



Muthoot Microfin: A helping hand for women to achieve adequate and equitable sanitation

West Bengal, 17th June 2022: The Microfinance industry has been bridging the financing gap and reaching people living at the base of the economic pyramid by offering collateral-free easy credit. The industry has been successfully contributing towards the practice of hygiene and safe drinking water amongst vulnerable communities. Moreover, safe water and improved sanitation structures within household premises save time that is then utilized for income generation activities by low-income households.

In line with Government of India's Swachh Bharat initiative, Microfinance companies are also taking a step forward to promote sanitation in rural villages of India and to motivate women borrowers to use proper sanitation facilities as this initiative effectively leads to improved productivity and socio-economic wellbeing. Muthoot Microfin is a pioneer in product innovation which addresses the life cycle needs of disadvantaged communities living in the remote corners of the country. One such product is Sanitation Improvement Loan.

The story of Jahanara Bibi, a resident of Baraberi, a small village in Hooghly district of West Bengal is truly inspiring. Newlywed Jahanara Bibi was embarrassed and quite upset when she came to know that there was no toilet in her husband's house, and she had to go to the open field to defecate.

Jahanara was even more surprised to learn that most of the households in the village didn't have toilet facility and all of them follow the same practice. The lack of a toilet in the house was a big challenge for her. She was determined to build a toilet in the house.

All her efforts to get fund to build a toilet and avail a proper sanitation facility failed, as she was unable to find collateral security demanded by local moneylenders.

Jahanara Bibi was forced to follow the practice of open defecation until she was introduced to Muthoot Microfin by a common friend. She was amazed with Muthoot Microfin's easy and collateral free loans to ensure proper sanitation facilities in rural India. Before being associated with Muthoot Microfin, Jahanara had no idea that it was possible for her to get microcredit as Sanitation Improvement Loan in such simple terms.



Jahanara immediately applied for her first loan from Muthoot Microfin to build a household toilet and within a day it was approved. The construction was completed in a week's time. Currently Jahanara Bibi and her family have a toilet at home and are practising healthy sanitation.

Her strong will and determination for a clean sanitation system makes her a role model for those women in the village. Following Jahanara's footsteps, now every single household in the village plans to build a toilet at their home.

A joyful Jahanara Bibi decides to sensitize other women about the need for an in-house toilet and says "I thank Muthoot Microfin for the quick and easy collateral free loans. I was able to provide a proper sanitation to my family. I shall continue to associate with the institution for making my village a complete open defecation free place in the near future".

.....

Background note:

Muthoot Microfin Limited (MML): Muthoot Microfin Limited (MML) is the microfinance arm of Muthoot Pappachan Group (MPG). MML 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. The company has adopted joint liability group model of microfinance, which caters exclusively to women in lower income households.

Microfinance Industry: The Indian microfinance sector has come a long way. As per industry data, Microfinance loan portfolio stands at INR 2,85,441 Crores as on March 31, 2022, serving 5.8 crore unique borrowers with 11.3 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 41 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.

For further information please connect with:

Bhumika Panda | bhumikapanda@mfinindia.org | +919717738499

Sucheta Ghosh | sucheta.ghosh@ketchumsampark.com | +919875325692