

Balasore LDM meets Microfinance organizations in the district

Orissa, July 1st 2020: Microfinance Institutions Network (MFIN), an RBI recognized self-regulatory organization and microfinance industry association in India, today stated that its Members will act as a support to the 35.88 lakh women borrowers in Odisha and 1.88 lakh women borrower of Balasore district whose livelihood have been impacted due to Covid 19. MFIN SRO also has a Toll-Free Number **1800 102 1080** where the borrower can reach out to address any concern.

On June 26th,2020 Balasore Lead District Manager Mr. Sudeep Dakua in the presence of State Government District Coordinator of Mission Shakti Mr. Parida, said they had a meeting with all operating microfinance institutions of the district in UCO Bank premises as per the direction of collector and District Magistrate Mr. K. Sudarshan Chakravarthy and discussed the issues and challenges faced by the microfinance customers in the district. Mr. Dakua informed that due to Corona Pandemic payment of instalment has been deferred by RBI till August 31st,2020. He also stressed that loans disbursed by these institutions cannot be waived off. Those customers who have taken loan are free to avail the moratorium till August 31st,2020. However, during this moratorium period as per RBI guideline accrued interest on outstanding portion of the loan would be charged. Microfinance customers having capability to repay the instalment can pay the instalment to avoid additional interest of moratorium. Customers those are unable to repay can avail the moratorium but once the moratorium will be over i.e. after August 31st,2020 they have to pay the instalment along with the accrued interest as directed by the RBI.

In this meeting, microfinance senior representatives shared that they are reaching out to the customers to take their choice of Opt in or Opt out of the facility of moratorium. They also shared that customers are not aware about the interest implication of opt in the moratorium; they are making them understand about the same during these meetings. They also shared that microfinance institutions will stand with their customers to fight against the COVID-19 and to bring back the normalcy in their livelihood. They are also ascertaining the requirement of loans and are in process to extend loans to their customers.

To protect the interest of the borrower, MFIN SRO, which is recognized by the RBI, has established a very strong grievance redressal mechanism cell which attends to the concerns of borrowers in Odia language. If the borrower faces any issue in availing moratorium or needs a clarification, she can first reach out to her own lender whose number is mentioned in her loan card. The borrower can further escalate the issue to MFIN SRO at TOLL FREE NUMBER **1800 102 1080**.

Microfinance has been operating since many decades in India to provide formal financial services to the unbanked population of India. The RBI regulated entities like NBFC-MFI, Small Finance Banks, Banks, NBFC, and Business Correspondents are working towards providing these services to women borrowers in all parts of the country.

About Microfinance Institutions Network

MFIN is a premier industry association comprising 56 NBFC-MFIs and 35 Associates including Banks, Small Finance Banks (SFBs) and NBFCs. It is also the Self-Regulatory Organization (SRO) for the regulated NBFC-MFI. By virtue of bringing the NBFC-MFIs under one common umbrella, MFIN acts as a bridge between them and the regulators to build a dialogue for greater transparency, better policy frameworks and stronger client protection standards for responsible lending, thus enabling the microfinance industry to partake in meeting the larger financial inclusions goals.