Access to Finance.
Access to Opportunity.
Creating Opportunity through Financial Services

Hundreds of millions of people live in poverty in South Asia, cut off from essential services they need to build better lives.

One of their greatest needs is improved access to financial services—not just loans, but savings, insurance, payments, pensions, and other products. When coupled with related nonfinancial services, such as consumer awareness, training, and market information, it can lead to breakthrough opportunities for people who have had limited economic avenues.

The region's small and medium enterprises are a key driver of growth and jobs in the private sector. IFC, a member of the World Bank Group, through its investment and advisory services in the financial sector, helps private sector clients reach deeper into this innovative and under-served segment of low-income entrepreneurs.

It is just one of the many ways we carry out our vision of creating opportunity for people to escape poverty and improve their lives.

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector. We help developing countries achieve sustainable growth by financing investment, mobilizing capital in international financial markets, and providing advisory services to businesses and governments. For more information, visit www.ifc.org.
How IFC Helps

IFC is the partner of choice in fighting poverty by expanding access to financial services. By seamlessly combining global and local knowledge of industries and markets, we provide integrated investment, advisory, and asset management services.

IFC Investment Services

Our broad suite of financial products and services can ease poverty and spur long-term growth by promoting sustainable enterprises, encouraging entrepreneurship, and mobilizing resources that would not otherwise be available.

IFC provides:

- Debt
- Equity
- Quasi-Equity
- Guarantees and other Risk Mitigation Products
- Direct Investment and Pooled Investment Vehicles

IFC Advisory Services

To help private sector’s growth in emerging markets, IFC provides advice, problem solving, and training to companies, industries, and governments through four business lines.

Access to Finance

IFC helps increase the availability and affordability of financial services for individuals and for micro, small, and medium enterprises.

Sustainable Business Advisory

IFC helps companies adopt environmental, social, and governance practices and technologies that create a competitive edge, transform markets, and improve people’s lives.

Public Private Partnerships

IFC helps governments design and implement public private partnerships in infrastructure and other basic public services to harness the potential of the private sector and achieve long-term economic growth.

Investment Climate

IFC helps governments implement reforms that improve the business environment, encourage investments and make it easier to do business, thereby creating jobs and fostering growth.
IFC Asset Management Company

A wholly owned subsidiary of IFC that mobilizes and manages third-party funds for investment in developing and frontier markets.

AMC was created in 2009 to expand the supply of long-term capital to these markets, enhancing IFC’s development goals as well as investing profitably for others.
IFC’s Global Reach

- IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector.
- We combine global knowledge from 55 years of investing in emerging markets with local presence in nearly 100 countries.
- IFC’s microfinance clients provided $25 billion in financing to about 22.89 million micro enterprises worldwide.
- IFC’s housing finance clients provided $23.8 billion in housing finance loans to 450,000 homeowners.
- IFC’s Small and Medium Enterprise Banking clients provided almost $246 billion in financing and helped improve access to finance for about 5.85 million small and medium business owners.

IFC’s South Asia Reach

- In South Asia, IFC focuses its work around three main themes of inclusion, integration, and climate change.
- We work in Bangladesh, Bhutan, India, Maldives, Nepal, and Sri Lanka.
- IFC’s microfinance and retail payments clients facilitated $4.7 billion in financing for about 60 million households and microenterprises.
- IFC’s housing finance clients provided $380 million in housing finance loans to 23,000 homeowners.
- IFC’s Small and Medium Enterprise Banking clients provided almost $19.8 billion in financing and helped improve access to finance for about 2 million small and medium business owners.
Financial Inclusion: Creating Opportunity through Financial Services in South Asia

Promoting Access to Finance for Households and Businesses

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   Helping Women Become Small Business Owners

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Promoting Access to Finance for Households and Businesses

The need for financial services in South Asia is the greatest among those living in low-income, fragile, and frontier parts of the region. Improving access to finance for individuals and businesses in these geographies can provide broader development gains on a number of levels:

- At the household level, it can help families build assets, manage risks, and increase consumption.

- At the level of individual businesses, better access to finance can result in higher rates of job growth and higher tax payments.

- On the macroeconomic level, there is evidence that better integrated financial systems increase growth and reduce inequality.

