

A look back to the year gone by...

As we look back at the financial year which has just come to a close, I feel very happy and satisfied with numerous development activities we had in the last year. First of all, I would like to place on record our sincere gratitude to our member institutions, Board of Governance, Committees including SRO Committee, the stakeholders, supporters and well-wishers, for a productive and meaningful year for Sa-Dhan.

The year started with a 'Chintan Baitak' with all the staff members of Sa-Dhan coming together to chalk out a yearlong plan for Sa-Dhan. I would like to thank my staff who worked untiringly for achieving a rather stiff target set for them for the year.

Our thanks to the Secretary, Additional Secretary, Joint Secretary and other senior officials of DFS, GOI for having given us an opportunity to present before them the details about the microfinance sector in India and the issues faced by it. We are grateful to them for their patient listening for over 90 minutes and taking a very positive stand on the issues raised by us.

I am grateful to RBI, the regulator, who guided and supported Sa-Dhan's role as an effective Self-Regulatory Organization (SRO). The officials of RBI at the highest level of DG, ED and CGMs gave Sa-Dhan a smooth access to them at any point of time to discuss and hear the needs of the sector. I thank Shri M Rajeshwar Rao, DG, Shri Swaminathan, DG, Shri Sourav Sinha ED, Shri AK Sharma, ED, Shri Neeraj Nigam, ED, Shri Manoranjan Misra, ED, Shri JP Sharma, CGM, Ms Jyotsana, CGM, Shri Sunil Nair CGM and several RDs and senior executives of RBI in the Central office and State who have given audience to our team and heard and discussed the issues during the year.

We would like thank the DOR, RBI, especially the DEA Fund Department headed by Shri Sunil Nair, CGM for giving us an opportunity with a challenging task of doing 2250 DEA Workshops during the year. We are happy that the targeted number was achieved and was appreciated by RBI for its quality and quantity. I thank our partner MFIs and their staff who helped achieving this mammoth project.

I express my thanks to SIDBI for the support extended by it during the year. The CMD SIDBI Shri S Ramann had been very supportive and helped Sa-Dhan to take up some important assignments. The study on 'Impact of Microfinance' being done by Indira Gandhi Institute of Development and Research (IGIDR) as well study on 'Expanding Financial Inclusion to non-penetrated geographies' done by

M2i Consultants are going to be path breaking ones. I thank SIDBI for the financial support and guidance and IGIDR and M2i for carrying out the study in the right earnest. I thank all partner MFIs and other stakeholders who supported these studies.

SIDBI also supported Sa-Dhan in taking up two projects, one in Gujarat and other in Tamil Nadu to develop microenterprises among micro borrowers. The support and guidance of Shri S Mondal DMD and Shri Prakash Kumar DMD and the team of SFMC is greatly acknowledged. SIDBI's support in our National Conference and Lender-Investor- MFI interface meet was of great value.

NABARD has been supporter for all times. During the year NABARD supported in conducting a study on enterprise development in Uttrakhand and also supported in several events including National Conference as the main sponsor and the sponsor of our Bharat Microfinance Report. The guidance of Shri K V Shaji, Chairman, and the DMDs Shri G S Rawat and Shri A K Sood is also gratefully acknowledged. The support of RO in-charges and senior officials of various States and HO departments in taking forward the financial inclusion agenda through MFIs and other impact institutions were of great help.

Our various partner institutions which supported us for variety of projects during the year has been the highlight of the year. We have received maximum number of projects from various donor institutions during the year. The support from RBI for the DEA workshops is the foremost one. The SIDBI supported for two projects on microenterprise development. We received the support from Bill and Melinda Gates Foundation for a massive project of developing over 1 million micro enterprises in collaboration with NRLM and SRLMs in 7 States. The formal MOU was executed and the project was rolled out. Similarly, we got a support from J P Morgan Chase, for a study on health of women entrepreneurs in the country. We got support from Swiss Re Foundation for developing a health loan product for the poorer sections of the society. We continued to work with GIZ and Tata Trust for promoting Climate Resilient Agriculture, Water.Org and FINISH Mondial Society for promoting WASH financing and HSBC for digital literacy. We thank all our Donor institutions and funders.

