

 Early Warning System

IFC-38848

Fed Bank Loan



## Quick Facts

<b>Countries</b>	India
<b>Specific Location</b>	Gift City, Gujarat
<b>Financial Institutions</b>	International Finance Corporation (IFC)
<b>Status</b>	Active
<b>Bank Risk Rating</b>	F1
<b>Voting Date</b>	2017-06-26
<b>Borrower</b>	Federal Bank Limited
<b>Sectors</b>	Finance
<b>Ring Fence</b>	No Restrictions
<b>Investment Type(s)</b>	Loan
<b>Investment Amount (USD)</b>	\$ 100.00 million



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## Project Description

The project comprises of a Senior Loan of \$100m to Federal Bank Limited (“FBL”), an existing IFC client. The proposed loan will provide long term funding to the FBL’s International Financial Services Center Branch in Gift City, Gujarat.



## Investment Description

- International Finance Corporation (IFC)

Federal Bank Ltd is a private sector bank in India, which was established in 1931 as Travancore Federal Bank and re-named as FBL in 1945. The Bank has a dominant presence in the state of Kerala and has a strong franchise amongst non-resident Indians (NRIs). Federal Bank has a network of 1,252 branches and 1,665 ATM's spread across 29 states and union territories in India. FBL's shares are listed in the National Stock Exchange (NSE), Bombay Stock Exchange Ltd (BSE), London Stock Exchange plc (LSE).

The major shareholders of the Bank as on 31 December 2016, are Franklin Templeton Investment Funds (3.14%), Amansa Holdings Private Limited (4.37%), HDFC Trustee Co. Ltd (4.23%), Reliance Capital Trustee Co. Ltd (4.19%), Mr Yusuffali Musaliyam Veetttil Abdul Kader (3.73%), Birla Sunlife Trustee Company Private Limited (3.35%), East Bridge Capital Master Fund Limited (2.86%), LIC of India (2.39%), Franklin Templeton Mutual Fund (2.38%), Government Pension Fund Global (2.49%) and Mr Rakesh Jhunjhunwala (2.34%).

## 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.

- [The Federal Bank Limited](#) (Financial Intermediary)
- [The Federal Bank Limited](#) (Financial Intermediary) **is owned by** [Federal 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

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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Aditya Birla Mgmt Corp Pvt	Parent Company	Industry and Trade	owns	Birla Carbon	Client	Industry and Trade
Federal Bank	Investor	Finance	invests in	Aditya Birla Mgmt Corp Pvt	Parent Company	Industry and Trade
Federal Bank	Investor	Finance	invests in	Bamnipal Steel Ltd	Client	Mining
Federal Bank	Investor	Finance	invests in	Bhushan Steel Ltd	Client	Mining
Federal Bank	Investor	Finance	invests in	Birla Carbon	Client	Industry and Trade
Federal Bank	Investor	Finance	invests in	Birla Corp Ltd	Parent Company	Construction
Federal Bank	Investor	Finance	invests in	Cairn India Ltd	Client	Mining
Federal Bank	Investor	Finance	invests in	Divyasree Tarbus Builders	Parent Company	Industry and Trade
Federal Bank	Investor	Finance	invests in	DLF Cyber City Developers Ltd	Client	Industry and Trade
Federal Bank	Investor	Finance	invests in	Fiat Chrysler Automobiles NV	Parent Company	Transport
Federal Bank	Investor	Finance	invests in	Fiat India Automobiles Ltd	Client	Transport
Federal Bank	Investor	Finance	invests in	Hindalco Industries Ltd	Parent Company	Mining
Federal Bank	Investor	Finance	invests in	Hindustan Powerprojects Pvt	Parent Company	Energy
Federal Bank	Investor	Finance	invests in	JSW Energy (Barmer) Ltd	Parent Company	Energy
Federal Bank	Investor	Finance	invests in	MB Power(Madhya Pradesh)Ltd	Client	Energy
Federal Bank	Investor	Finance	invests in	Novelis Inc	Client	Mining
Federal Bank	Investor	Finance	invests in	Okaya Energy Sys Pvt Ltd	Parent Company	Energy
Federal Bank	Investor	Finance	invests in	Onclave PTC Ltd	Parent Company	Mining
Federal Bank	Investor	Finance	invests in	Raj Westpower Ltd	Parent Company	Energy
Federal Bank	Investor	Finance	invests in	Rajdhani Invests & Agencies	Parent Company	Industry and Trade



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Federal Bank	Investor	Finance	invests in	Ryhpez Holding (Sweden) AB	Parent Company	Transport
Federal Bank	Investor	Finance	invests in	Tata Sponge Iron Ltd	Client	Mining
Federal Bank	Investor	Finance	invests in	Tata Steel Ltd	Parent Company	Mining
Fiat Chrysler Automobiles NV	Parent Company	Transport	owns	Fiat India Automobiles Ltd	Client	Transport
Hindalco Industries Ltd	Parent Company	Mining	owns	Novelis Inc	Client	Mining
Hindustan Powerprojects Pvt	Parent Company	Energy	owns	MB Power(Madhya Pradesh)Ltd	Client	Energy
Onclave PTC Ltd	Parent Company	Mining	owns	Cairn India Ltd	Client	Mining
Rajdhani Invests & Agencies	Parent Company	Industry and Trade	owns	DLF Cyber City Developers Ltd	Client	Industry and Trade
Tata Steel Ltd	Parent Company	Mining	owns	Bamnival Steel Ltd	Client	Mining
Tata Steel Ltd	Parent Company	Mining	owns	Bhushan Steel Ltd	Client	Mining
Tata Steel Ltd	Parent Company	Mining	owns	Tata Sponge Iron Ltd	Client	Mining



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## Contact Information

### 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](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>

### CONTACTS

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