

The MicroScape

FY 2019 - 2020

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Preface & Acknowledgements

MFIN

Microfinance Institutions Network (MFIN) is an association of Non-Bank Finance Company Micro Finance Institutions (NBFC-MFIs). Currently the association has 58 members, diverse in size and geographic spread, representing over 76% of the microfinance operations of NBFC-MFIs and around 32% of the microfinance industry in India, excluding SHGs [Micrometer Q4 2019-20]. MFIN works closely with regulators and other key stakeholders to achieve larger financial inclusion goals through microfinance.

MFIN was established in October 2009 as the primary representative body of the NBFCs engaged in microfinance. Since its establishment, MFIN has spearheaded a range of initiatives that help meet the diverse and challenging needs of a rapidly evolving industry. It has been at the forefront of transformative work for the microfinance industry in area of policy advocacy and market development (business conduct, infrastructure, information/analysis, and best practices among others).

Knowledge and information based on relevant, accurate and timely data are edifice of MFIN's work in three core areas of Self-regulation, Advocacy and Development. Over the years, MFIN has taken a series of steps to contribute to enhanced body of information to guide market practices and support policy discourse. The MicroScape, our annual publication, is one critical product to support our efforts to bring greater transparency and accountability to the industry.

MicroScape

This is the eighth edition of the MicroScape, that offers a comprehensive operational and financial benchmark for the NBFC-MFIs in a given financial year. Analysis presented in the MicroScape is based on operational data and Audited Financial Statements collected from the of MFIN member MFIs (NBFC-MFIs).

This edition of the MicroScape captures the important operational and financial trends in the industry for the Financial Year (FY) 19-20 and compares key performance indicators with previous four financial years FY 15-16, FY 16-17, FY 17-18 and FY 18-19.

Data and methodology

The analysis is based on the data of 31 NBFC-MFIs for the FY 2019-20. However, there are variations in data sets for other four financial years (FY 15-16, FY 16-17, FY 17-18 and FY 18-19) due to the year of establishment of some MFIs. MFIs have been grouped based on their Gross Loan Portfolio (GLP) at the end of each FY. MFIs with GLP < Rs 100 Cr were categorized as small, GLP > Rs 100-500 Cr as medium and GLP > Rs 500 Cr. as large. Complete list of MFIs under different **peer groups** in each FY is provided in the **Annexure 1** and a high-level number of institutions included for analysis are as below.

FY	All	Small	Medium	Large
2015-16	23	3	11	9
2016-17	27	5	12	10
2017-18	29	5	9	15
2018-19	35	8	10	17
2019-20	31	6	9	16

Data and ratios used for operational analysis is taken from Annual Data Collection Tool (ADCT) sent by MFIs and thus is self-reported data. Financial analysis is based on the Audited Financial Statements of MFIs for the FYs 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20. The approach adopted for analysis is highlighted below

- Benchmarks at the beginning of all chapters are presented both on the basis of Weighted Average as well as Simple Average.
- Graphs and charts presented under various parameters are based on Weighted Average. All data points and analysis presented in this report pertains to MFIN member NBFC-MFIs that shared data.
- Treatment of the financial statements is based on IFRS Standards.
- CGAP standard definitions and formulae are used for all analysis. Definitions and ratio used in the publication is provided in **Annexure 2**

MFIN is grateful to its Members for their unflinching support and cooperation in providing very detailed and rich data in an accurate manner.

Advocacy and Development Team
Microfinance Institutions Network

Benchmarks
[FY 2019-20 & as on 31 March 2020]

Weighted average*

Outreach	All	Small	Medium	Large
Av. GLP/MFI (Rs Cr)	1,845	71	325	3,365
Av. loan O/s/account (Rs)	18,636	18,872	19,346	18,597
Av. loan disb./MFI (Rs Cr)	1,884	89	389	3,397
Av. loan disb./account (Rs)	19,027	23,847	23,151	18,774
Operational efficiency				
Borrowers per loan officer	449.15	208.58	299.32	469.73
GLP per loan officer (Rs Lk.)	104.94	39.56	59.19	111.04
Borrowers per branch	2,411	742	1,488	2,571
GLP per branch (Rs Cr.)	3.93	1.41	2.94	6.08
Loan officers per branch	5.37	3.56	4.97	5.47
Loan officers to total staff	62.04%	58.88%	64.02%	61.92%
Operating Expense Ratio	6.28%	14.03%	9.01%	6.07%
Personnel Expense Ratio	4.30%	9.91%	6.33%	4.15%
Admin & other Expense Ratio	1.75%	3.72%	2.28%	1.71%
Depreciation & Amortisation Expense Ratio	0.23%	0.40%	0.40%	0.22%
Financial Cost Ratio	11.35%	0.00%	0.00%	0.00%
Cost per borrower (Rs)	1,299	2,115	1,617	1,271
Financial performance				
Loan portfolio to total assets	75.93%	77.11%	80.32%	75.72%
Borrowings to total assets	71.38%	63.08%	75.44%	71.25%
LLR to total assets	1.68%	0.84%	0.72%	1.73%
Equity to total assets	19.96%	32.38%	20.24%	19.87%
CRAR	28.80%	43.47%	23.19%	26.12%
Debt to Equity ratio	4.01	2.09	3.94	4.03
Return on Assets	2.69%	-1.51%	1.96%	2.76%
Return on Equity	12.70%	-5.06%	10.07%	12.97%
Av. Liquid Assets to Av. Total Assets	12.44%	6.60%	7.19%	12.75%
Yield on portfolio	22.15%	23.28%	24.22%	22.04%
OSS	114.57%	94.31%	108.76%	115.10%
Other income to total income	6.53%	6.69%	4.78%	6.63%
PAR >30	2.79%	0.64%	1.45%	2.87%
PAR >90	1.87%	0.50%	0.80%	1.94%
PAR >180	0.96%	0.34%	0.44%	1.00%
Gross NPA	1.78%	0.27%	0.50%	1.86%
Net NPA	0.04%	-0.44%	-0.15%	0.05%
Risk coverage ratio	0.63	1.10	0.45	0.63

***Weighted average:** Ratio calculated as a whole for each cohort (All, Small, Medium and Large) and is not an average of individual ratios.

Benchmarks
[FY 2019-20 & as on 31 March 2020]

Simple average

Outreach	All	Small	Medium	Large
Av. GLP/MFI (Rs Cr)	1,845	71	325	3,365
Av. loan O/s/account (Rs)	19,236	18,948	19,077	19,432
Av. loan disb./MFI (Rs Cr)	1,884	89	389	3,397
Av. loan disb./account (Rs)	30,023	29,145	31,449	29,550
Operational efficiency				
Borrowers per loan officer	392.26	237.86	355.05	471.10
GLP per loan officer (Rs Lk.)	82.59	46.51	67.55	104.59
Borrowers per branch	1,945	961	1,733	2,434
GLP per branch (Rs Cr.)	4.19	1.85	3.33	5.55
Loan officers per branch	5.04	4.17	5.02	5.39
Loan officers to total staff	60.67%	56.48%	63.26%	60.78%
Operating Expense Ratio	8.87%	14.36%	9.07%	6.70%
Personnel Expense Ratio	6.21%	10.08%	6.48%	4.60%
Admin & other Expense Ratio	2.37%	3.88%	2.26%	1.87%
Depreciation & Amortisation Expense Ratio	0.29%	0.40%	0.33%	0.23%
Financial Cost Ratio	12.93%	10.79%	14.52%	12.85%
Cost per borrower (Rs)	1,557	2,159	1,604	1,304
Financial performance				
Loan portfolio to total assets	77.01%	76.51%	80.31%	75.33%
Borrowings to total assets	70.31%	60.21%	74.69%	71.64%
LLR to total assets	1.35%	0.84%	0.84%	1.82%
Equity to total assets	21.94%	34.71%	20.21%	18.12%
CRAR	28.80%	43.47%	23.19%	26.12%
Debt to Equity ratio	4.08	2.23	4.13	4.75
Return on Assets	2.01%	1.58%	1.79%	2.26%
Return on Equity	1.81%	-37.53%	9.34%	12.34%
Av. Liquid Assets to Av. Total Assets	10.03%	5.39%	7.19%	13.08%
Yield on portfolio	23.31%	22.77%	24.34%	22.94%
OSS	108.49%	97.13%	108.35%	112.83%
Other income to total income	6.09%	7.59%	4.94%	6.17%
PAR >30	1.94%	0.80%	1.40%	2.67%
PAR >90	1.18%	0.63%	0.84%	1.58%
PAR >180	0.63%	0.42%	0.45%	0.81%
Gross NPA	1.35%	3.51%	6.74%	31.53%
Net NPA	-0.43%	-3.16%	-2.60%	-7.58%
Risk coverage ratio	2.30	7.72	1.32	0.81

** Simple average: Average of a ratio calculated for each MFI within each cohort (All, Small, Medium and Large).

Section 1

Outreach Analysis

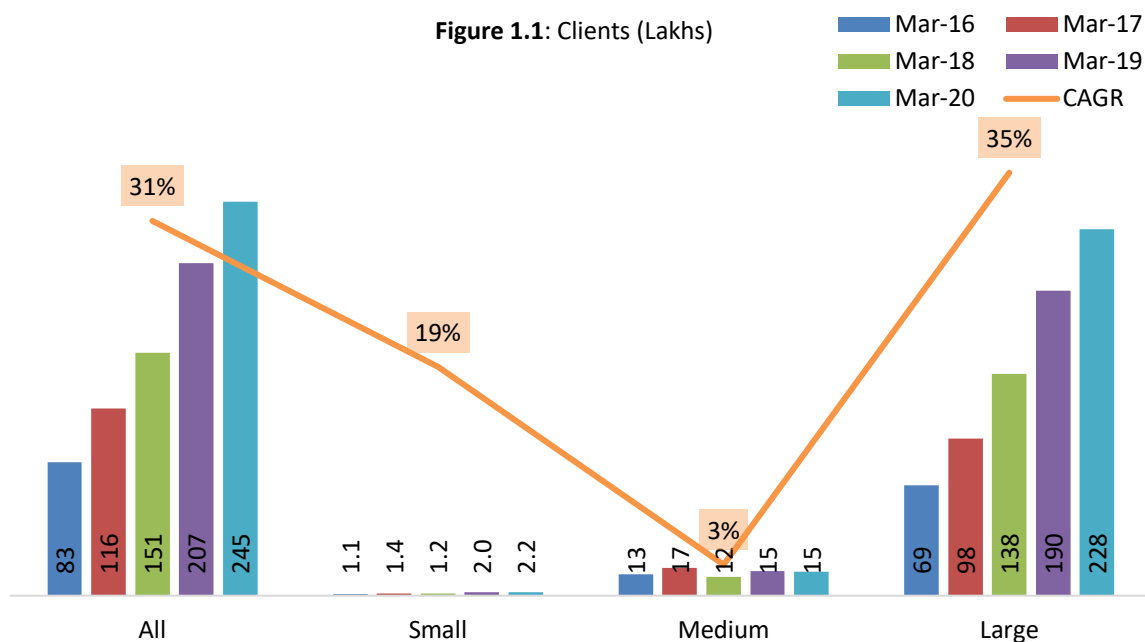
The outreach of the MFIs has been analyzed in terms of growth in the number of clients, branches, employees and portfolio. The table below benchmarks the compound annual growth rate (CAGR) for the small, medium and large MFIs across the four outreach parameters. The average portfolio & loan numbers shown in the table is for FY 2019-20.

CAGR (31-Mar-16 to 31-Mar-20)	All	Small	Medium	Large
Clients	31.06%	18.94%	2.56%	35.04%
Branches	35.57%	64.61%	9.61%	40.45%
Employees	38.08%	43.50%	17.24%	41.29%
GLP	43.07%	24.94%	12.63%	46.59%

	Weighted average				Simple average			
Portfolio & loan (As on 31-Mar-20 and for FY 19-20)	All	Small	Medium	Large	All	Small	Medium	Large
Av. GLP/MFI (Rs Cr)	1,845	71	325	3,365	1,845	71	325	3,365
Av. loan O/s per account (Rs)	18,636	18,872	19,346	18,597	19,236	18,948	19,077	19,432
Av. loan disb./MFI (Rs Cr)	1,884	89	389	3,397	1,884	89	389	3,397
Av. loan disb./account (Rs)	26,812	28,561	30,915	26,569	30,023	29,145	31,449	29,550

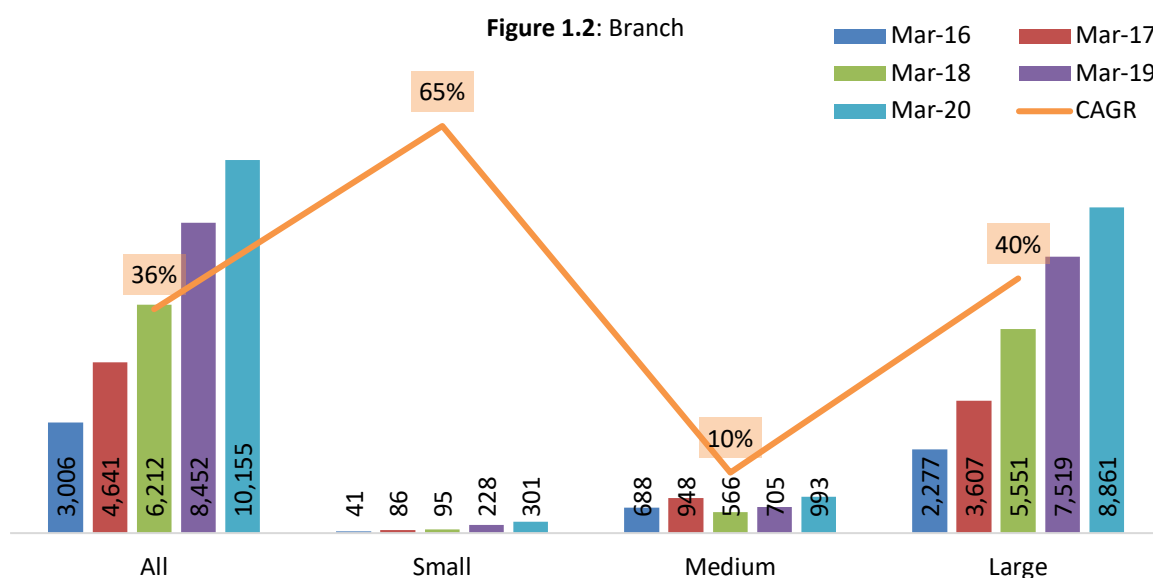
1.1 Clients

NBFC MFIs have been able to maintain a reasonable CAGR of 31% for growth in number of clients over the last five years starting 31-Mar-16 till 31-Mar-20 despite major challenges in the sector. **Figure 1.1** shows contribution to client outreach by various category of MFIs.



