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*Inclusive finance India*   
Summit - 2021 

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## Background

Established more than a decade ago, Inclusive Finance India is a flagship initiative of ACCESS, the focus of which is to enable cross-pollination of best practices and breakthroughs, specifically to influence India's Financial Inclusion strategy and campaign. Under this initiative, the Inclusive Finance India Summit has been designed to be a national level convening to foster deliberations on issues relating to financial inclusion esp. of the bottom of the pyramid consumers. The Summit across the two days informs and influence policy towards strengthening the enabling environment, besides bringing all stakeholders together to discuss key issues and challenges and build consensus on the way forward. Some of the broad themes around which discussions were held during the 2 days at the summit are : last mile client reach and access, Practices and mechanisms for responsible delivery & client protection, Private Equity and Venture Capital Based Impact Investing for Financial Inclusion, Emerging business models beyond credit in FI space in India, Regulation for client protection, Contribution of institutions like SFBs in building micro and small enterprise sector, Building client's financial and business capability, Resilient institutions for a strong Inclusive Financial System, Sustainable Finance, and Digital Financial Services for poor and excluded segments of society & its Impact on financial health of clients.

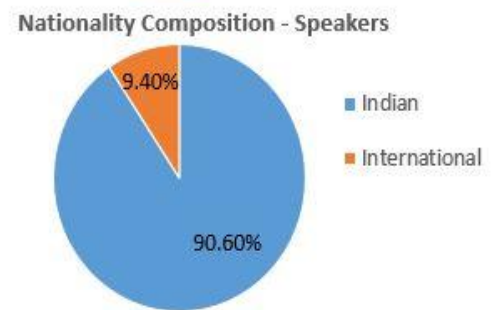
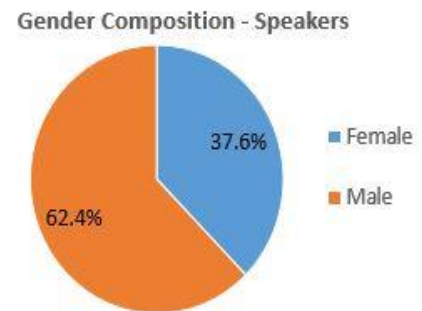
The Summit is supported by a range of partners over the years, including apex institutions, public & private sector banks, think tanks, foundations, multi-lateral and bi-lateral funding organizations, MFIs, Research Institutions, Credit Information Agencies and Small Finance Banks. This year, besides NITI Aayog being the co-host, the Summit was supported by Bill & Melinda Gates Foundation, Mastercard and IDFC First Bank as the Principal Sponsors; HSBC, NABARD and SIDBI as the Core Sponsors; and MSDF, SBI and Au SFB as the Co-Sponsors. Many other stakeholders like Axis Bank, ACCION, Ujjivan SFB, Utkarsh SFB, Satya Microfinance, Fusion Microfinance, and Annapurna Microfinance supported the Summit as the Associate Sponsors, while institutions like CRIF Highmark, Fair Finance India, Equifax, Dvara Research and LEAD at KREA University supported the initiative as Technical Partners. This year the concept of thematic tracks was also introduced, and Sa-Dhan, CRISIL Foundation, and Impact Investors Council (IIC) joined as the Track Partners while Rabo Foundation came on-board as the Knowledge Partner.

