

# ANNUAL ACTIVITY REPORT OF OSAFII: 2023-24

BHUBANESWAR, ODISHA

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## **ODISHA STATE ASSOCIATION OF FINANCIAL INCLUSION INSTITUTIONS (OSAFII)**

### **Background:**

The Financial inclusion landscape in the country has changed dramatically over the last few years. In India, the Govt, Reserve Bank of India (RBI), NABARD, SIDBI, Banks, and host of other stakeholders have been making their concerted efforts to expand financial inclusion especially among the poor and vulnerable groups of people. Financial inclusion (FI) is very relevant to the state like Odisha. With a view to cover large number of poor households into the fold of financial inclusion, the Govt of Odisha has taken a number of initiatives like creation of Mission Shakti, promotion of SHGs & their federations, providing financial and CB support to them, implementation of large scale projects with FI components etc. The SHG-Bank Linkage program has been one of the most significant channels to deliver financial services to poor women in the state. As reported, nearly 70 lakh women are being involved with over six lakhs SHGs in Odisha through Mission Shakti, which is very well appreciated at the state and national levels. The state is emphasizing currently on “SHG to SME’ mainly to promote and strengthen women entrepreneurs.

With Financial Inclusion emerging as a major policy component in India, microfinance through its inclusive financial services is seen as one of promising tools to reach out to the unbanked populations. Delivered mainly through the Banking and MFI channels and with its focus on financial and social aspects; microfinance contributes significantly to expand financial inclusion by offering need based financial services to poor clients.

The state of Odisha has emerged as a potential microfinance market in the eastern region of the country and projected a rich diversity of microfinance models, practices, tools and products etc. The role of MFIs in providing the financial services for the poor has been quite encouraging, especially in terms of their outreach and service delivery at the door steps of the members. Having adopted various client friendly methodologies including SHG and JLG, microfinance has been able to reach out to a large section of people, particularly women members in the state. As reported nearly 80 institutions including NBFCs, NBFC-MFIs and SFBs work in Odisha and offer financial services, mainly micro credit to the low income groups of people. Collectively they covered all the districts (30) in the state, reached out to about 44.67 lakh clients and have the loan portfolio of Rs. 25,397 crores as on 31<sup>st</sup> March’2024 (MFIN Micrometre). The NBFC-MFIs and NBFCs lead significantly in this process.

### **A Brief Note on Odisha State Association of Financial Inclusion Institutions:**

The Odisha State Association of Financial Inclusion Institutions (OSAFII) operates as a member-based coordinating organization of various microfinance institutions (MFIs) including Non-banking Financial Companies (NBFCs), NBFC-MFIs, Small Finance Banks (SFBs) etc that offer financial services to poor and help expand financial inclusion and entrepreneurs in the state of Odisha. It was established as a Trust in the year 2016. With a view to better coordinate with

all stakeholders in the state as well as at national levels and strengthen the inclusive finance sector in Odisha, the MFIs together formed OSAFII and got that registered as a Charitable Trust in the year 2016. Since then OSAFII has been functioning as a state level association of MFIs in Odisha. The core intent of the association is to facilitate better coordination and convergence among all stakeholders involved in financial inclusion and provide them a common platform for sharing of their experiences. It works for strengthening the inclusive finance sector in Odisha by addressing the state specific issues and challenges. OSAFII also helps strengthen the capacity of its members and stakeholders on various thematic areas including on responsible finance, code of conduct, client protection principles, social performance management, risk management, entrepreneurship development etc. OSAFII operates with the following Vision and Mission;

**Vision: Establish an Inclusive & Sustainable Financial Society**

**Mission: To Create Enabling Environment for Financial Inclusion through Stakeholders' Engagement**

#### **Key Priorities and Program Focus of OSAFII**

**1: *Networking & Coordination:*** To coordinate and build collaborative efforts among all stakeholders for strengthening further the financial inclusion sector in Odisha.

**2: *Capacity Building of Members & Stakeholders:*** To design and offer customized technical assistance including demand-based trainings for member MFIs & other stakeholders.

**3: *Promote Industry Standards & Best Practices:*** To encourage and educate member organizations and help them proactively practice the Responsible Finance, SRO principles & SPM processes in their respective microfinance programs.

**4: *Policy Advocacy:*** To take up policy and other issue-based advocacy with Government, policy makers and regulators for strengthening further the enabling environment in the state.

**5: *Knowledge Management:*** To ensure regular collation of web based and other relevant information on financial inclusion and microfinance and dissemination that with members and stakeholders.

#### **Members of OSAFII:**

OSAFII is a Member-based organization. It is owned, controlled and managed by the Members. Started initially by seven home grown MFIs, the association was joined later by other national level organizations operating in Odisha (21). Currently OSAFII has got 28 Members including 20 NBFC-MFIs, 04 NBFCs and 02 SFBs in Odisha. Increased memberships and their contribution give OSAFII an institutional footing, mandate and legitimacy to work in the state. OSAFII Members are dedicated to achieving the double bottom line i.e. social and financial development of the poor.

## **Governance & Management:**

As an association, OSAFII is being managed by its own governance system. The General Body is constituted with the participation of each Member MFI/Organization, represented by the head of institutions in the state. The Board of Directors/Trustees is consisted of thirteen members. The Board meets every quarter, deliberates on various agendas and issues concerning to the sector and takes collective decisions on that. A Chief Executive Officer (CEO) and office staff have been recruited by the association and assigned with the responsibility of coordinating OSAFII programs in close collaborations with members and other stakeholders.

## **Key Stakeholders:**

The Small Industrial Development Bank of India (SIDBI) has been one of the key stakeholders of OSAFII since its inception. SIDBI through its Poorest States Inclusive Growth (PSIG) Programme extended financial assistance earlier. Currently also SIDBI is providing its project based support to promote and strengthen women entrepreneurs among SHG/JLG members in Odisha. In addition to SIDBI, OSAFII also closely works with other key stakeholders in the state including the Regional Office of RBI, NABARD, SLBC, Banks, BCs, and Government line Departments, especially Directorate of Institutional Finance, NRLM/OLM, WCD-Mission Shakti, NULM/SUDA etc. At the national level OSAFII collaborates with SROs- MFIN & Sa-Dhan.

