

Money control in her hand

Paperless mobile application gives rural microfinance an added edge

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Thirty-five-year-old Asha runs an oil-milling business using a *kacchi ghaani* – an indigenous oil extracting contraption – installed at her home in Sawarda village in Dudu tehsil of Rajasthan's Jaipur district. Similarly, Manju, Jummi, and Heena have opened small fancy stores selling all kinds of accessories for women. Rinku, perhaps, is the busiest entrepreneur among them all, managing her tailoring venture with a rare dedication.

What connects these rural, mostly illiterate and simple womenfolk? A great sense of confidence and optimism that comes from being self-reliant, thanks to microfinance funds.

And now there is a new entrant in their lives – MicroLekha, a mobile-based application that helps them keep track of their finances. "We get a mobile message as soon as we pay our monthly instalment. I am not literate, but my children check the statement for me," says Manju, who runs a shop along with her sister-in-law. This paperless technology was recently introduced by Planned Social Concern, a Jaipur-based microfinance Institution aiding rural ventures.

"For my *kacchi ghaani* I need at



Digital Bharat Microfinance customers use the MicroLekha mobile-based application to keep track of their finances and business needs

least 10kg sesame seeds to extract 4kg oil. Earlier I couldn't afford to buy in bulk, but now with the ₹50,000 loan I buy up to 100kg seeds. In villages, sesame oil is considered as good as ghee in winters. I can repay in 50 easy instalments within two years," says Asha.

She explains the advantages in this: "When I take a ₹15,000 loan from PSC, I pay ₹2,000 as annual interest, whereas the village maha-jan (moneylender) would charge me almost ₹750 per month."

Badam, who runs a grocery shop, has another point to make. "I don't have to beg anyone for help or pawn my ornaments; and the amount I repay is less than what the local moneylender would take.

Besides, I have the figures right here on my phone."

PSC currently has 5,500 rural customers in the State. Ravi Gupta, Director, says, "The technology is flexible, Web-enabled and connected with a cloud-based server that stores loan-related data, making the MFI almost paperless."

For Prem bai, however, the fact that she is supporting her family's finances makes all the difference. "I bought a buffalo with the loan and now sell milk to the cooperative dairy. I earn ₹40-50 per kg every day, depending on the milk's fat content," she says.

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