IFC plays a critical role in increasing access to finance for households and businesses, not only through its investments and financing, but also through its advisory work, by providing diagnostics, capacity building, and sharing of best practices to its financial intermediary clients. A key aspect of our work is in close collaboration with the World Bank to deliver development results.
To expand access to finance and services among the under-served, IFC has identified many key areas of intervention. The publication captures stories of change and inclusion from our beneficiaries and clients in South Asia.

**Responsible Finance**

IFC and World Bank have played a key role in strengthening the microfinance sector through timely and crucial investments, as well as through comprehensive advisory interventions. At a time when most investors were moving away from the microfinance space, IFC continued with its support and launched the Responsible Finance program to introduce better client protection practices such as national code of conduct and setting up credit bureaus catering to microfinance and help the institutions become responsible lenders. To make a wider offering and increase the client base, IFC advised the microfinance institutions to develop new services such as insurance, pensions, microhousing and micro-agrifinance etc. The program received the Skoch Financial Inclusion Award 2012 for its work in advocacy.

**Low-income Housing Finance**

IFC financed HDFC when it was being set up in India in the 1970s. Today it is not just a household name but the harbinger of a vibrant mortgage market in housing finance. IFC continues to innovate and build on these efforts both through investment and advisory businesses. In 2010, IFC entered into a joint venture with investee client Dewan Housing to setup Aadhar Housing Finance, a company focused on servicing low-income households in low-income states of India.

**Government to Person Payments**

With funding from the Gates Foundation, IFC is implementing Government to Person (G2P) Payments Project in Bihar, India to streamline health payments to beneficiaries and health workers by developing a web-enabled platform called the Health Operations Payments Engine that IFC will design, develop and implement in all 38 districts in Bihar. Using this web platform and through partner banks and post offices, the payments will be transferred electronically to the recipient's bank accounts, even in the remotest parts of Bihar.
Helping Women Become Small Business Owners

Life was a struggle for Sita Kanu. First she lost her home in a property dispute. After moving to smaller quarters, she became pregnant with her second child and had to give up her factory job, losing a key source of family income. Then her husband developed a drinking problem, and her mother-in-law contracted lung cancer.

When her mother-in-law died, Sita was scared and alone. She had children to support, but no income and few job prospects.

To survive, she began selling food on the street. Then she heard about other local women who had built successful businesses with support from Nirdhan Utthan Bank. The bank saw potential in her. It gave her basic financial training, put her in touch with a group of women borrowers, and gave her an initial loan of Nepalese rupee 12,000 ($200) to expand.

Today Sita owns a thriving small grocery store, financed with a series of Nirdhan loans. Its earnings allow her to pay the private school fees that give her children a good education. Her husband has stopped drinking.

“Before, nobody trusted me with even one rupee,” Sita says. “But then Nirdhan came and told me I could build a successful business. Now I have told 30 other women that if I can do it, they can do it, and they all go to Nirdhan too.”

Nirdhan is Nepal’s largest microfinance institution — yet has just 130,000 borrowers in a country with 15 million poor. To help it grow, IFC invested $188,000 and is advising it on institutional risk management mechanisms, new product development, scaling up, and developing alternative delivery channels.
Group Lending Improves Lives in Post Conflict Sri Lanka

Sri Lanka’s nearly three-decade long armed conflict affected many lives. Many living in the country’s North and East — regions at the centre of the conflict — were most affected. Thousands were left homeless; many more had their livelihoods destroyed.

As the conflict ended in May 2009, resettlement began in these regions. Many displaced people were finally able to return to their homes, to restart their lives.

However, for many like Rasan Puwaneswary, starting anew was not an easy task!

Like many from her region, Rasan lost everything during the conflict, including her home. This meant that her family of four children were displaced. Subsequently, on her return at the end of the war, Rasan had no home of her own, and no assets which could be used as collateral to obtain any financial assistance.

“I could not get any assistance; no one would give me a loan since I had nothing they could hold as security. It was difficult to live day-to-day,” she says.

In late 2010, Rasan found new hope when she heard of a new type of loan — one being made available by Lanka ORIX Micro Credit Private Limited Company (LOMC), an advisory client of IFC. With the goal of making financial assistance more accessible to those who need it most in post-conflict Sri Lanka, LOMC introduced a mechanism of group lending through IFC’s assistance — a concept that offered loans without the requirement of collateral.

