

USAID, DHFL sign \$10M loan guarantee to improve healthcare in Urban India

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The financing will be used for Lending to Small and Medium-Sized Enterprises Operating in Health Sector in India.



The U.S. Agency for International Development (USAID) and the Dewan Housing Finance Corporation Limited (DHFL) has officially announced the signing of a \$10-million loan portfolio guarantee in an effort to improve access to capital for healthcare providers in Tier II and Tier III cities. Through the risk-sharing agreement signed between USAID and DHFL, the Mumbai-based lender will be able to provide up to \$10 million to small- and medium-sized enterprises operating in the health sector in India, prioritizing lending to women entrepreneurs.

Through this partnership, USAID and DHFL intend to achieve the following:

- Increase outreach to de-risk and improve access to finance for the Indian healthcare sector, especially breaking barriers for women entrepreneurs so they can establish or expand their healthcare enterprises and services, buy equipment to improve diagnosis and treatment in their communities, and improve the viability of their enterprises;
- Deepen collaboration with various borrowers throughout India, especially in Rajasthan, Odisha, Madhya Pradesh, and Chhattisgarh; and
- Ensure improved access to quality, affordable healthcare and better health outcomes for underserved communities.

Speaking at the launch of the partnership, U.S. Consul General in Mumbai Edgard Kagan said, "The USAID-DHFL partnership will boost women's empowerment by prioritizing them for lending, helping women access loans and expand and improve the viability of their businesses. I am confident this partnership will take us one step closer to achieving the shared vision of improving health outcomes for underserved populations."

Mr. Harshil Mehta, Joint Managing Director and CEO, DHFL, added: "DHFL's relationship with USAID is a culmination of joint efforts to improve healthcare facilities across the country. It gives us an opportunity to help develop quality healthcare across

India by offering convenient and customized financial solutions, especially for medical practitioners through medical equipment finance and expansion of facilities. DHFL has been undertaking extensive activities at grassroots level for the urban poor and those at the bottom of the pyramid, touching the lives of over millions of people through social programs and its excellent network across 349 locations.”

The partnership will take off with technical assistance provided by USAID’s flagship “Partnerships for Affordable Healthcare Access and Longevity” (PAHAL) program, implemented by IPE Global, a leading development sector consulting firm in South Asia.

Mr. L.M. Singh, Project Director & Head of Impact Investments at PAHAL, said, “The PAHAL project is proud to be at the center of this unique and powerful partnership. PAHAL, through its network of providers, is already reaching 10 million urban poor across seven high priority states, and we believe this partnership will ensure access to better technology, expanded service offerings, and reach for inclusive healthcare small and medium enterprises, thereby ensuring quality affordable care for the underserved.”