

 Early Warning System

AIIB-000084

India: OSE InvIT



Quick Facts

Countries	India
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	A
Voting Date	2018-06-18
Borrower	Oriental InfraTrust
Sectors	Finance, Transport
Investment Type(s)	Equity
Investment Amount (USD)	\$ 50.00 million
Loan Amount (USD)	\$ 50.00 million



Project Description

According to bank documents, "The objective of the Project is to mobilize long-term private institutional capital for financing roads and highways in India. The private capital mobilized will be invested in both greenfield infrastructure development and operational infrastructure assets."

Oriental Structural Engineers Private Limited (OSEPL) and its wholly owned subsidiary, Oriental Tollways Private Limited (OTPL), jointly referred to as the Sponsors, have set up an Infrastructure Investment Trust, a new investment vehicle namely Oriental InfraTrust (InvIT). The InvIT has acquired a portfolio of five operating road assets from the Sponsors and will now be responsible for the operation and maintenance of the five assets till the end of the remaining concession period pursuant to the concession agreement. The road assets were initially awarded to the Sponsors by the National Highways Authority of India (NHAI), the concessioning authority, under a build, operate and transfer (BOT) or design, build, finance, operate and transfer (DFBOT) model. The five road assets that have been acquired by the InvIT are:

Nagpur Bypass project: an approximately 117km section of NH-7 including the Madhya Pradesh/Maharashtra border to Nagpur section and the Nagpur to Hyderabad section in Maharashtra;

Indore - Khalghat project: an approximately 72km section of NH-3 between Indore and Khalghat in Madhya Pradesh;

Etawah - Chakeri project: an approximately 160km section of NH-2 between Etawah and Chakeri in Uttar Pradesh;

Hungund - Hospet project: an approximately 97km section of NH-13 between Hungund and Hospet in Karnataka; and

Nagpur - Betul project: an approximately 175km section of NH-69 between Nagpur and Betul in Madhya Pradesh.

All the above road assets, other than the Nagpur Betul project, are operated on a toll basis. The Nagpur Betul project is operated on an annuity basis.

The InvIT has appointed Indian Technocrat Limited as the investment manager, and OSEPL as the project manager and the major maintenance manager for the operation and maintenance of the road assets."



Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Indian Technocrat Limited](#) (Financial Intermediary)



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Oriental InfraTrust	Client	-
-	-	-	-	Oriental Structural Engineers Private Limited	Parent Company	-
-	-	-	-	Oriental Tollways Private Limited	Parent Company	-



Contact Information

AIIB

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ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides “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 Project level GRMs or AIIB Management processes.” Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>.

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>.



Bank Documents

- [Project Summary \(March 20,2020\)](#) [\[Original Source\]](#)