



Press Release  
September 26, 2016

## **Intellegrow launches India's first SME Debt Pool Program in collaboration with Symbiotics, Geneva**

**September 26, Mumbai:** Intellegrow, a leading venture debt financing arm of Intellectap Group, launches India's first SME Debt Pool Program in collaboration with Geneva-based leading global investment company Symbiotics to bring international financing to small corporates and medium enterprises (SME) in the country through innovative financing structure. This collaboration is aimed at supporting social enterprises in India which find it difficult to raise sufficient debt facilities to meet their funding needs.

Under this arrangement, the first structured finance transaction has been closed with financing of a pool of seven SMEs amounting to approximately INR 320 million (USD 5.3 million). This launch is a part of Intellegrow's thrust in fostering innovative financing to SMEs in collaboration with international partners like Symbiotics. It also adds to Symbiotics' growing expertise in the area of emerging market impact bonds.

The transaction saw multiple Indian SMEs from diverse impact sectors grouped together to raise funds on European capital markets via a single bond securitization issuance. Intellegrow acted as the sole India-based origination partner which facilitated assessment, underwriting and monitoring of the pool drawn from its portfolio of enterprises to whom it has lent earlier. SMEs have received INR 320 million debt financing with fixed interest payments without any forex risk. This innovative instrument is very useful for capital starved Impact SMEs often known as "missing middle" as they are largely under-banked. This funding is especially helpful in funding both the working capital needs and also the capacities of growing SMEs.

This pool includes a Milk processing company which has a presence in more than 1,000 villages in North India and aims to increase its milk procurement capacity from more and more farmers. It also included an SME engaged in collection of waste paper in an organised manner and facilitating its recycling. Another engaged SME is enhancing access of oncology curatives while yet another SME in this pool is developing warehousing infrastructure for agri-produce. These diverse enterprises are enhancing livelihood opportunities besides contributing to social development.

Speaking on this association, Nitin Agrawal, Deputy CEO of Intellegrow said, *"We are keen to grow this collaboration with Symbiotics and help in facilitating more such SMEs from our portfolio with innovative structured financing options meant to bring patient debt funding to Indian SMEs."*

This pool program enables impact investors to invest in a group of impact-driven Indian SMEs, which don't have to pledge hard collaterals as security unlike existing market accesses. This comes in the backdrop of thrust from Make in India campaign besides the Start-up India and Stand-up India also creating an ecosystem projected to further improve the GDP contribution and employment generation by early-stage



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enterprises and start-ups in India. Intellegrow and Symbiotics are planning to put forward similar structures in the near future.

#### **About Intellegrow**

Intellegrow operates under constitutional identity of 'Jain Sons Finlease Limited', an NBFC licensed by Reserve Bank of India. Intellegrow has disbursed over \$70 mn across 250 deals and has evaluated over 700 early-stage SMEs so far. Incubated by Intellecip under a permanent capital structure, Intellegrow is supported by Shell Foundation, MSDF, Omidyar Network, Triodos and Developing World Markets apart from lenders such as Symbiotics, Calvert Foundation and OPIC. Besides offering debt funds from its own balance sheet, Intellegrow is also fostering innovative financing to SMEs.

#### **About Symbiotics**

Symbiotics, incorporated in 2004 in Geneva, is an investment company specialized in emerging, sustainable and inclusive finance which offers market research, investment advisory and asset management services.

It is an asset manager of collective investment schemes regulated by FINMA, the Swiss Financial Market Supervisory Authority and has an advisory license from the FCA, the Financial Conduct Authority, through its subsidiary in the UK.

The company is headquartered in Geneva, with offices in Cape Town, London, Zurich, Mexico City and Singapore with a staff of over eighty professionals. Since 2004, Symbiotics has invested over USD 2.9 billion in more than 300 microfinance institutions and is currently working in over 50 emerging countries and with more than 28 investment funds and many institutional investors.

#### **For more information, please contact:**

The Practice

Farooque Shaikh – 9594777764, [farooque@the-practice.net](mailto:farooque@the-practice.net)

Aanchal Agrawal – 9717440834, [aanchal@the-practice.net](mailto:aanchal@the-practice.net)

Akanksha Bawa – 9953876116, [akanksha@the-practice.net](mailto:akanksha@the-practice.net)