Corporate Governance - A Concern in MFIS in India

Swati Gupta and Anamika Sinha

Over the last few years, increased attention has been devoted to micro financing by academicians interested in development issues. The term corporate governance came into rage following the Asian Economic Crisis in July 1997. Good corporate governance is more than just a high moral value- it is economic value or economic profit. On the 14th of October 2010, the World Microfinance Forum, Geneva organized a debate on the need for better corporate governance to ensure the sustainability of the microfinance industry. The World Microfinance Forum believed that a governance platform can lead to lasting improvements to governance in Microfinance, to ensure the long-term sustainability of this industry. This shows the extent of impact good corporate governance has on ensured sustainability. It is clear inclusive growth is necessary for sustainable development and equitable generation of wealth across economies. However, achieving this is a major challenge in developing economies like India where sustainance is a possible result of corporate governance in framing and executing, transparency across boards and futuristic policy for growth. Corporate governance is definitely a part of the larger framework of the term transparency. Shareholder-owned microûnance institutions (MFIs) are playing an increasing role in the delivery of ûnancial services to the poor. Shareholder-owned MFIs are for-proût, limited liability companies, whose ownership is in the hands of multiple shareholders. Most are licensed ûnancial institutions – ûnance companies and banks. This paper discusses the corporate governance issues, the relevance of these issues in the microfinance industry in India and what could help create good corporate governance in an institution.

The paper covers:

Microfinance-The Concept
Microfinance in India
Concept of Sound Governance
Creating Good Corporate Governance

Prof. Swati Gupta is an Assistant Professor, Amity Global Business School.

Dr. Anamika Sinha is an Assistant Professor, NIRMA Institute of Management, Nirma University, Ahmedabad.

Objectives of the Paper:

1. To discuss the growing need of Microfinancing and emergence of several Microfinancing Institutions in India:
2. To discuss the concept of good corporate governance and its need in times today.
3. To discuss generic measures to create good corporate governance

Introduction

"Microfinance is an economic development approach that involves providing financial services through institutions to low income clients".

International Labor Organization (ILO),

According to World Bank report, India is the home of one third of the world's poor. Around 300 million people or about 60 million households are living below the poverty line. Due to the size of the population living below poverty line, India is strategically significant in the global efforts to alleviate poverty and to achieve the Millennium Development Goal of halving the world's poverty by 2015. Microfinance is a widely accepted tool for effective poverty alleviation strategy. The principles of Micro Finance are primarily founded on the philosophy of cooperation and its central values are social equality, justice, equity and mutual self-help. At the crux of all these principles is the concept of human development and consequently nation building. By extending credit to the needy it becomes a survival tool for the family. The poor need funds, a livelihood and an array of financial products for sustenance like anyone else. In a gist therefore, Microfinance includes basic financial services such as small loans, savings account, insurance and remittances that target low income (Below poverty line) clients particularly women. Along with it microfinance also assists people who wouldn't usually qualify for banking services for not having collateral or any form of formal identification.

Despite an understanding of its role and also considering the magnitude of problems of poverty in India, it is estimated that 87 percent of the poorest households in India do not have access to credit. The demand for microcredit has been estimated at up to $30 billion; the supply is less than $2.2 billion combined by all involved in the sector, thus making this sector a sunrise sector for the entrepreneurs.

In the last five years, participation of commercial banks has brought about some change in this dynamics. Through micro-savings, micro-credit, micro enterprise, micro insurance, micro pension and even micro livelihood, microfinance has brought about economic, social and cultural empowerment; bettering lives of participating households.

This approach has broadened the scope of microfinance in India over the last few years, which has been a challenge for not only the microfinance institutions but also policy makers and regulators to ensure smooth and clean flow of funds to the right people.

Increasingly in the recent times, more attention has been given to the profit-making behavior shown by a number of microfinance players in the industry. While the success of microfinance institutions has mostly been measured by their financial performance, in today's context, social performance would strengthen the reputation of the institutions. Ideally, the microfinance industry would succeed by balancing the two vital performance parameters- financial and social performance. The government and other regulatory setups have been evolving from time to time to support the institutions balance, which, by far is the most important tryst of balancing the existent poverty and the profit.

A close look on how MFIs have developed and grown in India will point out on how a bubble has been created. In India, lending to the poor had proved so profitable, that the microfinance institutions saw their loan portfolio increased 10 times between 2005 and 2009, from $252 million to $2.5 billion, raising fears of a microfinance bubble.

