
Microfinance as a Catalyst for Skill Development of Poor Women

Dr. Ruski Mahal

Assistant Vice President, YES Bank, Orissa. ruskimahal@gmail.com

ABSTRACT

Skills and entrepreneurship development are the buzz word in progressing India. A lot of initiatives are being taken by the Indian Government to encourage and promote micro-entrepreneurs. As a huge talent pool lies in rural areas and slums of India, it is beneficial to understand the dynamics of such areas and accordingly work toward the development of entrepreneurs if these areas.

Microfinance Organizations and NGOs are the players who majorly work in these areas. However, Microfinance organizations have proven their mettle at accessing such areas and offering services to the poor women.

Cognizant of this fact, the research aims at understanding if the Microfinance Organizations play any role in providing or enhancing the skills of their women clients. On review of literature and previous studies done, it is concluded that though Microfinance Organizations may not be themselves imparting all the skills required for these women to become entrepreneurs, but they definitely contribute in the process. MFIs in their capacities and interest may be providing one or many of the skills listed in the research paper, which in turn encourages and inspires the women to take up or enhance their business. Some MFIs also have been instrumental in linking the MFI clients to appropriate skill building and marketing agencies to provide holistic services.

Hence, it can be concluded that Microfinance has definitely served as the catalyst in the process of Skill Development for the poor women clients. In absence of these Microfinance Organizations, probably the women even if had skills, may not have had the required money and encouragement to run successful micro enterprises. This is the largest contribution of the Microfinance Organizations where though micro-loans and continuous engagement with the clients, they handhold the clients to run a business.

Keywords: *Microfinance, Skills, MFI*

Objectives:

- To understand the status of skills development of the Bottom of Pyramid (BoP) women
- To establish if microfinance can be a tool for enhancing the skills level of BoP women.

Research Methodology:

The research is based on secondary data from Microfinance research papers and Ph.D thesis, Microfinance sectoral reports and news articles.

Introduction:

In the recent times, where India is beaming with new entrepreneurs making their ways to glory through novel ideas, practices and concepts, Skills acquiring and enhancement is receiving criticality of another level altogether. In such a conducive environment, why should only Urban areas, High income household members or for that matter, only Men have all the privilege of becoming entrepreneurs. It is quite a pleasure to see that, now many rural and underprivileged; Bottom of Pyramid (BoP) women are also coming forward and have shown their mettle in entrepreneurship. A huge credit can obviously be given to the enabling and encouraging Institutions like the Government, the Reserve Bank of India and many national and International Organizations

working for this purpose. It is also of great interest and benefit to understand how Microfinance has played a role in enhancing the capacities of this underprivileged segment of the society and brought them to this level, where they have started their own business and are an earning member of the family.

Women in general, and more specific from rural areas, are not into employment or income generation activities, leave alone being entrepreneurs. It is an accepted societal norm that women are supposed to take care of the household and children, while the men earn and bring home money to sustain the family. As stated in the Asian Development Bank's statistical report of April 2017, the unemployment rate of women in India was 7.7%, which is almost double of the unemployment rate of men which is 4.1%. This is definitely a poignant situation which has been almost constantly prevalent across many years in India. Thanks to the concept of microfinance which has put a step ahead to break this stereotype and has been instrumental in showing confidence in women and providing them a path to earn money by investing in income generation activities.

Microfinance, as the name suggests is a process of providing small finances. Microfinance is generally perceived as providing financial services to the un-served and underserved people. These are a basket of financial services like credit, financial literacy,

savings, insurance, etc. to masses where such services are not easily provided by the banks and also extended to socially and economically disadvantaged segments of society. Further, Microfinance can also be said to provide services to micro-entrepreneurs and small businesses, which lack access to banking and related services due to the high transaction costs associated with serving these client categories.

As per the Bharat Finance Report 2017, Microfinance Companies are operating in 29 states, 4 UT's and 563 districts of India. As per MFIN Micrometer issue 26, as on 30th June, 2018, the microfinance industry has a loan portfolio outstanding of Rs. 148097 Cr. As per Bharat Microfinance Report 2017, the loan portfolio outstanding of SHG's stands at Rs 61,500 Core.

This research paper aims at understanding how, if at all, microfinance has been able to catalyze the process of making these poor, helpless women who had low or no skills, come up to such an inspiring level that they have now become entrepreneurs.

Facts and Findings

India is known for its cultural heritage and innumerable area specific arts and culture which is worldwide popular and has great demand. Almost all states and even some

particular districts within the states produce beautiful handloom, handicraft items which are highly valued in markets in and outside India. There is no doubt, these, if hit the right market, can create very good value propositions.

