

 Early Warning System

IFC-38638

DCM HDFC Bond



Quick Facts

Countries	India
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	FI
Voting Date	2017-06-08
Borrower	HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED
Sectors	Finance
Ring Fence	Housing
Investment Type(s)	Loan
Investment Amount (USD)	\$ 200.00 million
Loan Amount (USD)	\$ 200.00 million



Project Description

According to IFC website, the project envisages a debt investment in Housing Development Finance Corporation Limited, which is the largest private sector Housing Finance Company (HFC) in India, headquartered in Mumbai, Maharashtra with a customer base of 5.7 million customers and a loan portfolio of approximately INR2.8 trillion (US\$42 billion equivalent) as of December 2016. The investment proceeds from the proposed project by IFC would be used to support HDFC for on-lending to developers of affordable housing projects in India. The project has the following expected development impacts:

1. Increase supply of affordable housing: India does not yet have a vibrant affordable housing market. While the shortage is huge (estimated at about 19 million units in urban areas), the supply of stock is still low. In this respect, the proposed project will create a large dedicated pool of funding that would help jumpstart the market with a big impact.
2. Demonstration Effect: Partnering through the proposed project, IFC and HDFC expect that this demonstration would encourage other like-minded HFCs, FIs, banks and investment funds to follow suit and produce impact, much bigger than the direct funding of the proposed project.
3. Job Creation: Real Estate and construction is one of the largest job creators in India. India is estimated to need around 76.5 million workers in the building, construction and real estate sector by 2022, with demand for affordable housing is more likely to increase from current level of 29 million households to more than 38 million households by 2030.



Investment Description

- International Finance Corporation (IFC)

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.

- [Housing Development Finance Corporation Limited](#) (Financial Intermediary)
- [Housing Development Finance Corporation Limited](#) (Financial Intermediary) **is owned by** [HDFC Bank](#) (Parent Company)



Private Actor Relationship

There is often limited information publicly available about what development banks are funding through financial intermediaries. In 2021, the Early Warning System partnered with Oxfam International to incorporate information on high-risk projects being funded by financial intermediaries receiving funding from the International Finance Corporation (IFC) and the Dutch Development Bank (FMO).

The information listed below describes the relationship between the different private actors linked to high-risk sectors and subprojects of IFC and FMO's financial intermediary investments and/or the financial intermediary's parent companies made from 2017 through 2020, including any associated ring fences.

The database, however, does not explicitly or implicitly imply that IFC or FMO have material exposure to or are contractually or legally accountable to the sub-projects financed by their financial intermediaries or the financial intermediary's parent companies. It only shows a seemingly financial relationship among the different private actors, the financial intermediaries, and IFC or FMO.

Private Actors Description

Incorporated in October 1977, HDFC is the first specialized HFC in India and also the largest in the private sector. HDFC, through group companies, also has interests in Banking, Insurance (Life and General), Asset Management, Realty, Real Estate Venture Capital, Education Loans among others. The Company has a diversified public shareholding.

It is the largest private sector Housing Finance Company (HFC) in India, headquartered in Mumbai, Maharashtra with a customer base of 5.7 million customers and a loan portfolio of approximately INR 2.8 trillion (US\$42 billion equivalent) as of December 2016.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Canadian Solar Energy Hldg	Parent Company	Energy	owns	Fermi Solarfarms Pvt Ltd	Client	Energy
Flash Electns (India) Pvt Ltd	Parent Company	Communications	owns	Flash Viven Machining Tech Pvt	Client	Communications
G R Infraprojects Ltd	Parent Company	Transport	owns	GR Phagwara Expressway Ltd	Client	Transport
GMR Enterprises Pvt Ltd	Parent Company	Energy	owns	GMR Chhattisgarh Energy Pvt	Client	Energy
HDFC Bank	Investor	Finance	invests in	Acquisition of 51.11% Stake in Hindustan Petroleum	Client	Mining
HDFC Bank	Investor	Finance	invests in	Arvind Ltd	Parent Company	Industry and Trade
HDFC Bank	Investor	Finance	invests in	Ashok Leyland Ltd	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	Bamnipal Steel Ltd	Client	Mining
HDFC Bank	Investor	Finance	invests in	Bharat Forge Ltd	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	Bharat Petroleum Corp Ltd	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	Bhushan Steel Ltd	Client	Mining
HDFC Bank	Investor	Finance	invests in	Bijapur Hungund Tollway Pvt	Parent Company	Construction
HDFC Bank	Investor	Finance	invests in	Binjabahal to Telebani	Client	Transport
HDFC Bank	Investor	Finance	invests in	Biocon Biologics India Ltd	Parent Company	Education and Health
HDFC Bank	Investor	Finance	invests in	Canadian Solar Energy Hldg	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	CESC Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Energy Efficiency Services Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Fermi Solarfarms Pvt Ltd	Client	Energy
HDFC Bank	Investor	Finance	invests in	Flash Electns (India) Pvt Ltd	Parent Company	Communications
HDFC Bank	Investor	Finance	invests in	Flash Viven Machining Tech Pvt	Client	Communications



