

QUARTERLY *Microfinance* REPORT **QMR**




October 2025 - December 2025





Quarterly Microfinance Report (QMR)



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PREFACE

I am pleased to present the 41st issue of the Quarterly Microfinance Report (QMR) for the quarter ended December 2025 (Q3 FY 2026). The QMR provides quarterly updates on the microfinance sector, enabling various stakeholders to understand the latest trends in the industry.

This quarter's report features data mainly from Equifax India. To give a comparative view from different CICs, we have also added a section with data from CRIF Highmark, another major Credit Information Company. It is heartening to see that the difference in the data between the two CICs has reduced considerably. I would take this opportunity to request all of you to ensure that the data reporting to CICs may be done with all seriousness and should be shared with all four CICs, so as to avoid any data asymmetry.

QMR gives an overall position of the microfinance sector in the country. Section I of the report presents a detailed analysis of the microfinance sector based on data from Equifax India, covering various categories of lenders active in India. Section II analyses self-reported data from 125 Micro Lending Institutions (MLIs), 8 Small Finance Banks (SFBs), and 1 Urban Cooperative Bank, who have provided the information to Sa-Dhan. These self-reported data enable a better analysis of the microfinance sector with respect to various qualitative factors. The full list of contributing MLIs, SFBs and Urban Cooperative Bank is provided in Annexure IV.

The microfinance sector performance has improved drastically over the months, and I hope it will become better in the days to come. We have tried to analyse the data from various aspects. I am sure the analytics around the data given in the QMR will be useful to all.

We extend our sincere thanks to all institutions that shared information for the compilation of this issue. We also request those micro-lending institutions that have not yet shared their data to do so in future quarters, so that the report becomes more comprehensive. We welcome any suggestions for further improving the report. I would also like to place on record my appreciation for my colleagues, Mr Ardhendu Nandi and Ms Shyamasree Nandan, for their efforts in compiling this edition, with the support and guidance of Mr Chandan Thakur and other team members.

With best compliments,

Jiji Mammen
CEO & ED
March 2026



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Executive Summary

Introduction:

The 41st issue of the Quarterly Microfinance Report (QMR) presents an overview of the performance and trends in the microfinance sector for the quarter ended December 2025 (Q3 FY26). The report draws primarily on data reported to Equifax India, complemented by a comparative dataset from CRIF Highmark to provide a broader perspective on sector trends. The reduced divergence between the two Credit Information Companies indicates improvements in data reporting and consistency across the industry.

Highlights of the Performance

Section I: Microfinance Sectoral Performance (based on CIC data)

Portfolio and Outreach

The sector witnessed continued stress during Q3 FY26. The **Gross Loan Portfolio (GLP)** stands at **₹3.22 lakh crore**, reflecting a **6% quarter-on-quarter (Q-o-Q)** decline and a **17% year-on-year (Y-o-Y)** contraction.

Active unique borrowers dropped to **685 lakhs**, marking a **7% Q-o-Q** and **12% Y-o-Y** decline. Similarly, the number of loan accounts fell to 1,074 lakhs, **9% Q-o-Q** and **23% Y-o-Y**, indicating reduced borrower acquisition and activity.

Disbursement

Despite overall portfolio contraction, disbursement activity showed mixed signals. Micro-lenders disbursed **₹62,688 crore** during the quarter across **103 lakh** loan accounts. This represents a **10% Q-o-Q growth**, and **6% Y-o-Y decline**. NBFC-MFIs contributed the highest share of disbursements, followed by Banks, NBFCs, and SFBs.

Despite the contraction in portfolio size and borrower base, disbursement activity remained strong during the quarter. Micro-lenders collectively disbursed **₹62,688 crore** through **103 lakh** loan accounts, registering **10% Q-o-Q** growth and **6% Y-o-Y** growth. The Average Ticket Size (ATS) increased to **₹61,003**, up **16% Y-o-Y**, reflecting a greater focus on higher-value loans and existing borrower segments.

Ticket Size and Outstanding Balances

The **Average Ticket Size (ATS)** rose significantly to **₹61,003**, up **3% Y-o-Y** and **16% Q-o-Q**, reflecting a sectoral shift towards higher loan amounts. The Average Balance per loan account increased to **₹29,938**, suggesting a gradual shift toward larger loan sizes and lending to relatively mature borrowers.

Delinquency

Delinquency trends indicate stress across longer-duration buckets. While short-term PAR (31–90 days) showed Q-o-Q improvement, all delinquency buckets deteriorated on a Y-o-Y basis. **PAR 180+** dpd increased sharply to **15.27%**, highlighting persistent overdues and portfolio vulnerability.

In terms of market composition, NBFC-MFIs continued to dominate the sector with a 41% portfolio share, followed by banks (26%), Small Finance Banks (17%), NBFCs (14%), and other lenders (3%). While banks recorded the steepest Y-o-Y decline in portfolio, SFBs and other lenders slightly improved their market share during the quarter. Geographically, the top five states accounted for 57% of the industry's Gross Loan Portfolio, highlighting continued regional concentration.

Comparison Between CICs

CRIF Highmark reported a GLP of ₹3.21 lakh crore, marginally lower than Equifax's ₹3.22 lakh crore, along with slight variations in loan accounts and disbursement volumes. These differences are primarily due to variations in reporting coverage and data treatment methodologies.

Geographical Trends at the State and District Level

The top five states (Bihar, Tamil Nadu, Uttar Pradesh, Karnataka and West Bengal) accounted for 57% of industry GLP and 55% of total loan accounts. Microfinance Institutions are operating in 767 districts. There are 14 districts with a portfolio of more than ₹2,000 crores outstanding, and these districts are primarily located in Bihar, West Bengal, Tamil Nadu, Karnataka, and Uttar Pradesh. There are 76 districts with a portfolio outstanding between ₹1,000 crore and ₹2,000 crore. These districts contribute to approximately 43% of the total sector's portfolio.

Section II: Performance of Micro Lending Institutions (MLIs), collected from 125 MLIs

Operational Footprint

The 125 reporting MLIs together operated 24,895 branches and employed 2.07 lakh staff, of which 1.19 lakh were field officers. Q-o-Q increased in branches 2%, and staff strength 4% indicate rationalisation efforts amid portfolio pressure.

Client Outreach and Portfolio

Client outreach stood at 393 lakhs, down 3% Q-o-Q and 14% Y-o-Y. The aggregated Own Portfolio stands at ₹1,01,157 crore, increased by 2% Q-o-Q, while the Off-Balance Sheet (OBS) Portfolio stands at ₹63,747 crore, up marginally by 0.37% Q-o-Q.

Business Correspondent (BC) and Co-lending Portfolio

Out of 125 reported MLIs, 61 have been engaged in BC arrangements with various Banks/FIs. Among these 61 MLIs, 35 have a BC portfolio exceeding 50% of their total portfolio. Of these 35, 10 MLIs have maintained a 100% BC portfolio, while the remaining 26 have a BC portfolio above 50% but below 100%. As of 31 Dec 2025, the total Co-lending Portfolio of 10 MLIs together is ₹1,594 crore, engaged with 11 Banks/FIs.

