



India: Sembcorp Green Infra Wind Project

Project Name	Sembcorp Green Infra Wind Project	
Project Number	51055-001	
Borrower/Company	Green Infra Renewable Energy Limited	
Country	India	
Location		
Approval Number		
Type of ADB Assistance / Amount	Ordinary capital resources	USD 75.10 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Partnerships Private sector development	
Sector / Subsector	Energy - Renewable energy generation - wind	
Gender Equity and Mainstreaming	No gender elements	
Responsible ADB Department	Private Sector Operations Department	
Responsible ADB Division	Infrastructure Finance Division 1	
Responsible ADB Officer	Choudhary, Mayank	
Project Sponsor(s)	SembCorp Sembcorp Green Infra Limited (SGIL)	
Description	<p>The Project involves development and construction of a portfolio of 400MW of wind power projects across various states in India (90 MW in Gujarat, 310 MW in other states). The projects will be housed in Green Infra Wind Energy Ltd (GIWEL), which is a subsidiary of SGIL and has 203MW of operating wind power capacity. The transaction will be structured as corporate finance to GIWEL, with elements of project finance like security over project assets, charge over project cash flow etc built in. The company will use these funds, along with equity infusion by Sembcorp and local commercial debt to fund the construction of the above projects.</p>	
Objectives and Scope	<p>The project represents the very first time that ADB is supporting a competitively bid out wind power project in India. It was awarded through the country's first ever wind auction at a price which now makes wind energy competitive vis-a-vis other sources of power in India. The objective behind the auction is to help non-windy states in meeting their non-solar renewable purchase obligation (RPO) at a competitive price. ADB's assistance in the form of a long-term loan will significantly improve project financials. This, in turn, will have a major demonstration effect in affirming the commercial viability of competitively bid out wind projects</p>	
Linkage to Country/Regional Strategy	<p>The relevant country partnership strategy of India (2013-17) is based on four development pillars: (i) inclusive growth and balanced development, (ii) resource efficiency and environmental sustainability, (iii) regional cooperation and public goods, and (iv) an environment conducive to private sector development. The project particularly supports pillars (ii) and (iv). The project is consistent with ADB Energy Policy which prioritizes the support for the renewable energy development. In September 2015, ADB announced that it would double its annual commitment for climate financings to \$6 billion by 2020, including \$4 billion annually for mitigation. Of this \$6 billion, \$3 billion would be targeted towards the development of clean energy projects, including solar, wind, renewable energy transmission, and other renewable technologies.</p>	

Safeguard Categories

Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The siting of the turbines has/will be done away from sensitive environment and social receptors (like residential houses, forest, community resources etc) to avoid impacts associated with shadow flicker, noise, blade throw and other safety risks.
Involuntary Resettlement	Land required for the project and its various components is being directly purchased through negotiated settlements with individual land owners on a willing seller- buyer arrangement. Land negotiations and the final agreement is documented. Involuntary resettlement issues are, hence, not envisaged for this project.
Indigenous Peoples	The project and its activities will not result in impacts on indigenous peoples. The project is not located in an IP area. The initial screening process of the company for identifying potential WTG locations avoids Scheduled tribe/ IP lands. No lands owned, used, occupied, or claimed as ancestral domain by Scheduled Tribes is being used for the development of the project. Hence Indigenous Peoples (IPs) issues and impacts are not expected on account of company's operations
Stakeholder Communication, Participation, and Consultation	Based on the site visits and consultations with stakeholders including land owners, village representatives, and land aggregators, the IEE (undertaken by independent consultant) has assessed that a) the land purchase process is voluntary (based on negotiated settlements); b) the rates of compensation/purchase are higher than the existing market value of land in that area; c) there are no outstanding issues related to land compensation; and d) other impacts on the adjoining communities, such as any access restrictions to agricultural fields, are being managed by providing alternative access prior to the occurrence of impacts.

Timetable for assistance design, processing and implementation

Concept Clearance	02 Mar 2017
Due Diligence	
Credit Committee Meeting	21 Aug 2017 to 21 Aug 2017
Approval	-
Last PDS Update	22 Aug 2017

Project Page	https://www.adb.org/projects/51055-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=51055-001
Date Generated	09 November 2018

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