As a result of this new system, she formed a group with two other women from her neighborhood, applied for, and received a group loan — amounting to $250 per person.

Using this funding, she has become a small farmer — growing essential food crops, including onions, carrots and beetroot. Subsequently, Rasan was able to repay the original loan, and has qualified for another loan — this time, twice that of the original amount.

“The group lending scheme has given me a way of rebuilding my home and earning a living. I want to now expand my fields more, so I can grow other crops as well.”

Through this farming business, Rasan and her husband are building a stable life for their children, working to rebuild their home, and have also contributed to generating employment within their village.

LOMC’s advisory partnership with IFC has helped benefit more than 140,000 micro and small entrepreneurs across the country. The company is now scaling up its activities in the post-conflict North and East, to bring affordable and accessible financing options to those who need it most.
India’s Women Entrepreneurs Get a Boost

For 12 years Bishaka Bairagi worked in a small hand-printing shop, earning just Indian rupees 400 (less than $7) a month. But she knew she could do more. “I always dreamed of starting my own business,” she says, “but I didn’t dare take loans from the local informal money lenders. They treat us very badly.”

Bandhan Financial Services was different. It gave her a straightforward Indian rupees 4,000 ($66) loan to buy fabric, then watched her business grow, raising the loan amounts as she built her sales. Today she has 25 employees, producing handmade saris sold in Kolkata. Her income is Indian rupees 25,000 ($400) a month. She lives in a comfortable home and sends her eldest son to university.

“That would never have been possible before,” she says. “I always used to be concerned about how to save for my children’s future. But now that our earnings are better, that tension is gone.”

Bandhan works for the least served segment and has 3 million borrowers, almost all in the low-income states. Supplementing its commercial lending with social development arm providing health care, education, and business training, it tailors lending to four categories of clients:

- The poorest of the poor
- Early-stage low-income entrepreneurs
- More successful clients ready for larger loans
- Those who have reached commercial viability and can borrow up to Indian rupees 300,000 ($6,500) at a time, creating significant numbers of jobs

Many, like Bishaka, start small, then work their way up. IFC is working through both investments and advisory to help build a sound, responsible, and sustainable commercial microfinance industry.

Our record Indian rupees 1,350 million ($30.5 million) equity invested in Bandhan sends a signal to other investors: excellent opportunities remain that are good for business, and good for development.
Of Small Loans and Big Dreams

Govind Singh is a classic entrepreneur. He sees the future and makes it happen.

In 2009, he left a senior position with India’s largest private bank, ICICI Bank, moving from cosmopolitan Mumbai to Varanasi in the low-income state of Uttar Pradesh, where only about three percent of the 240 million people currently have access to microfinance. Attracting a top-caliber board and management team, he set up Utkarsh Micro Finance, a commercial institution with a related non-government organization committed from the outset to measuring its success in two simultaneous ways:

- Social impact especially on the poor women who would comprise 100 percent of its clients
- Financial sustainability allowing it to work continually without fundraising, and at significant scale

IFC came in as an early anchor investor, taking a 15.63 percent equity stake and advising Utkarsh on ways to meet its goal of having 500,000 clients in five years. In addition to providing advisory services to strengthen their existing microfinance business, IFC is also supporting Utkarsh with expanding their business in the micro-enterprise segment through a comprehensive capacity building program. Utkarsh is expecting to reach out to nearly 20,000 micro-enterprises by 2015. This sign of strong international support has proved helpful, enabling local banks to keep lending to Utkarsh in the past year despite the challenging conditions in the sector.

The fast-growing institution now has 110 branches in Uttar Pradesh and other low-income states such as Bihar, Madhya Pradesh, Uttarakhand and, Delhi, targeting groups of poor women in rural and semi-urban areas with no previous credit history. As of January 2013, Utkarsh had 217,296 active women borrowers with an outstanding loan portfolio of $32 million. All loans come with “credit plus” services provided through the NGO arm such as training in financial literacy, self-help group formation, and vocational education. The microfinance institution is providing its clients with the full range of financial and non-financial services they need to work their way out of poverty.

