

Public Information Summary

Host Country(ies)	India
Name(s) of Borrower(s)/Guaranteed Party(ies)	Avanti Finance Private Limited Maanaveeya Development & Finance Private Limited Samunnati Financial Intermediation & Services Private Limited
Project Description	Multiparty loan portfolio guaranty intended to strengthen each Guaranteed Party’s ability to provide loans to farmer producer organizations (FPOs), “ag-tech” companies, and companies engaged in clean energy solutions and food loss prevention in the agriculture sector, with the ultimate goal of supporting small and marginal farmers and prioritizing female farmers. A special focus is placed on farm activities that: leverage renewable energy solutions to promote a low carbon farm economy; utilize digitization to increase small farmers’ efficient access to markets; and reduce food waste and loss.
Proposed DFC Loan/Guaranty	\$27,500,000
All-Source Funding Total	\$55,000,000
Policy Review	
Developmental Objectives	The Project will have a highly developmental impact through a loan guaranty program (“LPG”), which will support increased debt financing by FPOs focused on smallholder farmers in India. Agriculture provides livelihoods for about half of the Indian population, most of whom are smallholder farmers. The output from these small farmers is critical for feeding India, the world’s most populous nation. As recent trends have seen men migrate to cities for work and more lucrative economic opportunities, women are playing an increasingly significant role in India’s agricultural sector. The women borrowers benefiting from the loans covered by this LPG have historically been unbanked and financially excluded from the coverage of formal financial institutions.
Environment and Social Assessment	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. DFC loan portfolio guaranties for the expansion of lending to micro, small, and medium enterprises are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments. To ensure that the Guaranteed Parties investments are consistent with the DFC’s statutory and policy requirements, the DFC loan portfolio

	<p>guaranty will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy (“ESP”) that meets the 2012 IFC Performance Standards.</p> <p>Under the DFC’s ESPP, the Guaranteed Parties are required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation’s Performance Standard (“PS”) 1 and 2. A desk-review based due diligence assessment indicates that because the Project will use DFC support for the expansion of lending to micro, small, and medium enterprises, significant adverse impacts concerning biodiversity, land acquisition and resettlement, indigenous people, and cultural heritage are not anticipated; therefore, PS 3, 5, 6, 7, and 8 are not triggered at this time. Some of the institutions benefiting from the guaranty use security guards and therefore, relevant aspects of PS 4, Community Health and Security are triggered.</p> <p>The Guaranteed Parties’ all have some environmental and social policies and/or procedures in place, but in each case these require some improvement in order to meet the DFC’s 2020 Environmental Policy and Procedures. In some cases, improvements to aspects of the Guaranteed Parties’ human resources policies are also required.</p>
Grants Assessment	N/A