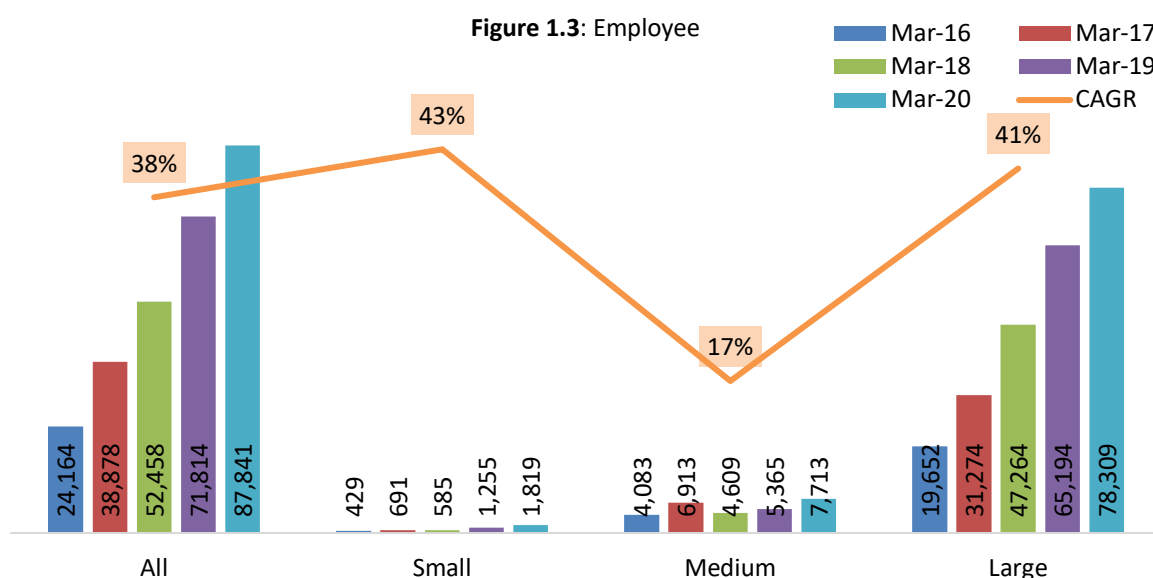
1.2 Branches

The number of branches has grown steadily at a CAGR of 36%. Small (65%) and Large (40%) MFIs have outpaced the Medium (10%) ones in terms of CAGR in branch network. This is due to the lower base of Small MFIs and rapid expansion of their operational areas. The low CAGR of Medium MFIs is not very clear, but it seems that it is because of consolidation of operations after initial growth as small MFIs and start expanding again after they become a large MFI. **Figure 1.2** shows the branch outreach of the NBFC-MFIs.



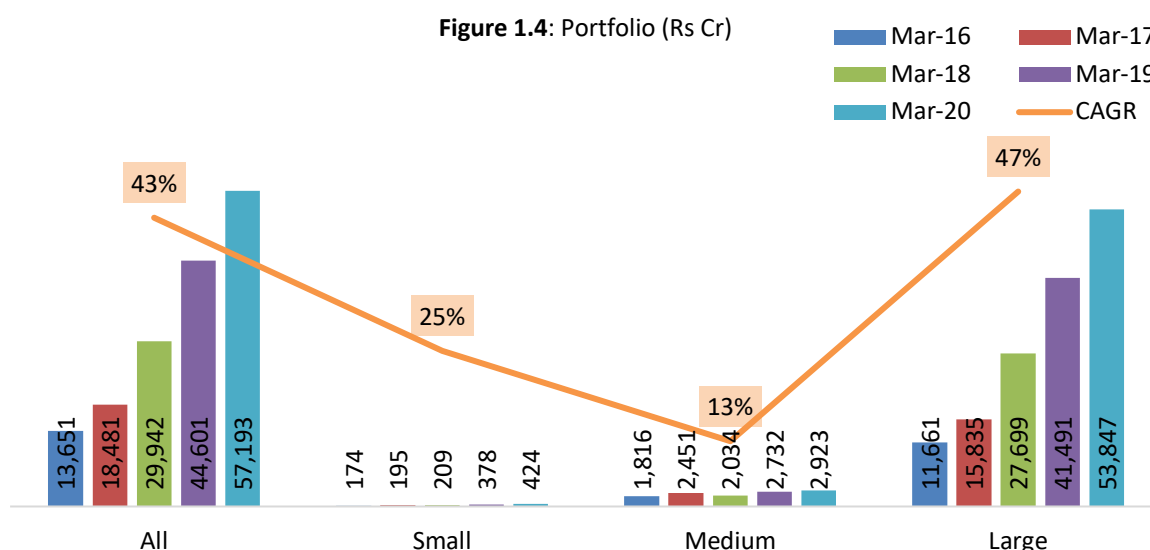
1.3 Employees

Growth in terms of number of branches should mirror the growth in number of employees. As such, CAGR for number of employees of 38% since FY 15-16, is similar to CAGR branches indicating new infrastructure creation. Microfinance being a predominantly feet on street business is shown by the strength of almost 88,000 employees of 31 NBFC MFIs who have reported data for FY 19-20. **Figure 1.3** depicts the employees with various categories of MFIs.

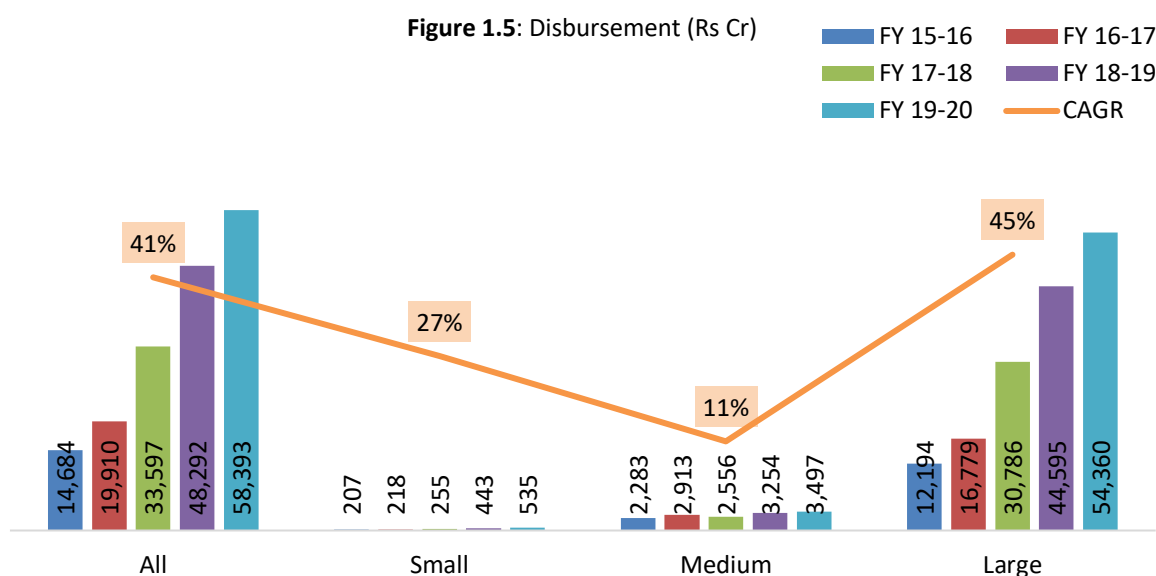


1.4 Portfolio

MFIs have grown at an impressive CAGR of 43% over the last five financial years. This growth is slightly subdued in the smaller entities (Small and Medium ones). Majority of the growth has come from Large entities. This indicates the operational challenge faced by smaller Microfinance institutions in accessing funding in difficult market situations. This issue is even more accentuated for smaller institutions when macroeconomic situation worsens as during demonetization and IL&FS crisis. **Figure 1.4** illustrates outreach of the MFIs in terms of portfolio outstanding with their clients.

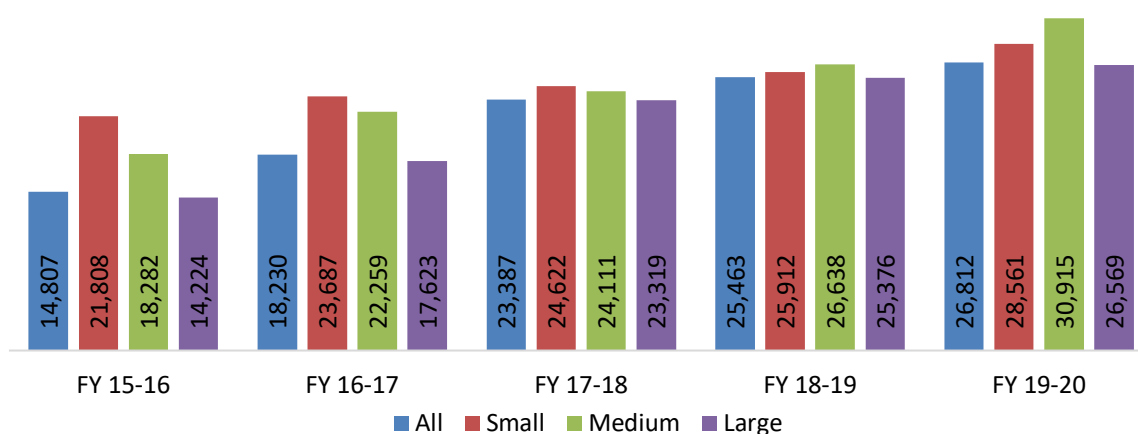


The disbursement pattern is similar to the growth in portfolio with overall CAGR of 41% as shown in **Figure 1.5**. Large MFIs have contributed the maximum to the growth with a CAGR of 45% in disbursement. The small and medium MFIs have recorded a CAGR of 27% and 11% respectively.



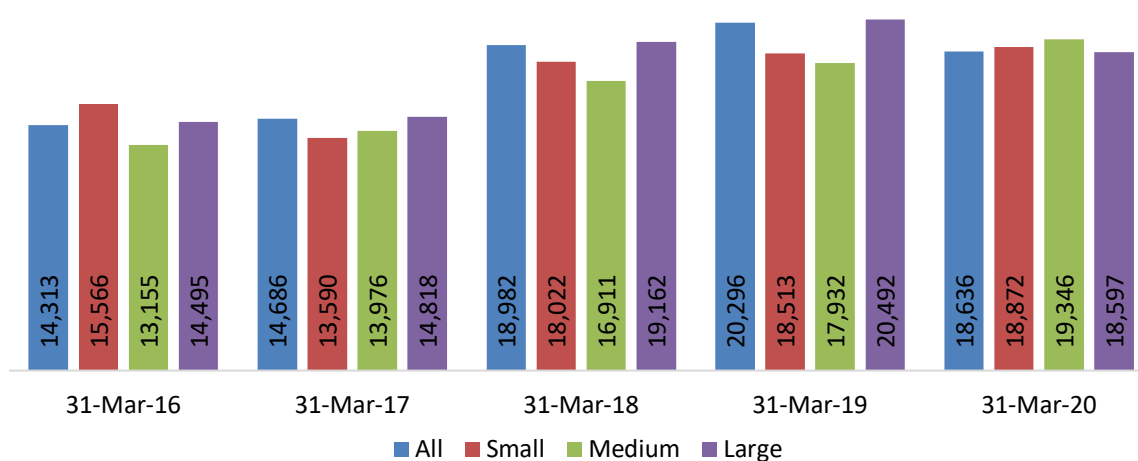
The growth rate of disbursements, when compared with the CAGR of number of clients, indicates that some part of the growth in GLP has been due to addition of new clients while a significant contribution is also due to increased loan size to existing clients, from Rs 14,807 during the FY 2015-16 to Rs 26,812 for the FY 2019-20, as depicted in **Figure 1.6a** below.

Figure 1.6a: Average loan disbursed per account (Rs)



During this period the average loan outstanding also increased from Rs 14,313 as on 31-Mar-16 to 18,597 as on 31-Mar-20, as shown in **Figure 1.6b**.

Figure 1.6b: Average loan outstanding per account (Rs)



Section 2

Operational Efficiency

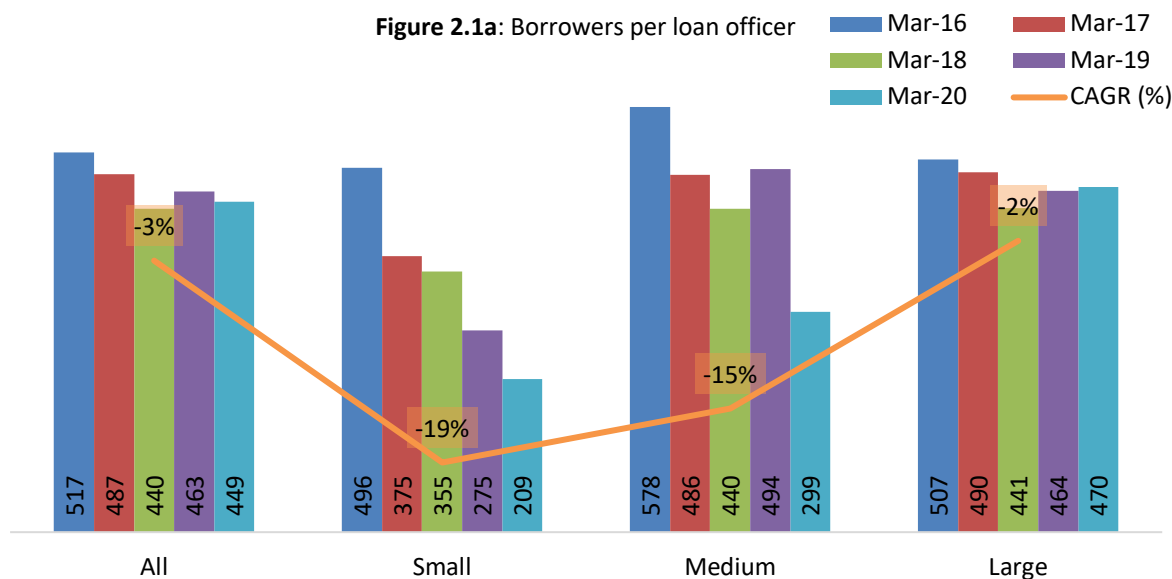
The operational efficiency of an MFI largely depends on staff productivity and its ability to optimize cost of operations. The size of an MFI also defines the level of operational efficiency that can be achieved, as larger MFIs have better economies of scale. The table below benchmarks the key efficiency ratios for various category of MFIs, for the FY 2019-20 and as on 31 March 2020.

	Weighted average				Simple average			
Parameters (FY 19-20)	All	Small	Medium	Large	All	Small	Medium	Large
Borrowers per loan officer	449	209	299	470	392	238	355	471
GLP per loan officer (Rs Lk.)	105	40	59	111	83	47	68	105
Borrowers per branch	2,411	742	1,488	2,571	1,945	961	1,733	2,434
GLP per branch (Rs Cr.)	5.6	1.4	2.9	6.1	4.2	1.9	3.3	5.5
Operating Expense Ratio	6.3%	14.0%	9.0%	6.1%	8.9%	14.4%	9.1%	6.7%
Cost per borrower (Rs)	1,299	2,115	1,617	1,271	1,557	2,159	1,604	1,304

2.1 Staff productivity

a) Borrowers per loan officer

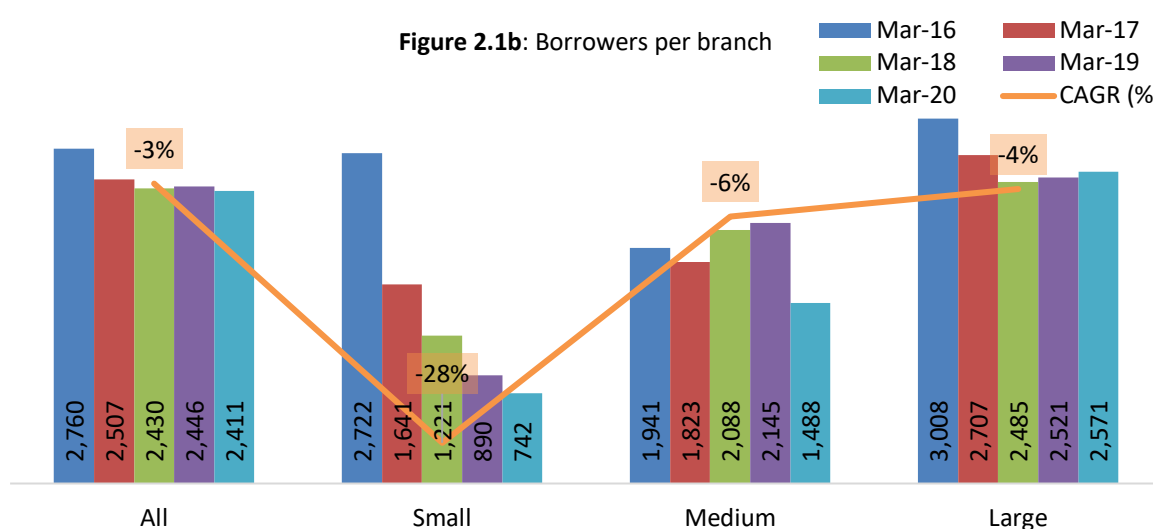
Borrower per loan officer indicates how efficiently the workforce is deployed. However, since Microfinance industry has been under severe pressures due to repeated adverse events, there has been a slight decline of 3% in CAGR borrowers/loan officer over last five FYs. A major impact is seen on the Small and Medium MFIs which have degrown at a CAGR of 19% and 15%. This shows the vulnerability of smaller payers in adverse situations and their ability to hold on to their staff. **Figure 2.1a** illustrates borrowers per loan officer for last five financial years by size of MFIs.



