

## INFORMATION SUMMARY FOR THE PUBLIC

Host Country:	India
Name of Borrower:	Grameen Impact India (legal name: “Radaur Holdings Private Limited”)
Project Description:	<p>Despite rapid economic growth and high rates of urbanization, India still faces high levels of poverty and financial exclusion. An estimated 30% of the population lives below the official poverty line and lack access to essential services and only 27% of low-income adults have access to formal financial services.<sup>1</sup> To address this social challenge, Grameen Impact India (“GII”), a Mumbai-based Non-Banking Finance Company, is providing loans to social enterprises in India that operate in the following sectors: financial services, affordable healthcare, affordable education, agriculture and clean energy. GII primarily makes senior loans between \$500,000 and \$1 million to these mature and growth stage companies that have a proven social mission and are focused on improving the quality of life for low-income populations across India.</p> <p>The proposed \$5 million loan from OPIC to GII will enable it to leverage its existing equity base and attract other potential domestic and international investors, thereby increasing its lending operations.</p>
Proposed OPIC Loan:	\$5,000,000
Total Project Costs:	\$9,000,000
U.S. Sponsor:	Grameen Foundation USA, a 501(c)(3) corporation
<b>Policy Review</b>	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and, therefore the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a negative five-year U.S. balance of payments impact.
Developmental Effects:	This Project is expected to have a highly developmental impact by expanding the availability of growth capital to micro, small and medium-sized enterprises in India. According to the IFC, the total finance gap for MSMEs in India amounts to \$418 billion. This Project will expand GII’s ability to offer loans to

<sup>1</sup> Source: [data.worldbank.org/country/india](http://data.worldbank.org/country/india)

	<p>SMEs and MFIs with diverse credit products targeting impact sectors, which include financial services, education, healthcare, and agriculture sectors, which are included in the Indian Government’s list of priority sectors. The Project will make investments that are designed to bring financial returns as well as social benefits that GII will evaluate based on a proprietary impact scoring tool. The Reserve Bank of India has specifically included MSMEs as a priority sector under its financial inclusion initiatives, which aim to promote bank lending to underserved and underbanked segments of the market. The Project dovetails with President Obama’s commitment for OPIC to provide \$1 billion in loans to support SMEs in India.</p>
<p>Environment:</p>	<p>Loans for the purposes of on-lending to medium, small, and micro enterprises in the social impact sector are screened as Category C projects under OPIC’s environmental and social guidelines. Environmental, health, safety, and social impact concerns are minimal. However, in order to ensure that GII’s loans are consistent with OPIC’s statutory and policy requirements, the loan will be subject to conditions regarding the use of proceeds.</p>
<p>Workers Rights:</p>	<p>The Project will be required to operate in a manner consistent with the International Finance Corporation’s Performance Standard 2 on Labor and Working Conditions, OPIC’s Environmental and Social Policy Statement and applicable local labor laws. Standard and supplemental contract language will be applied to all workers of the Project. OPIC’s statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining. Loans for the purposes of on-lending to SMEs and micro-enterprises will be restricted with respect to the operations, including employment of minors and other applicable labor law requirements.</p> <p>The Project has developed and implemented a labor management system that addresses labor risk commensurate with its employment-related risks and consistent with the IFC Performance Standards, OPIC’s Environmental and Social Policy Statement and applicable local labor law.</p>
<p>Human Rights:</p>	<p>OPIC issued a human rights clearance for this project on September 1, 2016.</p>