



Syndicated Loan

[Source: TH](#)

Recently, a private **Non-Banking Financial Company (NBFC)** announced that it has raised USD 425 million and EURO 40 million through a syndicated loan.

- It is a three-year **external commercial borrowing** facility structured as a social loan that would be used to **empower small entrepreneurs** and [vulnerable groups](#) across India.
- A **syndicated loan** is financing offered by a syndicate made up of a **group of lenders** that work together to provide funds for a borrower.
 - The borrower can be a corporation, a large project, or a sovereign government.
 - Syndicated loans **involve large amounts of money**, spreading the risk among several financial institutions to reduce the impact if the borrower fails to repay.
- [External Commercial Borrowings \(ECBs\)](#) denote Indian companies **borrowing funds from foreign sources**, such as loans, bonds, or financial instruments, to finance business expansion, asset acquisition, or existing debt repayment.

Read more: [External Commercial Borrowings \(ECBs\)](#), [Non-Banking Financial Company \(NBFC\)](#)

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