Project Summary Information

	Date of Document Preparation/Updating: 08/30/26
Project Name	India Climate Mitigation On-Lending Program – India Infrastructure Finance Company Limited
Project Number	P001214
AIIB member	India
Sector/Subsector	Multi-sector
Alignment with AIIB's thematic priorities	Green infrastructure; Private Capital Mobilization
Status of Financing	Under Preparation
Objective	To support sustainable infrastructure development in India by increasing financing for climate mitigation projects across eligible sectors.
Project Description	The Project contemplates up to USD200 million in senior debt financing to India Infrastructure Finance Company Limited ("IIFCL") for on-lending to eligible sub-borrowers in India to support climate change mitigation. IIFCL is a government-owned development finance institution established in 2006 under the Ministry of Finance, Government of India, to address long-term financing constraints for infrastructure projects in India. The institution provides long-term debt financing to support infrastructure projects across sectors including transport, energy, urban infrastructure and social infrastructure.
Expected Results	**Project Objective Indicators** • GHG emissions reduced, avoided or removed (tCO_2e / Year) • Renewable Power Generation Capacity Financed (MW) **Intermediate Results Indicators**: • Number of sub-loans financed (Number) • Value of sub-loans financed (USDmn)

Environmental and Social Category	FI
Environmental and Social Information	**Applicable Policy and Categorization.** AIIB's Environmental and Social Policy (ESP), Environmental and Social Standards (ESSs), and the Environmental and Social Exclusion List (ESEL) apply to this project. The Project has been placed in Category FI because the financing structure involves the provision of funds through a Financial Institution (FI), whereby AIIB delegates to IIFCL the decision-making on the use of AIIB's funds towards subprojects. This includes the selection, appraisal, approval, and monitoring of subprojects and the oversight of the sub-borrowers and subprojects in line with AIIB's ESP requirements. The Project excludes all Category A projects, and the Project will also exclude coal mining and transportation, coal-fired power plants and infrastructure exclusively dedicated to supporting any of these activities. **Environmental and Social Instruments**. IIFCL's Environmental and Social Safeguards Policy (ESSP) and Environmental and Social Safeguards Framework (ESSF, November 2025) provides a structured framework for managing environmental and social (ES) risks associated with infrastructure projects and will be the key ES instrument for this Project. The framework includes the process for screening, categorization, environmental and social due diligence (ESDD), monitoring, reporting, stakeholder engagement, and grievance management. The framework also facilitates ES risk identification, corrective actions, incident reporting, and grievance management, which will be further strengthened to align with AIIB's ESP. IIFCL is an infrastructure finance company, has relevant experience with MDBs in managing ES risks of infrastructure projects and will further manage ES risks under this Facility through its ESSF which is aligned with AIIB's ESF. In addition, IIFCL manages its ES commitments through its Sustainability Department which is integrated into IIFCL's senior management hierarchy and headed by the Chief General Manager. **Environmental Aspects.** The Project's proceeds will be used for on-lending to eligible climate mitigation subprojects including renewable energy generation, energy storage, sustainable aviation fuel, EV and associated infrastructure projects. Key environmental impacts associated with the targeted sectors may include effects on air quality, noise emissions, water use and wastewater management, solid and hazardous waste management, occupational health and safety, bird mortality and impacts on avian flight patterns, shadow flicker, blade throw, and other site-specific construction and operational impacts. These risks and impacts will be assessed and mitigated in accordance with the enhanced ESSF of IIFCL. The enhanced ESSF will require IIFCL to undertake screening, categorization, and ESDD in line with the AIIB's ESF. As Category A subprojects have been excluded under this Facility, significant large-scale impacts and associated risks are not anticipated. **Social and Gender Aspects.** IIFCL investments in subprojects is expected to generate meaningful social impacts and benefits such as job creation. However, social impacts and risks associated with infrastructure projects need to be managed

	proactively. As green infrastructure projects will be financed, subprojects may potentially involve land acquisition and land legacy issues, which would lead to physical and economic displacement of local communities. Subprojects during the construction phase are expected to cause disruptions in terms of increased traffic, noise, and dust. Further, labor and working conditions (LWC) and community health and safety risks are also of concern. IIFCL will review these social impacts and mitigation measures to manage them adequately. IIFCL has established a Gender Equality and Social Inclusion Cell and an Internal Complaints Committee to comply with Prevention of Sexual Harassment (POSH) Act, 2013. **Occupational Health and Safety (OHS), Labor and Working Conditions (LWC).** Eligible subprojects under this facility will be required to comply with the labor laws and standards of the host country. IIFCL, through its ES due diligence, assesses and mitigates LWCs issues as well as OHS risks in subprojects. IIFCL also maintains oversight of ES performance through periodic reporting. For potential supply chain-related LWC issues, IIFCL, as a part of its due diligence, will assess the LWC risks and require its sub-borrower to obtain appropriate representations and warranties regarding supply chain LWC from its suppliers and contractors. Further, IIFCL also reviews and assesses contractual requirements addressing health, safety, and LWCs in subprojects. **Information Disclosure and Project Grievance Redress Mechanism (GRM).** IIFCL discloses its ESSF publicly on its website.[1] IIFCL's ESSF sets out requirements and measures to engage stakeholders at both the institutional level and project levels. At the institutional level, it provides a mechanism to sensitize stakeholders involved in infrastructure development regarding safeguard issues, monitoring, reporting, and corrective actions. At the project level, stakeholder engagement is conducted in a manner proportionate to the nature and scale of the E&S risks and impacts of individual sub-projects, ranging from site-visit feedback for low-impact sectors to mandatory public consultation. IIFCL has also established an external communication mechanism[2] and Whistle Blower Policy[3] to receive and address inquiries, complaints, and grievances from external as well as internal stakeholders. The information about the established GRM and AIIB's Project-affected People's Mechanism (PPM) will be disclosed in an appropriate manner. **Monitoring and Reporting Arrangements.** The monitoring and reporting mechanism has been agreed to assess the ES performance of subprojects and through periodic monitoring report prepared based on agreed format. The Project Team of AIIB will supervise the implementation of the ESSF of IIFCL and conduct post-reviews of the selection and ES implementation of subprojects, which may include engagement with IIFCL, site visits, and detailed reviews of ES documentation for selected subprojects, in consultation with and, where appropriate, jointly with IIFCL.

[1] https://www.iifcl.in/images/FileUploaded/ESSF2025FINAL1pdf13032026124231.pdf
[2] https://www.iifcl.in/Site/Index/183
[3] https://www.iifcl.in/Site/Index/70

Cost and Financing Plan	A senior unsecured loan of USD200 million.			
Borrower	India Infrastructure Finance Company Limited			
Estimated date of disbursement (NSBF)	December 2026			
Contact Points:	**AIIB**	**AIIB**	**Borrower**	**Borrower**
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Date of Single Review Decision	August 31, 2026			
Estimated Date of Financing Approval	September 26, 2026			

Independent Accountability Mechanism	AIIB's Project-affected People's Mechanism (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 its ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRM or the processes of AIIB's management. For information on AIIB's PPM, please visit: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html