

## **Fincare Small Finance Bank: Facilitating Entrepreneurial Opportunities to Rural Women in Madhya Pradesh**

**Madhya Pradesh, September 15, 2022:** In serving the credit need of low-income customers, microfinance forms a crucial link in promoting livelihood and inclusiveness. The sector's support to the inclusive growth of the economy by creating jobs, driving businesses, and transforming the lives of millions of aspiring women is noteworthy.

Sumantra Bai, a resident of Bhurrikala in Chhindwara district lived with her husband and two children. Her husband was into agriculture, and she helped her husband on field. Due to lack of rain, the crop cultivated was of poor quality and they had to borrow money on interest by mortgaging the land from the zamindar of the village for the next cultivation. The family was fighting against the hurdles of poor economic condition. This is when one of her neighbour Sushma ji informed her about the joint liability group loans offered by Fincare Small Finance Bank at low interest rate and monthly or quarterly instalments. The loans were provided to women to generate livelihood opportunities and start a business of their own. Initially Sumantra refused considering the debt they already had, and she did not want to add on to the existing troubles by availing another loan.

However, post discussion with her husband she realised to increase the family's income, she could avail the microfinance loan and engage into Animal Husbandry. Later, she met the relationship/loan officer at Fincare and understood the financial offerings and information about the joint liability group loan. Sumantra was extremely impressed by the hassle-free loan proceedings and the way Fincare worked towards financial independence of women by facilitating micro entrepreneurial opportunities.

She availed her first loan amount of Rs. 26,000 and utilised the loan to start her own animal husbandry business. With sheer dedication and hard work, the business started to grow. Her daily earning grew manyfold within a quick span of time. With improved income and savings, she recovered their mortgaged land from the local Zamindar, deposited their instalments on time. Eventually she received a second loan of Rs 37,000 and expanded her business. The couple makes an annual income of approx. 3 lakh per annum with improved standard of living.

Sumantra Bai expressed, "I am thankful to Fincare, which changed the entire course of my life. Today I proudly contribute to our family expenses and participate equally in the decision making. The dream of setting up my own business and having a substantial income would not have been possible without the financial support from Fincare Small Finance Bank and their guidance"



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**Background note:**

**Fincare Small Finance Bank:** Incorporated in June 2017, Fincare Small Finance Bank has been formed from the conversion of 'Disha Microfin Limited', an NBFC-MFI. Disha Microfin was one among the 10 recipients of the 'inprinciple' approval from the RBI in September 2015, an approval granted to select NBFCs and MFIs to set up SFBs with the objective of furthering financial inclusion.

Fincare Small Finance Bank has a suite of smart banking products such as Savings Accounts, Current Accounts, Fixed Deposits, NRI Fixed Deposits, Recurring Deposits, Micro Loans, Cash Overdraft, Loans against Gold, Loan against property, Institutional Finance and Two-wheeler Loan. Fincare SFB serves over 28+ Lakhs customers across 19 States/UT. The Bank also has over 700 + Banking outlets with a workforce of over 8000+

**Microfinance Industry:** The Indian microfinance sector has come a long way. As per industry data, Microfinance loan portfolio stands at INR 2,85,441 Crores as on March 31, 2022, serving 5.8 crore unique borrowers with 11.3 crore loan accounts. The sector comprises RBI-regulated microcredit providers including NBFC-MFIs, Banks, Small Finance Banks, Business Correspondents, and others.

**MFIN (Microfinance Institutions Network):** MFIN is a premier industry association comprising 56 NBFC-MFIs and 41 Associates including Banks, Small Finance Banks (SFBs) and NBFCs. By virtue of bringing all microfinance entities 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.

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