

## Project Summary Information (PSI)

Project No.: 000022

Project Name	India Infrastructure Fund
Country	Republic of India
Sector	Multi-Sector
Project No.	000022
Environmental and Social Category	Category FI
Date of PSI prepared or updated	19 June 2017
Date of Concept Approval	17 February 2017
Date of Board Approval	15 June 2017

### I. Introduction

The India Infrastructure Fund (the “Fund”) aims to make private investments in the infrastructure sector in India and will capitalize on the strengths of the General Partner and its investment team (together, “GP”), who is a leading global infrastructure investment and management platform. The Fund benefits from a team of 75+ professionals, including 35 dedicated infrastructure investment professionals located in financial centers around the world.

The Fund is seeking US\$750 million of capital commitments to make investments in the infrastructure sector in India. The Fund will invest in infrastructure platforms and high growth infrastructure services companies principally in the following sectors: (i) energy and utilities; (ii) transportation and logistics; and (iii) other (including communications and social infrastructure). The Fund will seek to invest in portfolio companies which support and benefit from overall growth in India’s infrastructure development.

The proposed Fund is well aligned with the AIIB’s (the “Bank”) primary mandate to foster sustainable economic development and create wealth in Asia by investing in infrastructure.

### II. Objectives and Expected Results

The Bank’s objective is to expand its equity and loan investments sourcing pipeline through its investment in the Fund. The Fund enhances the Bank’s development impact by increasing the number of investments the Bank can indirectly transact. It also allows the Bank to indirectly make investments that it would not have been able to execute on its own.

This initiative will benefit local infrastructure projects to attract additional capital inflows from global long-term investors such as public pension funds, endowments and insurance companies. The Bank also expects long-term income and capital gains by providing capital to the Fund.

### III. Fund Description

The Fund’s investment strategy is to invest in infrastructure platforms and infrastructure services companies with high growth potential that derive their revenues principally from India. The targeted investments cover a number of sectors, including the following examples and related sectors:

- Energy and utilities (e.g. renewable energy, electric transmission and distribution networks, water and wastewater systems, smart cities, etc.);
- Transportation and logistics (e.g. roads, airports, bridges, tunnels, ports, railways, waterways, intermodal systems linking various transport modes, urban transport, logistics and logistics-related infrastructure, etc.);
- Other sectors including telecommunications, broadband, urban PPP projects, healthcare and education.

The Fund will seek to invest in portfolio companies that support and benefit from overall growth in India’s infrastructure development and will target a market rate of return reflecting the risks of the investment, principally through long-term capital appreciation. All investments by the Fund will be guided by an assessment of government policies and prospects for private sector infrastructure investment. The Fund seeks to identify and partner with capable, trustworthy sponsors and management teams.

Information relating to the Fund and GP is based on information supplied by the GP but this project summary information is not prepared or approved by such GP. Expected performance of the Fund is not necessarily a guide to the eventual outcome.

#### **IV. Environmental and Social Category**

The Project is categorized FI, because the financing structure involves the provision of funds through a financial intermediary (FI) for the Project, whereby the Bank delegates to the FI the decision-making on the use of the Bank funds, including the selection, appraisal, approval and monitoring of Bank-financed subprojects. The Bank will require the Fund, through the implementation of appropriate environmental and social policies and procedures, to screen and categorize subprojects as Category A, B or C, review, conduct due diligence on, and monitor the environmental and social risks and impacts associated with the Bank-financed subprojects, all in a manner consistent with the Environmental and Social Policy of the Bank. The Project is also subject to: (a) the Environmental and Social Exclusion List and applicable host country national laws for all Bank-financed subprojects; and (b) the applicable Environmental and Social Standards of the Bank for the Bank-financed subprojects that are classified as Category A subprojects, and if the Bank so determines, some or all of the Bank-financed subprojects that are classified as Category B subprojects.

#### **V. Estimated Fund Size (in US\$ million)**

Target Fund Size:	750	Total AIIB Financing:	Up to 150
<b>For Loans/Credits/Equity/Others</b>			<b>Amount</b>
AIIB			Up to 150
Other Investors			600
Total			750

#### **VI. Implementation**

Since the Bank is providing financing to a financial intermediary to finance subprojects to private entity beneficiaries, the procurement of goods, works and services financed under these subprojects is undertaken by the respective beneficiary in a manner consistent with the Bank’s Procurement Policy for Private Sector Entities. This requires the respective beneficiary to apply due consideration for economy and efficiency in any procurement conducted under the subprojects.

Expected implementation period (Start Date and End Date): 2017 – 2028

#### Contact Points

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