

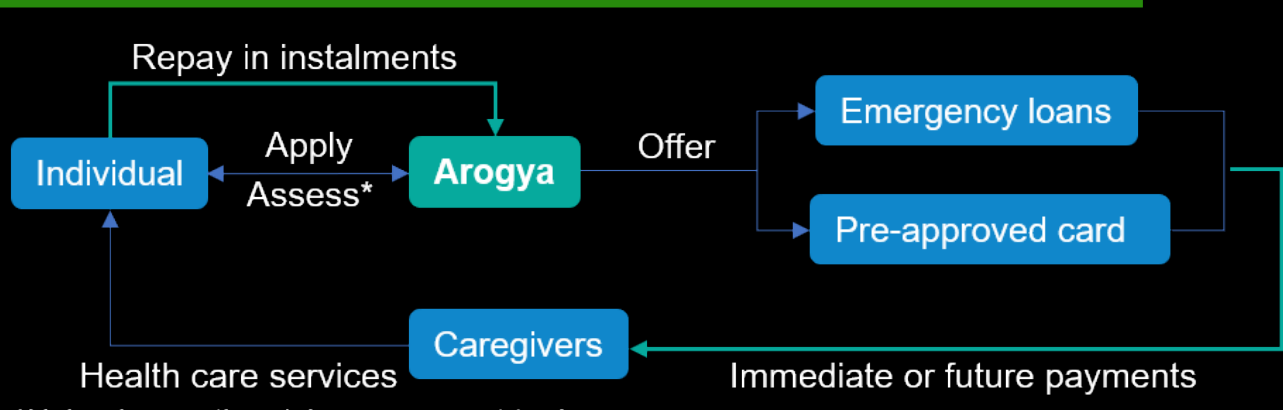
Case study: Arogya Finance



Company Description

Founded in 2011, Arogya Finance is a social health care venture that offers medical loans to the traditionally un-bankable by using innovative risk assessment tools that do not require collaterals. The loans will be paid directly to the caregivers (e.g. hospitals)

Arogya Main Offerings



Solution Type: Digital Payments - Balance Sheet Consumer Lending*

Product Offered:

- Emergency digital healthcare loans:** Used for emergency point of care needs. Alternative credit risk scoring and worthiness is assessed digitally, unlocking funding for the unbanked or underbanked. Loans are delivered digitally between 3-4 hours. Patients can pay back loans through instalments that are manageable for them.
- Pre-approved lending card:** Used for future medical needs. Potential borrowers are pre-screened for the loan amount and terms. When borrower is in need of a health loan, Arogya will check that there has been no material change in financial outlook of borrower. Upon approval, hospital or health provider receives the guarantee of payment. Customers can pay back in instalments

Access:

Education and relationship with health provider is critical as a key access point to the financing

Advantage:

Traditionally un-bankable can borrow from and repay Arogya Finance directly leaving them free to get treated wherever they choose to do so

Charging Model:

The loan tenure is from six months to 48 months 0% interest rate for one year, 6% for two years, 8% for three years, 9% for four years. A processing charge of 2% on loan amount is applicable.

Beneficiaries

Customer Base: Benefited 400 people (2014)

Customer Profile: Lower income people who are not included in the formal banking sector



Partnership

Hospitals and medical companies including

Medtronic

Johnson & Johnson

Dr.Reddy's

Results of Success

Operated in 14 states, 84 cities and with 650 hospitals in India

Disbursed 700 thousands USD worth loans with 97% recovery rate