

EARLY DISCLOSURE – WASTE-TO-ENERGY IN NORTHERN INDIA

The following information will be published on the AGRI3 website 30 days prior to contracting

Transaction name	Agri Waste-to-energy in Northern India
Publication date	Oct 2024
Sector	Waste-to-Energy (WtE)
Country and region	India: Punjab, Haryana and Rajasthan
Deal overview	<p>The transaction involves a total facility size of INR 1.6 bln (approximately USD 20 mln) from the Partner Financial Institution, with AGRI3 providing a 75% guarantee, covering up to the INR equivalent of USD 15 mln. The facility will be renewable annually for three years, contingent on financial performance.</p> <p>The funds will be utilised to meet working capital requirements for four subsidiary companies operating WtE projects. These funds will primarily support the purchase of feedstock, including agricultural waste from farmers, farmer producer organisations, and other intermediaries.</p>
Description of the activities	<p>The company is a key player in India's renewable energy sector, specializing in Waste-to-Energy. The company has rapidly positioned itself as a leader in the clean energy transition. Its primary activities involve converting agricultural waste, such as paddy straw, into energy through its WtE projects, and generating solar power, contributing to India's push for sustainable energy solutions.</p>
Expected impact	<p>Sustainable food systems</p> <ul style="list-style-type: none"> ● GHG emissions reduced from changes to farm practices <ul style="list-style-type: none"> ○ Metric tons of carbon dioxide emissions avoided annually by using agricultural waste for the WtE instead of burning the waste <p>Rural livelihoods</p> <ul style="list-style-type: none"> ● Number of farmers supplying the new biomass power plants with agricultural wastes increased to 20,000 (FY2022 baseline: 0) ● Number of jobs maintained in the operation of the biomass energy plants ● Procurement of agricultural waste or other goods or services from women-owned microbusinesses or women's self-help groups piloted.
E&S risks and mitigants	<ul style="list-style-type: none"> ● Climate risks are river and urban floods, water scarcity, extreme heat, wildfires and the impact on farmers and their crop waste production, the WtE sites and the grid. The company has performed a climate risks assessment of its operations in line with TCFD. Their proposed mitigation effort is through the diversity of their business models and the geographic spread of their operations. ● Community Health, Safety and Security risks relate to operationalisation of its supply chain with farmers, e.g. remuneration, health and safety around waste collection centres and grievance mechanisms. The company has Business and Community Development (BCD) Teams to navigate challenges effectively and

	achieve outcomes that create value for all stakeholders involved, mitigating the risks.
Contact details of fund manager	Parties can express their views on the proposed transaction to the Fund Manager by contacting info@agri3.com within 30 days of the publication date of the notice.