



## **Shriram Transport Finance Company Secures USD 250 Mn Long-Term Funding from DFC**

- STFC raises USD 250 Million in long-term funds from the U.S. International Development Finance Corporation (DFC), the Development Finance Institution of the United States Government
- The funding will enable STFC to further its financial inclusion mission

**Mumbai, June 9, 2022:** Shriram Transport Finance Company Limited (STFC) India's largest commercial vehicle financier and a part of the Shriram Group, secured long-term funding of USD 250 million from the U.S. International Development Finance Corporation (DFC) of the United States of America. The USD 250 million External Commercial Borrowing (ECB) is a fixed-rate 10-year loan under STFC's Social Finance framework.

The funds raised from DFC, the development finance institution of the United States Government, will enable STFC to provide credit for the purchase of new and used vehicles throughout India. Proceeds from DFC can be used for the following: Vehicle finance for commercial purposes, alternate fuel financing namely through, CNG, LPG and electric vehicles, employment generation through MSME loans, specifically, finance women entrepreneurs, cater to laggard states of the country and empower and promote the social and economic status of the underserved communities in India.

Besides the DFC loan, STFC has also successfully raised USD 475 million through a 144A Bond from the international market during the start of 2022, thereby continuing to diversify its funding profile.

Speaking about the fund raise, **Mr Umesh Revankar, VC & MD, Shriram Transport Finance Company** said, "STFC's success in securing international funding from one of the world's leading providers of development finance is a testament to our strength and stability, as well as an endorsement of our mission to further financial inclusion. We will help fund more individual operators to buy vehicles into new markets, provide funding towards employment generation in rural areas, and empower more communities to optimise their income and have a better quality of life."

Speaking about the funding, **Mr Andrew Herscowitz, Chief Development Officer of DFC** said, "DFC's investment in Shriram Transport Finance Company is helping boost economic growth, development, and financial inclusion across India. DFC's financing helps increase access to finance for owner-operators and other small businesses to purchase commercial vehicles—including business owners from rural and underserved communities. With DFC's loan, STFC will

also help to green India's commercial transport sector, a notoriously difficult sector to decarbonize, by financing alternative fuel and lower-emissions vehicles.”

#### **About Shriram Transport Finance Company Limited.**

Shriram Transport Finance Company Limited, (Shriram Transport; BSE: SRTRANSFIN (511218), NSE: SRTRANSFIN) a 42-year-old company and part of the Shriram Group, is one of the largest asset financing NBFCs in India. The company is a leader in the organized financing of pre-owned trucks with a strategic presence in 5-10-year-old truck lending. The company has Assets on Balance sheet of INR 1.27 trillion (Mar' 2022) and has a pan-India presence with a network of 1,854 branches, and employs 25,456 employees including 19,475 Business teams. The company has built a strong customer base of around 2.11 million customers. The company has developed strong competencies in the areas of loan origination, valuation of pre-owned trucks and collection. It has a vertically integrated business model and offers several products which include: Pre-owned CV financing, New CV financing and other loans like accidental repair loans, tyre loans and working capital finance, etc.

#### **About Shriram Group**

Shriram Group is India's leading financial conglomerate with a dominant presence in commercial vehicle (CV) financing, retail financing, chit fund, equipment financing, housing finance, life insurance, general insurance, stockbroking, distribution of financial products, and wealth advisory services. The Group focuses on serving the underserved and is driven by its Financial Inclusion agenda of bringing finance to low-income families and small businesses.

#### **About DFC**

U.S. International Development Finance Corporation (DFC) partners with the private sector to finance solutions to the most critical challenges facing the developing world today. DFC invests across sectors including energy, healthcare, critical infrastructure, and technology. DFC also provides financing for small businesses and women entrepreneurs in order to create jobs in emerging markets. DFC investments adhere to high standards and respect the environment, human rights, and worker rights.

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