



INDIA

Microfinance Compensation Study 2020

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About

The India Microfinance Compensation Study 2020 by Michael Page and Microfinance Intuitions Network (MFIN) is a salary report developed to provide hiring managers and candidates with salary references across various functions, including Overall Management & Business, Finance, MIS & IT, Human Resources, Internal Controls, Insurance & Third Party Products, SPM & GRM, Admin as well as other Support Functions / Secretariat and branch level staff. The report also includes an insight of market trends, hiring demands and job seekers' sentiments within the industry.

The collection of data from the various MFIs was carried out by the MFIN team, that was instrumental in analysis and preparation of the various dashboards shared with the 40 MFIs.

The 40 institutions include 29 NBFC-MFIs, 3 Small Finance Banks, 3 NBFCs and 5 Banking Correspondents of Banks.

Report Methodology

The Microfinance Industry Salary Benchmark Report is produced and written by Michael Page in consultation with MFIN. The report is derived from 54,576 data points in MFIN's proprietary data and network, and reflects the position of the industry as on 31st December 2019. Insights from MFIN, our recruiters' interactions with companies and industry professionals, as well as other supplemental information from our various studies were also taken into account.

The data was gathered from 40 MFIs in a proper designed format at the Managerial level and Branch level. The shared data was analyzed, and dashboards were made across all the various categories and sub-category level of the NBFC-MFIs, SFBs, NBFCs and BCs.

MFIN team

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Foreword

Post COVID-19, microfinance organisations will need to lay on the digitisation of Human Resource practices, particularly in terms of onboarding, training, performance development and employee engagement for new hires.



It is with great pleasure that I welcome you to Michael Page India's Salary Benchmark report for the Microfinance sector, which we are publishing for the very first time. Despite the economic downturn due to the COVID-19 pandemic, we continue to see good prospects ahead, with positive macroeconomic stability and growth in India's annual Gross Domestic Product. For this special report, Michael Page India partnered with Microfinance Institutions Network (MFIN) to offer the latest salary benchmark and insights across various microfinance institutions, job roles and functions.

In terms of data, the Microfinance industry had a total loan portfolio (ie. loan amount outstanding) of Rs 2,31,788cr as of 31 March 2020 (Q4, FY2019–20), which were originated after February 2017. Banks hold the largest share of portfolio in micro-credit, with the total loan outstanding at Rs 92,281cr. Non-Banking Financial Company - Microfinance Institutions (NBFC-MFIs) are the second largest provider of micro-credit, with a loan amount outstanding of Rs 73,792cr. This is followed by Small Finance Banks (SFBs) with Rs 40,556cr, NBFCs with Rs 22,702cr, and MFIs with Rs 2,456cr.

The report gives a fair comparison of the salaries within the Microfinance sector at both the entity and sub-entity level.

The data of 40 institutions including 29 NBFC-MFIs, 3 SFBs, 3 NBFCs and 5 Corporate BCs of Banks have also been captured at both the organisation and regional levels.

Post COVID-19, microfinance organisations will need to focus on the digitisation of Human Resource practices, particularly in terms of onboarding, training, performance development and employee engagement for new hires. For organisations to retain good talent, there is also a serious need to relook existing talent engagement programmes to ensure long-term retention. In the post-pandemic world, workforce optimisation, employee productivity, employee safety, as well as field and financial literacy will all be key factors. With that said, mental health and wellbeing of employees must not be neglected also. We believe India's Microfinance sector is well positioned and will continue to grow, particularly in the Risk and Technology hiring. We wish everyone an exciting, successful and, most of all, safe year ahead.

Anshul Bhardwaj

Associate Manager, Financial Services
Michael Page India

Insights

Top 3 likely hiring trends

1. As Microfinance Institutes move towards cashless disbursements and collections, hence the demand for a strong technology practise is high.
2. MFIs offer unsecured microfinance loans to low income households in mainly rural as well as urban/semi urban locations, hence demand for talent in these areas would continue to be high.
3. Post COVID, MFIs will need to put emphasis on risk & compliance functions, thus increasing demand for talent with strong experience in the risk function.

Roles in demand

- Chief Risk Officer
- Chief Technology Officer
- Head Treasury and Investor Relations
- Business Head
- Chief Operating Officer



