

 Early Warning System

IFC-39493

DCM Bajaj Finance



Quick Facts

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| Countries | India |
| Financial Institutions | International Finance Corporation (IFC) |
| Status | Approved |
| Bank Risk Rating | FI |
| Voting Date | 2017-06-07 |
| Borrower | BAJAJ FINANCE LIMITED |
| Sectors | Finance |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 154.97 million |
| Loan Amount (USD) | \$ 154.97 million |
| Project Cost (USD) | \$ 154.97 million |



Project Description

According to IFC website, the project involves the subscription by IFC to Non-Convertible Debentures issued by Bajaj Finance Limited for on-lending to micro small and medium enterprise. The investment would increase availability of financing to the MSME segment which lacks adequate access to finance despite being a key driver of the Indian economy. Within the SME space the transaction also intends to reach low income states and women-owned SMEs. SMEs in low income states have historically been under financed despite the region having a significant percentage of SMEs, support in this area will aid their inclusion into the formal financial system. Finally, since SMEs in India employ close to 40% of the workforce, access to credit for these entities will help them achieve scale while enhancing sector competitiveness and job creation.



Investment Description

- International Finance Corporation (IFC)

Private Actors

- [Bajaj Finance Limited](#) -- Financial Intermediary

Bajaj Finance Limited (BFL) is a diversified NBFC operating across different business segments - Consumer (43%), SME (42%), Commercial (12%) and Rural (3%). As of Dec 31, 2016, BFL has total assets under management of around US\$ 9.23 billion and has reached out to more than 19 million customers through a widespread network branches and customer touch points.

BFL is part of the Bajaj Group, one of the largest corporate houses in India engaged in auto manufacturing and financial services. Bajaj Finserv Limited, the holding company for the financial services businesses of the Bajaj Group, owns 57.3% of BFL and also holds interests in life and general insurance. Bajaj Finserv reported a market cap of US\$10.6 billion in Mar'16.



Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

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. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>