Site; and (ii) such other rights of access and, as may be required by Suzlon or any of its Contractors or sub-contractors, in relation to construction and operation of the Manufacturing Facilities. In case of any issues pertaining to such right of way, GoAP shall provide all administrative assistance to Suzlon.

5.1.4 Benefits under the Andhra Pradesh Industrial Policy of 2015-2020

GoAP agrees to accord mega industry status to the Manufacturing Facilities as per the policies in force. GoAP in accordance with the Andhra Pradesh Industrial Policy of 2015-

Asst
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
[Signature]
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
[Signature]
Chairman & Managing Director

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2020 also to consider to extend to Suzlon or any of its associate/subsidiary company or any other person acting on its behalf, tailor-made benefits on case to case basis including but not limited to peripheral infrastructure, electricity supply and fiscal incentives to enable the time bound construction and operation of the Manufacturing Facilities.

5.2 OBLIGATIONS OF SUZLON

5.2.1 Commissioning of the projects


Suzlon agrees to set up the Manufacturing Facilities. Suzlon shall also establish a skill development centre and a Suzlon Chair of such skill development centre in the Energy University proposed to be set up in in Andhra Pradesh.


5.2.2 In this regard the Parties agree to mutually discuss and arrive at implementation plans indicating the schedule of different activities to be performed by the development of the Manufacturing Facilities.

5.2.3 The Manufacturing Facilities shall require manpower during its construction and operation, Suzlon agrees, subject to applicable laws, to provide employment and make necessary arrangements to provide employments to local residents and/or residents of the state of Andhra Pradesh based on the educational qualifications and technical skills.

5.2.4 For the development and construction of the Manufacturing Facilities, Suzlon shall have the option to incorporate special purpose companies and GoAP agrees to extend all the benefits available to Suzlon under this Agreement to such special purpose companies.

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AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsi R Tanti
Chairman & Managing Director

or Axis Energy Ventures India Private Limited

Chairman & Managing Director

CLAUSE 6

SPECIAL PROVISIONS

- 6.1 GoAP shall use its best efforts to facilitate that the incentives and exemptions declared by GoAP and/or GoI from time to time after the Effective Date, whether in relation to promoting the renewable energy sector in India or on account of special assistance to industries being set up in the state of Andhra Pradesh for manufacture of renewable energy equipment and are made available to the Renewable Energy Projects and the Manufacturing Facilities, as the case may be.
- 6.2 GoAP agrees to take all steps to ensure that no action or combination of actions are taken the effect of which is or are discriminatory and which treats the Second Party less favorably than any other developer of renewable energy projects in the state of Andhra Pradesh or treats the Renewable Energy Projects or the Manufacturing Facilities less favorably than any projects of similar nature and size which may be developed from time to time in the state of Andhra Pradesh.
- 6.3 **Constitution of Coordination Committee**
 - 6.3.1 GoAP agrees to constitute and set-up a coordination committee ("Coordination Committee") for ensuring smooth and efficient execution of the Renewable Energy Projects and the Manufacturing Facilities. The Coordination Committee shall comprise of the following:
 - (i) the Secretary, Energy Department, GoAP
 - (ii) the Secretary to CM, GoAP (Energy)
 - (iii) the Secretary, Industries Department, GoAP
 - (iv) the Managing Director, APTRANSCO
 - (v) the Vice Chairman and Managing Director, NREDCAP
 - (vi) the representatives of Suzlon and Axis
 - (vii) As and when required from any of other Department of GoAP/District Administration

The Coordination Committee may form such committees as may be required for resolution of specific issues arising in the execution of the Renewable Energy Projects and the Manufacturing Facilities.

- 6.3.2 The Coordination Committee shall, unless otherwise agreed between the Parties, initially hold meetings once in every month.
- 6.4 **Assistance to procure construction material**

GoAP agrees to on best efforts basis provide the following assistance to the Second Party in procuring construction material required for the setting up of the Renewable Energy Projects and the Manufacturing Facilities:

 - (i) priority allotment of licenses for carrying out quarry activities and sand mining along with waiver in terms of respective policy in force from ceiling limits provided in the licenses being generally issued, so that it is able to obtain adequate quantity of construction material required for the renewable energy projects and manufacturing; or
 - (ii) assistance for procuring preferential supply of aggregates/cements/sand etc. from respective manufacturers and/or suppliers on priority basis.

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AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
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Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
u
Chairman & Managing Director 11

- 6.5 Upon signing of definitive agreement by NREDCAP for renewable energy projects as Single Window Clearing Agency, Suzlon shall furnish to GoAP or such governmental instrumentality of GoAP, performance guarantees for the entire capacity of the Renewable Energy Projects aggregating to Rs. 200 crores, calculated at the rate of Rs. 5 lakhs per MW and which shall be enforceable against the defaulting parties as per applicable laws. GoAP agrees that upon the commissioning of each Individual Project, performance guarantee submitted by Suzlon in relation to such Individual Project shall be returned to Suzlon forthwith and in any event not later than 5 (five) days from the date of commissioning of such Individual Project.
- 6.6 In order to enable the due performance of the duties, obligations and objectives of the Parties under this Agreement, GoAP agrees to cause the execution of enforceable and binding agreements with each of the relevant departments, corporations, companies of GoAP as may be required in relation to the execution of the Renewable Energy Projects and/or the Manufacturing Facilities, from time to time under applicable laws or any policies of such departments, corporations, companies of GoAP.

CLAUSE 7

REPRESENTATIONS AND WARRANTIES

- 7.1 Each Party represents and warrants to the other Party that:
- 7.1.1 It has full power and authority to execute, deliver and perform this Agreement;
- 7.1.2 It has taken all necessary action to authorise the execution, delivery and performance of this Agreement;
- 7.1.3 The execution of this Agreement and performance hereunder shall constitute a binding on both the parties.

CLAUSE 8


FORCE MAJEURE

- 8.1 Force Majeure shall mean any event or circumstance or combination of events or circumstances that wholly or partly prevent or unavoidably delay the Party claiming Force Majeure (hereinafter referred to as the "Affected Party") in the performance of its obligations under this Agreement and which act or event:
- 8.1.1 is beyond the reasonable control of and not arising out of the fault of the Affected Party;
- 8.1.2 the Affected Party has been unable to prevent by the exercise of due diligence and reasonable efforts, skill and care, including through expenditure of reasonable sums of money; and
- 8.1.3 has a materially adverse effect on the Renewable Energy Projects or the Manufacturing Facilities.

Such events include any acts of GoAP either in its sovereign or its contractual capacity, war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine restrictions, freight embargoes, radioactivity and earthquakes.

- 8.2 Upon the occurrence of any Force Majeure Event:

AJ
AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsil R Tanti
 Chairman & Managing Director

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 For Axis Energy Ventures India Private Limited
Chairman & Managing Director
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- 8.2.1 The date for achieving the specific obligations shall be extended by the period for which such Force Majeure event subsists and the Term shall be proportionately extended; and
- 8.2.2 The Parties shall bear their respective costs and no Party shall be required to pay to the other Party any costs arising out of any Force Majeure Event.

CLAUSE 9

GOVERNING LAW

- 9.1 The rights and obligations of the Parties under or pursuant to this Agreement shall be governed by and constructed according to applicable law. This Agreement shall be subject to the jurisdiction of the competent courts at capital city of Andhra Pradesh.

CLAUSE 10

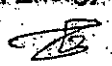
RESOLUTION OF DISPUTES

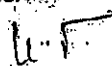
- 10.1 Good Faith Negotiations

All disputes, disagreement or difference between the Parties (each a "Dispute"), arising out of or in relation to the construction or operation of the Renewable Energy Projects or the Manufacturing Facilities, shall be resolved through the following dispute resolution procedure:

- 10.1.1 Either Party shall give to the other a written notice setting out the material particulars of Disputes and requiring an authorized Senior Executive Officer each from the GoAP and the Second Party, to meet in person at the capital city of Andhra Pradesh or at any other mutually agreed place within 20 (twenty) working days of the date of receipt of such notice by the relevant party to attempt negotiation in good faith and using their best endeavours at all times to resolve the Disputes.
- 10.1.2 If the Dispute is not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the Senior Executive Officers of both the Parties within 30 (thirty) working days after the date of receipt of the Notice described in Clause 10.1.1.
- 10.1.3 If the Dispute is not resolved at the meeting of the Senior Executive Officers of both the Parties, the Secretary, Energy Department, GoAP and the Chairman of Suzlon and/or Axis shall meet at the capital city of Andhra Pradesh or any other mutually agreed place within 30 (thirty) working days after the expiry of the period as mentioned in Clause 10.1.2, to attempt negotiations in good faith and using their best endeavours at all times to resolve the dispute within a further period of 30 (thirty) days and if the Dispute is still not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the authorised representatives of both the Parties, the provisions of the Clause 10.2 shall apply, unless the said period is mutually extended.
- 10.2 All Disputes not resolved between the Parties in accordance with Clause 10.1, shall be settled by way of arbitration in accordance with the provision of Arbitration and Conciliation Act, 1996 including any statutory modification or variation thereof, by reference to an arbitrator

For
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsil R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

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panel of 3 (three) arbitrators, one to be appointed by the Second Party, one to be appointed by GoAP and the third to be appointed by the two arbitrators so appointed, who shall act as Chairperson of the Arbitral Tribunal. All expenses of such third arbitrator shall be borne and paid by the parties in equal proportion. The arbitrators shall give a speaking Award.

- 10.3 The Award rendered in any arbitration commenced hereunder shall be final and binding.
- 10.4 During the pendency of any Arbitration the Parties shall continue to perform their respective obligations as detailed in this Agreement unless such performance cannot be reasonably continued.
- 10.5 The arbitration proceedings shall take place at capital city of Andhra Pradesh only and the Courts of the state of Andhra Pradesh alone have jurisdiction to this purpose.
- 10.6 The right to arbitrate disputes under this Agreement shall survive the expiry of term or the Termination of this Agreement.

CLAUSE 11 AMENDMENTS

- 11.1 No amendments or waiver of any provision of this Agreement and no consent to any departure by either party here form, shall in any event be effective unless the same shall be writing and signed by each of the Parties.

CLAUSE 12 COMMUNICATION

- 12.1 Any communication/notice by one Party to the other under this Agreement shall be deemed to be served if sent by cable, fax or E-mail followed by a confirmation letter delivered by hand or by registered mail to the respective addresses.


- 12.2 Communication should be addressed as below:

The Secretary, Energy, Infrastructure & Investment, CRDA
Government of Andhra Pradesh,
Secretariat, Hyderabad 500 022
Tel No.: +91 040 23453304
Fax No.: +91 040 23451678
Email id: secyenergyap@gmail.com

The Chairman and Managing Director,
Suzlon Energy Limited,
One Earth" Building, Hadapsar,
Pune-411028, Maharashtra, India
Tel. No.: +91-20-67022000/61356135/67202500
Fax No.: +91-20-67022100/67022200
Email id: cmd@suzlon.com

The Chairman and Managing Director,
Axis Energy Ventures India Private Limited,
2nd Floor, Plot no.3, House No. 6-3-680/8/3, PMR Plaza,
Thakur Mansion Lane, Somajiguda, Hyderabad - 500 082
Tel No.: +91 040 23412312/23412313
Fax No.: +91 040 23412314
Email id: ravi@axisenergy.in

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AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsir R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
14
Chairman & Managing Director

CLAUSE 13
MISCELLANEOUS

13.1 Relationship of the Parties

This agreement shall not be interpreted or construed or create an association, joint venture or partnership between the parties or to impose any partnership obligation or right upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.

13.2 Third Parties

This agreement is intended solely for the benefit of the parties hereto. Nothing in this agreement shall be construed to create any duty, to standard of care with reference to, or any liability to, any person not a party to this Agreement.

13.3 No Waiver

13.3.1 No waiver by either Party of any default by other Party in the observance and performance of any provision of or obligations of or under the agreement, (i) shall operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under the agreement; (ii) shall be effective unless it is in writing and executed by a duly authorized representative of the Party; and (iii) shall affect the validity or enforceability of the agreement in any manner.

13.3.2 Neither the failure by either party to insist on any occasion upon the performance of the terms, conditions and provisions of the Agreement or any obligation there under nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

13.4 Exclusion of Implied Warranties

This Agreement expressly excludes any warranty, condition or other undertaking implied at law or by custom or otherwise arising out of any other agreement between the Parties or representation by either Party not contained in a binding legal agreement executed by both Parties.

13.5 Counterparts

This Agreement may be executed in two counterparts, each of which when executed and delivered shall constitute an original of the agreement.

13.6 Severability

If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under the Agreement or otherwise.

Ajay
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi
Tulsi R. Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
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U. T.
Chairman & Managing Director

13.7 Survival

The termination or expiry of this Agreement shall not affect the accrued rights, obligations and liabilities of either party under this agreement, nor shall it affect any continuing obligations, which this Agreement provides, whether expressly or by necessary implication.

IN WITNESS, the Parties hereto have executed and delivered this Agreement at on the date first written above.

For and on behalf of GOVERNMENT OF ANHRA PRADESH

Ajay

Secretary
Energy, Infrastructure Investment, CRDA

For and on behalf of SUZLON ENERGY LIMITED

[Signature]

Chairman and Managing Director

For and on behalf of AXIS ENERGY VENTURES INDIA PRIVATE LIMITED

[Signature]
Chairman and Managing Director

Witness:


1. *[Signature]*
M. KAMALAKANTH REDDY
VCE/MD, NREDCAP.

2. *[Signature]*
K. SRINIVAS
OSD, NREDCAP.

1. *[Signature]*
(D. V. B. Rao)
Sr. Vice President
SUZLON Energy Ltd.

2. *[Signature]*
(K. KIRAN KUMAR REDDY)
DIRECTOR, AXIS WIND ENERGY
LTD.

Annexure - 2




GREEN ENERGY COMMITMENT

On the occasion of the first Renewable Energy Global Investors Meet (RE-INVEST) 2015, we, representing SUZLON GROUP a Company, registered under the Companies Act, with Headquarters at PUNE hereby present our commitment to the Hon'ble Prime Minister of India that we shall develop 10,000 Mega Watt (MW) of Renewable Energy Projects during the five year period of 2015-19, [11,000 Manufacturing @ 5,000 EPC]

Besides generating 37,168 Million Units of green and clean power annually, these projects will also create employment for 30,000 persons (@ 5 persons/MW) and prevent Carbon emissions of around 36,537 MT per year (@ tons/..... million unit).

Date 13th Feb. 2015

Place PUNE



Name TULSI TANTI

Chairman & Managing Director/Managing Director/CEO

Name of the Company SUZLON GROUP OF COMPANIES

Telephone No. 91 20 670 22 007


Email: CM & Suzlon - come

To:
 The Secretary,
 Ministry of New and Renewable Energy
 (Government of India)
 Block No. 4, CGO Complex, Lodhi Road
 New Delhi - 110003

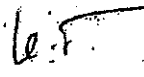
Ajay

AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.


Tulsir R Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited


Chairman & Managing Director



Memorandum of Understanding

This Memorandum of Understanding is entered on 15th day of February, 2015 at New Delhi on the occasion of First Renewable Energy Global Investors Meet (Re-Invest) 2015.

Between

M/s Suzlon Energy Ltd, a Company incorporated under the Companies Act, 1956 having its Office at Pune.

And

The Government of Andhra Pradesh

M/s Suzlon Energy Ltd wishes to establish 200 MW Capacity Wind Turbine blades manufacturing facility in Andhra Pradesh during the five year period of 2015-19 and 1500 (Nos) employment will be created directly / indirectly.

Government of Andhra Pradesh would facilitate M/s Suzlon Energy Ltd to obtain necessary Permissions / Registration / Approvals / Clearances etc., from the concerned departments of the state, as per the existing policies / rules and regulations of the State Government.

This Memorandum of Understanding is made to facilitate M/s Suzlon Energy Ltd for establishment of the aforesaid Project (s) in Andhra Pradesh in a time bound manner.

For and on behalf of
Government of Andhra Pradesh

[Signature]
(VC & Managing Director)
NREDCAP

Suzlon Energy Ltd.
[Signature]
Tulsi R Tanti
Chairman & Managing Director

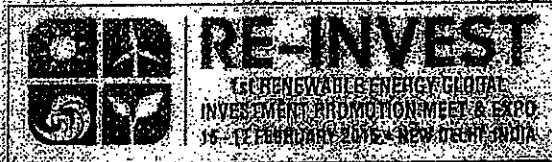
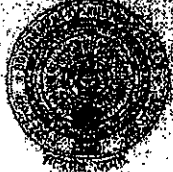
For and on behalf of
M/s Suzlon Energy Ltd.

[Signature]
(Authorised Signatory)

For Axis Energy Ventures India Private

[Signature]
AJAY JAIN, IAS., Secretary, Energy, I & I Dept., Govt. of AP
Secretary to Government
Energy, Infrastructure & Investment Dept. & Chairman, NREDCAP
Hyderabad - 500 022

[Signature]
Chairman & Managing



Memorandum of Understanding

This Memorandum of Understanding is entered on 15th day of February, 2015 at New Delhi on the occasion of First Renewable Energy Global Investors Meet (Re-Invest) 2015

Between

M/s Suzlon Energy Ltd, a Company incorporated under the Companies Act, 1956 having its Office at Pune

And

The Government of Andhra Pradesh

M/s Suzlon Energy Ltd wishes to establish 450 MW Capacity of Wind Power Project in Andhra Pradesh during the five year period of 2015-19 and 860 (Nos) employment will be created directly/indirectly.

Government of Andhra Pradesh would facilitate M/s Suzlon Energy Ltd to obtain necessary Permissions / Registration / Approvals / Clearances, etc. from the concerned departments of the state, as per the existing policies / rules and regulations of the State Government.

This Memorandum of Understanding is made to facilitate M/s Suzlon Energy Ltd for establishment of the aforesaid Project (s) in Andhra Pradesh in a time bound manner.

For and on behalf of
Government of Andhra Pradesh

Ajay Jain
(VC & Managing Director)
NREDCAP

Suzlon Energy Ltd.

Tulsi R Tanti
Chairman & Managing Director

For and on behalf of
M/s Suzlon Energy Ltd,

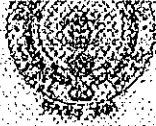
P. Srinivas
(Authorised Signatory)

For Axis Energy Ventures India Private

Ajay Jain
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.

Secretary, Energy, I & I Dept., Govt. of AP
& Chairman, NREDCAP

U. S. Rao
Chairman & Managing Director



MEMORANDUM OF UNDERSTANDING

Between

M/s SUZLON ENERGY LIMITED

and

THE STATE GOVERNMENT OF ANDHRA PRADESH, INDIA

This Memorandum of Understanding is made on this 29th day of April 2015 by and between Government of Andhra Pradesh, represented by Kartikeya Misra, IAS, Director of Industries, Government of Andhra Pradesh and M/s Suzlon Energy Limited represented by Ranjitsinh Parmar, Sr. President.

Now, therefore, Government of Andhra Pradesh and M/s Suzlon Energy Limited wish to formalize the understanding as follows:

1. M/s Suzlon Energy Limited intends to establish Integrated Wind Turbine (IWT) manufacturing facility of 500 MW per annum with an investment of Rs. 350 Crore with a potential to create an employment of 500 persons. This facility will cater to the requirement for setting up Renewable Energy Project to the tune of 2,500 MW.
2. Government of Andhra Pradesh will facilitate to provide necessary assistance to M/s Suzlon Energy Limited to improve the investment environment which includes prompt land acquisition, adequate infrastructure development and offering attractive incentives.

Asst
AJAY JAIN, IAS.
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
[Signature]
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

[Signature]
Chairman & Managing Director

173
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3. Government of Andhra Pradesh will facilitate M/s Suzlon Energy Limited to obtain necessary Permissions/ Registrations/ Approvals/ Clearances etc. from the concerned departments of the state under the Single Desk Policy.

4. This Memorandum of Understanding is made to facilitate M/s Suzlon Energy Limited for establishment of the aforesaid Projects in Andhra Pradesh in a time bound manner.

In witness whereof the parties have set their respective hands and seals to these presents through their duly authorized representatives on the date first above written.

For Government of Andhra Pradesh

For M/s Suzlon Energy Limited

KARTIKEYA MISRA, IAS
DIRECTOR OF INDUSTRIES
GOVERNMENT OF ANDHRA
PRADESH

RANJITSINH PARMAR,
SR. PRESIDENT
SUZLON ENERGY LIMITED

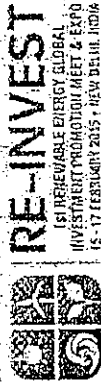
AJAY JAIN, IAS,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022

Suzlon Energy Ltd.

Tulsiraj Jant
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

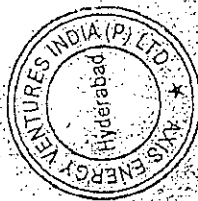


GREEN ENERGY COMMITMENT

On the occasion of the first Renewable Energy Global Investors Meet (RE-INVEST) 2015, we, representing **AXIS ENERGY GROUP** a Company, registered under the Companies Act, with Headquarters at **HYDERABAD** hereby present our commitment to the Hon'ble Prime Minister of India that we shall develop **12,500 Mega Watt (MW)** of Renewable Energy Projects during the five year period of 2015-19.

Besides generating **2509.7 Million** Units of green and clean power annually, these projects will also create employment for **18750 persons** (@ 1.5 persons / MW) and prevent Carbon emissions of around **21250 MT** per year (@ 0.84 tons / 1 million unit).

K. Ravi Kumar Reddy
Managing Director
Axis Energy Group
Hyderabad - 500 082
Phone: 8008 444440
Email: ravi@axisenergy.in



Date: 05.02.2015
Place: Hyderabad

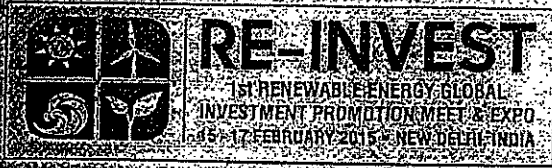
To
The Secretary
Ministry of New and Renewable Energy
(Government of India)
Block No. 14, CGO Complex, Potti Road
New Delhi - 110 003

Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Tulsi R Tanti
Chairman & Managing Director

Chairman & Managing Director

Annexure-1



Memorandum of Understanding

This Memorandum of Understanding is entered on 15th day of February, 2015 at New Delhi on the occasion of First Renewable Energy Global Investors Meet (RE-Invest) 2015.

Between
Axis Energy Group
And
Government of Andhra Pradesh

Axis Energy Group during first Renewable Global Investors Meet (RE-INVEST) 2015 presented Green Energy Commitment to the Honble Prime Minister, Government of India to set up 12,500 MW of Wind and Solar Power Projects during the next five years period (2015-2019) on 15th day of February, 2015 at New Delhi and this capacity Commitment stands no 2 in the country.

Out of the above capacity as a priority, 4000 MW of Wind power and 2500 MW of Solar Power Projects is committed to setup in the State of Andhra Pradesh including hybrid Wind and Solar power projects during five years period (2015-2019) by Axis Energy Group and reduction of carbon emissions of 11050 MT/year (@1.7 MT/year) and 9750 No's (@1.5 person/ MW) of employment will be created directly/indirectly.

M/s Axis Energy Ventures India Pvt. Ltd, installed 28 wind monitoring Stations for Wind Resource Assessment studies in Ananthapur, Kurnool and Kadapa Districts and established wind farmable potential and also 10 sites were already validated by National Institute of Wind Energy, Chennai and notified.

Axis Energy Group companies has obtained sanctions to establish 1066 MW of Wind Power Projects in different sites and entered into Agreement with NREDCAP Ltd, Nodal Agency of State of Andhra Pradesh.

Government of Andhra Pradesh would undertake to facilitate Axis Energy Group to obtain necessary Permissions/ Registrations/ Approvals/ Clearances etc. from the concerned departments of the state, as per the existing policies / rules and regulations of the State Government.

This Memorandum of Undertaking is made to facilitate Axis Energy Group for establishment of the aforesaid Projects in Andhra Pradesh in a time bound manner as a part of their Green Energy Commitment given to Honble Prime Minister of India during the RE-INVEST-2015.

For and on behalf of
Government of Andhra Pradesh

M. Kamalakar Babu, M.Sc., B.L.
(VG & Managing Director)
NREDCAP

For and on behalf of
M/s Axis Energy Ventures (I) Pvt. Ltd.

K. Ravi Kumar Reddy
(Managing Director)

Alay Jain, IAS

Secretary, Energy, I & I Dept, Govt. of AP
& Chairman, NREDCAP

ALAY JAIN, IAS

Secretary, Energy, I & I Dept, Govt. of AP

Tulsirani
Chairman & Managing Director

Chairman & Managing Director

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy, I&I Department - Proposals for entering into an MoU with M/s Suzlon Energy Ltd., for manufacture and development of 4000 MW Renewable Energy Power Projects in the State of Andhra Pradesh - Permission Accorded - Orders - Issued.

ENERGY, INFRASTRUCTURE & INVESTMENT (PR.II) DEPARTMENT

G.O.Ms.No.15

Dated.27.11.2015

Read the following:

1. The Chairman of M/s. Suzlon Energy Limited, Letter dated, 03.09.2015.
2. From the VC&MD, NREDCAP Lr.No.NREDCAP/WE/SUZLON/MoU/ 2015, dated. 14.09.2015 and 23.09.2015.

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
ORDER:-

In the reference 1st read above, Chairman of M/s Suzlon Energy Limited, has submitted a representation to Government of Andhra Pradesh, for development of 4000 MW Renewable Energy Power Projects (Wind Energy) and Wind Solar Hybrid Systems and to establish Wind Turbine Generator manufacturing facilities and proposed to sign an MoU with Govt. of AP along with their partners viz M/s. Axis Energy Ventures India Private Limited. They have proposed the investment and commitment as detailed below:-

- Manufacturing at multiple locations (i.e. blade, tower, nacelle/generator) to integrate all components of wind turbine generator in Ananthapuramu & Nellore Districts.
- Employment generation
 - Direct : 8,000 (manufacturing & projects).
 - Indirect : 25,000 (approx.)
- Establishment of wind and wind-solar hybrid projects (mostly in Ananthapuramu District)
- Establishment of skill development centre (In Ananthapuramu District)
- Establishment of SUZLON Chair at the proposed Energy University

2. Accordingly, the VC&MD, NREDCAP has in his letter second read above, has reported that M/s. Suzlon Energy Ltd., has global presence with an installed capacity of about 15,000 MW in 19 countries including 8,700 MW in India. They have proposed to develop 4,000 MW RE capacity over a period of five years mostly in Ananthapuramu District and they have proposed to sign an MoU jointly with Government of AP for development of the above projects. It has also been informed that M/s. Suzlon Energy Ltd., have agreed to set up integrated wind turbine manufacturing units in the State and signed an MOU with the Industries Department on 29-04-2015. M/s. Axis Energy Ventures India Pvt Ltd., a partner of M/s Suzlon Energy Limited, has conducted detailed wind monitoring studies as per the MNRE guidelines at 28 locations and about 3500-4000 MW capacity wind power potential is available at these locations in mostly Ananthapuramu District and NREDAP has already allotted 1066 MW wind power projects to M/s. Axis Energy Group companies. Hence, the VC&MD, NREDCAP has proposed that M/s. Suzlon Group and M/s. Axis Energy Group will jointly develop 4000 MW Renewable Energy power projects over a period of 5 years and also manufacturing facilities by M/s. Suzlon Group. Both the parties have proposed to sign an MOU with the Government of AP. The firm has requested to extend necessary benefits, incentives, single window facilitation etc., as per the provisions of AP Wind Power Policy 2015 and AP Industrial Policy 2015-2020. M/s. Suzlon Group has also agreed to submit Performance Bank Guarantee @ Rs. 5.00 lakh per MW (approximately Rs. 200 crores) for

Aish
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsil R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited


Chairman & Managing Director

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300

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the entire capacity of 4,000 MW for implementation on time bound basis. Subsequent to signing of MOU, it is proposed to sign an implementation agreement, and agreed to provide Performance Bank Guarantee for timely completion of the project as per the timelines indicated in the proposed implementation agreement. The expected investment that can be brought into the State will be Rs. 28,000 crores towards establishment of 4,000 MW wind power and Rs. 500 crores towards establishment of manufacturing facilities. The Government of AP have also proposed to develop 4,150 MW capacity wind power projects by the year 2018-19, and also the NREDCAP is planning to develop Ananthapuramu District as Renewable Energy Hub under Power For All 24x7 Scheme.

Taking into consideration all the above, an MoU has been prepared indicating all the modalities and commitments of both the parties.

Government after careful consideration, hereby approves the proposal for entering into an MoU with M/s Suzlon Energy Limited and M/s Axis Energy Ventures India Private Limited as per the approved format annexed to this order.

The Vice Chairman & Managing Director, NREDCAP shall take further necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY JAIN
SECRETARY TO GOVERNMENT

To,
The Vice Chairman & Managing Director, NREDCAP, Hyderabad, (we).
The Chairman, M/s Suzlon Energy Limited, (we).

Copy to:-
The PS to Secretary to CM,
The PS to Chief Secretary to Govt.
The General Administration (Cabinet) Department,
SF/SCs.

//FORWARDED BY ORDER//

Car...
SECTION OFFICER
W

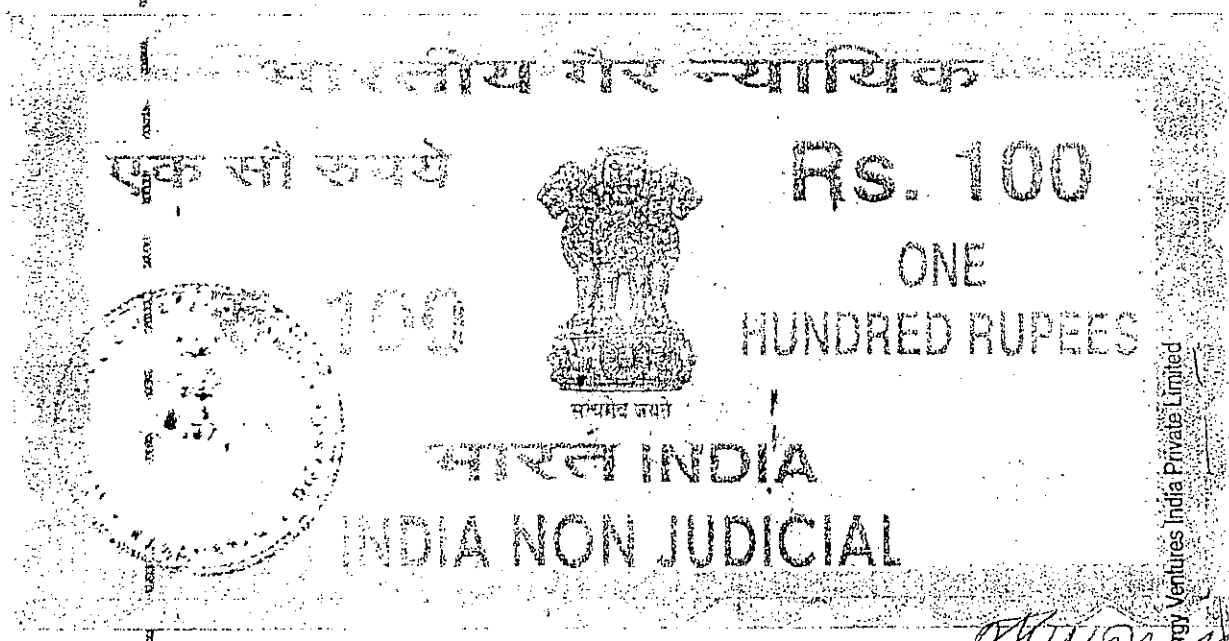
A-5
AJAY JAIN, IAS,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500-022.

Suzlon Energy Ltd.
Tulsi R. Janti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
W
Chairman & Managing Director

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Annexure - 3



తెలంగాణ తేలంగానా TELANGANA

Sl. No. 23347 Date. 17/10/2015.
 Sold To : Jaisimha
 S/o : Narsig Rao R/o. Hyd.
 To Whom : Suzlon Energy Ltd.

K. N. LAL BABU
 Licenced Stamp Vendor
 LICENCE NO. 16-07-086/2012.
 R.L. NO. 16-07-002/2015.
 H.No. 3-5-948/91/A, Himayath Nagar
 HYDERABAD DISTRICT
 PHONE NO. 09492424379

MEMORANDUM OF UNDERSTANDING

The Memorandum of Understanding ("MOU") is entered into on this 4th day of December, 2015 at Vijayawada by and between:

SUZLON ENERGY LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 5 Shrinjali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380009, Gujarat, India and its Corporate Office at "One Earth" Building, Hadapsar, Pune-411028, Maharashtra, India represented by its authorised signatory Mr Tulsi Tanti, Chairman & Managing Director (hereinafter referred to as "Suzlon Group", which term shall mean and include its successors in interest, group companies, associates and assigns);

AND

For Axis Energy Ventures India Private Limited
 Chairman & Managing Director

Suzlon Energy Ltd.
 Tulsi R Tanti
 Chairman & Managing Director

AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

Page 1 of 8

Suzlon Energy Ltd.
 Tulsi R Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited
 Chairman & Managing Director

AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

59
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Chairman & Managing Director

తెలంగాణ తెలంగాణ TELANGANA

Sl. No: 23346 Date: 17/10/2015.
Sold To : Jaisimha
S/o : Narsig Rao R/o. Hyd.
To Whom : Suzlon Energy Ltd.

K. N. LAL BABU
Licenced Stamp Vendor
LICENCE NO. 16-07-086/2012,
R.L. NO. 16-07-002/2015.
H.No. 3-5-948/91/A, Himayathi Nagar
HYDERABAD DISTRICT
PHONE NO. 09492424379

For Axis Energy Ventures India Private Limited

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

AXIS ENERGY VENTURES INDIA PRIVATE LIMITED, a holding Company of Axis Energy Group, a Company duly incorporated under the Companies Act 1956, having its registered office at 2nd floor, Plot No.3, H No.6-3-680/8/3, PMR Plaza, Thakur Mansion Lane, Somajiguda, Hyderabad - 500082, represented by its authorised signatory Mr. K. Ravikumar Reddy, Chairman & Managing Director (hereinafter referred to "Axis Energy Group" which term shall mean and include its successors in interest, group companies, associates and assigns).

Suzlon Group and Axis Energy Group, hereinafter shall jointly be referred to as the "Parties of First Part/First Party".

AND

GOVERNMENT OF ANDHRA PRADESH, represented by its Secretary, Energy, Infrastructure and Investment Department & CRDA, Government of Andhra Pradesh, Secretariat, Hyderabad, hereinafter referred to as the "Party of the Second Part/Second Party".

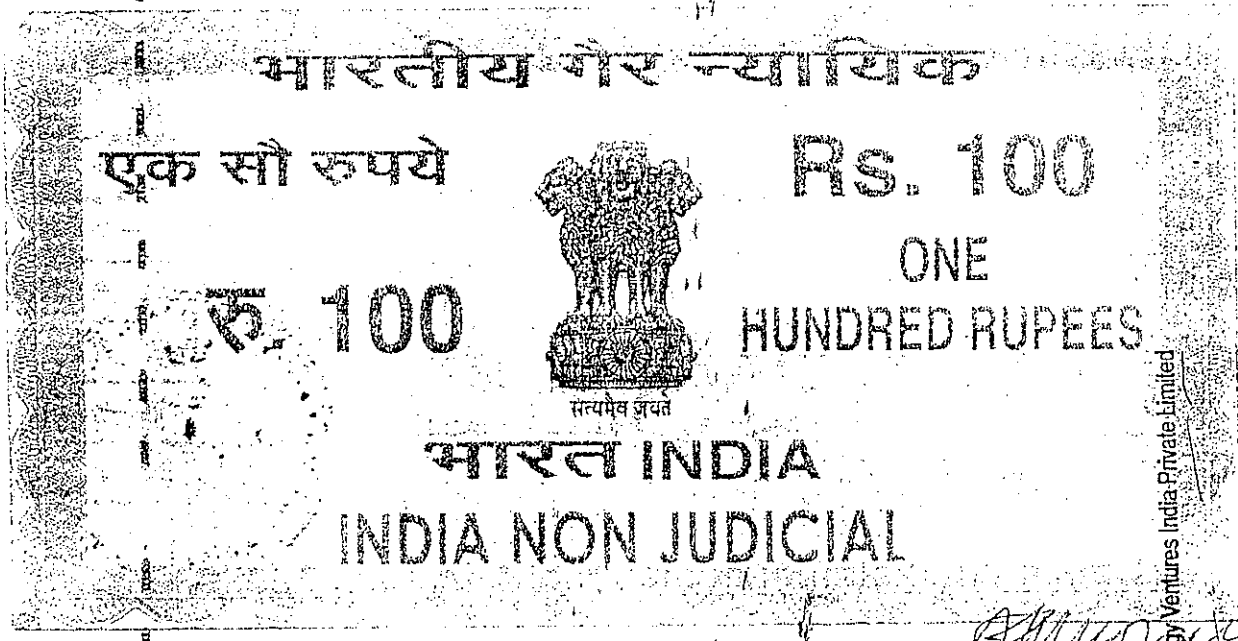
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

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For Axis Energy Ventures India Private Limited
 Chairman & Managing Director

తెలంగాణ తెలంగాణ TELANGANA

Sl. No: 23345 Date: 17/10/2015.
 Sold To : Jaisimha
 S/o : Narsig Rao R/o. Hyd.
 To Whom : Suzlon Energy Ltd.

K. N. LAL BABU
 Licenced Stamp Vendor
 LICENCE NO. 16-07-086/2012.
 R.L.NO. 16-07-002/2015.
 H.No. 3-5-948/91/A. Himayath Nagar
 HYDERABAD DISTRICT
 PHONE NO. 09492424379

3

WHEREAS:

The Government of India as part of its goal to achieve green energy commitment has emphasized on increasing the development of renewable energy projects and enhancement of the capacities of power production through renewable sources. This has also led to various states with high resources and possibilities of renewable energy power production, such as the state of Andhra Pradesh, to promote the establishment of new and renewable energy projects.

The National Institute of Wind Energy (NIWE) has assessed the potential of the State of Andhra Pradesh in wind power projects to be over 22,000 MW with maximum potential identified in the districts of Ananthapuram, Kadapa, Kurnool, Chittoor and Nellore. The Second Party, in order to promote the development of clean energy initiative, has issued Wind Power Policy 2015 and the Andhra Pradesh Industrial Policy 2015-2020.

Suzlon Energy Ltd.
 Tulsir R Tanti
 Chairman & Managing Director

AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

Page 3 of 8

Suzlon Energy Ltd.
 Tulsir R Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited
 Chairman & Managing Director

AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

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Suzlon Group which is the largest wind energy player of India, and one of the world leaders, along with its associates is in the business of manufacturing wind turbine generators and developing wind and solar power projects through engineering, procurement and supply model for various independent power producers across India and has about 14 manufacturing facilities spread across India and America. Suzlon Group has built and consolidated its presence in 19 countries and installed over 14,600 MW of wind power projects globally.

Suzlon Group while participating in the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 held on February 15, 2015, had given a commitment to the Honourable Prime Minister of India, in presence of Honourable Minister for New & Renewable Energy, Power and Coal of India, to develop 11,000 MW of capacity of new wind capacity and develop new manufacturing facilities over a period of five years.

Suzlon Group in pursuance to the said commitment initially signed Memorandum of Understanding dated February 15, 2015 at New Delhi with the Second Party for setting up of manufacturing facility for blades and wind power projects for an aggregate capacity of 430 MW in state of Andhra Pradesh. Subsequently, the Suzlon Group also signed another Memorandum of Understanding dated April 29, 2015 with Industries Department, GoAP on the eve of the launch of Andhra Pradesh Industry Mission, 2015 and Industrial Policy 2015-2020 at Visakhapatnam, for setting up of integrated manufacturing facility for manufacture of wind turbines in the state of Andhra Pradesh. Both the memorandum of understandings dated February 15, 2015 and April 29, 2015 were executed in presence of Honourable Chief Minister of Andhra Pradesh (hereinafter both MoUs are jointly referred as "Suzlon MoUs").

Suzlon Group is desirous of participating in the initiatives of Second Party in harnessing the wind power potential in the state of Andhra Pradesh, by (i) setting up three manufacturing facilities i.e two (2) at Anathapuramu (for nacelles and blades) and one at Krishnapatnam (for towers) ("Manufacturing Facilities"); and (ii) setting up renewable energy projects for an aggregate capacity of around 3,000 MW capacity of wind power projects and 1000 MW Wind Solar Hybrid project, at sites feasible for developing such projects in the State of Andhra Pradesh (together "Renewable Energy Projects").

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Axis Energy Group which is in the business of developing Renewable Energy Projects, in particular Wind and Solar, and had presented the "Green Energy Commitment" to the Honourable Prime Minister of India during the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 on February 15, 2015 at New Delhi. Axis Energy Group gave a commitment to develop 12,500 MW of Renewable Energy Projects comprising of 7,000 MW in wind and 5,500 MW in solar projects.

Axis Energy Group has committed to develop 4,000 MW wind power projects (for which Axis Energy Group has already entered into a MoU on 28 Wind Monitoring Stations for Wind Resource Assessment studies with NREDCAP/NIWE ("Axis MoU") and 2500 MW solar power projects in the State of Andhra Pradesh. As per initial studies, the potential generation capacity estimated under the Axis MOU is around 3500-4000 MW of wind power projects, in addition to the 1,066 MW capacities of wind power projects sanctioned by the Government of Andhra Pradesh. Accordingly, Axis Energy Group had given commitment to establish wind power projects in state of Andhra Pradesh and had entered into Memorandum of Understanding with the Government of Andhra Pradesh in the presence of the Honourable Chief Minister of Andhra Pradesh on February 15, 2015 ("GoAP MoU"). Government of Andhra Pradesh has given undertaking to facilitate the Axis Energy Group to obtain approvals /permissions /clearances etc. from concerned departments as per rules/policies/regulations prevailing.

The Parties of the First Part, in view of the common objectives under GoAP MoU and the Suzlon MoUs, are proposing to collaborate and jointly develop (under various business models) the Renewable Energy Projects (SUZLON group jointly with Axis Group) and the Manufacturing Facilities (by SUZLON Group) in the State of Andhra Pradesh over a period of next five years. Hence, the Parties of the First Part have also held discussions and decided to jointly approach the Second Party, seeking assistance for setting up the Manufacturing Facilities and developing the Renewable Energy Projects. The Second Party, on the request of the Parties of First Part, have agreed to facilitate the establishment of the Manufacturing Facilities and the development of the Renewable Energy Projects in the State of Andhra Pradesh, pursuant to the provisions of this MoU.

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

Ajay Jain
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

Ajay Jain
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

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AB

NOW THEREFORE, PARTIES HEREIN HAVE AGREED TO THE FOLLOWING.

1. The Parties of First Part propose to develop (under various business models) the Manufacturing Facilities and Renewable Energy Projects in State of Andhra Pradesh over a period of next five years between 2015 to 2020. The Parties of First Part in this regard agree and undertake to the following:
 - (i) Achieve the implementation of Manufacturing Facilities by SUZLON Group and Renewable Energy Projects by SUZLON & Axis Group by March 31, 2020;
 - (ii) To generate employment, subject to applicable laws and requirement of the Manufacturing Facilities and Renewable Energy Projects;
 - (iii) Set up skill development centres in relation to Manufacturing Facilities and Renewable Energy Projects;
 - (iv) Submit a business plan/project schedule identifying the development of the Manufacturing Facilities and the Renewable Energy Projects; and
 - (v) Provide security in the form of Bank Guarantee at the rate of Rs. 5 lakhs per MW for the entire capacity of the Renewable Energy Projects, on a progressive basis to the Second Party.
2. The Second Party agrees to the following:
 - (i) In relation to setting up of the Manufacturing Facilities and development of the Renewable Energy Projects:
 - Priority allotment of government land on long term lease basis to the First Party/ Parties of First Part in accordance with procedure in vogue, and wherever required assistance to the First Party/ Parties of First Part, as the case may be, for procurement of Private and Forest land;
 - Facilitate the First Party/ Parties of First Part, as the case may be, in the acquisition of identified land in accordance with law.
 - Permit the development of Renewable Energy Projects on the land identified by the First Party;

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

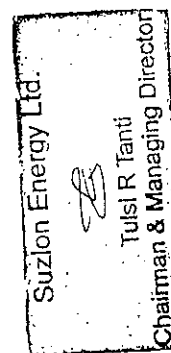
For Axis Energy Ventures India Private Limited
Chairman & Managing Director

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

- Facilitate the approval of the relevant gram panchayats for setting up the Renewable Energy Projects;
 - Facilitate availability the benefits under single window clearance for procuring necessary approvals and clearances for setting up of the Manufacturing Facilities and development of the Renewable Energy Projects; and
 - (ii) Priority allocation of capacities for the Renewable Power Projects as per the procedures in vogue by NREDCAP;
 - (iii) Make Availability of all benefits under the Wind Power Policy 2015 and the Andhra Pradesh Industrial Policy of 2015-2020.
 - (iii) Make Availability of adequate power evacuation facilities by the power transmission corporation/s for evacuation of power from the inter connecting point of Renewable Energy Projects as per the procedure in vogue.
 - (iv) Make Availability of necessary infrastructure for ensuring unhindered access to and utilisation of the Manufacturing Facilities and the Renewable Energy Projects.
 - (v) Provide to the First Party incentives under the Mega Industrial Policy of the Government of Andhra Pradesh.
3. Execution of firm Power Purchase Agreements for the capacities committed under this MOU with Feed in Tariff as per the prevailing regulations and orders of the AP Electricity Regulatory Commission for Wind Power and Wind Solar Hybrid Power Projects
4. Axis Energy Group represents to the Second Party that they are collaborating with Suzlon Group, for the development of the above mentioned projects and further agrees and confirms to Second Party that as part of the said collaboration, they will allocate capacity to the First Party/ Parties of First Part for development of the Renewable Energy Projects, and extend other rights and benefits to the First Party/ Parties of First Part as may be available to it in terms of the MoU with the Second Party.

Axis Energy Ventures India Private Limited

Chairman & Managing Director



M/s
 AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

Page 7 of 8



For Axis Energy Ventures India Private Limited

Chairman & Managing Director

M/s
 AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022

65

5. Besides the understanding agreed herein, the Second Party and the First Party will execute a Project Implementation Agreement within 30 days from the execution of this MoU, setting out in detail the terms and conditions (including the timelines) for implementation of the commercial transaction contemplated herein.

6. This MoU shall be governed by laws of India.

IN WITNESS WHEREOF, the parties have caused this MoU to be duly executed by their duly authorised representatives on the date and year first here in above.

For and on behalf of
Suzlon Energy Ltd

For and on behalf of
Government of Andhra Pradesh

[Signature]

Tulsi Tanti
Chairman &
Managing Director

[Signature]
SECRETARY,
Energy, I&I and CRDA

For and on behalf of
Axis Energy Ventures
India Private Limited

K RAVI KUMAR REDDY
Chairman &
Managing Director

Suzlon Energy Ltd
[Signature]
Tulsi R Tanti
Chairman & Managing Director

Witness:

Witness:

- 1. *[Signature]*
(K. KIRAN KUMAR REDDY)
- 2. *[Signature]*
(D. V. B. Rao)

- 1. *[Signature]*
(M. KAMALAKRISHNA)
- 2. *[Signature]*
(K. S. ...)

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

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ANNEXURE 4

Implementation Schedule – Renewable Energy Project

Year	Wind Power Projects (MW)	Wind, Solar and Hybrid Projects (MW)
2016-17	600	---
2017-18	600	200
2018-19	600	200
2019-20	600	300
2020-21	600	300
Total Capacity (MW)	3000	1000

Axis
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

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ANNEXURE 5

Format of Power Purchase Agreement approved by APERC

POWER PURCHASE AGREEMENT

BETWEEN

[Name of the Discom to be inserted]

AND

[Name of the Project Company]

This Power Purchase Agreement (the "Agreement") entered into this _____ day of _____ 2015 between

[Name of the Discom to be inserted] (DISCOM), incorporated by the Government of Andhra Pradesh in accordance with the Andhra Pradesh Electricity Reform Act 1998 (Act No.30 of 1998), under the provisions of Companies Act, 1956, having its office at [to be inserted], India, hereinafter referred to as the "DISCOM" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as first party,

and

M/s. [Name of the Project Company], a company incorporated under the Companies Act, [1956/2013], having registered office at [to be inserted], hereinafter referred to as the "Wind Power Producer" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as second party.


WHEREAS, the Wind Power Producer is setting up the New and Renewable Energy Project i.e., the [.] MW capacity Wind power project at [.] Village, [.] Mandal, [.] site, [.] District, Andhra Pradesh (hereafter called the Project) with a proposal of [.] MW as detailed in Schedule 1 attached herewith, and New and Renewable Energy Development Corporation of Andhra Pradesh Limited hereafter referred to as M/s NREDCAP has accorded approval to the said project in their proceedings No. NREDCAP/WE/6737/2015, Dated 07.04.2015 and the Wind Power Producer has entered into an Agreement with NREDCAP on 07-04-2015 and the copies whereof are attached herewith as Schedule-2 and Schedule 3 respectively.

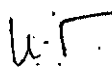
WHEREAS, it has been agreed that the Project will be designed, engineered and constructed and operated by or on behalf of the Wind Power Producer or its successors with reasonable diligence subject to all applicable Indian laws, rules, regulations and orders having the force of law;

Whereas, the proposed Project is being setup at [.] (V), [.] (M), [.] Site, [.] District, and will be connected to the designated sub-station i.e., APTRANSCO [220/33KV] [.] sub-station at [.]KV voltage level for power evacuation from wind power projects by erecting an exclusive [.]KV group feeder. The Project will share a common metering on the above feeder at the designated sub-station. The Project will also have a separate metering at Project's switchyard.

The terms and conditions of the Agreement are subject to the provisions of the Electricity Act, 2003 (36 of 2003) and the amendments made to the act from time to time, and also subject to regulation by the Andhra Pradesh Electricity Regulatory Commission.

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Chairman & Managing Director

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NOW THEREFORE, in consideration of the foregoing premises and their mutual covenants herein, and for other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto, intending to be legally bound hereby agree as follows:

ARTICLE 1

DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set forth herein below. Defined terms of singular number shall include the plural and vice-versa.

1.1 **APTRANSCO:** Transmission Corporation of Andhra Pradesh Limited, incorporated by the Government of Andhra Pradesh.

1.2 **Billing Date:** means the fifth (5th) day after the Meter Reading Date.

1.3 **Billing Month:** means the period commencing from 25th of the calendar month and ending on the 24th of the next calendar month.

1.4 **Commercial Operation Date (COD):** means, with respect to each Generating unit, the date on which such Generating unit is declared by the Wind Power Producer to be operational, provided that the Wind Power Producer shall not declare a Generating unit to be operational until such Generating unit has completed its performance acceptance test as per standards prescribed.

Explanation: In respect of Non-conventional based power projects the date of synchronisation of the first unit of the project will be treated as the Commercial Operation Date of the project.

1.5 **Delivered Energy:** means, with respect to any Billing Month, the kilo watt hours (kWh) of electrical energy generated by the Project and delivered to the DISCOM at the Interconnection Point as defined in Article 1.10, as measured by the common energy meter at the Interconnection Point during that Billing Month. As indicated in the preamble, the delivered energy recorded by the common meter shall be sum of energy delivered by all Wind power projects connected to the designated sub-station. i.e., APTRANSCO 220/33KV [•] sub-station

Explanation 1: For the purpose of clarification, Delivered Energy, excludes all energy consumed in the Project, by the main plant and equipment, lighting and other loads of the Project from the energy generated and as recorded by energy meter at Interconnection Point.

Explanation 2: The delivered energy in a Billing Month shall be limited to the energy calculated based on the Capacity agreed for export to network for sale to DISCOM as mentioned in Preamble and Schedule - 1, multiplied with number of hours and fraction thereof the project is in operation during that billing month. In case any excess energy is delivered no payment shall be made for the same.

Explanation 3: The Delivered Energy will be equal to energy recorded by the individual meter at Project's switchyard minus apportioned line losses from Project's switchyard to meter at 220/33KV [•] Sub-station and shall be calculated as per the formula mentioned below:

$$\text{Delivered Energy} = X1 - (X1 \times Z \%)$$

Where

X1 is the reading of the energy meter installed at the Project's switchyard.

Z% is the line loss incurred in the transmission line between the Project and the interconnected Substation and shall be:

$$Z = \frac{(X1 + X2 + X3 + X4 + \dots) - Y}{(X1 + X2 + X3 + X4 + \dots)} \times 100$$

Where

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Y is the reading of the common energy meter installed on the 33KV side of the interconnected Substation, X1, X2, X3, X4 etc. are the readings of the energy meters installed at the various individual Wind power projects being developed/proposed to be set up in the area and connected to the designated sub-station, i.e., APTRANSCO 220/33KV [*] sub-station.

1.6 **Due Date of Payment:** means the date on which the amount payable by the DISCOM to the Wind Power Producer hereunder for Delivered Energy, if any, supplied during a Billing Month becomes due for payment, which date shall be thirty (30) days from the Meter Reading Date provided the bill is received by DISCOM within 5 days from Meter Reading Date, and in the case of any supplemental or other bill or claim, if any, the due date of payment shall be thirty (30) days from the date of the presentation of such bill or claim to the designated officer of the DISCOM.

1.7 **Financial Year:** shall mean, with respect to the initial Fiscal Year, the period beginning on the Commercial Operation Date and ending at 12.00 midnight on the following March 31. Each successive Financial Year shall begin on April 1 and end on the following March 31, except that the final Fiscal Year shall end on the date of expiry of the Term or on termination of this Agreement, whichever is earlier.

1.8 **Installed Capacity:** means the total rated capacity in MW of all the Wind Energy Generators installed by the Wind Power Producer.

1.9 **Interconnection Facilities:** means all the equipment and facilities, including, but not limited to, all metering facilities, switchgear, substation facilities, transmission lines and related infrastructure, to be installed at the voltage specified in Article 1.20 at the Wind Power Producer's expense from time to time throughout the term of this Agreement, necessary to enable the DISCOM to economically, reliably and safely receive Delivered Energy from the Project in accordance with the terms of this Agreement. As indicated in the preamble, the interconnection facilities beyond Project's switchyard shall be common for Wind Power Producer and other Wind power projects connected to the designated sub-station, i.e., APTRANSCO 220/33KV [*] sub-station.

1.10 **Interconnection Point:** means the point or points where the Project and the DISCOM (APSPDCL)/APTRANSCO grid system are interconnected. For this project, interconnection point is at the designated sub-station i.e., 220/33KV [*] sub-station. The metering for the project will be provided at the interconnection point as per Article 4.1. As indicated in the preamble of this Agreement, interconnection point for this project is common with other wind power projects connected to the designated sub-station, i.e., APTRANSCO 220/33KV Ramagiri sub-station.

