



Project Summary Information

Date of Document Preparation/Updating: October 15, 2026	
Project Name	Supporting Sustainable Urban Infrastructure in Amaravati (India) in Collaboration with HUDCO
Project Number	P001061
AIIB member	India
Sector/Subsector	Urban
Alignment with AIIB's thematic priorities	Green infrastructure; Private Capital Mobilization; Technology-Enabled Infrastructure;
Status of Financing	Under Preparation
Objective	To support the development of sustainable and climate-resilient urban infrastructure in Amaravati, Andhra Pradesh, through a debt financing facility to HUDCO for on-lending to eligible urban infrastructure investments.
Project Description	The Project aims to provide up to USD300 million (or equivalent in JPY) of senior unsecured debt financing to Housing and Urban Development Corporation Limited (HUDCO), for on-lending to support the development of sustainable and climate-resilient urban infrastructure in Amaravati, Andhra Pradesh, India. The Project will support selected infrastructure packages within the Amaravati Capital City Development Program (ACCDP), including the E4, E5, E7, E15, N8 trunk infrastructure packages and Zone 10 investments. AIIB financing is expected to support the development of trunk and layout infrastructure, including stormwater drainage, water supply networks, sewerage systems and sewage treatment facilities, utility ducts for power and ICT infrastructure, recycled water distribution networks, roads and bridges, pedestrian and cycling infrastructure, avenue plantations, and associated street furniture and urban amenity improvements. Established in 1970, HUDCO is a listed public sector Non-Banking Financial Company-Infrastructure Finance Company (NBFC-IFC) specializing in housing finance and urban infrastructure development.

Expected Results	The Project is expected to improve access to quality urban infrastructure and services in Amaravati, enhance mobility and connectivity, strengthen resilience to climate-related risks, and support environmentally sustainable and livable urban development through investments in water, wastewater, drainage, transport, and utility infrastructure.
Environmental and Social Category	FI
Environmental and Social Information	Applicable Policy and Categorization. AIIB's Environmental and Social Framework (ESF), including the Environmental and Social Policy (ESP), Environmental and Social Exclusion List (ESEL), and applicable Environmental and Social Standards (ESSs), applies to the Project. The Project is categorized as Category FI because AIIB financing will be provided through HUDCO for on-lending to a pre-identified subproject implemented by Andhra Pradesh Capital Region Development Authority (APCRDA) and Amaravati Development Corporation Limited (ADCL). The identified AIIB-financed packages, comprising E4, E5, E7, E15, N8 and Zone 10, do not include Category A-equivalent activities; their environmental and social (ES) risks are assessed as Category B with high-risk rating. AIIB financing will be ring-fenced to these eligible packages, with the applicable ES requirements reflected in the Environmental and Social Action Plan (ESAP) and financing documentation. Environmental and Social Instruments. The principal ES instrument is APCRDA's program-wide Environmental and Social Management System (ESMS), which applies to all ACCDP activities irrespective of financing source. The ESMS is supported by a suite of instruments, including the Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP), Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), Resettlement Action Plans (RAPs), updated environmental clearances, contractor-level Environmental and Social Management Plans (CESMPs), Stakeholder Engagement Plan (SEP), and Gender Action Plan (GAP). HUDCO's existing ESG and ESMS framework is broadly aligned with AIIB requirements. ESAP includes improvements along institutional, capacity, and resettlement, monitoring, reporting and grievance-management, to align it further with the ESF. Environmental and Social Aspects. The AIIB-financed packages include roads, bridges, water supply, sewerage and wastewater infrastructure, stormwater drainage, utility corridors, treated-water reuse systems, pedestrian and cycling facilities, avenue plantation and associated urban infrastructure. Key environmental risks relate to land transformation, drainage and flood behavior, dust, noise, waste management, hazardous materials, impacts on water bodies, tree removal, climate resilience and cumulative construction impacts. Given the Project's location near the Krishna River and Kondaveeti Vagu drainage system, flood resilience and hydrological management are critical considerations and have been incorporated into project design and operation arrangements. Key social risks relate to land acquisition and resettlement, legacy Land Pooling Scheme issues, livelihood impacts, labor influx, community health and safety, stakeholder concerns and grievance management. At appraisal, 58 land-related legal cases remained pending across ACCDP, including 12 associated with

