



## **Microfinance Grading Report -**

## **Nirantara Community Services (Nirantara)**

**May 2009**

## Nirantara Community Services

Year of incorporation: 2006	Mr. Niranjan Sheelavant Chief Executive Officer
Year of commencement of microfinance activities: 2007	Nirantara Community Services House # 19-1-160,Basavashraya 5 <sup>th</sup> Cross, Shivananagar South
Legal Status: Societies	Bidar 585 401,Karnataka
Type of Institution: MFI	Telefax: 91-8482-222 332
Lending Model: Joint Liability Group	Email: niranjan@nirantara.org

### MFI Grading

mfR1
mfR2
mfR3
mfR4
mfR5
<b>mfR6</b>
mfR7
mfR8

mfR1:highest

mfR8: lowest

CRISIL's microfinance institution (MFI) grading is a current opinion on the ability of an MFI to conduct its operations in a scalable and sustainable manner. The grading is assigned on an eight-point scale, with 'mfR1' being the highest, and 'mfR8' the lowest. The MFI grading is a measure of the overall performance of an MFI on a broad range of parameters under CRISIL's MICROS framework. It includes a traditional creditworthiness analysis using the CRAMEL approach, modified to be applicable to the microfinance sector. The acronym MICROS stands for Management, Institutional arrangement, Capital adequacy and asset quality, Resources and asset-liability management, Operational effectiveness, and Scalability and sustainability.

**Disclaimer:** CRISIL's MFI grading reflects CRISIL's current opinion on the ability of an MFI to conduct its operations in a scalable and sustainable manner. The MFI grading does not constitute an audit of the graded MFI by CRISIL. In the case of NGO-MFIs, CRISIL's MFI gradings apply only to their microfinance programmes. CRISIL MFI gradings are based on information provided by the graded MFI, or obtained by CRISIL from sources it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions for the results / opinions obtained from the use of such information. CRISIL especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this report

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## 1 Rationale

CRISIL has assigned its microfinance institution (MFI) grading of '**mfR5**' to Nirantara Community Services (Nirantara).

The grading reflects Nirantara's following strengths:

- Good asset quality
- Adequate process and control systems
- Good documentations level

The grading strengths are partially offset by the following weaknesses:

- High degree of leverage
- Weak, albeit improving, earnings profile
- Limited track record in microfinance programme

### Profile

Nirantara, a society, was incorporated in December 2006 under the Karnataka Society Registration Act, 1960. Since inception, the objective of the institution was on livelihood creation with the help of microfinance. The MFI follows the Grameen Bank model of lending with some modifications. At present, it runs microfinance operations in three districts (Bidar, Bijapur and Gulbarga) of Karnataka. As on March 31, 2009, Nirantara had 6310 borrowers and a loan outstanding of Rs.31.59 million, spread across three branches. During 2008-09 (refers to financial year, April 1 to March 31), Nirantara's disbursements increased substantially to Rs.60.87 million from Rs.25.77 million in the previous year.

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Nirantara offers insurance coverage to its clients' spouse through tie-up with Life Insurance Corporation of India (LIC). The MFI collects a premium from every borrower for an insurance policy that covers the life of the borrower's spouse (under the 'Jana Shree Bhima Yojana' scheme of LIC). In case of death of the borrower's spouse, the insurance claim is settled to the borrower after deducting the loan outstanding of the borrower. In addition, the MFI collects Rs.50 as risk fund and covers its members to the extent of loan outstanding in case of any causality.

Nirantara offers loans for a period of 50 weeks at 15 per cent flat interest per annum. The loan amount varies from Rs.8,000 to Rs.16,000. In addition, the MFI also charges an upfront fee (2 per cent of the loan amount), and one-time membership fee and insurance premium each Rs.100 from its borrowers.

