

## Key highlights of Microfinance in Odisha

### Virtual State Tour

#### About Microfinance

- Microfinance is playing a very important role in financial inclusion by providing collateral free credit to the excluded and unserved population of India.
- Microfinance institutions have operations in 37 states and union territories, and 635 districts pan India ensuring that credit reaches rural India through micro-loans.
- Microfinance customers are women from low-income households. 5.65 crore women have benefitted from these small, easily serviceable loans, impacting as many as 300 million families
- With this credit, rural women are able to generate income and manage their households better. Microloans have helped customers to operate small business ventures; women use the loans to buy sewing machines, open beauty parlours, manufacture and market products, open shops or engage in animal husbandry.
- Microfinance Institutions are RBI-regulated entities comprising the Non-Banking Financial Companies - Microfinance Institutions (NBFC-MFI), Banks, Small Finance Banks, NBFCs, Banking Correspondents, among several others.
- Microfinance has many intangible benefits besides helping in income generation through loans. It is giving birth to many rural women entrepreneurs who can live with self-esteem and confidence without having to borrow money from moneylenders.
- Customers in Odisha have always showed commitment towards repayment of loans as they understand the importance of a good credit history
- Borrowers are specially being educated to understand the importance of having a strong credit score.
- Borrowers use MFIN's dedicated Customer toll free number, 1800 102 1080 in case of any query

#### Quicks Facts about Microfinance in Odisha

(Based on data as on 30 September 2021 – Q2 FY 21-22)

- Microfinance Institutions Gross Loan Portfolio: Rs 14,870 Crore
- Microfinance is reaching all 30 districts of Odisha
- Customers: 38 Lakhs
- Total Number of Microfinance Entities: 54

## Speaker Quotes:

Ms Achla Savyasaachi, National Head – State Initiatives at MFIN (the industry association for Microfinance and an RBI recognized Self-Regulatory Organization), said, *“In Odisha, microfinance institutions are providing collateral-free microloans to 38 lakh women of low-income households. These loans help the women in livelihood generation through activities like animal husbandry or manufacturing/trade besides helping them meet the household medical expenses, education or home improvement. Microfinance institutions have always stood by their customer in difficult times. During the pandemic, invaluable support was extended to women helping them resume their livelihoods.”*

Mr Dibyajyoti Pattanaik, Director - Annapurna Finance Pvt. Ltd. and Board Member of MFIN said, *“It is endearing to see how microfinance has changed the life of so many low-income families. With credit now at their doorstep, women are increasingly getting financially independent. This has resulted in increased self-esteem, confidence and strengthening their position in the household. Microfinance institutions have also created an awareness about banking, the importance of a good credit record as well as making them digitally literate.”*

### **About Microfinance Institutions Network (MFIN)**

- Microfinance Institutions Network (MFIN) was established in 2009 as an Industry Association for NBFC-MFIs.
- MFIN was the first industry association to be accorded recognition as a Self-Regulatory Organization by the Reserve Bank of India in 2014
- MFIN works closely with the microfinance providers, regulators, Government and other key stakeholders across states / union territories and districts.