

Microfinance Institutions Network (MFIN) decodes the Industry Releases its quarterly publication *MicroMeter* for the Q1 fy 15-16

New Delhi, 26th August 2015: Microfinance Institutions Network (MFIN), the Self Regulatory Organisation (SRO) of the RBI regulated NBFC MFIs has brought out its fourteenth issue of the *MicroMeter*, which is a quarterly report on the Indian Microfinance Industry. The Q1 fy15-16 report provides an overview of the Indian Microfinance Industry, as of 30th June, 2015 and a comparative analysis with the corresponding quarter of the previous fiscal year (Q1 fy 14-15) and previous quarter (Q4 fy 14-15). The analysis presented in this issue is based on data collected from **52 NBFC-MFIs (MFIs)**, all of whom have either received or have applied for NBFC-MFI registration to the RBI.

The report clearly establishes that NBFC-MFIs have increased their outreach across the country. On an aggregated basis, MFIs have a branch network of 10,242 and an employee base of 81,514 of which 64% are loan officers (i.e. 52,252). Loan officers provide door-step credit to low-income clients. Madhya Pradesh and Maharashtra are the states with the highest number of MFIs operating (28 and 27 respectively) in them, followed by Karnataka with 21 MFIs. The overall data of the previous quarter shows that the industry is growing at a healthy and sustainable rate. As a measure of their being responsible businesses, NBFC-MFIs have voluntarily brought down interest rates on various products.

“The results for Q1 fy15-16 clearly depicts the growth momentum of the microfinance industry in India. The industry has strengthened its base in the country by extending its outreach to larger numbers of the unbanked people,” said **Ms. Ratna Vishwanathan, Chief Executive Officer, MFIN.**

Given below are the Highlights from the quarter:

1. The access of the population to financial products has increased which is indicative in the following data.
 - As of 30th June 2015, MFIs provided microcredit to over 3.11 Cr clients, an increase of **24%** over Q1 fy14-15. The aggregate gross loan portfolio (glp) of MFIs stood at Rs 42,106 Cr (excluding non performing portfolio i.e. PAR > 180 days in Andhra Pradesh which is close to Rs 3,000 Cr). This represents a year on year growth of **69%** over Q1 fy 14-15 and an increase of 10% over the last quarter.
2. MFIs' coverage is now geographically well dispersed with glp in south at 29%, east at 29%, north at 21% and west at 21%. They cover 32 states/union territories.
3. The Portfolio at Risk (PAR) figures (under 1% for Q1 fy 15-16) is indicative that the population is comfortable with the size of loan instalments. This is also indicative of the success of the JLG model.
4. Other services extended to the population included:



- Insurance (credit life) to over 3.78 cr clients with sum insured of Rs 75,764 cr was extended through MFI network
- Pension accounts were extended to over 17 lk clients through MFI network

About Microfinance Institutions Network

Microfinance Institutions Network (MFIN) is the premier industry association and Self Regulatory Organisation (SRO) for the microfinance industry in India and its current membership/associates consists of 55 leading NBFC (Non-banking Financial Company) Microfinance Institutions (MFIs) in the country. The aggregate business of MFIN members constitutes over 90 per cent of the Indian microfinance industry (excluding SHGs). MFIN seeks to work closely with regulators and other key stakeholders to achieve larger financial inclusions goals through microfinance.

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