



Aavas joins hands with IFC to explore the viability of financing “Green Housing” in South-east Asia

In pursuance of its commitment to environmental amelioration, Aavas Foundation, the CSR arm of Aavas Financiers Ltd., has partnered with International Financial Corporation to carry out a two-year long feasibility research on the profitability of green loans and the prospect of involving housing finance institutions in accelerating transition towards green buildings. The goal is to draw up a blueprint for lending products which incentivize green housing in the Indian subcontinent. The said arrangement has been executed in the form of a tripartite agreement between IFC, Aavas Foundation and Aavas Financiers.

Aavas Financiers Limited is a retail, affordable housing finance company, primarily serving low and middle-income customers in India, who have little or no access to banking credit. In furtherance of its quest for innovative financing solutions, designed to serve low-income borrowers, Aavas has now taken up the opportunity to connect with IFC and explore the broader horizons of inclusive lending, integrated with an element of environmental sustainability.

While major work under this study will be carried out by IFC, Aavas Foundation will provide its backing time and again, by furnishing necessary information or connecting IFC with Aavas personnel for purposes of this study. Earlier this year, Aavas Foundation had showcased its dedication to environmental sustainability by undertaking tree plantations on a massive scale in Jaipur city. “The foundation envisions this study to be a major breakthrough in revolutionizing green housing finance in not just in India, but other parts of Asia as well. This will ultimately help in mobilizing masses to shift to a more sustainable and resource-efficient lifestyle”, observes Mr. Ghanshyam Rawat, trustee of Aavas Foundation. The initiative would likely serve as a major milestone towards nurturing a long-term sustainability-centric relationship between the Foundation and IFC.