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Awards 2015

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Microfinance India Awards 2015

In its sixth year, the Microfinance India Awards have evolved significantly, aligning to the changing landscape of the industry. While the initial impulse to establish the Awards was to felicitate leaders in the microfinance sector, who despite odds were able to help the growth of the channel, thereby providing it the due legitimacy as a way to reach the poor underserved clients. Over the last six year, the Microfinance India Awards have been well recognized in the sector and several sector leaders have been conferred the Award.

Given that over a period of time the emphasis on financial inclusion has gained ground in the country, and successive governments have retained it as an important national priority, there was a need to align the Award categories to these shifts in policy priorities. Appropriately, now there are five categories of the Awards that recognize Microfinance Institutions (MFI), Self Help Group Promoting Institutions (SHPI), Enabling Institutions, Business Correspondent Network Managers and an award for Life Time contribution to the Sector by an individual. While the Self Help Group Promoting Institutions Category was added in 2013, last year, given the thrust to last mile connectivity and the role of BCs, the BCNM category was added. As always, the response to the Awards was very good this year and a lot of nominations were received.

Over time, ACCESS has also strengthened the process of evaluation. While the in-house Awards Secretariat usually undertakes the first screening; three different Technical Committees make a second level of scrutiny and recommendation for MFIs, SHPIs and BCNMs. The short listed recommendations are taken to the Microfinance India Grand Jury. The Grand Jury also directly assesses the nominations for the Enabling Institution and the Individual Award. It's a matter of great privilege that a few other institutions have started supporting the Awards. While DFID has been giving bursaries for international programmes to the winning MFIs, SHPIs & BCNM since 2013; NABARD provides SHG promotion grants to the winning SHPIs. This has significantly enhanced the prestige of the Awards.

ACCESS has been very fortunate in bringing together a high profile Grand Jury for the Awards, which strengthens the credibility of the process. Under the chairmanship of Stuart Milne, CEO of HSBC, the other members of the Jury for this year included Y C Nanda (Chairman, ASSIST), David Elliot (Senior Private Sector Development Advisor, DFID), Jiji Mammen (CEO, MUDRA), G R Chintala (CGM-NABARD), N Srinivasan (Sector Expert), Manish Sinha (Indian Country Leader, Equifax) and Samir Bali (MD, Accenture).

This year the final list of Awardees includes highly credible names.

- Mr. C S Ghosh, MD & CEO, Bandhan Bank- Awarded for contribution to the sector by an individual

- SIDBI- Awarded for contribution to the Sector by an Enabling Institution.
- Grameen Koota Financial Services- Awarded under Microfinance Organization Large Category
- Rashtriya Gramin Vikas Nidhi- Awarded under Microfinance Organization Small & Medium
- Gramin Vikas Mahila Sansthan- Awarded under medium SHPI category
- Animate Society- Awarded under small SHPI category
- Society for Advancement for Village Economy (SAVE) Awarded under the BCNM Category

The continuation of the Awards has been possible due to great support and commitment to the idea by HSBC over the years. I would like to particularly thank Stuart, Aloka, Maneka and Jayesh for their great support, engagement, encouragement and accommodation of incremental ideas for strengthening the Microfinance India Awards initiative. I also take this opportunity to thank DFID, particularly Ragini for recognizing the value of the awards and providing the scholarship support to winning institutions and to NABARD for providing SHG promotion grants to winning SHPIs. I would also like to thank my own team, ably led by Radhika, and well supported by Anshu; always demonstrating great ability to straddle, simplify and sort out most complex challenges. I would also like to thank Sachin, the external consultant who helped with the entire process.

In times when “Awards Wapasi” is in vogue, I hope these Awards will be well received. The 2015 Microfinance India Awards are truly deserved for which I recall a quote: *“There are four pillars, on which you can build the platform, to reach the zenith of success: Dedication, Devotion, Discipline and Determination.”* - Lakkoju Goutam. This is truly exemplified by the Microfinance India awardees.

Vipin Sharma
CEO
ACCESS Development Services

Award Categories

For Microfinance India Awards 2015, nominations were solicited for categories 1 to 3, whereas for categories 4 and 5 were shortlisted by the Awards Secretariat.

1. Microfinance Organization of the Year

The Award seeks to recognize pioneering thought, product leadership and best practices followed by an institution. Representative parameters for growth achieved, potential to upscale operations and process/product/ technological innovation towards achieving financial inclusion will be some of the important considerations. There are two sub-categories within this institutional category to provide sufficient representation to Microfinance Organizations (MFOs) with varying portfolio size and outreach: It will be presented to outstanding institutions that have ensured effective and efficient delivery of financial services to its client segment. Under this, following are the categories:

A. Large Microfinance Organization (MFO) of the Year; for Institutions with Gross Loan Portfolio greater than INR 250 Crores

This award seeks to recognize industry leaders. This award will honour an MFO which has stood the test of time, has combined growth with effective and efficient delivery of responsible microfinance services.

B. Small & Medium Microfinance Organization (MFO) of the Year; for Institutions with Gross Loan Portfolio up to INR 250 Crores

This award aims to recognize and encourage smaller MFOs, who have demonstrated the potential for growth and have exhibited the ability to establish strong processes along with efficient operations.