Utkarsh was awarded the Microfinance Organization of the Year Award in the Medium and Small category in 2012 by Access Development Services and HSBC India.
Inspiring a Generation of Women Entrepreneurs

IFC is supporting women's access to financial services through a partnership with the Self-Employed Women’s Association (SEWA) of India. With a total membership of over one million women, SEWA works in the states of Gujarat, Bihar, Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh, Kerala, and Uttarakhand.

IFC is supporting Shree Mahila SEWA Sahakari Bank, an all-women’s cooperative bank founded in 1974 with the specific goal of providing financial products to the 1.3 million women who comprise SEWA’s membership. IFC’s advisory is helping them increase access to savings, pensions, insurance, and credit.

The parent organization, SEWA, is a diversified family of more than 120 organizations. These have various legal forms including companies, cooperatives, trusts, and societies. The activities of the group include savings mobilization, lending, training and capacity building, and production, marketing, rural distribution of products like textiles, agro commodities, and construction materials.

In another project, IFC is advising VimoSEWA, the retail insurance arm, to design and roll-out a life insurance and savings product for self help groups that will first be piloted with select financial institutions.

With IFC’s advisory support, SEWA is providing a comprehensive suite of financial services including savings, credit, pensions and insurance.

“In meeting the needs of the poorest of the poor and the weakest among the weak, the Ahmedabad-based SEWA Bank has earned a reputation unmatched by any other microfinance institution in the country.” - Business India wrote in 2009
Bringing Banking to the Unbanked

Shyamkesh, a 36-year-old migrant worker from Uttar Pradesh in India, is a taxi driver living in Mumbai. He supports a family of six members in his village by sending money home. Earlier, because he did not have a permanent address in Mumbai and therefore no bank account, he used to send money to his family using money orders or relied on friends, which took several days, and at times his family did not receive the full amount.

The scenario has now changed. Shyamkesh, now has a FINO smart card linked to a bank account. All he needed to open one were his fingerprints. He now transfers money to his family twice or thrice a month, with complete discretion and security. He uses FINO services for remittances and deposits.

Over 60 million people in India’s rural and semi-urban areas now have access to banking services which they didn’t have before, thanks to a partnership between IFC and technology firm Financial Information Network & Operations (FINO). FINO’s smart card program makes it possible for people to deposit cash by visiting a banking correspondent who has a FINO smart card reader. To make a withdrawal, all they have to do is return to the agent and have the funds debited from the card.

FINO’s target market is the urban and rural low income population in India, which is underserved by the current financial system.

FINO’s solutions enable provision of financial services in remote areas with minimum connectivity and infrastructure. The trained banking correspondents use biometric smart cards, hand-held devices and mobile phones to perform field operations and biometric authentication.

To support FINO in its early stages of development, IFC provided $7.3 million equity investment and helped them find new investors for next rounds of fund-raising. Scale is everything in India. With over 45,000 transaction points in 460 districts across 26 states in India, IFC through its investment and advisory services to FINO is ensuring financial inclusion for millions of Indians and is exploring opportunity to take this model to parts of Africa and Asia.
Arriving Home – Turning Dreams into Reality

Rais and Shabano had one wish — to build a house and provide a permanent home for their three young children. For ten years they saved small amounts from their modest incomes but realized that in order to own their dream home, they will require a housing loan. After many unsuccessful attempts of applying for loans from commercial banks, almost on the verge of losing hope, Rais heard about a housing finance company for low income households at a local customer outreach event.

Aadhar Housing Finance Private Limited, a joint venture between IFC and Dewan Housing Finance Corporation, is helping low-income borrowers avail home loans. In 2010, IFC made an equity investment of $4.5 million in Aadhar that operates in six low-income states in India with a mandate to serve households earning in the range of $1,200 to $4,800 annually. In addition, IFC has been providing advisory support to Aadhar since 2011 in the area of responsible lending and risk management.

Aadhar has extended over 5,379 home loans till date and has been profitable for over one year. The company has also achieved its objective of setting up 23 branches in six low-income states to offer home loans to customers in India’s low-income segment. The project demonstrates that this demographic can be a profitable target segment for housing loans and this business can reach scale sustainably.

