

## From the Editor's Desk



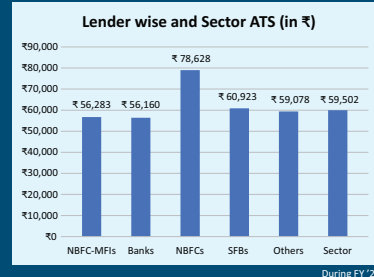
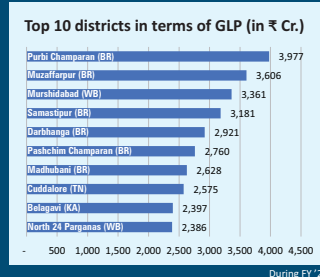
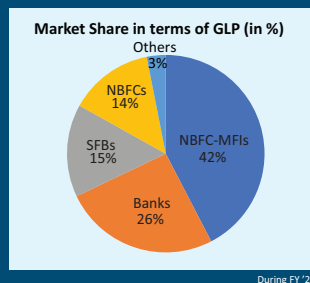
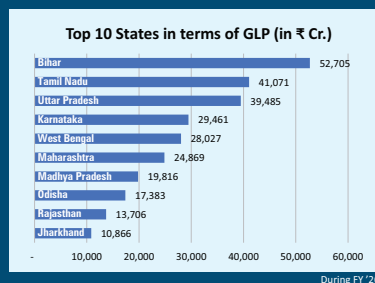
The March 2026 quarter offers early signs of a measured recovery in India's microfinance sector after a prolonged phase of moderation. As per CRIF High Mark's latest MicroLend report, portfolio outstanding rose to ₹3.31 lakh crore, marking a 3.2% quarter-on-quarter growth-driven by improved disbursement momentum and higher ticket sizes. Encouragingly, this growth has been accompanied by a steady improvement in asset quality, with delinquency levels declining across buckets and longer overdue segments showing notable correction. Strengthening repayment behaviour and a calibrated approach to lending appear to be restoring stability to the sector. Disbursements saw a robust uptick, reflecting renewed credit demand and cautious optimism among lenders.

The new financial year started with optimism, on account of the Credit Guarantee Scheme for MFIs (CGSMFI 2.0) rolled by GOI from 20 March 2026. As we are approaching towards the last date of the scheme, the optimism is slowly fading. But it is expected that there would be turn around soon. The needs of the smaller and mid segmented MFIs will be taken care of by the banks so that there can a revival of the sector across the board.

Another positive feature is the roll out of Microfinance Accelerator Programme (MAP) supported by NABARD and implemented by Sa-Dhan. The MAP is expected to strengthen the smaller MFIs and will be able to borrow of their own strengths.

Although, there is a strong case of external factors coming into play, as we are seeing the west Asian crisis still continuing and the possible El Nino effect looming large, we expect that it may not cause a huge impact to the sector. Definitely there is need for caution and diligence while lending so that it wont cause any harm to the sector. The overall outlook is better. The rating agencies are of the view that the all the parameters will be positive and the growth would be around 15% during the current FY. Lets works towards this diligently and cautiously.

Best Wishes  
Jiji Mammen, ED & CEO



## CSR through Social Stock Exchange: Promoting Impact & Transparency



By Karthick Ramadass, Sr VP, Sa-Dhan

The Corporate Social Responsibility (CSR) framework in India is unique in the global context. Under Section 135 of the Companies Act, qualifying companies are mandated to allocate at least 2% of their average net profits from the preceding three financial years towards CSR initiatives. Notably, many institutions, including Microfinance Institutions (MFIs) and Small Finance Banks (SFBs), go beyond the mandatory 2% requirement, demonstrating their strong commitment to nation-building.

As per the Ministry of Corporate Affairs (MCA), total CSR spending in 2024-25 reached approximately ₹35,000 crore, a significant increase from ₹10,064 crore in 2014-15. According to the India Climate Collaborative, CSR spending in India is projected to exceed ₹1.2 lakh crores annually by 2035, thereby contributing substantially towards the vision of Viksit Bharat.

Within the microfinance sector, institutions generally do not face challenges in meeting the 2% CSR expenditure requirement. However, a key concern is identifying efficient, credible, and transparent partners to implement CSR initiatives. MFIs undertake projects across a wide range of sectors, including education, healthcare, livelihood support, financial literacy, disaster relief, and environmental sustainability. Given this broad scope of engagement, the need to partner with high-quality and transparent institutions has become increasingly critical.

