



### Project Summary Information

Date of Document Preparation/Updating: August 22, 2024	
<b>Project Name</b>	Endiya Partners Fund III
<b>Project Number</b>	E0623D
<b>AIIB member</b>	India
<b>Sector/Subsector</b>	Multisector Digital Technology, Mobility, Supply Chain and Logistics, Healthcare & medical technology
<b>Alignment with AIIB's thematic priorities</b>	Technology-enabled Infrastructure Green Infrastructure Private Capital Mobilization
<b>Status of Financing</b>	Approved
<b>Objective</b>	The project objective is to invest in early-stage start-ups in areas of intellectual property advancement that extend AIIB's strategies and thematic priorities in India. The project will contribute to the mobilization of private capital for the development and adoption for such technologies.
<b>Project Description</b>	The proposed Fund will identify startups with disruptive technology at an early stage and help the entrepreneurs grow their business in India. This Fund addresses the funding gap in the venture capital spectrum in India between angel investments and Series-A investments, whereby entrepreneurs find it difficult to locate a reliable institutional source of funding to further the development of their business.
<b>Expected Results</b>	The expected results will be monitored via the following indicators: Project Objective Indicators: <ul style="list-style-type: none"> <li>• Amount of private capital mobilized at Fund level from AIIB participation</li> <li>• Amount of private capital mobilized at portfolio companies for every Endiya VC dollar invested</li> <li>• Women in senior management role in portfolio companies</li> <li>• Percentage of investment that aligns with AIIB's thematic priority.</li> </ul>

<b>Environmental and Social Category</b>	FI
<b>Environmental and Social Information</b>	<p><b>Applicable Policy and Categorization:</b> AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standard 1 (ESS 1) and Environmental and Social Exclusion List (ESEL) is applicable to this Project. The Project is the second Fund under the approved <a href="#">000623 AIIB Venture Capital Program for Green and Technology-Enabled Infrastructure</a>. The Fund will exclude all Category A and any investments that may trigger ESS 2 land acquisition and involuntary resettlement and ESS 3 indigenous Peoples. The Project is placed in Category FI, as the financing structure involves the provision of capital to the Fund Manager pursuant to which AIIB delegates the decision-making related to the Fund on investments that meet the conditions of the investment guidelines.</p> <p><b>Environment and Social instruments.</b> The Fund's Environmental and Social Management System (ESMS) which details the selection, appraisal, approval, and monitoring of investments, will be enhanced to be aligned with AIIB's ESP and the interim Guidance Note on ESG Assessment for VC program. The Fund portfolio and pipeline comprise early-stage companies in the mainly software/ technology application of Health, Climate, Enterprise, Industrial Automation, and Mobility, subsectors, which are mainly classified as Category C and some as Category B. The key environmental and social (E&amp;S) risks and impacts may include labor and working conditions, occupational health and safety (OHS), fire prevention and emergency response, waste disposal, impacts to communities living adjacent to climate or mobility hardware startup labs, data protection, and others. AIIB will conduct prior review and approval of the first three pipeline investments. For all higher-risk Category B activities proposed for Bank financing, the Fund will furnish its detailed E&amp;S due diligence for the prior review and approval. As an LP to the VC fund, AIIB may exercise excuse rights on any investment which does not meet our E&amp;S requirements or internal policies.</p> <p><b>Gender and Labor and Working Conditions:</b> The Fund's ESMS includes consideration and management of diversity aspects in tech-based investments i.e., the potential re-enforcement of or contribution to gender, ethnicity, disability, or sexuality-based discrimination when investing in Artificial Intelligence (AI) and related sub-sectors. The Fund is committed to preventing and remedying such harmful prejudices. In addition, the Fund is committed to following national, state, and local E&amp;S regulations. The Fund's ESMS references ambitions to comply with International Labor Organization (ILO)'s core conventions regarding labor and working conditions, equal remuneration, discrimination, freedom of association, and collective bargaining. Where relevant and appropriate to the nature of VC investment, the Fund's ESMS includes the consideration of opportunities on job quality enhancement, women's economic empowerment, and related positive E&amp;S aspects for investee companies. Additionally, the assessment and management of risks associated with labor and working conditions at the portfolio companies' level will be incorporated in the Fund's enhanced ESMS.</p>

	<p><b>Information Disclosure:</b> The Fund Manager is committed to publish (i) a summarized enhanced ESMS timely in English in an appropriate manner and (ii) the name, location, and sectors of the investments, within 12 months following financial close on its website. For selected Category B investments, the Fund Manager will be required to disclose annual E&amp;S documentation during the preceding 12 months, unless such disclosure is subject to the host country's regulatory requirements, market sensitivities or consent of the sponsor. E&amp;S documentation will be written in local language(s) and in English, disclosed timely and scaled to a VC business nature. The links with that E&amp;S information will also be provided timely by the Bank in an appropriate manner.</p> <p><b>Project Grievance Redress Mechanism (GRM):</b> The Fund has established an <a href="#">External Communications Mechanism (ECM)</a> as the Fund-level Grievance Redress Mechanism (GRM) to provide a forum for stakeholders, including project-affected people (PAPs) and contracted workers, to address third-party views, inquiries, or concerns regarding their E&amp;S Policy, as well as E&amp;S impacts and performances of their investments. The Fund will require investments financed by AIIB proceeds, to disclose at an appropriate time and language the required E&amp;S information at the company level, as well as its GRM. The GRMs will be scaled to the risks and impacts of VC business nature. Provision will also be made to inform PAPs and workers of their availability, including the Fund's ECM and AIIB's Project-Affected Peoples' Mechanism (PPM).</p> <p><b>Monitoring and Reporting Arrangement.</b> During project implementation, AIIB will require submission of relevant E&amp;S documentation and annual E&amp;S monitoring reports from the Fund in an agreed format, providing an update on the implementation of the enhanced ESMS, and a summary of the E&amp;S performance of each investment. AIIB will conduct post-reviews of the selection and implementation of investments as part of its regular supervision, comprising engagement with the Fund, potential site visits and detailed review of the E&amp;S documentation of selected investments.</p>		
<b>Cost and Financing Plan</b>	Up to USD10 million		
<b>Fund Manager</b>	Endiya iKsana Advisory Services LLP		
<b>Estimated Date of first disbursement (Fund)</b>	Q3-Q4 2024		
<b>Contact Points:</b>	<b>AIIB</b>		<b>Implementation Organization</b>
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<b>Date of IWG Decision</b>	October 30, 2023		
<b>Date of Appraisal Decision</b>	July 24, 2024		
<b>Estimated Date of Financing Approval</b>	August 22, 2024		

<b>Independent Accountability Mechanism</b>	<p>The Bank's Policy on 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 Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms (ECM) or AIIB Management's processes.</p> <p>Information on the PPM is available at <a href="https://www.aiib.org/en/how-we-assist-you/project-affected-peoples-mechanism">How We Assist You - Project-Affected People's Mechanism (aiib.org)</a></p>
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