

राजस्थान RAJASTHAN

AA 308630

## MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "MOU") is entered into this 21<sup>st</sup> day of December 2014 by and between:

- (1) Rajasthan Renewable Energy Corporation Limited signing this MOU on behalf of the Government of Rajasthan, with its principal office at E-166, Yudhishtir Marg, C-Scheme, Jaipur ("RREC"); and
- (2) Azure Power India Private Limited, a company incorporated under the Companies Act 1956, having its registered office at No.8, LSC, Madangir, Pushp Vihar, New Delhi-110062 ("Azure Power").

Government of Rajasthan and Azure Power are hereinafter referred to collectively as the "Parties" and individually as a "Party".

### WITNESSETH:

WHEREAS, Azure Power India Private Limited ("Azure Power") is India's leading independent solar power producer and has a total pipeline of 1000+ MW and has made a total investment of about INR 2500 Crore, out of which over INR 1000 Crore has been invested in Rajasthan. We are driving India's economic development by delivering low cost clean energy to communities, governments and commercial customers.

The state Government of Rajasthan desires to promote renewable energy, particularly solar energy, with a view to reduce the adverse impact of fossil fuels on the environment, and augment the available production, resources, and supply of electricity in the State of Rajasthan, to develop Rajasthan as the global hub for solar energy.

For Azure Power India Pvt. Ltd.

Managing Director  
Rajasthan Renewable Energy Corporation Ltd.  
Azure Power  
JAIPUR-302 001

Auth. Sign.

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Azure Power has expressed its interest in working with the Government of Rajasthan and helping promote the use of Solar PV as a viable technology in light of the high insolation available in the State of Rajasthan and Azure Power's own capabilities and expertise in delivering to the State of Rajasthan clean and affordable electricity.

**NOW, THEREFORE,** in consideration of the foregoing premises, the following summarizes the proposed principal matters that the Parties agree to explore.

## **Article 1. Solar PV Development**

### **1.1 Azure Power's Proposal:**

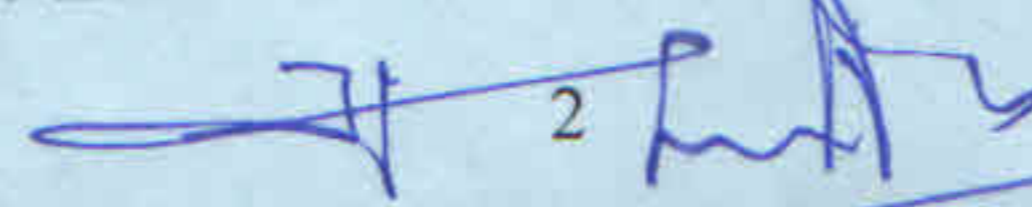
- 1.1.1 Azure Power India Pvt. Ltd (including it's all subsidiaries) proposes to set up 1000 MW of Solar PV power projects in the State of Rajasthan by December 2017 Our plan is to generate and supply solar energy to various Distribution Companies and Utilities, nodal entities of the Central Government of the Union of India viz. Power Trading Corporation, Solar Energy Corporation of India, and NTPC Vidyut Vyapar Nigam Limited, and various other third party off-takers and power consumers/ distributors, within and outside the State of Rajasthan. Azure Power shall submit a proposal ("**Proposal**") to establish multiple solar projects in high- insolation locations within the State of Rajasthan.
- 1.1.2 The proposal submitted by Azure Power shall include the time-frame of implementation of the projects, and the most preferred location of the plants along with other necessary technical and commercial details.
- 1.1.3 The proposal shall include details of the off-take arrangements that Azure Power desires to explore or proposes to secure. Identification of suitable off-taker/purchaser of power and execution of power purchase agreement will be the sole responsibility of Azure Power.
- 1.1.4 The proposal may further include details on the concept of "*Sun Farming*". Sun farming is a construct where farmers, who lease ("**Lease**") their land for development of a solar power project/solar park, may earn lease-income on such Leases. This will ensure sustainability and continuing livelihood support for local farmers who are unable to produce adequate agricultural output due to soil conditions or other issues.