At an overall industry level, the overall pattern emerging suggests that the industry values increasing client connect which is possible when loan officers have lesser number of clients to engage with and as such MFIs have been actively trying to improve the borrowers/loan officer efficiency parameter.

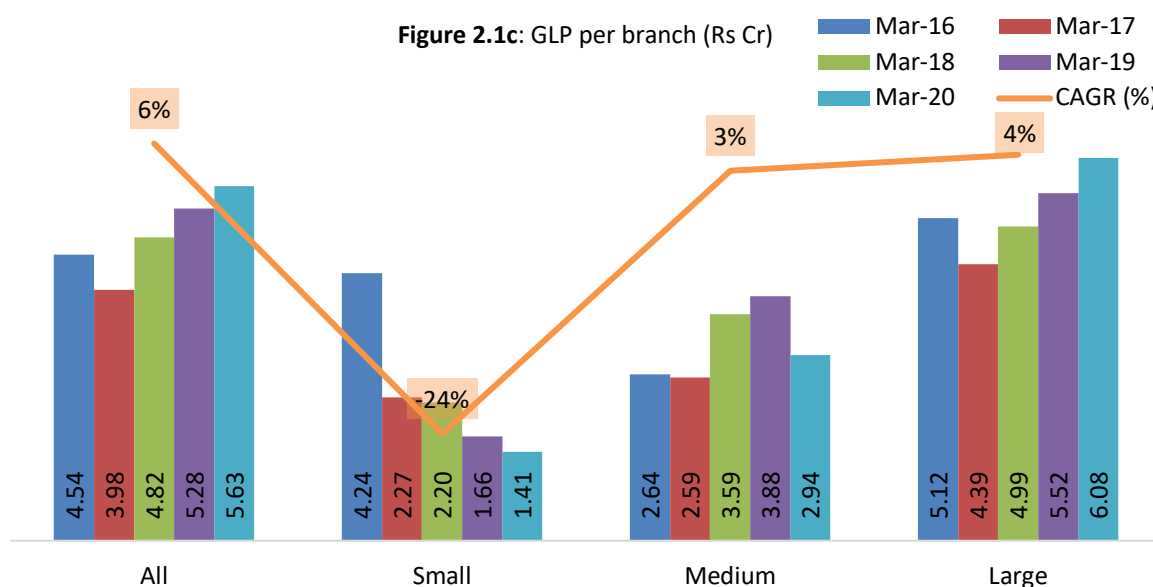
b) Borrowers per branch

After the initial drop in FY 16-17 the borrowers per branch ratio have remained almost stable for the remaining four FYs. As on 31 March 2020 this stands at 2,411 borrowers per branch. The pattern is similar to borrower per loan officer ratio. In contrast to Small and Medium MFIs, Large MFIs have registered a marginal decline in CAGR for last four FYs (4%) and in fact grown in the last two FYs. **Figure 2.1b** illustrates borrowers per branch for last five financial years.



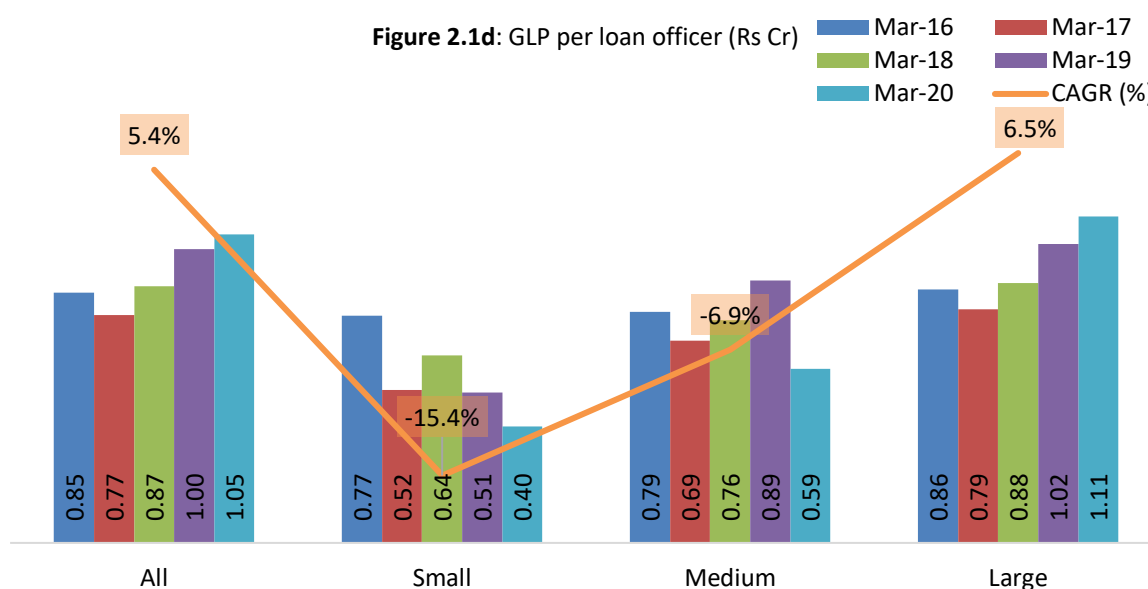
c) GLP per branch

The GLP per branch witnessed a CAGR of around 6% since FY 2015-16 as shown in **Figure 2.1c**. As evident, the increase of GLP per branch can be largely attributed to the increase in loan size per borrower since number of borrowers per branch have declined at a CAGR of 3%. This increase shows the confidence and intent of MFIs to lend higher loans to their client (particularly the good ones) to fulfill their increasing credit needs. This also helps in client retention. However, due to funding crunch and operational challenges, Small MFIs are unable to generate optimum levels of efficiencies.



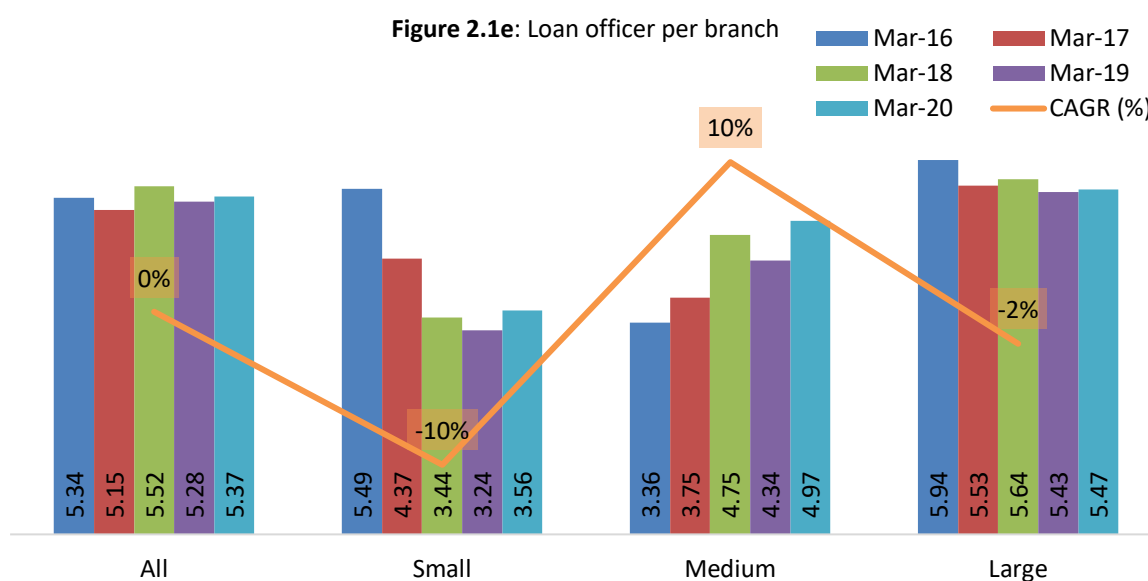
d) GLP per loan officer

With number of clients growing at 31% CAGR and GLP growing at almost 43% CAGR, it is expected that each client would have a higher loan outstanding. Growth in the number of staff has been slightly lesser than the portfolio growth resulting in a 5% CAGR of GLP per loan officer. The growth shows a further improvement in the efficiency of operations. Small MFIs, however, have not been able to successfully match these efficiencies due to inherent funding issues because of their size. **Figure 2.1d** below shows the GLP per loan officer.



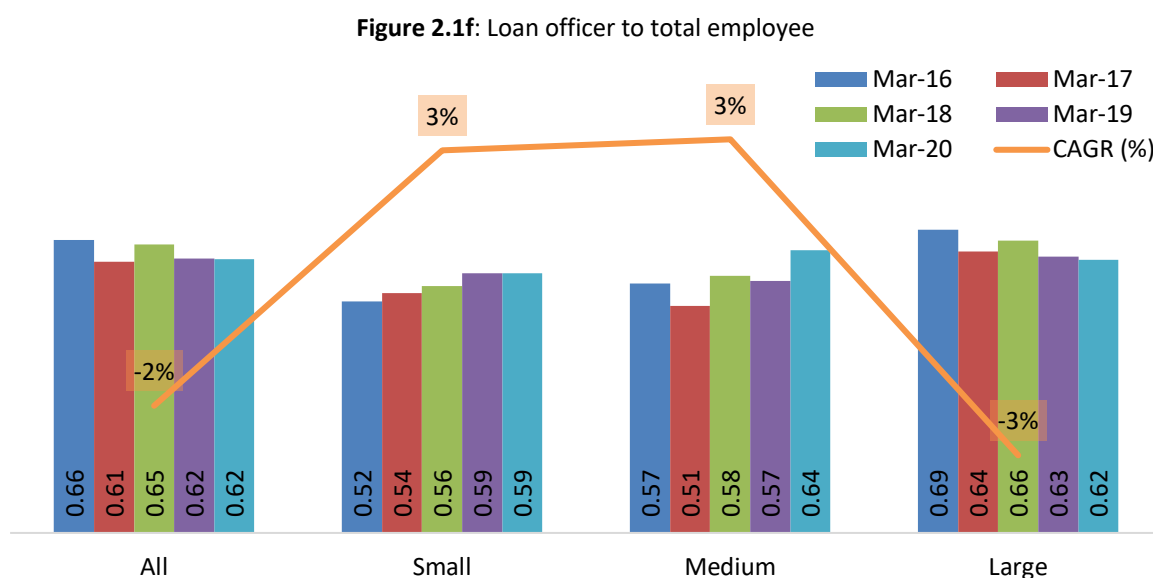
e) Loan officers per branch

Barring slight changes, in last five FYs, loan officer per branch have remained almost constant. **Figure 2.1e** shows the comparison of loan officers per branch over the last five FYs.



f) Loan officers to total employees

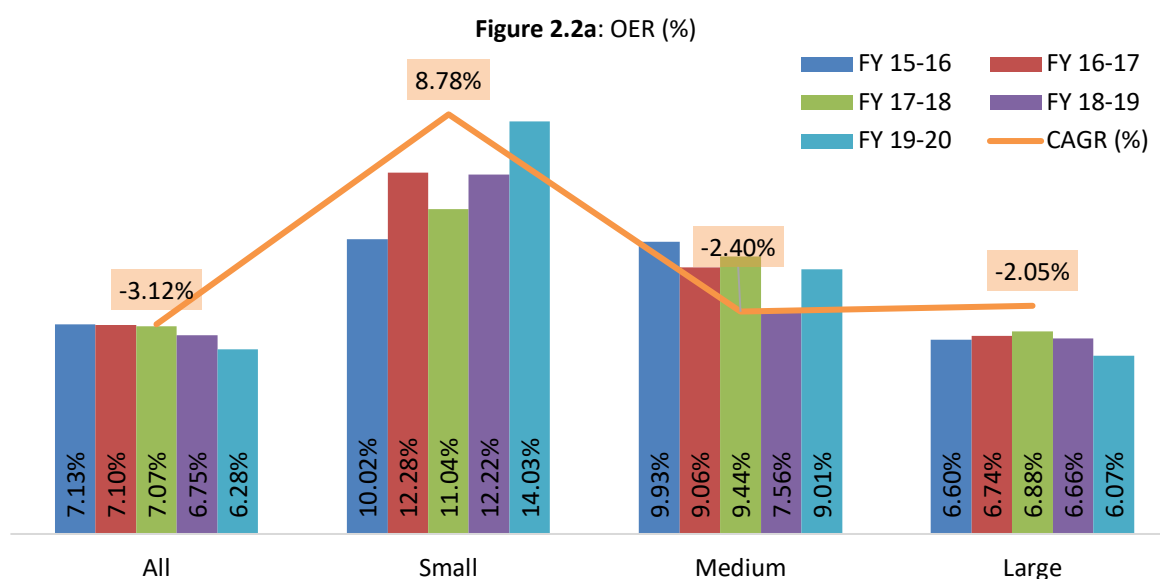
To maintain intensive client relationship, microfinance institutions employ large proportion of their staff as field officers. Over the last five FYs, CAGR of loan officer to total employees has been positive for Small and Medium institutions and slightly negative for the Large institutions. In small/medium MFIs the senior executives manage multiple functions, unlike in large MFIs where the roles become more specialized due to increase in scale and to provide efficient management oversight. This is the main reason why the ratio of loan officer to total employees is slightly higher for small/medium MFIs. **Figure 2.1f** below analyses the ratio of loan officer to total employee base.



2.2 Cost efficiency

a) Operating Expense Ratio (OER)

Microfinance business is a resource intensive business due to the high touch approach with clients. However, with inclusion of technology and better economies of scale, the MFIs have consistently improved operational efficiency as measured by OER. As evident from **Figure 2.2a** below, except Small MFIs (CAGR 8.8%), both Medium and Large entities have been able to bring OER down significantly.



Personnel expense contributes the maximum to the total operating cost as shown in the **Table 2.1** below.

