

Grameen Impact and Fourth Partner Energy launch Impact Bond for the climate imperative

Mumbai, February 18, 2020 – To address the Sustainable Development Goals (SDG), a pioneering SDG#7 Impact Bond was announced for clean energy today by Grameen Impact Investments India (Grameen Impact) and Fourth Partner Energy (Fourth Partner). The ‘POWER’ SDG#7 Impact Bond has been launched under the Grameen Outcome Accelerated Lending (G.O.A.L.) Impact Bond Series.

The impact of India’s first blended finance bond in the power space directly aligns with SDG Goal #7 (Affordable and Clean Energy) and Goal #13 (Climate Action). Grameen Impact has provided upfront financing to Fourth Partner for implementing its Power@₹1 program at the Madras Diabetes Research Centre, Tamil Nadu. Grameen Impact and Fourth Partner will take the initiative to approach Outcome Funders to fund the impact being created and further scale the program.

This is Grameen Impact’s fourth SDG Impact bond – the earlier ones focused on SDG#5 (women’s empowerment), SDG#8 (livelihoods and skilling), and SDG#5#8 (women’s entrepreneurship), as part of the growing global interest in “pay-for-success” models.

Royston Braganza, CEO of Grameen Impact, while announcing the SDG Bond said “We are acutely aware of the climate imperative and committed to enable financing for solutions for managing climate and environmental risk. Delighted to work with Fourth Partner on this initiative.”

Smit Malkan, Lead, Power@₹1 – Fourth Partner Energy, said “This micro bond from Grameen is a direct vote of confidence into the Power@₹1 model. We have helped government schools, public health care centres and not-for profit organisations across Andhra Pradesh, Telangana, Karnataka, Bihar, and Tamil Nadu through this program.”

About Grameen Impact Investments India Pvt. Ltd.

Grameen Impact India (GIII) is a RBI-registered NBFC focused on lending to social enterprises engaged with an emphasis on double bottom line returns – financial returns along with demonstrated social impact. GIII lends selectively to high-quality social enterprises across stages from early, growth to mature entities.

The lending focus is on impact enterprises in financial services, affordable education and skill development, affordable healthcare, agriculture and clean energy sectors. GIII’s goal is to catalyze access to debt capital critical to scaling up social enterprises and help them reach the poor and excluded population.

GIII is promoted by Grameen Capital India (GCI) which was globally the first social investment bank set up as a Social Business following the 7 principles of Nobel Laureate Prof. Yunus. Over the last decade GCI has helped complete 25+ transactions in excess of \$160M for social businesses in India. GIII also counts marquee names from the Indian corporate world and leading global impact funds as its investors.

About Fourth Partner

Fourth Partner Energy is a clean energy social enterprise, based out of Hyderabad and founded in 2010 by Vivek Subramanian, Saif Dhorajiwala, and Vikas Saluguti. Having over 100 clients in 22 states with 1500+ installations, Fourth Partner has grown to become one of the largest players in the distributed

solar sector in India. As a full-services company with complete inhouse capabilities, the company assists their clients through the entire Solar EPC process including Evaluation, Design, Planning, Procurement, Construction, Operation & Maintenance and Financing. They are an ISO 9001:2008 and 14001:2015 certified, a 'Category A' Certified Channel Partner of MNRE and have successfully partnered with various state nodal agencies of India. They have won multiple awards in the clean energy space and was most recently crowned as the Best Green Business in the Asia's Renewable Energy Excellence Awards.

About the Offtaker

Madras Diabetes Research Foundation is a non-profit organization working on research in diabetes and its complications. Under the umbrella of Dr. Mohans Diabetes Centre, they have been working in this field for the last 24 years. MDRF has received a grant from University of Dundee, Scotland for the project. Extensive Due Diligence was done through external consultants and Fourth Partner was selected from among three other vendors. The Power@₹1 model went through intensive scrutiny as well and was accepted as a unique proposition in the industry that will ensure a hassle-free ownership experience for the offtaker. A 105.3 kWp solar plant has been installed on their rooftop which will help them replace around 25% of their electricity costs.

About The Power@₹1 Program

Large Electricity Bills often drain the limited resources of low-income organisations like government schools, primary health centres and non-profits. Fourth Partner Energy's POWER@₹1 program addresses this issue and helps electrify such institutes by providing them solar electricity for just ₹1/unit. One-time capital cost for a solar plant at the beneficiary's site is paid by the corporate sponsor while the Beneficiary pays just ₹1/unit for electricity consumed during the entire lifetime of the plant (25 years), and Fourth Partner Energy takes care of maintenance to ensure maximum utilisation of the plant. Periodic impact reports on benefits of the project are shared with the sponsor. Website: <https://www.powerat1.energy/>

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