



Microfinance loan portfolio stands at INR 2,43,737 Crores as on September 30, 2021, serving 5.65 crore unique borrowers with 10.52 crore loan accounts: MFIN Micrometer Q2 FY 21-22

Microfinance loan disbursements during Q2 21-22 improved significantly to INR 64,899 crores as compared to same quarter of last financial year (INR 31,261 crores). Similarly, the number of loans disbursed during Q2 21-22 increased to 185 Lakhs from 88 Lakhs in Q2 20-21, signifying progress towards normal operations.

Performance Overview:

Microfinance Universe (based on loans originated after February 2017)

- As on September 30, 2021, the microfinance industry served **5.65** crore unique borrowers, through **10.52** crore loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of **INR 2,43,737** crores.
- GLP as on September 30, 2021, showed an increase of **5.16** per cent YoY over **INR 2,31,778** crores as on September 30, 2020.
- As on 30 September 2021, 13 Banks hold the largest share of portfolio in micro-credit with total loan outstanding of Rs 1,01,209 Cr, which is 41.52% of total micro-credit universe. NBFC-MFIs are second largest provider of micro-credit with a loan amount outstanding of Rs 82,749 Cr, accounting for 33.95% to total industry portfolio. SFBs have a total loan amount outstanding of Rs 40,534 Cr with total share of 16.63%. NBFCs account for another 6.85% and Other MFIs account for 1.05% of the universe.
- The microfinance active loan accounts increased by 0.22% during the past 12 months to 10.52 crores as on September 30, 2021.
- In terms of regional distribution of GLP, East & Northeast and South account for 65% per cent of the total portfolio.

MFIN NBFC-MFIs Members

- GLP of NBFC-MFIs stood at **INR 81,408 crores** as on September 30, 2021, a **15.45 per cent** YoY rise as compared to **INR 70,512 crores** as on September 30, 2020.
- The GLP includes owned portfolio of **INR 71,010 crores** and managed portfolio of **INR 10,398 crores**.
- As on **September 30, 2021**, NBFC-MFIs, on an aggregated basis, have a network of **15,789** branches with **1,31,009** employees.
- Loan amount of **INR 19,672 crores** was disbursed in **Q2 FY 21-22** through **54.26 lakh** accounts, as compared to **INR 8,155 crores** disbursed in **Q2 FY 20-21** through **25.99 Lakh** accounts.
- Average loan amount disbursed per account during **Q2 FY 21-22** was **INR 36,251** which is an increase of around 15.54% in comparison to same quarter of last financial year.
- NBFC-MFIs received a total of **INR 14,389 crores** in debt funding during **Q2 FY 21-22**, which is a **46.86 percent** increase from **Q2 FY 20-21**.
- Total equity of the NBFC-MFIs grew by **12.16 per cent** YoY to **INR 19,139 crores** as on 30 September 2021.

New Delhi, December 15, 2021: Microfinance Institutions Network (MFIN), the microfinance industry association and an RBI recognized self-regulatory organization, today released the 39th issue of its Micrometer report for July to September 2021 i.e. Q2 FY 21-22 quarter.



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

“The microfinance operations seem to be returning towards normalcy after the difficult phase of second wave of the pandemic. The 2nd quarter of FY 21-22 saw growth of portfolio as well as an improvement in portfolio quality. This trend of improvement is expected to continue in the coming quarters. The Credit Guarantee Scheme for MFIs has also had a positive impact on the liquidity situation, particularly of some medium and small MFIs. Moreover, Q2 and part of Q3 20-21 witnessed sizeable equity investments in some top NBFC-MFIs, which reiterates the viability and resilience of microfinance business model. The harmonized microfinance guidelines for all regulated entities, which is expected anytime soon will further boost the sector by providing a level playing field for NBFC-MFIs to operate.”

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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