



MFIN MicroMeter[©]

Aug, 2012

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Introduction

- This is the second edition of the MFIN MicroMeter©
- It provides an overview of the microfinance industry's position and indicators as of 30th June 2012, for the current fiscal (Q1, FY 2012-13) and compares it with previous quarter Q4 2011-12.
- It may be noted that for the first time, we have quarterly and state level operational data on the members
- Ideally, an appropriate comparison would have been between Q1 2011-12 and Q1 2012-13. But since we started data collection from May 2012, we do not have comparable quarterly data from previous fiscals. And, therefore, we have compared Q1 2012-13 with Q4 2011-12. Given that business typically peaks in Q4 and slows down in Q1, comparison of these two quarters is showing 'unreal' trends with most indicators being red ! For this reason, we are circulating this edition to a few key stakeholders only
- However, as the time series gets built up during the year, we hope that MFIN MicroMeter© will be able to provide valuable analysis on a quarterly basis
- We will also like to point that 41 members reported data for this edition, compared to 45 members for the previous edition. Drop in number of reporting MFIs is due to the fact that 3 members (Cresa and Nano from AP and Asomi) have discontinued MFIN membership. 2 members did not provide data.
- Our sincere thanks to members for providing data within 40 days of the close of the quarter Q1 FY 2012-13

Summary

41 member NBFC-MFIs (providing data)

9,475 Branches

65,375 Employees

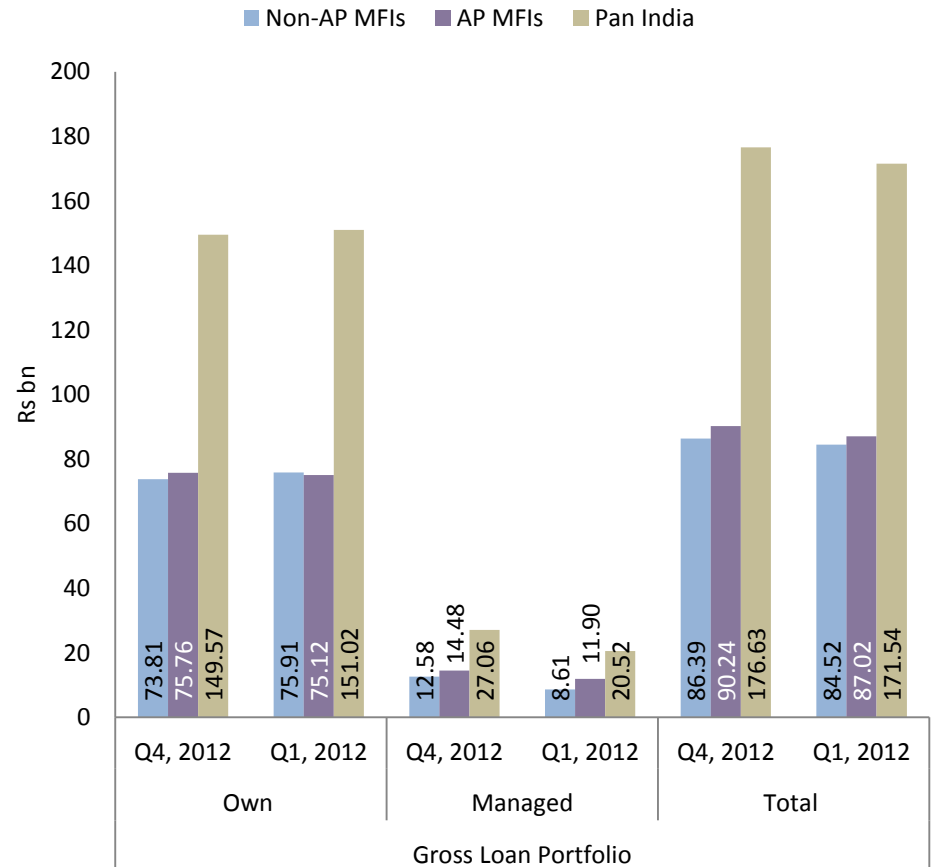
22,271,664 Clients

Rs 1,71.54 bn Gross Loan Portfolio

Rs 39.9 bn Loan Disbursements

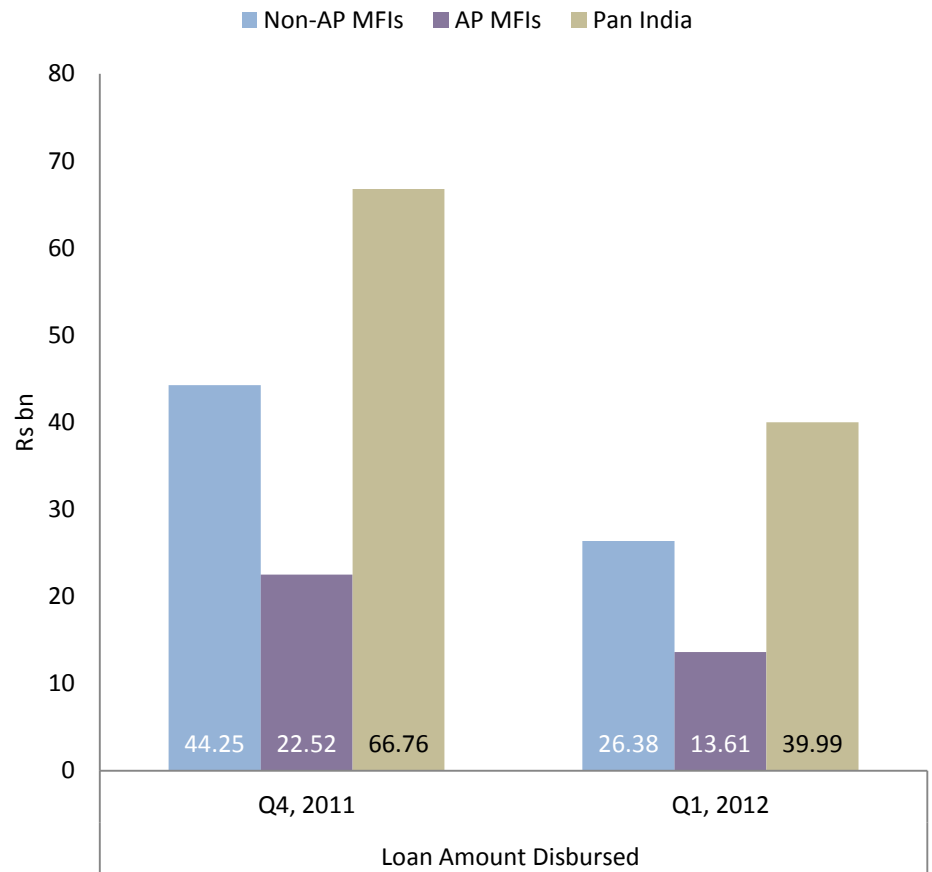
Gross Loan Portfolio

- End of Q1 2012-13, members have GLP of Rs 171.54 bn. Out of this, Managed Portfolio is Rs 20.52 bn, which is 12% of the total portfolio
- Non-AP MFIs: Decrease of 2% in GLP over the previous quarter
- AP MFIs: Decrease of 4% in GLP over the previous quarter
- Pan India: Decrease of 3% in GLP over the previous quarter



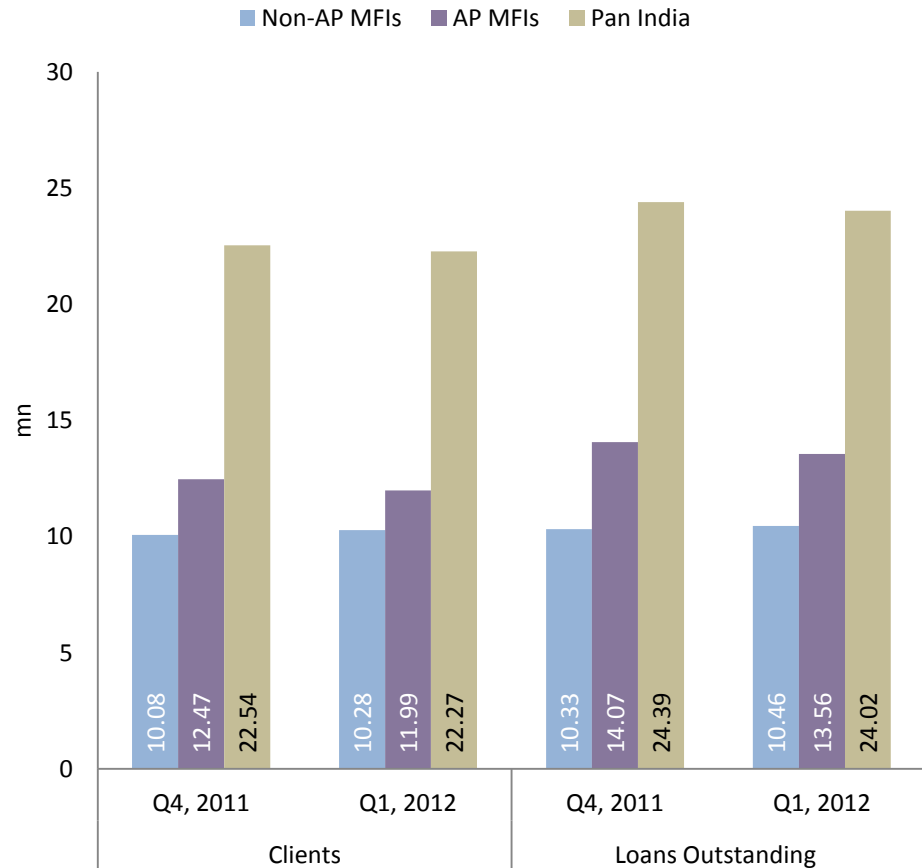
Loan Amount Disbursed

- During Q1 2012-13, members disbursed Rs 39.99 bn
- Over all decrease of 40% in the Loans Amount Disbursed (for Pan India, AP MFIs and Non-AP MFIs) over the previous quarter



