OSAFII
Odisha State Association of Financial Inclusion Institutions
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__OSAFII Inclusive Finance Newsletter__

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OSAFII-Programme Updates:

The **Odisha State Association of Financial Inclusion Institutions (OSAFII)** operates as a member-based coordinating body of various organizations including microfinance institutions (MFIs) that offer financial services to poor and promote financial inclusion in Odisha. It was established as a Trust in the year 2016. Currently it has got 23 members. OSAFII primarily works for strengthening the inclusive finance sector in Odisha by strengthening better coordination among stakeholders and addressing the state specific issues and challenges. Since its inception, OSAFII has been undertaking various sector building initiatives and capacity building activities in the state. The current issue of the newsletter captures and reports some of the key networking and capacity building activities that OSAFII undertook during the period.

SHG Convention-2019: The SHG Convention-2019 was held on 29 Nov 2019 at Railway Auditorium, Bhubaneswar. The key theme of the Convention was "SHGs-The Key Architects of Financial Inclusion and Women Empowerment". Around 1100 delegates including >900 women members from various SHGs/JLGs, across the state, attended the convention. The event was inaugurated by Dr. Saurav Garg, IAS, Principal Secretary, Dept of Agriculture & Farmers' Empowerment, Govt of Odisha. Among other dignitaries: Shri AP Das, GM-NABARD, Shri Sunil Das, AGM-RBI, Shri PKC Das, Convener-SLBC, Shri Shirish Panda, Senior VP Arohan, and veteran SHG Leader & Social Worker Padmashree Tulasi Munda along with two Women SHG Leaders were present in the dais for the inauguration session.

Shri Dibyajyoti Pattnaik, President-OSAFII presided over the meeting and invited all the Dignitaries and Delegates and thanked them for their participation. After lighting the Lamp and opening song by SHG Members, the Dignitaries released the book: "Compendium of Clients' Success Stories" prepared by OSAFII.

The Chief Guest, Dr.Garg thanked the organizers and appreciated the efforts of OSAFII and its members for inviting him for the convention. He was very happy to see large number of SHG/JLG Members participating in the convention along with the representatives from various key stakeholders including RBI, NABARD, SIDBI, SLBC, SBI, MFIs and line departments such as Odisha Livelihood Mission Mission Shakti. Highlighting the Govt schemes and programmes for people Dr. Garg advised all the SHG/JLG members to avail that to strengthen their household livelihoods. The AGM from RBI Regional Office explained various initiatives taken by RBI on financial inclusion. The GM-NABARD shared how his organization started SHG programme in a very small way which turned out to be the largest movement for social and economic empowerment of women in the country. The SLBC Convener explained bankers' role and stressed for better coordination among all stakeholders including Banks, MFIs and Govt line departments for expanding financial inclusion further in the state. The Senior VP from Arohan (MFI) emphasized for diversification of products and services. Padmashree Tulashi Munda advised all to work for a holistic development of villages and that will provide livelihoods security for women and their households. Apart from the inaugural ceremony there were two technical sessions held during the convention in which a group of experienced panellists took part and shared their valuable inputs on financial inclusion and livelihoods promotion. Also six SHG/JLG leaders were provided opportunities to join the dais with the guests and panellists and shared their enriching experiences with the delegates. About 25 speakers spoke in the Convention. In addition to SIDBI-PSIG the event was sponsored by various organizations including NABARD, SBI, ESAF, Suryoday, Green light Planet, Galo India, Boon Box. Also some of the Member MFIs such as Annapurna, Adhikar, Sambandh, GUFSPL, SMSSL, Sampark and Madura provided their supports and sponsorships for the convention. OSAFII extends its heartfelt thanks to the Chief Guests and other Guests, Panellists, Delegates, SHG/JLG Members, Sponsors, Media and its Member organizations for their kind cooperation and support.

Welcome address by Mr Dibyajyoti Pattnaik President, OSAFII.


