

 Early Warning System

AIIB-000840

India: SAEL Solar Power



Quick Facts

Countries	India
Specific Location	Anantapur, Kurnool and YSR districts
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-12-09
Borrower	SAEL Solar MHP1 Private Limited, Ajay Tiwari
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	\$ 144.00 million
Loan Amount (USD)	\$ 144.00 million
Project Cost (USD)	\$ 192.00 million



Project Description

According to AIIB, the proposed project involves the design, development, construction, operation and maintenance of 300 MW ac solar photovoltaic (PV) power plant located in the state of Andhra Pradesh, India (the Project). The power generated from the solar plant shall be evacuated to the grid through a proposed ~12.8 km transmission line connecting the project sub-station to the grid sub-station at the Kurnool-III power station (owned by Power Grid Corporation of India Ltd., a state-owned entity).

The Project will sell electricity to Solar Energy Corporation of India through a power purchase agreement (PPA) for a period of 25 years from the scheduled commercial operation date. The tariff for the Project was determined through a tariff based competitive bidding is INR2.60 per kWh (~USD3.17 US cents per kWh) for the term of the PPA.

SAEL land team has identified approximately 1881.32 acres of land for the Solar plant site, out of which ~1500 acres will be procured for the project site, and it will be acquired through lease for the entire duration of the Power Purchase Agreement (PPA) which is executed between M/s SAEL Solar MHP1 Private Limited and the Solar Energy Corporation of India Limited. M/s SAEL Solar MHP1 Pvt. Ltd was awarded the project through a reverse bidding process based on tariff considerations.



People Affected By This Project

The solar project site will be developed in an area covering two villages namely (i) Koduru village, Kondapuram tehsil, YSR District, and (ii) Bodaipalle village, Tadipatri tehsil, Anantapur District in the state of Andhra Pradesh for a capacity of 300 MW solar project. The proposed project will be situated at an elevation ranging between 242m to 255m above mean sea level on flat to undulating agricultural land. The designated area for the project primarily covered with agricultural crops and trees, predominantly Neem, Tamarind and Acacia. Currently, sorghum and chickpea are being cultivated in the designated land parcels, characterized by a soil composition consisting mainly of a blend of sand and black soil within the region.

While the proposed project is spread across two villages, Koduru and Bodaipalle, the nearest settlements are located at (i) Koduru village located at ~55m from the boundary towards south direction, (ii) Murugampalli village located at ~40m from the boundary towards northeast direction, (iii) Bodaipalle village located at ~350m from the boundary towards southwest direction and (iv) K. Sirigepalle village located at ~550m from the boundary towards north direction.



Investment Description

- Asian Infrastructure Investment Bank (AIIB)

The estimated total project cost is USD192 million. The proposed total debt financing for the Project is USD144 million which would primarily be used to fund the construction of the solar plant and other costs such as financing costs, contingency etc.



Private Actors Description

M/s SAEL Solar MHP1 Pvt. Ltd (SSMPL) is a privately held company engaged in power generation. It operates as a subsidiary of SAEL Industries Limited (SIL), which is promoted by SAEL Limited (SAEL).

The Sponsor of the Project is SAEL Industries Limited (SAEL Industries), an emerging renewable energy company in India. SAEL Industries has an overall contracted solar power asset portfolio of ~4,455 MW which comprises of ~365 MW of operating capacity, and the balance under construction and pre-development which the company plans to install by 2026.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	SAEL Industries Limited	Parent Company	Energy



Contact Information

PROJECT TEAM LEADER

Asian Infrastructure Investment Bank

Prakash Bajoria

Senior Investment Officer

prakash.bajoria@aiib.org

BORROWER

SAEL Solar MHP1 Private Limited

Ajay Tiwari

Project Head

ajay.tiwari@sael.co

IMPLEMENTING ENTITY

SAEL Industries Limited,

Laxit Awla, CEO

laxit.awla@sael.co

ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides 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 ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes. Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>



Bank Documents

- [Climate Risk and Adaptation Assessment](#) [Original Source]
- [Critical Habitat Assessment](#) [Original Source]
- [Environmental and Social Impact Assessment](#) [Original Source]
- [Project Summary \(October 25, 2024\)](#) [Original Source]



Other Related Projects

- NDB-SAELSOLAR SAEL 300MW Renewable Energy Project