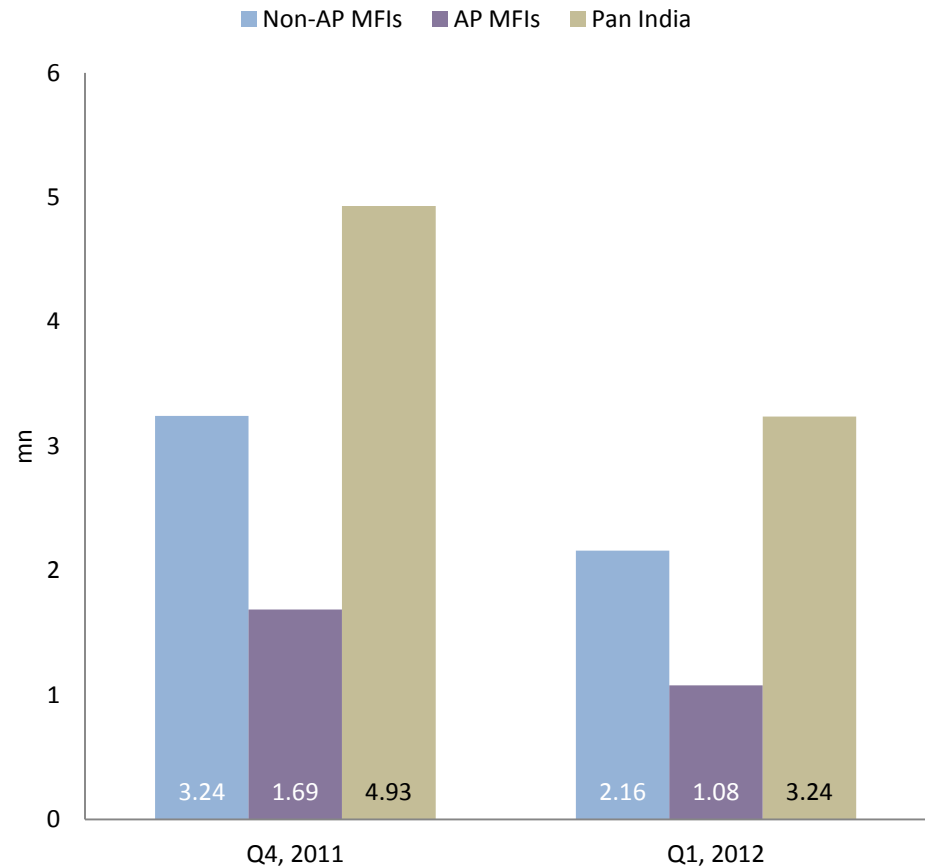
Clients and Loan Accounts

- End of Q1 2012-13, members have close to 24 mn outstanding loan accounts for over 22.27 mn clients
- Non-AP MFIs: Increase of 2% over the last quarter in clients and loan account numbers over the previous quarter
- AP MFIs: Decrease of 4% over the last quarter in clients and loan account numbers over the previous quarter
- Pan India: Decrease of 1% in clients and loan accounts numbers over the previous quarter



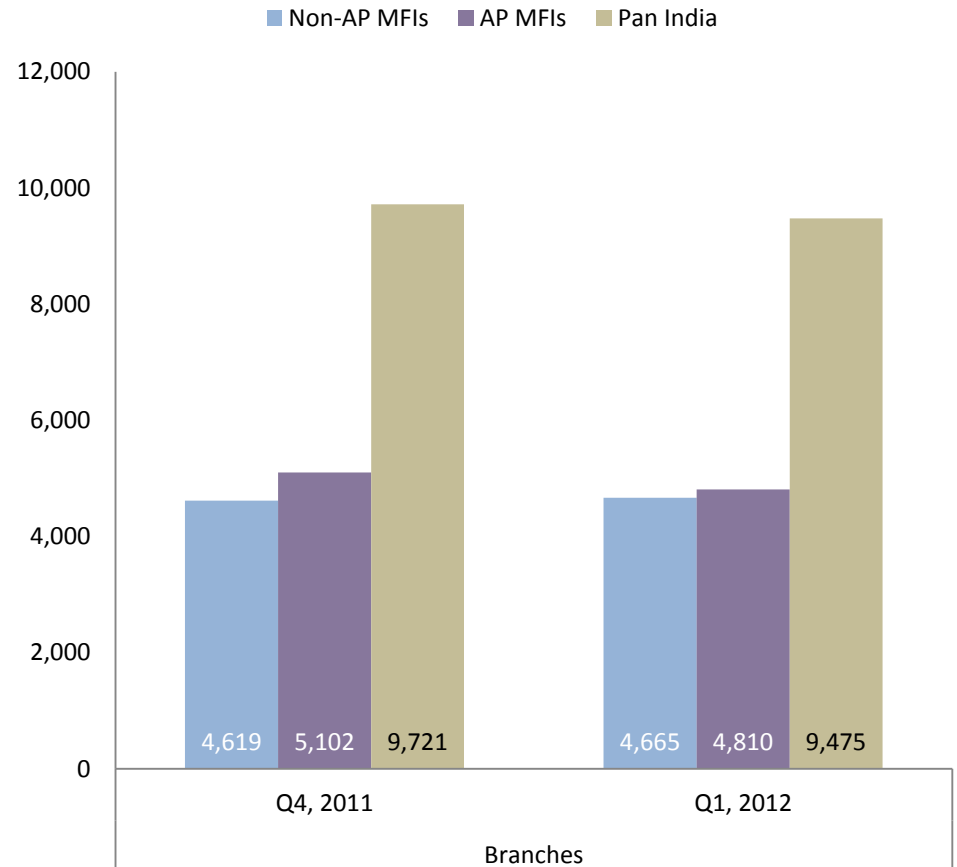
Loans Disbursed

- During Q1 2012-13, members disbursed over 3.2 mn loans.
- Non-AP MFIs: Decrease of 33% in loans disbursed over the previous quarter
- AP MFIs: Decrease of 36% in loans disbursed over the previous quarter
- Pan India: Decrease of 34% in loans disbursed over the previous quarter
- Such large dip in disbursements is explained by high level of lending by MFIs during Q4 of the previous fiscal



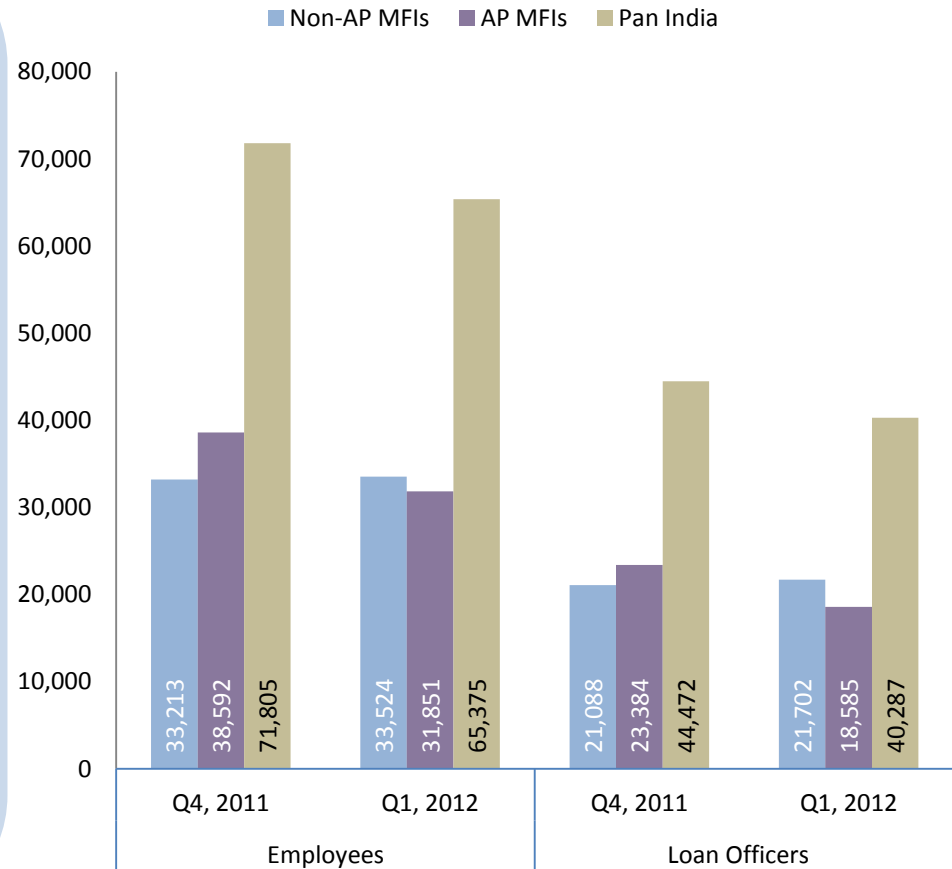
Branches

- Members have 9,475 branches spread in 26 states. During Q1 2012-13, members closed 246 branches
- While non-AP MFIs marginally increased their branches network, AP MFIs shrunk their branches network, mostly in Andhra Pradesh
- Non-AP MFIs: Increase of 1% in the branches over the last quarter
- AP MFIs: Decrease of 6% in the branches over the last quarter
- Pan India: Decrease of 3% in the branches over the last quarter