2. Self Help Group Promoting Institution of the Year

This category recognizes institutions involved in promoting Self Help Groups (SHGs) as well as SHG federations. This year the award under the SHPI category was open only to nominations from registered NGOs and SHG Federations. The SHG Promoting Institutions were judged on parameters of sound governance, professional management, number of SHGs and their credit linkages and systems and processes in place for SHG promotion and mentoring. Government SHG Promoting agencies/programmes were not eligible to apply. Under this, the awards will be given to following two categories:*

- Medium SHPI of the Year - No. of groups promoted between 1000 and 8000
- Small SHPI of the Year- No. of groups promoted between 200 and 1000

*Large SHPI of the year (No. of groups promoted > 8000) was not given this year due to low number of nominations of eligible institutions.

3. Business Correspondent Network Manager (BCNM) of the Year

The Award seeks to felicitate institutions for an outstanding contribution in delivering financial inclusion services to the last mile. The awardees were evaluated on the basis of performance, capacity building and financial literacy, customer protection and product and channel innovations.

Technical Partner
MicroSave
Market-led solutions for financial services

4. Contribution to the sector by Enabling Institution

Award under this category will recognize the efforts of support institutions, such as private investors, industry associations, technical service providers, rating agencies, research agencies, and lenders.

5. Contribution to the sector by an Individual

This is designed as a lifetime achievement award to honour significant contribution of an individual towards sector building, influencing policy at the highest level, and representation in national/international forums.

Microfinance Organization of the Year 2015 (Large)



Vinatha M Reddy
Founder & Chairperson

Grameen Koota Financial Services

Grameen Koota Financial Services Pvt. Ltd. popularly known as Grameen Koota, was born out of the need for timely and affordable credit to India's poor and low-income households. Over past 15 years Grameen Koota has transitioned from NGO program into a matured, sustainable and socially focussed institution. Today, Grameen Koota serves over 1.1 million customers in 298 branches spread across 5 states (of which 100 branches are operated in backward districts) with over 3,200 operating staff members. Over the period Grameen Koota has helped develop a class of mature and financially literate women entrepreneurs that benefitted from the group lending model. Currently Grameen Koota offers a multitude of both financial and non-financial products and services to cater to every life cycle need of its clients. Continuing to be customer centric institution, Grameen Koota remains a classic example of true Grameen Model without changing its fundamentals despite changes adapted by several players. By offering both financial and non-financial products and services to cater to every life cycle need of its clients, Grameen Koota has remained most preferred MFI for its customers with achieving customer retention of 92%. By 2020, Grameen Koota envisions enabling economic and social change in over two million poor and low income households with their products and services. Its values are encapsulated in CREATE: Committed, Reliable, Empathetic, Accountable, Transparent, and Efficient.

Grameen Koota wants to be a socially relevant and economically sustainable organisation by:

1. Diligently following responsible financing practices & client protection principles
2. Ensuring transparency with all stakeholders
3. Designing products & processes appropriate to clients changing needs
4. Conducting awareness programs on financial literacy, water, sanitation, education etc.
5. Undertaking Social Economic Development workshops to promote financial literacy to the clients through associate entities & partnerships
6. Tracking social performance and poverty progress on a continuous basis

Grameen Koota allocates 5% of Profit after Tax for social performance partnering with Navya Disha to work on following key areas:



Water & Sanitation - Awareness and promotion of access to safe drinking water, safe sanitation practices and Hygiene across GK operational areas. Through such awareness on Water & Sanitation, over 190,000 Grameen Koota customers built toilets and over 100,000 customers got access to safe drinking water by connecting water piping to their home. Apart from these products over 2.69 lac customers availed loans from GK to meet educational expenses of their children.

- **Sushikshana** - Educating school kids on non-curriculum topics like Water, Sanitation, Hygiene, Financial Literacy and Career Guidance across GK operational areas
- **Sugrama** - Transforming selected villages into open defecation free with each household having access to clean drinking water

by adopting the rain water harvesting techniques and improved solid and liquid waste management covering 2 adapted gram panchayats.

Grameen Koota through its Annual Customer Meet as part of its Socio Economic Development Program, interacts with customers to appraise and create awareness among the members on importance of water, sanitation and financial literacy across all branches every year. Grameen Koota created a social awareness program called Jagruthi in which they write letters every week to customers on health, hygiene, education, child welfare, social rights, banking, Aadhaar etc., which are read during the centre meeting. This is

Key Operational and Financial Figures

	FY 2012-13	FY 2013-14	FY 2014-15
Gross Loan Portfolio (amount in Rs. millions)	523.89	809.52	144.70
No. of Active Borrowers	346,519	504,688	854,188
No. of Loan officers	800	1,062	1,969
No. of Branches	161	176	238

continuing over 170 weeks now without repetition and this has become primary source of information to the customers now.

Grameen Koota believes that customers are their biggest asset and strives to remain most preferred MFI in the areas Grameen Koota works, with highest level of transparency, superior service, reasonable pricing and flexible products to meet their life cycle needs. Grameen Koota understands that employees are their biggest strength and are the key players who support with their unique contribution in field operations. Grameen Koota implemented strong performance management system to improve employee performance and reward system linked to performance for employees.

This has reduced employee attrition below industry level. Grameen Koota continues to have strongest support from promoters, investors, board of directors, regulators and lenders. The MFI Grading, Social Rating, Trulift Rating, Credit Rating, Customer protection Certification, PPI Certification, STAR certification and regulatory ratings accorded to Grameen Koota ratifies the social focus of Grameen Koota. GK would continue to be a socially relevant and economically sustainable organisation in times to come.



