



## Project Summary Information

Date of Document July 11, 2019

<b>Project Name</b>	L&T Green Infrastructure On-Lending Facility.
<b>Document Code</b>	PD000283-PSI-IND.
<b>Country</b>	Republic of India.
<b>Sector/Subsector</b>	Financial Institution.
<b>Status of Financing</b>	Financing approved on July 11, 2019.
<b>Project Description</b>	<p>The proposed facility will be used by L&amp;T Infrastructure Finance Limited (LTIF) to finance mid and large scale solar and wind power projects in India.</p> <p>LTIF, a non-bank financial company classified as Infrastructure Finance Company by Reserve Bank of India, is the leading arranger and financier of renewable energy in India. LTIF is a subsidiary of L&amp;T Financial Holdings, which, in turn, is majority-owned by the Larsen &amp; Toubro, one of the leading engineering and construction firms in India.</p> <p>By combining the strengths of Larsen &amp; Toubro's engineering experience and LTIF's underwriting and origination skills with AIIB's guidance on environment and social standards, the facility promotes environmentally and socially and financially responsible project development.</p> <p>The proposed financing supports AIIB's Sustainable Energy for Asia Strategy and Strategy on Mobilizing Private Capital for Infrastructure. The proposal is aligned with the Government of India's plans to reduce India's carbon intensity by 30%-35% of 2005 levels under the Paris Agreement.</p>
<b>Objective</b>	To increase the supply of renewable energy in India through the mobilization of private capital.
<b>Expected Results</b>	<p>Increased private capital investment in renewable energy projects in India, increasing the provision of affordable, clean energy and reducing the level of greenhouse gas emissions. The expected results may be measured by the following indicators:</p> <ul style="list-style-type: none"><li>- sub-project renewable energy capacity installed;</li><li>- private capital directly and indirectly mobilized in the sub-projects; and</li><li>- quantum of reduction in greenhouse gas emissions.</li></ul>

<b>Environmental and Social Category</b>	Category FI.
<b>Environmental and Social Information</b>	<p>AIIB's Environmental and Social Policy (ESP) is applicable to this on-lending facility. The project has been placed in Category FI, because the financing structure involves the provision of funds through a Financial Intermediary, whereby AIIB delegates to LTIF the decision-making on the use of AIIB's funds for subprojects that meet the conditions to be agreed with the Client and applied through an Environmental and Management System (ESMS).</p> <p>LTIF has initiated the establishment of an ESMS that will be expanded to include screening, categorizing, appraisal, contracting and monitoring of subprojects supported by AIIB in accordance with the ESP, the Environmental and Social Exclusion List, Indian regulatory requirements and where applicable the AIIB Environmental and Social Standards (ESS). A senior manager will be responsible for the oversight of the ESMS, and an investment officer will take day-to-day responsibility for its implementation, initially supported by external specialized E&amp;S resources.</p> <p>LTIF will apply eligibility criteria for selection of subprojects to avoid, where feasible, those exposed to significant risks, comprising risks of: (i) significant adverse impacts to community health and safety as a result of construction/operation of the assets; (ii) significant number of serious injuries and/or fatal accidents during construction and/or operation of the assets; (iii) involuntary resettlement of people; (iv) impacts on critical habitat, Scheduled Tribes/Indigenous Peoples and cultural resources. These sensitive activities are either to be avoided or managed in accordance with AIIB's ESSs.</p> <p>For all subprojects supported by AIIB, LTIF will require the establishment of a subproject-level ESMS in accordance with the ESP and applicable environmental and social (E&amp;S) standards, including appropriate processes to disclose E&amp;S information, conduct stakeholder engagement activities, and establish subproject-level GRMs to address concerns and grievances from both project workers and external stakeholders. LTIF will monitor these aspects as part of its subproject monitoring process.</p> <p>LTIF will be required to create an external communication mechanism to address third-party views, enquiries or concerns regarding their own E&amp;S processes and outcomes, as well as E&amp;S impacts and performances of their AIIB-supported subprojects. LTIF currently has a customer's grievance redressal process and platform, accessible on: <a href="https://www.lifs.com/companies/lt-infra-finance/contact-us.html">https://www.lifs.com/companies/lt-infra-finance/contact-us.html</a>.</p> <p>AIIB will review and validate LTIF's ESMS, and conduct a prior E&amp;S review of the initial two subprojects to be financed using AIIB funds. Subsequently AIIB will receive a semi-annual E&amp;S monitoring report issued by LTIF reporting on the E&amp;S performance of all AIIB-supported subprojects. AIIB will conduct regular monitoring of LTIF's activities, including visits to selected subprojects.</p>

<b>Cost and Financing Plan</b>	USD 100 million.		
<b>Borrower</b>	L&T Infrastructure Finance Company Limited.		
<b>Estimated date of last disbursement (NSBF)</b>	September 2020.		
<b>Contact Points:</b>	<b>AIIB</b>	<b>Borrower</b>	<b>Implementation Organization/Sponsor</b>
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<b>Date of Concept Decision</b>	April 2019.		
<b>Date of Final Review decision.</b>	June 2019.		
<b>Date of Financing Approval</b>	July 11, 2019		

<b>Independent Accountability Mechanism</b>	<p>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 Project-level or subproject level GRMs or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit the <a href="#">PPM web page</a>.</p>
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