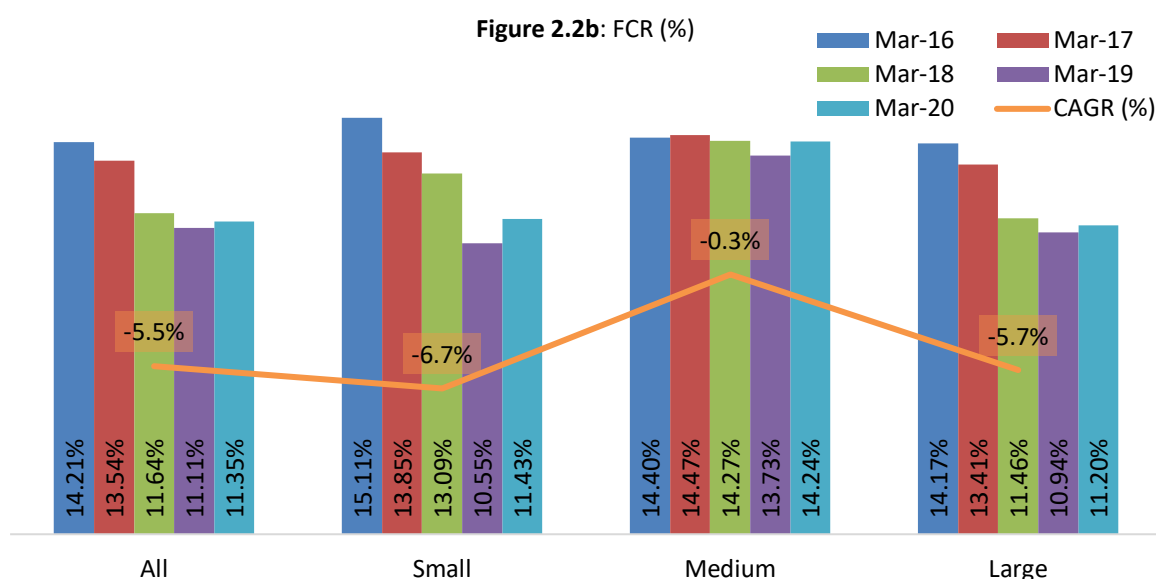
Table 2.1: Break-up of operating expenses

FY	Expense heads	All	Small	Medium	Large
2015-16	Personnel expenses	62.6%	69.6%	61.4%	62.7%
	Depreciation and amortisation	2.3%	4.2%	2.3%	2.3%
	Other operating expenses	35.1%	26.2%	36.3%	35.0%
2016-17	Personnel expenses	65.4%	64.2%	63.4%	65.8%
	Depreciation and amortisation	2.4%	3.2%	2.4%	2.4%
	Other operating expenses	32.2%	32.6%	34.2%	31.7%
2017-18	Personnel expenses	65.7%	68.0%	67.3%	65.5%
	Depreciation and amortisation	3.4%	2.8%	3.3%	3.4%
	Other operating expenses	30.9%	29.2%	29.4%	31.1%
2018-19	Personnel expenses	66.7%	65.3%	67.4%	66.7%
	Depreciation and amortisation	2.8%	2.1%	2.7%	2.8%
	Other operating expenses	30.5%	32.6%	29.9%	30.6%
2019-20	Personnel expenses	68.5%	70.6%	70.3%	68.3%
	Depreciation and amortisation	3.7%	2.8%	4.4%	3.6%
	Other operating expenses	27.9%	26.5%	25.3%	28.1%

Note: Other operating expenses include admin expenses, rent, IT expenses, travel and communications expenses etc.

b) Financial Cost Ratio (FCR)

All segments of the industry have witnessed a decrease in FCR in comparison to FY 15-16, mainly driven by the large MFIs as depicted in **Figure 2.2b** below. Last FY however saw a marginal increase in FCR across all size of MFIs. The CAGR trend for last five years shows a significantly higher decline in Large and Small MFIs as compared to Medium ones. This indicates that the Large MFIs have been efficient in garnering funds at a cheaper rate and new Small MFIs are investing more equity for on-lending purpose.



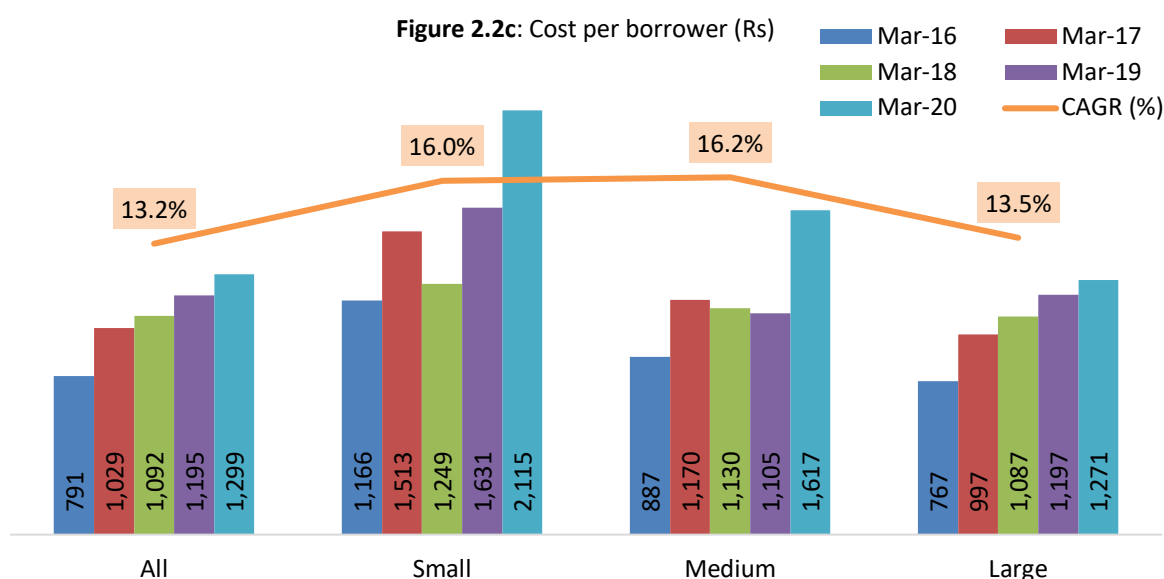
As on 31 Mar'20, at an overall industry level, equity forms 26% of the total on-balance sheet portfolio, but for Small MFIs it is 42% as shown in **Table 2.2** below. Another important trend is that the overall use of equity for lending purposes has increased for all cohorts in comparison to levels as on Mar 16.

Table 2.2: Ratio of Equity to Total On-Balance Sheet Portfolio

As on	All	Small	Medium	Large
31 Mar 16	19%	32%	22%	18%
31 Mar 17	23%	38%	28%	22%
31 Mar 18	22%	33%	18%	22%
31 Mar 19	27%	41%	21%	27%
31 Mar 20	26%	42%	25%	26%

c) Cost per borrower

The cost per borrower has shown an increasing trend as depicted in **Figure 2.2c**. Since FY 15-16 the cost per borrower has grown at a CAGR of 13.2%. This increase has been across all sets of MFIs. On one hand this indicates higher costs incurred on client connect necessitated by regular disruptions that have marred microfinance operations and on the other hand indicates potential for increasing efficiencies levels with use of technology. The sector needs to find an optimum balance of both.



d) Distribution of total expenses

The expenses of MFIs can be classified into four broad categories – funding expenses, operating expenses, provisioning & write off expenses and Corporate Social Responsibility (CSR) related expenses. Keeping with the trend and warranted by the prevailing situations and due to Ind-AS implementation, provisioning and write-off expenses have risen over the year. Funding expense have remained at an industry level, though different cohorts show different patterns. Provisioning and write-off expense is likely to go up further in the coming FY due to disruptions caused by COVID pandemic. **Table 2.3** below captures the distribution of these four categories of expenses in proportion to total expenses.

Table 2.3: Proportions of different categories of expense to total expense

	All	Small	Medium	Large
FY 15-16				
Funding expenses	14.21%	15.11%	14.40%	14.17%
Operating expenses	7.03%	10.02%	9.51%	6.60%
Provisioning & write off	0.81%	0.46%	0.77%	0.82%
CSR	0.02%	0.00%	0.00%	0.03%
FY 16-17				
Funding expenses	13.54%	13.85%	14.47%	13.41%
Operating expenses	7.10%	12.28%	9.06%	6.74%
Provisioning and write off	1.96%	1.05%	0.69%	2.17%
CSR	0.02%	0.00%	0.00%	0.02%
FY 17-18				
Funding expenses	11.64%	13.09%	14.27%	11.46%
Operating expenses	7.07%	10.11%	9.75%	6.88%
Provisioning and write off	4.14%	0.93%	2.48%	4.26%
CSR	0.02%	0.00%	0.01%	0.02%
FY 18-19				
Funding expenses	11.11%	10.55%	13.73%	10.94%
Operating expenses	6.75%	12.22%	7.56%	6.66%
Provisioning and write off	1.12%	0.54%	0.68%	1.15%
CSR	0.02%	0.00%	0.01%	0.02%
FY 19-20				
Funding expenses	11.35%	11.43%	14.24%	11.20%
Operating expenses	6.28%	14.03%	9.01%	6.07%
Provisioning and write off	2.76%	0.32%	0.92%	2.88%
CSR	0.03%	0.00%	0.02%	0.03%

Section 3

Financial Performance

This section highlights the Financial performance benchmarks of the MFIs. Larger MFIs by virtue of their better rating and efficiencies have access to lower cost funds as compared to smaller entities. The impact of size on efficiencies is clearly visible across almost all benchmarks. The tables below provide benchmarks for the key financial performance ratios for various category of MFIs, for the FY 2019-20 and as on 31 March 2020.

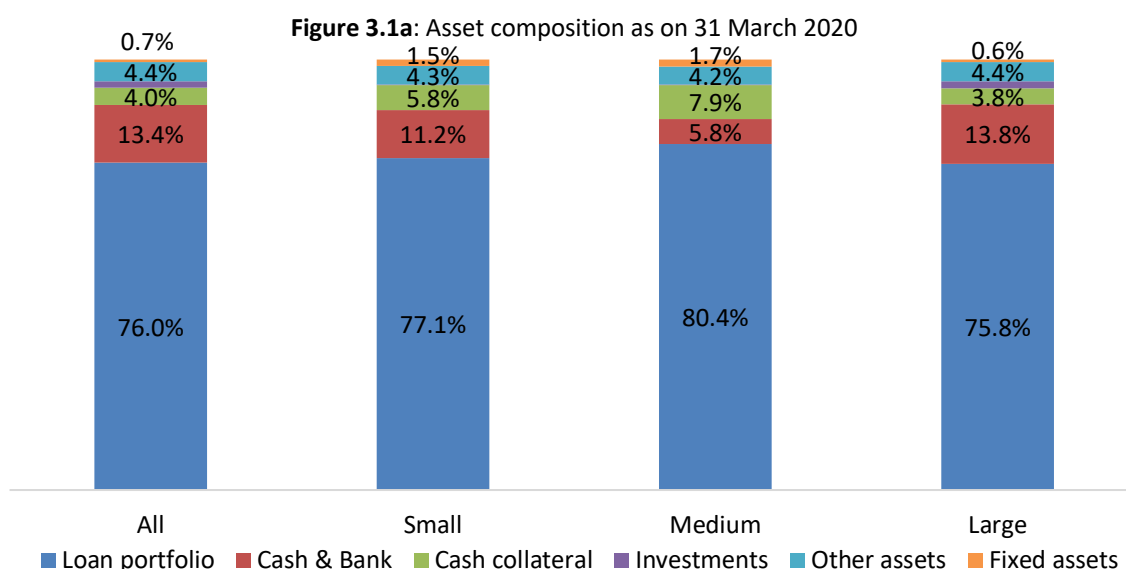
Key financial ratios	Weighted average			
	All	Small	Medium	Large
Loan portfolio to total assets	75.93%	77.11%	80.32%	75.72%
Borrowings to total assets	71.38%	63.08%	75.44%	71.25%
LLR to total assets	1.68%	0.84%	0.72%	1.73%
Equity to total assets	19.96%	32.38%	20.24%	19.87%
CRAR	28.80%	43.47%	23.19%	26.12%
Debt : Equity ratio	3.57	1.95	3.73	3.59
Return on Assets	2.69%	-1.51%	1.96%	2.76%
Return on Equity	11.57%	-3.76%	8.96%	11.85%
Av. Liquid Assets to Av. Total Assets	12.44%	6.60%	7.19%	12.75%
OSS	107.09%	88.01%	103.56%	107.47%
PAR >30	2.79%	0.64%	1.45%	2.87%
Gross NPA	2.25%	0.42%	0.69%	2.34%
Net NPA	0.05%	-0.68%	-0.20%	0.06%
Risk coverage ratio	62.75%	110.46%	44.60%	63.16%

Key financial ratios	Simple average			
	All	Small	Medium	Large
Loan portfolio to total assets	77.01%	76.51%	80.31%	75.33%
Borrowings to total assets	70.31%	60.21%	74.69%	71.64%
LLR to total assets	1.35%	0.84%	0.84%	1.82%
Equity to total assets	21.94%	34.71%	20.21%	18.12%
CRAR	28.80%	43.47%	23.19%	26.12%
Debt : Equity ratio	4.09	2.23	4.13	4.75
Return on Assets	2.01%	1.58%	1.79%	2.26%
Return on Equity	1.81%	-37.53%	9.34%	12.34%
Av. Liquid Assets to Av. Total Assets	10.03%	5.39%	7.19%	13.08%
OSS	108.49%	97.13%	108.35%	112.83%
PAR >30	1.94%	0.80%	1.40%	2.67%
Gross NPA	1.35%	3.51%	6.74%	31.53%
Net NPA	-0.43%	-3.16%	-2.60%	-7.58%
Risk coverage ratio	229.51%	772.44%	131.68%	80.94%

3.1 Composition of the balance sheet

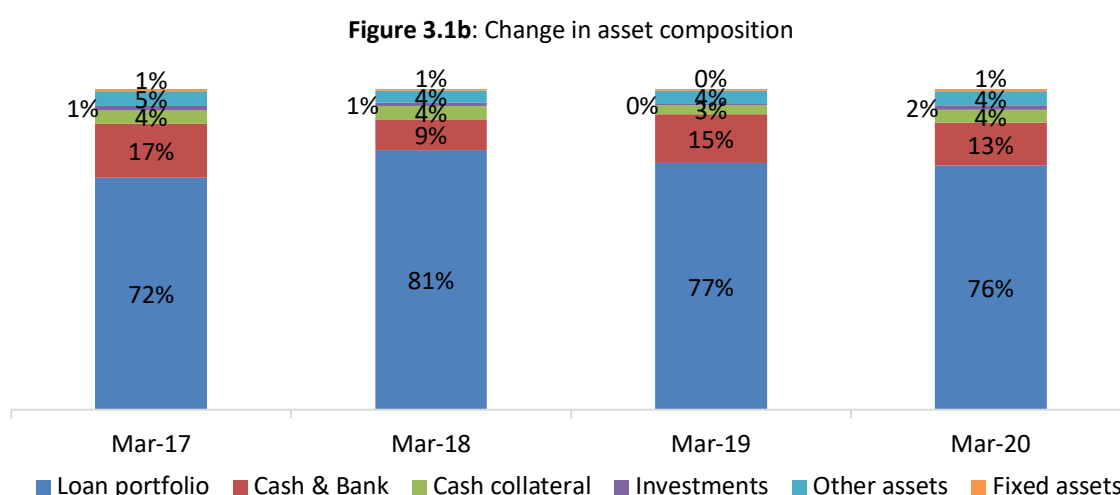
a) Assets composition across category of MFIs as on 31 Mar'20

Composition of different Asset classes is shown in **Figure 3.1a**. Loan portfolio holds the largest chunk of Assets. For Small and Medium MFIs Cash collateral represents a relatively higher share as compared to Large entities which signifies that the larger entities are able to raise funds economically. Higher cash collateral blocks liquidity which results in inefficiency for smaller players.



b) Assets composition across last four financial years

The data shown in **Figure 3.1b** points out at the need for building lean operations as nearly 13% of assets are in cash and bank balances. In light of the current account guidelines of RBI, cash management may become an even bigger challenge moving forward.

