



Microfinance – Boosting local Handicraft in West Bengal

Microfinance has proven to be a boon to potential women entrepreneurs encouraging them to set-up their businesses making them self-reliable and independent. Further, microfinance institutions impart various skill development training programmes to enhance the self-confidence of the women borrowers making them competent in contributing towards the state's rich Art & Culture. Most important is the proliferation of different types of handicraft which have received an impetus with Microfinance, resulting in a plethora of stories on women entrepreneurship.

In West Bengal, over 23.8 lakh women borrowers have availed Microfinance loans, and many have become successful entrepreneurs. One such aspirational story is of Sutapa who resides in Santoshpur village of Nadia district, one of the important pilgrimages and ancient learning centres of West Bengal. Her family of six included her husband who worked as a bricklayer in Chennai, two kids and in-laws. Her husband's income was insufficient to meet the education and medical expenses of the family. It is with the support of Satin CreditCare, an NBFC-MFI, that Sutapa availed a loan of Rs. 30,000 and started making and selling Dhakai Jamdani sarees, a traditional saree, originating from Bangladesh. With time, her business grew manifold with her husband returning to support her. Today, the couple is a proud owner of 5 handloom machines with a weekly earning of Rs. 4,000.

Mamoni Das, a resident of a small village Kunda Kashipur lived with her husband and two daughters. Her husband drove an E-Rickshaw but the income was insufficient to support the household expenses. With her husband's proficiency in bamboo making, they decided to start a small business of Bamboo products. It is then that she approached Satya MicroCapital and availed a loan of Rs. 45,000. She utilized the loan to purchase bamboo and made products like Tokris, Mats Fans, etc. With her perseverance and timely repayments, she availed additional loans to expand and improve the quality of her products which resulted in increased income of Rs. 15,000/month.

Belonging to a family of traditional weavers, Tarjan Khatun from Debogram owned a handloom unit.. To expand her business, she availed a loan of Rs. 40,000 from Svatantra Microfin. The association proved to be an advantage for her business to sustain the family as she received the loan just before the lockdown. The income earned kept the family afloat during the lockdown period.

For 34-year-old housewife turned micro entrepreneur, Hemlata Debnath from Sreerampore in Nadia district, weaving represented both artistic beauty and a means to improve her livelihood. She had been proficient in weaving as a child however was unable to pursue it as a profit-making business due to lack of capital. She was aware that with the purchase of raw materials in bulk she could increase her production. Adding to her worries, the old loom reported problems and production ceased. This is when she associated with Muthoot Microfin and received her first loan of Rs. 30,000. She utilized it to repair the loom and purchased weaving supplies in bulk. As a result, she could take increased orders resulting in more profits and expand her business of high quality handmade Jamdari saree making. Hemlata's products are very popular due to the richness of their motifs, which are created directly on the loom using the discontinuous weft technique.

It is noteworthy that Microfinance has been able to positively impact the lives of these women for income generation activities, while their products enrich the art and culture of West Bengal.



About Microfinance Institutions Network

MFIN is a premier industry association comprising 58 NBFC-MFIs and 39 Associates including Banks, Small Finance Banks (SFBs) and NBFCs. It is also the Self-Regulatory Organization (SRO) for the regulated NBFC-MFI. By virtue of bringing the NBFC-MFIs under one common umbrella, MFIN acts as a bridge between them and the regulators to build a dialogue for greater transparency, better policy frameworks and stronger client protection standards for responsible lending, thus enabling the microfinance industry to partake in meeting the larger financial inclusion goals.