### **Lending Methodology**

Nirantara, before choosing an operational area, conducts a field survey which comprises assessment of economic and social profile of the region. Once the operational area has been selected by the MFI, the field executive, who is responsible for group promotion, and loan recovery, organises a general meeting of targeted members; then the branch manager presents details about the organisation, its social developmental activities and microfinance programme. Only those women who are interested in becoming members are invited to the subsequent meeting, during which, the women from the same locality organise themselves into groups of 10 members. Three such groups, mostly from same areas, form a centre. Many such centres make an area and many such areas make branch.

After the group formation, The MFI spends three days in explaining to the group its policy, promoters' details, and loan product and repayment details. After completion of the three-day group training programme, the branch manager or area manager conducts group qualification test (GQT) for that particular centre or group, which is done orally to ascertain whether all the members understood the organisations' policies and procedures.

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The field officer along with the members decides the regular centre meeting date and time. On the first meeting day the loan application forms are collected from the members. In the interim, the field officer collects the overall data of the members to ascertain their capacity to repay the loan. The branch manager sanctions the loan after verifying the records of the borrowers.

### **Management**

Nirantara has adequate credit approval mechanisms, process and control systems, well-defined policies, and workable operational manuals in place. The credit approval mechanism is decentralised as the branch manager sanctions the loan after verifying the records of the borrowers and due diligence from field executive. The branch manager has the authority to approve loan up to Rs.10,000; for larger loans, the applications is routed to the head office for approval. The disbursements and repayments take place at the weekly centre meetings. A loan repayment schedule is issued to each borrower at the time of disbursement of loan by Nirantara.

The MFI's tie-up with MicroSave (a market-led, solutions-for-financial-services firm) has helped the MFI immensely to improve its overall process and documentation levels. The documents - including clients' registration forms, loan applications, and demand promissory notes - and registers are maintained in a proper way.

The MFI's loan monitoring mechanism, though adequate for its current scale of operations, needs to be strengthened to match its business growth in future. The branch manager checks the loan utilisation level after seven days of the disbursements. The overdue loans are regularly followed up by the credit officer and branch manager at their weekly meetings with the group. The branch manager conducts random checks to verify whether or not the loans have been utilised as intended.

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Lack of internal audit, as all the loan documents and registers, including 'know your customer' (KYC) forms, accounting ledgers, and employee movement register, are randomly verified by the area manager. But, these are not sufficient for the MFI's audit and reconciliation process. The MFI management has indicated that they already initiated the process and the team would be placed in short term. Nirantara has moderate cash management system, as daily cash handling, including collection, depositing cash with the bank, and disbursements, are handled by the branch manager. The area manager verifies these statements occasionally. CRISIL believes that there is ample scope for misappropriation of funds under this system, especially at the branch level. This is because the MFI does not have a dedicated officer, or internal audit, to crosscheck the numbers entered at the branch level.

Nirantara has institutionalised software for its microfinance operations. The daily loan collections and disbursements are tracked with the help of the loan tracking software. The branches send information to the head office daily, which is consolidated every day based on the demand and collection sheet. Currently the accounting is done by the Tally software. CRISIL believes that Nirantara's loan monitoring software needs to be strengthened.

The MFI's staff attrition rate for 2008-09 was more than 50 per cent. Thus the MFI started a separate department for human resources (HR) and it put in place the HR manual for its microfinance programme to retain existing employees. The MFI is yet to implement incentive-based pay structure.

Over the past few years, many of leading the MFIs in India have started operations in Bidar, Gulbarga and Bijapur districts of Karnataka, and have aggressively grown their loan portfolio. Many more players are expected to enter these areas. Nirantara claims to have adequate client screening process to ensure that it does not finance an existing borrower of another MFI. However, due to stiff competition among the MFIs, the risks

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relating to multiple loans to individual borrowers also increase. CRISIL, therefore, believes that Nirantara will need to constantly refine and strengthen its screening processes and controls to minimise multiple lending risks in a competitive operating environment.

### **Institutional Arrangement**

Nirantara is governed by a seven-member board, which includes the Founder and Chief Executive Officer (CEO), Mr. Niranjan Sheelavant. He has around nine years of working experience in various fields. He was earlier associated with the BASIX group as an institutional development consultant. The other members of the board have experience in microfinance, social development, extension, medicine and agriculture.