The question now is that can self-regulation by the MFIs prevent the bursting of the bubble? Is there a need of a code of conduct to place boundaries? These bring us to the realm of ethics in the institutions- or the lack of it.

Microfinance in India: Historical Perspectives

The microfinance industry in India emerged way back in 1935 when RBI set up agriculture credit department to promote rural credit through cooperative institutions. In 1954 the all India rural credit survey reported that informal sources of credit accounted for 70% of rural credit followed by cooperatives (6.4%) and commercial banks (0.9%). At this stage RBI introduced "The Lead Bank Scheme". By 1971 share of formal financial sector in total rural credit usage had risen to 30 %. Regional rural banks were conceptualized in 1975. In the year1974, Self Employed Women's Association (SEWA) Cooperative Bank was established to help low income women, to reduce their dependence on moneylenders. Much like Grameen Bank established in Bangladesh, SEWA relied on peer pressure groups to make certain high loan repayment rates.

Through its success, SEWA Bank proved that the poor were bankable and helped pave the way for the emergence of hundreds of microfinance institutions during the 1980s and 1990s. Government initiated Integrated Rural Development Programme (IRDP) in 1980-81 and National Bank for Agriculture and Rural Development (NABARD) was established in 1982. Special input was given to Development of women and children in rural areas as a part of IRDP. A lot of Self Help Groups (SHGs) emerged in 1980s, Mysore Resettlement and Development Agency (MYRADA) being the first one.

The microfinance market in India continued to be un-standardized and it relied to quite an extent on a diverse set of legal, regulatory and organizational systems to provide the poor with the access to finance and financial services. Despite a few recorded success stories repayment rates were low and defaulters were plenty. Financial services being regarded as a social obligation, the government announced formal loan waiver in 1989, negatively impacting the credit discipline.

In 1990s NABARD initiated SHG- Bank linkages and in 1996 RBI gave the Microfinance sector a priority status. Public, private, regional rural banks and cooperative banks joined hands with several organizations in formal and informal sectors to provide financial services to a large number of poor. In 1993, Rashtriya Mahila Kosh was formed and in 1990 Small Industries Development Bank of India was set up. Sa- Dhan, an apex level association of community development finance institution was formed in the year 1999. In 1995 Mutually Aided Cooperative Societies Act was passed by Andhra Pradesh government. These measures propelled outreach of MFIs substantially. In 2004 ICICI Bank showed interest in Microfinance as a viable commercial activity. By 2009-10 the sector performed credibly.

In 2011, the Malegam Committee made recommendations to regulate and realign the main objectives of Microfinancing by recommending a 10% average "margin cap" for all those MFIs having a loan portfolio of Rs. 100 crore. The committee recommended a 12 per cent for smaller MFIs and a cap of 24% for interest on individual loans. It also recommended that an MFI can levy only three charges- (a) processing fee (b) interest and (c) insurance charge, which would inculcate the much needed transparency in the sector. This aimed at mitigating certain issues in the sector like multiple lending, over indebtedness, ghost borrowers and coercive methods of recovery. The Central government also came out with another Act- Microfinance (Development and Regulation) Act 2010 that also proposed to make the sector a lot more streamlined and regulated.

From the above discussions it is evident that the government and regulatory framework has evolved to support the growth of the sector considerably. It is thus no surprise that the current scenario has emerged so well

Key Statistics of MFIs in India: current scenario

MFI Growth- CRILEX – the M-CRIL India MFI Growth Index which is a composite index of growth of microfinance institutions in India which uses information on the numbers of borrowers and the size of loan portfolio of the 24 largest MFIs.