## Inclusive Finance India Summit 2021

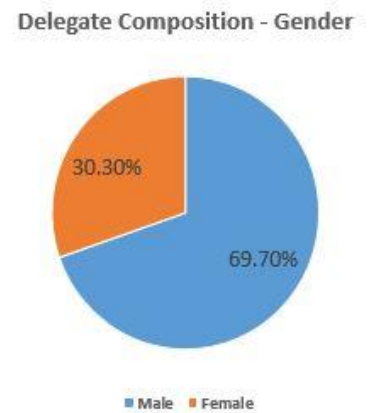
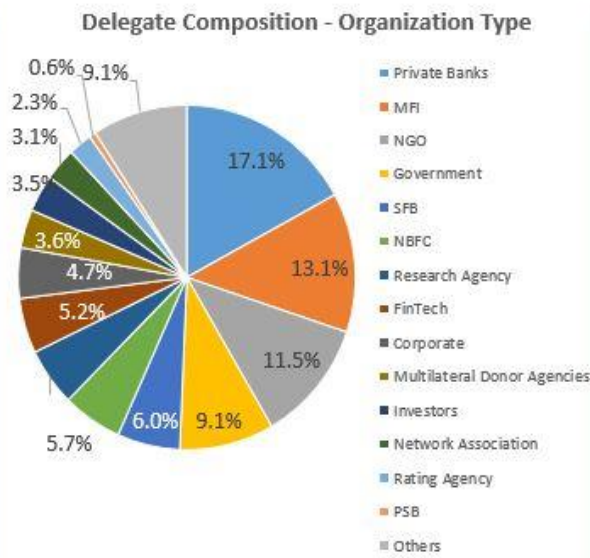
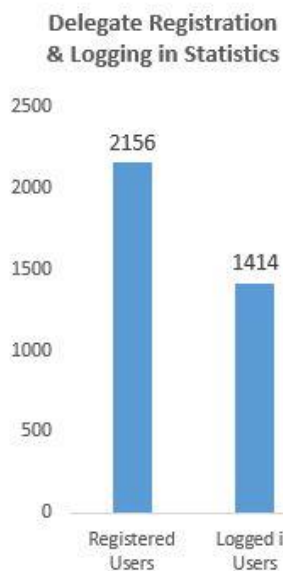
The Inclusive Finance India Summit 2021 was held on 14th and 15th December 2021. Due to the prevailing pandemic, the Summit was held in a virtual format with the Secretariat set up at the Hotel Grand Hayat in New Delhi. While all thematic sessions were held online, the release of all the publications were held at various venues in New Delhi. Along with panel discussions, the Summit also featured plenary sessions and exclusive fireside chats. Due to the growing landscape of financial inclusion, thematic tracks were also organized to highlight important themes like Financial Literacy and Education, Impact Investment for Financial Inclusion, Microfinance for Bolstering the Base of Pyramid, Digital Financial Inclusion and Micro & Nano Enterprise Financing.

The Summit inaugural was addressed by key speakers like Dr. Rajiv Kumar, Vice Chairman NITI Aayog, Mr. Sivasubramanian Ramann, Chairman, SIDBI and Dr. Junaid Ahmad, Country Director-India, World Bank. ACCESS's annual publication, the Inclusive Finance India Report was also released at the Inaugural Session of the Summit by the esteemed speakers while Mr. N S Vishwanathan, Former Deputy Governor, RBI & Editor of the IFI Report made an elaborate presentation on the contributing chapters and themes.

Over a period of two days, 31 sessions were covered through 116 speakers. Of the total speakers around 10% were international speakers. Also the female participation in the speaker list increased to around 38%, which highlights our promise of keeping summit more inclusive and vibrant than the last year.



Also, over 2100 people registered to attend the Summit, of which around 1400 people remained logged in throughout the summit. Amongst the attendees, we had the delegates from around 25 countries.



**Delegate Composition - Nationality**

- The summit registered delegates from around 25 countries.

The Summit was attended by a wide range of stakeholders. Besides national and international civil society organizations, Microfinance Organizations, Investment Firms, Small Finance Banks, private & public sector banks, the summit also saw increased representation from delegates belonging to government departments and research institutions.

