



### Project Summary Information

Date of Document Preparation: December 6, 2019	
<b>Project Name</b>	Rajasthan 250 MW Solar Project - Hero Future Energies
<b>Document Code</b>	PD000322-PSI-IND
<b>Region</b>	India
<b>Sector/Subsector</b>	Energy/Renewable energy generation
<b>Status of Financing</b>	Under Preparation
<b>Project Description</b>	The Project involves financing of a 250 MW solar project being developed by a special purpose vehicle, Clean Solar Power (Jodhpur) Private Limited (“CSPJPL” or the “company”), which was awarded the project through a competitive bid, at a tariff of INR 2.53 /kWh. CSPJPL signed a 25-year Power Purchase Agreement (“PPA”) with Solar Energy Corporation of India Limited (“SECI”) in November 2018. As per the PPA, the scheduled commercial operation date (SCOD) is October 2020.
<b>Objective</b>	To promote electricity generation from solar energy resources through private capital mobilization.
<b>Expected Results</b>	The Project will add 250 MW of solar capacity and result in clean energy generation of 616 MWh in FY2022.
<b>Environmental and Social Category</b>	Category B
<b>Environmental and Social Information</b>	<p><b>Environment and Social Policy and Categorization.</b> Because this Project will be co-financed with the International Finance Corporation (IFC), and in order to ensure alignment of the policies applicable to the Project, IFC’s Environmental and Social Sustainability Policy (IFC ESSP) and related Environmental and Social Performance Standards (IFC PSs) will apply to this Project. AIIB is satisfied that: (a) the IFC ESSP and IFC PSs are consistent with AIIB’s Articles of Agreement and are materially consistent with AIIB’s Environmental and Social Policy (ESP) and relevant Environmental and Social Standards (ESSs) and (b) the monitoring procedures that are in place for the Project are appropriate.</p> <p>The Project has been assigned as category B. An Environmental and Social Impact Assessment (ESIA) has been prepared by CSPJPL in accordance with the IFC ESSP and IFC PS.</p> <p><b>Environment Aspects.</b> Potential negative impacts caused by the Project are expected to be mostly during the construction stage and site-specific, including impacts of traffic and public utilities disturbance, air pollution, noise, water usage, solid</p>

wastes as well as community and occupational health and safety issues. In addition to the mitigation measures to address negative impacts of the Project, the Environmental and Social Management Plan (ESMP), included in the ESIA, also includes a monitoring plan with reporting mechanism and description of the roles and responsibilities of the key institutions for its implementation. The impacts on avian species are expected to be low as there are no waterbodies or any important bird areas within 10km radius. However, considering the Project is located along the migratory route, to better mitigate any potential risks on the avian species, a separate Biodiversity Management Plan will be developed prior to the disbursement. Broken or retired solar panels, batteries will be sent back to the vendor.

**Social Aspects.** Land procurement for project components is underway. The Project has identified 1,350 acres to meet land requirements. A total of 1,014 acres have already been procured on a willing-buyer willing seller basis and the remaining balance will follow the same approach. An 8-km transmission line is expected to connect the Project to the grid substation, 5-km of which is dedicated to the Project and 3 km shared with other independent power producers.<sup>1</sup> Procurement of right of way for the 5-km transmission line has not commenced, while the 3-km shared transmission line is completed in September 2019. The Project does not involve any Scheduled Tribes. The Project site does not fall within any Scheduled Tribes Area.

**Stakeholder Consultation and Information Disclosure.** Consultations have been conducted in the preparation of ESIA. CSPJPL will continue their communications with the affected persons and other stakeholders and disclose Project information during project implementation. A summary of the environmental and social aspects of the Project has been disclosed on IFC's website since April 2019<sup>2</sup>. A translation in Hindi of the Executive Summary of ESIA and an updated version in English of the ESIA were made available at Project area and on CSP JPL's website on 28<sup>th</sup> October, 2019.<sup>3</sup> The English version of ESIA was disclosed on AIIB's website on , Oct. 29, 2019.<sup>4</sup>

