



India: Equity Investment and Loan for RBL Bank for Supporting Financial Inclusion Project

Project Name	Equity Investment and Loan for RBL Bank for Supporting Financial Inclusion Project				
Project Number	49207-001				
Borrower / Company	RBL Bank Limited				
Country / Economy	India				
Location					
Type or Modality of Assistance	3354	Loan	Ordinary capital resources	USD 100.00 million	Committed
Strategic Agendas	Inclusive economic growth Regional integration				
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development				
Sector / Subsector	Finance / Finance sector development				
Gender	Gender equity				
Responsible ADB Department	Private Sector Operations Department				
Responsible ADB Division	Portfolio Management Division, PSOD				
Responsible ADB Officer	Doukidis, Doukas				
Project Sponsor(s)					
Description					
Objectives and Scope	ADB provided to RBL: (1) An equity investment in Indian rupee (INR) of US\$41.8mn to support Tier 1 capital ahead of full implementation of Basel III; (2) Senior unsecured loan of US\$100mn payable in 5 years. Full disbursement completed last September 2016 intended to (i) support MSMEs and small farmers in the agribusiness sector, and (ii) address the financing gap for longer tenor funds; (3) Technical Assistance (TA) of up to US\$1mn to build RBL's risk management and IT capabilities, specifically in its development of a customized loan origination system for agribusiness banking and DB & FI.				
Status of Development Objectives	In progress.				
Status of Operation/Construction	Operation loan fully disbursed and repaying.				
Linkage to Country/Regional Strategy	Under ADB's Strategy 2020 and Midterm Review of Strategy 2020, ADB aims to strengthen the finance sector by supporting the development of financial infrastructure, institutions, and products and services; and by promoting inclusive growth. The investment will assist RBL in its efforts to (i) expand its offerings to the low-income population across rural and semi-urban India; and (ii) provide long-term finance to deepen financial service availability to MSMEs and farmers, thus also supporting ADB's country partnership strategy for India, 2013-2017. The project is also aligned with ADB's Gender Equality and Women's Empowerment Operational Plan, 2013-2020. It is designed to have a gender equity theme and will directly provide and target financial services to women farmers and women MSMEs. The project will target women beneficiaries as borrowers and investors, and will therefore receive direct gender benefits.				
Safeguard Categories					
Environment					FI
Involuntary Resettlement					FI
Indigenous Peoples					FI
Summary of Environmental and Social Aspects					
Environmental Aspects	The project is classified as category FI for impacts on the environment.				
Involuntary Resettlement	The project is classified as category FI for impacts on the involuntary resettlement.				
Indigenous Peoples	The project is classified as category FI for indigenous peoples.				
Stakeholder Communication, Participation, and Consultation	Monitoring of the project will be carried out by ADB. RBL will provide ADB with financial reports at predetermined regular intervals and as requested, including (i) unaudited financial statements on a quarterly basis; (ii) audited financial statements on an annual basis; (iii) compliance certificates for financial covenants; (iv) reporting on the MSME, microfinance, and small farmer loan portfolios; (v) annual reporting on selected development indicators agreed between ADB and RBL; and (vi) annual implementation status of its environmental and social management system (ESMS) reports.				
Timetable for assistance design, processing and implementation					
Concept Clearance	-				
Credit Committee Meeting	-				
Approval	09 Dec 2015				
Last PDS Update	10 Sep 2021				

Project Page	https://www.adb.org/projects/49207-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=49207-001
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