

Global Alliance of Mass Entrepreneurship (GAME) and SIDBI come together to design and implement NBFC Growth Accelerator Program

Bengaluru, June 7, 2023: Global Alliance for Mass Entrepreneurship (GAME) has received in-principal approval from SIDBI for designing and structuring a sustainable and scalable NBFC Growth Accelerator Program (NGAP), which will be the first of its kind in India.

In the first phase, the program involves design of a comprehensive, actionable, granular report with the programme structure, piloting strategy, and implementation plan for NGAP by GAME. The report will also include criteria for evaluation and selection of around 20 NBFCs that are small in size but focused on the MSE segment to be part of the pilot cohort.

The goal of NGAP is to have a structured model on the lines of global accelerators which will help small NBFCs that cater to MSEs in Tier 3 and 4 cities or to the urban MSEs that serve as the lowest rung of suppliers in a longer value chain, in order to build their capability and make them eligible for institutional funding from bank or larger NBFCs. The program will include – Assessment framework to arrive at a baseline and appropriate capability building interventions for the NBFCs to scale. The interventions will leverage experts and mentors from the larger ecosystem and will include multiple dimensions. It includes funding from SIDBI to such NBFCs that emerge strongly from the capacity building program thereby indicating readiness of cohort participants to apply for funding from Banks/FIs will be assessed by a third-party audit at the end of the program.

NGAP is expected to be rolled out with active engagement of SIDBI from August 2023.

Mr Sivasubramanian Raman, CMD, SIDBI said, "SIDBI as a Development Institution, is endeavouring to build capacities of smaller NBFCs, in different geographies and sectors, to enable them to receive bank credit at reasonable rates. This will enhance the flow of assistance to the MSME sector. The NGAP should help address shortcomings in the overall functioning of the NBFC and thus give greater confidence to banks to lend to smaller unrated NBFCs."

Elaborating on the collaboration, **Mr Ravi Venkatesan, founder of GAME**, explained, "The ultimate goal of the NGAP framework is to enable a larger set of NBFCs to get access to institutional funding at a reasonable rate, so the benefit can be passed on to the MSMEs. NBFCs are ideally suited to service the MSE segment and by creating a model of capability building, NGAP will be a sustainable model benefitting the funding institutions, NBFCs and MSMEs. NGAP will ensure a pipeline of strong NBFCs focused on MSME lending at scale.

About GAME:

GAME intends to unlock the potential of Mass Entrepreneurship (ME) in India. Three prolific entrepreneurs, Ravi Venkatesan, Madan Padaki, and Mekin Maheshwari, started GAME in August 2018 as a backbone organization that aligns the ecosystem and mobilizes action to address systemic challenges to job creation in India. GAME intends to bring together a cross-section of alliances, partners, funders, and other players in the ecosystem who can help inspire an entrepreneurial movement across the country. Its mission is to catalyze an India-wide movement of mass entrepreneurship for the growth of both existing and new enterprises, resulting in 50 million new jobs by 2030, where women own 25% of the businesses. To know more, please visit: <https://massentrepreneurship.org/>

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