

## **Microfinance lends a support to women entrepreneurs**

**Madhya Pradesh, September, 2019:** Santosh Bai is a resident of Village Ghasoi in Mandsaur district of Madhya Pradesh with her family. She runs a small shop of iron sickle manufacturing along with her husband and brother-in-law and also do farming in 3-4 bighas of land. Santosh started her business with the help of microloan from Fincare Small Finance Bank which operated in her area and provided micro loans for livelihood purposes. Earlier, she was hesitant in joining the Joint-Liability Group (JLG) to avail microloan but after an officer from Fincare explained her the advantages and process of joining the group she readily agreed. With the help of the borrowed money she bought raw materials and set up her sickle manufacturing business. Earlier, they used to manually manufacture the sickles which resulted in the output of just 10 sickles per day. Going through financial difficulties, Santosh Bai decided to expand her manufacturing output which required a power hammer machine for faster manufacturing. Santosh took a second cycle of loan from Fincare Small Finance Bank and bought a power hammer machine that significantly increased her manufacturing output to 100 sickles per day. Santosh now has regular bulk buyers which has helped her business grow significantly.

Similar to Santosh Bai, many women entrepreneurs have benefited from association with Fincare. Fincare is a small finance bank with the objective of furthering financial inclusion. The organisation has helped many local women entrepreneurs to improve their economic status and realise their dreams to improve their quality of life.

According to Microfinance Institutions Network, a self-regulatory organisation and an industry association of microfinance industry in India, women constitute 99% of micro-credit beneficiaries in the country. Institutions offering micro credit such as NBFC-MFIs, Small Finance Banks etc are working towards providing an easy access to financial services to underserved and unbanked population in India.

These institutions fill an unfunded credit gap for women who do not have the wherewithal to provide collateral or security of any sort. Through providing last mile financial services even to clients in remote rural areas, these institutions promote the Government's financial inclusion agenda.