Microfinance India Community Owned Microfinance Organization of the Year 2015 (Small & Medium)



Ms. Rupali , MD, RGVN

Rashtriya Grameen Vikas Nidhi (RGVN)

RGVN(NE) Microfinance Pvt. Ltd is one of the premier Microfinance Institutions in the Northeastern India mandated to meet the small credit requirements of poor households through widely used institutional platform i.e. women SHG and JLG models. Although RGVN (NE) MFL has been operating as an NBFC-MFI from October 2010, the mission of extending microcredit to the poor and needy of northeastern states of the country has been taken up since 1995 through the erstwhile RGVN-CSP. Headquartered in Guwahati, RGVN (NE) MFL, as on 31.10.2015, has a network of 121 branches in 5 northeastern states viz. Assam, Arunachal Pradesh, Meghalaya, Nagaland and Sikkim covering 2.61 lakh borrowers, loan outstanding of ₹ 327 crore with organization net worth at ₹ 92 crore and one time repayment of 99.57%.

Vision: Serving entire N.E. region impacting 5 lakh clients by 2017 and facilitate better access to health, education & livelihood opportunities.

Mission: To provide financial and support services to the underprivileged households in North east to improve their quality of life.

Products offered:-

1. **Credit products:** These include loans provided for income/livelihood generating activities through the following credit delivery vehicles :
 - a. Self Help Groups & Joint Liability Group loans provided to clients who are economically backward and socially deprived people with little or no access to mainstream banking
 - b. Entrepreneurship Development loans are offered to graduate clients of SHG/JLG
 - c. Micro Enterprise Loan is provided to entrepreneurs who have a production unit/firm unable to access finance from mainstream funders



- d. Welfare loans provided for welfare of graduate clients for sanitation, safe drinking water, education of children, marriages etc.

Key Operational and Financial Figures

	FY 2012-13	FY 2013-14	FY 2014-15
Gross Loan Portfolio (amount in Rs. millions)	117.12	124.31	229.10
No. of Active Borrowers	162,575	166,623	226,614
No. of Loan officers	275	291	293
No. of branches	106	107	116

2. **Insurance products:** Tie-up with two insurance providers viz. Bajaj Allianz Life Insurance Co. covering life of the clients and Oriental Insurance Company Ltd. covering accidental death and partial/total disablement.



3. **Credit plus services:** The host of credit-plus services extended to clients under RGVN(NE) MFL include Insurance to clients and spouse, free health checkup camps for the clients and family, free animal treatment camp, financial literacy camp, free skill development training etc.

Achievements in 2014-15

- Capital base significantly increased to ₹ 65.91 crore with fresh equity from NMI Fund III KS, Norway, Oiko Credit Ecumenical Development Co-operative Society UA, Netherlands, Dia Vikas Capital Pvt. Ltd. and conversion of Optionally Converted Preference Share (OCPS) by SIDBI.

- Portfolio outstanding scaled to ₹ 229 crore
- Active borrower base has touched more than 2 lakh.

Achievements of the organization as on **October 2015** include:-

- Awarded the in-principle approval for setting up a Small Finance Bank by RBI on 16.09.2015
- Non-convertible Debentures(NCD) totaling ₹ 49 crore from two overseas funders' viz. Symbiotics, Singapore and Blue Orchard, Netherlands.

RGVN has a strong Governing Board comprising of experts from diverse fields which includes 10 Directors including the Managing Director. To oversee the critical areas Sub-Committees have been constituted viz. Asses & Liability Committee (ALCO), Audit, Management, Nomination & Remuneration and Risk Management.

Plans for FY 2015-16: Plan to cover Tripura the sixth state with 5 new branches, plan extensive coverage in Sikkim, Arunachal, Meghalaya and un-served pockets of Assam taking the Branch total to 140, with client coverage reaching 3, 30,000 with the credit exposure reaching ₹ 450 cr. by March 2016. RGVN is working towards setting up the Small Finance Bank in 2016-17.

Microfinance India Self Help Group Promoting Institution of the Year 2015 (Medium)



Mr. Shankar Singh Rawat
Secretary

GRAMIN MAHILA VIKAS SANSTHAN

Gramin Mahila Vikas Sansthan is registered under provision 28 of Rajasthan Society Registration Act 1958 and under provision 12-A, 80-G of Income Tax Act 1961 and under FCRA Act 1976. GMVS, a grassroots organization based in Kishangarh block of Ajmer district is striving to create, empowered and equitable society for underprivileged. Education, Women empowerment, health care, community development, natural resource management and child rights are the thrust areas of interventions. GMVS has built synergetic alliances with NABARD, The Hans Foundation, Sir Ratan Tata Trust, Centre for micro Finance, FVTRS and The Goat Trust etc. Women issues remain the forefront of our development agenda. These issues are addressed through community mobilization campaigns, formation, management and capacity building of women SHGS, issue based campaigns etc. conducting training programmes on sustainable farm practices, gender justice, legal literacy and conflict resolution, girl education, rights based issues and livelihood support to the poor and underserved sections of the society living in rural and hard to reach areas of Ajmer district in Rajasthan. GMVS's developmental interventions revolve around the premise of-

- (a) Economic empowerment of women through capacity building, entrepreneurship development and micro credit.
- (b) Promotion of health and hygiene through awareness.
- (c) Generation of employment and income through various livelihood programs.

