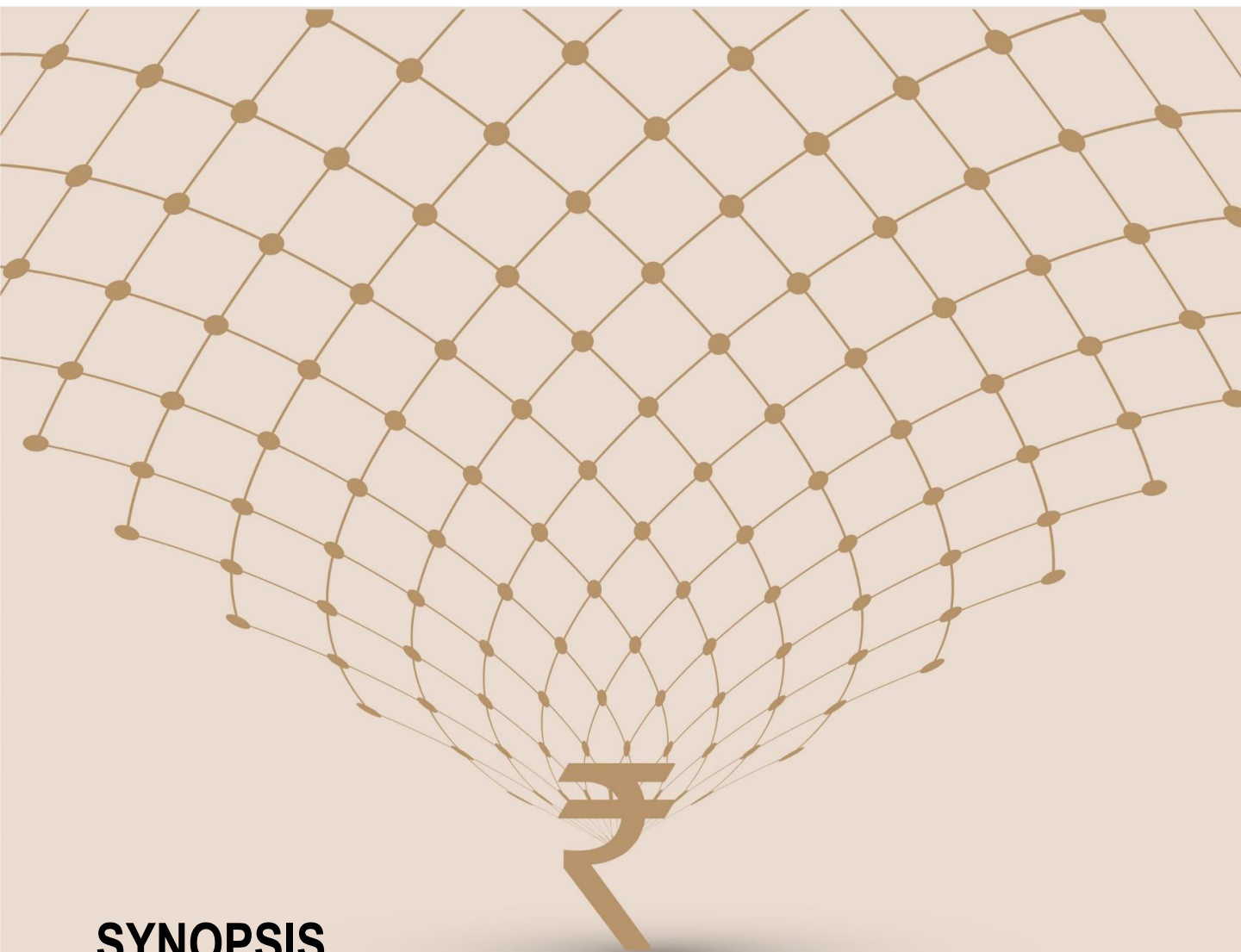




SYNOPSIS

ISSUE 48

MICROMETER

DATA AS ON 31 DECEMBER 2023

Acknowledgments

We are thankful to all our members, associates and other institutions who have contributed data for this issue.

Introduction

This is the **48th issue** of the Micrometer and it provides an overview of the microfinance industry. The data is as on **31 December 2023 (Q3 FY 2023-24)**. Micrometer has two broad sections as under:

Section I on “Microfinance Universe” gives an overview of the portfolio and outreach of microfinance (i.e., micro-credit) industry as on 31 December 2023. The current quarter data used for analyses is sourced from **CRIF High Mark (CRIF)**. **Historical data (up to 30 June 2023) for comparison used in the Section I is sourced from Equifax**. This section analyses data for NBFC-MFIs, Banks, Small Finance Banks (SFBs) and NBFCs.

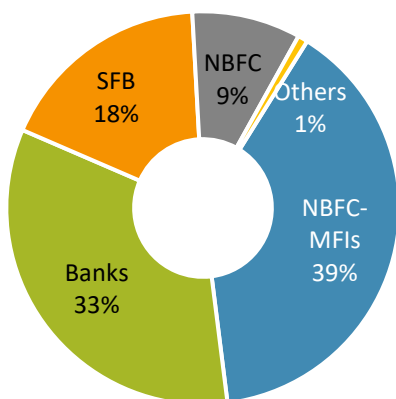
Section II of the micrometer provides detailed analysis of **self reported data** of **NBFC-MFIs (MFIN Member NBFC-MFIs)** up to state level. This includes a comparative analysis with the corresponding quarters of previous fiscal year (Q3 FY 2022-23) and previous quarter (Q2 FY 2023-24). Analysis of NBFC-MFIs is based on data collected from **48 out of 51 Members** that are registered with the Reserve Bank of India (RBI). Members who did not submit data by the time of publication are not part of this publication.

