



Project Summary Information

May 20, 2021

Project Name	India City Gas Distribution (CGD) Financing AGPCGPL
Project Number	P000318-IND
AIIB member	Republic of India
Sector/Subsector	Energy/Gas distribution
Status of Financing	Approved
Project Description	The Project will finance the development of a city gas distribution (CGD) network in 9 geographical areas (the "Project") by a special purpose vehicle named AGP City Gas Private Limited (AGPCGPL) and awarded by the Petroleum and Natural Gas Regulatory Board via an international competitive bid. The Project would connect 10 million residential households to piped natural gas (PNG), install 1,080 compressed natural gas (CNG) stations to supply to the transport sector, and lay 16,186 inch-km of steel pipelines.
Objective	The Project aims to increase availability, and improve accessibility, of natural gas for domestic, transport, commercial and industrial users in 9 geographical areas (GA), across the states of Andhra Pradesh (with 2 GAs), Karnataka (with 5 GAs), Kerala and Tamil Nadu (with 1 GA each), thereby reducing consumption of more polluting fossil fuels and alternative petroleum products.
Expected Results	The project's end targets are to connect 10 million residential households with natural gas connections and install 1,080 CNG stations.
Environmental and Social Category	Category B
Environmental and Social Information	Environmental and Social Policy (including Standards) and Categorization. The project has been screened and reviewed with reference to AIIB's Environmental and Social Policy (ESP), Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List. ESS 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement) are applicable. The project has been categorized as Category B on the basis of expectation that (i) the general environmental and social impacts of the construction works are localized, (ii) the impacts are expected to be reversible and temporary in nature, and (iii) can be successfully managed using good practice in an operational setting. The

project is co-financed with the Development Bank of Austria (OeEB). Both Banks' Environmental and Social Policies have been harmonised and applied.

Instruments. An Environmental and Social Management Planning Framework (ESMPF) with a generic Environmental and Social Management Plan (ESMP) and a Resettlement Planning Framework has been prepared as the Project consists of sub-projects whose details are not yet identified and requires the adoption of a phased approach. The ESMPF provides guidance on the site selection and sub-projects screening criteria to rule out any significant environmental and social impacts/risks resulting in irreversible and permanent adverse impacts. The management, mitigation, and monitoring measures to address risks and impacts will be further identified in the sub-projects' Environmental and Social Impact Assessments (ESIAs)/ESMPs once the network development is completed for each GA. The ESIAs/ESMPs will be reviewed by the Bank before disclosure to enable the mobilization of sub-projects.

Stakeholder Engagement, Consultation, and Information Disclosure. Consultations were conducted for the ESMPF preparation. Sub-projects' meaningful consultations will be further strengthened in phases during the ESIAs/ESMPs preparation, in accordance with national guidelines on restrictions imposed due to the COVID-19 pandemic. The ESMPF has been posted on AIIB's and AGPCGPL's websites^{1,2} and will be made available in hard copies in the sub-project areas. During Project implementation, ESMPs prepared for sub- projects in all 9 GAs (and Resettlement Plan, if applicable) will be disclosed online and made accessible to local Project Affected Peoples (PAPs) and communities once ready, in English and local languages.

Project-level Grievance Redress Mechanism. External and Internal Grievance Redress Mechanisms (GRMs) at the project level for PAPs and workers respectively have been developed in accordance with the requirements of the Bank's ESP. Locally appropriate public consultation and disclosure process will be used to disseminate information about the GRMs including the Project-affected People's Mechanism of AIIB. Communities and individuals who believe that they are adversely affected by the Project will be able to submit complaints to the project-level GRM first for their resolution.

¹ https://www.aiib.org/en/projects/details/2021/download/india/client-cofinancing-partner-documents/Final-ESMPF_AGPCGPL_09_12_20.pdf

² <https://www.agpratham.com/images/Environmental%20and%20Social%20Management%20Planning%20Framework%20India%20City%20Gas%20Distribution%20-%20CGD%20Financing%20AGP.pdf>

Cost and Financing Plan					
	Instrument (in million)		Amount (in USD)	Share (%)	
	Debt		362	65.0	
	AIIB		75	13.5	
	L&T Infrastructure Finance / IIFCL / Others		237	42.5	
Others		50	9.0		
Equity Sponsors (AGPLNG / AG&P Manila)		195	35		
Total Financing		557	100		
Borrower/Investee Company/Counter party/Guaranteed entity	Parent Company: AGP International Holdings Pte Ltd., Singapore (AGPIHPL) Sponsors/Shareholders: AG&P LNG Marketing Pte Limited (AGPLNG, 84.64%); Atlantic Gulf & Pacific Company of Manila (AG&P Manila, 15.36%) Borrower: AGP City Gas Private Limited (AGPCGPL)				
Implementing Entity/Sponsor	Sponsor as listed above				
Estimated date of last disbursement (NSBF)	December 2025				
Contact Points:	AIIB	L&T Infrastructure Finance	Borrower	Sponsor	
Name	Amit Kumar	Rupak Saha	Nishant Nehru	Abhilesh Gupta	
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Date of Concept Decision	13 December 2019				

Date of Final Decision	19 February 2021
Date of Financing Approval	20 May 2021
Independent Accountability Mechanism	The Project-affected People's Mechanism (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 its ESP in situations when their concerns cannot be addressed satisfactorily through the Project-level GRM or the AIIB Management's processes. Information about the PPM is available at: https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html