ODISHA STATE ASSOCIATION OF FINANCIAL INCLUSION INSTITUTIONS

5th Financial Inclusion Conclave-2024

{A State Level Stakeholders' Meeting on Expanding Financial Inclusion & Women Entrepreneurships in Odisha}

***Organized By*: OSAFII & Member Organizations in Odisha**

Date: 16th February, 2024 (Friday)

Venue: Hotel Mayfair (Convention Hall) Bhubaneswar, Odisha

OSAFII:

Vision: Establish an Inclusive & Sustainable Financial Society

Mission:

To Create Enabling Environment for Financial Inclusion through Stakeholders' Engagements.

OSAFII operates as a member-based organization of various institutions that promote financial inclusion in Odisha by offering inclusive financial services to poor. It was established as a Trust in the year 2016. Started initially by seven homegrown institutions with the financial support of SIDBI-PSIG and technical assistance of ACCESS-ASSIST , it has now got 27 members in Odisha. The core intents of OSAFII is to facilitate better coordination and synergy among various stakeholders. OSAFII works for strengthening the inclusive finance sector by addressing state specific issues and challenges. It also helps strengthen capacity of its members & stakeholders on various thematic areas including on responsible finance, client protection principles, SPM etc. It has also started taking up field projects. Supported by SIDBI, currently OSAFII is implementing 'Women Entrepreneurship-Livelihood Enhancement And Development (WE-LEAD) program, mainly to promote and strengthen 12,000 women entrepreneurs in 06 Districts, majorly in Aspirational Districts of Odisha. Graduating Clients from Microfinance to Microenterprise (MF to ME) has been one of the key purposes of the program.

1st FI Conclave:July'2017

Chief Guest: Shri. H.R. Khan, Former Deputy Governor, RBI

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 entrepreneurships.

Financial Inclusion & Microfinance:

With Financial Inclusion emerging as a major policy component in the country, microfinance through its inclusive financial services is seen as one of the promising tools to reach out to the unbanked populations. Delivered mainly by NBFC-MFIs, Banks, SFBs through SHG and JLG models, microfinance has been able to reach out to a large section of people in the country/states and help substantially in expanding financial inclusion .As per the MFIN Micrometer Report, the microfinance industry at pan-India level has got total loan portfolio of Rs.3, 76,110 Cr with active loan accounts of 13.9 Cr and 7.1 Cr unique Borrowers as on Sept'2023. While the NBFC-MFIs collectively have got the largest share of the portfolio: 39.3% the Banks contribute 31.6% and Small Finance Banks 19.4% to that.

The state of Odisha has witnessed a potential growth of microfinance program in the region and projected a rich diversity of models, practices, tools and products etc. The role of MFIs in providing the financial services for poor has been quite encouraging, especially in terms of their outreach and service delivery at the door steps of members. As reported, more than 70 institutions including NBFC-MFIs work in Odisha and offer diversified financial services, mainly micro credit to Women SHG & JLG Members. Collectively they have covered all the 30 districts in Odisha and reached out to about 40.33 lakhs members with gross loan portfolio of around Rs.21, 813 Cr as on Sept'2023. The loan funds provided by Development Banks including NABARD and its subsidiaries, SIDBI, Public and Private Sector Banks and Investors etc have been quite helpful for MFIs to reach out to the above members and meet their credit needs in the state. Having availed the loans from MFIs, the SHG/JLG members utilize that for various income generating activities to enhance their household incomes. OSAFII members also undertake credit plus activities related to Water & Sanitation, Health, Education, Rural Housing, Non-Conventional Energy etc and also Emergency Relief measures for affected people during natural calamities.

