



**Microfinance loan portfolio stands at INR 2,85,441 Crores as on March 31, 2022, serving 5.8 crore unique borrowers with 11.3 crore loan accounts: MFIN Micrometer Q4 FY 21-22**

**Microfinance loan disbursements during FY 21-22 improved significantly to INR 2,39,433 crores as compared to last financial year (INR 1,88,471 crores). The number of loans disbursed also saw an increase during FY 21-22 to 6.3 Cr from 5.2 Cr in FY 20-21, indicating continued growth of microfinance portfolio.**

#### **Performance Overview:**

##### **Microfinance Universe (based on loans originated after February 2017)**

- As on March 31, 2022, the microfinance industry served **5.8** crore unique borrowers, through **11.3** crore loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of **INR 2,85,441** crores.
- GLP as on March 31, 2022, showed an increase of **10.0** per cent YoY over **INR 2,59,377** crores as on March 31, 2021.
- **12 Banks** hold the largest share of portfolio in micro-credit with total loan outstanding of **Rs 1,14,051 Cr**, which is **40.0%** of total micro-credit universe. **NBFC-MFIs** are second largest provider of micro-credit with a loan amount outstanding of **Rs 1,00,407 Cr**, accounting for **35.2%** to total industry portfolio. **SFBs** have a total loan amount outstanding of **Rs 48,314 Cr** with total share of **16.9%**. NBFCs account for another **6.9%** and Other MFIs account for **1.0%** of the universe.
- The microfinance active loan accounts increased by 4.4% during the past 12 months to 11.3 crores as on March 31, 2022.
- In terms of regional distribution of GLP, East & Northeast and South account for 64.3% per cent of the total portfolio. Tamil Nadu has become the largest state in terms of portfolio outstanding followed by Bihar and West Bengal.

##### **MFIN NBFC-MFIs Members**

- GLP of NBFC-MFIs stood at **INR 96,561 crores** as on March 31, 2022, a **19.4 percent** YoY rise as compared to **INR 80,906 crores** as on March 31, 2021.
- The GLP includes owned portfolio of **INR 82,458 crores** and managed portfolio of **INR 14,104 crores**.
- As on **March 31, 2022**, NBFC-MFIs, on an aggregated basis, have a network of **16,890** branches with **1,42,811** employees.
- Loan amount of **INR 83,354 crores** was disbursed in **FY 21-22** through **2.3 Cr** accounts, as compared to **INR 57,524 crores** disbursed in **FY 20-21** through **1.7 Cr** accounts.
- Average loan amount disbursed per account during **FY 21-22** was **INR 37,020** which is an increase of around 8.5% in comparison to average loan amount disbursed per account in last financial year.
- NBFC-MFIs received a total of **INR 47,931 crores** in debt funding during **FY 21-22**, which is an **18.1 percent** increase from **FY 20-21**.
- Total equity of the NBFC-MFIs grew by **15.2 per cent** YoY to **INR 21,419 crores** as on 31 March 2022.

**New Delhi, June 15, 2022:** Microfinance Institutions Network (MFIN), the microfinance industry association and an RBI recognized self-regulatory organization, today released the 41<sup>st</sup> issue of its Micrometer report for financial year ending March 31, 2022 i.e., Q4 FY 21-22 quarter.



**Speaking on the 41<sup>st</sup> Issue of Micrometer for FY 21-22, Dr Alok Misra - CEO & Director, MFIN said,**

“The microfinance industry has shown good progress during Q4 FY 21-22 building on the momentum created in Q3. The portfolio quality has improved significantly as compared to end of Q1 FY 21-22, when the 2<sup>nd</sup> wave of COVID had caused widespread stress across all parts of the country.

Some deviation from the past trends were observed during the FY 21-22: (i) Proportion of NBFC-MFI portfolio in universe portfolio increased by 4.1% to 35.2% as on March 31, 2022, though banks continue to be the main contributors (ii) Geographical distribution of portfolio has also witnessed a change with decrease in share of East and Northeast by 3.3% while share of South and North regions have increased by 1.3% each and (iii) Tamil Nadu is now the largest state in terms of portfolio outstanding, followed by Bihar, displacing West Bengal to the third spot.

The announcement of harmonized regulations for microfinance, near normalisation of collection efficiency and recent verdict of Supreme Court clearly stating that NBFC regulation is the sole purview of the RBI are hugely positive trends, which will see good growth in 22-23.”