

Advancing Development: Community Swaraj



Workshop on

Enhancing Community Engagement in Effective Utilisation of Cash Credit Limits by SHGs

Organized by



Kalanjiam Development
Financial Services (KDFS)

Madurai Symposium 2021

DHAN Foundation, Madurai

October 25, 2021



DHAN Foundation has over three decades of experience in microfinance through its Kalanjiam Community Banking Programme(KCBP). DHAN's model of microfinance emphasizes on empowerment of women and addressing poverty. DHAN Foundation facilitates Kalanjiam SHGs to link with mainstream banks through its SHG federation network. It has created a greater impact on livelihood of women and their empowerment.

Though Kalanjiam SHGs are getting linkage from banks, there is huge gap in linkage due to several pre-conditions insisted by banks for availing bank linkage (Ex: Minimum age of group insisting to keep savings with banks, etc.) for addressing this issue, DHAN has promoted people institution namely Kalanjiam Development Financial Services(KDFS) for the benefits SHGs promoted by DHAN Foundation. It acts an alternative financial arrangement for Kalanjiam SHGs. So far, KDFS has significantly contributed for addressing the financial needs of Kalanjiam SHGs and their empowerment.

KDFS fully engaged its financial force into extending Micro Credit in the form of Working capital limits also for the past one decade. It selects the aged groups for giving them flexibility in operation by way of providing working capital in the form of both Regulated Online Credit and Cash Credit. As of September 2021, the company had the portfolio of Working Capital (both ROC & CC) with the sanctioned limits of Rs 6.21 Cr to 244 accounts with an outstanding balance of Rs 2.71 Cr. The strength of the Cash Credit System lies on its utilization to the best possible extent with availing maximum limits. Here in the company, as of September 2021, 57% of the limits remain unutilized and this workshop will come out with fruitful suggestions which on implementation will result in the optimum utilization of working capital funds which

gives advantage to both the group members and the company. The workshop will also give practical solutions for the better utilization of CC limits of SHGs with banks, which were not utilized fully for improving their livelihood needs.

The workshop: The workshop on "Enhancing Community Engagement in Effective Utilisation of Cash Credit limits by SHGs" intends to give focus about the challenges and opportunities faced by the women community while accessing the available financial resources for meeting out their working capital needs effectively.

Objectives

- a) To meet out the working capital needs of the members of SHG
- b) To enable and augment the income generating capacity of the group members on regular basis.
- c) To facilitate women empowerment through maximizing the usage of the available financial resources.
- d) To develop the Entrepreneurship ability among the poor women
- e) To enable the Mutuality concept within Group

Participants

Senior level experience bankers are expected to participate in the workshop and give inputs on better utilization of Cash Credit limits to the community and federation staff. They will be sharing their experience in solving the practical difficulties faced by the community in operating CC limits and giving practicable inputs for the better utilization.

Programme Content & Structure

- 1. Experience sharing by the Bankers
- 2. Lead paper presentation by KDFS & regions of KF
- 3. Experience Sharing by SHG-Federation Coordinators
- 4. Experience sharing by community

5. Deriving action plan to overcome the challenges in operating Cash Credit account in group level & areas of enhancement in Cash credit services & its utilization.
6. Way forward

Date and Venue

The workshop will be held on Thursday, 25th October, 2021 at DHAN Foundation, Central Office, Madurai from 02.00 pm to 5.30 pm

Kalanjiam Development Financial Services (KDFS)

Kalanjiam Development Financial Services, (KDFS) is an exclusive & peculiar financial institution to serve the credit needs of the poor SHGs located across India, promoted by various Programmes of DHAN Foundation. KDFS extends credit support only to the SHGs formed by DHAN Foundation. Further, it is a Not for Profit Organization and as such imbibes its own special character of MFI, intending to serve the poorest SHG members, by way of on lending support to them and uplifting their livelihood and standard of living. Since inception, an amount of Rs 420.00 crores has been sanctioned to SHG groups as of Sep 2021 in the form of Micro Finance to about 40,100 groups, situated in various parts of the country covering thirteen states.

For further information, please contact

N.Selva Raju & N.R.Vijeyakumar (Event Coordinators)

Kalanjiam Development Financial Services

1A, Vaidhyanathapuram East, Kennet Cross Road

Madurai 625 016. Tamil Nadu, India

Mob: +91 94889 91942 / 99424 37676 Email: kdfs@dhan.org

Website: <http://maduraisymposium.net>

