



Utkarsh Small Finance Bank: Micro-credit brings access to finance for rural women and leads to a brighter future

Odisha, 10th March 2022: Micro-credit has been playing an instrumental role in addressing the needs of marginalised sections of the society and working towards financial Inclusion. The microfinance industry has helped in transformation of numerous lives of underprivileged people.

Manorama Sahu of Ekadashi village, Odisha lived with her husband and three children. Her husband was a daily labourer and earned Rs. 150-200/- a day. Moreover, being a labour, there was no certainty of getting work on a daily basis. The low wage and poverty severely impacted their lives.

A worried Manorama was seeking financial assistance however collateral free assistance was a challenge. This is when one of her neighbours introduced her to Utkarsh Small Finance Bank. She received adequate information about the microcredit loans being offered to underprivileged women to improve their standard of living. Post discussion with her husband, she decided to become a member of Utkarsh Small Finance Bank and received a loan of Rs 20,000 to open a small hotel within their locality.

She single-handedly managed the hotel as her husband continued to be a wage labourer to sustain the family and save for their children. The hotel business gradually grew and so did her profits. Manorama maintained her credit score by repaying her first loan on time. With an eligibility of the second loan of Rs. 50,000, she availed the loan from Utkarsh Small Finance Bank in 2021. Her husband joined in to support Manorama. And currently the hotel is being managed by the couple together. By receiving the microcredit loan at the right time, the family now is living with an improved lifestyle and the children are being encouraged for their higher studies.

With sheer hard work and a little support from Utkarsh, Manorama pulled her family out of poverty and is now leading a stable and respectable life in her village. Expressing her gratitude towards Utakarsh SFB, she exclaimed, "I am indebted to Utkarsh Small Finance Bank for changing the entire course of our lives. They stood beside us in times of need. We are leading a meaningful life with dignity only because of the financial assistance provided by Utkarsh to start our business. I shall always be grateful to Utkarsh"

Utkarsh Small Finance Bank is a proud solitary Small Finance Bank from Varanasi. Established in 2009 with the mission to empower the low-income group financially, it has reached to new heights today. The objective of our bank is 'Ummeed' - giving hope to customers for fulfilling their dreams and needs. Over the years, we have extended our services to 112 Districts of 11 States. Today we boast a Customer Base of more than 15 Lakh satisfied customers with 400 Banking Outlets.

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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