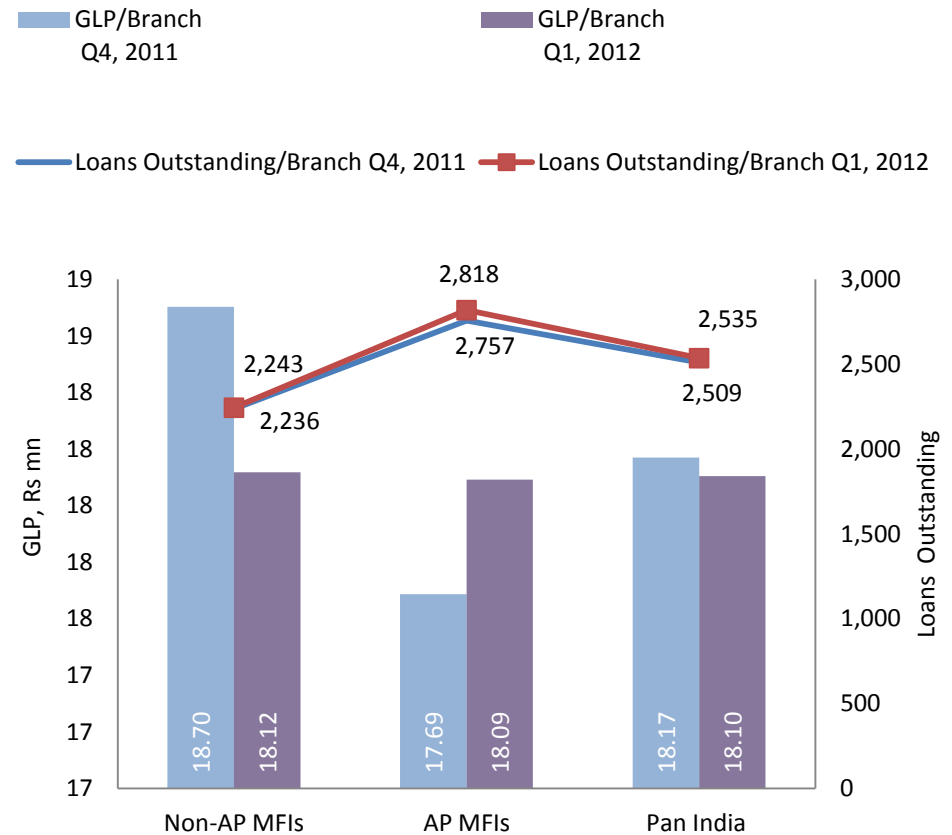
Employees

- Members have 65,375 employees at the end of Q1 2012-13
- There was a further reduction in the staff employed by the MFIs, mainly due to lay-offs by AP MFIs
- Non-AP MFIs: Increase of 1% in the employee over previous quarter
- AP MFIs: Decrease of 17% in the employee over previous quarter
- Pan India: Decrease of 9% in the employee over previous quarter



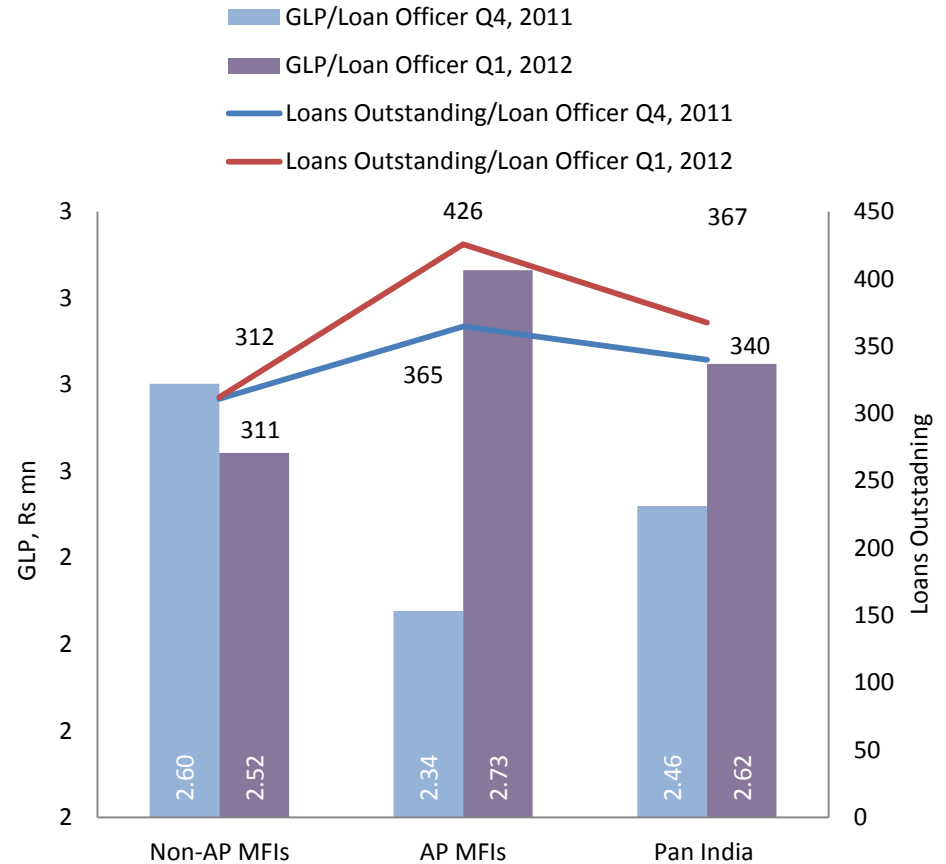
Branch Ratios (average)

- GLP/branch has slightly deteriorated for non-AP MFIs but has improved for AP based MFIs.
- There is marginal improvement in loan account outstanding/branch for both Non-AP MFIs and AP-based MFIs



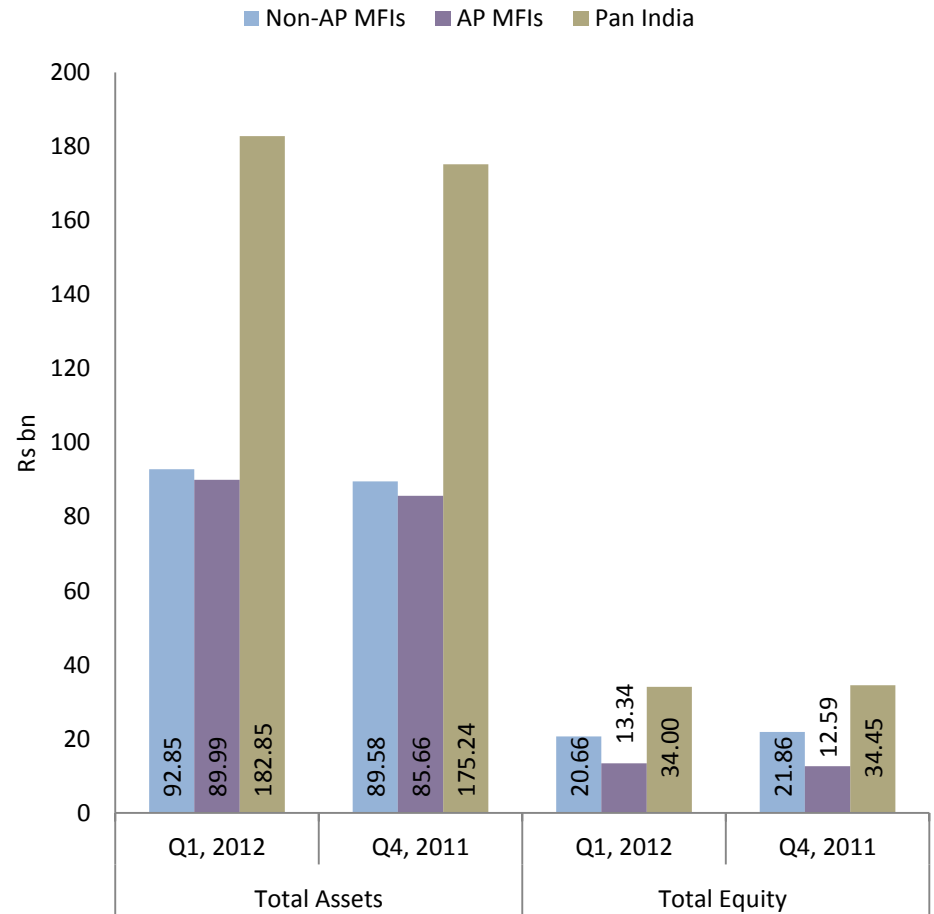
Employees Ratios (average)

- Non-AP MFIs: Employee Ratios have deteriorated, slightly, over the previous quarter
- AP MFIs: Employee Ratios have improved over the previous quarter
- Pan India: Employee Ratios have improved over the previous quarter



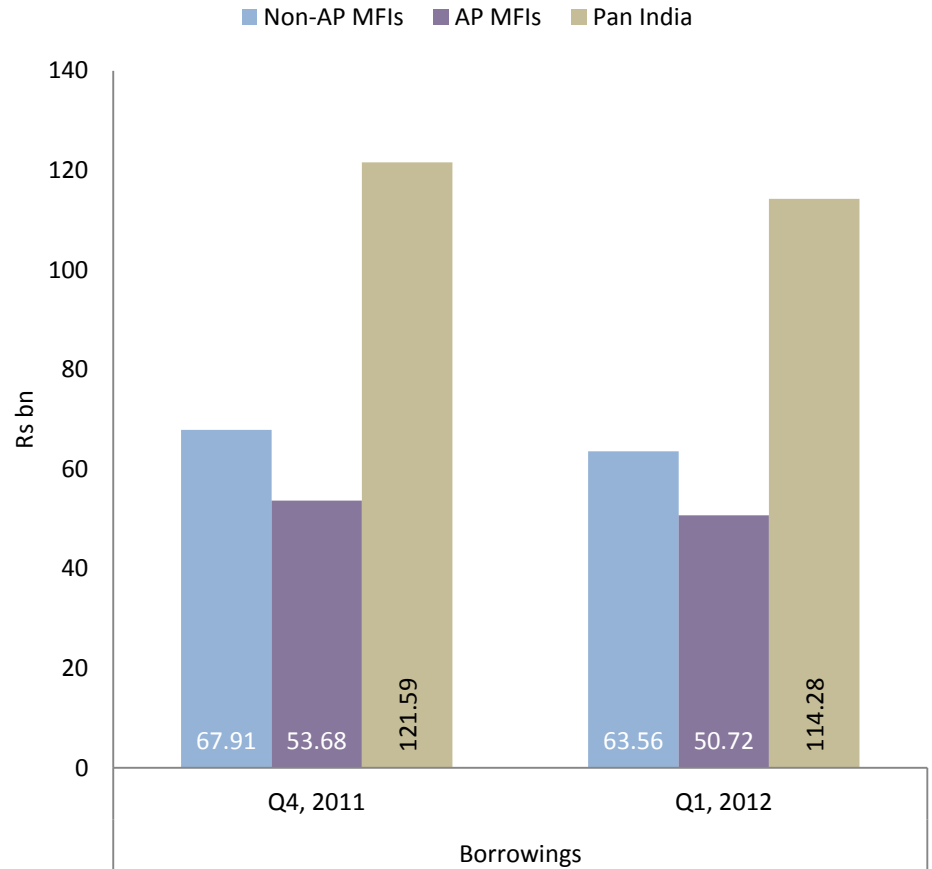
Assets and Equity

- Overall industry CAR remains at a 20%
- Total Assets decreased by 4% over previous quarter to reach Rs 175.24 bn
- Total Equity slightly improved by 1%



