



Microfinance loan portfolio stands at INR 3,00,974 Crores as on September 30, 2022, serving 6.2 crore unique borrowers with 12.0 crore loan accounts: MFIN Micrometer Q2 FY 22-23

- *Microfinance loan disbursements during Q2 FY 22-23 improved to INR 71,916 Crore as compared to same quarter of last financial year (INR 64,899 Crore) and 181 Lakh loans were disbursed during Q2 FY 22-23 as against 185 Lakh in Q2 FY 21-22*

Performance Overview:

Microfinance Universe (based on loans originated after February 2017)

- As on June 30, 2022, the microfinance industry served **6.2 crore** unique borrowers, through **12.0 crore** loan accounts. The overall microfinance industry currently has a total Gross Loan Portfolio (GLP) of **INR 3,00,974 Cr.**
- GLP as on September 30, 2022, showed an increase of **23.5 per cent** YoY over **INR 2,43,737 Cr** as on September 30, 2021.
- **13 Banks** hold the largest share of portfolio in micro-credit with total loan outstanding of **Rs 1,13,565 Cr**, which is **37.7%** of total micro-credit universe. **NBFC-MFIs** are second largest provider of micro-credit with a loan amount outstanding of **Rs 1,10,418 Cr**, accounting for **36.7%** to total industry portfolio. **SFBs** have a total loan amount outstanding of **Rs 50,029 Cr** with total share of **16.6%**. NBFCs account for another **7.9%** and Other MFIs account for **1.1%** of the universe.
- The microfinance active loan accounts increased by **14.2%** during the past 12 months to **12.0 crores** as on September 30, 2022.
- In terms of regional distribution of GLP, East & Northeast and South account for **63.9%** per cent of the total portfolio. Tamil Nadu is 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 1,05,848 Cr** as on September 30, 2022, a **31.0 percent** YoY rise as compared to **INR 80,797 Cr** as on September 30, 2021.
- The GLP includes owned portfolio of **INR 88,730 Cr** and managed portfolio of **INR 17,119 Cr.**
- As on **September 30, 2022**, NBFC-MFIs, on an aggregated basis, have a network of **18,271** branches with **1,51,277** employees.
- Loan amount of **INR 30,589 Cr** was disbursed in **Q2 FY 22-23** through **75.4 Lk** accounts, as compared to **INR 20,328 Cr** disbursed in **Q2 FY 21-22** through **56.1 Lk** accounts.
- Average loan amount disbursed per account during **Q2 FY 22-23** was **INR 40,571** which is an increase of around **12.0%** in comparison to average loan amount disbursed per account in same quarter of last financial year.
- NBFC-MFIs received a total of **INR 17,598 Cr** in debt funding during **Q2 FY 22-23**, which is **24.3%** higher than the debt received during **Q2 FY 21-22**.
- Total equity of the NBFC-MFIs grew by **20.6 per cent** YoY to **INR 23,017 Cr** as on 30 September 2022.

New Delhi, December 16, 2022: Microfinance Institutions Network (MFIN), the microfinance industry association and an RBI recognized self-regulatory organization, today released the 43rd issue of its Micrometer report for quarter ending September 30, 2022 i.e., Q2 FY 22-23 quarter.

Speaking on the 43rd Issue of Micrometer for Q2 FY 22-23, Dr Alok Misra - CEO & Director, MFIN said,



“In Q2 FY 22-23 microfinance industry touched INR 3,00,974 Lk Cr mark of portfolio outstanding. NBFC-MFIs have also collectively crossed the INR 1 Lk Cr mark, though banks still have the majority share in microfinance market [banks 37.7%, NBFC-MFIs 36.7%]. The CAGR of the industry in the last five years has been a healthy 22.2% despite two years of disruption due to the pandemic. The growth momentum is expected to pick up further as the estimated credit demand is expected to be INR 17 Lk Cr to INR 20 Lk Cr by 2025. YoY basis the portfolio performance as depicted by PAR>30 days has improved to 14.5% in Sep'22 as compared to 17.1% in Sep'21 and will stabilise as the COVID effect goes away. Portfolio created after COVID is performing much better and enthruses confidence. The regional distribution of microfinance portfolio is also witnessing a change with the share of East and Northeast decreasing to 36.7% in Sep'22 as compared to 42.0% in Mar'19 whereas shares of West (15.2% from 13.5%) and North (13.1% from 10.2%) have increased during the same period.

As the sector regains normal operations, all players have to ensure responsible finance through adherence to Industry Code of Conduct and RBI regulations on household income assessment and debt repayment capacity assessment. Growth with responsibility is the new mantra.”

MFIN (Microfinance Institutions Network): MFIN is a premier industry association comprising 56 NBFC-MFIs and 44 Associates including Banks, Small Finance Banks (SFBs) and NBFCs. By virtue of bringing all microfinance entities 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.

For more information, please contact:

Smita Agarwal | smita.agarwal@kaizencomm.com | 7767036889
Divya Bhatia | divya.bhatia@kaizencomm.com | 9654677707