Section I : The Universe

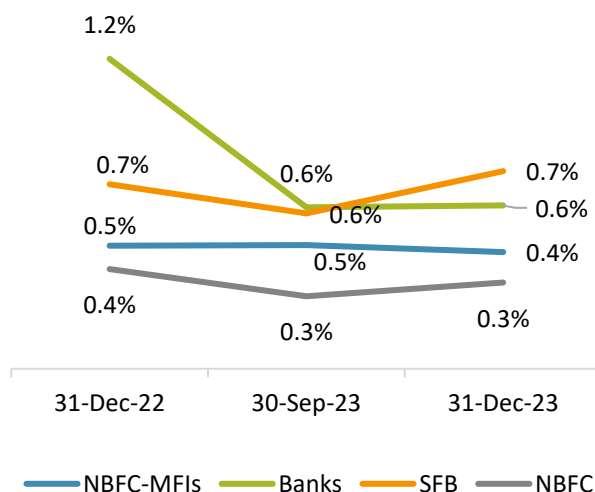
The pie-chart shows the share of each peer group in the universe for loan amount outstanding as percentages. The portfolio of NBFC-MFIs has increased by 26.6%, banks by 16.8%, SFBs by 35.0%, NBFCs by 31.8% on a YOY basis (Dec'22 to Dec'23).

As shown in PAR trend graph, PAR 31-180 has shown an overall improvement in comparison to same quarter of last FY for all entities.

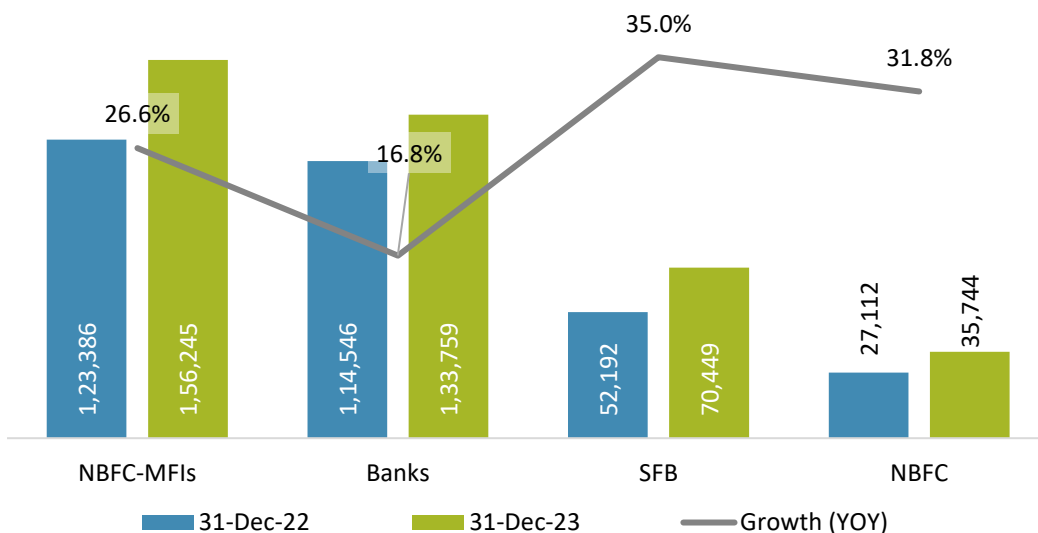
Micro-credit loan outstanding across lenders
31 December 2023