The MFI also has a competent senior management team, with sufficient experience in finance, including microfinance. Nirantara's transparency level is adequate - interest rates, other fees charged from customers, and the MFI's future areas of focus are properly communicated to the clients.

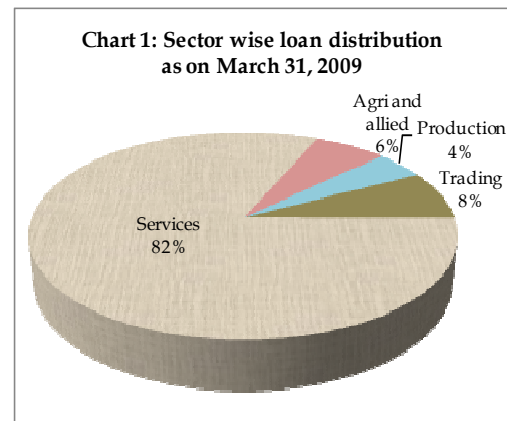
### **Capital Adequacy and Asset Quality**

**Capital Adequacy:** Nirantara is highly leveraged, with a debt-to-net worth ratio of 50.03 times as on March 31, 2009. Although the gearing has improved significantly from 292.88 times as on March 31, 2008, it still is very high as compared to the industry average. As on March 31, 2009, the MFI had very small net worth of Rs.0.77 million, in which internal accruals constituted more than 37 per cent and the balance, capital grants. CRISIL believes that the MFI needs to infuse more capital; else it would have to depend only on internal accretions and grants to fund its growth.

The MFI also plans to expand its operations to other states; but its current capitalisation restricts its proposed scale of growth. Moreover the current legal form as a society limits its ability to raise capital. The MFI plans to convert its legal status into a non-banking financial company (NBFC) in the medium term.

**Asset Quality:** Nirantara has good asset quality, with 100 per cent of its loan portfolio being current for the month of March 2009; the on-time payment rate has been consistently maintained at more than 98 per cent in 2007-08. Several factors have contributed to Nirantara's good portfolio quality; these include strong screening process and proper end-use verification of the loan utilisation.

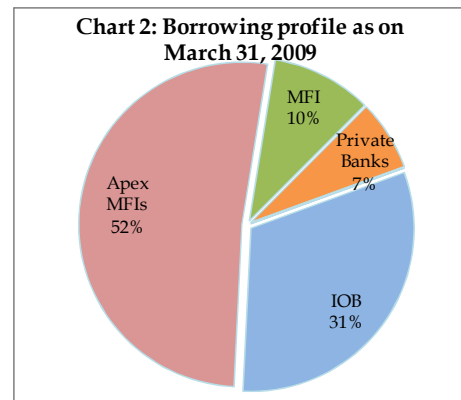
Although Nirantara's asset quality as on date is good, CRISIL believes there are certain risks which could adversely affect the MFI's credit risk profile in the medium term. First, over the past few years, many of the leading MFIs started operations in northern part of Karnataka. Increased coverage by the MFIs could lead to the risk of multiple loans being given to borrowers; to maintain asset quality, Nirantara will need to identify such risks and minimise them continuously. Second, Nirantara's higher lending rates (2.5 per cent high in flat basis) in comparison to other MFIs operating in the same locality could have an adverse effect on the MFI's business as charging high interest rates to the poor is a politically sensitive issue. Third, the concentration of disbursements of the MFI towards services and trading activities are high (90 per cent) of March 31, 2009.



### Resources and Asset-Liability Management

Nirantara has an adequately-diversified funding profile. The MFI mobilised funds from Small Industries Development Bank of India (SIDBI), Friends of Women's World Banking (FWWB), two MFIs, two schedule commercial banks and a local area bank. Although Nirantara accessed funds from various sources, these borrowings are inadequate to meet credit demand from its clients. This has resulted in a decline in the member borrower ratio to 82 per cent as of March 31, 2009, from 100 per cent as on March 31, 2007. This ratio is

high for urban microfinance, and could result in many members dropping out in a short term. Thus, adequate fund mobilisation will remain one of the key grading sensitivity factors for Nirantara, not only for retaining its existing clients, but also for achieving the expected growth.



