

PUBLIC INFORMATION SUMMARY

Host Country:	India
Name of Borrower(s):	UC Inclusive Credit Private Limited
Project Description:	The Project involves a \$5 million loan to UC Inclusive Credit to finance the expansion of its micro-, small- and medium-sized enterprise portfolio in India. UC Inclusive Credit will focus its investments in the sectors of healthcare, education, renewable energy, agriculture, women empowerment and livelihood creation. UC Inclusive Credit is a non-bank financial company registered with the Reserve Bank of India.
Proposed DFC Loan:	\$5,000,000
All Source Funding Total:	\$285,000,000
Policy Review	
U.S. Economic Impact:	This Project is not expected to have any negative U.S. effects.
Developmental Objectives:	This Project expects to have a highly developmental impact in India through the provision of much needed financial products and services to impact focused MSMEs throughout the country, including a significant amount for women owned or operated businesses. MSMEs in India face a financing gap of over \$230 billion, with women owned or operated businesses accounting for roughly 8.5 percent of this gap. The Project will focus on providing tailored financial products and services to companies that seek to solve development challenges with regards to financial inclusion, healthcare, education, renewable energy, agriculture, women empowerment and livelihood creation. In order to ensure the impact strategy is meeting its alignment with the United Nations Sustainable Development Goals, the Borrower will employ an innovative impact measurement system to track the impacts of the firm, its products and services, and the activities of clients.
Environment and Social Assessment:	<p>The Project has been reviewed against the DFC's 2020 Environmental and Social Policies and Procedures manual ("ESPP") and has been determined to be categorically eligible. Loans to Funds for the expansion of micro-, small- and medium-enterprise ("MSME") portfolios are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts.</p> <p>Therefore, all of those downstream investments have been pre-screened as Category C and further review and consent are not required for these investments.</p> <p>To ensure that the Borrower's investments are consistent with the DFC's statutory and policy requirements, DFC's loan made to the Borrower will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy ("ESP") that meets the 2012 IFC Performance Standards.</p> <p>Under the ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and</p>

social performance and applicable provisions of the 2012 International Finance Corporation's Performance Standard ("PS") 1 and 2.

A desk-review based due diligence assessment indicates that because the Project will use DFC support to facilitate the expansion of its MSME portfolio in India in the sectors of healthcare, education, renewable energy, agriculture, women empowerment and livelihood creation; significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated, and therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.

The Borrower has a basic environmental and social management system that is comprised of grievance mechanisms, environmental and social risk identification and mitigation procedures, and human resources policies commensurate with its investment strategy, but its environmental and social risk management policies will require some strengthening in order to meet the requirements of the ESPP.