

### The year went by!



2016-17, was an action oriented year for micro-lenders; packed with unexpected surprises. The restrictions placed on cash withdrawals consequent to demonetisation, resultant challenges in lending restricted operations of the Company for almost three months during the year. Challenges in recovery in

pockets of Vidarbha Region in Maharashtra and Northern region of Karnataka fuelled by call for loan waivers, as also droughts in many other parts of the country accentuated the external challenges. However, the Company was able to weather the storm with élan, and maintain over 97% collection efficiency, much better than many of its peers in the industry. These challenges in a way exhibited the resilience and the brighter side of the BC led SHG lending model which the Company practices when compared to standard JLG based lending model.

During the year, the Company achieved many milestones; 1) it could add over a lakh of new clients to its list, 2) expand its operation to 3 more states including two in North Eastern Region, 3) start direct lending operations in four districts viz. Nanded, Nagpur, Raipur and Bengaluru; 4) commence providing micro-insurance product for all our clients 5) going live to a new software – NABFINS-Core Banking Solution 6) introduce a new HRMS software for the staff of NABFINS during this year. An SHG digitization project of NABFINS (E-Lekha) also kick started from January 2017 with select partners basically to monitor the performance of SHGs financed by us. Further, as a part of our move to usher in more digitized transactions over time, we initiated the process of using the NPCI enabled “National Automated Clearing House” of the banking system for recovery collections from the clients.

The non-financials of the Company viz; client outreach, number of outlets, new products, new financial services etc. exhibited a significant leap during the year; but the asset size of the Company remained flat largely on account of inability to disburse loans for about 3 months. However, the other financials of the Company viz; profits (PBT and PAT up by 36% and 133% respectively) showed a dominant growth. Thus, with a new corporate office and support from NABARD; NABFINS is poised for new journey of taking microFinance to the next level of growth.

Lastly, I wish to place on record my sincere thanks and gratitude to all for the guidance and support extended to NABFINS; which has enabled us to work with zeal and enthusiasm for a new common goal of building a trusted client centric microfinance institution.

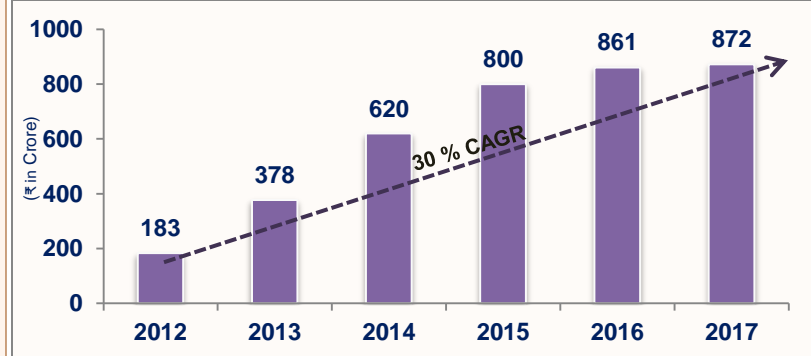
With warm regards,

**Dr. B S Suran**  
Managing Director

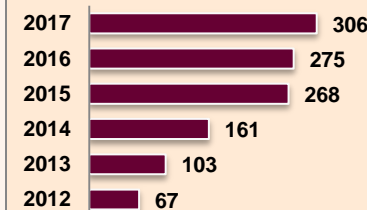
### Operational Highlights – FY 2016-17

	Details
No. of States covered	11
No. of Districts covered	109
No. of B&DCs (Partners)	306
Client outreach (In Lakhs)	6.60
No. of SHGs/JLGs financed through B&DCs	22912
Loan disbursed to SHGs/JLGs under B&DCs model (In ₹ Core)	736.25
No. of JLGs financed under PTSLP	448
Loan disbursed to JLGs financed under PTSLP model (In ₹ Core)	9.55
No. of JLGs financed under Direct Lending model	3116
Loan disbursed to JLGs under Direct Lending model (In ₹ Core)	10.53
No. of candidates financed under Skill Loans	1715
Loan disbursed under Skill Loans (In ₹ Core)	2.24
No. of Second Level Institutions financed	30
Loan disbursed to Second Level Institutions (In ₹ Core)	84.16

