ODISHA STATE ASSOCIATION OF FINANCIAL INCLUSION INSTITUTIONS

Report on

SHG Convention-2019

Organized by OSAFII & Its Members

<u>Supported by SIDBI-PSIG & Other Stakeholders/Sponsors</u>

29 November 2019

Railway Auditorium

Bhubaneswar

Background:

Over the years, the Self-Help Groups (SHGs) have played an instrumental role in bringing millions of women into the fold of financial inclusion by enabling them to be members of the groups initially and later linking them with various banks and financial institutions through SHG-Bank Linkage Program (SBLP). Pioneered by NABARD, the SHG form of intervention has been the most popular and potential instrument to promote and expand financial inclusion in India. In 1996 RBI recognized SHG lending as a mainstream credit activity for banks and classified it as a priority sector lending. Since then SBLP has taken the shape of a movement. According to NABARD's Status of Microfinance in India Report (2018-19), SBLP has reached many milestones with a total membership of about 1 crore groups covering 12.5 crore households across India. The program has made an indelible mark on the Indian financial landscape by extending loans to the extent of Rs. 87,000 crore to 50.77 lakh SHGs as on March 31, 2019. No doubt, NABARD was the original spearhead agency for the program, the Government-both at central and state levels, have emerged now as much larger promoter of SHGs & SBLP in the country.

Specifically in Odisha, the program has made significant progress and it continues to be one of the leading states in expanding the program in terms of outreach and linkage. The Govt of Odisha has been taking up various need based initiatives including providing financial and capacity building assistance to SHGs, mainly through Mission Shakti, Odisha Livelihoods Mission and other line departments. As reported, nearly 70 lakh women are involved with over 6 lakh SHGs in the state through Mission Shakti. Other key stakeholders such as RBI, NABARD, SLBC, Banks, NGOs, MFIs, and SHPIs etc too are contributing positively for the growth and development of SHGs & JLGs in the state.

Despite the above outstanding progress made by SBLP, however, there still exist a few issues. The current challenges that the SHGs & SBLP face includes the need to give impetus to the pace, focus on quality, enable mechanisms to stem the delinquency levels. So also demands of matured SHGs for support services in terms of entrepreneurship development, enterprise-managed marketing and extension services, etc. have not been adequately met for their graduation and growth. Additionally, need for better convergence among plans and strategies of key stakeholders is required to further strengthen the program and sustain that.

The role of OSAFII members including MFIs in promoting SHGs & JLGs and providing them both financial and non-financial services has been quite encouraging, especially in terms of their outreach and service delivery at the door steps of members. As reported more than 50 financial institutions work in Odisha and offer diversified financial services such as micro credit, micro insurance, pension services etc. The contribution of NBFC-MFIs has been quite remarkable in this regard. Collectively they covered all districts in Odisha and reached out to >27 lakhs members with loan portfolio of about Rs.5000 crores as on June'2019.They also undertake various credit plus activities related to Water & Sanitation, Health, Education, Rural Housing, Non-Conventional Energy, Social Forestry etc. Additionally, they also take up Emergency Relief measures for affected people during natural calamities and lend helping hands to Govt. OSAFII members contributed about Rs. 33 lakhs to Odisha Chief Minister Relief Funds, after cyclone-FANI hit the state.

OSAFII: The Odisha State Association of Financial Inclusion Institutions (OSAFII) operates as a member-based network organization of various institutions that promote financial inclusion in the state by offering inclusive financial services to poor. It is established as a Trust in the year 2016.The core intent of the association is to create and provide a common platform for all stakeholders in the state to share their experiences and facilitate better coordination among them. It works for strengthening the inclusive finance sector by addressing the state specific issues and challenges. OSAFII also helps strengthen the capacity of its members on various thematic areas including responsible finance and client protection principles. Started initially by seven homegrown MFIs, it has now got 23 members. The member organizations are signatories of the Common Code of Conduct (CoC) of MFIN and Sa-Dhan& adhere to Fair Practice Code as stipulated by Regulatory Bodies.

