



# Policy Brief **2**

## Financial Inclusion: Integrating Micro Finance into Water and Agriculture



### Executive Summary

MFG meeting at Bodidasanpatti village, Andipatti Block, Theni District

### DHAN's experience in Integrating Micro Finance into Water and Agriculture

Micro Finance has emerged as a successful tool in alleviating rural poverty. Access to Micro Finance services helps the poor to expand their choices for livelihood opportunities and improve the quality of their life. The Self-Help Group-Bank Linkage programme pioneered by the National Bank for Agriculture and Rural Development (NABARD) and the contribution by Small Industries Development Bank of India (SIDBI) has accelerated and strengthened the Micro Finance movement in our

Country. Micro Finance has had positive impacts on the poor such as (i) organising the unorganised and making SHG as a movement (ii) weaning them away from money lenders who were charging usurious interest (iii) facilitating the poor to diversify their livelihood options and (iv) addressing developmental issues. There is scope for further development by integrating Micro Finance into various sub-sectors such as Water Conservation, Agriculture, Coastal Zone Management,