

Loan for Srei arm

KfW IPEX-Bank, part of German development finance bank KfW, has offered a loan of 10 million euros to Srei Equipment Finance, a wholly owned subsidiary of Srei Infrastructure Finance. The financing is backed by global credit insurer Euler Hermes.

The fund will be utilised to finance machinery from German construction manufacturers, including asphalt machines, road pavers and rollers, for use in Indian infrastructure projects. With banks turning cautious on the NBFC sector, several players are facing liquidity constraints for project and equipment finance.

"This financing is successful because we are able to rely on a framework cover agreement with Euler Hermes. This enables us to finance technical equipment of a lower value under an international export financing agreement," said Andreas Ulfer, member of the management board of KfW IPEX-Bank.