



MFIN releases 2nd Edition of India Microfinance Review FY 2021-22
- **Report launched by Deputy Governor, RBI and CMD, SIDBI**

New Delhi, November 7, 2022: Microfinance Institutions Network (MFIN), industry association for Microfinance and RBI-recognized self-regulatory organization launched the 2nd edition of Micro Matters: Macro View – India Microfinance Review FY 2021-22 on 4th of November in Mumbai. Dr Alok Misra, CEO and Director of MFIN welcomed the audience in a packed hall, set the context of the report, and shared some key highlights. This was followed by the unveiling of the report by Deputy Governor of RBI, Shri M. Rajeshwar Rao in the presence of Mr Sivasubramanian Ramann, CMD-SIDBI and members of MFIN's Board.

Speaking on the release, **Shri M. Rajeshwar Rao, Deputy Governor of RBI** said, *"At the Reserve Bank, we strive to ensure that the measures introduced to increase economic well-being and financial inclusion reach to those at the bottom of the pyramid. In this context, microfinance serves as an important tool to assist the underprivileged in improving their economic and societal situation. The focus of revised microfinance regulations is customer protection while according operational flexibility to institutions. We expect the new regulatory changes would enable lenders to form transformational relationships with their customers and grow responsibly."*

Addressing the various Microfinance institutions, investors and lenders at the gathering, **Mr Sivasubramanian Ramann, Chairman and Managing Director – SIDBI** said, "The microfinance sector has navigated various adverse events and progressed over the last ten years and I am pleased that SIDBI has contributed in this journey. We are now geared to assist the sector in its next phase of progression through mainstreaming of informal micro-enterprises who would be the real the engines of the growth. Starting with PM Svanidhi and now with the help of MFIs, several informal micro-enterprises will soon have their Udyam numbers which will enable them to not only access formal financial services but also get benefitted under various government schemes for MSMEs. The proposed new initiative of Vyapar Credit Card to provide easy access and regular flow of finance to MSMEs will further help the sector. As it is important to support the small and medium sized MFIs, SIDBI introduced the 'India Microfinance Equity Fund'. MFIN also took various initiatives like the Impetus Platform to assist small MFIs raise funds. SIDBI will be happy to partner with MFIN and its members to take forward these various measures."

Dr Alok Misra – CEO & Director, MFIN said, "The second edition of this report is designed to provide 360-degree insight based on data and our experience as an



industry SRO. It shows a picture of resilience of microfinance clients and draws attention to the vast credit demand, likely to reach 17 lakh crore in a moderate scenario. Findings of NCAER study show that microfinance contributes 2.3% to India's GVA and sustains 1.2 crore jobs. In the new regulatory paradigm, it is imperative for lenders to adhere to code of conduct in letter and spirit and thereby further strengthen building of responsible finance industry."

Mr Devesh Sachdev, Chairperson MFIN said, "For India and Bharat to progress together towards becoming a global powerhouse, Financial Inclusion or empowerment of every Indian with access to formal financial services is very critical. Therefore, the future growth of the sector is an imperative for inclusive growth of India and our pursuit of \$5 trillion economy. "

The launch event was held in partnership with HSBC Bank, M-SWASTH by M-insure, a technology-driven company focusing on digital health inclusion and Craft Silicon, a leading financial and technology solutions provider.

Microfinance Institutions Network (MFIN)

MFIN is a premier industry association comprising 56 NBFC-MFIs and 43 Associates including Banks, Small Finance Banks (SFBs) and NBFCs. By virtue of bringing all microfinance entities 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 inclusion goals.

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