

NON-CONFIDENTIAL PROJECT INFORMATION

Host Country:	India
Name of Borrower:	Applied Solar Technologies (India) Private Limited (“AST”)
Project Description:	AST will use the proceeds of the Loan (defined below) for the expansion of its business of providing solar-based hybrid power solutions for large telecommunication tower operators in India pursuant to long-term master service agreements (the “Project”).
Proposed OPIC Loan:	A senior, secured corporate loan of up to \$150,000,000 with a 13-year term, consisting of a three-year availability period and a 10-year repayment period (the “Loan”).
Total Project Costs:	The Project costs are estimated at \$507,000,000.
U.S. Sponsors:	(a) Vinod Kumar Agarwal; (b) Bessemer Venture Partners Trust, a Mauritius trust beneficially majority owned by U.S. persons; and (c) Capricorn Libra Investment Group LP, a Delaware limited partnership beneficially majority owned by U.S. persons.
Foreign Sponsors:	N/A
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy or employment. Initial U.S. procurement from the Project is expected to have a positive impact on U.S. employment. The Project will have a positive five-year U.S. balance of payments impact.
Developmental Effects:	This Project will have a positive developmental impact on the host country, India. The Project will supplement cellular tower diesel-powered generators with solar hybrid energy systems, resulting lower carbon emissions and a reduction in pollution in rural areas of India. Since most of the tower sites will be located in poor rural areas, the Project will result in the provision of thousands of local employment opportunities. In terms of technology transfer impacts, the Project will increase the number of hybrid solar energy management systems, which are uncommon in India.
Environment:	Screening: This Project has been reviewed against OPIC’s categorical prohibitions and determined to be eligible.

Operations associated with the installation of hybrid power generation systems at existing telecommunications towers are screened as Category B projects under OPIC's environmental and social guidelines because impacts are site-specific and readily mitigated. Most of the Project's operations will be performed by service providers as part of their operations and maintenance contract. The primary environmental and social concerns related to this Project are associated with the safety of employees and service providers involved with the hybrid power generation operations and spent battery disposal.

Applicable Standards: OPIC's environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following International Finance Corporation's ("IFC") Performance Standards ("PS"):

- PS 1: Social and Environmental Assessment and Management Systems;
- PS 2: Labor and Working Conditions;
- PS 3: Pollution Prevention and Abatement; and
- PS 4: Community Health, Safety and Security.

Since the Project will involve the installation of hybrid power generation systems at existing telecommunications towers, PS 5 (Land Acquisition and Involuntary Resettlement) is not triggered. The telecommunications towers are located at permitted sites and not near any sensitive ecosystems, and therefore PS 6 (Biodiversity Conservation and Sustainable Natural Resource Management) is not triggered. There are no indigenous peoples that will be adversely impacted by the Project and there are no cultural heritage issues recorded to date. Thus, PS 7 and PS 8 are also not triggered.

Consistent with the requirements of PS 3 (Pollution Prevention and Abatement), in addition to the PSs listed above, the IFC's Environmental, Health, and Safety General Guidelines (2007) are also applicable to the Project.

The greenhouse gas (carbon dioxide equivalent) emissions are estimated to be less than 100 tons per year for each of the Project sites.

Environmental and Social Risks: AST will operate the hybrid power generation systems at each of the telecommunications

	<p>towers under its corporate policies and in compliance with Indian regulations. AST will adopt detailed procedures relating to worker safety. In addition, employees and service providers will receive extensive orientation training, as well as annual refresher training specific to their jobs. Spent batteries will be disposed at licensed facilities in compliance with the local regulations. All other solid wastes will be stored in containers until transported off site and disposed at permitted facilities. The Project will not generate significant quantities of wastewaters.</p> <p>Risk Mitigation: AST will be required to implement its overarching policy statement of environmental and social objectives and principles that will be used to guide the Project’s environmental and social performance. AST will also be required to continue implementing its grievance mechanism. In addition, AST will be required to implement an action plan to ensure compliance with IFC’s Performance Standards and Environmental, Health, and Safety General Guidelines (2007). The action plan will require AST to submit a spent batteries disposal plan that will present details on the spent batteries disposal facilities.</p>
Workers Rights:	<p>In accordance with OPIC’s Environmental and Social Policy Statement, the Project has been classified as Special Consideration due to the identification of higher risk employment structures and management factors. The Project will rely heavily on relatively large pools of contracted, low-to-medium skilled workers at approximately 16,000 tower sites during the construction and operational phases. Although there are no known labor rights abuses associated with the Project, public reports indicate that general working conditions in India are such that the use of bonded and/or harmful child labor are not uncommon practices in construction activities. Furthermore, although AST is taking appropriate measures to strengthen its ability to effectively manage the application of OPIC’s labor requirements (including the IFC Performance Standards), AST is relatively new and has no previous experience with applying similar labor standards to a relatively large workforce, the majority of which are not under direct management control by AST and will be located in diverse locations.</p> <p>As a Special Consideration project, AST will be required to demonstrate compliance with the OPIC labor requirements set forth in the loan agreement through the following measures: 1) an independent audit within three years of OPIC support; and 2) annual reports that summarize general working conditions,</p>

	<p>including non-compliance issues, grievances, and actions taken to improve the worker-management relationship.</p> <p>OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining, minimum age, hours of work, the timely payment of wages, hazardous work situations. Standard and supplemental contract language will be applied to all workers of the Project. AST will be required to operate the Project in a manner consistent with the requirements of the IFC's Performance Standard 2 on Labor and Working Conditions.</p>
Human Rights:	OPIC issued a human rights clearance for the Project on May 19, 2011.