## Inclusive Finance India Report 2021

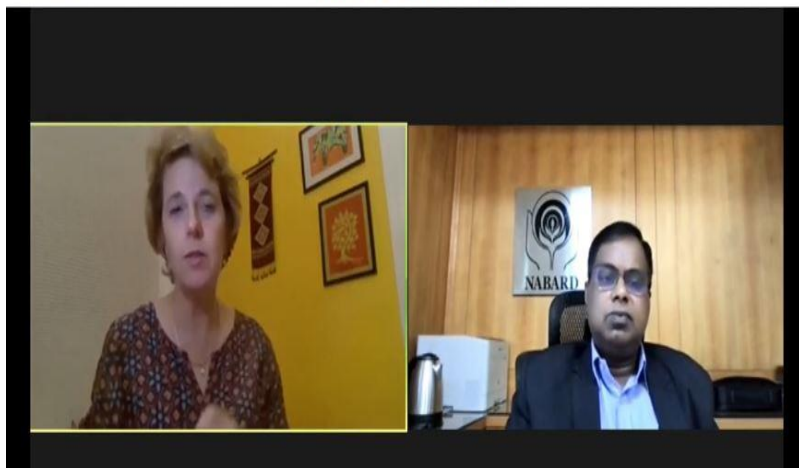
Inclusive Finance India (IFI) Report is a well-researched, in-depth and well-analyzed narration on the progress of the financial inclusion agenda at various levels in the country. ACCESS has been bringing out this Report since 2006, annually. The Report covers progress of state of delivery of financial services to poor, low income and under-banked populations through various institutional formats and models – commercial banks, banking agents, microfinance institutions, SHG-bank linkage model, new differentiated banks, private sector initiatives and new innovations and trends. It also covers the initiatives in technology including digital payments technology and digital financial infrastructure that addresses last-mile delivery, and provides a review of Government's financial inclusion programs (Prime Minister's Jan Dhan Yojana, insurance and pension schemes, MUDRA, National Rural Livelihoods Mission etc.). Over the years, the IFI Report has evolved as a significant reference document that attempts to aggregate the diverse experiences of different stakeholders; comprehend current trends, collate dispersed data and string together the state of financial inclusion in India.

This year's report assimilates current debates and developments around the scope and advancement of the financial inclusion of the poor and their plight especially in view of the ongoing pandemic and its devastating second wave. The report provides granular and finer insights on performance of financial inclusion programs across India through various cuts of gender, geography, rural vs urban and other demographic parameters. The chapters in this year's report are woven around the themes catering to Microfinance Organizations, Scheduled Commercial Banks, Small Finance Banks, SHG-Bank Linkage Program, Gender Focused Financing, Digital Financial Inclusion, MSME Financing, Micro & Rural Insurance, Social Protection Systems and, Blended Finance for Financial Inclusion. While the Report highlights key policy developments in financial inclusion space, it also identifies various policy gaps, blind spots and practice lacuna that needs additional attention and focus from government, regulator and practitioners and sets the course for the future.

## Program Sessions

### A. Plenary Sessions

The Summit began with a plenary session on **Policy, Regulatory and Industry Responses for Aiding Recovery and Building Resilience**. V Vaidyanathan, MD & CEO, IDFC First Bank gave the opening address outlining the impact of pandemic on the informal Sector and presented various policy responses taken by the financial institutions as well as the government. While, the plenary was moderated by Dr Jennifer Isern, CEO, Catalyze Global Impact LLC and the panel featured R.B. Santosh Kumar, Head,



Government Engagement South Asia, Mastercard, and, Shaji KV, DMD, NABARD. The panel highlighted that the progress of financial inclusion across India, both in rural and urban areas, is among the most impressive globally, over last few years and initiatives from both government and private sector players have played a crucial role in achieving this. Government initiative like Promotion of MSME financing and FinTech based solutions as well as Rural infrastructure development

fund through which healthcare, irrigation and water supply infrastructure have been ramped up in the rural areas have cumulatively helped towards achieving a faster recovery. Apart from govt. initiatives, various client protection issues in financial service domain and challenges like connectivity to reach out to the last mile at PACS and gram panchayat level were also discussed during the session.

