



H.NO:3, 1st Floor, 1st Main, 1st Cross, Kodgehalli Main Road, Bhadrappa Layout,
Nagashettihalli (On Hebbal Outer Ring Road) Bangalore -560094

AKMI Updates: May-2023

About AKMI:

AKMI (Association of Karnataka Microfinance Institutions) was established in 2007 to bring in better transparency and governance, client protection and ethical practices among the Microfinance Institutions (MFIs) in Karnataka. AKMI is registered under Society Act 1960 and has 28 members as of now.

Sl. No.	AKMI Members	Number
1	NBFC -MFIs	18*
2	NBFCs	1
3	Society/Trusts/Others	2
4	SFBs	6
	Total Members	27

Microbuild & Asirvad did not renew for 2022-23 and Madura MFI is merged with CAGL.

AKMI is affiliated to Sa-Dhan and MFIN, which are national level network organizations and are self-regulatory organizations (SROs) for the microfinance industry. Both Sa Dhan and MFIN are recognized by RBI and are monitoring the Microfinance industry very closely.

The **main activities of AKMI** fall into field level engagement, communication, capacity building for members and client protection.

AKMI organizes district level meetings among its members in all districts of the state which is helpful in quickly identifying problematic locations, trouble makers and then working with local administration in solving such problems.

We conduct various programmers such as FLPs (Financial Literacy Programmes) at different districts inviting senior district level officials such as DC, SP, CEO Zilla Panchayath, Lead Bank, NABARD etc... and work of the sector is show cased.

We conduct street plays at various Gram Panchayath, TV episodes on success stories of beneficiaries etc...

For benefit of members we conduct programmes on industry best practices in areas such as HR, Audit, IT / digitization, Grievance handling and client protection.

We have a grievance redressal cells at districts Lead MFIs and redressal cell in Bangalore with toll free number.

AKMI is a special invitee to State Level Bankers' Committee (SLBC) and District Level Bankers' Committee in every district where we can update the happenings in the sector.

AKMI Members are also conducting social events, conducting financial literacy programs, construction of toilets, financial assistance to Mid-Day meal program (Akshaya Patra foundation), etc. as part of their CSR activities. Our members have also taken up lot of initiatives to combat distress during Covid Pandemic, flood, etc...

AKMI Outreach:

Particulars	December-2022	September-2022	June-2022
MFI Members *	27	27	30
No of Branches	2439	2432	2418
No of Staff	29438	29301	28442
Loan Borrowers accounts (in Lakhs)	100.49	102.60	90
Outstanding (Amt in Crs.)	41,989.24	40,153.04	38201.30

*Microbuild & Asirvad did not renew the membership for FY 2022-23, Madura merged with CAGL.

AKMI Bi- Monthly District Meetings in Karnataka:

AKMI is operating in all 31 Dist. of Karnataka and having 30 District AKMI units having the leadership of a Lead MFI and Co-Lead MFI to each district. The lead MFI who is having major exposure in the district is conducting district level AKMI meeting bimonthly on the fixed day. These meetings are attended by members of AKMI who are operating in the district by area representative. AKMI district meetings are mainly concentrating on field issues and seeking remedies for the issues in the field and may discuss latest developments in the microfinance sector, CB report, staff issues etc.

The lead MFI having AKMI district grievance redressal cell is handling MFI clients' grievances in the field, and also have liaison with AKMI HO.

Particulars	April-2023	February-2023	December-2022
No of District in Karnataka	31	31	31
No of AKMI dist. units	30	30	30
No of Meeting Conducted Next bi-monthly meeting will be in June - 2023	30	30	30

Contact AKMI Ombudsman:

OMBUDSMAN,
AKMI, H.NO:3, 1st Floor 1st cross
1st Main Kodgehalli Main Road
Bhadrappa Layout
Nagashettihalli, Bengaluru. Toll Free No: **1800 - 4255654**