Key Note Address by the Chief Guest, Dr. Saurabh Garg, IAS


Sharing of OSAFII profile and Programs by Mr.N. Nayak, CEO


Address by Mr. Sunil Das, AGM-RBI Regional Office


Address by Mr. AP Das, GM-NABARD


Address by Mr.PKC Das, DGM UCO Bank & SLBC


Address by Padmashree Tulashi Munda


Address by Mr. Shirish Chandra Panda, SVP, Arohan


Session Moderated by Smt. Nayana Mohanty, ECO-SMSSL


Address by Prof BB Mishra, ICAR-OUAT


Address by Smt Amita Tripathy,Inspector of Police


Address by Mr. Debashis Mohaptra State Maneger,OLM


Address by Mr. Sanjaya Jena, Zonal Head, Suryoday SFB


Address by Mr. K.K. Behera, IRRI, Bhubaneswar


Address by Ditismita , CEO Swornajyoti Producer Company


Address by Smt Daimanti Duria, SHG Member from Malkangiri

Session Moderated by Mr. Md. Amin, Secy-OSAFII

Address by Mr. Arun Aggrawal DGM- SBI

Address by Smt. Pratima Mishra, DGM-NABARD

Address by Mr. B.K. Jena, Joint Director, Mission Shakti

Address by Prof P.K. Mishar, Xavier University

Address by Mr. Sudhansu Sekhar Dash, ESAF-SFB

Address by Smt Kalpna Rout,Maa Mangala SHG, Cuttack

Address by Smt Sabita Barik, Manikeswari SHG, Bolangir

OSAFII Board-cum-Annual General Meetings: OSAFII conducted a Board-cum Annual General Body Meeting on 6th July ’2019 at Hotel Suryansh, Bhubaneswar. Mr. Govind Chandra Dash, Vice-President, OSAFII presided over the meeting and warmly welcomed the Members and thanked them for their kind participation. The Treasurer presented the Annual Audit Report which was reviewed and approved by the General Body. The CEO shared the Annual Report and also presented the Activity Planning for next year. All the new members who joined OSAFII recently were given away with Membership Certificates during the meeting. A special Board meeting was also held in August mainly to review the action plan and implement that in a time bound manner so that all activities are completed by March’2020

Member MFIs Participating in the 3rd Annual General Body Meeting of OSAFII

Mr. Govind Dash, Vice-President, OSAFII welcoming GB Members

CEO, OSAFII presenting the Annual Activity Report (2018-19) & Action Plan for 2019-20

OSAFII Members' Coordination Meeting: OSAFII organizes coordination meetings for its members periodically mainly to deliberate on the prospects, issues and challenges faced by the sector and take collective actions to mitigate that. Two such meetings were held meetings during the period, one on 30th Sept ’2019 and second one 16th Nov 2019. Mr. Dibyajyoti Pattanaik, President, OSAFII chaired the meetings and delivered his Opening Notes. Along with sharing their institutional updates, the members present reviewed the microfinance operation and trends in the state. As reported, there are around 50 financial institutions including NBFC-MFIs operating in the state currently. No doubt their presence helped expand microfinance to all the districts in Odisha. With such multiple players and their too much push and quick disbursements, the state has witnessed an exponential growth of microfinance, in terms of GLP and Clientele which at times also cause a few concerns including overlapping, delinquency of loans etc in the sector. In view of that members collectively agreed to rationalize & consolidate their respective operations. Additionally, undertaking regular financial literacy camps/campaigns strengthening coordination with stakeholders and sensitizing media were agreed upon. In the 2nd meeting, members deliberated and planned for the SHG Convention-2019 (Nov’2019) and finalized the key theme, technical sessions, list of delegates, guests, logistics, media interactions/coverage, Client's Success Stories etc.

OSAFII Members & Stakeholders deliberating in the Coordination Meeting

District Forum Meetings: With a view to strengthen coordination and sensitize various stakeholders at district level, OSAFII organized seven district forum meetings during the period. The meetings were held in the following districts: Angul, Bolangir, Baragarh, Bhadrak, Dhenkanal, Kendrapara and Nayagarh. Representatives from Govt. Depts- DRDA, DSWO, OLM/NRLM, Mission Shakti, Banks/RRB and MFIs participated and officials from NABARD also attended. While welcoming and thanking all the stakeholders for their participation, the CEO shared the key objective of the meeting and also the Financial Inclusion and Microfinance Institutions status with all participants. The speakers provided their valuable inputs on Financial Inclusion and urged all stakeholders to work in a coordinated manner for expanding financial inclusion further for poor. The participants shared the updates on various initiatives taken up by their respective departments and organizations on expanding financial inclusion and livelihood promotion among the poor SHG/JLG members. Member MFIs shared their outreach and portfolio status in the state/district, issues and challenges faced and expressed to have better coordination with Govt line depts. and banks for expanding Financial Inclusion further in the district. The deliberations were held in a positive environment.

