Early Warning System

IFC-52059

Finova ECB

Quick Facts

Countries	India
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	C
Voting Date	2026-09-11
Borrower	Finova Capital Private Limited
Sectors	Agriculture and Forestry, Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 50.00 million
Loan Amount (USD)	$ 50.00 million

Project Description

As stated by the IFC, the Project comprises of a US$ denominated, senior secured loan of up to US$50 million in Finova Capital Private Limited for a tenure of 4 years in one or more tranches. The Company will utilize IFC's investment proceeds for growing its loan book towards micro and small enterprises (MSEs) and self-employed borrowers/ microentrepreneurs, including women borrowers and agricultural segment including dairy.

IFC will guide the Company in developing a social finance framework to facilitate IFC investments and mobilize additional private sector capital for social projects. This will include supporting Finova with their external review process through a second party opinion (SPO), exploring opportunities to address gender-related financing needs, financing targeted at the agriculture sector and supporting Finova in identifying social impact indicators for its first social finance framework impact report.

Investment Description

- International Finance Corporation (IFC)

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.

- Finova Capital Private Limited (Financial Intermediary)

Private Actors Description

As stated by the IFC, Finova was founded by spouses Mr. Mohit Sahney and Mrs. Sunita Sahney. Headquartered in Jaipur, Finova Capital is an NBFC which focuses on lending to MSMEs and self-employed individuals. The Company has an AUM of US$425 million (INR 38,278 million) and has built its presence across 17 states through its network of 454 branches as on March 31, 2026. The Company is focused on addressing the financing needs of underserved segments in India - primarily micro and small businesses and self-employed individuals from rural and semi-urban areas, with limited or no formal credit history and that are typically either unbanked or underbanked. The institutional equity investors in the Company includes Peak XV Partners, Norwest Venture Partners, Faering Capital, Sofina Ventures, Maj Invest, Madison India Capital and Avataar Ventures.

Contact Information

Financial Intermediary - Finova Capital Pvt Ltd:

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ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org