**Project-level and Worker Grievance Redress Mechanisms (GRMs).** CSPJPL has a Project-level Grievance Redress

<sup>1</sup> Tata Power and ACME

<sup>2</sup> <https://disclosures.ifc.org/#/projectDetail/ESRS/42694>

<sup>3</sup> [https://www.herofutureenergies.com/wp-content/uploads/2019/10/0501073\\_ESIA-Report\\_250-MW-Solar-PV-Project\\_Noore-Ki-Bhoorj\\_CSPPL\\_25.10.2019.pdf](https://www.herofutureenergies.com/wp-content/uploads/2019/10/0501073_ESIA-Report_250-MW-Solar-PV-Project_Noore-Ki-Bhoorj_CSPPL_25.10.2019.pdf)

<sup>4</sup> [https://www.aiib.org/en/projects/proposed/2019/download/india/250-MW-Solar-PV-Project\\_Noore-Ki-Bhoorj\\_CSPPL.pdf](https://www.aiib.org/en/projects/proposed/2019/download/india/250-MW-Solar-PV-Project_Noore-Ki-Bhoorj_CSPPL.pdf)

	Mechanism (GRM) in place following the HFEPL's structure <sup>5</sup> . A separate GRM for workers to address workplace concerns exists. Both GRMs, satisfactory to IFC and AIIB, will be required to be maintained for the Project.			
<b>Cost and Financing Plan</b>	<b>Financing Entity</b>	<b>USD million</b>	<b>Share (%)</b>	
	<b>Debt</b>			
	AIIB	65	35	
	HDFC Bank	25	13	
	IFC	43	23	
<b>Equity</b>				
Hero Solar Energy Private Limited	54	29		
<b>Total Financing</b>		<b>187</b>	<b>100</b>	
<b>Borrower/Investee Company/Counter party/Guaranteed entity</b>	<p><b>Parent Company:</b> Hero Future Energies Private Ltd. (HFEPL) (Indian Holding Co.) It is an investee company of International Finance Corporation (IFC).</p> <p><b>Sponsor:</b> Hero Solar Energy Private Ltd. (HSEPL), a subsidiary of HFEPL.</p> <p><b>Borrower:</b> Clean Solar Power (Jodhpur) Private Ltd. (CSPJPL)</p>			
<b>Guarantor</b>	Sponsor undertaking for project completion			
<b>Implementing Entity/Sponsor</b>	Sponsor			
<b>Estimated date of last disbursement (NSBF)</b>	March 2021			
<b>Contact Points:</b>	<b>AIIB</b>	<b>HDFC Bank</b>	<b>IFC</b>	<b>Borrower</b>
<b>Name</b>	Amit Kumar	Ankit Patni	Pratibha Bajaj	Shashank Shah
<b>Title</b>	Senior Investment Operations Specialist		Investment Officer	
<b>Email Address</b>	amit.kumar@aiib.org	Ankit.Patni@hdfcbank.com	pbajaj@ifc.org	shashank.shah@herofutureenergies.com

<sup>5</sup> HFE has developed an Environmental and Social Management System (ESMS), guided by an Environmental and Social Management Framework (ESMF). The ESMF defines the principles guiding the implementation of the ESMS, provides the definition of environmental and social impacts and specifies HFE's key focus areas, which are consistent with the International Finance Corporation's (IFC) Performance Standards, its scope of application and the operational responsibilities for implementing the ESMS.

<b>Date of Concept Decision</b>	23 August 2019
<b>Date of Appraisal Decision</b>	29 October 2019
<b>Date of Financing Approval</b>	6 December 2019

<b>Independent Accountability Mechanism</b>	<p>AIIB's Policy on the Project-affected People's Mechanism (PPM) will be applied to this Project. The PPM has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the applicable environmental and social policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit <a href="https://www.aiib.org/en/policies-strategies/operational-policies/policy-onthe-project-affected-mechanism.html">https://www.aiib.org/en/policies-strategies/operational-policies/policy-onthe-project-affected-mechanism.html</a></p>
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