The second plenary session was titled as, **Scaling up Access to Finance for Agriculture: Understanding Demand, Gaps & Innovations for the next big leap.** The session highlighted that while, India leads newly developed countries both in terms of outreach as well as quantum of credit to farm sector, there are still disparities in level of credit outreach among regions, states, irrigated/non-irrigated areas, small /medium/large farmers in the country. Some of the panelists pointed out that the major challenge in financing small and marginal farmers is their lack of credit history due to which banks are reluctant to extend credit to them and suggested that, community institutions can play a major role in removing this roadblock by providing handholding support to the farmers. The session was moderated by N Srinivasan, International Development Finance & Livelihoods Expert and panel featured eminent panelists like Dr Ashok Dalwai, Chief Executive Officer, National Rainfed Area Authority, Ministry of Agriculture, Dr GR Chintala, Chairman, NABARD, Soumya Kanti Ghosh, Group Chief Economic Advisor, SBI and Meera Mishra, Country Program Officer, IFAD India.



The third plenary session had the theme of **Catalyzing Commercial Capital for Impact.** The session was moderated by Bettina Prato, Senior Coordinator, SAFIN and the panelists were Geeta Goel, Country Director, MSDF, Arindom Datta, Executive Director, Rabobank, Anilkumar SG, Founder & CEO, Samunnati and Eleanor Keppelman, Director, Social Enterprise Finance, US-IDFC. The session highlighted

recent trends regarding blended finance instruments and touched upon issues like unicorn bubble and increasing number of startups in fin-tech/agri-tech space in India.



The theme of fourth plenary session was **Making Finance Work for Women Micro-Entrepreneurs**. Dr Smita Premchander give the opening presentation on a study commissioned by the world bank highlighting the Supply Side Challenges for Access to Finance for Micro and Small Scale Women Entrepreneurs while, the session was moderated by Girija Srinivasan, Sector Expert and the panel comprised of Sanjeev Kaushik, Additional Secretary, Department of Financial Services, Mehnaz Safavian, Lead Financial Sector Specialist, World Bank and Greta Bull, Director, Women's Economic Empowerment, BMGF. Dr. Smita highlighted that about 20% of the women microfinance entrepreneurs have the potential and need to move to larger loans but they face stiff challenges in accessing the credit, majorly due to lack of collateral as most of asset are owned by male members in the family. The panel also pointed out that non-availability of gender segregated data is a major hurdle in creating tailor made products for women and that customization of products and service delivery to women entrepreneurs according to region, culture and social structure would be a major game changer in addressing their needs.



In the fifth and last plenary Dr. Montek Singh Ahluwalia, Former Deputy Chairman, Planning Commission of India talked about the **Future of Financial Services in India**. He pointed out that historically India's banking system was behind the curve on many areas including regulation. However, in the recent past this has been rectified and when it comes newer modes of access and distribution such as digital

banking, and unified payments interface we're much ahead of the curve even with respect to developed nations. While applauding the financial sector for the remarkable steps taken in the recent past, he also stressed on the importance of filling the existing gaps like lack of Financing for MSME enterprises and lack of innovation in certain segments of economy due to over-regulation.

## B. Thematic Tracks

### Track 1: Bolstering the Base of Pyramid: Building Better with Micro Finance

The opening address of the track was delivered by Dr P Satish, Executive Director, Sa-Dhan where he spoke on the recent trends in the microfinance industry and applauded the exemplary resilience exhibited by both consumers as well as microfinance institutions in the wake of pandemic. The first technical session in the track was woven around the theme of **Building resilience of Micro-Finance Clients** and focused on the Innovations and Best Practices that emerged during the pandemic. The session was moderated by Deepti George, Deputy ED, DVARA Research and panel comprised of Vivek Tiwari, MD & CEO, Satya Microfin, Shashidhar T, CEO, Sub K and Diptarag Deb, National Manager- Family Banking & Micro Banking, Ujjivan SFB. The panel discussed various government schemes and packages offered during the pandemic to mitigate the situation on either side of the credit trail and deliberated on the strategic shift post the pandemic and the learnings that could be implemented with respect to process re-engineering, new product development and their last mile delivery.