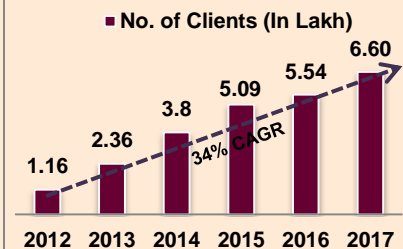
### Portfolio growth



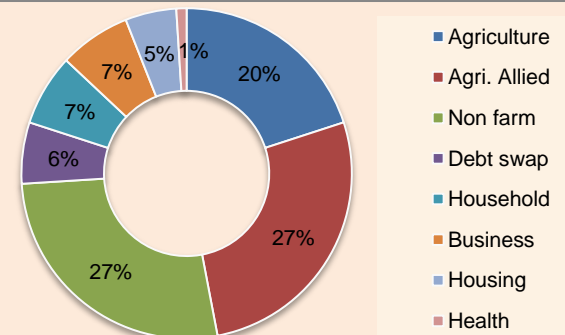
### No. of B&DCs



### No. of clients



### Loan Purposes



### Our mission

“To be a trusted, client centric financial institution advancing hassle-free services to low income households & the unorganized sector”

## Financials

## Balance Sheet and Profitability

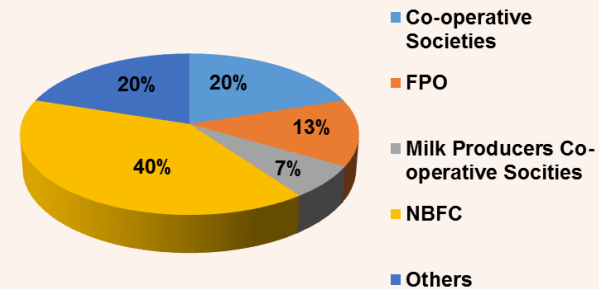
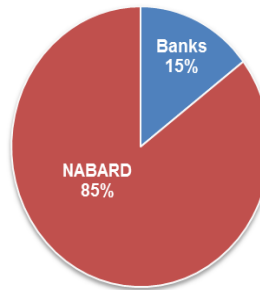
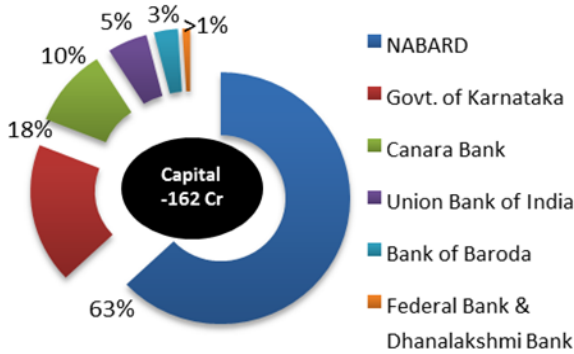
Particulars	FY 2015-16	2016-17
Income from operations (In ₹ Crore)	133.09	132.35
Other Income (In ₹ Crore)	11.42	12.39
Total Income (In ₹ Crore)	144.51	144.74
Profit Before Tax (In ₹ Crore)	24.63	34.13
Profit After Tax (In ₹ Crore)	8.7	21.14
Interest Margin (%)	7.02	6.68
CRAR (%)	23.10	25.17
Return on Assets (%)	1	2
Return on Equity (%)	4	10



### Shareholding

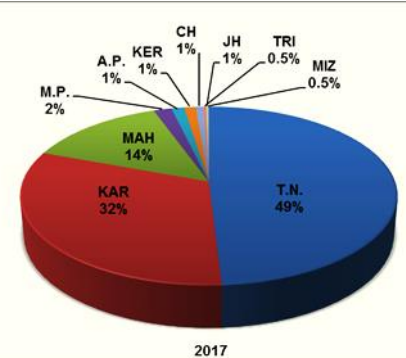
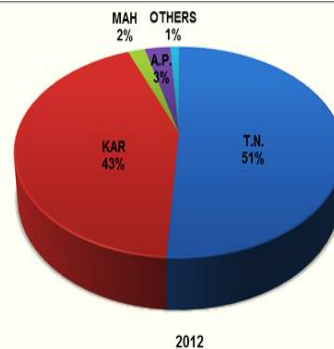
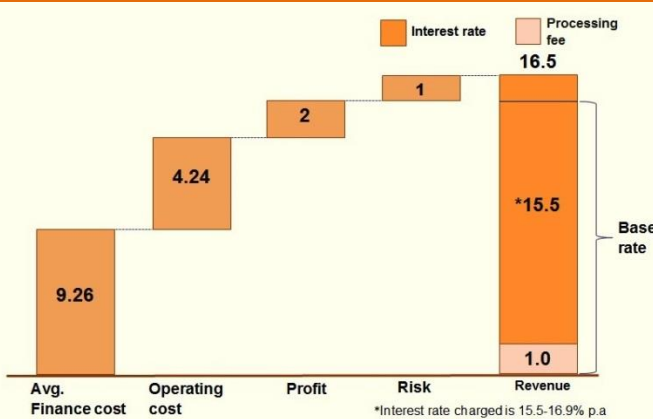
### Debt Source Mix

### SLI - Institution wise contribution



### Our Transparent Pricing and Base Rate

### Shifting Geographies



### Milestones

### Impact of Demonetisation on mFI Sector

What others say .....

