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Annual Report

…..MESP 2021-22

A brief journey of MESP for the last twelve years

Niladri Sekhor Mukherjee

12/15/2022

From The Desk of the Chief Executive

It is pleasing to mention that MESP, during its' thirteenth year of operation, kept on working in favor of reducing poverty and increasing self employment through Holistic intervention.

It is an accepted fact that technology and digital transformation has enabled a faster and deeper financial inclusion. The process of adoption of technology has been accelerated in the recent past by events in the external environment. As an outcome of demonetization most NBFCs started crediting loan sanctions to bank accounts , avoiding cash disbursements. The pandemic resulted in financial organizations looking at digital payments to bank accounts using a variety of technologies tying up with Payment banks, Payment wallets and other payment technologies.

We have been working as a Corporate BC of Jharkahnd Rajya Gramin Bank (JRGB) since 2019. Bank adopted this corporate BC model to accelerate financial inclusion process. BCs did a lot to cater financial services to the poor during the pandemic years. They deliver Rs 500/ to each rural women provided by the Hon'ble Prime Minister during the pandemic.

MESP is presenting its' 11th Annual Report during 2021-22. Santhal Paragana of Jharkhand state is a backward region. Neither agriculture nor industries are prominently occupied for its development. Only the gangetic valley of Sahibaganj district is fertile. Other districts, like Dumka, Deoghar, Godda and Pakur are backward in agricultural development. Income accrued from the agriculture, is not sufficient to sustain two square meals in a day for a family. Therefore, a large scale migration takes place from this region over the years. They migrate to Bengal, Delhi, Haryana, Gujrat, Bombay and other parts of the country in search of job. State government took some measures to stop migration through MNREGA, but it has lack in impact.

Since the region is agriculturally underdeveloped, development of non farm sector is very important. Livestock sector development is also plays a vital role. Though animal feed is also required for the improvement of livestock sector. MESP plays a crucial role for the development of non farm sector in this region.

MESP has also started its work at Jangal Mahal region of West Bengal, i,e at Joypur block of Bankura district. We are also working with GOONJ , New Delhi on education sector to create short term and long term impact on this sector in both the states.

MESP is thankful to the well wishers, donors and all those who have extended their help in carrying forward the activities for attaining the goal. The supports of the community members, CBOs and all formal and informal organizations cannot be forgotten.

I must thank the functionaries of the MESP for rendering their tireless services which helped immensely in bringing it up to this stage.

Deoghar, **Niladri Sekhor Mukherjee**
Dec 15, 2022 **Chief Executive**

Table of Contents

0.0 PROFILE OF MESP

Name of the Organization	MESP Micro Enterprises & Sustainable Project
Nature of the Organization	Company Section 8
a) Registration Number and date	Registration No. U93000JH2010NPL014374 Date: 16.8.2010
b) Address Opposite to Forest Office, Jasidih Road, Bela Bagan,Deoghar-814142 (JHARKHAND)	
c) FCRA Registration Number and date	Applied
d) Registered under Section 12 A (a) of Income Tax Act 1961 : Nil Date : Registered under 80G of the Income Tax Act : NIL Date:	
e) Permanent Account Number - PAN in the department of Income Tax :	AAHCM1524F
Unique Code provided by Niti Aayog	JH/2017/0161641
f) Telephone/Mobile phone No.	91-7002741498
g) E-mail ID	mesp.mukherjee4@gmail.com
h) Web site ID	www.mespmfi.org
h)Chief Functionary and Authorized Contact Person	Niladri Shekhor Mukherjee

1.0 BACKGROUND OF MESP

MESP was started in the year 2010. We have crossed twelve yearly milestones of our journey. The past eleven years have been both challenging and rewarding.

Livelihoods, micro enterprise promotion, skill development, financial inclusion, research and study are major thematic areas of operation. Our experience shows that there are three supports required to promote micro enterprise and livelihood promotion. They are:

- Micro Credit
- Marketing
- Technology

MESP provides these supports.

1.1 Vision, Mission and Objectives of MESP

The inequalities of wealth which stand in the way of the social advancement will be have to be removed and equal opportunities for education and development will have to be given………These should be stands of the basic principles of the new society we want to build.

Vision:

Eradication of poverty and promotion of sustainable employment/self employment for marginalized and poor people in Rural and Semi Urban area through a market led intervention.

