

**INFORMATION SUMMARY FOR THE PUBLIC
INDUSIND BANK**

Host Country:	Republic of India
Name of Borrower:	IndusInd Bank Limited
Project Description:	OPIC’s USD 225 million loan to IndusInd Bank Limited (the “ Bank ”) will support the strategic growth of the Bank’s loan portfolio for microenterprises and small and medium enterprises (“ MSMEs ”), at least 25% of which will be made to microenterprises (the “ Project ”).
Proposed OPIC Loan:	USD 225 Million for up to eight years
Total Project Costs:	USD 300 Million
U.S. Sponsor:	U.S. investors holding publicly-traded shares
Foreign Sponsor:	IndusInd Bank Limited
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and, therefore the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a negative five-year U.S. balance of payments impact.
Developmental Effects:	This Project is expected to have a highly developmental impact by expanding the availability of credit to MSMEs in India. According to the World Bank’s Enterprise Survey for India, MSMEs are constrained by a lack of access to capital; the International Finance Corporation (“IFC”) estimates the viable and addressable credit gap to be \$59 billion. MSMEs are an important segment of the Indian economy, contributing 38% to GDP and employing nearly 100 million people. The Reserve Bank of India has specifically included MSMEs as a priority sector under its financial inclusion initiatives, which are designed to promote bank lending to underserved and underbanked segments of the market. The Project will support India’s long-term target contained in U.N. Sustainable Development Goal Eight, which aims to “strengthen the capacity of domestic financial institutions to encourage and expand access to banking and financial services to all.” The Project will also provide the Bank with a source of stable long-term funding that is not widely available in the domestic market.
Environment:	Loans to commercial banks for the purposes of SME lending are screened as Category C projects under OPIC’s environmental and social policies, but are subject to conditions related to the use of proceeds. Excluded activities include lending to entities engaged in categorically prohibited activities or activities likely

	<p>to have a significant adverse impact on the environment. The Bank is in the process of developing an Environmental and Social Management System (“ESMS”) that will be used to guide the Project and achieve sound and sustainable environmental and social performance. The Bank has an appropriate grievance mechanism in place.</p>
<p>Workers’ Rights:</p>	<p>The Project will be required to operate in a manner consistent with the IFC Performance Standard 2 on Labor and Working Conditions, OPIC’s Environmental and Social Policy Statement and applicable local labor laws. OPIC’s statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, and security. Loans to MSME borrowers will be restricted with respect to the MSME borrowers’ operations, including the employment of minors and other applicable labor law requirements. Standard and supplemental contract language will be applied to all workers of the Project.</p> <p>The Project’s human resource policies and procedures have been evaluated against the IFC Performance Standards, OPIC’s Environmental and Social Policy Statement and applicable local labor law. Terms and conditions of work are communicated to employees in writing. OPIC has reviewed the employee grievance mechanism which provides employees several channels for communication and complies with Performance Standard 2. OPIC will require that the Project’s ESMS includes policies and procedures to effectively identify, assess and manage labor risk commensurate with the risks associated with the facility and consistent with the IFC Performance Standards.</p>
<p>Human Rights:</p>	<p>OPIC issued a human rights clearance for this Project on August 17, 2016.</p>