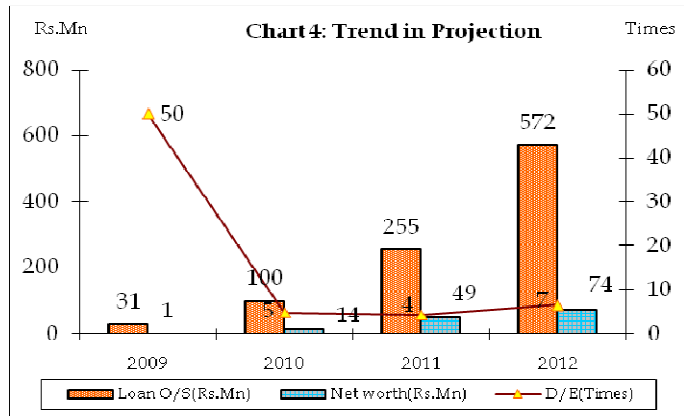
Nirantara's costs of borrowings were at interest rates ranging between 11 per cent and 15 per cent, and the weighted average cost of borrowings, at 13.0 per cent, is marginally higher than that of entities with comparable scale of operations in the sector. The asset-liability maturity profile of the MFI is comfortable as all the loans to the borrower are for 50 weeks, while the borrowings are for a tenor of 18 months and above.

### Operational Effectiveness

Although Nirantara's earnings profile improved, it is unable to register operational self sufficiency. As Nirantara is in the initial stages of operations, initial cost of operations and other administrative and salary expenditure are high. The MFI's operational self-sufficiency (OSS) improved into 99.56 per cent as on March 31, 2009, from 13.09 per cent as on March 31, 2007. This is due to the hike in lending rate at 15 per cent flat per annum and improvement in field level productivity. The field-level productivity has improved as loan outstanding per credit officer improved into Rs.2.87 million as on March 31, 2009, from Rs.1.30 million as on March 31, 2007. The number of borrowers per credit officer increased to 574 as on March 31, 2009, from 245 as on March 31, 2007. CRISIL believes that Nirantara's operating expenses will decrease substantially once the branches achieve their optimal level of borrowers.

## Scalability and Sustainability

Nirantara has been undertaking microfinance operations for three years, in the northern part of Karnataka. The MFI intends to undertake microfinance on a much larger scale through the NBFC. The projections for 2010-11 assume to increase 255.34 million in advances, which is ambitious in light of the relatively high gearing and low capitalisation of Nirantara’s microfinance programme. CRISIL believes that Nirantara’s main challenges over the medium term include strengthening OSS ratio and raising funds (equity and borrowings).



CRISIL believes that asset quality, asset growth, gearing, earnings profile and capital levels will remain key grading sensitivity factors for Nirantara over the medium term.

