

## **Satya Microcapital: Working Strongly for Artisans of Bamboo Handicraft**

**Jharkhand:** Microfinance is working strongly towards supporting the artisans of bamboo handicraft in Jharkhand. The success story of Shanti Devi, a 34-year-old tribal woman from Bandh Dih, a small village in the Bokaro district of Jharkhand, illustrates that hard work and skills can change one's destiny.

Shanti Devi was a homemaker living with her husband and three children. Before marriage, she was working with her mother, and together they used to make various Bamboo products like baskets, Fans, Supa, Utensils, etc. She aspired to start her own bamboo business shop but lack of capital proved to be a hindrance.

After marriage, Shanti & her husband decided to start their own bamboo handicraft business. The couple borrowed a small amount of money from a local moneylender on high-interest rates to start their entrepreneurial journey. Using the borrowed money, Shanti's husband brought bamboo from the market and she made handicrafts using her eight years of experience in making bamboo handicrafts.

Due to the small amount of loan, the couple was able to buy only low-quality bamboo. Initially, the couple started selling their products in the local market. However, due to low-quality bamboo, there was not much demand for their products and they could not make profits. The high rate of interest charged by the local lender was also taking a toll on their income.

She was starting to lose hope when one of her neighbours informed her about Satya Microcapital and the collateral-free micro loan facility offered by them. Shanti's neighbour took her to one of the centre meetings where The Entrepreneurship Development Officer (EDO) of Satya Microcapital thoroughly explained the loan procedure.

After discussing it with her husband, Shanti became a member of one of the Joint Lending Group of Satya Microcapital and applied for her first loan of Rs. 21,000. She utilized the amount to repay the local moneylender and brought good quality bamboo using the remaining loan amount. As their product quality improved, so did the demand for their products and they started making profits.

With the growing demand for their products, Shanti decided to expand their business to larger markets. She applied for the second loan of Rs. 30,000 and later for a third loan of Rs. 45,000 from Satya Microcapital in order to buy more high-quality bamboo for their products.

Today, the couple is successfully running their business and producing a large amount of good quality bamboo handicrafts and selling them at a higher price in a larger market. Their savings have improved significantly and they are able to secure the future of their family.

Shanti Devi is proud to be associated with Satya Microcapital and said ***“I would like to thank Satya Microcapital for helping me during my hour of need. Satya Microcapital has helped me realize my dream and because of the support provided by them I was able to establish my traditional bamboo business to a larger level.”***

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**Satya Microcapital Ltd.** began its microfinance operations from January 2017. The company utilized demonetization as an opportunity to rework on the business strategy through cashless transactions. SATYA is an institution built with a vision of change, transformation and is a differentiator in financial inclusion space and its approach is well recognized by industry experts and professionals across different sectors. It is committed to being a socially responsible organization with a focus on Health, Education, Financial Literacy, Nasha-Mukt Samaaj, Gender Equality, and Swachh Bharat. The Company is spreading social awareness messages in its area of operations.

Currently, SATYA has established 179 branches in 152 districts in 21 states (Assam, Bihar, Chandigarh, Chhattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Odisha, Pondicherry, Punjab, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh, Uttarakhand and West Bengal).

The Indian microfinance sector has come a long way. As per industry data, the overall Microfinance loan portfolio stands at INR 2,31,778 crores as on September 30, 2020 serving 5.71 crore unique borrowers ( of which 99% plus are women and for most of whom this would be the first credit facility in their life) with 10.50 crore loan accounts. The microfinance industry operates across 28 states and 4 Union Territories with the network of 14,080 branches with 1,09,521 employees. 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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