



Microfinance loan portfolio stands at INR 3,20,584 Crores as on December 31, 2022, serving 6.4 crore unique borrowers with 12.6 crore loan accounts: MFIN Micrometer Q3 FY 22-23

Microfinance loan disbursements during Q3 FY 22-23 improved to INR 77,877 crores as compared to same quarter of last financial year (INR 65,392 crores). 189 Lakh loans were disbursed during Q3 FY 22-23 as against 165 Lakhs in Q3 FY 21-22, indicating higher ticket size of new loans.

Performance Overview:

Microfinance Universe (based on loans originated after February 2017)

- As on December 31, 2022, the microfinance industry served **6.4** crore unique borrowers, through **12.6** crore loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of **INR 3,20,584** crores.
- GLP as on December 31, 2022, showed an increase of **25.2** per cent YoY over **INR 2,56,058** crores as on December 31, 2021.
- **83 NBFC-MFIs** are the largest provider of micro-credit with a loan amount outstanding of **Rs 1,23,386 Cr**, accounting for **38.5%** to total industry portfolio. **13 Banks** hold the second largest share of portfolio in micro-credit with total loan outstanding of **Rs 1,14,546 Cr**, which is **35.7%** of total micro-credit universe. **SFBs** have a total loan amount outstanding of **Rs 52,192 Cr** with total share of **16.3%**. NBFCs account for another **8.5%** and Other MFIs account for **1.0%** of the universe.
- The microfinance active loan accounts increased by **18.6%** during the past 12 months to **12.6** crores as on December 31, 2022.
- In terms of regional distribution of GLP, East & Northeast and South account for **63%** per cent of the total portfolio. Bihar is the largest state in terms of portfolio outstanding followed by Tamil Nadu and West Bengal.

MFIN NBFC-MFIs Members

- GLP of NBFC-MFIs stood at **INR 1,14,969** crores as on December 31, 2022, a **34.9 percent** YoY rise as compared to **INR 85,264** crores as on December 31, 2021.
- The GLP includes owned portfolio of **INR 95,646** crores and managed portfolio of **INR 19,323** crores.
- As on **December 31, 2022**, NBFC-MFIs, on an aggregated basis, have a network of **18,455** branches with **1,57,737** employees.
- Loan amount of **INR 33,786** crores was disbursed in **Q3 FY 22-23** through **79.1 Lakh** accounts, as compared to **INR 22,884** crores disbursed in **Q3 FY 21-22** through **61.7 Lakh** accounts.
- Average loan amount disbursed per account during Q3 FY 22-23 was **Rs 42,687** which is an increase of around **15.1%** in comparison to same quarter of last financial year.
- During Q3 FY 22-23, NBFC-MFIs received a total of **Rs 15,951 Cr** in debt funding, which is **22.5%** higher than Q3 FY 21-22.
- Total equity of the NBFC-MFIs grew by **28.6 per cent** YoY to **INR 24,897** crores as on 31 December 2022.

New Delhi, March 16, 2023: Microfinance Institutions Network (MFIN), the microfinance industry association and an RBI recognized self-regulatory organization, today released the 44th issue of its Micrometer report for financial year ending December 31, 2022 i.e., Q3 FY 22-23 quarter.



Speaking on the 44th Issue of Micrometer for Q3 FY 22-23, Dr Alok Misra - CEO & Director, MFIN said,

In Q3 FY 22-23 microfinance industry reached INR 3,20,584 Cr - a growth of 25.2% on a YoY basis. By end of this quarter, NBFC-MFIs have emerged as the largest provider of microfinance services followed by Banks, who were the largest providers until the last quarter. It is an encouraging sign that all regulated entities have registered healthy growth on a YoY basis during Q3 FY 22-23. Further, Bihar has emerged as the state with largest microfinance portfolio. Increasing outreach of microfinance in states like Bihar and Uttar Pradesh should be seen as an endeavour of REs to provide access to finance in under-reached markets with high potential demand.

The regulatory & policy environment remains conducive and the momentum which the industry has gained over the past one year is favourable. The Udyam Assist Platform of SIDBI will provide further boost to the sector by mainstreaming of informal micro-enterprises that are supported & financed by MFIs.