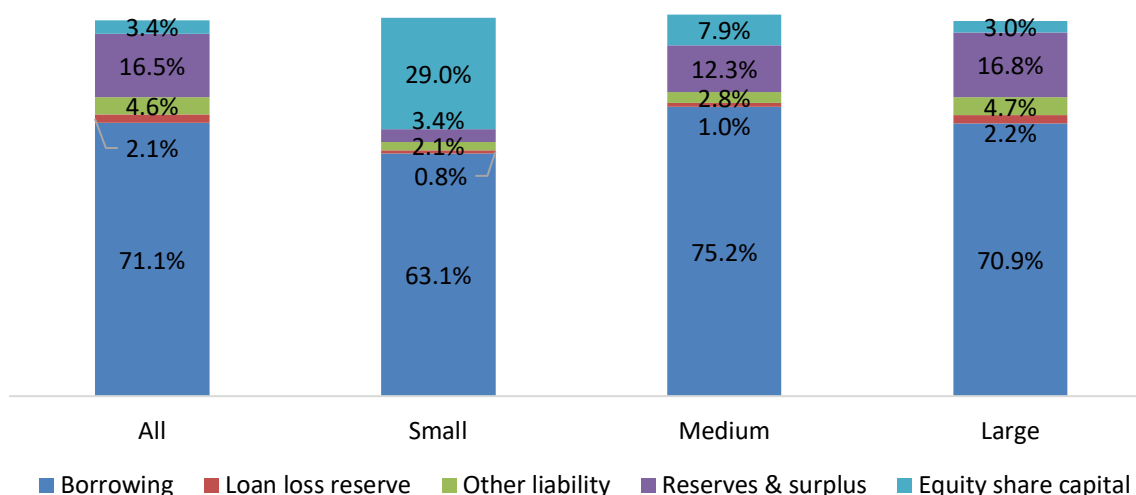


The total assets of the MFIs have also grown at a healthy CAGR of 43%. As expected, the large MFIs have grown faster rate of 48%. As has been pointed out in earlier editions of the publication Small and Medium MFIs grow and move to the next higher buckets. Hence, their CAGR of Assets seems low.

c) Liability and Equity composition as on 31 Mar'20

Similar to previous FYs, Small MFIs deploy equity as a major part of funds for on-lending (29% as compared to just 3% of Large MFIs, as shown in **Figure 3.1c**. Overall comparison of different components of liability shows that close to 71% of liability are related to borrowings and in case of Small MFIs this is around 63%. As the MFIs grow and scale-up they are able to leverage their equity better and access diverse and cost-effective source of funds.

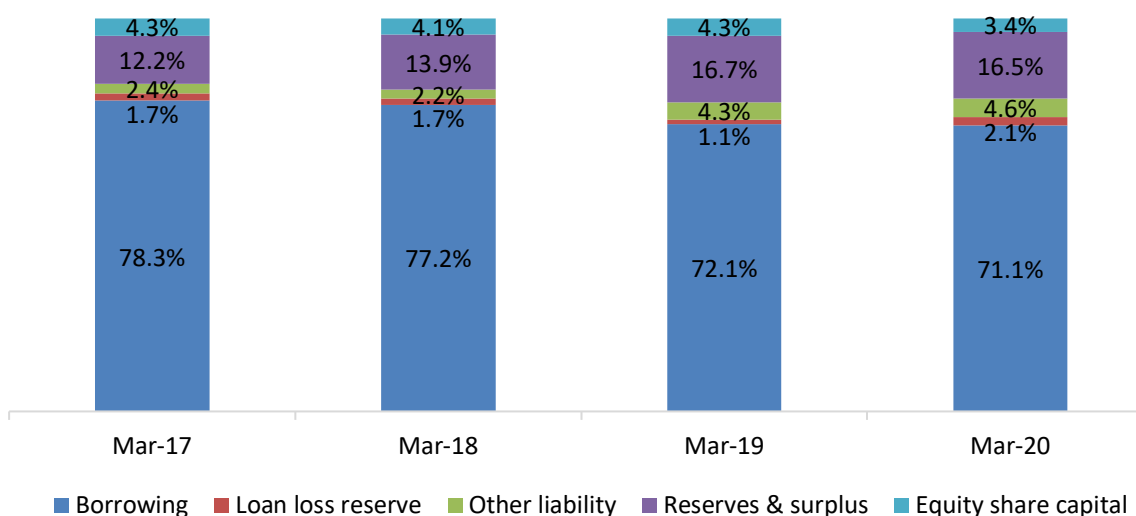
Figure 3.1c: Liability & Equity composition as on 31 March 2020



d) Liability and Equity composition across last four years

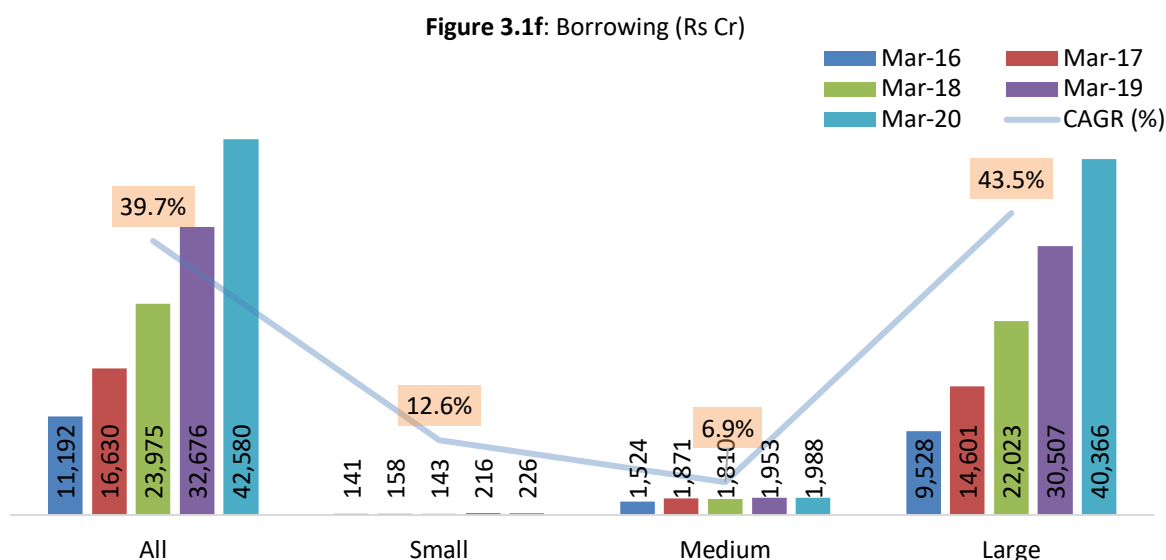
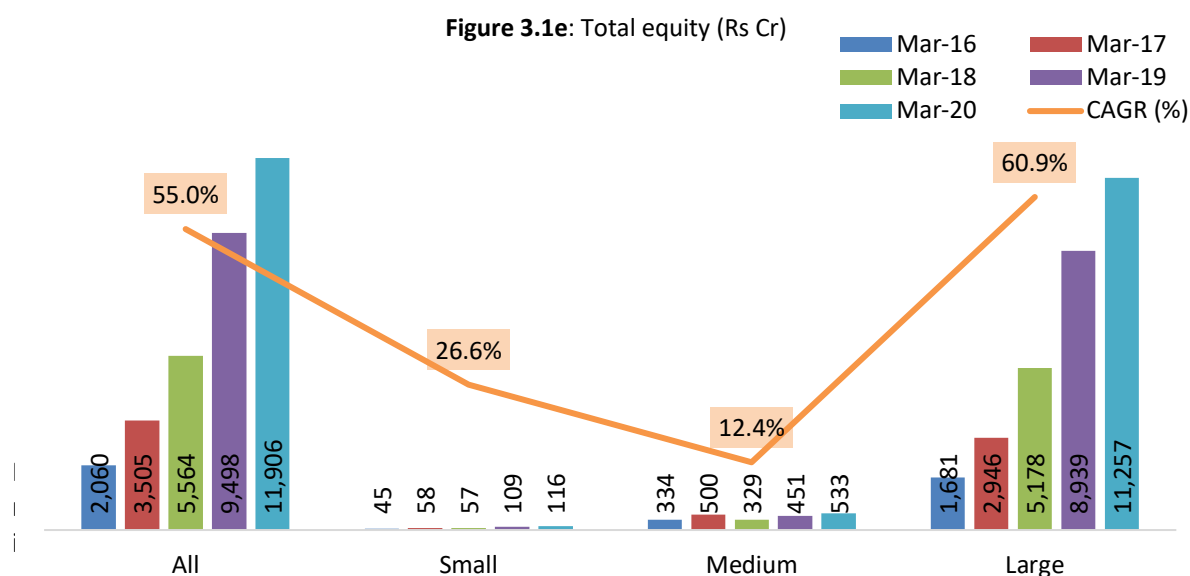
The change in the composition of liability and equity over the last five years is shown in **Figure 3.1d**. Continuing with the trend of last year, the proportion of borrowings has come down further and that of reserve and surplus has gone up. This reinforces the trend seen in last few years that MFIs have been able to build up their reserves and progressively deploy a higher proportion of their own funds for financing their assets.

Figure 3.1d: Change in Liability & Equity composition



e) Borrowing and equity

The CAGR of equity and borrowings are shown in **Figures 3.1e** and **3.1f**. The borrowings have grown at a CAGR of around 40% (CAGR of GLP is around 43% as analyzed in Section 1.4) while the total equity has a grew at a CAGR of around 55%. Trends of growth in total equity and borrowing reinforce the discussed in Section 3.1 c that the smaller MFIs, in order to grow have to invest more equity because borrowing from market at competitive rates is difficult for them. Some Large MFIs have gone public with their IPOs which has led to significant equity investments in the sector.

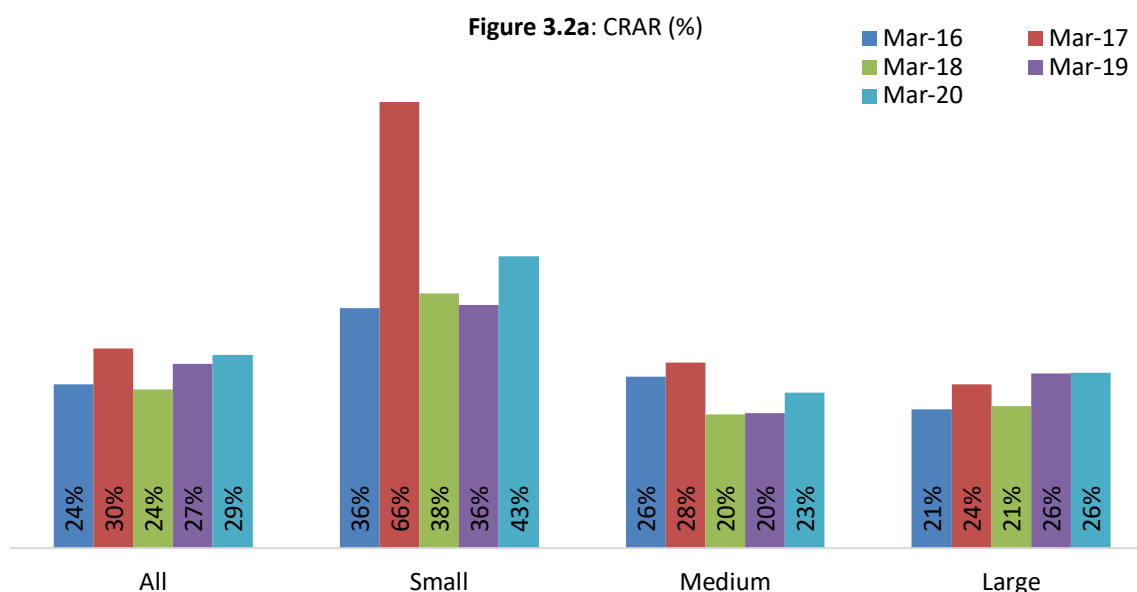


3.2 Capital Adequacy

a) Capital to Risk Weighted Assets Ratio (CRAR)

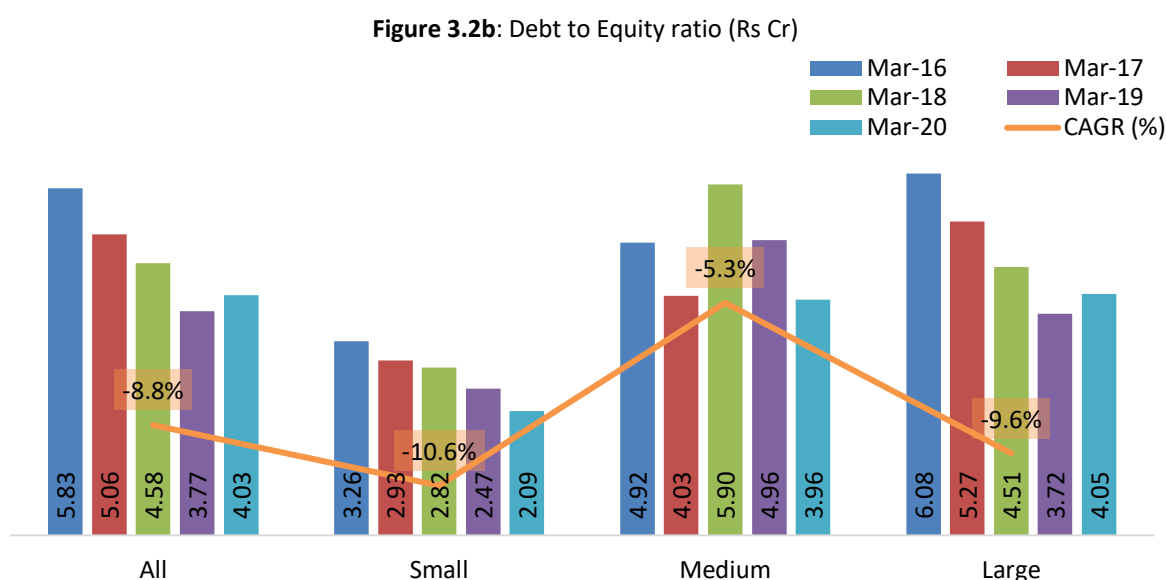
At an aggregate level average CRAR for all entities (simple average) stood at 29% as on end of FY 19-20. This is much higher than required 15% as per RBI guidelines. The trends tell the same story that

Small MFIs deploy a higher proportion of equity for on-lending. A comparison of CRAR (%) is depicted in the **Figure 3.2a** below.



b) Debt to Equity

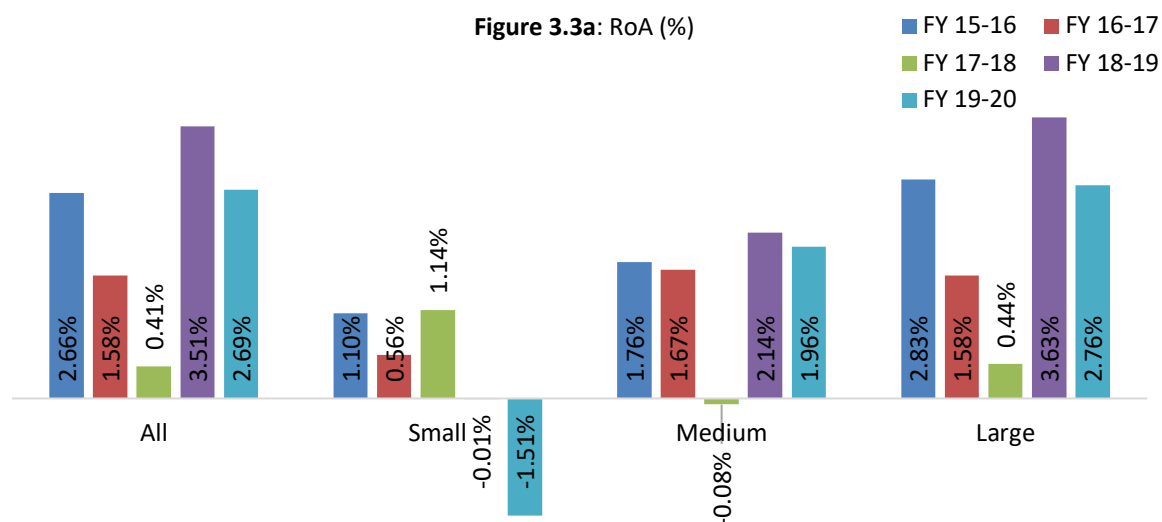
Debt to Equity ratio has seen a falling trend, of -8.8% over the last five years as shown in **Figure 3.2b**. As has been discussed in earlier sections, Small MFIs face major challenges in leveraging Equity. It also further strengthens the argument that higher proportion of equity is being deployed for portfolio creation by the smaller MFIs. It is also important to note that multiple crisis events have also led to shortage of lending from financial institutions to MFIs particularly Small and Medium once, unlike the Large MFIs that have cushion to absorb the impact of such adverse. Overall impact is an increasing pressure on smaller entities due to non-availability of funds for disbursement, costlier debt and the RBI pricing cap, which together effects their profitability.