Since its inception, OSAFII has been undertaking various sector building initiatives and capacity building activities in the state. The 2nd State Level Financial Inclusion Conclave was organized by OSAFII on 1st March'2019 at Hotel Mayfair, Bhubaneswar having the theme "Women Empowerment through Inclusive Finance" . Around 500 Delegates including 250 SHG/JLG Members attended the program. The conclave was inaugurated by Shri Prafulla Samal, Hon'ble Minister, Women and Child Development & MSME, Govt of Odisha. Among other dignitaries those who were present and spoke in the inauguration session include CGM-NABARD, GM-SIDBI GM-SBI, Additional Director. SUDA, Govt of Odisha and Executive Director, Sa-Dhan. The President, OSAFII presided over the meeting.

Based on the experience gained as well as sectoral needs in the state, OSAFII and its Members collectively organized another mega event-SHG, Convention-2019, specifically for women SHG/JLG members on 29th November'2019 at Railway Auditorium, Bhubaneswar, Odisha. The convention was supported by Small Industrial Development Bank of India through its PSIG-Poorest Stares Inclusive Growth Programme (assisted by UK Aid).

The event was sponsored by a few member organizations including Annapurna Finance Ltd, Sambandh Finserve Pvt Ltd, Adhikar Microfinance Pvt Ltd, GU Financial Services Pvt Ltd, Sampark Financial Services Pvt Ltd, Madura Microfinance Pvt Ltd. Among other sponsors, it is worth mentioning the names of NABARD, SBI, Suryadeo SFB & ESAF-SFB Greenlight Planet, Galo India and Boon Box, who extended their support for the event. OSAFII extends its sincere thanks to them.

SHG Convention-2019

The SHG Convention-2019 was organized by OSAFII on 29th 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 participants including 900 SHG/JLG Members/Leaders came from different parts of the state to attend the convention. JLGs in the state. parts of the state to attend e convention. JLGs in the state. Representatives from Govt line Depts- Agri Dept, Mission Shakti, OLM, OUAT, IRRI, Banks, Small Finance Banks, NBFC-MFIs & NBFCs, BCs, NGOs, CBOs, Cooperatives, Industry Associations, Deptt. Of Police, FPO, Training & Research organizations also took part in the deliberations of the day.

(Inauguration Session)

Objective: One of the key objectives of the SHG Convention -2019 was to providing a common platform to women SHG/JLG Members and strengthening effective coordination and synergy among all stakeholders involved in expanding financial inclusion through promotion of SHGs and JLGs in the state.

Inauguration of the SHG Convention:

The SHG convention was inaugurated by the Chief Guest Dr. Saurav Garg, IAS , Principal Secretary, Dept of Agriculture and Farmers' Empowerment, Govt of Odisha. Among other dignitaries those who were present and spoke in the inauguration session include Smt. Padmashree Tulasi Munda as a special Guest, Guest of Honor, Shri. Sunil Dash, AGM-RBI, Shri A.P.Das , GM NABARD, Shri P.K.C. Dash, DGM – Convenor SLBC and Shri Shirish Chandra Panda, SVP and Business Head, Arohan Financial Ltd.

Shri Dibyajyoti Pattnaik, President-OSAFII presided over the meeting and welcomed to all the Guests to the dias. While presenting the "Access to Credit enables businesses to expand, creating jobs and reducing inequality". He also told that there is a huge need for financial services, backward and forward linkages for the poor in the state. Lightening the lamp by the

chief Guest and other Guests and released a Book – "**Compendium of Success stories of Odisha",** and welcome song sang by the SHG /JLG members.