Mission:

- ❖ To provide financial services (micro credit and Insurance), technology and marketing support for the promotion of micro enterprises and livelihood for economically weaker households.
- ❖ To ensure better quality of life to the poorest and deprived section of the community as a whole and with special focus to the women, children and farmers through the different sectoral intervening factors contributing to it.

Objectives

a) To facilitate and promote micro enterprises/livelihood in rural, semi-urban and urban areas.
b) Financial inclusion program through BC model
c) Catering common services to the people through GST Suvidha kendra
d) To facilitate marketing of products produced by the SHG groups.
e) To provide technology and training for capacity building of the poor and marginalized people.
f) To extend services for agriculture and allied sector activities.
g) To Introduce Macro and micro level planning for livelihood intervention.

2.0 FINANCIAL INCLUSION:

This new approach has changed the basic banking architecture of the Indian economy since bank account creation is an integral part of the agenda; banks are more directly involved, with the regulations mandating that deposit taking be retained as their exclusive domain. One of the popular informal modes of the banking is 'Business Correspondent'. The BC model is an innovative technology based banking model which enables people in remote areas of India access to formal financial institutions.

The Reserve Bank of India had taken several steps to provide banking facilities in all the unbanked villages in the country. A road map to cover villages with population more than 2000 was first rolled out in 2010. A total of 74,414 villages with population more than 2000 was first rolled out in 2010. A total of 74414 villages with population more than 2000 were identified and allotted to various banks (public sector, pvt sector and regional rural banks) through State Level Bankers Committee(SLBCs) for coverage. All the identified villages have been provided banking services through branches or business correspondents or through other modes such as ATMs and mobile vans. In June 2012 , a road map was rolled out to provide banking services to unbanked villages with population less than 2000. A total of 4,91,825 unbanked villages across the country with population of less than 2000 were allotted to various banks through SLBCs for coverage.

It would not be a hyperbole to state that the Business Correspondent (BC) model had brought a paradigm shift in the financial inclusion landscape in the country. Financial inclusion has been always at the forefront of development policy in India, which includes access to useful and affordable financial products and services that meet the needs of transactions , payments ,savings, credit and insurance-delivered in a responsible and sustainable manner. The main focus of this program was to give access to the credit flow to the unbanked population of the country. But in the last decade a strategic shift has been observed where the focus is shifting from the credit to a more holistic approach

Three Major Aspects of Financial Inclusion:

- Make people to Access financial markets
- Make people to Access credit markets
- Make people to learn financial matters

3.0 LIVELIHOOD PROMOTION

Corporate BC of Jharkahnd Rajya Gramin Bank

3.1 Corporate BC : IN JHARKHAND

Organisation has selected and assigned as a Corporate BC by Jharkhand Rajya Gramin Bank (JRGB) bank. There were two RRBs in the Jharkhand state. One was Vananchal Gramin bank (VGB) and other was Jharkhand Gramin bank. We started with VGB as a Corporate BC. From 1st April 2019 the two banks merged with and launched as Jharkhand Rajya Gramin Bank (JRGB). There are ten (10) companies working as Corporate BC under JRGB. We have been promoted around 100 Customer Service Points (CSPs) in the six districts of Jharkhand. Young boys and girls who are searching for Jobs after completing their education are eligible to be appointed as CSP holders. It is a means to provide self employment for unemployed youths. This is a white colour job , working with laptop along with other high value instruments. These CSPs are acting as a mini branch. A/c opening, transaction, money remittances and other banking activities are being undertaken by these CSPs. Each CSP holder is earning Rs 5-10000/month through this mode.

3.2SOCIAL SECURITY SCHEMES:

Insurance and pension are two important services which are being accessed by households. Rural poor are deprived of insurance & pension facility. Jan Dhan Yojona scheme is also providing term insurance & accidental insurance benefit those having bank a/c. Atal Pension Yojona is also providing scope to each rural household to have a pension facility in their old age. Banks have been vested to BCs for implementing the same. CSPs are assigned to promote the program in their respective areas. They will serve this livelihood plus services to the rural households.

3.3 Pandemic Year : During the pandemic year our CSPs have been rendering a lot of services to the people. Central Govt transferred money to all farmers and women through Jandhan Yojona account. BCs helped thousands of farmers and women withdrawing their money from their account. Many women have opened their account through our BCs during this pandemic.

