



## **Patnis purchase stake in Grameen Capital India**

*Landmark first-of-its-kind investment in a Social Business*

**Mumbai, 26 November 2012** – Grameen Capital India (GCI) today announced that Amit Patni and Arihant Patni have acquired a stake in the company from original investor IFMR Trust, in a landmark investment, marking a first-of-its-kind exit in the social business space.

GCI is a unique social investment bank that has facilitated more than INR 700 crores of capital (about \$127 million) to microfinance institutions and other social enterprises serving the base-of-the-pyramid segment, indirectly touching the lives of more than 1 million beneficiaries. Launched in 2008 in Mumbai, GCI operates in line with Nobel Laureate Muhammad Yunus’s social business principles, which say that “investors/owners can gradually recoup the money invested, but cannot take any dividend beyond that point. Purpose of the investment is purely to achieve one or more social objectives through the operation of the company, no personal gain is desired by the investors.”

The recent stake purchase by Amit and Arihant Patni, both entrepreneurs with strong interest in technology and early-stage investments, validates GCI’s approach, adding traction to its efforts in achieving its social goals, and demonstrating confidence in the growing domestic impact-investment culture, as well as acceptance by the local business community of the social business approach.

GCI will continue to provide capital market access to microfinance institutions and other social enterprises through innovative debt and equity solutions, credit enhancement and strategic advisory services.

The purchase of IFMR Trust’s stake by the Patnis forms part of a strategic decision by GCI, as it seeks to build on its current advisory practice by adding critical vehicles to create a “Capital with a Conscience” ecosystem. The investment of the Patnis illustrates their enthusiasm to make GCI’s vision a reality.

In announcing the transaction, Royston Braganza, CEO of Grameen Capital India said “We are absolutely delighted to have Amit and Arihant Patni on board. Grameen Capital was set up to build bridges for capital to flow to enterprises serving the poor and a key challenge has always been finding domestic capital, hence this, for us, is extra-special. We have been blessed with wonderful shareholders; our grateful thanks to IFMR Trust who helped start Grameen Capital; we have been greatly inspired by their zeal, insight and commitment in working with excluded populations. We welcome the Patnis as we step into the next phase of our growth by building on our advisory business and launching fund-based solutions for the impact space.”

“Looking back at the last four years, all of us at Grameen Foundation are indeed proud of what Grameen Capital India has achieved. The team has demonstrated remarkable agility and creativity to help social enterprises serving the poor to access capital. Organizations providing disadvantaged groups with

financial services, healthcare, education and skills development, and support with agriculture have benefitted. We are grateful to IFMR Trust for launching GCI with Citicorp Finance and us, hope to continue to collaborate with them. We look forward to working closely with the Patnis and other local, like-minded parties to continue in our mission to innovatively empower people and change lives, especially those of the poorest”, said Alex Counts, President and CEO of Grameen Foundation.

Amit and Arihant Patni said “The real Indian growth story will be a reality when all segments of the population are part of the move upward. While a lot has been accomplished, much remains to be done. Grameen is globally known for its pioneering work in dealing with excluded populations. We are excited to be part of the work of Grameen Capital India and look forward to bringing our learnings from the technology space in particular to accelerate the war against poverty. We are also keen to learn more and are humbled by the huge challenges that lie ahead – but are confident that innovation and the human spirit will triumph.”

#### **About Grameen Capital India**

Grameen Capital India ([www.grameencapital.in](http://www.grameencapital.in)) is a social business providing capital market access to impact-focused enterprises serving the Base-of-the-Pyramid segment through innovative debt and equity solutions, credit enhancement and strategic advisory services. Grameen Capital also actively advises double bottom-line funds on their impact investment programs in India. Grameen Capital India’s work is complemented by its sister entity Grameen Foundation India, also a Social Business, providing technical services to organizations working with the poor.

#### **About Amit and Arihant Patni**

**Amit Patni** is Co-founder & Chairman at Nirvana Venture Advisors, a venture capital fund with focus on the internet space in India, and was a promoter shareholder of Patni Computers. Amit has 22 years experience in technology, software and projects. He has extensive experience in the computer hardware and components market in India and overseas. In his various roles, Amit has independently ensured implementation of Greenfield projects and launched new business operations.

**Arihant Patni** is an entrepreneur, corporate executive and financial advisor with extensive experience in computer software, business development/marketing and IT infrastructure. Arihant is Managing Director of Patni Financial Advisors, an investment management firm, as well as co-founder and on the Board of Directors of Nirvana Venture Advisors, an Indian venture capital fund focused on the internet space.

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