20-25%

average salary increase when switching jobs within similar industries

Trending skills



Active hiring functions



Section I

Managerial Positions

High level observations: CXO positions by entity type

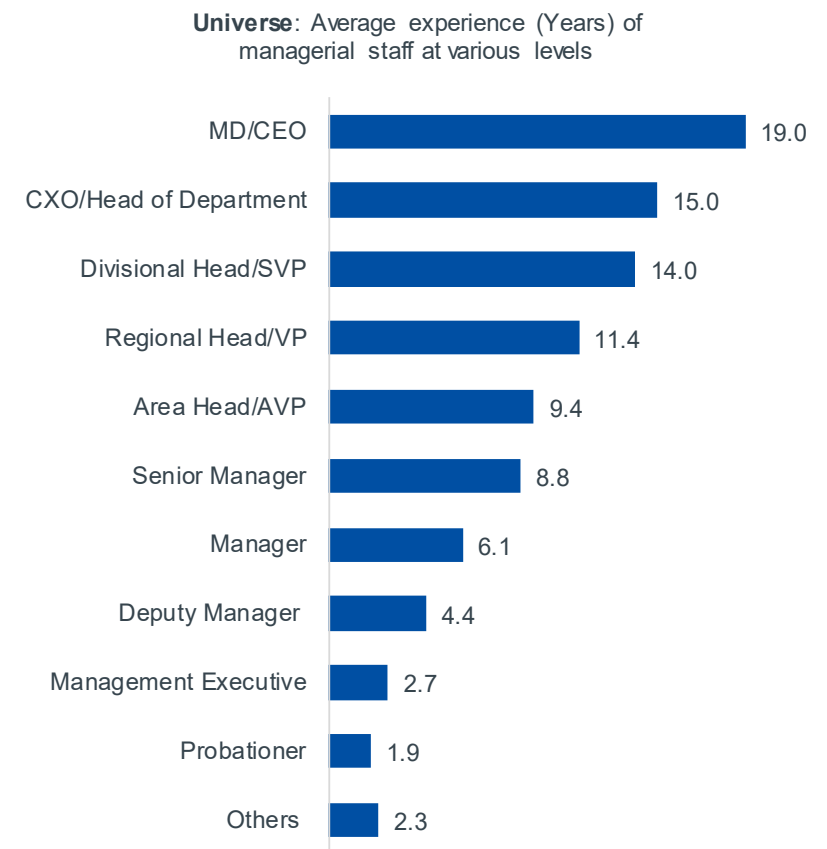
The availability of CXO level positions across various departments in different types of entities is depicted in the table below. It can be noted that

- Across entity types, the four key positions appears to be that of MD/CEO, CXO Overall Management & Business, CXO Finance, Treasury & Accounting and CXO Internal Audit. Other CXO positions were available/filled-up only in certain entity types.
- CXO positions related to Insurance/Third Party Products, SPM/GRM and General Administration are mostly uncommon.
- In small MFIs, the CEO or the CXO (Overall Management and Business) generally handle the role of other specialist positions like IT, HR etc. Such positions are not available as the processes and systems of small MFIs have not fully evolved and affordability is also a factor.

CXO positions	NBFC-MFI Large	NBFC-MFI Medium	NBFC-MFI Small	SFB	NBFC	BC-Bank
MD/CEO	✓	✓	✓	✓	✓	✓
Overall Management & Business	✓	✓	✓	✓	✗	✓
Finance/Treasury/Accounts	✓	✓	✓	✓	✓	✓
MIS & IT	✓	✓	✗	✓	✓	✓
HR & Training	✓	✓	✗	✓	✓	✓
Internal Audit	✓	✓	✓	✓	✓	✓
Risk Management	✓	✗	✗	✓	✓	✓
Insurance/Third Party Products	✗	✓	✗	✗	✗	✗
SPM/GRM	✗	✓	✗	✗	✗	✗
General Administration	✗	✗	✗	✓	✓	✗

High level observations: Average experience of managers

Average Experience (Years)	NBFC-MFI	SFB	NBFC	BC-Bank
MD/CEO	17.9	20.0	18.3	22.5
CXO/Head of Department	12.8	20.0	-	18.0
Divisional Head/SVP	13.0	16.0	15.0	15.0
Regional Head/VP	11.2	14.0	7.0	12.0
Area Head/AVP	7.6	14.0	12.0	10.0
Senior Manager	8.0	10.5	-	7.0
Manager	5.5	9.0	-	5.0
Deputy Manager	4.2	6.0	-	3.0
Management Executive	2.3	4.0	2.0	2.0
Probationer	2.0	3.0	-	0.6
Others	5.0	1.5	-	0.6



High level observations: Variable compensation

In the table below, different positions have been clubbed together for analysis of variable compensation across each cohort. The 'Senior Management' include SVP, VP & Senior Manager positions while the 'Middle Management' includes Manager, DY Manager and below positions. The variable salary percentage is a simple average of variable percentage of salaries of all staff at a particular level within an entity type. The analysis shows that

- There is similarity in variable salary (as % of total salary) across various entity types
- Variable component is on the lower side (except for SFB) for MD/CEO level and is in the range of 5% to 10%
- Variable component for all other positions varies in the range of 10% to 20%

Variable compensation (% of total)	NBFC-MFI Large	NBFC-MFI Medium	NBFC-MFI Small	SFB	NBFC	BC-Bank
MD/CEO	5%	4%	10%	25%	13%	-
CXO	13%	19%	-	13%	5%	11%
Senior Management	10%	17%	11%	8%	10%	10%
Middle management	11%	20%	9%	8%	9%	6%
Probationers & Others	12%	32%	8%	14%	10%	8%