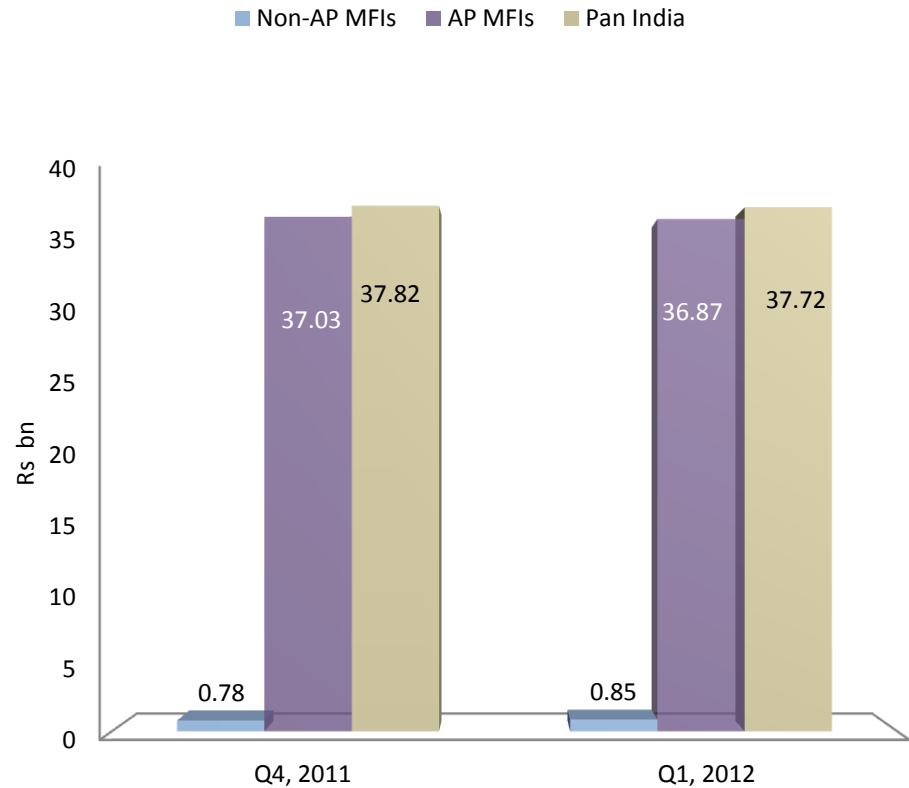
Borrowings

- End of Q1 2012-13, members have an outstanding borrowings of Rs 114.28 bn
- Non-AP MFIs: Decrease of 6% over previous quarter
- AP MFIs: Decrease of 5% over previous quarter
- Pan India: Decrease of 6% over previous quarter



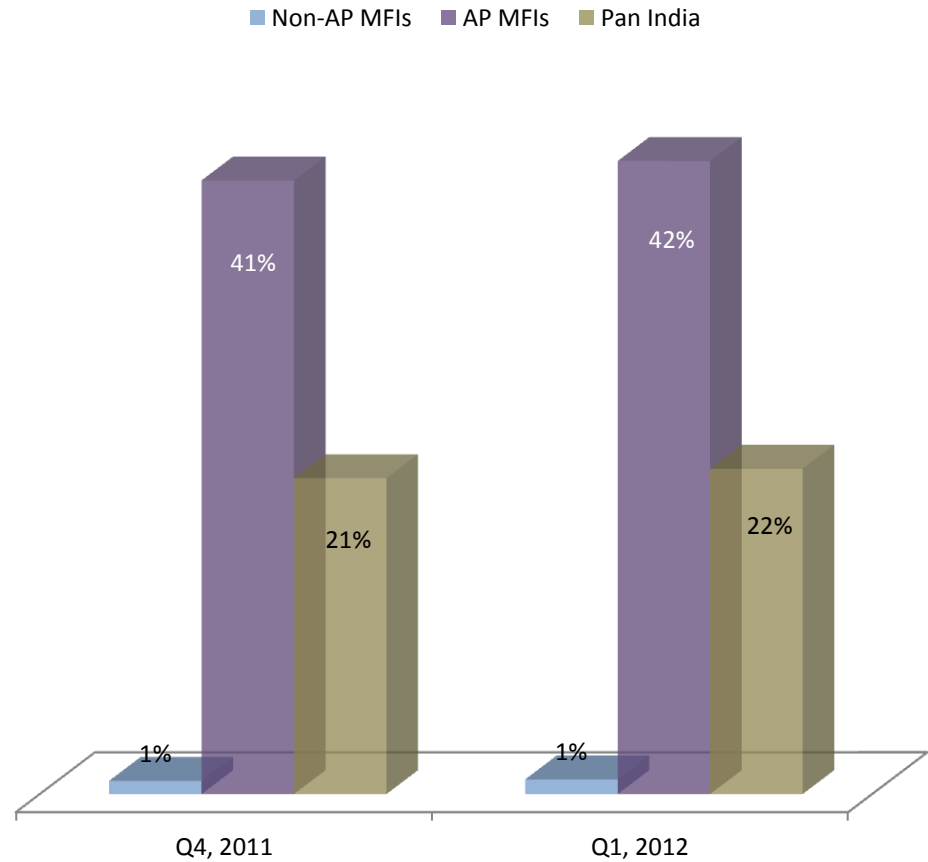
Portfolio at Risk (PAR), Rs bn

- As of 30th June 2012, Members have
- Rs 37.72 bn in Portfolio at Risk (PAR) > 30 days
- PAR data not reported for SKS and Bandhan



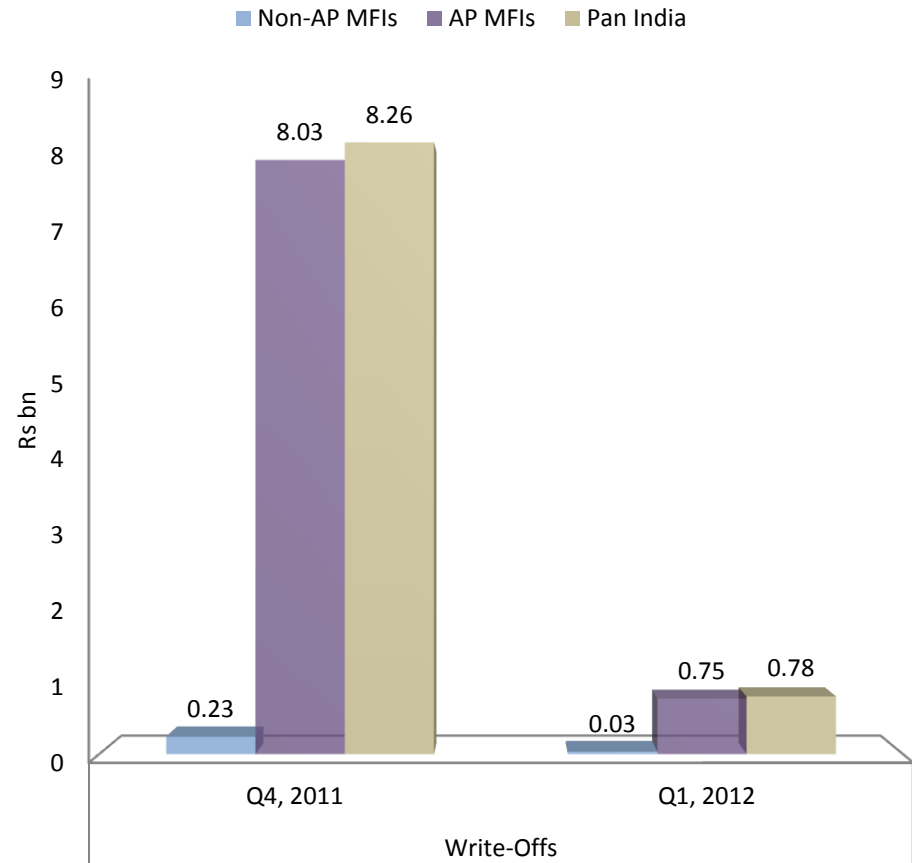
Portfolio at Risk (PAR), %

- Non-AP MFIs: PAR > 30 remains at 1%
- AP MFIs: PAR > 30 increased to 42% from 41% in the last quarter
- Pan India: PAR > 30 increased to 22% from 21% in the last quarter
- PAR data not reported for SKS and Bandhan



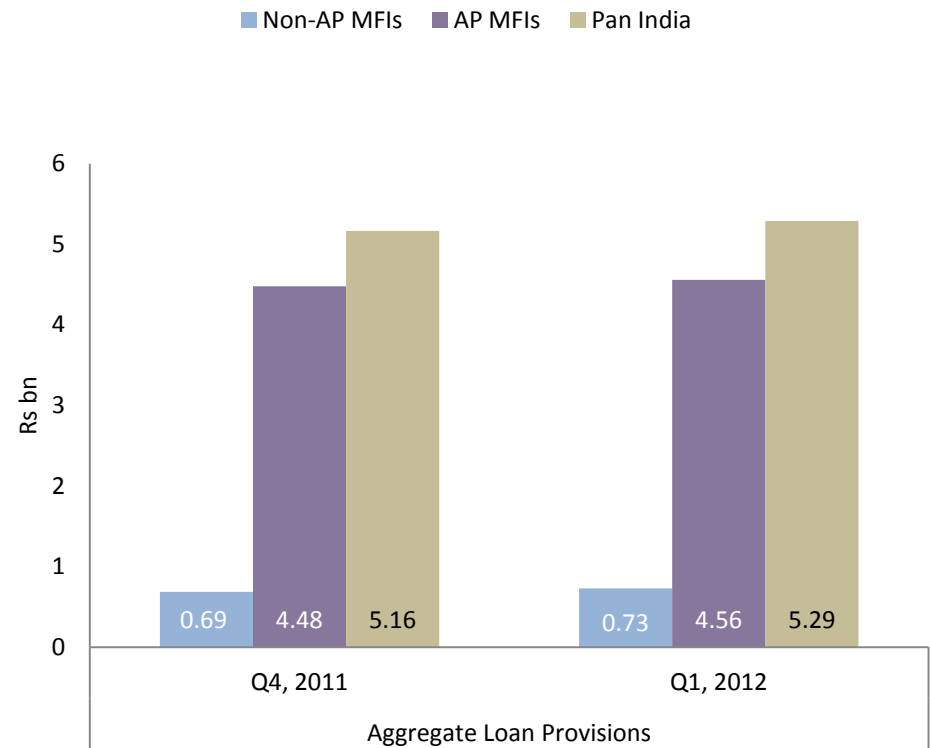
Write-Offs

- Members have written off over Rs 8 bn (Rs 800 Cr) in end of last quarter of fiscal 2011-12
- For the first quarter of this fiscal, total write-off amount was Rs 0.78 bn, 96% of this coming from AP based MFIs