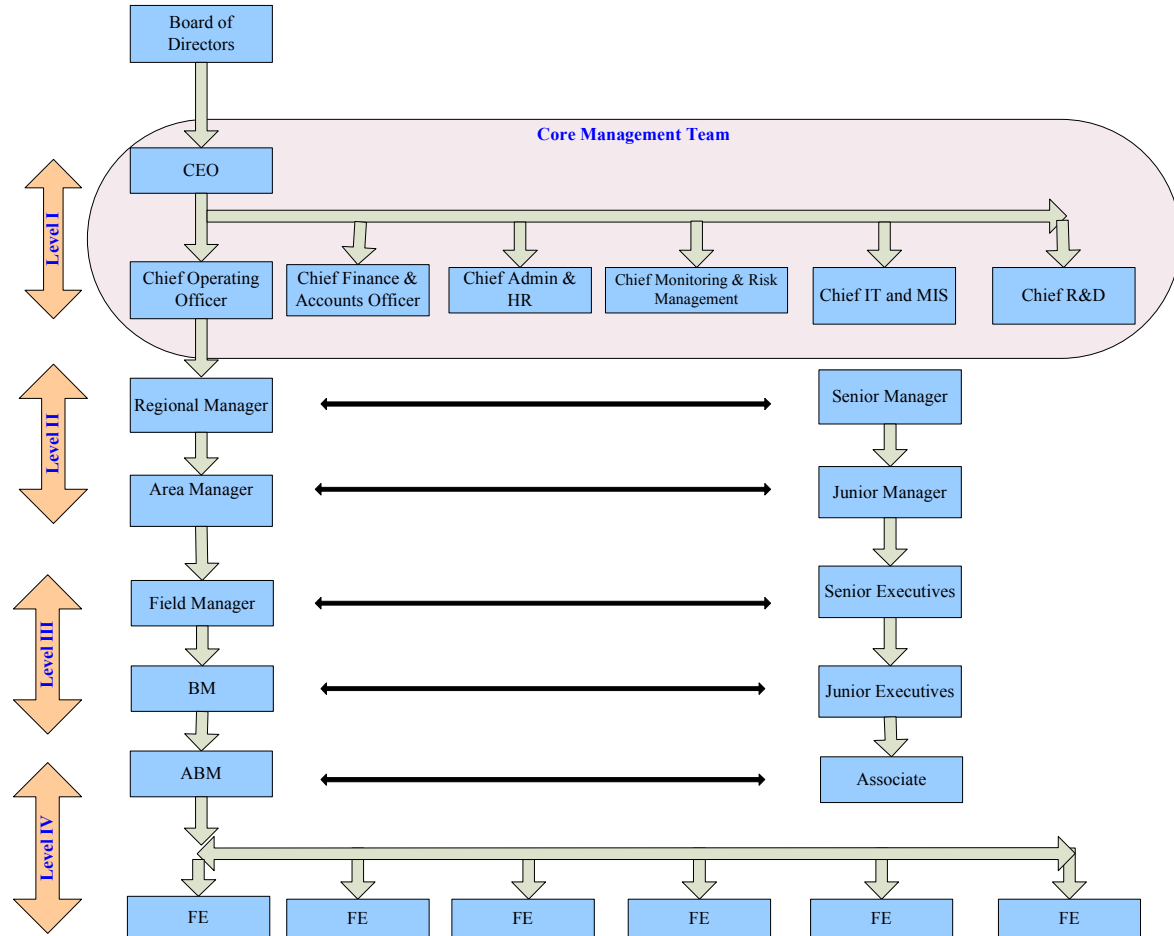
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## 2.1 Business

### 2.1.1 ORGANISATION STRUCTURE



### 2.1.2 OUTREACH SUMMARY

As on	Unit	Mar-09	Mar-08	Mar-07
Members outstanding	No.	7664	3432	30
Loans disbursed during the period to SHGs	No.	6615	3901	3
Borrowers	No.	6310	3273	30
Branches	No.	3	2	1
Districts covered	No.	3	2	1
Villages	No.	92	51	1
Women borrowers	%	100	100	100
Disbursements	Rs. Mn	60.87	25.77	0.20
Loan outstanding	Rs. Mn	31.38	15.29	0.20

### 2.1.3 EFFICIENCY AND PRODUCTIVITY INDICATORS

For the period ending	Unit	Mar-09	Mar-08	Mar-07
Total employees including village coordinators	No.	32	15	9
Employee turnover	%	107	79	NM
Credit officer	No.	11	8	6
Members/branch	No.	2,555	1,716	30
Loan accounts/ branch	No.	2,103	1,637	30
Loan outstanding/branch	Rs. Mn	10.53	7.65	0.20
Members/ credit officer	No.	697	429	5
Borrowers / credit officer	No.	574	409	5