## **Programme Activities undertaken by OSAFII during FY: 2023-24:**

Since its inception, OSAFII has been undertaking various sector building initiatives and capacity building activities in the state. The FY: 2023-24 was a quite eventful year for OSAFII. The association successfully organized most of its planned activities including the Board Meetings, Members' Coordination Meetings, Annual General Body Meeting, OSAFII-Cricket Tournament-2, 4<sup>th</sup> Financial Inclusion Conclave, Stakeholders' Meetings, Recruitment Drives for Member MFIs, Follow-up of Field Issues etc. OSAFII continued implementing the SIDBI supported WE-LEAD Program to promote and strengthen Women Entrepreneurships among the Microfinance Clients served by Member MFIs in the state. Below is given a brief summary of the Activities undertaken and progress made by OSAFII during the year.

## **Organizing Board Meetings:**

In line with the established practices since its inception, OSAFII continued to organize periodical Board Meetings, both in physical and virtual modes. The meetings were Chaired by the President-OSAFII and attended by most of the Board Members. The Members present had quite enriching deliberations and subsequently made consultative decisions on various agenda points including: Management of the Association, Expansion of Memberships, Organizing FI Conclaves and Cricket Tournament for Members, Mobilization of Resources, Implementation of WE-LEAD program supported by SIDBI etc. Deliberating on the financial matters, the Board also approved the annual budget for the association. With a view to strengthen the Board Structure further, it was unanimously agreed and approved that Mr. Ajit Kumar Sabat, Senior VP & State Head-Muthoot Microfin to be the new Secretary of OSAFII. So also Mr. Amulya Kumar Sahu, AVP &

State Head-Fusion Microfinance Ltd was included as a new Member in OSAFII Board. The support and guidance from the President and Board Members have been quite helpful for OSAFII to manage its office and to undertake various programmes in the state.



OSAFII Board Meetings

### Organizing Members' Coordination Meetings:

Organizing periodical Members' Coordination Meetings (MCM) has been one of the key activities of OSAFII from the beginning. In view of that OSAFII conducted MCMs periodically in which most of the members attended the meetings. Members present reviewed the overall microfinance operations in the state, identified key issues and challenges, made state specific common strategies/ plans to address them and advised OSAFII to follow-up/coordinate that. Members also had deliberations on various subjects related sector building initiatives/activities and budget of OSAFII, stakeholders' interface, trainings and capacity building, recruitment of staff and retentions, management of the association, organizing the FI conclave, Friendly Cricket Tournament among Members etc and took decisions on consultative manner. Based on the sharing of the CEO on the progress updates and quarterly action plan, members provide their feedback and also extended cooperation to complete that. Most of them also provided their Membership Fee as per the revised rate which helped OSAFII in meeting the program as well as Office expenses incurred during the year. The support and cooperation extended by Members, especially in organizing the Friendly Cricket Tournament-2 for Members and 5<sup>th</sup> Financial Inclusion Conclave-2024 were very helpful and appreciated very much.



OSAFII Members' Coordination Meetings

## Organizing Annual General Body Meeting (AGM):

As per the procedure, OSAFII organizes at least one Annual General Body Meeting (AGM) in a financial year, especially after the Audit Report is ready. In continuation of its previous practice, OSAFII organized its 7<sup>th</sup> Annual General Body Meeting on 27<sup>th</sup> September '2023 (Wednesday) at Hotel Suryansh, Bhubaneswar. Altogether 36 participants from various Member MFIs/Organizations attended the AGM. After the initial greetings to all Members, the CEO shared the background of OSAFII-how it was formed about seven years ago-mainly to coordinate with various stakeholders, line departments, institutions etc. involved in promoting financial inclusion and providing financial services to the poor. He also briefed the General Body Members on the proceedings of previous 6<sup>th</sup> AGM, held last year.

The CEO then invited Mr. Dibyajyoti Pattanaik, President-OSAFII to give his Opening Note. Mr. Pattanaik welcomed and thanked all the Members for taking out time to attend the meeting. He shared briefly the sector updates, trends, issues and challenges etc. both at the national and state levels. Mr. Pattanaik appreciated the contributions of Member MFIs in serving the low income group of people in the state through their respective microfinance operations. Highlighting the importance of state level associations in building stakeholders' relationships and addressing various state specific issues, Mr. Pattanaik stressed the proactive roles of OSAFII to deal with that. He also suggested to strengthen further the state association with additional HR supports so that it can effectively undertake the sector and capacity building activities in the state.

The General Body Members present in the meeting had very productive deliberations and shared their valuable inputs on various aspects of microfinance program and the sector in the state. Most Members believed that collectively they can bring real and positive changes in the lives of the clients through their credit and credit plus activities. They suggested OSAFII to diversify and strengthening its activities, (sector building + projects) with focus on stakeholders' relationships at state and district levels, capacity building/orientation of staff, especially on Code of Conduct, Clients' Protection Principles etc., process (impact)documentation, help addressing the field issues, including the ring leaders, staff attrition and frauds by some of them, negative reporting by media, misconception by some stakeholders on microfinance- its interest rate/ etc. Other operational issues like unhealthy competition among various companies, over lending, financing to defaulters, too much of push for cross selling products while disbursing loans to clients etc. were also highlighted by some members and collective effort of all organizations was solicited to resolve that. The overall discussion and consensus were centered upon three key action points such as,

- (1) Strengthening further OSAFII Board & Governance
- (2) Strengthening OSAFII Secretariat and
- (3) Strengthening Programs-Emphasis/Priority for Sector Building Initiatives.

At the end, a few suggestions and action points were made in the AGM and the CEO-OSAFII was advised to follow-up/coordinate that.



