

PARTNERSHIP TO ADVANCE CLEAN ENERGY – DEPLOYMENT
 TECHNICAL ASSISTANCE PROGRAM
 MICROFINANCE SUPPORT PROGRAM

PACE-D MFI FACT SHEET

MAHASHAKTI FOUNDATION

BACKGROUND

Snapshot of Mahashakti Foundation

START OF OPERATIONS: 2004	NUMBER OF EMPLOYEES: 200
NUMBER OF BRANCHES: 20	NUMBER OF CLIENTS (ACTIVE BORROWERS): 45,500
WEBSITE: mahashaktifoundation.in	CONTACT EMAIL: jugal@mahashaktiindia.org


Mahashakti Foundation (MSF) was established under the Indian Trust Act – 1882, and began operations in October 2004 in Madanpur Rampur, in the Kalahandi district of Odisha. A professionally managed and operated organization, MSF had its origins in the CASHE project (CARE India and DFID) and a program run by Odisha’s leading NGO, the

Friend’s Association for Rural Reconstruction (FARR). MSF provides a range of services to the “poor and downtrodden communities” and works towards improvement in livelihood development, health, education, agriculture, renewable energy, micro insurance, sustainable community development, sanitation, organic farming, housing and microcredit. MSF currently operates in 20 branches in eight districts of Western and Southern Odisha; these areas are considered to be among the poorest in the country, with 91 percent of the population residing in villages, and 39 percent belonging to tribal communities where the average daily income per capita is below USD 1. MSF works with over 40,000 poor families, empowering them to address their own socio-economic, political and cultural needs. MSF has a professional, dedicated and growing workforce of 200 staff and in the last six years, it has disbursed INR 120 crores. Its current repayment rate is 98 percent.

ENERGY LENDING

MSF started its energy lending program in 2013 with technical assistance from the USAID-funded Renewable Energy Microfinance and Microenterprise Program (REMMP) implemented by Arc Finance, which was expanded further in 2015 under the USAID PACE-D TA Program. As of October 31, 2017, over 26,900 energy loans have been provided to MSF’s clients for the purchase of portable solar lanterns and clean cook stoves. In addition, 45 solar microgrids are supplying basic lighting and mobile charging services to nearly 1,800 families. MSF is a leading player in solar microgrid installations and solar lantern sales across the state of Odisha.

MSF’s Energy Program

	CONTEXT ONE STATE	RURAL POPULATION 34 MILLION
	TOTAL POPULATION 41 MILLION	PERCENTAGE OF HOUSEHOLDS WITHOUT ELECTRICITY 57% IN ODISHA

SOURCE: 2011 INDIAN CENSUS

Mahashakti Foundation's Microfinance and Energy Loan Products



AVERAGE MICROFINANCE LOAN TERM	UP TO 24 MONTHS
AVERAGE MICROFINANCE LOAN SIZE	2,000 TO 25,000 INR (USD 35 to USD 400)
MICROFINANCE LOAN REPAYMENT FREQUENCY	WEEKLY OR MONTHLY
ENERGY LOAN TERM	6 MONTHS
ENERGY LOAN SIZE	600 TO 2,400 INR (USD 10 to USD 40)
ENERGY LOAN REPAYMENT FREQUENCY	WEEKLY
ENERGY INSTALLMENTS TOTAL	24 INSTALLMENTS

IMPACT*

OUTREACH

- Nearly 26,900 clients (100% women) have received financing for clean energy products
- Over 134,500 household members have benefitted
- 59% of MSF's client base now has clean energy products



FINANCIAL ACHIEVEMENTS

- Over USD 700,000 has been disbursed as energy loans



- As a result of USAID support, USD 500,000 in debt investments have been leveraged



ENVIRONMENTAL IMPACT

- 70 kW equivalent of solar capacity has been installed



- Over 7,500 tons of CO₂e have been displaced



*As of October 31, 2017

ABOUT PACE-D TA PROGRAM: The Partnership to Advance Clean Energy – Deployment Technical Assistance Program (PACE-D TA Program) is a five-year bilateral initiative led by the U.S. Agency for International Development (USAID) and the U.S. Department of State, and implemented in partnership with the Ministry of Power (MOP) and the Ministry of New and Renewable Energy (MNRE). The Program has three key components: energy efficiency (EE), renewable energy (RE) and cleaner fossil technologies. One of the focal areas of the Program is to provide technical assistance to microfinance institutions to scale up energy lending. Nexant is the key implementation partner for the PACE-D TA Program and is supported by a consortium of Indian and U.S. companies including Arc Finance which leads the microfinance component of the Program. As a part of this Program, Arc Finance is providing technical assistance to seven partner microfinance institutions in nine different states: Uttar Pradesh, Odisha, Madhya Pradesh, West Bengal, Jharkhand, Kerala, Bihar, Tamil Nadu and Chhattisgarh. For more information, please visit www.pace-d.com.

USAID/India

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