### 2.2 Branch wise loan outstanding

As on For the period ending	Mar-09		Mar-08		Mar-07	
	Amount Rs. mn	%	Amount Rs. mn	%	Amount Rs. mn	%
Bidar	10.73	33.97	7.72	50.49	0.20	100.00
Gulbarga	13.52	42.80	7.57	49.51	-	-
Bijapur	7.34	23.23	-	-	-	-
<b>Total</b>	<b>31.59</b>	<b>100.00</b>	<b>15.29</b>	<b>100.00</b>	<b>0.20</b>	<b>100.00</b>

### 2.2.1 BORROWINGS PROFILE

Lenders name	Disbursed (Rs.mn)	Interest Rate (%)	Tenor (years)	31/03/2009	Repayment
Saadhana IFP & SL	3.25	13.5-15	1.5	2.37	Monthly
ABN AMRO BANK N.V	1	12.25 - 12.5	2	1.38	Quarterly
FWWB	6	11.5-13.5	1.5	11.42	Monthly
BSFL	2.5	15	3	1.495	Monthly
KBS Local Area Bank	2	15	2.5	1.28	Monthly
India Overseas Bank	2.5	11 - 12.5	5	12.19	Monthly
SIDBI	10	12.5	12	8.58	Monthly
<b>Total</b>	<b>55.75</b>			<b>38.71</b>	

### 2.3 Sector wise loan disbursement

As on	Mar-09	
	Amount (Rs. mn)	%
Sector		
Agriculture	2.00	6.33
Production	1.39	4.40
Trading	2.41	7.63
Services	25.8	81.65
<b>Total</b>	<b>31.6</b>	<b>100</b>

### 2.3.1 LOAN PRODUCTS

Product	Income generation loan
Rate of interest	15% (Flat)
Loan size	Rs.8,000-16,000
Membership fee	Rs.100/-
Loan processing	2%
Risk coverage	Rs.50/-
Repayment	50 weeks

### 2.4 Insurance product details

Product	Janashree Bima Yojana (JBY)
Insurance company	LIC of India
Premium	Rs.100/-
<b>Sum assured</b>	
Natural Death	Rs.30,000/-
Accidental Death	Rs.75,000/-
Full Disability	Rs.50,000/-
Partial disability	Rs.37,500/-
Coverage period	1 year

### 2.5 Asset quality

As on	March 31,2009		March 31,2008	
	PAR Rs. mn	%	PAR Rs. mn	%
<b>Total outstanding balance associated with loans that are</b>				
On time	31.59	100.00	11.74	100.00
Late (at least one payment)				
1-30 days	-	-	-	-
<b>Total portfolio</b>	31.59	100.00	11.74	100.00
<b>Portfolio at risk (&gt; 30 days)</b>	-		-	

## 2.6 Financial Statements

### 2.6.1 INCOME AND EXPENDITURE STATEMENT

Rs. million

For the year ended March 31,	2009	2008	2007
<b>Fund based income</b>			
Interest income from loans	6.65	1.60	-
Income from bank deposits	0.02	0.01	-
<b>Total fund based income</b>	<b>6.68</b>	<b>1.61</b>	<b>-</b>
<b>Interest and finance charges</b>			
On borrowings	3.61	1.15	-
Finance charges	0.31	0.12	-
<b>Total finance charges</b>	<b>3.92</b>	<b>1.27</b>	<b>-</b>
<b>Gross spread</b>	<b>2.76</b>	<b>0.34</b>	<b>-</b>
<b>Fee based income</b>			
Admission fee	1.64	0.86	0.02
Other fee based income	0.13	0.17	-
<b>Total fee based income</b>	<b>1.77</b>	<b>1.03</b>	<b>0.02</b>
<b>Total income</b>	<b>8.45</b>	<b>2.64</b>	<b>0.02</b>
<b>Gross surplus</b>	<b>4.53</b>	<b>1.37</b>	<b>0.02</b>
<b>Expenses</b>			
Personnel expenses	2.64	0.73	0.05
Administrative expenses	1.38	0.48	0.12
<b>Total expenses</b>	<b>4.02</b>	<b>1.21</b>	<b>0.17</b>
Provision for loan loss	0.16	0.08	-
<b>Total</b>	<b>0.16</b>	<b>0.08</b>	<b>-</b>
Depreciation	0.39	0.10	-
<b>Surplus/deficit before tax</b>	<b>-0.04</b>	<b>-0.01</b>	<b>-0.15</b>
Revenue grants and donations	0.34	0.10	0.03
<b>Net surplus</b>	<b>0.30</b>	<b>0.08</b>	<b>-0.12</b>