High level observations: Mean compensation

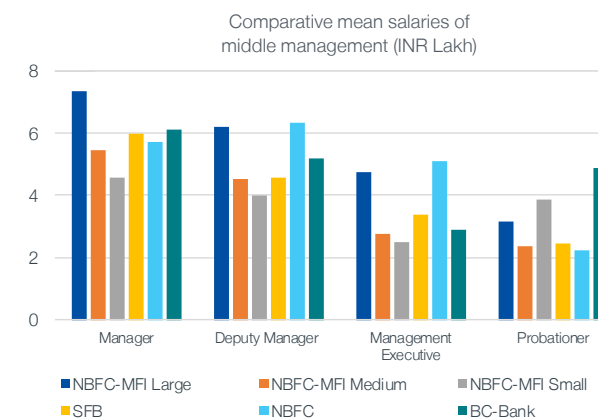
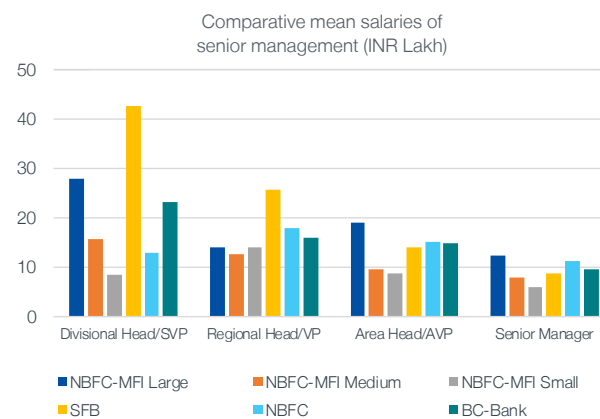
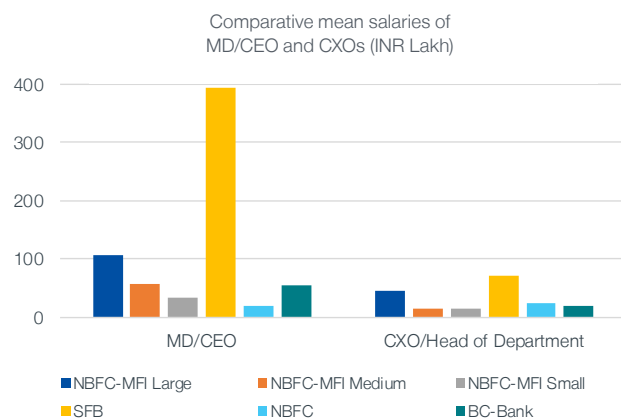
Mean compensation (INR Lakh)	NBFC-MFI Large	NBFC-MFI Medium	NBFC-MFI Small	SFB	NBFC	BC-Bank
MD/CEO	106.9	57.0	33.9	395.0	20.0	55.0
CXO/Head of Department	46.1	14.9	15.1	72.1	23.7	19.1
Divisional Head/SVP	27.7	15.6	8.5	42.7	12.9	23.1
Regional Head/VP	13.9	12.6	14.0	25.6	17.8	15.8
Area Head/AVP	19.1	9.6	8.8	14.0	15.2	14.8
Senior Manager	12.3	8.0	5.8	8.7	11.1	9.5
Manager	7.4	5.5	4.6	6.0	5.7	6.1
Deputy Manager	6.2	4.5	4.0	4.6	6.3	5.2
Management Executive	4.7	2.8	2.5	3.4	5.1	2.9
Probationer	3.1	2.4	3.9	2.5	2.2	4.9
Others	2.3	3.9	2.2	1.7	2.5	2.5

Mean salary across various positions have been arrived at by averaging mean salary of all similar positions in a particular entity type (like average of mean salary of all CXO positions within a large NBFC-MFI).

Among the entity types, it is evident that SFBs offer better compensations across various levels. It is to be noted that the SFBs were erstwhile NBFC-MFIs before 2017 and have large and mature operations.

Among the NBFC-MFIs, it is obvious that the large ones offer better compensations to the medium and smaller MFIs, because of better economies of scale and ability to attract better talent.

The compensations provided by NBFCs and Corporate BCs of banks are comparable to medium sized NBFC-MFIs.



Salary Tables: Managerial staff

MD/CEO

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank						
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean
MD	9.4	210.0	73.4	-	10.2	210.0	79.4	-	78.0	210.0	161.0	2%	31.1	75.0	46.3	4%	10.2	47.9	33.0	10%	-	-	-	-	9.4	73.5	25.7	10%	66.8	102.0	84.4	-			
CEO	12.0	395.0	80.4	25%	25.2	100.0	57.1	-	45.5	63.0	52.7	8%	30.0	100.0	67.8	-	25.2	40.1	34.8	-	395.0	395.0	395.0	25%	12.0	16.8	14.4	16%	21.3	30.0	25.6	-			

Overall Management & Business

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank			
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var
CXO/Head of Department	6.8	124.0	40.4	16%	6.8	89.7	38.1	17%	24.4	89.7	60.1	15%	6.8	50.6	25.8	16%	14.4	21.6	18.6	-	57.4	124.0	78.1	15%	-	-	-	-	11.4	49.9	27.4	11%
Divisional Head/SVP	5.2	55.0	22.2	3%	5.2	55.0	22.6	3%	5.6	38.8	23.8	8%	5.2	55.0	24.8	3%	6.4	11.6	8.3	-	39.7	39.7	39.7	13%	10.0	36.9	18.3	10%	7.2	18.0	11.8	3%
Regional Head/VP	3.4	46.8	16.1	11%	3.4	34.2	14.2	15%	6.5	34.2	15.9	16%	3.4	24.0	11.5	-	5.6	16.1	13.3	-	17.1	46.8	31.8	12%	16.6	21.8	19.2	15%	4.8	17.8	12.5	13%
Area Head/AVP	2.2	39.0	11.9	9%	2.2	39.0	10.6	9%	3.9	39.0	14.2	8%	2.2	18.5	9.2	-	3.3	18.0	7.8	-	9.3	22.7	17.9	10%	10.1	24.7	18.0	9%	3.2	25.9	11.4	12%
Senior Manager	3.0	31.1	10.1	16%	3.0	31.1	9.8	16%	3.7	31.1	11.6	16%	3.0	17.0	8.6	2%	3.7	7.2	6.7	4%	3.5	17.3	11.5	13%	-	-	-	-	7.8	14.4	10.2	10%
Manager	1.6	18.5	7.3	19%	1.6	18.5	7.3	19%	1.6	18.5	7.9	19%	2.8	11.0	7.3	-	2.9	12.7	5.2	-	2.4	14.9	8.6	13%	-	-	-	-	2.8	11.5	6.6	10%
Deputy Manager	1.5	11.3	4.8	14%	1.9	10.5	4.7	10%	4.3	10.5	5.6	18%	1.9	4.5	4.0	-	2.7	3.0	2.9	-	1.5	11.3	5.7	14%	-	-	-	-	2.1	7.8	4.5	7%
Management Executive	1.1	9.8	3.7	16%	1.1	9.8	3.3	16%	1.3	9.8	3.4	16%	1.5	6.5	3.5	-	1.1	1.9	1.7	-	1.4	8.6	4.0	17%	4.0	7.7	7.3	4%	1.5	6.3	3.2	7%
Probationer	0.4	7.6	2.6	22%	0.4	7.6	2.7	22%	0.4	7.6	2.9	22%	-	-	-	-	1.5	2.1	1.9	-	1.0	4.2	2.3	-	-	-	-	-	1.6	4.0	2.7	16%
Others	0.4	3.4	2.3	-	0.4	3.4	2.2	-	0.4	3.2	1.2	13%	1.6	3.4	2.5	-	1.2	3.2	2.3	-	0.9	3.7	2.1	18%	-	-	-	-	2.5	2.8	2.5	27%