Operational and Financial Performance

The operating cost (weighted average) of the 125 MLIs has stood at 8.91% in Q3 FY26. Across portfolio size categories, operating cost has been lowest for Very Large MLIs (GLP > ₹5,000 crore) at 7.24%, while it has been highest for Large MLIs (GLP between ₹2,000 crore and ₹5,000 crore) at 11.95%. Compared to Q2 FY26, operating costs have increased across all MLI categories.

The Cost of Funds (weighted average) for the microfinance sector in Q3 FY26 is 10.39%. Across portfolio sizes, the Cost of Funds is lowest for Very Large MLIs at 9.95% and highest for Small MLIs (GLP between ₹100 Cr - ₹500 Cr.) at 13.69%. Cost of Funds has increased across all categories.

The weighted average interest rate of the microfinance sector for Q3 FY 2026 stands at 24.34%. When segmented by portfolio size, the lowest interest rate is observed among Large MLIs (GLP between ₹2000 and ₹5,000 Cr) at 23.10%, while the highest is seen in Nano MLIs (GLP > ₹100 Cr) at 26.06%.

Profitability Ratio:

There is a notable shift in the distribution of MLIs across RoE and RoA categories over the last four quarters. The number of reporting MLIs with a Return on Equity (RoE) below 2% increased from 37 in March 2025 to 52 in June 2025, declined significantly to 28 in September 2025, and rose again to 42 in December 2025. In contrast, MLIs reporting RoE above 15% declined sharply from 12 in March to 3 in June 2025, followed by a marginal increase to 4 in September 2025, and a slight decline again in December 2025. A similar trend is observed for Return on Assets (RoA). The number of MLIs with RoA below 1% increased from 48 in March to 61 in June 2025, before declining to 29 in September 2025, and rising again to 48 in December 2025. Meanwhile, the number of MLIs reporting RoA above 3% fell from 9 in March to 4 in June, before increasing to 7 in September 2025 and rising further to 16 in December 2025.

Funding:

The total amount received during Q3 FY 2025–26 by all categories of MLIs has been ₹14,289 crore, compared to ₹12,622 crore in Q2 FY 2025–26, reflecting a quarter-on-quarter increase. Of the total amount received in Q3, eight Very Large MLIs have accounted for ₹9,429 crore (66%), while six Large MLIs have received ₹3,652 crore (26%). Out of 125 MFIs, 60 did not receive any funds from any source during Q3 FY26.

Coverage from Small Finance Banks (SFBs)

Data captured from 8 SFBs and 1 Cooperative Bank covering portfolio size, active borrowers, disbursements, and geographical distribution adds depth to the analysis of the microfinance landscape. These institutions continue to play a critical role in microfinance delivery through both direct lending and Business Correspondent (BC) partnerships.

Conclusion

Despite the contraction in portfolio size and borrower base, disbursement remained relatively resilient, supported by a shift toward higher-value loans and lending to relatively mature borrowers. The increase in Average Ticket Size and average outstanding balances indicates a gradual move toward larger loan sizes, possibly reflecting lenders' preference for existing and relatively lower-risk borrowers.

The findings of the 41st issue of the Quarterly Microfinance Report (QMR) indicate that the microfinance sector continued to experience a period of consolidation and stress during Q3 FY26. The contraction in Gross Loan Portfolio, active borrowers, and loan accounts suggests that lenders have adopted a cautious approach amid rising portfolio risks and ongoing asset quality concerns. The increase in longer-duration delinquency buckets, particularly PAR 180+, further highlights the pressure on portfolio quality and the need for strengthened risk management and recovery mechanisms across the sector.

Going forward, the sector's stability will depend on sustained efforts to improve portfolio quality, maintain responsible lending practices, and ensure balanced growth in outreach and credit expansion.

Industry Snapshot

(As of December 2025)

Outreach					
	Dec 2025	Sept 2025	Dec 2024	Y-o-Y growth	Q-o-Q growth
Portfolio Outstanding (in ₹ Cr)	3,21,527	3,41,947	3,85,769	-16.7%	-5.97%
Active Unique Borrowers (in Lakhs)	685	738	777	-11.8%	-7.2%
Loan Accounts (in lakhs)	1,074	1,174	1,383	-22.9%	-8.5%
Average Balance per Loan Account (in ₹)	29,938	31,498	27,699	8.1%	-5.0%
Sourcing					
	Oct – Dec 2025	July – Sept 2025	Oct – Dec 2024	Y-o-Y growth	Q-o-Q growth
Disbursed Amount (in ₹ Cr)	62,688	56,962	59,414	6%	10%
Loan accounts (in lakhs)	103	96	113	-9%	7%
Average Ticket Size (in ₹)	61,003	59,453	52,693	16%	3%
Delinquency					
	Dec 2025	Sept 2025	Dec 2024	Y-o-Y change	Q-o-Q change
PAR 31-90 dpd	1.5%	2.0%	3.2%	-1.7%	-0.5%
PAR 91-180 dpd	2.4%	3.3%	4.0%	-1.6%	-0.9%
PAR 180+ dpd	16.7%	15.3%	9.5%	7.2%	1.4%

Data source: Equifax India

Comparison between the data of the two major Credit Information Companies

Particulars	CRIF Highmark	Equifax India	Remarks
Loan Portfolio (in ₹ Cr)	3,20,853	3,21,527	The difference in the data is mainly due to the way hanging accounts are handled ¹ .
No. of Loan Accounts (in lakhs)	1,120	1,074	
Amount Disbursed (in ₹ Cr)	61,716	62,688	
Loan account disbursed (in lakhs)	102.5	103	
Average Balance Per Loan Account (in ₹)	28,647	33,024	
Average Ticket Size (in ₹)	60,200	61,003	
PAR 31-90days	1.4%	1.5%	
PAR 91-180 days	2.0%	2.4%	
PAR 180+dpd	17.3%	16.7%	

Key Takeaways

Loan Portfolio:

- As of December 2025, the microfinance sector has recorded a 6% quarter-on-quarter (Q-o-Q) decline in the loan portfolio, alongside a 16.7% year-on-year (Y-o-Y) contraction.
- NBFC-MFIs continued to lead the market with a 41% share of the portfolio, followed by Banks at 26%, SFBs at 17%, NBFCs at 14%, and Others at 3%. Compared to the last quarter (Q3 FY26), SFBs and other lenders gained market share, while Banks' share declined. The shares of NBFC-MFIs and NBFCs remained unchanged.

¹ A hanging account refers to an active account for which lenders have not updated the latest information to the CICs.

- Among the microlenders, Banks have recorded the steepest YoY decline of 33%, followed by NBFC-MFIs and SFBs, which have declined by 12%, and NBFCs, which have declined by 3%. In contrast, the others category has posted a strong positive Y-o-Y growth of 25%.
- The top five states by GLP have contributed to 57% of industry GLP, aggregating to ₹1,83,226 crore.