Vision: To avail resources for education, health, employment and water facility in social life of rural areas.

Mission: Woman empowerment, formation of schools for education, work for vaccination and health to facilitate better health, to aware people towards plantation, care and environment conservation through Self Help Groups.



GMVS follows the SHGs – Cluster – Federation model. The SHGs in the area are functioning in terms of regular meetings, regular savings and regular inter loaning. The cluster level organization of the SHGs played a very important role in bridging the SHGs with the Federation. The existing federation **Gramin Mahila Jagrati Samiti** is developed by GMVS. Each month the monthly meetings are conducted regularly and on timely basis for all groups, cluster and Federation. The members of the federation were taken for exposure visit in which they learnt about running the federation in a better way and methods to increase the income for SHG, Cluster and Federation. The members also learnt about the various livelihood activities like Jewelry making, Spice packing, Candle & agarbatti making, stitching, dairy, parlour etc. through financial support of NABARD and other agencies.

In Bhinai block GMVS has a model of agriculture and goat rearing in which Self Help Groups members are linked to market for their produce. . For this Jagrati Mahila Samiti Federation has been formed. Members of groups are linked with goat rearing activity and are provided goats for livelihood. Project development involves community analysis, problem analysis, objective analysis, strategy analysis, activity analysis etc. Besides this other Community based approach, Integrated approach, Capacity building and PRA etc. model are also adopted.

Till now NABARD extended financial support for formation & credit linkage of 650 SHGs. Besides this Center for Micro Finance, SRTT, Aravali, UNDP etc. have supported for formation of SHGs, cluster and federation. All funding agencies have played a vital role and provided the required guidance for smooth running of project.

Future Growth Plan: GMVS has promoted 1100 SHGs and Plan to have 2000 SHG's by 2017 with almost 20,000 families benefitting from the work. We have planned to provide financial access to its members, when its member develops a financial discipline among themselves by rotating their savings as credit among the members. This would also enable the members to reduce their dependency on local money lenders.

Key Operational and Financial Figures

	FY 2012-13	FY 2013-14	FY 2014- 15
Number of SHGs promoted (cumulative)	490	900	1100
Total SHG Savings (amount in Rs. Lakhs)	45.90	91.70	145
Total Number of SHG Loans Outstanding	360	310	380
Number of SHGs credit Linked with banks (cumulative)	335	645	1025

Microfinance India Self Help Group Promoting Institution of the Year 2015 (Small)



Abdur Rahim Mallick
Secretary, Animate Society

ANIMATE SOCIETY

Animate Society is working as SHPI under NABARD in Burdwan district since 2007 & has formed 1800 SHGs with the funding support by NABARD and DRDC. The members of this group are trained in book keeping, basic orientation training, kitchen garden, animal resource development, goatery, dairy, tailoring, beauty course etc. The members make products of their local art & crafts after completing the training season. The products are exhibited in many parts of India.

The most motivating moment is when the work of our SHG group members is recognized across the world and gets appreciated for their handicrafts. Those suffered, uneducated and economically weak people from rural areas are not only self-dependent but also have an identity in society due to support for SHG.

The main objective of our organization is creating a rightful better place in our society for the people, family and community who are suffered and economically backward. Everyone in this world have the right to live well. The vision of this organization is to give back their right and put them into main stream of our society. To do so they must be united and trained as per their skill set to enable them to use their creativity & skills to improve their incomes.

Mission - The mission of Animate Society is to make SHG members economically & socially independent. To make the women self-dependent and find the poor families in rural areas and help them to run their business

At Animate Society the Secretary acts as Chief Director. Besides our formal workforce and field staff we also recruit many volunteers who are provided training to train the SHG groups on skills, savings, health etc. We wish to see SHG group economically independent but will further improve their way of living and will help them connect with mainstream society.

Key Operational and Financial Figures

	FY 2012-13	FY 2013-14	FY 2014-15
Number of SHGs promoted (cumulative)	689	727	784
Total SHG Savings (amount in Rs. Lakhs)	64.25	110.47	178.90
Total Number of SHG Loans Outstanding	272	325	479
Number of SHGs credit Linked with banks (cumulative)	539	562	619

Microfinance India Business Correspondent Network Manager of the Year, 2015



Ajeet Kumar Singh, President;
Ajay Kumar Sinha, Treasurer, and;
Pankaj Kumar, Secretary

Society for Advancement of Village Economy (SAVE)

SAVE, one of the largest Business Correspondence Network in India has established 4754 Kiosks (Customer Service Point) in 20 states of India including Bihar, Jharkhand, West Bengal, Chhattisgarh, Madhya Pradesh, Sikkim and Andhra Pradesh. 90% of these CSPs are in rural areas. In view of providing better access to financial services and adding more portfolios of products, SAVE has also partnered with SBI Life and SBI General for providing access to insurance products.

An in-house IT architecture and application software coupled with Integrated MIS has been developed to provide better fund management systems, real time monitoring for better accountability and trouble shooting. All the Customer Service Points (CSPs) or Kiosk personnel

are provided with handholding support in initial setup of the systems. They are provided training in Computers, trainings, cash management system training to improve client enrolment and service delivery. This improves their incomes and there by improves SAVE's overall service performance.

The organization has religiously followed its mission to provide financial services, specifically serving the needs of the underserved across rural and urban markets in India; through strategic and technological interventions while ensuring sustainability of the channel partners. The society aims to be the leading financial services provider to underserved in India, reaching out to one crore customers by 2016, offering a variety of products.

