

 Early Warning System

DFC-2022-SHRIRAMFINANCE

Shriram Finance Limited



Quick Facts

Countries	India
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Shriram Transport Finance Company
Sectors	Finance, Industry and Trade, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 250.00 million
Project Cost (USD)	\$ 312.50 million



Project Description

According to the Bank's website, the Borrower will use the proceeds of the DFC loan to finance the expansion of its vehicle finance program for micro, small and medium enterprises ("MSME") in India in alignment with its social finance framework.

The Project is expected to have a highly developmental impact in India through support for the Borrower's expansion of credit for commercial vehicle purchases by MSMEs, often owner operator.



Early Warning System Project Analysis

Loans to financial institutions for the purposes of on-lending to SMEs for the purchase of vehicles as screened as Category C projects under DFC's environmental and social guidelines.



Investment Description

- US International Development Finance Corporation (DFC)

An up to \$250,000,000 loan. Tenor of no more than 10 years from first disbursement.

All-Source Funding Total: \$312,500,000



Private Actors Description

Shriram Transport Finance Company (STFC) is one of the largest asset-financing NBFCs in India with assets under management (AUM) of USD 16.5 billion (INR 1.35 trillion) as on 30 September 2022, with a very strong distribution network that caters to over 2.19 million customers through 1,854 branch offices and 758 rural centres across India. STFC primarily lends to MSME clients in the transportation sector that are economically weak, have limited credit history and therefore are unable to raise funds from commercial banks.

STFC is listed on the Bombay Stock Exchange and National Stock Exchange and has a market capitalization of USD 4.0 billion as of 01 November 2022. As of 30 September 2022, 29.37 percent of STFC's shares were held by the promoter & promoter group, 50.73 percent were held by foreign portfolio investors and foreign institutional investors, 14.19 percent were held by FIs (including insurance companies, banks and mutual funds), 5.35 percent were held by public shareholders, and 0.37 percent were held by others.

STFC is headquartered in Mumbai, Maharashtra and has 1,854 branches across India.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Shriram Transport Finance Company Limited	Client	-



Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: <https://www.dfc.gov/foia>

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: <https://www.dfc.gov/who-we-are/office-accountability>



Bank Documents

- [Project Disclosure](#) [\[Original Source\]](#)