Speaking on the occasion the Chief Guest Dr. Saurav Garg, IAS , Principal Secretary, Dept of Agriculture and Farmers' Empowerment thanked and appreciated the efforts of OSAFII and its member organizations for inviting him. He expressed his happiness to see nearly 1000 women SHG/JLG members participating in the SHG Convention. "All key stakeholders should join their hands to provide affordable financial services to the underserved", He also encouraged OSAFII members for providing financial services in the remote regions. He also expressed that, now – a – days agriculture strength has grown up substantially, agriculture in Odisha is a livelihood industry. However it is to produce enough food to fulfill the commitments of the Food Security.

	Shri Narendra Nayak, CEO - OSAFII presented the overview of the organization and microfinance status in Odisha. OSAFII focusing on Institutional Building of OSAFII, Networking and Coordination, Capacity Building of members and Stakeholders, Knowledge Management etc. in Odisha.
	Our special Guest Padmashree Tulasi Mundais an intentional action with the bringing about social change, She expressed how she fighting for change in society. Spreading literacy among the impoverished advise people of Odisha. She also shared how she struggled to start a school in adivasi iron ore mining area to educate children from local adivasi population would otherwise have ended up as child labor in the mines.
	Shri. Sunil Das from RBI explained about the RBI guidelines and to ensures credit availability to productive economic sectors, establishes institutions to develop India‘s as well as odisha’s financial infrastructure, expands access to affordable financial services, and promotes financial education and literacy.

Shri. A.P.Das, General Manager, NABARD spoke about how they promote sustainable and equitable agriculture and rural prosperity through effective credit for the promotion and development of agriculture, small scale industries, cottage and village industries, handicrafts and other rural crafts and other allied economic activities in rural areas with a view to promoting . It is also provokes refinance assistance for agriculture. He also appraised the OSAFII work in the state.

Shri P. K. C. Dash, DGM-Convenor SLBC, explained about how it was constituted in Odisha to act as a consultative and coordination body of all financial institutions operating in the 9 states. He also focus on it is inter – institutional forum for coordination and joint implementation of development programmes and policies by all the financial institutions. This is a banker’s forum, Govt officials are also included. He appraised Banks to provide quality financial services and timely support to BC outlets that would help in sustaining and strengthening the service provided through BCs and also ensures close supervision of BC operations.

Shri. Shirish Chandra Panda, Arohan SVP and Business Financial Services Ltd. started with to empower the underserved through a range of financial services in a manner sustainable for all stakeholders. It works with Strong local partners on the ground to further improve its reach in the remotest locations of its focus low income geographic. He also explained it offers financial safety not products such as and non – financial products to its customers at affordable costs. How they work closely with their investors, leaders and partners to provide tailored group and individual product.

Technical Sessions:

There were two technical sessions that were held in SHG Convention the first session was exclusively dedicated on Empowering Women for Sustainable Agriculture and Livelihoods and 2nd session was devoted on the deliberate on Accelerating Financial Inclusion through Digitization.

Technical Session-I: Empowering Women for Sustainable Agriculture and Livelihoods

Moderated by Mrs. NayanaMohanty, CEO - SMSSL, Cuttack, the 1st session had eight outstanding resource persons such as:

1. Prof. Bibhuti Bhusan Mishra, ICAR, Emeritus professor, OUAT
2. Mr. Debasis Mohapatra, State Project Manager, Odisha Livelihood Mission (OLM), Bhubaneswar.
3. Mr. Kishore Kumar Behera, International Rice Research Institute (IRRI), Bhubaneswar.
4. Mr. Sanjay Jena, Zonal Head, Suryodeo, SFB
5. Smt. Distimita, CEO of Swornamayee FPC
6. Smt. AmitaTripathy, Inspector of Police
7. Smt. DaimantiDuria, SHG member from Pradhniguda SHG
8. Smt. Devaki Nag, SHG member from Nuapada

Prof. Bibhuti Bhusan Mishra, ICAR, Emeritus professor, OUAT talk about the present scenario on advances in soil ,prospects, plants, environmental, agricultural micro biology. How SHGs / Community structure and function for eco system sustainability and environmental reclamation etc. He also explained how environmental contamination with the deterioration of soil health and due to use of chemical fertilizers for increasing crop productivity.