PAR 31-180 of the various entities

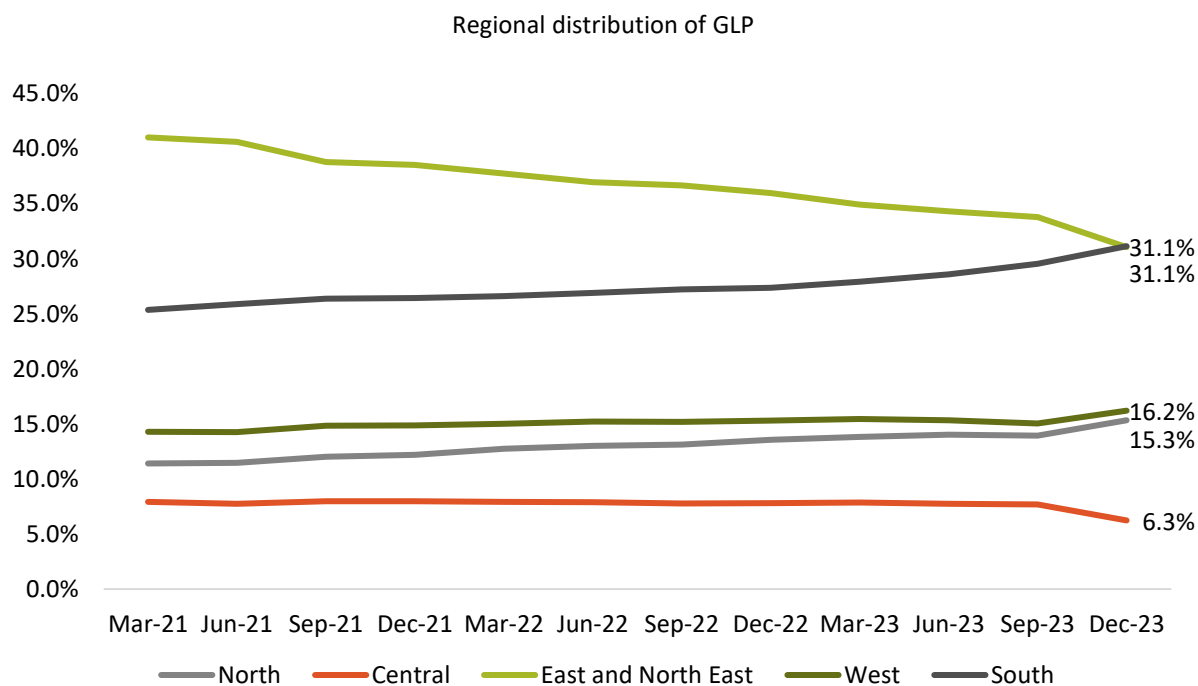
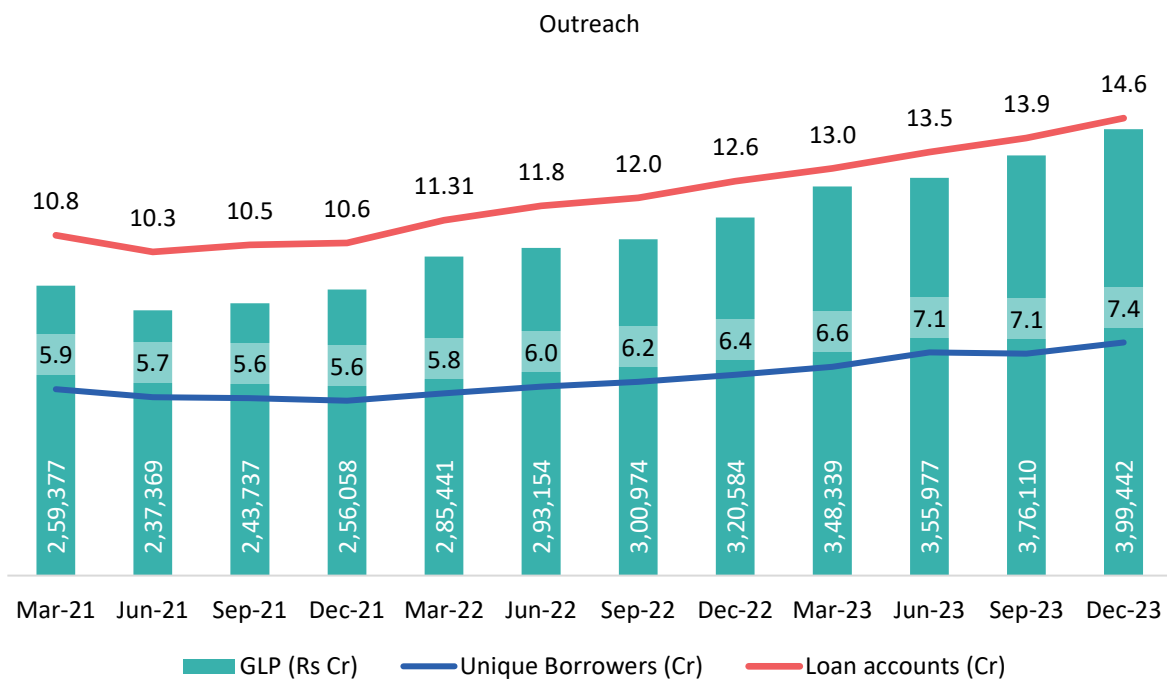


Portfolio outstanding of the microfinance industry (Rs Cr)



