

## **Microfinance universe grows by over 50% YoY: 27<sup>th</sup> Issue of MFIN Micrometer**

**New Delhi, 03 December, 2018:** The entire microfinance industry witnessed a growth of 51% YoY in Q2 FY2018-2019 with total Gross Loan Portfolio (GLP) standing at Rs 1,46,741 crore according to 27th edition of Micrometer report by Microfinance Institutions Network (MFIN) as on 30<sup>th</sup> September, 2018. Non-Banking Finance Company-Microfinance Institutions (NBFC-MFIs) have grown by 50% YoY in Q2 FY2018-2019 with GLP of Rs 54,018 crore as on 30th September 2018. While the total number of active microfinance accounts for the overall industry were at 7.77 crore in Q2 FY2018-2019 with a growth of 27%, NBFC-MFIs witnessed a growth of 32.9% in active loan accounts with 3.43 crore accounts in the same period. The portfolio quality of the entire microfinance industry has also significantly improved during this period as depicted by PAR (Portfolio At Risk) >30 of 0.99% as on 30 September 2018. PAR>30 for NBFC-MFIs has also decreased from 2.87% as on September 2017 to 1.01% as on September 2018.

Speaking on the performance of the industry in the last quarter, **Harsh Shrivastava, CEO, MFIN** said, “We have seen a healthy improvement in the quality of the portfolio since last one year which is a very encouraging sign for the industry. The growth for overall industry including NBFC-MFIs has shown a good pace which we expect will be maintained in the coming quarters too. We continue to see robust investors’ confidence especially in the NBFC-MFIs segment which is due to sustained credit discipline in the sector.”

Taking into account data for only MFIN’s members, the 48 NBFC-MFIs disbursed Rs 21,001 crore of loans to 84 lakh accounts in Q2 FY2018-2019. In terms of regional distribution of portfolio (GLP), East and North East accounts for 36% of the total NBFC-MFI portfolio, South 26%, North 15%, West 15% and Central contributes 8%. Karnataka, Odisha, Bihar, Tamil Nadu and Maharashtra are the five top states in terms of GLP, accounting for 52% of total loan portfolio of NBFC-MFI segment. Looking at the geographic categorization, 70% of the portfolio for NBFC-MFIs is rural and 30% is urban.

In the microfinance universe, NBFC-MFIs’ share stands at 37% , Banks contribute 33%, Small Finance Banks have 17% share whereas NBFCs’ share is 12% and Non-profit MFIs account for 1%.

### **About Microfinance Institutions Network**

Microfinance Institutions Network (MFIN) is the premier industry association and Self-Regulatory Organisation (SRO) for the microfinance industry in India and its current membership/associates consists of 48 leading NBFC (Non-banking Financial Company) Microfinance Institutions (MFIs) in the



country. MFIN seeks to work closely with regulators and other key stakeholders to achieve larger financial inclusions goals through microfinance.

**For further information, please contact:**

**Pooja Chauhan**

9971627588

[pchauhan@perfectrelations.com](mailto:pchauhan@perfectrelations.com)

**Shubhra Rai**

8505971763

[shubhra.raai@perfectrelations.com](mailto:shubhra.raai@perfectrelations.com)