



Arohan Financial Services fueling the entrepreneurship zeal in women in rural India.

Uttar Pradesh, 8th February 2023: According to a report by Microfinance Institutions Network (MFIN), over **60 million women** are at present being reached through small, easily serviceable, collateral-free loans which has impacted as many as **300 million families**. As a result, a vast unbanked and unserved population of India today have access to formal credit even in the remotest districts of India.

One such inspiring story is of Chandrawati Devi, a resident of a small village of Morahi in the Sonbhadra district of Uttar Pradesh who lived with her husband and in-laws. Her family was facing extreme hardships due to COVID-19 imposed lockdowns, which left her husband jobless. To help her family overcome the crisis, Chandrawati and her husband wanted to start a business but were unable to move forward due to lack of funds.

Chandrawati was discussing her concerns with her neighbors when she was informed about Arohan Financial Services Limited – a NBFC-MFI supporting deprived women to become self-reliant and independent. She visited the nearest branch office of Arohan and successfully applied for a loan of INR 30,000. With the money, she opened a mobile shop for her husband. The couple started earning INR 800 to INR 1200 per day. With sheer dedication and efficiency, the couple was able to elevate their economic condition.

Expressing her gratitude towards Arohan, she said, *"I am immensely grateful for the help and support provided by Arohan in a time of need. It has changed my life and has helped my family overcome the financial crisis. My husband and I feel blessed to be working at our shop and this has been possible because of Arohan and its dedicated team of representatives."*

The microfinance industry aims to provide easy access to formal credit to customers that need it the most and would not typically be eligible for bank credit, thus providing inclusion for a large rural and urban population of the country. Through the years, it has emerged as one of the most important tools in promoting financial inclusivity by making credit available at the last mile.

Background Note:

Arohan Financial Services Limited: Arohan Financial Services Limited is a leading NBFC-MFI with operations in financially under-penetrated Low-Income States of India. Arohan provides income generating loans and other financial inclusion related products to customers who have limited or no access to financial services.

Microfinance Industry: As on September 30, 2022, the microfinance industry served 6.2 crore unique borrowers, through 12.0 crore loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of INR 3,00,974 Cr. GLP as on September 30, 2022, showed an increase of 23.5 per cent YoY over INR 2,43,737 Cr as on September 30, 2021. The sector comprises RBI-regulated microcredit providers including NBFC-MFIs, Banks, Small Finance Banks, Business Correspondents, and others.

MFIN (Microfinance Institutions Network): MFIN is a premier industry association comprising 55 NBFC-MFIs and 44 Associates including Banks, Small Finance Banks (SFBs) and NBFCs. By virtue of bringing all microfinance entities under one common umbrella, MFIN acts as a bridge between them and the regulators to build a dialogue for greater transparency, better policy



frameworks and stronger client protection standards for responsible lending, thus enabling the microfinance industry to partake in meeting the larger financial inclusion goals.