

MFIN Launches the 3rd Edition of Micro Matters: Macro View India Microfinance Review FY 2022-23

- **Chief Guest - Amitabh Kant, G20 India Sherpa and Special Guest**
- **Mr S. Ramann, CMD - SIDBI grace the launch event**

New Delhi, November 13, 2023: Microfinance Industry Network (MFIN), industry association for Microfinance and RBI-recognized self-regulatory organization, launched the 3rd Edition of Micro Matters: Macro View – India Microfinance Review FY 2022-23 on 9th of November in Mumbai. Dr Alok Misra, CEO & Director of MFIN shared key highlights of Financial Inclusion and Microfinance from the report. This was followed by the unveiling of the report by Mr Amitabh Kant, G20 India Sherpa in the gracious presence of Mr Sivasubramanian Ramann, CMD-SIDBI.

The report is the third edition of Micro Matters: Macro View, a report conceived in 2021 to provide a holistic view of the sector to the reader. It is based on MFIN's in-depth understanding of the sector derived from interactions with policy makers, regulator, industry players, funders and analysts. This year's report besides microfinance also covers macro economic context and broader progress under financial inclusion. The report highlights that despite global headwinds, India could hold its ground and grow by 7% in 22-23. The share of micro under MSME credit by Scheduled commercial banks has risen to 17.9% by March 23, insurance penetration is now 4.2% of GDP and bank account ownership is now ubiquitous with no gender gap. Microfinance sector (NBFC-MFIs, Banks, SFBs and NBFC) added 87 lakh new women clients during 22-23 with credit outstanding reaching 3.48 lakh crore across 729 districts to 6.64 crore low income women clients. The report also demonstrates the immense growth potential of the sector and the microfinance potential market size is estimated by MFIN at Rs 13 lakh crore during FY 23-24. The report also documents the work done by MFIN during 22-23 to strengthen the sector, future initiatives and also list key areas of work/concerns for the sector.

Delivering his keynote address, **Shri Amitabh Kant, G20 India Sherpa** said, "In last few years, India has laid the building blocks of growth in the form of infrastructure -both physical and digital. Now India needs to grow at around 10% for three decades to become a developed country. The building blocks will have multiplier effect only if the credit demand is met as credit will be the driver of India's next phase of growth. MFIs are presently the most important institutions in the country as they have the ability to penetrate into rural areas, lend to last mile clients and contribute to Inclusive growth. Honorable Prime Minister's vision is also centred on universality and women led development. Microfinance caters to both Equitable growth and Universality. I congratulate MFIN and its Members on the excellent work being done and wish them luck."

Sivasubramanian Ramann, Chairman and Managing Director – SIDBI in his special address said, "SIDBI has been a partner in the great journey of microfinance institutions and the sector has grown together and delivered. It is heartening to note that microfinance

institutions have recovered post COVID and are showing strong performance. SIDBI has taken key steps to boost credit to micro entrepreneurs need for formalisation by having Udyam Assist Portal and around 1 crore enterprises are already part of it. MFIs with their client base of nearly 7 crore need to onboard them on to the portal. Further, the co-lending scheme of SIDBI combines the power of origination of microfinance with financial resources of SIDBI and MFIs must make use of it. The need of the hour is to address the persisting high share of informal finance and SIDBI is fully behind microfinance initiatives furthering last mile inclusion. We also



need to think beyond technology in last mile outreach, where personal connect of MFIs is critical."

The panel discussion on "Leaving No one behind - Balancing Economic Growth with Equitable Distribution had Ittira Davis, MD & CEO, Ujjivan SFB, Dr. Samiran Chakraborty, MD & Chief Economist, Citigroup, Manish Kothari, President & Head, Commercial Banking, Kotak Bank and Devesh Sachdev, Founder, MD & CEO, Fusion Microfinance as panellists and Dr. Vinay Singh, SRO Head, MFIN as the moderator. The discussion focussed on policy and operational imperatives for ensuring that we reverse K shaped growth and build an inclusive growth model with higher incomes.