It is generally accepted that poor women in the rural and urban areas, in most cases are expected to support their family, but by the way of cooking, looking after the children and doing household chores. Work and business is mostly restricted to the males of the family. But, ironically it is also true that most of the skills are acquired by women. However, these poor women may hardly get an opportunity to rise as their skills may get wasted, their will and confidence may die down if their skills are not enhanced and they do not get the right interventions which can facilitate and make them entrepreneurs. What makes this task easy, is the fact that most rural women are talented and have some or the other skill sets, be it handloom or handicraft or for that matter animal husbandry. All of these are marketable options and provide a good scope of entrepreneurship. All that she needs is the right guidance and handholding support to start the venture and take it to a logical end, where she can independently handle her business.

It is to address this as one of the major issues, that Microfinance as a concept has been widely accepted. The impact that Microfinance has created on the overall empowerment of women and on poverty reduction, has been

stated in several studies, thesis and researches, within India and in other countries as well.

Types of skills required for women entrepreneurs and how MFIs have played a Role :

1. Empowerment:

First and foremost, the best impact demonstrated by the MFIs is the sense of empowerment levels, which evidently has improved in the women MFI clients. Numerous studies and researches can testify this particular unambiguous statement.

Leach et. al. (2002) found that micro-credit has succeeded in socially empowering women where economic empowerment could not be possible due to lack of knowledge and understanding among women about business. Puhazhendhi and Satya Sai (2001), in their research study, found that SHG's have been instrumental in economic and social empowerment of the rural poor. This provided the incentive to take successive loans. Microfinance to rural women has given a great opportunity to the rural poor in India to attain reasonable economic, social and cultural empowerment, leading to better living standard and quality of life for participating households as revealed by Pitt, Khandker, and Cartwright (2006) in their study "Empowering Women with Micro Finance: Evidence from Bangladesh." Economic

Development and Cultural Change 54 (4) study revealed that credit programs provide women taking a greater role in household decision-making, with greater access to financial and economic resources, having greater social networks, greater bargaining power vis-à-vis their husbands, and greater freedom of mobility.

2. Knowing/ Learning/ Acquiring a skill:

This is basically a problem when the woman has not acquired any skills either by legacy or by learning. In such cases the lady will require a huge support in acquiring skills as she would need to begin from knowing which skill to acquire and why. This situation may be true if there are no skill providing organizations in the near vicinity and hence these women are left to their usual household work. This may also hold true in cases where the women are not empowered enough to think and realize that skills are very important and being good at a particular skill can surely help them to put it to use for some income generation activity.

Here it becomes absolutely critical to create that need in the minds of these women to learn and acquire some skills and then to train them on these skills. There are evidences and various mentions in research papers quoting examples of Microfinance Institutions (MFIs) playing

vital role in enabling women clients to think in these lines.

MFIN annual report of FY 2017-18 has quoted many skill building initiatives undertaken by the MFIs :

- Adhikar, an MFI from Odisha had launched a skill training course in food and beverage - steward services development industry
- Arohan, an MFI headquartered in West Bengal has provided tailoring skills training to women in Jajpur and Bhadrak districts of Odisha.
- Belstar has a specialized team consisting of credit – plus officers and state training to connect and deliver needbased services to clients.

It is also after such mentorship, that women have taken up some or the other activity like sewing, embroidery, papad making, etc and have set up their enterprise, shops, small home business etc.

3. Money for actually running a Business:

Just knowing the skill is of no use until it is put to use. Money is required to do any business, however small it may be. Money is required for buying raw materials, manufacturing, selling, marketing etc. And when there is hardly any organization which would want to fund the poor women, the MFIs have broken this stereotype to provide small ticket size, unsecured loans mostly to women only. It

is quite interesting that how these small ticket size loans have helped women undertake business activity like Samosa making and selling, Tiffin service, small shops, cattle breeding, sewing dresses and selling, embroidery, handicraft items sale, etc. The best part about these loans is that they are provided for income generating activities (IGA Loans)

Microfinance has definitely brought a revaluation in the rural markets and proven that poor are bankable that they can become business women.