Key Issues & Challenges:

Reaching out to all households with inclusive financial services has, however, been a challenging task in Odisha mainly because of its geographical spread and inadequate infrastructures, especially in the rural, remote and hard to reach areas. The sector has yet to fully address the issues of scale and depth in the state. Regional skew in terms of FI

2nd FI Conclave: March' 2019

Chief Guest: Shri. Praful Samal, Hon'ble Minister-WCD and MSME, Govt of Odisha

SHG Convention- Nov'2019

Chief Guest: Dr. Saurav Garg, IAS, Principal Secretary, Agri Dept, Govt of Odisha

3rd FI Conclave' March'2020

Chief Guest: Shri P. K. Biswal IAS, DIF & Special Secretary, Finance Dept, Govt of Odisha

4th FI Conclave' Feb'2023

Chief Guest: Shri H.P. Singh, Chair: Sa-Dhan & MD-SATIN with other Hon'ble Guests

coverage is experienced. Growing NPA in SHG portfolio has been a concern. Promoting and strengthening microenterprises among SHG/JLG Members have also not been taking place adequately as expected. Coverage of micro-insurance and pension services for poor is also not very encouraging. Odisha has huge pockets of unbanked villages/centres. Inadequate infrastructure including rural connectivity and power supply has been considered as one of the major issues in opening bank branches. The BCs too feel constrained to operate effectively due to that. Funding for smaller entities is still an issue.

Odisha State Association of Financial Inclusion Institutions (OSAFII):

With a view to strengthen coordination among stakeholders, the MFIs in the state formed 'OSAFII' and supported it to operate as a state level association. Since its inception, OSAFII has been undertaking various sector and capacity building initiatives. Organizing state level financial inclusion conclaves is one of such activities. OSAFII has already organized 04 Conclaves and 01 SHG Convention in which delegates from different parts of the state took part and deliberated on various thematic areas. Due to COVID-19 there was no conclaves for two years. OSAFII has planned to organize its 5th State Level Financial Inclusion Conclave on 16th February'2024 at Hotel Mayfair-Convention Hall, Bhubaneswar, Odisha.

Key Objectives & Format: The key objectives of Conclave include;

- facilitate and provide a common platform for the stakeholders to deliberate on financial inclusion and women entrepreneurships and expanding that further in the state of Odisha.
- identify key issues faced while extending financial services and entrepreneurships for poor and low income group of people and suggest suitable measures to address that
- explore and build collaborative efforts among key stakeholders including Govt, Apex Bodies, Banks, MFIs, BCs, NGOs, CBOs, Industry Associations etc for creating increased livelihoods opportunities for poor and sustain that in the process.

The Conclave is expected to attract around 500 Delegates from across the state and outside. Representatives from Govt line Depts, RO-RBI, NABARD, SIDBI, SLBC, Banks, RRBs, SFBs, NBFC-MFIs, BCs, NGOs, CBOs, Cooperatives, SROs-MFIN & Sa-Dhan, Academics, Training & Research institutions etc. are expected to participate in the event. The conclave will look at full diversity of issues and challenges that impede and advance the financial inclusion and entrepreneurship initiatives in the state. Besides inaugural and valedictory sessions, the conclave will also have technical sessions and deliberations would focus mainly on subjects related to financial inclusion, financial literacy, women empowerment, entrepreneurship development and sustainable livelihoods etc. A state specific Inclusive Finance Status Report will be also prepared and shared in the conclave. OSAFII together with its Member Organizations cordially invites stakeholders to kindly attend the conclave and share their valuable inputs for expanding further FI and entrepreneurship in Odisha.

Tentative Agenda of Conclave-2024

Time	Key Activity
9.00am-10.00am	Registration
10.00am-11.30am	Inauguration Session
11.30am- 11.45am	Network (Tea/Coffee) Break
11.45am-1.30pm	Technical Session-I
1.30.pm-2.30pm	Network Lunch Break
2.30pm-4.00pm	Technical Session-II
4.00pm-4.15pm	Network (Tea/Coffee) Break
4.15pm-5.00pm	Valediction & Closure

Conclave Secretariat : OSAFII

Plot No: 33/C, 1st Floor, Nicco Park Road, Madhusudan Nagar, Bhubaneswar-751012
Contact Details: Narendra Nayak, CEO-OSAFII: Cell Nos. 9777293407,
Staff: 9348485787/9437411560, E-mail: osafiibbsr@gmail.com,Web:www.osafii.in