7<sup>th</sup> Annual General Body Meeting of OSAFII

### Meetings with Stakeholders:

Over the years, OSAFII has been able to build and strengthen its rapport and relationships well with key stakeholders in the state. OSAFII periodically visited various stakeholders at the state level including to SLBC, RO-RBI, NABARD, SIDBI and Govt line Depts, especially Depts of Mission Shakti, Finance Dept, Director of Institutional Finance, Agriculture and PR Dept, WCD, OSDA etc. OSAFII team met the Convener-SLBC and his team, requested them to include it as a Member in the SLBC and also shared the progress updates and issues and challenges faced by the MF sector. OSAFII took up the issue of Karjamukta Bharat Abhizan specifically with SLBC and RO-RBI, updated them on the field realities and also solicited their kind support for resolving the matter. Related to the field incidence in Anlajodi village of Puri district, OSAFII together with MFIN team visited RO-RBI, met the Regional Director and later the Chief Secretary and shared the field observations with them. The team also met the State President, MP and Spoke person and other leaders of BJP who had taken up the Puri suicidal case. The team explained them about the legality of NBFC-MFIs, microfinance operations, processes involved and RBI's monitoring of that.

### Visits to Field and Meetings with District Level Stakeholders:

OSAFII team also undertakes field visits periodically to different districts and holds meetings and interactions with MFI teams and also district level stakeholders. Based on the field level issues including that was caused by the Ring Leaders and the negative campaign like KarzaMukta Bharat Abhiyan (KMBA) by a group of people from Dharmika Ekta Trust (Rourkela

Centre), OSAFII together with Member MFIs visited Keonjhar district, had interactions with the Borrowers, Villagers and PRI Members regarding the above negative campaign. Also had meetings with the District Officials including DSWO, LDM and DPC and apprised them on the negative campaign in the district. OSAFII team also visited Kalahandi and Nuapada districts related to another ring leaders' issue and fraudulent activities there. Based on the complaint /FIR against the ring leader at Ekgaon Police Station, the police arrested her. Having a meeting with MFIs' team, we visited Ekgaon PS, met the Investigating Officer (DSP) and responded his queries/questions related to the case and also solicited his support for the MFIs in the areas. The support and cooperation of the Crisis Management Committee in OSAFII at state level and the MFIs operating in the field have been quite encouraging in this regard.



As the KMBA campaign was growing in Kendrapara, visited the district several times together with Member MFIs, met the ADM, SP, DSWO, DDM, LDM, DPC and other officials and apprised them about the negative. Highlighting its negative impact on the repayment behaviours of the customers, we also solicited their kind support to contain it at the district/block level. Later on the campaign picked up in southern region especially in Malkangiri and really caused a lot of delinquencies in loan repayment by clients. In view of that OSAFII together with its Member MFIs brought the issue into the notice of the District and Police Administrations and also filed FIR against the leaders of the KMBA at the local police stations. Based on that the Police Administration acted positively and arrested three leaders and sent them to jail. Since the KMBA campaign has gone down substantially across the district and state. Mr. Irfan Khan who has got very good rappo to the police administration in the district/ state facilitated this process

well along with the MFI team in Malkangiri district. Their collective efforts were highly appreciated by OSAFII and its Member MFIs/Organizations.



MFI Team that worked tirelessly on KMBA

## କରଜମୁକ୍ତ ଅଭିଯାନ ନାଁରେ ଠକେଇ, ୩ ଗିରଫ

ମାଲକାନଗିରି/ମାଧୁଲି, ୮ମ(ଆପ): ବିଭିନ୍ନ ବ୍ୟାଙ୍କରୁ ରଣ ନେଇଥିବା ଲୋକଙ୍କୁ କରଜମୁକ୍ତ ଅଭିଯାନରେ ସଭ୍ୟ ହେଲେ ଆଉ ରଣ ପରିଶୋଧ କରିବାକୁ ପଡ଼ିବନି । ଏଭଳି ମିଥ୍ୟା ପ୍ରତିଶ୍ରୁତି ଦେଇ ଲୋକଙ୍କୁ ଠକିବା ଅଭିଯୋଗରେ ମାଲକାନଗିରି ଜିଲ୍ଲା ମାଧୁଲି ପୁଲିସ୍ ୩ ଅଭିଯୁକ୍ତଙ୍କୁ ଗିରଫ କରିଛି । ସେମାନେ ହେଲେ ନବରଙ୍ଗପୁର ଜିଲ୍ଲା ଉମରକୋଟର ଭଗବାନ ପୂଜାରୀ(୨୫), ଡାକ୍ତରୀର ପର୍ଶୁରାମ ନାୟକ(୨୪) ଓ ଆଶୋର ଜାନା(୩୫) । ପୁଲିସ୍ ପୂରଣ ଅନୁଯାୟୀ, ନବରଙ୍ଗପୁର ଜିଲ୍ଲାର ଉପରୋକ୍ତ ୩ଜଣ ଯୁବକ ମାଧୁଲି ଥାନା ଅଞ୍ଚଳର ବିଭିନ୍ନ ଗାଁରେ ବୈଠକ କରି ଧର୍ମିକ ଏକତା ଦ୍ରଷ୍ଟ ଦ୍ୱାରା ପ୍ରାୟୋଜିତ କାର୍ଯ୍ୟକ୍ରମ କରଜମୁକ୍ତ ଅଭିଯାନର ସଭ୍ୟ ହେଲେ ଆଉ ରଣ ଶୁଣିବାକୁ ପଡ଼ିନି । ଏଭଳି ବାଣୀ ଦେଇ ବିଭିନ୍ନ ବ୍ୟାଙ୍କରୁ ରଣ ନେଇଥିବା ଲୋକଙ୍କ ପାସବୁକ, ଆଧାରକାର୍ଡ, ପାନକାର୍ଡର କପି ଓ ପତ୍ରା ନେଇ ସଭ୍ୟ କରୁଥିଲେ । ଆସନ୍ତା ୧୨ ତାରିଖରେ ସେମାନେ ଦିଲ୍ଲୀ ଯିବା ପାଇଁ କହିଥିଲେ । ମିଥ୍ୟା ରଣ ଛାଡ଼ି ବାହାମା ଦେଖାଇ ଲୋକଙ୍କୁ ଠକିବା ଅଭିଯୋଗ ପୁଲିସ୍ ପାଇବା ପରେ ଜିଲ୍ଲା ସଦର ମହକୁମାରେ ଥିବା ଦ୍ରଷ୍ଟର କାର୍ଯ୍ୟାଳୟରେ ପୁଲିସ୍ ଏକ ଟିମ୍ ଚଢ଼ଇ କରି ଉପରୋକ୍ତ ୩ ଯୁବକଙ୍କୁ ଗିରଫ କରିଥିଲା । ଏ ସମ୍ପର୍କରେ ଥାନାରେ ଏକ ମାମଲା ରୁଜୁ ହୋଇଛି ।

