

Public Information Summary

Host Country	India
Name of Borrower	IndusInd Bank Limited (India) (the “Borrower”)
Project Description	A \$150 million direct loan for the expansion of IndusInd Bank Limited’s joint liability group microfinance lending to rural women in the three poorest states of India (the “Project”).
Proposed DFC Loan	\$150,000,000 twelve-year direct loan
All-Source Funding Total	\$187,500,000
Policy Review	
Developmental Objectives	The Project is expected to have a highly developmental impact in India by lending to women for income generating activities in Bihar, Jharkhand, and Uttar Pradesh, the country’s three poorest states according to the Government of India. These values calculated by the government are based on estimates of GDP per capita and multidimensional poverty. The Project is expected to support borrowers’ income generation and ability to grow their businesses. All of the Project’s clients are expected to be women and the majority (80%) based in rural areas.
Environment and Social Assessment	<p>The Project has been reviewed against DFC’s 2020 Environmental and Social Policies and Procedures manual (“ESPP”) and has been determined to be categorically eligible. DFC direct investments to banks to support the expansion of microfinance are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments.</p> <p>To ensure that the Borrower’s investments are consistent with DFC’s statutory and policy requirements, the DFC loan will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy (“ESP”) that meets the 2012 IFC Performance Standards.</p> <p>Under the DFC’s ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation’s Performance Standard (“PS”)</p>

1 and 2. A desk-review-based due diligence assessment indicates that because the Project involves DFC support to a bank to support its microfinance lending in India, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated. Therefore, PS 3, 5, 6, 7, and 8 are not triggered at this time. The Borrower does utilize private armed security and therefore, relevant aspects of IFC PS 4, Community Health, Safety, and Security are triggered.

The Borrower has a formal Environmental and Social Management System (“ESMS”) and Human Resources policies that have been previously vetted and approved by DFC for alignment with its ESPP. However, the Borrower will be required to provide a more robust child and forced labor screening process as part of its ESMS due to heightened risks identified by the U.S. Department of State in the sectors where it will lend.