

 Early Warning System

IFC-49120

CAGL ECB Loan



## Quick Facts

|                         |   |
|-------------------------|---|
| Countries               | India                                   |
| Financial Institutions  | International Finance Corporation (IFC) |
| Status                  | Approved                                |
| Bank Risk Rating        | C                                       |
| Voting Date             | 2024-12-24                              |
| Borrower                | CreditAccess Grameen Limited            |
| Sectors                 | Finance, Industry and Trade             |
| Investment Type(s)      | Loan                                    |
| Investment Amount (USD) | \$ 100.00 million                       |



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## Project Description

According to the Bank's website, the proposed project envisages a senior debt investment in CreditAccess Grameen Limited ("CAGL") of up to USD100 million with a tenor of up to 5 years. The proceeds of the IFC loan will be utilized towards expanding the Company's portfolio to women microentrepreneurs for income generation purposes in India.



## Early Warning System Project Analysis

The project involves 5-year senior loan of up to US\$100 million to Credit Access Grameen Limited (CAGL or the Company) for expanding the Company's microfinance (unsecured loan) portfolio to women borrowers for income generation purposes. The proceeds will support CAGL's women-owned microenterprises portfolio with a focus on lending for microfinance loans for agriculture and its allied purposes. This presents limited to no E&S risks and impacts, and the project is categorized as Category FI-3. The main E&S risks and impacts of the project derive from CAGL's lending and financing activities, its labor and working condition practices across the company and its capacity and procedures in place to manage these risks.



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## Investment Description

- International Finance Corporation (IFC)

The proposed Project envisages a secured debt investment of up to US\$100 million in CAGL.

## 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.

- [CreditAccess Grameen Limited](#) (Financial Intermediary)



## Private Actors Description

*CreditAccess Grameen Limited - CAGL* is the largest Non-banking Finance Company – Microfinance Institution (NBFC-MFI) in India with a 15.6% NBFC-MFI market share (in terms of gross loan portfolio) as of March 2024 and a 6.2% microfinance sector market share as of March 2024. Nearly 100% of CAGL's portfolio is in rural areas supporting women engaged in the agri-allied and services related sectors. The Company is listed on the Bombay (Mumbai) Stock Exchange and the National Stock Exchange with a market capitalization of INR190.8 billion (US\$2.3 billion) as of August 28, 2024. The Company's sponsor is CreditAccess India (CAI) with 66.56% equity stake and the remaining stake of 33.34% is publicly owned.



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## Contact Information

CreditAccess Grameen Limited

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## ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

## ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org) You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>