

CIFL may explore inorganic route to grow its technical capability

Synopsis

CIFL, promoted by S K Narvar, is also in the process of developing a digital lending platform that should go live by the end of this fiscal.



Representative image

NBFC firm

Capital India Finance Limited (CIFL) is looking for collaboration or acquisition of fintech firm to improve technical capability to grow its business, a top official of the company said.

CIFL, promoted by S K Narvar, is also in the process of developing a **digital lending platform** that should go live by the end of this fiscal.

"We are actively looking at improving our technological capabilities and for this purpose, we will either collaborate tie-up or takeover... We are looking for certain takeovers and mergers for technology-based small-ticket loans for disbursement in housing and education sectors," CIFL Chairman **Harsh Kumar Bhanwala** told PTI.

He said that company plans to double the book size during the year. The outstanding loan at the end of March was Rs 560 crore.

"We are aiming at the balance sheet size of Rs 1,100 crore by March 2022. Besides, our housing finance subsidiary would be double loan book to over Rs 250 crore," he said.

He said the company is adequately capitalised to grow its business rapidly and prudently.

Speaking further about NBFC business, Bhanwala said, the company has changed its focus from mid-corporate to SME and priority sector lending.

Despite difficulties in the economy due to COVID-19, the company has been able to rein in its **non-performing assets (NPAs)**.

Depending on the market condition, Bhanwala said, NBFC would be raising resources to fund future business growth.

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The company plans to raise up to Rs 1,000 crore by issuing debt securities.

Shareholders recently approved proposal for raising funds, in Indian/foreign currency, of up to Rs 1,000 crore through the issue of non-convertible debentures/bonds, medium-term notes, and other debt securities.

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