## 2.6.2 BALANCE SHEET

Rs. million

As at March 31,	2009	2008	2007
<b>Liabilities</b>			
Capital grants	0.47	0.10	-
Reserves and surplus	0.30	-0.04	-0.12
<b>Net worth</b>	<b>0.77</b>	<b>0.06</b>	<b>-0.12</b>
<b>Long term borrowings</b>	<b>38.70</b>	<b>17.11</b>	<b>1.21</b>
Unutilised grants	0.20	-	-
Other liabilities	0.06	0.02	0.06
<b>Total current liabilities</b>	<b>0.06</b>	<b>0.02</b>	<b>0.06</b>
<b>Total liabilities</b>	<b>39.91</b>	<b>17.18</b>	<b>1.15</b>
<b>Assets</b>			
<b>Loans and advances</b>	<b>31.38</b>	<b>15.23</b>	<b>0.20</b>
Cash & bank balances	3.27	1.33	0.81
Deposits with banks	3.43	0.00	-
Staff advances	0.70	0.35	-
Other assets & advances	0.07	0.05	0.01
<b>Total current assets</b>	<b>7.46</b>	<b>1.73</b>	<b>0.82</b>
<b>Total funds deployed</b>	<b>38.84</b>	<b>16.96</b>	<b>1.02</b>
Net fixed assets	1.07	0.22	0.13
<b>Total assets</b>	<b>39.91</b>	<b>17.18</b>	<b>1.15</b>

### 2.6.3 KEY FINANCIAL RATIOS

In per cent

Year ended as on March 31,	2009	2008	2007
Fund based yield	23.94	17.86	-
Portfolio yield	28.54	20.69	-
Total income / Avg. funds deployed	30.30	29.33	2.20
<b>Cost of funds</b>			
Interest paid/Avg. funds deployed	14.06	7.06	0.31
Interest paid/Avg. borrowings	14.06	6.25	0.26
<b>Interest spread</b>			
Gross spread/Avg. funds deployed	9.88	10.80	-0.31
Spreads on lending	9.88	11.61	-0.26
<b>Overheads</b>			
Operating expense ratio	14.42	13.47	16.47
Personnel expense ratio	9.48	8.08	4.61
Administrative expense ratio	4.94	5.38	11.86
<b>Profitability</b>			
Net surplus / (deficit) on net worth	72.48	NM	NM
Net profit / (deficit) on funds deployed	1.08	0.91	-12.13
Operational self sufficiency	99.56	99.45	13.09
<b>Asset quality</b>			
Loan loss provisions / Avg. loan outstanding	0.68	0.99	-
<b>Capitalisation</b>			
Total debt/net worth (times)	50.03	292.88	NM
Capital adequacy	2.38	0.38	NM

