

Information Summary for the Public

Host Country:	India
Name of Borrower:	Grama Vidiyal Microfinance Limited (the “Borrower”)
U.S. Sponsor:	<ul style="list-style-type: none"> • MicroVest • Unitus Investment Management
Foreign Sponsor:	N/A
Project Description:	Expansion of microfinance institution focused on women borrowers in south India, with \$3.75 million of the Loan amount structured to qualify as Tier II Capital for Reserve Bank of India capital adequacy purposes.
Total Project Cost:	\$7.7 million
Loans Provided Under OPIC-WorldBusiness Capital Framework Agreement:	<p>Senior Loan: \$3.75 million, eight years</p> <p>Subordinated Loan: \$3.75 million, eight years</p>
U.S. Economic Impact:	The project is not expected to have a negative impact on the U.S. economy or employment as it involves financial services to microenterprises. There is no U.S. procurement associated with this project; thus, 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:	The project will have a highly developmental impact on the host country, India, by increasing the amount of capital available to the Borrower to lend to micro-borrowers. As all micro-borrowers will be women, it will target an underserved segment of the population that has limited access to finance. The eight year tenor of the loans to the Borrower will allow longer-term loans for start-up companies, working capital, and equipment purchase. Over 70 percent of loans will be made to borrowers in rural areas of Tamil Nadu, a poor region of India. The Borrower will provide comprehensive technical assistance to borrowers in the areas of debt

	<p>management, business management, and environmental sustainability. Finally, the project will create employment opportunities for local managers and loan officers.</p>
Environment:	<p>Projects involving loans to microfinance institutions are screened as Category C projects under OPIC's environmental and social guidelines. Environmental, health, safety, and social impacts are minimal. However, in order to insure that the Borrower's loans are consistent with OPIC's statutory and policy requirements, proceeds of the OPIC loan will be subject to conditions regarding the use of proceeds.</p> <p>The Borrower will be required to implement their environmental and social policy that will be used to guide the Projects and achieve sound and sustainable environmental and social performance. The Borrower will also be required to implement their grievance mechanism.</p>
Workers Rights:	<p>OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining. Loans to micro-borrowers will be restricted with respect to the Borrower's operations, including the employment of minors and other applicable labor law requirements. The Borrower will also be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions. Standard and supplemental contract language will be applied to all workers engaged by the Borrower.</p>
Human Rights:	<p>OPIC issued a human rights clearance for this Project on July 17, 2013.</p>