

## **Satin Creditcare – Ensuring Financial Independence of women in Rural India.**

**Punjab, 13<sup>th</sup> July, 2021:** Sarabjeet Kaur, a housewife and mother of two kids, is a resident of Bajewala village of Mansa district in Punjab. Her husband Jasir has been a farmer for a decade. However, due to an uncertain climate and severe damage to crops, the family struggled for an earning to manage the basic household expenditures for several years. Watching her husband struggle for a couple of years, Sarabjeet decided to contribute to the overall household income, thus ensuring all the basic needs are met in terms of education, food, and shelter.

While lack of education and sufficient savings was one of the biggest challenges faced by Sarabjeet, she decided to use her stitching skills for commercial purposes. While discussing the idea with one of her neighbours, she learnt about Satin Creditcare, an NBFC-MFI that offered collateral free loans to women entrepreneurs to increase their financial capabilities. Understanding the benefit and loan repayment procedure/EMIs that could contribute towards the growth of her business, she availed a loan amount of Rs 30,000 to purchase a sewing machine. Steadily, with sheer hard work & dedication, her business grew and so did her income. Considering she was operating out of her house, she continued with her tailoring business during lockdown and did not avail for the Moratorium as announced by the RBI. She continued repaying the loan instalments on time.

With an ease with lockdown, Satin CreditCare offered her a PRAGATI loan of Rs 15,000 in June, to ensure financial stability during trying times.

As the saying goes **‘No amount of learning goes waste’**, Sarabjeet Kaur has proved this right by converting her basic skill of stitching into a primary source of earning. Sarabjeet is now leading a decent life, and the household is now earning twice as much they used to before associating with Satin Creditcare. She is thankful to Satin Creditcare, who helped her succeed and achieve her goals She looks forward to long and fulfilling associations with Satin Creditcare in the future.

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**About Satin Creditcare** NBFC-MFI is primarily based on the Joint Liability Group model, which allows us to provide collateral-free, microcredit facilities to economically active women in both rural and semi-urban areas, who otherwise have limited access to mainstream financial service providers. We also offer loans to individual businesses and Micro, Small & Medium Enterprises (MSMEs), product financing for the purchase of solar lamps, as well as loans for the development of water connections and sanitation facilities.

With operations spanning 23 states and union territories across India including Uttar Pradesh, Bihar, Madhya Pradesh, Punjab, Haryana, Rajasthan, Uttarakhand, Maharashtra, West Bengal, Gujarat, Jharkhand, Delhi & NCR, Chhattisgarh, Assam, Odisha, Himachal Pradesh,

Tamil Nadu, Karnataka, Chandigarh, Jammu & Kashmir, Meghalaya, Tripura and Sikkim, Satin Creditcare maintains a focus on rural and semi-urban areas, ensuring that our services reach deep within those numerous regions that usually face low or at best, moderate rates of penetration by other microfinance institutions.

The Indian microfinance sector has come a long way. As per industry data, the overall Microfinance loan portfolio stands at INR 2,59,377 crores as on March 31, 2021. 5.93 crore unique borrowers (of which 99% plus are women and for most of whom this would be the first credit facility in their life) with 10.83 crore loan accounts. The microfinance industry operates across 27 states and 5 Union Territories with the network of 14,673 branches with 1,19,634 employees. For an industry almost written off in mid-2011 after the Andhra Pradesh (AP) crisis, this is no mean feat indeed.

NBFC-MFIs are the only regulated financial institutions in the country which 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.

**For further information please connect with:**

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