News Coverage on Arrest of KMBA team

### Organizing 5<sup>th</sup> Financial Inclusion Conclave:

Since its inception, OSAFII has been undertaking various sector building initiatives in the state. As part of its sector building initiatives OSAFII organized its 5<sup>th</sup> State Level Financial Inclusion Conclave on 16<sup>th</sup> February'2024 at the Convention Centre of Hotel Mayfair, Bhubaneswar, Odisha. The main purpose of the program was to promote and strengthen effective coordination and synergy among all stakeholders for expanding financial inclusion collectively in the state of Odisha. The key theme of the 5<sup>th</sup> FI Conclave was "Accelerating Financial Inclusion & Entrepreneurship for Inclusive Growth".

The Conclave was attended by around 425 Delegates including Representatives from Govt NABARD, SIDBI, Banks, RRBs, SFBs, NBFC-MFIs, BCs, NGOs, CBOs, Cooperatives, SRO, Academic, Training & Research institutions and Govt line Depts attended the event. About 200 Women Leaders from various SHGs/JLGs too took part in the conclave. OSAFIIT also brought out important documents such as Compendium of Women Entrepreneurs' Success Stories and Odisha Inclusive Finance Status Report every year and gets that released during these events by the Dignitaries.

**Opening Session:** Mr. Dibyajyoti Pattanaik, President-OSAFII presided over the meeting and welcomed to all the Guests and Delegates. He also invited the Dignitaries to the dais and then requested to join for lighting of the lamp. The President thanked all the Dignitaries, Guests and Delegates for their kind participation in the Conclave. Sharing briefly about the microfinance sector in the Country/ State he informed that more than 70 RBI registered NBFCs, NBFC-MFIs, SFBs, Banks and other entities are providing financial services to more than 45 lakh women member from 30 districts in Odisha. He also appreciated the efforts made by each Member MFI/Organization to reach out the low income group of people in the state. Also highlighted the initiatives taken up by OSAFII for strengthening the inclusive finance sector and solicited support and cooperation from the stakeholders in the state. He emphasized the importance of

data collection for development and the role of OSAFII in empowering women through SHGs and JLGs. He also shared insights from global contexts to address and mitigate challenges in financial inclusion.

Mr. Narendra Nayak, CEO, OSAFII outlined OSAFII's mission to mitigate the financial challenges of the underprivileged, focusing on empowering women through inclusive financial services, entrepreneurships and other essential services like health, sanitation, education. He emphasized the need for SLBC membership for microfinance representation in Odisha and the importance of collaboration with NABARD and academic institutions for client education and impact assessment.

All the Dignitaries thanked the organized and addressed the gathering in the conclave. They shared their valuable insights mainly on financial inclusion, financial services, entrepreneurship development, women empowerment, digitalization etc. They also stressed on working collectively by all MFIs and other stakeholders in expanding financial inclusion and strengthening women entrepreneurships.

Ms. Puja Arora, AVP, CRIF-Highmark presented the summary of the Inclusive Finance Status Report-Odisha'2023. The Report was prepared by Highmark team. She shared the Pan-India performance of the microfinance industry, noting a 30% year-on-year growth. Odisha contributed 5.8% of the national portfolio, with significant growth in rural areas. She highlighted the need for better understanding of customer requirements and the importance of financial literacy.

Dr. Sudhanshu K.K. Mishra, CGM, NABARD, shared the background of microfinance in India, especially through SHG-Bank Linkage program and contributions of NABARD for that. Dr. Mishra also highlighted some of the challenges in microfinance operation and stressed for the need for institutional collaborations among various stakeholders. He stressed the importance of nursery development for small farmers, the mitigation of livestock diseases, and the strengthening of community-based organizations.

Dr. Alok Mishra, CEO & Director, MFIN highlighted the significant impact of microfinance on women, with over six crore women benefiting out of the financial services provided by Banks, NBFCs, NBFC-MFIs and other players in the country. He appreciated very much the supports extended by NABARD, SIDBI, Banks and other agencies for the growth of microfinance in India.

Smt. Y. Kumari, CGM, SIDBI highlighted the importance of microfinance in poverty alleviation. She stressed for easy and affordable financial services by women entrepreneurs. She also shared SIDBI's efforts in promoting microfinance, supporting MFIs and MF sector in India, MSME Registrations and the need for capacity building and credit linkages for SHGs/JLGs.

Mr. Jiji Mammen, ED & CEO, Sa-Dhan discussed the importance of income assessment and credit information for building trust in microfinance. He emphasized the need for training staff and women in disaster resilience, social housing, and sustainable livelihood development.

Mr. Jagadanand, Founder & Mentor-CYSD emphasized on the need for promoting livelihoods/micro enterprises among poor and support to that by MFIs and other stakeholders-helping SHG/JLG women members in to realize that in a gradual process.



**Technical Sessions:** It was planned to have two technical sessions in the conclave. The first session was held on 'Reaching Out to the Last Mile - Issues, Challenges & Way Forward' which

was moderated by Dr. Saibal Paul, Associate Director, Sa-Dhan. Moderated by Dr. Debasish Mahapatra, the 2<sup>nd</sup> session was held on 'Enabling Women SHG/JLG Members to Become Successful Entrepreneurs - Roles of Various Stakeholders'. Deliberations in two technical sessions were quite interactive. The Moderators and Panellists shared their valuable inputs.

