

# PACE-D MFI FACT SHEET

**PARTNERSHIP TO ADVANCE CLEAN ENERGY-DEPLOYMENT**  
 TECHNICAL ASSISTANCE PROGRAM

## 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>260</b>
NUMBER OF BRANCHES: <b>68</b>	NUMBER OF CLIENTS (ACTIVE BORROWERS): <b>139,034</b>
WEBSITE: <b>www.sarala.co.in</b>	CONTACT EMAIL: <b>info@sarala.co.in</b>

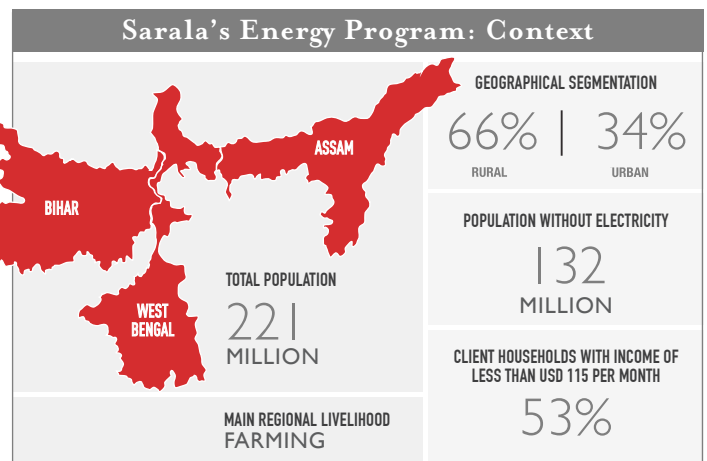
Sarala Development and Microfinance Pvt. Ltd. ("Sarala") is an Indian microfinance institution (MFI) created as an initiative of the Sarala Women Welfare Society (SWWS),

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 354 people, across 68 branches in West Bengal, Bihar and Assam. As of March 31, 2017, Sarala had a customer base of 139,034 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 March 31st 2017, Sarala has already provided over 130,907 energy loans and, in the process, has solarized 80 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 as 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	15,000 TO 20,000 INR (USD 223 to USD 298)
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

- Over 130,907 clients (100% women) have received financing for clean energy products
- 654,535 household members have benefitted
- 80% of Sarala's client base now has clean energy products



### FINANCIAL ACHIEVEMENTS

- Over USD 2.5 million has been disbursed as energy loans



- As a result of the PACE-D MSP, USD 625,000 in debt investments have been leveraged



### ENVIRONMENTAL IMPACT

- 283 kW equivalent of solar capacity has been installed



- Over 15,700 tons of CO<sub>2</sub>e have been displaced



\*As of March 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).

## USAID/India

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## PACE-D TA Program

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