Genesis: SAVE was established in 2009 with a vision to provide banking services to the unbanked population of the country. SAVE became circle business correspondent of State Bank of India and after that on the basis of performance State Bank of India provided national Business correspondent status to SAVE in 2011. SAVE also became national business Correspondent of Bank of India in 2012 and Corporate Business Correspondent for Purvanchal Gramin Bank in 2015.

Mission: SAVE is a unique business entity operating in the financial services sector specifically serving the financial needs of the underserved across rural and urban markets in India through strategic and technological interventions assuring sustainability of the channel partners



- **Unique:** Delivering high quality financial services through a dedicated network of motivated CSPs across rural and urban India
- **Financial needs:** Delivering a large gamut of financial products and services conceptualizing “universality” of branchless banking model
- **Underserved:** Market segments having strong demand for financial products but till date were not being catered to by formal banking channels
- **Sustainability:** Planned allocation, larger share of commission, incentive based business, superior monitoring and data support to CSPs ensuring viability and sustainability.

The organisation mobilises volunteer activists and resource persons to work united for a society where in every individual irrespective of caste, creed, sex, region, place of birth belief occupation customs and traditions enjoys equality. SAVE functions mainly through two distinct groups of teams: One activity oriented action team and another research oriented. An administrative group supports both these teams. Action team is interested in carrying out action oriented programmes i.e Skill Development Programmes, Awareness Camps, Programmes related to delivery of services like Health , Legal Support etc. Research Team carries out seminars, surveys, publications and research projects on various subjects.

SAVE follows a four tiered organizational structure that has the Sub-District Coordinator at the fourth tier. The third tier is comprised of district coordinators, an accounts team, fund transfer department, human resources and quality control department and IT team. At the second tier are the marketing, finance, operations and IT managers headed by the President, the Secretary and the Treasurer. The society aims to touch the one crore customer mark by 2016 and opening 10,000 CSP outlets by the end of 2017.

Key Operational and Financial Figures

	FY 2011-12	FY 2012-13	FY 2013-14
Number of active customers	906,752	1,670,174	4,259,128
Number of active agents	964	1,589	3,700
Average Value of Transactions per Month Over the Year (amt. in Rs. Lakhs)	433,510	653,478	970,933
Average Customer Account Balances over the Year (in Rs. Lakhs)	370	280	873

Microfinance India Contribution to the Sector by an Enabling Institution



Dr. Kshatrapati Shivaji
CMD, SIDBI

Small Industries Development Bank of India (SIDBI)

SIDBI was established on April 2, 1990 under The Small Industries Development Bank of India Act, 1989 to be “the principal financial institution for the promotion, financing and development of industry in the small scale sector and to co-ordinate the functions of the institutions engaged in the promotion and financing or developing industry in the small scale sector and for matters connected therewith or incidental thereto.” The business domain of SIDBI consists of Micro, Small and Medium Enterprises (MSMEs), which contribute significantly to the national economy in terms of production, employment and exports.

SIDBI launched its Micro Finance Support Programme by way of Micro Credit Scheme (MCS) in 1994 for supporting the micro credit institutions, which used to be mostly Non Governmental Organisations (NGOs) at that point of time, for creating an alternate credit delivery channel for meeting the needs of the excluded segments of the society, the bottom of the pyramid, especially women. Learning from the pilot phase, SIDBI in January 1999, set up a specialised

Department viz. ‘SIDBI Foundation for Micro Credit (SFMC)’ with a mission “to create a national network of strong, viable and sustainable Micro Finance Institutions (MFIs) for providing microfinance services to the economically disadvantaged people of India, especially women.”

One of the major outcomes of SIDBI interventions in the micro finance sector has been the mainstreaming of the sector. The various initiatives taken by SIDBI which, inter-alia, include Capacity Building of the MFIs, support for transformation of NGO – MFIs in to corporate entities, introduction of the concept of Capacity Assessment Rating (CAR) of MFIs, to provide comfort to the lenders, etc., besides, helping in the robust and orderly growth of the sector. These initiatives have, over the years, also brought about a fundamental change in the micro finance sector with large number of banks coming forward to lend to MFIs and number of transformed entities as NBFCs-MFIs providing micro credit, professional Boards being in place; well performing industry representative bodies; pool of technical service providers besides a more sensitized pool of stakeholders. A large number of domestic as well as foreign (institutional and individual) investors are also now active in meeting the growing equity related needs of the sector.

Over the years SIDBI has extended more than ₹100 crore by way of grants for the Capacity Building of the MFIs and the various sector building initiatives. The cumulative sanctions and disbursements, to

the micro finance entities, by SIDBI aggregates to more than ₹10,000 crore and ₹ 9,000 crore respectively, with a cumulative outreach of more than 300 lakh poor people across the country, mostly women, through more than 140 MFIs.



To address the concerns of smaller MFIs afflicted with illiquidity, Govt. of India in FY2012 set up India Micro Finance Equity Fund (IMEF) with a corpus of ₹100 crore initially and subsequently raised to ₹300 crore. The Fund is managed by SIDBI. Under the fund, more than 58 smaller MFIs have been committed capital support of more than ₹167.75 crore as on September 30, 2015, by way of equity, quasi-equity/sub-debt to help them leverage loan funds from the banking sector.

