

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

**Gujarat, July, 2019:** Manjulaben is a resident of Ambaliyara village, which is located in Kheda district of Gujarat and lives there with her son, daughter-in-law and her husband successfully running a dairy farm. In 2010, she only had cows and used to sell milk in her village which was her only source of income then. They hardly earned Rs 2000- 2500 in a month from this which was not sufficient to meet their needs. Manjulaben wanted to expand their animal husbandry business to improve her income but required a loan to buy more cattle. However, she was not able to get loan from any financial institution, bank or even moneylender. Then she came to know about Disha Microfinance (currently named Fincare Small Finance Bank) which operated in her area and provided micro loans for livelihood purposes. She applied for joint liability group loan and got a loan of Rs 15,000 loan which she used to expand her cattle herd. To further expand her business, she took three cycles of loans. Today, she has 32 cattle and her dairy's per day milk production is more than 100 liters with Rs 1 lakh income per month. According to Manjulaben with the easy and customer-oriented loan procedure of Fincare she was able to improve the economic status of her family and was able to take care of family needs.

Similar to Manjulaben, many women have been benefited from association with Fincare. Fincare is a small finance bank with the objective of furthering financial inclusion. Incorporated in June 2017, Fincare Small Finance Bank has been formed from Disha Microfin, an NBFC-MFI. Disha Microfin was one of the 10 recipients of 'in principle' approval for converting into a small finance bank from Reserve Bank of India (RBI) in September 2015 and received the final licence from RBI to launch banking operations in May 2017. 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.