

## **For Favour of Publication**

**Patna, November 21** :A workshop on Microfinancing in Bihar: status and way forward was held under the Chairmanship of Hon'ble Deputy Chief Minister and Finance Minister, Shri Sushil Kumar Modi todayat Conference Hall, Old Secretariat ,Patna. The seminar was hosted jointly by the Centre for Economic Policy and Public Finance (CEPPF) and the Department of Finance, Government of Bihar. A diverse audience attended the seminar, including senior officials of the government, senior members of the banking and financial sectors, academics and researchers.

In his presidential address, Hon'ble Deputy Chief Minister Shree Sushil Kumar Modi said that it is really commendable that Bihar ranks third in Micro Finance Institutionsafter Tamil Nadu and Karnataka. He said that the essence of the microfinancing model was to move from paper-backed collateral to a socially – backed collateral from a group in geographical proximity.He also said that from now on, a representative of MFI should be present in a SLBC meeting. He requested the state government to host a big seminar on microfinancing includingrepresentatives from MFIs and also the beneficiaries.He also emphasized that he will request the Government of India to reduce lending rate of interest of the MFIs. He also stressed upon the issue that money lenders should be totally evaded from Bihar. He was happy to know that the recovery rate of MFIs is more than 99 percent.

While delivering welcome address Dr. S. Siddharth, IAS, Principal Secretary, Department of Finance said that the workshop has been organized to know the process of microfinancing in Bihar. Mr. Amitabh Lall, CGM, NABARD, said that maximum crowding of lenders are there in 10 districts of India, out of which 5 are in Bihar. Mr. Devesh Lal, Regional Director, RBI applauded the step of bringing all stake holders in one platform. He also added that development of a common template is a good step. The presentations were given by different MFIs which includedMfin, Sahja, Satya AdiChitragupta Finance Ltd.And others. Other eminent persons present in the meeting were Dr. N. Vijayalakshmi, Principal Secretary, Animal Husbandry and Fisheries, Mr. Arvind Chaudhary, Secretary Rural Development and Mr. Rahul Singh, Secretary, Department of Finance. The vote of thanks was delivered by Professor Prabhat P. Ghosh. Director, ADRI.

(Anjani K. Verma)