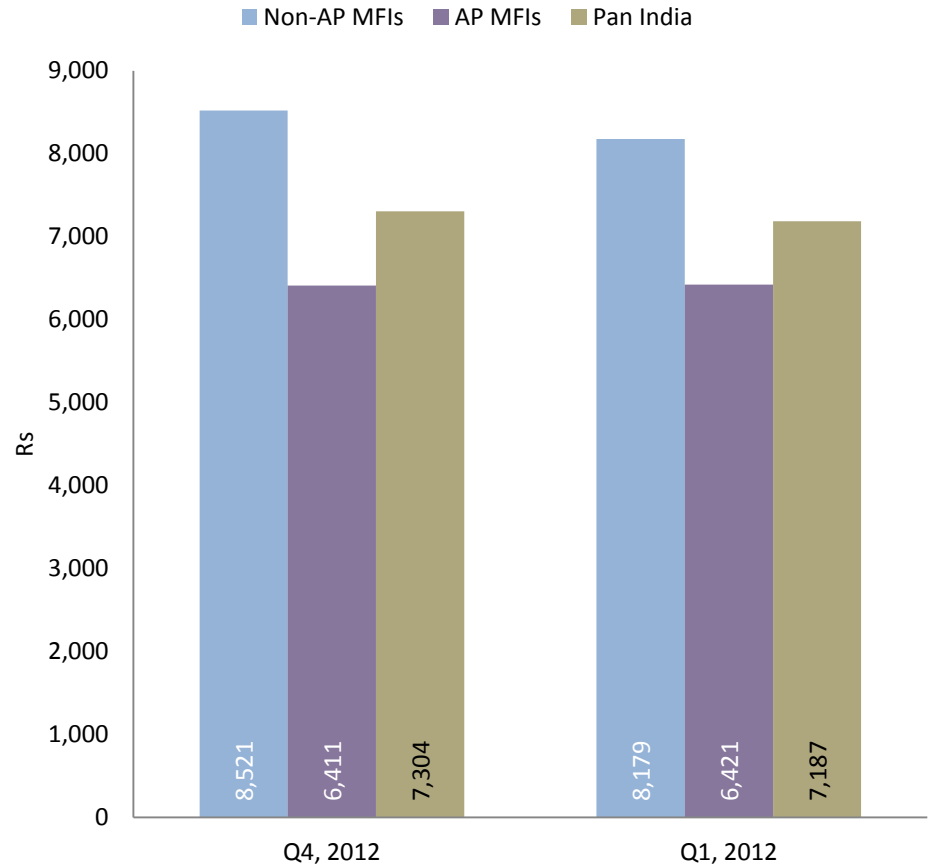
Aggregate Loan Provisions

- Industry has Rs 5.29 bn in loan loss provisions
- Non-AP MFIs: Increase of 7% over previous quarter
- AP MFIs: Increase of 2% over previous quarter
- Pan India: Increase of 2% over previous quarter



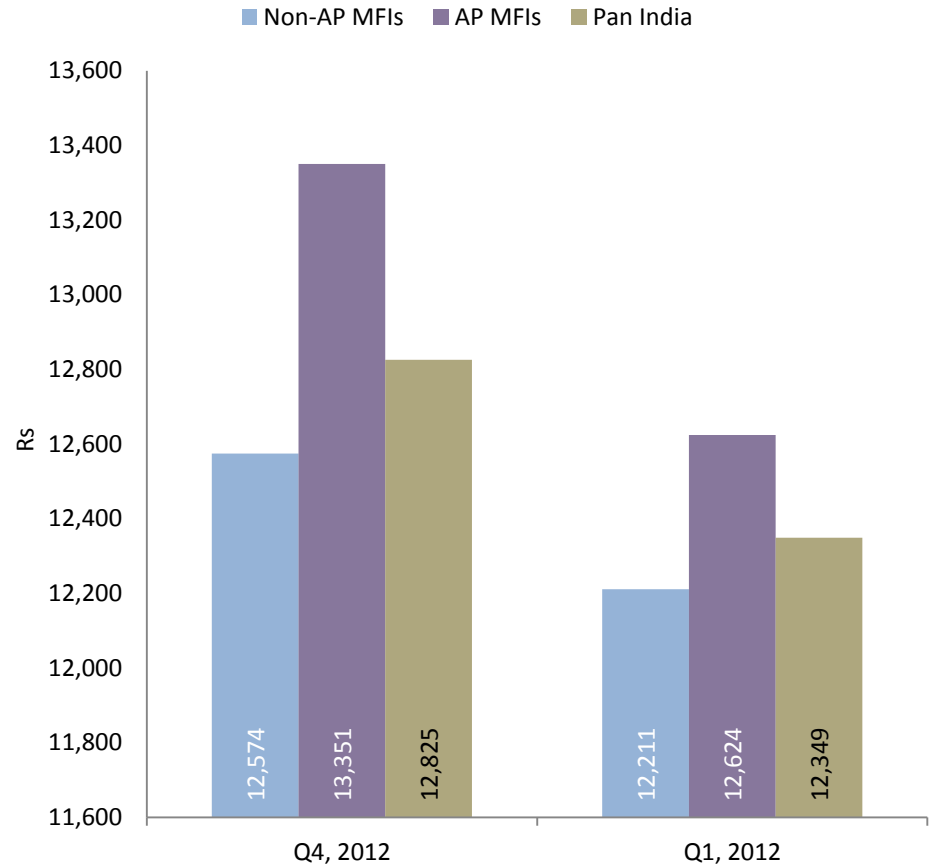
Loan outstanding per client

- At the end of Q1 2012-13, loan outstanding per client is Rs 7,187
- Non-AP MFIs: Decrease of 4% over previous quarter
- AP MFIs: Slight change
- Pan India: Decrease of 2% over previous quarter



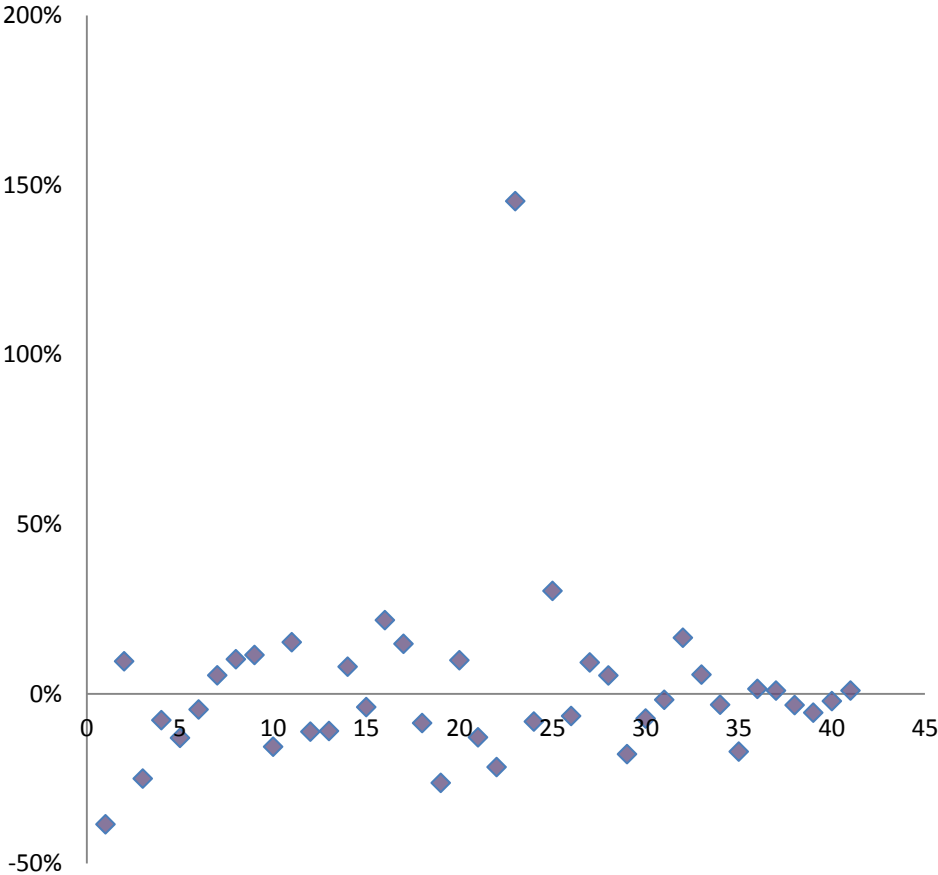
Amount disbursed per loan

- Average loan amount disbursed in the Q1 2012-13 was Rs 12,349
- Across the spectrum of MFIs size of the loan disbursed has decreased
- AP based MFIs distributed slightly higher value loans compared to non-AP MFIs