### NEW AMENDMENT

On 27th May 2026, the MCA introduced an amendment to the Companies Act, enabling companies to allocate up to 10% of their annual CSR expenditure through **Zero Coupon Zero Principal (ZCZP)** instruments issued by non-profits listed on the **Social Stock Exchange (SSE)**. Launched in FY 2023, the SSE currently has around 170 registered non-profits. In line with international experience, the SSE in India has seen limited investor traction so far. However, with the potential to channel approximately ₹3500 crores in CSR funds annually through ZCZP instruments, this initiative could significantly enhance the SSE's viability while providing a new, regulated, and transparent avenue for CSR spending.

Unlike traditional bonds, ZCZP instruments offer neither financial returns nor principal repayment; instead, companies buy them solely to generate social impact. It is also noteworthy that companies subscribing to ZCZP instruments are exempt from conducting separate impact assessments for projects funded through this route. The non-profits issuing these instruments can undertake projects with a duration of up to three years, and any unspent funds at the end of this period must be transferred to funds specified under Schedule VII of the Companies Act.

...continued on page 6

# Three Notable CSR Activities

## 1. ANNAPURNA FINANCE

Annapurna Finance is one of the largest NBFC-MFIs in India, catering to 2.9 million rural households through its well-curated credit offerings that target the financial inclusion of the excluded segments and the socio-economic upliftment of the vulnerable segments. The institution has committed 99% of its portfolio to women from disadvantaged pockets, through microfinance.

### MOBILE MEDICAL UNIT BRING HEALTHCARE TO RURAL HOMES

The Mobile Medical Unit project was introduced in 2019, specifically to make significant contributions to support Good Health and Well Being by bringing basic healthcare services to people in need. In May 2019, Cyclone Fani devastated coastal Odisha, leaving behind not just physical destruction but also a big gap between basic healthcare support demand and supply, specifically in the rural areas. The disaster severely damaged government support facilities, left out sufficient medicines, and left doctors short of the population's medical needs.

It was in this challenging situation that AFPL recognized a pressing need: the restoration of healthcare services could not wait for the rebuilding of infrastructure. The idea was simple yet impactful: if people couldn't reach healthcare, healthcare should reach them. This was when Annapurna introduced the Mobile Medical Unit (MMU) to deliver immediate, on-ground medical assistance to cyclone-affected communities. What began as a disaster relief response quickly evolved into a scalable, long-term solution to bridge healthcare gaps in underserved regions. The vehicle was equipped with medical instruments and staffed by trained medical professionals. It began visiting villages regularly, transforming panchayat offices and village community centres into temporary healthcare hubs.

#### Objectives:

The program aimed to address 3 main aspects:

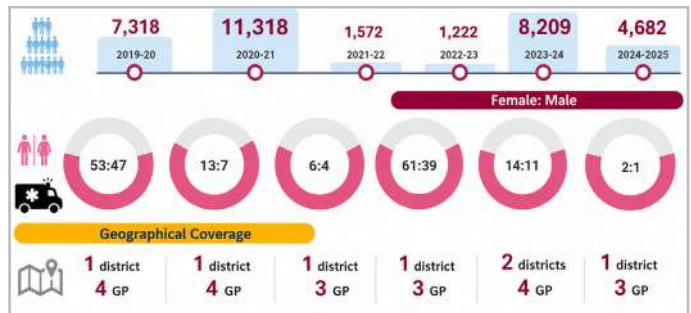
- ◆ **Enhance Accessibility:** Bring healthcare directly to remote villages where reaching a healthcare facility often requires travelling over 15 km.
- ◆ **Free consultations, medicines, and basic diagnostics,** reducing the financial burden on low-income households.
- ◆ **Promote Inclusivity:** In line with Annapurna's mission of women-centric and inclusive development, the MMU focused on serving vulnerable groups like women and the elderly, those often left out due to distance, cost or social barriers.



2 Sa-Dhan Microfinance Impact May 2026

#### Types of Interventions:

- ◆ **Free Doctor Consultations:** On-site medical consultations by qualified physicians, including periodic visits from specialized doctors such as gynecologists, dermatologists, and paediatricians.
- ◆ **Free Distribution of Medicines:** Essential and commonly prescribed medications were dispensed on the spot, reducing the financial burden on patients and ensuring timely treatment.
- ◆ **Free Pathology Tests and Reports:** Basic diagnostic services such as blood sugar, thyroid, haemoglobin, and blood pressure tests were conducted during the camps, with reports provided immediately or within a short turnaround time.



