

Public Information Summary
Avaada Sunrays Energy Private Limited

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| Host Country | India |
| Name of Borrower | Avaada Sunrays Energy Private Limited |
| Project Description | Development, construction, and operations of a 320-megawatt solar photovoltaic power plant located in the Bikaner district of the state of Rajasthan, India. |
| Proposed DFC Loan | Up to \$90,000,000, with a term of up to 20 years. |
| All-Source Funding Total | Up to \$240,000,000. |
| Policy Review | |
| Developmental Objectives | This Project is expected to have a positive developmental impact on India by spurring economic growth in Rajasthan, a relatively underdeveloped state of India, while providing inexpensive renewable energy to meet current and growing Indian demand for power in Punjab and Jammu & Kashmir states. Rajasthan is ranked as 29 out of 36 Indian states for Human Development index (HDI), which qualifies that state as "Low Human Development". The World Bank Group's Country Partnership Framework for India for the period from FY18-22 identifies power as a key constraint to India's continued development, while the U.S. Energy Information Administration estimates that, as the Indian economy grows, electricity demand will increase at an average annual growth rate of 4.6% through 2050. Jammu & Kashmir have the greatest power deficits in India, with 20% of peak demand in 2019-2020 unmet. This Project helps meet India's growing need for power while complementing India's National Solar Mission (2010), which seeks to decrease the country's reliance on coal and increase solar-generated power to 20,000 MW by 2022. |
| Environment and Social Assessment | <p>SCREENING: The Project has been reviewed against DFC's 2020 Environmental and Social Policy Procedures ("ESPP") and has been determined to be categorically eligible. Solar power generation facilities not located in or near sensitive areas and unlikely to have significant negative impacts associated with biodiversity are screened as Category B under DFC's environmental and social guidelines.</p> <p>APPLICABLE STANDARDS: Under DFC's ESPP, the Borrower is required to comply with applicable national laws and regulations related to environmental and social performance. DFC's environmental due diligence indicates that the investment will have impacts which must be managed in a manner consistent with the following International Finance Corporation's (IFC) 2012 Performance Standards (P.S.):</p> |

- P.S. 1: Assessment and Management of Environmental and Social Risks and Impacts;
- P.S. 2: Labor and Working Conditions;
- P.S. 3: Resource Efficiency and Pollution Prevention;
- P.S. 4: Community Health, Safety, and Security;
- P.S. 5: Land Acquisition and Involuntary Resettlement;
- P.S. 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources;
- P.S. 7: Indigenous Peoples; and
- P.S. 8: Cultural Heritage.

IFC's Guidelines applicable to the Project identified under P.S. 3 include: General Environmental, Health, and Safety (EHS) Guidelines (2007) and the IFC Environmental Health and Safety Guidelines for Electric Power Transmission and Distribution lines (2007).

Environmental and Social Risks and Mitigation:

A Project-specific Environmental Impact Assessment (ESIA) is in progress. It will be updated before first disbursement to include a Project-specific Environmental and Social Management Plan (ESMP) for construction and operations, a robust description of the organizational capacity to assure appropriate implementation and monitoring of the environmental and social requirements during construction and operations, and an emergency response plan. If the ESIA identifies impacts due to land-take, the presence of indigenous peoples, or cultural heritage assets, the Project will be required to prepare detailed plans complying with the relevant Performance Standards. It is anticipated that impacts related to these topics will be minimal and able to be managed through appropriate consultation and management plans.

All biodiversity risks will be able to be managed through appropriate mitigation measures included in the ESMP. The Project-specific plans for solid waste, water management, occupational health and safety, transportation management, community engagement, human resources management, contractor management, and security management will be required prior to construction to assure minimal impacts to the communities during construction and throughout operations.

The Project is located in the Kolayat Tehsil is a region that has high intensity of solar projects either operational or under development stages. The Project will be required to provide a Cumulative Impact Assessment.