



Microfinance loan portfolio stands at INR 2,59,377 Crore as on March 31, 2021: MFIN Micrometer Q4 FY 20-21

MFI Industry serves 5.93 crore unique borrowers with 10.83 crore loan accounts

Microfinance loan disbursements during Q4 20-21 jumped 53.8 per cent to INR 91,516 crores as compared to previous quarter (INR 59,508 crores). Similarly the number of loans disbursed during Q4 20-21 increased to 2.30 crores from 1.79 crores in Q3 20-21, signifying steady progress towards normalcy.

Performance Overview:

Microfinance Universe based loans originated after February 2017

- As on March 31, 2021, the microfinance industry served **5.93** crore unique borrowers, through **10.83** crore loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of **INR 2,59,377** crores.
- This is on the back of healthy addition of 4 lakh unique borrowers during the pandemic-struck 12 months for the period ending March 2021.
- Gross loan portfolio (GLP) as on March 31, 2021, showed an increase of **11.90** per cent YoY over **INR 2,31,787** crores as on March 31, 2020
- **13 Banks** hold the largest share of the portfolio in micro-credit with a total loan outstanding of **INR 1,13,271 crores**, which is **43.67 per cent** of total micro-credit universe. NBFC-MFIs are the second largest provider of micro-credit with a loan amount outstanding of **INR 80,549** crores, accounting for **31.05 per cent** to total industry portfolio. SFBs have a total loan amount outstanding of **INR 41,170** crores with a total share of **15.87 per cent**. NBFCs account for another **8.36 per cent**, and other MFIs account for **1.05 per cent** of the Universe.
- The microfinance active loan accounts increased by 0.3 crore during the past 12 months to 10.83 crores as on March 31, 2021.
- In terms of regional distribution of GLP, East & North East and South accounts for 66% per cent of the total portfolio.

MFIN NBFC-MFIs Members

- GLP of NBFC-MFIs stood at **INR 81,475 crores** as on March 31, 2021, a **11.0 per cent** YoY rise as compared to **INR 73,412 crores** as on March 31, 2020 and by **9.7 per cent** in comparison to **INR 74,272 crores** as on December 31, 2020
- The GLP of Rs 81,475 crores includes owned portfolio of **INR 68,894 crores** and managed portfolio of **INR 12,581 crores**.
- As on **March 31, 2021**, NBFC-MFIs, on an aggregated basis, have a network of **14,673** branches with **1,19,634** employees.
- Loan amount of **INR 57,891 crores** was disbursed in **FY 20-21** through **1.70 crore** accounts, as compared to **INR 76,956 crores** disbursed in **FY 19-20** through **2.78 crore Lakh** accounts.
- Average loan amount disbursed per account during FY 20-21 was Rs 35,726 which is an increase of around 20.0% in comparison to last financial year.
- NBFC-MFIs received a total of **INR 40,797 crores** in debt funding during FY 20-21, which is **9.2 per cent** higher than FY 19-20.
- Total equity of the NBFC-MFIs grew by **15.0 per cent** to **INR 18,663 crores** as on 31 March 2021.



New Delhi, June 29, 2021: Microfinance Institutions Network (MFIN), the microfinance industry association and an RBI recognized self-regulatory organization, today released the 37th issue of its Micrometer report for January to March 2021 i.e. Q4 FY 2020-21 quarter.

Speaking on the Annual Issue of Micrometer for 2020-21, Dr Alok Misra - CEO & Director, MFIN said, *“The resilience of the MFI Industry has been tested yet again, and the progress shown in Q4 FY 20-21 is a testimony to its ability to bounce back. The industry was able to cover up well for the standstill in operations in the first two quarters of FY 20-21, thereby showing an overall growth in portfolio and first time borrowers during the year. Going forward, RBI’s consultative document on regulation of microfinance would bring a paradigm shift in how microfinance is implemented by restoring parity among various types of lenders. Further, proactive measures by RBI through its resolution framework and pushing liquidity through targeted schemes along with Honorable Finance Minister’s latest announcement on credit guarantee scheme on term loans to MFIs, provides renewed impetus to the sector’s recovery and its contribution towards financial inclusion.”*

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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