

## Beating All Odds to Achieve Success

**Varanasi, 11 June 2023:** Microfinance encourages financial inclusion and empowers disadvantaged groups including women and those with low incomes. It empowers women to explore entrepreneurship and earn stable income through accessible financial services. Microfinance encourages economic freedom by challenging gender stereotypes.

According to a report by the **Microfinance Institutions Network (MFIN)**, more than 6 crore women have taken advantage of easily accessible loans, which has helped 30 crore families improve their quality of living. By empowering women to forge a better future for themselves and their communities, it acts as a catalyst for transformative change.

One such case is of **Pramila Devi** who defied challenges and emerged as a resilient entrepreneur. She hails from Varanasi district of Uttar Pradesh. A few years ago, her family faced financial hardships as her husband's meager income from weaving fell short of meeting their basic needs, including food. Taking matters into her own hands to support her family, Pramila embarked on the journey of opening a small grocery shop near her home.

Introduced to **Muthoot Microfin** by a friend, she swiftly became a part of a neighbourhood Joint Liability Group (JLG) and secured her first cycle loan of ₹25,000 to kickstart her business. With the microfinance loan, Pramila successfully established the shop and stocked it with essential commodities. Within a few months, her diligent efforts paid off as she started earning a steady and respectable income.

Hardworking Pramila did not stop there, she decided to open a tailoring unit and availed a second cycle loan of ₹45,000 to buy a new sewing machine. Pramila's dedication ensured the success of her new venture, supported by her husband who brought in orders. Now earning around ₹25,000 monthly from both businesses, she has also provided employment within her community.

Expressing her gratitude towards **Muthoot Microfin**, Pramila states, *"Thanks to Muthoot Microfin's seamless and timely loan services, I was able to kickstart my own business. It enabled me to open a grocery and tailoring shop, providing a steady income for my family. As I strive to expand my business in the future, I am excited to maintain my association with Muthoot Microfin."*



## **Background Note:**

**Muthoot Microfin Ltd:** Muthoot Microfin Limited (MML), the microfinance arm of Muthoot Pappachan Group is one of the leading and fast-growing microfinance institutions (NBFC-MFI) in India. The company is focused on providing micro-loans to women entrepreneurs with a focus on rural regions of India. Their microfinance operations are designed to promote entrepreneurship among women and inclusive growth. They provide financial assistance through micro loans such as income generating loans to women engaged in small businesses. Delivering financial services to masses including underprivileged and disadvantaged people, living in the rural sectors of the Indian society at affordable terms, in quick turnaround time and with hassle-free processing is the aim of their financial inclusion drive.

**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.