No. of Loan Accounts and Active Unique Borrowers:

- As of December 2025, the microfinance sector has experienced an 8.5% quarter-on-quarter (Q-o-Q) decline in the number of loan accounts and a 22.9% year-on-year (Y-o-Y) contraction, reflecting continued pressure on borrower acquisition and retention.
- During the same period, the number of active unique borrowers decreased by 7.2% Q-o-Q and 11.8% Y-o-Y, highlighting a broad-based reduction in borrower activity.
- The top five states accounted for 55% of the total loan accounts and 53% share of the active borrowers.

Average Ticket Size (ATS) and Average Balance Per Loan Account:

- As of December 2025, the sector's Average Ticket Size (ATS) reached ₹61,003, reflecting a 16% year-on-year and a 3% quarter-on-quarter increase. This growth highlights the industry's continued shift toward vintage clients, driven by the preference for higher-ticket loans.
- During the same period, the Average Balance per Loan Account is ₹29,938, up 8% Y-o-Y and down by 5% Q-o-Q.

Disbursement:

- In Q3 FY 2025–26, the micro-lenders have disbursed a total of ₹62,688 crore across 103 lakh loans. The sector has therefore recorded Y-o-Y growth of 6% and Q-o-Q growth of 10% in total disbursements.
- Among micro-lenders, NBFC-MFIs have disbursed the highest amount during the quarter at ₹27,771 crore, followed by Banks at ₹15,873 crore, NBFCs at ₹9,776 crore, SFBs at ₹8,412 crore, and Others at ₹856 crore.

Delinquency:

- **In the third quarter, portfolio quality has improved across all buckets, except 180+ dpd, compared to the previous financial year.**
 - As of Dec 25, PAR 30-179 dpd has improved to 3.9% from 7.2% as of Dec 24,
 - As of Dec 25, PAR 60-179 dpd has improved to 3.2% from 5.5% as of Dec 24,
 - As of Dec 25, PAR 90-179 dpd has improved to 2.4% from 4.0% as of Dec 24,
 - As of Dec 25, PAR 180+ dpd has deteriorated to 16.7% from 9.5% as of Dec 24.

Note: As of December 2025, the combined microcredit portfolio outstanding of 285 microlenders (NBFC-MFIs: 97, Banks:18, SFBs:11, NBFCs: 110 and other lenders: 71).

Section I

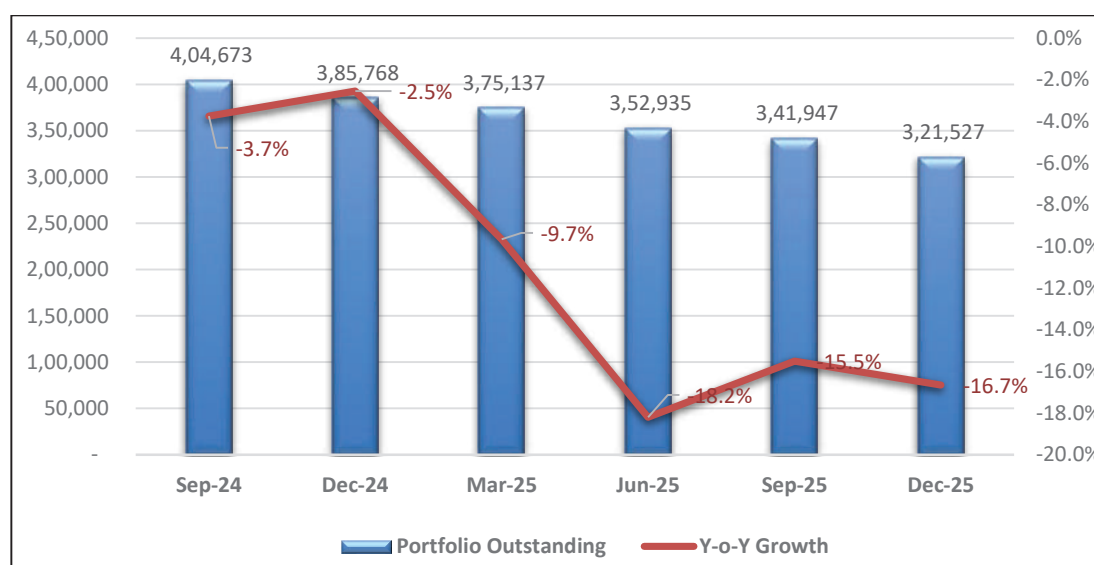
A. Portfolio and outreach

A.1 Portfolio Trends

The portfolio trend reflects a sustained contraction phase in the microfinance sector over the last five quarters. Portfolio outstanding declined steadily from ₹4,04,673 crore in September 2024 to ₹3,21,527 crore by December 2025, representing a nearly 20% reduction. The decline has been consistent quarter after quarter, indicating that run-offs and recoveries have exceeded fresh disbursements for an extended period.

The Y-o-Y growth trajectory reinforces this contractionary trend. Growth remained negative throughout the period, beginning at -3.7% in September 2024, marginally improving to -2.5% in December 2024, then sharply deteriorating to -9.7% in March 2025 and further to -18.2% in June 2025. The June quarter marks the deepest contraction, suggesting a phase of aggressive portfolio correction, tighter underwriting, and cautious lending. Although the pace of contraction moderated slightly thereafter—improving to -15.5% in September 2025 and -16.7% in December 2025—the sector remains in negative growth territory.

Figure 1: Portfolio Trends over the last five quarters (in ₹ Cr)

