

MUFG Bank completes 20% stake buy in Shriram Finance

Our Bureau

Mumbai

MUFG Bank, the Japanese banking giant and subsidiary of Mitsubishi UFJ Financial Group, completed its acquisition of a 20 per cent equity stake in Shriram Finance Ltd (SFL) on Wednesday, subscribing to 47.11 crore shares at ₹840.93 apiece for a total outlay of approximately ₹39,618 crore.

SFL's board on Wednesday approved the preferential allotment.

The deal, which received clearance from the Competition Commission of India among other regulatory bodies, is described as the largest cross-border investment in India's financial services sector.

Shriram Finance is India's second-largest retail non-banking financial company (NBFC), with assets under management exceeding

₹2.91 lakh crore. For MUFG, the investment extends a global footprint already spanning 2,000 locations across 40 markets.

The Tokyo-headquartered group, with roughly 150,000 employees worldwide, has signalled India as a long-term strategic priority, citing SFL's position in the MSME and retail lending segments as key to that rationale.

SFL's Executive Vice-Chairman Umesh Revankar said the partnership would support access to diversified funding and adoption of global risk management practices. MUFG President Junichi Hanzawa pointed to SFL's growth potential and framed the deal as part of the group's broader commitment to India's economic development.

The transaction is expected to strengthen SFL's capital base as it looks to scale across its core lending segments.