	HUDCO-supported packages, while approximately 69 acres remained to be handed over across the AIIB-financed packages. The ESAP includes measures for monitoring legal cases, land handovers, livelihood restoration and work-front readiness. Gender risks include exclusion from project benefits and gender-based violence and sexual exploitation, abuse and harassment (GBV/SEAH) concerns, which are addressed through the Gender Action Plan and related mitigation measures. Occupational Health and Safety (OHS), Labor and Employment Conditions. Key labor and OHS risks include worksite accidents, traffic and road-safety hazards, excavation and lifting activities, work at height, heavy machinery operation, exposure to dust, noise and vibration, hazardous-material handling, heat stress, labor influx and inadequate worker accommodation. Community health and safety risks include construction traffic, public access to active work sites and interactions between workers and surrounding communities. Contractors are required to implement approved CESMPs, labor management procedures, traffic management plans, emergency preparedness arrangements and OHS systems consistent with national requirements and good international industry practice. AIIB's due diligence suggested improvements on contractor management; adequate environmental, social and OHS staffing; improved labor-camp conditions; effective worker grievance channels; monitoring of labor influx and community health and safety risks; and timely investigation and closure of incidents, nonconformities and corrective actions. HUDCO will oversee these requirements through ES reporting, site inspections and implementation of the ESAP. Stakeholder Engagement, Consultation and Information Disclosure. Extensive consultations have been undertaken through APCRDA's engagement processes. Stakeholders include land pooling participants, affected households, landless families, local communities, farmers, women, vulnerable groups and government agencies. Relevant ES instruments and safeguards reports have been disclosed through existing Program arrangements. For AIIB-financed activities, stakeholder engagement will follow the ACCDP's SEP, with particular focus on legacy land issues, livelihood restoration, construction impacts, grievance resolution, gender-related risks and disclosure of ES information. APCRDA will continue engagement with affected communities and document stakeholder feedback and follow-up actions. An overview of APCRDA's program-wide ESMS including ES management plans has been disclosed¹. Project Grievance Redress Mechanism (GRM). APCRDA has established a Project-level GRM with multiple channels, which is supplemented by the State of Andhra Pradesh's grievance system. HUDCO has corporate-level employee, borrower, customer and whistleblower grievance channels. AIIB's Project-affected People's Mechanism (PPM) will apply
--	---

¹ <https://crda.ap.gov.in/APCRDA/UserInterface/Admin/asccdp.htm>
<https://crda.ap.gov.in/apcrdav2/views/ViewAll.aspx>

	and will provide an avenue for project-affected people as a last resort to raise their concerns or grievances. The information about the GRMs and PPM will be disclosed timely in an appropriate manner. Monitoring and Reporting Arrangements. HUDCO will oversee compliance with the applicable ESF requirements for AIIB-financed activities and consolidate semiannual ES monitoring and reporting to AIIB for review. HUDCO's oversight will be supported by APCRDA's Environmental and Social Management Unit, Project Management Consultants, Program Management Consultant, and contractor ES teams. HUDCO will conduct periodic monitoring through document reviews, site inspections, incident reporting, grievance tracking and verification of ESAP implementation. APCRDA and ADCL will provide regular reports on environmental, social, labor, OHS, stakeholder engagement and grievance performance, and promptly report material incidents or non-compliance. AIIB will undertake review missions and site visits, initially on a semiannual basis, with frequency adjusted based on implementation progress and risk profile.		
Cost and Financing Plan	A senior unsecured term loan of up to USD300 million (or its equivalent in JPY).		
Borrower	Housing and Urban Development Corporation Limited		
Estimated Date of first disbursement (NSBF)	December 2026		
Contact Points:	AIIB	AIIB	Borrower
Name	Rajesh Yadav	Neeraj Jain	Achal Gupta
Title	Senior Investment Officer	Senior Investment Officer	Executive Director, Finance
Email Address	rajesh.yadav@aiib.org	neeraj.jain@aiib.org	achal@hudco.org
Date of Concept Decision	June 11, 2026		
Date of Final Decision	October 15, 2026		
Estimated Date of Financing Approval	November 5, 2026		

Independent Accountability Mechanism	AIIB's Policy on the 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 the ESF in situations when their concerns cannot be addressed satisfactorily through the project-level GRMs or the Bank's management processes. 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
---	--