



**Building Resilience for Sustaining Development**

**Workshop on  
Road to Resilience: Role of Micro-Credit**

**Madurai Symposium 2017**

Thamukkam Grounds, Madurai  
September 21, 2017

*Organized by*



**Kalanjiam Development Financial Services**



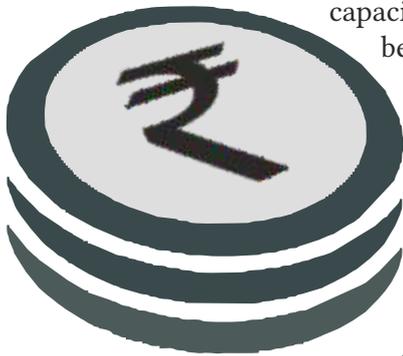
## About Madurai Symposium

Madurai symposium, since its inception in 2003, has emerged as development knowledge place where various stakeholders' people/community institutions, civil societies, Government, NGOs, Banks, donors, philanthropies and academia share, learn from each other's' experience and practices and looks at opportunities for collaborative endeavors. The Symposium attracts over 15,000 participants and the one being organized in 2017 is the eighth edition. The theme of the Symposium – 2017 is on “Building resilient communities”

## Background

Financing poor is not just about amount of finance alone. It provides hope to lives of poor for their livelihood stabilization, ensuring basic needs and enables them to live with dignity. But, the financing is not available to poor when they are in need. Moreover, the practices of informal credit system are exploitative or not adequate. Without ensuring access to affordable, adequate, timely credit services to poor, building resilience at family level will remain as a dream.

Kalanjiam Development Financial Services (KDFS) is one of such instrument to provide relevant credit services to poor, those who are part of self-help institutions. KDFS is promoted by such SHGs and professionally managed institution to address the credit gap among vulnerable sections. Bridging the gap in development finance is its mission. The service of KDFS is not just financing but also it facilitates demonstration process to the MFI sector on better bank linkages and by which facilitates resilience. It enables the capacity of poor members in SHGs to plan and govern financial resources and to become self-reliant.



## Micro Credit and Resilience

Microcredit, extension of very small loans (microloans) to impoverished borrowers who typically lack collateral, steady employment and a verifiable credit history. It is designed to support entrepreneurship and alleviate poverty. Microcredit is in essence a risky endeavor. MFIs invest in entrepreneurs and environments often considered too risky by larger commercial banks.

Institutions. Members who are borrowing microcredit through Self – Help Groups are illiterate, less exposure to institutional credit systems, due to this, they are unable to complete paperwork required to get conventional loans.

Over past 16+ years of KDFS experience, the micro credit services to SHGs, spread across nation provided opportunities to start and reinvest in their livelihoods; generate income; and carve their own pathways out of poverty. But the path isn't always so smooth. Poor households are especially vulnerable to economic shocks, ranging from common situations like illness and death in the family, to exceptional crises like health epidemics, natural disasters, and political instability.



By way of providing microcredit loans, the poor households could come out from debt – trap and build resilience at family level. Various studies and field observations have shown that microcredit's impact is not just a simple matter of livelihood development; it also helps borrowers be more resilient in the face of economic shocks., too, need to be resilient so they can adapt to macro-level crises and continue to support economic recovery after the crisis has passed.

Also in natural calamities, microcredit services are enhance ecosystems' resistance and resilience to disturbances, foster disaster risk reduction strategies may significantly enhance humans' ability to cope with natural hazards and disasters. This was very well experienced during tsunami effect in Tamilnadu (2004), drought situation, flood and cyclone attach. During such disaster times local community losses all its assets and their livelihood, wage employment get acute disturbances. In such situations, micro-credit from their groups are helping them a lot to come out of the shock.

### About Workshop

This workshop would focus on getting experiences on role of micro-credit in disaster response, stabilizing livelihoods and ultimately build resilience of member families. Also on the other hand, it will focus on building Resilient Micro credit to sustain the services in long run. It will also light on challenges and constraints faced by service providers.

As part of Madurai Symposium, this workshop is proposed on September 21, 2017. Community leaders, Development Practitioners and Bankers would participate in the workshop. This workshop will be organized by Kalanjiam Development Financial Services, Madurai.

## About KDFS...

KDFS is a development financial institution set up by DHAN Foundation in September 2001 under Sec. 8 of the Companies Act, 2013. It is registered legal entity to serve the poor on non-profit basis. Presently Kalanjiam, Vayalagam, Rain-fed programme and Coastal programme and other NGO SHGs are its members. KDFS functions mainly to **bridge the gap** due to delay in the sanction of loans from the mainstream financial institutions and commercial banks by providing timely assistance. It also acts as **financial linkage institution** to meet the needs of the poor wherever there is no commercial bank in the place of operation of the locations. With the objectives of 1. To provide credit facilities to poor individuals joined together as 'self-help groups' 2. To facilitate and liaise with government, resource institutions for establishing financial and other linkages, and 3. To promote, develop, and finance rural and urban industries in all fields of benefit and interest to the poor.

## Date and Venue

September 21, 2017 from 10.00 am to 05.00 pm at Thamukkam Ground, Madurai

*For further information, please contact*



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