Human Resource

Training

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank			
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var
CXO/Head of Department	5.2	26.9	13.2	5%	5.9	26.9	17.2	5%	26.9	26.9	26.9	6%	5.9	5.9	5.9	-	-	-	-	-	-	-	-	5.2	6.3	5.7	4%	-	-	-	-	
Divisional Head/SVP	10.4	26.4	20.0	15%	10.4	26.4	20.0	15%	10.4	26.4	20.0	15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Regional Head/VP	6.7	8.3	7.6	6%	6.7	8.3	7.6	6%	6.7	8.3	7.6	6%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Area Head/AVP	2.0	17.5	11.7	-	6.5	12.3	10.8	5%	6.5	12.3	10.8	5%	-	-	-	-	-	-	-	-	12.3	17.5	15.3	-	-	-	-	2.0	3.6	2.8	-	
Senior Manager	4.4	28.7	12.2	13%	4.4	28.7	12.9	13%	5.7	28.7	14.8	13%	4.4	9.8	7.2	38%	-	-	-	-	5.7	7.3	6.3	-	8.3	16.7	12.6	10%	5.2	26.2	12.3	37%
Manager	2.5	8.6	7.4	4%	4.5	8.6	8.0	5%	4.5	8.6	7.7	5%	10.8	10.8	10.8	50%	4.3	4.6	4.5	-	3.1	8.4	6.0	-	2.5	4.2	3.4	17%	4.1	8.4	7.0	6%
Deputy Manager	1.4	9.6	5.3	9%	1.4	7.3	4.8	9%	1.4	7.3	5.0	9%	2.1	4.8	3.6	-	-	-	-	-	4.0	5.3	4.6	-	9.6	9.6	9.6	10%	3.0	6.6	5.4	6%
Management Executive	1.8	5.0	3.4	-	1.9	5.0	3.7	-	1.9	5.0	3.9	-	2.3	2.6	2.4	-	2.7	3.2	3.0	-	-	-	-	-	-	-	-	1.8	3.4	2.6	4%	
Probationer	1.4	4.9	3.2	10%	1.4	4.9	3.1	10%	1.4	4.9	2.8	10%	4.1	4.1	4.1	-	-	-	-	-	-	-	-	-	-	-	3.5	4.0	3.7	5%		
Others	1.8	3.0	2.8	-	1.8	3.0	2.8	-	1.8	2.5	2.2	-	3.0	3.0	3.0	-	3.0	3.0	3.0	-	-	-	-	-	-	-	-	-	-	-		

Internal Controls

Internal Audit

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank			
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var
CXO/Head of Department	5.0	109.4	32.0	15%	5.0	109.4	37.2	15%	24.1	109.4	54.3	15%	5.0	27.0	17.4	-	18.0	18.0	18.0	-	41.6	41.6	41.6	15%	5.5	6.8	6.1	4%	7.2	11.2	9.3	-
Divisional Head/SVP	7.4	33.6	21.1	16%	7.4	33.6	21.1	16%	8.9	33.6	24.6	16%	7.4	7.4	7.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Regional Head/VP	4.2	32.2	17.9	11%	4.7	15.0	10.2	-	7.8	9.0	8.4	9%	4.7	5.7	5.5	-	15.0	15.0	15.0	-	16.2	32.2	23.8	10%	-	-	-	-	4.2	31.6	19.8	11%
Area Head/AVP	1.7	28.0	12.3	-	2.1	28.0	12.8	-	5.2	28.0	16.8	2%	2.1	10.5	7.4	9%	7.4	7.4	7.4	13%	10.2	17.0	14.6	3%	-	-	-	-	1.7	15.0	6.1	12%
Senior Manager	1.9	24.3	9.4	5%	1.9	24.3	9.3	5%	5.5	24.3	11.1	5%	1.9	13.6	7.9	44%	5.1	7.5	6.6	8%	4.8	12.0	8.0	-	10.6	14.4	12.5	10%	12.2	12.2	12.2	9%
Manager	1.3	10.6	5.7	18%	1.3	10.6	5.8	18%	2.9	10.6	6.4	19%	1.3	12.0	5.5	45%	3.8	6.5	5.2	5%	3.5	7.6	5.3	12%	5.3	7.3	6.3	26%	2.1	7.9	5.3	7%
Deputy Manager	1.5	12.7	5.3	20%	1.5	12.7	5.4	20%	1.5	12.7	5.2	20%	6.9	7.4	7.1	49%	3.7	5.1	4.6	5%	1.9	6.5	4.6	-	-	-	-	-	3.4	8.7	5.5	9%
Management Executive	1.2	7.7	3.1	18%	1.2	7.7	3.1	18%	1.2	7.7	3.6	18%	1.7	3.1	2.3	18%	1.9	5.0	3.0	13%	1.9	4.5	3.2	10%	-	-	-	-	1.8	4.2	3.0	9%
Probationer	1.4	6.4	2.7	10%	1.6	6.4	2.8	10%	1.6	6.4	2.8	10%	-	-	-	-	-	-	-	-	1.4	3.3	2.5	-	-	-	-	-	2.0	3.1	2.5	8%
Others	1.0	3.5	3.0	2%	1.0	3.5	3.0	2%	1.0	3.4	2.2	15%	2.6	6.3	5.1	49%	1.6	3.5	1.8	-	2.3	3.1	2.6	13%	-	-	-	-	-	-	-	