District Meeting at Bhadrak

District Meeting at Kendrapara

District Meeting at Bolangir

District Meeting at Nayagarh

District Meeting at Dhenkanal

District Meeting at Baragarh

Meeting with the stakeholders: As part of periodical meetings and interactions with various stakeholders OSAFII facilitated an interface of MFIs with State Level Banker's Committee and UCO bank officials on 23rd Septemeber'2019.The meeting was held in the SLBC Training Hall. Altogether 10 MFI Representatives participated in the meeting and had their interactions with the Convenor-cum-GM of SLBC, their staff and other stakeholders. Appreciating the good work of MFIs in providing financial services to the last mile-poor SHG/JLG members, the Convenor-cum-GM assured the possible support for MFIs.

Meeting and interactions with police personnel by OSAFII and its members also continued during the period. A small team consisting of MFI Rep and CEO-OSAFII met the Deputy Superintendent of Police (DSP) in Dhenkanal, Kendrapada and other districts and apprised them about the microfinance operations and security challenges-looting, snatching, attacking etc, faced by the field level staff while returning from their collection points/groups. Specifically in Kendrapada, the team brought to the notice of the recent incident in which some clients were duped by the local ring leaders, declined to repay their loan and protested the entry of MFI staff in the village. Having heard patiently, both the DSPs gave some valuable inputs/tips to the MFIs and also expressed their cooperation for the same from MFIs in such cases. They advised MFIs to build rappo and coordinate with the staff of the local police stations in the district. Also MFIs were encouraged to adopt digital payment facility to avoid any risks of getting robbed by miscreants in their operational areas. Such meetings and interactions have been quite helpful.

Meeting of Member MFIs with SLBC/ UCO Bank and Stakeholders at BBSR

Team Members with Police DSP at Dhenkanal

Interactional with Journalists: As part of sensitization to Media, OSAFII organizes Interactive Meeting with journalists in a periodical manner. Two such meetings were held during the period at Kendrapara and Bhubaneswar. The main purpose was to sensitize Media personnel on microfinance programme and its operational procedures and service delivery mechanism. Altogether 20 journalists from 11 local media attended the programme at Kendrapara. The Vice-President of OSAFII welcomed the Media Representatives. The CEO shared the objectives of the meeting and also updated the journalists on the status of microfinance prog-outreach & portfolio at the state level. He also explained how the member MFIs operating in the state and their difference from the chit fund companies. Representatives from MFIs also shared the process that they adopt while providing financial services to poor women clients in the villages. The journalists put a series of critical questions related to the legal entity, funding, interest rate, delivery mechanism, relationships with Govt & Banks etc. The meeting held at Bhubaneswar was attended by 29 journalists from 25 Media-both print and electronic media and the President, CEO and other members of OSAFII had fruitful interactions with them.

Interaction with Media at Kendrapara

Interaction & Briefing to Media at Bhubaneswar

Training Programmes: Enhancing the capacity of the Members further on various thematic areas of inclusive finance has been one of the key mandates of OSAFII. In view of that it conducts need based training programmes for the members. During the period, OSAFII organised four training programmes on various themes such as; Client Protection Principles, Social Performance Management, Responsible Finance and Digital Payment Mechanism, and trained about 100 staff from MFIs. Feedback received from the participants was quite encouraging as these trainings helped strengthen their knowledge and skill set. Below is given the details of the training programmes organized by OSAFII.

Client Protection Principles: The training on Client Protection Mechanism was on 30-31 July'2019 at Hotel Suryansh. Altogether 27 participants from 15 organizations attended this programme. The input sessions were facilitated by a team of experienced resource persons including Mr. A.R. Samal, Former GM-SIDBI, Mr. M.K. Baliyasing, Director-Sampark, Ms. Sujata Pattnaik, Senior Consultant & Trainer and Mr. Narendra Nayak, CEO-OSAFII. All the seven Principles such as Avoidance of Over-Indebtedness, Designing Appropriate Products, Transparent & Responsible Pricing, Appropriate Collections Practices, Ethical Staff Behavior, Mechanisms for Redress of Grievances, and Privacy of Client Data etc. were dealt with in details and staff were oriented on that. They were also advised to practice these principles and help other colleagues to learn and adhere to that in their respective fields.

