



Project Summary Information

Date of Document Preparation: April 23, 2025	
Project Name	Green Affordable Housing Finance with IIFL Home Finance
Project Number	P000816
AIIB member	India
Sector/Subsector	Urban/Affordable Housing
Alignment with AIIB's thematic priorities	Green Infrastructure
Status of Financing	Approved
Objective	To support access to affordable housing for low-income households and promote green affordable housing in India.
Project Description	<p>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.</p> <p>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.</p>
Environmental and Social Category	FI
Environmental and Social Information	<p>Applicable Policy and Categorization: AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESS) and the Environmental and Social Exclusion List (ESEL) is applicable to this Project. 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.</p>

	<p>Environment and Social Instruments: To manage ES impacts and in accordance with the applicable laws and regulations of the Government of India and AIIB's ESP, IIFLHF has established an ESG Policy and Sustainable Finance Framework (SFF) in addition to a set of internal policies, including Health and Safety Policy, Diversity and Inclusion Policy, among others. IIFLHF has also established a Fair Practices Code (FPC) to ensure responsible lending conduct and disclosures. These policies are complemented with practical tools such as <i>Kutumb</i>¹</p> <p>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 <i>willing seller, willing buyer</i> 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.</p> <p>Gender aspects: IIFLHF has adopted gender sensitive and inclusive corporate policies which are applied internally. IIFLHF has also established a policy on Prevention of Sexual Harassment and an Internal Complaints Committee (ICC) in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. IIFLHF has adopted several gender sensitive initiatives such as gender inclusion indicators, and prioritization of loans disbursed to women homeowners/ co-owners.</p> <p>Occupational Health and Safety, Labor and Employment Conditions. ES policies applied by IIFLHF as part of their ESG policy and SFF incorporate provisions for application of national Health & Safety and Labor and employment legislation across all the investments supported. Most project's proceeds (in terms of number of sub-loans) will be used for acquisition of affordable housing dwelling by individual homeowners of disadvantaged social groups. Health and safety risks for that use of proceeds are of limited scale and limited to health and safety considerations of using domestic home appliances and building services. These projects, undertaken by private developers are typically of limited size with minimal adverse</p>
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¹ <https://www.iiflhomeloans.com/kutumb>

	<p>impacts, with most of financing is sought at advanced stage of development process when all the ES risks are already fully addressed.</p> <p>Stakeholder Engagement, Consultation and Information Disclosure. IIFLHF has a strong stakeholder matrix and engagement plan. The identified stakeholders include (i) <i>the customers, including women, from EWS and LIG category</i>; (ii) <i>civil societies / NGOs</i> (iii) <i>media</i>; (iv) <i>vendors and contractors</i>; and (v) <i>Regulators / Government</i>. The ESG policy², SFF³ and other policy documents⁴ are available on IIFLHF's website.</p> <p>Project Grievance Redress Mechanism (GRM): IIFLHF has a well-established multi-pronged GRM that can be accessed via its website, physical branches, helpline number and dedicated call center. IIFLHF will require its corporate sub-borrowers to establish appropriate GRM at the sub-project level. Provision will also be made to inform Project-affected Persons (PAPs) and workers of the GRM's availability, and AIIB's Project-Affected Peoples' Mechanism (PPM).</p> <p>Monitoring and reporting arrangement: IIFLHF will regularly monitor ES performance of financed projects using agreed checklists and provide ES reports on the AIIB-financed portfolio annually based on agreed format. AIIB will supervise IIFLHF's ES performance on a regular basis, including site visits to selected affordable housing sub-projects, as needed.</p>	
Cost and Financing Plan	Up to USD100 million or its equivalent in INR.	
Borrower	IIFL Home Finance Limited (IIFLHF)	
Contact Points:	AIIB	Borrower: IIFL Home Finance Limited
Name	Bhavita Sharma	Ajay Jaiswal
Title	Senior Investment Officer, Financial Institutions and Funds	Chief Operating Officer
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Date of Concept Decision	November 28, 2023	
Date of Appraisal Decision	March 5, 2025	

² https://storage.googleapis.com/iifl-hfc-storage/files/policies/ESG%20Policy_0.pdf

³ <https://storage.googleapis.com/iifl-hfc-storage/files/2022-10/IIFL%20Sustainable%20Finance%20Framework%20.pdf>

⁴ <https://www.iiflhomeloans.com/corporate-governance>

Date of Financing Approval	April 22, 2025
Independent Accountability Mechanism	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 ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRMs or AIIB Management's processes. For information on how to make submissions to the PPM, please visit insert link to the PPM: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html