



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: June -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 Programs) 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 programs 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	Mar-2024	Dec-2023	Sep-2023
MFI Members	28	29	27
No of Branches	3019	2785	2616
No of Staff	36859	35817	34659
Loan Borrowers accounts (in Lakhs)	111.22	104.74	108.53
Outstanding (Amt. in Crs.)	60597.78	52293.27	50852.73

**\*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	June-2024	Apr-2024	Feb-2024
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>Aug-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	June-2024	May-2024	Apr-2024
No of Grievances calls Received	35	46	25
No of Grievances calls Solved	33	46	25
Pending – i) Insurance			
ii) Loan not yet sanctioned	2		
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

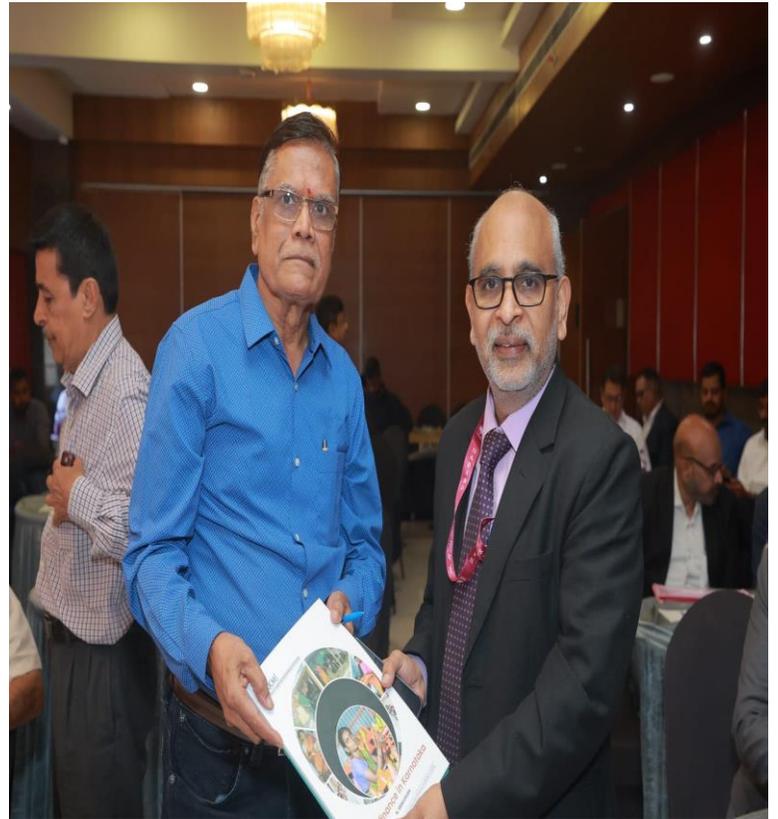
Charging of higher rate of Interest than stipulated by RBI  
Any unreasonable delay or denial of micro credit

