



Impact Investing in India has the potential to grow from US\$ 1 billion in 2015 to US\$ 6-8 billion by 2025, according to McKinsey research

Prabhav 2016 presents the McKinsey study findings on Impact Investment in India

Minister of State for Civil Aviation, Shri Jayant Sinha among the prominent speakers

New Delhi, November 16, 2016: India's only impact investing industry body, the [Impact Investors Council \(IIC\)](#) has kicked off India's very first Impact Investment Conclave, [Prabhav 2016](#), in Delhi.

Organized in partnership with the Investment & Technology Promotion Division of the Ministry of External Affairs, Prabhav 2016 will span over a course of three days. India has emerged as one of the largest impact investment destinations in the world with over 50 active impact investors and a cumulative investment of US\$4.1 billion since 2010 in more than 350 enterprises and funds across a range of industries such as financial inclusion, agribusiness, healthcare, education and clean energy. For the first time, ever, Prabhav 2016 is bringing top leaders from as many as 175 global impact investors to India to meet potential investees.

Sandeep Farias, Chairman-IIC and Founder-Elevar Equity, says, *"I would like to take this opportunity to welcome all our 175 LPs and GPs, from India and 12 other nations to our inaugural Prabhav 2016. It is perhaps no exaggeration to say that India leads the world when it comes to social entrepreneurship and yet we are just getting started. IIC's aim is to help build this sector over the next decade. We hope that through the dialogues at Prabhav 2016 we will be able to have a meaningful conversation on the risk-return tradeoffs, performance of investors, social impact measurement, and other relevant issues."*

One of the highlights of the conclave were the key findings from an ongoing **McKinsey research report** on the **state of Impact Investment Industry in India**, presented by Mr. Vivek Pandit, senior partner, McKinsey & Company in India. The key findings from the report suggest that Impact investing in India is estimated at a US\$4.1bn market in terms of cumulative investments from 2010 to 2015. The sector is growing at about 15% annually. Current beneficiaries include at least 60 million Indians each year who are seeing advances in clean technology, financial inclusion, agriculture, healthcare and education. Impact investments in India are focused on: clean-tech, financial inclusion, agriculture, healthcare and education. Conventional private equity and venture capitalists have contributed over 44% of the impact investment capital in India, while the rest comes from specialized impact investors. Impact investors have played a vital role in seeding early stage enterprises - they account for over 60-70% of capital in smaller investments with deal sizes less than USD 5 million. The sector has seen promising financial returns - based on the study of nearly 50 exit deals, median internal rate of return was found to be 10%. and can only get better over time given the projected growth rate of over 20% of underlying social sectors and a steady GDP growth of 6-7%

"The findings from the McKinsey report validate our belief that India has the potential to emerge as the world's No. 1 emerging market for impact investing. The sector, as suggested in the McKinsey report, could

grow 6 to 8 times in the next decade reaching about US\$6-8 billion in annual investments by 2025 from the current US\$1 billion. This eightfold expansion of impact investing in India could make life better for millions and generate competitive returns for investors.” adds **Amit Bhatia**, CEO of Impact Investors Council.

The conclave also featured grassroots immersive field trips for the key investors in Delhi, Mumbai and Bangalore where they got the opportunity to visit a few of India’s social enterprises and meet their beneficiaries & founders. These enterprises include Drishti Eye Care, LabourNet, Y-Cook, INI Farms, Greenway Appliances, NeoGrowth Credit, Suryoday MicroFinance, Avanti Learning, Sewa Grih Rin and Skymet.

Eminent speakers at the conclave are representing multiple stakeholders:

- India’s Government is represented by *India’s Minister of State for Civil Aviation* **Shri Jayant Sinha** and Shri Nagaraj Naidu, Ministry of External Affairs
- India’s Impact Investing industry is led by *Founder MD & CEO, IDFC Bank* **Dr. Rajiv Lall**; *Partner and Managing Director, Omidyar Network India Advisors* **Roopa Kudva**; *SIDBI’s Chairman and Managing Director*, **Dr. Kshtrapati Shivaji**; *Founder–Aavishkaar*, Mr. **Vineet Rai** and *Founding CEO of Impact Investors Council* **Amit Bhatia** and IIC Chairman and Founder of Elevar Equity, **Sandeep Farias**; among others
- The International perspective on impact investing is led by speakers such as President- TRIODOS, **Marilou van Golstein Brouwers**; *Encourage Capital’s Co-Managing Partner and Board Chairman and a Trustee of the Rockefeller Philanthropy Advisors*, **Adam Wolfensohn**; *Head of Investment funds, OPIC*, **Brooks Preston**; *Head of Division, KFW*, **Claudia Schmerler**; *Director Financial Institutions, FMO*, **Jaap Reinking**; and, *USAID’s General Counsel* **John L. S. Simpkins**; among others.

About the Impact Investors Council

Impact Investors Council (IIC) is the industry association of Impact Investors in India. Impact Investors are financial investors who invest in social enterprises to deliver social (and environmental) impact to the poor in sectors such as Agriculture, Financial Inclusion, Affordable Education & Healthcare, Water & Sanitation, Clean Energy, Livelihoods, etc. Impact Investors use the power of both financial markets and social entrepreneurship to deliver such impact. IIC seeks to develop the impact-investing sector in India by focusing on impact measurement & standardization, research & policy support and self-regulation. IIC is a Section 8 company and can be found at <http://iiic.in/>

For further details, please contact:

Ayush Mathur

+91.9871031903

ayush@gutenbergpr.com

Dikshant Dangwal

+91. 7042358483

dikshant@gutenbergpr.com

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