3.3 Profitability

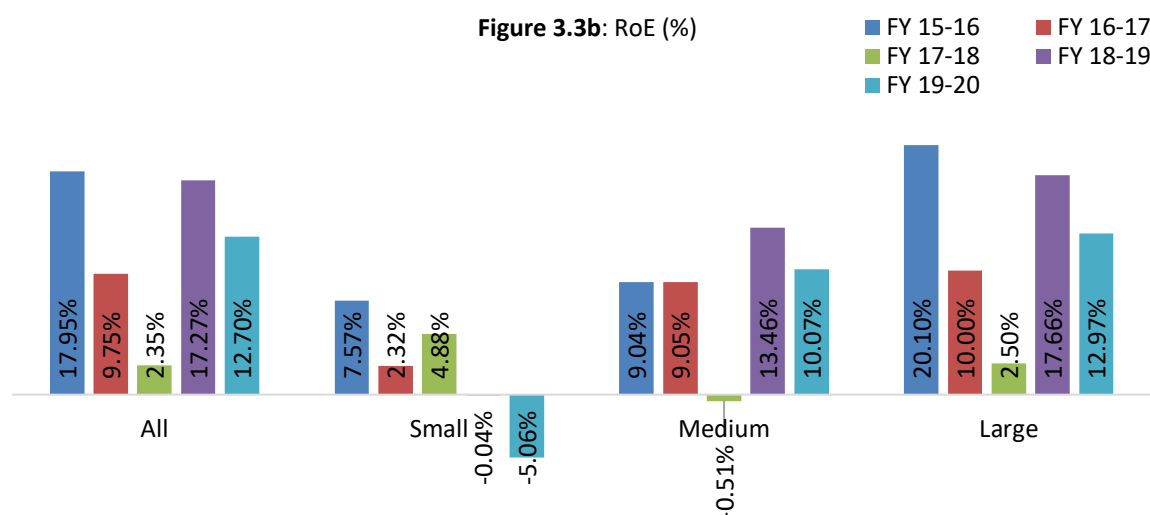
a) Return on Asset (RoA)

As depicted in **Figure 3.3a** below, the industry has well and truly recovered from the impact of demonetization with two consecutive years of profitability. However, situation for Small MFIs remains challenging. Post demonetization, the IL&FS crisis has impacted their profitability.



b) Return on Equity (RoE)

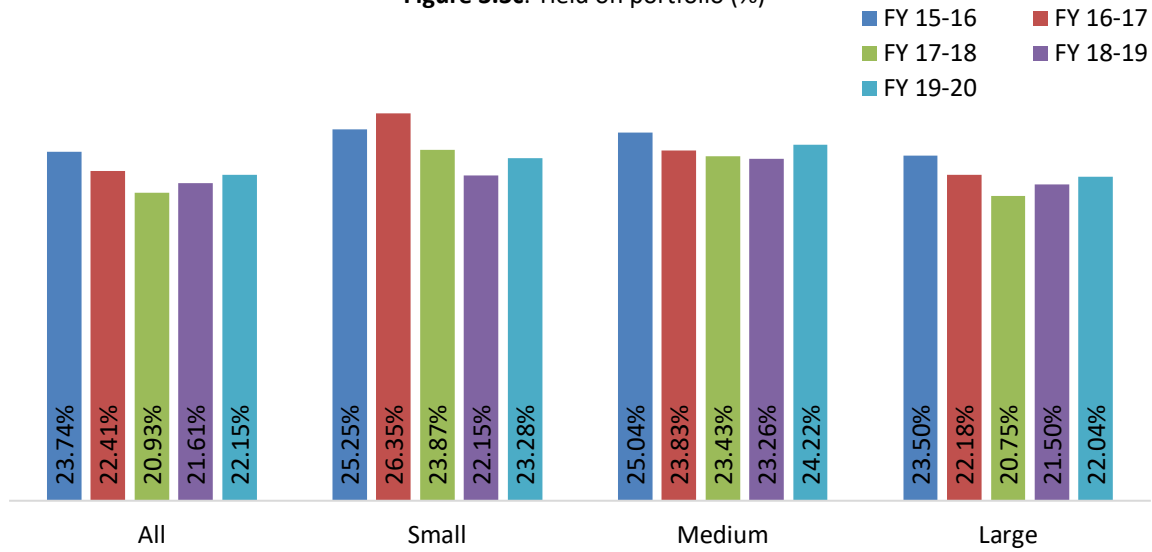
Trends of RoE are similar to the trends of RoA. **Figure 3.3b** shows the trend of RoE for last five financial years. The sector has shown great resilience in coming out of severe adverse events.



c) Yield on portfolio

Yield for loan portfolio of NBFC MFIs is tightly regulated by RBI guidelines. Movement of Yield can be seen in the **Figure 3.3c**. With the regulation putting a cap based on two factors (Base rate and Cost of Funds+10%/12%Margin based on MFI size), the base rate coming down continuously, and with higher cost of funds, the Small MFIs have not been able to benefit from the 12% margin available for them.

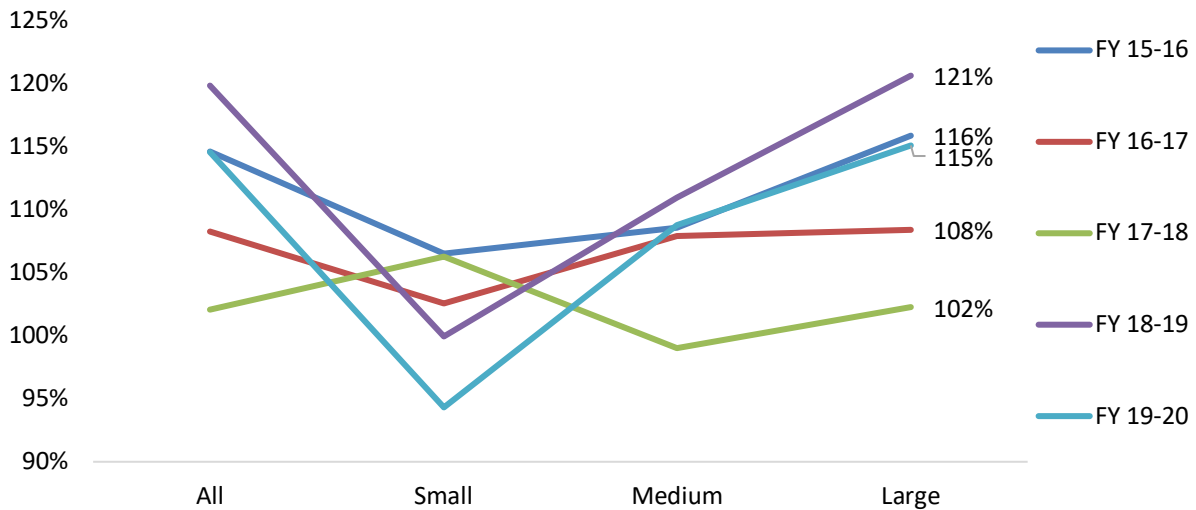
Figure 3.3c: Yield on portfolio (%)



d) Operational Self-Sufficiency (OSS)

Impact of demonetization on OSS is evident from the **Figure 3.3d**. Industry seems to have recovered from this impact and all segments have seen an increase in OSS, except for the small MFIs. As discussed above, the interest rate cap, decline in Base Rate and higher COFs has affected the OSS of small MFIs.

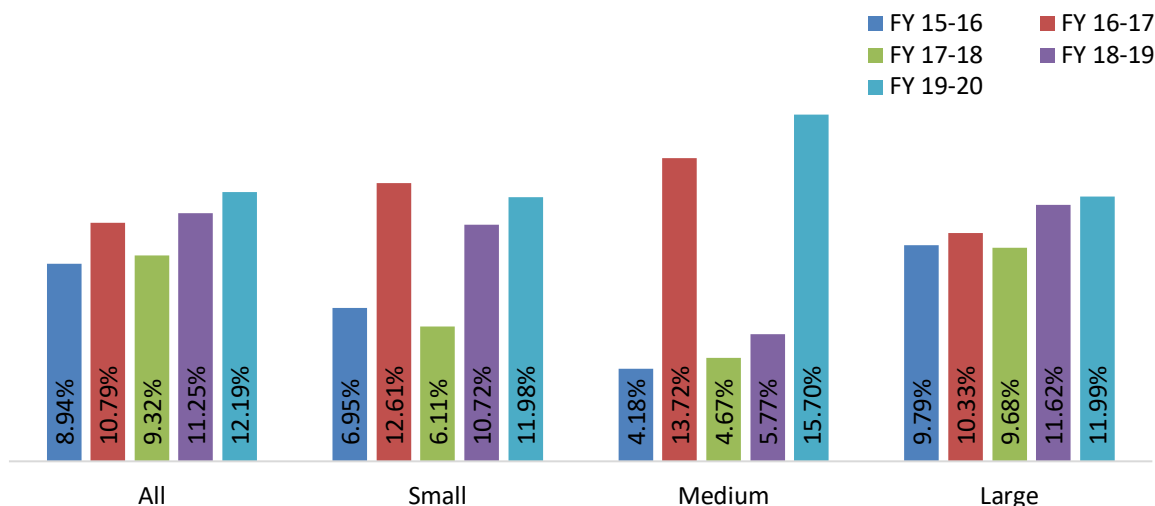
Figure 3.3d: OSS (%)



e) Income on Off-BS items to Total Income ratio

Income on Off-BS items includes income from operations as business correspondent and income on securitization. **Figure 3.3e** below shows ratio of income on off balance sheet items to total income ratio. MFIs have been playing an important role in taking formal financial services to the underbanked locations and this has been seen as a win-win strategy by banks who have used business correspondence services of MFIs. Hence, Income from Off-BS items has contributed significantly and over the years proportion of this income to total income has grown by more than 3%, over the last five years and stands at 9.79% overall.

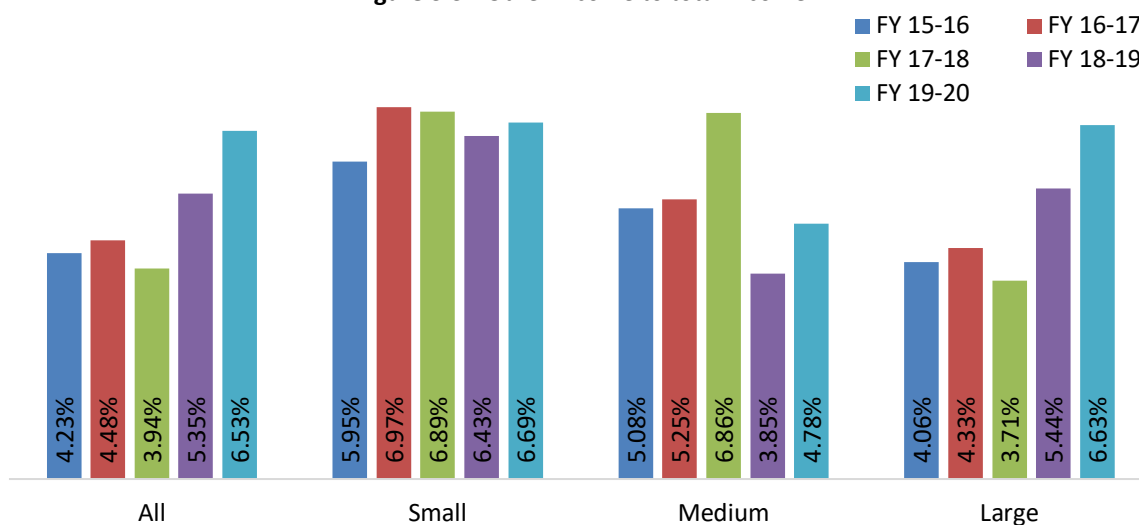
Figure 3.3e: Income on off BS items to total income



f) Other income to total income ratio

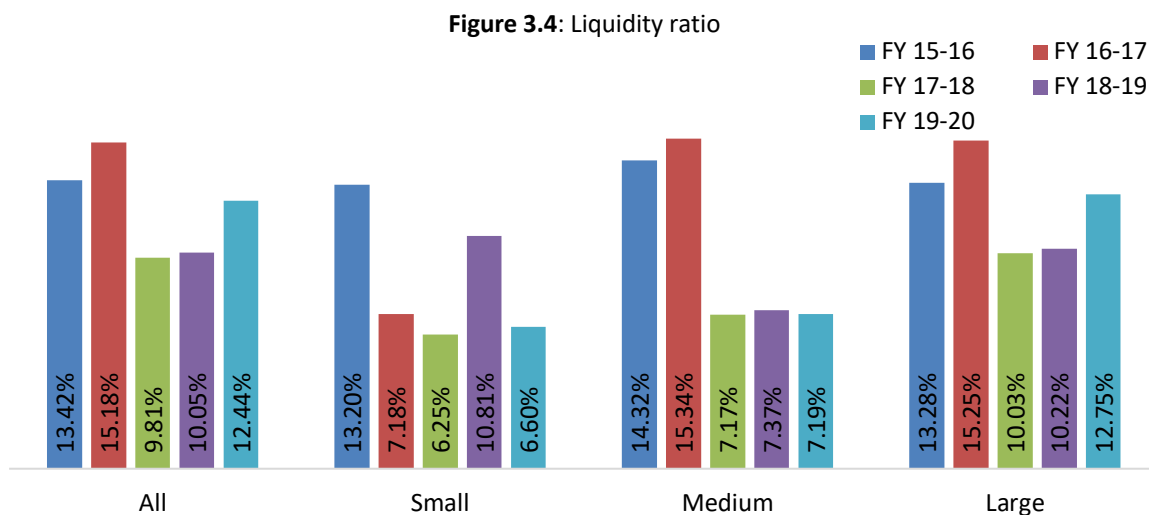
Other income includes income from interest and dividend earned on investments, expense grants received by MFIs and miscellaneous income. Over the period of last five FY the other income to total income ratio has gone up by more than 2% on an overall basis as shown in **Figure 3.3f**. However, within this income the share of investment income has gone down for all cohorts and the share of miscellaneous income has gone up during the last five FY.