Industry trends

Mar - 21 to Dec - 23

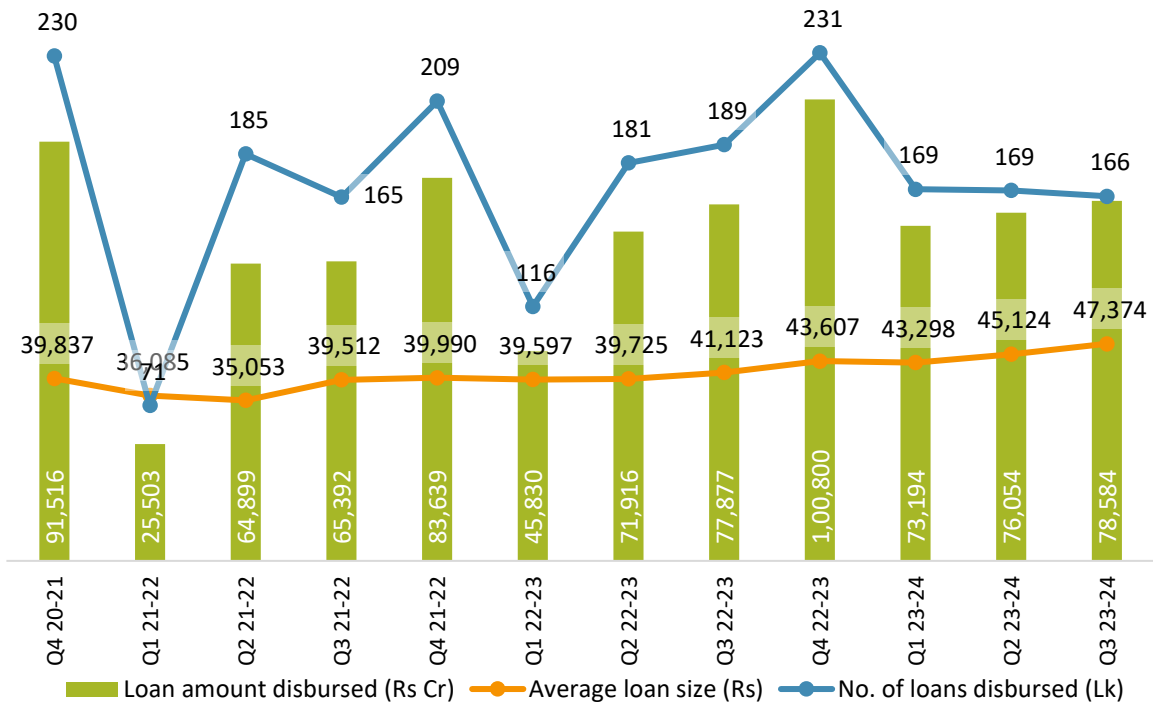


*Refer to Annex 2 for grouping of states across regions

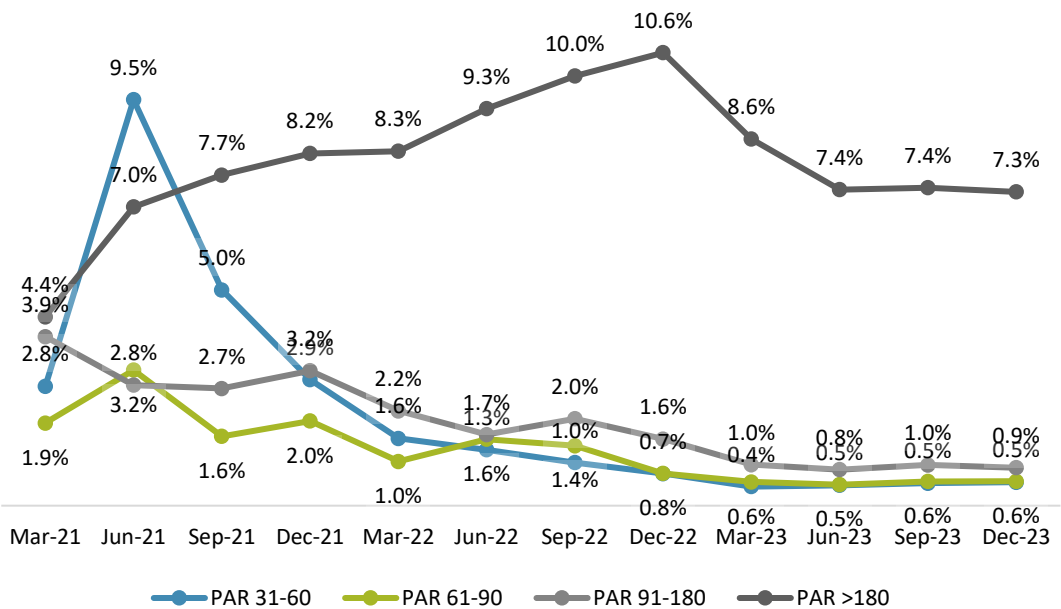
Industry trends

Q4 FY 20-21 to Q3 FY 23-24

Disbursement



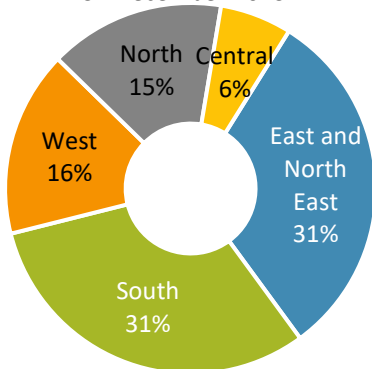
PAR Buckets



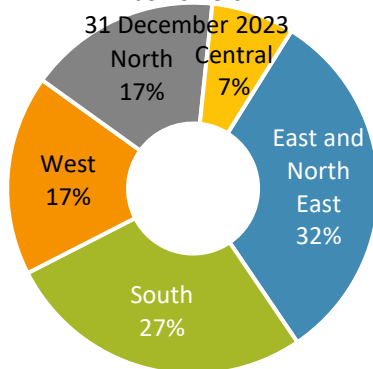
Regional distribution

As on 31 December 2023, the industry serves 7.4 Cr unique borrowers through 14.6 Cr loan accounts. The regional spread is depicted in the pie-chart below which shows that East and North-East continue to have the largest share of portfolio, though on a declining trend.

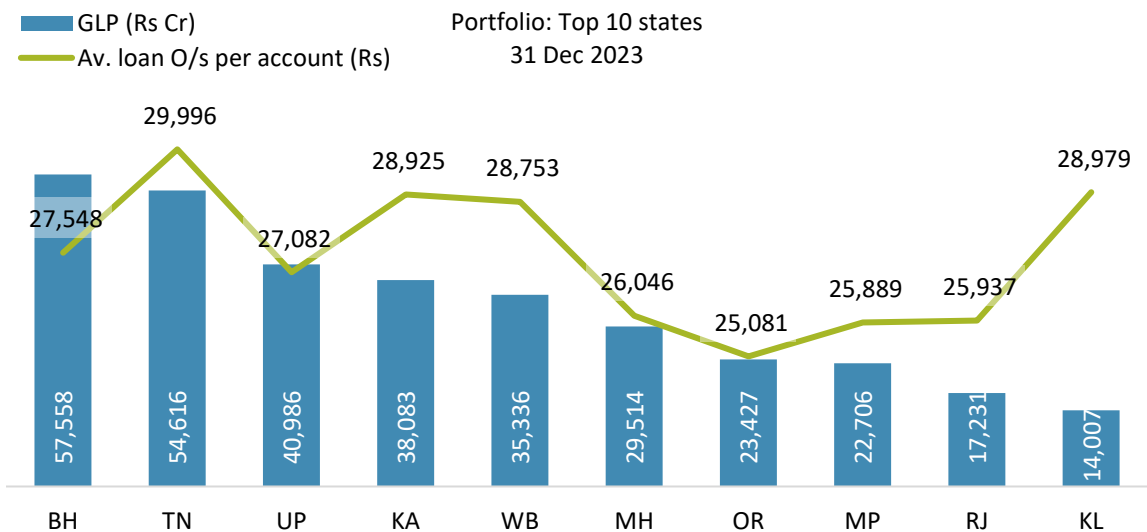
Regional distribution of portfolio
31 December 2023



Regional distribution of unique borrowers
31 December 2023



The Top 10 states (based on universe data) constitute 83.6% in terms of GLP. Bihar continues to be the largest state in terms of portfolio outstanding followed by Tamil Nadu and Uttar Pradesh. Among Top 10 states, Tamil Nadu has the highest average loan outstanding per account of Rs 29,996 followed by Kerala at Rs 28,979.



