

 Early Warning System

DFC-2024-KOTAKBANKLPG

Kotak Bank LPG MSEs_New to Credit__2X



Quick Facts

Countries	India
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Kotak Mahindra Bank Limited
Sectors	Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 100.00 million
Project Cost (USD)	\$ 200.00 million



Project Description

According to the Bank's website, the project consists of a 50% loan portfolio guaranty mobilizing \$200 million to non-bank financial companies (NBFCs) and microfinance institutions (MFIs) for on-lending to borrowers of NBFCs and MFIs, including women, 2X-qualifying micro-, small, and medium sized enterprises (MSMEs) and new-to-credit borrowers, especially in rural areas. At least 75% of on-lending will be to women and 2X-qualifying MSMEs, and at least 10% will be to new-to-credit borrowers.



Early Warning System Project Analysis

DFC loans to financial institutions for the expansion of lending to Non-Bank Financial Companies (“NBFCs”), which service micro-small-and medium enterprises (“MSMEs”) and microfinance institutions (“MFIs”) are screened as a Financial Intermediary C (FI-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 low risk and further review and consent is not required for these Investments.



Investment Description

- US International Development Finance Corporation (DFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Kotak Mahindra Bank Limited](#) (Financial Intermediary)



Private Actors Description

Kotak Mahindra Bank Limited is an Indian banking and financial services company headquartered in Mumbai. It offers banking products and financial services for corporate and retail customers in the areas of personal finance, investment banking, life insurance, and wealth management.



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](#) [\[Original Source\]](#)