

Adhikar Microfinance: Providing Access to Clean Water through ‘Community Bore-Well Programme’

Balangir, Odisha: Like many parts of the country, most of the KBK (Koraput-Balangir-Kalahandi) districts of Odisha often reels under a severe water crisis. During scorching summer, when the temperature reaches its peak most of the tube-wells and dug-wells dry up, thus making water shortages more acute. This phenomenon is especially common in the hilly and backward areas of Odisha.

Besides, the water is also not safe for drinking. In November 2019, The Union Ministry of Jal Shakti reported that drinking water in 15 out of the 30 districts in Odisha is contaminated. Among the 40 sampled habitations in Balangir, 32 habitations were found to have unsafe drinking water.

With an aim to facilitate access to clean and safe drinking water, Adhikar Microfinance developed a Community Bore-well Programme. Under the Programme, Adhikar Microfinance provides collateral-free loans to a Joint Liability Group to help them build a bore-well, as it is difficult for individual households to invest in digging bore-wells.

Soon after the Community Bore-well Programme began, five women households from the Bhatli Grampanchayat of Balangir district, Odisha approached Adhikar Microfinance. With the help of Adhikar Microfinance’s field staff formed a Joint Liability Group called Bajrangbali Mahila Group and applied for a loan of Rs. 100,000.

The fund was utilised for digging the bore-well, electrification, water pump installation and pipe connectivity to member households. Now, each day the households receive 750 litres of water for domestic use. The bore-well not only provides clean water throughout the year but also saves their time.

While expressing her gratitude towards Adhikar Microfinance, one of the members said, “Earlier, I had to waste a lot of time in collecting water from the common well of the village. Being a daily wage labourer it severely impacted my income. Thanks to the Community Bore-well Programme of Adhikar Microfinance, I am now leading a healthy and stable life.”

Mr Mohammand N Amin, MD & CEO, Adhikar Microfinance Pvt. Ltd says, “Winning the trust and faith of customers, Adhikar works towards fostering a healthy society by making access to the basics, including water, sanitation and hygiene a reality for many rural households. Poor people find it difficult to get access to clean and sufficient water where public water supply is insufficient. Hence, such an initiative by Adhikar reflects that through Community Bore-well, clean and sufficient water can become a reality for many poor households. So while there is still much that can be done to make clean water available to all households in Odisha, I would like to invite all the Financial Institutions and Civil Society Organizations to join the movement.”

Apart from water scarcity, rapidly depleting levels of the water table is a major concern. Central Ground Water Board (CGWB) has suggested that the water table in 24 districts of Odisha is expected to drop more than two meters by the next decade. With the growing population, the situation will further worsen if no appropriate measures are opted for the sustainable management of groundwater. Realizing the gravity of the problem, Adhikar Microfinance is also working towards improving the depleting water table in various districts of Odisha. Adhikar Microfinance in association with Water.Org has initiated an artificial groundwater recharge programme. The construction of artificial water recharge units is expected to benefit greatly in improving the water table in future.

About Adhikar Microfinance

Adhikar a Non-Banking Financial Corporation – Microfinance Institution (NBFC-MFI) based out of Odisha is governed and regulated by Reserve Bank of India. Our success has been built on the foundation of financial inclusion where we are determined to bring the socially and economically backward people within the reach of financial accessibility. Over a span of 15 years company has touched the lives of 1.50 lakh people through its 84 branches in four states across the country.

They focus on robust digital technology to reach out to customers in remote locations and satisfying the needs of customers. Adhikar is the only MFI in Eastern India to reach the most disadvantage people in some of the aspirational districts of Odisha, Chhattisgarh, Assam and West Bengal. We cherish this idea and further strengthen it to achieve financial inclusion into a reality.

The Indian microfinance sector has come a long way. Early estimates show that the industry / sector would have closed Mar '19 with a credit portfolio outstanding of nearly Rs 2,00,000 crore serving over 50 million end clients (of which 99% plus are women and for most of whom this would be the first credit facility in their life) across 30 states through an employee strength of over 1 Lakh. For an industry almost written off in mid-2011 after the Andhra Pradesh (AP) crisis, this is no mean feat indeed.

NBFC-MFIs are the only regulated financial institutions in the country which give unsecured loans to the borrowers from low income households. These institutions fill an unfunded credit gap for women who do not have the wherewithal to provide collateral or security of any sort. The aim of NBFC-MFIs is to build sustainable livelihoods. Through providing last mile financial services even to clients in remote rural areas, these institutions promote the Government's financial inclusion agenda.

NBFC-MFIs are an important partner for Prime Minister MUDRA Yojana and almost 50% of the loan disbursements under this programme have been done through microfinance companies. NBFC MFIs are registered with the Reserve Bank of India and are stringently regulated right from the size of loan, the tenure, the rate of interest and a Fair Practices Code (FPC) and an Industry Code of Conduct (CoC) which governs their functioning. The Reserve Bank conducts regular supervision of all NBFC MFIs.

For further information please connect with:

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