



Light Microfinance: Empowering women to be improve their livelihood through microfinance loans

Madhya Pradesh, 17th November 2022: As of June 30, 2022, the microfinance industry serves 6 crore unique borrowers, **11.8 crore** loan accounts with a portfolio of **₹2.93 lakh crore** according to a report by Microfinance Institutions Network (MFIN). Microfinance institutions (MFIs) are assisting women with easy collateral-free loans to raise their livelihood and family income.

Light Microfinance is one such organization that facilitates economic improvement in the lives of millions of low-income individuals. Beena Kamdar is one of the beneficiaries of the easy collateral loans provided by Light Microfinance. The support from the organization transformed her life and made her financially independent.

Barely eighteen years old, Beena was married and became a mother of two before she turned twenty. She was good in academics however her family did not permit her to pursue her studies further. Always brilliant in her studies, her dreams were cut short, but her zeal to become economically independent never died. As years passed, she got busy as a homemaker with her household chores.

Though seven years ago, her dreams were rekindled when one of her relatives suggested she should try selling sarees at her home. Beena, who belonged to a conservative family did not receive any opposition from her husband or family as the work kept her at home. She never anticipated that this small initiative would change her life forever.

Beena has been associated with Light for over two years now. She completed her first loan of Rs. 50,000 and has now taken another loan of Rs. 85,000 to expand her business.

Commenting on her business she says, *"I buy items worth Rs 1 lakh every two weeks as my store has a huge footfall. It has become one-a stop store for women in the area and I hardly get any time for household chores now."*

Beena quips, she was always talented but was never given an opportunity to gain experience by her parents. *"My education was stopped when I was just in class eighth and I could not study further. But I never let my education become a hurdle,"*

Today she owns a general store for ladies where women can buy everything right from cosmetics to artificial jewelry to clothes, etc. She earns around Rs 1,000 – Rs 2,000 every day and is happy and content the way her growth has been.

"In Madhya Pradesh, people in rural areas continue to be uncomfortable with women of the family going out for jobs. Thus, working from home as an entrepreneur is a great solution for economic independence," **Beena further adds**

Nehal Shah, Chief Business Officer, Light Microfinance says, *"Light Microfinance is committed towards women empowerment. The company has 13 branches in the state of Agar Malwa, Badnagar, Ujjain, Indore, Jaora, Mandsaur, Ratlam, Thandla, Hoshangabad, Guna, Shamgarh, Jeerapur, and Biaora. And we will soon be opening our branches in Jhabua, Dabra, Jhansi, Rewa, Satna, Sidhi, Chattarpur, Anuppur, Mandla, Umeria, Berasia Bhopal, Ganj Basoda, and Nasrullaganj."*



Women play a crucial role in the economic development of their families and communities but face numerous obstacles daily such as unemployment, low household income and societal discrimination. These issues have hindered their effective performance in economic development. With the help of microfinance institutions, women's entrepreneurship is growing at a rapid rate in the world, enhancing improvement in their living standards, health, and education.

Background Note:

Light Microfinance: It is a Non-Banking Finance Company registered with the Reserve Bank Of India. Headquartered in Ahmedabad, Gujarat, Light Microfinance 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 and Madhya Pradesh and is one of the fastest-growing microfinance companies in India today.

Microfinance Industry: The Indian microfinance sector has come a long way. As per industry data, Microfinance loan portfolio stands at INR 2,93,154 Crores as on June 30, 2022, serving 6 crore unique borrowers with 11.8 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 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.