1.11 **Meter Reading Date:** means mid-day (i.e., noon) of the 24th (twenty-fourth) day of each calendar month, at the Interconnection Point.

1.12 **Metering Point:** means points where metering shall be provided for Project and shall be as follows:

(i) Common meter provided at the Interconnection Point for purposes of recording of Delivered Energy of the Project;


(ii) Individual meter provided at Project's switchyard;


(iii) Metering point shall include two separate sets of [0.2 /0.2S] class accuracy electronic tri-vector meters as specified in Article 4.1, main meter installed by the Wind Power Producer and the check meter installed by the DISCOM and both sealed by the DISCOM, having facilities to record both export and import of electricity to / from the grid.

1.13 **Project:** means the [*] MW capacity Wind Power Project at [*] Village, [*] (M), [*] District, Andhra Pradesh for construction and operation as detailed in Agreement entered into with NREDCAP as shown in Schedule 3 attached herewith and includes the metering system.

1.14 **Prudent Utility Practices:** means those practices, methods, techniques and standards, that are generally accepted for use in electric utility industries taking into account conditions in India and

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commonly used in prudent electric utility engineering and operations to design, engineer, construct, test, operate and maintain equipment lawfully, safely, efficiently and economically as applicable to power stations of the size, service and type of the Project, and that generally conform to the manufacturers' operation and maintenance guidelines.

1.15 **Designated Sub-station:** means 220/33 kV [•] Sub-station of APTRANSCO/APSPDCL (DISCOM).

1.16 **SLDC:** means the State Load Dispatch Center as notified by the State Government under the provisions of the Electricity Act 2003.

1.17 **System Emergency:** means a condition affecting the APTRANSCO's/ DISCOM's electrical network which threatens the safe and reliable operation of such system or which is likely to result in the disruption of safe, adequate and continuous electric supply by the APTRANSCO/DISCOM, or which endangers life or property, which condition is affected or aggravated by the continued delivery of Delivered Energy from the Project.

1.18 **Surcharge on Reactive Power drawn by Wind Farms:** means the charges leviable on the reactive power drawn by Wind Farms at the rate of 25 paise (twenty five paise) per KVARh of reactive energy drawn from grid upto 10% of net active energy generated and 50 paise per KVARh for total drawl if reactive energy drawn is more than 10% of net active energy generated. The above mentioned rates are subject to revision as per APERC orders from time to time. The reactive power drawn as recorded by meters at interconnection point includes the reactive power drawn by all the Wind Power Producers in the cluster. As such the reactive power recorded by the meters at the interconnection point shall be shared by all the individual power producers in the ratio of the active energy delivered by them individually.

Explanation 1: Induction generators used in Wind Farms draw reactive power from grid during generator mode and motor mode.

Explanation 2: Surcharge on reactive power drawn by Wind Farms will be levied on the Wind Power Producer.

1.19 **Unit:** When used in relation to the generating equipment, means one set of turbine generator and auxiliary equipment, and facilities forming part of the project and when used in relation to electrical energy, means kilo watt hour (kWh).

1.20 **Voltage of Delivery:** means the voltage at which the electrical energy generated by the project is required to be delivered to the APTRANSCO at the Interconnection Point and the Voltage of Delivery is as detailed below:

TABLE - A

At 33 KV level:

Project interfacing		Specified type of AAAC Conductor (size)	Proposed Wind power capacity on each 33 KV line
From	To		
Wind project	Existing 33/11 KV DISCOM SS		
Wind project	EHT Pooling SS or existing EHT APTRANSCO SS		

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This Project will generate electrical energy at [*] Volts, which will be stepped up to 33 KV at Project's switchyard and interconnected to the designated sub-station i.e., 220/33KV [*] sub-station of APTRANSCO at 33 KV Voltage for power delivered to the grid.

1.21 All other words and expressions, used herein and not defined herein but defined in Indian Electricity Rules 1956, AP Electricity Reform Act, 1998 and the Electricity Act, 2003 shall have the meanings respectively assigned to them in the said Acts.

ARTICLE 2

PURCHASE OF DELIVERED ENERGY AND TARIFF

2.1 All the Delivered Energy at the interconnection point for sale to DISCOM will be purchased at the tariff provided for in Article 2.2 from and after the date of Commercial Operation of the Project. Title to Delivered Energy purchased shall pass from the Wind Power Producer to the DISCOM at the Interconnection Point.

2.2 The Wind Power Producer shall be paid tariff for energy delivered at the interconnection point for sale to DISCOM, which shall be firm at Rs. [*] per unit for a period of [*] years from the Commercial Operation Date (COD) as per APERC order No [*] dated [*].

2.3 The tariff is inclusive of all taxes, duties and levies.

2.4 All future increase in Taxes, Duties and Levies on Energy generated is to be borne by the Wind Power Producer.

2.5 Where in any Billing month, the energy supplied by the DISCOM to the Wind Power Producer as a bilateral arrangement to maintain the Auxiliaries in the power plant in situations of non-generation of power, shall be billed by the DISCOM, and the Wind Power Producer shall pay the DISCOM for such electricity supplies, at the DISCOM's then-effective tariff applicable to High Tension Category-I Consumers. For this purpose, the maximum demand specified in such DISCOM's Tariff shall be computed by dividing the amount of such energy supplied by the DISCOM by hours of drawl of power from the grid in the Month.

Explanation: The Wind plants during the plant shut down periods shall draw the energy from DISCOM only for the essential loads not exceeding auxiliary consumption

ARTICLE 3


INTERCONNECTION FACILITIES

3.1 Upon receipt of a requisition from the Wind Power Producer, the APTRANSCO and DISCOM will prepare an estimate for arranging interconnection facilities for power evacuation at the voltage level as per Article 1.20. The APTRANSCO and DISCOM shall evaluate, design, and install the Interconnection Facilities and perform all work, at the Wind Power Producer's expense, necessary to economically, reliably and safely connect the grid system to the Project switch yard.

3.2 APTRANSCO and DISCOM may also permit the Wind Power Producer to execute the interconnection facilities for power evacuation as per the sanctioned estimate at its discretion duly collecting the supervision charges as per procedure in vogue.

3.3 The Wind Power Producer shall own, operate and maintain interconnection facilities from Project to designated sub-station from time to time and necessary expenditure shall have to be borne by the

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Wind Power Producer. The maintenance work on the Generating units has to be done in coordination with the APTRANSCO and DISCOM.

3.4 The Wind Power Producer shall agree to pay to the DISCOM, on or before signing of this Agreement, at the rate of Rs. [•] per MW of Installed Capacity and for fractions thereof on a pro-rata basis as a onetime lump sum payment for the sole purpose of providing the required MVAR capacity at the Substation of the APTRANSCO/DISCOM to which the Project is interconnected to supply the requisite reactive power to the Grid System. APTRANSCO/DISCOM shall install the capacitors of required capacity, at the substation of the APTRANSCO and DISCOM to which the project is interconnected before commercial operation date of the project.

In case the APTRANSCO/DISCOM fails to install the capacitors of requisite capacity before the commercial operation date, the amount collected for this purpose shall be refunded by the DISCOM to the Wind Power Producer who has paid the amount, within 30 days from the date of commercial operation of the project.

3.5 Any modifications or procedures or changes in arranging interconnection facilities for power evacuations rest with APTRANSCO and DISCOM.

3.6 During the period prior to the Commercial Operation Date, on the request of the Wind Power Producer, the DISCOM will supply energy to the Project for internal consumption, on the Terms and Conditions and at the tariff rates that are applicable from time to time to the category of consumers of the DISCOM to which the Wind Power Producer belongs, provided separate metering arrangements as may be required under the Terms and Conditions of such tariff have been installed at the Project.

ARTICLE 4

METERING AND PROTECTION

4.1 The Wind Power Producer shall install main meters of Static type 0.2 / 0.2S class accuracy at the Metering Point and the DISCOM shall install check meters of Static type at the same point and of the same accuracy. The main meters and check meters will each consist of a pair of export and import meters with facility for recording meter readings using Meter Recording Instrument. For the purpose of uniformity the Wind Power Producer shall follow metering specifications as developed by the DISCOM from time to time.

4.2 All of the meters required to be installed pursuant to Article 4.1 above shall be jointly inspected and sealed on behalf of both parties and shall not be interfered with, tested or checked except in the presence of representatives of both parties.

4.3 The meter readings from the main meters will form the basis of billing. If any of the meters required to be installed pursuant to Article 4.1 above are found to be registering inaccurately the affected meter will be immediately be replaced.

4.4 Where the half yearly meter check indicates an error in one of the main meter/meters beyond the limits for such meter but no such error is indicated in the corresponding check meter/meters, billing for the month will be done on the basis of the reading on the check meter/meters and the main meter will be replaced immediately.

4.5 If during the half yearly test checks, both the main meters and the corresponding check meters are found to be beyond permissible limits of error, both the meters shall be immediately replaced and the correction applied to the consumption registered by the main meter to arrive at the correct delivered energy for billing purposes for the period of the one month up to the time of such test check,

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computation of delivered energy for the period thereafter till the next monthly meter reading shall be as per the replaced main meter.

4.6 Corrections in delivered energy billing, whenever necessary, shall be applicable to the period between the previous monthly meter reading and the date and time of the test calibration in the current month when the error is observed and this correction shall be for the full value of the absolute error. For the purpose of determining the correction to be applied to any meter registering inaccurately, the meter shall be tested under conditions simulating 100, 50, 20 and 10 percent load at unity power factor and 0.5 power factor. Of these eight values, the error at the load and power factor nearest the average monthly load served at the Interconnection Point during the applicable period shall be taken as the error to be applied for correction.

4.7 If both the main and check meters fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis for that period of defect.

4.8 The main and check meters shall be tested and calibrated once in a Financial year utilizing a Standard Meter. The Standard Meter shall be calibrated once in every year at the approved Laboratory by Government of India / Government of Andhra Pradesh, as per Terms and Conditions of supply.

4.9 All main and check meters tests shall be jointly conducted by the authorized representatives of both parties and the results and correction so arrived at mutually will be applicable and binding on both the parties.

4.10 On the Meter Reading Date of each month, meter readings shall be taken (and an acknowledgement thereof signed) by the authorized representatives of both parties.

4.11 Within six (6) months following the execution of this Agreement, the Wind Power Producer and the DISCOM shall mutually agree to technical and performance specifications (including, but not limited to, the metering configuration for the Project) concerning the design and operation of the facilities required to be installed by the Wind Power Producer in order for the Wind Power Producer to operate in parallel with the grid. Thereafter, any change in such specifications shall be subject to mutual agreement of the parties.

4.12 The Project shall be operated and maintained in accordance with good and generally accepted utility standards with respect to synchronizing, voltage, frequency and reactive power control.

4.13 Voltage regulation shall be such as to enable continued paralleling and synchronisation with the network voltage at the point of interconnection.


4.14 The equipment of the Wind Power Producer shall be designed for fluctuations in the frequency within limits of -5% and +3% of the standard frequency of 50 cycles per second.

4.15 The Wind power developer shall ensure that the power factor of the power delivered to the DISCOM is maintained as per the APERC/CEA/CERC norms from the time to time.

4.16 Any change in rupturing capacity of switch-gear, settings of the relays, etc., shall be subject to approval of the DISCOM.

4.17 As the Project's generator may carry fault currents that may occur on the grid, the Wind Power Producer shall provide adequate generator and switchgear protection against such faults. The DISCOM is not responsible for damage, if any, caused to the Project's generator and allied equipment during parallel operation of the generator with the grid.

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4.18 The Wind Power Producer shall make a good faith effort to operate the Project in such a manner as to avoid fluctuations and disturbances to the APTRANSCO's / DISCOM's network due to parallel operation with the network.

4.19 The Wind Power Producer shall control and operate the Project as per Prudent Utility Practices. The DISCOM shall only be entitled to request the Wind Power Producer to reduce electric power and energy deliveries from the Project during a System Emergency, and then only to the extent that in the DISCOM's reasonable judgment such a reduction will alleviate the emergency. The DISCOM shall give the Wind Power Producer as much advance notice of such a reduction as is practicable under the circumstances and shall use all reasonable efforts to remedy the circumstance causing the reduction as soon as possible. Any reduction required of the Wind Power Producer hereunder shall be implemented in a manner consistent with safe operating procedures.

ARTICLE 5

BILLING AND PAYMENT

5.1 For Delivered Energy purchased, Wind Power Producer shall furnish a bill to the DISCOM calculated at the rate provided for in Article 2.2, in such form as may be mutually agreed between the DISCOM and the Wind Power Producer, for the billing month on or before the 5th working day following the Meter Reading Date.

5.2 The DISCOM shall be entitled to a rebate of 1% of the total amount billed in any billing month for payments made before the due date of payment. Any payment made beyond the due date of payment, DISCOM shall pay interest at existing SBI base rates plus one percent and in case this rate is reduced, such reduced rate is applicable from the date of reduction.

5.3 The DISCOM shall pay the bill on monthly basis as per Article 5.1.

5.4 Letter of Credit: Not later than 30 days prior to the Scheduled COD of the Generating Unit, DISCOM shall cause to be in effect an irrevocable revolving Letter of Credit issued in favour of Wind Power Developer for a minimum period of one year by a Scheduled Bank (the "Letter of Credit").

a. However Letter of Credit shall not be invoked for any disputed bill amount.

b. Further LC can be invoked only when DISCOMs fail to pay bill amount by due date of bill payment.

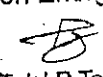
5.5 Direct payment: Wind developer shall submit bills for the energy delivered during the billing period as per the provision of this PPA and there upon DISCOMs shall make payment for the eligible bill amount by the due date of payment.


5.6 Billing disputes: The DISCOM shall pay the bills of Wind Power Producer promptly subject to the clauses 5.1 and 5.2 above.

The DISCOM shall notify Wind Power Producer in respect of any disallowed amount on account of any dispute as to all or any portion of the bill. Wind Power Producer shall immediately take up issue with all relevant information with DISCOM which shall be rectified by the DISCOM, if found satisfactory. Otherwise notify its (DISCOM's) rejection of the disputed claim within reasonable time with reasons therefor. The dispute may also be decided by mutual agreement. If the resolution of any dispute requires the DISCOM to reimburse Wind Power Producer, the amount to be reimbursed shall bear interest at SBI base rates plus one percent and in case this rate is reduced, such reduced rate is applicable from the date of reduction from the date of disallowance to the date of reimbursement.

5.7 All payments by the DISCOM to Wind Power Producer hereunder shall be made to such address as may be designated by Wind Power Producer to the DISCOM in writing from time to time.

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For Axis Energy Ventures India Private Limited

Chairman & Managing Director

Address : M/s [•]
[address].

Telephone : [•],
Fax : [•]
Mobile N. : [•]
Email id : [•]

ARTICLE 6 UNDERTAKING

6.1 The Wind Power Producer shall be responsible:

- (i) for proper maintenance of the project in accordance with established prudent utility practices.
- (ii) for operation, maintenance, overhaul of the plant, equipment, works, switch yard and transmission lines and equipment up to the Interconnection Point of the project in close coordination with the DISCOM.
- (iii) the Wind Power Producer shall furnish the generation and maintenance schedules every year.
- (iv) for making all payments on account of any taxes, cess, duties or levies imposed by any Government or competent statutory authority on the land, equipment, material or works of the project or on the energy generated or consumed by the project or the Wind Power Producer or on the income or assets of the Wind Power Producer.
- (v) for obtaining necessary approvals, permits or licences for operation of the project and sale of energy to DISCOM there from under the provision of the relevant laws.
- (vi) the Wind Power Producer have to comply with the provisions of the AP Code of Technical Interface (Grid Code).
- (vii) for achieving Commercial Operation Date within two years from the date of signing of the Agreement.
- (viii) for seeking approval of APTRANSCO and DISCOM in respect of Interconnection Facilities, Pooling Substation and synchronization of the Project with grid.
- (ix) the Wind Power Producer shall not dismantle and take away project machinery and interconnection facilities during the PPA term.
- (x) after [•] th year of the operation from Commercial Operation Date, if plant continues to operate, the DISCOM shall have the first right of refusal on power purchase from the Wind power plant. The tariff beyond [•] th year shall be as mutually agreed by both the parties, subject to approval of APERC.
- (xi) the Clean Development Mechanism (CDM) benefits shall be shared in the ratio of 90:10 between Wind Power Producer and DISCOM.

6.2 The DISCOM agrees:

- (i) to make all reasonable efforts for making arrangements for evacuation of power from the project to be completed prior to the Commercial Operation Date of the Project subject to Article 3.
- (ii) for purchase of Delivered Energy from the project as per section 2.2.
- (iii) to co-ordinate with APTRANSCO and assist the Wind Power Producer in obtaining approval for the interconnection facilities where the interconnection is at 132 kV or above voltages, for synchronization, Commercial Operation, regular operation etc., as required by the Wind Power Producer.

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ARTICLE 7

DURATION OF AGREEMENT

This Agreement shall be effective upon its execution and delivery thereof between parties hereto and shall continue in force from the Commercial Operation Date (COD) and until the [•] th anniversary that is for a period of twenty five years from the Commercial Operation Date (COD). This Agreement may be renewed for such further period of time and on such terms and conditions as may be mutually agreed upon by the parties, 90 days prior to the expiry of the said period of twenty five years, subject to the consent of the APERC. Any and all incentives/conditions envisaged in the Articles of this Agreement are subject to modification from time to time as per the directions of APERC.

ARTICLE 8

NOTICES

8.1 Except as otherwise expressly provided in this Agreement, all notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered personally or sent by registered or certified mail, email or fax addressed as follows:

If to the Wind Power Producer:

Attention : M/s [•]
[address].

Telephone : [•],
Fax : [•]
Mobile N. : [•]
Email id : [•]

Attention : [insert designation]
[name of the discom],
[insert address]

Fax No. : [•]
Telephone No. : [•]
Email id : [•]

8.2 All notices or communications given by email, fax shall be confirmed by depositing a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail. All notices shall be deemed delivered upon receipt, including notices given by email, fax regardless of the date the confirmation of such notice is received.


8.3 Any party may by written notice change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

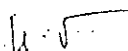
ARTICLE 9

DEFAULT

9.1 The Wind Power Producer shall achieve Commercial Operation Date within two years from the date of signing of the Agreement, default of which, the Agreement is liable for termination and the same can be done at the option of DISCOM with due notice.

^{Axis}
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tuls R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

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Chairman & Managing Director

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9.2 In the event, DISCOM commits a breach of any of the terms of this Agreement, the Wind Power Producer shall be entitled to specific performance of this Agreement or claim such damages as would be available under Law or both, at its option, by giving 30 days notice to DISCOM.

9.3 In the event, Wind Power Producer commits a breach of any of the terms of this Agreement, the DISCOM shall be entitled to specific performance of this Agreement or claim such damages as would be available under Law or both, at its option, by giving 30 days notice to Wind Power Producer.

9.4 If the default continues for a period of 30 days or more, either party will have a right to issue a preliminary notice for termination of this Agreement. If the default is not cured within 30 days thereafter, either party can terminate this Agreement and can claim damages at its option.

9.5 In the event of cancellation of the Project allotted to the Wind Power Producer by NREDCAP for any reason, the PPA with DISCOM will automatically get cancelled.

ARTICLE 10

DISPUTE RESOLUTION

10.1 Each Party shall designate in writing to the other party a representative who shall be authorized to resolve any dispute arising under this Agreement in an equitable manner.

10.2. Following notice by one Party to the other setting out the particulars of the dispute, if the designated representatives are unable to resolve a dispute under this Agreement within 15 days, such dispute shall be referred by such representatives to a senior officer designated by the Wind Power Producer and a senior officer designated by the DISCOM, respectively, who shall attempt to resolve the dispute within a further period of 15 days.

10.3. The Parties hereto agree to use their best efforts to attempt to resolve all disputes arising hereunder promptly, equitably and in good faith and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such dispute.

10.4 Failing resolution of the dispute in terms of the above provisions or even otherwise, any party may approach the AP Electricity Regulatory Commission to adjudicate upon the dispute in terms of Section 86 (1) (f) of Electricity Act, 2003.

ARTICLE 11


SPECIAL PROVISIONS


11.1 The waiver of any breach or failure to enforce any of the terms, covenants or conditions of this Agreement shall not in any way affect, limit, modify or waive the future enforcement of such terms, covenants or conditions.

11.2 No oral or written modification of this Agreement either before or after its execution shall be of any force or effect unless such modification is in writing and signed by the duly authorized representatives of the Wind Power Producer and the DISCOM, subject to the condition that any further modification of the Agreement shall be done only with the prior approval of Andhra Pradesh Electricity Regulatory Commission. However, the amendments to the Agreement as per the respective orders of APERC from time to time shall be carried out.

11.3 However, in respect of power evacuation, the voltage levels for interfacing with grid will be as per Article 1.20.

¹¹⁰⁵
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsir R. Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

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11.4 The invalidity or unenforceability for any reason of any provision of this Agreement shall not prejudice or affect the validity or enforceability of any other provision of this Agreement.

11.5 The failure of any party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

11.6 Unless the context otherwise requires, every arrangement, procedure or any other matter which is, under any of the provisions of this Agreement, required to be mutually agreed upon between the parties, shall be concluded by a written Agreement between the parties not later than the date specified in the concerned clause of this Agreement, subject to the consent of the APERC.

11.7 This Agreement, including Schedule 1, 2 & 3 attached hereto, constitute the entire agreement between the parties with respect to the subject matter hereof, and there are no oral or written understandings, representations or commitments of any kind, express or implied, not set forth herein.

11.8 The headings contained herein are included solely for the convenience of the parties and are not to be used as a basis for interpreting the various sections of this Agreement.

11.9 The parties each agree to act in good faith in implementing the terms and conditions of this Agreement and in carrying out their respective obligations hereunder.

11.10 In the event of the merger or re-organisation of DISCOM, if the resulting entity is able to perform DISCOM's obligations hereunder in no less a manner than DISCOM, the resulting entity shall take the right and responsibility for performance of DISCOM's obligations.

11.11 In the event of the merger or re-organisation of Wind Power Producer if the resulting entity is able to perform Wind Power Producer's obligations hereunder in no less a manner than Wind Power Producer, the resulting entity shall take the right and responsibility for performance of Wind Power Producer's obligations.

11.12 Assignment and Financing: Neither party shall assign this Agreement or any portion thereof to any third party without the prior written consent of the other party which consent shall not be unreasonably withheld.

IN WITNESS WHEREOF, the Wind Power Producer and the DISCOM have caused this Agreement to be executed as of the date and the year first set forth above.

For and behalf of
[name of the discom]

WITNESS

1.

By:

2.

Its:

For and behalf of
M/S. [name of the Project Company]

WITNESS

1.

M/S
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

By:
Suzlon Energy Ltd.
[Signature]
Tulsi R Tanti
Chairman & Managing Director

[Signature]
For M/S Energy Ventures India Private Limited
Chairman & Managing Director
12.

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2.

Its:

SCHEDULE 1

Particulars of the Project
(Referred to in the Preamble to the Agreement)

Name of the Project	Location	No. of Wind Energy Converters	Capacity of the Project*
[Name of Project Company]	[.]	[.]	[.]


SCHEDULE 2

(Copy of sanction proceedings from NREDCAP to the Company)

SCHEDULE 3

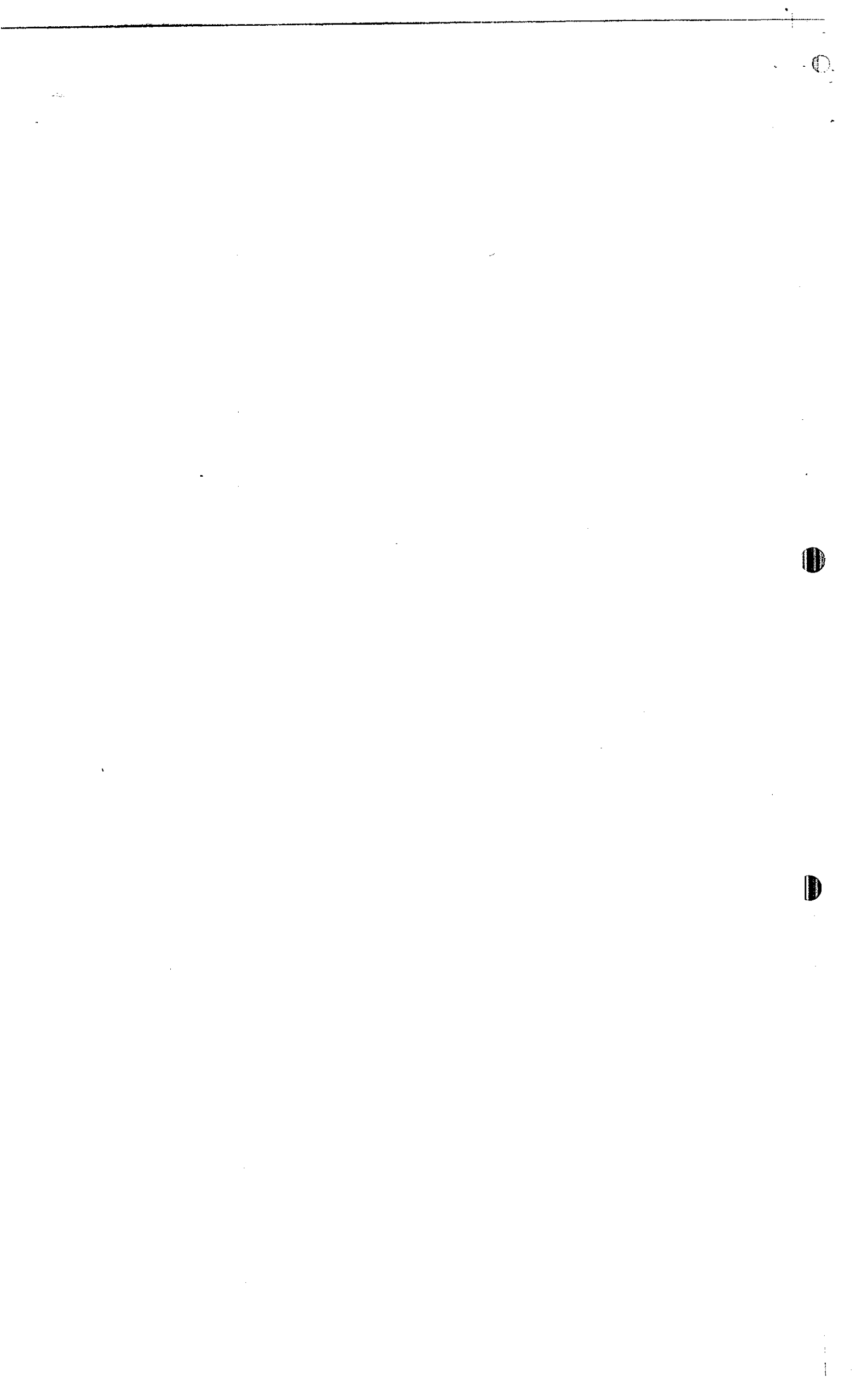
(Copy of agreement entered into by the Company with NREDCAP)

^{11/6}
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Deptt
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tuls R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director



80/10/17



తెలంగాణ తెలంగాణ TELANGANA

Sl. No: 2990 Date: 03/02/2016.
 Sold To : Karunakar
 S/o : Ramulu R/o. Hyd.
 To Whom : Axis Energy Ventures Indja Pvt. Ltd.

K. N. LAL BABU
 Licenced Stamp Vendor
 LICENCENO.16-07-086/2012,
 R.L.NO.16-07-002/2015.
 H.No.3-5-948/91/A, Himayath Nagar
 HYDERABAD DISTRICT
 PHONE NO. 09492424379

PROJECT AGREEMENT

THIS PROJECT AGREEMENT is executed on the 3rd day of the month of February, 2016 between:

NEW AND RENEWABLE ENERGY DEVELOPMENT CORPORATION OF A.P. LIMITED, having its office at 5-8-207/2, Pishah Complex, Nampally, Hyderabad - 500 001, represented by **Mr. M. Kamalakar Babu**, Vice-Chairman & Managing Director (hereinafter referred to as the "First Party" or "NREDCAP" which expression shall include its successors);

AND

SUZLON ENERGY LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 5 Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380009, Gujarat, India and its Corporate Office at "One Earth" Building, Hadapsar, Pune-411028, Maharashtra, India represented by its Senior Vice President, **Dr. V. Bapeshwar Rao** (hereinafter referred to as "Suzlon", which term shall mean and include its successors in interest, group companies, associates and assigns);

AND

AXIS ENERGY VENTURES INDIA PRIVATE LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 2nd Floor, Plot no.3, House No. 6-3-680/8/3, PMR Plaza, Thakur Mansion Lane, Somajiguda, Hyderabad - 500 082, represented by its Director **Mr. K. Kiran Kumar Reddy** (hereinafter referred to "Axis" which term shall mean and include its successors in interest, group companies, associates and assigns),

Suzlon and Axis are hereinafter jointly referred to as "Second Party"

For AXIS ENERGY VENTURES INDIA PVT. LTD.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
 Sr. Vice President

Director

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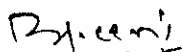
WHEREAS:

- A. Suzlon along with its associates is engaged in the business of manufacturing wind turbine generators and developing wind and solar power projects through engineering, procurement and supply model for various independent power producers. Axis, is one of the largest independent power producers in India with primary focus in development and operations of renewable energy projects.
- B. Government of India ("GoI") as part of its goal to achieve green energy commitment has emphasized on increasing the development of renewable energy projects and enhancement of the capacities of power production through renewable energy sources. This has also led to various states with high resources and possibilities of renewable energy power production, such as the state of Andhra Pradesh, to promote the establishment of new and renewable energy projects. The Government of Andhra Pradesh ("GoAP"), in order to promote the development of clean energy initiative, has issued Wind Power Policy 2015, Solar Power Policy 2015 and the Andhra Pradesh Industrial Policy 2015-2020.
- C. The National Institute of Wind Energy (NIWE) has assessed the potential of the state of Andhra Pradesh in wind power projects to be over 22,000 MW with maximum potential identified in the districts of Ananthapuramu, Kadapa, Kurnool, Chittoor and Nellore.
- D. Suzlon while participating in the first renewable energy global investors meet (RE-INVEST), 2015 held on February 15, 2015, had given a commitment to the Honorable Prime Minister of India, in the presence of Honorable Minister for New and Renewable Energy, Power and Coal of India, to develop 11,000 MW of capacity of new wind capacity and develop new manufacturing facilities over a period of 5 years. Suzlon in pursuance to the said commitment initially signed memorandum of understanding (MoU) dated February 15, 2015 at New Delhi with the GoAP and NREDCAP for setting up of manufacturing facility for blades and wind power projects for an aggregate capacity of 430 MW in the state of Andhra Pradesh. Subsequently, Suzlon also signed another MoU dated April 29, 2015 with Industries Department, GoAP on the eve of the launch of Andhra Pradesh Industry Mission, 2015 and Industrial Policy 2015-2020 at Vishakapatnam, for setting up of integrated manufacturing facility for manufacture of wind turbines in the state of Andhra Pradesh. Both the MoU dated February 15, 2015 and April 29, 2015 were executed in presence of Honorable Chief Minister of Andhra Pradesh (both these documents are attached as Annexure 1).
- E. Axis Energy which is in the business of developing Renewable Energy Projects, in particular Wind and Solar, and had presented the "Green Energy Commitment" to the Honourable Prime Minister of India during the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 on February 15, 2015 at New Delhi. Axis Energy Group gave a commitment to develop 12,500 MW of Renewable Energy Projects comprising of 7,000 MW in wind and 5,500 MW in solar projects attached herewith as Annexure 1.
- F. Axis Energy based on the commitment in RE-INVEST 2015 has committed to develop 4,000 MW wind power projects (for which, Axis Energy has already entered into a MoU on 28 Wind Monitoring Stations for Wind Resource Assessment studies with NREDCAP/NIWE ("Axis MoU") and 2500 MW solar power projects in the State of Andhra Pradesh and entered into Memorandum of Understanding with GoAP and NREDCAP in the presence of the Honourable Chief Minister of Andhra Pradesh on February 15, 2015 ("GoAP MoU") attached herewith as Annexure 1. In terms of the GoAP MoU, Government of Andhra Pradesh has given undertaking to facilitate the Axis Energy Group to obtain approvals/permissions/clearances etc. from concerned departments as per rules/policies/regulations prevailing.

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.


Director

- G. In view of the common objectives and intention of developing renewable energy projects both Suzlon and Axis have discussed and agreed to collaborate and jointly develop the Renewable Energy Projects (as defined hereinafter) in the state of Andhra Pradesh and accordingly on September 03, 2015 a proposal was submitted to GoAP for development of 4000 MW of renewable energy projects in AP along with manufacturing facilities. GoAP after considering the proposal with the concerned authority approved the same and has issued government order G.O.Ms No. 15 dated November 27, 2015 ("GO") (attached herewith as Annexure 2).
- H. In pursuance of said GO, GoAP and the Second Party have executed Memorandum of Understanding dated December 04, 2015 ("MoU") attached herewith as Annexure 3. As per the MoU, Suzlon and Axis have agreed to jointly participate in developing renewable energy projects (comprising of wind power projects (3000 MW) and wind-solar hybrid power projects (1000 MW) projects) for an aggregate capacity of about 4000 MW ("Renewable Energy Projects") and Suzlon shall additionally develop facilities for manufacturing blade, tower, nacelle/generator at multiple locations such as Ananthapuram and Nellore districts or such other districts identified subsequently ("Manufacturing Facilities").
- I. In terms of the MoU, GoAP and the Second Party executed the Project Implementation Agreement dated January 11, 2016 ("Project Implementation Agreement") attached herewith as Annexure 4. GoAP in order to give effect to its obligations under the Project Implementation Agreement had agreed to cause the execution of agreements with its relevant departments, corporations, companies.
- J. In pursuance to the Project Implementation Agreement, the First Party (being the nodal agency for the renewable energy projects as per the Wind Power Policy 2015 of GoAP) has agreed to perform the obligations of GoAP relating to the construction and operation of the Renewable Energy Projects and the Manufacturing Facilities, in accordance to the terms and conditions of this Agreement.

NOW THEREFORE, PARTIES HEREIN HAVE AGREED TO THE FOLLOWING.

1. INTERPRETATIONS

- 1.1 The nomenclature of this Agreement, heading and paragraph numbers are only for the convenience of reference.
- 1.2 Reference to persons and words denoting natural persons shall include bodies, corporate, partnerships, joint ventures, statutory and other authorities and entities.
- 1.3 Reference to any enactment, ordinance or regulation or any provision thereof shall include any amendment thereof or any replacement in whole or in part.
- 1.4 Reference to Recitals, Clauses, or Sub-Clauses shall unless the context otherwise requires, be deemed to include the Recitals, Clause or Sub-Clauses of this Agreement.
- 1.5 The words importing singulars shall include plurals and vice-versa as the case may be.
- 1.6 Terms beginning with capital letters and defined as per this Agreement shall have the same meaning ascribed thereto.
- 1.7 Any reference at any time to any agreement, deed, instrument, license or document of any description shall be construed as reference, to that agreement, deed, instrument, license or other document as amended varied, supplemented, modified or suspended at the time of such reference provided that this Clause shall not operate so as to increase liability or obligations of any Party hereunder or pursuant hereto in any manner whatsoever.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

[Signature]
Vice Chairman & Managing Director

Suzlon Energy Ltd.

[Signature]
Dr. V. Bapeshwar Rao
Sr. Vice President

Page 3 of 17
For AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature]
Director

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- 1.8 Any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or report required under or pursuant to this Agreement from or by any party shall be valid and effectual only if it is in writing and under the hands of duly authorized representative of such party in this behalf and not otherwise.
- 1.9 Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days' or dates.
- 1.10 The words / expressions used in this Agreement shall bear the same meaning as assigned to them in the context in which these have been used in this Agreement.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.



Vice Chairman & Managing Director

Suzlon Energy Ltd.

Dr. V. Bapashwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.



Director

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2. DEFINITIONS

2.1 In this Agreement, the various terms shall have the following meanings, except where the context otherwise requires, definitions and other terms expressed in the singular shall also include the plural and vice versa, namely:-

"Agreement" means this Agreement together with the Schedules attached herein and any amendments made thereto in accordance with the provisions herein contained.

"Applicable Permits" shall mean all clearances, permits, authorisations, consents and approvals required to be obtained or maintained under applicable laws in connection with the Renewable Energy Projects during the subsistence of this Agreement.

"Arbitration Act" means the Arbitration and Conciliation Act, 1996 and shall include modifications to or any re-enactment thereof as in force from time to time.

"Commercial Operation" shall mean the date when the Renewable Energy Projects or the Manufacturing Facilities, as the case may be, shall be commissioned as per the respective implementation plan agreed with GoAP.

"Dispute" shall have the meaning as specified in Clause 11.

"Effective Date" shall mean the date of signing of this Agreement.

"Force Majeure" shall have the meaning as ascribed thereto in Clause 7.

"Individual Project" shall mean each renewable energy project set up as part of the Renewable Energy Projects based on allotment issued by NRDCAP.

"Power Purchase Agreement" shall mean a contractual agreement to be signed with the Andhra Pradesh Power Distribution Companies or any other body for the sale of power generated from the Renewable Energy Projects as may be approved by APBRC from time to time.

"Parties" shall mean collectively the First Party and the Second Party.

"Site" means the land used for development of Renewable Energy Projects and the Manufacturing Facilities.

CLAUSE 3

TERMS OF THE AGREEMENT

3.1 Effectiveness

This Agreement shall come into force from the Effective Date.

3.2 Term of the Agreement

This Agreement shall remain in force for a period of 7 (seven) years from the Effective Date to remain valid till December 31, 2022 ("Term") including period of construction / development and operation of the Renewable Energy Projects.

For AXIS ENERGY VENTURES INDIA PVT. LTD

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Suzlon Energy Ltd.

[Signature]

[Signature]
Dr. V. Bapashwar Rao
Vice President

[Signature]
Director

Vice Chairman & Managing Director

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CLAUSE 4

EXECUTION OF RENEWABLE ENERGY PROJECTS

4.1 OBLIGATIONS OF THE FIRST PARTY

4.1.1 Grant of Consents and Approvals

In order to facilitate the construction and operation of the Renewable Energy Projects, the First Party in accordance with the single window clearance mechanism formulated under the Wind Power Policy 2015 of GoAP, Solar Power Policy 2015 of GoAP and GOMs No. 15 dated November 27, 2015, on priority allotment basis grant the following:

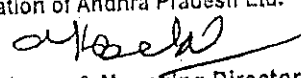
- (i) as per the prevailing policies provide permissions to the Second Party for conducting Wind Resource Assessment, studies and pre-feasibility tests at potential sites.
- (ii) as per the prevailing policies allot capacities in National Wind Energy Institute (NIWE)/ NREDCAP notified sites and also in the potential sites identified by Second Party in the state of Andhra Pradesh in private, revenue and forest lands.
- (iii) up on application by Second Party or any associate/subsidiary company of Second Party or vendees identified by the Second Party for executing the Renewable Energy Projects, any other person acting on their behalf, in compliance of with Applicable Laws, to grant such Applicable Permits or extensions and/or renewals as are required for or in connection with the Renewable Energy Projects, for the execution and development of the Renewable Energy Projects to complete in a timely manner.

4.1.2 Allotment of Land

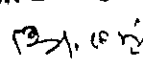
The First Party agrees, upon the Second Party applying for land required for the construction and operation of the Renewable Energy Projects, to take the following actions:

- (i) subsequent to the allotment of capacities for the Renewable Energy Projects, wherever available provide/allot to the Second Party or subsidiary company of Second Party, revenue land owned by GoAP as per policies in force in the State of Andhra Pradesh on long term lease basis, applicable to allotment of land for renewable energy projects. The lease agreements should entitle the lessee to mortgage the lease hold rights on such land to the lenders / financiers of the Renewable Energy Projects, with prior consent of the GoAP / the First Party, as the case may be;
- (ii) in coordination with the relevant departments of GoAP and by issue of necessary approvals / governmental orders / directions / notifications and taking all administrative actions in compliance of provisions of applicable law, the First Party shall facilitate the acquisition of private land in the potential areas to be identified by Second Party either in favour of Second Party or in favour of any of its associate/subsidiary company, in the districts of Ananthapuramu, Kadapa, Kumool, Chittoor and Nellore or such other districts identified from time to time;
- (iii) to facilitate the capacities that have been identified on endowment lands, the First Party shall extend the necessary support to expedite the approvals from the relevant departments of GoAP as per the applicable law;
- (iv) to facilitate allotment of land for the capacities that have been identified in the forest areas, by submitting applications filed by the Second Party to the forest department of GoAP and by making recommendations to the forest department at the level of GoAP

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapashwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.
Page 6 of 15


Director

1700
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and/or GoI for diversion of forest land, as per applicable guidelines and regulations. The First Party shall also coordinate and facilitate the provisions of land for compensatory afforestation to be allotted from the land bank available with the GoAP. The Second Party shall make payment of necessary fee/ charges in this regard as per applicable law;

- (v) to provide access to the Site for conducting wind resource assessment tests and any pre-feasibility tests in relation to the Renewable Energy Projects.

4.1.3 Access Rights to Site

The First Party agrees to facilitate on a continuous basis and within the time period decided by the Co-ordination Committee provide: (i) unhindered rights of access rights to the Site; and (ii) such other rights of access, as may be required by the second party, in relation to construct, operate and maintain the Renewable Energy Projects. In case of any issues pertaining to such right of way or easement rights, the First Party shall facilitate to provide all administrative assistance to the Second Party for faster resolution of such issues.

4.1.4 Approvals and Permits from Gram Panchayat and Local bodies

The First Party agrees to facilitate the issuance of necessary clearances from the gram panchayats and the local bodies of the villages wherein the sites for Renewable Energy Projects are to be located. The Second Party in this regard shall pay necessary development charges and layout fee on a time bound basis in accordance with applicable law.

4.1.5 Benefits under Renewable Energy Policies of Andhra Pradesh

In relation to the development of the Renewable Energy Projects, the First Party agrees to extend and coordinate with the relevant departments of GoAP so that all benefits under the Wind Power Policy 2015 of GoAP, and Solar Power Policy, 2015 of GoAP are made available for the Renewable Energy Projects including but not limited to the following:

- (i) provide the Second Party or any associate/subsidiary of the Second Party identified by the Second Party incentives and exemptions and benefits under the Wind Power Policy 2015 of GoAP, and Solar Power Policy, 2015 of GoAP;
- (ii) cause the exemption of payment of electricity duty applicable toward sale of power from the Renewable Energy Projects to the power distribution companies of Andhra Pradesh;
- (iii) cause the grant of deemed PPP status to the Renewable Energy Projects;
- (iv) cause the grant of deemed industry status to the Renewable Energy Projects so that they are eligible for incentives made available to the industrial units under various schemes launched by the Department of Industries, GoAP from time to time;
- (v) grant must run status to the Renewable Energy Projects and shall be considered to be deemed scheduled subject to prevailing regulations / grid code of appropriate commission;
- (vi) coordinate with the relevant departments of GoAP and facilitate that deemed non-agricultural use permission is granted to the land on which the Renewable Energy Projects are to be constructed, subject to payment of applicable charges by the second party; and

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.
Page 7 of 17


Director

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- (vii) coordinate with the relevant departments of GoAP and facilitate that the Renewable Energy Projects are exempted from obtaining clearance from State Pollution Control Board.

4.1.6 Power Evacuation Infrastructure for Renewable Energy Projects

The First Party agrees to facilitate to evacuate power produced from the Renewable Energy Projects, on preferential basis by the APTRANSCO. The First Party shall coordinate with APTRANSCO to ensure that the Renewable Energy Projects are provided adequate power evacuation facilities for evacuation of the generated power from the inter connecting point of Renewable Energy Projects, in compliance with the applicable procedures/guidelines and the orders passed by APERC from time to time.

4.1.7 Execution of Power Purchase Agreement

The First Party agrees to coordinate with APPCC / the power distribution companies of Andhra Pradesh to cause the execution of firm Power Purchase Agreements in the format agreed in the Project Implementation Agreement as may be approved by APERC and cause the purchase of the entire capacity of power generated from the Renewable Energy Projects at tariff determined by the Andhra Pradesh Electricity Regulatory Commission under Section 61 (h) of Electricity Act, 2003 and terms of the Power Purchase Agreement approved by APERC from time to time.

4.1.8 Coordination for execution of Manufacturing Facilities

The First Party agrees to coordinate with the Department of Industries, GoAP and the State Investment Promotion Board or such other government departments as may be required, to facilitate that the Manufacturing Facilities are accorded mega industry status as per the Andhra Pradesh Industrial Policy of 2015-2020. The First Party shall recommend to the Industry Department, GoAP for extending all benefits including tailor-made benefits to be provided to industries which are granted mega industry status under the Andhra Pradesh Industrial Policy of 2015-2020. In this regard, the First Party undertakes to facilitate the execution of enforceable and binding agreements with the Department of Industries, GoAP and such other departments of GoAP, as may be required.

4.2 OBLIGATIONS OF THE SECOND PARTY

4.2.1 Commissioning of Renewable Energy Projects

The Second Party agrees to achieve the implementation of the Renewable Energy Projects by March 31, 2022, as per the indicative schedule attached in Annexure 5.

4.2.2 The Parties agree to mutually discuss and arrive at implementation plans indicating the schedule of different activities to be performed by the development of the Renewable Energy Projects.

4.2.3 The Renewable Energy Projects shall require manpower during its construction and operation, the Second Party agrees, subject to applicable laws, to provide employment and make necessary arrangements to provide employments to local residents and/or residents of the state of Andhra Pradesh based on the educational qualifications and technical skills.

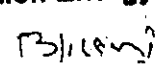
4.2.4 Upon commissioning of each Individual Project, the Second Party agrees to make payments of any fee payable to the First Party, as may be levied from time to time in relation to such Individual Project.

For AXIS ENERGY VENTURES INDIA PVT. LTD.

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

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Director

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4.2.5 In relation to the development and construction of the Renewable Energy Projects, the Second Party shall have the option to incorporate special purpose companies and the First Party agrees to extend all the benefits available to the Second Party, directly or indirectly, under this Agreement to such special purpose companies.

The Second Party shall however be jointly and severally responsible to perform all the obligations stated in this Clause 4.2.

CLAUSE 5

SPECIAL PROVISIONS

- 5.1 The Second Party may in accordance with the single window clearance mechanism under the AP Wind Power Policy 2015 and AP Solar Power Policy, 2015, submit all applications in relation to the Renewable Energy Projects and Manufacturing Facilities with the First Party. The First Party shall acting as a single desk process the applications submitted by Second Party or where any application is relating to a separate department forward such application to the concerned departments of GoAP as per AP Wind Power Policy, 2015 and AP Solar Policy, 2015.
- 5.2 The First Party shall facilitate that the incentives and exemptions declared by GoAP and/or GoI from time to time after the Effective Date, whether in relation to promoting the renewable energy sector in India or on account of special assistance to industries being set up in the state of Andhra Pradesh for manufacture of renewable energy equipment and are made available to the Renewable Energy Projects and the Manufacturing Facilities, as the case may be.
- 5.3 The First Party shall coordinate with the relevant departments of GoAP that no action or combination of actions are taken the effect of which is or are discriminatory and which treats the Second Party less favorably than any other developer of renewable energy projects in the state of Andhra Pradesh.
- 5.4 Meetings of the Coordination Committee:

The First Party as a nodal agency and member of the Coordination Committee (formed in accordance with the Project Implementation Agreement), ensure that meetings of the committee are held at least once in every month. The composition of the Coordination Committee shall comprise of the following:

- (i) the Secretary, Energy Department, GoAP
- (ii) the Secretary to CM, GoAP (Energy)
- (iii) the Secretary, Department of Industries, GoAP
- (iv) the Managing Director, APERANSCO
- (v) the Vice Chairman and Managing Director, NREDCAP
- (vi) the representatives of Suzlon and Axis
- (vii) As and when required from any of other Department of GoAP/District Administration

The Coordination Committee shall meet to resolve issues being faced in execution of the Renewable Energy Projects and The Coordination Committee may form such committees as may be required for resolution of specific issues arising in the execution of the Renewable Energy Projects.

For AXIS ENERGY VENTURES INDIA PVT. LTD.

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bageshwar Rao
Sr. Vice President


Director

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5.5 Assistance to procure construction material

The First Party agrees to on best efforts basis provide the following assistance to the Second Party in procuring construction material required for the setting up of the Renewable Energy Projects and the Manufacturing Facilities:

- (i) priority allotment of licenses for carrying out quarry activities and sand mining along with waiver in terms of respective policy in force from ceiling limits provided in the licenses being generally issued, so that it is able to obtain adequate quantity of construction material required for the renewable energy projects and manufacturing; or
- (ii) assistance for procuring preferential supply of aggregates/cements/sand etc. from respective manufacturers and/or suppliers on priority basis.

5.6 Suzlon shall within 30 (thirty) business days from the execution of this Agreement, furnish performance guarantee for the entire capacity of the Renewable Energy Projects aggregating to Rs. 200 crores; calculated at the rate of Rs. 5 lakhs per MW to the First Party, as per the Clause No.6.5 of Project Implementation Agreement. In the event of default by the Second Party in submission of said performance guarantee, the first Party is relieved of its obligations.

The First Party agrees that upon the commissioning of each Individual Project the amount of the performance guarantee submitted by Suzlon shall stand reduced by a proportionate amount corresponding to the capacity of such Individual Project. Suzlon shall within 30 (thirty) days from the commissioning of each Individual Project furnish a letter from the issuing bank indicating the reduction in the amount of performance guarantee. The First Party shall be entitled to forfeit the performance guarantee for an amount proportionate to the non-commissioned capacities only in the event the commissioning of the Renewable Energy Projects is delayed due to default solely attributable to the Second Party. For clarity, the First Party shall not be entitled to forfeit the performance bank guarantee for any amount if such delay in commissioning of the Renewable Energy Projects is caused or occasioned due to occurrence of a Force Majeure event and/or non-fulfillment of any obligation of the First Party as set out under this Agreement.

5.7 In order to enable the due performance of the duties, obligations and objectives of the Parties under this Agreement, the First Party agrees to facilitate:

- (i) the execution of enforceable and binding agreements with each of the relevant departments, corporations, companies of GoAP such as APTRANSCO, AP DISCOMS etc.;
- (ii) issuance of appropriate orders/notifications from the relevant departments, corporations such as APPCC etc.;

as may be required in relation to the execution of the Renewable Energy Projects, from time to time under applicable laws or any policies.

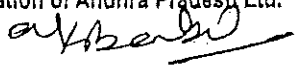
CLAUSE 6

REPRESENTATIONS AND WARRANTIES

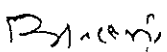
6.1 Each Party represents and warrants to the other Party that:

6.1.1 It has full power and authority to execute, deliver and perform this Agreement;

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.


Director

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- 6.1.2 It has taken all necessary action to authorise the execution, delivery and performance of this Agreement;
- 6.1.3 The execution of this Agreement and performance hereunder constitutes a binding obligation on both the Parties.

CLAUSE 7

FORCE MAJEURE

- 7.1 Force Majeure shall mean any event or circumstance or combination of events or circumstances that wholly or partly prevent or unavoidably delay the Party claiming Force Majeure (hereinafter referred to as the "Affected Party") in the performance of its obligations under this Agreement and which act or event:
- 7.1.1 is beyond the reasonable control of and not arising out of the fault of the Affected Party;
- 7.1.2 the Affected Party has been unable to prevent by the exercise of due diligence and reasonable efforts, skill and care, including through expenditure of reasonable sums of money; and
- 7.1.3 has a materially adverse effect on the Renewable Energy Projects or the Manufacturing Facilities.
- Such events include any acts of GoAP either in its sovereign or its contractual capacity, war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine restrictions, freight embargoes, radioactivity and earthquakes.
- 7.2 Upon the occurrence of any Force Majeure Event:
- 7.2.1 The date for achieving the specific obligations shall be extended by the period for which such Force Majeure event subsists and the term shall be proportionately extended; and
- 7.2.2 The Parties shall bear their respective costs and no Party shall be required to pay to the other Party any costs arising out of any Force Majeure Event.
- 7.3 Obligations during Force Majeure
- The Parties shall discharge the following obligations in relation to the occurrence of a Force Majeure Event:
- 7.3.1 The Affected Party shall not claim any relief for or in respect of a Force Majeure Event unless it shall have notified the other Party in writing of the occurrence of the Force Majeure Event as soon as reasonably practicable; and in any event within 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence and the probable material effect that the Force Majeure Event is likely to have on the performance of its obligations under the Agreement.
- 7.3.2 Any notice pursuant to Clause 7.3.1 above shall include full particulars of:
- (i) the nature and extent of each Force Majeure Event which is the subject of any claim for relief under this Clause with evidence in support thereof;
 - (ii) the estimated duration and the effect or probable effect which such Force Majeure Event is having or will have on the Affected Party's performance of its obligations under the Agreement.

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Director

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- (iii) the measures which the Affected Party is taking or proposes to take, to alleviate the impact of such Force Majeure Event; and
 - (iv) any other information relevant to the Affected Party's claim.

7.3.3 As long as the Affected Party continues to claim to be affected by such Force Majeure Event, it shall provide the other Party with regular (and not less than fortnightly) written reports containing information as required by Clause 7.3.2 and such other information as the other Party may reasonably request the Affected Party to provide.

7.3.4 The Parties shall co-operate and negotiate in good faith and will develop implementation plan of remedial and reasonable alternative measures to remove/remedy Force Majeure event to enable the Performance of the Affected Party provided, however, that no Party shall be required under this provision to settle strike or other labour dispute.

7.3.5 In case of any Party not willing to implement the plan of remedial and reasonable alternative measures to remove/remedy the Force Majeure event, it shall be construed as a default of such Party and then relevant provisions of Clause 9 shall apply.

7.3.6 If the Affected Party is rendered wholly or partially unable to perform its obligations under the Agreement because of a Force Majeure Event, it shall be excused from performance of such of its obligations to the extent it is unable to perform on account of such Force Majeure Event provided that:

- (i) The suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
- (ii) The Affected Party shall make all reasonable efforts to mitigate or limit damage to the other Party arising out of or as a result of the existence or occurrence of such Force Majeure Event and to cure the same with due diligence; and
- (iii) When the Affected Party is able to resume performance of its obligations under the Agreement, it shall give to the other Party written notice to that effect and shall promptly resume performance of its obligations.

CLAUSE 8

EVENTS OF DEFAULT

8.1 Event of Default by First Party

The occurrence of and continuation of any of the following events shall constitute "First Party Event of Default" unless such an event occurs as a result of the Suzlon Event of Default, as defined in Clause 8.2:

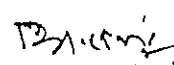
8.1.1 The breach by First Party of any material obligation under this Agreement;

8.1.2 The breach by First Party of any of its representations and warranties provided in this Agreement. FOR AXIS ENERGY VENTURES INDIA PVT. LTD.

