

PARTNERSHIP TO ADVANCE CLEAN ENERGY – DEPLOYMENT  
 TECHNICAL ASSISTANCE PROGRAM  
 MICROFINANCE SUPPORT PROGRAM

# PACE-D MFI FACT SHEET

## SARALA DEVELOPMENT AND MICROFINANCE PVT. LTD.

### BACKGROUND

#### Snapshot of Sarala Development and Microfinance Pvt. Ltd.

START OF OPERATIONS: <b>2006</b>	NUMBER OF LOAN OFFICERS: <b>261</b>
NUMBER OF BRANCHES: <b>63</b>	NUMBER OF CLIENTS (ACTIVE BORROWERS): <b>125,996</b>
WEBSITE: <b>www.sarala.co.in</b>	CONTACT EMAIL: <b>pranab.rakshit@sarala.co.in</b>

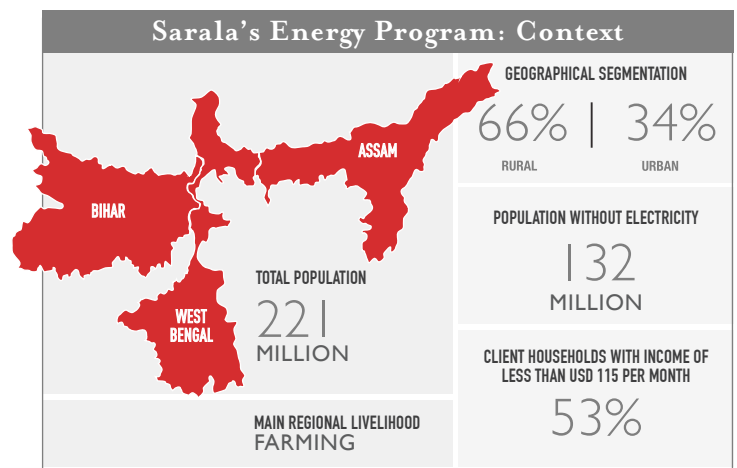
Sarala Development and Microfinance Pvt. Ltd. (“Sarala”) is an Indian microfinance institution (MFI) created as an initiative of the Sarala Women Welfare Society (SWWS),

a non-profit organization founded in 2006 in Howrah, West Bengal. Sarala subsequently transformed into a Non-Banking Finance Company (NBFC) MFI with a mission to serve poor women who are excluded from formal banking channels by providing them with access to credit. With small loans, Sarala’s clients are able to invest in new livelihood activities that will increase their long-term economic self-reliance. Sarala employs more than 261 people across 63 branches in West Bengal, Bihar and Assam. As of September 30, 2017, Sarala had a customer base of 125,996 clients with an outstanding total portfolio of USD 25.3 million. Sarala was founded by Dr. Arabinda Kumar Sinha and Mr. Pranab Rakshit.

### ENERGY LENDING

Sarala started its energy lending program with technical assistance and support from the USAID-funded Partnership to Advance Clean Energy - Deployment Technical Assistance Program in 2015. As of October 31, 2017, Sarala has already provided nearly 142,500 energy loans and, in the process, has solarized nearly 100% percent of its client base. Sarala’s initial focus was financing portable solar lighting and charging products, but has now expanding into larger solar home systems and consumer durables, such as fans. Sarala’s incredible growth has been driven by high customer demand, access to finance, and effective sales strategies. Now that almost all of Sarala’s clients have access to solar energy, Sarala is exploring a range of expansion strategies, including tapping into its own

base of women entrepreneur clients by recruiting them to be Village-Level Entrepreneurs (VLEs).



## Sarala's Microfinance and Energy Loan Products



PHOTO: USAID PACE-D TA PROGRAM

AVERAGE MICROFINANCE LOAN TERM	10 TO 12 MONTHS
AVERAGE MICROFINANCE LOAN SIZE	25,000 INR (USD 223 to USD 385)
MICROFINANCE LOAN REPAYMENT FREQUENCY	1 OR 2 TIMES PER WEEK
MICROFINANCE LOAN INSTALLMENTS TOTAL	45
ENERGY LOAN TERM	4 TO 22 WEEKS
ENERGY LOAN SIZE	400 TO 2,399 INR (USD 6 to USD 36)
ENERGY LOAN REPAYMENT FREQUENCY	1 OR 2 TIMES PER WEEK
ENERGY LOAN INSTALLMENTS TOTAL	4 TO 44

## IMPACT\*

### OUTREACH

- Nearly 142,500 clients (100% women) have received financing for clean energy products
- 712,285 household members have benefitted
- Nearly 100% of Sarala's client base now has clean energy products



### FINANCIAL ACHIEVEMENTS

- Over USD 2.7 million has been disbursed as energy loans



- As a result of the PACE-D MSP, USD 615,000 in debt investments have been leveraged



### ENVIRONMENTAL IMPACT

- 305 kW equivalent of solar capacity has been installed



- Over 19,600 tons of CO<sub>2</sub>e have been displaced



\*As of October 31, 2017

**ABOUT PACE-D TA PROGRAM:** The Partnership to Advance Clean Energy – Deployment Technical Assistance Program (PACE-D TA Program) is a five-year bilateral initiative led by the U.S. Agency for International Development (USAID) and the U.S. Department of State, and implemented in partnership with the Ministry of Power (MOP) and the Ministry of New and Renewable Energy (MNRE). The Program has three key components: energy efficiency (EE), renewable energy (RE) and cleaner fossil technologies. One of the focal areas of the Program is to provide technical assistance to microfinance institutions to scale up energy lending. Nexant is the key implementation partner for the PACE-D TA Program and is supported by a consortium of Indian and U.S. companies including Arc Finance which leads the microfinance component of the Program. As a part of this Program, Arc Finance is providing technical assistance to seven partner microfinance institutions in nine different states: Uttar Pradesh, Odisha, Madhya Pradesh, West Bengal, Jharkhand, Kerala, Bihar, Tamil Nadu and Chhattisgarh. For more information, please visit [www.pace-d.com](http://www.pace-d.com).

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