



## Microfinance empowering Sulochana Devi towards financial independence

**Karnataka, 13<sup>th</sup> March 2023:** Microfinance has emerged as a significant tool for facilitating women's empowerment in India, providing them with access to financial services, initiating and expanding small businesses, accumulating assets, and enhancing their overall quality of life. According to a report by Microfinance Institutions Network (MFIN), over 60 million women are currently being reached through small, easily serviceable, collateral-free loans, impacting as many as 300 million families.

Microfinance aims to alleviate women's poverty by generating employment opportunities and promoting gender equality by breaking the barriers to women's economic participation. The underlying rationale of this endeavour is to ensure equitable access to microfinance services, comprising credit, savings, and micro-insurance, for individuals belonging to low-income strata, thereby facilitating the initiation or expansion of their business ventures.

The story of **Sulochana Devi** and the challenges she faced is one such inspiring instance of how microfinance impacts women. 53-year-old Sulochana Devi resides in Karnataka's Halasi village with her married son and his family. As the house's primary breadwinner, she supported her family by being a daily-wage laborer for the government's road-laying programme in her village. Post the pandemic, during which she faced financial struggles, including losing her job, she decided to start a modest business to regain financial independence.

Having heard of **Vaya Finserv Private Ltd.** from her other peasants, she obtained a loan of Rs. 30,000 to purchase goats and cattle. As her income scaled up gradually, she could repay her loan and support her family.

**Expressing her gratitude to Vaya, Sulochana Devi, said, "I am immensely grateful to Vaya Finserv Private Ltd. for assisting me with financial aid in my times of need. Without their aid, I would not have been able to stand on my feet and be financially sound and independent."**

With her efforts and the support of Vaya, Sulochana Devi, has earned respect for herself among her community for establishing herself and single-handedly supporting her family.

### Background Note:

**Vaya Finserv:** Vaya Finserv is a next generation NBFC-MFI which uses the peer group lending model to offer unsecured, income-generating loans. With 5.10 lakh customers across 7 states and 266 branches, Vaya has one of the fastest-growing microfinance networks in the country. Through the implementation of effective, tech-savvy models Vaya has enabled the integration of unbanked, underserved low-income women entrepreneurs into the formal economy.

**Microfinance Industry:** As on June 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. GLP 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.