**New Pathways for the SHG Movement** was the theme of second technical session. The session was moderated by N Srinivasan, Sector Expert and the panelists were Charanjit Singh, Joint Secretary, MoRD

and Harsh Bhanwala, Former Chairman, NABARD. The panelists discussed about the key achievements of the SHG movement, its quantifiable and non-quantifiable success and, the changes that are required to maintain or increase the momentum of SHG movement. The session also touched upon the forward approach of linking the SHGs with trade, enterprise, and livelihood opportunities.



The Third and final technical session was designed around the theme of **Harmonized Regulatory Framework for Micro Finance Lenders** and its implication for the underserved and underbanked segment. The session was moderated by Manoj Sharma, Director, Microsave and the panel included Veena Shrivastava, GM, RBI, Munish Sharda, Group Executive & Head-Bharat Banking, Axis Bank,

Dibyajyoti Pattanaik, Director, Annapurna Microfinance and Baskar Babu Ramchandran, CEO, Suryodaya SFB. The session touched upon various concerns of the micro-credit industry like dormancy of PMJDY accounts, low penetration of micro-savings and micro-insurance products, qualifying to non-qualifying asset ratio, cap on pricing, and stagnation in product innovation.

### Track 2: Capacitating Communities: “New Economy” aids for Financial Education

The opening address of the track was delivered by Maya Vengurlekar, COO, CRISIL Foundation during which she stressed on the importance of financial literacy for accelerating Financial Inclusion. The first technical session in the track was organized on the theme of **Innovation in Content and Communication of the Financial Literacy Programs**. The session was moderated by Shweta Pereira, Senior Director, Customer Strategy, ACCION and the panel comprised of Veena Mankar, Founder & Board of Director, Swadhaar Finserve, Alison Eskesen, Vice President, Mastercard Center for Inclusive Growth, Satyajit Dwivedi, CEO, NCFE and Raoul Nanavati, Co-Founder, NavanaTech. The session touched upon various approaches of imparting meaningful financial. These included customizing the content basis the context, inculcating financial literacy since early ages, working on accessible master trainers to enhance the literacy journey, technological solutions for consumer engagement, and role of periodic interventions in rectifying the financial literacy strategy, among others.



The second technical session was designed around the theme of **Capacity Building of Financial Intermediaries**. The session was moderated by Amit Arora, Senior Advisor, World Bank and included eminent panelists like J Venkatramu, CEO, India Post Payment Bank, Swati Chowdhary, Director, Women’s World Banking and Apurva Rathore, Group Head, L&T Financial Services. The session

touched upon various aspects of capacity building of the frontline agents who act as intermediaries between the Institutions and the clients. Important factors like differentiated training, graduating agents to relationship managers, prioritizing customer service than sales, among others were also reviewed by panelists.

### Track 3: Catalyzing Capital: Impact Investment in Financial Inclusion

The opening address of the track was delivered by Ramraj Pai, CEO, IIC where he glanced through the definition, scope and trends of Impact investing in India. The first technical session in the track was organized on the theme of **Impact Investing Opportunities in Financial Inclusion**. The session was moderated by Richa Natarajan, Partner, Unitus Capital Impower and the panel included Gaurav Gupta, MD, Ananya Finance, Vineet Sukumar, MD, Vivriti Capital, Saurabh Johri, CFO, Caspian and Pranav Kumar, Director of Investments, Leafprog. The session reviewed the current space of inclusive finance and its potential for future growth with respect to changing market conditions, advent of FinTechs, consumer expectations and, technological interventions. The panelists also pointed out that significant pool of capital is available for financial service companies, but since the valuations and returns are currently unfavorable for microfinance institutions, the capital is shifting more towards other products.



The second technical session was designed around the theme of **Opportunities beyond lending models in the investment landscape**. The session was moderated by Jyotsana Krishnan, Managing Partner, Elevar Equity and the panel included Amol Warange, Director of Investments, Omidiyar Network India, Mona Kachhwaha, Partner, Unitus Capital, Utpal Isser, Co-Founder, Sarvagram and Chiranth Patil, Co-founder, Riskcovry. The session brought together investors and FinTechs to discuss the scope and challenges of the financial products like InsureTech, AgriFinTech, WealthTech, Savings, Remittance, Payments plus, Financial infra, etc. in the current market scenario and a scalable way forward.

