

## **Edelweiss announces strengthening of its Co-Lending partnership with Central Bank of India for MSMEs**

- First Co-Lending MoU for MSME lending for both partners, under the assignment route
- The partnership extends to offer a significantly wider array of lending products for the MSME segment forming part of the Priority Sector lending
- MSMEs can now avail of unsecured business loans up to INR 50 lacs (earlier was upto INR 10 lacs) along with SME LAP Loans (property backed collateral) up to INR 10 crore.

**Mumbai, June 1<sup>st</sup>, 2021** : [Edelweiss Retail Finance Limited \(ERFL\)](#), an arm of the Edelweiss Group today announced strengthening of its existing Co-Lending partnership with Central Bank of India (CBoI), one of India's largest commercial banks for Priority Sector Lending to MSMEs (Micro, Small and Medium Enterprises). The lenders recently signed a new MoU under RBI's CLM, significantly expanding the portfolio of lending products available to MSMEs, who can now avail of collateral free business loans up to INR 50 lacs as against INR 10 lacs earlier. Additionally, they can also avail of LAP Loans (with property backed collateral), up to INR 10 crore. Building on the success of their partnership, the lenders have collaborated to introduce specially designed products with increased loan limits for the MSME segment.

Speaking on the development, **Deepak Mittal, Head, [Edelweiss Credit Business Group](#)** said, "At a time when we are witnessing the biggest disruption of our lives in the form of a pandemic and businesses across the globe have been badly hit, co-lending can provide the much-needed impetus with greater access to credit. This is also in line with our strategic objective of being asset light and building a high-quality lending book. We are happy to partner with a reputed institution like Central Bank of India to provide easier access of credit to MSMEs, who form the backbone of the Indian economy and help drive financial inclusion and democratise access to credit."

**Mehernosh Tata, CEO, [Edelweiss Retail Finance Limited](#)** added, "We are excited to partner with Central Bank of India, towards unlocking higher business value and delivering a digitally enhanced experience to MSME borrowers. This arrangement is a win-win for MSMEs, Bank and us and will help channelize credit to the priority sector as we step up lending in a credit starved economy. "

This alliance leverages the strength of both lenders, making this a winning proposition for all stakeholders. Edelweiss brings its expertise in loan origination and servicing capabilities including a digitally powered lending platform, while Central Bank brings in its strength of lower cost of funds. This will expand the reach to underserved markets, enabling Priority Sector borrowers to get credit at lower costs. As the country gradually moves out of the pandemic, the credit offered through this partnership will provide MSMEs with access to cost effective capital, aiding their economic revival and growth.

### [About Edelweiss Group](#)

The Edelweiss Group is one of India's leading diversified financial services companies, providing a broad range of financial products and services to a substantial and diversified client base that includes corporations, institutions and individuals. Edelweiss' products and services span multiple asset classes and consumer segments across domestic and global geographies. The group's research driven approach and proven history of innovation has enabled it to foster strong relationships across all client segments. Its businesses include Corporate Credit, Retail Credit, Wealth Management, Asset



Management, Asset Reconstruction, Life Insurance, General Insurance and Insurance Broking. To learn more about the Edelweiss Group, please visit [www.edelweissfin.com](http://www.edelweissfin.com).

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