“We approached many commercial banks, but were repeatedly turned down. In addition, their processes were cumbersome for us and their customer service was poor. The Aadhar team was helpful, interacted personally with my entire family before granting us the loan and disbursed it in a timely manner. For all those families like mine who have nowhere else to go, Aadhar is there to serve you,” said Rais Mohammad, a gardener with Indian Army who constructed his own house in Meerut at the cost of $17,000 with a $10,000 loan from Aadhar. Earlier, Rais and family lived in a rented accommodation within a slum. Today he is made to understand that his property is already worth around $24,000.

IFC’s investment, back in 2003, helped mobilize Aadhar’s parent company — Dewan Housing, a major private sector mortgage lender in India, to expand into this important segment. IFC invested about $12.6 million in Dewan and also advised them in improving corporate governance, reporting standards, and compliance.

In November 2013, IFC and the government of Canada, announced a $85 million loan to Dewan, to expand finance for affordable and energy-efficient housing in India.
Customized Financing for Small and Medium Enterprises

Many banks consider small and medium enterprises too risky. But others embrace them, customizing financing for them as part of a larger business strategy.

This is why IFC has developed a $80 million short-term liquidity facility for SME-focused banks in Bangladesh. It provides them with working capital and trade financing solutions following market disruptions in foreign exchange availability in the country. It enables small and medium enterprises, especially those that are export-oriented, to have continued access to critical funding for timely issuance and discounting of letters of credit. Eastern Bank, BRAC Bank, City Bank, and Southeast Bank are the initial participants, with others likely to join in the future.

In addition to loans, growth capital from outside investors is also often critical for high-potential small and mid-size companies, which often need investments of up to $500,000 and related business advice to reach the next level. But since it is hard to find investors in countries with no venture capital industry, IFC is helping fill the void with a new global family of funds, Small and Medium Enterprise Ventures.

The first one, SEAF Bangladesh Ventures, aims to invest in 300 local small and medium firms till 2020. Launched in 2010 with $10 million from IFC, it is spearheaded by SEAF, an American emerging market specialist active in 22 countries. The first investment from SEAF Bangladesh Ventures is in Dhaka-based software developer Systems Solutions and Development Technologies (SSD), a solution provider targeting local financial and telecom sector clients. SSD President Mahbubul Matin says,

"The relationship brings not only investment capital, but also global experience, international network, and market linkages that can enable SSD to become a leading software developer in the region."
IFC is using SME toolkit and Business Edge™ to build skills of small business owners. Apart from this, IFC is also working with banks to provide non-financial services such as accessing business advice, skill building, networking and market opportunities for these business owners.

IFC’s SME Toolkit uses computers and mobile devices to bridge the knowledge gap. Offered in Sri Lanka in partnership with the country’s leading mobile phone provider, Dialog Axiata PLC, it offers free management information and training in accounting and finance, business planning, human resources, marketing and sales, operations, and information technology.

Dialog makes the Toolkit a key part of its relationship with the thousands of small-scale independent retailers who sell its products in local villages. Most are grocery store owners like Mahinda Malgoda, who credits the marketing and business strategy skills he learned from the Toolkit with more than doubling his sales since 2006.

In addition to making him a more effective Dialog agent, it has helped him strengthen his store and build a 12-employee business, Amila Food Products. The business now has formal financial statements and is well on its way, selling attractively packaged spices in the local market.

“Before, I was mainly just a trader, now I am really getting into the business side of things,” says Mahinda.

Since 2006, IBM has provided global support for the SME Toolkit, which is also supported in Sri Lanka by Norway and the Netherlands.

Another innovation of IFC, Business Edge, provides high-quality classroom-based management training classes for small and medium enterprises. Provided for a small fee in 28 countries worldwide, in Sri Lanka it is specifically training women entrepreneurs, in conjunction with local chambers of commerce.
Creating Opportunity for Promising Entrepreneurs

India’s 14 low-income states are home to more than 300 million poor, many of whom have promising entrepreneurial skills and just need someone to give them a chance. **Au Financiers** makes a business of finding them.

Banks turned down Rajasthan farmer Suvalal Palsania when he sought loans to buy his first tractor, worried that he did not have sole title to the small plot of land he shared with his brothers.

