



SATYA enhances financial inclusivity in rural India through microfinance loans

Punjab, 6th January 2022: Financial inclusion is a key enabler for the sustainable growth of the country. Equal participation and financial independence of women are integral for economic growth. Microfinance institutions provide financial inclusivity to these marginalized groups and uplifts their standard of living. According to a report by Microfinance Institutions Network (MFIN) 'Micro Matters: Macro View – India Microfinance Review FY 2021-22', over 60 million women are at present being reached through these small, easily serviceable, collateral-free loans and it is positively impacting as many as 300 million families.

One such story is of Karamjeet Kaur, a resident of Samrala in Ludhiana district of Punjab. She lives with her husband and two children. Her husband works as a truck driver for long hours to provide livelihood for his family and the earnings was insufficient to provide education of repute for their children.

The very sight of private school going children on the street would sadden her as she was unable to send her own kids to the private school. She herself couldn't attend school because of financial and societal barriers and she aspired to provide her children with an education in a well-established school.

This determination ignited a spark in her to contribute to the family's income. She wanted to make sure that her children lived life with good living standards and quality education. With such intention, she approached the local moneylender as well as the nearby banks for a small loan to start her own cosmetic shop but was refused due to lack of any collateral security.

With her hopes shattered, she continued with her normal work when one fine day she heard about SATYA MicroCapital Limited that supports women entrepreneurs financially to start their own business. She immediately rushed to SATYA with her proposal which was taken up with gravity and the process of funding soon started. She received a loan of INR 35,000. Luckily, her business took off and she got a lot of work. She earns INR 1200-1500 per day. This earning enables her to educate their children in a private school.

Talking about her journey, she said, *"I am truly grateful to SATYA for transforming my children's and my life. If today I return home satisfied after working the whole day happily, it is only because of the efforts of SATYA and its team."*

Microfinance has many intangible benefits other than just helping in financial upliftment through loans. It has significantly expanded women's participation in the owned account enterprises at the foundation of the socio-economic pyramid of the Indian economy both qualitatively and quantitatively.

Background Note:

SATYA MicroCapital Limited: SATYA MicroCapital Limited is a Delhi based, RBI-registered "NBFC-MFI" which launched its microfinance operations in January 2017. In a short span of Six years, SATYA has registered an impressive growth and has emerged as one of the fastest growing Highly Technology driven Micro Finance Institutions in the country.

Microfinance Industry: As on September 30, 2022, the microfinance industry served 6.2 crore unique borrowers, through 12.0 crore loan accounts. The overall microfinance industry



currently has a total Gross Loan Portfolio (GLP) of INR 3,00,974 Cr. as on September 30, 2022, showed an increase of 23.5 per cent YoY over INR 2,43,737 Cr as on September 30, 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 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.