Exhibit-I- M-CRIL India MFI Growth Index

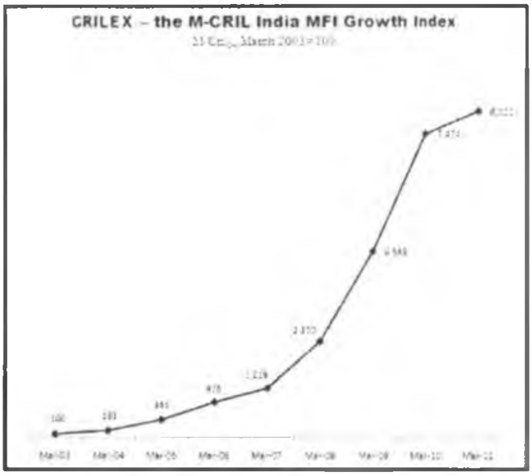
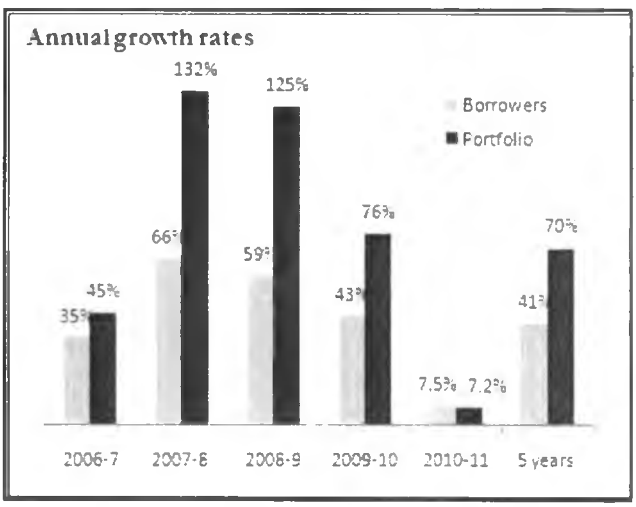


Exhibit II-Annual Growth Rates



From Exhibits I and II it can be observed that the microfinance sector has shown homogeneous growth not only in terms of overall growth but also in terms of Borrowers and Portfolio that shows the potential of microfinance in India.

MFIs have a proven track record for demonstrating high growth and profitability. This makes microfinance a sunrise industry for entrepreneurs. With an average annual growth rate of over 80 percent and a minuscule market penetration of less than 10 percent, the Indian market shows high potential and is constantly witnessing the entry of many more seeking business opportunities. Indian MFIs have shown a spectacular growth rate between the years 2004 and 2009: year on year the average increase in the number of clients has been 91% and that of the size of the portfolio outstanding 107%, even in the midst of a global economic slowdown, the industry witnessed incredible growth from 2008 to 2009, growing by 75.5% in client base and by 102.5% in the same period in portfolio outstanding.

Top Ten MFIs in India on the basis of Gross Loan Portfolio

MFI name	Fiscal Year	Period	As of Date	Currency	As of date	Gross Loan Portfolio
SKS	2010	ANN	3/31/2011	USD	3/31/2011	925,844,433
Spandana	2010	ANN	3/31/2011	USD	3/31/2011	778,869,436
Bandhan	2010	ANN	3/31/2011	USD	3/31/2011	564,710,030
SHARE	2010	ANN	3/31/2011	USD	3/31/2011	465,066,792
AML	2010	ANN	3/31/2011	USD	3/31/2011	298,372,788
BASIX	2010	ANN	3/31/2011	USD	3/31/2011	281,265,758
SKDRDP	2010	ANN	3/31/2011	USD	3/31/2011	215,695,807
SEIL	2010	ANN	3/31/2011	USD	3/31/2011	186,905,901
Equitas	2010	ANN	3/31/2011	USD	3/31/2011	178,794,488
GV	2010	ANN	3/31/2011	USD	3/31/2011	117,119,851

Top Ten MFIs in India on the basis of Total number of Active Borrowers

MFI name	Fiscal Year	Period	As of Date	Currency	As of date	Number of active borrowers
SKS	2010	ANN	3/31/2011	USD	3/31/2011	6,242,266
Spandana	2010	ANN	3/31/2011	USD	3/31/2011	4,188,655
Bandhan	2010	ANN	3/31/2011	USD	3/31/2011	3,254,913
SHARE	2010	ANN	3/31/2011	USD	3/31/2011	2,840,122
BASIX	2010	ANN	3/31/2011	USD	3/31/2011	1,526,150
SKDRDP	2010	ANN	3/31/2011	USD	3/31/2011	1,382,506
AML	2010	ANN	3/31/2011	USD	3/31/2011	1,341,524
Equitas	2010	ANN	3/31/2011	USD	3/31/2011	1,303,339
GV	2010	ANN	3/31/2011	USD	3/31/2011	932,286
Cashpor MC	2010	ANN	3/31/2011	USD	3/31/2011	431,463