For the session-1, Dr. Saibal briefly introduced the topic and invited Panellists to speak on that. Mr. Ajaya Kumar Rautaray, Senior Vice-President, Kotak Life Insurance Ltd, emphasized the importance of insurance in protecting families of borrowers. He advocated for greater awareness and education about insurance policies, such as the PMJTPK.

Mr. Ajit Kumar Sabat, Vice President, Muthoot Microfin Ltd, highlighted the need for training programs to strengthen the microfinance sector in Odisha. He shared Muthoot's success in digital collections and its focus on empowering women through microfinance.

Dr. Alok Pattanayak, Sector Specialist, discussed the challenges of financial literacy and the importance of understanding customer requirements. He called for a gender-sensitive approach to financial services and highlighted the need for innovative product offerings.

Mr. Mohan Chandran K.R., MD, Lahanti Last Mile Services (LLMS), emphasized the need for financial literacy, particularly among women. He advocated for family literacy programs and capacity building to empower economically backward communities.

Mr. Ashok Ranjan Samal, Former GM-SIDBI, addressed the issues of staff attrition in the microfinance sector and the importance of financial literacy and capacity building. He stressed the need for a cluster approach to skill development and market linkages.

Dr. Debasish Mahapatra, Associate Professor, KSRM, KIIT University (Moderator), initiated the session by emphasizing the need for market linkages, capacity building, and innovation in entrepreneurship development. He then invited the panellists to share their valuable insights.

Shri Arakhita Das, Director, RUDSETI, highlighted the role of RUDSETI in providing training and awareness to rural youth and women, focusing on sustainable development and self-employment.

Shri Ashok Kumar Meher, DM, Canara Bank, discussed the role of banks in providing credit to SHGs and SMEs, emphasizing the importance of productive utilization of loans and the socio-economic development of rural communities.

Mr. Pradyumna Kumar Choudhury, DGM-SIDBI, highlighted the qualities of a successful micro-entrepreneur and the need for financial and skill training programs. He also spoke about SIDBI's initiatives and support for MSME. He informed about various schemes of Government of Odisha including Swayam' for which Govt. provides interest-free loans for new businesses.

Shri Sujaya Kar, Deputy CEO, ORMAS, discussed the importance of online platforms like ONDC for marketing SHG products across India. He emphasized the need for proper branding, product volume, and strengthening market linkages.

A few Women Members/Entrepreneurs also shared their Experiences in the house.

*Conclusion:* The 5th State Level Financial Inclusion Conclave provided a comprehensive platform for discussions on financial inclusion, microfinance, and women's empowerment. The event emphasized the importance of collaboration, capacity building, and innovative

approaches to address the challenges faced by the underserved populations of Odisha. The recommendations and insights shared by the delegates are expected to guide future initiatives in promoting financial inclusion and entrepreneurship in the state.

The event was sponsored partly by Annapurna Finance Pvt Ltd and Kotak Life Insurance. OSAFII extended its gratitude to all Dignitaries, Delegates, Moderators, Speakers and Sponsors, Media Personnel and Members for their invaluable contributions to the success of the conclave. The organization remains committed to advancing the cause of financial inclusion and supporting the empowerment of women and marginalized communities in Odisha.

### Organizing Friendly Cricket Tournament-2 (OPL) for Members:

OSAFII organized OPL-2, Friendly Cricket Tournament-2 for the staff from Member MFIs in January'2024. The main objective was to enhance sportive and interactive synergy among Members. All Members were encouraged to nominate their teams for the match as soon as possible. Accordingly, the Khandagiri Cricket Ground was booked, and Players' Jerseys were made. Specialized Umpires, Scorer, Commentators etc. were hired to conduct the matches in proper manners. Breakfast & Lunch were arranged for all the participants. Altogether 13 Teams from: ANNA PURNA, AROHAN, ANANDITA, ASIRVAD, BFIL, FUSION, GUF SPL, MUTHOOT, SAMASTA, SAMPARNA, SATIN, SPANDANA VEDIKA and took part in the tournament. An Inaugural Ceremony took place and that was followed by matches between the MFI teams. The Teams were divided in groups and played to each other as per the schedules. A semi-final line was drawn up based on the last four winning teams. The final match was played between Muthoot Yudhas and Annapurna Lions in which Muthoot Yudhas came out as Winner again. Trophies for the Winner and Runner-up teams were given away at the concluding ceremony.





OSAFII Premier League: Friendly Cricket Tournament-2 among Member MFIs

Although held for first time, the OPL-cricket tournament was organized quite successfully. All the teams/players/staff enjoyed the matches very well and played with true spirit. OSAFII is thankful to all the Member Organizations for their kind cooperation and support in organizing OPL successfully. OSAFII is very grateful to the President & all the Board Members for their kind approval, guidance and support in conducting & making the event a success. Special thanks to the players/members of all 13 Teams for their spirit, sincerity & efforts made to travel to BBSR and play their matches so well-in a professional manner. Hearty Congratulations to Muthoot Yodhas for lifting the OPL Trophy as Winning Team. Many congratulations to Annapurna Lions who won the Runner-up Cup. OSAFII is thankful to Khandagiri Cricket Club, the Umpires, Scorer, Commentators and others who extended their support to us for OPL. Last but not the least, many thanks to Sampark team, especially to Debendra, Arun and others and also to OSAFII colleagues who worked very hard and helped conduct the tournament very smoothly and successfully. Hopefully, we will have many more such sportive activities in future for our Members.

### Organizing Gender Sensitization Programs for MF Professionals in Odisha:

Promoting Gender Mainstreaming and achieving women empowerment by addressing the existing gender inequality/gaps have been considered as key cross-cutting theme and intervention by most of the development agencies including the Govt line Depts., Apex Bodies, Donors, NGOs, CSOs, Financial institutions etc. Empowerment is the process of increasing the capacity of individuals or groups to make choices and to transform those choices into desired actions and outcomes. Through the process of leading to women empowerment it is primarily aimed at enabling them as equally capable individuals, who are socially aware, economically productive and politically conscious and act independently to make their own decisions in matters that affect them. Investing in women's economic empowerment sets a direct path towards poverty eradication, inclusive economic growth and better gender equality in the community.