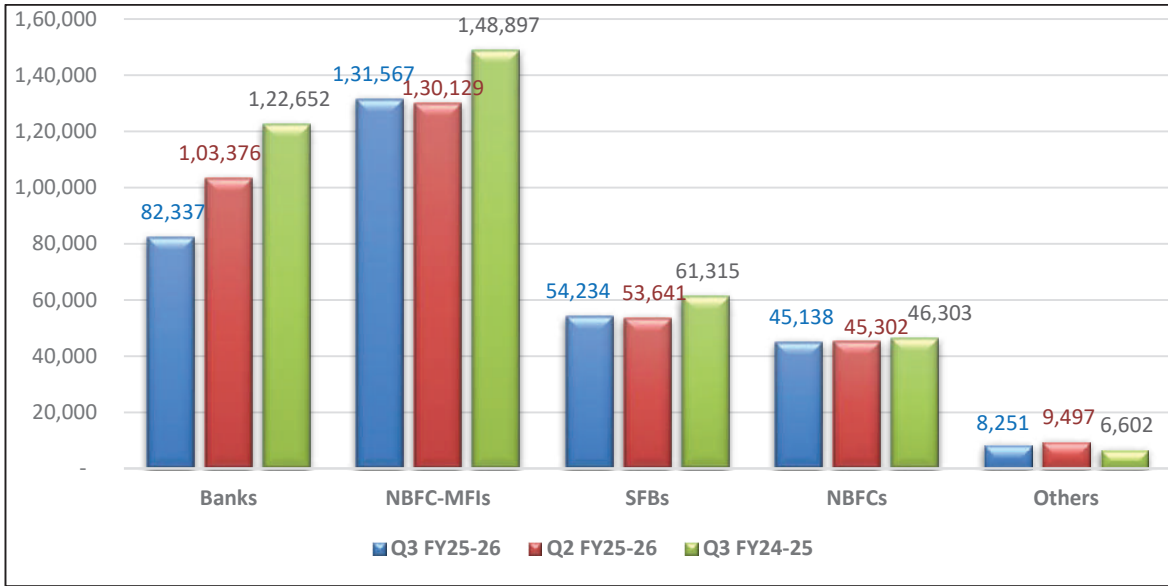


This pattern indicates a deliberate deleveraging cycle rather than an abrupt collapse in demand. The data suggests calibrated risk containment by lenders, driven by stress in select geographies, elevated delinquencies, and strengthened SRO guardrails. The moderation in contraction after June 2025 signals early stabilisation, though portfolio expansion has not yet resumed. Overall, the sector appears to be undergoing a corrective adjustment phase, characterised by disciplined lending, exposure consolidation, and balance-sheet strengthening.

A.2 Lender-wise Portfolio Trends

On a quarter-on-quarter basis, the movement across lender segments is mixed. Banks registered a sharp contraction of about 20%, reflecting a continued pullback in direct microfinance exposure. In contrast, NBFC-MFIs recorded a marginal increase of around 1%, indicating early signs of stabilization in the core microfinance segment. Small Finance Banks also witnessed modest growth of about 1%, suggesting steady, calibrated participation. NBFCs (non-MFI) remained largely stable, with a marginal decline of less than 1%, pointing to controlled portfolio management. However, the “Others” category saw a notable contraction of over 13%, indicating reduced activity among smaller or niche players.

Figure 2: Lender segment-wise portfolio outstanding (in ₹ Cr)

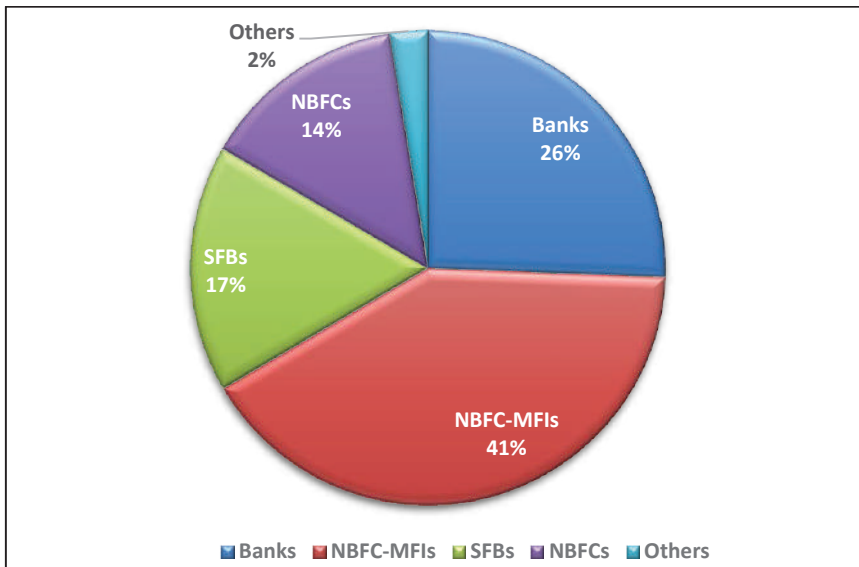


Taken together, the data reflect a sector moving from systemic correction toward selective normalisation. While aggregate growth remains subdued, stability in primary microfinance-focused institutions suggests that the deleveraging cycle may be bottoming out, with recovery likely to be gradual and driven by disciplined, risk-aligned expansion rather than rapid portfolio growth.

A.3 Market share in terms of Portfolio

With NBFC-MFIs holding 41% of the portfolio and Banks accounting for 26%, over two-thirds of the sector is concentrated in these two categories. The quarter-on-quarter data shows stabilization in NBFC-MFIs, suggesting that core microfinance institutions are transitioning from aggressive correction to calibrated normalization. In contrast, Banks have exhibited sharper contraction, indicating a more cautious risk stance or strategic rebalancing of exposure. Small Finance Banks, with a 17% share, appear relatively stable, pointing to measured participation without significant volatility. NBFCs (14%) and Others (3%) remain secondary contributors, with limited systemic impact. Overall, the data suggest that while aggregate growth remains negative, stabilization in the dominant NBFC-MFIs segment is a constructive signal.

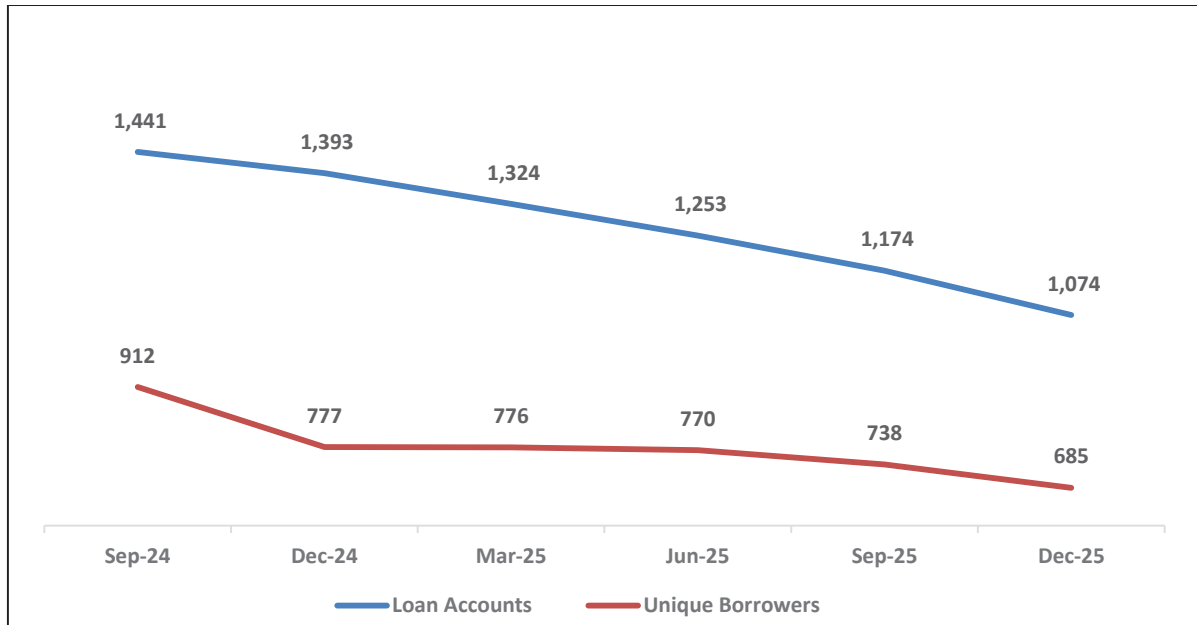
Figure 3: Lender-wise Market Share in terms of Portfolio Outstanding



A.4 Outreach Trends

The trend in loan accounts and active unique borrowers reflects a clear contraction in outreach and credit depth over the period. Loan accounts declined steadily from 1,575 in June 2024 to 1,074 in December 2025, representing a nearly 32% reduction. The decline is consistent across quarters, indicating sustained portfolio runoff, tighter disbursement, and possibly closure of multiple or overlapping loans. This suggests a conscious effort to consolidate the portfolio and contain risk. Unique borrowers, after rising from 818 in June 2024 to 912 in September 2024, began declining, falling to 685 by December 2025, reflecting an overall reduction of around 16% from the peak. The sharper decline in loan accounts relative to borrowers indicates that the average number of loans per borrower has decreased over time. This points toward moderation in multiple lending and improved credit discipline across lenders.