Top Ten MFIs in India on the basis of number of Depositors

MFI name	Fiscal Year	Period	As of Date	Number of depositors
Bandhan	2010	ANN	3/31/2011	3,254,913
Mahasemam - SMILE	2010	ANN	3/31/2011	486,684
SEWA Bank	2010	ANN	3/31/2011	361,639
KBSLAB	2010	ANN	3/31/2011	271,238
ICNW	2010	ANN	3/31/2011	270,191
BSS	2010	ANN	3/31/2011	213,240
Janalakshmi	2010	ANN	3/31/2011	190,586
Sahara Utsarga	2010	ANN	3/31/2011	134,470
Sarala	2010	ANN	3/31/2011	108,707
GU	2010	ANN	3/31/2011	104,017

According to the Malegam Committee Report, the advent of MFIs in the Microfinance sector appears to have resulted in a significant increase in reach and the credit that is being made available to the sector. Between the period of 31st March 2007 and 31st March 2010, outstanding loans in rupee terms have increased from about Rs. 3800 crores to Rs. 18,344 crores, the growth being 382%. While this growth is more than just impressive, a number of studies undertaken both in India and abroad have questioned whether growth alone is effective in addressing poverty and what the adverse consequences of a too rapid growth might be. In the Indian context a few of the following specific areas of concern have been identified:

a) High rates of interest
b) Lack of transparency in interest and other charges
c) Multiple lending
d) Upfront collection of security deposits
e) Coercive methods of recovery
f) Sudden and rapid growth in outreach
g) Intense competition and borrower fatigue

Out of all these, most of them pertain to corporate governance in some way or the other, which is what the paper discusses.

Corporate Governance

"Governance is governance... it is not management and it is surely not volunteering... as a board member you have to see to it that the organization is well-managed rather than managing it yourself."

Ken Dayton

The term "Governance" can broadly be defined as a system of people, policies and processes that keep an organization on track. Governance aims, at upholding the organization's goals and mission and to guide the organisations mission and vision and ensure accountability of its actions at the same time. The entities that have an active role or a direct interest in the MFI governance range from regulators, auditors, providers of financing, customers, employees to the larger community. It is sometimes conceived as an aspect that links the shareholders to the board, management, staff, customer and to the community. Though governance is a broad concept, the board of directors is the fundamental and critical point of connect. The composition and the operations of the board is an important aspect in the execution of corporate governance. The Board has the chief responsibility in all aspects of the administration and management of the MFI.

As MFIs expand their outreach and increase their assets and loan portfolios, and as more and more MFIs become regulated entities, the functions of their boards of directors become more essential for effective governance. All board members are expected to follow the basic codes of conduct in carrying out their roles and responsibilities in good faith. Their duties mainly comprise of the "Duty of loyalty", "Duty of care" and "Duty of obedience". The board of directors needs to exercise this responsibility by maintaining a safe distance from the MFIs daily operations and by taking required decisions as a group. This helps adding significant value to the management of the institution.

Responsibilities of the Board and management that reflect the broad purpose of governance:

- To define the mission and purpose of the MFI and to develop strategic goals and monitor their achievement
- Administer management performance and evaluation of the head
- Ensure that the MFI manages risks effectively assuming responsibility
- Cultivate effective organizational planning and ensure adequate resources to achieve those goals that would also include raising equity and debt
- Represent the MFI to the community and the public as well as represent the interests of the MFIs as a whole and not as individual groups within
- Uphold the values and the ethical standards of the organization with integrity and transparency
- To evaluate its own performance and commit to improvement

Creating Good Corporate Governance

The microfinance industry in India has evolved and has now entered the stage where regulation, commercialization, growing awareness and competition like factors are creating a lot of pressure for complete accountability and transparency. Keeping in mind the recent cases of corporate governance in MFIs gone wrong, what needs to be thought about is the ways of creating if not recreating measures to establish good corporate governance in MFIs that will help in the growth (growth of capital, increased outreach and sustainability) of MFIs. This section has been divided into three sub-sections them being- At the Board Level, At the CEO's Level and At the Regulatory Level.

At the Board Level

'Just the consciousness of fiduciary responsibility changes the tone of the MFI board from a board concerned with social mission only'
Bhati Ramola, Basix

The board has few legal obligations that include ensuring that the MFI complies with its articles of incorporation, the bylaws and the decided internal policies, practices and procedures. Along with it, the board must make certain that the institution maintains its legal status and complies with government rules and regulations. In the board too, the Chairperson of the board has a more active role than other board members. His role covers serving as the chief non-executive officer of the organization and partner with the CEO to achieve the goals and mission of the MFIs, apart from the leadership and strategic duties that are associated to his position.