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
HDFC Bank	Investor	Finance	invests in	Food Corporation of India	Parent Company	Agriculture and Forestry
HDFC Bank	Investor	Finance	invests in	G R Infraprojects Ltd	Parent Company	Construction
HDFC Bank	Investor	Finance	invests in	Gateway Distriparks Ltd	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	GMR Chhattisgarh Energy Pvt	Client	Energy
HDFC Bank	Investor	Finance	invests in	GMR Enterprises Pvt Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Godrej Properties Ltd	Parent Company	Industry and Trade
HDFC Bank	Investor	Finance	invests in	GR Phagwara Expressway Ltd	Client	Transport
HDFC Bank	Investor	Finance	invests in	Grasim Industries Ltd	Parent Company	Agriculture and Forestry
HDFC Bank	Investor	Finance	invests in	Haldia Energy Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Hero Cycles Ltd	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	Hindustan Petroleum Corp Ltd	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	Indian Oil Corp Ltd	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	Intas Pharmaceuticals Ltd	Parent Company	Education and Health
HDFC Bank	Investor	Finance	invests in	Jaguarlandrover Ltd	Parent Company	Industry and Trade
HDFC Bank	Investor	Finance	invests in	Jubilant Life Sciences Ltd	Parent Company	Education and Health
HDFC Bank	Investor	Finance	invests in	Kalpataru Power Transmission Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Larsen & Toubro Ltd	Parent Company	Construction
HDFC Bank	Investor	Finance	invests in	Mahindra & Mahindra Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Mahindra Renewables Pvt Ltd	Client	Energy
HDFC Bank	Investor	Finance	invests in	Mangalore Refinery & Petrochemicals Ltd	Parent Company	Mining



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
HDFC Bank	Investor	Finance	invests in	Montecarlo Ltd	Parent Company	Construction
HDFC Bank	Investor	Finance	invests in	Montecarlo Singhara	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	Motherson Sumi Systems Ltd	Parent Company	Communications
HDFC Bank	Investor	Finance	invests in	Nabha Power Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	NHPC Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	NTPC Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Nuclear Power Corp of India Ltd{NPCIL}	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Ocean Sparkle Ltd	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	Offbeat Developers Pvt Ltd	Client	Industry and Trade
HDFC Bank	Investor	Finance	invests in	Oil & Natural Gas Corp Ltd	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	Oil and Natural Gas Corporation	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	Oriental Structural Engineers	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	Piramal Enterprises Ltd	Parent Company	Education and Health
HDFC Bank	Investor	Finance	invests in	Power Grid Corp of India Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Reliance Industries Ltd	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	Reliance Utility & Power Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Ryhpez Holding (Sweden) AB	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	Samvardhana Motherson	Client	Transport
HDFC Bank	Investor	Finance	invests in	Sanghi Inds Ltd	Parent Company	Construction
HDFC Bank	Investor	Finance	invests in	Sanghi Industries Ltd	Parent Company	Construction



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
HDFC Bank	Investor	Finance	invests in	Sikka Ports & Terminals Ltd	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	SLMG Beverages Pvt Ltd	Parent Company	Agriculture and Forestry
HDFC Bank	Investor	Finance	invests in	SRF Ltd	Parent Company	Industry and Trade
HDFC Bank	Investor	Finance	invests in	Sterlite Grid 2 Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Tata Motors Ltd	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	Tata Power Co Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	Tata Steel Ltd	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	THDC India Ltd	Parent Company	Energy
HDFC Bank	Investor	Finance	invests in	The Great Eastern Shipping Co	Parent Company	Transport
HDFC Bank	Investor	Finance	invests in	The Phoenix Mills Ltd	Parent Company	Industry and Trade
HDFC Bank	Investor	Finance	invests in	TIL Ltd	Parent Company	Construction
HDFC Bank	Investor	Finance	invests in	Tractors India Pvt Ltd	Client	Construction
HDFC Bank	Investor	Finance	invests in	Vardhman Textiles Ltd	Parent Company	Industry and Trade
HDFC Bank	Investor	Finance	invests in	Vedanta Ltd	Parent Company	Mining
HDFC Bank	Investor	Finance	invests in	Western Region Transmission (Gujarat)Power Ltd	Parent Company	Energy
Mahindra & Mahindra Ltd	Parent Company	Energy	owns	Mahindra Renewables Pvt Ltd	Client	Energy
Motherson Sumi Systems Ltd	Parent Company	Transport	owns	Samvardhana Motherson	Client	Transport
Oil and Natural Gas Corporation	Parent Company	Mining	owns	Acquisition of 51.11% Stake in Hindustan Petroleum	Client	Mining
Oriental Structural Engineers	Parent Company	Transport	owns	Binjabahal to Telebani	Client	Transport
Tata Steel Ltd	Parent Company	Mining	owns	Bamnival Steel Ltd	Client	Mining



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Tata Steel Ltd	Parent Company	Mining	owns	Bhushan Steel Ltd	Client	Mining
The Phoenix Mills Ltd	Parent Company	Industry and Trade	owns	Offbeat Developers Pvt Ltd	Client	Industry and Trade
TIL Ltd	Parent Company	Construction	owns	Tractors India Pvt Ltd	Client	Construction



Contact Information

No contact information provided at the time of disclosure.

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>



Campaign Documents

- [Business and Human Rights Resource Center: HDFC](#)