No doubt that as institutions the MFIs have been making their efforts to achieve women empowerment through their respective microfinance operations. Also the MF sector has created reasonable employment opportunities, but the participation of female colleagues in that and getting benefits out of that have been very limited. Many of our staff working in the

field and dealing with women clients are found to be not adequately oriented on gender mainstreaming. So also the gender parity/balance in our HR structures has not been very encouraging so far. Perhaps there is also need for additional measures to be taken for making our work places more inclusive and empathetic towards staff, especially women colleagues.

In view of its importance OSAFII, with the financial support from Annapurna Finance Pvt Ltd, undertook a couple of gender related program-activities mainly to sensitization of the Microfinance Professionals of the sector in Odisha. The key activities were including Training of Trainers (ToT) for Training of Trainers on Gender Mainstreaming for Staff of MFIs and WE-LEAD, Workshop on “Advancing Women Empowerment through Entrepreneurship & Legal Safeguards: Issues, Challenges & Way with School of Women Studies, Utkal University, Developing Gender Policy and Framework and Celebrating International Women’s Day etc.



### **Organizing Recruitment/Placement Drive for Members MFIs:**

With a view to extend helping hands for MFIs and to facilitate the process of employment /placement opportunities for educated and unemployed youth, OSAFII undertook recruitment drives during the year. In addition to collecting CVs, OSAFII team also visited some training institutions run by various Foundations including ICICI, HDFC, Mahindra Tech, Aditya Birla & PIAs OSDA etc for this purpose. Also OSAFII coordinated with the District Employment Exchange Offices (DEEOs) and its Member Organizations and conducted special Drives for recruitments. OSAFII got itself registered in National Career Services, Ministry of Labour & Employment, Govt of India which helped it to get information on various job fairs.

Over the last one year, OSAFII has organized 25 recruitment drives across 21 districts, attracting nearly 800 candidates. However, the success rate has been modest, with only some candidates confirmed to be hired by the Member MFIs. Key challenges contributing to this low success rate include the challenging job descriptions, working patterns, and the necessity for postings in districts or locations away from the candidates' hometowns or blocks, leading to reluctance among many candidates to accept the positions. In spite of low success rate, a data base of about 800 registered candidates is prepared and made available to Member MFIs which they can also use later for their recruitment processes. OSAFII is also in the process to organize skill development certified training programs for the field level professionals to cater the surging demand of manpower by its Members MFIs. The Preliminary action has been taken to design the course Module and the location in funding partner with The District Mineral Foundation (DMF) in Angul and Dhenkanal.



Representatives from District Employment Office, OSAFII and MFIs at Recruitment Drive

## **Promotion and Strengthening of Women Entrepreneurships through WE-LEAD Program in Odisha:**

Access to need based trainings on entrepreneurship, skill building and financial services can help substantially to promote, expand and sustain livelihoods opportunities for poor. In view of that, OSAFII has been implementing an enterprise and livelihood focused project “Women Entrepreneurship-Livelihood Enhancement And Development (WE-LEAD) program in Odisha. WE-LEAD is being approved and supported by SIDBI. Following that, SIDBI & OSAFII signed a ‘Financial Support Agreement’ and the project was started on 8<sup>th</sup> April’2024. WE-LEAD has completed two years of its duration on 7<sup>th</sup> April’2024.

As there are some pending activities, OSAFII requested SIDBI for an extension of the project duration. Having considered the request SIDBI approved for a No-Cost-Extension until Dec'2024. The overarching goal of the project is to 'Promoting 12,000 Women Entrepreneurs among SHGs/JLGs Members through Capacity Building-EDP/Skill Training & Business Development Services in Odisha'. In line with the project design, OSAFII undertook various program activities. Over the last two years, OSAFII has been able to provide Module-wise Entrepreneurship trainings to 15,888 and trade/service specific skill trainings to 9933 potential entrepreneurs. out of which about 7932 of them have initiated their household enterprises. Credit supports from Member MFIs and also Banks have been quite helpful for the women members in this regard.



A review meeting of WE-LEAD programme was held at SIDBI-Bhubaneswar branch office on 25th January 2024. Dr. S.S. Acharya, CGM and Shri. Aswini Kumar Behera, SDE from SIDBI and Shri Narendra Nayak, CEO and Ms. Nibedita Barik from OSAFII were present at that meeting. There was a discussion about the progress of WE-LEAD Program Year-I & II, and how to accelerate implementation of the planned activities in the new blocks/branches as well as existing blocks. The discussions in the meeting were mainly on how to strengthen the women entrepreneurs to start/expand their business activities, Link the existing enterprise opting for large investment with MUDRA loan, Formalize the businesses- Udyam Registration & Udyam Assist Platform/other legal registrations i.e., Proprietorship, Partnership & Company. Support the entrepreneurs for digital commerce through on-boarding them to ONDC network. Encourage and provide mentorship to women entrepreneurs.

### WE-LEAD Project Brief & Progress Updates

1	Name of the Project	Women Entrepreneurship-Livelihood Enhancement And Development (WE-LEAD) Programme
2	Overarching Goal	Promoting 12,000 Women Entrepreneurs among SHGs/JLGs Members through Capacity Building-EDP/Skill Training & Business Development Services in Odisha.
3	Project Areas (Districts)	As per the revised plan, 06 Districts of Odisha: 05 Aspirational Districts such as Kalahandi, Balangir, Kandhamal, Gajapati, Dhenkanal and 01 non Aspirational district: Khordha are now part of the project operational areas
4	Project Duration	The initial project duration was for two years from 8 <sup>th</sup> April 2022-7 <sup>th</sup> April 2024.