Figure 4: Loan Accounts and Active Unique Borrowers trends over the last five quarters

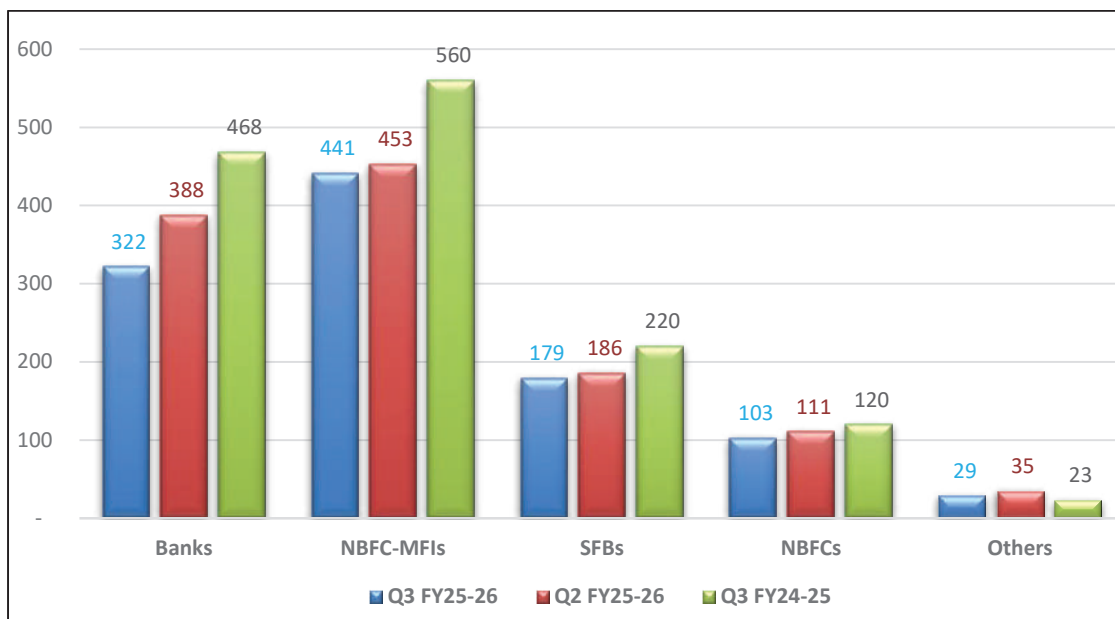


Overall, the data signals a sector-wide deleveraging phase characterised by lower borrower leverage, rationalised credit exposure, and cautious expansion. While outreach has contracted, the sharper compression in loan accounts relative to borrowers suggests corrective adjustments aimed at strengthening portfolio quality and reducing over-indebtedness risk rather than an outright collapse in demand.

A.5 Lender-wise distribution of Loan Accounts

The lender-wise borrower distribution shows a broad-based year-on-year decline in outreach, though the extent of contraction varies across segments. NBFC-MFIs, which serve the largest share of borrowers, recorded a decline of about 21% compared to Q3 FY 2024–25, indicating a significant moderation in borrower acquisition as institutions focus on portfolio consolidation and risk management. Banks witnessed the sharpest contraction, with borrower outreach falling by around 31% year-on-year, reflecting a pronounced pullback in direct microfinance lending. Small Finance Banks (SFBs) registered a moderate decline of about 19%, suggesting relatively stable participation compared to other large segments. NBFCs (non-MFIs) saw a roughly 14% reduction, indicating cautious exposure management but a less severe contraction than Banks or NBFC-MFIs. In contrast, the 'Others' segment recorded a modest increase of about 26%, though its overall share remains small and does not significantly influence sector dynamics.

Figure 5: Lender-wise Loan Account

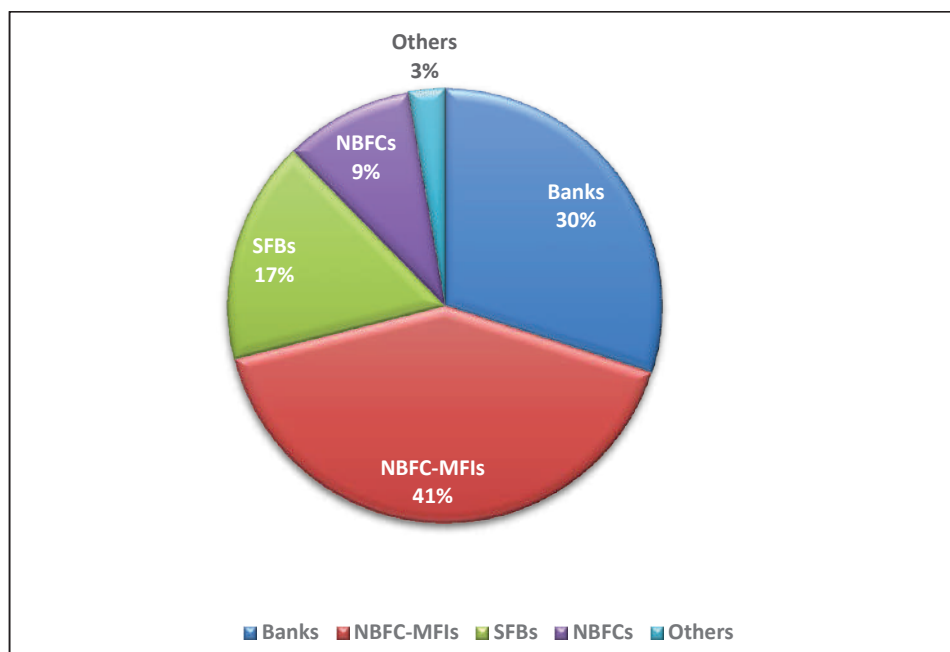


Overall, the reduction in borrower outreach is primarily driven by NBFC-MFIs and Banks, pointing to a sector-wide shift toward tighter underwriting, lower borrower leverage, and calibrated credit expansion.