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### Track 4: Micro & Nano Enterprises: Rebuilding through Access to Finance



The opening address of the track was delivered by Geeta Goel, Country Director, Michael & Susan Dell Foundation while the lead presentation was shared by K M Nanaiah, Managing Director, Equifax where he presented the progress made on MSME Finance in the last year and shed a light upon both opportunities and challenges in this segment followed with a keynote address from Ajit Pai, Distinguished Expert, NITI



Aayog. The first technical session in the track was organized on the theme of **Bridging the Credit Gap for Nano Entrepreneurs**. The session was moderated by Rahil Rangwala, Director, India Programs, MSDF and the panel was comprised of Puneet Gupta, Co-Founder, Kaleidofin, Hardika Shah, CEO, Kinara Capital, Govind Singh, MD & CEO, Utkarsh SFB and Pravash Dash, MD & CEO, Arthan Finance. The session focused on understanding the current practices, products, and policy framework with respect to nano entrepreneurs and the changes required to achieve scalability. The panelists discussed that new technology and increased digital footprints are helping to deliver variety of products cost effectively to the customers. They also pointed out that Banks, SFBs, MFIs and new age start-ups are partnering to achieve the last mile delivery of products which are specially designed to suit customer behavior with features like flexi-repayments, customized tenure, lower interest rate, etc.

The second technical session was designed around the theme of **Role of guarantees in bridging the unaddressed credit need**. The session was moderated by Nat Malupillai, Former Director-India Programs, MSDF and the panel was comprised of Arup Kumar, CGM, SIDBI, Suvalaxmi Chakraborty, FinReach Solutions, Vineet Sukumar, MD, Vivriti Capital and S Viswanatha Prasad, Founder & Managing Director, Caspian Impact Investment. The panelists discussed the role of credit guarantees in bridging the gap of unmet credit to unserved-underserved segment while touching upon crucial topics like wholesale and retail guarantees, fixed pricing vs risk based pricing, government interventions, risk management framework, and securitization strategies.

### Track 5: Digital Financial Inclusion: The need to Tread Responsibly

The opening address of the track was delivered by Dr Indradeep Ghosh, Executive Director, DVARA Research where he glanced through the growing opportunities as well as risks in the Digital Financial Inclusion. The first technical session in the track was titled as **Towards a More Resilient Future: Leveraging Responsible Digital Financial Inclusion for Improved Financial Health** and was moderated by Dr Pawan Bakshi, India Lead, Financial Services for the Poor, Bill & Melinda Gates Foundation where he conversed with Pia Roman Tayag, Director, UNSGSA on the concepts of financial inclusion and financial health and how digitization is opening up new avenues to reach the goals of holistic financial inclusion. The panelists pointed out that the countries that had invested in the digital public goods have fared better in terms of reaching out to citizens with economic help or social payments during the pandemic. They also stressed that the post pandemic recovery also has to be inclusive and digital public goods should be distributed in a manner to ensure that.



The second technical session was designed on the theme of **Digital Financial Services and Data Protection**. The session was moderated by Sharon Buteau, Executive Director, LEAD at Krea University and the panel included Jayshree Venkatesan, Director, Responsible Finance and Customer Protection, CFI, Indradeep Ghosh, Executive Director, Dvara Research, Subhashish Badra, Principal,

PrivacyTech, Omidyar Network India and Ghiyazuddin Mohammad, Senior Policy Manager - Digital Financial Services, Alliance for Financial Inclusion. The session touched upon topics like extent of

financial inclusion in India, gender gap in digital financial services, innovative communication strategies to educate consumers, compliance requirements, building credibility and trust with consumers and authorities, and tools and approaches of data protection, among others.