**# 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 because of drought and after effect of drought.

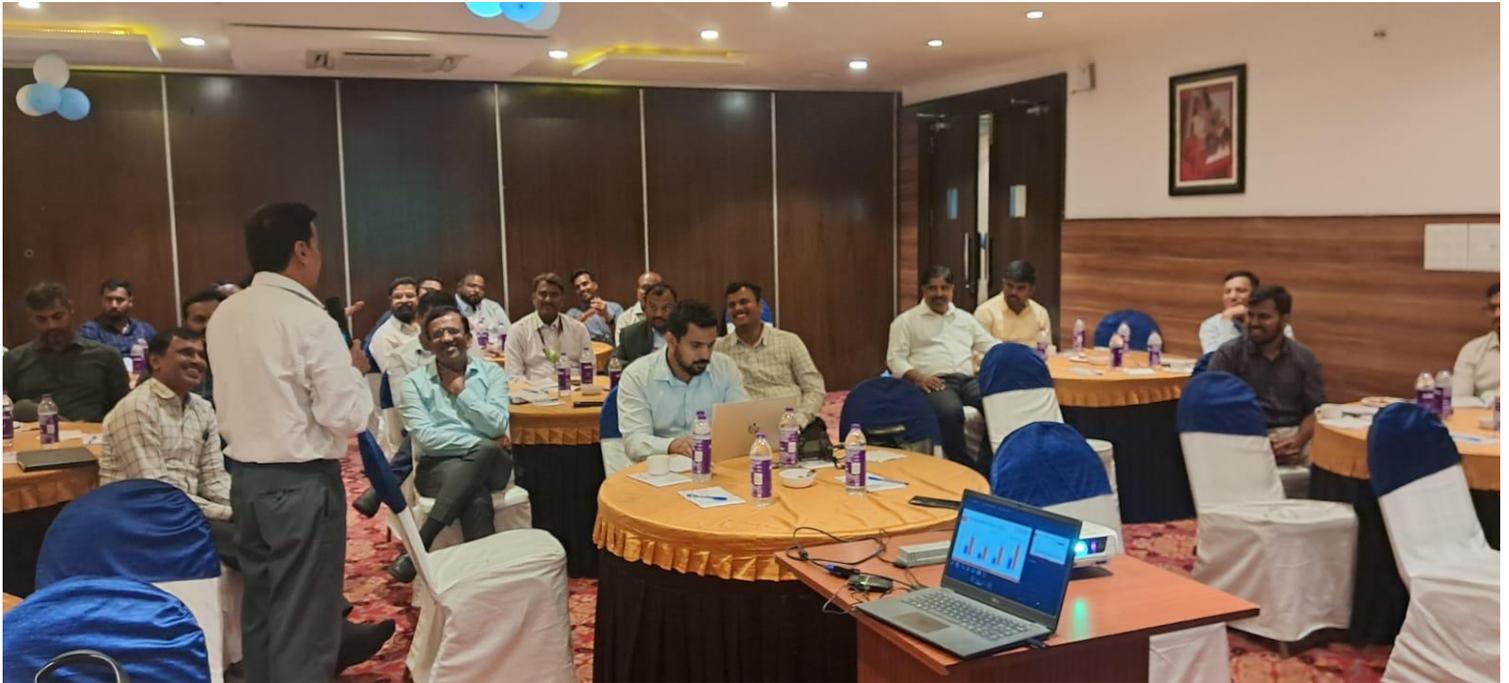
## AKMI Activities/Meetings during Jun – 2024

Sl. No	Date	Particulars	Remarks
1	07-06-2024	Karnataka State Financial Inclusion Conclave	<ul style="list-style-type: none"> <li>❖ Sa-Dhan in association with AKMI and in Collaboration with SIDBI had organised Karnataka State Financial Inclusion Conclave on 7th June 2024 in Bengaluru.</li> <li>❖ Delegates at the Inaugural session of the Conclave: Mr. Jiji Mammen, CEO Sa-Dhan, KVSSLV Prasad Rao, CGM NABARD, Mr. Bhaskara Chakravarthy M, GM &amp; Convenor SLBC and Mr. S.S. Radha Ramana, GM SIDBI.</li> <li>❖ Mr. Aloysius Fernandez, veteran MFI practitioner spoke about MFI journey and the prospectus.</li> <li>❖ There were two panel discussions in which industry leaders deliberated on Financial Inclusion Vision 2030 and Financial Health of Low-Income Households in Karnataka. There were presentations by SIDBI on MSME and by Equifax on Status of the sector in Karnataka.</li> <li>❖ There were 70 delegates including MDs, CEOs and senior officials of MFIs, SFBs, technical support agencies and Govt.</li> </ul>
2	12-06-2024	Visited IIFL Samasta Office	Met Chairman Mr. Venkatesh to discuss on budget
3	14 .06.2024	MFIN-AKMI State Chapter Meeting	We participated in State chapter meeting arranged by MFIN on at Hotel Sanctum Bangalore.
4	15-06-2024	Ranebennur (Haveri)	<ul style="list-style-type: none"> <li>❖ Few MFI borrower's / ring leaders along with Farmers 'leader submitted memorandum to Ranebennur (Haveri district) Tahasildhar complaining about forceful recovery methods.</li> <li>❖ We had zoom meeting of member MFIs. Requested members to draw seniors (RM / AM) to field (not leave it to field officers alone), convince customers about prompt repayment and take people into confidence.</li> <li>❖ Our lead MFI (Navachetana) is asked to meet LDM and get back to us. If necessary, we will also join to meet</li> </ul>