Components that affect governance:

1. **Structure**-A structure ensuring a balance between the board and the management which could be centralized or decentralized depending upon the reach of the institution and the nature of work.

2. **Composition**- Boards should have a wide range in terms of skills and knowledge and should have qualified members willing to make personal commitment. Also to increase the perspective of the board, it should maintain diversity in gender and age.

3. **Size**- The size of the board should be such that it fosters healthy group interaction and participation without overburdening any member, yet making sure that meetings get to see an easy quorum

4. **Meetings**- It is important for all board members to give their opinions, ask for clarifications and generally participate in meetings. The frequency

of the meetings held, the participation, the content discussed and the follow up action of the issues discussed would all help increasing the quality of the meetings.

5. **Audits**-With qualified auditors the institution should conduct regular audits- internal and external to ensure transparency

6. **Strategy**- The main function of the board is to design, review, modify as necessary and to approve strategies

7. **Transparency and Information sharing with stakeholders-** External disclosures is of utmost importance which has to be carefully done with the approval of the chair.

8. **Succession Planning-** It is another key aspect of evolution yet sensitive in which the board needs to develop a team of potential and probable replacements

The aspect of empowering the Board is a complementary component in administering good corporate governance, since the board is the definitive authority of accountability.

Checklist for the Board of Directors	
i. Responsibility to shareholders:	
Clarity and Coverage of shareholders expectations in MFI objectives	
Complete and accurate reporting on business and matters of the MFI	
ii. Responsibility to stakeholders:	
State of the relationship with the key stakeholders	
Policy on MFI relation with stakeholders	
iii. Strategic Planning	
Good quality and content of strategic planning(The indicator of how good the quality is would be institution specific)	
Accuracy and the scope of implementation of the strategic plan	
Constant review and evaluation of results against strategy expectation	
Constant and satisfactory monitoring of the institution	
iv.CEO's Role	
Well defined Job Description	
Is the CEO getting the required support from the board	
Performance Appraisal of CEO	
v. Legal	
Satisfactory compliance of legal and regulatory requirements	
vi. Ethical Duties	
Does the Institution have a code of Ethics	

vii. **Board Meetings**	
Appropriate and relevant information supplied to the Board for the meetings	
Satisfactory preparation and planning for the meetings	
Appropriate frequency of meetings	
Satisfactory board attendance and participation	
Appropriate Board and Committee structure	
Accurate and timely minutes record	
Timely follow up actions	

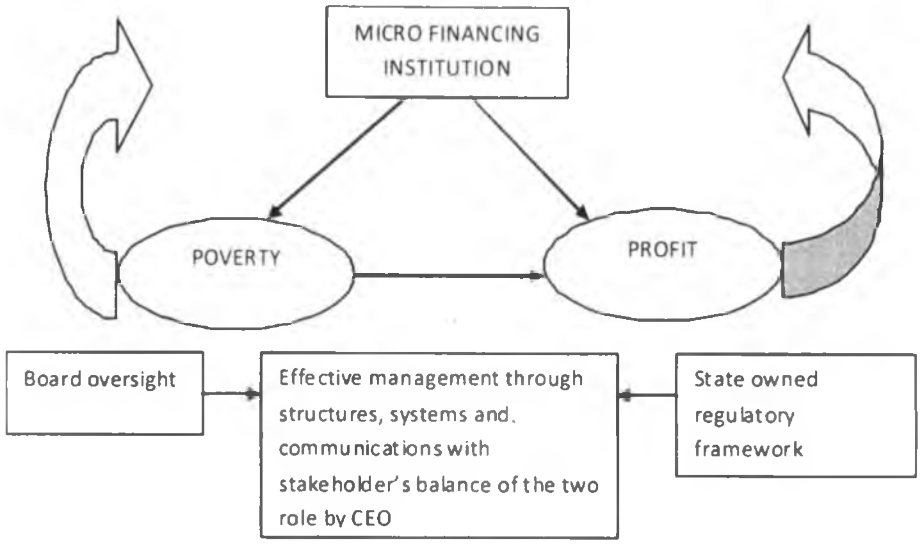
(Compiled by authors)

At the CEO's Level

In terms of the role of the CEO, it is to guide and support the board's activities and to represent the interests of the shareholders. The CEO along with the chairman of the board has a strategic role in decision making. The management headed by the CEO, is closely involved in daily operations in contrast to the role of the Board of Directors. It has an in-depth understanding of the challenges and opportunities facing the institution, and has the flexibility to be decisive. The role of the CEO is elaborated below:

- Help the board to make and govern the functions and strategies of the institution
- Help Board monitor institutional performance and progress
- Assist the board in developing and managing a set of institutional performance

One of the primary responsibilities of the CEO is maintaining an institution's financial solvency. It includes generating a return to investors and aiming at a balanced budget. Although deficits are usually acceptable in the short term, a board cannot afford to allow repeated poor financial performance in the long run and it is one of the risks that are faced by the Board. The CEO is also accountable to ensure asset quality and to mobilize financial resources.



