Parveen Baji lives in Pakistan. She has 9 children and she used to ask neighbours for food to help feed them all. All it took to turn Parveen’s life around was a $70 loan from the Kashf Foundation. The loan allowed her to start a jewellery making business which quickly took off. Now she owns a restaurant and a catering business that employs eight people. She has repaid the original loan and interest on it. She is able to pay for her children to go to high school and college. ‘Micro-finance has changed my life’ Parveen says.

**Activity 21.4** - Read the case study above.

1. Why do you think that traditional banks would not lend Parveen money for her business?

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1. Explain the benefits that this example of Micro-Finance has given to Parveen, her family and her country.

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**Activity 21.5** – Asser’s business expands

* Asser’s taxi business has now been operating for 2 years. He wants to expand by buying another taxi and employing 2 drivers on a shift system.

1. Explain to Asser the benefits of using the business profits to buy the taxi rather than taking out a business loan.

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1. When would you advise Asser to take out a bank loan to expand his business?

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