

Press Release

State Bank of India (SBI) and National Investment and Infrastructure Fund (NIIF) join hands to provide a greater thrust to infrastructure financing

Mumbai, 1st July 2019:

State Bank of India (SBI) and National Investment and Infrastructure Fund (NIIF) have today inked a Memorandum of Understanding (MoU) to boost availability of capital for infrastructure projects. The scope of the MoU includes equity investments, project funding, bond financing, renewable energy support and take-out finance for operating assets. The objective of this initiative is to aid in filling the gap at a time when the availability of equity and debt financing for infrastructure has moderated.

On the sidelines of the signing event, **Rajnish Kumar, Chairman, SBI** said, “Today on auspicious occasion of **64th Bank’s Day**, SBI and NIIF have joined hands to provide a suite of financing solutions to Infrastructure sector. The initiative will address concerns relating to availability of equity and long term debt funding options to large scale projects thereby stimulating infrastructure development”.

Sujoy Bose, Managing Director and CEO, NIIF said, “The availability of post-construction take-out equity and debt financing for developers and builders of infrastructure projects will play an important role in the infrastructure development cycle in India. NIIF’s partnership with SBI will allow us to design large-scale long-term financing solutions to address this need. We are delighted to sign this MOU today, and congratulate SBI on its 64th Bank’s Day.”

The initiative will help SBI and NIIF to review opportunities to unlock capital from operational projects, thereby creating room for fresh lending, and addressing asset-liability mismatches. In addition to focusing on takeout financing, including through the IDF route, the partnership will also explore new avenues of financing renewable energy projects.

During the last financial year 2018-19, SBI through its specialised Project Finance & Structuring Business Unit have extended financial assistance of about Rs.51,000 Cr to 47 infrastructure projects and during current financial year the Bank has a robust pipeline.

About State Bank of India

State Bank of India (SBI) is a premier institution and India’s largest commercial Bank in terms of assets, deposits, branches, number of customers and employees. SBI continues to be a critical support and one of the largest single lenders for infrastructure financing in India. It has been actively supporting many infrastructure projects like

Roads, Airports, Railways, Ports, Oil & Gas, City Gas Distribution, Power, renewable energy and various EPC Projects (to support Government priority projects).

About National Investment and Infrastructure Fund Limited

NIIF is a fund manager that invests in infrastructure and related sectors in India. An institution anchored by the Government of India, NIIF is a collaborative investment platform for international and Indian investors with a mandate to invest equity capital in domestic infrastructure. NIIF benefits from its association with the Government yet is independent in its investment decisions being majority owned by institutional investors and managed professionally by a team with experience in investments and infrastructure. NIIF aims to make commercial investments in the sector which are feasible and at scale. NIIFL manages over USD 3.5 billion of capital commitments across three funds, each with its distinct investment strategy. The funds have investment mandates to invest in infrastructure assets and related businesses that are likely to benefit from the long-term growth trajectory of the Indian economy. By providing local access and expertise, NIIF is expected to attract significant international capital in Indian infrastructure.