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IIFL Home Finance Secures \$100 Million from AIIB to Boost Affordable, Green Housing

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IIFL Home Finance Ltd (IIFLHF) has secured a \$100 million (₹858 crore) loan facility from the Asian Infrastructure Investment Bank (AIIB) aimed at expanding affordable housing in India, particularly for low-income and economically weaker sections. The funding will also promote the development of green-certified residential projects, reinforcing India's sustainable urban growth initiatives.

This strategic five-year facility includes an 18-month moratorium on principal payments, followed by semi-annual repayments. It is part of AIIB's broader commitment to support financial inclusion and environmentally responsible development across Asia.

According to IIFLHF, the funds will be primarily disbursed to individual borrowers from underserved communities and developers involved in building affordable, green-certified housing units. The company operates 376 branches across 18 Indian states and plans to channel the funding through its extensive distribution network.

Monu Ratra, CEO of IIFL Home Finance, said the partnership marks a major milestone. "This investment from AIIB will help us extend credit to first-time homebuyers from low-income segments and scale up green housing solutions in India," he said.

The financing aligns with India's Pradhan Mantri Awas Yojana – Urban 2.0 and the country's climate goals under the Paris Agreement. AIIB stated that the project complements its mission to improve infrastructure and connectivity through inclusive and sustainable development.

IIFLHF, which has a loan book of over ₹40,000 crore, has previously focused two-thirds of its portfolio on affordable housing. With this new injection of funds, the company plans to accelerate its lending in the affordable housing segment while reinforcing its ESG (environmental, social, and governance) commitments.

This is AIIB's first direct partnership with IIFL Home Finance, highlighting a growing international interest in India's affordable housing market. The funding structure also includes policy safeguards for gender sensitivity and grievance redressal, ensuring ethical deployment of capital.

The development is expected to positively impact both housing accessibility and climate resilience in India, offering a boost to the country's push for sustainable urban infrastructure.