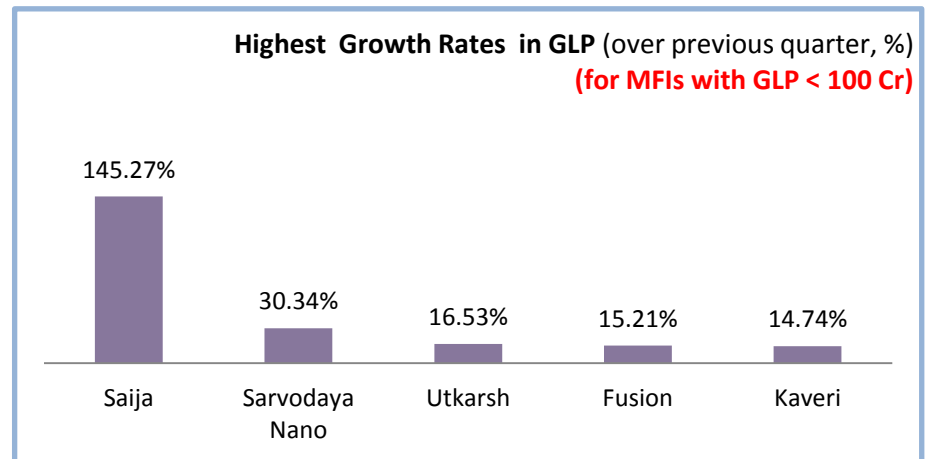
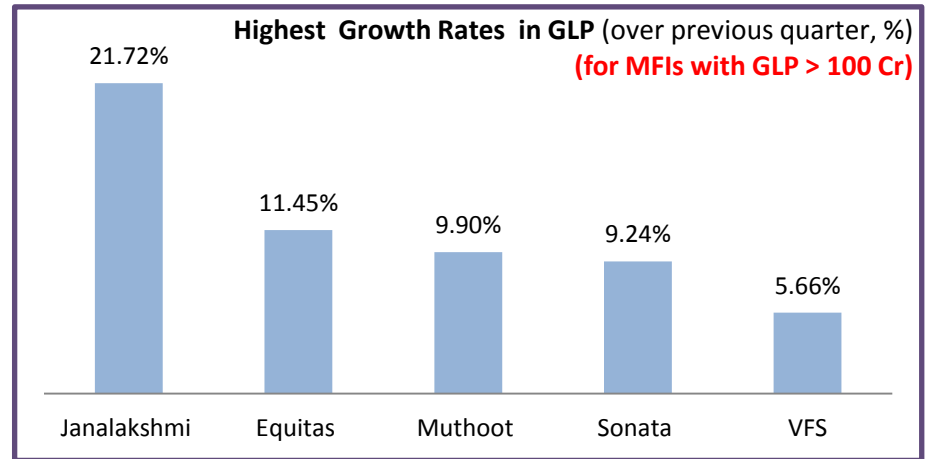
% Change | GLP

18 MFIs have increased their portfolio during the quarter



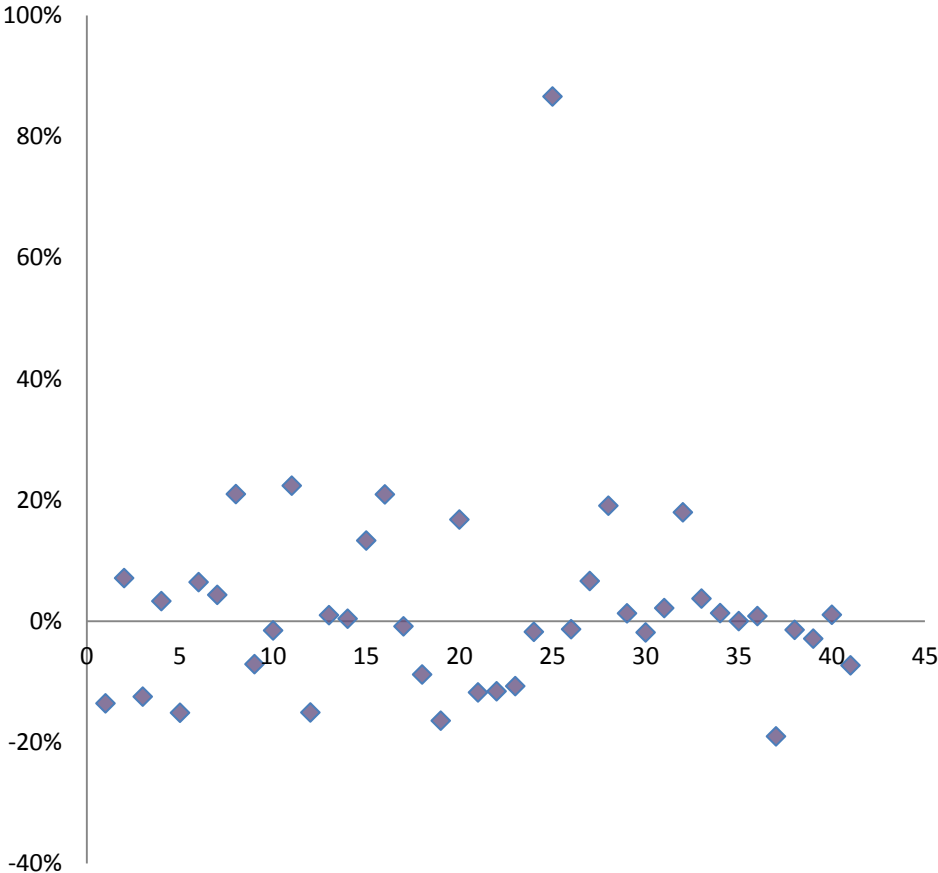
MFIs with highest growth rates in GLP (%)

- Notwithstanding the challenges, a significant number of MFIs registered positive growth
- It may be noted that 20 MFIs are in slab of portfolio less than Rs 100 Cr and remaining 21 are in slab of Rs 100 Cr or more



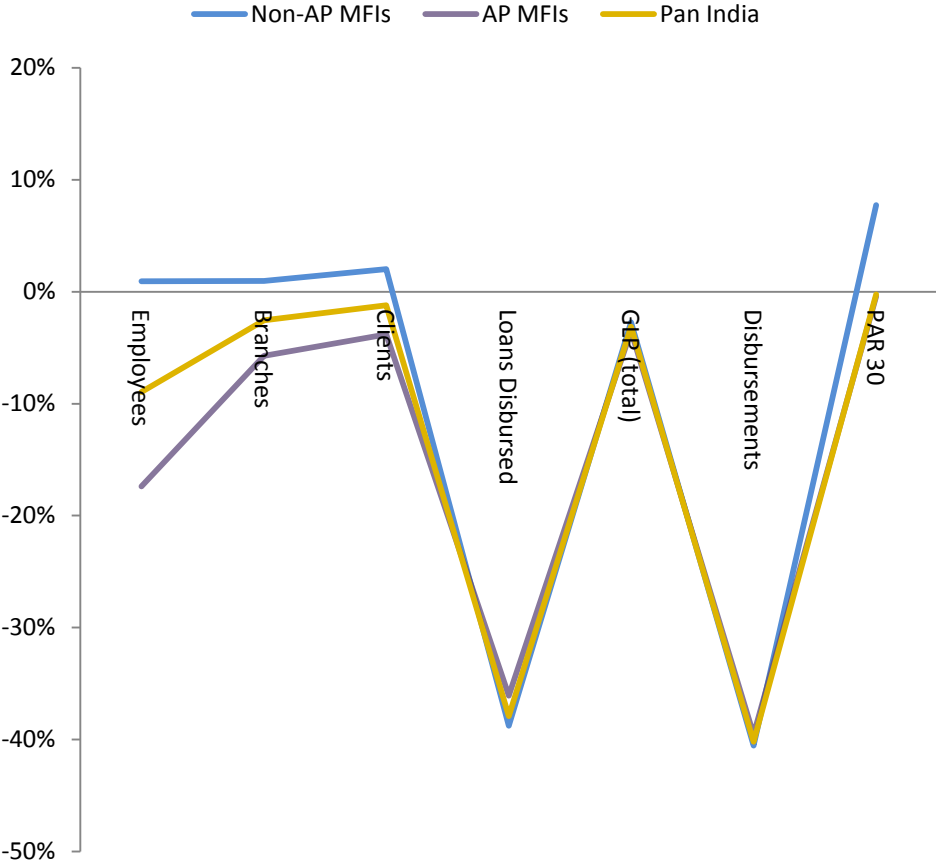
% Change | Loan Accounts

In terms of % change in the loan accounts, half of the members have registered positive growth while, rest are showing drop in number of loan accounts



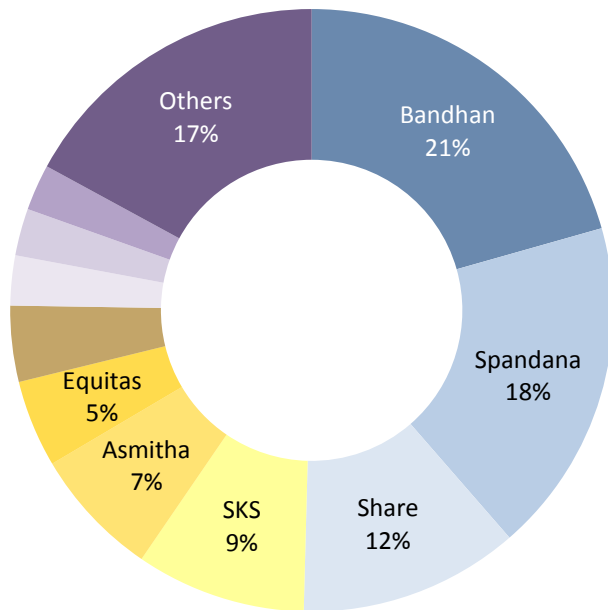
% Change | AP Vs Non AP MFIs

Non AP MFIs continue to show better growth or lower negative growth compared to all India numbers



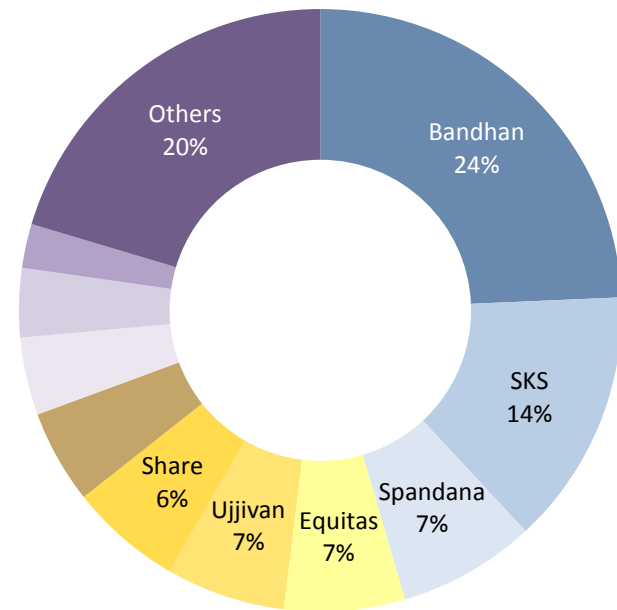
Top MFIs | GLP and Loan Amount Disbursed