Section II : NBFC-MFI Highlights

Some highlights of this quarter/ financial year are as under:

- As on 31 December 2023, **4.1 Cr clients*** have loan outstanding from NBFC-MFIs, which is **21.7%** higher than clients as on 31 December 2022.
- The **Asset Under Management (AUM)** of MFIs is **Rs 1,41,980 Cr** as on 31 December 2023, including owned portfolio Rs **1,15,560 Cr** and managed portfolio (off BS) of **Rs 26,420 Cr**. The owned portfolio of MFIN members is 74.0% of the NBFC-MFI universe portfolio of Rs 1,56,245 Cr.
- On a YoY basis AUM has increased by **36.0%** as compared to 31 December 2022 and by **6.1%** in comparison to 30 September 2023.
- Loan amount of **Rs 34,082 Cr** was disbursed in Q3 FY 23-24 through **74.6 Lakhs** accounts, including disbursement of Owned as well as Managed portfolio. This is **21.6%** higher than the amount disbursed in Q3 FY 22-23.
- Average loan amount disbursed per account during Q3 FY 23-24 was **Rs 45,705** which has increased by around **8.2%** in comparison to same quarter of last financial year.
- As on 31 December 2023, the borrowings O/s were **Rs 1,04,696 Cr**. Banks contributed 57.7% of borrowings O/s followed by 19.5% from Non-Bank entity, 10.5% from AIFIs, 6.4% from External Commercial Borrowings (ECB) and 6.0% from other sources.
- During Q3 FY 23-24, NBFC-MFIs received a total of **Rs 21,847 Cr** in debt funding, which is 57.3% higher than Q3 FY 22-23. Banks contributed 67.1% of the total Borrowing received followed by Non-Bank entities 14.1%, AIFIs 8.1%, Others 6.5% and ECB 4.3%.
- Total equity increased by **37.7%** as compared to end of Q3 FY 22-23 and is at **Rs 31,825 Cr** as on 31 December 2023.
- Portfolio at Risk (PAR)>30 days as on 31 December 2023 has improved to **3.3%**** as compared to **5.9%**** as on 31 December 2022.
- MFIs have presence in 27 states and 5 union territories.
- In terms of regional distribution of portfolio (AUM), East and North-East accounts for 31% of the total NBFC-MFI portfolio, South 27%, West 16%, North 16%, and Central contributes 10%.

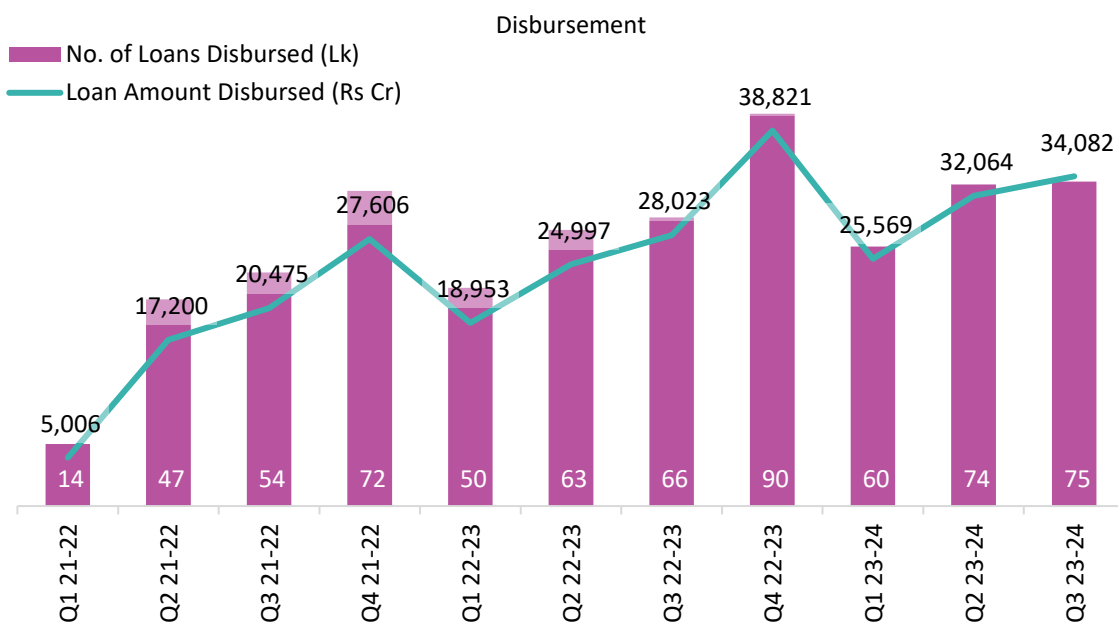
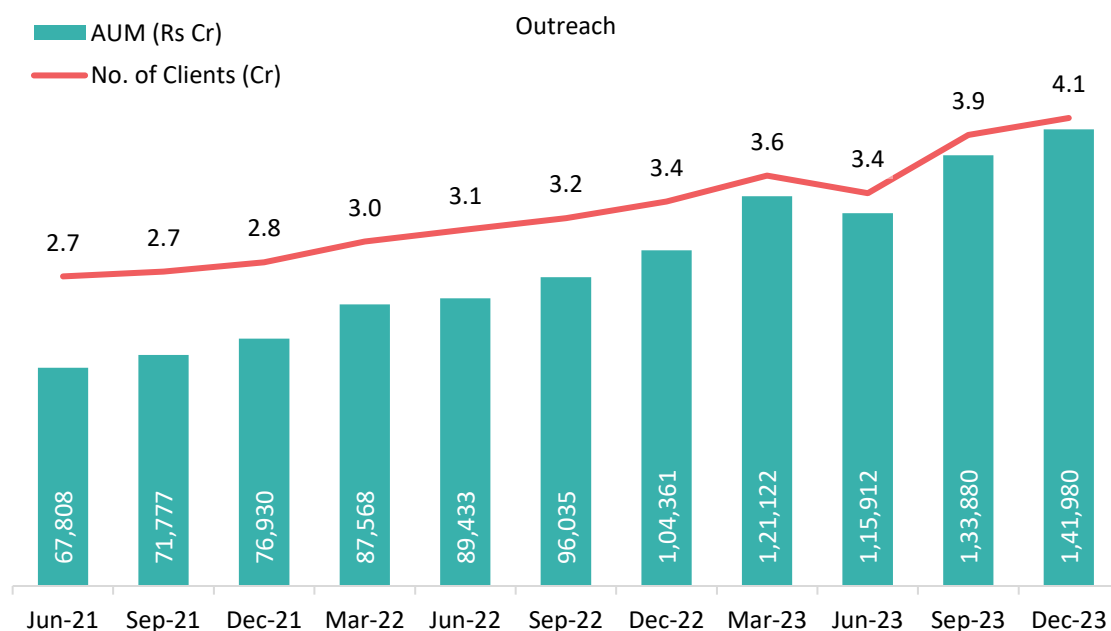
Indicator	Q3 FY 22-23	Q2 FY 23-24	Q3 FY 23-24	YoY change (%) Q3 FY 23-24 over Q3 FY 22-23
	31-Dec-22	30-Sep-23	31-Dec-23	
Branches	16,414	19,110	19,712	20.1%
Employees	1,38,718	1,67,751	1,75,806	26.7%
Clients~ (Cr)	3.4	3.9	4.1	21.7%
Loan accounts (Cr)	4.0	4.8	4.9	24.5%
Asset Under Management (Rs Cr)	1,04,361	1,33,880	1,41,980	36.0%
Balance sheet portfolio (Rs Cr)	86,631	1,08,633	1,15,560	33.4%
Loans disbursed (during the Quarter, Lk)	66.4	73.9	74.6	12.4%
Loan amount disbursed (during the quarter, Rs Cr)	28,023	32,064	34,082	21.6%

