

 Early Warning System

DFC-2021-WBCSONATAFINA  
WBC-Sonata Finance Private Limited



## Quick Facts

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



## Project Description

According to DFC documents, 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 envisions comprehensive financial inclusion for the nation's poor, underbanked and unbanked.

The Project has been reviewed against the DFC's 2020 Environmental and Social Policies and Procedures manual ("ESPP") and has been determined to be categorically eligible. Loans for the purposes of microfinance lending are screened as Category C projects for the purpose of environmental and social assessment in accordance with DFC's ESPP.



---

## Investment Description

- US International Development Finance Corporation (DFC)



---

**Private Actors Description**

US 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	-
-	-	-	-	WorldBusiness Capital Inc.	Investor	-



---

## Contact Information

*No contact information 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](#)





### Other Related Projects

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