

Radiant Success: Diamonds, Loan, and Transformed Lives

Gujarat, 01 June 2023: Microfinance has played a significant role in promoting financial inclusion. It has developed into a potent catalyst for economic empowerment and acts as a steppingstone to a better future by providing access to financial services.

Over 60 crore women have benefited significantly from easily accessible, unsecured loans, according to the **Microfinance Institutions Network (MFIN)**. About 30 crore families have benefited from this credit. Microfinance has become a major force in India, empowering women by providing them with opportunity to improve their sense of self-worth, self-confidence, and employment.

Amidst dwindling agricultural incomes and soaring living costs, **Jatapara Savitaben Hanubhai** and her family refused to surrender their dreams of a better life. With her son working as a daily wage in a diamond polishing unit, they sought ways to augment their earnings. However, the expensive diamond polishing machines posed a significant obstacle. Undeterred, Savitaben made a crucial decision to secure a loan that would not only bolster their income but also pave the way for job creation.

Reflecting on their journey, Savita shares, "Around 18 months ago, we took a loan, and since then, there has been no turning back. Starting with just one machine, we now operate two machines, generating a monthly income of approximately Rs 40,000-45,000." Savita expresses her satisfaction with the loan process, stating, "Our experience with **Light** has been truly remarkable. The loan was disbursed seamlessly and the EMIs are collected from the comfort of my home."

Together with her son and their team, Savita polishes an impressive 3,000 diamonds each day. Residing in the Botad district of Gujarat, Savita's enthusiasm for their flourishing business led her to secure an additional loan from the company. Operating from 8 am to 7 pm, their enterprise has become a beacon of opportunity and progress for the local community.

Proudly, Savita declares, "*I have provided employment to seven women and two men on a daily wage basis. Their employment depends on the workload we receive and during busier periods, these individuals can earn up to Rs 10,000 – 12,000 per month.*" Witnessing the positive developments, Savita emphasizes that this achievement aligns with the vision of a rising and self-reliant India, where everyone has the chance to pursue their dreams.

Background Note:

Light Finance: Light is a Non-Banking Finance Company registered with the Reserve Bank of India. Headquartered at Ahmedabad, Gujarat, Light provides micro and meso finance products and services with gender and poverty-focused programs, targeting rural and peri-urban areas, with a specific focus on poor women. The company operates in Gujarat, Rajasthan, Madhya Pradesh & Haryana and is one of the fastest growing companies in India today.

The company is driven by a high-caliber, passionate and professional team with a grand vision of becoming the leading products and services company in India while maintaining a clear focus on execution.



Microfinance Industry: As on December 31, 2022, the microfinance industry served 6.4 crore unique borrowers, through 12.6 crore loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of INR 3,20,584 crores. GLP as on December 31, 2022, showed an increase of 25.2 per cent YoY over INR 2,56,058 crores as on December 31, 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.