### **1.2 Government of Rajasthan Support:**

- 1.2.1 The Government of Rajasthan shall support Azure Power in such manner as is in compliance with applicable law and consistent with public policy in the implementation of the Proposal.
- 1.2.2 The Government of Rajasthan shall facilitate the identification and allotment of government land ("**Government Land**") suitable for the development of Solar PV projects to Azure Power, or such of its subsidiaries that is implementing the respective projects, in accordance with the provisions of the Rajasthan Land Revenue (Allotment of Land for setting up of power plant based on Renewable Energy Sources) Rule, 2007 as amended from time to time.
- 1.2.3 The Government of Rajasthan shall facilitate creation of evacuation network for the projects.
- 1.2.4 The Government of Rajasthan shall mandate the nodal agency, RREC to facilitate allotment of land and all other requisite permits and approvals from Government of Rajasthan for the commissioning of Solar PV projects.
- 1.2.5 The Government of Rajasthan shall grant benefits/concessions, as available under Rajasthan Investment Promotion Scheme, 2014 and Rajasthan Solar Energy Policy, 2014.

*AM*  
Managing Director  
Rajasthan Renewable Energy Corporation Ltd.  
Azure Power

For Azure Power India Pvt. Ltd.

  
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Auth. Sign.

GOR



**Article 2. Implementation of the MOU**

State Government may constitute a high-powered monitoring committee to monitor/ co-ordinate implementation of this MOU.

**Article 3. Ethical Business Practices**

Each Party shall comply with all laws with regard to anti-bribery and prevention of corruption laws applicable to both parties

**Article 4. Non-Binding Provisions**

The provisions of this MOU are not intended to be binding on the Parties and are intended only to facilitate the preparation. Negotiation and execution of definitive agreements by the Parties.

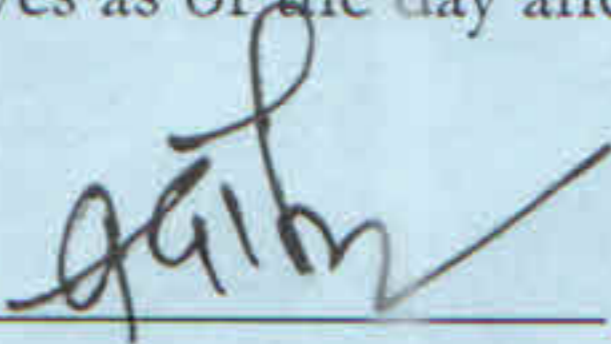
**Article 5. Term and Termination**


This MOU shall become effective upon the execution hereof by the Parties, and shall be valid for a period of 5 years from the date thereof, unless terminated earlier by written notice given by one Party to the other.

**Article 6. Further Documentation**


The parties hereto agree and undertake to execute, if required, such further and other documents as may be necessary for the purpose of effectually carrying out the purpose and intendments of this MOU including a Definitive Long Form Agreement (DLFA).


IN WITNESS WHEREOF, the Parties have caused this MOU to be executed by their duly authorized representatives as of the day and year first above written.

By:   
**Managing Director**  
Rajasthan Renewable Energy Corporation Ltd.  
B. K. Dosi, IAS      JAI PUR-302 001  
Managing Director  
Rajasthan Renewable Energy Corporation Limited  
(On behalf of the Government of Rajasthan)  
**For Azure Power India Pvt. Ltd.**

By:  **Auth. Sign.**

H. S. Wadhwa,  
Chairman  
Azure Power India Pvt. Ltd.

Witness 1   
(Surendra Vashistha)  
Project Manager, RREC, Jaipur

Witness 2  
Azure Power   
(SANJAY CHAURASIA)  
AGM AZURE POWER INDIA PVT LTD