**The clients number here is the aggregate of clients of member MFIs. Given some degree of overlaps, it does not reflect the number of 'unique' clients*

*** Includes technical write-off by Member NBFC-MFIs hence it is not comparable with the bureau reported data on page number 10*

NBFC-MFI trends

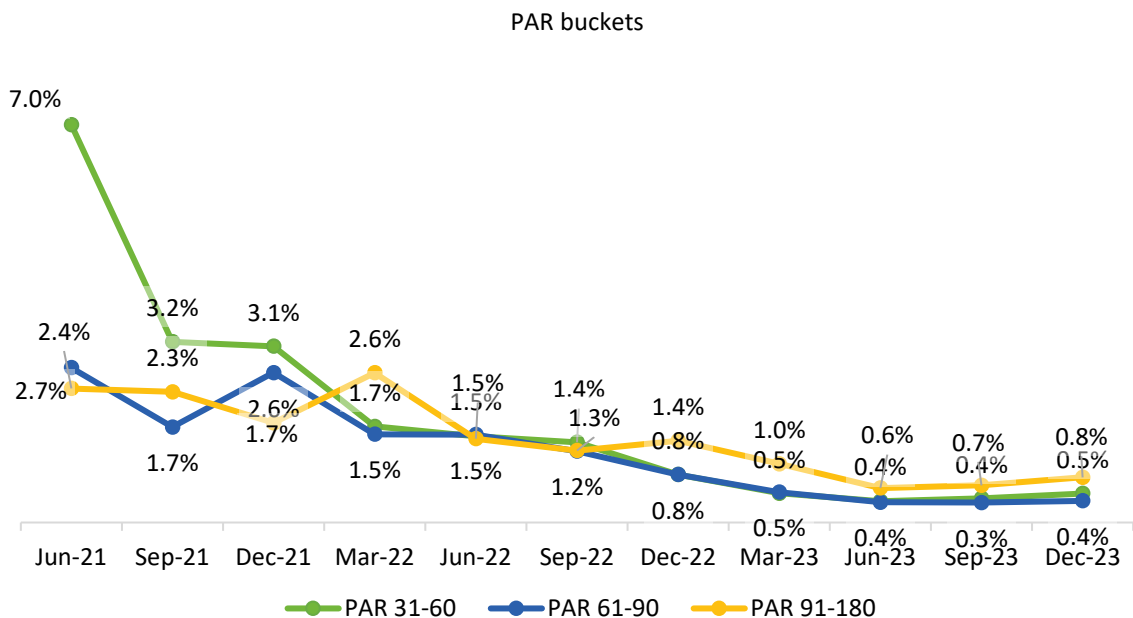
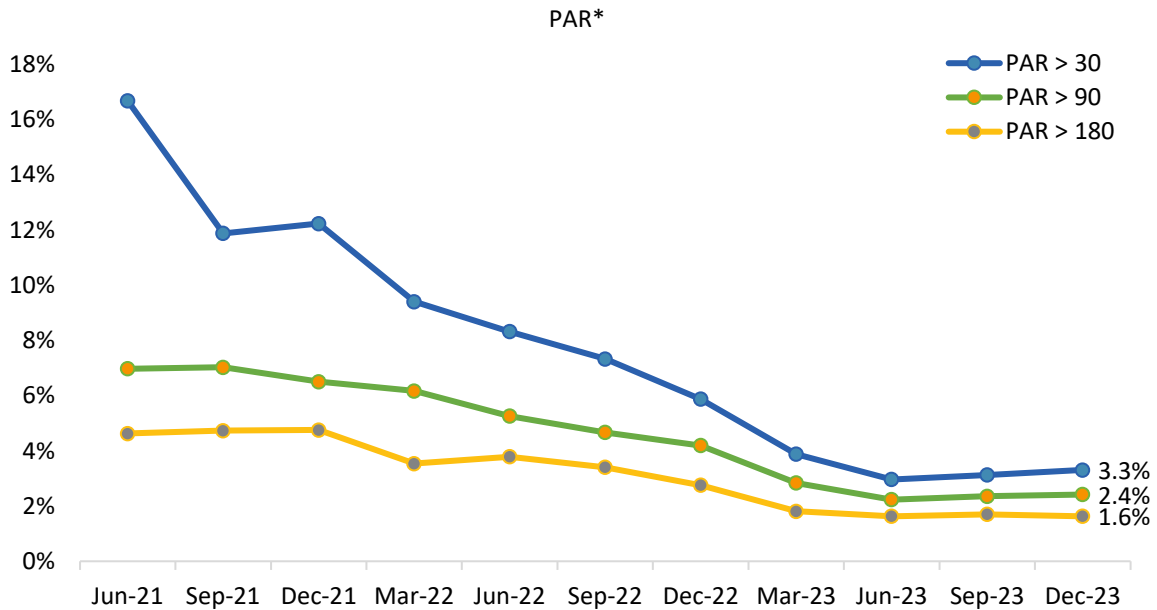
Q1 FY 21-22 to Q3 FY 23-24