Internal Controls

Risk Management

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank			
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var
CXO/Head of Department	25.4	90.8	61.9	13%	25.4	82.6	50.9	14%	25.4	82.6	50.9	14%	-	-	-	-	-	-	-	-	79.3	90.8	85.1	15%	75.0	75.0	75.0	-	25.5	25.5	25.5	-
Divisional Head/SVP	6.0	56.8	24.1	15%	6.0	30.8	15.7	23%	8.0	30.8	20.5	22%	6.0	6.2	6.1	13%	-	-	-	-	56.8	56.8	56.8	15%	-	-	-	-	12.2	12.2	12.2	-
Regional Head/VP	3.2	35.3	21.9	1%	3.2	5.0	4.1	10%	-	-	-	-	3.2	5.0	4.1	10%	-	-	-	-	27.0	35.3	32.5	-	-	-	-	-	11.0	17.8	13.7	11%
Area Head/AVP	1.9	28.2	11.8	-	1.9	10.3	5.6	10%	4.0	10.3	7.0	8%	1.9	4.1	3.1	9%	-	-	-	-	15.2	28.2	19.5	6%	-	-	-	-	7.1	15.0	10.0	9%
Senior Manager	4.4	21.6	10.8	21%	5.0	21.6	12.0	21%	5.0	21.6	12.0	21%	-	-	-	-	-	-	-	-	5.3	12.3	10.0	10%	9.7	9.7	9.7	10%	4.4	8.4	6.2	-
Manager	2.8	12.0	6.8	10%	2.8	8.6	6.3	4%	2.8	8.6	6.7	4%	-	-	-	-	2.9	6.5	5.1	-	4.0	12.0	7.1	6%	6.8	10.5	9.9	8%	3.4	6.6	5.1	-
Deputy Manager	1.8	14.0	5.3	22%	1.8	14.0	6.0	22%	1.8	14.0	6.1	22%	-	-	-	-	4.1	4.1	4.1	-	3.4	6.3	4.6	9%	-	-	-	-	2.7	4.4	3.9	3%
Management Executive	1.3	6.1	3.5	12%	1.3	6.1	3.6	12%	1.3	6.1	3.6	12%	1.8	4.1	2.9	-	-	-	-	-	3.2	6.0	4.1	13%	-	-	-	-	1.6	3.6	3.1	10%
Probationer	1.0	6.1	3.1	11%	1.0	6.1	3.1	11%	1.0	6.1	3.0	11%	2.5	2.5	2.5	-	-	-	-	-	2.8	4.7	3.3	10%	-	-	-	-	1.4	3.7	2.2	-
Others	1.5	3.9	2.7	2%	1.5	3.9	3.0	2%	1.5	3.9	3.0	2%	-	-	-	-	-	-	-	-	2.2	3.6	2.6	9%	-	-	-	-	1.9	1.9	1.9	0%

Insurance and Third Party Products

Insurance

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank			
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var
CXO/Head of Department	4.9	4.9	4.9	15%	4.9	4.9	4.9	15%	-	-	-	-	4.9	4.9	4.9	15%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Divisional Head/SVP	18.5	27.7	23.1	9%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.5	27.7	23.1	9%	-	-	-	-	-	-	-	-
Regional Head/VP	3.1	35.0	19.7	1%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.5	35.0	26.7	-	3.1	8.6	4.7	10%	-	-	-	-
Area Head/AVP	6.1	32.8	21.3	2%	27.0	32.8	29.9	-	27.0	32.8	29.9	-	-	-	-	-	-	-	-	-	9.0	17.0	11.7	6%	6.1	11.8	9.5	10%	22.8	22.8	22.8	12%
Senior Manager	3.1	15.7	10.4	10%	14.5	14.5	14.5	10%	14.5	14.5	14.5	10%	-	-	-	-	-	-	-	-	6.9	6.9	6.9	-	3.1	15.7	9.5	10%	-	-	-	-
Manager	3.3	9.9	5.6	6%	3.3	5.0	4.4	9%	4.7	5.0	4.9	11%	3.3	3.3	3.3	-	-	-	-	-	4.4	4.4	4.4	-	-	-	-	-	7.3	9.9	8.6	9%
Deputy Manager	5.4	8.5	7.2	9%	7.5	8.5	8.0	14%	7.5	8.5	8.0	14%	-	-	-	-	-	-	-	-	5.4	5.4	5.4	-	-	-	-	-	-	-	-	-
Management Executive	1.1	4.5	3.1	-	1.1	4.5	2.9	-	1.8	4.5	2.9	-	2.6	3.7	3.4	8%	1.1	1.9	1.5	-	2.7	3.6	3.2	12%	-	-	-	-	4.0	4.0	4.0	9%
Probationer	1.2	6.0	3.5	7%	1.2	5.7	3.1	12%	1.2	5.7	3.1	12%	-	-	-	-	-	-	-	-	1.9	3.2	2.4	4%	-	-	-	-	6.0	6.0	6.0	9%
Others	1.8	3.0	2.2	10%	2.0	2.2	2.1	7%	2.0	2.2	2.1	7%	-	-	-	-	-	-	-	-	2.1	2.6	2.3	12%	1.8	3.0	2.3	10%	-	-	-	-

