

MSME Sector – Driving force of Change



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“The MSMEs are widening their domain across sectors of the economy, producing diverse range of products and services to meet demands of domestic as well as global markets.

Technological changes and mechanisms are becoming increasingly accessible for MSMEs to automate, accelerate or de-risk payments and making new ways to transact possible.

Even though adopting digital modes of payment is challenging, it is evident that there is faster adoption of **digital payments** in the MSME sector even from **tier 2** and **tier 3** cities.

Number of Fintech lenders is stepping in but, a large part of MSME borrowers remains untapped in the rural side.

Some elements of change:

1. Goods & Service Tax: Boon in the long run

GST has been well adopted by MSME segment and is a long term bet for us as it enables us to do a better assessment of their cash flows.

2. Demonetization: A Game Changer

The impact of demonetization is behind us and it has led to better record keeping and banking transactions in the MSME sector... also our portfolio post demonetization is behaving very well, which augurs well for us... we are looking forward to great 2nd half ahead.

We have also adapted **TAB based lending** which happens at the customer’s door step which invariably reduces the TAT. We are working on solutions to move towards a paperless sourcing company going forward.

Thus, we as a company remain committed to partnering in the growth of MSMEs.”

Further, we are expanding by widening our operations in two more cities:

Delhi and Second Branch in Surat



- Delhi is the **largest commercial centre** in northern India
- It has one of **India's largest and fastest growing retail industries**
- Consists of more than **0.55 million** MSMEs and employs more than **two million** people
- The National Capital Territory of Delhi has emerged as one of the **biggest centers of MSMEs in the country**

- Surat in Gujarat is known as the **Textile hub of India, Silk City of India & also Diamond city of the world**
- 90% of the world's diamonds are polished in this city
- Largest producer of Man Made Fibre, Handicrafts and also a potential IT hub in the state of Gujarat

Snapshot - Sep, 2018

States	13
Branches	225
Districts	153
Customers	39,587
Employees	2,024
Disbursements (YTD) (₹ Crs.)	373
Portfolio (₹ Crs.)	1,334

Vistaar Financial Services Private Limited [CIN: U67120KA1991PTC059126]

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