	Shri Debasis Mohapatra, State Manager, Nutrition Project ,OLM, Odisha addressed food security and livelihoods are co – dependent. Food secure in communities, especially those reliant on the environment for their livelihood. It is empowering women in agriculture and allied activities making systematic investment to enhance their participation and productivity and also to create and sustain agriculture based livelihood of rural women.
	Shri Kishore Kumar Behera, International Rice Research Institute (IRRI), Bhubaneswar explained about aims and objectives of the IRRI, Odisha. How IRRI working in Odisha mainly to reduce poverty and hunger, improve the health of rice farmers and consumers and ensure environmental sustainability of rice farming and ensure income profitability for farmers by developing rice varieties that are income – centric. They facilitating the collaboration on rice value chain and training and extension especially for women farmers.

Shri Sanjay Jena, Zonal Head, Suryoday, Small Financial Bank explained about the operation of SFB. It provides Financial Inclusion to sections of the economy not bei served by other banks. Such as: small business Units, small and marginal farmers, micro and small industries and unorganized sector entities. It provides banking services, offers saving and current accounts, debit cards, fixed and recurring deposits and loans services. It serves customers in Odisha as well as India.

Smt. Distimita, CEO of Swornamayee Farmer Producer Company talk about how they innerving with backward communities on basic needs of food sufficiency and livelihoods. She explained that the Farmer Producer Company can be formed by any 10 or more primary producers or by two or more producer institutions or by a contribution of both. They can undertake activities related to production, harvesting, procurement, grading, pooling, marketing, processing etc: of agricultural produce.

Smt. Amita Tripathy, Inspector of Police explained about the women's rights and how they participate in planning process of socio – economic development of women. She talk about rules and regulations, how it serve as public police interface against women. To report incidences of violence against women such as domestic violence, child marriage, dowry harassment and violence faced by women in public spaces. She will act as a

	role model for the community.
	

Two SHG leaders Smt. DaimantiDuria and Smt. Devaki Nag from among the clients also addressed to the house and shared their valuable experiences- their association with Banks, MFIs, and Cooperatives etc and found their financial services quite helpful for strengthening their household economy through business activities. Appreciating the invitation by OSAFII and its members to participate in the SHG Convention.

Vote of thanks given by ShriGokula Nanda Mohanty from Spandana Micro Finance, Odisha.

Technical Session-II:
Accelerating Financial Inclusion through Digitization.

The 2nd Session was moderated by Mr. Mohammed Amin, Secretary-OSAFII. This session too had an experienced group of panelists such as:

1. Shri A.K. Aggarwal, DGM - SBI
2. Smt. Pratima Mishra, DGM – NABARD
3. Prof. P.K. Mishra, Xavier University
4. ShriP . K. Jena, Mission Shakti
5. ShriSudhansuSekhar Dash , ESAF – Small Finance Bank
6. .Smt.Kalpana Rout, SHG Leader, Cuttack
7. Smt.SavitaBarik, SHG Leader, Bolangir

Shri M. Amin provided an over view of the microfinance sector- its background, growth prospects, challenges etc. especially faced in the remote, and hilly areas. All the speakers focused mainly on the need and relevance of financial services for poverty eradication, social and economic empowerment among the women members. Similarly, another important aspect such as effective coordination and synergy among various players and stakeholders to further accelerate, expand and strengthen financial inclusion programme and making special efforts by them to reach out the poor and vulnerable group of people, staying in distant, remote and hilly pockets was given emphasison

Accelerating Financial Inclusion through Digitization.

