

 Early Warning System

AIIB-000816

India: Green Affordable Housing Finance with IIFL Home Finance



Quick Facts

Countries	India
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2025-04-22
Borrower	IIFL Home Finance Limited
Sectors	Construction, Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 100.00 million



Project Description

According to the Bank's website, the objective of this project is to support access to affordable housing for low-income households and promote green affordable housing in India.

The project proposes to provide debt financing of up to USD100 million or its equivalent in INR to IIFL Home Finance (IIFLHF) for on-lending to support acquisition or construction of affordable housing in India.

Out of the total proceeds, a part will be allocated to financing the acquisition of affordable housing for households in the Economically Weaker Segment (EWS) and Low-Income Group (LIG). Additionally, a certain percentage will be directed towards loans for acquisition or construction of green affordable housing.



Early Warning System Project Analysis

The Project is expected to have minimal adverse environmental and social (ES) impacts as the loan proceeds will be used for (i) lending to individual borrowers for the construction and acquisition of residential property units or (ii) to private residential property developers for financing the construction of small-scale residential developments (one to few apartment blocks) in line with the housing construction regulations in India. Therefore, the Project is placed in Category FI and is expected to have limited adverse ES impacts which are reversible and can be successfully managed using known good practices.

Environmental and Social Aspects: The main environmental aspects related to provision of loans to homeowners for purchase of green and/or affordable homes are related to occupational health and safety of using home appliances and use of building services. For loans related to builders for housing development, environmental aspects are extended to health and safety at construction and operation of the buildings, waste management, and resource efficiency during construction and operation. Land shall be acquired following market principles and a willing seller, willing buyer model. The Project will exclude sub-projects that involve properties built on land with legacy issues and disputes, land resulting from unlawful forced evictions, having adverse impacts on indigenous peoples and vulnerable groups, negative impacts on essential cultural heritage, significant degradation or conversion of critical habitats, and illegal construction that does not comply with applicable national and local laws and regulations. The ES risks and impacts are therefore expected to be limited to labor and working conditions, occupational health and safety aspects of using domestic home appliances and building services. AIIB will conduct prior review and approval of the first three sub-loans to corporate developers and all high-risk sub-loans.



Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Up to USD100 million or its equivalent in INR.

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.

- [IIFL Home Finance Limited](#) (Financial Intermediary)



Private Actors Description

IIFL Home Finance Limited is a leading finance & investment services company in India.



Contact Information

CONTACT INFORMATION

PROJECT TEAM LEADER

Asian Infrastructure Investment Bank

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BORROWER

IIFL Home Finance Limited

Ajay Jaiswal - Chief Operating Officer

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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 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 the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes. 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

- [Project Summary \(April 23, 2025\)](#)
- [Project Summary \(March 25, 2025\)](#) [Original Source]