

# CIFC raises \$150 mn from ADB via bonds

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MURUGAPPA Group subsidiary Cholamandalam Investment and Finance Company (CIFC) on Monday announced that it has secured over ₹1,000 crore worth funding from the Asian Development Bank (ADB) via an issue of bonds. Half the funds so raised will be used to improve growth prospects and employment opportunities in under-served geographies.

In a company statement, CIFC

said that it has issued unlisted non-convertible debentures (NCD) to ADB in tenors of three to five years for ₹1,056.90 crore (\$150 million). The firm added that its success in expanding in tier IV and tier V markets in under-penetrated regions augurs well to meet ADB's financial inclusion objectives. Chola is focussed on lending to the small road transport operators (SRTO) and borrowers in the small and medium enterprises sector.

SRTOs engaged in logistics, distribution and transport-relat-

ed industries, will be given priority and SMEs seeking loans for investment and working capital will also benefit from access to this term financing, said Arun Alagappan, Executive Director.

Meanwhile, ADB's Principal Investment Specialist for Private Sector Operations Anshukant Taneja added that financing, which has been provided in the backdrop of a slowdown in credit growth in the Indian banking system, has a counter-cyclical effect and is expected to boost investments and employment.