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Grameen Foundation and Grameen Capital India Facilitate US\$7 Million in Funding for Cashpor Micro Credit

*First Round of Financing from Joint Guarantee Pool
Created to Support Socially-Focused Microfinance*

New Delhi, India, April 4, 2011 — Grameen Foundation and Grameen Capital India today announced that they have facilitated US\$7 million (Rs. 315 million) in funding for Cashpor Micro Credit through a guarantee pool for socially-focused Indian microfinance institutions (MFIs). The financing from IndusInd Bank and another leading private sector bank in India was backed by US\$980,000 in guarantees from Grameen Foundation and arranged by Grameen Capital India.

These are the first guarantees to be placed through the US\$ 8 million initiative that was launched last December by Grameen Foundation, Grameen Capital India, and Grameen-Jameel Microfinance Ltd. to support organizations exemplifying double-bottom line microfinance in India.

To be eligible for consideration, MFIs must have completed a social-rating or impact-assessment report, using recognized industry guidelines, in the past year. Alternatively, they must be actively using a recognized social-performance measurement tool, such as the Progress out of Poverty Index™.

“Cashpor has a demonstrated commitment to serving India’s poorest people and we are pleased to support it in expanding its services to even more people in Bihar and Uttar Pradesh,” said Alex Counts, president and CEO of Grameen Foundation. “Grameen Foundation is committed to helping the Indian microfinance sector rebound from the recent crisis and we hope these transactions serve as a positive signal to other Indian banks and will help to re-open funding opportunities for socially-focused MFIs.”

The first MFI to provide microloans in Bihar and Uttar Pradesh, the states with the greatest populations living below the poverty line, Cashpor was also one of the first institutions across the broader industry to consistently track its social performance.

Suhail Chander, Head of Corporate and Commercial Banking Group at IndusInd Bank said, “IndusInd Bank has always been judicious in selection of its partner MFIs and is responsive to



their need at this critical juncture. This is in alignment with the responsible lending practices of the Bank.”

In announcing the transactions, Royston Braganza, CEO of Grameen Capital India said, “We are pleased to have facilitated the flow of capital to the microfinance sector in these critical times. Recent events underscore the strong need now, more than ever, for stakeholders to support organizations that have set for themselves clear financial and social goals, in reaching out to the poor, and Grameen Capital is pleased to have partnered with Cashpor.”

Grameen Foundation is also deepening its efforts in India through the creation of Grameen Foundation India Private Limited, a social business that will provide technology, human resource management tools and practices, and new business models to poverty-focused social enterprises across the country.

About Grameen Foundation

Grameen Foundation, a global nonprofit organization, helps the world's poorest people lift themselves out of poverty by providing financing, technology support and management strategies to the local organizations that serve them. It also develops mobile phone-based solutions that address “information poverty” among the poor by providing tools, information and services in the fields of health, agriculture, financial services and livelihood creation. Founded in 1997, Grameen Foundation has offices in Washington, DC; Seattle, WA; Colombia; Ghana; Hong Kong; the Philippines; and Uganda. Microfinance pioneer Dr. Muhammad Yunus, founder of Grameen Bank and winner of the 2006 Nobel Peace Prize, is a founding member of its Board of Directors, and now serves as director emeritus. For more information, please visit grameenfoundation.org.

About Grameen Capital India

Grameen Capital India provides capital market access to microfinance institutions (MFIs) and other social enterprises serving the Base-of-the-Pyramid segment. Grameen Capital enables MFIs to raise low-cost on-lending funds through innovative debt and equity solutions, credit enhancement and strategic advisory services. Grameen Capital also actively advises double-bottom-line funds on their social investment programs in India. Established in 2007, Grameen Capital India is a collaboration between Grameen Foundation, Citigroup and IFMR Trust. For more information, please visit www.grameencapital.in.

About IndusInd Bank

IndusInd Bank, which commenced its operations in 1994, caters to the needs of both consumer and corporate customers. It has a robust technology platform supporting multi-channel delivery capabilities. IndusInd Bank has country-wide presence across 192 geographic locations of the country. The Bank also has two representative offices, one each in London and Dubai.



Recently, CRISIL has reaffirmed its P1+ rating of IndusInd Bank's fixed deposits and certificates of deposit program. Credit rating agency ICRA Ltd. has upgraded Lower Tier II Bonds rating of the Bank to LAA- (pronounced L double A minus) rating with stable outlook from LA+ (pronounced L A plus) rating with stable outlook. ICRA has also upgraded the Upper Tier II Bonds rating of IBL to LA+ rating with stable outlook from LA (pronounced L A) rating with stable outlook. For more information, please visit www.indusind.com.