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President


Director

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8.2. Suzlon Event of Default

The occurrence of and continuation of any of the following events shall constitute "Suzlon of Default" unless such an event occurs as a result of a First Party Event of Default, as defined in Clause 8.1:

- 8.2.1 The breach by Suzlon of any material provision or obligation under this Agreement;
- 8.2.2 The breach by Suzlon of any of its representations and warranties provided in this Agreement.

8.3 Cure Period

8.3.1 Upon the occurrence of a First Party Event of Default, Suzlon shall have the right to issue a notice of default specifying in reasonable detail the event giving rise to the default. First Party shall take immediate steps to cure such a default within a period of 60 (sixty) days from the date of receipt of the notice of default.

8.3.2 Upon the occurrence of a Suzlon Event of Default, First Party shall have the right to issue a notice of default specifying in reasonable detail the event giving rise to the default. Suzlon shall take immediate steps to cure such a default within a period of 90 (ninety) days from the date of receipt of the notice of default.

8.4 Remedies Available to Suzlon

Upon the occurrence and continuation of Event of Default by First Party under Clause 8.1 above, and the failure by First Party to cure such a default within the applicable cure period specified in Clause 8.3.1, Suzlon shall be entitled but not obliged to terminate this Agreement by notice to First Party in accordance with Clause 9.

8.5 Remedies Available to First Party

Upon the occurrence and continuation of a Suzlon Event of Default under Clause 8.2 above, and the failure by Suzlon to cure such a default within the applicable cure period specified in Clause 8.3.2, First party shall be entitled but not obliged to terminate this Agreement by notice to Suzlon in accordance with Clause 9.

CLAUSE 9

TERMINATION

9.1 Notice of Termination

This Agreement may be terminated on serving a thirty days' notice (Notice of Termination):

- 9.1.1 First Party, in case of a Suzlon Event of Default pursuant to Clause 8.5.
- 9.1.2 by either Party, notwithstanding anything contained in Clause 7, if such Party is unable to perform any obligations required to be performed under this Agreement due to Force Majeure for a continuous period of 6 (six) months.
- 9.1.3 Suzlon, in case of a First Party Event of Default pursuant to Clause 8.4.
- 9.2 On the expiry of the Notice of Termination, the Party which served the Notice of Termination shall be entitled to terminate this Agreement, unless the event leading to the Notice of Termination has been rectified or complied with to the satisfaction of the Party which issued the

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

[Signature]

Vice-Chairman & Managing Director

Suzlon Energy Ltd.

[Signature]
Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LT

[Signature]

Direct

Notice of Termination. The Party aggrieved by such termination shall be entitled to refer any dispute or claim to arbitration as per Clause 11.

- 9.3 The termination of this Agreement shall be without prejudice to the accrued rights and liabilities of the Parties, as on the date of the termination, unless waived in writing by the Parties.
- 9.4 In the event Suzlon does not exercise its right of termination under Clause 8.4, First party shall ensure to provide all assistance and perform all actions as may be required by Suzlon to complete construction and commission the Renewable Energy Projects and the Manufacturing Facilities, including but not limited procurement of Site and Applicable Permits.
- 9.5 In case the commissioning of the Renewable Energy Projects or the Manufacturing Facilities is delayed, due to Event of Default by First Party, the term of this Agreement shall be extended by the number of days the commissioning of the Renewable Energy Projects or the Manufacturing Projects have been delayed.

CLAUSE 10

GOVERNING LAW

- 10.1 The rights and obligations of the Parties under or pursuant to this Agreement shall be governed by and constructed according to applicable law. This Agreement shall be subject to the jurisdiction of the competent courts at capital city of Andhra Pradesh.

CLAUSE 11

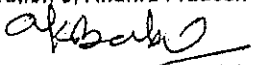
RESOLUTION OF DISPUTES

11.1 Good Faith Negotiations

All disputes, disagreement or difference between the Parties (each a "Dispute"), arising out of this Agreement shall be resolved through the following dispute resolution procedure:

- 11.1.1 Either Party shall give to the other a written notice setting out the material particulars of Disputes and requiring an authorized Senior Executive Officer each from the First Party and the Second Party, to meet in person at the capital city of Andhra Pradesh or at any other mutually agreed place within 20 (twenty) working days of the date of receipt of such notice by the relevant party to attempt negotiation in good faith and using their best endeavours at all times to resolve the Disputes.
- 11.1.2 If the Dispute is not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the Senior Executive Officers of both the Parties within 30 (thirty) working days after the date of receipt of the Notice described in Clause 11.1.1.
- 11.1.3 If the Dispute is not resolved at the meeting of the Senior Executive Officers of both the Parties, the Secretary, Energy Department, GoAP and the Chairman of Suzlon and/or Axis shall meet at the capital city of Andhra Pradesh or any other mutually agreed place within 30 (thirty) working days after the expiry of the period as mentioned in Clause 11.1.2, to attempt negotiations in good faith and using their best endeavours at all times to resolve the Dispute within a further period of 30 (thirty) days. If the Dispute is still not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the authorised

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.


Director

representatives of both the Parties, the provisions of the Clause 11.2 shall apply, unless the said period is mutually extended.

- 11.2 All Disputes not resolved between the Parties in accordance with Clause 11.1, shall be settled by way of arbitration in accordance with the provision of Arbitration and Conciliation Act, 1996 including any statutory modification or variation thereof, by reference to an arbitrator panel of 3 (three) arbitrators, one to be appointed by the Second Party, one to be appointed by GoAP and the third to be appointed by the two arbitrators so appointed, who shall act as Chairperson of the Arbitral Tribunal. All expenses of such third arbitrator shall be borne and paid by the parties in equal proportion. The arbitrators shall give a speaking Award.
- 11.3 The Award rendered in any arbitration commenced hereunder shall be final and binding.
- 11.4 During the pendency of any Arbitration the Parties shall continue to perform their respective obligations as detailed in this Agreement unless such performance cannot be reasonably continued.
- 11.5 The arbitration proceedings shall take place at capital city of Andhra Pradesh only and the Courts of the state of Andhra Pradesh alone have jurisdiction to this purpose.
- 11.6 The right to arbitrate disputes under this Agreement shall survive the expiry of term or the Termination of this Agreement.

CLAUSE 12

AMENDMENTS

- 12.1 No amendments or waiver of any provision of this Agreement and no consent to any departure by either party here form, shall in any event be effective unless the same shall be writing and signed by each of the Parties.

CLAUSE 13

COMMUNICATION

- 13.1 Any communication/notice by one Party to the other under this Agreement shall be deemed to be served if sent by eable, fax or E-mail followed by a confirmation letter delivered by hand or by registered mail to the respective addresses.
- 13.2 Communication should be addressed as below:

NREDGAP
 The Vice-Chairman & Managing Director,
 New & Renewable Energy Development Corporation of A.P. Limited,
 5-3-207/2, PISgah Complex,
 Nampally, Hyderabad-500 001
 Tel.No: +91 040 23202391/23202296
 Fax No: +91 040 23201666
 Email id: vc@nedcap.gov.in

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Chhanna
Vice-Chairman & Managing Director

Suzlon Gujarat Wind Park Ltd.

D. V. B...
Dr. V. B...
Sr. Vice President

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For AXIS ENERGY VENTURES INDIA PVT. LTD.

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Director

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Suzlon:
The Chairman and Managing Director
Suzlon Energy Limited,
"One Earth" Building, Hadapsar,
Pune-411028, Maharashtra, India.
Tel. No.: +91-20-67022000/61356135/67202500
Fax No.: +91-20-67022100/67022200
Email id: cmd@suzlon.com

The Chairman and Managing Director,
Axis Energy Ventures India Private Limited,
2nd Floor, Plot no.3, House No. 6-3-680/8/3, PMR Plaza,
Thakur Mansion Lane, Somajiguda, Hyderabad – 500 082
Tel No.: +91 040 23412312/23412313
Fax No.: +91 040 23412314
Email id: ravi@axisenergy.in

CLAUSE 14
MISCELLANEOUS

14.1 Relationship of the Parties

This agreement shall not be interpreted or construed or create an association, joint venture or partnership between the parties or to impose any partnership obligation or right upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.

14.2 Third Parties

This agreement is intended solely for the benefit of the parties hereto. Nothing in this agreement shall be construed to create any duty, to standard of care with reference to, or any liability to, any person not a party to this Agreement.

14.3 No Waiver

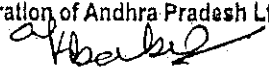
14.3.1 No waiver by either Party of any default by other Party in the observance and performance of any provision of or obligations of or under the agreement. (i) shall operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under the agreement; (ii) shall be effective unless it is in writing and executed by a duly authorized representative of the Party; and (iii) shall affect the validity or enforceability of the agreement in any manner.

14.3.2 Neither the failure by either party to insist on any occasion upon the performance of the terms, conditions and provisions of the Agreement or any obligation there under nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

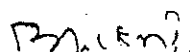
14.4 Exclusion of Implied Warranties

This Agreement expressly excludes any warranty, condition or other undertaking implied at law or by custom or otherwise arising out of any other agreement between the Parties or

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.
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Director

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representation by either Party not contained in a binding legal agreement executed by both Parties.

14.5 Counterparts

This Agreement may be executed in two counterparts, each of which when executed and delivered shall constitute an original of the agreement.

14.6 Severability

If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under the Agreement or otherwise.

14.7 Survival

The termination or expiry of this Agreement shall not affect the accrued rights, obligations and liabilities of either party under this agreement, nor shall it affect any continuing obligations, which this Agreement provides, whether expressly or by necessary implication.

IN WITNESS, the Parties hereto have executed and delivered this Agreement at on the date first written above.

For and on behalf of NEW & RENEWABLE ENERGY DEVELOPMENT CORPORATION OF A.P. LIMITED

For and on behalf of SUZLON ENERGY LIMITED

Vice-Chairman & Managing Director

Senior Vice President

For and on behalf of AXIS ENERGY VENTURES INDIA PRIVATE LIMITED

Director

Witness:

1. K. SRINIVAS
esp, ~~advice~~, Hyderabad

2. N.V. Arj
N.V. ARJ
CONSULTANT
Suzlon Energy Ltd.

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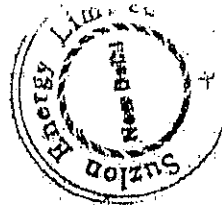
Annexure - 1



GREEN ENERGY COMMITMENT

On the occasion of the first Renewable Energy Global Investors Meet (RE-INVEST) 2015, we, representing Suzlon Group PUNE, a Company, registered under the Companies Act, with Headquarters at PUNE, hereby present our commitment to the Hon'ble Prime Minister of India that we shall develop 16,000* Mega Watt (MW) of Renewable Energy Projects during the five year period of 2015-19. [11,000 Manufacturing] [5000 EPC]

Besides generating 22,668 Million Units of green and clean power annually, these projects will also create employment for 80,000 persons (@ 5 persons/MW) and prevent Carbon emissions of around 34,537 MT per year (@ 1.5 tons/ million unit).



Name: TULSI TANTI
 Chairman & Managing Director / Managing Director / CEO
 Name of the Company: SUZLON GROUP OF COMPANIES
 Telephone No.: 91 20 670 22 007
 Email: cmd@suzlon.com

Date: 13th Feb. 2015
 Place: PUNE

To:
 The Secretary,
 Ministry of New and Renewable Energy
 (Government of India)
 Block No. 14, CGO Complex, Lodi Road
 New Delhi - 110003

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

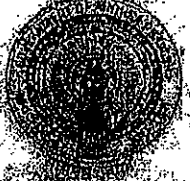
 Vice Chairman & Managing Director

Suzlon Energy Ltd.

 Dr. V. Bapeshwar Rao
 Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.

 Director



Memorandum of Understanding

This Memorandum of Understanding is entered on 15th day of February, 2016 at New Delhi on the occasion of First Renewable Energy Global Investors Meet (Re-Invest) 2015

Between

M/s Suzlon Energy Ltd, a Company Incorporated under the Companies Act, 1956 having its Office at Pune.

And

The Government of Andhra Pradesh

M/s Suzlon Energy Ltd wishes to establish 200 MW Capacity Wind Turbine blade manufacturing facility in Andhra Pradesh during the five year period of 2015-19 and 1500 (Nos) employment will be created directly/indirectly.

Government of Andhra Pradesh would facilitate M/s Suzlon Energy Ltd to obtain necessary Permissions / Registration / Approvals / Clearances etc., from the concerned departments of the state, as per the existing policies/ rules and regulations of the State Government.

This Memorandum of Understanding is made to facilitate M/s Suzlon Energy Ltd for establishment of the aforesaid Project (s) in Andhra Pradesh in a time bound manner.

For and on behalf of
Government of Andhra Pradesh

[Signature]
VC & Managing Director
NREDCAP

For and on behalf of
M/s Suzlon Energy Ltd

[Signature]
(Authorised Signatory)

Secretary, Energy, I & I Dept., Govt. of AP
For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd & Chairman, NREDCAP
Suzlon Energy Ltd

For AXIS ENERGY VENTURES IN

Dr. V. Bapeshwar Rao
Sr. Vice President

Director



MEMORANDUM OF UNDERSTANDING

Between

M/s SUZLON ENERGY LIMITED

and

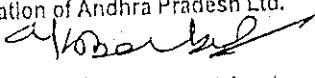
THE STATE GOVERNMENT OF ANDHRA PRADESH, INDIA

This Memorandum of Understanding is made on this 29th day of April 2015 by and between Government of Andhra Pradesh, represented by Kartikeya Misra, IAS, Director of Industries, Government of Andhra Pradesh and M/s Suzlon Energy Limited represented by Ranjitsinh Parmar, Sr. President.

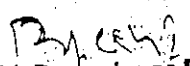
Now, therefore, Government of Andhra Pradesh and M/s Suzlon Energy Limited wish to formalize the understanding as follows:

1. M/s Suzlon Energy Limited intends to establish Integrated Wind Turbine (IWT) manufacturing facility of 500 MW per annum with an investment of Rs. 350 Crore with a potential to create an employment of 500 persons. This facility will cater to the requirement for setting up Renewable Energy Project to the tune of 2,500 MW.
2. Government of Andhra Pradesh will facilitate to provide necessary assistance to M/s Suzlon Energy Limited to improve the investment environment which includes prompt land acquisition, adequate infrastructure development and offering attractive incentives.

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.


Director

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Ref.

3. Government of Andhra Pradesh will facilitate M/s Suzlon Energy Limited to obtain necessary Permissions/ Registrations/ Approvals/ Clearances etc. from the concerned departments of the state under the Single Desk Policy.

4. This Memorandum of Understanding is made to facilitate M/s Suzlon Energy Limited for establishment of the aforesaid Projects in Andhra Pradesh in a time bound manner.

In witness whereof, the parties have set their respective hands and seals to these presents through their duly authorized representatives on the date first above written.

for Government of Andhra Pradesh

for M/s Suzlon Energy Limited



KARTIKEYA MISRA, IAS
DIRECTOR OF INDUSTRIES
GOVERNMENT OF ANDHRA
PRADESH

RANJITSINH PARMAR,
SR. PRESIDENT
SUZLON ENERGY LIMITED

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

Suzlon Energy Ltd.

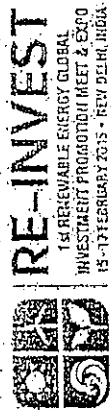
Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Director

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Annexure - 1

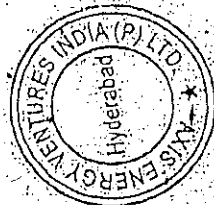


GREEN ENERGY COMMITMENT

On the occasion of the first Renewable Energy Global Investors Meet (RE-INVEST) 2015, we, representing **AXIS ENERGY GROUP** a Company, registered under the Companies Act, with Headquarters at **HYDERABAD** hereby present our commitment to the Hon'ble Prime Minister of India that we shall develop **12500 Mega Watt (MW)** of Renewable Energy Projects during the five year period of 2015-19.

Besides generating **25097 Million Units** of green and clean power annually, these projects will also create employment for **18750 persons** (@ **1.5 persons / MW**) and prevent Carbon emissions of around **21250 MT** per year (@ **0.84 tons / 1 million unit**).

K. Ravi Kumar Reddy
Managing Director
Axis Energy Group
Hyderabad - 500 082
Phone: 8008 444440
Email: ravi@axisenergy.in



Date: 05.02.2015
Place: Hyderabad.

To
The Secretary,
Ministry of New and Renewable Energy
(Government of India)
Block No. 14, CGO Complex, Lodhi Road,
New Delhi - 110 003

[Signature]
Vice Chairman & Managing Director

[Signature]
Dr. V. Bapeshwar Rao
Sr. Vice President

[Signature]
Director



Memorandum of Understanding

This Memorandum of Understanding is entered on 15th day of February, 2015 at New Delhi on the occasion of First Renewable Energy Global Investors Meet (Re-Invest) 2015.

Between
Axis Energy Group

And

Government of Andhra Pradesh

Axis Energy Group during first Renewable Global Investors Meet (RE-INVEST) 2015 presented Green Energy Commitment to the Honible Prime Minister, Government of India to set up 12,500 MW of Wind and Solar Power Projects during the next five years period (2015-2019) on 15th day of February, 2015 at New Delhi and this capacity Commitment stands no 2nd in the country.

Out of the above capacity as a priority, 4000 MW of Wind power and 2500 MW of Solar Power Projects is committed to setup in the State of Andhra Pradesh including hybrid Wind and Solar power projects during five years period (2015-2019) by Axis Energy Group and reduction of carbon emissions of 11050 MT/year (@ 1.7 MT/year) and 9750 No's (@ 1.5 person/ MW) of employment will be created directly/indirectly.

M/s Axis Energy Ventures India Pvt Ltd, Installed 28 wind monitoring Stations for Wind Resource Assessment studies in Ananthapur, Kurnool and Kadapa Districts and established wind farmable potential and also 10 sites were already validated by National Institute of Wind Energy, Chennai and notified.

Axis Energy Group companies has obtained sanctions to establish 1066 MW of Wind Power Projects in different sites and entered into Agreement with NREDCAP Ltd, Nodal Agency of State of Andhra Pradesh.

Government of Andhra Pradesh would undertake to facilitate Axis Energy Group to obtain necessary Permissions/ Registrations/ Approvals/ Clearances etc from the concerned departments of the state, as per the existing policies/ rules and regulations of the State Government.

This Memorandum of Undertaking is made to facilitate Axis Energy Group for establishment of the aforesaid Projects in Andhra Pradesh in a time bound manner as a part of their Green Energy Commitment given to Honible Prime Minister of India during the RE-INVEST - 2015.

For and on behalf of
Government of Andhra Pradesh

M. Kamalakar Babu
M. Kamalakar Babu, M.Sc., B.L.
(VC & Managing Director)
NREDCAP

For and on behalf of
M/s Axis Energy Ventures (I) Pvt. Ltd.,

K. Ravi Kumar Reddy
K. Ravi Kumar Reddy
(Managing Director)

Ajay Jain
Ajay Jain, IAS

Secretary, Energy, I & I Dept, Govt. of AP
& Chairman, NREDCAP

Dr. V. Bapeshwar Rao
Vice Chairman & Managing Director

Dr. V. Bapeshwar Rao
Dr. V. Bapeshwar Rao
Sr. Vice President

Direct
Direct

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy, I&I Department - Proposals for entering into an MoU with M/s Suzlon Energy Ltd., for manufacture and development of 4000 MW Renewable Energy Power Projects in the State of Andhra Pradesh - Permission Accorded - Orders - Issued.

ENERGY, INFRASTRUCTURE & INVESTMENT (PR.II) DEPARTMENT

G.O.Ms.No.15

Dated 27.11.2015

Read the following:

1. The Chairman of M/s. Suzlon Energy Limited, Letter dated, 03.09.2015.
2. From the VC&MD, NREDCAP Lr.No.NREDCAP/WE/SUZLON/MoU/ 2015, dated. 14.09.2015 and 23.09.2015.

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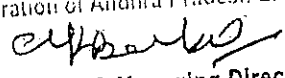
ORDER:-

In the reference 1st read above, Chairman of M/s Suzlon Energy Limited, has submitted a representation to Government of Andhra Pradesh, for development of 4000 MW Renewable Energy Power Projects (Wind Energy) and Wind Solar Hybrid Systems and to establish Wind Turbine Generator manufacturing facilities and proposed to sign an MoU with Govt. of AP along with their partners viz M/s. Axis Energy Ventures India Private Limited. They have proposed the investment and commitment as detailed below:-

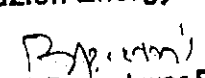
- Manufacturing at multiple locations (i.e. blade, tower, nacelle/generator) to integrate all components of wind turbine generator in Ananthapuramu & Nellore Districts.
- Employment generation
 - Direct : 8,000 (manufacturing & projects)
 - Indirect : 25,000 (approx.)
- Establishment of Wind and wind-solar hybrid projects (mostly in Ananthapuramu District)
- Establishment of skill development centre (in Ananthapuramu District)
- Establishment of SUZLON Chair at the proposed Energy University

2. Accordingly, the VC&MD, NREDCAP has in his letter second read above, has reported that M/s. Suzlon Energy Ltd., has global presence with an installed capacity of about 15,000 MW in 19 countries including 8,700 MW in India. They have proposed to develop 4,000 MW RE capacity over a period of five years mostly in Ananthapuramu District and they have proposed to sign an MoU jointly with Government of AP for development of the above projects. It has also been informed that M/s. Suzlon Energy Ltd., have agreed to set up integrated wind turbine manufacturing units in the State and signed an MOU with the Industries Department on 29-04-2015. M/s. Axis Energy Ventures India Pvt Ltd., a partner of M/s Suzlon Energy Limited, has conducted detailed wind monitoring studies as per the MNRE guidelines at 28 locations and about 3500-4000 MW capacity wind power potential is available at these locations in mostly Ananthapuramu District and NREDAP has already allotted 1066 MW wind power projects to M/s. Axis Energy Group companies. Hence, the VC&MD, NREDCAP has proposed that M/s. Suzlon Group and M/s. Axis Energy Group will jointly develop 4000 MW Renewable Energy power projects over a period of 5 years and also manufacturing facilities by M/s. Suzlon Group. Both the parties have proposed to sign an MOU with the Government of AP. The firm has requested to extend necessary benefits, incentives, single window facilitation etc., as per the provisions of AP Wind Power Policy 2015 and AP Industrial Policy 2015-2020. M/s. Suzlon Group has also agreed to submit Performance Bank Guarantee @ Rs. 5.00 lakh per MW (approximately Rs. 200 crores) for

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.


Director

the entire capacity of 4,000 MW for implementation on time bound basis. Subsequent to signing of MOU, it is proposed to sign an implementation agreement, and agreed to provide Performance Bank Guarantee for timely completion of the project as per the timelines indicated in the proposed Implementation agreement. The expected investment that can be brought into the State will be Rs. 28,000 Crores towards establishment of 4,000 MW wind power and Rs. 500 Crores towards establishment of manufacturing facilities. The Government of AP have also proposed to develop 4,150 MW capacity wind power projects by the year 2018-19, and also the NREDCAP is planning to develop Ananthapuramu District as Renewable Energy Hub under Power For All 24x7 Scheme.

Taking into consideration all the above, an MOU has been prepared indicating all the modalities and commitments of both the parties.

Government after careful consideration, hereby approves the proposal for entering into an MOU with M/s Suzlon Energy Limited and M/s Axis Energy Ventures India Private Limited as per the approved format annexed to this order.

The Vice Chairman & Managing Director, NREDCAP shall take further necessary action accordingly.

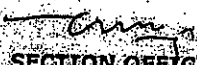
(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)


AJAY JAIN
SECRETARY TO GOVERNMENT


To
The Vice Chairman & Managing Director, NREDCAP, Hyderabad. (we)
The Chairman, M/s Suzlon Energy Limited, (we)

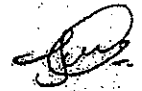
Copys to:-
The PS to Secretary to CM,
The PS to Chief Secretary to Govt.
The General Administration (Cabinet) Department,
SF/SCs.

//FORWARDED BY ORDER//


SECTION OFFICER

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
Sr. Vice President

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Director



తెలంగాణ తేలంగానా TELANGANA

Sl. No. 23347 Date: 17/10/2015.
Sold To : Jaisimha
S/o : Narsig Rao R/o. Hyd.
To Whom : Suzlon Energy Ltd.

K. N. LAL BABU
Licenced Stamp Vendor
LICENCE NO: 16-07-086/2012,
R.L. NO: 16-07-002/2015.
H.No. 3-5-948/91/A, Himayath Nagar
HYDERABAD DISTRICT
PHONE NO. 09492424379

MEMORANDUM OF UNDERSTANDING

The Memorandum of Understanding ("MOU") is entered into on this 4th day of December, 2015 at Vijayawada by and between:

SUZLON ENERGY LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 5 Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380009, Gujarat, India and its Corporate Office at "One Earth" Building, Hadapsar, Pune-411028, Maharashtra, India represented by its authorised signatory Mr Tulsi Tanti, Chairman & Managing Director (hereinafter referred to as "Suzlon Group", which term shall mean and include its successors in interest, group companies, associates and assigns);

AND

Suzlon Energy Ltd.
Tulsi R. Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

AJAY JAIN, IAS,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Dr. V. Bapeshwar Rao
S. Vice President

Vice Chairman & Managing Director

Handwritten signature and number 414711

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తెలంగాణ తెలంగాణ TELANGANA

Sl. No. 23346 Date 17/10/2015.
Sold To: Jaisimha
S/o: Narsig Rao R/o. Hyd.
To Whom: Suzlon Energy Ltd.

K. N. LAL BABU
Licensed Stamp Vendor
Licence No. 07/087/2012
R.L. No. 16-07-002/2015
H.No. 5943/27A, Himgaon Nagar
HYDERABAD DISTRICT
PHONE NO. 09492427115

Suzlon Energy Ltd. For AXIS ENERGY

Dr. V. Bapeshwar Rao
Sr. Vice President

AXIS ENERGY VENTURES INDIA PRIVATE LIMITED, a holding Company of Axis Energy Group, a Company duly incorporated under the Companies Act 1956, having its registered office at 2nd floor, Plot No.3, H.No.6-3-680/8/3, PMR Plaza, Thakur Mansion Lane, Somajiguda, Hyderabad - 500082, represented by its authorised signatory Mr. K. Ravikumar Reddy, Chairman & Managing Director (hereinafter referred to "Axis Energy Group" which term shall mean and include its successors in interest, group companies, associates and assigns).

Suzlon Group and Axis Energy Group, hereinafter shall jointly be referred to as the "Parties of First Part/First Party";

AND

GOVERNMENT OF ANDHRA PRADESH, represented by its Secretary, Energy Infrastructure and Investment Department & CRDA, Government of Andhra Pradesh Secretariat, Hyderabad, hereinafter referred to as the "Party of the Second Part/Second Party";

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.
Vice Chairman & Managing Director

Page 2 of 8

Suzlon Energy Ltd.
Tulsi R. Rao
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

AJAY JAIN, IAS,
Secretary to Government
Energy, Infrastructure & Investment Dep't
A.P. Secretariat, Hyderabad - 500 022.

Director

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తెలంగాణ తెలంగాణ TELANGANA

Sl. No: 23345 Date: 17/10/2015.
 Sold To : Jaisimha.
 S/o : Narsig Rao R/o. Hyd.
 To Whom : Suzlon Energy Ltd.

K. N. LAL BABU
 Licenced Stamp Vendor
 LICENCE NO. 16-07-086/2012, AXIS ENERGY PVT. LTD.
 R.L. NO. 16-07-002/2015
 H.No. 3-5-948/91/A, Himnyath Nagar
 HYDERABAD, DISTRICT
 PHONE NO. 09492424379

WHEREAS:

The Government of India as part of its goal to achieve green energy commitment has emphasized on increasing the development of renewable energy projects and enhancement of the capacities of power production through renewable sources. This has also led to various states with high resources and possibilities of renewable energy power production, such as the state of Andhra Pradesh, to promote the establishment of new and renewable energy projects.

The National Institute of Wind Energy (NIWE) has assessed the potential of the State of Andhra Pradesh in wind power projects to be over 22,000 MW with maximum potential identified in the districts of Ananthapuramu, Kadapa, Kurnool, Chittoor and Nellore. The Second Party, in order to promote the development of clean energy initiative, has issued Wind Power Policy 2015 and the Andhra Pradesh Industrial Policy 2015-2020.

Suzlon Energy Ltd.

 Tulsir Tanil
 Chairman & Managing Director

For Andhra Energy Ventures India Private Limited

 Chairman & Managing Director

AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

SUZLON ENERGY PVT. LTD.

Dr. V. Bapeshwar Rao
 Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Chairman & Managing Director


Suzlon Group which is the largest wind energy player of India, and one of the world leaders, along with its associates is in the business of manufacturing wind turbine generators and developing wind and solar power projects through engineering, procurement and supply model for various independent power producers across India and has about 14 manufacturing facilities spread across India and America. Suzlon Group has built and consolidated its presence in 19 countries and installed over 14,600 MW of wind power projects globally.

Suzlon Group while participating in the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 held on February 15, 2015, had given a commitment to the Honourable Prime Minister of India, in presence of Honourable Minister for New & Renewable Energy, Power and Coal of India, to develop 11,000 MW of capacity of new wind capacity and develop new manufacturing facilities over a period of five years.

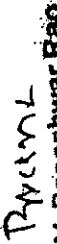
Suzlon Group in pursuance to the said commitment initially signed Memorandum of Understanding dated February 15, 2015 at New Delhi with the Second Party for setting up of manufacturing facility for blades and wind power projects for an aggregate capacity of 430 MW in state of Andhra Pradesh. Subsequently, the Suzlon Group also signed another Memorandum of Understanding dated April 29, 2015 with Industries Department, GoAP on the eve of the launch of Andhra Pradesh Industry Mission, 2015 and Industrial Policy 2015-2020 at Visakhapatnam for setting up of integrated manufacturing facility for manufacture of wind turbines in the state of Andhra Pradesh. Both the memorandum of understandings dated February 15, 2015 and April 29, 2015 were executed in presence of Honourable Chief Minister of Andhra Pradesh (hereinafter both MoUs are jointly referred as "Suzlon MoUs").

Suzlon Group is desirous of participating in the initiatives of Second Party in harnessing the wind power potential in the state of Andhra Pradesh, by (i) setting up three manufacturing facilities i.e two (2) at Anathapuram (for nacelles and blades) and one at Krishnapatnam (for towers) ("Manufacturing Facilities"); and (ii) setting up renewable energy projects for an aggregate capacity of around 3,000 MW capacity of wind power projects and 1000 MW Wind Solar Hybrid project, at sites feasible for developing such projects in the State of Andhra Pradesh (together "Renewable Energy Projects").


For AXIS ENERGY VENTURES INDIA PVT.LTD.



Director


Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

Suzlon Energy Ltd.

Tulsir R. Janti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

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Axis Energy Group which is in the business of developing Renewable Energy Projects, in particular Wind and Solar, and had presented the "Green Energy Commitment" to the Honourable Prime Minister of India during the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 on February 15, 2015 at New Delhi. Axis Energy Group gave a commitment to develop 12,500 MW of Renewable Energy Projects comprising of 7,000 MW in wind and 5,500 MW in solar projects.

Axis Energy Group has committed to develop 4,000 MW wind power projects (for which, Axis Energy Group has already entered into a MoU on 28 Wind Monitoring Stations for Wind Resource Assessment studies with NREDCAP/NIWE ("Axis MoU") and 2500 MW solar power projects in the State of Andhra Pradesh. As per initial studies, the potential generation capacity estimated under the Axis MoU is around 3500-4000 MW of wind power projects, in addition to the 1,066 MW capacities of wind power projects sanctioned by the Government of Andhra Pradesh. Accordingly, Axis Energy Group had given commitment to establish wind power projects in state of Andhra Pradesh and had entered into Memorandum of Understanding with the Government of Andhra Pradesh in the presence of the Honourable Chief Minister of Andhra Pradesh on February 15, 2015 ("GoAP MoU"). Government of Andhra Pradesh has given undertaking to facilitate the Axis Energy Group to obtain approvals /permissions / clearances etc. from concerned departments as per rules/policies/regulations prevailing.

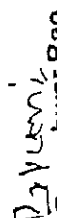
The Parties of the First Part, in view of the common objectives under GoAP MoU and the Suzlon MoUs, are proposing to collaborate and jointly develop (under various business models) the Renewable Energy Projects (SUZLON group jointly with Axis Group) and the Manufacturing Facilities (by SUZLON Group) in the State of Andhra Pradesh over a period of next five years. Hence, the Parties of the First Part have also held discussions and decided to jointly approach the Second Party, seeking assistance for setting up the Manufacturing Facilities and developing the Renewable Energy Projects. The Second Party, on the request of the Parties of First Part, have agreed to facilitate the establishment of the Manufacturing Facilities and the development of the Renewable Energy Projects in the State of Andhra Pradesh, pursuant to the provisions of this MoU.

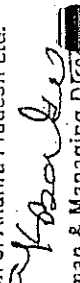
For AXIS ENERGY VENTURES INDIA PVT. LTD.

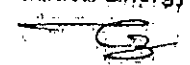
Suzlon Energy Ltd.

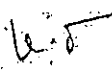
For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


Director


Dr. V. Bapeshwar Rao
Sr. Vice President


Vice Chairman & Managing Director

Suzlon Energy Ltd.

Tulsj R. Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited.

Chairman & Managing Director

Page 5 of 8
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

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NOW THEREFORE, PARTIES HERIN HAVE AGREED TO THE FOLLOWING.

1. The Parties of First Part propose to develop (under various business models) the Manufacturing Facilities and Renewable Energy Projects in State of Andhra Pradesh over a period of next five years between 2015 to 2020. The Parties of First Part in this regard agree and undertake to the following:

- (i) Achieve the implementation of Manufacturing Facilities by SUZLON Group and Renewable Energy Projects by SUZLON & Axis Group by March 31, 2020;
- (ii) To generate employment, subject to applicable laws and requirement of the Manufacturing Facilities and Renewable Energy Projects;
- (iii) Set up skill development centres in relation to Manufacturing Facilities and Renewable Energy Projects;
- (iv) Submit a business plan/project schedule identifying the development of the Manufacturing Facilities and the Renewable Energy Projects; and
- (v) Provide security in the form of Bank Guarantee at the rate of Rs. 5 lakhs per MW for the entire capacity of the Renewable Energy Projects, on a progressive basis to the Second Party.

2. The Second Party agrees to the following:

- (i) In relation to setting up of the Manufacturing Facilities and development of the Renewable Energy Projects:

Priority allotment of government land on long term lease basis to the First Party/ Parties of First Part in accordance with procedure in vogue, and wherever required assistance to the First Party/ Parties of First Part, as the case may be, for procurement of Private and Forest land;

Facilitate the First Party/ Parties of First Part, as the case may be, in the acquisition of identified land in accordance with law.

Permit the development of Renewable Energy Projects on the land identified by the First Party;

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

Page 6 of 8

Suzlon Energy Ltd.
Tulsi R. Janti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

AJAY JAIN, IAS,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

- Facilitate the approval of the relevant gram panchayats for setting up the Renewable Energy Projects;
 - Facilitate availability the benefits under single window clearance for procuring necessary approvals and clearances for setting up of the Manufacturing Facilities and development of the Renewable Energy Projects; and
 - (ii) Priority allocation of capacities for the Renewable Power Projects as per the procedures in vogue by NREDCAP;
 - (iii) Make Availability of all benefits under the Wind Power Policy 2015 and the Andhra Pradesh Industrial Policy of 2015-2020.
 - (iii) Make Availability of adequate power evacuation facilities by the power transmission corporation/s for evacuation of power from the inter connecting point of Renewable Energy Projects as per the procedure in vogue.
 - (iv) Make Availability of necessary infrastructure for ensuring unhindered access to and utilisation of the Manufacturing Facilities and the Renewable Energy Projects.
 - (v) Provide to the First Party incentives under the Mega Industrial Policy of the Government of Andhra Pradesh.
3. Execution of firm Power Purchase Agreements for the capacities committed under this MOU with Feed in Tariff as per the prevailing regulations and orders of the AP Electricity Regulatory Commission for Wind Power and Wind Solar Hybrid Power Projects ;
4. Axis Energy Group represents to the Second Party, that they are collaborating with Suzlon Group, for the development of the above mentioned projects and further agrees and confirms to Second Party that as part of the said collaboration, they will allocate capacity to the First Party/ Parties of First Part for development of the Renewable Energy Projects, and extend other rights and benefits to the First Party/ Parties of First Part as may be available to it in terms of the MoU with the Second Party.

For AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature]
Director

Suzlon Energy Ltd.

[Signature]
Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

[Signature]
Vice Chairman & Managing Director

Suzlon Energy Ltd.
[Signature]
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

[Signature]
Chairman & Managing Director

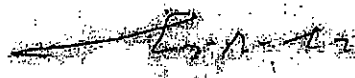
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AJAY JAIN, IAS.
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.


- 5. Besides the understanding agreed herein, the Second Party and the First Party will execute a Project Implementation Agreement within 30 days from the execution of this MOU, setting out in detail the terms and conditions (including the timelines) for implementation of the commercial transaction contemplated herein.
- 6. This MOU shall be governed by laws of India.

IN WITNESS WHEREOF, the parties have caused this MOU to be duly executed by their duly authorised representatives on the date and year first here in above.


For and on behalf of
Suzlon Energy Ltd

For and on behalf of
Government of Andhra Pradesh

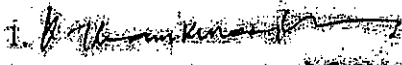
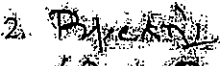

Tulsitanti
Chairman &
Managing Director


SECRETARY
Energy, I&I and CRDA



For and on behalf of
Axis Energy Ventures
India Private Limited


K RAVI KUMAR REDDY
Chairman &
Managing Director

Witness:

- 1. 
(K. RAVI KUMAR REDDY)
- 2. 
(Dr. V. Babeshwar Rao)

Witness:

- 1. 
(M. K. Acharya)
- 2. 
(K. RAVI KUMAR REDDY)

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

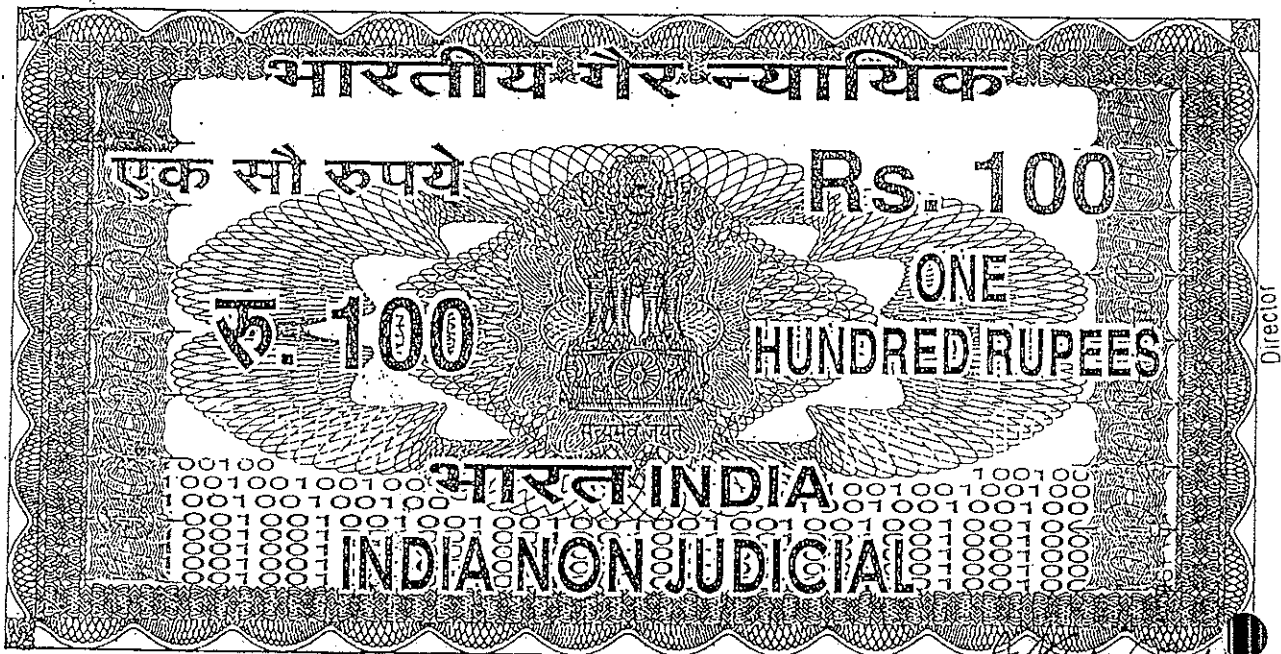
For New & Renewable Energy Development
Commission of Andhra Pradesh Ltd.

Dr. V. Babeshwar Rao
Sr. Vice President

Vice Chairman & Managing Director

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Annexure - 4



తెలంగాణ తేలంగానా TELANGANA

[Signature]
D 912099

SF. No: 828 Date: 08/01/2016.
 Sold To : Karunakar
 S/o : Late Ramulu R/o. Hyd.
 To Whom : Axis Energy Ventures India Private Limited.

K. N. LAL BABU
 Licenced Stamp Vendor
 LICENCE NO. 16-07-086/2012,
 R.L. NO. 16-07-002/2015.
 H.No. 3-5-948/91/A, Himayath Nagar
 HYDERABAD DISTRICT
 PHONE NO. 09492424379

Suzlon Energy Ltd.

[Signature]
 Dr. V. Bapeshwar Rao
 S. Vice President

PROJECT IMPLEMENTATION AGREEMENT

THIS PROJECT IMPLEMENTATION AGREEMENT ("Agreement") is executed on the 11th day of the month of January, 2016 between:

THE GOVERNMENT OF ANDHRA PRADESH, represented by Secretary, Energy, Infrastructure and Investment Department & CRDA, Government of Andhra Pradesh, Secretariat, Hyderabad. (hereinafter referred to as "GoAP" or the "First Party" which expression shall include its successors);

AND

SUZLON ENERGY LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 5 Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380009, Gujarat, India and its Corporate Office at "One Earth" Building, Hadapsar, Pune-411028, Maharashtra, India represented by its authorised signatory Mr. Tulsi Tanti, Chairman and Managing Director, (hereinafter referred to as "Suzlon", which term shall mean and include its successors in interest, group companies, associates and assigns);

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.
[Signature]

Vice Chairman & Managing Director

[Signature]
 AJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
[Signature]
 Tulsi R Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited
[Signature]
 Chairman & Managing Director

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AND

AXIS ENERGY VENTURES INDIA PRIVATE LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 2nd Floor, Plot no.3, House No. 6-3-680/8/3, PMR Plaza, Thakur Mansion, Cafe, Somajiguda, Hyderabad - 500 082, represented by its authorised signatory Mr. K. Ravi Kumar Reddy, Chairman and Managing Director (hereinafter referred to as "Axis" which term shall mean and include its successors in interest, group companies, associates and assigns),

Suzlon and Axis are hereinafter jointly referred to as "Second Party"

WHEREAS:

- A. Suzlon along with its associates is engaged in the business of manufacturing wind turbine generators and developing wind and solar power projects through engineering, procurement and supply model for various independent power producers. Axis is one of the largest independent power producers in India with primary focus in development and operations of renewable energy projects.
- B. Government of India (GoI) (defined hereinafter) as part of its goal to achieve green energy commitment has emphasized on increasing the development of renewable energy projects and enhancement of the capacities of power production through renewable energy sources. This has also led to various states with high resources and possibilities of renewable energy power production, such as the state of Andhra Pradesh, to promote the establishment of new and renewable energy projects. The GoAP, in order to promote the development of clean energy initiative, has issued Wind Power Policy 2015 and the Andhra Pradesh Industrial Policy 2013-2020.
- C. The National Institute of Wind Energy (NIWE) has assessed the potential of the state of Andhra Pradesh in wind power projects to be over 22,000 MW with maximum potential identified in the districts of Ananthapuramu, Kadapa, Kumool, Chittoor and Nellore.
- D. Suzlon while participating in the first renewable energy global investors meet (RE-INVEST), 2015 held on February 15, 2015, had given a commitment to the Honorable Prime Minister of India, in the presence of Honorable Minister for New and Renewable Energy, Power and Coal of India, to develop 11,000 MW of capacity of new wind capacity and develop new manufacturing facilities over a period of 5 years. Suzlon in pursuance to the said commitment initially signed memorandum of understanding (MoU) dated February 15, 2015 at New Delhi with the GoAP for setting up of manufacturing facility for blades and wind power projects for an aggregate capacity of 430 MW in the state of Andhra Pradesh. Subsequently, Suzlon also signed another MoU dated April 29, 2015 with Industries Department, GoAP on the eve of the launch of Andhra Pradesh Industry Mission, 2015 and Industrial Policy 2015-20 at Vishakapatnam, for setting up of integrated manufacturing facility for manufacture of wind turbines in the state of Andhra Pradesh. Both the MoU dated February 15, 2015 and April 29, 2015 were executed in presence of Honorable Chief Minister of Andhra Pradesh. (both these documents are attached as Annexure 1).
- E. Axis Energy which is in the business of developing Renewable Energy Projects, in particular Wind and Solar, and had presented the "Green Energy Commitment" to the Honourable Prime Minister of India during the First Renewable Energy Global Investors Meet (RE-INVEST), 2015 on February 15, 2015 at New Delhi. Axis Energy Group gave a commitment to develop 12,500 MW of Renewable Energy Projects comprising of 7,000 MW in wind and 5,500 MW in solar projects.

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

P. V. Babu
Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

K. Ravi Kumar Reddy
Vice-Chairman & Managing Director

AJAY JAIN, JAS.
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
K. Ravi Kumar Reddy
Chairman & Managing Director

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- F. Axis Energy based on the commitment in RE-INVEST 2015 has committed to develop 4,000 MW wind power projects (for which, Axis Energy has already entered into a MoU on 28 Wind Monitoring Stations for Wind Resource Assessment studies with NREDCAP/NIWE ("Axis MoU") and 2500 MW solar power projects in the State of Andhra Pradesh and entered into *Memorandum of Understanding* with the Government of Andhra Pradesh in the presence of the Honourable Chief Minister of Andhra Pradesh on February 15, 2015 ("GoAP MoU"). In terms of the GoAP MoU, Government of Andhra Pradesh has given undertaking to facilitate the Axis Energy Group to obtain approvals/permissions/clearances etc. from concerned departments as per rules/policies/regulations prevailing.
- G. In view of the common objectives and intention of developing renewable energy projects both Suzlon and Axis have discussed and agreed to collaborate and jointly develop the Renewable Energy Projects (as defined hereinafter) in the state of Andhra Pradesh and accordingly on September 03, 2015 a proposal was submitted to GoAP for development of 4000 MW of renewable energy projects in AP along with manufacturing facilities. GoAP after considering the proposal with the concerned authority approved the same and has issued government order G.O.Ms No. 15 dated November 27, 2015 ("GO") (attached herewith as Annexure 2).
- H. The Parties in pursuance of said GO, have executed Memorandum of Understanding dated December 04, 2015 ("MoU") attached herewith as Annexure 3. As per the MoU, Suzlon and Axis have agreed to jointly participate in developing renewable energy projects (comprising of wind power projects (3000 MW) and wind-solar hybrid power projects (1000 MW) projects) for an aggregate capacity of about 4000 MW ("Renewable Energy Projects") and Suzlon shall additionally develop facilities for manufacturing blade, tower, nacelle/generator at multiple locations such as Anathapuramu and Nellore districts or such other districts identified subsequently ("Manufacturing Facilities").
- I. In terms of the MoU the Parties had agreed to execute Project Implementation Agreement incorporating the terms and conditions relating to the implementation of the Renewable Energy Projects and the Manufacturing Facilities.

For AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature]
Director

Suzlon Energy Ltd.

[Signature]
Dr. V. Babeshwar Reddy
Sr. Vice President

NOW THEREFORE, PARTIES HEREIN HAVE AGREED TO THE FOLLOWING.

1. INTERPRETATIONS

- 1.1 The nomenclature of this Agreement, heading and paragraph numbers are only for the convenience of reference -.
- 1.2 Reference to persons and words denoting natural persons shall include bodies, corporate, partnerships, joint ventures, statutory and other authorities and entities.
- 1.3 Reference to any enactment, ordinance or regulation or any provision thereof shall include any amendment thereof or any replacement in whole or in part.
- 1.4 Reference to Recitals, Clauses, or Sub-Clauses shall unless the context otherwise requires, be deemed to include the Recitals, Clause or Sub-Clauses of this Agreement.
- 1.5 The words importing singulars shall include plurals and vice-versa as the case may be.
- 1.6 Terms beginning with capital letters and defined as per this Agreement shall have the same meaning ascribed thereto.
- 1.7 Any reference at any time to any agreement, deed, instrument, license or document of any description shall be construed as reference, to that agreement, deed, instrument, license or other document as amended varied, supplemented, modified or suspended at the time of such

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

[Signature]
Vice Chairman & Managing Director

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
[Signature]
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

[Signature]
Chairman & Managing Director

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reference provided that this Clause shall not operate so as to increase liability or obligations of any Party hereunder or pursuant hereto in any manner whatsoever.

1.8 Any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or report required under or pursuant to this Agreement from or by any party shall be valid and effectual only if it is in writing and under the hands of duly authorized representative of such party in this behalf and not otherwise.

1.9 Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates.

1.10 The words / expressions used in this Agreement shall bear the same meaning as assigned to them in the context in which these have been used in this Agreement.

2. **DEFINITIONS**

2.1 In this Agreement, the various terms shall have the following meanings, except where the context otherwise requires, definitions and other terms expressed in the singular shall also include the plural and vice versa, namely:-

"Agreement" means this Agreement together with the Schedules attached herein and any amendments made thereto in accordance with the provisions herein contained.

"Applicable Permits" shall mean all clearances, permits, authorisations, consents and approvals required to be obtained or maintained under applicable laws in connection with the Renewable Energy Projects and/or the Manufacturing Facilities during the subsistence of this Agreement.

"Arbitration Act" means the Arbitration and Conciliation Act, 1996 and shall include modifications to or any re-enactment thereof as in force from time to time.

"Commercial Operation" shall mean the date when the Renewable Energy Projects or the Manufacturing Facilities, as the case may be, shall be commissioned as per the respective implementation plan agreed with GoAP.

"Dispute" shall have the meaning as specified in Clause 10.

"Effective Date" shall mean the date of signing of this Agreement.

"Force Majeure" shall have the meaning as ascribed thereto in Clause 8.

"GoAP" shall mean the state government of the Andhra Pradesh.

"Govt" shall mean Government of India.

"Individual Project" shall mean each renewable energy project set up as part of the Renewable Energy Projects based on allotment issued by NREDCAP.

"Interconnection Facilities" means all the equipment and facilities, including, but not limited to, all metering facilities, switchgear, substation facilities, transmission lines and

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Dr. V. Babeshwar Rao
-Sr. Vice President

Vice Chairman & Managing Director

AVJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

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Related infrastructure necessary to enable the evacuation of power from the inter connecting point of an Individual Project to the grid.

"Power Purchase Agreement" shall mean a contractual agreement to be signed with the Andhra Pradesh Power Distribution Companies or any other body for the sale of power generated from the Renewable Energy as may be approved by APERC from time to time.

"Parties" shall mean collectively GoAP and the Second Party.

"Site" means the land used for development of Renewable Energy Projects and the Manufacturing Facilities.

As
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
T
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

Suzlon Energy Ltd.

P. V. Bapeshwar Rao
Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

[Signature]
Vice Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature]
Director

CLAUSE 3

TERMS OF THE AGREEMENT

3.1 Effectiveness

This Agreement shall come into force from the Effective Date.

3.2 Term of the Agreement

This Agreement shall remain in force for a period of 7 (seven) years from the Effective Date to remain valid till December 31, 2022 ("Term") including period of construction / development and operation of the Renewable Energy Projects and the Manufacturing Facilities.

3.3 GoAP Support

GoAP agrees that the principal objective of this Agreement is support for timely completion of the Renewable Energy Projects and the Manufacturing Facilities. GoAP therefore agrees to provide the support to the Second Party as set out in this Agreement.

CLAUSE 4

EXECUTION OF RENEWABLE ENERGY PROJECTS

4.1 ASSURANCES OF GoAP

4.1.1 Grant of Consents and Approvals

In order to facilitate the construction and operation of the Renewable Energy Projects, GoAP agrees to extend the following benefits, either through single window clearance mechanism as per GOMs No. 15 Wind Power Policy 2015 or through priority allocation and shall:

- (i) Cause NREDCAP as per the prevailing policies to provide permissions to the Second Party for conducting Wind Resource Assessment studies at potential sites.
- (ii) Cause that NREDCAP as per the prevailing policies to allot capacities in National Wind Energy Institute (NWEI) NREDCAP notified sites and also in the potential sites identified by Second Party in the state of Andhra Pradesh in private, revenue and forest lands.
- (iii) Upon application by Second Party or any associate/subsidiary company of Second Party or vendors identified by the Second Party for executing the Renewable Energy Projects, any other person acting on their behalf, GoAP agrees, in compliance of with applicable laws, to grant such Applicable Permits or extensions and/or renewals as are required for or in connection with the Renewable Energy Projects, for the execution and development of the Renewable Energy Projects to complete in a timely manner.

4.1.2 Allocation of Land

The availability of land being one of the paramount requirements, GoAP agrees to take the following actions in connection with the construction and operation of the Renewable Energy Projects:

AJAY JAIN, IAS,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R. Taril
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PRIVATE LTD.

Suzlon Energy Ltd.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Dr. V. Babeshwar Rao
Sr. Vice President

Vice Chairman & Managing Director

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- (i) subsequent to the allotment of capacities for the Renewable Energy Projects, wherever available provide to the Second Party or subsidiary company of the Second Party, revenue land owned by GoAP on long term lease basis as per the policy in force in this regard. The lease agreements should entitle the lessee to mortgage the lease hold rights on such land to the lenders / financiers of the Renewable Energy Projects, with prior consent of the GoAP / NREDCAP;
- (ii) To facilitate the Second Party by issue of necessary governmental orders / directions / notifications and taking all administrative actions in compliance of provisions of applicable law for the acquisition process of private land in favour of Second party or any associate/subsidiary company of Second Party, in the potential areas to be identified by Second Party in the districts of Ananthapuramu, Kadapa, Kurnool, Chittoor and Nellore or such other districts identified from time to time;
- (iii) To facilitate the capacities that have been identified in the endowment lands, GoAP will extend the necessary support to expedite the approvals from the concern authority as per the applicable rules and procedures.
- (iv) to facilitate the capacities that have been identified in the forest areas, GoAP will extend the necessary support to expedite the approvals and diversion of forest land at the State and Central level. The Compensatory Afforestation land required for such projects may be allotted from the land bank available with the GoAP by collecting the necessary fee/ charges as per applicable law.
- (v) to provide access to the Site for conducting wind resource assessment tests and any pre-feasibility tests in relation to the Renewable Energy Projects.