Top MFIs | GLP (total, incl managed), Q1 2012



Equitas Ujjivan GV GFSPL Janalakshmi

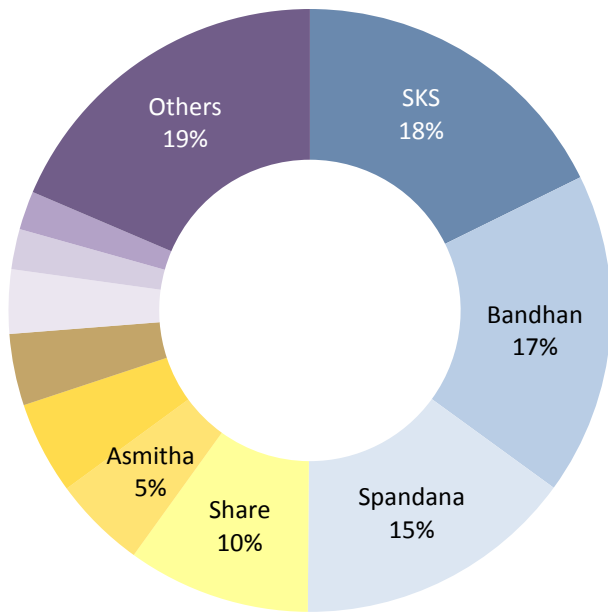
Top MFIs | Amount Disbursed, Q1 2012



Grama Vidiyal Janalakshmi Asmitha Muthoot

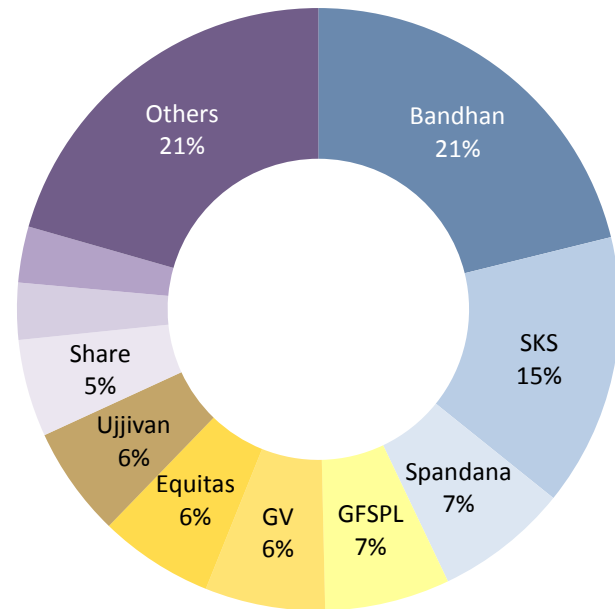
Top MFIs | Clients and Loans Disbursed

Top MFIs | Clients, Q1 2012



Equitas Ujjivan GV L&T Finance BSFL

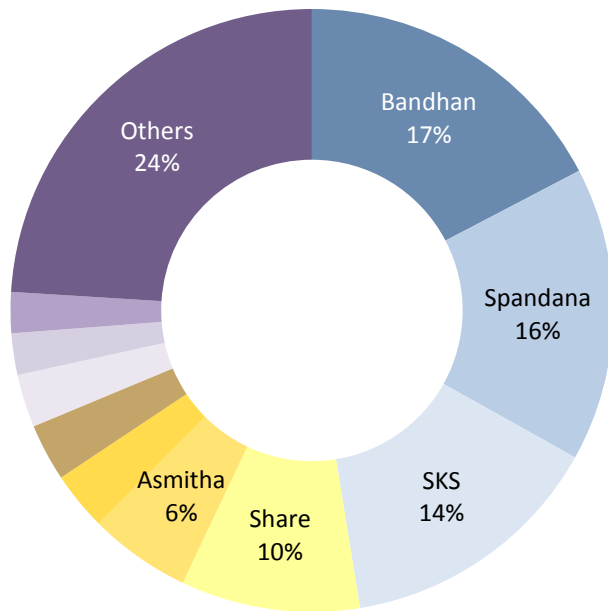
Top MFIs | Loans Disbursed, Q1 2012



Janalakshmi Asmitha

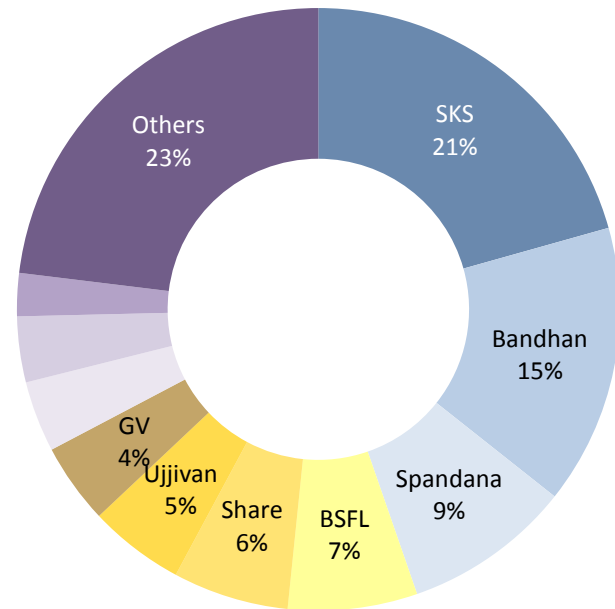
Top MFIs | Branches and Employees

Top MFIs | Branches, Q1 2012



■ Ujjivan
 ■ GV
 ■ Equitas
 ■ Madura
 ■ BSFL

Top MFIs | Employees, Q1 2012

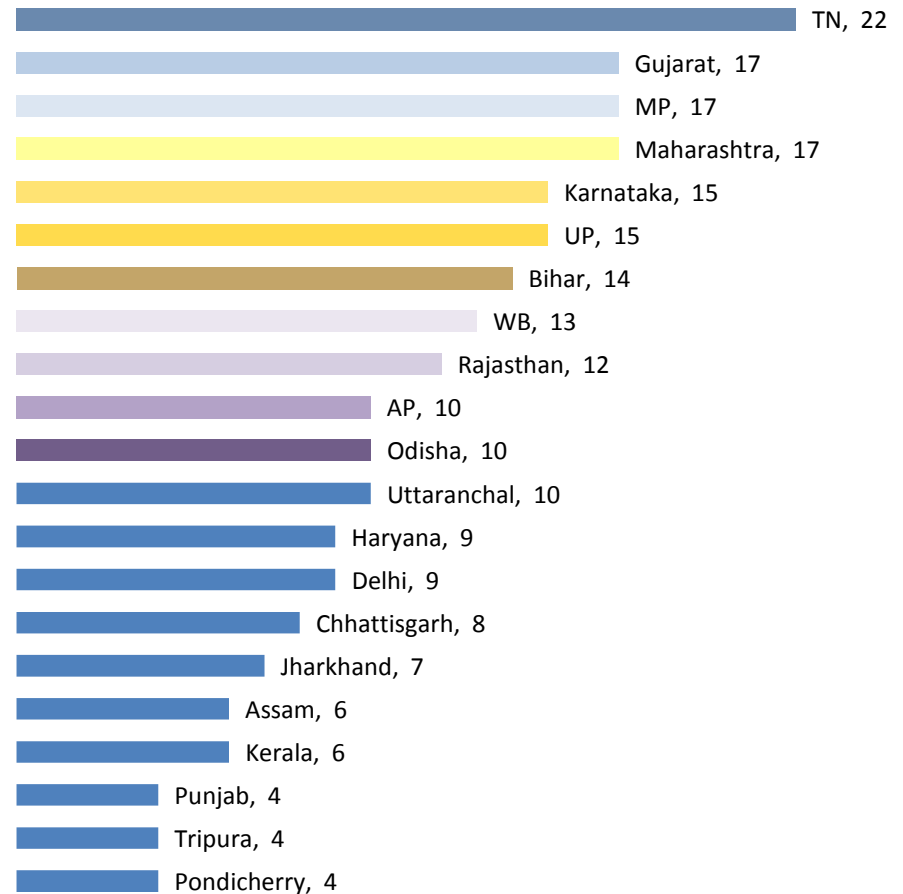


■ Asmitha
 ■ Equitas
 ■ ESAF

State Analysis | Number of MFIs

- Tamil Nadu has the largest number of MFIs operating
- Gujarat, MP and Maharashtra, Karnataka and UP are other top states in terms of number of MFIs

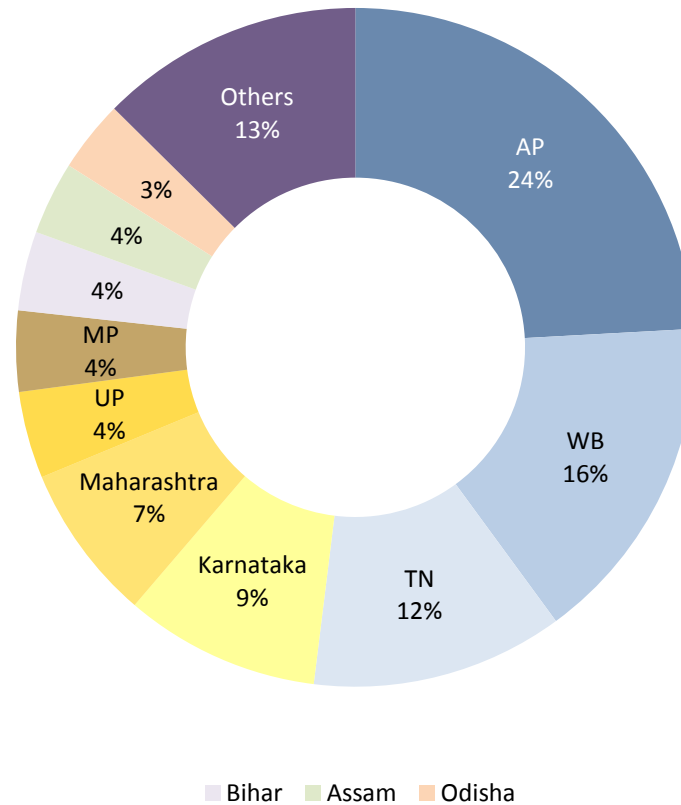
Top States | Number of MFIs, Q1 2012-13



State Analysis | GLP

- AP continues to remain top state in terms of GLP as portfolio continue to remain on the balance sheet of MFIs
- However, after removing AP, West Bengal has the largest portfolio followed by Tamil Nadu, Karnataka and Maharashtra
- Top 5 states (AP, WB, TN, Karnataka and Maharashtra) account for 69% of the portfolio
- *Please note that for SKS data included in the analysis is for 31st March 2012*