4. Ensuring quality of products:

While some of the women may be having a skill and actually be very good at it, yet, for some reason they may not be able to earn enough by using these skills. One of the major reasons for this is the quality of products. As these are informal setups and markets, quality testing, standardization of products, etc are of low significance. But, this doesn't hold true for a long time, especially in competitive markets. It is the confidence that a seller needs to build in a buyer's mind by providing good quality products. Also, delivering good quality becomes all the more important when entering into outside markets. MFIs and their staff have helped their clients understand such nuances of business and helped them achieve good profits. It is during Loan Utilization Check (LUC)

visits that some of the MFI staffs have helped their clients by identifying issues and providing important advise on quality aspects.

5. Market linkage and Selling of the products:

While there are very good skill building and enhancing programs launched by various skill training organizations and the Government working in rural areas, these programs end at teaching the skills. Such are incomplete if the sale of the items is not included. There is no continued support and so the members also do not take it as an entrepreneurial activity and hence do it just for the time being and later on forget even what they had learnt during those programs. Many enthusiastic women lose interest and stop making/ producing products using these skills, just because they are unable to sell them.

Hence, there are several other locally made articles and artefacts, which are yet to get their share of publicity, popularity and acceptance. Currently, due to lack of market linkage, these still remain as localized products, manufactured or made for local consumption, eventually meaning that the manufacturer must be earning very less as compared to if it could have been sold in outside markets which could have enables them to make better profits. It is a good value proposition to explore non local

markets and sell them elsewhere where the production is low and demand can be good enough.

This is where an intervention from the MFIs comes into picture and can be a game changer. Many MFIs in India have taken up this as an additional activity apart from their core business of lending and have helped the clients by either starting online portals for selling their goods, or connected them to other market buyers or even sent the best of artisans to state and national level exhibitions. Such Microfinance plus interventions of MFIs have helped them get remarkable results in their customer acquisition and retention.

6. Keeping abreast with market accepted designs:

In some cases it is also important to understand that local rural designs may not be well acceptable to urban markets. Hence, there is a need to recognize the ever changing dynamic market and match up to the ambitious demands of the purchaser, and be able to deliver new designs as per the market demands. In case the artisans are unable to do so, others who are capable of adapting will attract buyers and will be able to charge good money from them ultimately having higher income for similar amount of effort, but just by changing as per market demands. It is essential that skill sets are further enhanced

to create improved and better designs, which would be differentiating factors and would facilitate in being able to negotiate better rates. This calls for market intelligence and help in skill building and skill enhancing of the artisans. Such facilitation again can be taken up by the MFI either through own channels by connecting the clients to agencies/ organizations which provide such services.

7. Branding and packaging:

Branding and packaging both play critical roles in the sale of a product. This is a point where most rural products fail or do not do a very good job at it. Quoting an example of Maharashtra, where many women are involved in making homemade food items, like Papads, Fyums, Pickles, Masalas, etc. However, not many women even package the product, leave alone branding them. Some NGOs, women cooperatives, etc have taken initiatives to sell these homemade products under certain brand names, which automatically increases the value proposition and thereby the chance of the product to be sold. There are many other examples and case studies which can support this theory. Whether it is food items or handloom or artefacts, etc, an attractive packing and a brand name definitely adds to the credibility of the product and the buyer's consideration for the product increases. However, the

pertinent question still remains that how natural or easy it is for the manufacturer to decide a good packaging and branding strategy? Are they equipped enough to present a good option to the market, or do they need some help in doing this? More relevant question is, do they understand the significance of branding strategies? They certainly need guidance on this and this also has been a very important skill that some of the MFIs have provided to our women clients. Like Fusion which has started a skill development initiative 'Jivika' to train their clients on paper bag making, cutting & sewing, dona making, pickle and papad making etc. Further they also conduct sessions on product packaging and market linkage

8. Financial Literacy:

Financial Literacy is one of the most important components of training provided by every MFI. As most of clients are illiterate, MFIs start by teaching them how to sign. Microfinance is majorly unsecured micro credit and the repayment of such credit is to be done by the women clients in small but regular instalments. To be able to pay such loans, the clients are taught the basic concept of savings and of using the loan amount for income generating purposes only. Further, the clients are also trained on concepts like financial planning for household, cash flow and budgeting,

investments, debt and savings, banking and various banking services which they can avail, etc which are the building blocks of financial literacy. Such information and training is provided in various ways to the clients by the MFIs during their onboarding process and also during the whole loan duration.

Financial Literacy is a skill which guides the women to make aware choices, plan their household finances and help in the household prosperity.

9. Managing business:

A good entrepreneur should not only be good in presenting the best product offering in the market, but should also be able to manage the business well. This involves managing all the inputs for the business, all the outputs of the business and managing the finance of the business. Although some women may be running their businesses, they may lack the business acumen and skills and may lag behind in the race. Low levels of money management knowledge can deter microfinance members from understanding and utilising the range of products and services available correctly.