	Shri A.K. Agarwal, DGM – State Bank of India focused son Financial Inclusion and relevance of digitization. It intends to help people secure financial services and products at economical prices. It aims to establish proper financial Institutions to cater to the needs of the poor people . He also emphasize that, it reduces poverty, income inequality. It is access to finance and enables poor people to save and to borrow – allowing them to build their assets, to invest in education and entrepreneurial ventures and thus to improve their livelihoods.
	Smt. Pratima Mishra, DGM – NABARD explained that, No doubt the Accelerating Financial Inclusion through Digitization will help SHGs in all aspects. The social and financial data of the Self Help Groups and their members in the selected districts are digitized. Digitization brings all the SHGs on to the technology platform and into the fold of Financial Inclusion, thereby helping them access wider range of financial services also enhancing banker's comfort level. So Now – a- days Digitization is very essential for Financial Inclusion.

Prof. P.K. Mishra, Xavier University expressed his view that Financial Inclusion is an important part enabling Self – Sufficiency. Digitization will play a key role in accelerating the impact of financial inclusion. Digitization increases the reach and capacity of financial service provider's transparency and accountability to protect the individual. He also pointed out that, Digital Financial Inclusion involves the deployment of the cost saving digital to reach currently financially excluded and underserved populations with a range of formal financial services.

ShriP.K.Jena, Deputy Director from Mission Shakti showed a two minutes video reflects how Mission Shakti works in state. This video is quite good and self-explanatory. He expressed that, 70 Lakhs women have already been covered under this "Mission Shakti ". The Odisha Govt. Plans to keep up the good work and ensure economic independence and social security of many more women through formation of SHGs with thrift and credit. Mission Shakti are focused on improving Nutrition needs of women and children.

Shri Sudhansu SekharDash, ESAF – He talk about the Small Finance Bank ESAF Small Finance Bank (ESAF SFB) primarily focus on expanding the banking horizon to new unbanked /under banked area, stand as a bank for all with presence in urban, semi urban, rural and rural unbanked areas, giving importance of financial component in holistic economic development of the poor and marginalized. ESAF Microfinance and Investments Pvt. Ltd. was one of the pioneers in establishing a formal and structured form of lending through forming mutually trusted groups at the village level that could not only bring financial sustainability but also reinforced the fact that 'the poor of our country are trustworthy' and cultivate a culture of financial discipline and also improved the workers participation rate as women too joined the workforce or started some income generation activity that could financially support their household. Financial literacy mission started by ESAF could not only bring know-how on how to spend wisely but also secure the future. ESAF has adopted a unique social business strategy, with a triple bottom line approach, emphasizing on People, Planet and Prosperity.

Two SHG leaders Smt. Kalpana Rout and Smt.SavitaBarik from among the clients also addressed to the house and shared their valuable experiences - the support individuals who come to gather to offer mutual aid or support to each other. Being involved with these groups can be a life - changing experience. Increase self-efficiency offers social contact and support , enhance personal growth and community development. It offer an opportunity to address concerns in a supportive environment where we can gain – "They said. "

14 MFIs and Sponsors displayed their products in their respective stall. SHG

Given opportunity to other leaders of the SHG /JLG members also shared their experiences that, the association SHG / JLG, with Banks, MFIs, Cooperatives etc and found their financial services quite helpful for strengthening their household economy through business activities. Appreciating the invitation by OSAFII and its members to participate in the SHG Convention. Use of inclusive financial services, especially micro credit for undertaking various viable household enterprises by women was stressed to bring economic well-being and empowerment among SHG members.

Convention summarized by Shri Mohan Kumar Baliyarsingh.

Stall by MFIs and Sponsors in SHG Convention – 2019

The SHG Convention came to a close with a vote of thanks to all given by the CEO-OSAFII, especially to the Chief Guest, other Guest of Honors, Speakers, Panelists, Consultants, Sponsors, Media, SHG Members, Organizers, Volunteers & OSAFII Members for their kind cooperation and support for organizing the SHG Convention - 2019 successfully.

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