A.6 Market share of Loan Accounts

The borrower distribution shows a highly concentrated microfinance ecosystem, with NBFC-MFIs serving the largest share at 41%, followed by Banks at 30%. Together, these two segments account for over 70% of total borrowers, making them the primary drivers of credit outreach in the sector. Small Finance Banks contribute 17%, indicating a steady and growing role in inclusion lending, while NBFCs account for 10% and Others just 3%. Overall, the structure suggests that sector outreach and credit flow are heavily dependent on NBFC-MFIs and Banks, and any shift in their risk appetite or lending strategy can significantly influence the overall trajectory of microfinance growth.

Figure 6: Lender-wise Market share in terms of Loan accounts



A.7 Area-wise Portfolio and Loan account distribution

The geographic distribution indicates a broad-based contraction in microfinance outreach across all segments over the past year. Between December 2024 and December 2025, loan accounts declined across Rural, Semi-Urban, and Urban areas, reflecting a sector-wide slowdown in borrower acquisition and portfolio expansion. Semi-urban areas continue to hold the largest share of the portfolio, followed closely by rural regions, highlighting that microfinance activity remains concentrated in these two segments. However, both segments witnessed noticeable reductions in loan accounts and portfolio size, suggesting tighter underwriting and moderated disbursements. Urban portfolios also contracted, though they represent a relatively smaller share of overall microfinance exposure. The untagged category remains marginal with minimal impact on sector trends.

Table 1: Area-wise distribution of Loan Accounts and Portfolio Outstanding

	Dec-25		Sep-25		Dec-24	
	Loan Account (in Lakhs)	Portfolio (in ₹ Cr)	Loan Account (in Lakhs)	Portfolio (in ₹ Cr)	Loan Account (in Lakhs)	Portfolio (in ₹ Cr)
Rural	473	1,43,593	515	1,50,934	606	1,68,729
Semi-Urban	511	1,52,380	558	1,62,572	665	1,83,884
Urban	80	22,576	90	25,200	109	29,690
Untagged	10	2,977	11	3,240	12	3,465

Overall, the data suggest that the sectoral correction is not limited to a specific geography but is systemic, affecting rural and semi-urban markets alike. Despite the contraction, the dominance of rural and semi-urban segments underscores that microfinance remains primarily focused on non-urban and financially underserved regions, even during the current phase of portfolio recalibration.

A.8 Geographical Trends

The top states, as of December 2025, contribute 83% of the total Portfolio. Similarly, the aggregated Loan accounts of these top 10 states account for 82% of the industry's loan accounts.

Figure 7: Top 10 states in terms of Portfolio (in ₹ Cr)

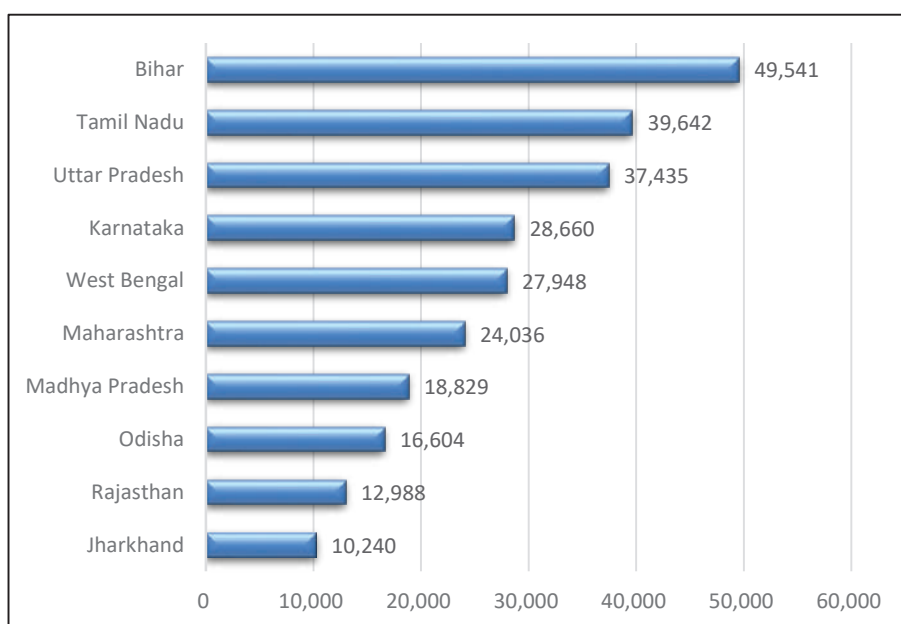


Figure 8: Top 10 states in terms of Loan Accounts (in lakhs)

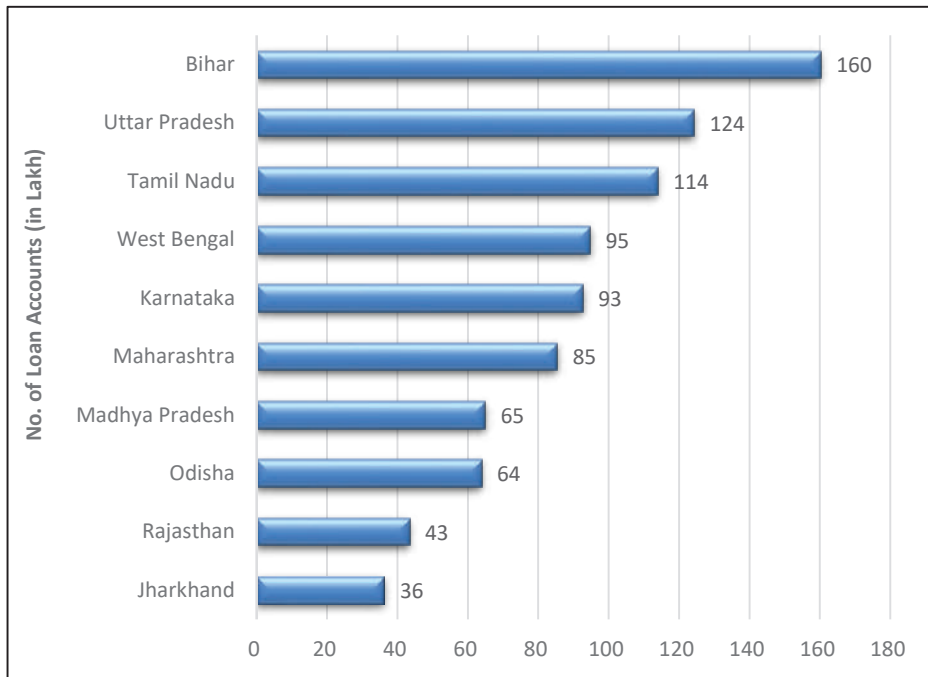


Table 2: State-wise Active Unique Borrowers, Loan Accounts and Portfolio Outstanding as of December 2025

