



Microfinance loan portfolio stands at INR 2,37,369 Crores as on June 30, 2021, serving 5.68 crore unique borrowers with 10.30 crore loan accounts: MFIN Micrometer Q1 FY 21-22

Microfinance loan disbursements during Q1 21-22 improved significantly to INR 25,503 crores as compared to same quarter of last financial year (INR 6,186 crores), despite the peak of second wave. Similarly, the number of loans disbursed during Q1 21-22 increased to 71 Lakhs from 21 Lakhs in Q1 20-21, signifying resilience and progress of the industry.

Performance Overview:

Microfinance Universe (based on loans originated after February 2017)

- As on June 30, 2021, the microfinance industry served **5.68** crore unique borrowers, through **10.30** crore loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of **INR 2,37,369** crores.
- GLP as on June 30, 2021, showed an increase of **4.2** per cent YoY over **INR 2,27,727** crores as on June 30, 2020.
- **13 Banks** hold the largest share of the portfolio in micro-credit with a total loan outstanding of **INR 1,02,405 crores**, which is **43.14 per cent** of total micro-credit universe. NBFC-MFIs are the second largest provider of micro-credit with a loan amount outstanding of **INR 75,021** crores, accounting for **31.61 per cent** to total industry portfolio. SFBs have a total loan amount outstanding of **INR 38,624** crores with a total share of **16.27 per cent**. NBFCs account for another **7.89 per cent**, and other MFIs account for **1.09 per cent** of the Universe.
- The microfinance active loan accounts decreased by 0.67% during the past 12 months to 10.30 crores as on June 30, 2021.
- In terms of regional distribution of GLP, East & Northeast and South continue to account for 66% per cent of the total portfolio.

MFIN NBFC-MFIs Members

- GLP of NBFC-MFIs stood at **INR 76,237 crores** as on June 30, 2021, a **6.9 per cent** YoY rise as compared to **INR 71,301 crores** as on June 30, 2020.
- The GLP includes owned portfolio of **INR 65,206 crores** and managed portfolio of **INR 11,031 crores**.
- As on **June 30, 2021**, NBFC-MFIs, on an aggregated basis, have a network of **15,066** branches with **1,22,024** employees.
- Loan amount of **INR 6,511 crores** was disbursed in **Q1 FY 21-22** through **17.97 lakh** accounts, as compared to **INR 561 crores** disbursed in **Q1 FY 20-21** through **1.99 Lakh** accounts.
- Average loan amount disbursed per account during **Q1 FY 21-22** was **INR 36,243** which is an increase of around 28.8% in comparison to same quarter of last financial year.
- NBFC-MFIs received a total of **INR 3,596 crores** in debt funding during **Q1 FY 21-22**, which is a **39.6 percent** decrease from **Q1 FY 20-21**.
- Total equity of the NBFC-MFIs grew by **11.9 per cent** YoY to **INR 18,660 crores** as on 30 June 2021.

New Delhi, September 14, 2021: Microfinance Institutions Network (MFIN), the microfinance industry association and an RBI recognized self-regulatory organization, today released the 38th issue of its Micrometer report for April to June 2021 i.e. Q1 FY 21-22 quarter.



Speaking on the first Issue of Micrometer for FY 21-22, Dr Alok Misra - CEO & Director, MFIN said,

“Q1 21-22 saw both portfolio and disbursements rise on a YoY basis, though muted in comparison to Q4 20-21. This growth, despite difficult operating environment due to second wave of COVID-19 shows the ability of the industry to learn quickly and adapt to challenges. The Credit Guarantee Scheme for Micro Finance Institutions with focus on small and medium sized MFIs would ensure growth of MFIs in the short-term as fresh loans need to be disbursed using the funds received under this scheme. In the medium to long-term, the asset-class based regulations proposed in RBI’s consultative document, expected soon, would provide the much-needed impetus to industry to transform for a better future, leveraging on the past experience.”

About Microfinance Institutions Network

MFIN is a premier industry association comprising 58 NBFC-MFIs and 39 Associates including Banks, Small Finance Banks (SFBs) and NBFCs. It is also the Self-Regulatory Organization (SRO) for the regulated NBFC-MFI. By virtue of bringing the NBFC-MFIs under one common umbrella, MFIN acts as a bridge between them and the regulators to build a dialogue for greater transparency, better policy frameworks and stronger client protection standards for responsible lending, thus enabling the microfinance industry to partake in meeting the larger financial inclusion goals.

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