CPP Training session facilitated by Mr.A.R.Samal

Certificates given away to Participants by Guests

Participants of CPP Training Prog

Social Performance Management (SPM): The training program on Social Performance Management (SPM) for MFIs & Role of HR for that was organized on 24th-25th September'2019 at Hotel Seetal, Bhubaneswar. Altogether 22 participants from 14 member MFIs took part in the training. A reputed resource agency from Hyderabad namely Hexa HR India was engaged and two of its founding members came to Odisha for facilitating the training programme. To better understand the Concepts & Process of SPM in MFIs, Universal Standards of SPM, Role of HR in SPM, Traits required for effective SPM etc. Reflection on and internalization of vision and mission of the organization were stressed and covered. The institutional mechanism of MFIs to take forward SPM in the organization. Input on role of HR team, HR Policies, Systems & Procedures in Developing Organization Culture and challenges faced by HR in conducting various functions were discussed. Feedback collected from the participants on the training was very positive.

Mr. Jayachandran, Resource Person from Hexa HR India facilitating training session

Mr.D.J. Pattanaik, President, OSAFII speaking to participants at Valedictory Session

Responsible Finance: The training on Responsible Finance was conducted on 23rd & 24th October 2018 at Hotel Seetal, Bhubaneswar. A total number of 21 officials from member organizations participated in the program. Mr.Niraj Kumar from Nimbus Consulting Pvt Ltd was the main resource person for the training program who took most of the sessions including on Concept of Responsible Finance, Seven Principles of Client Protection & their implementation, assessment and improvement along with other related client issues. He also explained various tools to assess the effectiveness of responsible lending practices in an organization and helped participants to understand that better through small group exercises and presentations. Mr. A. R. Samal, former General Manager of SIDBI took two classes on RBI Guidelines on the Responsible Finance and Code of Conduct Principles for Smooth Functioning of MFIs. The participants appreciated all these value-added sessions imparted on relevant topics.

Mr. Neeraj Kumar, facilitating the session on Responsible Finance

Participants of Responsible Finance with the Resource Person & Guests

Mr. Ashok Ranjan Samal, Resource Person facilitating the session

Digital Payments Mechanism in Microfinance:

The training programme on “Digital Payment Mechanism in Microfinance” was conducted on 19th & 20th December 2019. Altogether 19 officials from member organizations participated in the program. Mr. Deepak Kumar Nath from Global Technology Partners (GTP) was the resource person for the 1st day of the training program who took sessions including on Digital Payment Systems-concept, processes, risks electronic payment system (EPS) etc and relate that to microfinance. The second day was facilitated by the Airtel Payments Bank Team. They trained the staff on the new mode of payments for the microfinance employees, organisation and clients. Another area of business cooperation is to work as BC partner with Airtel Payments bank. This enables MFI partner to utilize their already existing big infrastructure (branch network and resources) to generate additional source of income by doing cross sell of basic banking products like Saving bank account opening, Sale of Insurance products especially customized to the need of the people in the rural areas. They can also provide aadhar based payment solutions and open Application Payment Interface that can be consumed by MFI partner in their app/portal to facilitate aadhar based collection from the end customer.

Participants at training program with Mr.Deepak Kumar Nath from GBP Promoter

Mr.Govind Dash, The chairman of GU Finance Pvt Ltd with the participants

Interaction with Airtel payment Bank Team

Credit + Activities Conducted by OSAFII Members

Individual development not only requires monetary support but development in terms of health, education, skill etc. are also required for proper usage of money. OSAFII members also undertake credit plus activities related to Water & Sanitation, Health, Education, Rural Housing, Non-Conventional Energy, Social Forestry etc. Many of them support their clients by providing trainings on skill enhancement, financial literacy and also provide facilities like medical mobile van, free education to children and motivating the disabled people to equally get a stand in the society. Additionally, they also take up Emergency Relief measures for affected people during natural calamities and lend helping hands to Govt.

Rolling Out of Medical Van

Health Check-Up

Financial Literacy Training

Skill Development

Educational Support

Fitness Camp

Drawing Competition for Kids

Solar Energy Facilities

Women Cricket Team(Visually Impaired)

For sending contributions & queries please contact:
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