



SIDBI and GLOBAL ALLIANCE FOR MASS ENTREPRENEURSHIP (GAME) LAUNCH THE FIRST EVER COHORT FOR SMALLER NBFCs ACCELERATE & GROW

The NGAP aimed to increase Access to Finance for micro enterprises.

National; Monday, October 16, 2023: SIDBI & Global Alliance for Mass Entrepreneurship (GAME) have onboarded the first cohort for the NBFC Growth Accelerator Program (NGAP). This program is designed to scale small NBFCs through design interventions, enabling them to apply for institutional funding based on holistic evaluation parameters.

The five-month intense program includes mentorship from domain experts on Risk, Operations, Governance, and Technology. It is structured to encourage and facilitate peer learning, reviews and networking through a blend of in-person, virtual and individualized sessions.

NGAP (www.ngapindia.com) is an initiative by SIDBI and GAME to address the need for credit at a reasonable rate for smaller NBFCs. While NBFCs are best suited to fund new to credit and Micro enterprises in various geographies, they need adequate funds at a reasonable cost to do so. Smaller NBFCs who need debt capital are unable to do so due to the non-availability of eligible rating that reflects their strength.

Explaining the design of NGAP, **Mr Ravi Venkatesan, Founder, Global Alliance for Mass Entrepreneurship**, said, *“Only 15% of MSMEs are able to access credit formally and this is a major constraint to their growth and success. Key to unlocking this are small NBFCs, but these are unable to access capital and reasonable rates and lack many capabilities to increase their reach and impact. SIDBI and GAME are creating this NBFC accelerator to identify growth-oriented MSMEs and strengthen their capacity through a 5 month intervention thereby making them more credit-worthy.*

Our objective was to design a replicable model to enable MSME-focused NBFCs to become eligible for formal funding and future-ready. NGAP helps participating NBFCs improve their parameters post the program and be in a better position to apply for funding. We are hopeful that at least 80% of the cohort will receive funding post the program. Over the next year, we will have a larger pool of lendable NBFCs who can service a large number of MSMEs. The aim is to build capacities of a 100+ NBFCs in 3 years thereby enhancing the flow of credit to MSMEs.”

Speaking at the announcement, **Chairman & Managing Director, SIDBI, Mr. Sivasubramanian Ramann** explained that the NGAP fundamentally is all about the capacity building of small but deserving NBFCs. *“The program will enhance the fund flow for the MSME sector by enabling NBFCs to get institutional funding. In this cohort, participating NBFCs will benefit significantly from specific advice, informal interactions with peers, structured reviews and evaluation. We have built in the process to ensure that participants demonstrate action to be eligible for continuing to the next stage and mentors endorse and support them ensuring accountability.”*



Mr Umesh Ravenkar, Chairman, FIDC and Executive Vice Chairman - Shriram Finance Ltd lauded the initiative of SIDBI and GAME in conceptualising this unique program which could help a large number MSME focused NBFCs enhance their internal risk management systems, improve corporate governance and adopt appropriate technology for business. This he felt could make them more bankable. NBFCs , with more funds to enhance the flow of credit to micro enterprises.

Present at the announcement were dignitaries such Raman Agarwal ex-Chairman FIDC, senior officials of Bank and NBFCs .

For further details, please visit [NGAP India](#) or [Global Alliance for Mass Entrepreneurship](#), or reach out to:

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ABOUT GLOBAL ALLIANCE FOR MASS ENTREPRENEURSHIP: GAME's mission is to catalyze an India-wide entrepreneurial movement and favourable conditions for the growth of existing and new enterprises, resulting in 50 million new jobs by 2030. We aim to ensure that a significant percentage of new businesses are women-owned. We hope to inspire and support similar movements in other parts of the world facing similar challenges. GAME is a non-profit operating as a project under Junior Achievement India Services. For more information, visit: <https://massentrepreneurship.org/>