IDFC Bank partners with Capital Float for digital lending to SMEs

Mumbai, November 30, 2016: IDFC Bank has partnered with Bangalore-based online lending platform, Capital Float, to provide digital lending to small businesses across India.

The partnership will address the needs of borrowers who have no access to organised bank credit, with limited or no documentation and without existing credit history. It is thus expected to bring more small businesses into the organized finance architecture.

Capital Float is IDFC Bank’s first partner in the digital lending space. It will provide the Bank access to Capital Float’s digital network of borrowers, thereby enabling it to diversify its portfolio of small ticket loans and grow its customer base. Capital Float, in turn, can leverage IDFC Bank’s strong balance sheet, product innovation and extreme customisation of banking products for this segment of borrowers. Additionally, being technology-intensive with fully integrated processes, IDFC Bank is able to deliver a seamless digital experience to customers.

IDFC is the first bank to integrate deeply with Capital Float’s unique platform, leveraging not just its differentiated loan products and lending capabilities but also its best-in-class technology infrastructure.

Dr. Rajiv Lall, Founder MD & CEO, IDFC Bank, said, “Radical partnering with fintech companies will enable us to serve small businesses digitally, while rapidly building the Bank’s customer base. The deep integration of our technology offering with that of Capital Float’s, will help us deliver a seamless digital experience to small merchants and entrepreneurs – from credit assessment and speedy processing of loan requests to making available to them, a range of evolved banking solutions. It will also give us access to the top 50 cities, and segments that hitherto did not have access to formal credit.”

Sashank Rishyasringa, Co-Founder, Capital Float, said, “This alliance paves the way for fintech companies and banks to not just coexist, but actively collaborate to deliver a differentiated value proposition. Both entities have unique capabilities and have come together to create a potent relationship from a financing perspective. We’ve witnessed the success of similar partnerships in the West, such as the collaborations between JP Morgan-OnDeck and RBS-Funding Circle.”
“Our partnership with IDFC is also unique in that both entities will co-originate loans to SMEs, with significant skin-in-the-game from Capital Float,” he added.

Small and micro enterprises have been growing at an exponential rate; however, access to formal credit has been severely restricted, compelling them to turn to unorganized financing channels. Seventy per cent of this market is unaddressed by the banking system. With growing digital penetration, a number of them are turning to digital lending.

About IDFC Bank:
IDFC Bank (BSE: 539437, NSE: IDFCBANK) is a subsidiary of IDFC Ltd (BSE: 532659, NSE: IDFC). Headquartered in Mumbai, IDFC Bank is a universal bank, offering financial solutions through its nationwide branches, internet and mobile. Envisioned as a new age bank, IDFC Bank seeks to set a new standard in customer experience, using technology and a service-oriented approach, to make banking simple and accessible, anytime and from anywhere. In keeping with IDFC’s legacy of building the nation, IDFC Bank will focus on serving the rural underserved communities and the self-employed, while continuing to support the country’s infrastructure sector. IDFC Bank provides customized financial solutions to corporates, individuals, small and micro-enterprises, entrepreneurs, financial institutions and the government. With best-in-class corporate governance, rigorous risk management, experienced management and a diversified team, IDFC Bank is uniquely positioned to meet the aspirations of its customers and stakeholders. [www.idfcbank.com](http://www.idfcbank.com) or [Twitter](https://twitter.com), [Facebook](https://www.facebook.com) and [LinkedIn](https://www.linkedin.com)

About Capital Float:
Capital Float is India’s leading digital financing platform that provides quick and easy capital to help SMEs fund rapid growth and achieve their next milestone. The company also manages India’s largest online lending marketplace, with leading banks and financial institutions participating as lenders.

Founded in 2013, Capital Float which is the trade name for Zen Lefin Private Limited a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India. It is a dominant player in the e-commerce lending space that includes partnerships with Snapdeal, PayTM, Shopclues, eBay, Alibaba, UBER & VIA. The company is headquartered in Bangalore with offices in Delhi, Chennai and Mumbai.

For more information: [www.capitalfloat.com](http://www.capitalfloat.com)

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