

 Early Warning System

DFC-2021-WBCSONATAFI
WBC - Sonata Finance Private Limited



Quick Facts

Countries	India
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Sonata Finance Private Limited
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 7.80 million
Loan Amount (USD)	\$ 7.80 million
Project Cost (USD)	\$ 9.75 million



Project Description

According to DFC, the proposed project will support the expansion of Sonata's microfinance portfolio, serving rural women borrowers.

This Project is expected to have a highly developmental impact by expanding the availability of microfinance lending to women in India, as well as providing more expansive financial products to its micro-clients, primarily using the Grameen model of joint group lending ("JLG"). However, in addition to JLG structures, 15% of loans will be to individual women that have successfully repaid JLG loans and graduated to greater financing needs. The Project will support microfinance lending to a projected 1.44 million individuals, who are all women and mostly low-income and rural individuals. The microfinance lending gap in India is estimated at \$9 billion, while the gap for women microenterprises is estimated at \$567 million. This Project aligns with the Government of India's National Mission for Financial Inclusion and the RBI's National Strategy for Financial Inclusion, which envision comprehensive financial inclusion for the nation's poor, underbanked and unbanked.



Investment Description

- US International Development Finance Corporation (DFC)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [WorldBusiness Capital Inc.](#) (Financial Intermediary)



Private Actor Relationship

U.S. Sponsor: WorldBusiness Capital, Inc.

Foreign Sponsor: Creation Investments Social Ventures Fund II, PROPARCO, SIDBI Trustee Company Limited



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Creation Investments Capital Management	Investor	-
-	-	-	-	PROPARCO	Investor	-
-	-	-	-	Sonata Finance Private Limited	Client	-



Contact Information

No contact information was provided at the time of disclosure.

ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: <https://www.dfc.gov/foia>

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: <https://www.dfc.gov/who-we-are/office-accountability>



Bank Documents

- [Project Disclosure](#) [\[Original Source\]](#)



Other Related Projects

- DFC-2021-WBCSONATAFINA WBC-Sonata Finance Private Limited