



Muthoot Microfin Limited: Sewing Dreams of Entrepreneurship in Puducherry

Puducherry, 10th March 2022: The Microfinance industry has been playing a vital role in transforming the lives of many aspiring women by helping them become financially independent and self-sufficient. Microfinance institutions like Muthoot Microfin offer financial solutions to the vulnerable communities and have provided extensive support to its women borrowers lead a stable life. The inspiring story of Jeenath. P from Govindhasalai of Puducherry portrays how determination and hard work bring success.

Jeenath has been running a tailoring unit since last seven years. She had to face numerous challenges in the initial days as she was unable to manage the daily expenses from the income of her business. It was only two years back when there was a dramatic transformation in her life post her association with Muthoot Microfin.

Jeenath was determined to pave the path of hardship to become a successful businesswoman. She was introduced to Muthoot Microfin by her family friend when she was looking for avenues to renovate her tailoring unit. The microcredit officer explained the benefits of the easy, hassle free collateral free loan and its procedures. By receiving apt information, she joined a Joint Liability Group immediately. This decision proved to be a turning point in her life.

Jeenath availed her first loan cycle of Rs 20,000 to purchase necessary raw materials that included an electric sewing machine with embroidery facilities. With the support from Muthoot and her perseverance, there was a steep increase in her er client within a month and the profit soared to Rs 2000 a week from a meagre Rs 500 earlier.

Today, she is content with her earnings and is able to manage the financial needs of her family. Nothing could stop her now. With her confidence and determination, she expanded her business and created employment opportunities for four other families in her locality. She is now working with a wider vision of adding more product lines in her existing setup where she has recently introduced embroidered clothes by using her sewing and embroidery skills.

Jeenath has been a role model to various other women in her village. She did not lose hope and courage during difficult times and decided to become independent. Expressing her gratitude, Jeenath credited “Muthoot Microfin for their assistance and handholding during trying times and exclaimed” I dedicate the success of my business to Muthoot Microfin for the timely financial assistance extended and I will recommend them amongst to everyone I know who wants to succeed in life”.

Muthoot Microfin Limited (MML) is a part of the Muthoot Pappachan Group (MPG). MPG is one of the leading business conglomerates, with presence in multiple verticals. Muthoot Microfin Limited is a leading microfinance institution focussed on providing micro loans to women customers predominantly in rural regions of India.



The company follows joint liability group (JLG) model of microfinance. Clients are organised in groups of four to ten women from economically weaker sections of society, living in rural and semi-urban areas or urban slums. The microfinance operations of the company are designed to promote entrepreneurship among women and inclusive growth. The institution provides financial assistance through micro loans such as income generating loans to women engaged in small businesses.

As per industry data, Microfinance loan portfolio stands at INR 2,43,737 Crores as on September 30, 2021, serving 5.65 crore unique borrowers with 10.52 crore loan accounts.

NBFC-MFIs are the only regulated financial institutions in the country that give unsecured loans to the borrowers from low-income households. These institutions fill an unfunded credit gap for women who do not have the wherewithal to provide collateral or security of any sort. The aim of NBFC-MFIs is to build sustainable livelihoods. Through providing last mile financial services even to clients in remote rural areas, these institutions promote the Government's financial inclusion agenda.

NBFC-MFIs are an important partner for Prime Minister MUDRA Yojana and almost 50% of the loan disbursements under this programme have been done through microfinance companies. NBFC MFIs are registered with the Reserve Bank of India and are stringently regulated right from the size of loan, the tenure, the rate of interest and a Fair Practices Code (FPC) and an Industry Code of Conduct (CoC) which governs their functioning. The Reserve Bank conducts regular supervision of all NBFC MFIs.

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