Figure 3.3f: Other income to total income



3.4 Liquidity Ratio

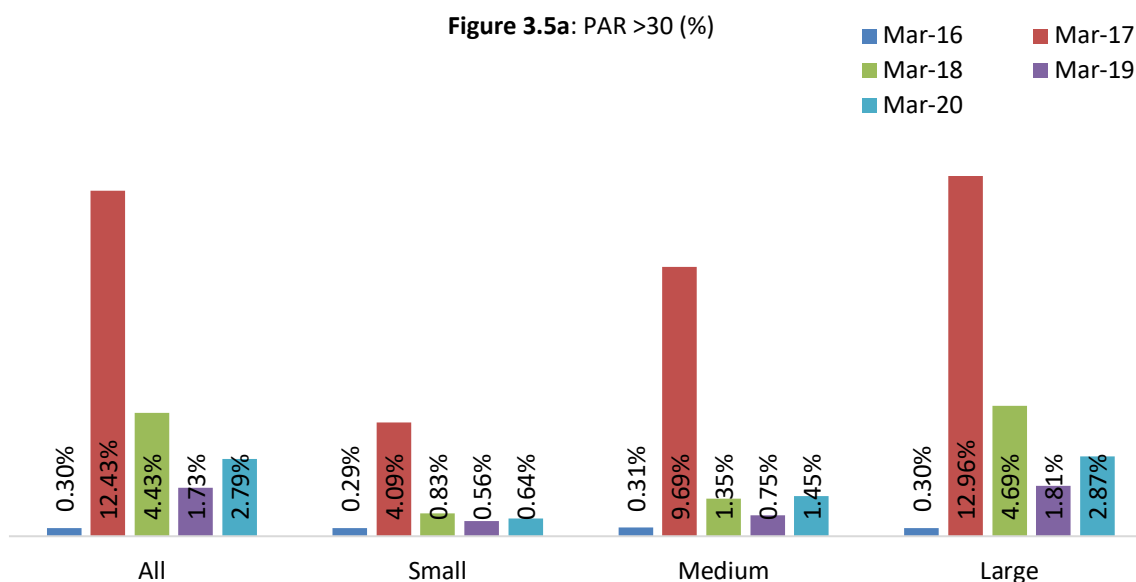
The liquid assets for NBFC-MFIs include the cash and bank balances, investments in mutual funds and investments in government securities. The Liquidity Ratio is the ratio of average liquid assets to average assets and signifies the liquidity maintained by the MFIs in a financial year. As illustrated in **Figure 3.4**, the overall average liquidity has been around 12.5% but for the small and medium MFIs it is in the range of 6.5% to 7.2% during FY 20-21.



3.5 Portfolio quality

a) Portfolio at Risk (PAR) analysis

PAR>30 is an early indicator of portfolio quality. As can be seen from **Figure 3.5a**, Demonetization had a huge impact on the quality of portfolio which has since then improved significantly. However, there have been challenges as well due to which PAR>30 which used to be below 1% is now no longer the standard benchmark. Issues in some states of eastern region leading to delinquencies and issues arising out of COVID pandemic are major challenges to watch out for in the next FY. There is a striking difference between portfolio quality of Small MFIs that have been able to maintain much better quality of portfolio as compared to Large counterparts. This is mainly due to new operations and fresh portfolio but also signifies their greater understanding of local issues and better handling ability of those issues.



PAR > 90 (%) and PAR > 180 (%)

PAR>90 (**Figure 3.5b**) follows a similar trend as that of PAR>30. However, there has been a very noticeable improvement in the movement from PAR>90 bucket to PAR>180 bucket (**Figure 3.5c**). Both

PAR>90 and PAR>180 have tapered off from their high of post demonetization levels but as mentioned in section above impact of COVID is to be watched out for in the next FY.

Figure 3.5b: PAR >90 (%)

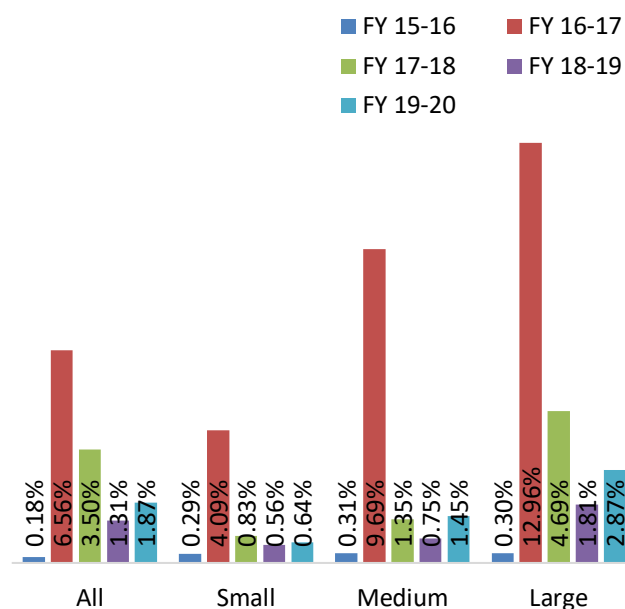


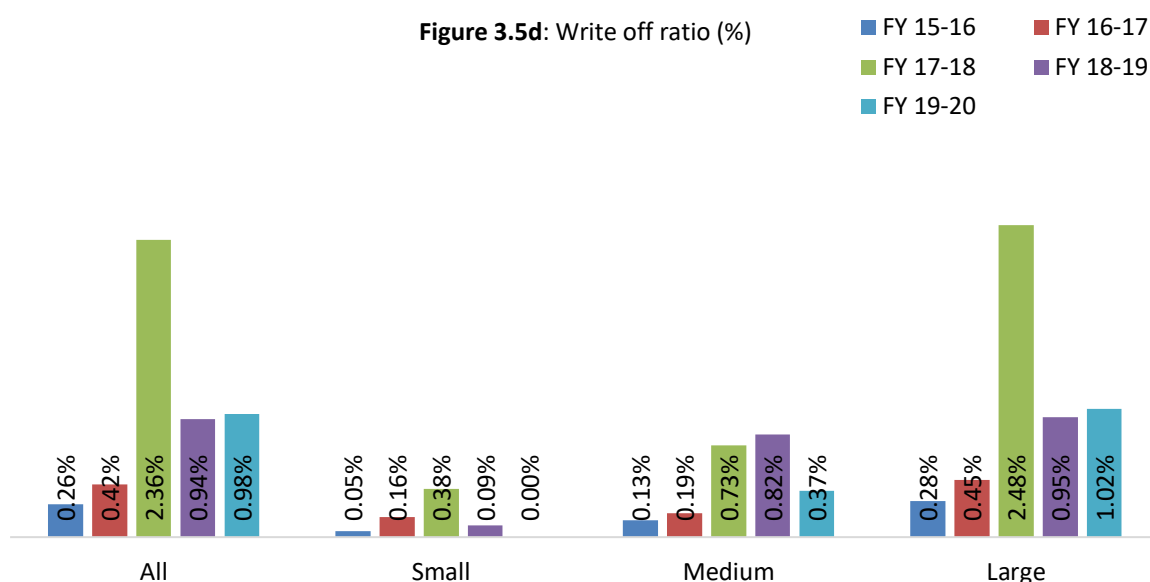
Figure 3.5c: PAR >180 (%)



b) Write-off ratio analysis

As shown in the **Figure 3.5d, Write-off ratio** for the industry was 0.98% as on 31 March 2020. It has remained below 1% for last two FY after taking full brunt of demonetization in FY 17-18. This indicates the ability of the industry to bounce back from difficult situations.

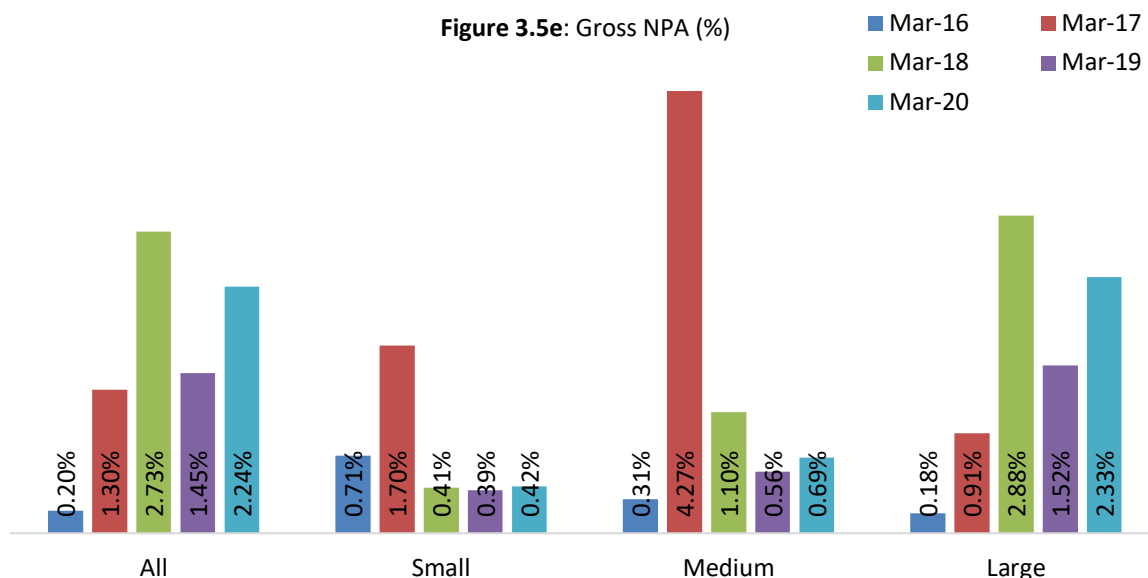
Figure 3.5d: Write off ratio (%)



Note: PAR figures are based on operational and self-reported data by MFIN member institutions while Write-off ratio is based on audited financial data reported in their P&L statement.

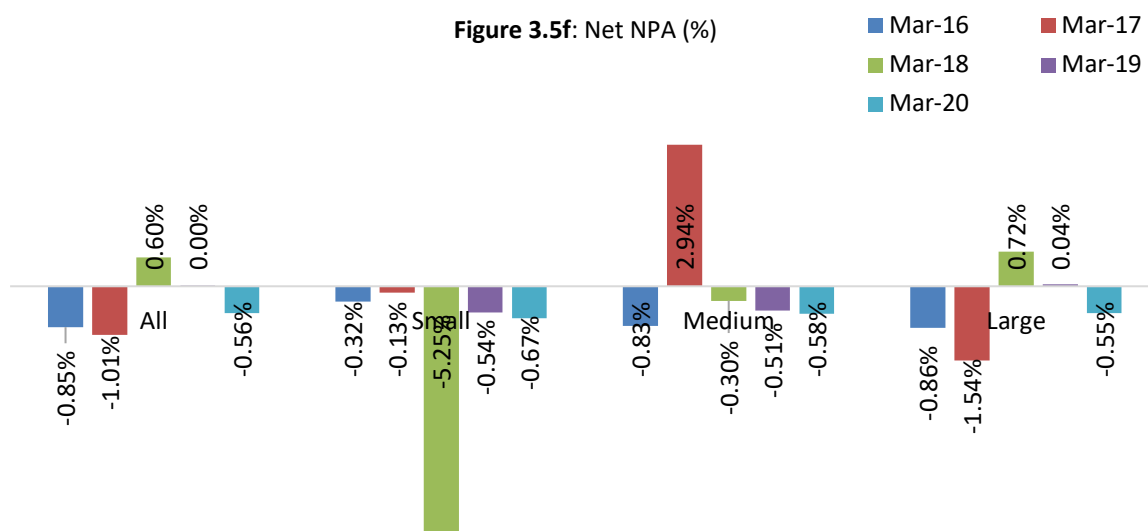
c) Gross NPA

Gross Non-Performing Asset (GNPA) came down to 1.45% as on 31 March 2019 but has increased again to 2.24% as on 31 March 2020. **Figure 3.5e** shows the trend of gross NPA. Again, Small and Medium MFIs have shown better GNPA than the Large MFIs.



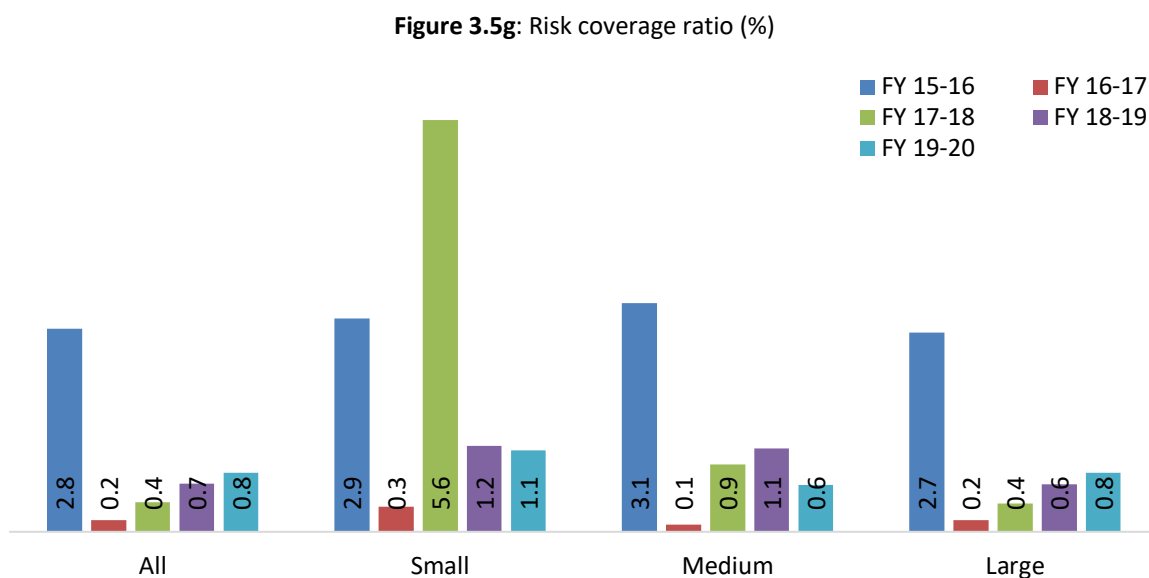
d) Net NPA

Net NPA was -0.56% as on March 2020, indicating adequate provisioning by the MFIs to cover their Gross NPA. It may be noted that Small MFIs are not under Ind-AS guidelines while most Large MFIs are covered by it and have to make provisions based on Expected Credit Loss (ECL) method which is generally higher. Net NPA was positive at the end of FY 17-18 due to impact of demonetization but in the subsequent years the industry has assessed risks in a more pragmatic way and provisioned sufficiently. **Figure 3.5f** captures the Net NPA trends over the last five financial years.



e) Risk Coverage Ratio

The risk coverage ratio compares loan loss reserve with Portfolio at Risk for more than 30 days. It is an important parameter to understand how much of portfolio risk is already covered. So, ratio of lower than 1 indicates more than adequate risk coverage, as medium and large MFIs seem comfortable on this parameter as on 31 March 2020. **Figure 3.5g** shows that the ratio has been increasing for all years except the FY 15-16 to FY 16-17 year with a spike in FY 17-18 for Small MFIs. General trend suggests that the risk is increasing. With COVID related disruption, the Risk Coverage ratio is expected to assume greater significance and it remains to be seen how the picture would emerge in the next FY.