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Director

Suzlon Energy Ltd.

Dr. V. Bapeshwarao
Sr. Vice President

4.1.3 Access Rights to Site

GoAP agrees to, on a continuous basis and within the time period decided by the Co-ordination Committee provide: (i) unhindered rights of access rights to the Site; and (ii) such other rights of access and, as may be required by the Second Party, in relation to construct, operate and maintain the Renewable Energy Projects. In case of any issues pertaining to such right of way, GoAP shall provide all administrative assistance to Second Party.

4.1.4 Approvals and Permits from Gram Panchayat and Local bodies

GoAP will facilitate the approvals and permits required from the village panchayats and the local bodies by payment of necessary Development Charges and Layout fee on a time bound basis.

4.1.5 Benefits under Renewable Energy Policies of Andhra Pradesh

In relation to the development of the Renewable Energy Projects, GoAP agrees to extend all benefits available under the Wind Power Policy 2015, Solar Power Policy, 2015 including but not limited to the following:

- (i) provide the Second Party or any associate/subsidiary of the Second Party/Suzlon/Axis identified by the Second Party incentives and exemptions and benefits under the Wind Power Policy 2015, Solar Power Policy, 2015;
- (ii) exemption of the Renewable Energy Projects from payment of electricity duty applicable toward sale of power to the power distribution companies of Andhra Pradesh;

Ajay
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

- (iii) grant deemed IIPP status to the Renewable Energy Projects;
- (iv) grant deemed industry status to the Renewable Energy Projects so that they are eligible for incentives made available to the industrial units under various schemes launched by the Industrial Department, GoAP from time to time;
- (v) grant deemed non-agricultural use permission, subject to payment of applicable charges by the Second Party;
- (vi) exemption for obtaining clearance from State Pollution Control Board;

4.1.6 Power Evacuation Infrastructure for Renewable Energy Projects

GoAP agrees to cause the APTRANSCO to evacuate power produced from the Renewable Energy Projects, on preferential basis. The power generated from the Renewable Energy Projects shall be provided adequate power evacuation facilities by the power transmission corporation for evacuation of power from the inter connecting point of Renewable Energy projects as per procedure in vogue and in compliance of APERC orders.

4.1.7 Execution of Power Purchase Agreement

GoAP agrees to cause the power distribution companies of Andhra Pradesh/ APPCO to execute firm Power Purchase Agreements in the format attached as Annexure 5 as may be approved by APERC and purchase the entire capacity of power generated from the Renewable Energy Projects at tariff determined by the Andhra Pradesh Electricity Regulatory Commission under Section 61 (h) of Electricity Act, 2003 and the terms of PPA approved by Commission from time to time.

4.2 COVENANTS OF THE SECOND PARTY

4.2.1 Commissioning of Renewable Energy Projects

The Second Party, agrees to achieve the implementation of the Renewable Energy Projects by March 31, 2022, as per the indicative schedule attached in Annexure 4.

4.2.2 In this regard the Parties agree to mutually discuss and arrive at implementation plans indicating the schedule of different activities to be performed by the development of the Renewable Energy Projects.

4.2.3 The Renewable Energy Projects shall require manpower during its construction and operation. Second Party agrees, subject to applicable laws, to provide employment and make necessary arrangements to provide employments to local residents and/or residents of the state of Andhra Pradesh based on the educational qualifications and technical skills.

4.2.4 Upon commissioning of each Individual Project, the Second Party agrees to make payments of any fee payable to NREDCAP, DISCOM, or any other government department as may be levied from time to time in relation to such Individual Project.

4.2.5 In relation to the development and construction of the Renewable Energy Projects, Second Party shall have the option to incorporate special purpose companies and GoAP agrees to

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
St. Vice President

For Axis Energy Ventures India Pvt. Ltd.

[Signature]

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extend all the benefits available to Second Party, directly or indirectly, under this Agreement to such special purpose companies.

Second Party shall however be jointly and severally responsible to perform all the obligations stated in this Clause 4.2.

For AXIS ENERGY VENTURES INDIA PVT. LTD.


Director

CLAUSE 5

EXECUTION OF MANUFACTURING FACILITIES

5.1 OBLIGATIONS OF GoAP

5.1.1 Grant of Consents and Approvals

In order to facilitate the construction and operation of the Manufacturing Facilities upon application by Suzlon or any of its associate/subsidiary company or any other person acting on its behalf, GoAP agrees to ensure in a time bound manner and in compliance with applicable laws the issuance of such Applicable Permits or extensions and/or renewals as are required, either through single window clearance mechanism or through priority allocation.

5.1.2 Allocation of Land

In relation to the Site for the Manufacturing Facilities, GoAP agrees:

- (i) to allot to Suzlon or any of its associate/subsidiary company or any other person acting on its behalf, available revenue land owned by GoAP on long term lease basis as per Industrial Policy of 2015-2020 valid for a period of 99 (ninety nine) years, in accordance with applicable law. GoAP agrees and warrants, that it shall provide and handover physical, vacant, peaceful, obstacle free, unencumbered possession of the entire allotted land free from any and all liens. The lease agreements should entitle the lessee to mortgage the lease hold rights on such land to the lenders / financiers of the Manufacturing Facilities, with prior consent of the GoAP.
- (ii) extend all support and assistance and issue necessary governmental orders / directions / notifications and take all administrative actions facilitating the acquisition process especially in the potential areas to be identified by Suzlon, where private land is to be acquired by Suzlon or any of its associate/subsidiary company or any other person acting on its behalf.
- (iii) in case the allotted land involves forest land, by expediting the process at GoAP level and also facilitate on a best efforts basis those required at GoI level.

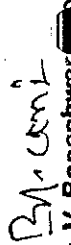
5.1.3 Access Rights to Site

GoAP agrees to, on a continuous basis and within time periods decided by the Coordination Committee provide; (i) unhindered rights of access to the Site; and (ii) such other rights of access and, as may be required by Suzlon or any of its Contractors or sub-contractors, in relation to construction and operation of the Manufacturing Facilities. In case of any issues pertaining to such right of way, GoAP shall provide all administrative assistance to Suzlon.

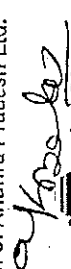
5.1.4 Benefits under the Andhra Pradesh Industrial Policy of 2015-2020

GoAP agrees to accord mega industry status to the Manufacturing Facilities as per the policies in force. GoAP in accordance with the Andhra Pradesh Industrial Policy of 2015-


Suzlon Energy Ltd.

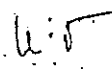

Dr. V. Bapeshwar
Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


Vice Chairman & Managing Director

^{Asst}
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsir R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

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2020 also to consider to extend to Suzlon or any of its associate/subsidiary company or any other person acting on its behalf, tailor-made benefits on case to case basis including but not limited to peripheral infrastructure, electricity supply and fiscal incentives to enable the time bound construction and operation of the Manufacturing Facilities.

5.2 OBLIGATIONS OF SUZLON

5.2.1 Commissioning of the projects

Suzlon agrees to set up the Manufacturing Facilities. Suzlon shall also establish a skill development centre and a Suzlon Chair of such skill development centre in the Energy University proposed to be set up in Andhra Pradesh.

5.2.2 In this regard the Parties agree to mutually discuss and arrive at implementation plans indicating the schedule of different activities to be performed by the development of the Manufacturing Facilities.

5.2.3 The Manufacturing Facilities shall require manpower during its construction and operation. Suzlon agrees, subject to applicable laws, to provide employment and make necessary arrangements to provide employments to local residents and/or residents of the state of Andhra Pradesh based on the educational qualifications and technical skills.

5.2.4 For the development and construction of the Manufacturing Facilities, Suzlon shall have the option to incorporate special purpose companies and GoAP agrees to extend all the benefits available to Suzlon under this Agreement to such special purpose companies.

Suzlon Energy Ltd. For Axis Energy Ventures India Pvt. Ltd.

Director

Dr. V. Bapeshwar Rao
Sr. Vice President

AJAY JAIN, IAS.
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R. Jantil
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

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CLAUSE 6

SPECIAL PROVISIONS

- 6.1 GoAP shall use its best efforts to facilitate that the incentives and exemptions declared by GoAP and/or GoI from time to time after the Effective Date, whether in relation to promoting the renewable energy sector in India or on account of special assistance to industries being set up in the state of Andhra Pradesh for manufacture of renewable energy equipment and are made available to the Renewable Energy Projects and the Manufacturing Facilities, as the case may be.
- 6.2 GoAP agrees to take all steps to ensure that no action or combination of actions are taken the effect of which is or are discriminatory and which treats the Second Party less favorably than any other developer of renewable energy projects in the state of Andhra Pradesh or treats the Renewable Energy Projects or the Manufacturing Facilities less favorably than any projects of similar nature and size which may be developed from time to time in the state of Andhra Pradesh.
- 6.3 Constitution of Coordination Committee
- 6.3.1 GoAP agrees to constitute and set-up a coordination committee ("Coordination Committee") for ensuring smooth and efficient execution of the Renewable Energy Projects and the Manufacturing Facilities. The Coordination Committee shall comprise of the following:
- (i) the Secretary, Energy Department, GoAP
 - (ii) the Secretary to CM, GoAP (Energy)
 - (iii) the Secretary, Industries Department, GoAP
 - (iv) the Managing Director, APTRANSCO
 - (v) the Vice Chairman and Managing Director, NREDCAP
 - (vi) the representatives of Suzlon and Axis
 - (vii) As and when required from any of other Department of GoAP/District Administration

The Coordination Committee may form such committees as may be required for resolution of specific issues arising in the execution of the Renewable Energy Projects and the Manufacturing Facilities.

- 6.3.2 The Coordination Committee shall, unless otherwise agreed between the Parties, initially hold meetings once in every month.
- 6.4 Assistance to procure construction material
- GoAP agrees to on best efforts basis provide the following assistance to the Second Party in procuring construction material required for the setting up of the Renewable Energy Projects and the Manufacturing Facilities:
- (i) priority allotment of licenses for carrying out quarry activities and sand mining along with waiver in terms of respective policy in force from ceiling limits provided in the licenses being generally issued, so that it is able to obtain adequate quantity of construction material required for the renewable energy projects and manufacturing; or
 - (ii) assistance for procuring preferential supply of aggregates/cements/sand etc. from respective manufacturers and/or suppliers on priority basis.

AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

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- 6.5 Upon signing of definitive agreement by NREDCAP for renewable energy projects as Single Window Clearing Agency, Suzlon shall furnish to GoAP or such governmental instrumentality of GoAP performance guarantees for the entire capacity of the Renewable Energy Projects aggregating to Rs. 200 Crores, calculated at the rate of Rs. 5 Lakhs per MW and which shall be enforceable against the defaulting parties as per applicable laws. GoAP agrees that upon the commissioning of each Individual Project, performance guarantee submitted by Suzlon in relation to such Individual Project shall be returned to Suzlon forthwith and in any event not later than 5 (five) days from the date of commissioning of such Individual Project.
- 6.6 In order to enable the due performance of the duties, obligations and objectives of the Parties under this Agreement, GoAP agrees to cause the execution of enforceable and binding agreements with each of the relevant departments, corporations, companies of GoAP as may be required in relation to the execution of the Renewable Energy Projects and/or the Manufacturing Facilities, from time to time under applicable laws or any policies of such departments, corporations, companies of GoAP.

FOR AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature]

Niranjan

CLAUSE 7

REPRESENTATIONS AND WARRANTIES

- 7.1 Each Party represents and warrants to the other Party that:
 - 7.1.1 It has full power and authority to execute, deliver and perform this Agreement;
 - 7.1.2 It has taken all necessary action to authorise the execution, delivery and performance of this Agreement;
 - 7.1.3 The execution of this Agreement and performance hereunder shall constitute a binding on both the parties.

Suzlon Energy Ltd.

[Signature]

Dr. V. Bapeshwar Rao
Sr. Vice President

CLAUSE 8

FORCE MAJEURE

- 8.1 Force Majeure shall mean any event or circumstance or combination of events or circumstances that wholly or partly prevent or unavoidably delay the Party claiming Force Majeure (hereinafter referred to as the "Affected Party") in the performance of its obligations under this Agreement and which act or event:
 - 8.1.1 is beyond the reasonable control of and not arising out of the fault of the Affected Party;
 - 8.1.2 the Affected Party has been unable to prevent by the exercise of due diligence and reasonable efforts, skill and care, including through expenditure of reasonable sums of money; and
 - 8.1.3 has a materially adverse effect on the Renewable Energy Projects or the Manufacturing Facilities.

Such events include any acts of GoAP either in its sovereign or its contractual capacity; war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine restrictions, freight embargoes, radioactivity and earthquakes.

- 8.2 Upon the occurrence of any Force Majeure Event:

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Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
[Signature]
Tulsi R Tanir
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
[Signature]
Chairman & Managing Director

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

[Signature]

Vice Chairman & Managing Director

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- 8.2.1 The date for achieving the specific obligations shall be extended by the period for which such Force Majeure event subsists and the Term shall be proportionately extended; and
- 8.2.2 The Parties shall bear their respective costs and no Party shall be required to pay to the other Party any costs arising out of any Force Majeure Event.

CLAUSE 9

GOVERNING LAW

- 9.1 The rights and obligations of the Parties under or pursuant to this Agreement shall be governed by and constructed according to applicable law. This Agreement shall be subject to the jurisdiction of the competent courts at capital city of Andhra Pradesh.

CLAUSE 10

RESOLUTION OF DISPUTES

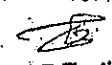
- 10.1 Good Faith Negotiations


All disputes, disagreement or difference between the Parties (each a "Dispute"), arising out of or in relation to the construction or operation of the Renewable Energy Projects or the Manufacturing Facilities, shall be resolved through the following dispute resolution procedure:

- 10.1.1 Either Party shall give to the other a written notice setting out the material particulars of Disputes and requiring an authorized Senior Executive Officer each from the GoAP and the Second Party, to meet in person at the capital city of Andhra Pradesh or at any other mutually agreed place within 20 (twenty) working days of the date of receipt of such notice by the relevant party to attempt negotiation in good faith and using their best endeavours at all times to resolve the Disputes..
- 10.1.2 If the Dispute is not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the Senior Executive Officers of both the Parties within 30 (thirty) working days after the date of receipt of the Notice described in Clause 10.1.1.
- 10.1.3 If the Dispute is not resolved at the meeting of the Senior Executive Officers of both the Parties, the Secretary, Energy Department, GoAP and the Chairman of Suzlon and/or Axis shall meet at the capital city of Andhra Pradesh or any other mutually agreed place within 30 (thirty) working days after the expiry of the period as mentioned in Clause 10.1.2, to attempt negotiations in good faith and using their best endeavours at all times to resolve the dispute within a further period of 30 (thirty) days and if the Dispute is still not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the authorised representatives of both the Parties, the provisions of the Clause 10.2 shall apply, unless the said period is mutually extended.

- 10.2 All Disputes not resolved between the Parties in accordance with Clause 10.1, shall be settled by way of arbitration in accordance with the provision of Arbitration and Conciliation Act, 1996 including any statutory modification or variation thereof, by reference to an arbitrator

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AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

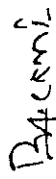
Suzlon Energy Ltd.

Tuls R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director


For AXIS ENERGY VENTURES INDIA PVT. LTD.


Director

Suzlon Energy Ltd.


Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


Vice-Chairman & Managing Director

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panel of 3 (three) arbitrators, one to be appointed by the Second Party, one to be appointed by GOAP and the third to be appointed by the two arbitrators so appointed, who shall act as Chairperson of the Arbitral Tribunal. All expenses of such third arbitrator shall be borne and paid by the parties in equal proportion. The arbitrators shall give a speaking Award.

- 10.3 The Award rendered in any arbitration commenced hereunder shall be final and binding.
- 10.4 During the pendency of any Arbitration the Parties shall continue to perform their respective obligations as detailed in this Agreement unless such performance cannot be reasonably continued.
- 10.5 The arbitration proceedings shall take place at capital city of Andhra Pradesh only and the Courts of the state of Andhra Pradesh alone have jurisdiction to this purpose.
- 10.6 The right to arbitrate disputes under this Agreement shall survive the expiry of term or the Termination of this Agreement.

For AXIS ENERGY VENTURES INDIA PVT. LTD.

**CLAUSE 11
AMENDMENTS**

- 11.1 No amendments or waiver of any provision of this Agreement and no consent to an departure by either party here form, shall in any event be effective unless the same shall be writing and signed by each of the Parties.

**CLAUSE 12
COMMUNICATION**

- 12.1 Any communication/notice by one Party to the other under this Agreement shall be deemed to be served if sent by cable, fax or E-mail followed by a confirmation letter delivered by hand or by registered mail to the respective addresses.
- 12.2 Communication should be addressed as below:

The Secretary, Energy, Infrastructure & Investment, CREDA
 Government of Andhra Pradesh,
 Secretariat, Hyderabad 500 022
 Tel No.: +91 040 23453304
 Fax No.: +91 040 23451678
 Email id: secyenergyap@gmail.com

The Chairman and Managing Director,
 Suzlon Energy Limited,
 One Earth Building, Vadapsar,
 Pune-411028, Maharashtra, India
 Tel. No.: +91-20-67022000/61356135/67202500
 Fax No.: +91-20-67022100/67022200
 Email id: cmd@suzlon.com

The Chairman and Managing Director,
 Axis Energy Ventures India Private Limited,
 2nd Floor, Plot no.3, House No. 63-680/8/3, PMR Plaza,
 Thakur Mansion Lane, Somajiguda, Hyderabad - 500 082
 Tel No.: +91 040 23432312/23412313
 Fax No.: +91 040 23432314
 Email id: ravi@axisenergy.in

AJAY JAIN, IAS,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad-500 022.

Suzlon Energy Ltd.

 Tulsir R. Tanti
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

Suzlon Energy Ltd.

Prakash

Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

Prakash

Vice Chairman & Managing Director

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CLAUSE 13
MISCELLANEOUS

13.1 Relationship of the Parties

This agreement shall not be interpreted or construed or create an association, joint venture or partnership between the parties or to impose any partnership obligation or right upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.

13.2 Third Parties

This agreement is intended solely for the benefit of the parties hereto. Nothing in this agreement shall be construed to create any duty, to standard of care with reference to, or any liability to, any person not a party to this Agreement.

13.3 No Waiver

13.3.1 No waiver by either Party of any default by other Party in the observance and performance of any provision of or obligations of or under the agreement, (i) shall operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under the agreement; (ii) shall be effective unless it is in writing and executed by a duly authorized representative of the Party; and (iii) shall affect the validity or enforceability of the agreement in any manner.

13.3.2 Neither the failure by either party to insist on any occasion upon the performance of the terms, conditions and provisions of the Agreement or any obligation there under nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

13.4 Exclusion of Implied Warranties

This Agreement expressly excludes any warranty, condition or other undertaking implied at law or by custom or otherwise arising out of any other agreement between the Parties or representation by either Party not contained in a binding legal agreement executed by both Parties.

13.5 Counterparts

This Agreement may be executed in two counterparts, each of which when executed and delivered shall constitute an original of the agreement.

13.6 Severability

If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under the Agreement or otherwise.

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AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzion Energy Ltd.

Tuls R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
15
Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Director

Suzion Energy Ltd.

Dr. V. Bapeshwar
Dr. V. Bapeshwar
Sr. Vice President

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

1.3

13.7 Survival

The termination or expiry of this Agreement shall not affect the accrued rights, obligations and liabilities of either party under this agreement nor shall it affect any continuing obligations, which this Agreement provides, whether expressly or by necessary implication.

IN WITNESS, the Parties hereto have executed and delivered this Agreement at on the date first written above.

For and on behalf of GOVERNMENT OF ANHRA PRADESH

Secretary
Energy, Infrastructure Investment, CRDA

For and on behalf of SUZLON ENERGY LIMITED

Chairman and Managing Director

For and on behalf of AXIS ENERGY VENTURES INDIA PRIVATE LIMITED

Chairman and Managing Director

Witness:

1.
M. RAMALAKSHMI
V. Secy, NREDCAP.

2.
K. SRINIVAS
OSD, NREDCAP.

1.
Dr. V. Bapeshwar Rao
Sr. Vice President
SUZLON Energy Ltd.

2.
K. KIRAN KUMAR REDDY
DIRECTOR, AXIS RENEWABLE ENERGY

For New & Renewable Energy Developing Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.
Dr. V. Bapeshwar Rao
Sr. Vice President

Director

ANNEXURE 5

Format of Power Purchase Agreement approved by APERC

POWER PURCHASE AGREEMENT

BETWEEN

[Name of the Discom to be inserted]

AND

[Name of the Project Company]

This Power Purchase Agreement (the "Agreement") entered into this ____ day of ____ 2015 between

[Name of the Discom to be inserted] (DISCOM), incorporated by the Government of Andhra Pradesh in accordance with the Andhra Pradesh Electricity Reform Act 1998 (Act No.30 of 1998), under the provisions of Companies Act, 1956, having its office at [to be inserted], India, hereinafter referred to as the "DISCOM" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as first party,

and

M/s. [Name of the Project Company], a company incorporated under the Companies Act, [1956/2013], having registered office at [to be inserted], hereinafter referred to as the "Wind Power Producer" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as second party.

WHEREAS, the Wind Power Producer is setting up the New and Renewable Energy Project i.e., the [•] MW capacity Wind power project at [•] Village, [•] Mandal, [•] site, [•] District, Andhra Pradesh (hereafter called the Project) with a proposal of [•] MW as detailed in Schedule 1 attached herewith, and New and Renewable Energy Development Corporation of Andhra Pradesh Limited hereafter referred to as M/s NREDCAP has accorded approval to the said project in their proceedings No. NREDCAP/WE/6737/2015, Dated 07.04.2015 and the Wind Power Producer has entered into an Agreement with NREDCAP on 07-04-2015 and the copies whereof are attached herewith as Schedule-2 and Schedule 3 respectively.

WHEREAS, it has been agreed that the Project will be designed, engineered and constructed and operated by or on behalf of the Wind Power Producer or its successors with reasonable diligence subject to all applicable Indian laws, rules, regulations and orders having the force of law;

Whereas, the proposed Project is being setup at [•] (V), [•] (M), [•] Site, [•] District, and will be connected to the designated sub-station i.e., APTRANSCO [220/33KV] [•] sub-station at [•]KV voltage level for power evacuation from wind power projects by erecting an exclusive [•]KV group feeder. The Project will share a common metering on the above feeder at the designated sub-station. The Project will also have a separate metering at Project's switchyard.

The terms and conditions of the Agreement are subject to the provisions of the Electricity Act, 2003 (36 of 2003) and the amendments made to the act from time to time, and also subject to regulation by the Andhra Pradesh Electricity Regulatory Commission.

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AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
Sr Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

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NOW THEREFORE, in consideration of the foregoing promises and their mutual covenants herein, and for other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto, intending to be legally bound hereby agree as follows:

ARTICLE 1

DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set forth herein below. Defined terms of singular number shall include the plural and vice-versa.

1.1 **APTRANSCO:** Transmission Corporation of Andhra Pradesh Limited, incorporated by the Government of Andhra Pradesh.

1.2 **Billing Date:** means the fifth (5th) day after the Meter Reading Date.

1.3 **Billing Month:** means the period commencing from 25th of the calendar month and ending on the 24th of the next calendar month.

1.4 **Commercial Operation Date (COD):** means, with respect to each Generating unit, the date on which such Generating unit is declared by the Wind Power Producer to be operational, provided that the Wind Power Producer shall not declare a Generating unit to be operational until such Generating unit has completed its performance acceptance test as per standards prescribed.

Explanation: In respect of Non-conventional based power projects the date of synchronisation of the first unit of the project will be treated as the Commercial Operation Date of the project.

1.5 **Delivered Energy:** means, with respect to any Billing Month, the kilo watt hours (kWh) of electrical energy generated by the Project and delivered to the DISCOM at the Interconnection Point as defined in Article 1.10, as measured by the common energy meter at the Interconnection Point during that Billing Month. As indicated in the preamble, the delivered energy recorded by the common meter shall be sum of energy delivered by all Wind power projects connected to the designated sub-station, i.e., APTRANSCO 220/33KV [c] sub-station.

Explanation 1: For the purpose of clarification, Delivered Energy, excludes all energy consumed in the Project, by the main plant and equipment, lighting and other loads of the Project from the energy generated and as recorded by energy meter at Interconnection Point.

Explanation 2: The delivered energy in a Billing Month shall be limited to the energy calculated based on the Capacity agreed for export to network for sale to DISCOM as mentioned in Preamble and Schedule - 1, multiplied with number of hours and fraction thereof the project is in operation during that billing month. In case any excess energy is delivered no payment shall be made for the same.

Explanation 3: The Delivered Energy will be equal to energy recorded by the individual meter at Project's switchyard minus apportioned line losses from Project's switchyard to meter at 220/33KV [c] Sub-station and shall be calculated as per the formula mentioned below:

Delivered Energy = X1 - (X1 x Z %)

Where

X1 is the reading of the energy meter installed at the Project's switchyard.

Z% is the line loss incurred in the transmission line between the Project and the interconnected Substation and shall be:

$$\frac{(X1 + X2 + X3 + X4 + \dots) - Y}{(X1 + X2 + X3 + X4 + \dots)} \times 100$$

$$Z = \frac{(X1 + X2 + X3 + X4 + \dots) - Y}{(X1 + X2 + X3 + X4 + \dots)} \times 100$$

Where

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Suzlon Energy Ltd.
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Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

For Axis Energy Ventures India PVT. LTD.

Director

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice-Chairman & Managing Director

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Y is the reading of the common energy meter installed on the 33KV side of the interconnected Substation, X1, X2, X3, X4 etc. are the readings of the energy meters installed at the various individual Wind power projects being developed/proposed to be set up in the area and connected to the designated sub-station. i.e., APTRANSCO 220/33KV [*] sub-station.

1.6 **Due Date of Payment:** means the date on which the amount payable by the DISCOM to the Wind Power Producer hereunder for Delivered Energy, if any, supplied during a Billing Month becomes due for payment, which date shall be thirty (30) days from the Meter Reading Date provided the bill is received by DISCOM within 5 days from Meter Reading Date, and in the case of any supplemental or other bill or claim, if any, the due date of payment shall be thirty (30) days from the date of the presentation of such bill or claim to the designated officer of the DISCOM.

1.7 **Financial Year:** shall mean, with respect to the initial Fiscal Year, the period beginning on the Commercial Operation Date and ending at 12.00 midnight on the following March 31. Each successive Financial Year shall begin on April 1 and end on the following March 31, except that the final Fiscal Year shall end on the date of expiry of the Term or on termination of this Agreement, whichever is earlier.

1.8 **Installed Capacity:** means the total rated capacity in MW of all the Wind Energy Generators installed by the Wind Power Producer.

1.9 **Interconnection Facilities:** means all the equipment and facilities, including, but not limited to, all metering facilities; switchgear, substation facilities, transmission lines and related infrastructure, to be installed at the voltage specified in Article 1.20 at the Wind Power Producer's expense from time to time throughout the term of this Agreement, necessary to enable the DISCOM to economically, reliably and safely receive Delivered Energy from the Project in accordance with the terms of this Agreement. As indicated in the preamble, the interconnection facilities beyond Project's switchyard shall be common for Wind Power Producer and other Wind power projects connected to the designated sub-station. i.e., APTRANSCO 220/33KV [*] sub-station.

1.10 **Interconnection Point:** means the point or points where the Project and the DISCOM (APSPDCL)/APTRANSCO grid system are interconnected. For this project, interconnection point is at the designated sub-station i.e., 220/33KV [*] sub-station. The metering for the project will be provided at the interconnection point as per Article 4.1. As indicated in the preamble of this Agreement, interconnection point for this project is common with other wind power projects connected to the designated sub-station: i.e., APTRANSCO 220/33KV Ramagiri sub-station.

1.11 **Meter Reading Date:** means mid-day (i.e., noon) of the 24th (twenty-fourth) day of each calendar month, at the Interconnection Point.

1.12 **Metering Point:** means points where metering shall be provided for Project and shall be as follows:

- (i) Common meter provided at the Interconnection Point for purposes of recording of Delivered Energy of the Project;
- (ii) Individual meter provided at Project's switchyard;
- (iii) Metering point shall include two separate sets of [0.2 /0.2S] class accuracy electronic tri-vector meters as specified in Article 4.1, main meter installed by the Wind Power Producer and the check meter installed by the DISCOM and both sealed by the DISCOM, having facilities to record both export and import of electricity to / from the grid.

1.13 **Project:** means the [*] MW capacity Wind Power Project at [*] Village, [*] (M), [*] District, Andhra Pradesh for construction and operation as detailed in Agreement entered into with NREDCAP as shown in Schedule.3 attached herewith and includes the metering system.

1.14 **Prudent Utility Practices:** means those practices, methods, techniques and standards, that are generally accepted for use in electric utility industries taking into account conditions in India and

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Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

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For Axis Energy Ventures India Private Limited

Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Director

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
Sr Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice-Chairman & Managing Director

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commonly used in prudent electric utility engineering and operations to design, engineer, construct, test, operate and maintain equipment lawfully, safely, efficiently and economically as applicable to power stations of the size, service and type of the Project, and that generally conform to the manufacturers' operation and maintenance guidelines.

1.15 Designated Sub-stations means 220/33 KV [] Sub-station of APTRANSCO/APSPDCL (DISCOM).

1.16 SLDC means the State Load Dispatch Center as notified by the State Government under the provisions of the Electricity Act 2003.

1.17 System Emergency means a condition affecting the APTRANSCO'S/ DISCOM'S electrical network which threatens the safe and reliable operation of such system or which is likely to result in the disruption of safe, adequate and continuous electric supply by the APTRANSCO/DISCOM, or which endangers life or property, which condition is affected or aggravated by the continued delivery of Delivered Energy from the Project.

1.18 Surcharge on Reactive Power drawn by Wind Farms means the charges leviable on the reactive power drawn by Wind Farms at the rate of 25 paise (twenty five paise) per KVARh of reactive energy drawn from grid upto 10% of net active energy generated and 50 paise per KVARh for total drawl if reactive energy drawn is more than 10% of net active energy generated. The above mentioned rates are subject to revision as per APPERC orders from time to time. The reactive power drawn as recorded by meters at interconnection point includes the reactive power drawn by all the Wind Power Producers in the cluster. As such the reactive power recorded by the meters at the interconnection point shall be shared by all the individual power producers in the ratio of the active energy delivered by them individually.

Explanation 1: Induction generators used in Wind Farms draw reactive power from grid during generator mode and motor mode.

Explanation 2: Surcharge on reactive power drawn by Wind Farms will be levied on the Wind Power Producer.

1.19 Unit: When used in relation to the generating equipment, means one set of turbine generator and auxiliary equipment, and facilities forming part of the project and when used in relation to electrical energy, means kilo-watt hour (kWh).

1.20 Voltage of Delivery: means the voltage at which the electrical energy generated by the project is required to be delivered to the APTRANSCO at the Interconnection Point and the Voltage of Delivery is as detailed below:

TABLE - A

At 33 KV level:

Project Interfacing		Specified type of AAAC Conductor (size)	Proposed Wind power capacity on each 33 KV line
From	To		
Wind project	Existing 33/11 KV DISCOM SS		
Wind project	EHT Pooling SS on existing EHT APTRANSCO SS		

For AXIS ENERGY VENTURES INDIA PVT. LTD.

 Director

Suzlon Energy Ltd.

 Dr. V. Bapeshwar Rao
 Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

 Vice Chairman & Managing Director

ADJAY JAIN, IAS.,
 Secretary to Government
 Energy, Infrastructure & Investment Dept.
 A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

 Tulsu R. Tanil
 Chairman & Managing Director

For Axis Energy Ventures India Private Limited

 Chairman & Managing Director

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This Project will generate electrical energy at [*] Volts, which will be stepped up to 33 KV at Project's switchyard and interconnected to the designated sub-station i.e., 220/33KV [*] sub-station of APTRANSCO at 33.KV Voltage for power delivered to the grid.

1.21 All other words and expressions, used herein and not defined herein but defined in Indian Electricity Rules 1956, AP Electricity Reform Act, 1998 and the Electricity Act, 2003 shall have the meanings respectively assigned to them in the said Acts.

ARTICLE 2

PURCHASE OF DELIVERED ENERGY AND TARIFF

2.1 All the Delivered Energy at the interconnection point for sale to DISCOM will be purchased at the tariff provided for in Article 2.2 from and after the date of Commercial Operation of the Project. Title to Delivered Energy purchased shall pass from the Wind Power Producer to the DISCOM at the Interconnection Point.

2.2 The Wind Power Producer shall be paid tariff for energy delivered at the interconnection point for sale to DISCOM, which shall be firm at Rs. [*] per unit for a period of [*] years from the Commercial Operation Date (COD) as per APERC order No [*] dated [*].

2.3 The tariff is inclusive of all taxes, duties and levies.

2.4 All future increase in Taxes, Duties and Levies on Energy generated is to be borne by the Wind Power Producer.

2.5 Where in any Billing month, the energy supplied by the DISCOM to the Wind Power Producer as a bilateral arrangement to maintain the Auxiliaries in the power plant in situations of non-generation of power, shall be billed by the DISCOM, and the Wind Power Producer shall pay the DISCOM for such electricity supplies, at the DISCOM's then-effective tariff applicable to High Tension Category-I Consumers. For this purpose, the maximum demand specified in such DISCOM's Tariff shall be computed by dividing the amount of such energy supplied by the DISCOM by hours of drawl of power from the grid in the Month.

Explanation: The Wind plants during the plant shut down periods shall draw the energy from DISCOM only for the essential loads not exceeding auxiliary consumption

ARTICLE 3

INTERCONNECTION FACILITIES

3.1 Upon receipt of a requisition from the Wind Power Producer, the APTRANSCO and DISCOM will prepare an estimate for arranging interconnection facilities for power evacuation at the voltage level as per Article 1.20. The APTRANSCO and DISCOM shall evaluate, design, and install the Interconnection Facilities and perform all work, at the Wind Power Producer's expense, necessary to economically, reliably and safely connect the grid system to the Project switch yard.

3.2 APTRANSCO and DISCOM may also permit the Wind Power Producer to execute the interconnection facilities for power evacuation as per the sanctioned estimate at it's discretion duly collecting the supervision charges as per procedure in vogue.

3.3 The Wind Power Producer shall own, operate and maintain interconnection facilities from Project to designated sub-station from time to time and necessary expenditure shall have to be borne by the

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Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

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Tulsi R. Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

Director

Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

Chairman & Managing Director

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Wind Power Producer. The maintenance work on the Generating units has to be done in coordination with the APTRANSCO and DISCOM.

3.4 The Wind Power Producer shall agree to pay to the DISCOM, on or before signing of this Agreement, at the rate of Rs. [] per KW of installed Capacity and for fractions thereof on a pro-rata basis as a onetime lump sum payment for the sole purpose of providing the required MVAR capacity at the Substation of the APTRANSCO/DISCOM at which the Project is interconnected to supply the requisite reactive power to the Grid System. APTRANSCO/DISCOM shall install the capacitors of required capacity, at the substation of the APTRANSCO and DISCOM to which the project is interconnected before commercial operation date of the project.

In case the APTRANSCO/DISCOM fails to install the capacitors of requisite capacity before the commercial operation date, the amount collected for this purpose shall be refunded by the DISCOM to the Wind Power Producer who has paid the amount, within 30 days from the date of commercial operation of the project.

3.5 Any modifications or procedures or changes in arranging interconnection facilities for power evacuations rest with APTRANSCO and DISCOM.

3.6 During the period prior to the Commercial Operation Date, on the request of the Wind Power Producer, the DISCOM will supply energy to the Project for internal consumption, on the Terms and Conditions and at the tariff rates that are applicable from time to time to the category of consumers of the DISCOM to which the Wind Power Producer belongs, provided separate metering arrangements as may be required under the Terms and Conditions of such tariff have been installed at the Project.

ARTICLE 4

METERING AND PROTECTION

4.1 The Wind Power Producer shall install main meters of Static type 0.2 / 0.2S class accuracy at the Metering Point and the DISCOM shall install check meters of Static type at the same point and of the same accuracy. The main meters and check meters will each consist of a pair of export and import meters with facility for recording meter readings using Meter Recording Instrument. For the purpose of uniformity the Wind Power Producer shall follow metering specifications as developed by the DISCOM from time to time.

4.2 All of the meters required to be installed pursuant to Article 4.1 above shall be jointly inspected and sealed on behalf of both parties and shall not be interfered with, tested or checked except in the presence of representatives of both parties.

4.3 The meter readings from the main meters will form the basis of billing. If any of the meters required to be installed pursuant to Article 4.1 above are found to be registering inaccurately the affected meter will be immediately be replaced.

4.4 Where the half yearly meter check indicates an error in one of the main meter/meters beyond the limits for such meter but no such error is indicated in the corresponding check meter/meters, billing for the month will be done on the basis of the reading on the check meter/meters and the main meter will be replaced immediately.

4.5 If during the half yearly test checks, both the main meters and the corresponding check meters are found to be beyond permissible limits of error, both the meters shall be immediately replaced and the correction applied to the consumption registered by the main meter to arrive at the correct delivered energy for billing purposes for the period of the one month up to the time of such test check.

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Director

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice-Chairman & Managing Director

AWAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsi R. Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

135
computation of delivered energy for the period thereafter till the next monthly meter reading shall be as per the replaced main meter.

4.6 Corrections in delivered energy billing, whenever necessary, shall be applicable to the period between the previous monthly meter reading and the date and time of the test calibration in the current month when the error is observed and this correction shall be for the full value of the absolute error. For the purpose of determining the correction to be applied to any meter registering inaccurately, the meter shall be tested under conditions simulating 100, 50, 20 and 10 percent load at unity power factor and 0.5 power factor. Of these eight values, the error at the load and power factor nearest the average monthly load served at the Interconnection Point during the applicable period shall be taken as the error to be applied for correction.

4.7 If both the main and check meters fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis for that period of defect.

4.8 The main and check meters shall be tested and calibrated once in a Financial year utilizing a Standard Meter. The Standard Meter shall be calibrated once in every year at the approved Laboratory by Government of India / Government of Andhra Pradesh, as per Terms and Conditions of supply.

4.9 All main and check meters tests shall be jointly conducted by the authorized representatives of both parties and the results and correction so arrived at mutually will be applicable and binding on both the parties.

4.10 On the Meter Reading Date of each month, meter readings shall be taken (and an acknowledgement thereof signed) by the authorized representatives of both parties.

4.11 Within six (6) months following the execution of this Agreement, the Wind Power Producer and the DISCOM shall mutually agree to technical and performance specifications (including, but not limited to, the metering configuration for the Project) concerning the design and operation of the facilities required to be installed by the Wind Power Producer in order for the Wind Power Producer to operate in parallel with the grid. Thereafter, any change in such specifications shall be subject to mutual agreement of the parties.

4.12 The Project shall be operated and maintained in accordance with good and generally accepted utility standards with respect to synchronizing, voltage, frequency and reactive power control.

4.13 Voltage regulation shall be such as to enable continued paralleling and synchronisation with the network voltage at the point of interconnection.

4.14 The equipment of the Wind Power Producer shall be designed for fluctuations in the frequency within limits of -5% and +3% of the standard frequency of 50 cycles per second.

4.15 The Wind power developer shall ensure that the power factor of the power delivered to the DISCOM is maintained as per the APERC/CEA/CERC norms from the time to time.

4.16 Any change in rupturing capacity of switch-gear, settings of the relays, etc., shall be subject to approval of the DISCOM.

4.17 As the Project's generator may carry fault currents that may occur on the grid, the Wind Power Producer shall provide adequate generator and switchgear protection against such faults. The DISCOM is not responsible for damage, if any, caused to the Project's generator and allied equipment during parallel operation of the generator with the grid.

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AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
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Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
W
Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature]
Director

Suzlon Energy Ltd.

[Signature]
Dr. V. Bapeshwar Rao
S /ice rest nt

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

[Signature]
V. Chiraman Managing Director

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4.18 The Wind Power Producer shall make a good faith effort to operate the Project in such a manner as to avoid fluctuations and disturbances to the APTRANSCO's/ DISCOM's network due to parallel operation with the network.

4.19 The Wind Power Producer shall control and operate the Project as per Prudent Utility Practices. The DISCOM shall only be entitled to request the Wind Power Producer to reduce electric power and energy deliveries from the Project during a System Emergency, and then only to the extent that in the DISCOM's reasonable judgment such a reduction will alleviate the emergency. The DISCOM shall give the Wind Power Producer as much advance notice of such a reduction as is practicable under the circumstances and shall use all reasonable efforts to remedy the circumstance causing the reduction as soon as possible. Any reduction required of the Wind Power Producer hereunder shall be implemented in a manner consistent with safe operating procedures.

ARTICLE 5

BILLING AND PAYMENT

5.1 For Delivered Energy purchased, Wind Power Producer shall furnish a bill to the DISCOM calculated at the rate provided for in Article 2.2, in such form as may be mutually agreed between the DISCOM and the Wind Power Producer, for the billing month on or before the 5th working day following the Meter Reading Date.

5.2 The DISCOM shall be entitled to a rebate of 1% of the total amount billed in any billing month for payments made before the due date of payment. Any payment made beyond the due date of payment, DISCOM shall pay interest at existing SBI base rates plus one percent and in case this rate is reduced, such reduced rate is applicable from the date of reduction.

5.3 The DISCOM shall pay the bill on monthly basis as per Article 5.1.

5.4 Letter of Credit: Not later than 30 days prior to the Scheduled COD of the Generating Unit, DISCOM shall cause to be in effect an irrevocable revolving Letter of Credit issued in favour of Wind Power Developer for a minimum period of one year by a Scheduled Bank (the 'Letter of Credit').

- a. However Letter of Credit shall not be invoked for any disputed bill amount.
- b. Further LC can be invoked only when DISCOMs fail to pay bill amount by due date of bill payment.

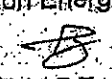
5.5 Direct payment: Wind developer shall submit bills for the energy delivered during the billing period as per the provision of this PPA and there upon DISCOMs shall make payment for the eligible bill amount by the due date of payment.

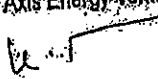
5.6 Billing disputes: The DISCOM shall pay the bills of Wind Power Producer promptly subject to the clauses 5.1 and 5.2 above.

The DISCOM shall notify Wind Power Producer in respect of any disallowed amount on account of any dispute as to all or any portion of the bill. Wind Power Producer shall immediately take up issue with all relevant information with DISCOM which shall be rectified by the DISCOM, if found satisfactory. Otherwise notify its (DISCOM's) rejection of the disputed claim within reasonable time with reasons therefor. The dispute may also be decided by mutual agreement. If the resolution of any dispute requires the DISCOM to reimburse Wind Power Producer, the amount to be reimbursed shall bear interest at SBI base rates plus one percent and in case this rate is reduced, such reduced rate is applicable from the date of reduction from the date of disallowance to the date of reimbursement.

5.7 All payments by the DISCOM to Wind Power Producer hereunder shall be made to such address as may be designated by Wind Power Producer to the DISCOM in writing from time to time.

AJAY JAIN, IAS,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

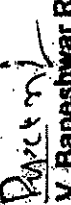
Suzlon Energy Ltd.

Tulsil R. Tanil
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.


Dr. V. Bapeshwar Rao

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Address : M/s [•]
[address].

Telephone : [•],
Fax : [•]
Mobile N. : [•]
Email id : [•]

ARTICLE 6
UNDERTAKING

6.1 The Wind Power Producer shall be responsible:

- (i) for proper maintenance of the project in accordance with established prudent utility practices.
- (ii) for operation, maintenance, overhaul of the plant, equipment, works, switch yard and transmission lines and equipment up to the Interconnection Point of the project in close coordination with the DISCOM.
- (iii) the Wind Power Producer shall furnish the generation and maintenance schedules every year.
- (iv) for making all payments on account of any taxes, cess, duties or levies imposed by any Government or competent statutory authority on the land, equipment, material or works of the project or on the energy generated or consumed by the project or the Wind Power Producer or on the income or assets of the Wind Power Producer.
- (v) for obtaining necessary approvals, permits or licences for operation of the project and sale of energy to DISCOM there from under the provision of the relevant laws.
- (vi) the Wind Power Producer have to comply with the provisions of the AP Code of Technical Interface (Grid Code).
- (vii) for achieving Commercial Operation Date within two years from the date of signing of the Agreement.
- (viii) for seeking approval of APTRANSCO and DISCOM in respect of Interconnection Facilities, Pooling Substation and synchronization of the Project with grid.
- (ix) the Wind Power Producer shall not dismantle and take away project machinery and interconnection facilities during the PPA term.
- (x) after [•] th year of the operation from Commercial Operation Date, if plant continues to operate, the DISCOM shall have the first right of refusal on power purchase from the Wind power plant. The tariff beyond [•] th year shall be as mutually agreed by both the parties, subject to approval of APERC.
- (xi) the Clean Development Mechanism (CDM) benefits shall be shared in the ratio of 90:10 between Wind Power Producer and DISCOM.

6.2 The DISCOM agrees:

- (i) to make all reasonable efforts for making arrangements for evacuation of power from the project to be completed prior to the Commercial Operation Date of the Project subject to Article 3.
- (ii) for purchase of Delivered Energy from the project as per section 2.2.
- (iii) to co-ordinate with APTRANSCO and assist the Wind Power Producer in obtaining approval for the interconnection facilities where the interconnection is at 132 kV or above voltages, for synchronization, Commercial Operation, regular operation etc., as required by the Wind Power Producer.

Asst
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
T
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
u.r.
Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

[Signature]
Director

[Signature]
Dr. V. Bapeshwar Rao
Vice President

[Signature]
Vice Chairman & Managing Director

1-8

ARTICLE 7

DURATION OF AGREEMENT

This Agreement shall be effective upon its execution and delivery thereof between parties hereto and shall continue in force from the Commercial Operation Date (COD) and until the []th anniversary that is for a period of twenty five years from the Commercial Operation Date (COD). This Agreement may be renewed for such further period of time and on such terms and conditions as may be mutually agreed upon by the parties, 90 days prior to the expiry of the said period of twenty five years, subject to the consent of the APERC. Any and all incentives/conditions envisaged in the Articles of this Agreement are subject to modification from time to time as per the directions of APERC.

For Axis Energy Ventures India Pvt. Ltd.

Director

ARTICLE 8

NOTICES

8.1 Except as otherwise expressly provided in this Agreement, all notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered personally or sent by registered or certified mail, email or fax addressed as follows:

If to the Wind Power Producer:

Attention: *M/s []*
[address]

Telephone: *[]*
Fax: *[]*
Mobile No.: *[]*
Email id: *[]*

Attention: *[insert designation]*
[Name of the discom]
[insert address]

Fax No. *[]*
Telephone No. *[]*
Email id *[]*

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao
Sr. Vice President

8.2 All notices or communications given by email, fax shall be confirmed by depositing a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail. All notices shall be deemed delivered upon receipt, including notices given by email, fax regardless of the date the confirmation of such notice is received.

8.3 Any party may by written notice change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

ARTICLE 9

DEFAULT

9.1 The Wind Power Producer shall achieve Commercial Operation Date within two years from the date of signing of the Agreement, default of which, the Agreement is liable for termination and the same can be done at the option of DISCOM with due notice.

AS
AJAY JAIN, IAS.
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.

Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

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9.2 In the event, DISCOM commits a breach of any of the terms of this Agreement, the Wind Power Producer shall be entitled to specific performance of this Agreement or claim such damages as would be available under Law or both, at its option, by giving 30 days notice to DISCOM.

9.3 In the event, Wind Power Producer commits a breach of any of the terms of this Agreement, the DISCOM shall be entitled to specific performance of this Agreement or claim such damages as would be available under Law or both, at its option, by giving 30 days notice to Wind Power Producer.

9.4 If the default continues for a period of 30 days or more, either party will have a right to issue a preliminary notice for termination of this Agreement. If the default is not cured within 30 days thereafter, either party can terminate this Agreement and can claim damages at its option.

9.5 In the event of cancellation of the Project allotted to the Wind Power Producer by NREDCAP for any reason, the PPA with DISCOM will automatically get cancelled.

ARTICLE 10

DISPUTE RESOLUTION

10.1 Each Party shall designate in writing to the other party a representative who shall be authorized to resolve any dispute arising under this Agreement in an equitable manner.

10.2. Following notice by one Party to the other setting out the particulars of the dispute, if the designated representatives are unable to resolve a dispute under this Agreement within 15 days, such dispute shall be referred by such representatives to a senior officer designated by the Wind Power Producer and a senior officer designated by the DISCOM, respectively, who shall attempt to resolve the dispute within a further period of 15 days.

10.3. The Parties hereto agree to use their best efforts to attempt to resolve all disputes arising hereunder promptly, equitably and in good faith and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such dispute.

10.4 Failing resolution of the dispute in terms of the above provisions or even otherwise, any party may approach the AP Electricity Regulatory Commission to adjudicate upon the dispute in terms of Section 86 (1) (f) of Electricity Act, 2003.

ARTICLE 11

SPECIAL PROVISIONS

11.1 The waiver of any breach or failure to enforce any of the terms, covenants or conditions of this Agreement shall not in any way affect, limit, modify or waive the future enforcement of such terms, covenants or conditions.

11.2 No oral or written modification of this Agreement either before or after its execution shall be of any force or effect unless such modification is in writing and signed by the duly authorized representatives of the Wind Power Producer and the DISCOM, subject to the condition that any further modification of the Agreement shall be done only with the prior approval of Andhra Pradesh Electricity Regulatory Commission. However, the amendments to the Agreement as per the respective orders of APERC from time to time shall be carried out.

11.3 However, in respect of power evacuation, the voltage levels for interfacing with grid will be as per Article 1.20.

Asst.
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
[Signature]
Tulsi R Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
[Signature]
Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature]
Director

Suzlon Energy Ltd.

[Signature]
Dr. V. Bapeshwar Reddy
Sr. Vice President

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

[Signature]
V. Chandramohan
Managing Director

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11.4 The invalidity or unenforceability for any reason of any provision of this Agreement shall not prejudice or affect the validity or enforceability of any other provision of this Agreement.

11.5 The failure of any party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

11.6 Unless the context otherwise requires, every arrangement, procedure or any other matter which is, under any of the provisions of this Agreement, required to be mutually agreed upon between the parties, shall be concluded by a written Agreement between the parties not later than the date specified in the concerned clause of this Agreement, subject to the consent of the APERC.

11.7 This Agreement, including Schedule 1, 2 & 3 attached hereto, constitute the entire agreement between the parties with respect to the subject matter hereof, and there are no oral or written understandings, representations or commitments of any kind, express or implied, not set forth herein.

11.8 The headings contained herein are included solely for the convenience of the parties and are not to be used as a basis for interpreting the various sections of this Agreement.

11.9 The parties each agree to act in good faith in implementing the terms and conditions of this Agreement and in carrying out their respective obligations hereunder.

11.10 In the event of the merger or re-organisation of DISCOM, if the resulting entity is able to perform DISCOM's obligations hereunder in no less a manner than DISCOM, the resulting entity shall take the right and responsibility for performance of DISCOM's obligations.

11.11 In the event of the merger or re-organisation of Wind Power Producer if the resulting entity is able to perform Wind Power Producer's obligations hereunder in no less a manner than Wind Power Producer, the resulting entity shall take the right and responsibility for performance of Wind Power Producer's obligations.

11.12 Assignment and Financing: Neither party shall assign this Agreement or any portion thereof to any third party without the prior written consent of the other party which consent shall not be unreasonably withheld.

IN WITNESS WHEREOF, the Wind Power Producer and the DISCOM have caused this Agreement to be executed as of the date and the year first set forth above.

For and behalf of
[name of the DISCOM]

WITNESS

1.

By:

2.

Its:

For and behalf of
M/S. [name of the Project Company]

WITNESS

1.

AJAY JAIN, IAS,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

By:
Suzlon Energy Ltd.
Tulsi R. Janti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited

Chairman & Managing Director

For AXIS ENERGY VENTURES INDIA PVT. LTD.

Suzlon Energy Ltd.

Dr. V. Bapeshwar Rao

Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

Vice Chairman & Managing Director

Director

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2.

Its:

SCHEDULE 1

Particulars of the Project
(Referred to in the Preamble to the Agreement)

Name of the Project	Location	No. of Wind Energy Converters	Capacity of the Project*
[Name of Project Company]	[.]	[.]	[.]

For AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature]
Director

SCHEDULE - 2

(Copy of sanction proceedings from NREDCAP to the Company)

SCHEDULE - 3

(Copy of agreement entered into by the Company with NREDCAP)

Suzlon Energy Ltd.

[Signature]
Dr. V. Bapeshwar Rao
Sr. Vice President

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

[Signature]
Vice Chairman & Managing Director

[Signature]
AJAY JAIN, IAS.,
Secretary to Government
Energy, Infrastructure & Investment Dept.
A.P. Secretariat, Hyderabad - 500 022.

Suzlon Energy Ltd.
[Signature]
Tulsi R. Tanti
Chairman & Managing Director

For Axis Energy Ventures India Private Limited
[Signature]
Chairman & Managing Director

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ANNEXURE 5

Implementation Schedule - Renewable Energy Project

Year	Wind Power Projects (MW)	Wind, Solar and Hybrid Projects (MW)
2016-17	600	---
2017-18	600	200
2018-19	600	200
2019-20	600	300
2020-21	600	300
Total Capacity (MW)	3000	1000

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.



Vice Chairman & Managing Director

Suzlon Energy Ltd.



Dr. V. Bapeshwar Rao
Sr. Vice President

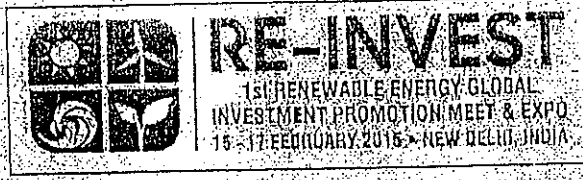
For: AXIS ENERGY VENTURES INDIA PVT. LTD.



Director

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Annexure - 1



Memorandum of Understanding

This Memorandum of Understanding is entered on 15th day of February, 2015 at New Delhi on the occasion of First Renewable Energy Global Investors Meet (Re-Invest) 2015

Between

M/s Suzlon Energy Ltd, a Company incorporated under the Companies Act, 1956 having its Office at Pune

And

The Government of Andhra Pradesh

M/s Suzlon Energy Ltd wishes to establish 430 MW Capacity of Wind Power Project in Andhra Pradesh during the five year period of 2015-19 and 860 (Nos) employment will be created directly/indirectly.

Government of Andhra Pradesh would facilitate M/s Suzlon Energy Ltd to obtain necessary Permissions / Registration / Approvals / Clearances etc., from the concerned departments of the state, as per the existing policies / rules and regulations of the State Government.

This Memorandum of Understanding is made to facilitate M/s Suzlon Energy Ltd for establishment of the aforesaid Project (s) in Andhra Pradesh in a time bound manner.

