

risks. Thus, it needs continuous evaluation and forecasting of the risks and returns of the investment.

- 4. Exit strategy** – This is discussed during the initial approval process of the project. The exit plan, however, may vary at the time of exit depending on market conditions and other factors. Thus, disinvestment from direct equity investments at the correct time, when prices are high, is crucial. This also requires continuous valuation of the portfolio and rebalancing exercises to ensure sufficient return profile.

## Evaluation

Evaluation of the SFC can be in terms of financial returns and meeting specific developmental goals.

- Financial rate of return
- Development goals such as
  - o job creation
  - o access to electricity
  - o number of solar panels installed, ,
  - o market development
- Evaluation as per specific financial instruments can also be tracked to analyse the performance of different instruments (e.g., equity, debt)

## Advisory Services

Advisory services is an important component of building new markets and reaching out to the private sector. This would include market analysis so as to give investors insight into newer and untapped markets. Joint studies can also be conducted with similar organisations working in the areas. Such services can be given to companies, governments as well as financial institutions. This would range from designing loan products, working to strengthen financial markets, and assisting companies on how to manage risks.

# CONCLUSION

## 7

