

Union Bank of India signs MOU with CIFL for Co-origination



Mumbai - September 18, 2019: Union Bank of India today announced Signing of MOU with M/s Capital India Finance Ltd. (CIFL), a professionally managed NBFC under Co-origination Model for Lending to Priority Sector as per RBI defined model.

This arrangement will entail joint contribution of Credit at the facility level, by both the Lending Partners viz. Union Bank of India and CIFL. It is envisaged that the benefit of low cost funds from Banks and lower cost of operations of NBFC would be passed on to the Borrower through adoption of the blended products to suit the requirements of Borrowers. This arrangement will also entail increase in the Credit off-take in respective market and offer timely delivery of Credit at significantly lower cost.

The Co-origination Model would be a great enabler for assisting the Priority Sector and will incentivize the Banks and NBFC to join hands for lending through this method.

Speaking on the occasion, Shri Rajkiran Rai G, MD&CEO, Union Bank of India said “Co-origination is win-win for Bank, NBFC and Borrowers as it gives impetus to work on synergy of low cost of fund of Bank and wider reach of NBFC. It’s an excellent initiative of Government of India and RBI and with the use of technology, Union Bank of India will be able to provide adequate and timely delivery of Credit through Co origination model.”

Released on behalf of Union Bank of India by:-

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Shri Keshav Porwal, MD, CIFL added that this partnership with Union Bank of India will be a enormous platform to provide support to SMEs and MSMEs in line with policy of the Government of India. Shri Amit Sahai Kulshreshtha, ED & CEO, CIFL, stated that it is a proud moment for CIFL to partner with Union Bank of India and jointly support the growth of Priority Sector in India.

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