

Ratan Tata invests in Grameen Capital's new impact debt vehicle

Mumbai, 24 March 2015 – Grameen Capital India (GCI) today announced that Tata Group Chairman Emeritus Ratan Tata and others have invested in its pioneering impact debt vehicle which will provide much-needed debt finance to social enterprises in India.

GCI which started as a first-of-its-kind social business providing investment advisory services to the impact sector and has facilitated more than \$160 million of both equity and debt capital for social enterprises, sees the debt vehicle as a significant complement to its existing services.

The debt vehicle has received equity investments from Ratan Tata, Shrinivas Dempo and Vikram Gandhi, in addition to existing GCI investors, Grameen Foundation, Amit Patni and Arihant Patni. The company is also in advanced discussions with two highly reputed institutional investors to provide additional equity capital to the debt vehicle to meet its targeted initial raise of \$10 million.

“Our debt vehicle is a critical part of our “capital-with-a-conscience ecosystem” strategy”, says Royston Braganza, the Chief Executive Officer. “We are delighted, humbled and honored by the persons and entities that are joining hands with us to provide credit where it is due. Traditional sources of debt, in many cases, are neither adequate, affordable nor timely, hence forcing social enterprises to end up using equity for working capital. We hope that our debt vehicle will help, in some modest manner, attract attention and debt capital to the base of the pyramid.”

According to market estimates, there is almost a \$ 200 billion gap in debt capital available to micro, small and medium enterprises in India. By using its own balance sheet as well as syndication, GCI's debt vehicle aims to provide timely infusion to capital for these enterprises to scale sustainably. The initial focus sectors will be financial inclusion, agriculture, affordable health and affordable education. GCI expects to commence lending from the new vehicle in the next quarter.

About Grameen Capital India

Grameen Capital India provides 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.