Centrum Microcredit: Boosting Micro-Entrepreneurs in Chhattisgarh

Bilaspur, Chhattisgarh: Microfinance has been playing an essential role in uplifting the lives of many aspiring women by helping them become financially independent. The growth story of Manisha Sahu, a resident of Bilaspur District of Chhattisgarh is no different.

Her husband was working in an Eyeglasses factory, and the meagre income generated by his job was insufficient to support the rising needs of the family of four. The family was barely able to save, with the education of her children being impacted as well. Manisha had to do small jobs, like stitching garments, to help generate an additional income to support her family.

The family was going through a challenging phase of the financial crisis when, unexpectedly, life took a positive turn. One year ago, Manisha heard about few women in her area, joining together to form a group to get a loan and start their business. She approached that group, and engaged with the Loan Officer from Centrum Microcredit who thoroughly explained about joint liability group loan and how it can help her.

After a few rounds of discussion with her family and friends, she decided to join a joint lending group and received her first loan of Rs. 60,000. With this loan amount, she decided to start a business of paper plate manufacturing. She bought a paper plate-making machine and the required raw materials. She installed the machine at her house so that she can look after her children while working.

Gradually, the business started to grow, and she became financially independent to provide support to her family. Her business and the opportunity to earn an additional income has brought in a lot of excitement and hope in their lives.

Today Manisha and her family are leading a respectable life in society. She is delighted that she has become a successful entrepreneur and at the same time, able to can fulfil her duties as a mother. She is obliged and thankful to Centrum Microcredit for supporting her like many other women in their hour of need.

Attributing her success to Centrum Microcredit Manisha Sahu says**, "**I am grateful to Centrum Microcredit for helping me fulfil my dreams, and having made a big difference in our quality of life. I am looking forward to expanding my business and also once the pandemic ends, I will send my children to a better school.**"**

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Centrum Microcredit Limited is a regulated Non-Banking Financial Company (NBFC) – MFI. It provide micro-credit and other relevant financial services to the un-served and under-served women in urban, semi-urban and rural areas. Their aim is to create positive social and economic impact in the lives of low-income households.

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.

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