

Public Information Summary

Host Country:	India
Name of Borrower:	Akme Fintrade India Limited (“Akme”)
Project Description:	The Project will support the expansion of Akme’s lending activities to micro, small and medium enterprises (“MSMEs”), addressing significant unmet demand for capital among MSMEs in rural India.
Proposed OPIC Loan:	\$7,800,000
Total Project Cost:	\$8,240,000
U.S. Sponsor:	WorldBusiness Capital, Inc.
Foreign Sponsor:	Akme Fintrade India Limited
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 neutral five-year U.S. balance of trade impact.
Developmental Effects:	<p>The Project is expected to have a highly developmental impact by expanding the availability of credit to SMEs in India. Based in Rajasthan, AFIL primarily serves clients in rural areas through two- or three-wheeler vehicle financing, and has recently expanded its product offerings to general purpose SME loans. SMEs play a crucial role in the Indian economy, accounting for an estimated 45 percent of GDP and representing the second largest employer after the agriculture sector. Access to finance remains a constraint for Indian SMEs, with the majority of SMEs relying on self-financing in order to grow. The IFC estimates a total SME credit gap of over \$224 billion. These challenges are magnified in India’s low-income states, including Rajasthan, where an estimated two-thirds of unmet financing demand resides. The Project is expected to support an estimated 17,500 SME loans, 88 percent of which reside in rural areas. Additionally, AFIL seeks to expand its loan portfolio to women SMEs, and will allocate 13 percent of the Project to women SMEs and introduce new loan products specifically designed for their needs. The Project aligns with U.N. Sustainable Development goals 8 (Decent Work & Economic Growth) and 10 (Reduced Inequalities).</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: #e91e63; color: white; padding: 10px; text-align: center;"> <p>8 DECENT WORK AND ECONOMIC GROWTH</p>  </div> <div style="background-color: #e91e63; color: white; padding: 10px; text-align: center;"> <p>10 REDUCED INEQUALITIES</p>  </div> </div>
Environment	Projects involving on-lending to micro, small, and medium-sized enterprises are screened as Category C projects under OPIC’s environmental and social guidelines. Environmental, social, and health & safety impact concerns are minimal, and include the need for an

	<p>overarching environmental and social policy, and the provision of a healthy and safe work environment for employees.</p>
<p>Labor/Human Rights</p>	<p>The Project will be required to operate in a manner consistent with the International Finance Corporation's Performance Standards, OPIC's Environmental and Social Policy Statement and applicable local laws. OPIC's statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, and security. Loans to SME and micro borrowers will be restricted with respect to the microfinance borrowers' operations, including the employment of minors and other applicable labor law requirements. Standard and supplemental contract language will be applied to all workers of the Project.</p> <p>This Project involves expansion of SME and microfinance lending practices in India. The Borrower has established an Environmental and Social Policy to guide its lending practices that includes policies and procedures to effectively identify, assess and manage social and labor risk commensurate with the risks associated with the facility. The Borrower will be required to document grievance procedures for submission of worker grievances.</p> <p>This review covers the commensurate human rights risks associated with microfinance and SME lending in India.</p>