



Project Summary Information

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Project Name	NIIF PMF II
Project Number	P000832
AIIB member	India
Sector/Subsector	Multi-sector
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure; Private Capital Mobilization
Status of Financing	Approved
Objective	Mobilize private capital to support the development of India's private equity and venture capital markets, with an emphasis on emerging, new fund managers investing in sustainable infrastructure projects.
Project Description	<p>The National Investment and Infrastructure Fund Limited (NIIF), a quasi-sovereign investment manager backed by the Government of India (GoI), is launching a second Private Markets Fund (PMF II), targeting USD 1.0 billion to invest in infrastructure assets supporting India's environmental, social and economic priorities. Focused sectors include renewable energy, electric vehicle (EV) infrastructure, waste management, urban and social infrastructure, technology, and financing and manufacturing activities targeting these sectors and related supply chains. NIIF will continue the strategy of its first private markets fund (PMF I) by leveraging its on-the-ground presence and market intelligence in India.</p> <p>AIIB anchored PMF I (Board approved in 2018) and has been working closely with NIIF in the monitoring of the Bank's investments. NIIF has demonstrated professional approach and skills in both investment and management of portfolio funds.</p>
Expected Results	<p>Project Objective Indicators include:</p> <ul style="list-style-type: none">• Number of portfolio funds benefited from AIIB's financing (8)• Number of portfolio companies benefited from AIIB's financing (125)• Percentage of capital allocated to support new, emerging fund managers (50%)• Total amount of private capital mobilized by PMF II (USD5,500 million)

Environmental and Social Category	FI
Environmental and Social Information	<p>Environmental and Social Policy and Categorization. AIIB's Environmental and Social Policy (ESP) including Environmental and Social Exclusion List (ESEL) and Environmental and Social Standards (ESSs) are applicable to this Project. The Project has been placed in Category FI, because the financing structure involves the provision of funds through a Financial Intermediary (FI), whereby the Bank delegates to NIIF the decision-making on the use of Bank funds, including the selection, appraisal, approval and monitoring of Bank-financed Sub-Funds, and the oversight on their respective investments in portfolio companies. Activities included in AIIB's ESEL will not be eligible for financing. Coal mining, coal transportation and coal-fired power plants, as well as infrastructure services exclusively dedicated to support any of these activities will also be excluded.</p> <p>Environmental and Social Management System (ESMS). NIIF PMF's ESMS will align with AIIB ESF 2022 and be established within three months from the date on which AIIB signs the contribution agreement. Establishing portfolio fund and company level ESMS is a condition precedent for disbursement by NIIF to portfolio funds. A Climate risk management system will be implemented within two years from Final Close. In addition, NIIF will develop an implementation framework on gender diversity which will be applied across the PMF II portfolio.</p> <p>Environmental and Social Capacity. The Environmental Management and Social Development (EMSD) team of NIIF is focused on creating environmental and social (E&S) awareness, review of E&S risks in all investment evaluations, advising investment teams, preparing annual E&S performance reports, monitor implementation of E&S policy and practices. For PMF II, NIIF's EMSD team will engage with portfolio funds, review deal pipeline and address E&S issues including monitoring. NIIF will augment its capacities to sufficiently meet E&S management in PMF II including portfolio funds and portfolio companies.</p> <p>Environmental and Social Aspects. PMF II will be invested by NIIF through the portfolio funds in various portfolio companies mainly in renewable energy, EV infrastructure, waste management, social infrastructure, digital and tech-enabled infrastructure and manufacturing activities and financial services supporting these sectors. The enhanced PMF II ESMS will be implemented for all invested portfolio funds, without exception. Following risk screening, including reputational and regulatory aspects, NIIF PMF II Investment Committee (IC) approves ESDD budget and ESDD is carried out by external advisors that includes site visits, understanding legacy issues, if any and materiality analysis. The results are reviewed by IC for investment decision. Corrective actions as identified from ESDD will be agreed with the portfolio funds and definitive agreements will include E&S covenants and E&S action plan (ESAP) provisions. Investments which may involve land acquisition, resettlement or Indigenous Peoples will be assessed as per the NIIF PMF ESMS requirements and proportional</p>

mitigation approaches will be implemented. All investments shall necessarily obtain and maintain applicable government/regulatory permits/clearances and these provisions are part of ESMS. Assessments will be carried out by NIIF EMSD team to ascertain the impacts in respect of land use, R&R, Indigenous Peoples, biodiversity, e-waste, toxic and hazardous waste, air and water pollution and will be addressed through material measures as part of the ESMS and subproject ESMPs. Bank will conduct prior review of projects that include all Category A activities proposed for Bank support and first three projects involving Higher Risk Activities. Bank requires that the NIIF PMF II to exclude investments as well as retains the right to decline to participate in investments where prior review and approval of Higher Risk Activities is not feasible.

