



Project Summary Information

May 31, 2024

Project Name	India City Gas Distribution (CGD) Financing AGPCGPL
Project Number	P000318
AIIB member	Republic of India
Sector/Subsector	Energy/Gas distribution
Status of Financing	Terminated
Project Description	The Project will finance the development of a city gas distribution (CGD) network in 9 geographical areas (the "Project") by a special purpose vehicle named AGP City Gas Private Limited (AGPCGPL) and awarded by the Petroleum and Natural Gas Regulatory Board via an international competitive bid. The Project would connect 10 million residential households to piped natural gas (PNG), install 1,080 compressed natural gas (CNG) stations to supply to the transport sector, and lay 16,186 inch-km of steel pipelines.
Objective	The Project aims to increase availability, and improve accessibility, of natural gas for domestic, transport, commercial and industrial users in 9 geographical areas (GA), 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.
Expected Results	The project's end targets are to connect 10 million residential households with natural gas connections and 1,351 CNG stations.
Environmental and Social Category	Category B
Environmental and Social Information	<p>Environmental and Social Policy (including Standards) and Categorization. The project has been screened and reviewed with reference to AIIB's Environmental and Social Policy (ESP), Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List. ESS 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement) are applicable. The project has been categorized as Category B on the basis of expectation that (i) the general environmental and social impacts of the construction works are localized, (ii) the impacts are expected to be reversible and temporary in nature, and (iii) can be successfully managed using good practice in an operational setting.</p> <p>Instruments. An Environmental and Social Management Planning Framework (ESMPF) with a generic Environmental and Social Management Plan (ESMP) and a Resettlement Planning Framework has been prepared as the Project consists of</p>

	<p>sub-projects. The ESMPF provides guidance on the site selection and sub-projects screening criteria to rule out any significant environmental and social impacts/risks resulting in irreversible and permanent adverse impacts. The management, mitigation, and monitoring measures to address risks and impacts will be further identified in the sub-projects' Environmental and Social Impact Assessments (ESIAs)/ESMPs once the network development is completed for each GA. The ESIAs/ESMPs will be reviewed by the Bank before disclosure to enable the mobilization of sub-projects.</p> <p>Stakeholder Engagement, Consultation, and Information Disclosure. Consultations were conducted for the ESMPF preparation. Sub-projects' meaningful consultations will be further strengthened in phases during the ESIAs/ESMPs preparation, in accordance with national guidelines on restrictions imposed due to the COVID-19 pandemic. The ESMPF has been posted on AIIB's website¹ and will be made available in hard copies in the sub-project areas. During Project implementation, ESMPs prepared for sub- projects in all 9 GAs (and Resettlement Plan, if applicable) will be disclosed online and made accessible to local Project Affected Peoples (PAPs) and communities once ready, in English and local languages.</p> <p>Project-level Grievance Redress Mechanism. External and Internal Grievance Redress Mechanisms (GRMs) at the project level for PAPs and workers respectively have been developed in accordance with the requirements of the Bank's ESP. Locally appropriate public consultation and disclosure process will be used to disseminate information about the GRMs including the Project-affected People's Mechanism of AIIB. Communities and individuals who believe that they are adversely affected by the Project will be able to submit complaints to the project-level GRM first for their resolution.</p>												
Cost and Financing Plan	<p>The total Project cost is estimated at USD 761 million and will be financed in debt:equity ratio of 70:30.</p> <table border="1" data-bbox="600 922 1809 1094"> <thead> <tr> <th>Instrument</th> <th>Amount (USD million)</th> <th>Debt-to-Equity Ratio</th> </tr> </thead> <tbody> <tr> <td>Debt</td> <td>532</td> <td>70%</td> </tr> <tr> <td>Equity</td> <td>228</td> <td>30%</td> </tr> <tr> <td>Financing requirement</td> <td>761</td> <td>100%</td> </tr> </tbody> </table>	Instrument	Amount (USD million)	Debt-to-Equity Ratio	Debt	532	70%	Equity	228	30%	Financing requirement	761	100%
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Borrower/Investee Company/Counter party/Guaranteed entity	<p>Sponsors/Shareholders: I-Squared Capital, AG&P LNG Marketing Pte Limited; Atlantic Gulf & Pacific Company of Manila</p> <p>Borrower: AGP City Gas Private Limited (AGPCGPL)</p>												
Implementing Entity/Sponsor	Borrower												

¹ https://www.aiib.org/en/projects/details/2021/download/india/client-cofinancing-partner-documents/Final-ESMPF_AGPCGPL_09_12_20.pdf

Estimated date of last disbursement (NSBF)	December 2025		
Contact Points:	AIIB	Borrower	Sponsor
Name	Amit Kumar	Nishant Nehru	Abhilesh Gupta
Title	Senior Investment Operations Specialist	Chief Financial Officer	Chief Executive Officer
Email Address	amit.kumar@aiib.org	nishant.nehru@agpratham.com	abhilesh.gupta@agpratham.com
Date of Concept Decision	13 December 2019		
Date of Appraisal Decision	19 February 2021		
Date of Financing Approval	20 May 2021		

Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by the 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 AIIB Management's processes. Information about the PPM is available at: https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html
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