Section II

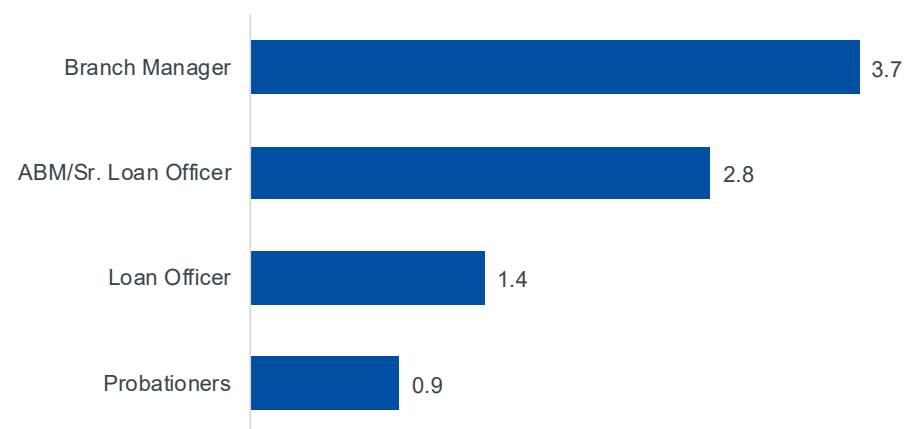
Branch Level Positions

High level observations: Experience of branch staff

Typically, staff at the branch level includes Branch Manager (BM), Asst. BM, Sr. Loan Officer, Loan Officers (LO) and staff on probation as LOs. These positions are filled based on the size and maturity of the branches. The table and the graph below shows that the benchmark experience of various positions by different entity types are similar – the BM is the most senior staff at the branch with experience ranging from 3 to 4 years, whereas the Sr. LO has an experience of around 2 to 3 years followed by LOs with around 1 to 2 years experience.

Average Experience (Years)	NBFC-MFI	SFB	NBFC	BC-Bank
Branch Manager	4.0	4.0	3.0	3.2
ABM/Sr. Loan Officer	3.2	2.0	1.8	3.0
Loan Officer	1.6	1.0	1.4	1.0
Probationers	0.9	1.1	0.8	1.0

Universe: Average experience (Years) of branch staff at various levels



High level observations: Variable compensation

Variable salary of the branch staff ranges from 1% to 25% depending on position and entity type. As evident from the table below

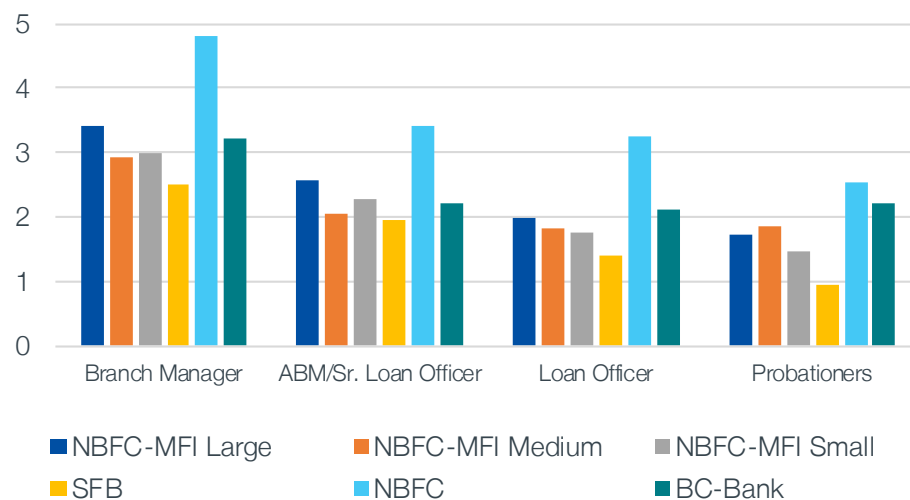
- Variable salary across key branch positions within an entity is similar
- However, it is higher for probationers in case of large NBFC-MFIs and lower for branch managers of medium and small MFIs
- Among the entities, SFBs offer the lowest variable salary, while other entities have similar variable salary

Variable compensation (% of total)	NBFC-MFI Large	NBFC-MFI Medium	NBFC-MFI Small	SFB	NBFC	BC-Bank
Branch Manager	13%	6%	7%	5%	14%	16%
ABM/Sr. Loan Officer	13%	12%	4%	6%	10%	19%
Loan Officer	10%	13%	17%	3%	16%	23%
Probationers	25%	9%	6%	1%	19%	9%

High level observations: Mean compensation by entities

Mean compensation (INR Lakh)	NBFC-MFI Large	NBFC-MFI Medium	NBFC-MFI Small	SFB	NBFC	BC-Bank
Branch Manager	3.4	2.9	3.0	2.5	4.8	3.2
ABM/Sr. Loan Officer	2.6	2.0	2.3	1.9	3.4	2.2
Loan Officer	2.0	1.8	1.7	1.4	3.3	2.1
Probationers	1.7	1.9	1.5	1.0	2.5	2.2

Comparative mean salaries of branch staff by various entities(INR Lakh)



Mean salary across various branch positions have been arrived at by averaging mean salary of all similar positions in a particular entity type – like mean of salaries of BM offered by all small NBFC-MFIs.