For and on behalf of
Government of Andhra Pradesh

[Signature]
(VC & Managing Director)
NREDCAP

For and on behalf of
M/s Suzlon Energy Ltd,

[Signature]
(Authorised Signatory)

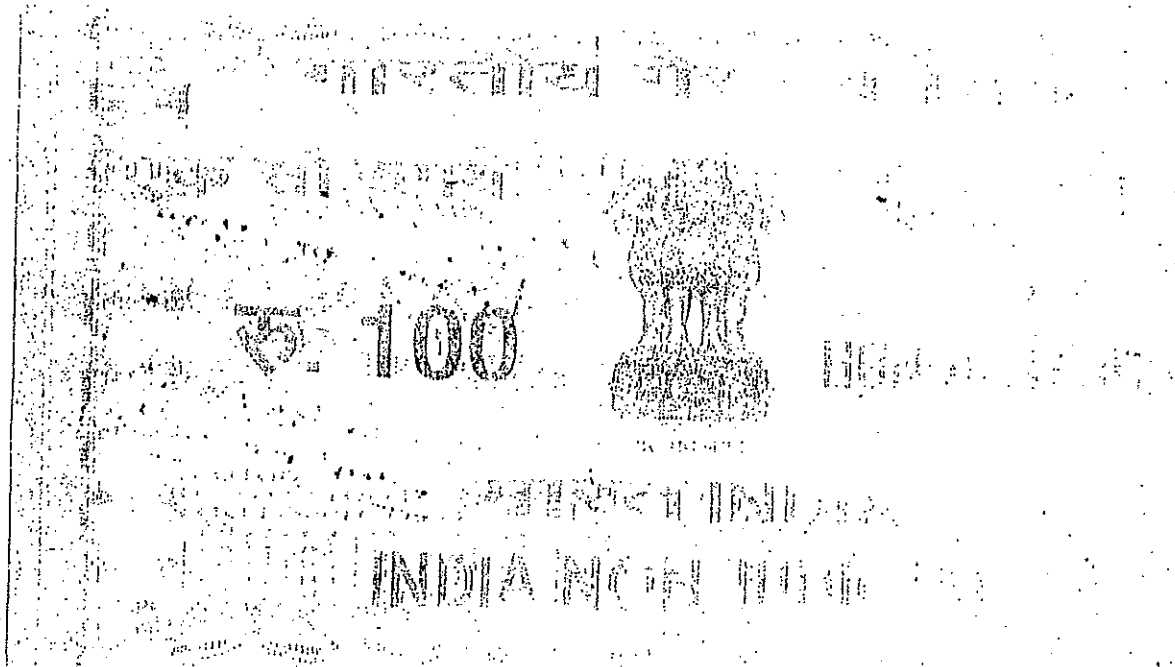
For New & Renewable Energy Development Corporation of Andhra Pradesh, Energy, I & I Dept., Govt. of AP

[Signature]
Vice Chairman & Managing Director

[Signature]
Suzlon Energy Ltd.

For AXIS ENERGY VENTURES IN

[Signature]
Sr. Vice President



తెలంగాణ తేలంగానా TELANGANA

Sl.No. 19856 Date 30-09-2016, Rs.100/-
Name: CH.KARUNAKAR, S/O. LATE RAMUI U, R/O.HYD.
FOR WHOM: AXIS ENERGY VENTURES INDIA PVT. LTD.

[Signature] F 112154
KONDA KAVITHA
Licenced Stamp Vendor
SVL No: 16-01 06/2016
H.No. 8 2-460/61, Road No.4
Sukdev Nagar, Banjara Hills, Hyderabad

PROJECT IMPLEMENTATION AGREEMENT

THIS AGREEMENT ("Agreement") is executed on the 03rd day of the month of October, 2016 between:

ANDHRA PRADESH SOUTHERN POWER DISTRIBUTION COMPANY LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at D.No:19-13-65/A, Srinivasapuram, Tiruchanoor Road, Tirupati - 517503, Chittoor District, Andhra Pradesh, India represented by its authorised signatory, The Chief General Manager/P&MM&IPC (hereinafter referred to as "APSPDCL", which term shall mean and include its successors in interest, group companies, associates and assigns);

AND

ANDHRA PRADESH EASTERN POWER DISTRIBUTION COMPANY LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at P&T Colony, Seethammadhara, Visakhapatnam-530 013, India represented by its authorised signatory, The Chief General Manager/Plg, PP & RA, (hereinafter referred to as "APEPDCL", which term shall mean and include its successors in interest, group companies, associates and assigns);

AND

[Signature] 21/10/2016
**CHIEF GENERAL MANAGER
P&MM&IPC
APSPDCL :: TIRUPATI**

[Signature]
**EXECUTIVE DIRECTOR
HRD & Planning
APTRANSCO, Vidyut Soudha,
HYDERABAD - 500 082.**

For Axis Energy Ventures India Pvt. Ltd.

[Signature]
**CHIEF GENERAL MANAGER
Planning, Power Purchase & RA
A.P.E.P.D.C. Ltd.**





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TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED, a company duly incorporated under the Companies Act 1956, having its Corporate Office at Vidyut Soudha, Khairatabad, Hyderabad-500082, India represented by its authorised signatory, Executive Director/HRD & Planning, (hereinafter referred to as "APTRANSCO", which term shall mean and include its successors in interest, group companies, associates and assigns);

AND

SUZLON ENERGY LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 5 Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad - 380009, Gujarat, India and its Corporate Office at "One Earth" Building, Hadapsar, Pune-411028, Maharashtra, India represented by its authorised signatory Dr. Vinnakota Bapeshwar Rao, President, (hereinafter referred to as "Suzlon", which term shall mean and include its successors in interest, group companies, associates and assigns);

Suzlon along with its associates is engaged in the business of manufacturing wind turbine generators and developing wind and solar power projects through engineering, procurement and supply model for various independent power producers.

AND

AXIS ENERGY VENTURES INDIA PRIVATE LIMITED, a company duly incorporated under the Companies Act 1956, having its registered office at 2nd Floor, Plot no.3, House No. 6-3-680/8/3, PMR Plaza, Thakur Mansion Lane, Somajiguda, Hyderabad - 500082, represented by its authorised signatory Mr. K. Ravi Kumar Reddy, Chairman and Managing Director (hereinafter referred to "Axis" which term shall mean and include its successors in interest, group companies, associates and assigns),

Axis, is one of the largest independent power producers in India with primary focus in development and operations of Renewable Energy Projects

APSPDCL, APEPDCL are hereinafter to be jointly referred to as "First Party". APTRANSCO to be referred to as "Second Party" and Suzlon and Axis are hereinafter jointly referred to as "Third Party". "First Party", "Second Party" and "Third Party" shall be referred to collectively as Parties.

WHEREAS:

- A. Suzlon and Axis envisaged developing jointly the Renewable Energy Projects (as defined hereinafter) in the state of Andhra Pradesh and accordingly on September 03, 2015 a proposal was submitted to GoAP for development of 4000 MW of Renewable Energy Projects in the state of Andhra Pradesh along with manufacturing facilities. GoAP has issued government order G.O.Ms No. 15 dated November 27, 2015 ("GO") in this regard (attached herewith as Annexure 1).

CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI

EXECUTIVE DIRECTOR
HRD & Planning
APTRANSCO, Vidyut Soudha,
HYDERABAD - 500 082.

For Axis Energy Ventures India Pvt. Ltd.

Chairman & Managing Director

CHIEF GENERAL MANAGER
Planning, Power Purchase & RA
A.P.E.P.D.C. Ltd.
VISAKHAPATNAM - 13





- B. The Third Party in pursuance of said GO, have executed Memorandum of Understanding dated December 04, 2015 ("MoU") with GoAP, attached herewith as Annexure 2. As per the MoU, Suzlon and Axis have agreed to jointly participate in developing the Renewable Energy Projects (comprising of wind power projects (3000 MW) and wind-solar hybrid power projects (1000 MW) projects) for an aggregate capacity of about 4000 MW ("Renewable Energy Projects") and Suzlon shall additionally develop facilities for manufacturing blade, tower, nacelle/generator at multiple locations such as Anathapuram and Nellore districts or such other districts identified subsequently ("Manufacturing Facilities").
- C. In terms of the MoU, the GoAP and the Third Party executed the Project Implementation Agreement dated January 11, 2016 ("PIA") (attached herewith as Annexure 3) incorporating the terms and conditions for implementation of Renewable Energy Projects.
- D. Further, In terms of the PIA, the NREDCAP and the Third Party executed the Project Agreement dated February 3, 2016 ("Project Agreement") (attached herewith as Annexure 4) incorporating the terms and conditions for implementation of Renewable Energy Projects in a time bound manner in coordination with APTRANSCO and APDISCOMs.
- E. Further Vide Letter dated March 28, 2016 (attached herewith as Annexure 5), Principal Secretary to the Government of Andhra Pradesh, (Energy, I&I and CRDA) directed APSPDCL and APEPDCL to take necessary further action to sign Power Purchase Agreements in respect of 4000MW of Renewable energy projects (in the format approved by APERC) from time to time and purchase the entire capacity of power generated from the Renewable Energy Projects based on the tariff determined by the APERC.
- F. And also by Letter dated March 28, 2016 (attached herewith as Annexure 6) Principal Secretary to the Government of Andhra Pradesh, (Energy, I&I and CRDA) directed APTRANSCO to take necessary action to create required transmission infrastructure for evacuation of power generated from Renewable Energy Projects on priority basis.
- G. Further to the letter attached as Annexure 5, APSPDCL has written a letter dated 30.05.2016 to APERC requesting to permit for entering into advance PPAs with the Third Party. Subsequently Principal Secretary to GoAP, Energy, I & I Department, vide letter dated 11.08.2016 has directed APTRANSCO and APDISCOMs to take necessary approvals from APERC by submitting long term forecast plan, resource plan and power procurement plan before entering into the PPAs. In response to above APERC communicated vide letter dated 02.09.2016 to The CGM (P&MM&IPC), APSPDCL Tirupathi that "APPCC, APTRANSCO and APDISCOMS are at liberty to consider and determine the response to the issues involved and the matter in which they decide to proceed further in accordance with law. While doing so, the contents of the letter from The Principal Secretary to GoAP, Energy, I & I Department, addressed to CMD/APTRANSCO and CMDs/APDISCOMS dated 11.08.2016 may also be kept in view". All the above letters (3 No.s) are attached here with as Annexure 7.
- H. The Coordination Committee meeting was held on 27.07.2016 at Vijayawada (Minutes of Meeting attached herewith as Annexure 8), wherein the Committee directed APTRANSCO for creation of Power Evacuation facilities for the above said Renewable Energy Projects.

NOW THEREFORE, PARTIES HEREIN HAVE AGREED TO THE FOLLOWING.

INTERPRETATIONS

[Signature]
 CHIEF GENERAL MANAGER
 P & MM & IPC
 APSPDCL :: TIRUPATI

The nomenclature of this Agreement, heading and paragraph numbers are only for the convenience of reference.

[Signature]
 CHIEF GENERAL MANAGER
 Planning, Power Purchase & RA
 A.P.E.P.D.C. Ltd.
 VISAKHAPATNAM - 13

[Signature]
 EXECUTIVE DIRECTOR
 HRD & Planning
 APTRANSCO, Vidyut Soudha,
 HYDERABAD - 500 082.

For Axis Energy Ventures India Pvt. Ltd.

[Signature]
Chairman & Managing Director





- 1.2 Reference to persons and words denoting natural persons shall include bodies, corporate, partnerships, joint ventures, statutory and other authorities and entities.
- 1.3 Reference to any enactment, ordinance or regulation or any provision thereof shall include any amendment thereof or any replacement in whole or in part.
- 1.4 Reference to Recitals, Clauses, or Sub-Clauses shall unless the context otherwise requires, be deemed to include the Recitals, Clause or Sub-Clauses of this Agreement.
- 1.5 The words importing singulars shall include plurals and vice-versa as the case may be.
- 1.6 Terms beginning with capital letters and defined as per this Agreement shall have the same meaning ascribed thereto.
- 1.7 Any reference at any time to any agreement, deed, instrument, license or document of any description shall be construed as reference, to that agreement, deed, instrument, license or other document as amended varied, supplemented, modified or suspended at the time of such reference provided that this Clause shall not operate so as to increase liability or obligations of any Party hereunder or pursuant hereto in any manner whatsoever.
- 1.8 Any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or report required under or pursuant to this Agreement from or by any party shall be valid and effectual only if it is in writing and under the hands of duly authorized representative of such party in this behalf and not otherwise. 1.9 Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days' or dates.
- 1.10 The words / expressions used in this Agreement shall bear the same meaning as assigned to them in the context in which these have been used in this Agreement.

2. DEFINITIONS

2.1 In this Agreement, the various terms shall have the following meanings, except where the context otherwise requires, definitions and other terms expressed in the singular shall also include the plural and vice versa, namely:-

"Arbitration Act" means the Arbitration and Conciliation Act, 1996 and shall include modifications to or any re-enactment thereof as in force from time to time;

"Dispute" shall have the meaning as specified in Clause 7;

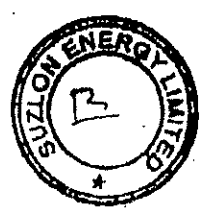
"Effective Date" shall mean the date of signing of this Agreement;

[Signature]
EXECUTIVE DIRECTOR
 HRD & Planning
 APTRANSCO, Vidyut Soudha,
 HYDERABAD - 500 082.

[Signature]
CHIEF GENERAL MANAGER
 P & MM & IPC
 APSPDCL :: TIRUPATI

For Axis Energy Ventures India Pvt. Ltd.
[Signature]
 Chairman & Managing Director

[Signature]
CHIEF GENERAL MANAGER
 Planning, Power Purchase & RA
 A.P.E.P.D.C. Ltd.
 VISAKHAPATNAM - 13





"Force Majeure" shall have the meaning as ascribed thereto in Clause 5;

"GoAP" shall mean the state government of the Andhra Pradesh;

"GoI" shall mean Government of India;

"Individual Project" shall mean each renewable energy project set up as part of the Renewable Energy Projects based on allotment issued by NREDCAP to M/s. Suzlon Energy Limited and/or M/s. Axis Energy Ventures India Limited;

"Interconnection Facilities" shall have the meaning ascribed in the APERC approved PPA format from time to time.

"Interconnection Point" means the point or points where the Project and the APDISCOM(s) (APSPDCL/APEPDCL)/APTRANSCO grid system are interconnected. For the Renewable Energy Projects, interconnection point is at the EHV side of the pooling substation. The metering for the Project will be provided at the interconnection point as per the directions given by APERC from time to time.

"Project Implementation Agreement" means this Agreement together with the Schedules attached herein and any amendments made thereto in accordance with the provisions herein contained;

"Power Evacuation Facilities" means the facilities to be created for evacuation of the power from the Renewable Energy Projects in line with APERC guidelines from time to time.

"Power Purchase Agreement" shall mean a contractual agreement to be signed with APDISCOM(s), for sale of power generated from the Renewable Energy as may be approved by APERC from time to time.

"Renewable Energy Projects" shall mean that the Renewable Energy Projects (comprising of wind power projects (3000 MW) and wind-solar hybrid power projects (1000 MW) projects) for an aggregate capacity of about 4000 MW as to be executed by the Third Party in accordance with the PIA.

CLAUSE 3

TERMS OF THE AGREEMENT

3.1 Effectiveness

This Agreement shall come into force from the Effective Date.

3.2 Term of the Agreement

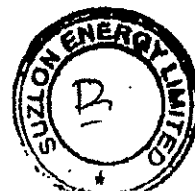
This Agreement shall remain in force for a period of 7 (Seven) years from the Effective Date, and will remain in force till the execution of the entire PPAs and Power Evacuation facilities for an aggregate capacity of 4000MW (Wind - 3000MW and Wind - Solar Hybrid - 1000MW) of the Renewable Energy Projects.

[Signature]
EXECUTIVE DIRECTOR For Axis Energy Ventures India Pvt. Ltd.
HRD & Planning
APTRANSCO, Vidyut Soudha,
HYDERABAD - 500 052.

Chairman & Managing Director

[Signature]
CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI

[Signature]
CHIEF GENERAL MANAGER
Planning, Power Purchase & RA
A.P.E.P.D.C. Ltd.
VISAKHAPATNAM - 13





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3.3 APSPDCL and APEPDCL:

APSPDCL and APEPDCL agree that the principal objective of this Agreement is to record the intent of the Parties to execute Power Purchase Agreements as approved by APERC from time to time and also to extend the necessary support for timely completion of the Renewable Energy Projects and therefore agrees to provide the support to the Third Party as set out in this Agreement.

3.4 APTRANSCO agree that the principal objective of this Agreement is to record the intent of the Parties to extend necessary support for timely completion of the Renewable Energy Projects and therefore agrees to provide the support to the Third Party as set out in this Agreement.

CLAUSE 4

EXECUTION OF POWER PURCHASE AGREEMENT

4.1 First Party agrees to execute Power Purchase Agreements with the Third Party in the format attached as Annexure 9 and as may be approved by APERC, and purchase the entire capacity of the power generated from the Renewable Energy Projects at tariff determined by the Andhra Pradesh Electricity Regulatory Commission in accordance with Section 61, Section 62, Section 86 of Electricity Act, 2003 and any regulations made there under. The terms of the PPA will be as approved by commission from time to time.

Provided that finalization of capacity for entering into PPA by First Party with Third Party from time to time shall be based on the NREDCAP prioritization, duly considering the balance targeted RPPO and the Policies of GoAP, and the project capacity as per the Annexure-10.

4.2 The Second Party hereby confirm and agrees to evacuate power produced from the Renewable Energy Projects. The power generated from the Renewable Energy Projects shall be provided with adequate power evacuation facilities by the Second Party for evacuation of power from the Interconnection Point of Renewable Energy projects as per the procedure in vogue and in compliance of APERC orders.

4.3 Out of the said 4000 MW of Renewable Energy Projects, 2800 MW will be evacuated through existing grid infrastructure and/or green energy corridor which is created/to be created by Second Party for evacuating Wind/Solar power projects and for remaining 1200 MW of Renewable Energy Projects power evacuation infrastructure will be taken up by the Third Party through PPP model on behalf of the Second Party. The Second Party will constitute a committee along with the Third party and work out the modalities and guidelines for finalization of PPP model.

[Signature]
EXECUTIVE DIRECTOR
HRD & Planning
APTRANSCO, Vidyut Soudha,
HYDERABAD - 500 082.

For Axis Energy Ventures India Pvt. Ltd.

[Signature]
Chairman & Managing Director

[Signature]
CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI

[Signature]
CHIEF GENERAL MANAGER
Planning, Power Purchase & RA
A.P.E.P.D.C. Ltd.
VISAKHAPATNAM - 13





CLAUSE 5

FORCE MAJEURE

- 5.1 Force Majeure shall mean any event or circumstance or combination of events or circumstances that wholly or partly prevent or unavoidably delay the Party claiming Force Majeure (hereinafter referred to as the "Affected Party") in the performance of its obligations under this Agreement and which act or event:
 - 5.1.1 is beyond the reasonable control of and not arising out of the fault of the Affected Party;
 - 5.1.2 the Affected Party has been unable to prevent by the exercise of due diligence and reasonable efforts, skill and care, including through expenditure of reasonable sums of money; and
 - 5.1.3 has a materially adverse effect on the Renewable Energy Projects.

Such events include any acts of GoAP/APDISCOMs/APTRANSCO either in its sovereign or its contractual capacity, war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine restrictions, freight embargoes, radioactivity and earthquakes.

- 5.2 Upon the occurrence of any Force Majeure Event:
 - 5.2.1 The date for achieving the specific obligations shall be extended by the period for which such Force Majeure event subsists and the Term shall be proportionately extended; and
 - 5.2.2 The Parties shall bear their respective costs and no Party shall be required to pay to the other Party any costs arising out of any Force Majeure Event.

CLAUSE 6

GOVERNING LAW

- 6.1 The rights and obligations of the Parties under or pursuant to this Agreement shall be governed by and construed according to the applicable laws: This Agreement shall be subject to the jurisdiction of the competent courts at capital city of Andhra Pradesh.

CLAUSE 7

RESOLUTION OF DISPUTES

- 7.1 Good Faith Negotiations

All disputes, disagreement or difference between the Parties (each a "Dispute"), arising out of or in relation to the construction or operation of the Renewable Energy Projects, shall be resolved through the following dispute resolution procedure:

- 7.1.1 Either Party shall give to the other a written notice setting out the material particulars of Disputes and requiring an authorized *Senior Executive Officer each from the APTRANSCO/APDISCOMs and Suzlon/Axis, to meet in person at the capital city of Andhra Pradesh or at any other mutually agreed place within 20 (twenty) working days of the date of receipt of such notice by the relevant party to attempt negotiation in good faith and using their best endeavours at all times to resolve the Disputes.

For Axis Energy Ventures India Pvt. Ltd.

[Signature]
 CHIEF GENERAL MANAGER
 P & M & RA
 APSPDC - HYDERABAD

[Signature]
 EXECUTIVE DIRECTOR
 HRD & Planning
 APTRANSCO, Vidyut Soudha,
 HYDERABAD - 500 032.

[Signature]
 Chairman & Managing Director



CHIEF GENERAL MANAGER
 Planning, Power Purchase & RA
 A.P.E.P.D.C. Ltd.
 VISAKHAPATNAM - 13



- 7.1.2 If the Dispute is not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the Senior Executive Officers of both the Parties within 30 (thirty) working days after the date of receipt of the Notice described in Clause 7.1.1, then the parties may resolve the same in accordance with Clause 7.1.3.
- 7.1.3 If the Dispute is not resolved at the meeting of the Senior Executive Officers of both the Parties, the Chairman and Managing Director, APTRANSCO/APDISCOMs and the Chairman of Suzlon/ Axis shall meet at the capital city of Andhra Pradesh or any other mutually agreed place within 30 (thirty) working days after the expiry of the period as mentioned in Clause 7.1.2, to attempt negotiations in good faith and using their best endeavours at all times to resolve the dispute within a further period of 30 (thirty) days and if the Dispute is still not resolved as evidenced by the terms of the settlement being reduced to writing and signed by the authorised representatives of both the Parties, the provisions of the Clause 7.2 or 7.3 shall apply, unless the said period is mutually extended.
- 7.2 Any Disputes not resolved between the Parties in accordance with Clause 7.1, and if that dispute is falling under the purview of the APERC jurisdiction then same will be referred to the APERC for adjudication.
- 7.3 All other Disputes which do not come under the jurisdiction of APERC and could not be resolved between the Parties in accordance with Clause 7.1, shall be settled by way of arbitration in accordance with the provision of Arbitration and Conciliation Act, 1996 including any statutory modification or variation thereof, by reference to an arbitrator panel of 3 (three) arbitrators, one to be appointed by the First Party or the Second Party, one to be appointed by Third Party and the third to be appointed by the two arbitrators so appointed, who shall act as Chairperson of the Arbitral Tribunal. All the expenses of the arbitration shall be borne and paid by the Parties to the dispute in equal proportion. The arbitrators shall give a speaking Award.
- 7.4 The Award rendered in any arbitration commenced hereunder shall be final and binding.
- 7.5 The arbitration proceedings shall take place at capital city of Andhra Pradesh only and the Courts of the state of Andhra Pradesh alone have jurisdiction to this purpose.
- 7.6 The right to arbitrate disputes under this Agreement shall survive the expiry of term or the Termination of this Agreement.

CLAUSE 8

AMENDMENTS

- 8.1 No amendments or waiver of any provision of this Agreement and no consent to any departure by either party here form, shall in any event be effective unless the same shall be writing and signed by each of the Parties.

[Signature]
 CHIEF GENERAL MANAGER
 P & MM & IPC
 APSPDCL :: TIRUPATI

[Signature]
 EXECUTIVE DIRECTOR
 HRD & Planning
 APTRANSCO, Vidyut Soudha,
 HYDERABAD - 500 082.

For Axis Energy Ventures India Pvt. Ltd.

[Signature]
Chairman & Managing Director

CHIEF GENERAL MANAGER
 Planning, Power Purchase & RA
 A.P.E.P.D.C. Ltd.
 VISAKHAPATNAM - 13





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**CLAUSE 9
COMMUNICATION**

9.1 Any communication/notice by one Party to the other under this Agreement shall be deemed to be served if sent by cable, fax or E-mail followed by a confirmation letter delivered by hand or by registered mail to the respective addresses.

9.2 Communication should be addressed as below:

For First Party

APSPDCL

The Chief General Manager/P&MM&IPC,
Andhra Pradesh Southern Power Distribution Company Limited
D.No:19-13-65/A, Srinivasapuram, Tiruchanoor Road,
Tirupathi-517503, Chittoor District, Andhra Pradesh.

APEPDCL

The Chief General Manager/Plg, PP & RA,
Andhra Pradesh Eastern Power Distribution Company Limited
P & T Colony, Seethammadhara, Vishakapatnam-530 013, Andhra Pradesh.

For Second Party

APTRANSCO

The Executive Director/ HRD & Plg.,
Transmission Corporation of Andhra Pradesh Limited.
Vidyuth Soudha, Khiarathabad, Hyderabad-500082.

For Third Party

Suzlon

The Chairman and Managing Director,
Suzlon Energy Limited,
One Earth Building, Hadapsar,
Pune-411028, Maharashtra, India
Tel. No.: +91-20-67022000/61356135/67202500
Fax No.: +91-20-67022100/67022200
Email id: cmd@suzlon.com

Axis

The Chairman and Managing Director,
Axis Energy Ventures India Private Limited,
2nd Floor, Plot no.3, House No. 6-3-680/8/3, PMR Plaza,
Thakur Mansion Lane, Somajiguda, Hyderabad – 500 082
Tel No.: +91 040 23412312/23412313
Fax No.: +91 040.23412314
Email id: ravi@axisenergy.in

CHIEF GENERAL MANAGER
P&MM&IPC
APSPDCL
TIRUPATHI

MM
EXECUTIVE DIRECTOR
HRD & Planning
APTRANSCO, Vidyut Soudha,
HYDERABAD - 500 022.

For Axis Energy Ventures India Pvt. Ltd.

LL
Chairman & Managing Director

NP
CHIEF GENERAL MANAGER
Planning, Power Purchase & RA
A.P.E.P.D.C. Ltd.
VISA KHAPATNAM - 13





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CLAUSE 10

MISCELLANEOUS

10.1 Relationship of the Parties

This agreement shall not be interpreted or construed or create an association, joint venture or partnership between the Parties or to impose any partnership obligation or right upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party.

10.2 Third Parties

This agreement is intended solely for the benefit of the Parties hereto. Nothing in this agreement shall be construed to create any duty, to standard of care with reference to, or any liability to, any person not a party to this Agreement.


10.3 Severability


If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under the Agreement or otherwise.


10.4 Survival

The termination or expiry of this Agreement shall not affect the accrued rights, obligations and liabilities of either party under this agreement, nor shall it affect any continuing obligations, which this Agreement provides, whether expressly or by necessary implication.

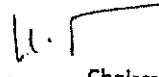
IN WITNESS, the Parties hereto have executed and delivered this Agreement at on the date first written above.


CHIEF GENERAL MANAGER P&MM&IPC APSPDCL :: TIRUPATI	For and on behalf of APSPDCL 
	The Chief General Manager/P&MM&IPC


CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI


EXECUTIVE DIRECTOR
HRD & Planning
APTRANSO, Vidyut Soudha,
HYDERABAD - 500 082.

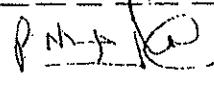
For Axis Energy Ventures India Pvt. Ltd.

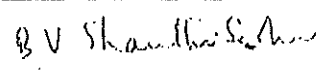

Chairman & Managing Director

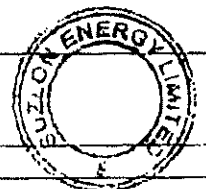
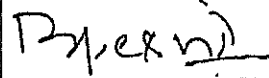

CHIEF GENERAL MANAGER
Planning, Power Purchase & RA
A.P.E.P.D.C. Ltd.
VISA KHAPATNAM








	For and on behalf of APEPDCL
CHIEF GENERAL MANAGER Planning, Power Purchase & RA A.P.E.P.D.G. Ltd. VISAKHAPATNAM - 13	
	The Chief General Manager/Plg, PP & RA

	For and on behalf of APTRANSCO
EXECUTIVE DIRECTOR HRD & Planning APTRANSCO, Vidyut Soudha, HYDERABAD - 500 082.	
	Executive Director/HRD & Plng.

	For and on behalf of SUZLON ENERGY LIMITED
	
	PRESIDENT

	For and on behalf of AXIS ENERGY VENTURES INDIA PRIVATE LIMITED
	For Axis Energy Ventures India Pvt. Ltd. 
	The Chairman and Managing Director Chairman & Managing Director

Witness:

1. 
(B. Srinivas)
2.  Jaya Prakash .f
JAYA PRAKASH .f
Suzlon Energy Ltd.
Hyderabad



ఆంధ్రప్రదేశ్ సంప్రదాయేతర శక్తి వనరుల అభివృద్ధి సంస్థ లి.,
Non-Conventional Energy Development Corporation of Andhra Pradesh Ltd.,
 (A State Government Company)

Regd. Office: 5-8-207/2, Pishah Complex, Nampally, Hyderabad - 500 001, India.
 Tele: Off : 040-23202391 / 23203638 / 23203376 / 23202262, Fax : 040-23201666
 E-mail : info@nedcap.gov.in, Website : www.nedcap.gov.in



Ref: NREDCAP/WE/Axis/Vajrakarur/2011

Dt.24.09.2011

PROCEEDINGS

Sub: Wind power Project in private sector - Communication of sanction for 300 MW capacity wind farm project at Vajrakarur, Anantapur district - Reg.

- Ref:
1. Application for allotment of wind farm dt.08.10.2010
 2. G.O.Ms.No.48 dt.11-04-2008 of Energy Dept. Govt. of A.P.
 3. G.O.Ms.No.99 dated 09.09.2008 of Energy (RES) Dept., Govt. of A.P.
 4. Govt. Lr.no.9039/RES-1/2010 Dt.5.5.2011 of Energy (RES) Dept.
 5. NREDCAP Provisional Allotment Lr.No.NEDCAP/WE/Axis/2011/315 Dt.06.05.2011
 6. Lr.no.AWEL/2010-11/167 Dt.29.08.2011 of M/s. Axis Wind Energy Ltd
 7. Axis Wind Farms (Vajrakarur) Pvt. Ltd Lr.No.AWEL/2010-11/180 dated.19.09.2011

* * *

In the reference 1st cited, M/s.Axis Wind Energy Ltd have applied to NREDCAP for allotment of 300.00 MW capacity wind power project at Vajrakarur, Anantapur District, for generation of electric power on commercial basis.

In the reference 4th cited, the Govt. has accorded approval for sanction of 300.00 MW capacity wind power project to M/s. Axis Wind Energy Ltd.

In the reference 5th cited, Provisional Allotment Letter was issued stipulating the terms and conditions for issue of Sanction Letter and for execution of the Agreement. M/s. Axis Wind Energy Ltd vide its letter 6th cited, having fulfilled the conditions of the Provisional Allotment, has represented that they have floated a Special Purpose Vehicle (SPV) company by name M/s. Axis Wind Farms (Vajrakarur) Pvt. Ltd under the Companies Act 1956 to implement 300.00 MW capacity wind power project at Vajrakarur, Anantapur dist and requested to transfer the allotment of 300 MW capacity wind power project to the SPV which will execute the Agreement.

Contd.2

Based on the approval of the Government, and having considered the request of M/s. Axis Wind Energy Limited, the allotment of 300.00 MW capacity wind power project capacity at VAJRAKARUR, Anantapur District for generation of power on commercial basis is hereby transferred in the name of M/s. Axis Wind Farms (Vajrakarur) Pvt. Ltd, subject to the condition that M/S Axis Wind Energy Ltd shall continue to hold a minimum of 26% of the subscribed and paid up equity capital of the SPV till after one year from the date of commissioning of the Project. and that the equity holding of M/S Axis Wind Energy Ltd shall also be higher than the equity holding of any other equity shareholder of the SPV.

The allotment is accorded subjected to the following conditions.

1. The allotment of the land and alienation of the land shall be subject to Govt. orders issued in this regard.
2. The wind power project shall be established in the specified area as decided by NREDCAP.
3. The wind power project allotted now is as per the Wind power policy announced by the Govt. of A.P. vide G.O.Ms.No.48 dated 11.04.2008 and G.O.Ms.No.99 dated 09.09.2008 of Energy (RES) department.
4. In case of private lands, the company shall make its own arrangements for procurement of land, subject to approval of the area of operation by NREDCAP
5. The Company shall install wind turbines, so as not to affect the performance of the other wind turbines and maintain safety standards in consultation with NREDCAP.
6. The company may explore the possibility of installing higher capacity Wind Electric Generators to achieve higher plant load factor.
7. The company shall install the Wind Electric Generators under the project, which are having the approval of Centre for Wind Energy Technology (C-WET)
8. No second hand or used wind turbines, imported from abroad or procured locally shall be installed.
9. If there is any change in the proposal submitted along-with the application, the same shall be brought to the notice of NREDCAP and approval shall be obtained for such changes.
10. The wind farm developer should ensure that the wind mill generate grid quality power with power factor not less than 0.85 and should draw minimum reactive power

Contd..3

11. The Company shall abide by the regulations of the Andhra Pradesh Electricity Regulatory Commission (APERC). The proceedings issued by APERC from time to time shall be followed.
12. The company shall enter into Power Purchase Agreement with DISCOMs in respect of Wind Power capacities set up in Government and Forest areas as per the policy of the Govt. in this regard from time to time. In case of wind power capacities set up in private land, the developer shall enter into Power Purchase Agreement or Open Access Agreement or Wheeling Agreement with DISCOMs as per policy decided by the Govt.
13. The company shall pay Rs.1.50 Lakhs per Megawatt as sanction fee to NREDCAP at the time of entering into agreement.
14. The company shall obtain all clearances necessary for installation of wind electric Generators in accordance with statutory provisions, guidelines issued by the Government of India and the Government of Andhra Pradesh from time to time.
15. The company shall complete the financial closure within a period of six months from the date of signing of the Agreement or before such extensions as may be accepted and granted by the NREDCAP on request by the company on account of delays in obtaining all necessary consents, licenses, authorizations and clearances required from the Government of Andhra Pradesh and Government of India.
16. The company shall execute the work as per terms of the allotment letter and complete within 18 months from the date of achieving the financial closer. In case, the company fails to execute the work within the stipulated time, NREDCAP will recommend to Govt. for the resumption of land and the project allotment will be cancelled.
17. At the time of land allotment, the company shall give a schedule of execution of the project. The project must be commissioned within a period of two years from the date of this agreement. The company shall provide an irrevocable bank guarantee of Rs.2,00,000/- (Rupees Two lakhs only) per megawatt in case of Govt. lands and Rs.1,00,000/- (Rupees One lakh only) per MW in case of private lands, at the time of agreement, valid for a period of two years (24 months) or a demand draft drawn in favour of NREDCAP, payable at Hyderabad for an equivalent amount in lieu of Bank guarantee, at the time of agreement. The amount will be adjusted against penalties imposed, if any, due to delay in execution of the project.

18. If the company fails to complete the project as per agreed schedule, the penalties will be imposed as per the terms of the agreement and if the project is not commissioned as per the schedule, all permissions including the allotment of land would stand automatically cancelled and the bank guarantee given by the company will be encashed.
19. The company shall permit the other wind developers to use the roads and other infrastructure facilities if any on the allotted land and also provide infrastructure and other facilities for conveyance and for transmission of power necessary in that area.
20. The company shall permit the officers of the New and Renewable Energy Development Corporation of A.P. Ltd / Government of Andhra Pradesh / Government of India for inspection/verification.
22. The company shall prepare an action plan in detail for completion of wind power project allotted within a target period of 2 years and communicate the action plan for each item of work within 3 months from the date of signing of agreement. The company shall submit quarterly progress reports for each quarter ending March, June, September and December. The progress will be reviewed by NREDCAP, based on quarterly report regularly. Based on progress of works against set mile stones, NREDCAP may consider for reduction of Bank guarantee and accordingly to release the proportionate bank guarantee.

The receipt of the letter may be acknowledged.

Sd/-

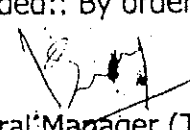
V.C & MANAGING DIRECTOR

To

M/s Axis Wind Farms (Vajrakarur) Pvt. Ltd.
Plot No.119A, Phase-A, Journalist Colony,
Jubilee Hills, Hyderabad 500 033

Copy to M/s. Axis Wind Energy Ltd, Hyderabad for information.
Copy to Chairman and Managing Director, APCPDCL, Mint Compound, Hyderabad.
Copy to the Chief Engineer, IPC, AP Power Coordination Committee, AP TRANSCO, Hyderabad.
Copy to the District Collector, Anantapur Dist.
Copy to the Executive Engineer (RE), NREDCAP, Anantapur Dist

// Forwarded:: By order//


Dy.General Manager (T)

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ఆంధ్రప్రదేశ్ నూతన మరియు పునరుద్ధరణీయ ఇంధన వనరుల అభివృద్ధి సంస్థ లి.
New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

(A State Government Company - ISO 9001:2015 Certified)

Regd. Office : # 5-8-207/2, PISGAH Complex, Nampally, Hyderabad - 500 001, India.
 Tel : Off : 040-23202391, 23202262, 23203376 Fax : 040-23201666.
 E-mail : info@nredcap.in, Website : www.nredcap.in



Ref:- NREDCAP/WE/Axis/Vajrakarur/2017

Dt.16.09.2017

PROCEEDINGS

Sub: Wind Power Projects - Change of location of project for 50.40 MW capacity from Vajrakarur, Ananthapuramu district to Pottipadu North, Ananthapuramu district- Orders issued - Reg.

- Ref: 1. T.O. Lr. No. NREDCAP/WE/Axis/Vajrakarur/2011, Dt:24.09.2011
 2. Agreement entered 24.09.2011
 3. Lr. No. AWF(V)PL/044/2017-18, Dt: 13.09.2017 of M/s Axis Wind Farms (Vajrakarur) Private Limited.
 4. G.O. Rt No.61, Dt.24-3-2011 of Energy (RES) Dept, GOAP, Hyderabad.

& &

In the reference 1st, & 2nd cited, 300MW capacity wind power project allotment was made to M/s Axis Wind Farms (Vajrakarur) Private Limited to set up at Vajrakarur, Ananthapuramu district.

In the reference 3rd cited, M/s Axis Wind Farms (Vajrakarur) Private Limited has requested for change of location for 50.40MW Capacity from Vajrakarur to Pottipadu North, Ananthapuram district.

Taking into consideration of request made by M/s Axis Wind Farms (Vajrakarur) Private Limited, permission is hereby accorded to change the project location from Vajrakarur to Pottipadu North, Ananthapuram district for 50.40 MW wind power project.

Hence, M/s Axis Wind Farms (Vajrakarur) Private Limited, is requested to take necessary action for establishment of 50.40MW capacity wind power project. The other terms and conditions of the agreement signed remains unaltered. The Company has agreed to pay charges @ Rs.50000/-per MW for 50.40 MW towards transfer of project location on commissioning of wind power project as per the provisions of Project Implementation Agreement (PIA) signed with GOAP and Project Agreement signed with NREDCAP.

Sd/-
 VC & MANAGING DIRECTOR

To
 M/s Axis Wind Farms (Vajrakarur) Private Limited
 PMR Plaza, Plot No. 3, H. No. 6-3-680/8/3, 2nd floor,
 Thakur Mansion Lane, Somajiguda,
 HYDERABAD- 500 082.
 CC to the DM/NREDCAP/Ananthapuram Districts.

//FBO//

PROJECT DIRECTOR (WE)



Annexure No. 8

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ఆంధ్రప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

10 SEP 2011

AR 787778

S.No. 43558 Dt. 16-09-2011. Rs.100/-

Sold to: Salya S/o. Suryanarayana, R/o. Hyd.

For whom: Axis Wind Farms (VAJRAKARUR) Private Limited.

MOHD. FAHIM

Licenced Stamp Vendor

L. No.16-10-45/99, R.No.16-10-15/20

S.No.11-2-799/1, Habeeb Nagar.

Nampally, Hyderabad - (South) Dist

Cell No.9246360720

AGREEMENT

THIS AGREEMENT is entered into on this 24th day of September, 2011 at Hyderabad, by and between.

New and Renewable Energy Development Corporation of Andhra Pradesh Ltd., a fully owned State Government Company, registered under the Companies Act, 1956, having its office at 5-8-207/2, Pisgah Complex, Nampally, Hyderabad 500 001 (India), represented by its Vice Chairman-cum-Managing Director, hereinafter referred to as the '**NREDCAP**' which expression shall, unless it be repugnant to the context or meaning thereof, include its administrators, successors and assigns; of **the FIRST PART,**

AND

M/s Axis Wind Farms (VAJRAKARUR) Pvt. Ltd, a company incorporated under the Companies Act, 1956 having its registered office at 6-3-787, Flat No.403, Shaili Estates, Royal, Pavillion, Next to RBI Qtrs, Ameerpet, Hyderabad - 500 016, represented by its Authorised Signatory, Sri K. Ravi Kumar Reddy, Director hereinafter referred to as the '**Developer and/or SPV**' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators and permitted assigns, of the **SECOND PART,** along with

For Axis Wind Farms (Vajrakarur) Pvt. Ltd

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

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Director

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Vice Chairman & Managing Director

AXIS WIND ENERGY LIMITED

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M/s. Axis Wind Energy Ltd., a company incorporated under the Companies Act, 1956 having its registered office at 6-3-787, Flat No.403, Shaili Estates, Royal, Pavillion, Next to RBI Qtrs, Ameerpet, Hyderabad – 500 016, represented by its Authorised Signatory, Sri K.Ravi Kumar Reddy, Director, hereinafter referred to as the '**Confirming Party**' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators and permitted assigns.

The NREDCAP and the Developer are severally referred to as the Party and collectively as Parties and the term 'Developer' wherever the context requires shall include the Confirming Party.

WHEREAS,

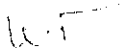
A. NREDCAP is the Nodal Agency for approval of wind energy projects upto 20 MW capacity and, therefore, for setting up of wind farms in the Potential Areas in the State of Andhra Pradesh as per the guidelines of the Ministry of New and Renewable Energy (MNRE), Government of India and also the guidelines under the New Wind Power Policy of the Government of Andhra Pradesh GOAP) notified through GO MS No.48, Energy (Res) Department, dated 11-04-2008 (hereinafter called the 'Policy') as well. For the projects with more than 20 MW capacity, the GOAP grants clearance on the recommendations of NREDCAP. The Policy, inter-alia, aims at encouraging optimum utilization of the available wind power potential in the State by facilitating adoption of state of art technology through private participation, balancing the interest of the customers and the developers, permitting the developers for using the power produced for captive consumption or making sale to a third party or to DISCOMs as per the guidelines under the Policy, and the Indian Electricity Act 2003 and the rules and regulations made and the directions issued by GOAP there under. Under the Policy the Developer is also eligible for certain incentives and concessions.

B. Under the Policy the Eligible Developers have to approach NREDCAP with the prescribed application for allotment of wind power capacity allotment in the potential areas. After due consideration of the eligibility and other factors, NREDCAP sanctions the capacity in favour of the applicant duly specifying the terms and conditions of sanction. On fulfillment of the conditions of the sanction, the Developer has to approach the Government/District Collector in case the potential area is located in the government lands for allotment of land as recommended by NREDCAP, and in case the potential area is located in private lands, the Developer shall acquire the land from the owners.

C. The Confirming Party has submitted an application on 25th October, 2010, for allotment of 300 MW capacity at VAJRAKARUR site in Anantapur District (hereinafter called the 'Area'). NREDCAP has issued Provisional Allotment Letter No.NEDCAP/WE/Axis/2011 /315 Dt.6.5.2011 stipulating certain conditions for issue of sanction letter and execution of the Agreement. The confirming party has

For New & Renewable Energy Development Contd..3
Corporation of Andhra Pradesh Ltd.

For Axis Wind Energy Ltd. (Axis Wind Pvt. Ltd.)



Director



Vice Chairman & Managing Director

has represented that they have floated an exclusive company by name M/s Axis Wind Farms (Vajrakarur) Pvt. Ltd otherwise called Special Purpose Vehicle (SPV) for execution of the Project wherein on the date of incorporation of the SPV they subscribed for almost total equity share of the SPV, and the said company and the SPV having fulfilled the conditions of the above mentioned provisional allotment, requested for execution of the Agreement in the name of the SPV duly transferring the allotment in the name of the SPV and furnished appropriate resolutions of their respective Boards therefor. NREDCAP having considered the request of the Confirming Party, and the SPV, issued sanction letter No. NREDCAP/WE/Axis/Vajrakarur /2011 Dated 24-09-2011 transferring the allotment of 300.00 MW capacity wind power project in Vajrakarur site in Anantapur District (hereinafter called the 'Project) in the name of the SPV, for generation stipulating the terms and conditions therefor and for entering into this Agreement. subject to the condition that the Confirming Party shall hold a minimum of 26% in the subscribed and paid up equity capital of the SPV till after one year from the date of commissioning the Project

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.1 Definitions

In this Agreement, the words and expressions, unless and otherwise defined or described herein, shall, unless repugnant to the context or meaning thereof, have the meaning assigned in the Andhra Pradesh Electricity Reforms Act 1998 (APER Act), the Indian Electricity Act 2003 and GO MS. No. 48, Energy (RES) Department, dated 11-04-2008.

1.2 Public Interest

The Sanction of Allotment, Development, Operation and Maintenance of the Project is in public interest.

1.3 Recitals shall form part of the Agreement.

**ARTICLE 2
GRANT OF ALLOTMENT**

2.1 ESSENCE OF TIME

As the Project Implementation is as per a pre-decided time schedule, the Developer shall ensure that the Project is executed within the Project Implementation Period, to be specific on or before the COD.

2.2 Sanction of Allotment of Capacity

Subject to and in accordance with the terms and conditions set forth in this Agreement and the Developer undertaking to observe and perform the covenants, obligations, responsibilities, terms and conditions of the Agreement NREDCAP hereby sanctions setting up by the Developer of

For Axis Wind Farms (Vajrakarur) Pvt. Ltd.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd. **Contd..4**

u.r

Director

u.r

Vice Chairman & Managing Director

[Signature]

AXIS WIND FARMS (VAJRAKARUR) PVT. LTD.

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Wind Farm Project in the identified Potential Area at Vajrakarur of Anantapur District for generation of 300.00 MW capacity of wind power for *commercial use (sale)*.

2.3 Financing

The Developer shall set up and operate the Project with its own finance. There shall be no financial contribution from NREDCAP.

2.4 Applicability of other Laws

The sanction of the Project and its development and operation by the Developer shall be subject to the Indian Electricity Act 2003 and the Rules and Regulations made thereunder from time to time; the Regulations and directions of the Andhra Pradesh Electricity Regulatory Commission (APERC); the Policy as amended from time to time and all other Applicable Laws.

2.5 Sanction Fee

The sanction fee paid by the Developer in terms of the sanction letter for entering this Agreement is one-time payment and non-refundable.

2.6 Facilitation by NREDCAP

NREDCAP may assist the Developer in securing the required clearances for the Project at the State and Central Government levels and grant of loans by IREDA/PFC/REC and other terms loan Agencies/Commercial Banks without any liability of whatever nature in the event of rejection or delayed issue of such clearances by the relevant agencies. However, this could not be binding on NREDCAP.

2.7 Regulation of Allotment

The Policy empowers NREDCAP to regulate the allotment of wind power generation projects.

ARTICLE 3

LAND ALLOTMENT

3.1 Allotment of Government Land

(a) The Developer shall make an application to Government of Andhra Pradesh/District Collector through NREDCAP to the extent of the land required in case the land where the Project is being set up is Government land with reference to the extent required vis-a-vis the capacity allotted.

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For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

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20/11/11

Vice Chairman / Managing Director

(b) The Developer shall submit a micro-siting map to NREDCAP duly indicating the extent of land along with survey number details. After due scrutiny and vetting of the micro siting map, NREDCAP will recommend the proposal to the District Collector to consider allotment of land for the Project. The extent area of approved could be same or different from the area sought by the developer as per the micro siting map submitted by the developer within the same potential area as per the MNRE guidelines and the decision of NREDCAP shall be final and binding. NREDCAP shall not be responsible nor shall it be liable for non-allotment of the land by the Government for whatever reasons.

3.2 Private Land

Where the Project proposed to be set up is in a private land, the Developer shall make its own arrangements for procurement of land, subject to approval of the area of operation by NREDCAP.

3.3 Proportionate Allotment

(a) The Developer is aware that the capacity allotment in the potential areas is based on the wind power potential estimated in the micro survey reports prepared by the C-WET or NREDCAP and that the wind power potential assessment made either by C-WET or NREDCAP is only an estimate on broad basis and actual potential may be higher or lower than the estimation made.

(b) In all such cases of variation, NREDCAP shall have the right as under and the Developer hereby undertakes to abide by the decision of NREDCAP therefor.

(i) In cases where the actual potential is less than the capacity provisionally allotted based on the estimated capacity, NREDCAP shall have the right, without any liability of whatever nature, to allot the land, government or private, proportionately among the various project developers in the same Area based on the actual potential at the site, and

(ii) In case where the actual potential is higher than the provisionally allotted capacity, the provisionally allotted capacity will remain the same and the land, government or private, will accordingly be allotted proportionally with reference to the actual capacity among the various project development in the same area and any surplus land left over in the area will be allotted to the new developers.

ARTICLE 4

PROJECT COMPLETION AND OPERATION

4.1 Project Completion Period

The Project Completion shall be within 24 months from the date of the Agreement that includes the time required for securing all the Applicable Clearances, Approvals etc., and for Financial Closure. At the time of land allotment, the Developer shall submit to NREDCAP a Project Completion Schedule with set timelines for each component for approval of and monitoring by NREDCAP.

FOR AXIS WIND ENERGY LIMITED

For Axis Wind Farms (Vajrakarur) Pvt. Ltd.

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Director

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

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Vice Chairman & Managing Director

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4.2 Delays in Project Completion

(a) In case of any delay in achieving the timelines under any of the components as per the approved Project Completion Schedule the Developer shall pay to NREDCAP a penalty by way of liquidated damages Rs.40,000 (Rupees forty thousand only) in case the Project is being set up in Government land; and Rs.20,000 (Rupees twenty thousand only) in case the Project is being set up in private land, for each 15 days delay or fraction thereof provided such delay shall not extend beyond three months. The said liquidated damages shall be payable by the Developer within such time as may be stipulated in the Notice.

(b) In the event of Developer failing to pay the amount under Clause (a) above within the stipulated time, the Performance Guarantee will be invoked for the equivalent amount, in which case the Developer shall replenish the invoked amount or shall submit a fresh Guarantee within 7 (Seven) days from the date of such invocation. Failure to do so, shall be an event of default and notwithstanding anything contained in the Agreement and without prejudice to its rights and entitlements NREDCAP will have if any under the Agreement, the Agreement shall stand terminated without any further notice of whatever nature and the Developer hereby consents for the same.

(c) If the Project is not completed even within the aforesaid three months beyond the schedule date of completion, notwithstanding anything contained in the Agreement, the Agreement shall stand terminated at the instance of the Developer without any requirement of issue of any prior notice of whatever nature and the Performance Guarantee shall also stand forfeited. All Clearances, Approvals and Permissions etc., since secured by the Developer shall become inoperative subject to the terms and conditions of issue of such Clearances, and the allotment of land shall also stand withdrawn and resumed.

(d) NREDCAP or the appropriate authority, on a representation made by the Developer, may grant extension of time for completion of the Project on reasonable and justifiable grounds as in the cases of delay in handing over of the land by the District Collector in spite of sincere approach for the same by the Developer or acquiring the land due to Force Majeure event or any other legal issues or administrative regulations of the Government or any other valid reasons of which the NREDCAP or the appropriate authority consider appropriate and fit. However, such extension shall not be more than 12 months in case of private or Govt. land and or more than 36 months in case of forest lands

For New & Renewable Energy Development
Corporation of Andhra Pradesh Ltd.

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For Andhra Pradesh

For New & Renewable Energy Development

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Director

Vice Chairman & Managing Director

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ARTICLE 5
PERFORMANCE GUARANTEE

- (a) For due and satisfactory performance of its obligations under the Agreement, M/s Axis Wind Energy Ltd (Confirming Party) has submitted the irrevocable Bank Guarantee towards performance guarantee No.00080100006160 Dated **23.09.2011**, for **Rs.3,00,00,000** (Rupees Three Crores Only only) issued by Axis Bank Ltd, Hyderabad valid upto 19.12.2013, on behalf of the Developer.
- (b) In all cases where the Project is not completed within twenty four months and the Agreement is not terminated for whatever reasons including extension of time by levying penalties as in Article 4 above or for any other reasons as provided in the Agreement, it shall be the responsibility of the Developer to get the Bank Guarantee extended within 7 (seven) days of expiry of 24 months, failing which the Agreement shall be deemed to have expired or to have been terminated at the end of the 24th month irrespective of the progress in the Project Completion made.
- (c) The Performance Guarantee will be invoked for any defaults of the Developer and/or towards any dues to NREDCAP as stipulated herein above and also as provided in the Agreement.
- (d) NREDCAP, on an application made by the Developer, may consider releasing proportionate amount of Performance Guarantee based on the substantial progress made in the Project Completion. The decision of NREDCAP in the matter of 'substantial progress' and the quantum of amount to be released shall be final and binding on the Developer and no correspondence from the Developer in this regard shall be entertained.

ARTICLE 6
OBLIGATIONS OF DEVELOPER

6. In addition to and not in derogation or substitution of any of the obligations set out elsewhere in this Agreement, the Developer shall as mandatory obligation-
- Director
- (a) set up the Project in the specified and demarcated site of the Area.
 - (b) ensure that the wind turbines installed shall not affect the performance of the other wind turbines and maintain safety standards in consultation with NREDCAP.
 - (c) explore the possibility of installing higher capacity Wind Electric Generators to achieve higher plant load factor and that the Wind Electric Generators under the project having the approval of C-WET shall only be installed.
 - (d) ensure that no second hand or used wind turbines, imported from abroad or procured locally shall be installed.

For Axis Wind Farms (Vajrakarur) Pvt. Ltd.

W.T.

Director

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

W.T.

Vice Chairman & Managing Director

Contd..8

W.T.