SIDBI under the “responsible financing” initiative has been continually engaged in advocating for implementation of Code of Conduct by MFIs, compliance with Fair Practices Code of RBI, strict adherence to responsible financing tenets and fair practices by MFIs of all size, structure and class as a sector development measure. The responsible lending initiative of SIDBI has helped the sector emerge stronger. SIDBI also started the Lenders Forum initiative at national level meant for coordinated approach to MFI lending by the Bankers, ensuring alongside adherence to responsible financing practices and code of conduct. SIDBI has also facilitated the development of a Code of Conduct Assessment Tool (COCA) for MFIs to assess their degree of adherence to Code of Conduct by independent agencies. The interventions of SIDBI in the micro finance space have contributed significantly towards development of a more formal, extensive and efficient microfinance sector as an alternate channel, serving the disadvantaged section of the society, thus augmenting the supply side in a major way.

Creation of Bandhan Bank Limited was a watershed moment for SIDBI’s micro finance endeavours. Now, approval for setting-up of SFBs is another fulfilling milestone for SIDBI as a market maker in the micro finance space. Out of the 10 selected applicants for SFBs, 8 are Micro Finance Institutions (MFIs). 9 out of the 10 applicants are existing Partner Financial Institutions (PFIs) of SIDBI supported at various stages of their organisational journey under the micro credit dispensation of SIDBI. The granting of the banking license to Micro Finance Institution (MFIs) is expected to provide an impetus to “Banking the Unbanked” by transforming them into a full service financial institution. It’s a defining step towards Universal Financial Inclusion.

SIDBI while celebrating its Silver Jubilee year looks ahead for a bright future for microfinance sector in India.

Microfinance India Contribution to the Sector by an Individual



Chandra Shekhar Ghosh
MD & CEO, Bandhan Bank

Mr. Chandra Shekhar Ghosh, MD & CEO, BANDHAN BANK

Mr. Chandra Shekhar Ghosh is the MD & CEO of Bandhan Bank, recently launched universal bank that transitioned from a leading MFI in India. Bandhan Bank was launched in August 2015 with over 500 branches and 2000 service outlets across 28 states. Mr. Ghosh also adorned the Governing Board of Sa-Dhan and Association of Microfinance Institutions-West Bengal (AMFI-WB). He has the distinction of being one of the Committee Members of the Core Team that SIDBI formed for its Partner MFIs to advice in the policy making process. Mr. Ghosh is a member of 'State level Review & Co-ordination Committee on Credit Delivery Innovations' constituted by NABARD, 'Financial Inclusion and Microfinance' and 'Banking and Finance' committees of ASSOCHAM and Social Development & Community Affairs Sub-Committee constituted by Confederation of Indian Industries (CII). He is a member of Financial Inclusion Committee constituted by FICCI and the Managing Committee of BCCI. He has been instrumental in the approval of in-principle license to Bandhan for setting up of a universal commercial bank.

He holds a M.Sc. in Statistics and has attended the HBS-ACCION Program on Strategic Leadership for Microfinance at Harvard Business School. C S Ghosh was awarded Forbes Entrepreneur with Social Impact 2014 and ET Entrepreneur of the Year 2014.

Inaugurating Bandhan Bank on 23 August at Kolkata's Science City Auditorium, Govt of India's Finance Minister Arun Jaitley said, "The launch of Bandhan Bank will not just boost the growth of Bangla entrepreneurs, but signify the return of entrepreneurs to West Bengal."

Indeed, Bandhan Bank's founder and now managing director and CEO Chandra Shekhar Ghosh is an entrepreneur of whom the entire eastern India is proud of as Bandhan is the first bank to be set up in this part of the country after Independence but he is more than that. Ghosh is an entrepreneur whose heart is in the right place.

When his turn came at the launch function, he told the audience: *"We will have equal respect for all our customers – big and small. Today, all of us in the Bandhan family are rededicating ourselves to fulfil the demand of every Indian – banking as a fundamental right."*



This is a battle he has been fighting for last one and a half decade – reaching out to the unbanked in a country where till recently two-third of the adult population did not have access to formal banking services. Bandhan started with two branches at Bagnan in Howrah and Konnagar in Hooghly with Ghosh's life savings of ₹ 2 lakh. When this was exhausted, he borrowed from his brother-in-law and even a money lender, paying 7.5% interest a month.

Convinced with his dedication and clarity of purpose, the Small Industries Development Bank of India (SIDBI) threw a lifeline of ₹ 20 lakhs even though Bandhan did not have a three-year profit record, was not rated and did not have a minimum client base of 5000 – the preconditions for a SIDBI loan. The fact that Ghosh had invested his own money and this was the first such venture also helped the cause. This was the turning point and, as they say Ghosh never looked back.

By August when the Bandhan Bank was launched with 501 branches and 35 ATMs – something no new bank has ever done in India – its microfinance avatar (which was merged with the bank) had 2,022 service centres; a loan book of ₹ 10,500 crore and a borrower base of 6.7 million.

Indeed as the world's largest MFI till it transformed into a bank, Bandhan has been a fascinating story by any yardstick – its bad loans were 7 basis points (0.07%) of the loan book and operating cost the lowest among all MFIs – Mr. Ghosh faced several challenges. Operating in eastern part of India which has been infested with chit funds and the so-called collective investment schemes was probably the biggest one. Building the skill set of employees, keeping the default rate to virtually zero and cost under control were other challenges. Mr. Ghosh's obsession with monitoring every loan – however small it is – and capacity building of employees by giving them training at eight centres across India have paid dividends.

