

Information Summary for the Public

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| Host Country: | India |
| Name of Borrower: | Caspian Impact Investments Ltd., a Mauritius private company established as a special purpose vehicle (the “SPV”) for the purposes of the Project. |
| Project Description: | 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 only 27% of low-income adults have access to formal financial services. ¹ While specialized financial intermediaries that target low-income populations exist, they are often unable to obtain sufficient debt financing from local commercial banks and other sources to satisfy their growth expectations. In order to increase access to finance for low-income populations, the Caspian Impact Investments fund, an Indian entity (the “Fund”), is providing local currency loans to specialized financial intermediaries targeting four impact sectors: Microfinance, SME finance, Affordable Housing and Sustainable Agriculture. On a limited basis, the fund may also make direct loans to developers of Affordable Housing and SME agribusinesses in the Sustainable Agriculture value-chain. The proposed OPIC loan to the Borrower, the proceeds of which will be invested in the Fund, will enable the Fund to leverage its existing equity base and attract other potential domestic and international investors to reach a target portfolio of \$32-40 million. ² |
| Proposed OPIC Loan: | Up to \$20,000,000 (1 billion INR) |
| Total Project Costs: | Up to \$40,000,000 (2 billion INR) |
| U.S. Sponsors: | Gray Ghost Microfinance Fund, Georgia Grassroots Capital Management, PBC Delaware |
| Foreign Sponsor: | Caspian Impact Investment Adviser Private Ltd., India |
| Policy Review | |
| 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 there will not be any impact on U.S. |

¹ Source: data.worldbank.org/country/india

² This depends on the exchange rate as the fund will be denominated in INR. OPIC conservatively estimates a total fund size of \$32 million in this section based on an assumed exchange rate of 62.5 INR / USD.

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| | employment. The project is expected to have a negative five-year U.S. balance of payments impact. |
| Developmental Effects: | This project will have a significant developmental impact on India. The proceeds of the transaction will be used to finance an Indian debt fund that will lend to financial institutions in four target sectors: microfinance, SMEs, affordable housing and agriculture. The transaction is an opportunity to help bridge an existing credit gap in India by offering longer term tenors to fund investments in the informal and underserved sectors. The project's investments will help improve access to financial services for low income, rural and women borrowers, generate jobs, promote transparent and responsible lending, provide access to affordable housing and enhance outreach efforts on behalf of small agricultural producers. The project's development impact will also include technical assistance to financial institutions and adoption of management best practices by the investees in the portfolio, particularly involving social and environmental performance assessments. |
| Environment: | <p>Projects involving general capital for microfinance, SME and small agriculture value chain projects are screened as Category C projects for the purposes of environmental and social assessment because environmental, health, safety and social concerns are generally minimal. However, in order to insure that the Borrower's loans are consistent with OPIC's statutory and policy requirements the loan will be subject to conditions regarding use of proceeds.</p> <p>CII has an environmental and social management system in place and policies and procedures are integrated into its credit policies. CII has an adequate grievance mechanism in place.</p> |
| Workers Rights: | OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining. Loans to borrowers will be restricted with respect to the borrower's operations, including employment of minors and other applicable labor law requirements. Standard and supplemental contract language will be applied to all workers of the Project. 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. |
| Human Rights: | OPIC issued a human rights clearance for this Project on December 4, 2013. |