Some of the major events during the year

1. Annual General Body Meeting; After a gap of three years a physical meeting of Annual General Body Meeting of Sa-Dhan was held; the location was away from Delhi at Kochi
2. Member meetings: We continued our engagements with the member institutions by organising virtual or physical meetings. We had at least one

round of physical meeting with our member institutions in almost all the states

3. **Segmented interactions with members:** In order to understand the issues and find solutions to the problems faced by different segments of MFIs, we had organised a virtual meeting with small, medium and large MFIs
4. **Meeting with DG, RBI:** Sa-Dhan team along with a few Board of Directors and couple of sectoral leaders met Shri M Rajeshwar Rao, DG and discussed about the sector and its issues
5. **Silver Jubilee Celebrations:** The Silver Jubilee celebrations was launched in the AGM held in Kochi on 15 June 2023. The formal celebration was held at Delhi on 8 November 2023, with felicitation of founder leaders and senior sectoral leaders. A coffee Table Book depicting the last 25 years of Sa-Dhan which is intertwined with the history microfinance sector was unveiled
6. **National Conference:** The National Conference on Inclusive Growth was organised on 8&9 November 2023 at Delhi in a grand way. Thirty-five delegates from abroad participated in the conference which was attended by over 800 delegates. There were 12 sessions on a wide-ranging topic addressed by various experts
7. **Regional Conferences:** Two Regional Conferences were held one at Guwahati and other at Chandigarh focussing the regional issues and interests
8. **Lender-Investor- MFI meet:** Like the previous year we organised the Lender-Investor- MFI interface to make the fund flow easy to the microfinance sector. Unlike last year, we brought in investors also in the meet, to facilitate flow of equity funds to microfinance sector
9. **Thematic Conclaves:** Looking at the issues of great importance to the sector, we organised one conclave on HR Issues at Chennai and other on Compliances at Bengaluru, involving the persons concerned in each MFI
10. **Webinar of Household Income assessment:** We organised a webinar on HH Income assessment wherein it was decided to create a Working Group consisting of senior leaders of Microfinance industry to work out a standardised module for assessing HH Income. The WG held a meeting and decided to carry out pilot
11. **Webinars:** As part of capacity building of MFI staff, Sa-Dhan organised webinars from time to time on topic of relevance. Accordingly, during the year 18 webinars were organised
12. **Collaboration with IIBF:** With a view to strengthen the capacity building of existing MFI staff and also to groom fresh persons for microfinance industry, a dialogue has been initiated with Indian Institute of Banking and Finance (IIBF)

13. Engagement with Government officials: As part of educating the young civil servants about the role of microfinance institutions and their contribution for financial inclusions, Sa-Dhan has initiated a move to take part in their training activities. As part of this, Assam State Government invited us to join their training programme for 150 State Civil Servants probationary training and take session on microfinance. The trainees appreciated the microfinance sector for the role it plays
14. Addressing the Board of Punjab and Sindh Bank: Punjab and Sindh Bank invited Sa-Dhan to address their Board on the role of microfinance in financial inclusion.
15. Participation in State level Association Conferences: Attended programmes organised by AKMI in Bengaluru, UPMA in Lucknow, OSFI in Bhubaneswar and AMFI in Kolkata
16. Visit to Bangladesh: Joined a delegation from AMFI which visited Bangladesh to learn the microfinance movement in that country and also replicate some of the learnings in India. Based on the visit a policy note was submitted to RBI
17. Creating a network of network of MFIs in South East Asian countries as part of APRACA platform. Two meetings were organised with the MFI Associations in Bangladesh, Nepal, Myanmar, Cambodia and Indonesia for creating a platform at APRACA for better coordination and dissemination of knowledge
18. Joint programmes with NBSC and CAB, Pune: Sa-Dhan developed a course module for NABARD officials on microfinance activities and run the same for the MCID Officers of NABARD at Chandigarh. Similarly, it also developed a financial inclusion module along with CAB, Pune and administered to NBFCs and NBFC MFIs at CAB, Pune
19. Bharat Microfinance Report and Quarterly Microfinance Report: The BMR and the QMRs were brought out on time with better content coverage and analysis. We thank NABARD for the support extended by them for publishing of BMR
20. Exposure visit for senior officers and legislatures from Ethiopia representing Ethiopian Cooperative Council (ECC): An exposure visit was organised along with BIRD Lucknow for the members of ECC to study Indian Cooperative movement
21. Study on Climate Ready WASH products: A study was done jointly with Water.org by engaging KPMG on interconnectedness between WASH and Climate resilience and developing Climate ready WASH products
22. Engagement with National Insurance Company (NIC), Mauritius: Sa-Dhan engaged with NIC to facilitate equity investments by NIC in India.

23. Niti Ayog's Think tank meeting: Sa-Dhan participated in the think tank meeting of Niti Ayog on Financial inclusion and moderated one session
24. Sa-Dhan and Fintech: Sa-Dhan was invited to various conferences of Fintech companies to guide them on the self-regulation among Fintech

I thank once again all our member institutions, Board members, stakeholders, supporters, funders and well-wishers for their support throughout the year and making it a satisfying year for us.

Thank you

(Jiji Mammen)
ED and CEO, Sa-Dhan