But that was no issue for Au, a fast and flexible non-bank financial corporation with a proven credit risk methodology. Seeing that Suvalal’s cash flows and reputation were strong, it lent him Indian rupees 346,000 ($5,750) for the tractor and an attached cart that he now uses not just to get his own vegetables to market faster, but also those of others who pay him a hauling fee. “It was a breakthrough,” he says.

Au serves more than 260,000 clients, primarily unbanked people in rural Rajasthan who are ready to do something with their lives but are blocked by difficulty in obtaining credit. Its financing helps them earn new income and lead a better life. First-time vehicle purchasers are its core market, but it also provides low-income housing finance, health, life, vehicle insurance, micro, small and medium enterprise finance, and other products – often to the same clients, as their needs grow.

IFC’s $5.5 million (Indian rupees 330.5 million) equity investment and advisory package in 2010 and again in 2012 put an important stamp of approval on Au. It helped them attract additional financing from other leading banks and a nomination at the prestigious 2011 Financial Times/IFC Sustainable Finance Awards in London. “We value IFC’s support,” says Au’s CEO Sanjay Agarwal.

Currently, IFC is supporting Au to better understand its target market and expand its reach to micro, small, and medium enterprises and agri-allied businesses in its existing and new geographies. This effort will also be supported by training and skill building to ensure that the growth achieved is sustainable.

Among its many business lines, Au has also financed more than 300 low-cost private educational institutions. In the distant outskirts of state capital Jaipur, its $5,000 loan led to new science labs at JBN Senior Secondary School, where annual school fees range between $40 and $150 and enrollment is almost equally split between girls and boys. Most of its graduates go on to university, something almost none of their parents had done before them.
Investing in the Smallest Dream

B.D. Mundhra employs 300 people at his bottling plant, Orient Beverages.

His business is booming. Sales are 12 times higher than they were five years ago and ready to grow further as its clients’ healthy, low-cost bottled water catches on with consumers. But when he needs financing, Mundhra does not go to banks—applying for their loans would take six months or more, he knows, and might not lead to anything.

“But when I walk into Magma I am treated like a priority,” he says. It gave him the medium-term loan he needed to keep growing and creating jobs.

Magma is a West Bengal-based large non-bank financial company serving small entrepreneurs and farmers in 21 Indian states with plans for a major expansion of its successful operations in the low-income states. Its motto is “Investing in the Smallest Dream.”

India’s small and medium enterprises need financing to reach their potential as sources of jobs and economic growth. But while their lack of credit history and security are obstacles to many banks, they are opportunity to those like Magma that specialize in appraising first-time borrowers with no financial statements, bank accounts, or proof of income.

IFC’s Indian rupees 2 billion ($45 million) equity investment is the beginning of a long-term relationship with Magma, coming at a key stage in its growth. IFC’s advisory is supporting Magma’s small and medium enterprise team with development of a strategic plan to expand their reach to this segment. In particular, there has been a strong focus on developing a plan for downscaling to microenterprise finance in new underserved geographies. This will help fuel job creation and growth in remote corners of India that banks rarely reach, but innovators like Magma know best.
Scaling Up Models that Work Through Impact Investing

Ramesh Behera is from a small village in Odisha, one of the low-income states that is IFC’s focus in India. Minimally educated, owning little, and having no significant job opportunities, his future was grim. Then a start-up dairy firm arrived on the scene, helping him maximize his one productive asset — a cow.

Now Milk Mantra agents buy his milk almost every day, transferring it into sophisticated cold storage equipment and processing it with state-of-the-art Tetra Pak equipment for sale in half-liter packages for Indian rupees 13 (30 US cents). Ramesh is one of its 5,000 initial suppliers, whose income has risen by 30 percent through the company’s purchases.

“We’re a small company with some big ideas,” says Milk Mantra CEO Srikumar Misra.

Not afraid of risk, in 2009 Misra left a secure job in London with the biggest name in Indian business, Tata Group, wanting to make his mark at home with both financial and social impacts. Taking on a state dairy monopoly not used to competition, he launched Milky Moo, a new brand that is catching on fast, en route to $6 million in sales in the first year. In addition to the 5,000 farmers, this supports 150 processing plant jobs—numbers that will rise as its sales rise and related cheese and yogurt products hit the market.