#### Outcome/Results:

- ◆ In FY 2023-24, 56% of the beneficiaries were women, among which 67% belonging from age groups above 40 years, 20% of the women beneficiaries were between the age group of 25- 40 years.
- ◆ In FY 2024-25, the outreach to women increased significantly, with two-thirds of all beneficiaries being women, 67% of them falling above the age of 40 years, and 21% from the age group 25-40 years. The major health issues for both years for the women were gynecological and geriatric problems. ■

## 2. ASIRVAD MICROFINANCE

Manappuram Foundation empowers lives through **Sahayathrayk Snehasparshamayi** Initiative.

In a heartfelt effort to support individuals living with Muscular Dystrophy (MD) and Spinal Muscular Atrophy (SMA), Asirvad Microfinance launched an impactful initiative titled Sahayathrayk Snehasparshamayi. As part of this program, Asirvad has donated 50 electric wheelchairs to those most in need. This benevolent gesture is more than a donation - it is a transformative step toward restoring dignity, independence, and social inclusion for the beneficiaries. For individuals battling MD and SMA, mobility is not merely a matter of convenience; it represents a crucial lifeline that enables them to



participate in daily activities, engage with their communities, and lead fuller, more empowered lives.

#### Type of Intervention:

The wheelchairs, chosen for their durability and ease of use, offer more than just physical mobility; they significantly enhance emotional well-being, autonomy, and social inclusion. The beneficiaries were a diverse group, most being from economically disadvantaged backgrounds. They were carefully selected through a needs-assessment process to ensure the greatest impact, aligning with the commitment to a life of dignity and opportunity for all.

#### Beneficiaries and Amount Spent:

- ◆ **No. of Beneficiaries covered:** 50
- ◆ **Amount Incurred:** ₹73,00,000
- ◆ **Coverage:** Thrissur, Kerala



#### Outcomes:

- ◆ **Enhanced mobility:** All recipients can now move independently within and outside their homes.
- ◆ **Improved quality of life:** Many reported significant improvements in daily activities, emotional well-being, and social engagement.
- ◆ **Educational & occupational reintegration:** Several younger beneficiaries resumed education, and adults expressed interest in vocational opportunities.
- ◆ **Reduced caregiver burden:** Families reported decreased physical and emotional stress in care-giving responsibilities.

#### Impact:

- ◆ The initiative restored dignity, autonomy, and social inclusion to 50 individuals who previously lived in confinement.
- ◆ It also created greater awareness about neuromuscular conditions and the importance of accessibility tools like electric wheelchairs.
- ◆ The program has become a model CSR intervention, demonstrating how corporate compassion and NGO partnerships can deliver sustainable change.
- ◆ Community engagement and support have also increased, with local networks now more active in identifying and assisting persons with disabilities. ■

### 3. AU SMALL FINANCE BANK

AU Small Finance Bank, with its Foundation, has a firm conviction of sustainable development, focused on building a platform for underprivileged and unserved people to fulfil their aspirations through its CSR initiatives. The bank's CSR initiatives are focused on sustainable livelihoods, financial and digital literacy, and community development, with a strong emphasis on empowering women and youth. They



operate through the AU Foundation, which manages various programs to improve the lives and livelihoods of people and bring out visible transformation.

#### Type of interventions:



- ◆ **AU Udyogini:** Empowering Women Entrepreneurship
- ◆ **AU Skills Academy:** Empowering Self-Reliance
- ◆ **Sports for Development:** Making a Healthier India
- ◆ **Financial and Digital Literacy Initiative:** Empowering with Financial Knowledge and Wisdom

#### LIVELIHOOD ENHANCEMENT

Their core business philosophy has always been to serve the underserved. Livelihood enhancement programs take this tenet of AU Bank's purpose ahead and guide community members to create a better life for themselves. AU runs two different programs - AU Skills Academy and AU Udyogini - to deliver growth opportunities to rural, semi-urban and urban areas, focused on the marginalized communities. 638 youth have been trained at AU Skills Academy.