		At the request of OSAFIIT for a No-Cost Extension and with the kind approval of SIDBI, the duration of WE-LEAD has been extended up to Dec'2024 in Odisha.
5	Project Budget	As per the revised plan, the total Budget of WE-LEAD Project for Two Years is: Rs.150 Lakh. Out of that SIDBI's grant fund is up to 80% of the project cost (Rs.120 lakh) and OSAFII/ Its Members to contribute 20% of project cost (Rs.30.12 lakh)
6	Name of the Member MFIs Involved in WE-LEAD Programme	Annapurna Finance Pvt Ltd, Asirvad Microfinance Ltd, Arohan Financial Services Pvt Ltd, Bharat Financial Inclusion Ltd, Credit Access Grameen Ltd, Fusion Microfinance Pvt Ltd, GU Financial Service Pvt Ltd, Muthoot Microfin Ltd Samparna Business Correspondence, Satin Creditcare Network Ltd, Unity Small Finance Bank
6	Key Deliverables /Activities for the Month/s	<ul style="list-style-type: none"> <li>i) Organizing Project Inception Meetings, prepare detailed Project Roll Out Plan, Implementation Strategies, Methodology, Timeline, Team &amp; individual Work Plans etc. and undertaking monitoring processes including Baseline Surveys, Mid-Term Review and Impact Assessment.</li> <li>ii) ii) Developing/ Customizing LEDP-EDP Training Manual, Modules and Training Kits/ Handbooks etc. and Organizing Training of Trainers (ToT) and Refresher Programs on EDP for project staff.</li> <li>iii) Sensitization/Awareness Building &amp; Training to 15,000 Women SHG/JLG Members on 03 key Modules of LEDP-EDP and Organizing Skill Trainings for 12,000 Potential Women Entrepreneurs (6,000 each year). parlor trade etc. The progress updates of the month are given below;</li> </ul>
8	Progress Updates	WE-LEAD programme was started on 8th April'2022. Since then OSAFII undertook various programme activities including organizing the Inception Meeting, Undertaking Baseline Survey, Developing EDP Training Manual/Modules in Odia, Organizing Training of Trainers and Refresher Programme for Project & MFI Staff, Imparting Module-wise EDP Trainings and Trade/Service-wise Skill Trainings to Women SHG/JLG Members, Facilitating Business Plans, Credit Linkages, Buyers & Sellers Meets, Conducting PAC Meetings etc. The programme was further expanded to 12 new Blocks, within the existing 06 districts, in Year-II. While continuing with most of the above activities, additionally OSAFII undertook a Mid-Term Review, Baseline Survey-2, conducted ToT-II for Project and MFI Staffs, Mentoring to Women Entrepreneurs etc. Monitoring the program activities and coordinating with various stakeholders continued as usual. The cumulative progress updates of the programme, especially on the EDP & Skill trainings are given below.

### Cumulative Progress Updates of WE-LEAD Program Activities

DISTRICT	Projection of EDP training for Districts	EDP Training Achieved in Year-2	Total Members Covered-EDP Trainings	Projection of skill trainings for District	Skill Training Achieved in Year-2	Total Members Covered through Skill Trainings
Gajpati	2500	1367	2699	2000	428	1636
Kandhamal	2500	1062	2453	2000	540	1312
Kalahandi	2500	1330	2687	2000	1007	2101
Bolangir	2500	1300	2625	2000	1034	2324
Dhenkanal	2500	1273	2578	2000	125	1150
Khordha	2500	1339	2846	2000	763	1410
<b>TOTAL</b>	<b>7500</b>	<b>7671</b>	<b>15,888</b>	<b>12000</b>	<b>3897</b>	<b>9933</b>

### Progress updates on other key Deliverables Activities

Key Activity	Projection for 2 Years	Cumulative Achievements
Facilitating Development of Business Plans	12000	8820
Amounts of Credit Linkage Facilitated	Rs. 58 Cr	Rs. 44.82 Cr
No of Enterprises Initiated/Set up	12000	9932
No of Existing Enterprises Initiated/Set up	6000	4191
No of New Enterprises Initiated/Set up	6000	3741

### WE-LEAD Programme Photos





### Partnership with Learnet for SWAKALPA Project:

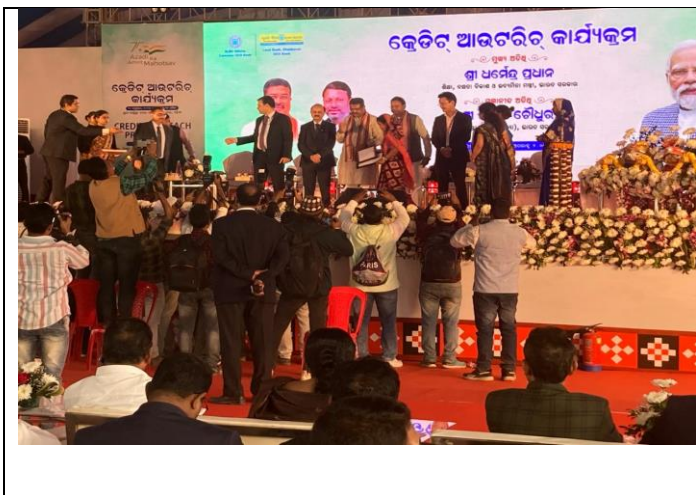
OSAFII entered into a partnership with Learnet for the project SWAKALPA project, supported by Govt of Odisha mainly to promote Entrepreneurs in the state. One of the key objectives of the project is imparting Self-Employment Training & Entrepreneurship skill development program by the Odisha Skill Development Project (OSDP) that aims to train 10,000 Youth and set up at least 1,000 micro-businesses across the state in two years with a 25% representation of women at all stages from training to entrepreneurship. As per the partnership OSAFII identified about 100 potential entrepreneurs including from among the SHG/JLG Members at Cuttack and Bhubaneswar and facilitated EDP trainings and credit linkage for them.