GOVERNANCE MODEL FOR MFI
(As compiled by authors)

Creating a Balance between the Board and the Management

Since one of the most important aspects of creating effective corporate governance is to achieve a balance between the board and the management, a structure or a system needs to be made that a body is made to supervise and hold executive bodies accountable for their actions. It needs to be noted that none of the two-Board or the management should hold a dominant position over each other. All structures should have one core principle and that is of accountability. Many institutions limit management participation to the CEO and few senior members of management and few create executive committees that occupy the space between the management and the board. MFIs need to make sure for the effective working of the structure; there are regular board meetings with participation from both the board and the management.

At the Regulatory Level

Role of Credit Bureau: A credit bureau for microfinance members is a step towards bringing the microfinance industry into the mainstream and for promoting accountable lending. This would help the sector to bring in the much needed transparency and will help restrict multiple lending. Credit bureaus support information sharing that help addressing the burning issues of over debtedness and multiple borrowings among rural borrowers. The definitive goal of any credit bureau is to reduce the credit risk that is associated with a financial transaction between the client and the MFI. It does so by collecting, processing, and sharing information through an integrated computer system. The information collected includes general data about the clients or the borrowers, such as name, age, marital status, address, phone numbers and credit-specific records on past debts and repayments.

RBI's Role- Microfinance Bill: The Union Ministry of Finance has come out with a draft microfinance bill that argues that RBI is the regulator/supervisor of all microfinance in India, which came in the light of what happened in Andhra Pradesh in 2010. One of the major reasons identified in introducing this bill is to provide a proper regulatory framework to the MFIs and to ensure that MFIs satisfy the objective for which they have come into being. This move would bring about a form of regulation in this fast growing, largely unregulated sector

Consumer Protection: The status of Consumer protection seems strong due to stringent regulations, reforms and continuous monitoring. Consolidated efforts from all blocks- the Regulatory, the Board and the Management would help protect the consumers of this sector. Recently, the Non-Banking Financial Company - Micro Finance Institutions (NBFC-MFI) (Reserve Bank) Directions, issued on December 2nd 2011, by the RBI included a number of consumer protection rules for NBFI-MFIs. The main issues that were touched upon were pricing of interest and transparency, over indebtedness and multiple borrowing. On the issue of pricing and transparency, the Directions set caps on interest rate charged and processing charges; it also simplified price structures and strictly forbade the imposition of penalty charges; it also mandated publishing of interest rates in the NBFC-MFIs branches. On the issue of over-indebtedness, it assures steps to prevent multiple borrowing even within a single institution and regulation on NBFC-MFI's recovery methods. This reiterates the importance given to customer protection needed for the sustainable growth of the sector and the economy as a whole.

Microfinance (Development and Regulation) Act 2010: which was drafted by the Central Government of India was applicable to all MFIs. The proposed act propagates that the Central Government will constitute a council (Microfinance Development Council) to advice NABARD on the formulation of policies and schemes that would enable growth and development of microfinance services within the country. It mentions that all those Microfinance organisations which are and would be providing thrift services should be registered with NABARD.

Role of NABARD: NABARD has the responsibility under the Microfinance (Development and Regulation) Act 2010, to promote and ensure growth of microfinance services provided by the organisations that come under this Act. It also has the power of carrying out inspections in such organisations and issue them directions.

Conclusion

Microfinance has come a long way despite the criticism it has garnered. According to recent RBI estimates, there are over 450 million people in India who are unbanked, that is, those who have no access to formal financial services. The Indian Government is driving the point of financial inclusion and MFIs have a large role to play in achieving the goal of financial inclusion. The practitioners with their commitment to serving the public and determination have accelerated the growth and outreach of MFIs.

