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# Shriram Finance aims to raise ₹20k cr to fund growth in FY24

**Reuters**

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**MUMBAI:** Shriram Finance is looking to raise as much as ₹20,000 crore (\$2.44 billion) to fund its growth in the next financial year starting April, a senior company official told *Reuters* on Monday.

The retail non-banking finance company (NBFC) aims to grow its assets under management (AUM) by 15% in fiscal 2024 to around ₹1.9 trillion to ₹2 trillion, Umesh Revankar, executive vice chairman of Shriram Finance, said.

The company's total AUM was ₹1.77 trillion as of December 31.

"We will mostly be looking at ECB loans rather than dollar

bonds. Right now, the (dollar) bond market is very volatile," Revankar said, adding, "We are looking to utilise our entire \$750 million ECB limit next year."

The loans will be anything between three to five years, he said.

ECBs, or external commercial borrowings, are commercial loans raised by domestic borrowers from recognised foreign entities. The Reserve Bank of India (RBI) permits borrowers to raise up to \$750 million worth of ECBs each financial year under the automatic route.

The company will also raise funds from local banks and the domestic capital market among others, alongside the ECB bor-

rowings, he added.

Shriram Finance was established after a three-way merger between Shriram Transport Finance Company with promoter Shriram Capital and diversified finance company Shriram City Union Finance. The merger was completed in November.

Last year, the NBFC secured funding of \$250 million from the US International Development Finance Corporation (US DFC) and \$100 million from the Asian Development Bank (ADB).

It is currently in talks with various development finance institutions, including ADB, US DFC and Asian Infrastructure Investment Bank, to secure the ECB funding, said Revankar.