Efficient need-based training on specific marketing requirements can ensure the success and viability of any production activity. The organizations need to take this more seriously and try to bring this to a

logical end and not leave the members mid way.

It is hence the need of the hour to explore such talent and reach upto these poor with a comprehensive package of Microfinance +skill building +value addition chain +markets and finally a good price for their hard work. To address this issue, there is a need to understand the mechanism of current systems and try to integrate them so that a holistic approach could be the magic wand which will solve most of the issues. The MFIs have realized this latent potential and putting in efforts to help their clients leverage the same. The development of a model integrating finance with marketing and value chain system would undoubtedly help the rural entrepreneurs to be financially sustainable.

Indicators of Skills Enhancement through Microfinance

MFIs have provided hand holding support so as to enable the poor to utilize their skills to the fullest and sell the product at a good price and ultimately make incremental income and have a financially viable business. This can be ascertained with few indicative facts

1. Growing Micro financing agencies:

With the popularity and success of MFIs, many other players have also entered the Microfinance space. Private sector Banks like Axis Bank and HDFC Bank have

started microfinance through direct model and banks like YES Bank, RBL Bank, DCB Bank, IndusInd Bank, etc are providing microfinance loans through Business Correspondents which are MFIs. Some of the Banks like IDFC bank and IndusInd Bank have also acquired MFIs. The new kids in the block are some of the large corporate like L&T, Aditya Birla, Jindal, etc who are also taking interest in this market and have started microfinance operations.

Also the recent move where 8 MFIs have been provided Small Finance Bank license by the Reserve Bank of India and one MFI Bandhan which has become a Universal Bank. The Government is showing confidence on these MFIs and is treating them as important vehicles for Financial Inclusion and providing them a platform to increase the range of services they can provide to these poor people.

That's the potential of this business such growing microfinance essentially means growing loans to women clients of the BoP category. This means more scope of enhancing skills of these women and helping them to take up or expand business.

2. Increased number of Microfinance Borrowers:

As per MFIN Micrometer issue 26, as on 30th June, 2018, the microfinance industry

has a loan portfolio outstanding of Rs. 148097 Cr. As per Bharat Microfinance Report 2017, the number of SHG's increased during the year 2016-17 and the number of families linked to the SHG-BL program crossed 112 million the loan portfolio outstanding of SHG's stands at Rs 61,500 Crore. Also MFIN Micrometer issue 25 reveals that the industry has grown by 27% in terms of portfolio and 25% by clients from 2016-17 to 2017-18. This is despite the plight of demonetization and the NBFC MFI clients have reached 2.65 Cr.

Such positive increase in number of borrowers is another indicator showing how microfinance is reaching out to more and more women borrowers of the poor segment and is providing them an exposure to a plethora of services including skills.

3. Income Level enhancement:

Availing Microfinance loans gives a client an access to funds which can be further put to use for income generation purpose. A study by Asian Development bank 'Effect of Microfinance Operations on Poor Rural Households and the Status of Women' in 2007 has found that 85 % participants' incomes increased after joining microfinance program as most of them expanded their business and their sales increased.

Also, on introspection of the revised Reserve Bank of India (RBI) guidelines for

the microfinance sector, wherein RBI has increased the MFI client household income eligibility from Rs. 60000 to Rs. Rs. 1,00,000 in rural areas and from Rs. 1,20,000 to Rs. 1,60,000 in urban areas. This is an indication that the MFI clients have availed loans, used them and increased their incomes. Now, to become eligible for microfinance loans, new directions were required to increase the criteria. Also, with this revision, many other who originally also weren't eligible for MFI loans can now get loans and other additional services form MFIs.

4. Higher borrowing Capacities:

It is quite a welcoming fact that the MFI client's borrowing capacity has increased. This is also evident from research and reports like the MFIN Micrometer issue 25 indicates a 19% increase in average loan size availed by MFI clients from FY 2016-17 to FY 2017-18. The average loan amount disbursed in the year 2017-18 was found to be Rs. 22,273.

This can also be ascertained from the fact that RBI also has eased the lending norms and has increased the MFI borrower capacity from Rs. 50000 to Rs. 1 lakh. It can be inferred that the MFI client has been showing good repayments for the loans availed, which further means that she is probably putting it to income generation purpose. She has proved that she is capable

of availing higher ticket size loans and returns them with increased incomes. Also, such higher ticket sized loans are provided to clients after much scrutiny by the MFI staff and the fact that she is doing some business with its is considered as one of the major factors. For being able to use the loans diligently, she would require to enhance her skills and earn well from them.

