

Annapurna Finance: Providing support to women entrepreneurs during difficult times.

Balod, Chhattisgarh: Satyabati Patel belongs to a small village of Aamapada, situated in Balod district of Chhattisgarh. Her life-transforming journey from being a widow and a mother of three children, to a successful entrepreneur, is an inspiration to many.

Like most of the rural women in India, Satyabati got married at a very young age. She along with her husband Santosh Patel were in the family business of selling vegetables in Balod. The sudden demise of her husband changed her world drastically. Unprepared to bear the loss, she had the sole responsibility of her household and three children. With innumerable difficulties in meeting her daily household expenditures, she was determined to transform her family's life. Her unaltered motivation to educate her children kept her persuasive

While Satyabati was looking for avenues to improve the economic condition of her family, this is when she learned about Annapurna Finance and its microfinance collateral free loan offerings. She immediately became a member and received her first loan amount of Rs. 20,000.

She utilized the loan amount to expand her vegetable business. Gradually, she started making profits and successfully repaid her first loan amount.

Satyabati has been associated with Annapurna Finance for the last six years and is currently going through her third loan cycle of Rs. 40,000. To increase her income with better profits, she is supplying vegetables to the nearby schools.

She is now leading a financially stable and respectable life in the society. She is a proud mother who was able to provide education of repute to her children. Two of her sons are now married and well employed while the youngest son is studying in a reputed school.

Today, Satyabati has not only become an example of being a successful entrepreneur but also has become an inspiration to every woman amidst the entire village. Despite the circumstances, she did not lose hope and was determined to support her family. She attributes her success to Annapurna Finance that provided her with the required financial support to establish her business.

In Satyabati's own words, "I am thankful to Annapurna Finance who changed the entire course of my life by providing the required financial stability I needed. Annapurna Finance team's positive approach and the timely credit availability kept me loyal towards the company. I will approach the same organization if I would need any financial support in the future."

Annapurna Finance Pvt. Ltd (AFPL) was established in 2009, and is now one of the top ten non-banking finance companies providing microfinance (NBFC-MFIs) in India. It has its roots as a part of a not-for-profit entity reaching the underserved areas of the state of Odisha and addressing the economic

necessities of poor women. Odisha is still an important part of Annapurna's operations, and the company headquarters is located in Bhubaneswar.

In 2013 Annapurna registered itself with the Reserve Bank of India (RBI) as an NBFC-MFI. The company offers mainly group loans to women residing in rural areas of India. The gross loan portfolio of the company reached to ₹2354 crore (EUR 295 million) on December 18th, reaching 1.4 million clients. The portfolio consists mainly of microloans.

The Indian microfinance sector has come a long way. As per industry data, the overall Microfinance loan portfolio stands at INR 2,31,778 crores as on September 30, 2020 serving 5.71 crore unique borrowers (of which 99% plus are women and for most of whom this would be the first credit facility in their life) with 10.50 crore loan accounts. The microfinance industry operates across 28 states and 4 Union Territories with the network of 14,080 branches with 1,09,521 employees. For an industry almost written off in mid-2011 after the Andhra Pradesh (AP) crisis, this is no mean feat indeed.

NBFC-MFIs are the only regulated financial institutions in the country which give unsecured loans to the borrowers from low income households. These institutions fill an unfunded credit gap for women who do not have the wherewithal to provide collateral or security of any sort. The aim of NBFC-MFIs is to build sustainable livelihoods. Through providing last mile financial services even to clients in remote rural areas, these institutions promote the Government's financial inclusion agenda.

NBFC-MFIs are an important partner for Prime Minister MUDRA Yojana and almost 50% of the loan disbursements under this programme have been done through microfinance companies. NBFC MFIs are registered with the Reserve Bank of India and are stringently regulated right from the size of loan, the tenure, the rate of interest and a Fair Practices Code (FPC) and an Industry Code of Conduct (CoC) which governs their functioning. The Reserve Bank conducts regular supervision of all NBFC MFIs.

For further information please connect with:

Bhumika Panda | bhumikapanda@mfinindia.org | +919717738499

Sonia Sarin | sonia.sarin@ketchumsampark.com | +91 9910292599

Abhishek Jain | abhishek.jain@ketchumsampark.com | +91 9717663767