



Belstar Microfinance empowering women to actively participate in the economy through financial inclusivity

Madhya Pradesh, 12th December 2022: The microfinance industry is bridging this gap by reaching out to marginalized rural India and empowering women to become financially independent, thus improving their livelihood. Belstar Microfinance – a NBFC-MFI has been working towards the financial upliftment of underprivileged women and giving them means to uplift their living standards.

One such incredible and inspiring story is of Sugan Bai from Madhya Pradesh who stitched clothes and managed earning INR 500 only per month. Her income combined with her husband's daily wages was insufficient to support their family along with the education of her son. When circumstances seemed impossible, Sugan took matters into her own hands and, with the help of self-help group (SHG) affiliation, started training under various programs offered by Hand in Hand India.

After the completion of her training, she took a small credit support (microfinance loan) from Belstar Microfinance and acquired a motorized sewing machine. She started her leather bags manufacturing enterprise at home with help of the machine.

With the continuous support from Hand In Hand India, she was able to identify different sales platforms and exhibitions to help promote her products. After undergoing training in market linkages, customer service and business development, she saw a significant increase in her product sales. By regularly selling her products through the SHG system, her business gradually grew larger, and her income increased along with it.

Sugan has come a long way from having no background on business to being a well-connected businesswoman. Through her earnings and savings, she was able to purchase a plot and start the construction of her dream house. She is a true wonder woman to her son, having worked day and night to put him through school and make sure he emerges victorious in all his aspirations.

Sugan expressed her gratitude for Belstar Microfinance and said, "I am immensely grateful for the support I received from Belstar Microfinance. I was able to start my business successfully due to the loan provided by them."

Women play an essential role in the economic development of their families and communities, but many impediments such as poverty, unemployment, low household income, and social discrimination - mostly in developing countries - have hindered their ability to effectively perform that role. However, with the help of government initiatives and microfinance institutions, women entrepreneurship is growing rapidly in India, which in turn is improving their living standards, health, and education.

Background Note:

Belstar Microfinance: Belstar Microfinance Limited (Belstar) is a Non-Banking Finance Company (NBFC) and a subsidiary of Muthoot Finance Limited. The goal of the company is focused on providing digital financial inclusion to micro-entrepreneurs. The entity is a microfinance institution, working to curb poverty and provide financial empowerment since 2008.



Microfinance Industry: The Indian microfinance sector has come a long way. As per industry data, Microfinance loan portfolio stands at INR 2,85,441 Crores as on March 31, 2022, serving 5.8 crore unique borrowers with 11.3 crore loan accounts. 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 56 NBFC-MFIs and 41 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.