

## Micro Loans

### Overview

Prayas Financial Services Private Limited (PF SPL) offers micro loans (JLG Loans) designed exclusively for **women in groups of 3-25 members**.

- Members mutually guarantee each other's loans.
- If one member defaults, the group collectively and socially takes responsibility.
- Loans are with voluntary **Credit Life Insurance** and **Hospicash**.

### Who Can Apply?

- Women only (age 18-60 years)
- Must form a group of 3-25 members
- A co-borrower is required (spouse/earning family member)

### Loan Details

- **Loan Amount:** Max upto Rs. 1,50,000
- **Tenure:** Max upto 36 months
- **Purpose:** For Income generation
- **Repayment:** Monthly instalments with 30-60 days moratorium for 1st EMI
- **Security:** Unsecured loan (no collateral required)
- **Prepayment:** Allowed anytime, no penalty
- **Late Payment:** No penalty, but timely repayment needed for next loan eligibility

### Key Benefits

- Amount increases with each cycle.
- Sourced directly by Prayas staff hence no commission needs to be paid.
- Loans exclusively for women-led groups

### Disbursement & Payment

- Loan disbursed to bank account directly.
- Repayment through:
  - QR code on loan card
  - Cash collection at group meetings

### Important to Remember

- Group members are **jointly responsible** for each other's loans.
- Credit history with Prayas & bureau impacts future loan eligibility.
- Only loans for approved purposes are allowed (negative list applies).

**Disclaimer :** Loan is subject to eligibility, credit checks, and company policies as per RBI guidelines.