Early Warning System

FMO-61841

SATYA MICRO CAPITAL LTD.

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Quick Facts

Countries	India
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	C
Voting Date	2023-03-10
Borrower	Satya Micro Capital Ltd
Sectors	Finance, Water and Sanitation
Investment Type(s)	Loan
Investment Amount (USD)	$ 25.00 million
Loan Amount (USD)	$ 25.00 million

Project Description

According to FMO, through this investment, USD 20mln will be used for the growth of the loan book towards female and young entrepreneurs and women-owned microenterprises. Remainder USD 5mln will be earmarked for Water Sanitation and Hygiene ("WASH") or other green qualifying products. WASH program of Satya provides access to affordable financing for potable water and sanitation facilities. As such the loan contributes to decent work, economic growth, reducing inequalities and climate action.

Satya is categorized as an FI-C client, given the size and purpose of the portfolio loans.

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.

- Satya Micro Capital Ltd (Financial Intermediary)

Private Actors Description

Satya Micro Capital Ltd is a Delhi-based microfinance institution, registered as a non-deposit taking NBFC-MFI with the Reserve Bank of India. It is a digitally advanced and fast-growing MFI that employs the Joint Liability Group (“JLG”) model to provide unsecured microcredit to women borrowers, predominantly in the rural pockets of the country. Satya caters to almost 0.88mln borrowers through a network of 338 branches spread across 228 districts in 21 states, as of March 2022.

Contact Information

No contact information provided at the time of disclosure.

ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: disclosure@fmo.nl

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