Particulars	May-2023	April-2023	March-2023
No of Grievances calls Received	39	33	29
No of Grievances calls Solved	37	33	29
Pending – i) Insurance	1		
ii) Loan not yet sanctioned	1		
iii) CB report Problems			

Ombudsman at AKMI HO, Bangalore is having toll free helpline Number: 18004255654. The MFI customer/s may approach AKMI ombudsman if their grievance is not solved by concerned MFI regarding-

- ☐ Staff behavior
- ☐ Charging of higher rate of Interest than stipulated by RBI
- ☐ Any unreasonable delay or denial of micro credit

Observations: NO major field level issues. By and large disbursement of loan and Collection improved to a great extent in all the districts. The MFI operations by and large during election time was also normal.

AKMI Activities/Meetings during May – 2023

Sl. No	Date	Particulars	Remarks
1	03-04-2023	Fusion MFI visit to AKMI	Team From Fusion Microfinance visited AKMI office
2	05-05-2023	Cash confiscated in Ajjampur (Samasta) by officials on election duty	Cash confiscated in Ajjampur (Chikkmagalur dist.) Sought help from LDM and CEO ZP Chikkmagalur & the matter was resolved.
3	05-05-2023	Cash seized at Mudhol (CAGL)	Cash seized in Mudhol from CAGL. Sought help from LDM Bagalkot Mr. Madhusoodan & the matter was resolved.
4	31-05-2023	Customer suicide	A customer committed suicide in Gundlapet Tq (Chamarajanagar Dist) FIR filed against employees of ESAF and Suryoday. An emergency meeting of member MFIs was arranged , Coordinated with Lead MFI , Lead Bank to resolve the issue .



Fusion Microfinance team visited AKMI office on 03.05.2023

Media publications during May - 2023 (Source- Google alerts)

Bank credit to micro, small enterprises up 14% YoY in March: RBI data- The Financial Express(01.05.2023)

Top 10 Best Microfinance Companies In India In 2023 - Inventiva (04.05.2023)

India's financial inclusion journey can be example for other countries: UN - Business Standard
(05.05.2023)

Microfinance and the success of Mudra - Business Standard (08.05.2023)

Online Microfinance Market Share Estimation, Global Business Analysis, Opportunities ...
Digital Journal (12.05.2023)

Banks should have stronger overview on NBFC borrowers' lending practices: SBI MD
The Economic Times (14.05.2023)

Microfinance Sector To Grow At 20-25% Over Next Few Years: Creditaccess Grameen'S ...
CNBCTV18 (17.05.2023)

Mfis Make Strong Recovery In Fourth Quarter, Surpass Pre-Covid Performance Levels
CNBCTV18 (19.05.2023)

CreditAccess Grameen gains 25% in 3 months backed by stellar quarterly performance
The Economic Times (24.05.2023)

Out Of The Woods: How Small Finance Banks Staged A Smart Recovery - Forbes India(25.05.2023)

MICROFINANCE PAPER WRAP-UP: “Microfinance in India: Issues, Challenges and Opportunities;”-
MicroCapital (26.05.2023)

AI/ML helps rural MFIs to improve financial inclusion: Linson Paul, CTO Muthoot Microfin Ltd-
Elets BFSI - Elets Technomedia (28.05.2023)

Microfinance sector sees 21% growth in FY23; disbursements jump 26%, portfolio quality improves-
The Financial Express (29.05.2023)

Q4 2023: MFI portfolio risk factor improves, says Sa-Dhan report - Moneycontrol (29.05.2023)

"Our banking sector stands out as strong and stable," says RBI Governor - ANI News (29.05.2023)

Microfinance companies to be mobilized in rural areas bereft of banking services
The Himalayan Times (30.05.2023)

Govt monitoring inflation, won't let down guard: FM Nirmala Sitharaman - Times of India
(30.05.2023)

Bank credit to MSMEs jump 14% YoY in Apr-Dec FY23; micro units major beneficiaries-
The Financial Express (30.05.2023)

While microfinance has the potential to contribute positively to these goals, its effectiveness ...
Insights IAS (31.05.2023)