Adhikar Microfinance: Fulfilling the Dreams of Aspiring Women

Dandamukundapur, Orissa: Microfinance has been playing a critical role in helping women to become self-reliant. The growth story of Ranjana Sahoo, a resident of Dandamukundapur, a remote village in Odisha demonstrates the importance of micro-credit in realizing the dreams of aspirational women, who otherwise have restricted access to mainstream banking services.

Ranjana is a mother of two grown-up girls, and her husband runs a small grocery store in the village. She grew the desire to make traditional clay handicrafts after she got a skill training opportunity near her village. She started it as a hobby while learning in the skill camp, not realizing that this could help her create a sustainable livelihood for her family in the long run.

She strived to convert her hobby into a profession and establish a traditional clay handicraft enterprise. However, the paucity of working capital always suppressed her desires. She was starting to lose hope of becoming a women entrepreneur that's when she came across a field officer of Adhikar Microfinance.

The field officer thoroughly explained to her about the joint liability loan model and how it could help her realize her dreams. After understanding the complete process, she signed-up for a loan with Adhikar and took her first loan of Rs. 15000.

With the first loan, she purchased raw materials from the local wholesale market and started her dream project of making traditional clay handicrafts. Using imaginative skills a talent, she started making Aesthetic art pieces of terracotta moulds.

Her art piece received a good response in the market, and soon she started making a profit. With her earned profit, she successfully repaid her first loan and decided to avail the second and third loan from Adhikar to further expand her business.

Today Ranjana is earning Rs. 10000-12000 per month from her business. Showcasing her gratitude towards Adhikar Microfinance, Ranjana says, "It still seems like a dream to me that my hobby has changed into a business. Adhikar made my dream into reality. I am quite happy now and able to contribute to my family's income to improve the standard of living. Also, I can now provide a better life for my children.".

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About Adhikar Microfinance

Adhikar a Non-Banking Financial Corporation – Microfinance Institution (NBFC-MFI) based out of Odisha is governed and regulated by Reserve Bank of India. Our success has been built on the foundation of financial inclusion where we are determined to bring the socially and economically backward people within the reach of financial accessibility. Over a span of 15 years company has touched the lives of 1.50 lakh people through its 84 branches in four states across the country.

They focus on robust digital technology to reach out to customers in remote locations and satisfying the needs of customers. Adhikar is the only MFI in Eastern India to reach the most disadvantage people

in some of the aspirational districts of Odisha, Chhattisgarh, Assam and West Bengal. We cherish this idea and further strengthen it to achieve financial inclusion into a reality.

The Indian microfinance sector has come a long way. Early estimates show that the industry / sector would have closed Mar '19 with a credit portfolio outstanding of nearly Rs 2,00,000 crore serving over 50 million end clients (of which 99% plus are women and for most of whom this would be the first credit facility in their life) across 30 states through an employee strength of over 1 Lakh. 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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