*Disbursement relates to both on and off-balance sheet portfolio. Analysis is based on the data of panel of MFIs active in the current quarter. Refer to Annex 1 for the panel.

NBFC-MFI trends

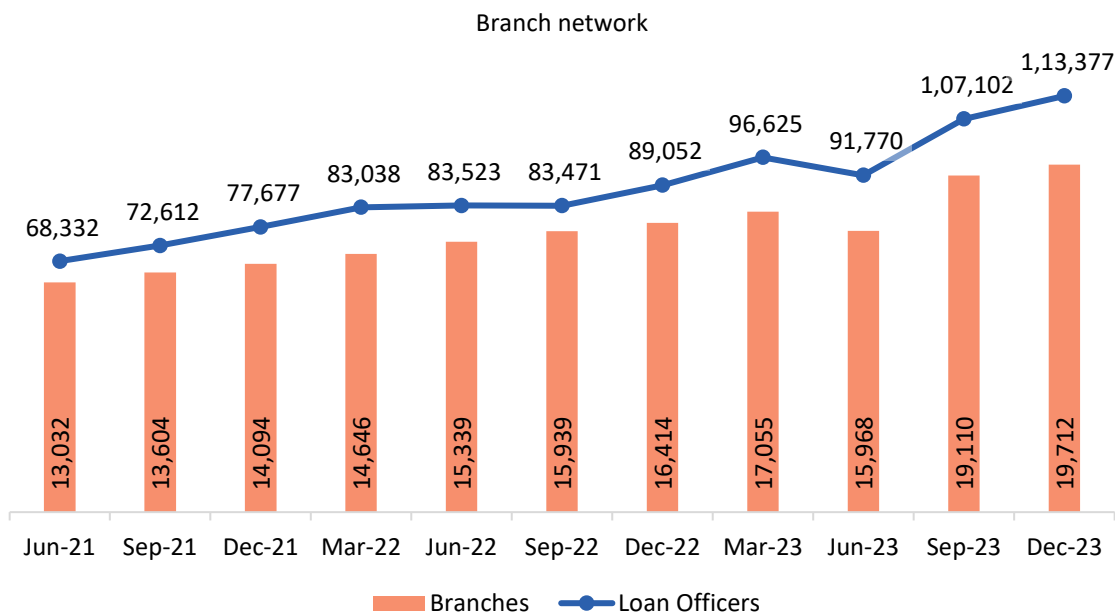
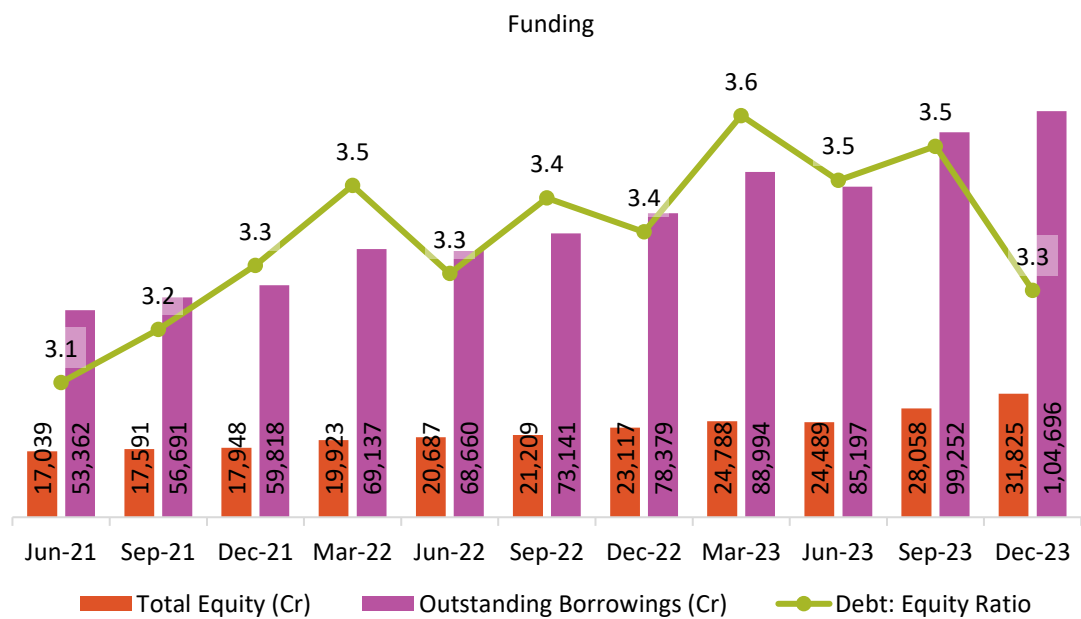
Q1 FY 21-22 to Q3 FY 23-24



*PAR analysis shown in the graph is for both on and off-balance sheet portfolio and factors technical write-offs. Analysis is based on the data of panel of MFIs active in the current quarter. Refer to Annex 1 for the panel.

