India: Avaada Solar Phase 2 Project

**Project Name**
Avaada Solar Phase 2 Project

**Project Number**
52126-002

**Borrower/Company**
Avaada Energy Private Limited

**Country**
India

**Location**
Nation-wide

**Approval Number**
7643

**Type of ADB Assistance / Amount**
<table>
<thead>
<tr>
<th>Approval Number</th>
<th>Type of Assistance</th>
<th>Amount</th>
<th>Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>7643</td>
<td>Ordinary capital resources</td>
<td>INR 565.90 million</td>
<td>Approved</td>
</tr>
<tr>
<td>JL09</td>
<td>Leading Asia's Private Infrastructure Fund (LEAP)</td>
<td>USD 7.50 million</td>
<td>Approved</td>
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</tbody>
</table>

**Strategic Agendas**
- Environmentally sustainable growth
- Inclusive economic growth

**Drivers of Change**
- Gender Equity and Mainstreaming

**Sector / Subsector**
- Energy - Renewable energy generation - solar

**Gender Equity and Mainstreaming**
Effective gender mainstreaming

**Responsible ADB Department**

**Responsible ADB Division**

**Responsible ADB Officer**
Agrawal, Keshari Nandan

**Project Sponsor(s)**
Avaada Ventures Private Limited

**Description**
Avaada Energy Private Limited is involved in development, construction and operation of renewable energy projects, primarily solar power projects.

**Objectives and Scope**
The proposed investment will enable Avaada Energy Private Limited to expand its solar photovoltaic generation capacity. The project will help the Government of India to meet the targets for non-fossil-fuel-based electric power generation and reduce India's emission intensity.

**Linkage to Country/Regional Strategy**
The project is fully aligned with ADB's Energy Policy and is consistent with ADB's Strategy 2030. It will contribute to ADB's operational goal of scaling up private sector development and private sector operations. The project is also aligned with the country partnership strategy, 2018-2022 for India.

**Safeguard Categories**

<table>
<thead>
<tr>
<th>Category</th>
<th>Rating</th>
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</thead>
<tbody>
<tr>
<td>Environment</td>
<td>A</td>
</tr>
<tr>
<td>Involuntary Resettlement</td>
<td>B</td>
</tr>
<tr>
<td>Indigenous Peoples</td>
<td>B</td>
</tr>
</tbody>
</table>

**Summary of Environmental and Social Aspects**

**Environmental Aspects**
As the company progresses with its expansion program and more details about the location and environmental risks have become available, it is likely that some projects and associated facilities, especially the large projects in its portfolio (300 MW or more), could be located in the proximity of sensitive receptors or could potentially impact environmentally sensitive areas or protected species. Therefore, ADB is taking a conservative and precautionary approach and has categorized the project as A.

**Involuntary Resettlement**
The company buys or leases land for its various projects. Land is purchased through negotiated settlement with individual landowners, and in some cases leased from existing solar park estates on a long-term basis, on mutually agreed terms. Land for existing projects have either been purchased or leased from industrial estates. For future projects, the company plans to buy or lease land on a negotiated basis. The site or land selection procedure avoids inhabited, irrigated land or land owned by ethnic peoples. Grid connectivity is mostly in close vicinity to the project boundary thereby avoiding any right-of-way issues. Hence, involuntary resettlement impacts are not envisaged.

**Indigenous Peoples**
The company's site selection process for projects typically avoids indigenous peoples' land or areas and none of the subprojects owned by the company are located on indigenous peoples' land. Hence related issues and impacts are not envisaged.

**Stakeholder Communication, Participation, and Consultation**
The consultation and disclosure process happens during the different stages of the project life cycle. During site selection, the staff and the environment, health, and safety teams engage with different stakeholders to understand and assess any concerns around the site and to gauge expectations of different stakeholder groups. The environmental assessment process also engages with different stakeholder groups in its assessment of impacts and its design of mitigation strategies. During the development, construction, and operations phases, the CSR team involves and engages with different community groups to assess needs and plan intervention measures. The environment, health, and safety/CSR team and the site management team maintain an open communication channel and communicate with stakeholders periodically to manage concerns/grievances (if any) and to share/gather feedback on CSR programs.

**Timetable for assistance design, processing and implementation**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
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<tbody>
<tr>
<td>Concept Clearance</td>
<td>09 Jun 2020</td>
</tr>
<tr>
<td>Due Diligence</td>
<td></td>
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<tr>
<td>Credit Committee Meeting</td>
<td>17 Aug 2020 to 17 Aug 2020</td>
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</table>
## Project Page
- https://www.adb.org/projects/52126-002/main

## Request for Information

## Date Generated
- 04 October 2020

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