

Early Warning System

FMO-56039

AYE FINANCE PVT. LTD

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Quick Facts

Countries	India
Specific Location	Bihar, Jharkhand, Gujarat and Maharashtra
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	C
Voting Date	2019-10-23
Borrower	Aye Finance Pvt Ltd
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 17.67 million

Project Description

According to the bank website, "The FMO loan supports the expansion of Aye's loan portfolio in India. The loan is dedicated to micro entrepreneurs and therefore supports FMO's objective of reducing inequalities. Aye has expanded to the States of Bihar, Jharkhand, Gujarat and Maharashtra which have a prevalence of women entrepreneurship. The FMO loan thus supports Aye's loan expansion to women-owned enterprises and FMO also offers technical assistance targeted at increasing Aye's reach into the women market."

Investment Description

- Netherlands Development Finance Company (FMO)

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.

- Aye Finance Pvt Ltd (Financial Intermediary)

Private Actor Relationship

FMO NV

Private Actors Description

According to FMO, Aye Finance (Aye) is a non-deposit taking NBFI with a specific focus on micro and small enterprises in India. Aye finances micro enterprises in manufacturing and service clusters across 18 Indian States. Using tech-based credit underwriting Aye is able to provide loans to customers who otherwise would be locked out of the financial system.

Contact Information

No contact information provided at the time of disclosure.

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW) . A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: https://www.fmo.nl/independent-complaints-mechanism