#### AU SKILLS ACADEMY

At AU Skills Academy, they offer vocational skilling programs to the youth from needy backgrounds. The academy follows a holistic approach and emphasizes polishing soft skills covering communications, presentations, leaderships, teamwork, language proficiency and personality development. The program trains aspiring youths to be ready for work in the daunting environment of different industries in diversified roles, including Customer Relationship Management (CRM), Office Assistant, Retail Sales Associate, Food & Beverages and in the Hospitality & Tourism sector. During the year, it has trained 638 youngsters, and most of them are suitably placed. The academy incorporated the following action points for

To further strengthen these initiatives, the academy launched the alumni club to create a network of ex-trainees with placements, felicitated outstanding trainees and standardized mobilization process to reduce human bias and intervention.

#### Outcome & Benefits:

All the initiatives are designed to contribute to the betterment of both individuals and society. It strategically focused endeavour and is committed to uplifting marginalized and underserved communities,

guiding their transformation, and fostering their growth.

**Impact:**

AU Small Finance Bank's CSR activities significantly impact various aspects of society, focusing on financial and digital literacy, sustainable livelihoods, and women's empowerment. Their initiatives, like the AU Udyogini and AU Skills Academy, have led

to increased employment opportunities for youth and the nurturing of women entrepreneurs. The bank also emphasizes financial inclusion through literacy programs and water conservation efforts.

- ◆ Empowering individuals to become self-reliant and contribute to their communities.
- ◆ Helping women develop leadership skills and build confidence.

- ◆ Providing a positive impact on beneficiaries' financial behaviour and savings habits.
- ◆ Providing access to safe drinking water and participating in tree plantation drives.
- ◆ Contributing to nation-building and financial stability.
- ◆ Helping them become job-ready and secure sustainable livelihoods.

Promoting physical and mental well-being, life skills, and discipline. ■

## Securing Livelihoods and Climate Action: The B-WISE Model

**M**agenta Finance initiated B-WISE (Backstopping Women Initiated Social Enterprise) model across the northern states of India - western Uttar Pradesh, Haryana, and Punjab, focusing on low-resource and low-income households facing livelihoods challenges. Our objective is to provide livelihood options to rural women building around the needs of small dairying. For families with little or no land, dairying has long been the mainstay. Dairy, while central to survival, is riddled with challenges - volatile markets, information asymmetry, and exploitative middlemen. Small producers, especially women, often find themselves trapped in cycles where their hard work yields little income.

We at Magenta Finance witnessed this firsthand while extending microfinance to women from small and marginal households. Borrowers faltered on loan repayments not because of unwillingness, but because the very livelihoods underpinning repayment can be unstable. Rising NPAs were more than just a financial risk - they were a symptom of deeper structural inequities. Households were sliding further into indebtedness, caught between uncertain markets and limited knowledge. At this juncture, Magenta collaborated with Sustainability, Environment

and Livelihoods Forum (SELF) and introduced sustainable livelihoods solutions.

We realized that finance alone could not secure rural livelihoods. What households needed was a comprehensive backstopping framework - one that could stabilize incomes, reduce risks, and embed climate resilience into everyday practices. This realization gave rise to B-WISE (Backstopping Women-Initiated Social Enterprises), a model designed to provide total dairy solutions for small and marginal households.

### B-WISE MODEL

In this endeavor, we partnered with Krimashi Feeds, a company recognized for its award-winning novel product that directly addresses one of the most pressing challenges in agriculture: methane emissions from enteric fermentation. This is an anchor product to start with. As we move ahead, we look forward to sourcing solutions and products from the climate innovation arena.

Through B-WISE, we not only support women borrowers with finance and enterprise development, but also connect to innovative



**Samrat Roy**  
CEO, Magenta Finance Services

feed solutions that reduce emissions while improving animal health and productivity. This dual benefit - climate action and income security - anchors the model's distinctiveness.

Cattle feed was our first product under WISE - chosen because of its established market and immediate relevance to dairy households. With catalytic support from Social Alpha, we

launched dedicated finance for women to establish WISE enterprises. These enterprises act as local bridges - bringing innovative, efficient, and climate-positive products into rural households. Products that often remain inaccessible due to entrenched market barriers can now reach the last mile through women-led distribution networks.

Today, we are partnering with Farmer Producer Organizations (FPOs) and other grassroots institutions to expand the reach of WISE. Beyond cattle feed, our pipeline of future initiatives includes solar-powered driers to reduce post-harvest losses and add value to crops, hydroponics systems for efficient fodder and vegetable cultivation, and battery powered farm equipment.

