

Rojiroti: innovative microfinance in India

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Rojiroti introduction

It was the financial year ending in the month of March 2019, when Sunil Choudhary, the founder of Rojiroti, sat in his office in Patna (capital of Bihar, one of the states in India) pondering about the future of his organization, Rojiroti a microfinance Institution (MFI) he had established under the aegis of Centre for Promoting Sustainable Livelihood (CPSL) an Non-Governmental Organization (NGO) in Bihar, one of the poorer states of India. Rojiroti during the past 20 years had received many accolades for its microfinance model and was considered as one of the key catalysts of change in the society it served. While these achievements of Rojiroti were commendable, it was facing major challenges related to its growth and the interest of its large manpower with tested competence to work in the field. Sitting between the balance sheets, annual reports and reports on MFIs, Choudhary was pondering over the roadmap of his organization. He was not clear, what would be the best option, among the many floating in his mind. One option, was to scale up, expanding it geographically to other districts of Bihar and further to the largest state of India, Uttar Pradesh and neighboring states like Odisha, Chhattisgarh, Madhya Pradesh. But this scalability needed professionalism, which had to be incorporated in the system while the key activities so far in the organization was rudimentary fitted to the needs of local people. For e.g. even when the market was technology and process driven activities like money disbursement and recording of transactions were done manually. Recently he had initiated a pilot project on digitization of transactions but he realized it would take its own time. Rojiroti had been focusing on capacity and skill building of its members, which made its business model unique but would that stand test of time? Choudhary was feeling anxious about future impact of his model with the influx of new technologies in the sector. His age was catching up and if ever, he might have had to shut down business, entire corpus would go into the hands of the government. He knew that all the stakeholders of CPSL had worked really hard, and it was his responsibility to ensure their well-being, mentally, as well as financially. To keep them involved and motivated to work and to ensure their interests, he needed to design an appropriate strategy for the future. Switching to the non-banking financial corporation (NBFC) was also an option or Rojiroti could complement existing MFI framework on a larger canvas. As a leader he had to be ahead of time but not rigid. Which of his decision would ensure so, he asked himself?

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Rojiroti founder

Sunil Choudhary (Chaudhary hereafter) had a humble origin. Hailing from a village of one of the backward districts Madhepura, Bihar^[1], he pursued a course in rural management at a reputed institution, namely, Xavier Institute of Social Service Ranchi. His Institute deputed him to District Rural Development Agency during 1986 and 1987 for escorting Integrated Rural Development Program focused on promoting bee keeping as an occupation. For almost a decade during 1987 to 1998, he was instrumental in community mobilization with Church's Auxillary for Social Action, Kolkata. Its primary objective was to strengthen the

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