

Risk Management and clients' loyalty in Microfinance Organisations: Patronage, Brokerage and resistance Case Study in South India

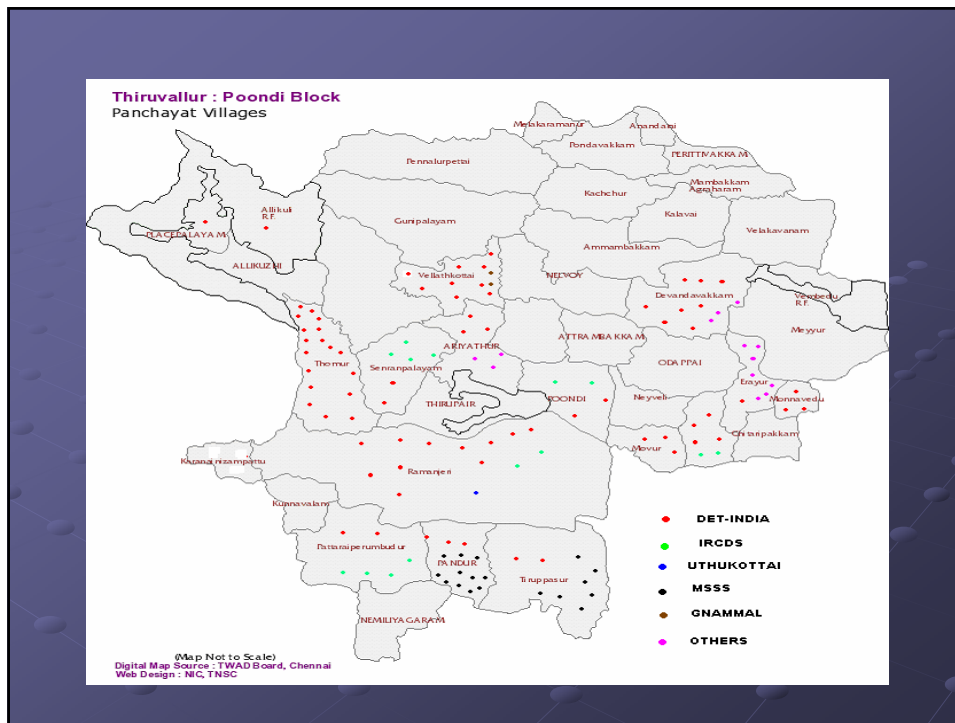
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- Patronage and brokerage
- The Indian microfinance landscape
- Patronage from the MFI's side
- Patronage from the client's side

1. Patronage and brokerage

2. The microfinance landscape in South-India: a constant quest for territorial control

- The supply: standardized and competitive
- Competition between MFIs: market shares but also reputation and mass events

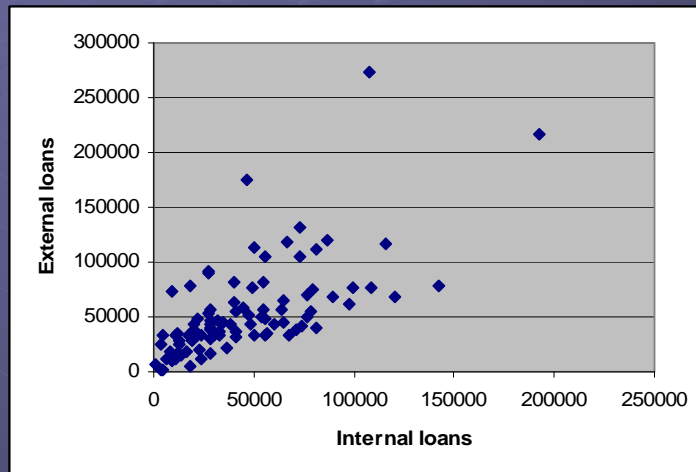


3. Patronage from the MFI's side

"Good" groups: financial rigor,
but also devotion, availability
and gratitude

A « give and take » policy:
bargaining, compromises and
exits

**Graph 1. External loans and internal loans
IRCDS - Cumulative amounts from 2003 to 2006)**



4. Borrowers' expectations: quick and plentiful financing, but also support and protection

- Financial intermediation: thailivars as « cash reserve » or “small banks”
 - Health advisers and health facilitators: “they understand our pain”
- Bureaucratic and administrative hassles: thailivars as facilitators
- Bias and arbitrariness of the legal system: thailivars as protectors
- Privacy and intimacy: thailivars as confidants