NBFC-MFI trends

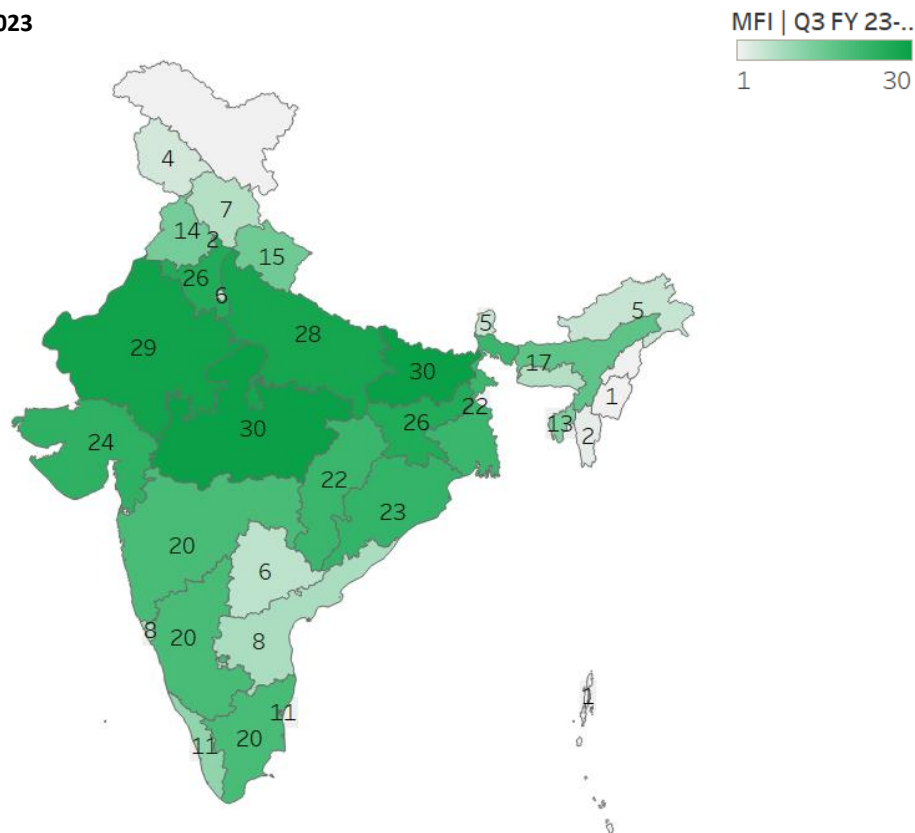
Q1 FY 21-22 to Q3 FY 23-24



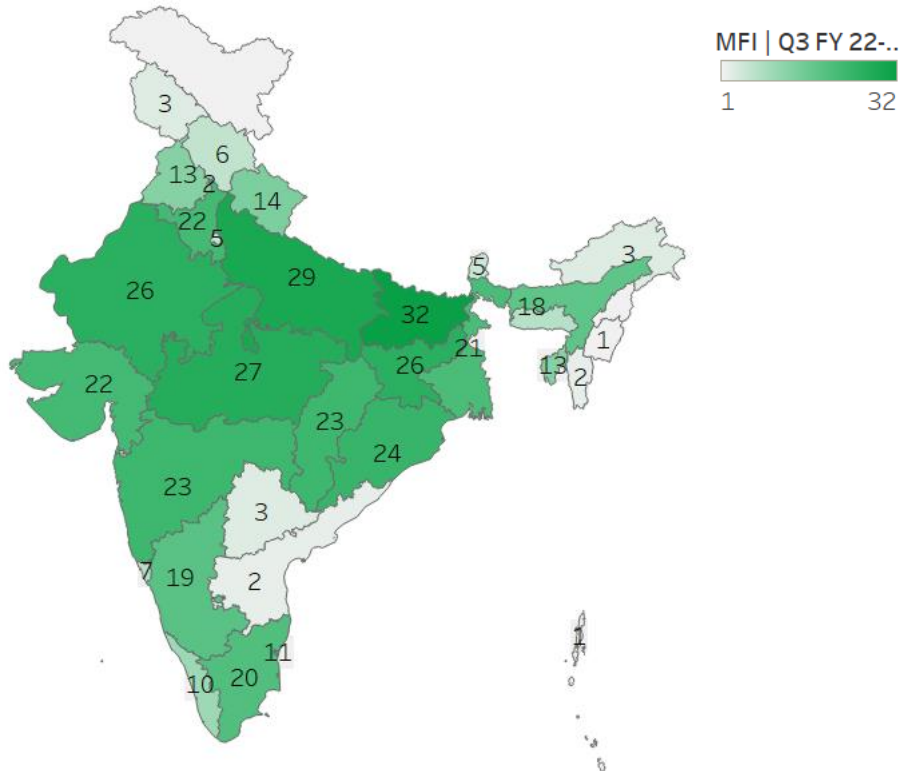
*Analysis is based on the data of panel of MFIs in the current quarter

State wise presence of MFIN Members

30 September 2023



30 September 2022



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