Expansion of CSPs has been taken place during this period.

3.4 MESP has been covered 6 distrcts of Jharkahand . They are Deoghar, Dumka, Godda, Giridih , Bokaro and Pakur. District wise number of BCs are as follows:

Sl No	District	No of BCs
1	Bokaro	10
2	Deoghar	19
3	Dumka	15
4	Giridih	21
5	Godda	27
6	Pakur	1
	Total	93

BC model is working towards reaching the banks in the doorstep of the people as well as it is white colour self employment of the young educated unemployed youth. Most of the youth after completing their 10/ 12 standard used migrate to other parts of the country for their better livelihood opportunity. But their dream does not materialize. Migration is only an opportunity to get a wage employment but it will not improve their life style. This model will employ the youth in a self sustaining livelihood path. This BC model is a very good opportunity of livelihood promotion.

4.0 IN BENGAL :

Organization has been implementing development sector activity in the Joypur block of Bankura district for the last ten years. But presently it has made a consortium and undertaking Coporate BC activity of Bank Of India. Our company will work in the West Bengal covering Bardhaman, Howrah and Kolkata Zonal area. Work will start soon.

Corporate BC work under Bank Of Boroda is also under pipeline. Company will also work in the W. Bengal

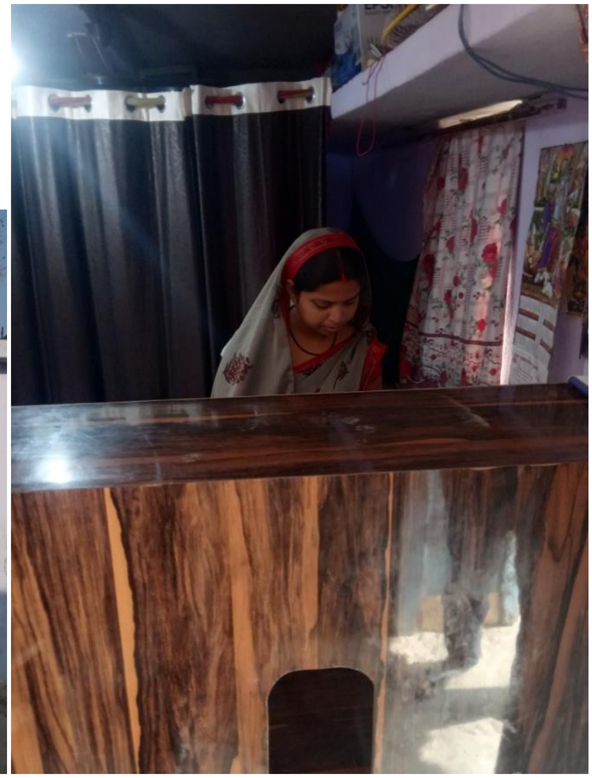
5.0 CASE STUDIES :

5.1 CSP as a white colour self employment of rural youth:

Prakash Mahato, age. He is young guy with class X pass. But he is a good entrepreneur engaged in small contractor work. But the income was not stable and steady. He approached MESP for a license for BC. We sanctioned a BC at Chainpur village at Sariyahut block. BC is located beside the Deoghar-Godda main highway near Sareyahut block centre. Now his transaction is minimum Rs 2 lakhs per day. He engaged two educated youth as his assistant. His CSP is looking like a bank counter.

He opened nearly 1500 a/cs during the lock down period. He disbursed the money

His CSP is linked with JRGB Sareyahut branch. He engaged two young educated boys. Otherwise these guys will migrate to some other parts of India.



5.2 Sharmila Kumari is a house wife. She was working in a NGO at Tisri. Her qualification is BA. She is conversant with computer knowledge. Her husband is working as para teacher. She was appointed as a BC during the mid 2019. Her BC is located at Kishutand village of Tisri Block (Giridih district). The village is located in the hill top surrounded by the hillocks. The block was dominated by MCC in the yester years. As a result there is no JRGB branch in this block. One has to travel atleast 40 km to reach the nearest branch. She opened her BC kiosk in this village and served the whole set of villagers located in the area. She earned more than 5000/month on an average along with serving her household responsibility. Her KIOSK is familiar as a bank branch located in her house.