The poor not only need credit but they also need capacity building and entrepreneurship / skill development to efficiently establish and compete in the market. Mr Y Malegam said that MFIs need to balance their social and commercial objectives. He also expressed that the proposed 4 pillars of regulation and supervision of microfinance should help overcome some of the past problems with regard to regulation and supervision. If all these points are well understood and applied in the right direction by the board and management of MFIs, then corporate governance will be an inherent aspect.

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Annexure: 1. **Operations of Micro Finance Institution (MFIS) in India**

Name	Date	Gross Loan Portfolio	Number of borrowers with loans outstanding	Number of depositors with any type of deposit account
ABASSS	2010	256,949	1,778	766
ABCRDM	2009	-	118,639	0
ADARSHA	2006	276,335	1,860	0
Adhikar	2010	7,694,240	66,678	0
AID	2007	149,440	7,661	0
AIR	2006	57,340	2,289	0
Ajiwika	2010	1,805,410	17,811	0
AML	2010	298,372,788	1,341,524	0
AMMACTS	2010	2,731,207	8,646	8,893
AMS	2006	48,514	1,239	0
Anisha Microfin	2006	415,595	7,489	0
Arohan	2011-09-30	15,711,158	157,754	-
Arth	2011-03-31	3,148,733	21,728	-
ASA India	2011-06-30	31,912,073	297,852	-
Asirvad	2010	22,767,851	219,043	0
Asomi	2010	7,390,468	63,415	0
ASP	2005	1,836,752	15,742	0
ASSIST	2005	190,815	2,556	2,556
AWS	2009	3,064,137	18,930	18,930
Bandhan	2011-09-30	553,584,169	3,227,864	-
BASIX	2010	281,265,758	1,526,150	0
Bazaari Global Finance	2008	1,045,221	3,331	-
BES	2000	50,271	525	2,625
BFL	2011-09-30	16,787,306	132,030	-
Bhoomika	2006	513,283	5,328	0
BIRDS	2004	570,995	8,432	0
BISWA	2011-09-30	61,711,007	-	-
BJS	2011-09-30	1,318,041	11,117	-
Bodhana	2004	222,822	11,065	0
BSA	2006	902,836	14,400	0
BSS	2011-06-30	25,183,982	219,805	-
BWDC	2010	1,314,255	12,729	0
Cashpor MC	2011-09-30	44,794,171	379,350	-
CCFID	2010	949,064	9,753	0
CDC	2006	1,353,987	7,355	0
CDOT	2010	1,391,976	10,595	0

Name	Date	Gross Loan Portfolio	Number of borrowers with loans outstanding	Number of depositors with any type of deposit account
Chaitanya	2011-09-30	2,730,964	14,315	-
CMML	2006	233,141	1,526	0
CReSA	2010	5,003,847	32,503	0
Disha	2010	892,277	-	0
Disha Microfin	2010	5,410,952	34,715	0
Equitas	2010	178,794,488	1,303,339	0
ESAF	2011-06-30	39,994,684	305,847	-
FFSL	2010	51,979,327	299,919	0
GFSPL	2011-06-30	46,444,722	293,974	-
GLOW	2010	873,672	7,550	0
GOF	2010	6,435,256	57,835	0
Grama Siri	2006	1,575,531	22,604	22,604
Grama Vidiyal Microfinance Ltd.	2011-06-30	95,056,273	836,677	-
Grameen Sahara	2010	2,265,722	15,330	0
GSGSK	2009	4,118,754	34,833	0
GTFS	2009	288,873	1,825	0
GU	2010	9,651,171	66,828	104,017
Guide	2004	364,853	7,382	0
HiH	2010	9,431,727	84,823	0
Hope Microcredit	2010	5,576,990	52,424	0
IASC	2006	4,326,887	14,813	0
ICNW	2011-06-30	3,507,079	53,699	273,246
IDF Financial Services	2010	16,251,910	164,235	0
IMED	2000	112,627	2,846	-
IMPACT	2011-09-30	1,166,000	6,319	-
India's Capital Trust Ltd	2010	3,824,930	36,934	0
Indur MACS	2010	2,890,133	19,101	0
IWB	2006	1,739,985	12,900	0
Janalakshmi Financial Services Pvt. Ltd.	2010	40,829,505	193,014	190,586
Janodaya	2010	1,243,070	8,255	0
JFSL	2009	7,792,279	93,036	0
KBSLAB	2011-09-30	17,478,219	65,739	-
KCIPL	2010	4,210,525	31,448	0
KOPSA	2009	206,022	1,284	0
Kotalipara	2010	5,489,595	65,739	65,739
KRUSHI	2008	4,892,976	33,158	-

