

MFIN releases quarterly analysis of Microfinance industry for Q3 FY 15-16

Micrometer report is a quarterly publication giving an overview of the industry

New Delhi, 03 March 2016: Microfinance Institutions Network (MFIN), the Self-Regulatory Organisation (SRO) of the RBI regulated NBFC MFIs, has released its 16th edition of Micrometer report for the microfinance industry. The quarterly report provides an overview of the Indian microfinance industry giving comparisons with corresponding quarter of the previous fiscal year (Q3 FY 14-15) and last quarter of this fiscal year (Q2 FY 15-16) thus highlighting the overall performance of the industry. The analysis presented in this issue is based on data collected from 56 NBFC–MFIs (MFIs), all of whom have either received or applied for NBFC-MFI registration from the RBI.

According to the report there has been an increase of 33% Y-O-Y on number of beneficiaries of MFIs which stands at 2.88 crore in the third quarter of this fiscal year. Growth of 48% in total number of loans disbursed by MFIs in Q3 FY 15-16 when compared to Q3 FY 14-15 shows the rapid pace of expansion of the industry. Average loan amount disbursed for each beneficiary has also witnessed a growth and stands at Rs 17,917 as compared to Rs 14,409 of the third quarter of the last fiscal year.

Productivity ratios for MFIs have also shown an upward movement as the average gross loan portfolio per branch has seen an increase of 47% Y-O-Y.

“Overall the industry has witnessed a healthy growth in the last one year. With the increase in number of branches, MFIs have been able to increase their outreach thus expanding their beneficiary base. Average loan amount per person has also seen a significant increase and supported the growth of gross loan portfolio by 84% as compared to last year during the same period.” said **Ms. Ratna Vishwanathan, Chief Executive Officer, MFIN.**

The current issue of Micrometer does not include data of Bandhan Bank which converted into a bank in Aug 2015. Equitas and Ujjivan, since having filed for the draft red herring prospectus (DRHP) with the capital market regulator, have not shared data for Q3FY 15-16 (31st Dec, 2015). The report has taken into account Q1 FY15-16 data for Equitas and Q2 FY 15-16 for Ujjivan in place of Q3 FY15-16 data.

Given below are the Highlights from the quarter:

- As of 31st Dec 2015, MFIs provided microcredit to over 2.88 Cr clients, an increase of **33%** over Q3 FY 14-15
- The aggregate gross loan portfolio (glp) of MFIs stood at Rs 42,331 Cr (excluding non performing portfolio i.e. PAR>180 days in Andhra Pradesh). This represents a Y-O-Y growth of **84%** over Q3 FY 14-15 and an increase of 16% over the last quarter

- Disbursements (loan amount) in Q3 FY 15-16 increased by 84% compared to Q3 FY 14-15
- Total number of loans disbursed by MFIs grew by 48% in Q3 FY 15-16 compared with Q3 FY 14-15
- Portfolio at Risk (PAR) figures remained under 1% for Q3 FY 15-16
- Average loan amount disbursed per account is now Rs 17,917. The figure for Q3 FY 14-15 was Rs 14,409
- MFIs now cover 30 states/union territories
- In terms of regional distribution (for glp), south is 35%, east at 15%, north at 25% and west at 25%
- Productivity ratios for MFIs continued to move upwards. Avg glp per branch is now at Rs 4.5 Cr, up by 47% over Q3 FY 14-15 and avg glp per loan officer is now Rs 84 Lakhs, 33% more from the last year i.e. Q3 FY 14-15
- Insurance (credit life) to over 2.81 Cr clients with sum insured of Rs 42,681 Cr was extended through MFI network
- Pension accounts were extended to over 16 Lakh 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.

Media Contact:

Rakesh Kumar Jha: 9873904595 | rjha@perfectrelations.com

Pooja Chauhan: 9971627588 | pchauhan@perfectrelations.com

Yohima Bhawta: 8375057521 | ybhawta@perfectrelations.com