Bandhan is taking the conventional banking model head on. While most other banks collect deposits in semi-urban and rural India and deploy the money in urban pockets in the form of corporate loans and mortgages and auto and personal loans, Bandhan wants to raise money predominantly from urban India and lend that to rural folks. The entire world is watching every big step that Bandhan takes, a bank for the small borrowers. The journey for Mr. Ghosh the entrepreneur-banker has just begun. He is on a pilgrimage, forever.

Microfinance India Awards 2015 – Jury Profile



Stuart P Milne

Group General Manager & CEO, HSBC India

Stuart Milne joined HSBC Holdings plc in 1981, having graduated with Honours in Modern Arabic Studies from the University of Durham, England. In his 34 years with HSBC, Stuart has worked in a number of businesses and in a variety of geographic locations, including the Arabian Gulf, Hong Kong, Philippines, New York, Paris and Tokyo. In April 2012, Stuart was appointed Chief Executive Officer for HSBC's business in India, based in Mumbai. Stuart is also Chairman of the British Business Group of Mumbai and a board member of the Indian Bankers Association and the Indian Institute of Banking and Finance. Stuart is married with three children and his interests include sailing, skiing and playing the Scottish Highland bagpipe.



N Srinivasan

Sector Expert

Narasimhan Srinivasan is an expert advisor and consultant on development, finance policy, strategy, operations and institution building. He has more than 30 years of involvement in financial sector in India, of which five years with RBI and 24 years with the NABARD. Srinivasan is involved in many significant initiatives in rural finance, institution development and strengthening, product development, training and capacity building, design, implementation and supervision of rural development projects of a wide variety and financing of rural infrastructure. He authored four editions of the State of the Sector Report on Microfinance in India (2008-2011) sponsored by Access Development Services and published by Sage. He has also authored a book on rural finance in India and is the joint author of current year's State of India's Livelihoods report. He presently serves on the governing boards of several development organizations and microfinance companies, besides being a leading consultant in the region.



Jiji Mammen

CEO Mudra Bank

Jiji Mammen is the first CEO of MUDRA bank launched on 8 April 2015 by the Hon'ble Prime Minister. Prior to joining MUDRA, as its first CEO, Mammen has been with NABARD for almost 30 years, having joined the institution on 16 September 1985, through a campus recruitment programme. Mammen is from a small village in Central Travancore of Kerala. A postgraduate in Agriculture Entomology from Indian Agriculture Research Institution (IARI), New Delhi. Shri Mammen did his graduation in Agriculture from Mahatma Phule Krishi Vidyapeeth (MPKV), from Kolhapur campus. Shri Mammen completed his graduation as a Gold medalist. He also served as the District Development Manager of NABARD in Kottayam district. He has also worked as a Faculty Member in the Mangalore campus of Bankers Institute of Rural Development (BIRD), Mangalore. His areas of specialization include micro finance, entrepreneurship development and project financing.



David Elliot

Senior Private Sector Development Advisor, DFID

David Elliott is Senior Private Sector Development Adviser in the Department for International Development (DFID) in India. David joined DFID in July 2011 after 20 year's business and consultancy experience with KPMG, Environmental Resources Management Ltd (ERM) and Paikya Ltd. His main areas of expertise include strategy and business planning, investment advice, financing of medium, small and micro enterprises and environment, social and governance (ESG) issues.



Y. C. Nanda

Chairman, ACCESS-ASSIST

Y. C. Nanda is a post graduate from the Delhi School of Economics in 1964 securing first rank in the University. For a year, Mr. Nanda worked as a Lecturer in the Shri Ram College of Commerce, Delhi and thereafter for a short period in the State Bank of India before joining the RBI. Working in RBI till 1983, Mr. Nanda then moved to NABARD. In 2003, he retired as Chairman of NABARD. The Government of India appointed Y. C. Nanda as a member of the National Commission for Farmers in 2004, whose work was completed in November 2006. Mr. Nanda has worked as a microfinance expert with FAO, IFAD, UNOPS, and GTZ for their projects in India and abroad. Additionally, he has also worked with NCAER and Sir Rattan Tata Trust as a consultant. Presently, he is Director/Trustee with a number of institutions in the microfinance, rural development, and management education sectors in India.



Manish Sinha

India Country Leader, Equifax

Manish Sinha is the India Country Leader at Equifax, responsible for all Equifax entities and businesses covering the Credit Bureau, Data Analytics and Business Intelligence. Manish holds an MBA from the Indian Institute of Management, Calcutta and a B Tech from the Indian Institute of Technology, Kanpur. Manish has over 20 years' experience in India and international markets. Prior to Equifax, he was with HSBC and Barclays Bank where he held several leadership roles across a variety of functions including business, risk and strategy. Earlier in his career, Manish worked for McKinsey & Co and Arthur Andersen, based in UK and India. Manish enjoys playing golf and tennis, as well as spending time with his wife and two teenage children.



Samir Bali

Managing Director, Accenture

Samir is a Managing Director with Accenture and leads the financial services consulting practice in India. Samir leads strategy, restructuring, and channel and operational performance effectiveness initiatives for financial institutions including banks and insurance companies in India. He has also worked with international and domestic companies on their diversification and entry strategies for the insurance, credit cards, and other FS businesses. Samir has a degree in Economics and Law from Delhi University and is a post graduate in Management from IIM Kolkata.