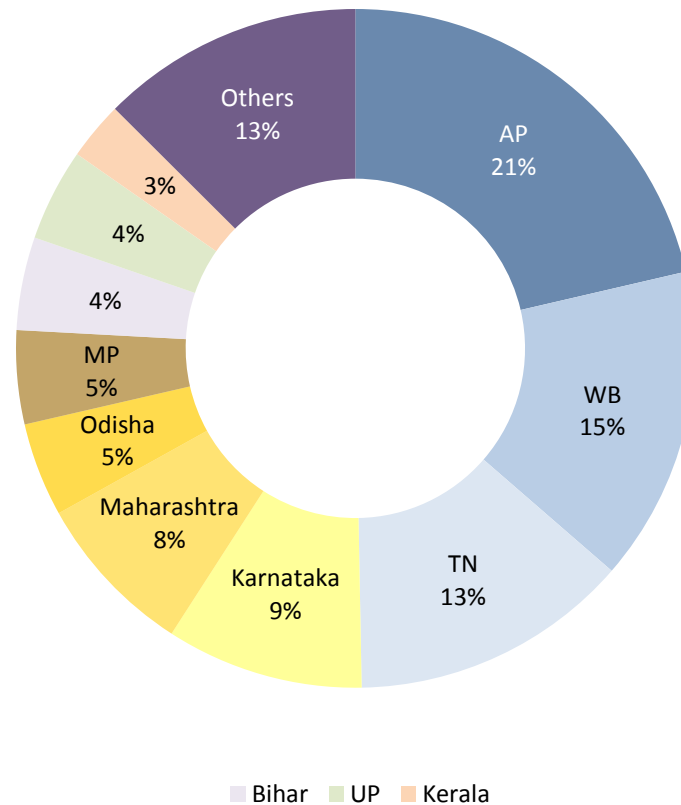
Top States | GLP, Q1 2012



State Analysis | Clients

- AP continues to remain top state in terms of client outreach
- However, after removing AP, West Bengal has the largest outreach followed by Tamil Nadu, Karnataka and Maharashtra
- Top 5 states (AP, WB, TN, Karnataka and Maharashtra) account for 67% of the portfolio
- *Please note that for SKS data included in the analysis is for 31st March 2012*

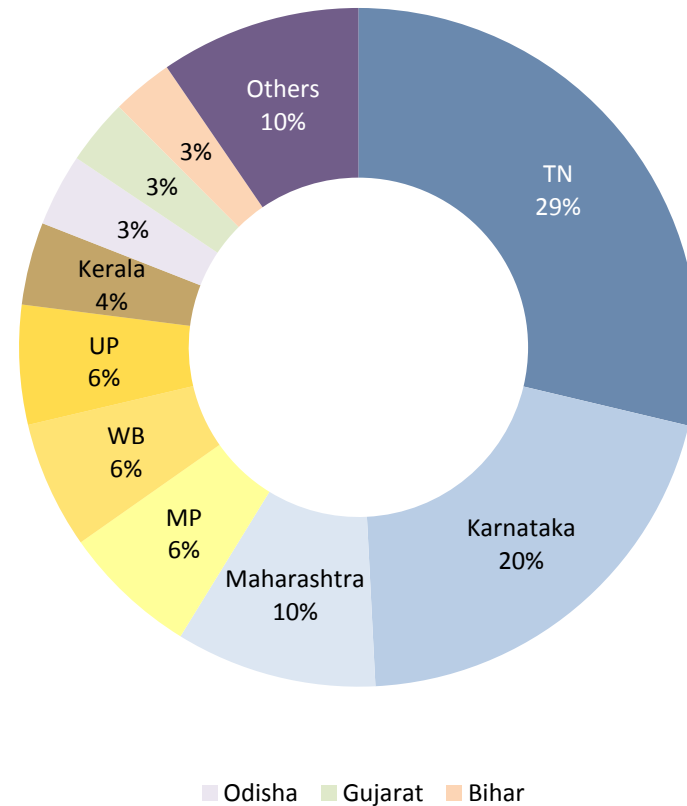
Top States | Clients, Q1 2012



State Analysis | Loans Disbursed

- Based on the available data, Tamil Nadu tops in terms of loans disbursed, followed by Karnataka, Maharashtra, Madhya Pradesh and West Bengal
- *Disbursement data does not include data from SKS and Bandhan and therefore, show 'unreal' picture*

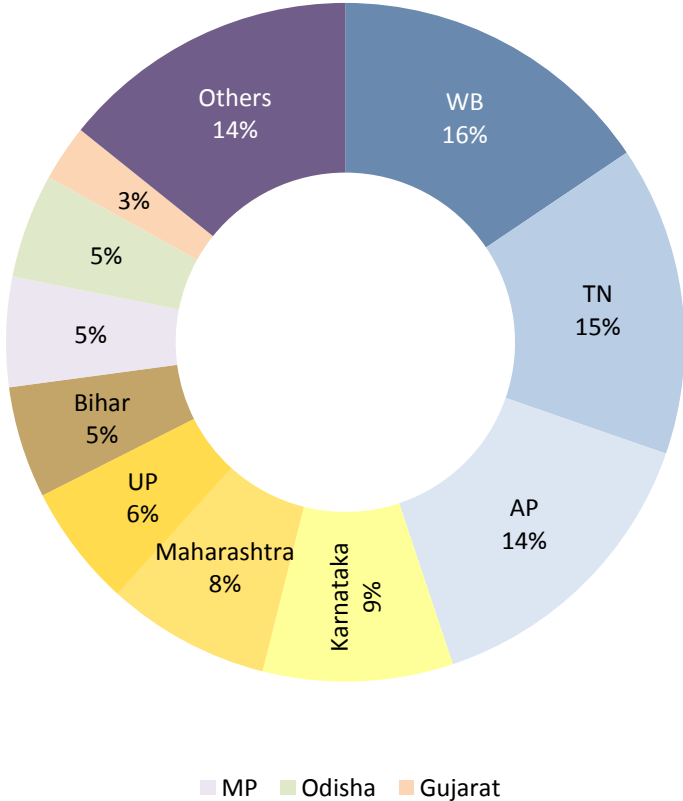
Top States | Loans Disbursed, Q1 2012



State Analysis | Branches

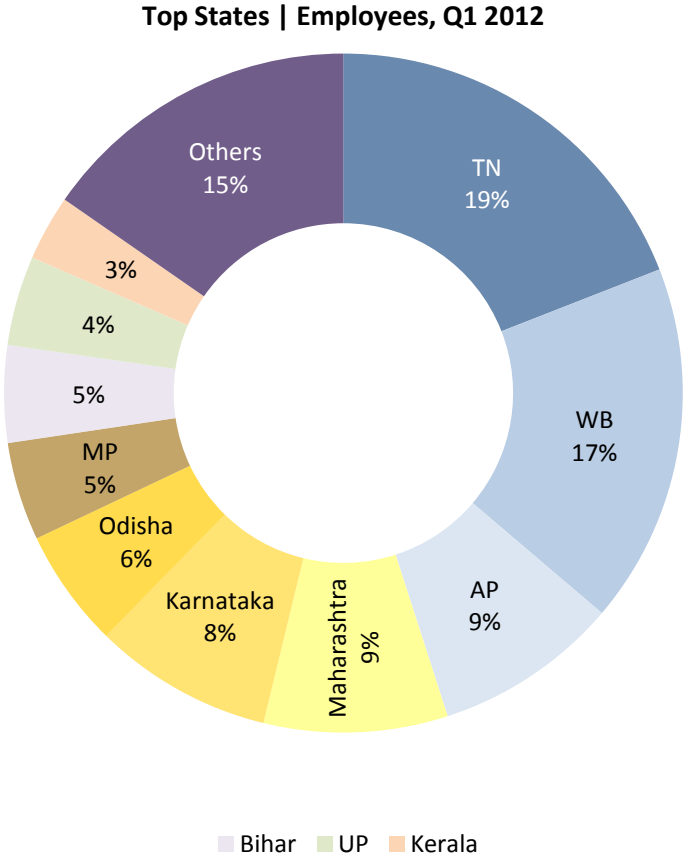
- West Bengal, now tops, in terms of the Branch network, accounting for 16% of the all India branch network. They are closely followed by Tamil Nadu, Andhra Pradesh
- Top 5 states (WB, TN, AP, Karnataka and Maharashtra) account for 62% of the branch network in the country
- *Please note that for SKS data included in the analysis is for 31st March 2012*

Top States | Branches, Q1 2012



State Analysis | Employees

- Tamil Nadu tops in terms of the employee count, accounting for 19% of the all India employee count, closely followed by West Bengal
- Top 5 states (Tamil Nadu, West Bengal, Andhra Pradesh, Maharashtra and Karnataka) have 62% share of total employee count
- *Please note that for SKS data is not included in this chart analysis*



Members*

Anjali
Arman
Arohan
ASA
Asirvad
Asmitha
Bandhan
BSFL
Chaitanya
Disha
Equitas
ESAF
Fusion
FFSL

GV
GF SPL
Growing Opportunity
Intellectash
Janalakshmi
Kaveri
L & T Finance
Madura
Mimoza
Muthoot
Sahayata
Saija
Samasta
Sarvodaya Nano

Satin Credit
Share
SKS
Smile
Sonata
Spandana
Suryodaya
SVCL
Swadhar
Trident
Ujjivan
Utkarsh
VFS

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