			<p>Tahasildhar.</p> <ul style="list-style-type: none"> <li>❖ We have told Lead MFI, if necessary, we (AKMI, MFIN, Sa Dhan) will come to meet Tahasildhar on seeing the response .</li> </ul>
5	17.06.2024	Ranebennur (Haveri)	Spoke to LDM Haveri Mr. Annaiah regarding the issue at Guddadabevinahalli, Ranebennur Tq
6	19.06.2024	Visited CAGL Office	Met Mr. Udaya Kumar, Managing Director CAGL
7	24.06.2024	Visited NABFINS office	Team AKMI met Madam Neeraja, MD NABFINS
8	27.06.2024	Team AKMI met Haveri District authorities	<ul style="list-style-type: none"> <li>❖ Met Sri S.B.Mullalli Deputy Secretary, Zilla Panchayath, Mr. Annayya, LDM &amp; Mr. Ankush Kumar, SP regarding repayment issues in Guddadabevinahalli Village Ranibennur Tq, Haveri Dist.</li> <li>❖ Submitted letter complaining about Mr. Hanumanthappa Kabbur's spreading rumours and giving false promise of loan waiver.</li> </ul>
9	28.06.2024	Visited Tumkur	<ul style="list-style-type: none"> <li>❖ Team AKMI met LDM Tumkur and briefed him about the demonstration planned on 1<sup>st</sup> July by Dalit Sanghatan at Tiptur.</li> <li>❖ We were trying to meet leader of Samithi, but was not able to meet him. We spoke to Mr. Dorairaj, founder member Dalit Sangharsha Samithi, Tumkur. After talking to him we feel that we are able to convince him to some extent. His intensity against MFIs seems to have come down although their protest program will go on as planned.</li> <li>❖ We also had meeting of member MFIs and discussed about problematic areas in Tumkur and also about observing COCs.</li> </ul>



**Karnataka State Financial Inclusion Conclave arranged by Sa-Dhan in association with AKMI & in Collaboration with SIDBI on 7th June 2024 in Bengaluru. Mr. Kulkarni handing over AKMI report to Mr. Prasad Rao, CGM NABARD**



**Team AKMI participated in State chapter meeting arranged by MFIN on 14<sup>th</sup> June at Hotel Sanctum Bangalore.**



**Mr. Anand Rao speaking on customer connect**



**Member MFIs meeting at Haveri on 27.06.2024**



**Team AKMI met Sri S B Mullalli, Deputy Secretary Zilla Panchayath, Haveri regarding repayment issues at Guddadabevinahalli (Ranebennur Tq) on 27.06.2024**



**Team AKMI met Mr. Ankush Kumar SP Haveri regarding repayment issues in Guddadabevinahalli village Ranebennur Tq, Haveri on 27.06.2024**



**Team AKMI met LDM Haveri Mr. Annayya on 27.06.2024 regarding repayment issues in Guddadabevinahalli Village (Ranebennur Tq)**



**AKMI Meeting at Tumkur on 28.06.2024**



**Team AKMI met LDM Tumkur on 28.06.2024 and briefed him about the demonstration planned on 1<sup>st</sup> July by Dalit Sanghatan at Tiptur.**

## **Media publications during June - 2024 (Source- Google alerts)**

- ❖ Arohan Financial Services Disbursed Its First Arohan Privilege Loan In The South [APN News](#) (04.06.2024)
- ❖ Muthoot Microfin inks co-lending pact with SBI | Capital Market News - Business Standard [\(07.06.2024\)](#)
- ❖ Asirvad Micro Finance appoints Satish Nair as President and CEO [The Hindu Business Line](#) (07.06.2024)
- ❖ RBI cautions micro finance lenders against usurious interest rates - The Economic Times (08.06.2024)
- ❖ Microfinance loans up 24.5% to Rs 4.3 trn in FY24, NBFC-MFIs see moderation [Business Standard](#) (11.06.2024)
- ❖ NBFC-MFIs largest provider of micro-credit: Report - The Economic Times (13.06.2024)
- ❖ L&T Finance's rural business finance book reaches Rs 25000 crore - Business Standard (14.06.2024)
- ❖ Cost of funds has peaked, expect rural loans to grow at 20% in the medium term: MFIN CEO [CNBC TV18](#) (15.06.2024)
- ❖ Government Simplifies SOPs for Faster Sanction of Loans - KNN India (18.06.2024)
- ❖ Microlenders Urge Rs 500 Cr Fund from Finance Ministry for Equity Support to MFIs [KNN India](#) (22.06.2024)
- ❖ Ujjivan SFB shares plunge over 7.5% after bank revised its loan growth forecast lower - Mint (25.06.2024)
- ❖ ESAF SFB Chief Paul Thomas Elected Chairperson of Sa-Dhan - Current Affairs [Current Affairs - Adda247](#) (25.06.2024)
- ❖ Ujjivan SFB adjusts loan growth guidance amid microfinance stress - The Economic Times (28.06.2024)
- ❖ Sadaf Sayeed appointed as Co-Chair of Sa-Dhan - Adgully.com (28.06.2024)