5. MUDRA loans to MFI clients:

Micro Units Development and Refinancing Agency (MUDRA), which was set up by the Government for promotion of MSME and their funding, also has a huge amount of funds which can be accessed for building capacities of the micro entrepreneurs. MUDRA loans as understood are for enterprise development and the Shishu category of loans, which is upto Rs. 5 lakhs is the category wherein the MFI clients fit. As reports suggest and as per the MUDRA data published, maximum MUDRA loans are booked by the MFIs. This also essentially indicates that MFIs are instrumental in encouraging and facilitating women entrepreneurship development.

6. Government schemes:

In recent times, there are many state and Central Government initiatives launched for promoting products made by the Self

Help Group (SHG) and Joint Liability Group (JLG) members. The present Government is focussing greatly on entrepreneurship and MSME growth. NABARD schemes like rural haat, MAHIMA and REDP are some other programs which are for strengthening SHG member's microenterprises. This again is a definitive indicator implying that these women have the capacity or becoming entrepreneurs and running a business. They have acquired skills required for their respective business and are doing a good job, for the Government to recognize their work and provide a platform for their development.

7. Market exclusively for SHG/ JLG/ MFI members:

To provide forward linkage and markets for these MFI members and SHG/ JLG members, Government and other NGOs are coming forward. Good skilled clients are able to sell their products in such markets. Recently the Government launched Ajeevika store in Madhya Pradesh to provide an option of shop to the rural women entrepreneurs to sell their products directly to customers. The Government also has plans to set up more such rural women-led Ajeevika Stores at district and block levels and also provide funds for the same in order to bring the SHGs members into mainstream retail.

There are many Organizations conducting State fests, National Exhibitions, Rural exhibitions, etc where the rural products can be sold. The Ministry of Micro, Small & Medium Enterprises, Government of India, has Marketing Promotion Schemes under which it supports MSMEs and promotes their products in International Market as well. Also Coprorates like Dabur, ITC etc are sourcing products from rural parts of India. A huge testimony to the demand and success of selling rural products through ecommerce is the fact that giant players like Flipkart and Snapdeal now want to tie up with rural artisans to provide them a platform and sell their products worldwide. The Government too is considering partnering with big ecommerce retailers like Amazon, Snapdeal and Flipkart to expand the Ajeevika stores online. There are a few successful brand names like Chanderiyaan which is a brand of Chanderi apparel. Fab India is another brand which sells products procured from rural areas.

8. MFI clients' Training Agencies/ Organizations:

Last few years have seen a surge in the number of Organizations coming up for training MFI clients in various areas including technical skills required for a product manufacturing, business acumen skills and promotion and marketing skills.

There are domestic and international organizations like IFC, Charities Aid Foundation works towards skill building through NGO partnerships and aims at creating sustainable livelihoods and its enhancement and rural entrepreneurship development. Udyogini, an NGO from Delhi provides business skills and training services for product and service based enterprises to rural women with an aim to make them entrepreneurs. There are several very good, beneficial training Programs conducted by Government and Government appointed apex organizations like NABARD, MSDE, etc. focus on building new skills and upgrading of skills and support other missions like National Skill Development Agency (NSDA), National Skill Development Corporation (NSDC), National Skill Development Fund (NSDF), etc. NSDC also aims to promote skill development by initiating the creation of large and quality oriented training institutes all over the country. The Ministry of Rural Development also has many central and state programs under which rural women entrepreneurship programs can be included and trainings can be sought for. NABARD, the apex body has been supporting the SHGs through skill trainings, and also provides grant funds to the NGOs and MFIs to undertake the project. NABARD is undertaking projects to upgrade mature SHG members to micro

entrepreneurs. Skill India, another Government Program provides scope for getting trainings on skills like weaving, tailoring, jewellery designing, etc. This further strengthens the belief that the system has confidence on these rural women and an MFI can be the link between such training institutions and the women clients.

9. Success Stories:

Every MFI has a basket of inspiring success stories of their clients and are projecting them on their website, brochures, articles, books and also on various forums, workshops and conferences. Most of the MFI clients are involved in common activities which can help gain good income and profits like various forms of Embroidery for sarees, dress materials and other apparel, Jewellery making, bangle making, making Local artefacts, handicraft items, , handlooms, agri produce processing, agri allied activities like poultry, fishery, piggery, goater, sericulture apiculture, etc. and homemade snack making like papads, pickles, preserves, masalas, fryums, mixture, sweets, accompaniments, etc. With such business many clients have become successful and are able to support their family with considerable incomes. Lijjat papad is a very popular example of such SHG's collaborative efforts.

