

Public Information Summary

Host Country(ies)	India
Name(s) of Borrower(s)/Guaranteed Party(ies)	Electronica Finance Limited cKers Finance Private Limited
Project Description	Multiparty loan portfolio guaranty intended to strengthen each guaranteed party’s ability to provide loans to micro, small and medium enterprises, residential consumers, or low-income community-based organizations in India that are investing in or providing distributed renewable energy generation solutions, such as rooftop solar solutions, with the ultimate goal of reducing carbon emissions, thereby creating a positive impact on the environment.
Proposed DFC Loan/Guaranty	\$12,500,000
All-Source Funding Total	\$41,666,666
Policy Review	
U.S. Economic Impact	This Project is not expected to have any negative U.S. effects.
Developmental Objectives	This transaction is expected to have a highly developmental impact through support for the deployment of off-grid solar power solutions in India. Research estimates that at India’s current economic growth rate, the country requires an increase of 20 gigawatts (GW) of installed electricity capacity per year to meet demand. In pursuing this aim the Government of India set an ambitious renewable energy generation target of 175GW of installed renewable capacity by 2022. From this total, the country set a target of 100GW of solar power, of which there is an aim for 40GW through off-grid, solar installations. This transaction will support that goal, through both direct lending to businesses, as well as to providers of solar solutions. This support is expected to be largely for rooftop solar systems, but the transaction will support any manner of off-grid solar solutions. In addition, this transaction is consistent with the goals outlined in the USAID Country Development Cooperation Strategy for India, which calls for use of renewable energy as a means to reduce greenhouse gas emissions and increase the energy capacity.
Environment and Social Assessment	The Project has been reviewed against DFC’s 2020 Environmental and Social Policies and Procedures manual (“ESPP”) and has been determined to be categorically eligible. DFC loan portfolio guaranties for the expansion of lending to micro, small, and medium enterprises are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those

	<p>downstream investments have been pre-screened as Category C and further review and consent is not required for these investments.</p> <p>To ensure that the Guaranteed Parties' investments are consistent with DFC's statutory and policy requirements, the DFC loan portfolio guaranty will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy that meets the 2012 IFC Performance Standards.</p> <p>Under DFC's ESPP, the Guaranteed Parties are required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation's Performance Standard ("PS") 1 and 2. A desk-review based due diligence assessment is currently ongoing; however, based on the nature of the Project, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated and therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.</p> <p>Each Guaranteed Party will be required to submit to DFC an environmental and social management system that is comprised of grievance mechanisms, environmental and social risk identification and mitigation procedures, and human resources policies commensurate with its investment strategy in order to meet DFC's ESPP.</p>
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