State/UT	Active Unique Borrowers (in Lakhs)	Number of Loan Accounts (in Lakhs)	Portfolio (in ₹ Cr)	Y-o-Y Growth - Portfolio	Q-o-Q Growth - Portfolio
Andaman & Nicobar	0	0	16	0%	-5%
Andhra Pradesh	18	22	5,285	-8%	-6%
Arunachal Pradesh	0	0	120	34%	4%
Assam	19	23	6,678	9%	-9%
Bihar	91	160	49,541	-15%	-5%
Chandigarh	0	0	31	-10%	-10%
Chhattisgarh	13	19	5,581	-15%	-4%
Dadar & Nagar Haveli	0	0	5	-22%	-8%
Delhi	1	2	485	-18%	-13%
Goa	0	0	100	-37%	-13%
Gujarat	22	30	8,699	-23%	-7%
Haryana	10	15	4,753	-13%	-2%
Himachal Pradesh	0	1	174	-5%	-2%
Jammu & Kashmir	0	0	80	-20%	-6%
Jharkhand	21	36	10,240	-11%	-2%
Karnataka	55	93	28,660	-24%	-4%
Kerala	19	33	10,146	-15%	-2%
Lakshadweep	0	0	0	-46%	-30%
Madhya Pradesh	43	65	18,829	-14%	-5%
Maharashtra	52	85	24,036	-17%	-6%
Manipur	0	0	43	-51%	-34%
Meghalaya	0	0	143	6%	-3%
Mizoram	0	0	113	4%	-1%
Nagaland	0	0	59	8%	-24%

State/UT	Active Unique Borrowers (in Lakhs)	Number of Loan Accounts (in Lakhs)	Portfolio (in ₹ Cr)	Y-o-Y Growth - Portfolio	Q-o-Q Growth - Portfolio
Odisha	36	64	16,604	-23%	-5%
Puducherry	2	3	929	-10%	-3%
Punjab	10	16	4,830	-4%	0%
Rajasthan	29	43	12,988	-19%	-5%
Sikkim	0	0	72	-45%	-35%
Tamil Nadu	79	114	39,642	-20%	-3%
Telangana	13	18	4,380	-7%	-8%
Tripura	4	5	1,480	-28%	-29%
Uttar Pradesh	80	124	37,435	-10%	-1%
Uttarakhand	3	5	1,362	-22%	-8%
West Bengal	62	95	27,948	-20%	-19%
Industry	685	1,074	3,21,527²	-17%	-6%

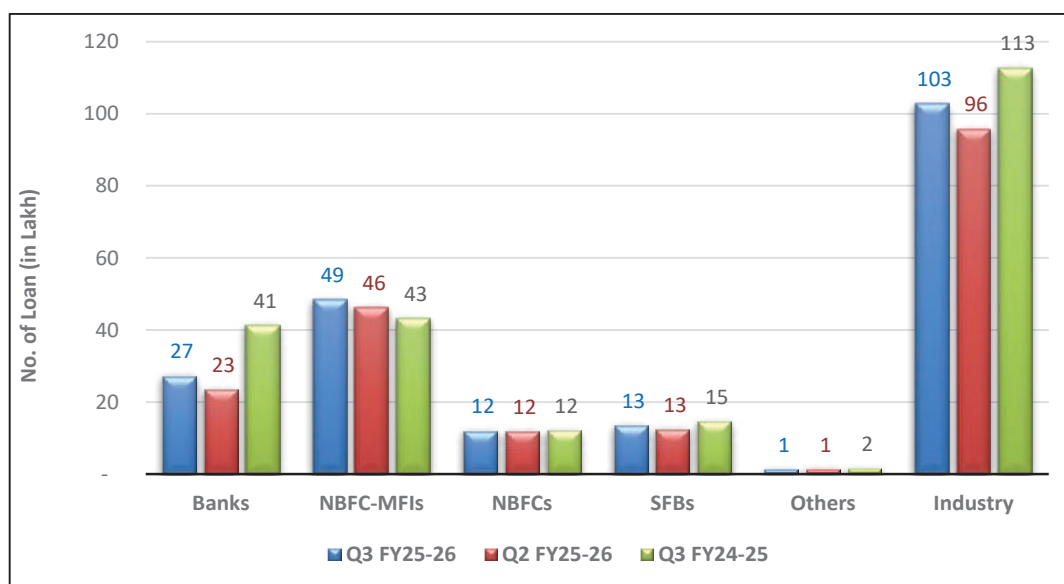
The table is in alphabetical order of States.

B. Sourcing

B.1 Loan Account Origination

The loan account disbursement trend shows a moderation in lending activity across the sector compared to last year, with varying movements across lender segments. At the industry level, disbursements declined by around 9% year-on-year, falling from 113 lakh loan accounts in Q3 FY2024–25 to 103 lakhs in Q3 FY2025–26, indicating a cautious expansion of credit. Banks recorded the sharpest contraction, with disbursements declining by about 34% year-on-year, reflecting a significant pullback in direct microfinance lending. In contrast, NBFC-MFIs saw disbursements increase by around 14%, suggesting that core microfinance lenders are continuing to support credit demand despite the broader slowdown. Small Finance Banks (SFBs) witnessed a roughly 13% decline, indicating a measured level of lending activity. NBFCs (non-MFI) remained largely stable, with negligible change, while the 'Others' segment saw a 50% reduction; however, its contribution to the overall market remains very small. Overall, the data suggests that while sector-wide disbursement momentum has moderated, NBFC-MFIs continue to play a key role in sustaining credit flow, partially offsetting the sharper pullback by Banks.