10. CSR funding for Skills development projects:

Many Corporates like Tata, Banks, etc, have chosen Skilling and MSME promotion as their area of interest and are either deploying projects themselves or are appointing and partnering with other expert agencies and NGOs for the implementation of the Livelihoods and Skill based projects. MFIs are also undertaking such CSR projects to provide holistic services to their clients and are creating WIN WIN WIN proposition for the client, MFI and CSR agencies.

A n MFI Arohan under its CSR initiatives has partnered with NSHM Udaan Skills Foundation in FY 17-18 to provide technical and implementation support for IT/ITES, Retail and Beauty and Wellness Skills to 400 unemployed youth West Bengal, Bihar, Jharkhand and Assam.

Recommendations:

As mentioned, women possess many skills and have tremendous potential, and it is suggested that they are provided with an enabling environment to show their mettle and become successful entrepreneurs. And since MFIs have good access to these women and can club their loans with additional services, MFIs should participate in bring in this revolution. These aspiring women should be provided with

customized frugal products and services and favourable enabling environment to display their talent and entrepreneurship abilities. The MFIs should change their mono product model of microfinance and consider adopting an integrated approach to provide or facilitate in providing skill training and market access training to their clients. This Model will not only provide the MFI with a differentiated brand value, but also help in increasing its revenues and profitability. However, for this Model to function seamlessly, participation from other stakeholders like the Government, Funders, Capacity Building Institutions, Microfinance Organizations and advocacy organizations is extremely critical. The model should include basic training on basic skills, financial literacy, communication, technology use and innovation, leadership skills, behavioural trainings, etc so as to make them resilient entrepreneurs. Not to forget, the MFIs must try to close the loop by helping the members establish marketing linkages to provide the necessary marketing support to rural producers/artisans in their regions and help the rural producers in promotion of their products in trade fairs, exhibitions, urban market searching, etc. Last, but not the least, to acknowledge these entrepreneurs efforts and to encourage and appreciate the budding rural entrepreneurs, the MFI and Government should run recognition programs

Key Contributions:

Through this research, the potential of a Microfinance Institutions is brought to light and it is providing an assertion that MFIs can professionally manage microfinance along with skill training of the clients and marketing of their products and improve its institutional strength to become financially viable. The research also is trying to popularize the hidden art and culture which may not be even known to many, and hence help restoration of the national traditions and cultures. The research with its aim at helping create and promote women entrepreneurs from the bottom of society has identified a very realistic channel – Microfinance to spearhead such a mission.

The research also extends the scope of further research to develop practical models to amplify the contributions of Microfinance towards women entrepreneurship. It also provides a line of thought for designing various training modules and their delivery methodologies for the MFIs to conduct training programs.

Conclusion:

Microcredit plus services definitely push the member and provide them the needed opportunity to take up entrepreneurial activity. Microfinance Institutions can be given a good credit of very well doing this job of identifying or creating such women entrepreneurs who otherwise would not have never even taken the

step of coming out of their daily chores and taking up a business with these skills. If properly guided, the members can actually become very good micro-entrepreneurs and also result in women empowerment

It is hence the need of the hour to explore such talent and reach upto these poor with a comprehensive package of Microfinance +skill building +value addition chain +markets and finally a good price for their hard work.

Microfinance Organizations hence can be definitely called as the catalyst in this process of poor women becoming micro-entrepreneurs. Microfinance organizations with their vast access to such budding aspirant business women, have been providing them a scope and opportunity to use their skills for a productive and income generating activity. All Microfinance Organizations are providing few or all the skills as listed and probably more, to their women clients and helping them in their journey. MFIs thus, also provide other training agencies, Government and markets; a ready playground to provide services required for these women to successfully run their business. With many other Banks, Corporate and other organizations entering into the microfinance space, the future can be really bright for the poor women.

Further, there is a need to understand the mechanism of current systems and try to integrate them so that a holistic approach could be the magic wand which will solve most of

the issues. The development of a model integrating finance with marketing and value chain system would undoubtedly help the rural entrepreneurs to be financially sustainable. It is aimed at getting a paradigm shift through this revolution to bring together all the players and increasing the rural economy through rural women entrepreneurs.

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