



ASSOCIATION OF KARNATAKA MICROFINANCE INSTITUTIONS

H.NO:3, 1st Floor, 1st Main, 1<sup>st</sup> Cross, Kodigehalli Main Road,  
Bhadrapa Layout, Nagashettihalli, Bengaluru-560094

## **AKMI Updates: Apr -2024**

### **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 the Society Act 1960 and has 28 members as of now.

| Sl. No. | AKMI Members         | Number |
|---------|----------------------|--------|
| 1       | NBFC -MFIs           | 20     |
| 2       | NBFCs                | 1      |
| 3       | Society/Trusts/Other | 1      |
| 4       | SFBs                 | 6      |
|         | Total Members        | 28     |

**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, troublemakers and then working with local administration in solving such problems.

We conduct various programmes 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 the work of the sector is showcased.

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

For the 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 grievance redressal cells at districts Lead MFIs and redressal cell in Bangalore with toll free number.

AKMI is a special invitee to the 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, drought etc...

**AKMI Outreach:**

| Particulars                        | Dec-2023 | Sep-2023 | June-2023 |
|------------------------------------|----------|----------|-----------|
| MFI Members                        | 29       | 27       | 27        |
| No of Branches                     | 2785     | 2616     | 2498      |
| No of Staff                        | 35817    | 34659    | 31045     |
| Loan Borrowers accounts (in Lakhs) | 104.74   | 108.53   | 101.81    |
| Outstanding (Amt. in Crs.)         | 52293.27 | 50852.73 | 46706.73  |

**\*Satya Micro Capital & Fusion Microfinance joined AKMI as our new members .**

**\*Samuha did not renew the membership.**

**AKMI Bi- Monthly District Meetings in Karnataka:**

AKMI is operating in all 31 Dist. of Karnataka and has 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

representatives. 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, Ring leader problems, staff issues etc.

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

| Particulars                                       | Apr-2024 | Feb-2024 | December-2023 |
|---|----------|----------|---------------|
| No of District in Karnataka                       | 31       | 31       | 31            |
| No of AKMI dist. units                            | 30       | 30       | 30            |
| No. of Meetings Conducted                         | 30       | 30       | 30            |
| Next bi-monthly meeting will be in <b>June-24</b> |          |          |               |

**Contact AKMI Ombudsman:**

OMBUDSMAN,

AKMI, H.NO:3, 1<sup>st</sup> Floor 1st cross

1<sup>st</sup> Main Kodigehalli Main Road

Bhadrappa Layout

Nagashettihalli, Bengaluru. Toll Free No: **1800 - 4255654**

| Particulars                     | Apr-2024 | Mar-2024 | Feb-2024 |
|---------------------------------|----------|----------|----------|
| No of Grievances calls Received | 25       | 34       | 18       |
| No of Grievances calls Solved   | 23       | 34       | 18       |
| 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. 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. At some centers problems cropped up because of drought situation The disbursement of loan and Collection slowed down to little extent in April because of drought and due to on going election in the state.

### AKMI Activities/Meetings during Apr – 2024

| Sl. No | Date       | Particulars                            | Remarks  |
|--------|------------|--|--|
| 1      | 01.04.2024 | Chief Electoral Office                 | Team AKMI visited Chief Electoral Office & met Dy. Chief Electoral Officer Mr. Naveen Kumar Joseph. They also met Mr. Ashok Teli , Administrative Officer  |
| 2      | 02.04.2024 | Cash confiscated in Kadur              | Cash confiscated in Kadur (CAGL), released with the help of Dist Admin.  |
| 3      | 03.04.2024 | Chief Electoral Office                 | Visited Chief Electoral Office to collect letter permitting MFIs for regular operations.   |
| 4      | 04.04.2024 | Chief Electoral Office                 | Visited Chief Electoral Office   |
| 5      | 05.04.2024 | Chief Electoral Office                 | Visited Chief Electoral Office for letter  |
| 6      | 06.04.2024 | Kolar Meeting                          | Kolar Police called for MFIs meeting   |
| 7      | 19.04.2024 | AKMI Workshop on Customer Service & HR | AKMI conducted workshop at Hotel Sanctum Bangalore. Team Ujjivan (Mr. Gautham, Mr. Anoop, Mr. Tarun) made presentation on Customer service and HR. Mr. Aswatha Ramaiah from Unique Consultants took session on People Management Skills. All sessions received well by participants. |
| 8      | 23.04.2024 | Sa-Dhan webinar                        | Attended Sa-Dhan webinar on "Client Protection Principles, Responsible Finance and Impact on access to finance"  |
| 9      | 24.04.2024 | Cash confiscated in Hassan             | Cash confiscated in Hassan district. Later it was released after approaching ZP CEO.   |
| 10     | 29.04.2024 | Sa-Dhan webinar                        | Participated in Sa-Dhan webinar on "e-KYC Services thru e-KYC Setu System by NPCI"   |

