

## Sambandh Finserve: Uplifting the Life of Underprivileged Women

**Odisha:** The success story of a small scale pottery maker Lilabati Rana, a 36-year-old woman living in Badpatrapali, a small village situated on the outskirts of the Sundargarh district of Odisha is a true testament of the fact that hard work, coupled with skills has the power to change one's destiny.

Having an only hand to mouth resources, Lilabati and her family of five, comprising of her husband, two children, and an old mother-in-law were going through a tough phase of a financial crisis. They had to face hardships to even purchase raw materials for their existing pottery business which further affected their children's education.

She was losing all her hopes to live a better life when one day she stumbled across Sambandh Finserve, and her life took a new turn. Lilabati became a member of Sambandh Finserve which provides financial services to economically backward sections of the society residing in the rural settings who often find it difficult to avail credit through other organized financial institutions.

In March 2018, she availed her first loan of Rs.25000 to expand her existing pottery business. Support from Sambandh in their hour of need, significantly helped Lilabati to gradually improve her family's financial condition.

Lilabati is now leading a financially stable life. She has expanded her pottery business and even providing good education to her children.

Lilabati has been associated with Sambandh Finserve over two years and recommends other women entrepreneurs to join Sambandh.

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**Sambandh Finserve Private Limited (SFPL)**, was founded in 1992 as the Regional Rural Development Centre (RRDC), is based in Odisha. An Oikocredit partner since 2018, it serves women from low-income households in the states of Odisha, Chhattisgarh and Jharkhand.

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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