6.0 Marketing and Value Addition

One of the core area of our organization is marketing and value addition of the product. Our experience shows that SHG members and farmers are facing problem to sell their produces. Price of the agricultural produces are lowering during the harvesting season. There is no preservation and processing facility for cash crops produced in the area. On the other hand, non farm products produced by the members are not able to access the marketing due to the competition and other reasons. We are constantly working on that issue. MESP became a member of VB(Vikas Bazar) Net Foundation based at Ranchi.

6.1 Rural Mart : Sponsored by NABARD

The aim of the project is to promote marketing of the products produced by the SHG women members. It is also promoting the entrepreneurship quality of the women members. Rural Mart is established at the Basukinath Bazar within the influence area of the temple so that pilgrims can visit the shop.

The main objectives of the projects-

-To facilitate marketing linkages for products produced by SHG group members.

-Producers will get an outlet to sell their products and also members can understand the type & quality of product demanded by the customers.

-Producers can understand the taste and preference of the consumers/customers.

The project will help the women entrepreneurs to motivate others women entrepreneur to come forward.

Organisation has established a shop in the Basukinath mandir area. DDM, NABARD and LDM, Dumka inaugurated the shop. We are facilitating the project. Now it is growing on and fulfill its objective.

promotion and value chain development of the produces. The focus is on better utilization of water bodies for commercial production. Profit is distributed among the local community who are involved with this program and its expanding.

7.0 SERVICES

7.1 Opening Bank A/C

Our CSPs are opening a/c of the general people in the rural areas who are not able to reach the bank. We have appointed around 90 CSPs in 5 districts. In this year (2020), MESP gave target to each CSP holders to open 2000 a/c. This will increase their volume of business also.

7.2 Insurance Program

Micro Insurance under LIC: Organization has made collaboration with LIC, Bhagalpur for introducing micro insurance (MI) to our borrowers. MI policy is an endowment policy with Rs 1200-1400 premium annually focusing low income group people. The response of this scheme is very good from our borrowers. Forty (40) women members have been covered under this insurance scheme. Apart from this, CSPs are doing insurance like PMJBY, PM RSBY through bank.

7.3 Health Insurance

Cost of medical services will go up day by day. Poor people are unable to pay the amount. Women have been suffering much. Govt hospital service is also poor. To bridge this gap of services we are collaborating with Advance India Insurance Service for providing medical insurance to our rural masses. Two insurance companies are ready catering this service.

7.4Atal Pension Yojona :

Pension is a focus area of our organization. Rural people are becoming vulnerable after 50 years of age. So they need a Pension Yojona. Atal Pension Yojona promoted by the Central Govt is a suitable scheme for them. CSPs are promoting this scheme among the rural people.

7.5 SHG Promotion Program

Though we are mainly working through JLG mode, but we are also focusing SHG too. We have formed 50 SHGs in Deoghar, Devipur and Jarmundi block. SHG is permanent in nature but JLG is a working group. We want to percolate social issues like literacy program, under age marriage, women education etc. through SHG. Insurance and pension program is also percolating through SHG. We are promoting SHGs for women empowerment apart from our livelihood and micro promotion activities.

Literacy through Signature: Our field officers also taught signature to illiterate borrowers. It is important for opening the account. More than 100 women had been taught signature during field work by our field officers.

8.0 Collaborating organisations

Our partners are as follows:

- Jharkhand Rajya Gramin Bank, Ranchi
- Microgram: Bangalore
- NABARD, Ranchi
- IFMR Finance :Chennai
- LIC of India : Bhagalpur
- CInI : Ranchi
- Indian Oil Corporation Ltd: Barauni
- Union bank of India : Deoghar
- IDBI, Deoghar
- SBI General Insurance Company
- Powergrid Corporation of India, Gurgoan
- Indian Tobacco Company Kolkata.
- Airtel Payment Bank
- Rise Against Hunger India
- GOONJ: N Delhi

9.0 Team members of MESP

1. Mr. R R Verma : Accountant
2. Mr. Devanand Sharma : Marketing Manager
3. Mr. Manish Ranjan : MIS person
4. Mr. A N Pandey : Senior Consultant
5. Ms.Amiran Bibi : Office Assistant
6. Mr Pradip Kumar : Marketing Person

Auditors M/S D D Chakravorti & Associates, Kolkata

Bankers Union Bank of India & Jharkahnd Rajya Gramin bank, Deoghar Branch, IDBI Bank, Jharkahnd