Collaboration with Learnet for Swakalpa Project

### Coordinating Credit Outreach Program for MF & WE-LEAD Clients in Dhenkanal:

A mega credit outreach program held at Dhenkanal on 20/01/24. Two Central Ministers including Shri Dharmendra Pradhan gave away the credit sanction letters to the beneficiaries. Initiated by SIDBI-OSAFII, five borrowers from Member MFIs, mainly from WE-LEAD areas were also given sanction letters and training certificates. We too had separate meeting & interactions (Regarding WE-LEAD Program) with women members, about 100, in the municipality hall.



**Social & Development Programs/Credit+ Activities undertaken by Member MFIs:**

Apart from providing micro credit-small business loans, credit linked micro insurance services etc, OSAFII Members also undertake various credit plus and welfare activities including on health and hygiene, water and sanitation, education, solar light, rural housing, enterprise promotion, relief and rehabilitation etc for the microfinance clients and other community members in the vicinity. In the post-cyclone periods, OSAFII members undertook relief and rehabilitation activities for the affected people. It was also very encouraging to see OSAFII Member MFIs taking up humanitarian activities for people affected by the horrific Railway Accident at Bahanaga that took place on 2nd June'2023 at Bahanaga station of Balesore district in Odisha. OSAFII and its Members visited the sites and helped the victims and their kins, collaborated with the district/block administrations and distributed dry food packets at Bahanaga, Bhadrak, Balesore etc. OSAFII consulted with the District/Block Administrations, planned with MFIs, joined them to visit accident sites, relief camps, hospitals etc. and help distribute food materials among them. Also coordinated with SLBC, SBI and other Banks for facilitating encashment of the cheques/drawing cash by the kith & kins of the injured people-treated at various hospitals, mainly at SCB, Medical, Cuttack. Below are given the photos of CSR program/Credit+ Activities by some MFIs.



Customer Awareness Program by BFIL-Inaugurated by Hon'ble Governor of Odisha

Depositors' Education Program by Sampark-supported Sa-Dhan & RBI



Relief Distribution by FUSION Team



Relief Distribution by CreditAccess Team



Relief Work by AROHAN Team



Drinking Water Cooler Installation at PTC, Angul by FUSION



Distribution of Grameen Vidya Scholarship to poor students by CreditAccess Grameen



Installation of Solar Panel at Hospital at Raikia by FUSION



Mobile Health Check up by Annapurna Finance



Mobile Health Check up by Annapurna Finance

OSAFII envisages to contribute meaningfully and support the poor in the domains of financial inclusion and livelihood promotion in the state. OSAFII together with other stakeholder will continue to work for the social and economic empowerment of women in the state. Through coordination and networking with various stakeholders, both at the state and district levels, OSAFII will try to strengthen further its relations with all relevant stakeholders and supplement their efforts in achieving sustainable development for the people. While continue with the on-going WE-LEAD program, OSAFII together with its Member MFIs/Organizations will make sincere efforts to promote and strengthen women entrepreneurs and help them graduate from MF to ME. OSAFII seeks collaborations and partnerships with various institutions, support organizations, donors etc to achieve that.

#### **List of OSAFII Members in Odisha**

<b>SN</b>	<b>Name of Member Organization</b>	<b>Legal Entity</b>	<b>Location / Coordination Office</b>
01	Annapurna Finance Pvt Ltd	NBFC-MFI	Bhubaneswar, Odisha
02	Adhikar Microfinance Pvt Ltd	NBFC-MFI	Bhubaneswar, Odisha
03	Arohan Financial Services Pvt Ltd	NBFC-MFI	Bhubaneswar, Odisha
04	ASA International India Microfinance Ltd	NBFC-MFI	Balesore, Odisha
05	Asirvad Microfinance Ltd	NBFC-MFI	Bhubaneswar, Odisha
06	Bharat Financial Inclusion Ltd	A 100% Subsidiary to IndusInd Bank	Bhubaneswar, Odisha
07	Credit Access Grameen Ltd	NBFC-MFI	Bhubaneswar, Odisha
08	ESAF-Small Finance Bank	SFB	Bhubaneswar, Odisha
09	Fusion Microfinance Ltd	NBFC-MFI	Bhubaneswar, Odisha
10	Glowmore Finance (P) Ltd	NBFC	Berhampur, Odisha
11	GU Financial Service Pvt Ltd	NBFC-MFI	Bhubaneswar, Odisha
12	IIFL Samasta Finance Ltd	NBFC-MFI	Bhubaneswar, Odisha
13	Janakalyan Financial Services Pvt Ltd	NBFC-MFI	Bhubaneswar, Odisha
14	Muthoot Microfin Ltd	NBFC-MFI	Bhubaneswar, Odisha
15	Nimbus Consulting Pvt Ltd	Ltd Company	New Delhi/BBSR, Odisha
16	Sampark Fin Services Pvt Ltd	NBFC	Bhubaneswar, Odisha
17	Satin Creditcare Network Ltd	NBFC-MFI	Bhubaneswar, Odisha
18	Sabrimala Fintek Pvt Ltd	NBFC	Bhubaneswar, Odisha
19	Spandana Sphoorty Financial Ltd	NBFC-MFI	Bhubaneswar, Odisha
20	UNITY Small Finance Bank Ltd	SFB	Bhubaneswar, Odisha
21	Uttrayan Financial Services Pvt Ltd	NBFC-MFI	Khurdha, Odisha
22	Vedika Credit Capital Ltd.	NBFC-MFI	Bhubaneswar, Odisha
23	VFS Credit Capaital Ltd	NBFC-MFI	Balesore, Odisha
24	Vector Finance Pvt Ltd	NBFC-MFI	Bhubaneswar, Odisha
25	Belstar Microfinance Pvt Ltd	NBFC-MFI	Sambalpur, Odisha
26	Midland Microfin Ltd	NBFC-MFI	Bhubaneswar
27	Cashpor Micro Credit	Section-8 Co	Deogarh, Odisha
28	Samunnati Fin Inter Services Pvt Ltd	NBFC	Bhubaneswar, Odisha

#### **Contact Details:**

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