G R Chintala

CGM-Micro Credit & Innovation Department, NABARD

G.R. Chintala born July 15, 1962 is holding a Post Graduate Degree awarded by Shri Rajiv Gandhi, Prime Minister of India in the year 1986. An alumnus of the Indian Agriculture Research Institute, New Delhi currently is heading the Micro Credit & Innovations Department in National Bank for Agriculture and Rural Development as Chief General Manager. He is also Chartered Associate Indian Institute of Bankers. Chintala with his wide knowledge and experience in the Banking Industry for more than 30 years has travelled widely across the globe to attend conferences and present Papers. He has also led number of Consultancy Teams/delegations in the country as well abroad. Shri Chintala with his experience held prestigious posts as Directors in Gurgaon Gramin Bank, A&N State Coop. Bank, National SC&ST Finance Corporation, National Minorities Development Finance Corporation, NCTC, Nabfins, Karnataka SCARDB, etc. He is also a Director on the Board of Bankers Institute of Rural Development.

Microfinance India Awards 2015- Technical Committees

MFO of the Year – Large & Small-Medium

- Achla Savyasaachi, Head- State Initiatives, MFIN
- Saneesh Singh, Managing Director, Dia Vikas Capital
- Ragini Chaudhary, Private Sector Development Adviser, DFID
- Jayesh Modi, Head-Inclusive Banking Unit, HSBC
- Prakash Kumar, General Manager, SIDBI

Business Correspondent Network Manager of the Year

- Ajay Desai, Senior President and Chief Financial Inclusion Officer, Yes Bank
- Sarang Vaidya, Vice President-Rural Initiatives, HDFC Bank
- Amit Arora, Lead Technical Advisor & Head Financial Inclusion Vertical, GIZ
- Puneet Chopra, Associate Director, Digital Financial Services, Asia, Microsave

Self Help Group Promoting Institution of the Year

- Girija Srinivasan, Sector Expert
- Ajay Tankha, Sector Expert
- Sudha Kothari, Promoter and Managing Trustee, Chaitanya
- Rajiv Mahajan, General Manager, MCID-NABARD

Microfinance India Awards – Previous Winners



2014

Category	Award
Self Help Group Promoting Institution of the Year 2014	Hand in Hand
Community owned microfinance organization of the year 2014	Annapurna Mahila Co-operative Credit Society Ltd.
Microfinance Organization of the year 2014 (Large)	S K S Microfinance Ltd.
Microfinance Organization of the year 2014 (Small)	Fusion Microfinance Pvt. Ltd.
Microfinance India Business Correspondent. Network Manager of the year 2014	Society for Advancement of Village Economy
Microfinance India Contribution the sector by an enabling institution	National Agricultural Bank for Rural Development
Microfinance India Contribution the sector by an Individual	Mr. N.K. Maini, DMD, SIDBI



2013

Category	Award
Self Help Group Promoting Institution of the Year	PRADAN
Community owned microfinance organization of the year	Pratigya Samanvit Vikas sangh Sahakrita Maryadit (PSVSSM)
Microfinance Organization of the year (Large)	Janalakshmi Financial Services Ltd.
Microfinance Organization of the year (Medium)	Sanghamitra Rural Financial Services Limited
Microfinance Organization of the year (Small & emerging)	Sahyog Microfinance Limited
Contribution the sector by an enabling institution of the 2013	Micro Credit Ratings International limited (M-Cril)
Contribution the sector by an Individual of the year 2013	Mr. Brij Mohan
Microfinance India Jury's special Award	Prof. Malcolm Harper



2012

Category	Award
Microfinance Organization of the year (Large)	Cashpor Micro Credit
Microfinance Organization of the year (Small)	Utkarsh Microfinance Private Limited
Contribution to the sector by an enabling institution	Microsave
Contribution to the sector by an Individual	Mr Rajendra Mohan Malla



2011

Category	Award
Microfinance Organization of the year (Large)	Ujjivan Financial Services Pvt. Ltd.
Microfinance Organization of the year (Small & Medium)	Sanghamithra Rural Financial Services
Contribution to the sector by an enabling institution of year	Center for Microfinance (Institute for Financial Management and Research)
Contribution to the sector by an Individual	Prof. David Gibbons
Microfinance India Jury's Special Award 2011	Mr. Y. C. Nanda





2010

Category	Award
Microfinance Organization of the year (Large)	Shri Kshethra Dharmasthala Rural Development Project (SKDRDP)
Microfinance Organization of the year (Small & Medium)	Arohan Financial Services Pvt. Ltd.
Contribution to the sector by an enabling institution of year	Friend of Women's World Banking (FWWB) India
Contribution to the sector by an Individual year	Mr. Aloysius P. Fernandez
Microfinance India Jury's Special Award	Ms. Elaben Bhatt

2009

Category	Award
Microfinance Organization of the year	Bandhan Financial Service Pvt. Ltd.
Microfinance Contribution to the sector by an Individual	Mr. Vijay Mahajan
Microfinance India Jury's Special Award	Late Mr. Sitaram Rao

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Awards 2015

Microfinance India Awards Secretariat, 28-Hauz Khas Village, New Delhi-110016

Tel:+91-011-26510915 Fax:+91-011-26850821

e-mail: microfinanceawards@gmail.com mfawards@accessassist.org

www.microfinanceindia.org, www.inclusivefinanceindia.org

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