Public Project Profile

Host Country:	India
Name of Borrower:	Ess Kay Fincorp Private Limited (“Esskay”)
Project Description:	The Project will support the expansion of Esskay’s lending portfolio to low income entrepeneurs and MSME’s for the purchase of commercial vehicles.
Proposed DFC Loan/Guarantee:	$14,625,000
Total Project Cost:	$15,450,000
U.S. Sponsor:	WorldBusiness Capital Inc.
Foreign Sponsor:	Ess Kay Fincorp Private Limited
U.S. Economic Impact:	This Project is not expected to have any negative U.S. effects.
Developmental Effects:	The Project is expected to have a highly developmental impact on India, a lower-middle income country, through the expansion of the Project Company’s rural MSME portfolio. India’s poverty is a well-documented development challenge. One in five Indians is poor and 80% of India’s poor live in rural areas. MSMEs play a crucial role in the Indian economy accounting for 29.8% of GDP. Yet, MSMEs often cannot access financing to make necessary capital expenditures to grow their business and increase productivity. The Project will increase capital available to rural MSMEs spurring economic growth and alleviating economic poverty. The Project will create over 100 jobs to support the expansion of its MSME loan portfolio and will fill many of the positions with low-income and youth hires.
Environment and Social Assessment:	The Project has been reviewed against the DFC’s 2020 Environmental and Social Policies and Procedures manual (“ESPP”) and has been determined to be categorically eligible. Loans to financial institutions for the purposes of MSME on-lending and microfinance 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 downstream investments have been pre-screened as Category C and further review and consent are not required for these investments. To ensure that the Borrower’s investments are consistent with the DFC’s statutory and policy requirements, the DFC-guaranteed loans made to the Borrower 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 (“ESP”) that meets the 2012 IFC Performance Standards. Under the DFC’s ESPP, the Borrower is 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 indicates that because the Project involves a loan to a financial institution for MSME on-lending and microfinance, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and

	cultural heritage are not anticipated, and therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time. The Borrower has an ESG Policy, exclusion list, human resources policies, grievance mechanisms, whistleblower policy, and procedures for conducting physical due diligence of its borrowers. The Borrower has multiple policies and procedures related to employee management and various human resources policies. These include a hiring and retention manual, employee handbook, training and development policy, induction policy, and recruitment and selection policies.