- (e) report to NREDCAP if there is any change in the proposal submitted along-with the application, and obtain prior written approval of NREDCAP for such changes.
- (f) ensure that the wind mill generate grid quality power with power factor not less than 0.85 and should draw minimum reactive power.
- (g) enter into the Power Purchase Agreement with DISCOMs in respect of wind power capacity set up in Govt. and Forest lands, in terms of the Policy and the orders and/or guidelines of the Government of Andhra Pradesh issued hereunder and also the Indian Electricity Act 2003 and the rules and regulations made thereunder, from time to time. In case of wind power capacities set up in private land, the developer shall enter into Power Purchase Agreement or Open Access Agreement or Wheeling Agreement with DISCOMs as per policy decided by the Govt..
- (h) secure and keep in force at all times all Applicable Clearances, Permits, Sanctions, Approvals and No Objection Certificates necessary for setting up of the Project including installation of Wind Electric Generators under the Applicable Laws from the Relevant Authorities.
- (i) achieve the Financial Closure within a period of six months from the date of signing of the Agreement or earlier thereto subject to any extension granted in writing by NREDCAP at the request of the Developer either due to delays in securing the Clearances etc. under Clause (i) above or due to any Force Majeure Event. Any extension so granted by NREDCAP shall not ipso-facto extend the Project Completion Period.
- (j) permit the other wind developers to use the roads and other infrastructure facilities if any on the allotted land and also provide infrastructure and other facilities for conveyance and for transmission of power necessary in that area.
- (k) ensure in case of company, the shareholder having highest equity in the paid up capital of the company shall continue to hold the same and in any case not less than 26% /in case of Partnership firm the Partner holding highest stake in the Firm shall continue as such minimum period of one year after commissioning of the project. This will not be applicable in respect of manufacturers and suppliers of machinery for transfer of capacity once the development is made at the site. No change in the shareholding pattern / the Parties stake in the Firm shall be made without the written approval of NREDCAP. However, the Developer is allowed to sell projects/sub-projects to their customers after development of site with infrastructure including the power evacuation arrangements.

For New & Renewable Energy Development Contd..9
Corporation of Andhra Pradesh Ltd

Director

Vice Chairman & Managing Director

- (l) ensure that the Project Site remains free from all encroachments and take all steps necessary to remove encroachments, if any;
- (m) make payment to any Government Agency, if required, for provision of such services as are not provided in the normal course or are available only on payment;
- (n) operate and maintain the Project at all times during the Operations Period in conformity with this Agreement including but not limited to the Specifications and Standards, and Good Industry Practice and as per the orders/guidelines of the Government of Andhra Pradesh under the Policy; and the Indian Electricity Act 2003 and the rules and regulations made thereunder from time to time.
- (o) keep and maintain the Project Site in a neat and clean and hygienic condition and in conformity with the Applicable Laws and Applicable Permits;
- (p) comply with all the terms and conditions and satisfactorily performance of all its obligations stipulated under this Agreement in addition to such other obligations and undertakings under the provisions of the land allotment and PPA.
- (q) alone be responsible for all or any risks of whatever nature attached or inherent to development, construction, marketing, operation of and investment in the Project.
- (r) report to NREDCAP of any default notices issued by the Relevant Authorities in matters concerning the setting up of the Project or its operation and maintenance and the remedial measures being taken/taken by it.
- (s) paid up equity capital of the SPV till one year after the commissioning of the Project and such equity holding by the Confirming Party shall not be less than the equity holding of any other shareholder of the SPV.

Director

**ARTICLE 7
PROJECT COMPLETION CERTIFICATE AND INSPECTIONS**

7.1. Project Completion Certificate

The Project shall be deemed to have been completed in terms of this Agreement, only after inspection and testing and on issue of the Completion certificate by the concerned DISCOM (Power Distribution Company of Andhra Pradesh) or AP Transco (Transmission Corporation of Andhra Pradesh), as the case may be.

FOR AXIS WIND ENERGY LIMITED

For Axis Wind Farms (Vajrakarur) Pvt. Ltd.

[Signature]

Director

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.

[Signature]

Vice Chairman & Managing Director

Contd..10

[Signature]

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7.2 Inspections

NREDCAP through its Authorised Officer/s shall have the right and similarly the officers of other departments/organizations of the Government of India or the Government of Andhra Pradesh having jurisdiction over the Project for inspection of the Project and the Developer shall permit such inspections and failure to do so by the Developer shall be a default.

7.3 Periodical Reports

The Developer shall submit quarterly progress reports for each quarter ending March, June, September and December for review by NREDCAP until commissioning of the Project and thereafter monthly progress reports on power generation.

ARTICLE 8

EVENTS OF DEFAULT AND TERMINATION

8.1 Event of Default and Termination

- (a) Save and except as otherwise provided in the Agreement, in case of any default of the Developer, NREDCAP shall have the right to terminate the Agreement with 30 (thirty) days advance notice.
- (b) Upon Termination under Clause (a) above, NREDCAP shall have no obligation to compensate the Developer in any manner.

ARTICLE 9

MISCELLANEOUS

9.1 Dispute Resolution

(a) Amicable Resolution

Save where expressly stated otherwise in this Agreement, any dispute, difference or controversy of whatever nature howsoever arising under, out of or in relation to this Agreement including completion or otherwise of the Project between the Parties and so notified in writing by either Party to the other (the "Dispute") in the first instance shall be attempted to be resolved amicably by the Parties

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd. Contd..11

[Handwritten signature]
Director

[Handwritten signature]
Vice Chairman & Managing Director

(b) Appeal

In the event of the Parties not finding an acceptable solution to the dispute(s) within 30(thirty) days, the Developer may appeal to the Chairman of the Board of Directors of NREDCAP whose decision shall be final and binding.

9.2 Governing Law and Jurisdiction

This Agreement shall be construed and interpreted in accordance with and governed by the laws of India and the Courts at Hyderabad, Andhra Pradesh State, India shall have jurisdiction over all matters arising out of or relating to this Agreement.

9.3 Waiver

(a) Waiver by either Party of any default or any rights under the Agreement by the other Party in the observance and performance of any provision of or obligations or under this Agreement

- i. shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions or obligations under this Agreement
- ii. shall not be effective unless it is in writing and executed by a duly authorized representative of such Party; and
- iii. shall not affect the validity or enforceability of this Agreement in any manner.

(b) Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or any obligation thereunder nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

9.4 Amendments

This Agreement and the Schedules together constitute a complete and exclusive statement of the terms of the Agreement between the Parties on the subject hereof and no amendment or modification hereto shall be valid and effective unless agreed to by the Parties hereto and evidenced in writing.

9.5 Exclusion of Implied Warranties etc.

This Agreement expressly excludes any warranty, condition or other undertaking implied at law or by custom or otherwise arising out of any other agreement between the Parties or any representation by any Party not contained in a binding legal agreement executed by the Parties.

For Axis Wind Farms (Vajrakarur) Pvt. Ltd.

[Handwritten Signature]

Director

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd. Contd..12

[Handwritten Signature]

Vice Chairman & Managing Director

[Handwritten Signature]

For Axis Wind Farms (Vajrakarur) Pvt. Ltd.

9.6 Counterparts

This Agreement shall be executed in two counterparts on non-judicial papers of Rs.100/- each and registered if required under law at the cost and expense of the Developer which when executed and delivered shall constitute an original of this Agreement

IN WITNESS WHEREOF THE, PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

For New & Renewable Energy Development Corporation of Andhra Pradesh Ltd.



Signed, Sealed and Delivered
For and on behalf of Developer by:

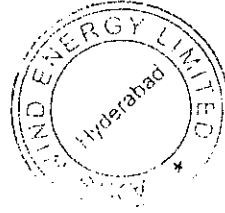
Signature of Authorised Person
(Name) K. P. ANS KIRAN K. REDDY
(Designation) MD, NREDCAP
(Seal)

Vice Chairman & Managing Director
Signed, Sealed and Delivered
For and on behalf of the
NREDCAP

Signature of Authorised Person
(Name)
(Designation)
(Seal)

Signed, Sealed and Delivered
For and on behalf Confirming Party by

Signature of Authorised Person
(Name) K. P. ANS KIRAN K. REDDY
(Designation) MD, NREDCAP
(Seal)



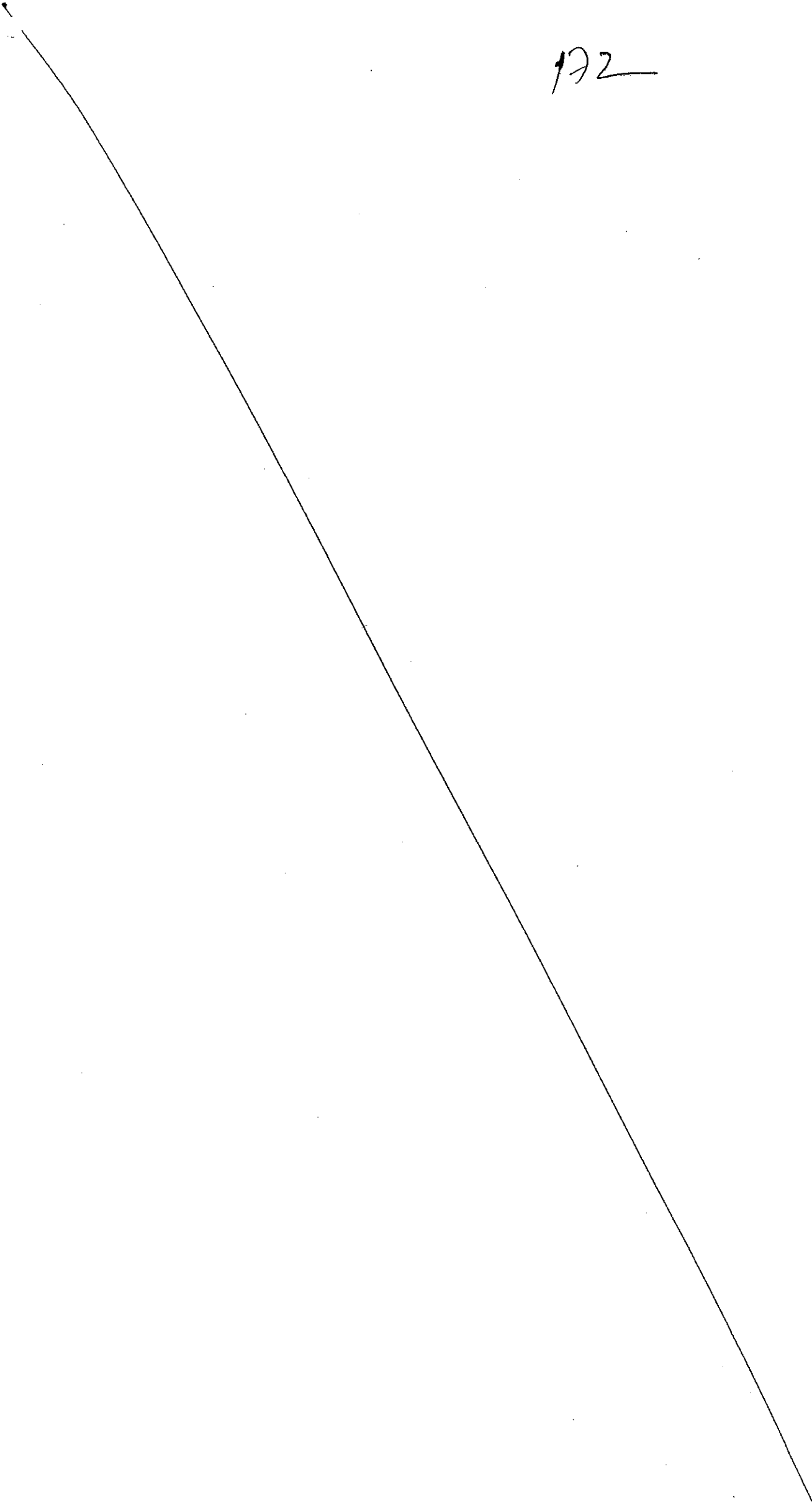
Witnesses

In the presence of

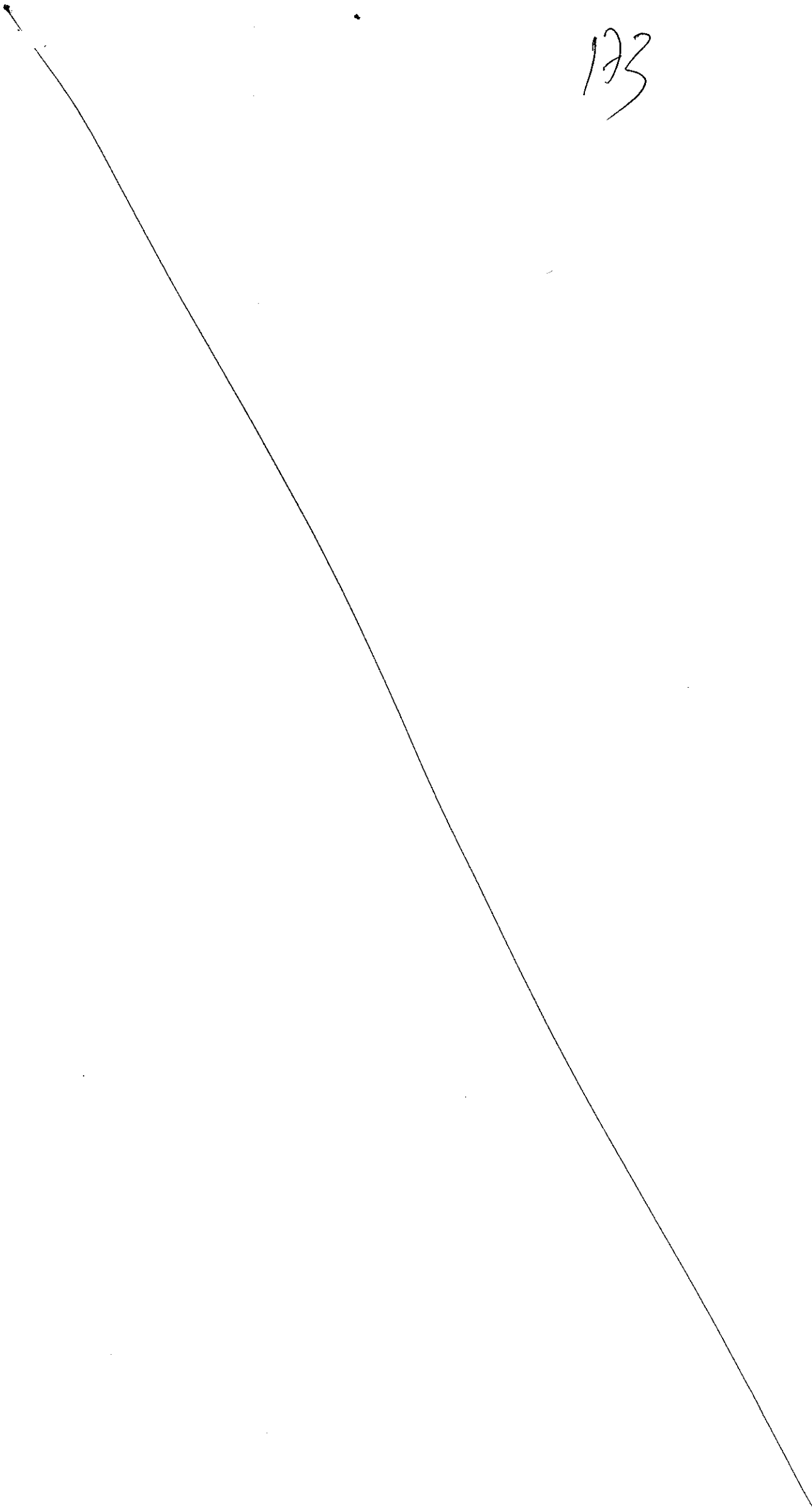
1) Signature
Name
Address

2) Signature *K. Kiran Kumar*
Name K. KIRAN KUMAR REDDY.
Address 6-3-787, FLAT-403, SHARLI ESTATES,
ROYAL PAVILION, AMBERPET, HYDERABAD-16

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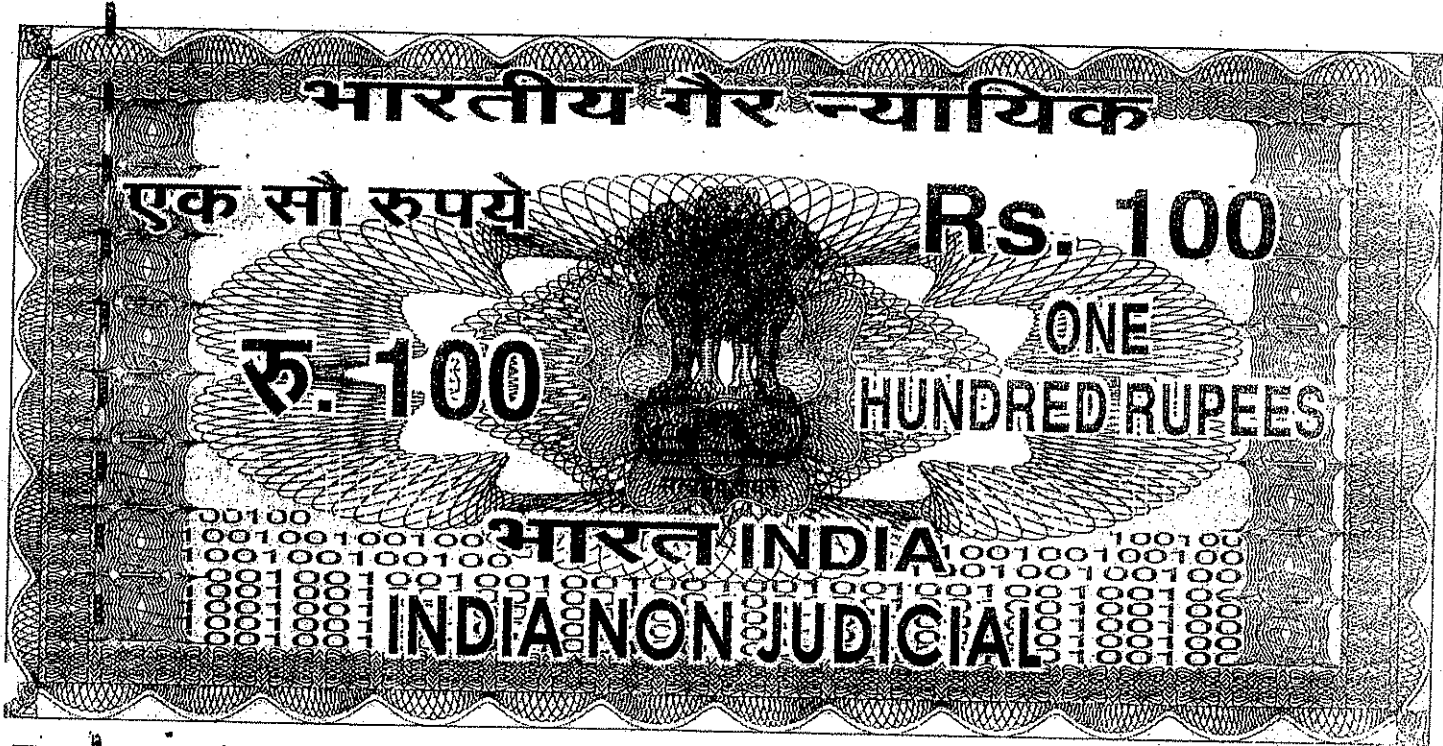


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Annexure No.9

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తెలంగాణ తెలంగాణ TELANGANA

Sl.No. 265 Date: 20-05-2017, Rs.100/-
Name: T.RAJU, S/O. LATE ADAVAIAH, R/O.HYD
For Whom: AXIS WIND FARMS (BELGUPPA) PRIVATE LIMITED

S. Laxmi Narayana K 897356
S.LAXMI NARAYANA
Licenced Stamp Vendor
Lic No. 16-11-02/06, Ren.No. 16-11-11/15
Off & Res. 6-3-392, Behind Panjagutta Police Station
Panjagutta, Hyderabad(South) District.

**POWER PURCHASE AGREEMENT
BETWEEN
SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED
AND
M/S. AXIS WIND FARMS (BELGUPPA) PRIVATE LIMITED**

39 This Power Purchase Agreement (the "Agreement") entered into this day of June, 2017 between Southern Power Distribution Company of AP Limited (DISCOM), incorporated by the Government of Andhra Pradesh in accordance with the Andhra Pradesh Electricity Reform Act 1998 (Act No.30 of 1998), under the provisions of Companies Act, 1956, having its office at 19-3-65/A, Ragavendra Nagar, Kesavayana Gunta, Tiruchanoor Road Tirupati, Pin-517501, AP, India, hereinafter referred to as the "DISCOM" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as first party, and M/s. Axis wind Farms (Belguppa) private limited, a company incorporated under companies Act,

For Axis Wind Farms (Belguppa) Pvt. Ltd.

T. Raju
Authorised Signatory

S. Laxmi Narayana
CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI

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1956, having registered office at 2nd floor, Plot No.3, H.No. 6-3-680/8/3, PMR Plaza, Thakur Mansion lane, Somajiguda, Hyderabad - 500 082, India, hereinafter referred to as the "Wind Power Producer" (which expression shall, unless repugnant to the con-text or meaning thereof, include its successors and assigns) as second party.

2. WHEREAS, the Wind Power Producer is setting up the New and Renewable Energy Project i.e., the 50.4 MW capacity Wind power project at Belguppa Site in Anantapuram District, Andhra Pradesh (hereafter called the Project,) with a proposal of 0.252 MW for Auxiliary Consumption and 50.148 MW for export to grid for Sale to DISCOM as detailed in Schedule-I attached herewith, and New and Renewable Energy Development Corporation of Andhra Pradesh Limited hereafter referred to as M/s NREDCAP has accorded approval to the said project in their Proceedings No.NREDCAP/WE/Axis/503/2016, dt. 30.05.2016 and NREDCAP/WE/Axis/503/2017, dt. 31.05.2017 and the Wind Power Producer has entered into an Agreements with NREDCAP on 06.06.2016 and 31.05.2017 the copies whercof are attached herewith as Schedule-II and Schedule III respectively;

3. WHEREAS, it has been agreed that the Project will be designed, engineered and constructed and operated by or on behalf of the Wind Power Producer or its successors with reasonable diligence subject to all applicable Indian laws, rules, regulations and orders having the force of law;


4. Whereas, the proposed Project is being setup under cluster of Wind power projects proposed at Belguppa Site in Anantapuram District, Andhra Pradesh and will be connected to Extra High Voltage (EHV) Pooling Substation to be built for power evacuation from Wind power projects. The Project will share a common metering at line isolator on outgoing feeder on High Voltage (HV) side of the Pooling Substation along with other Wind power projects. The Project will also have a separate metering at Project's switchyard.

5. The terms and conditions of the Agreement are subject to the provisions of the Electricity Act, 2003 (36 of 2003) and the amendments made to the act from time to time, and also subject to regulation by the APERC.

6. Now therefore, in consideration of the foregoing premises and their mutual covenants herein, and for other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto, intending to be legally bound hereby agree as follows:

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
ATMULLA KRISHNAPATI

**ARTICLE 1
DEFINITIONS**

As used in this Agreement, the following terms shall have the meanings set forth herein below. Defined terms of singular number shall include the plural and vice-versa.

1.1 **APTRANSCO:** Transmission Corporation of Andhra Pradesh Limited, incorporated by the Government of Andhra Pradesh.

1.2 **Billing Date:** means the fifth (5th) day after the Meter Reading Date.

1.3 **Billing Month:** means the period commencing from 25th of the calendar month and ending on the 24th of the next calendar month.

1.4 **Commercial Operation Date (COD):** means, with respect to each Generating unit, the date on which such Generating unit is declared by the Wind Power Producer to be operational, provided that the Wind Power Producer shall not declare a Generating unit to be operational until such Generating unit has completed its performance acceptance test as per standards prescribed.

Explanation: In respect of Non-conventional based power projects the date of synchronisation of the first unit of the project will be treated as the Commercial Operation Date of the project.


1.5 **Delivered Energy:** means, with respect to any Billing Month, the kilo watt hours (kWh) of electrical energy generated by the Project and delivered to the DISCOM at the Interconnection Point as defined in Article 1.10, as measured by the common energy meter at the Interconnection Point during that Billing Month. As indicated in the preamble, the delivered energy recorded by the common meter shall be sum of energy delivered by all Wind power projects connected to the Pooling Substation.

Explanation 1: For the purpose of clarification, Delivered Energy, excludes all energy consumed in the Project, by the main plant and equipment, lighting and other loads of the Project from the energy generated and as recorded by energy meter at Interconnection Point.

Explanation 2: The delivered energy in a Billing Month shall be limited to the energy calculated based on the Capacity agreed for export to network for sale to DISCOM as mentioned in Preamble and Schedule -I, multiplied with number of hours and fraction thereof the project is in operation during that

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI

billing month. In case any excess energy is delivered no payment shall be made for the same.

Explanation 3: The Delivered Energy will be equal to energy recorded by the individual meter at Project's switchyard minus apportioned line losses from Project's switchyard to interconnection point and shall be calculated as per the formula mentioned below:

$$\text{Delivered Energy} = X1 - (X1 \times Z \%)$$

Where

X1 is the reading of the energy meter installed at the Project's switchyard.

Z% is the line loss incurred in the transmission line between the Project and the Pooling Substation and shall be:

$$Z = \frac{(X1 + X2 + X3 + X4 + \dots) - Y}{(X1 + X2 + X3 + X4 + \dots)} \times 100$$

Where


Y is the reading of the common energy meter installed at interconnection point. X1, X2, X3, X4 etc. are the readings of the energy meters installed at the various individual Wind power projects being developed/proposed to be set up in the area and connected to the Pooling Substation.

1.6 Due Date of Payment: means the date on which the amount payable by the DISCOM to the Wind Power Producer hereunder for Delivered Energy, if any, supplied during a Billing Month becomes due for payment, which date shall be thirty (30) days from the Meter Reading Date provided the bill is received by DISCOM within 5 days from Meter Reading Date, and in the case of any supplemental or other bill or claim, if any, the due date of payment shall be thirty (30) days from the date of the presentation of such bill or claim to the designated officer of the DISCOM.

1.7 Financial Year: shall mean, with respect to the initial Fiscal Year, the period beginning on the Commercial Operation Date and ending at 12.00 midnight on the following March 31. Each successive Financial Year shall begin on April 1 and end on the following March 31, except that the final Fiscal Year shall end on the date of expiry of the Term or on termination of this Agreement, whichever is earlier.

1.8 Installed Capacity: means the total rated capacity in MW of all the Wind Energy Generators installed by the Wind Power Producer.
For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
APC
APC

1.9 Interconnection Facilities: means all the equipment and facilities, including, but not limited to, all metering facilities, switchgear, substation facilities, transmission lines and related infrastructure, to be installed at the voltage specified in Article 1.20 at the Wind Power Producer's expense from time to time throughout the term of this Agreement, necessary to enable the DISCOM to economically, reliably and safely receive Delivered Energy from the Project in accordance with the terms of this Agreement. As indicated in the preamble, the interconnection facilities beyond Project's switchyard shall be common for Wind Power Producer and other Wind power projects connected to the Pooling Substation.

1.10 Interconnection Point: means the line isolator on outgoing feeder on HV side of the pooling sub-station i.e., the sub-station at project site of wind farm which consists of step-up transformer(s) and associated switchgear and to the LV side of which, multiple generating unit(s) i.e., wind turbine generators are connected.

1.11 Meter Reading Date: means mid-day (i.e., noon) of the 24th (twenty-fourth) day of each calendar month, at the Interconnection Point.

1.12 Metering Point: means points where metering shall be provided for Project and shall be as follows:

- (i) Common meter provided at the Interconnection Point for purposes of recording of Delivered Energy of the Project;
- (ii) Individual meter provided at Project's switchyard;
- (iii) Metering point shall include two separate sets of 0.2 / 0.2S class accuracy electronic tri-vector meters as specified in Article 4.1, main meter installed by the Wind Power Producer and the check meter installed by the DISCOM and both sealed by the DISCOM, having facilities to record both export and import of electricity to / from the grid.

1.13 Project: means the 50.4 MW capacity Wind power project at Belguppa Site in Anantapuram District, Andhra Pradesh with a proposal of 0.252 MW for Auxiliary Consumption and 50.148 MW for export to network for Sale to DISCOM as entrusted to the Wind Power Producer for construction and operation as detailed in Agreement entered into with NREDCAP as shown in Schedule -III attached herewith and includes the metering system.

1.14 Prudent Utility Practices: means those practices, methods, techniques and standards, that are generally accepted for use in electric utility industries

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taking into account conditions in India, and commonly used in prudent electric utility engineering and operations to design, engineer, construct, test, operate and maintain equipment lawfully, safely, efficiently and economically as applicable to power stations of the size, service and type of the Project, and that generally conform to the manufacturers' operation and maintenance guidelines.

1.15 **Pooling or Receiving Substation:** means 33KV/220 KV SS constructed, owned and maintained by the Wind Power Producer at Belguppa in Anantapuram District for the sole purpose of evacuating energy generated by the Project to the Grid System and for facilitating interconnection between the transmission lines emanating from the Project and the Grid System. As indicated in the Preamble, the Pooling Substation will be common for all Wind power projects connected to the Pooling Substation.

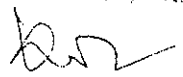
1.16 **SLDC:** means the State Load Dispatch Center as notified by the State Government under the provisions of the Electricity Act 2003.


1.17 **System Emergency:** means a condition affecting the APTRANSCO's/DISCOM's electrical network which threatens the safe and reliable operation of such system or which is likely to result in the disruption of safe, adequate and continuous electric supply by the APTRANSCO/DISCOM, or which endangers life or property, which condition is affected or aggravated by the continued delivery of Delivered Energy from the Project.

1.18 **Surcharge on Reactive Power drawn by Wind Farms:** means the charges leviable on the reactive power drawn by Wind Farms at the rate of 25 paise (twenty five paise) per KVARh of reactive energy drawn from grid upto 10% of net active energy generated and 50 paise per KVARh for total drawl if reactive energy drawn is more than 10% of net active energy generated. The above mentioned rates are subject to revision as per APERC orders from time to time. The reactive power drawn as recorded by meters at interconnection point includes the reactive power drawn by all the Wind Power Producers in the cluster. As such the reactive power recorded by the meters at the interconnection point shall be shared by all the individual power producers in the ratio of the active energy delivered by them individually.

Explanation 1: Induction generators used in Wind Farms draw reactive power from grid during generator mode and motor mode.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


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CHIEF GENERAL MANAGER
APTRANSCO
ADRI LAKSHMI SRIPATI

Explanation 2: Surcharge on reactive power drawn by Wind Farms will be levied on the Wind Power Producer.

1.19 Unit: When used in relation to the generating equipment, means one set of turbine generator and auxiliary equipment, and facilities forming part of the project and when used in relation to electrical energy, means kilo watt hour (kWh).

1.20 Voltage of Delivery: means the voltage at which the electrical energy generated by the project is required to be delivered to the APTRANSCO at the Interconnection Point and the Voltage of Delivery is as detailed below:

(Note: Insert Table A or Table B whichever is applicable)

TABLE - A

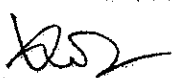
At 33 KV level:


Project interfacing		Specified type of AAAC Conductor (size)	Proposed Wind power capacity on each 33 KV line
From	To		
Wind project	Existing 33/11 KV DISCOM SS	55 sqmm	8 MW
		100 sqmm	10 MW*
		150 sqmm	
Wind project	EHT Pooling SS or existing EHT APTRANSCO SS	55 sqmm	8 MW
		100 sqmm	12 MW
		150 sqmm	17 MW**

* Capacity is restricted considering less load availability in DISCOM SS.

** As amended vide Commission's order dated 11-07-2012 in O.P.No. 7 of 2012 read with letter dated 04-06-2014 attached herewith as Schedule - IV

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


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CHIEF GENERAL MANAGER
P & MM & IPC
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TABLE - B

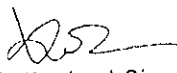
At EHT level:


Project interfacing		EHT Level	Proposed Wind power capacity
From	To		
Pooling SS	Existing APTRANSCO EHT SS	132 KV	(i) Up to 50 MW on SC Line (ii) Above 50 MW to 100 MW on DC Line
Pooling SS	Existing APTRANSCO EHT SS	220 KV	Above 100 MW

This Project will generate electrical energy at 690 Volts, which will be stepped up to 33 KV at Project's switchyard. The electrical energy will be further stepped up from 33 KV to 220 KV at Pooling Substation and delivered to the grid. (And the developer has to construct 220 KV pooling station at generating site and shall connect radially to LV Bus of upcoming 400/220 KV Uravakonda SS))

1.21 All other words and expressions, used herein and not defined herein but defined in Indian Electricity Rules 1956, AP Electricity Reform Act, 1998 and the Electricity Act, 2003 shall have the meanings respectively assigned to them in the said Acts.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
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APTRANSCO

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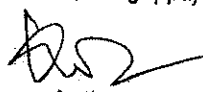
ARTICLE 2

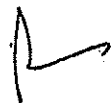
PURCHASE OF DELIVERED ENERGY AND TARIFF

- 2.1 All the Delivered Energy at the interconnection point for sale to DISCOM will be purchased at the tariff provided for in Article 2.2 from and after the date of Commercial Operation of the Project. Title to Delivered Energy purchased shall pass from the Wind Power Producer to the DISCOM at the Interconnection Point.
- 2.2 The Wind Power Producer shall be paid tariff for energy delivered at the interconnection point for sale to DISCOM, which shall be firm at Rs.4.76 per unit without considering Accelerated Depreciation for a period of 25 Years from the Commercial Operation Date (COD) as per APERC order dated 30.03.2017 in O.P. No. 15 of 2017.
- 2.3 Tariff Determined under these regulations shall be exclusive of taxes and duties as may be levied by the Government.
- Provided that the taxes and duties levied by the Government shall be allowed as pass through on actually incurred basis.
- 2.4 Income tax/ MAT is a pass through and is to be paid by the Distribution Licensees to the developer upon receipt of the claim from the developer. This is over and above the tariff determination made here in.
- Electricity Duty is a pass through and is to be paid by the Distribution Licensees to the developer upon receipt of the claim from the developer. This is over and above the tariff determination made herein.
- 2.5 Where in any Billing month, the energy supplied by the DISCOM to the Wind Power Producer as a bilateral arrangement to maintain the Auxiliaries in the power plant in situations of non-generation of power, shall be billed by the DISCOM, and the Wind Power Producer shall pay the DISCOM for such electricity supplies, at the DISCOM's then-effective tariff applicable to High Tension Category-I Consumers. For this purpose, the maximum demand specified in such DISCOM's Tariff shall be computed by dividing the amount of such energy supplied by the DISCOM by hours of drawl of power from the grid in the Month.

Explanation: The Wind plants during the plant shut down periods shall draw the energy from DISCOM only for the essential loads not exceeding auxiliary consumption.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
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ARTICLE 3
INTERCONNECTION FACILITIES

3.1 Upon receipt of a requisition from the Wind Power Producer, the APTRANSCO and DISCOM will prepare an estimate for arranging interconnection facilities for power evacuation at the voltage level as per Article 1.20. The Wind Power Producer have to bear the entire cost of the interconnection facilities as per the sanctioned estimate. The APTRANSCO and DISCOM shall evaluate, design, and install the Interconnection Facilities and perform all work, at the Wind Power Producer's expense, necessary to economically, reliably and safely connect the grid system to the Project switch yard.

3.2 APTRANSCO and DISCOM may also permit the Wind Power Producer to execute the interconnection facilities for power evacuation as per the sanctioned estimate at it's discretion duly collecting the supervision charges as per procedure in vogue.

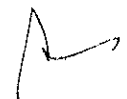
3.3 The Wind Power Producer shall own, operate and maintain interconnection facilities from Project to Pooling Substation from time to time and necessary expenditure shall have to be borne by the Wind Power Producer. The maintenance work on the Generating units has to be done in coordination with the APTRANSCO and DISCOM.

3.4 The Wind Power Producer shall agree to pay to the DISCOM, on or before signing of this Agreement, at the rate of Rs.37,000/- per MW of Installed Capacity and for fractions thereof on a pro-rata basis as a one time lump sum payment for the sole purpose of providing the required MVAR capacity at the Substation of the APTRANSCO and / or DISCOM to supply the requisite reactive power to the Grid System.

APTRANSCO and /or DISCOM shall install the capacitors of required capacity, at the substation of the APTRANSCO and/or DISCOM before commercial operation date of the project.

Fur Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory



CHIEF GENERAL MANAGER
APTRANSCO
APTRANSCO TRUSTATI

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- 3.5 Any modifications or procedures or changes in arranging interconnection facilities for power evacuations rest with APTRANSCO and DISCOM.
- 3.6 During the period prior to the Commercial Operation Date, on the request of the Wind Power Producer, the DISCOM will supply energy to the Project for internal consumption, on the Terms and Conditions and at the tariff rates that are applicable from time to time to the category of consumers of the DISCOM to which the Wind Power Producer belongs, provided separate metering arrangements as may be required under the Terms and Conditions of such tariff have been installed at the Project.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorized Signatory


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P & MM & IPC
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ARTICLE 4
METERING AND PROTECTION

4.1 The Wind Power Producer shall install main meters of Static type 0.2 / 0.2S class accuracy at the Metering Point and the DISCOM shall install check meters of Static type at the same point and of the same accuracy. The main meters and check meters will each consist of a pair of export and import meters with facility for recording meter readings using Meter Recording Instrument. For the purpose of uniformity the Wind Power Producer shall follow metering specifications as developed by the DISCOM from time to time.

4.2 All of the meters required to be installed pursuant to Article 4.1 above shall be jointly inspected and sealed on behalf of both parties and shall not be interfered with, tested or checked except in the presence of representatives of both parties.


4.3 The meter readings from the main meters will form the basis of billing. If any of the meters required to be installed pursuant to Article 4.1 above are found to be registering inaccurately the affected meter will be immediately be replaced.

4.4 Where the half yearly meter check indicates an error in one of the main meter/meters beyond the limits for such meter but no such error is indicated in the corresponding check meter/meters, billing for the month will be done on the basis of the reading on the check meter/meters and the main meter will be replaced immediately.

4.5 If during the half yearly test checks, both the main meters and the corresponding check meters are found to be beyond permissible limits of error, both the meters shall be immediately replaced and the correction applied to the consumption registered by the main meter to arrive at the correct delivered energy for billing purposes for the period of the one month up to the time of such test check, computation of delivered energy for the period thereafter till the next monthly meter reading shall be as per the replaced main meter.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorized Signatory


CHIEF GENERAL MANAGER
APSCED (APC)
APSCED (APC)

4.6 Corrections in delivered energy billing, whenever necessary, shall be applicable to the period between the previous monthly meter reading and the date and time of the test calibration in the current month when the error is observed and this correction shall be for the full value of the absolute error. For the purpose of determining the correction to be applied to any meter registering inaccurately, the meter shall be tested under conditions simulating 100, 50, 20 and 10 percent load at unity power factor and 0.5 power factor. Of these eight values, the error at the load and power factor nearest the average monthly load served at the Interconnection Point during the applicable period shall be taken as the error to be applied for correction.

4.7 If both the main and check meters fail to record or if any of the PT fuses are blown out, then the energy will be computed on a mutually agreeable basis for that period of defect.

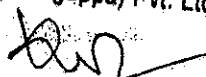
4.8 The main and check meters shall be tested and calibrated once in a Financial year utilizing a Standard Meter. The Standard Meter shall be calibrated once in every year at the approved Laboratory by Government of India / Government of Andhra Pradesh, as per Terms and Conditions of supply.

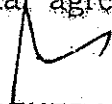
4.9 All main and check meters tests shall be jointly conducted by the authorized representatives of both parties and the results and correction so arrived at mutually will be applicable and binding on both the parties.

4.10 On the Meter Reading Date of each month, meter readings shall be taken (and an acknowledgement thereof signed) by the authorized representatives of both parties.

4.11 Within six (6) months following the execution of this Agreement, the Wind Power Producer and the DISCOM shall mutually agree to technical and performance specifications (including, but not limited to, the metering configuration for the Project) concerning the design and operation of the facilities required to be installed by the Wind Power Producer in order for the Wind Power Producer to operate in parallel with the grid. Thereafter, any change in such specifications shall be subject to mutual agreement of the parties.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorized Signatory


CHIEF GENERAL MANAGER
P. & MM & IPC
APSPDCL :: TIRUPATI

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4.12 The Project shall be operated and maintained in accordance with good and generally accepted utility standards with respect to synchronizing, voltage, frequency and reactive power control.

4.13 Voltage regulation shall be such as to enable continued paralleling and synchronisation with the network voltage at the point of interconnection.

4.14 The equipment of the Wind Power Producer shall be designed for fluctuations in the frequency within limits of -5% and +3% of the standard frequency of 50 cycles per second.

4.15 The Wind power developer shall ensure that the power factor of the power delivered to the DISCOM is maintained as per the APERC/CEA/CERC norms from the time to time.

4.16 Any change in rupturing capacity of switch-gear, settings of the relays, etc., shall be subject to approval of the DISCOM.

4.17 As the Project's generator may carry fault currents that may occur on the grid, the Wind Power Producer shall provide adequate generator and switchgear protection against such faults. The DISCOM is not responsible for damage, if any, caused to the Project's generator and allied equipment during parallel operation of the generator with the grid.


4.18 The Wind Power Producer shall make a good faith effort to operate the Project in such a manner as to avoid fluctuations and disturbances to the APTRANSCO's / DISCOM's network due to parallel operation with the network.

4.19 The Wind Power Producer shall control and operate the Project as per Prudent Utility Practices. The DISCOM shall only be entitled to request the Wind Power Producer to reduce electric power and energy deliveries from the Project during a System Emergency, and then only to the extent that in the DISCOM's reasonable judgment such a reduction will alleviate the emergency. The DISCOM shall give the Wind Power Producer as much advance notice of such a reduction as is practicable under the circumstances and shall use all reasonable efforts to remedy the circumstance causing the reduction as soon as possible. Any reduction required of the Wind Power Producer hereunder shall be implemented in a manner consistent with safe operating procedures.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory

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CHIEF GENERAL MANAGER
DISCOM & APERC
APTRANSCO, BELUGUPPA

ARTICLE 5
BILLING AND PAYMENT

5.1 For Delivered Energy purchased, Wind Power Producer shall furnish a bill to the DISCOM calculated at the rate provided for in Article 2.2, in such form as may be mutually agreed between the DISCOM and the Wind Power Producer, for the billing month on or before the 5th working day following the Meter Reading Date.

5.2 For payment of bills of the generating company through letter of credit, a rebate of 2 % shall be allowed.

Where payments are made other than through letter of credit within a period of one month of presentation of bills by the generating company, a rebate of 1% shall be allowed.

Any payment made beyond the due date of payment, DISCOM shall pay interest at existing SBI base rates plus one percent and in case this rate is reduced, such reduced rate is applicable from the date of reduction.

5.3 The DISCOM shall pay the bill on monthly basis as per Article 5.1.

5.4 **Letter of Credit:** Not later than 30 days prior to the Scheduled COD of the Generating Unit, DISCOM shall cause to be in effect an irrevocable revolving Letter of Credit issued in favour of Wind Power Developer for a minimum period of one year by a Scheduled Bank (the "Letter of Credit").

a. However Letter of Credit shall not be invoked for any disputed bill amount.


5.5 **Direct payment:** Wind developer shall submit bills for the energy delivered during the billing period as per the provision of this PPA and there upon DISCOMs shall make payment for the eligible bill amount by the due date of payment.

5.6 **Billing disputes:** The DISCOM shall pay the bills of Wind Power Producer promptly subject to the clauses 5.1 and 5.2 above.

The DISCOM shall notify Wind Power Producer in respect of any disallowed amount on account of any dispute as to all or any portion of the bill. Wind Power Producer shall immediately take up issue with all relevant information

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
P & MM & IPC
AFSPDCL :: TIRUPATI

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with DISCOM which shall be rectified by the DISCOM, if found satisfactory. Otherwise notify its (DISCOM's) rejection of the disputed claim within reasonable time with reasons therefor. The dispute may also be decided by mutual agreement. If the resolution of any dispute requires the DISCOM to reimburse Wind Power Producer, the amount to be reimbursed shall bear interest at SBI base rates plus one percent and in case this rate is reduced, such reduced rate is applicable from the date of reduction from the date of disallowance to the date of reimbursement.


5.7 All payments by the DISCOM to Wind Power Producer hereunder shall be made to such address as may be designated by Wind Power Producer to the DISCOM in writing from time to time.

Address : M/s. Axis wind Farms (Belguppa) private limited
2nd floor, Plot No.3, H.No. 6-3-680/8/3,
PMR Plaza, Thakur Mansion lane,
Somajiguda, Hyderabad - 500 082,.

Telephone : 91-040-23412312 & 23412313
Fax : 91 -040 23412314
E-mail id : contact@axisenergy.in

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
DISCOM
ANANTHAPUR


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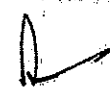
ARTICLE 6
UNDERTAKING

6.1 The Wind Power Producer shall be responsible:

- (i) For proper maintenance of the project in accordance with established prudent utility practices.
- (ii) For operation, maintenance, overhaul of the plant, equipment, works, switch yard and transmission lines and equipment up to the Interconnection Point of the project in close coordination with the DISCOM.
- (iii) The Wind Power Producer shall furnish the generation and maintenance schedules every year.
- (iv) For making all payments on account of any taxes, cess, duties or levies imposed by any Government or competent statutory authority on the land, equipment, material or works of the project or on the energy generated or consumed by the project or the Wind Power Producer or on the income or assets of the Wind Power Producer.
- (v) For obtaining necessary approvals, permits or licences for operation of the project and sale of energy to DISCOM there from under the provision of the relevant laws.
- (vi) The Wind Power Producer have to comply with the provisions of the AP Code of Technical Interface (Grid Code).
- (vii) For achieving Commercial Operation Date within two years from the date of signing of the Agreement.
- (viii) For seeking approval of APTRANSCO and DISCOM in respect of Interconnection Facilities, Pooling Substation and synchronization of the Project with grid.
- (ix) The Wind Power Producer shall not dismantle and take away project machinery and interconnection facilities during the PPA term.
- (x) After 25th year of the operation from Commercial Operation Date, if plant continues to operate, the DISCOM shall have the first right of refusal on power purchase from the Wind power plant. The tariff beyond 25th year shall be as mutually agreed by both the parties; subject to approval of APERC.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory



CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI

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(xi) **Sharing of Clean Development Mechanism (CDM) benefits:** The Proceeds of carbon credit from approved CDM Project shall be shared between generating company and concerned beneficiaries in the following manner namely.

(a) 100% of the gross proceeds on account of CDM benefits is to be retained by the project developer in the first year after the date of commercial operation of the generating station.

(b) In the second year, the share of the beneficiaries shall be 10 % which shall be progressively increased by 10% every year till it reaches 50%, where after the proceeds shall be shared in equal proportion, by the generating company and the beneficiaries.

6.2 The DISCOM agrees:


(i) To make all reasonable efforts for making arrangements for evacuation of power from the project to be completed prior to the Commercial Operation Date of the Project subject to Article 3.

(ii) For purchase of Delivered Energy from the project as per section 2.2.

(iii) To co-ordinate with APTRANSCO and assist the Wind Power Producer in obtaining approval for the interconnection facilities where the interconnection is at 132 kV or above voltages, for synchronization, Commercial Operation, regular operation etc., as required by the Wind Power Producer.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
APTRANSCO
APTRANSCO, BANGALORE

ARTICLE 7**DURATION OF AGREEMENT**

This Agreement shall be effective upon its execution and delivery thereof between parties hereto and shall continue in force from the Commercial Operation Date (COD) and until the twenty fifth (25th) anniversary that is for a period of twenty five years from the Commercial Operation Date (COD). This Agreement may be renewed for such further period of time and on such terms and conditions as may be mutually agreed upon by the parties, 90 days prior to the expiry of the said period of twenty five years, subject to the consent of the APERC. Any and all incentives/conditions envisaged in the Articles of this Agreement are subject to modification from time to time as per the directions of APERC.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory



CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI

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**ARTICLE 8
NOTICES**

8.1 Except as otherwise expressly provided in this Agreement, all notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered personally or sent by registered or certified mail, email or fax addressed as follows:

If to the Wind Power Producer:

Attention : M/s. Axis wind Farms (Belguppa) private limited
2nd floor, Plot No.3, H.No. 6-3-680/8/3,
PMR Plaza, Thakur Mansion lane,
Somajiguda, Hyderabad - 500 082,.

Telephone : 91-040-23412312 & 23412313
Fax : 91 -040 23412314
E-mail id : contact@axisenergy.in

If to the DISCOM:
Attention

: Chief General Manager, (IPC & P&MM)
APSPDCL,
19-13-65-A, Corporate Office ,
Ragavendra Nagar , Kesavayana Gunta,
Tiruchanoor Rd, Tirupati - AP, India - 517501


Fax No. : 0877-2237407
Telephone No. : 0877-2237407
Email id : gmipcpspdcl@gmail.com

8.2 All notices or communications given by email, fax shall be confirmed by depositing a copy of the same in the post office in an envelope properly addressed to the appropriate party for delivery by registered or certified mail. All notices shall be deemed delivered upon receipt, including notices given by email, fax regardless of the date the confirmation of such notice is received.

8.3 Any party may by written notice change the address and/or addresses to which such notices and communications to it are to be delivered or mailed.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
AP SP DCL
TIRUPATI

**ARTICLE 9
DEFAULT**

9.1 The Wind Power Producer shall achieve Commercial Operation Date within two years from the date of signing of the Agreement, default of which, the Agreement is liable for termination and the same can be done at the option of DISCOM with due notice.

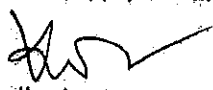
9.2 In the event, DISCOM commits a breach of any of the terms of this Agreement, the Wind Power Producer shall be entitled to specific performance of this Agreement or claim such damages as would be available under Law or both, at its option, by giving 30 days notice to DISCOM.

9.3 In the event, Wind Power Producer commits a breach of any of the terms of this Agreement, the DISCOM shall be entitled to specific performance of this Agreement or claim such damages as would be available under Law or both, at its option, by giving 30 days notice to Wind Power Producer.

9.4 If the default continues for a period of 30 days or more, either party will have a right to issue a preliminary notice for termination of this Agreement. If the default is not cured within 30 days thereafter, either party can terminate this Agreement and can claim damages at its option.

9.5 In the event of cancellation of the Project allotted to the Wind Power Producer by NREDCAP for any reason, the PPA with DISCOM will automatically get cancelled;

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL - TIRUPATI

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ARTICLE 10
DISPUTE RESOLUTION

10.1 Each Party shall designate in writing to the other party a representative who shall be authorized to resolve any dispute arising under this Agreement in an equitable manner.


10.2. Following notice by one Party to the other setting out the particulars of the dispute, if the designated representatives are unable to resolve a dispute under this Agreement within 15 days, such dispute shall be referred by such representatives to a senior officer designated by the Wind Power Producer and a senior officer designated by the DISCOM, respectively, who shall attempt to resolve the dispute within a further period of 15 days.

10.3. The Parties hereto agree to use their best efforts to attempt to resolve all disputes arising hereunder promptly, equitably and in good faith and further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such dispute.

10.4 Failing resolution of the dispute in terms of the above provisions or even otherwise, any party may approach the AP Electricity Regulatory Commission to adjudicate upon the dispute in terms of Section 86 (1) (f) of Electricity Act, 2003.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
APERC
APERC

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ARTICLE 11
SPECIAL PROVISIONS

11.1 The waiver of any breach or failure to enforce any of the terms, covenants or conditions of this Agreement shall not in any way affect, limit, modify or waive the future enforcement of such terms, covenants or conditions.

11.2 No oral or written modification of this Agreement either before or after its execution shall be of any force or effect unless such modification is in writing and signed by the duly authorized representatives of the Wind Power Producer and the DISCOM, subject to the condition that any further modification of the Agreement shall be done only with the prior approval of Andhra Pradesh Electricity Regulatory Commission. However, the amendments to the Agreement as per the respective orders of APERC from time to time shall be carried out.

11.3 However, in respect of power evacuation, the voltage levels for interfacing with grid will be as per Article 1.20. The cost of interconnection facilities has to be borne by the Wind Power Producer as per Article 3.

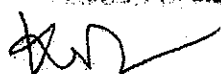
11.4 The invalidity or unenforceability for any reason of any provision of this Agreement shall not prejudice or affect the validity or enforceability of any other provision of this Agreement.


11.5 The failure of any party to insist in one or more instances upon the strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or relinquishment of any such rights but the same shall continue in full force and effect.

11.6 Unless the context otherwise requires, every arrangement, procedure or any other matter which is, under any of the provisions of this Agreement,

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

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Authorized Signatory


CHIEF GENERAL MANAGER
P & MM & IFC
APSPECL :: TIRUPATI

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required to be mutually agreed upon between the parties, shall be concluded by a written Agreement between the parties not later than the date specified in the concerned clause of this Agreement, subject to the consent of the APERC.

11.7 This Agreement, including Schedule I, II & III attached hereto, constitute the entire agreement between the parties with respect to the subject matter hereof, and there are no oral or written understandings, representations or commitments of any kind, express or implied, not set forth herein.

11.8 The headings contained herein are included solely for the convenience of the parties and are not to be used as a basis for interpreting the various sections of this Agreement.

11.9 The parties each agree to act in good faith in implementing the terms and conditions of this Agreement and in carrying out their respective obligations hereunder.

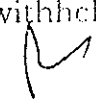
11.10 In the event of the merger or re-organisation of DISCOM, if the resulting entity is able to perform DISCOM's obligations hereunder in no less a manner than DISCOM, the resulting entity shall take the right and responsibility for performance of DISCOM's obligations.

11.11 In the event of the merger or re-organisation of Wind Power Producer if the resulting entity is able to perform Wind Power Producer's obligations hereunder in no less a manner than Wind Power Producer, the resulting entity shall take the right and responsibility for performance of Wind Power Producer's obligations.

11.12 **Assignment and Financing:** Neither party shall assign this Agreement or any portion thereof to any third party without the prior written consent of the other party which consent shall not be unreasonably withheld.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
APERC
APERC, BELUGUPPA

IN WITNESS WHEREOF, the Wind Power Producer and the DISCOM have caused this Agreement to be executed as of the date and the year first set forth above.

For and behalf of
SOUTHERN POWER DISTRIBUTION COMPANY
OF A.P. LIMITED
CHIEF GENERAL MANAGER
P & MM & IPC
APSPDCL :: TIRUPATI

WITNESS

1. *[Signature]*
ASE/PIA

By:

2.

Its:

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

[Signature]
Authorised Signatory

For and behalf of
M/S. AXIS WIND FARMS (BELGUPPA) PRIVATE LIMITED

WITNESS

1. *[Signature]*

By: JAYA PRASAD F

2.

