

Adhikar Microfinance: Empowering aspiring women in Odisha to become self-reliant

Khordha district, Odisha, 2020: Microfinance has been playing a critical role in helping women to become self-sustainable. The growth story of 48-year-old Alima Bibi, a resident of Sunakhelar, a small village in Odisha city signifies the importance of micro-credit in her life along with many other economically active women like her, who otherwise have restricted access to mainstream banking services. Alima’s family comprises of her husband and three school going children. Similar to most of the residents of the village, Alima’s family was succumbing under the pressure of the expenses incurred by the family.

Her husband, a daily wage laborer could only manage to earn the bare minimum he could and the income was always low & irregular. One could see the financial crisis staring at the family, and many a times the family had one meal a day, only Alima, a mother of 3 children could understand the pain & mental torture she had to suffer due to the visible impact of malnutrition on her growing children. Due to lack of financial help and knowledge, they could not even think of establishing a business as there was always a fear of failure and uncertainty in the family.

Alima took some part-time jobs in the unorganized sector, but couldn’t make much of a difference in the deteriorating financial and social conditions of her family. Undeterred from all disappointment, she was determined to improve her family’s situation and had the zeal to start business of her own so that she could become financially independent and lead a dignified life.

She came to know about Adhikar Microfinance, an NBFC-MFI working, through one of the existing Self Help Group (SHG) working in their village and availed a small loan of Rs. 10,000. Afraid at first, but adamant & self-motivated, Alima took the loan and started an egg shop. They use to purchase eggs from the wholesale market and sold it in the shop. Moreover, they also started selling prepared omelettes during evening hours. Slowly, they started earning regular income and returned the loan EMI without failure.

After successful repayment of their loan, they took another loan, and this time they also received financial literacy training from Adhikar, which further enhanced their knowledge and confidence in doing business. With third loan cycle of Rs. 40,000, they established a chicken shop and now their monthly income is Rs. 25,000 to Rs. 30,000 which is a significant raise in their monetary condition.

Alima is now leading a respectable life in the society and is even able to provide good education to her children’s. Adhikar Microfinance changed their entire course of life. It not only impacted their financial condition but also their moral strength as they gained self-confidence. Last year Alima got her daughter married and one of the sons got a job outside Odisha.

She confessed, ***“Adhikar has changed her entire course of life, from uncertainty to a sustainable source of income”.***

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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