



Microfinance loan portfolio stands at INR 3,48,339 Crores as on March 31, 2023, serving 6.6 crore unique borrowers with 13.0 crore loan accounts: MFIN Micrometer Q4 FY 22-23

Microfinance loan disbursements during FY 22-23 improved to INR 2,96,423 crores as compared to last financial year (INR 2,39,433 crores). 7.17 Cr loans were disbursed during FY 22-23 as against 6.30 Cr in FY 21-22, indicating higher ticket size of new loans.

Performance Overview:

Microfinance Universe (based on loans originated after February 2017)

- As on March 31, 2023, the microfinance industry served **6.6** crore unique borrowers, through **13.0** crore loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of **INR 3,48,339** crores.
- GLP as on March 31, 2023, showed an increase of **22.0** per cent YoY over **INR 2,85,441** crores as on March 31, 2022.
- **82 NBFC-MFIs** are the largest provider of micro-credit with a loan amount outstanding of **Rs 1,38,310 Cr**, accounting for **39.7%** to total industry portfolio. **13 Banks** hold the second largest share of portfolio in micro-credit with total loan outstanding of **Rs 1,19,133 Cr**, which is **34.2%** of total micro-credit universe. **SFBs** have a total loan amount outstanding of **Rs 57,828 Cr** with total share of **16.6%**. NBFCs account for another **8.5%** and Other MFIs account for **1.0%** of the universe.
- The microfinance active loan accounts increased by **14.6%** during the past 12 months to **13.0** crores as on March 31, 2023.
- 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 Uttar Pradesh.

MFIN NBFC-MFIs Members

- AUM of NBFC-MFIs stood at **INR 1,31,163 crores** as on March 31, 2023, a **38.7 percent** YoY rise as compared to **INR 94,570 crores** as on March 31, 2022.
- The AUM includes owned portfolio **INR 1,07,232 Cr** and managed portfolio (off BS) of **INR 23,931 Cr**.
- As on **March 31, 2023**, NBFC-MFIs, on an aggregated basis, have a network of **18,739** branches with **1,61,010** employees.
- Loan amount of **INR 1,30,563 crores** was disbursed in **FY 22-23** through **3.1 Cr** accounts, as compared to **INR 81,936 crores** disbursed in **FY 21-22** through **2.2 Cr** accounts.
- Average loan amount disbursed per account during FY 22-23 was **Rs 42,010** which is an increase of around **12.9%** in comparison to the last financial year.
- During FY 22-23, NBFC-MFIs received a total of **Rs 74,787 Cr** in debt funding, which is **59.2%** higher than FY 21-22.
- Total equity of the NBFC-MFIs grew by **25.4 per cent** YoY to **INR 26,332 crores** as on 31 March 2023.

New Delhi, June 13, 2023: Microfinance Institutions Network (MFIN), the microfinance industry association and an RBI recognized self-regulatory organization, today released the 45th issue of its Micrometer report for financial year ending March 31, 2023 i.e., Q4 FY 22-23.



Speaking on the 45th Issue of Micrometer for Q4 FY 22-23, Mr Devesh Sachdev, Chairperson - MFIN said,

“Microfinance industry reached INR 3,48,339 Cr at the end of FY 22-23 with a YoY growth of 22.0%. During FY 22-23 **NBFC-MFIs** emerged as the **largest provider** of Microfinance in India with their share increasing to 39.7% at the end of FY 22-23 from 35.2%. Share of East and North East fell continuously over the last FY, reaching 34.9% from 37.7% as on March 31, 2022. South and North region gained more than 1% each. Bihar has emerged as the largest state in terms of portfolio outstanding replacing Tamil Nadu. New loans disbursed after COVID have performed much better than loans originated before COVID, as shown by sharp decline in PAR 1-60 days bucket from 4.25% on March 31, 2022, to 1.57% on March 31, 2023.

March 31, 2023 marks the completion of first year of Regulatory Framework for Microfinance loans, 2022 - issued by RBI. This was a significant change, and the industry has reacted positively, as evidenced by the increase in portfolio size and quality.”