Early Warning System

AIIB-000318

India: India City Gas Distribution (CGD) Financing AGPCGPL

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Quick Facts

Countries	India
Specific Location	28 districts in Andhra Pradesh, Karnataka, Kerala and Tamil Nadu
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	B
Voting Date	2021-05-20
Borrower	AG&P City Gas Private Limited
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 75.00 million
Loan Amount (USD)	$ 75.00 million
Project Cost (USD)	$ 557.00 million

Project Description

According to the bank documents, this project will finance the development of city gas distribution (CGD) network in 9 geographical areas (the "Project") across the states of Andhra Pradesh (with 2 GAs), Karnataka (with 5 GAs), Kerala and Tamil Nadu (with 1 GA each), thereby reducing consumption of more polluting alternative petroleum products. These projects will be developed by a special purpose vehicle known as AGP City Gas Private Limited (AGPCGPL) and awarded by the Petroleum and Natural Gas Regulatory Board via an international competitive bid. The target of the project is to connect 10 million residential households to piped natural gas (PNG), install 1,351 compressed natural gas (CNG) stations to supply to the transport sector, and lay 16,186 inch-km of steel pipelines.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Private Actor Relationship

Parent Company: AGP International Holdings Pte Ltd., Singapore (AGPIHPL)

Sponsors/Shareholders: AG&P LNG Marketing Pte Limited (AGPLNG, 84.64%); Atlantic Gulf & Pacific Company of Manila (AG&P Manila, 15.36%)

Private Actors Description

AG&P City Gas Private Limited (hereinafter referred to as 'AGPCGPL') is a special purpose vehicle promoted by AG&P LNG Marketing Pte. Ltd., Singapore ("ALMPL") and Atlantic Gulf & Pacific Company of Manila ("AGPM") for the development of City Gas Distribution (CGD) networks in India.

AG&P Global is a Singapore based company with business services that include development, engineering, procurement and construction for onshore and offshore gas infrastructure, LNG logistics, LNG marketing and delivery of natural gas straight to industrial, commercial, vehicular and domestic customers. The city gas distribution business of AG&P is across India and Indonesia.

In India, AG&P is one of the largest private players with CGD authorisations from the Petroleum & Natural Gas Regulatory Board (PNGRB) to exclusively supply piped natural gas (PNG) and compressed natural gas (CNG) 12 geographical areas (GA) in 28 districts in Andhra Pradesh, Tamil Nadu, Kerala, Karnataka and Rajasthan. The India headquarters is in Delhi and CGD operational headquarters is in Chennai with multiple satellite offices across the concession areas.

Contact Information

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BORROWER

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.aiib.org/en/contact/information-request/index.html

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides Òan 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 AIIBÕs failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.Ó 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

- Environmental and Social Management Planning Framework [Original Source]
- Project Summary (February 8, 2021) [Original Source]