But without early investors who shared its vision, Milk Mantra would not exist. In large part, it does thanks to IFC client Aavishkaar, a cutting-edge Mumbai venture capital house, with a proven track record in building rural small and medium enterprises.

Aavishkaar’s seed capital helped Milk Mantra raise the full $5 million it needed to start operations, coming with valuable advice from CEO Vineet Rai and his team on keys to success like strategy, financial reporting, and corporate governance.

Before the Milk Mantra deal, investments by Aavishkaar helped create 7,400 rural jobs. Post the investment in Milk Mantra, the number of jobs created is even higher.

Recognizing the potential for this segment, IFC invested $15 million in Aavishkaar’s $93.8 million micro, small, and medium enterprise fund in 2011. Aavishkaar’s model for impact investing was recognized at the global level and IFC helped link Aavishkaar to the G20 Global SME Finance Challenge Competition, which it won and was awarded a $1.5 million grant to be managed by IFC advisory services. The grant helped Aavishkaar’s partner advisory company – Intellecap - scale up its model of supporting the growth of many other impact enterprises by connecting them with the investment community.
MILKY moo
truly pure

PURITY AT YOUR DOOR STEP!

New Tripak technology keeps milk fresh and pure.

We will deliver directly to your home, everyday.
To expand formal finance to underserved segments, there is a need to have in place a comprehensive financial infrastructure and legislative framework conducive to sharing of credit information by financial institutions. There is also a need to encourage greater symmetry in the data and information available for microfinance institutions, banks and financial institutions to make credit decisions. Efficient behind-the-scenes systems play a key role in helping local financial institutions serve the base of the pyramid market. Building on strong global experience, IFC investment and advisory services help build this infrastructure across South Asia, helping clients process payments, check potential borrowers' credit history, and evaluate the suitability of proposed loan collateral.

Two core areas of our work in building financial infrastructure are:

i. Development of Credit Bureaus and

ii. Secured Transactions Collateral Registries

**Credit Information Bureau, India**

IFC is working with two credit information bureaus to broaden their microfinance member base and introduce value added products in the microfinance sector. IFC has also partnered with Microfinance Institutes Network (MFIN) to design and develop a credit bureau awareness toolkit for microfinance borrowers. Through its member base, MFIN would help in disseminating the toolkit across the country.

**Collateral Registry, India**

IFC is advising India’s government-owned Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) to help it design a business plan and revenue model while expanding the database to cover all types of movable assets—including stocks, inventory, and accounts receivable. This will facilitate access to finance of nearly $3.5 billion for more than 16000 micro, small and medium enterprises by 2015.
Credit Information Bureau, Nepal
IFC is providing advisory support to modernize the credit bureaus in Nepal and widen the coverage of the credit bureau to bring licensed microfinance institutions in its fold.

Credit Information Bureau, Bangladesh
IFC is conducting a study to assess the feasibility of establishing a credit bureau for microfinance institutions in Bangladesh. In collaboration with a working group consisting of three of the largest microfinance institutions, regulators and microfinance networking association, IFC’s scoping study will develop a business model and business plan. These will form part of the recommendations that will be sent to the Microcredit Regulatory Authority for adoption and implementation.

Secured Transactions Registry, Bangladesh
IFC is working with the Registrar of Joint Stock Companies (RJSC) in Bangladesh to build additional functionality into the Secured Transactions Registry so that it is better able to document charges on the movable assets of small and medium enterprises. It will also provide credible information to banks on the borrower’s credibility. Small and Mozambicans owners do not have much else to offer as collateral for loans, the ability to use movable assets of their business will open up new avenues to access much required financial services.

Secured Transactions Registry, Sri Lanka
IFC is working with the Credit Information Bureau of Sri Lanka to facilitate a positive legal environment for the functioning of the Secured Transaction Registry. IFC is assisting the government in drafting the amendments to the Secured Transaction Act of Sri Lanka which is expected to improve lending practices in the country.
About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector in developing countries. Established in 1956, IFC is owned by 184 member countries, a group that collectively determines our policies. Working with private enterprises in more than 100 countries, we use our capital, expertise, and influence to help eliminate extreme poverty and promote shared prosperity. IFC leverages the power of the private sector to create jobs and tackle the world’s most pressing development challenges. IFC’s vision is that people should have the opportunity to escape poverty and improve their lives.