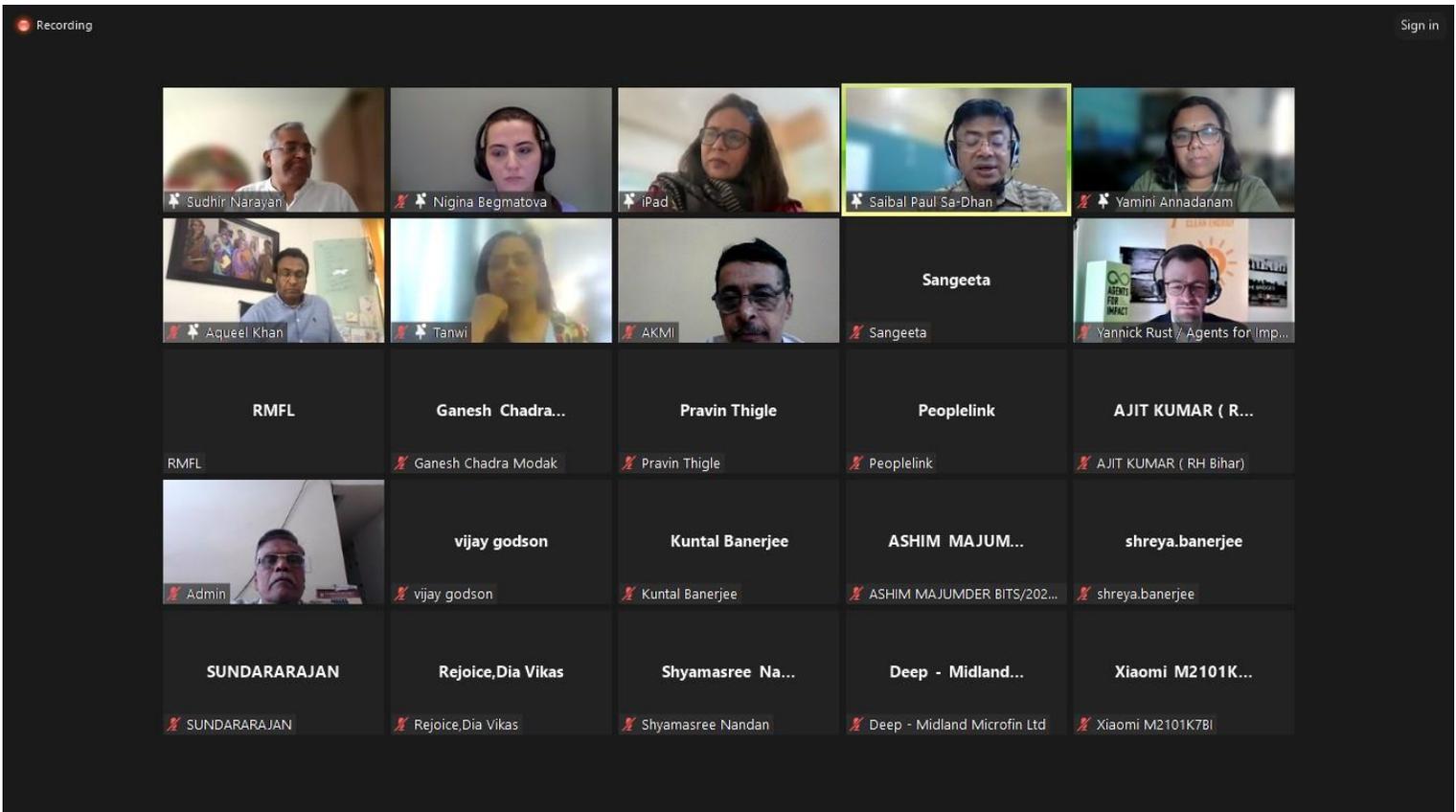




**Team Ujjivan took sessions - Customer Service & HR Workshop on 19.04.2024**



**Mr. Aswatha Ramaiah (Unique Consultants) took session on People Management Skills on 19.04.2024**



**Attended Sa-Dhan webinar on "Client Protection Principles, Responsible Finance and Impact on access to finance" on 23.04.2024**

## Media publications during Apr - 2024 (Source- Google alerts)

- Microfinance industry's loan portfolio grows by 21% to touch ₹3.93 lakh crore  
The Hindu BusinessLine (01.04.2024)
- Evolution and Challenges in **Microfinance**: A Journey of Risk Management and Financial Inclusion - CXO Today (01.04.2024)
- Microfinance industry body wants members to explore underserved market  
-The Economic Times\_(02.04.2024)
- NBFC loan sanctions fall by nearly ₹19,000cr in Q3 - MSN (05.04.2024)
- Muthoot Microfin records 32% YoY asset growth, loan collection efficiency soars  
The Economic Times (09.04.2024)
- Equitas SFB: This small finance bank might be the next AU SFB | Value Research (11.04.2024)
- FSIB Board recommended Mr. Manoj Mittal as CMD of SIDBI - PSU Connect (12.04.2024)
- NEPSE sees slight decline, **microfinance sector** leads gains - The Himalayan Times (15.04.2024)
- IIFL Samasta Finance adds three distinguished members to its Board - The Hindu BusinessLine (26.04.2024)
- Former NABARD Chairman Dr. Govinda Rajulu Chintala Joins IIFL Samasta Finance as ... Business Standard (27.04.2024)
- Satin CreditCare Network reports 33% YoY jump in March quarter - The Economic Times  
(30.04.2024)
- IFC, MRA hold seminar on **microfinance sector** | The Financial Express (30.04.2024)