Mean compensation for branch managers is in the range of INR 2.5 Lakh to INR 4.8 Lakh.

For Asst. BM and Sr. Loan Officer the range is INR 1.9 Lakh to INR 2.6 Lakh and for Loan Officers the range is INR 1.7 Lakh to INR 3.4 Lakh.

It is also evident that the compensations offered by NBFCs to the branch staff are comparatively higher than other entities.

High level observations: Mean compensation by geography

Mean compensation (INR Lakh)	North	South	East & North East	West	Central
Branch Manager	3.0	3.4	3.0	3.7	3.5
ABM/Sr. Loan Officer	2.2	2.5	2.1	2.6	2.6
Loan Officer	1.8	2.1	1.9	2.3	2.2
Probationers	1.7	1.9	1.6	1.5	2.1

Comparative mean salaries of branch staff by regions (INR Lakh)



The mean has been calculated by averaging compensations provided by all entity types for a position in a region.

As evident from the figure alongside, compensations provided in

- South, West and Central regions are similar across various branch positions
- and higher than that in North and East & North East which are similar

Salary Tables: Branch staff

North

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank						
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean
Branch Manager	0.2	5.9	3.2	11%	1.3	4.7	3.2	5%	2.3	4.7	3.5	12%	1.5	4.7	2.6	2%	1.3	4.7	2.3	-	0.2	4.4	2.4	4%	2.2	5.0	3.7	13%	2.9	5.9	3.6	17%			
ABM/Sr. Loan Officer	0.2	4.5	2.4	4%	1.1	4.5	2.6	4%	1.7	4.5	2.7	5%	1.5	4.5	1.8	1%	1.1	4.5	2.6	-	0.2	3.5	1.9	4%	1.9	3.0	2.5	8%	1.2	2.1	1.6	-			
Loan Officer	0.1	3.5	1.9	6%	1.0	3.5	1.8	4%	1.1	3.5	2.0	6%	1.1	3.5	1.6	3%	1.0	3.5	1.4	-	0.1	3.2	1.3	2%	1.6	3.7	2.6	20%	1.1	2.5	1.7	-			
Probationers	0.1	3.0	1.8	7%	1.0	2.5	1.7	22%	1.0	2.5	1.8	23%	1.6	2.5	1.7	10%	1.1	2.5	1.1	9%	0.1	1.7	0.9	-	1.6	2.5	2.3	16%	1.2	3.0	2.3	6%			

South

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank						
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean
Branch Manager	0.2	8.3	3.6	7%	0.2	6.8	3.3	18%	0.2	6.8	3.3	18%	2.2	3.4	2.8	-	2.7	3.4	3.1	4%	2.2	4.7	3.2	-	1.7	8.3	4.9	7%	2.3	5.3	3.0	17%			
ABM/Sr. Loan Officer	0.2	4.7	2.6	12%	0.2	4.9	2.4	19%	0.2	4.9	2.3	19%	2.0	2.0	2.0	-	1.9	2.6	2.3	-	1.7	3.8	2.3	-	1.6	4.7	3.2	8%	1.7	3.6	2.6	23%			
Loan Officer	0.1	4.2	2.2	14%	0.1	3.7	1.9	17%	0.1	3.1	1.9	13%	1.8	1.8	1.8	-	1.6	3.7	1.9	11%	1.4	3.0	1.7	-	1.6	4.2	3.2	12%	1.7	3.4	2.1	23%			
Probationers	1.1	3.1	2.0	12%	1.1	3.0	1.9	17%	1.1	3.0	2.0	17%	1.4	1.5	1.5	-	-	-	-	-	1.4	1.4	1.4	-	1.6	2.8	2.2	21%	1.4	3.1	2.2	8%			

East and North East

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank			
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var
Branch Manager	0.2	5.4	3.1	15%	1.0	5.4	3.0	14%	1.6	4.6	3.4	8%	2.1	3.8	2.8	13%	1.0	5.4	2.6	13%	0.2	4.3	2.0	4%	2.9	4.8	3.8	22%	2.5	4.0	3.2	14%
ABM/Sr. Loan Officer	0.2	3.6	2.3	8%	1.2	3.6	2.3	8%	2.0	3.6	2.6	14%	1.3	3.0	1.9	-	1.2	2.9	1.7	6%	0.2	2.9	1.6	6%	1.7	3.4	2.5	18%	1.7	3.1	2.5	22%
Loan Officer	0.1	3.6	1.9	8%	1.7	3.6	1.9	16%	1.1	3.6	2.0	7%	1.7	2.7	1.9	31%	1.7	2.6	1.8	30%	0.1	2.6	1.2	4%	1.7	3.2	2.4	24%	1.2	2.7	2.0	17%
Probationers	0.1	4.3	1.7	5%	1.3	4.3	1.7	10%	1.3	2.8	1.8	27%	1.3	4.3	1.8	10%	1.1	1.3	1.3	3%	0.1	1.6	0.8	-	1.4	2.8	2.0	30%	1.3	3.0	2.2	9%

