Microfinance Credit Information Bureau was launched to overcome the issues of multiple borrowing and over-indebtedness. Microfinance sector in District Lahore has grown extremely intense in competition because every microfinance provider has at least two of its branches in different areas with this purpose to provide small loans to the people at lower level. As microcredit is typically conceptualised most adaptable solution for poverty alleviation. This research study provided an overview of the role and performance of microfinance credit information bureau in the credit market and on the other hand investigated the impact of MF-CIB on microfinance providers operating in District Lahore. The major intention of this study is to look at the performance of microfinance sector with regard to new institutional intervention in the microcredit market. This research study is based on both qualitative and quantitative methods with the purpose to answer the primary questions of this study. It was explored that majority of the microfinance providers have adopted the MF-CIB and implementing the enquiry procedures too. In the microfinance sector there is improvement observed in recent years as it was also found that higher level of transparency in the market is necessary to avoid multiple borrowing particularly in case of non-regulated micro lenders. The results shown that the role of microfinance credit information bureau is significant in bringing transparency in the credit market overall. MF-CIB helps in lending decisions, loan processing and also improves loan performance; furthermore it is also significant in micro credit extension.