Already, over 150 active WISE enterprises are operating across our project geographies. By the end of this financial year, we aim to scale to 2,000-3,000 WISE units, reaching 1-2 lakh farmers and 3-4 lakh livestock.

### BACK TO THE SPIRIT OF MICROFINANCE

WISE and B-WISE transform women from passive borrowers to entrepreneurs, innovators, and agents of climate action. This endeavor reclaims the original spirit of the microfinance movement: to provide financial stability and agency to those historically excluded, and to ensure that empowerment rises from being symbolic to being structural. ■



# Sa-Dhan looks forward to MFOI 2026

The **Millionaire Farmers of India (MFOI) Awards 2026**, organised by Krishi Jagran in association with the Indian Council of Agricultural Research, is returning with its **4th edition** from December 1-3, 2026, at IARI, New Delhi. Widely regarded as the **'Oscars of Indian Agriculture,'** the platform celebrates agricultural wealth creation, innovation, and farmer entrepreneurship at national and global levels.

This year's edition carries a special focus on

women in agriculture under the theme **#IYWF - International Year of Women Farmers**. The initiative aims to recognise and celebrate the growing contribution of women farmers, agripreneurs, journalists, and young leaders shaping the future of Indian agriculture. The awards will **honour 575 women leaders** across five categories, including Millionaire Women Farmers, Women Icons, Women FTJs, Women Youth Leaders, and women agripreneurs.

Participation is expected from 10,000+ elite

farmers, policymakers, scientists, diplomats, and industry leaders. **MFOI 2026** will serve as a powerful platform for dialogue, recognition, and collaboration in the agriculture ecosystem that aligns closely with **Viksit Bharat@2047**, women-led development, and doubling farmers' income.

Beyond being an awards platform, **MFOI** has evolved into a nationwide movement that positions farmers as entrepreneurs, wealth creators, and leaders of sustainable growth. ■



## Sa-Dhan Recognised for Distinguished Contribution to the WASH Sector

Sa-Dhan has received recognition for its distinguished contribution to the Water, Sanitation, and Hygiene (WASH) sector, in partnership with **Water.org** since 2017. This recognition reflects years of dedicated efforts towards improving access to safe water and sanitation solutions for

underserved communities across India.

Over the years, Sa-Dhan, together with its member institutions and partners, has worked consistently to strengthen WASH financing through the microfinance sector. The sustained commitment, collaborative action, and strong leadership have enabled

more than **11 lakh people** to gain access to improved WASH services, contributing to healthier households and stronger communities. Sa-Dhan and its partners have helped create measurable and lasting social impact, especially among vulnerable and low-income communities.

Sa-Dhan extends its heartfelt gratitude to all member institutions, partners, and stakeholders for their continued support and collaboration. A special note of thanks to Water.org for recognising Sa-Dhan's contribution and for being a valued partner in this shared mission.

Moving ahead, Sa-Dhan remains committed to advancing inclusive finance initiatives to drive positive change and build a healthier and more inclusive future. ■



... Continued from page 1: In this context, ZCZP instruments present a promising option for CSR expenditure, offering a highly regulated and transparent platform. However, the success of this initiative will largely depend on the ease of subscribing to ZCZP instruments through the SSE, as well as on the availability of credible, high-quality non-profits issuing such instruments. If the

instrument gains strong traction, the MCA may consider increasing the permissible limit for CSR expenditure through this route, further strengthening transparency and accountability in CSR implementation.

Sa-Dhan will continue to work closely with the Social Stock Exchange and MFIs to promote the adoption of ZCZP instruments as an effective channel for CSR activities. ■



## PMMY achievement in 11 years: 58 cr loans, ₹40 tn disbursed

The Pradhan Mantri MUDRA Yojana (PMMY) launched by Prime Minister Shri Narendra Modi on April 8, 2015, has marked 11 years of success in strengthening India's grassroots entrepreneurs. This initiative has been designed to bridge the gap in financial accessibility, offering streamlined, easy collateral-free loans up to ₹20 lakh to support small-scale business ventures for non-corporate and non-farm income-generating activities.

Union Minister for Finance & Corporate Affairs Nirmala Sitharaman spoke on the occasion: "Eleven years later, the scheme has been instrumental in reshaping the credit landscape for MSMEs and countless individual entrepreneurs in the country. With this initiative, entrepreneurship has become truly democratized by removing the entry barriers to credit."