West

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank			
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var
Branch Manager	0.2	8.3	3.5	7%	0.2	7.9	3.4	15%	0.2	7.9	3.2	17%	1.6	6.1	3.5	3%	2.7	4.1	3.6	1%	0.4	4.6	2.6	6%	3.8	8.3	5.9	-	2.6	4.2	3.3	19%
ABM/Sr. Loan Officer	0.2	5.2	2.6	8%	0.2	4.7	2.6	21%	0.2	4.7	2.4	22%	1.4	5.8	2.0	27%	2.1	3.0	2.6	-	0.4	3.6	2.0	8%	2.6	5.2	4.1	-	2.0	2.9	2.6	13%
Loan Officer	0.1	4.7	2.1	13%	0.1	4.6	2.0	16%	0.1	3.4	1.9	9%	1.0	4.6	1.9	12%	1.3	3.4	1.9	14%	0.1	3.5	1.5	4%	2.9	4.7	4.0	-	2.1	2.7	2.4	23%
Probationers	0.1	3.9	2.0	6%	1.0	3.9	1.9	11%	1.0	3.8	1.2	39%	1.9	3.9	1.9	5%	0.0	0.0	0.0	-	0.1	1.8	0.9	1%	2.6	4.2	2.9	-	1.4	2.8	2.0	10%

Centre

Base salary range for 12 months (INR Lakhs)

Positions	Universe				NBFC-MFI				NBFC-MFI Large				NBFC-MFI Medium				NBFC-MFI Small				SFB				NBFC				BC-Bank			
	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var	Min	Max	Mean	Var
Branch Manager	0.3	12.6	3.6	15%	2.3	4.7	3.3	11%	2.3	4.7	3.6	12%	2.0	3.6	3.0	4%	2.3	4.8	3.3	12%	0.3	4.6	2.4	6%	1.7	12.6	5.8	15%	2.1	3.2	2.9	14%
ABM/Sr. Loan Officer	0.2	10.2	2.8	8%	1.4	3.6	2.6	6%	1.6	3.6	2.8	6%	1.4	2.5	2.4	7%	1.7	2.6	2.2	2%	0.2	3.2	1.8	5%	2.2	10.2	4.7	6%	1.2	2.4	1.8	-
Loan Officer	0.1	9.1	2.2	7%	1.0	3.0	2.0	5%	1.7	3.0	2.1	13%	1.0	2.3	1.9	6%	1.4	2.8	1.7	12%	0.1	2.6	1.2	2%	1.6	9.1	4.0	7%	2.1	2.7	2.4	30%
Probationers	0.1	7.4	2.2	6%	1.3	3.6	2.1	5%	1.3	2.8	1.9	18%	1.9	3.6	2.4	10%	2.0	2.0	2.0	-	0.1	1.6	0.8	-	1.6	7.4	3.3	6%	1.3	4.0	2.3	10%

Section III

Annexures

Data Contributors

Small Finance Banks

Fincare Small Finance Bank

Suryodaya Small Finance Bank

Utkarsh Small Finance Bank

Corporate BCs for Banks

Buldana Urban Management Services Pvt. Ltd.

Kamal Fincap Pvt. Ltd.

New Opportunity Consultancy Pvt. Ltd.

Saggraha Management Services Pvt. Ltd.

Sub-K Impact Solutions Ltd.

Non-Bank Finance Companies

Community Finance Private Ltd.

Dvara KGFS

Sampark Fin. Services Private Ltd.

Name of Insitution	Size [^]
Adi Chitragupta Finance Ltd.	Small
Agora Microfinance India Pvt. Ltd.	Small
Annapurna Finance Pvt. Ltd.	Large
Arohan Financial Services Ltd.	Large
Centrum MicroCredit Ltd.	Medium
Chaitanya India Fin Credit Pvt. Ltd.	Large
CreditAccess Grameen Ltd.	Large
Fusion Microfinance Pvt Ltd.	Large
Hindusthan Microfinance Pvt. Ltd.	Small
Inditrade Microfinance Ltd.	Medium
Jagaran Microfin Pvt. Ltd.	Medium
Janakalyan Financial Services Pvt. Ltd.	Medium
Light Microfinance Pvt. Ltd.	Medium
M Power Micro Finance Pvt. Ltd.	Medium
Midland Microfin Ltd.	Large

Name of Insitution	Size [^]
Mitrata Inclusive Financial Services Pvt. Ltd.	Small
MSM Microfinance Pvt. Ltd.	Small
Muthoot Microfin Ltd.	Large
NEED Livelihood Microfinance Pvt. Ltd.	Small
Samasta Micro Finance Ltd.	Large
Sarala Development & Microfinance Pvt. Ltd.	Medium
Satin Credit Care Network Ltd.	Large
Satya MicroCapital Ltd.	Large
SAVE Microfinance Pvt. Ltd.	Small
Sindhuja Microcredit Pvt. Ltd.	Medium
Svasti Microfinance Pvt. Ltd.	Medium
Svatantra Microfin Pvt. Ltd.	Large
Unnati Microfin Pvt. Ltd.	Small
Vector Finance Pvt. Ltd.	Small

[^] Size of NBFC-MFIs based on their GLP as on December 31, 2019

Grouping of States

East and North East	Central	West	North	South
Arunachal Pradesh	Chhattisgarh	Goa	Chandigarh	Andhra Pradesh
Assam	Madhya Pradesh	Gujarat	Delhi	Karnataka
Jharkhand		Maharashtra	Haryana	Kerala
Bihar		Rajasthan	Himachal Pradesh	Puducherry
Meghalaya			Jammu & Kashmir	Tamil Nadu
Manipur			Ladakh	Telangana
Mizoram			Punjab	Andaman and Nicobar Islands
Odisha			Uttar Pradesh	
Nagaland			Uttarakhand	
Sikkim				
Tripura				
West Bengal				



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