Gender, Diversity and Inclusion. NIIF is committed to driving the culture of building inclusive organizations free from bias or discrimination and setting an example for the industry by providing equal employment opportunities for women, men, transpersons, minorities, and persons with disabilities (PWD). At NIIF, the principles of diversity, equity and inclusion are considered and adhered to, from recruitment, induction to performance evaluation, workplace balance, networking groups and training and development. NIIF significantly contributes to empowering women, enhancing women's employment and incomes through PMF's investments.

Occupational Health and Safety (OHS), Labor and Employment Conditions. NIIF's existing PMF I ESMS already includes provisions for identifying and managing portfolio company level OHS issues in Project activities. The EMSD team reviews the information submitted and discusses with the respective E&S resources during the periodic interaction on additional measures required. Based on the outcomes of due diligence, where needed, in addition to ESMP, a stand-alone OHS management plan will be developed. Development of agreed OHS management plan before commencement of physical / construction works will be a condition precedent in greenfield investments, while in the case of investments in operational projects the OHS management plan shall be developed and agreed within three months of investment decision by NIIF PMF II. As the potential investments of PMF II include renewable energy, a Supplier Code of Conduct that requires all suppliers and contractors to implement appropriate management measures in respect of labor and working conditions in their supply chain operations will be part of ESMS.

Information Disclosure and Grievance Redress Mechanism. NIIF discloses E&S policy¹, Procedures and overview of PMF II enhanced ESMS² on its Website. ESG capacity and all portfolio investments³ are disclosed on the website. An overview of enhanced ESMS³ will also be timely disclosed in an appropriate manner. NIIF publishes Impact report⁴ in portfolio

¹ https://dpbt9h452fgde.cloudfront.net/wp-content/uploads/2025/11/NIIFL_SRI-Policy_BM-Approved_29Oct2025.pdf

² [PMF-II-ESMS-Summary-2025.pdf](#)

³ [NIIF | Investing Growth Capital at Scale in Sunrise Sectors](#)

⁴ <https://niifindia.in/wp-content/uploads/2024/02/NIIF-PMF-Impact-Report-2023.pdf>

	<p>fund on an annual basis highlighting the key accomplishments in the areas ESG in its investments. ESDD/ESIA report and other E&S instruments are disclosed where applicable as required by ESMS. At the PMF I level, NIIF has adopted a grievance redressal policy approved by the Board. The policy commits that NIIF will endeavor to address grievances in a swift and effective manner within a time period of thirty business days from the date the grievance is raised by the relevant stakeholder. As per the GRM policy, compliance officer monitors the process so that any grievance received are addressed in a timely manner. For the PMF II, NIIF will build on the existing GRM and will require the portfolio funds and companies to implement and operate the GRM in accordance with NIIF PMF II ESMS both for relevant stakeholders and project workers. In addition, NIIF will timely provide related stakeholders the information about the availability of GRM and AIIB's PPM in an appropriate manner.</p> <p>Monitoring and Supervision Arrangements. NIIF will develop detailed database comprising all relevant E&S information, and report to AIIB a summary of the E&S aspects and overview of the E&S performance of the portfolio annually. AIIB will conduct reviews of the selection and implementation of portfolio funds and companies as part of its regular supervision and site visits and review of selected funds and companies. NIIF's E&S resources will also conduct supervision and report to the Bank on progress with the implementation of the ESMS and on the E&S performance of the funds and companies.</p>		
Cost and Financing Plan	Up to USD125 million (USD100 million fund commitment and a USD25 million co-investment sleeve)		
Fund Manager	National Investment and Infrastructure Fund Limited		
Estimated Date of first disbursement (Fund)	2Q 2026		
Contact Points:	AIIB		Fund Manager
Name	Kishlaya Misra	Ji Liu	Anand Unnikrishnan
Title	Senior Investment Officer	Investment Associate	Managing Partner
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Date of Single Review Decision	April 11, 2024		
Date of Financing Approval	May 15, 2024		

Independent Accountability Mechanism	<p>AIIB's Policy on the PPM applies to this Project. The PPM has been established by 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 ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRM or the processes of AIIB's Management.</p> <p>Information on AIIB's PPM is available at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</p>
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