Cumulatively, 58 crore loans have been sanctioned, amounting to ₹40 trillion of disbursement. Two-thirds of the loans have been sanctioned to women entrepreneurs. Approximately one-fifth of all the loans were extended to first-time entrepreneurs.

On the occasion, Union Minister of State (MoS) for Finance, Shri Pankaj Chaudhary described PMMY as one of the most

significant initiatives, aimed at promoting micro-entrepreneurship. The scheme has successfully ended the exploitation of India's small entrepreneurs by informal lenders.

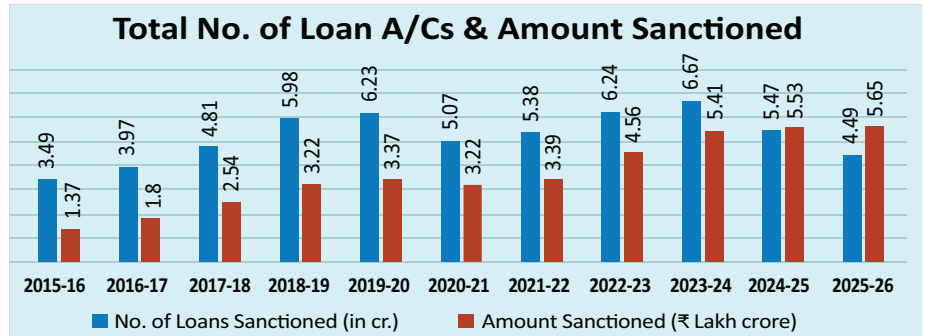
The implementation of financial inclusion programme in the country is based on three pillars: (i) Banking the Unbanked, (ii) Securing the Unsecured and (iii) Funding the Unfunded. Key features of PMMY:

1. MUDRA loans are being offered in 4 categories: Shishu, Kishor, Tarun and TarunPlus.
2. Loans cover term financing and working capital needs across manufacturing, trading and service sectors, including activities allied to agriculture like poultry, dairy, and beekeeping, etc.

3. The interest rate is governed by RBI guidelines, with flexible repayment terms. Among women borrowers, a total of ₹9 trillion was disbursed under the Shishu category, ₹6.22 trillion under Kishor, and ₹1.1 trillion under the Tarun category.

Among minority borrowers, the disbursements amounted to ₹1.33 trillion under Shishu, ₹1.54 trillion under Kishor, and ₹0.62 trillion under Tarun.

Among new entrepreneurs, ₹2.42 trillion was disbursed among 8.8 crore accounts under Shishu category, ₹4.87 trillion disbursed among 2.79 crore accounts under Kishor category and ₹4.67 trillion disbursed among 55 lakh accounts under Tarun category. ■



**Muthoot**, on receiving the Sustainability Excellence - Responsible Finance & ESG Leadership Award at the India 2030 Leadership Conclave. The recognition reinforces the continued focus on responsible finance and sustainable growth.

**Svamaan**, for being recognised for Best Digital Transformation in Collection & Recovery at the BFSI Recovery & Collection 2026

**The Dabba Savings Account** of the ESAF Small Finance Bank has won the Global Grand Effie 2025

**SIDBI** for the launch of its co-lending initiative with Regional Rural Banks. This initiative will strengthen access to credit for micro, small, and medium enterprises (MSMEs) across rural & semi-urban India.

# Sa-Dhan's Sankalp 3.0 champions Responsible Growth powered by Smarter Governance



Dignitaries releasing Sankalp 3.0

Sa-Dhan, an RBI-promoted Self-Regulatory Organization (SRO) for the microfinance and impact finance sector, released the third edition of its sectoral guardrails - **Sankalp 3.0**. It aims to further strengthen governance standards and improve implementation of regulatory practices across the industry.

The Sankalp guardrails were released at a focused conclave in Mumbai on April 10. Sa-Dhan ED & CEO Jiji Mammen unveiled the Sankalp 3.0 document in the presence of Sa-Dhan Board Members, senior representatives from RBI, and key stakeholders including NBFC-MFIs, banks, small finance banks, and other industry participants.

Sankalp 3.0 builds on the strong foundation laid by the earlier editions viz. Sankalp 1.0 (July 2024) and Sankalp 2.0 (April 2025) - which focused on stabilizing portfolios, promoting responsible lending, strengthening credit discipline, and improving the use of credit bureau data. The third edition moves these efforts forward by placing sharper emphasis on data-led decision-making, early risk identification, stronger governance frameworks, and customer-centric practices.