The Third and final technical session was designed around the theme of **Emerging Trends & perspectives in Mass Market Digital Lending**. The session was moderated by Arpita Pal Agrawal, Managing Director, M-Cril and included eminent panelists like Vipul Jain, Product Head, CRIF Highmark, Dheeraj Mohan, Head Strategy & Investor Relations, EQUITAS SFB, Firoz Anam, Chief Risk Officer, Credit Access Grameen and Anuj Pandey, Chief Risk Officer, UGRO Capital. Panelists reviewed the current pace of the digitization in financial inclusion segment and concluded that digital ecosystem is getting mature and with models like surrogate lending, digital financial inclusion in a span of few years will have the capability of doubling the coverage that the traditional models have done so far.

### C. Other Sessions

Apart from sessions in the thematic tracks, separate sessions were organized around various themes like Sustainable finance, Gender focused financial inclusion and Last Mile distribution. One of the sessions was organized around the theme of **Overlap between Social Protection and Financial Inclusion**. The session was moderated by Beni Chugh, Manager, DVARA Trust and the panelists were AP Hota, Former Managing Director & CEO, NPCI, Sakina Dhorajiwala, Researcher, LibTech India, Utkarsh Vijay, Senior Manager, Samagra. The panelists discussed on the cautions that are to be followed by the Financial Service Providers while upholding the privacy of the consumer. This included using algorithms that are auditable and promoting suitable financial innovation and apt interfacing for the beneficiaries, among others.



The session on **Digital Transformation of Financial Institutions catering to informal sector** was moderated by Santanu Mukherjee, Regional Program Manager - Asia, ACCION and included eminent panelists like LVLN Murty, CEO, Dvara KGFS, Sucharita Mukherjee, CEO, Kaleidofin, Thiru R, COO, Kinara Capital and Nishant, Co-Founder, Lakshya. The panel

pointed out that to effectively support their clients and reach new population in an increasingly digital environment, the financial service providers need to transform themselves digitally. Also, FSPs must find a way to digitally reach and interact with their customers at scale and use their data for more efficient credit management, product designs and other services.

Another session was organized around to study the **Landscape of sustainable finance taxonomy in India**. The session was moderated by Smitha Hari, Vice President, AuctusESG and included eminent panelists like Royston Braganza, CEO, Grameen Capital, Bhavna Prasad, Director-Sustainable Business, WWF and Devyani Hari, Director, Center for Responsible Business. Panel discussed various possible strategies for adopting various taxonomy standards from around the world and integrating them to

implement in India. They also stressed on the importance of a lucid guidelines to define the sustainability of an asset and the need to develop a taxonomy which considers not only the environmental aspects but also the social considerations to make it truly sustainable in the Indian context.

The last session was organized for **Designing Gender Focused Financial Inclusion Strategy** and included presentation by Nidhi Bansal, Senior Director, CARE India. The session was moderated by Veena Mankar, Founder, Swadhaar and included eminent panelists like Pallavi Madhok, Head Advisory Services, Women's World Banking, Chetna Gala Sinha, Founder & Chairperson, Mann Deshi Bank and Dr Yamini Atmavilas, Senior Program Officer, Bill & Melinda Gates Foundation. The panel pointed out that to achieve gender equality in financial inclusion we need to ensure equitable access of suitable and affordable services and products to women beneficiaries. The panel also stressed that only access to the products and services in itself is not sufficient, the women should also be able to control the benefits from these products and services.

## D. Fireside Chat



An exclusive Fireside chat was hosted at the Inclusive Finance India Summit 2021, styled as a candid conversation between Tamal Bandyopadhyay, Consulting Editor, Business Standard and Dinesh Kumar Khara, Chairperson, SBI. During the conversation Mr. Khara explained the role of SBI in achieving the national financial inclusion goals. He pointed out that SBI is one of the

largest contributor to PMJDY accounts (a scheme where accounts are opened as zero balance and benefits like DBT, credit linkage, saving mobilization and other banking facilities are routed directly to the account holders) in the country.

He also mentioned that Financial literacy is one of the key area where SBI is working continuously and more than 300 Financial Literacy Centers have been setup across the country for this purpose. The fireside chat was a crowd puller at the Summit and managed to receive among the highest live audience.