Annexure 1: Panel of MFIs

FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Adhikar	Adhikar	Adhikar	Adhikar	Adhikar
		Adi Chitragupta	Adi Chitragupta	Adi Chitragupta
Annapurna	Annapurna	Annapurna	Annapurna	Annapurna
Arohan	Arohan	Arohan	Arohan	Arohan
Asirvad	Asirvad	Asirvad	Asirvad	Asirvad
		Aviral	Aviral	Aviral
Belstar	Belstar	Belstar	Belstar	Belstar
		Centrum	Centrum	BWDA
CreditAccess	CreditAccess	CreditAccess	CreditAccess	CreditAccess
Fino	Fino	Fino	Fino	Fino
Fusion	Fusion	Fusion	Fusion	Fusion
Growing Opportunity	Growing Opportunity	Growing Opportunity	Growing Opportunity	Inditrade
Jagaran	Jagaran	Jagaran	Jagaran	Jagaran
M Power	M Power	M Power	M Power	Light
Midland	Midland	Midland	Midland	M Power
			Mitrata	Midland
Muthoot	Muthoot	Muthoot	Muthoot	Mitrata
Microfin	Microfin	Microfin	Microfin	
Namra	Namra	Namra	Namra	Muthoot Microfin
		NEED	NEED	Namra
Samasta	Samasta	Samasta	Samasta	Samasta
Sarala	Sarala	Sarala	Sarala	Sarala
Satin	Satin	Satin	Satin	Satin
			Save	Satya
	Satya	Satya	Satya	Sindhuja
			Sindhuja	Sonata
Svasti	Svasti	Svasti	Svasti	Svasti
Svatantra	Svatantra	Svatantra	Svatantra	Svatantra
SVCL	SVCL	SVCL	SVCL	SVCL
	Unacco	Unacco	Unacco	Unnati
		Vaya	Vaya	VFS
VFS	VFS	VFS	VFS	Vector

Annexure 2: Glossary

Term	Definition
Borrowers per branch	Number of Active Borrowers / Number of Branches
Borrowers per loan officer	Number of Active Borrowers / Number of Loan officers
Branches	Number of branches
Capital to Risk Weighted Assets Ratio (CRAR)	Tier I + Tier II + Tier III (Capital funds) / Risk weighted assets. However, ratio used in the report is as reported in audited statements of the panel of MFIs..
Clients	Number of active clients
Cost per borrower	Operating Expense / Number of Active Borrowers
Debt to equity ratio	Total Liabilities / Total Equity
Employees	Number of Employees
Financial Cost Ratio (FCR)	Total funding expenses / Average On-balance sheet portfolio
Gross Loan Portfolio (GLP)	On balance sheet portfolio plus managed portfolio
GLP per branch	Gross Loan Portfolio / Number of Branches
GLP per loan officer	Gross Loan Portfolio / Number of Loan Officers
Gross NPA (GNPA)	Gross Non-Performing Assets / On Balance Sheet Portfolio
Loan officers per branch	Number of Loan officer / Number of Branch
Loan officers to total employees	Number of Loan officers / Number of Employees
Liability and Equity composition	Borrowing, Loan loss reserve, Other liability, Reserve and Surplus and Equity share capital as percent of total liability
Liquidity Ratio	Ratio of monthly average liquid assets to average total assets. The liquid assets include the cash and bank balances, investments in mutual funds and investments in government securities.
Net NPA (NNPA)	(Gross NPA - Loan Loss Reserve) / (On Balance Sheet Portfolio – Loan Loss Reserve)
Net Interest Margin (NIM)	NBFC-MFIs are allowed to charge a margin which is the difference between the amount charged to the borrower and the cost of funds to the NBFC-MFI, which shall not exceed 10% for large MFIs (loans portfolios exceeding Rs 100 crore) and 12% for the others. The interest rates charged by an NBFC-MFI to its borrowers shall be the lower of the (i) The cost of funds plus margin as indicated in above; or (ii) The average base rate of the five largest commercial banks by assets multiplied by 2.75. The ratio used in the report is as reported in audited statements of the panel of MFIs.
Operating Expense Ratio (OER)	Total Operating Expenses / Average On-balance sheet portfolio
Operational Self-Sufficiency (OSS)	Financial Revenue less grants / (Financial Expense + Impairment Losses on Loans + Operating Expense + Tax Expense)
Other income to total income ratio	Total other income to total income
Portfolio at Risk (PAR > 30, 90 and 180 days)	Outstanding balance of portfolios overdue > 30 or 90 or 180 Days / Gross Loan Portfolio
Return on Assets (RoA)	Profit After Tax / Average Total Assets
Return on Equity (RoE)	Profit After Tax / Average Total Equity
Risk coverage ratio	Principal amount outstanding on Gross Loan Portfolio overdue >30 days / (Loan loss provision - balance sheet portfolio)
Yield on portfolio (Yield)	Interest income on loan portfolio / Average On-balance sheet portfolio

Annexure 3: Peer group wise tables on various performance parameters

A Outreach

Client (Lakhs)	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	CAGR
All	83	116	151	207	245	31.06%
Small	1	1	1	2	2	18.94%
Medium	13	17	12	15	15	2.56%
Large	69	98	138	190	228	35.04%
Branches						
All	3,006	4,641	6,212	8,452	10,155	35.57%
Small	41	86	95	228	301	64.61%
Medium	688	948	566	705	993	9.61%
Large	2,277	3,607	5,551	7,519	8,861	40.45%
Employees						
All	24,164	38,878	52,458	71,814	87,841	38.08%
Small	429	691	585	1,255	1,819	43.50%
Medium	4,083	6,913	4,609	5,365	7,713	17.24%
Large	19,652	31,274	47,264	65,194	78,309	41.29%
Portfolio (Rs Cr)						
All	13,651	18,481	29,942	44,601	57,193	43.07%
Small	174	195	209	378	424	24.94%
Medium	1,816	2,451	2,034	2,732	2,923	12.63%
Large	11,661	15,835	27,699	41,491	53,847	46.59%
Disbursement (Rs Cr)						
All	14,684	19,910	33,597	48,292	58,393	41.22%
Small	207	218	255	443	535	26.76%
Medium	2,283	2,913	2,556	3,254	3,497	11.26%
Large	12,194	16,779	30,786	44,595	54,360	45.31%

B Operational Efficiency

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Average loan disb. per account (Rs)					
All	14,807	18,230	23,387	25,463	26,812
Small	21,808	23,687	24,622	25,912	28,561
Medium	18,282	22,259	24,111	26,638	30,915
Large	14,224	17,623	23,319	25,376	26,569
Average loan O/s per account (Rs)					
All	14,313	14,686	18,982	20,296	18,636
Small	15,566	13,590	18,022	18,513	18,872
Medium	13,155	13,976	16,911	17,932	19,346
Large	14,495	14,818	19,162	20,492	18,597
Borrowers per loan officer					
All	517	487	440	463	449
Small	496	375	355	275	209
Medium	578	486	440	494	299
Large	507	490	441	464	470

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Borrowers per branch					
All	2,760	2,507	2,430	2,446	2,411
Small	2,722	1,641	1,221	890	742
Medium	1,941	1,823	2,088	2,145	1,488
Large	3,008	2,707	2,485	2,521	2,571
GLP per branch (Rs. Cr)					
All	4.54	3.98	4.82	5.28	5.63
Small	4.24	2.27	2.20	1.66	1.41
Medium	2.64	2.59	3.59	3.88	2.94
Large	5.12	4.39	4.99	5.52	6.08
GLP per loan officer (Rs. Cr)					
All	0.85	0.77	0.87	1.00	1.05
Small	0.77	0.52	0.64	0.51	0.40
Medium	0.79	0.69	0.76	0.89	0.59
Large	0.86	0.79	0.88	1.02	1.11
Loan officer per branch					
All	5.34	5.15	5.52	5.28	5.37
Small	5.49	4.37	3.44	3.24	3.56
Medium	3.36	3.75	4.75	4.34	4.97
Large	5.94	5.53	5.64	5.43	5.47
Loan officers to total employees					
All	66.43%	61.43%	65.43%	62.14%	62.04%
Small	52.45%	54.41%	55.90%	58.88%	58.88%
Medium	56.58%	51.48%	58.32%	57.07%	64.02%
Large	68.78%	63.79%	66.24%	62.62%	61.92%
Operating Efficiency Ratio (OER)					
All	7.03%	7.10%	7.07%	6.75%	6.28%
Small	10.02%	12.28%	10.11%	12.22%	14.03%
Medium	9.51%	9.06%	9.75%	7.56%	9.01%
Large	6.60%	6.74%	6.88%	6.66%	6.07%
Financial Cost Ratio (FCR)					
All	14.21%	13.54%	11.64%	11.11%	11.35%
Small	15.11%	13.85%	13.09%	10.55%	11.43%
Medium	14.40%	14.47%	14.27%	13.73%	14.24%
Large	14.17%	13.41%	11.46%	10.94%	11.20%
Cost per borrower (Rs)					
All	791	1,029	1,092	1,195	1,299
Small	1,166	1,513	1,249	1,631	2,115
Medium	887	1,170	1,130	1,105	1,617
Large	767	997	1,087	1,197	1,271

C Financial Performance

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Operational Self Sufficiency (OSS)					
All	115%	108%	102%	120%	115%
Small	107%	103%	106%	100%	94%
Medium	109%	108%	99%	111%	109%
Large	116%	108%	102%	121%	115%

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Total Assets (Rs. Cr)					
All	14,073	21,248	31,048	45,647	59,923
Small	193	228	218	376	358
Medium	1,979	2,539	2,267	2,688	2,643
Large	11,902	18,481	28,562	42,582	56,922
Equity (Rs. Cr)					
All	2,060	3,505	5,564	9,498	11,906
Small	45	58	57	109	116
Medium	334	500	329	451	533
Large	1,681	2,946	5,178	8,939	11,257
Equity to total assets (%)					
All	14.64%	16.49%	17.92%	20.81%	19.87%
Small	23.45%	25.42%	26.14%	28.85%	32.38%
Medium	16.89%	19.71%	14.50%	16.78%	20.18%
Large	14.12%	15.94%	18.13%	20.99%	19.78%
Borrowing (Rs. Cr)					
All	11,192	16,630	23,975	32,676	42,580
Small	141	158	143	216	226
Medium	1,524	1,871	1,810	1,953	1,988
Large	9,528	14,601	22,023	30,507	40,366
Return on Asset (%)					
All	2.66%	1.58%	0.41%	3.51%	2.69%
Small	1.10%	0.56%	1.14%	-0.01%	-1.51%
Medium	1.76%	1.67%	-0.08%	2.14%	1.96%
Large	2.83%	1.58%	0.44%	3.63%	2.76%
Return on Equity (%)					
All	17.95%	9.75%	2.35%	17.27%	12.70%
Small	7.57%	2.32%	4.88%	-0.04%	-5.06%
Medium	9.04%	9.05%	-0.51%	13.46%	10.07%
Large	20.10%	10.00%	2.50%	17.66%	12.97%
Yield on portfolio (%)					
All	23.74%	22.41%	20.93%	21.61%	22.15%
Small	25.25%	26.35%	23.87%	22.15%	23.28%
Medium	25.04%	23.83%	23.43%	23.26%	24.22%
Large	23.50%	22.18%	20.75%	21.50%	22.04%
Debt to Equity					
All	5.83	5.06	4.58	3.77	4.03
Small	3.26	2.93	2.82	2.47	2.09
Medium	4.92	4.03	5.90	4.96	3.96
Large	6.08	5.27	4.51	3.72	4.05
CRAR (%)					
All	24.39%	29.77%	23.59%	27.39%	28.80%
Small	35.74%	66.46%	37.96%	36.21%	43.47%
Medium	25.50%	27.62%	19.94%	20.10%	23.19%
Large	20.63%	24.36%	21.13%	26.00%	26.12%
Risk Coverage Ratio (%)					
All	276.66%	15.50%	40.34%	65.73%	79.93%
Small	289.80%	34.50%	560.16%	116.71%	110.46%
Medium	310.67%	9.96%	91.89%	113.20%	63.37%

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Large	271.06%	16.06%	38.55%	64.30%	80.33%
Other income to total income ratio (%)					
All	4.23%	4.48%	3.94%	5.35%	6.53%
Small	5.95%	6.97%	6.89%	6.43%	6.69%
Medium	5.08%	5.25%	6.86%	3.85%	4.78%
Large	4.06%	4.33%	3.71%	5.44%	6.63%
Income on Off-BS items to Total Income ratio (%)					
All	8.94%	10.79%	9.32%	11.25%	12.19%
Small	6.95%	12.61%	6.11%	10.72%	11.98%
Medium	4.18%	13.72%	4.67%	5.77%	15.70%
Large	9.79%	10.33%	9.68%	11.62%	11.99%
Gross NPA (%)					
All	0.20%	1.30%	2.73%	1.45%	2.24%
Small	0.71%	1.70%	0.41%	0.39%	0.42%
Medium	0.31%	4.27%	1.10%	0.56%	0.69%
Large	0.18%	0.91%	2.88%	1.52%	2.33%
Net NPA (%)					
All	-0.85%	-1.01%	0.60%	0.00%	-0.56%
Small	-0.32%	-0.13%	-5.25%	-0.54%	-0.67%
Medium	-0.83%	2.94%	-0.30%	-0.51%	-0.58%
Large	-0.86%	-1.54%	0.72%	0.04%	-0.55%
PAR > 30					
All	0.30%	12.43%	4.43%	1.73%	2.79%
Small	0.29%	4.09%	0.83%	0.56%	0.64%
Medium	0.31%	9.69%	1.35%	0.75%	1.45%
Large	0.30%	12.96%	4.69%	1.81%	2.87%
PAR > 90					
All	0.18%	6.56%	3.50%	1.31%	1.87%
Small	0.29%	4.09%	0.83%	0.56%	0.64%
Medium	0.31%	9.69%	1.35%	0.75%	1.45%
Large	0.30%	12.96%	4.69%	1.81%	2.87%
PAR > 180					
All	0.11%	0.21%	2.57%	0.96%	0.96%
Small	0.03%	1.25%	0.41%	0.27%	0.34%
Medium	0.15%	0.14%	0.92%	0.43%	0.44%
Large	0.10%	0.21%	2.71%	1.00%	1.00%
On-BS portfolio to total asset					
All	76.59%	72.43%	80.96%	76.85%	76.04%
Small	73.21%	66.04%	78.84%	69.72%	77.11%
Medium	76.79%	70.00%	79.86%	80.34%	80.38%
Large	76.62%	72.85%	81.06%	76.69%	75.83%
Borrowings to total assets					
All	79.53%	78.27%	77.22%	71.58%	71.06%
Small	72.94%	69.37%	65.44%	57.46%	63.08%
Medium	77.00%	73.70%	79.82%	72.65%	75.22%
Large	80.05%	79.00%	77.11%	71.64%	70.91%

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