Name	Date	Gross Loan Portfolio	Number of borrowers with loans outstanding	Number of depositors with any type of deposit account
LBT	2006	59,114	1,201	0
LEAD	2006	375,286	8,425	0
Mahasemam	2010	13,089,144	99,311	486,684
Mahashakti	2011-09-30	1,018,015	10,384	-
Mimo Finance	2010	11,331,313	89,335	0
MMFL	2010	40,177,245	292,634	0
MSPS	2006	78,655	496	0
Nano	2010	3,002,388	-	0
NBJK	2011-09-30	1,411,451	8,995	-
NCS	2011-09-30	723,289	5,201	-
NDFS	2007	2,333,814	13,012	37,485
NEED	2011-09-30	3,908,979	-	-
Nidan	2009	217,895	1,660	0
Nirmaan Bharati	2007	6,384,973	45,317	0
PADACU	2007	40,036	198	-
PF	2006	355,357	5,426	0
PMS Indore	2006	121,817	1,096	0
PRAYAS	2008	265,696	-	-
PSS	2006	3,992,432	22,121	0
Pustikar	2011-09-30	18,950,662	8,384	-
PWMACS	2010	4,957,199	23,312	52,844
RASS	2010	12,179,135	59,936	0
RGVN	2010	17,238,102	129,189	0
RISE	2010	441,070	4,729	0
RORES	2010	30,528	41	0
RORS	2011-06-30	1,944,447	8,542	-
Saadhana	2010	11,824,324	72,722	0
Sahara Utsarga	2011-06-30	14,786,116	125,331	120,519
Sahayata	2010	31,399,596	250,631	0
Saija	2010	2,133,971	16,270	0
Samasta	2010	6,417,771	47,549	0
Samrudhi MicroFin	2006	28,645	380	0
Sanchetna	2011-06-30	974,506	7,834	-
Sangamam	2007	1,145,488	17,384	41,708
Sanghamithra	2011-06-30	17,523,644	7,835	-
Sarala	2011-06-30	9,794,328	108,995	108,995
Sarvodaya Nano Finance	2010	10,832,296	104,485	0

Name	Date	Gross Loan Portfolio	Number of borrowers with loans outstanding	Number of depositors with any type of deposit account
SCNL	2011-09-30	41,944,318	206,049	-
SEIL	2010	186,905,901	260,954	1,712
SEVA Microfoundation	2004	131,934	11,612	11,612
SEWA Bank	2010	11,642,037	30,293	361,639
SEWA MACTS	2009	2,474,332	62,775	129,933
SHARE	2010	465,066,792	2,840,122	0
Share MACTS	2010	2,367,666	-	-
SKDRDP	2010	215,695,807	1,382,506	0
SKS	2011-06-30	773,538,742	5,614,918	-
SMILE	2011-06-30	37,340,999	317,172	-
SMS	2006	3,752,671	39,577	52,413
SMSS	2010	4,421,759	26,325	0
Sonata	2011-06-30	19,349,580	131,428	-
Spandana	2010	778,869,436	4,188,655	0
SSK	2009	824,207	8,385	-
SU	2010	5,919,733	58,440	67,444
Suryoday	2011-09-30	13,614,409	75,481	-
SVCL	2011-06-30	7,821,300	62,997	-
SVSDF	2010	2,630,165	16,626	0
Swabhimaan	2008	60,452	867	129
Swadhaar	2011-09-30	10,979,899	61,906	-
SWAWS	2011-06-30	20,148,754	134,655	-
Swayamshree Micro Credit Services	2010	6,886,383	33,660	0
SWC	2001	271,094	2,331	7,615
TBF	2011-06-30	754,922	19,736	-
TCT	2004	931,712	9,623	0
Trident Microfinance	2011-06-30	29,511,985	214,940	-
UFSPL	2010	2,053,531	19,878	23,726
Ujjivan	2011-09-30	120,760,231	744,001	-
Vardan	2006	842,512	8,285	0
VCCL	2006	2,611,436	6,208	0
VFPL	2011-06-30	1,058,344	10,591	-
VFS	2011-06-30	22,113,946	181,248	-
VSS	2005	217,577	11,071	11,773
VSSU	2009	1,164,851	6,601	15,279
WSE	2010	4,526,656	39,897	0