Its:

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SCHEDULE I
Particulars of the Project
(Referred to in the Preamble to the Agreement)

Name of the Project	Location	No. of Wind Energy Converters	Capacity of the Project*	Power export to the Grid In MW
M/s. Axis wind Farms (Belguppa) private limited	Belguppa site in Anantapuram District	WTGs 24 (2.1 MW each)	50.4 MW	50.148
	WTG Survey No			
	BLG 058 302 & 304			
	BLG 059 291			
	BLG 060 277			
	BLG 061 274			
	BLG 062 456			
	BLG 064 323			
	BLG 065 329			
	BLG 066 415			
	BLG 067 432			
	BLG 068 398			
	BLG 070 368 & 372			
	BLG 100 306 & 293			
	BLG 101 287 & 294			
	BLG 102 175			
	BLG 103 175			
	BLG 104 179			
	BLG 105 167 & 177			
	BLG 114 153 & 152			
BLG 115 175				
BLG 116 197				
BLG 146 49 & 50				
BLG 147 51				
BLG 148 58 & 55				
BLG 149 65 & 60				

* Out of 50.4 MW, 0.252 MW is for Auxiliary Consumption and 50.148 MW is for export to grid for sale to DISCOM.

SCHEDULE - II
(Copy of sanction proceedings from NREDCAP to the Company)


SCHEDULE - III
(Copy of agreement entered into by the Company with NREDCAP)

SCHEDULE - IV

Annexure - I to the Commission's order dated 30-03-2010 in O.P.No. 40 of 2010 and Commission's order dated 11-07-2012 in O.P.No.7 of 2012 and letter dated 04-06-2014 & Regulation No. 1 of 2015 and as per APERC Order dated 30.03.2017 in O.P. No.15 of 2017
For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory

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CHIEF GENERAL MANAGER
P. & M. S. I. P.
APERC, TIRUPATI



ఆంధ్ర ప్రదేశ్ ఆంధ్ర ప్రదేశ్ ANDHRA PRADESH

CK 335659

Serial No: 64287
Purchased By:
J V KUMAR
S/O LATE J V SASTRY
HYDERABAD

Denomination: 100

Date 11-12-2018

Stamp S. no CK 335659

For:
M/S AXIS WIND FARMS (BELUGUPPA)
PVT LTD

Sub Registrar
Ex. Office Stamp Vendor
SRO Tirupathi (R.0)

Amendment dated. 12-12-2018 entered between APSPDCL and M/s. Axis Wind Farms (Belguppa) Pvt. Ltd., to the Power Purchase Agreement (PPA) dated 03.06.2017.

This Amendment to Power Purchase Agreement dated 03.06.2017 ("Amendment Agreement") is being entered into this 12th day of December, 2018 between: Southern Power Distribution Company of AP Limited (Discom), incorporated by the government of Andhra Pradesh in accordance with the Andhra Pradesh electricity reform Act 1998 (Act No.30 of 1998), under the provisions of Companies Act, 1956, having its office at 19-13-65/A, Ragavendra Nagar, Kesavayana Gunta, Tiruchanoor Road Tirupati, Pin-517501, AP, India, hereinafter referred to as the "DISCOM" (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) as first party, and M/s. Axis Wind Farms (Belguppa) Private Limited, a company incorporated under companies Act, 1956, having registered office at 2nd floor, Plot No.3, H.No. 6-3-680/8/3, PMR Plaza, Thakur Mansion lane, Somajiguda, Hyderabad - 500 082, India, hereinafter referred to as the "Wind Power Producer" (which expression shall, unless repugnant to the con-text or meaning thereof, include its successors and assigns) as second party.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.

Authorised Signatory

CHIEF GENERAL MANAGAR
PROJECTS & IPC
APSPDCL : : TIRUPATHI

The first party and the second party shall hereinafter individually be referred as "Party" and collectively as "Parties".

WHEREAS, the Wind Power Producer is setting up the New and Renewable Energy Project i.e., the 50.4 MW capacity Wind power project at Beluguppa Site in Anantapuram District, Andhra Pradesh (hereafter called the Project,) with a proposal of 0.252 MW for Auxiliary Consumption and 50.148 MW for export to grid for Sale to DISCOM,

WHEREAS, the Parties had executed power purchase agreement dated 03.06.2017 ("PPA") in relation to sale of power from the Project to the DISCOM and have subsequently executed amendment agreement dated 27.06.2018 ("First Amendment"),

WHEREAS, the Hon'ble APERC has communicated certain remarks in respect of the PPAs vide Lt.No. APERC/JD(PPP)/DD(PPP)/F.No.E-509/D.No.953/ 18, Dt. 20.11.2018


WHEREAS, in view of the above the Parties have discussed and agreed to annul the First Amendment and further agreed to amend few provisions of the PPA and in consideration of the foregoing premises and their mutual covenants herein and under the PPA, and for other valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties, intending to be legally bound hereby agree as follows:

1. The Parties agree that immediately upon the execution of this Amendment Agreement, the First Amendment Dt.27.06.2018 shall stand annulled and superseded by this Amendment Agreement.
2. Article 1.15 of the PPA shall stand revised and replaced with the following:

"Pooling or Receiving Substation: means 33/220 KV SS constructed, owned and maintained by the Wind Power Producer at Beluguppa Anantapuram District for the sole purpose of evacuating energy generated by the Project to the Grid System and for facilitating interconnection between the transmission lines emanating from the Project and the Grid System. As indicated in the Preamble, the Pooling Substation will be common for all Wind power projects connected to the Pooling Substation."

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


**CHIEF GENERAL MANAGER
PROJECTS & IPC
APSPDCL : : TIRUPATHI**

3. Article 2.2 of the PPA shall stand revised and replaced with the following:

"The Wind Power Producer shall be paid tariff for energy delivered at the interconnection point for sale to DISCOM, which shall be at the tariff rate as determined by APERC in accordance with section 61, Section 62, Section 86 of Electricity Act, 2003 and the principles contained in the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017 and the orders of APERC, without considering Accelerated Depreciation for a period of 25 years from the Commercial Operation Date."

4. Article 9.1 of the PPA shall stand revised and replaced with the following:

"The Wind Power Producer shall achieve Commercial Operation Date within two years from the date of consent for this Agreement is granted by APERC, default of which, the Agreement is liable for termination and the same can be done at the option of the DISCOM with due notice."

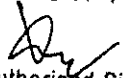
5. Article 11.7 of the PPA shall stand revised and replaced with the following:


"11.7 This Agreement, including Schedule I, II, III, IV & V attached hereto, constitute the entire agreement between the parties with respect to the subject matter hereof, and there are no oral or written understandings, representations or commitments of any kind, express or implied, not set forth herein."

6. SCHEDULE IV of the PPA shall stand revised and replaced with the following:

"Annexure - I to the Commission's order dated 30-03-2010 in O.P. No. 40 of 2010 and Commission's Order dated 11-07-2012 in O.P. No. 7 of 2012 and letter dated 04-06-2014 and the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017."

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorized Signatory


CHIEF GENERAL MANAGAR
PROJECTS & IPC
APSPDCL : : TIRUPATHI

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7. SCHEDULE V as stated below shall be added:


SCHEDULE -- V

Copy of Project Implementation Agreement dated 03.10.2016 entered between APTRANSCO, APSPDCL, APEPDCL and M/s. Suzlon Energy Ltd., & M/s.Axis Energy Ventures India Pvt. Ltd.

8. This Amendment Agreement shall form an integral part of the PPA and except as stated herein above all other terms and conditions of the PPA shall remain unaltered and shall apply to this Amendment Agreement.
9. This Amendment Agreement shall be effective upon execution and shall be enforceable subject to receipt of consent of Andhra Pradesh Electricity Regulatory Commission under Section 21 of the A.P. Electricity Reform Act, 1998.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGER
PROJECTS & IPC
APSPDCL : : TIRUPATHI

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SCHEDULE I
Particulars of the Project
(Referred to in the Preamble to the Agreement)

Name of the Project	Location	No. of Wind Energy Converters	Capacity of the Project*	Power export to the Grid In MW
M/s. Axis wind Farms (Belguppa) private limited	Belguppa site in Anantapuram District	WTGs 24 (2 .1 MW each)	50.4 MW	50.148
	WTG Survey No			
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	BLG 062 456			
	BLG 064 323			
	BLG 065 329			
	BLG 066 415			
	BLG 067 432			
	BLG 068 298			
	BLG 070 363 & 372			
	BLG 100 306 & 293			
	BLG 101 287 & 294			
	BLG 102 175			
	BLG 103 175			
	BLG 104 179			
	BLG 105 167 & 177			
	BLG 114 153 & 152			
BLG 115 175				
BLG 116 197				
BLG 146 49 & 50				
BLG 147 51				
BLG 148 58 & 55				
BLG 149 65 & 60				

* Out of 50.4 MW, 0.252 MW is for Auxiliary Consumption and 50.148 MW is for export to grid for sale to DISCOM.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


CHIEF GENERAL MANAGAR
PROJECTS & IPC
APSPDCL : : TIRUPATHI

2047

SCHEDULE - II

(Copy of sanction proceedings from NREDCAP to the Company)

SCHEDULE - III

(Copy of agreement entered into by the Company with NREDCAP)

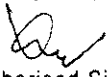
SCHEDULE - IV


Annexure - 1 to the Commission's order dated 30-03-2010 in O.P.No. 40 of 2010 and Commission's order dated 11-07-2012 in O.P.No.7 of 2012 and letter dated 04-06-2014 & Regulation No. 1 of 2015.

SCHEDULE - V

Copy of Project Implementation Agreement dated 03.10.2016 entered between APTRANSCO, APSPDCL, APEPDCL and M/s. Suzlon Energy Ltd., & M/s.Axis Energy Ventures India Pvt. Ltd.

For Axis Wind Farms (Beluguppa) Pvt. Ltd.


Authorised Signatory


**CHIEF GENERAL MANAGER
PROJECTS & IPC
APSPDCL : : TIRUPATHI**

Annexure
205-10



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

From
Secretary,
11-4-660, 4th Floor,
Singareni Bhavan,
Red Hills, Lakdikapool,
Hyderabad - 500 004.

To
The Chief General Manager,
P&MM & IPC, APSPDCL,
Ragavendra Nagar, Kesavayanagunta,
Tiruchanoor Road, Tirupati.

Lr.No. APERC/JD(PPP)/DD/PPP/F.No.E-1146/D.No.395/2018, Dt.15-05-2018

Sir,

Sub:- APERC -12 Nos. Power Purchase Agreement of various Wind Power Project Clients of M/s Suzlon Gujarat Wind Park Ltd., and M/s Axis Wind Farms Vajrakarur at Beluguppa and Vajrakarur in Ananthapur Dist, Andhra Pradesh-Reg.

- Ref:-
1. Govt. of A.P. Lr.No. 117/Pr-II(A1)/2016, dated 14.09.2017.
 2. Lr.No.APSPDCL/TPT/GM/IPC/F./D.No.23/18, dt:10.01.2018.
 3. Lr.No.APSPDCL/TPTCGM/P&MM&IPC/GM/IPC/DE1/F./D.No.322/18 Dt. 09.04.2018.
 4. Lr.No. APERC/JD(PPP)/D.D/PPP/F.No.E-1146/D.No.324/2018, Dt. 20.04.2018.
 5. Lr.No.APSPDCL/TPT/CGM/IPC//GM/IPC/DE1/F.Axis/D.No.379/18 dt: 26.04.2018.

With reference to your letter 2nd cited, wherein 12 Nos. Power Purchase Agreements have been submitted to the Commission for information, to determine tariff rates and to take further action and keeping in view the clarifications/documents furnished vide letters dated 09-04-2018 and 26-04-2018 cited at '3' and '4' above, I am directed to inform that further action, if any, on merits and as per law, can take place only upon filing an application for determination of tariff under Section 62 in such manner and accompanied by such fee.

The directions given by the Commission in the Retail Supply Tariff Order dated 27-03-2018, for FY2018-19, as it relates to Renewable Energy Projects including but not limited to on the issues of Must-run status and duration of agreement on which AP Discoms have to come back to the Commission with detailed views, may be expedited so that the findings of the Commission thereon can be used to mould the Power Purchase to achieve the desired effect, while considering to grant consent to new PPAs or determine tariff, henceforth on merits and as per law.

Yours faithfully,

Secretary (i/c)

Copy to:
The Chief Engineer, IPC, APPCC,
Vidyut Soudha, Khairatabad, Hyderabad - 500 082.

M/s Axis Energy Ventures Pvt Ltd, H.No.6-3-680/3, Plot No.3, 2nd floor,
PMR Plaza, Thakur Mansion lane, Somajiguda, Hyderabad, AP.



CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources)
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CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

No.: 1/21/2017-Reg.Aff./ (RE-Tariff - 2017-20)/CERC

Dated: 17th April 2017

NOTIFICATION

In exercise of powers conferred under Section 61 read with Section 178 (2)(s) of the Electricity Act, 2003 (36 of 2003), and all other powers enabling it in this behalf, and after previous publication, the Central Electricity Regulatory Commission hereby makes the following regulations, namely:

1. Short title and commencement

- 1) These regulations may be called the Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2017.
- 2) These regulations shall come into force on 1.4.2017, and unless reviewed earlier or extended by the Commission, shall remain in force for a period of 3 years from the date of commencement.

2. Definitions and Interpretation

- 1) In these regulations, unless the context otherwise requires,
 - a) 'Act' means the Electricity Act, 2003 (36 of 2003);
 - b) 'Auxiliary energy consumption' or 'AUX' in relation to a period in case of a generating station means the quantum of energy consumed by auxiliary equipment of the generating station, and transformer losses

CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources)
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- within the generating station, expressed as a percentage of the sum of gross energy generated at the generator terminals of all the units of the generating station;
- c) 'Biomass' means wastes produced during agricultural and forestry operations (for example straws and stalks) or produced as a by-product of processing operations of agricultural produce (e.g., husks, shells, deoiled cakes, etc); wood produced in dedicated energy plantations or recovered from wild bushes/weeds; and the wood waste produced in some industrial operations;
- d) 'Biomass gasification' means a process of incomplete combustion of biomass resulting in production of combustible gases consisting of a mixture of Carbon monoxide (CO), Hydrogen (H₂) and traces of Methane (CH₄), which is called producer gas;
- e) 'Biogas' means a gas created when organic matter like crop residues, sewage and manure breaks down in an oxygen-free environment (ferments);
- f) 'Capital cost' means the capital cost as defined in regulations 12, 25, 28, 33, 44, 52, 57, 62, 70 and 77;
- g) 'Commission' means the Central Electricity Regulatory Commission referred to in sub-section (1) of section 76 of the Act;
- h) 'Conduct of Business Regulations' means the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 as amended from time to time;
- i) 'Control Period or Review Period' means the period during which the norms for determination of tariff specified in these regulations shall remain valid;
- j) 'Gross calorific value' or 'GCV' in relation to a fuel used in generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one liter of liquid fuel or one standard cubic meter of gaseous fuel, as the case may be;
- k) 'Gross station heat rate' or 'SHR' means the heat energy input in
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- kCal required to generate one kWh of electrical energy at generator terminals of a thermal generating station;
- l) **'Hybrid Solar Thermal Power Plant'** means the solar thermal power plant that uses other forms of energy input sources along with solar thermal energy for electricity generation, and wherein not less than 75% of electricity is generated from solar energy component;
- m) **'Installed capacity'** or 'IC' means 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 generator terminals), approved by the Commission from time to time;
- n) **'Inter-connection Point'** shall mean interface point of renewable energy generating facility with the transmission system or distribution system, as the case maybe:
- i. in relation to wind energy projects and solar photovoltaic Projects, inter-connection point shall be line isolator on outgoing feeder on HV side of the pooling sub-station;
 - ii. in relation to small hydro power, biomass power and non fossil fuel based cogeneration power projects and solar thermal Power Projects the, inter-connection point shall be line isolator on outgoing feeder on HV side of generator transformer;
- o) **'MNRE'** means the Ministry of New and Renewable Energy of the Government of India;
- p) **'Municipal solid waste'** or 'MSW' means and includes commercial and residential wastes generated in a municipal or notified areas in either solid or semi-solid form excluding industrial hazardous wastes but including treated bio-medical wastes;
- q) **'Non-firm power'** means the power generated from renewable sources, the hourly variation of which is dependent upon nature's phenomenon like sun, cloud, wind, etc., that cannot be accurately predicted;
- r) **'Non fossil fuel based co-generation'** means the process in which
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more than one form of energy (such as steam and electricity) are produced in a sequential manner by use of biomass provided the project may qualify to be a co-generation project if it fulfills the eligibility criteria as specified in clause (4) of Regulation 4;

- s) **'Operation and maintenance expenses'** or 'O&M expenses' means the expenditure incurred on operation and maintenance of the project, or part thereof, and includes the expenditure on manpower, repairs, spares, consumables, insurance and overheads;
- t) **'Project'** means a generating station or the evacuation system upto inter-connection point, as the case may be, and in case of a small hydro generating station includes all components of generating facility such as dam, intake water conductor system, power generating station and generating units of the scheme, as apportioned to power generation;
- u) **'Refuse derived fuel'** or 'RDF' means segregated combustible fraction of solid waste other than chlorinated plastics in the form of pellets or fluff produced by drying, de-stoning, shredding, dehydrating, and compacting combustible components of solid waste that can be used as fuel;
- v) **'Renewable Energy'** means the grid quality electricity generated from renewable energy sources;
- w) **'Renewable Energy Power Plants'** means the power plants other than the conventional power plants generating grid quality electricity from renewable energy sources;
- x) **'Renewable Energy Sources'** means renewable sources such as small hydro, wind, solar including its integration with combined cycle, biomass, bio fuel cogeneration, urban or municipal waste and other such sources as approved by the MNRE;
- y) **'Small Hydro'** means Hydro Power projects with a station capacity up to and including 25 MW;
- z) **'Solar PV power'** means the Solar Photo Voltaic power project that uses sunlight for direct conversion into electricity through Photo Voltaic



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technology;

- aa) **'Solar Thermal power'** means the Solar Thermal power project that uses sunlight for direct conversion into electricity through Concentrated Solar Power technology based on either line focus or point focus principle;
- bb) **'Tariff period'** means the period for which tariff is to be determined by the Commission on the basis of norms specified under these Regulations;
- cc) **'Useful Life'** in relation to a unit of a generating station including evacuation system shall mean the following duration from the date of commercial operation (COD) of such generation facility, namely:-
 - (a) Wind energy power project 25 years
 - (b) Biomass power project with Rankine cycle technology 20 years
 - (c) Non-fossil fuel cogeneration project 20 years
 - (d) Small Hydro Plant 35 years
 - (e) Municipal Solid Waste (MSW)/ and Refuse Derived Fuel (RDF) based power project 20 years
 - (f) Solar PV/Solar thermal power project 25 years
 - (g) Biomass Gasifier based power project 20 years
 - (h) Biogas based power project 20 years

dd) **'Year'** means a financial year.

(2) Save as aforesaid and unless repugnant to the context or if the subject-matter otherwise requires, words and expressions used in these regulations and not defined, but defined in the Act, or the Indian Electricity Grid Code or the Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations, 2014 shall have the meanings assigned to

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them respectively in the Act or the Indian Electricity Grid Code or the Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations, 2014.

3. **Scope and extent of application**

These regulations shall apply in all cases where tariff, for a generating station or a unit thereof commissioned during the Control Period and based on renewable sources of energy, is to be determined by the Commission under Section 62 read with Section 79 of the Act.

Provided that in cases of Wind, Small Hydro projects, Biomass power based on Rankine cycle, non-fossil fuel based cogeneration projects, Solar PV, Solar Thermal power projects, Biomass gasifier, Biogas power project, Municipal solid waste and Refuse derived fuel based power projects, these regulations shall apply subject to the fulfillment of eligibility criteria specified in Regulation 4 of these Regulations.

4. **Eligibility Criteria**

- a) **Wind power project** – using new wind turbine generators, located at the sites approved by State Nodal Agency/State Government.
- b) **Small hydro project** – located at the sites approved by State Nodal Agency/ State Government using new plant and machinery, and installed power plant capacity to be lower than or equal to 25 MW at single location.
- c) **Biomass power project based on Rankine cycle technology** – Biomass power projects using new plant and machinery based on Rankine cycle technology and using biomass fuel sources, without use of fossil fuel.
- d) **Non-fossil fuel based co-generation project:** The project shall qualify to be termed as a non-fossil fuel based co-generation project, if it is using new plant and machinery and is in accordance with the definition and also meets the

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qualifying requirement outlined below:

Topping cycle mode of co-generation – Any facility that uses non-fossil fuel input for the power generation and also utilizes the thermal energy generated for useful heat applications in other industrial activities simultaneously.

Provided that for the co-generation facility to qualify under topping cycle mode, the sum of useful power output and one half the useful thermal output be greater than 45% of the facility's energy consumption, during season.

Explanation- For the purposes of this clause,

- (a) 'Useful power output' is the gross electrical output from the generator. There will be an auxiliary consumption in the cogeneration plant itself (e.g. the boiler feed pump and the FD/ID fans). In order to compute the net power output it would be necessary to subtract the auxiliary consumption from the gross output. For simplicity of calculation, the useful power output is defined as the gross electricity (kWh) output from the generator.
- (b) 'Useful Thermal Output' is the useful heat (steam) that is provided to the process by the cogeneration facility.
- (c) 'Energy Consumption' of the facility is the useful energy input that is supplied by the fuel (normally bagasse or other such biomass fuel).
- (d) 'Topping Cycle' means a co-generation process in which thermal energy produces electricity followed by useful heat application.

- e) **Solar PV and Solar Thermal Power Project** – Based on technologies approved by MNRE.
- f) **Biomass Gasifier based Power Project** – The project shall qualify to be termed as a biomass gasifier based power project, if it is using new plant and machinery and having a Grid connected system that uses 100% producer gas engine, coupled with gasifier technologies approved by MNRE.
- g) **Biogas based Power Project** – The project shall qualify to be termed as a biogas based power project, if it is using new plant and machinery and having

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grid connected system that uses 100% Biogas fired engine, coupled with Biogas technology for co-digesting agriculture residues, manure and other bio waste as may be approved by MNRE.

- h) **Municipal solid waste (MSW) based power projects** – The project shall qualify to be termed as a Municipal solid waste (MSW) based power project if it is using new plant and machinery based on Rankine cycle technology and using Municipal solid waste (MSW) as fuel sources
- i) **Refuse derived fuel (RDF) based power projects** – The project shall qualify to be termed as a Refuse derived fuel (RDF) based power project, if it is using new plant and machinery based on Rankine cycle technology and using Refuse derived fuel (RDF) as fuel sources

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Chapter 1: General Principles

5. Control Period or Review Period

The Control Period or Review Period under these Regulations shall be of three (3) years, of which the first year shall be the financial year 2017-18.

Provided further that the tariff determined as per these Regulations for the RE projects commissioned during the Control Period, shall continue to be applicable for the entire duration of the Tariff Period as specified in Regulation 6 below.

Provided also that the revision in Regulations for next Control Period shall be undertaken six months prior to the end of the first Control Period and in case Regulations for the next Control Period are not notified until commencement of next Control Period, the tariff norms as per these Regulations shall continue to remain applicable until notification of the revised Regulations subject to adjustments as per revised Regulations.

6. Tariff Period

- a) The Tariff Period for Renewable Energy power projects will be same as their Useful Life as defined in Regulation 2 (1) (cc)
- b) Tariff period under these Regulations shall be considered from the date of commercial operation of the renewable energy generating stations.
- c) Tariff determined as per these Regulations shall be applicable for Renewable Energy power projects, for the duration of the Tariff Period as stipulated under Clause (a) and (b).

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CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources)
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7. Project Specific tariff

a) Project specific tariff, on case to case basis, shall be determined by the Commission for the following types of projects:

- i. Solar PV and Solar Thermal;
- ii. Wind Energy (including on-shore and off-shore);
- iii. Biomass Gasifier based projects; if a project developer opts for project specific tariff;
- iv. Biogas based projects; if a project developer opts for project specific tariff;
- v. Municipal Solid Waste and Refuse Derived Fuel based projects with Rankine cycle technology;
- vi. Hybrid Solar Thermal Power Projects;
- vii. Other hybrid projects include renewable-renewable or renewable-conventional sources, for which renewable technology is approved by MNRE;
- viii. Any other new renewable energy technologies approved by MNRE.

b) Determination of Project specific tariff for generation of electricity from such renewable energy sources shall be in accordance with such terms and conditions as stipulated under relevant Orders of the Commission.

c) No annual generic tariff shall be determined for the technologies mentioned in Clause (a) of this Regulation. Financial and Operational norms as may be specified would be the ceiling norms while determining the project specific tariff.

Provided that the financial norms as specified under Chapter-2 of these Regulations, except for capital cost, shall be ceiling norms while determining the project specific tariff.

8. Petition and proceedings for determination of tariff

(1) The Commission shall determine the generic tariff on the basis of suo-motu petition six months in advance at the beginning of each year of the Control

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period for renewable energy technologies for which norms have been specified under the Regulations.

(2) A petition for determination of project specific tariff shall be accompanied by such fee as may be determined by regulations and shall be accompanied by:

- a) Information in forms 1.1, 1.2, 2.1 and 2.2 as the case may be, and as appended in these regulations;
- b) Detailed project report outlining technical and operational details, site specific aspects, premise for capital cost and financing plan etc.
- c) A statement of all applicable terms and conditions and expected expenditure for the period for which tariff is to be determined.
- d) A statement containing full details of calculation of any subsidy and incentive received, due or assumed to be due from the Central Government and/or State Government. This statement shall also include the proposed tariff calculated without consideration of the subsidy and incentive.
- e) Any other information that the Commission requires the petitioner to submit.

(3) The proceedings for determination of tariff shall be in accordance with the Conduct of Business Regulations.

9. Tariff Structure

The tariff for renewable energy technologies shall be single part tariff consisting of the following fixed cost components:

- (a) Return on equity;
- (b) Interest on loan capital;
- (c) Depreciation;
- (d) Interest on working capital;
- (e) Operation and maintenance expenses;

Provided that for renewable energy technologies having fuel cost component, like biomass power projects and non-fossil fuel based cogeneration, single part

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tariff with two components, fixed cost component and fuel cost component, shall be determined.

10. Tariff Design

- (1) The generic tariff shall be determined considering the year of commissioning of the project, on levellised basis for the Tariff Period. Provided that for renewable energy technologies having single part tariff with two components, tariff shall be determined on levellised basis considering the year of commissioning of the project for fixed cost component while the fuel cost component shall be specified on year of operation basis.
- (2) For the purpose of levellised tariff computation, the discount factor equivalent to Post Tax weighted average cost of capital shall be considered.
- (3) Levellisation shall be carried out for the 'useful life' of the Renewable Energy project.
- (4) The above principles shall also apply for project specific tariff.

11. Despatch principles for electricity generated from Renewable Energy Sources:

- (1) All renewable energy power plants except for biomass power plants with installed capacity of 10 MW and above, and non-fossil fuel based cogeneration plants shall be treated as 'MUST RUN' power plants and shall not be subjected to 'merit order despatch' principles.
- (2) The biomass power generating station with an installed capacity of 10 MW and above and non-fossil fuel based co-generation projects shall be subjected to scheduling and despatch code as specified under Indian Electricity Grid Code (IEGC) and Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2014 including amendments thereto.

CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources)
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- (3) Scheduling of wind and solar energy shall be governed as per the aforesaid provisions of Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Third Amendment) Regulations, 2015 and Central Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) (Second Amendment) Regulations, 2015 as amended from time to time.

Chapter 2: Financial Principles

12. Capital Cost

The norms for the Capital cost as specified in the subsequent technology specific chapters shall be inclusive of all capital work including plant and machinery, civil work, erection and commissioning, financing and interest during construction, and evacuation infrastructure up to inter-connection point.

Provided that for project specific tariff determination, the generating company shall submit the break-up of capital cost items along with its petition in the manner specified under Regulation 8.

13. Debt Equity Ratio

(1) For generic tariff to be determined based on suo-motu petition, the debt equity ratio shall be 70:30.

(2) For Project specific tariff, the following provisions shall apply:-

If the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan.

Provided that where equity actually deployed is less than 30% of the capital cost, the actual equity shall be considered for determination of tariff:

Provided further that the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment.

14. Loan and Finance Charges

(1) Loan Tenure

For the purpose of determination of tariff, loan tenure of 13 years shall be considered.

CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources)
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(2) Interest Rate

- (a) The loans arrived at in the manner indicated in Regulation 13 shall be considered as gross normative loan for calculation for interest on loan. The normative loan outstanding as on April 1st of every year shall be worked out by deducting the cumulative repayment up to March 31st of previous year from the gross normative loan.
- (b) For the purpose of computation of tariff, normative interest rate of two hundred (200) basis points above the average State Bank of India Marginal Cost of Funds based Lending Rate (MCLR) (one year tenor) prevalent during the last available six months shall be considered.
- (c) Notwithstanding any moratorium period availed by the generating company, the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.

15. Depreciation

- (1) The value base for the purpose of depreciation shall be the Capital Cost of the asset admitted by the Commission. The Salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the Capital Cost of the asset.
- (2) Depreciation rate of 5.28% per annum for first 13 years and remaining depreciation to be spread during remaining useful life of the RE projects considering the salvage value of the project as 10% of project cost shall be considered.
- (3) Depreciation shall be chargeable from the first year of commercial operation.

Provided that in case of commercial operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

16. Return on Equity

- (1) The value base for the equity shall be 30% of the capital cost or actual equity (in case of project specific tariff determination) as determined under Regulation 13.
- (2) The normative Return on Equity shall be 14%, to be grossed up by prevailing Minimum Alternate Tax (MAT) as on 1st April of previous year for the entire useful life of the project.

17. Interest on Working Capital

- (1) The Working Capital requirement in respect of Wind energy projects, Small Hydro Power, Solar PV and Solar thermal power projects shall be computed in accordance with the following:
 - a) Operation & Maintenance expenses for one month;
 - b) Receivables equivalent to 2 (Two) months of energy charges for sale of electricity calculated on the normative Capacity Utilisation Factor (CUF);
 - c) Maintenance spare @ 15% of operation and maintenance expenses
- (2) The Working Capital requirement in respect of Biomass power projects with Rankine Cycle technology, Biogas, Biomass Gasifier based power projects, non-fossil fuel based Co-generation, Municipal Solid Waste and Refuse Derived Fuel projects shall be computed in accordance with the following clause :
 - a) Fuel costs for four months equivalent to normative Plant Load Factor (PLF);
 - b) Operation & Maintenance expense for one month;
 - c) Receivables equivalent to 2 (Two) months of fixed and variable charges for sale of electricity calculated on the target PLF;
 - d) Maintenance spare @ 15% of operation and maintenance expenses

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**CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources)
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- (3) Interest on Working Capital shall be at interest rate equivalent to the normative interest rate of three hundred (300) basis points above the average State Bank of India MCLR (One Year Tenor) prevalent during the last available six months for the determination of tariff.

18. Calculation of CUF/PLF:

The number of hours for calculation of CUF/PLF (wherever applicable) for various RE technologies shall be 8766.

19. Operation and Maintenance Expenses

- (1) 'Operation and Maintenance or O&M expenses' shall comprise repair and maintenance (R&M), establishment including employee expenses, and administrative and general expenses.
- (2) Operation and maintenance expenses shall be determined for the Tariff Period based on normative O&M expenses specified by the Commission subsequently in these Regulations for the first Year of Control Period.
- (3) Normative O&M expenses allowed during first year of the Control Period (i.e. FY 2017-18) under these Regulations shall be escalated at the rate of 5.72% per annum over the Tariff Period.

20. Rebate.

- (1) For payment of bills of the generating company through letter of credit, a rebate of 2% shall be allowed.
- (2) Where payments are made other than through letter of credit within a period of one month of presentation of bills by the generating company, a rebate of 1% shall be allowed.

21. Late payment surcharge

In case the payment of any bill for charges payable under these regulations is

delayed beyond a period of 60 days from the date of billing, a late payment surcharge at the rate of 1.25% per month shall be levied by the generating company.

22. Sharing of CDM Benefits

- (1) The proceeds of carbon credit from approved CDM project shall be shared between generating company and concerned beneficiaries in the following manner, namely-
 - a) 100% of the gross proceeds on account of CDM benefit to be retained by the project developer in the first year after the date of commercial operation of the generating station;
 - b) In the second year, the share of the beneficiaries shall be 10% which shall be progressively increased by 10% every year till it reaches 50%, where after the proceeds shall be shared in equal proportion, by the generating company and the beneficiaries.

23. Subsidy or incentive by the Central / State Government

The Commission shall take into consideration any incentive or subsidy offered by the Central or State Government, including accelerated depreciation benefit if availed by the generating company, for the renewable energy power plants while determining the tariff under these Regulations.

Provided that the following principles shall be considered for ascertaining income tax benefit on account of accelerated depreciation, if availed, for the purpose of tariff determination:

- i) Assessment of benefit shall be based on normative capital cost, accelerated depreciation rate as per relevant provisions under Income Tax Act and corporate income tax rate.
 - ii) Capitalization of RE projects during second half of the fiscal year. Per unit benefit shall be derived on levelled basis at discount factor equivalent to
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weighted average cost of capital.

24. Taxes and Duties

Tariff determined under these regulations shall be exclusive of taxes and duties as may be levied by the appropriate Government:

Provided that the taxes and duties levied by the appropriate Government shall be allowed as pass through on actual incurred basis.

Chapter 3: Technology specific parameters for Wind Energy

25. Capital Cost

The Commission shall determine only project specific capital cost and tariff based on prevailing market trends for wind energy project.

26. Capacity Utilisation Factor (CUF)

(1) CUF norms for this control period shall be as follows:

Annual Mean Wind Power Density (W/m ²)	CUF
Upto 220	22%
221-275	24%
276-330	28%
331-440	33%
> 440	35%

(2) The annual mean wind power density specified in sub-regulation (1) above shall be measured at 100 meter hub-height.

(3) For the purpose of classification of wind energy project into particular wind zone class, as per MNRE guidelines for wind measurement, wind mast either put-up by NWE or a private developer and validated by NWE, would be normally extended 10 km from the mast point in all directions for uniform terrain and limited to appropriate distance in complex terrain with regard to complexity of the site. Based on such validation by NWE, state nodal agency should certify zoning of the proposed wind farm complex.

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CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources)
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27. Operation and Maintenance (O & M) Expenses

The Commission shall determine only Project Specific O&M Expenses based on the prevailing market information.

Chapter 4: Technology specific parameters for Small Hydro Project

28. Capital Cost

- (1) The normative capital cost for small hydro projects during first year of Control Period (FY 2017-18) shall be as follows:

Region	Project Size	Capital Cost (Rs. Lakh/ MW)
Himanchal Pradesh, Uttarakhand, West Bengal and North Eastern States	Below 5 MW	1000
	5 MW to 25 MW	900
Other States	Below 5 MW	779
	5 MW to 25 MW	707

(2) Capital Cost Indexation Mechanism

The Capital Cost for SHP as specified for first year of control period will remain valid for the entire duration of the control period unless reviewed earlier by the Commission.

29. Capacity Utilisation Factor

CUF for the small hydro projects located in Himachal Pradesh, Uttarakhand, West Bengal and North Eastern States shall be 45% and for other States, CUF shall be 30%.

Explanation: For the purpose of this Regulation normative CUF is net of free power to the home state if any, and any quantum of free power if committed by the developer over and above the normative CUF shall not be factored into the tariff.

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30. Auxiliary Consumption

Normative Auxiliary Consumption for the small hydro projects shall be 1.0%.

31. Operation and Maintenance Expenses

(1) Normative O&M expenses for the first year of the Control period (i.e. FY 2017-18 shall be as follows.

Region	Project Size	O&M Expense (Rs. Lakh/ MW)
Himachal Pradesh, Uttarakhand, West Bengal and North Eastern States	Below 5 MW	36
	5 MW to 25 MW	27
Other States	Below 5 MW	29
	5 MW to 25 MW	21

(2) Normative O&M expenses allowed under these Regulations shall be escalated at the rate of 5.72% per annum for the Tariff Period for the purpose of determination of levellised tariff.

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Chapter 5: Technology specific parameters for Biomass Power Projects
based on Rankine Cycle Technology

32. Technology Aspect

The norms for tariff determination specified hereunder are for biomass power projects based on Rankine cycle technology application using air-cooled or water-cooled condenser.

33. Capital Cost

- (1) The Commission proposes to determine normative capital cost for FY 2017-18 for Biomass Projects as under;

Biomass Rankine Cycle Projects	Capital Cost (FY 2017-18) (Rs. lakhs/ MW)
Project [other than rice straw and juliflora (plantation) based project] with water cooled condenser	559.03
Project [other than rice straw and Juliflora(plantation) based project] with air cooled condenser	600.44
For rice straw and juliflora (plantation) based project with water cooled condenser	610.80
For rice straw and juliflora (plantation) based project with air cooled condenser	652.20

(2) Capital Cost Indexation Mechanism

The Capital Cost for Biomass Power Projects based on Rankine Cycle Technology as specified for first year of the control period will remain valid for the entire

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duration of the control period unless reviewed earlier by the Commission.

34. Plant Load Factor

- (1) Threshold PLF for determining fixed charge component of Tariff shall be:
 - a) During Stabilisation: 60%
 - b) During the remaining period of the first year (after stabilization): 70%
 - c) From 2 Year onwards: 80 %
- (2) The stabilisation period shall not be more than 6 months from the date of commissioning of the project.

35. Auxiliary Consumption

The auxiliary power consumption factor shall be as follows:-

- a) For the project using water cooled condenser:
 - i. During first year of operation : 11%
 - ii. From 2nd year onwards : 10%
- b) For the project using air cooled condenser:
 - i. During first year of operation : 13%
 - ii. From 2nd year onwards : 12%

36. Station Heat Rate

The Station Heat Rate for biomass power projects shall be :

- a) For projects using travelling grate boilers : 4200 kCal/kWh
- b) For projects using AFBC boilers : 4125 kCal/ kWh

37. Operation and Maintenance Expenses

- (1) Normative O&M expenses for the first year of the Control period (i.e. FY

2017-18 shall be Rs. 40 Lakh per MW.

(2) Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY 2017-18) under these Regulations shall be escalated at the rate of 5.72% per annum.

38. Fuel Mix

- (1) The biomass power plant shall be designed in such a way that it uses different types of non-fossil fuels available within the vicinity of biomass power project such as crop residues, agro-industrial residues, forest residues etc. and other biomass fuels as may be approved by MNRE.
- (2) The Biomass Power Generating Companies shall ensure fuel management plan to ensure adequate availability of fuel to meet the respective project requirements.

39. Use of Fossil Fuel

The use of fossil fuels shall not be allowed.

Provided that for the biomass power projects commissioned on or before 31.03.2017, the use of fossil fuels to the extent of 15% in terms of calorific value on annual basis shall be allowed for the tariff period from the date of commissioning.

40. Monitoring Mechanism for the use of fossil fuel

- (1) The Project developer shall furnish a monthly fuel usage statement and monthly fuel procurement statement duly certified by Chartered Accountant to the beneficiary (with a copy to appropriate agency appointed by the Commission for the purpose of monitoring the fossil and non-fossil fuel consumption) for each month, along with the monthly energy bill.
- (2) Non-compliance with the condition of fossil fuel usage by the project developer,

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during any financial year, shall result in withdrawal of applicability of tariff as per these Regulations for such biomass based power project.

41. Calorific Value

The Calorific Value of the biomass fuel used for the purpose of determination of tariff shall be at 3100 kCal/kg.

42. Fuel Cost

Biomass fuel price during first year of the Control Period (i.e. FY 2017-18) shall be as specified in the table below and shall be escalated at 5% to arrive at the base price for subsequent years of the Control Period, unless specifically reviewed by Commission. For the purpose of determining levelized tariff, a normative escalation factor of 5% per annum shall be applicable on biomass prices.

State	FY2017-18 (Rs./MT)
Andhra Pradesh	2873.22
Haryana	3270.39
Maharashtra	3344.85
Punjab	3420.56
Rajasthan	2854.60
Tamil Nadu	2826.05
Uttar Pradesh	2922.86
Other States	3073.05

Chapter 6: Technology specific parameters for Non-fossil fuel based
Cogeneration Projects

43. Technology Aspect

A project shall qualify as a non-fossil fuel based Co-generation project, if it is in accordance with the eligibility criteria as specified under Regulation 4(d).

44. Capital Cost

The normative capital cost for the non-fossil fuel based cogeneration projects shall be Rs. 492.5 Lakh/MW for high boiler pressure projects for the first year of Control Period (i.e. FY 2017-18), and will remain valid for the entire duration of the control period unless reviewed earlier by the Commission.

45. Plant Load Factor

- (1) For the purpose of determining fixed charge, the PLF for non- fossil fuel based cogeneration projects shall be computed on the basis of plant availability for number of operating days considering operations during crushing season and off-season as specified under clause (2) below and load factor of 92%.
- (2) The number of operating days for different States shall be as follows:

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State	Operating Days	Plant Load Factor (%)
Uttar Pradesh and Andhra Pradesh	120 days (crushing) + 60 days (off-season) = 180 days operating days	45%
Tamil Nadu and Maharashtra	180 days (crushing) + 60 days (off-season) = 240 days operating days	60%
Other States	150 days (crushing) + 60 days (off-season) = 210 days operating days	53%

46. Auxiliary Consumption

The auxiliary power consumption factor shall be 8.5% for the computation of tariff.

47. Station Heat Rate

The Station Heat Rate of 3600 kCal / kWh for power generation component alone shall be considered for computation of tariff for non-fossil fuel based Cogeneration projects.

48. Calorific Value

The Gross Calorific Value for Bagasse shall be considered as 2250 kCal/kg. For the use of biomass fuels other than bagasse, calorific value as specified under Regulation 41 shall be applicable.

49. Fuel Cost

- (1) The price of Bagasse for first year of the Control Period (i.e. FY 2017-18) shall be as specified in the table below and shall be escalated at 5% to arrive at the base price for subsequent years of the Control Period, unless specifically reviewed by Commission. For the purpose of determining levelized tariff, a normative escalation factor of 5% per annum shall be applicable on bagasse prices.

State	Bagasse Price FY2017-18 (Rs. / MT)
Andhra Pradesh	1622.16
Haryana	2307.26
Maharashtra	2273.75
Punjab	2030.49
Tamil Nadu	1747.51
Uttar Pradesh	1809.57
Other States	1964.71

- (2) For use of biomass other than bagasse in co-generation projects, the biomass prices as specified under Regulation 42 shall be applicable.

50. Operation and Maintenance Expenses

- (1) Normative O&M expenses during first year of the Control period (i.e. FY 2017-18) shall be Rs. 21.13 Lakh per MW.
- (2) Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY 2017-18) under these Regulations shall be escalated at the rate of 5.72% per annum.

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Chapter 7: Technology specific parameters for Solar PV Power Project

51. Technology Aspects

Norms for Solar Photovoltaic (PV) power projects under these Regulations shall be applicable for grid connected PV systems that directly convert solar energy into electricity and are based on technologies such as crystalline silicon or thin film etc. as may be approved by MNRE.

52. Capital Cost

The Commission shall determine only project specific capital cost and tariff based on prevailing market trends for Solar PV projects.

53. Capacity Utilisation Factor

The CUF for Solar PV project shall be 19%.

Provided that the Commission may deviate from above norm in case of project specific tariff determination in pursuance of Regulation 7 and Regulation 8.

54. Operation and Maintenance Expenses

The Commission shall determine only project specific O&M expenses based on prevailing market trends for Solar PV project.

55. Auxiliary Consumption

The auxiliary consumption factor shall be 0.25% of gross generation.

Provided that the Commission may deviate from the above norm in case of project specific tariff determination in pursuance of Regulation 7 and Regulation 8.

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Chapter 8: Technology specific parameters for Solar Thermal Power Project

56. Technology Aspects

Norms for Solar thermal power under these Regulations shall be applicable for Concentrated solar power (CSP) technologies viz. line focusing or point focusing, as may be approved by MNRE, and uses direct sunlight, concentrating it several times to reach higher energy densities and thus higher temperatures whereby the heat generated is used to operate a conventional power cycle to generate electricity.

57. Capital Cost

The Commission shall determine only project specific capital cost and tariff based on prevailing market trends for Solar Thermal project.

58. Capacity Utilisation Factor

The CUF for solar thermal project shall be 23%.

Provided that the Commission may deviate from the above norm in case of project specific tariff determination in pursuance of Regulation 7 and Regulation 8.

59. Operation and Maintenance Expenses

The Commission shall determine only project specific O&M expenses based on prevailing market trends for Solar Thermal project.

60. Auxiliary Consumption

The auxiliary consumption factor shall be 10%.

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Provided that the Commission may deviate from the above norm in case of project specific tariff determination in pursuance of Regulation 7 and Regulation 8.

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Chapter 9: Technology specific parameters for Biomass Gasifier Power Projects

61. Technology Aspect

The norms for tariff determination specified hereunder are for biomass gasifier based power projects.

62. Capital Cost

The normative capital cost for the biomass gasifier power projects based on Rankine cycle shall be Rs. 592.88 Lakh/MW (FY 2017-18 during first year of Control Period) and shall be same for subsequent years unless specifically ordered by the Commission. After taking into account of capital subsidy of Rs 150.00 lakhs/MW, net project cost shall be Rs. 442.88 Lakh/MW for FY 2017-18.

63. Plant Load Factor

Threshold PLF for determining fixed charge component of tariff shall be 85%.

64. Auxiliary Consumption

The auxiliary power consumption factor shall be 10% for the determination of tariff.

65. Specific fuel consumption

Normative specific fuel consumption shall be 1.25 kg per kWh.

66. Operation and Maintenance Expenses

(1) Normative O&M expenses for the first year of the Control period (i.e. FY 2017-18) shall be Rs. 52.83 Lakh per MW

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- (2) Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY 2017-18) under these Regulations shall be escalated at the rate of 5.72% per annum.

67. Fuel Mix

- (1) The Biomass Gasifier based power plant shall be designed in such a way that it uses different types of non-fossil fuels available within the vicinity of biomass power project such as crop residues, agro- industrial residues, forest residues etc. and other biomass fuels as may be approved by MNRE.
- (2) The Biomass Gasifier based Power Generating Companies shall ensure fuel management plan to ensure adequate availability of fuel to meet the respective project requirements.

68. Fuel Cost

Biomass fuel price for the Biomass gasifier based power project applicable for FY 2017-18 shall be the same as for Biomass based power project (Rankine cycle) as mentioned in Regulation 42.

2A1

Chapter 10: Technology specific parameters for Biogas based Power Projects

69. Technology Aspect

The norms for tariff determination specified hereunder are for grid connected biogas based power projects that uses 100% Biogas fired engine, coupled with Biogas technology for co-digesting agriculture residues, manure and other bio waste as may be approved by MNRE.

70. Capital Cost

The normative capital cost for the biogas based power shall be Rs. 1185.76 Lakh/MW (FY 2017-18 during first year of Control Period) and will remain valid for the entire duration of the control period unless reviewed earlier by the Commission After taking into account of capital subsidy of Rs. 300 Lakhs/MW, net project cost is Rs. 885.76 Lakh/MW.

71. Plant Load Factor

Threshold PLF for determining fixed charge component of Tariff shall be 90%.

72. Auxiliary Consumption

The auxiliary power consumption factor shall be 12% for the determination of tariff.

73. Operation and Maintenance Expenses

(1) Normative O&M expenses for the first year of the Control period i.e. FY 2017-18 shall be Rs. 52.83 Lakh per MW

(2) Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY 2017-18) under these Regulations shall be escalated at the rate of 5.72% per annum.

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74. Specific Fuel Consumption

Normative specific fuel consumption shall be 3 kg of substrate mix per kWh.

75. Fuel Cost (Feed stock Price)

Feed stock price during first year of the Control Period (i.e. FY 2017-18) shall be Rs. 1228.72 /MT and shall be escalated at 5% to arrive at the base price for subsequent years of the Control Period, unless specifically reviewed by Commission. For the purpose of determining levelized tariff, a normative escalation factor of 5% per annum shall be applicable.

Chapter 11: Technology specific parameters for Power Projects using Municipal Solid Waste / Refuse Derived Fuel and based on Rankine cycle technology

76. Technology Aspect

The norms for tariff determination specified hereunder are for power projects which use municipal solid waste (MSW) and refuse derived fuel (RDF) and are based on Rankine cycle technology application, combustion or incineration, Bio-methanation, Pyrolysis and High end gasifier technologies.

77. Capital Cost

The Commission shall determine only project specific capital cost and tariff based on prevailing market trends for MSW/RDF projects.

78. Plant Load Factor

(1) Threshold PLF for determining fixed charge component of tariff for the power projects which use MSW and RDF shall be:

	PLF	MSW	RDF
a)	During Stabilisation	65%	65%
b)	During the remaining period of the first year (after stabilization)	65%	65%
c)	From 2 nd year onwards	75%	80%

(2) The stabilisation period shall not be more than 6 months from the date of commissioning of the project.

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79. Auxiliary Consumption

The auxiliary power consumption for MSW/RDF based power projects shall be 15%.

80. Station Heat Rate

The Station Heat Rate for MSW/RDF based power projects shall be 4200 kcal/kWh.

81. Operation and Maintenance Expenses

The Commission shall determine only project specific O&M expenses based on prevailing market trends for MSW/RDF projects.

82. Calorific Value

The Calorific Value of the RDF fuel used for the purpose of determination of tariff shall be at 2500 kcal/kg.

83. Fuel Cost

RDF price during FY 2017-18 shall be Rs 1,800 per MT and shall be escalated at 5% to arrive at the base price for subsequent years of the Control Period, unless specifically reviewed by Commission. For the purpose of determining levelized tariff, a normative escalation factor of 5% per annum shall be applicable.

No fuel cost shall be considered for determination of tariff for the power projects using MSW.

Chapter 12: Miscellaneous

84. Deviation from norms

Tariff for sale of electricity generated from a generating station based on renewable energy sources, may also be agreed between a generating company and a licensee, in deviation from the norms specified in these regulations subject to the conditions that the levellised tariff over the useful life of the project on the basis of the norms in deviation does not exceed the levellised tariff calculated on the basis of the norms specified in these regulations.

85. Power to Relax

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.

