

 Early Warning System

ADB-59195-001

Aavas Financiers Expanding Access to Finance for Lower-Income Housing and Micro, Small, and Medium-Sized Enterprises Project



Quick Facts

Countries	India
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	C
Voting Date	2025-11-19
Borrower	Aavas Financiers Limited
Sectors	Construction, Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 108.00 million
Project Cost (USD)	\$ 120.00 million



Project Description

According to the Bank's website, ADB will provide long-term senior secured debt financing to Aavas Financiers Limited to support (i) housing loans for economically weaker section (EWS) and low-income group (LIG) borrowers, with a target for women property owners, and (ii) business loans for micro, small, and medium-sized enterprises (MSMEs).

ADB's debt proceeds will be fully deployed in lagging states, with the following targets:

- (i) 70% of the proceeds will be onlent for housing loans to borrowers in the economically weaker section (EWS) and low-income group (LIG) categories, collectively referred to as lower-income groups or lower-income borrowers. At least 50% of such loans will be provided to women property owners, who are either sole or joint owners of the property.
- (ii) 30% of the proceeds will be onlent to micro, small, and medium-sized enterprises (MSMEs).



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Early Warning System Project Analysis

Environment: FI-C

Involuntary Resettlement: FI-C

Indigenous Peoples: FI-C

Due to the nature and size of potential sub-loans, minimal or no adverse environmental impacts are anticipated.



Investment Description

- Asian Development Bank (ADB)

- A senior secured debt financing of \$100,000,000 (equivalent in Indian rupees) to the Client.

- A senior secured debt financing of \$8,000,000 (equivalent in Indian rupees) by the Canadian Climate and Nature Fund for the Private Sector in Asia (CANPA), administrated by the Asian Development Bank (ADB).

Government Resources: \$12,000,000

Total Sources: \$120,000,000

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.

- [AAVAS Financiers Limited](#) (Financial Intermediary)



Private Actors Description

Aavas Financiers Limited - AFL is a leading affordable housing finance company (AHFC) in India, operating in 14 states through 397 branches, predominantly in semi-urban and rural areas. AFL is an existing ADB client.



Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.adb.org/forms/request-information-form>

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: <https://www.adb.org/site/disclosure/appeals>

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>.



Bank Documents

- [Aavas Financiers Expanding Access to Finance for Lower-Income Housing and Micro, Small, and Medium-S](#)