NM - Not Meaning

## 2.7 Projected Financial Statements as provided by Nirantara

### 2.7.1 INCOME AND EXPENDITURE STATEMENT

	Rs. million				
For the year ended March 31,	2014	2013	2012	2011	2010
<b>Fund based income</b>					
Interest income from loans	461.40	248.66	121.60	52.34	16.92
Income bank deposits	0.67	0.27	0.10	0.04	0.03
Other income	13.44	10.73	4.92	3.67	1.91
<b>Total fund based income</b>	<b>475.50</b>	<b>259.67</b>	<b>126.62</b>	<b>56.06</b>	<b>18.86</b>
<b>Total financial charges</b>	<b>221.08</b>	<b>120.84</b>	<b>58.66</b>	<b>23.22</b>	<b>9.57</b>
<b>Total fee based income</b>	<b>100.37</b>	<b>55.02</b>	<b>28.06</b>	<b>13.09</b>	<b>5.16</b>
<b>Total income</b>	<b>575.87</b>	<b>314.69</b>	<b>154.68</b>	<b>69.14</b>	<b>24.03</b>
<b>Gross surplus</b>	<b>354.80</b>	<b>193.85</b>	<b>96.02</b>	<b>45.93</b>	<b>14.46</b>
<b>Total expenses</b>	<b>118.84</b>	<b>74.97</b>	<b>43.64</b>	<b>20.33</b>	<b>8.06</b>
Provision for loan loss	28.20	16.30	12.63	1.18	0.49
<b>Total</b>	<b>28.20</b>	<b>16.30</b>	<b>12.63</b>	<b>1.18</b>	<b>0.49</b>
Depreciation	3.90	3.25	2.30	1.17	0.62
<b>Net surplus</b>	<b>100.01</b>	<b>50.47</b>	<b>18.99</b>	<b>13.24</b>	<b>5.26</b>

## 2.7.2 PROJECTED BALANCE SHEET

Rs. million

As on March 31,	2014	2013	2012	2011	2010
<b>Liabilities</b>					
Capital grants	97.25	54.75	36.25	29.75	8.25
Reserves and surplus	188.272	88.262	37.796	18.803	5.562
<b>Net worth</b>	<b>285.53</b>	<b>143.02</b>	<b>74.05</b>	<b>48.56</b>	<b>13.82</b>
<b>Long term borrowings</b>	<b>1790.94</b>	<b>997.20</b>	<b>489.12</b>	<b>212.10</b>	<b>67.59</b>
Risk fund	38.83	22.81	11.73	5.84	1.81
Other liabilities	24.94	8.62	18.59	0.19	23.83
<b>Total current liabilities</b>	<b>24.94</b>	<b>8.62</b>	<b>18.59</b>	<b>0.19</b>	<b>23.83</b>
<b>Total liabilities</b>	<b>2139.23</b>	<b>1171.65</b>	<b>593.49</b>	<b>266.69</b>	<b>107.05</b>
<b>Assets</b>					
Total net loan portfolio	2075.16	1081.58	560.58	254.08	99.58
<b>Total current assets</b>	<b>54.93</b>	<b>79.28</b>	<b>22.86</b>	<b>7.40</b>	<b>4.56</b>
<b>Total funds deployed</b>	<b>2130.42</b>	<b>1161.68</b>	<b>584.77</b>	<b>263.30</b>	<b>105.41</b>
Net fixed assets	8.81	9.97	8.73	3.38	1.64
<b>Total assets</b>	<b>2139.23</b>	<b>1171.65</b>	<b>593.49</b>	<b>266.68</b>	<b>107.06</b>

### 2.7.3 PROJECTED KEY FINANCIAL RATIOS

Year ended March 31,	In per cent				
	2014	2013	2012	2011	2010
<b>Yield</b>					
Fund based yield	28.89	29.74	29.86	30.41	26.16
Portfolio yield	29.23	30.29	29.85	29.60	25.84
<b>Cost of funds</b>					
Interest paid/ Avg. borrowings	15.86	16.26	16.73	16.60	18.01
<b>Interest spread</b>					
Gross spread/ Avg. funds deployed	28.89	29.74	16.03	17.81	12.88
Interest spread	13.03	13.48	13.13	13.80	8.14
Spreads on lending	13.03	13.48	13.13	13.80	8.14
<b>Overheads</b>					
Operating expense ratio	7.22	8.59	10.29	11.03	11.18
<b>Profitability</b>					
Operational self sufficiency	154.80	146.12	131.95	150.66	128.14
<b>Capitalization</b>					
Total debt/ net worth (times)	6.27	6.97	6.61	4.37	4.89