Sd/-

(Sanoj Kumar Jha)
Secretary

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APPENDIX
Form-1.1: Form Template for (Wind Power or Small Hydro Project or Solar PV/Solar thermal)

S.No.	Assumption Head	Sub-Head	Sub-Head(2)	Unit	Parameter
1.	Power Generation	Capacity	Installed Power Generation Capacity Capacity Utilization Factor Commercial Operation Date Useful Life	MW % mm yyyy years	
2.	Project Cost	Capital Cost/MW	Normative Capital Cost Capital Cost Capital Subsidy. If any Net Capital Cost	Rs. Lakh/MW Rs. Lakh Rs. Lakh Rs. Lakh	
3.	Financial Assumptions	Debt Equity Debt Component Equity Component Depreciation Incentives	Tariff Period Debt Equity Total Debt Amount Total Equity Amount Loan Amount Moratorium Period Repayment Period (incl Moratorium) Interest Rate Equity amount Return on Equity for first 10 years Return on Equity 11th year onwards Discount Rate Depreciation Rate for 1st 12 yrs. Depreciation Rate 13th years onward Generation Based Incentives If any Period for GBI	Years % % % Rs. Lakh Rs. Lacs Years Years % Rs. Lacs % p.a. % p.a. % % % Rs. L. p a Years	
4.	Operation & Maintenance	Normative O&M expense O&M expense per annum Escalation factor for O&M expense		Rs. Lakh/MW Rs. Lakh %	
5.	Working Capital	O&M expense Maintenance Spare Receivables Interest on Working Capital	(% of O&M expenses)	Month s % Month s % p.a	

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Form-1.2: Form Template for (Biomass Power, Municipal Solid Waste, Refuse Derived Fuel or Non-fossil fuel based Cogen)

S.No.	Assumption Head	Sub-Head	Sub-Head(2)	Unit	Parameter
1	Power Generation	Capacity	Installed Power Generation Capacity Auxiliary Consumption factor PLF (during stabilisation upto 6 months) PLF (during 1st year stabilisation) PLF (2nd year onwards) Commencement Operation Date Useful Life	MW " " " mm/yyyy Years	
2	Project Cost	Capital Cost/MW	Normative Capital Cost Capital Cost Capital Subsidy, If any Net Capital Cost	Rs Lakh/MW Rs Lakh Rs Lakh Rs Lakh	
3	Financial Assumptions	Debt/Equity Debt Component Equity Component Depreciation Incentives	Tariff Period Debt Equity Total Debt Amount Total Equity Amount Loan Amount Moratorium Period Repayment Period (incl. Moratorium) Interest Rate Equity amount Return on Equity for first 10 years Return on Equity 11th year onwards Discount Rate Depreciation Rate for 1st 12 yrs Depreciation Rate 13th years onward Generation Based Incentives, If any Period for GBI	Years " " " Rs Lakh Rs Lacs Years Years " Rs Lacs % p.a % p.a " " " Rs L.p.a Years	
4	Operation & Maintenance	Normative O&M expense O&M expense per annum Escalation factor for O&M expense		Rs Lakh/MW Rs Lakh	

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5.	Working Capital	O&M expense Maintenance Spare Receivables Interest on Working Capital	(% of O&M expenses)	Mont lis % Mont lis % p.a.	
[6.	Fuel related assumptions	Station Heat Rate Fuel types & mix	During stabilisation post stabilisation Biomass fuel type-1 Biomass fuel type-2 Municipal Solid Waste fuel Refuse Derived Fuel fossil fuel (coal) GCV of Biomass fuel type-1 GCV of Biomass fuel type-2 GCV of Municipal Solid Waste fuel GCV of Refuse Derived Fuel GCV of fossil fuel (coal) Biomass Price (fuel type-1) yr-1 Biomass Price (fuel type-2) yr-1 Municipal Solid Waste Price yr-1 Refuse Derived Fuel Price yr-1 fossil fuel price (coal) yr-1 fuel price escalation factor	kCal/Kwh kCal/Kwh " " " " " kCal/Kwh kCal/Kwh kCal/Kwh kCal/Kwh kCal/Kwh Rs MT Rs MT Rs MT Rs MT Rs MT " " p.a] ¹⁰⁰	

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Form-2.1: Form Template for (Wind Power or Small Hydro Project or Solar PV/Solar thermal) : Determination of Tariff Components

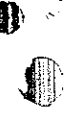
Unit Generation	Unit	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5	Yr-6	Yr-7	Yr-8	Yr-9	Yr-10	Yr-11	Yr-12	Yr-13	Yr-14	Yr-15	Yr-16	Yr-17	Yr-18	Yr-19	Yr-20	Yr-21	Yr-22	Yr-23	Yr-24	Yr-25		
Installed Capacity	MW																											
Net Generation	MU																											
Tariff Components (Fixed charge)																												
Per Unit Tariff components	Unit	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5	Yr-6	Yr-7	Yr-8	Yr-9	Yr-10	Yr-11	Yr-12	Yr-13	Yr-14	Yr-15	Yr-16	Yr-17	Yr-18	Yr-19	Yr-20	Yr-21	Yr-22	Yr-23	Yr-24	Yr-25		
PU O&M Expenses	Rs Lakh																											
PU Depreciation	Rs Lakh																											
PU Interest on term loan	Rs Lakh																											
PU Interest on working Capital	Rs Lakh																											
PU Return on Equity	Rs Lakh																											
Total Fixed Cost	Rs Lakh																											
Per Unit Tariff components	Unit	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5	Yr-6	Yr-7	Yr-8	Yr-9	Yr-10	Yr-11	Yr-12	Yr-13	Yr-14	Yr-15	Yr-16	Yr-17	Yr-18	Yr-19	Yr-20	Yr-21	Yr-22	Yr-23	Yr-24	Yr-25		
PU O&M Expenses	Rs/Wh																											
PU Depreciation	Rs/Wh																											
PU Interest on term loan	Rs/Wh																											
PU Interest on working Capital	Rs/Wh																											
PU Return on Equity	Rs/Wh																											
PU Tariff Components	Rs/Wh																											
Realised Tariff	Unit	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5	Yr-6	Yr-7	Yr-8	Yr-9	Yr-10	Yr-11	Yr-12	Yr-13	Yr-14	Yr-15	Yr-16	Yr-17	Yr-18	Yr-19	Yr-20	Yr-21	Yr-22	Yr-23	Yr-24	Yr-25		
Discount Factors	Rs/Wh																											
Discounted Tariff components	Rs/Wh																											
Realised Tariff	Rs/Wh																											

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Form-2.2: Form Template for Biomass Power, Municipal Solid Waste, Refuse Derived Fuel or Non-fossil fuel based Cogen) : Determination of Tariff Components

Units General on:	Unit	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5	Yr-6	Yr-7	Yr-8	Yr-9	Yr-10	Yr-11	Yr-12	Yr-13	Yr-14	Yr-15	Yr-16	Yr-17	Yr-18	Yr-19	Yr-20	Yr-21	Yr-22	Yr-23	Yr-24	Yr-25
Installed Capacity	MW																									
Net Generation	MU																									
Tariff Components (Fixed charge)																										
OR&M Expenses	Rs Lakh																									
Depreciation	Rs Lakh																									
Interest on term loan	Rs Lakh																									
Interest on working Capital	Rs Lakh																									
Return on Equity	Rs Lakh																									
Total Fixed Cost	Rs Lakh																									
Tariff Components (Variable charge)																										
Biomass fuel type-1	Rs Lakh																									
Biomass fuel type-2	Rs Lakh																									
Fossil fuel (coal)	Rs Lakh																									
Municipal Solid Waste	Rs Lakh																									
Refuse Derived Fuel	Rs Lakh																									
Sub-sold (Fuel Costs)	Rs Lakh																									
Fuel cost allocable to power	%																									
Total Fuel Costs	Rs Lakh																									
Per Unit Tariff components (fixed)																										
PU OR&M Expenses	Rs/MWh																									
PU Depreciation	Rs/MWh																									
PU Interest on term loan	Rs/MWh																									
PU Interest on working Capital	Rs/MWh																									
PU Return on Equity	Rs/MWh																									
PU Tariff Components (Fixed)	Rs/MWh																									
PU Tariff Components (Variable)	Rs/MWh																									
PU Tariff Components (Total)	Rs/MWh																									
Levelised Tariff																										
Discount Factor	Unit	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5	Yr-6	Yr-7	Yr-8	Yr-9	Yr-10	Yr-11	Yr-12	Yr-13	Yr-14	Yr-15	Yr-16	Yr-17	Yr-18	Yr-19	Yr-20	Yr-21	Yr-22	Yr-23	Yr-24	Yr-25
Discounted Tariff components (fixed)	Rs/MWh																									
Discounted Tariff components (variable)	Rs/MWh																									
Discounted Tariff components (total)	Rs/MWh																									
Levelised Tariff (fixed)	Rs/MWh																									
Levelised Tariff (variable)	Rs/MWh																									
Levelised Tariff (total)	Rs/MWh																									



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Form 1.1

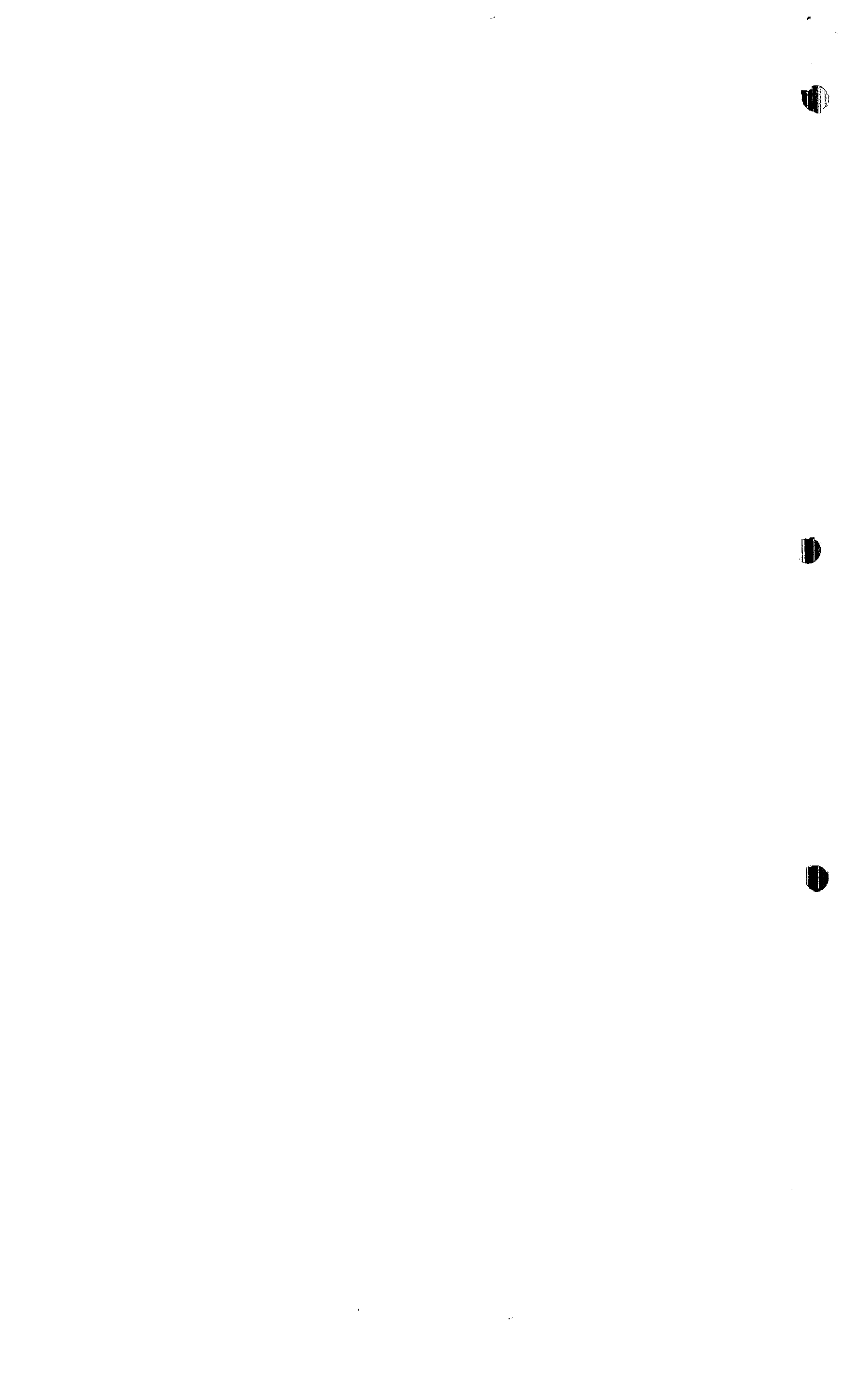
Sl. No	Assumption Head	Sub-Head (1)	Sub-Head (2)	Unit	Parameter Values
1	Power Generation	Capacity	Installed Power Generation Capacity	MW	2.1
			Capacity Utilization Factor	%	33.00%
			Commercial Operation Date	mm/yyyy	1-Aug-19
			Useful Life	Years	25
2	Project Cost	Capital Cost / MW	Normative	Rs. lakh / MW	783.89
			Capital Cost	Rs. lakh	1,646
			Capital Subsidy, if any	Rs. lakh	
			Net Capital Cost	Rs. lakh	1,646
3	Financial Assumptions	Debt Equity	Tariff Period	Years	25
			Debt	%	70
			Equity	%	30
			Total Debt Amount	Rs. lakh	1152
			Total Equity Amount	Rs. lakh	494
		Debt Component	Loan Amount	Rs. lakh	1152
			Moratorium Period	Years	0
			Repayment Period (incl'd Moratorium)	Years	13
			Interest Rate	%	10.12%
		Equity Component	Equity amount	Rs. lakh	494
			Return on Equity for First 10 years	% P.a	17.80%
			Return on Equity 11th year onwards	% P.a	17.80%
			Discount Rate	%	9.22%
		Depreciation	Depreciation Rate for first 13 years	%	5.28%
			Depreciation Rate 14th year onwards	%	1.78%
Incentives	Generation Based incentives, if any	Rs. lakh P.a			
	Period for GBI	Years			
4	Operation & Maintenance	Normative O&M Expenses	Rs. lakh / MW	10.71	
		O&M Expenses per annum	Rs. lakh	22.48	
		Escalation factor for O&M Expenses	%	5.72%	
5	Working Capital	O&M Expenses	Months	1	
		Maintenance Spare	(% of O&M expenses)	15%	
		Receivables	Months	2	
		Interest on Working Capital	% P.a	11.12%	



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Form 2.1

Generation parameter	Unit	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5	Yr-6	Yr-7	Yr-8	Yr-9	Yr-10	Yr-11	Yr-12	Yr-13	Yr-14	Yr-15	Yr-16	Yr-17	Yr-18	Yr-19	Yr-20	Yr-21	Yr-22	Yr-23	Yr-24	Yr-25			
Installed Capacity	MW	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1		
Net Generation	MU	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04		
Tariff Components																													
O&M Expenses	Rs. Lakh	22.5	23.8	25.1	26.6	28.1	29.7	31.4	33.2	35.1	37.1	39.2	41.5	43.8	46.3	49.0	51.8	54.7	57.9	61.2	64.7	68.4	72.3	76.4	80.8	85.4	90.2	95.1	
Depreciation	Rs. Lakh	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	86.9	
Interest on term loan	Rs. Lakh	112.2	103.4	94.6	85.8	77.0	68.2	59.4	50.6	41.8	33.1	24.3	15.5	6.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Interest on Working Capital	Rs. Lakh	5.4	5.4	5.4	5.5	5.5	5.6	5.6	5.7	5.7	5.8	5.9	5.9	6.0	6.1	6.1	6.2	6.3	6.4	6.5	6.6	6.6	6.7	6.8	6.9	7.0	7.1	7.2	
Return on Equity	Rs. Lakh	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	87.9	
Total Fixed Cost	Rs. Lakh	314.9	307.4	300.0	292.7	285.4	278.3	271.2	264.3	257.4	250.7	244.1	237.6	231.2	224.9	218.6	212.4	206.3	200.4	194.6	188.9	183.3	177.8	172.4	167.1	161.9	156.8	151.7	
Per Unit Tariff Components																													
PU O&M Expenses	Rs / kWh	0.37	0.39	0.42	0.44	0.46	0.49	0.52	0.55	0.58	0.61	0.65	0.69	0.73	0.77	0.81	0.85	0.91	0.96	1.01	1.07	1.13	1.20	1.27	1.34	1.41	1.48	1.55	
PU Depreciation	Rs / kWh	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	1.44	
PU Interest on term loan	Rs / kWh	1.86	1.71	1.57	1.42	1.28	1.13	0.98	0.84	0.69	0.55	0.40	0.26	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PU Interest on working capital	Rs / kWh	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.11	0.11	0.11	0.11	0.11	0.11	0.11	
PU Return on Equity	Rs / kWh	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	1.46	
PU Tariff Components	Rs / kWh	5.21	5.09	4.97	4.85	4.73	4.61	4.49	4.38	4.26	4.15	4.04	3.93	3.83	3.73	3.63	3.53	3.43	3.33	3.23	3.12	3.01	2.91	2.81	2.71	2.61	2.51	2.41	
Levelised Tariff																													
Discount Factors	Unit	1.00	0.92	0.84	0.77	0.70	0.64	0.59	0.54	0.49	0.45	0.41	0.38	0.35	0.32	0.29	0.27	0.24	0.22	0.20	0.19	0.17	0.16	0.14	0.13	0.12	0.11	0.10	
Discounted Tariff Components	Rs / kWh	5.21	4.66	4.16	3.72	3.32	2.96	2.65	2.36	2.10	1.88	1.67	1.49	1.33	1.19	1.06	0.93	0.81	0.72	0.67	0.63	0.58	0.55	0.51	0.48	0.45	0.42	0.40	
Levelised Tariff	Rs / kWh	4.27																											

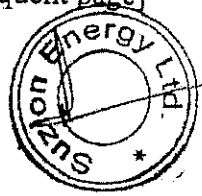


Annexure - 1
Micrositing layout for 234 locations forming part of Project 1
And
Energy Yield Reports

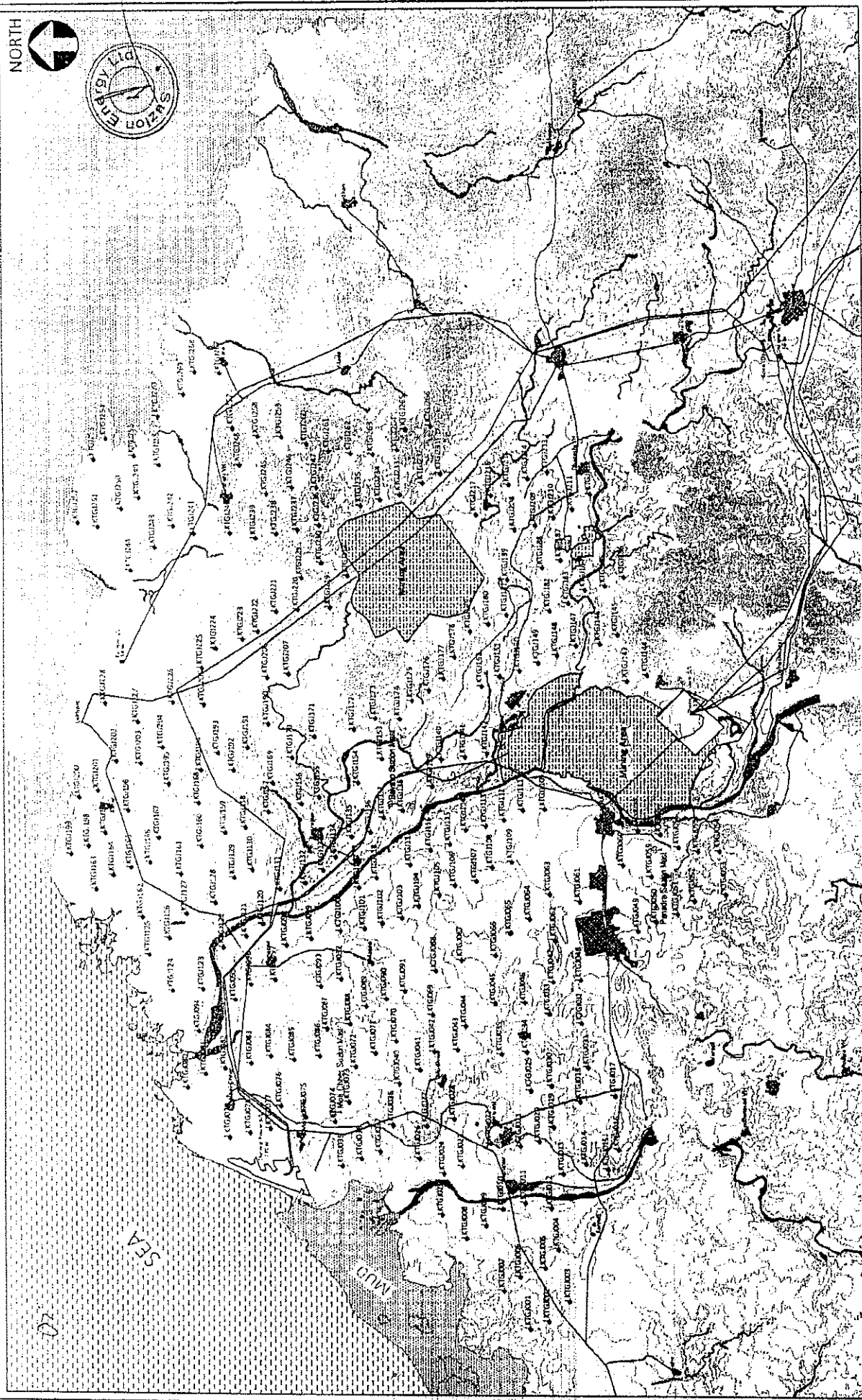
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Name Of Applicant: Suzlon Energy Limited		SUZLON		Name Of Project: WTG1100KW-S111		Date:	
Name Of Site	5111	SRV BY	G.L.S.	PRD BY	C.S.P	Rev	0
Name Of T	Rating	Rev	28-11-17	APP BY	C.S.P	Rev	0
Name Of	Rotor Ø	Forest Boundary		Micrositing Drawing C1			
Wind Farm	Hub Height	Taluka Boundary		491.40 MW Windfarm			
LPI No.	Nos. Of WTG	Mining Area		in Lakharpai (Gulpara)			
Disc No.		Mud		DRAWING NO: 2834A_00			
		River Channel Non Perennial		FILE NAME: 2834A_00			
		River Channel Non Perennial		Rev: 04/03/2018			
		River Channel Non Perennial		Date: 28-11-17			

LEGENDS:

Contour	5111
Road Or Track	2100KW
Road Minor	111.8m
Road National Highway	120m
Road Sub Highway	724
Electricity	





POWERING A GREENER TOMORROW

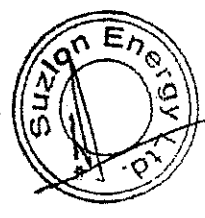
Energy Prognosis - Estimated Annual Energy Generation

Estimated Generation at Lakhpat Site
(Based on Balyavo Suzlon Mast; Data Period - From Apr. 2012 to Mar 2013)

Record No : WRD/F/FMX/GJ/17-18/103/179
Date: 15-Jan-2018

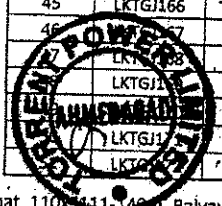
Energy Capture Summary

Project	Lakhpat
Wind turbine type	S111
Turbine Capacity	2100 KW
Hub height	140 m
Number of turbines	110
Site capacity	231 MW
Estimated annual net energy production - P(S0)	8900 lac units
Estimated annual net energy production / WTG - P(S0)	80.91 lac units



Note: This estimation is based on the present layout. Any addition of further WTG's around the present layout can affect the estimated generation.

Sr. No	Loc. No.	Turbine Co-ordinate [m]		42 Q Elevation [m]	Wake Loss [%]	P(S0) Gen.		Assumptions (Annual)			Net Est. Annual Gen. P(S0) [lac units]
		Easting	Northing			Post Wake & ADC [Lac units]	OCF	MA	GA	ESL	
1	LKTGJ100	471260	2627103	25	5.67	90.21	1.0%	97.5%	99.0%	4.5%	82.33
2	LKTGJ101	471327	2626392	21	5.54	88.73	1.5%	97.5%	99.0%	4.5%	80.57
3	LKTGJ102	471482	2625856	25	5.86	88.27	1.0%	97.5%	99.0%	4.5%	80.55
4	LKTGJ103	471635	2625277	26	5.80	87.93	1.0%	97.5%	99.0%	4.5%	80.24
5	LKTGJ104	472006	2624777	25	5.63	87.41	1.0%	97.5%	99.0%	4.5%	79.77
6	LKTGJ105	472328	2624170	32	5.49	87.88	1.0%	97.5%	99.0%	4.5%	80.20
7	LKTGJ106	472604	2623700	26	5.74	86.62	1.0%	97.5%	99.0%	4.5%	79.05
8	LKTGJ107	472738	2623070	24	6.02	85.87	1.0%	97.5%	99.0%	4.5%	78.36
9	LKTGJ108	473148	2622595	26	5.83	85.85	1.0%	97.5%	99.0%	4.5%	78.35
10	LKTGJ113	474393	2622773	35	6.52	86.63	1.0%	97.5%	99.0%	4.5%	79.06
11	LKTGJ114	474267	2623372	34	6.51	87.01	1.0%	97.5%	99.0%	4.5%	79.40
12	LKTGJ115	473842	2623845	27	6.84	85.99	1.0%	97.5%	99.0%	4.5%	78.47
13	LKTGJ116	473663	2624420	22	7.01	85.41	1.0%	97.5%	99.0%	4.5%	77.94
14	LKTGJ117	473223	2625034	22	6.98	85.46	1.0%	97.5%	99.0%	4.5%	77.99
15	LKTGJ118	472838	2626029	16	7.40	84.71	1.0%	97.5%	99.0%	4.5%	77.31
16	LKTGJ119	472532	2626552	16	7.56	84.70	1.0%	97.5%	99.0%	4.5%	77.30
17	LKTGJ129	472831	2630211	14	6.02	88.89	2.5%	97.5%	99.0%	4.5%	79.89
18	LKTGJ130	473065	2629681	18	6.65	88.11	1.5%	97.5%	99.0%	4.5%	80.00
19	LKTGJ131	472490	2628876	15	6.30	88.06	1.5%	97.5%	99.0%	4.5%	79.96
20	LKTGJ132	472673	2628125	16	5.79	87.55	1.5%	97.5%	99.0%	4.5%	79.49
21	LKTGJ133	473065	2627600	20	5.70	88.33	1.0%	97.5%	99.0%	4.5%	80.61
22	LKTGJ134	473459	2627230	20	6.64	86.99	1.0%	97.5%	99.0%	4.5%	79.39
23	LKTGJ135	474062	2626749	19	6.49	86.74	1.0%	97.5%	99.0%	4.5%	79.16
24	LKTGJ136	474197	2626200	25	6.51	87.69	1.0%	97.5%	99.0%	4.5%	80.03
25	LKTGJ137	474654	2625812	25	6.39	87.24	1.0%	97.5%	99.0%	4.5%	79.61
26	LKTGJ138	474865	2625232	20	6.55	85.52	1.0%	97.5%	99.0%	4.5%	78.05
27	LKTGJ139	475636	2624371	22	6.93	85.92	1.0%	97.5%	99.0%	4.5%	78.41
28	LKTGJ140	476481	2624094	29	6.66	86.22	1.0%	97.5%	99.0%	4.5%	78.68
29	LKTGJ141	476544	2623382	35	5.49	87.42	1.0%	97.5%	99.0%	4.5%	79.78
30	LKTGJ142	476648	2622726	35	5.40	86.89	1.0%	97.5%	99.0%	4.5%	79.30
31	LKTGJ151	478948	2622349	41	3.97	88.17	1.0%	97.5%	99.0%	4.5%	80.46
32	LKTGJ152	478660	2622881	37	4.46	87.05	1.0%	97.5%	99.0%	4.5%	79.44
33	LKTGJ153	476490	2625849	24	5.97	85.96	1.0%	97.5%	99.0%	4.5%	78.45
34	LKTGJ154	475750	2626558	21	6.57	85.91	1.0%	97.5%	99.0%	4.5%	78.40
35	LKTGJ155	475287	2627703	19	6.58	86.25	1.0%	97.5%	99.0%	4.5%	78.71
36	LKTGJ156	475076	2628227	30	6.07	88.23	1.0%	97.5%	99.0%	4.5%	80.52
37	LKTGJ157	474824	2629192	34	5.25	89.81	1.0%	97.5%	99.0%	4.5%	81.96
38	LKTGJ158	474342	2629872	22	6.30	87.97	1.5%	97.5%	99.0%	4.5%	79.88
39	LKTGJ159	474177	2630453	21	6.36	88.15	1.5%	97.5%	99.0%	4.5%	80.04
40	LKTGJ160	473769	2631155	20	5.69	89.81	1.5%	97.5%	99.0%	4.5%	81.55
41	LKTGJ161	472937	2631767	16	6.33	90.08	1.5%	97.5%	99.0%	4.5%	81.79
42	LKTGJ163	472468	2634292	5	1.92	96.75	1.5%	97.5%	99.0%	4.5%	87.85
43	LKTGJ164	472903	2633780	10	3.81	95.04	1.5%	97.5%	99.0%	4.5%	86.30
44	LKTGJ165	473127	2633250	15	4.74	93.97	1.5%	97.5%	99.0%	4.5%	85.32
45	LKTGJ166	473278	2632678	19	5.12	92.70	2.5%	97.5%	99.0%	4.5%	83.32
46	LKTGJ167	474014	2632413	25	5.85	92.24	1.5%	97.5%	99.0%	4.5%	83.75
47	LKTGJ168	475095	2631236	31	6.07	90.40	1.5%	97.5%	99.0%	4.5%	82.08
48	LKTGJ169	475745	2629059	30	7.00	87.17	1.0%	97.5%	99.0%	4.5%	79.55
49	LKTGJ170	476528	2628491	21	6.62	86.16	1.5%	97.5%	99.0%	4.5%	78.23
50	LKTGJ171	477166	2627839	25	5.41	86.90	1.0%	97.5%	99.0%	4.5%	79.30
51	LKTGJ172	477381	2626678	26	5.64	86.51	1.0%	97.5%	99.0%	4.5%	78.95



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52	LKTGJ173	477702	2626043	31	5.34	86.53	1.0%	97.5%	99.0%	4.5%	78.97
53	LKTGJ174	477683	2625321	32	5.48	86.26	1.0%	97.5%	99.0%	4.5%	78.72
54	LKTGJ175	478235	2624946	34	4.99	86.39	1.0%	97.5%	99.0%	4.5%	78.84
55	LKTGJ176	478546	2624453	41	4.37	88.46	1.0%	97.5%	99.0%	4.5%	80.73
56	LKTGJ177	478883	2624013	46	4.13	88.73	1.0%	97.5%	99.0%	4.5%	80.97
57	LKTGJ178	479510	2623687	54	4.83	89.11	1.5%	97.5%	99.0%	4.5%	80.91
58	LKTGJ179	480261	2623221	44	4.71	88.07	1.5%	97.5%	99.0%	4.5%	79.97
59	LKTGJ180	480491	2622682	46	4.85	87.62	1.5%	97.5%	99.0%	4.5%	79.56
60	LKTGJ181	480764	2622144	46	4.94	87.07	1.5%	97.5%	99.0%	4.5%	79.06
61	LKTGJ189	481841	2622125	50	5.00	87.29	2.0%	97.5%	99.0%	4.5%	78.86
62	LKTGJ190	477535	2629189	25	5.83	87.41	1.0%	97.5%	99.0%	4.5%	79.77
63	LKTGJ191	476824	2629793	49	6.07	90.73	1.5%	97.5%	99.0%	4.5%	82.38
64	LKTGJ192	476135	2630208	38	6.56	88.18	1.0%	97.5%	99.0%	4.5%	80.47
65	LKTGJ193	476658	2630657	44	6.91	89.58	1.5%	97.5%	99.0%	4.5%	81.34
66	LKTGJ194	476144	2631162	39	5.52	91.30	1.5%	97.5%	99.0%	4.5%	82.90
67	LKTGJ195	475704	2632112	37	5.55	92.39	1.5%	97.5%	99.0%	4.5%	83.89
68	LKTGJ196	474867	2633327	20	5.52	92.25	2.5%	97.5%	99.0%	4.5%	82.91
69	LKTGJ197	474164	2634008	9	5.15	92.67	1.5%	97.5%	99.0%	4.5%	84.14
70	LKTGJ198	473763	2634510	14	3.76	96.07	1.5%	97.5%	99.0%	4.5%	87.23
71	LKTGJ199	473526	2635028	10	1.89	98.36	1.5%	97.5%	99.0%	4.5%	89.31
72	LKTGJ200	475276	2634779	8	3.83	94.71	1.5%	97.5%	99.0%	4.5%	86.00
73	LKTGJ201	475501	2634223	11	4.88	91.83	1.5%	97.5%	99.0%	4.5%	83.38
74	LKTGJ202	476405	2633671	35	3.79	96.03	2.0%	97.5%	99.0%	4.5%	86.75
75	LKTGJ203	476340	2632940	40	4.81	95.08	1.5%	97.5%	99.0%	4.5%	86.33
76	LKTGJ204	476825	2632293	36	5.55	92.40	1.5%	97.5%	99.0%	4.5%	83.90
77	LKTGJ205	478116	2631071	39	5.28	89.64	1.5%	97.5%	99.0%	4.5%	81.39
78	LKTGJ206	478918	2629223	26	5.04	88.14	1.5%	97.5%	99.0%	4.5%	80.03
79	LKTGJ207	479015	2628598	30	5.69	87.47	1.5%	97.5%	99.0%	4.5%	79.42
80	LKTGJ208	483409	2621896	60	5.89	87.41	2.5%	97.5%	99.0%	4.5%	78.56
81	LKTGJ209	483538	2621274	57	6.77	85.15	2.5%	97.5%	99.0%	4.5%	76.53
82	LKTGJ210	483773	2620744	60	5.97	85.79	2.5%	97.5%	99.0%	4.5%	77.11
83	LKTGJ216	484434	2622584	55	5.65	85.55	2.5%	97.5%	99.0%	4.5%	76.89
84	LKTGJ217	483860	2623038	57	4.62	87.38	2.5%	97.5%	99.0%	4.5%	78.53
85	LKTGJ218	481970	2626850	48	5.05	89.49	1.5%	97.5%	99.0%	4.5%	81.26
86	LKTGJ219	480994	2627376	47	4.56	89.70	1.5%	97.5%	99.0%	4.5%	81.45
87	LKTGJ220	480938	2628308	47	4.40	90.42	1.5%	97.5%	99.0%	4.5%	82.10
88	LKTGJ221	480872	2628945	39	4.04	89.63	1.5%	97.5%	99.0%	4.5%	81.38
89	LKTGJ222	480258	2629491	55	4.78	93.44	2.0%	97.5%	99.0%	4.5%	84.41
90	LKTGJ223	480029	2629941	42	4.59	92.32	1.5%	97.5%	99.0%	4.5%	83.83
91	LKTGJ224	479759	2630733	26	3.98	89.99	1.5%	97.5%	99.0%	4.5%	81.71
92	LKTGJ225	479179	2631127	36	4.17	92.44	1.5%	97.5%	99.0%	4.5%	83.93
93	LKTGJ226	478179	2631981	40	4.24	93.29	1.5%	97.5%	99.0%	4.5%	84.71
94	LKTGJ227	477596	2633031	31	5.45	91.44	2.0%	97.5%	99.0%	4.5%	82.60
95	LKTGJ228	478149	2633998	26	3.38	94.38	2.0%	97.5%	99.0%	4.5%	85.26
96	LKTGJ229	481909	2628206	47	5.29	89.12	1.5%	97.5%	99.0%	4.5%	80.92
97	LKTGJ230	482384	2627619	36	5.50	86.47	1.5%	97.5%	99.0%	4.5%	78.51
98	LKTGJ231	485070	2624086	71	4.86	87.55	1.5%	97.5%	99.0%	4.5%	79.49
99	LKTGJ232	484796	2624619	70	4.28	89.02	2.5%	97.5%	99.0%	4.5%	80.01
100	LKTGJ233	484461	2625284	65	4.03	89.68	2.5%	97.5%	99.0%	4.5%	80.60
101	LKTGJ234	484305	2625875	57	3.85	88.98	2.5%	97.5%	99.0%	4.5%	79.97
102	LKTGJ235	484134	2626459	58	3.81	89.78	2.5%	97.5%	99.0%	4.5%	80.69
103	LKTGJ236	483553	2627684	55	5.65	89.52	2.5%	97.5%	99.0%	4.5%	80.46
104	LKTGJ237	483423	2628320	63	5.79	91.90	2.5%	97.5%	99.0%	4.5%	82.50
105	LKTGJ238	483290	2628941	42	5.39	89.22	2.0%	97.5%	99.0%	4.5%	80.60
106	LKTGJ239	483165	2629555	36	4.74	89.19	2.0%	97.5%	99.0%	4.5%	80.57
107	LKTGJ240	483310	2630302	32	3.98	91.04	2.0%	97.5%	99.0%	4.5%	82.24
108	LKTGJ245	484494	2629225	55	5.82	91.27	1.5%	97.5%	99.0%	4.5%	82.87
109	LKTGJ246	484664	2628478	56	5.94	89.38	1.5%	97.5%	99.0%	4.5%	81.16
110	LKTGJ247	484665	2627753	83	5.15	94.59	1.5%	97.5%	99.0%	4.5%	85.89

Average Annual Estimated Generation (20 Years) - P(50) = 80.90 lac kWh

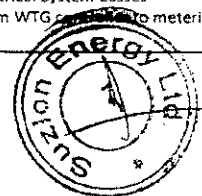
Average Annual Estimated Generation (20 Years) - P(75) = 76.21 lac kWh

Average Annual Estimated Generation (20 Years) - P(90) = 71.96 lac kWh

OCF : Correction Factor
ADCF : Correction

MA : Machine Availability
GA : Grid Availability

ESL : Electrical System Losses
[from WTG to metering point]



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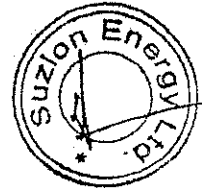


Energy Prognosis - Estimated Annual Energy Generation

Estimated Generation at Lakhpat Site
(Based on Moti Chher Suzlon Mast; Data Period - From Apr 2012 to Mar 2013)

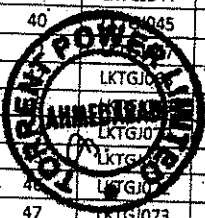
Record No : WRD/F/FMX/GJ/17-18/103/178
Date : 15-Jan-2018

Energy Capture Summary	
Project :	Lakhpat
Wind turbine type :	S111
Turbine Capacity :	2100 KW
Hub height :	140 m
Number of turbines :	79
Site capacity :	165.9 MW
Estimated annual net energy production - P(50) :	6582 lac units
Estimated annual net energy production / WTG - P(50) :	83.31 lac units



Note: This estimation is based on the present layout. Any addition of further WTG's around the present layout can affect the estimated generation.

Sr. No	Loc. No.	Turbine Co-ordinate [m]			42 Q Elevation [m]	Wake Loss [%]	P(50) Gen. Post Wake & ADC [Lac units]	OCF	Assumptions (Annual)			Net Est. Annual Gen. P50 [Lac units]
		UTM Zone : Easting	UTM Zone : Northing	UTM Zone : Elevation					MA	GA	ESL	
1	LKTGJ001	459273	2621521	9	0.60	97.28	2.0%	97.5%	99.0%	4.5%	87.88	
2	LKTGJ002	459504	2620965	15	1.27	96.22	2.0%	97.5%	99.0%	4.5%	86.92	
3	LKTGJ003	460093	2620349	21	1.76	95.11	2.500%	97.5%	99.0%	4.5%	85.48	
4	LKTGJ004	461650	2620678	25	3.30	93.66	1.500%	97.5%	99.0%	4.5%	85.04	
5	LKTGJ005	461100	2621069	25	3.42	94.45	1.500%	97.5%	99.0%	4.5%	85.76	
6	LKTGJ006	460827	2621808	25	3.08	96.97	1.500%	97.5%	99.0%	4.5%	88.05	
7	LKTGJ007	460393	2622290	16	1.90	97.10	1.500%	97.5%	99.0%	4.5%	88.17	
8	LKTGJ008	461982	2623385	10	2.25	95.58	2.0%	97.5%	99.0%	4.5%	86.16	
9	LKTGJ009	462393	2622805	11	3.87	92.47	2.0%	97.5%	99.0%	4.5%	83.54	
10	LKTGJ010	462888	2622310	10	4.15	90.94	2.0%	97.5%	99.0%	4.5%	82.15	
11	LKTGJ011	463077	2621656	10	4.27	89.87	2.0%	97.5%	99.0%	4.5%	81.19	
12	LKTGJ012	462916	2620879	15	4.04	90.57	2.0%	97.5%	99.0%	4.5%	81.82	
13	LKTGJ013	463952	2620524	15	2.83	90.91	2.0%	97.5%	99.0%	4.5%	82.13	
14	LKTGJ014	464255	2619854	22	2.70	91.49	1.500%	97.5%	99.0%	4.5%	83.07	
15	LKTGJ015	464093	2619209	25	2.75	91.31	2.500%	97.5%	99.0%	4.5%	82.07	
16	LKTGJ018	466103	2620023	28	4.72	88.99	1.500%	97.5%	99.0%	4.5%	80.80	
17	LKTGJ019	465352	2620805	21	4.94	89.05	1.500%	97.5%	99.0%	4.5%	80.86	
18	LKTGJ020	464944	2621227	15	4.74	88.94	2.0%	97.5%	99.0%	4.5%	80.35	
19	LKTGJ021	464785	2621789	14	4.57	88.80	2.0%	97.5%	99.0%	4.5%	80.22	
20	LKTGJ022	464876	2622661	18	4.44	91.01	1.500%	97.5%	99.0%	4.5%	82.64	
21	LKTGJ023	464173	2623500	8	4.76	90.16	1.500%	97.5%	99.0%	4.5%	81.86	
22	LKTGJ024	463948	2624057	5	4.92	90.81	1.500%	97.5%	99.0%	4.5%	82.45	
23	LKTGJ025	462710	2624111	6	2.32	94.88	1.500%	97.5%	99.0%	4.5%	86.15	
24	LKTGJ026	464397	2624775	5	4.27	91.38	2.500%	97.5%	99.0%	4.5%	82.13	
25	LKTGJ027	465380	2624563	20	5.47	91.24	2.500%	97.5%	99.0%	4.5%	82.00	
26	LKTGJ028	465583	2623749	10	5.27	88.32	1.500%	97.5%	99.0%	4.5%	80.19	
27	LKTGJ029	466409	2621490	19	5.91	87.48	1.500%	97.5%	99.0%	4.5%	79.43	
28	LKTGJ030	466556	2620863	22	5.47	88.08	1.500%	97.5%	99.0%	4.5%	79.98	
29	LKTGJ034	467556	2623590	20	6.43	86.46	1.500%	97.5%	99.0%	4.5%	78.50	
30	LKTGJ035	467494	2622338	20	5.07	88.74	1.500%	97.5%	99.0%	4.5%	80.57	
31	LKTGJ036	465397	2625555	16	3.98	93.57	2.500%	97.5%	99.0%	4.5%	84.10	
32	LKTGJ037	464611	2625940	6	2.30	95.28	2.500%	97.5%	99.0%	4.5%	85.63	
33	LKTGJ038	464386	2626497	10	1.81	97.40	2.500%	97.5%	99.0%	4.5%	87.54	
34	LKTGJ039	464161	2627053	5	1.17	98.20	2.500%	97.5%	99.0%	4.5%	88.26	
35	LKTGJ040	466608	2625373	20	5.59	90.62	2.500%	97.5%	99.0%	4.5%	81.45	
36	LKTGJ041	467018	2624751	25	5.34	90.59	2.500%	97.5%	99.0%	4.5%	81.37	
37	LKTGJ042	467571	2624336	26	5.18	90.11	1.500%	97.5%	99.0%	4.5%	81.82	
38	LKTGJ043	467622	2623642	26	4.69	90.12	1.500%	97.5%	99.0%	4.5%	81.83	
39	LKTGJ044	468339	2623396	26	5.60	88.70	1.500%	97.5%	99.0%	4.5%	80.54	
40	LKTGJ045	469046	2622525	25	5.29	87.69	1.500%	97.5%	99.0%	4.5%	79.62	
41	LKTGJ046	470415	2623514	34	5.09	89.06	1.500%	97.5%	99.0%	4.5%	80.87	
42	LKTGJ047	470104	2624286	25	5.59	88.17	1.500%	97.5%	99.0%	4.5%	80.06	
43	LKTGJ048	468678	2624384	26	5.49	88.18	1.500%	97.5%	99.0%	4.5%	80.07	
44	LKTGJ049	467883	2625461	25	6.25	89.85	2.500%	97.5%	99.0%	4.5%	80.76	
45	LKTGJ050	467511	2626076	29	5.84	91.30	2.500%	97.5%	99.0%	4.5%	82.06	
46	LKTGJ051	467105	2626660	21	4.95	92.85	2.500%	97.5%	99.0%	4.5%	83.45	
47	LKTGJ073	466067	2626854	17	4.56	94.05	2.500%	97.5%	99.0%	4.5%	84.53	
48	LKTGJ074	465497	2627271	14	4.17	95.22	2.500%	97.5%	99.0%	4.5%	85.58	



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49	LKTGJ075	465633	2628137	15	3.02	96.50	2.500%		97.5%	99.0%	4.5%	86.73
50	LKTGJ076	465951	2628858	13	2.71	96.73	2.500%		97.5%	99.0%	4.5%	86.94
51	LKTGJ077	465283	2629173	9	1.48	97.93	2.500%		97.5%	99.0%	4.5%	88.02
52	LKTGJ078	465158	2629764	7	1.14	98.39	2.500%		97.5%	99.0%	4.5%	88.43
53	LKTGJ079	465029	2630359	5	0.50	98.92	1.500%		97.5%	99.0%	4.5%	89.82
54	LKTGJ080	466468	2631601	5	0.82	98.58	1.500%		97.5%	99.0%	4.5%	89.51
55	LKTGJ081	466875	2631060	6	2.16	97.02	1.500%		97.5%	99.0%	4.5%	88.09
56	LKTGJ082	467046	2630485	8	2.99	96.17	1.500%		97.5%	99.0%	4.5%	87.32
57	LKTGJ083	467196	2629725	12	3.80	95.27	2.500%		97.5%	99.0%	4.5%	85.63
58	LKTGJ084	467419	2629155	13	4.20	94.40	2.500%		97.5%	99.0%	4.5%	84.84
59	LKTGJ085	467315	2628480	16	4.40	94.32	2.500%		97.5%	99.0%	4.5%	84.77
60	LKTGJ086	467421	2627718	17	4.53	93.65	2.500%		97.5%	99.0%	4.5%	84.17
61	LKTGJ087	468255	2627500	12	5.38	90.83	2.500%		97.5%	99.0%	4.5%	81.64
62	LKTGJ088	468402	2626823	16	5.89	90.04	2.500%		97.5%	99.0%	4.5%	80.93
63	LKTGJ089	468939	2626343	15	6.49	88.35	1.500%		97.5%	99.0%	4.5%	80.22
64	LKTGJ090	469197	2625749	21	6.11	88.70	1.500%		97.5%	99.0%	4.5%	80.54
65	LKTGJ091	469459	2625193	25	6.00	88.57	1.500%		97.5%	99.0%	4.5%	80.42
66	LKTGJ092	469843	2627085	9	6.64	87.22	1.500%		97.5%	99.0%	4.5%	79.19
67	LKTGJ094	468158	2631256	5	3.96	94.68	1.500%		97.5%	99.0%	4.5%	85.97
68	LKTGJ095	469166	2630191	6	4.80	92.14	1.500%		97.5%	99.0%	4.5%	83.66
69	LKTGJ096	469667	2629723	8	4.48	92.14	1.500%		97.5%	99.0%	4.5%	83.66
70	LKTGJ097	469822	2629018	7	4.67	90.82	1.500%		97.5%	99.0%	4.5%	82.46
71	LKTGJ098	470844	2628685	14	5.49	90.52	2.0%		97.5%	99.0%	4.5%	81.77
72	LKTGJ099	471028	2627965	16	6.14	89.18	1.500%		97.5%	99.0%	4.5%	80.97
73	LKTGJ120	471457	2629371	10	6.39	88.46	2.0%		97.5%	99.0%	4.5%	79.91
74	LKTGJ121	471093	2629867	10	5.52	89.91	2.0%		97.5%	99.0%	4.5%	81.22
75	LKTGJ122	470771	2630534	6	5.38	90.56	2.0%		97.5%	99.0%	4.5%	81.81
76	LKTGJ123	469511	2631129	6	4.16	93.58	2.0%		97.5%	99.0%	4.5%	84.54
77	LKTGJ124	469455	2632028	8	3.00	95.98	2.0%		97.5%	99.0%	4.5%	86.71
78	LKTGJ127	471750	2631617	10	4.56	92.24	2.0%		97.5%	99.0%	4.5%	83.33
79	LKTGJ128	472087	2630770	11	5.72	90.03	2.0%		97.5%	99.0%	4.5%	81.33
												6,582

Average Annual Estimated Generation (20 Years) - P(50) = 83.30 lac kWh

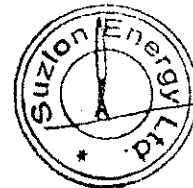
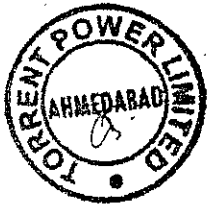
Average Annual Estimated Generation (20 Years) - P(75) = 78.44 lac kWh

Average Annual Estimated Generation (20 Years) - P(90) = 74.08 lac kWh

OCF : Other Correction Factor
ADC : Air Density Correction

MA : Machine Availability
GA : Grid Availability

ESL : Electrical System Losses
(from WTG controller to metering point)



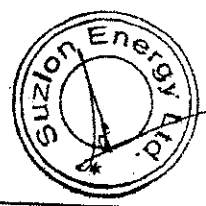


Energy Prognosis - Estimated Annual Energy Generation

Estimated Generation at Lakhpat Site
(Based on Panadra Suzlon Mast; Data Period - From Apr 2012 to Mar 2013)

Record No : WRD/F/FMX/GJ/17-18/103/177
Date: 15-Jan-2018

Energy Capture Summary	
Project	Lakhpat
Wind turbine type	S111
Turbine Capacity	2100 kW
Hub height	140 m
Number of turbines	145
Site capacity	94.5 MW
Estimated annual net energy production - P(50)	3685 lac units
Estimated annual net energy production / WTG - P(50)	81.88 lac units



Note: This estimation is based on the present layout. Any addition of further WTG's around the present layout can affect the estimated generation.

Sr. No	Loc. No.	Turbine Co-ordinate [m]		Elevation [m]	Wake Loss [%]	P(50) Gen. [lac units]	OCF	Assumptions (Annual)			Net Est. Annual Gen. P50 [lac units]
		Easting	Northing					MA	GA	ESL	
1	LKTGJ016	464702	2618895	32	2.85	93.20	1.500%	97.5%	99.0%	4.5%	84.62
2	LKTGJ017	466271	2618992	35	3.52	91.94	1.500%	97.5%	99.0%	4.5%	83.48
3	LKTGJ031	467098	2619784	30	5.04	89.88	2.0%	97.5%	99.0%	4.5%	81.20
4	LKTGJ032	468432	2619976	32	4.78	89.96	2.0%	97.5%	99.0%	4.5%	81.27
5	LKTGJ033	468716	2620921	32	5.65	89.21	2.0%	97.5%	99.0%	4.5%	80.59
6	LKTGJ046	469066	2621644	35	5.23	91.11	2.0%	97.5%	99.0%	4.5%	82.31
7	LKTGJ047	469754	2620804	36	5.28	90.14	2.0%	97.5%	99.0%	4.5%	81.43
8	LKTGJ048	469815	2619991	40	4.01	91.38	1.5%	97.5%	99.0%	4.5%	82.97
9	LKTGJ049	471261	2618297	38	1.90	92.17	1.0%	97.5%	99.0%	4.5%	84.11
10	LKTGJ050	471529	2617766	35	1.95	91.55	1.0%	97.5%	99.0%	4.5%	83.55
11	LKTGJ051	471765	2617133	41	1.99	92.45	1.0%	97.5%	99.0%	4.5%	84.37
12	LKTGJ052	472167	2616630	46	2.23	92.41	1.0%	97.5%	99.0%	4.5%	84.33
13	LKTGJ053	472341	2615719	51	2.10	89.46	1.0%	97.5%	99.0%	4.5%	81.64
14	LKTGJ054	473643	2615905	71	3.85	93.62	1.5%	97.5%	99.0%	4.5%	85.01
15	LKTGJ055	473632	2616522	65	4.81	92.45	1.0%	97.5%	99.0%	4.5%	84.37
16	LKTGJ056	473748	2617105	44	5.67	88.22	1.0%	97.5%	99.0%	4.5%	80.51
17	LKTGJ057	474124	2617636	41	6.69	87.77	1.0%	97.5%	99.0%	4.5%	80.10
18	LKTGJ058	474259	2618286	35	4.56	88.33	1.0%	97.5%	99.0%	4.5%	80.61
19	LKTGJ059	472881	2617905	46	4.97	90.21	1.0%	97.5%	99.0%	4.5%	82.33
20	LKTGJ060	473215	2618739	45	3.87	90.84	1.0%	97.5%	99.0%	4.5%	82.90
21	LKTGJ061	472148	2620019	38	3.72	89.35	1.0%	97.5%	99.0%	4.5%	81.54
22	LKTGJ062	470991	2620748	44	5.70	90.60	1.5%	97.5%	99.0%	4.5%	82.26
23	LKTGJ063	472350	2620896	35	4.63	89.58	1.5%	97.5%	99.0%	4.5%	81.34
24	LKTGJ064	471617	2621504	33	6.08	88.66	1.5%	97.5%	99.0%	4.5%	80.50
25	LKTGJ065	471204	2622063	40	5.01	91.66	2.0%	97.5%	99.0%	4.5%	82.80
26	LKTGJ066	470558	2622504	35	5.41	90.65	2.0%	97.5%	99.0%	4.5%	81.89
27	LKTGJ109	473315	2622015	32	6.25	87.97	1.5%	97.5%	99.0%	4.5%	79.88
28	LKTGJ110	474906	2621038	35	4.43	89.07	1.5%	97.5%	99.0%	4.5%	80.37
29	LKTGJ111	474876	2621675	32	4.58	88.88	1.5%	97.5%	99.0%	4.5%	80.70
30	LKTGJ112	474580	2622239	32	5.65	88.77	1.5%	97.5%	99.0%	4.5%	80.60
31	LKTGJ143	478815	2618597	51	2.89	91.39	1.5%	97.5%	99.0%	4.5%	82.98
32	LKTGJ144	478980	2618010	57	3.20	90.22	1.5%	97.5%	99.0%	4.5%	81.92
33	LKTGJ145	480159	2618871	55	4.91	89.73	1.5%	97.5%	99.0%	4.5%	81.47
34	LKTGJ146	479899	2619998	50	4.72	90.55	1.5%	97.5%	99.0%	4.5%	82.72
35	LKTGJ147	479844	2620097	45	3.61	90.87	2.0%	97.5%	99.0%	4.5%	82.09
36	LKTGJ148	479559	2620655	46	3.11	91.30	2.0%	97.5%	99.0%	4.5%	82.48
37	LKTGJ149	479334	2621212	48	3.15	92.12	1.5%	97.5%	99.0%	4.5%	83.64
38	LKTGJ150	479110	2621768	46	3.37	91.92	1.5%	97.5%	99.0%	4.5%	83.46
39	LKTGJ182	480895	2620872	51	5.68	88.99	1.5%	97.5%	99.0%	4.5%	80.80
40	LKTGJ183	481120	2620315	47	5.91	87.64	1.5%	97.5%	99.0%	4.5%	79.58
41	LKTGJ184	481508	2619825	47	5.69	87.71	2.0%	97.5%	99.0%	4.5%	79.24
42	LKTGJ185	481647	2619244	56	5.03	88.71	2.0%	97.5%	99.0%	4.5%	80.14
43	LKTGJ186	481916	2618684	60	3.45	89.20	2.0%	97.5%	99.0%	4.5%	80.58
44	LKTGJ187	482456	2620532	57	6.85	88.03	2.0%	97.5%	99.0%	4.5%	79.52
45	LKTGJ188	482232	2621098	56	6.03	89.15	2.0%	97.5%	99.0%	4.5%	80.54

Average Annual Estimated Generation (20 Years) - P(50) = 81.85 lac kWh

Average Annual Estimated Generation (20 Years) - P(75) = 77.11 lac kWh

Average Annual Estimated Generation (20 Years) - P(90) = 72.82 lac kWh



CF : Other Correction Factor

MA : Machine Availability
GA : Grid Availability

ESL : Electrical System Losses
[from WTG controller to metering point]

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TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED

From:
Executive Director
HRD & Planning,
APTRANSCO, Vidyut Soudha,
Gunadala, Vijayawada - 520004

To,
M/s. Suzlon Energy Ltd,
6-3-1090, C Block, 2nd Floor,
TSR Towers, Rajbhavan Road,
Somajiguda, Hyderabad-82.

Lr.No.ED/HRD & Plg/EE-RE/DEE-C/F- Axis -Suzlon/D.No: 166 /18, dt: 4 .07.2018

Sir,

Sub: M/s Suzlon Energy Ltd-Construction of 3X500MVA ICTs and its associated bays at Uravakonda 400KV SS-Approval issued – Reg.

Ref: 1) M/s Suzlon Energy Ltd letter dtd.11.06.2018.

Please refer to the letter cited.

APTRANSCO has accorded approval to M/s Suzlon Energy Ltd for financing, constructing and handing over of entire assets after construction to APTRANSCO of 3X500MVA Transformers and associated Bays at the existing 400KV Uravakonda-1 SS, where "Reconfiguration with isolation bus arrangements at 220KV and providing 400/220KV, 3 x 500 MVA PTRs along with 1 x 125 MVAR Bus Reactor in addition to the already commissioned 125 MVAR bus reactor at 400kV bus of existing 400/220kV Uravakonda SS instead of approved Uravakonda-2 SS" has been in-principle approved in the 42nd Standing Committee Meeting held on 27.04.2018 at Ernakulam, Kerala and also APTRANSCO has approved this revised evacuation pertaining to 400KV Uravakonda-2 SS.

Hence, you are requested to undertake the construction of new 3X500MVA ICTs and its associated bays as per APTRANSCO drawings and specifications at your cost with the following conditions.

- a) The construction of 3X500MVA ICTs and its associated bays shall be executed in phased manner one after another by M/s Suzlon Energy Ltd.
- b) The assets shall be transferred to APTransco through Gift Deeds.
- c) APTRANSCO to accord connectivity approvals for the balance of capacity with First Right of Refusal to M/s Suzlon Energy Ltd.
- d) APTRANSCO to exempt all charges i.e Supervision Charges, Engineering Charges, Establishment Charges, Incidental Charges etc.
- e) APTRANSCO to provide required land.

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- f) APTRANSCO to provide Reactor as per requirement.
- g) APTRANSCO to provide fast track approvals such as construction, inspection, commissioning approvals and any relevant related work approvals.

Further, you are requested to submit your consent to the Chief Engineer/400KV Construction/VS/Vijayawada and take up the work.

Yours faithfully,

B. V. Shanthi Sekh
Executive Director 4/7/18
HRD & Planning

Copy to: Chief Engineer/ 400KV Construction/APTRANSCO/VS/Vijayawada
Chief Engineer/Construction/APTRANSCO/VS/Vijayawada
Chief Engineer/Kadapa Zone/APTRANSCO/Kadapa
Superintending Engineer/OMC/APTRANSCO/Ananthapur