



Community Financial Partnership with banks and insurance companies through SHG bank linkage

The financial landscape in India has changed from FI perspective through two important programmes – SHG-Bank linkage and Jan Dhan. Beginning with SHG programme, which largely targeted women the commercial banks have come a long way in building exclusive SHG-loan portfolio in branches. The advent of Jan Dhan has given great push to connect the excluded segments in the un-organised sector with the banks.

The linkage which began with credit has been expanding to cover other financial services paving the way for holistic financial inclusion. The other dimension of the linkage is that from being transactional relationship it is growing as a business partnership of the financial services. As the savings grow now - average savings per member being Rs 300 per month, some SHGs have savings of nearly Rs one million and the savings are being now invested in the bank deposits for meeting the financial goals.

The prime minister's social security schemes have open the window for insurance and pension services through bank branches, what is more the usage of Rupay cards have become widespread among the women members and the many women are comfortable with operating ATMs. After three decades of SHG programme, a simple linkage for credit the relationship has become multi-faceted with all financial services – SCRIPT being availed through the bank branches.

Recognising this significant community driven financial partnership by SHGs with the banks, DHAN Foundation is organising a seminar on “Community Financial” as part of Madurai Symposium 2021 on October 25, 2021 at 3.00 p.m

Objectives of the seminar

1. To share the SHG experience in accessing financial services through banks
2. To look at the transformation of transaction-based relationship to a long-term partnership with banks
3. To capture the enabling factors which facilitated the community financial partnership rather than the mere linkage
4. To take a futuristic look at this community financial partnership with the banks

Participants

SHGs' members and leaders, commercial banks, insurance companies, NGOs, governments and academia

Indicative schedule

- 3.00 p.m : Welcome and introduction
- 3.15 p.m : Inaugural address
Mr D Surendran, GM and Circle Head, Canara Bank
- 3.30 p.m : Lead paper presentation
- 3.45 p.m : Community speak
Community collaboration with banks – savings and credit
Community collaboration with insurance companies – insurance and pension products
- 4.30 p.m : Special address – Future of SHGs partnership with banks and insurance companies
Mr Jindal, Advisor, DHAN Foundation
- 4.50 p.m : Declaration and concluding

Date: October 25, 2021

Venue: Conference Hall, Ground floor, DHAN Foundation, Madurai