Speaking at the conclave, Jiji explained: "Sankalp 3.0 is a natural progression of the journey we started with the earlier editions. While Sankalp 1.0 and 2.0 helped stabilize

the sector and build discipline, the current environment demands a sharper and more forward-looking approach. The new guardrails focus on early identification of risks, stronger governance, and deeper customer protection. Our aim is to ensure that the sector grows responsibly while continuing to serve its core purpose of financial inclusion. Sankalp 3.0 reflects the collective thinking of the industry and provides a practical roadmap for institutions to navigate current challenges with confidence."

K Paul Thomas, Chairman of Sa-Dhan and MD & CEO of ESAF Small Finance Bank, added: "The microfinance sector has shown resilience over the years, but it must continue to evolve with changing realities. Sankalp 3.0 is an important step in strengthening the sector's foundation. It brings together regulation, data, and industry experience to create a balanced framework for growth."

He emphasized that focusing on governance, transparency, and customer well-being, will help build greater trust and long-term sustainability in the sector.

The need for enhanced guardrails comes at a time when the microfinance sector is facing multiple challenges, including signs of portfolio stress in certain regions, evolving borrower behavior, and a more tightly supervised regulatory environment. At the

same time, the sector continues to play a critical role in supporting financial inclusion for millions of low-income households, especially women borrowers.

Sa-Dhan has designed Sankalp 3.0 as a structured, outcome-driven framework that balances regulatory expectations with industry ownership. It aims to ensure that growth in the sector is sustainable, responsible, and aligned with long-term customer well-being.

A key highlight of Sankalp 3.0 is its focus on evidence-based insights.

The conclave began with a detailed sectoral overview presented by Equifax India, which highlighted trends in borrower indebtedness, stress indicators, and early warning signals across states such as Karnataka, Tamil Nadu, Bihar, and other sensitive regions. Next, Sa-Dhan presented its findings from an independent Sankalp Impact Study that assessed the effectiveness of earlier guardrails on lenders as well as borrowers.

Sankalp 3.0 introduces a more participatory approach to policy adoption. Unlike earlier editions, **the 2026 framework was shaped through a consultative process** involving multiple stakeholders. Discussions covered state-specific interventions, recognizing that different regions face different stress patterns. Industry leaders also shared insights



on emerging risks, shifting borrower profiles, and operational challenges, helping refine the proposed guardrails.

The final set of Sankalp 2026 commitments focuses on strengthening responsible lending practices, improving risk management systems, enhancing transparency, and ensuring better client protection. It also emphasizes the need for institutions to **adopt technology and data tools** to improve monitoring and decision-making.

At the conclave, RBI also gave its perspective about ensuring alignment with supervisory expectations and financial stability priorities. Sector leaders representing NBFC-MFIs, NBFCs, small finance banks, and commercial banks provided structured feedback that validated findings. They also shared on-ground implementation insights.

The conclave comprised several focused sessions and panel discussions. A session on

**Sectoral Overview and Impact of Sankalp Guardrails** featured speakers such as Shruti Joshi of Equifax India. Speakers from Svatantra Microfin, Unity Small Finance Bank, Pahal Financial Services, and Federal Bank shared insights in a session chaired by Dr H P Singh of Satin Creditcare Network.

Another important session centered on **HR standards** in the microfinance sector. Speakers from Cashpor Micro Credit, Belstar Microfinance, and Satin Creditcare Network highlighted the need for stronger field-level practices and staff training to ensure responsible customer engagement.

The session on **Key Risks, Mitigation Strategies and Way Forward for FY 2026-27** brought together senior leaders from Utkarsh Small Finance Bank, Muthoot Microfin, Satya MicroCapital, Spandana Sphoorty Financial, and Dvara KGFS. They focused on identifying emerging risks, strengthening internal

controls, and building resilience for the coming year.

The conclave concluded with a forward-looking session on **Future Readiness**, which highlighted the importance of early warning systems, responsible growth strategies, changing borrower aspirations, and the use of technology in a more regulated environment. The discussions reinforced the need for the sector to move beyond short-term corrections and focus on long-term sustainability.

Through Sankalp 3.0, Sa-Dhan aims to create a shared vision for the future of microfinance – one that balances growth with responsibility, innovation with prudence, and outreach with customer protection. The outcomes of this initiative are expected to guide institutions in improving operational practices, managing risks more effectively, and contributing to a more stable and inclusive financial ecosystem in India. ■