Figure 9: Lender-wise number of loans disbursed during the quarter

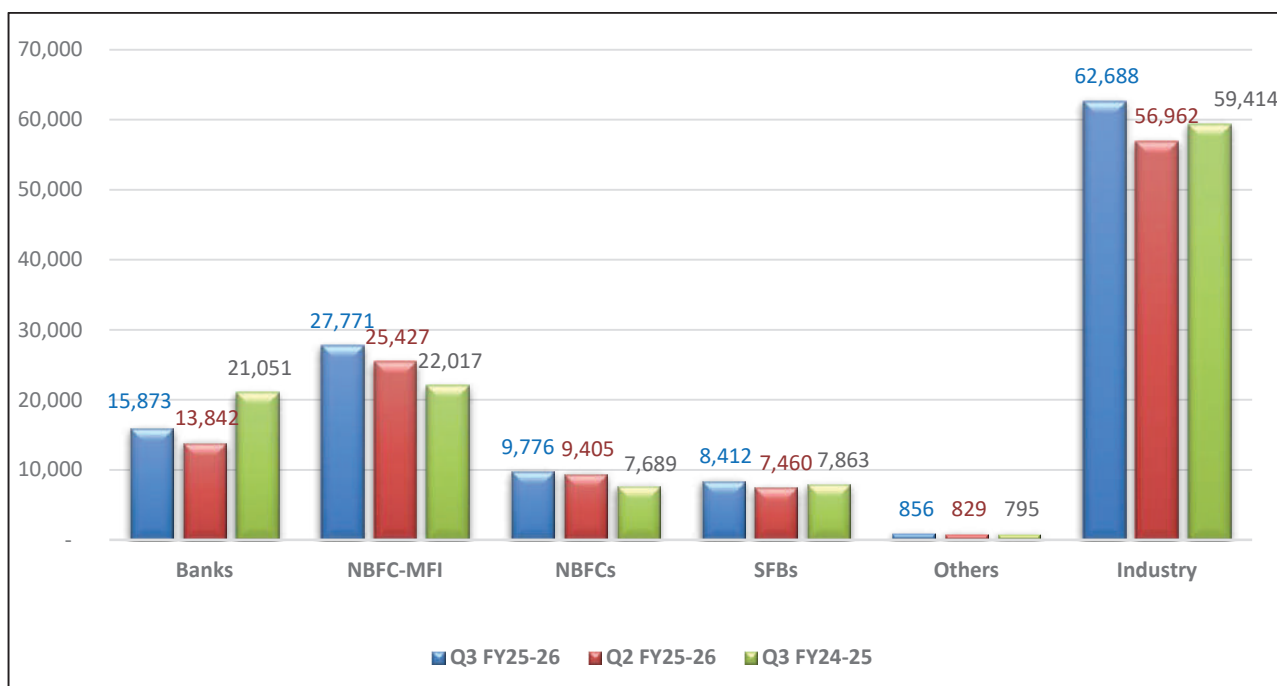


² State total does not equal the industry portfolio, as around ₹89 crores of the portfolio is not tagged under any state.

B.2 Amount Disbursed

The amount disbursed trend indicates a moderate recovery in lending activity compared to the previous quarter, though the pattern varies across lender segments. At the industry level, total disbursements increased by about 10% year-on-year, rising from ₹56,962 crore in Q3 FY2024–25 to ₹62,688 crore in Q3 FY2025–26, suggesting a gradual revival in credit flow after a period of contraction. NBFC-MFIs recorded the strongest growth, with disbursement amounts increasing by around 26% year-on-year, reinforcing their dominant role in sustaining microfinance lending momentum. NBFCs (non-MFI) also saw a notable rise of about 27%, indicating improved credit deployment from this segment. In contrast, Banks witnessed a decline of roughly 25%, reflecting continued caution in direct microfinance exposure. Small Finance Banks (SFBs) registered a modest increase of about 7%, suggesting relatively stable lending activity. The Others segment saw a small increase of around 8%, though its overall contribution remains minimal. Overall, the data suggests that growth in disbursement value is being driven primarily by NBFC-MFIs and NBFCs, partially offsetting the contraction in Bank lending and indicating a gradual normalization in sector credit flow.

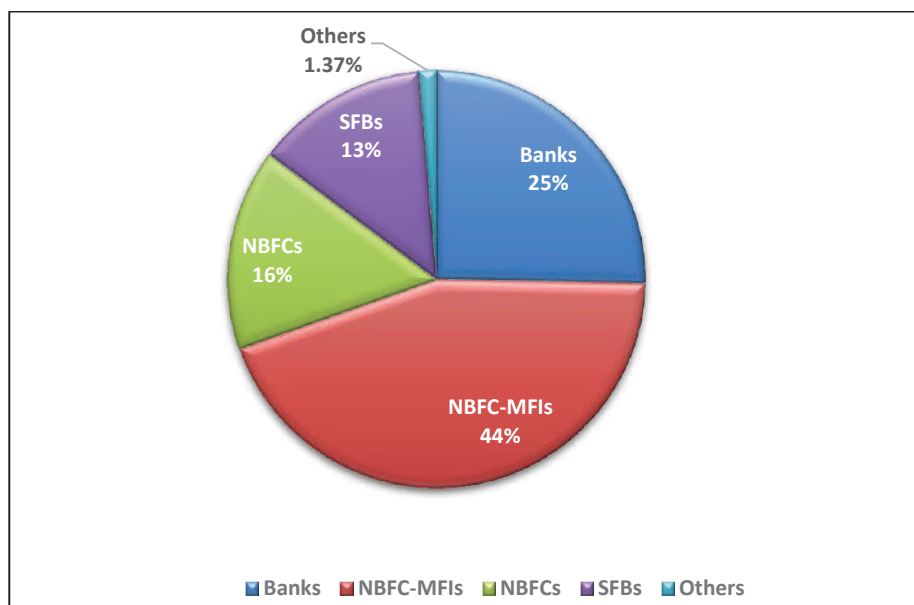
Figure 10: Lender-wise amount disbursed during the quarter



B.3 Market Share of Loan Origination

The lender-wise distribution of amount disbursed shows that NBFC-MFIs dominate microfinance lending, accounting for 44% of total disbursements. This highlights their central role in driving credit flow and meeting borrower demand in the sector. Banks contribute 25% of total disbursements, making them the second-largest segment, though their share is significantly lower than NBFC-MFIs. NBFCs (non-MFI) account for 16%, reflecting a growing role in microfinance lending outside the specialized MFI model. Small Finance Banks (SFBs) account for 13% of disbursements, indicating steady participation in financial inclusion lending. The Others category accounts for only 1%, suggesting minimal influence from smaller players. Overall, the structure indicates that nearly 70% of total disbursements are driven by NBFC-MFIs and Banks, underscoring the sector’s reliance on these two segments to sustain credit supply and support microfinance growth.

Figure 11: Lender-wise Market Share in terms of Amount Disbursed



B.4 Area-wise Originations

The geographic distribution of disbursements shows that semi-urban and rural areas continue to dominate microfinance lending, together accounting for the vast majority of loan accounts and disbursed amounts. In December 2025, semi-urban areas recorded 49 lakh loan accounts with ₹29,862 crore disbursed, slightly higher than rural areas with 46 lakh accounts and ₹28,404 crore. On a year-on-year basis, overall industry disbursements increased from ₹59,414 crore in December 2024 to ₹62,688 crore in December 2025, even though the number of loan accounts declined from 113 lakh to 103 lakh. This suggests a rise in average ticket sizes and more calibrated lending. Rural and semi-urban markets both saw higher disbursement values despite fewer loan accounts, indicating continued credit demand but more selective borrower acquisition. Urban lending declined both in accounts and disbursement value, reflecting reduced exposure in relatively saturated markets. Overall, the trend highlights that microfinance remains primarily concentrated in rural and semi-urban areas, while the sector shifts toward fewer, but larger and more carefully underwritten, loans.

Table 3: Area-wise distribution of Originations of Loan

	Dec-25		Sep-25		Dec-24	
	Loan Account (in lakhs)	Amount Disbursed (in ₹ Cr)	Loan Account (in lakhs)	Amount Disbursed (in ₹ Cr)	Loan Account (in lakhs)	Amount Disbursed (in ₹ Cr)
Rural	46	28,404	43	25,720	50	26,156
Semi-Urban	49	29,862	46	27,198	54	28,494
Urban	6	3,759	6	3,449	8	4,203
Untagged	1	662	1	594	1	559
Industry	103	62,688	96	56,962	113	59,414

B.5 Geographical Trends

As of December 2025, the top 10 states contributed 84% of the total disbursed amount, amounting to ₹52,522 crore.

Figure 12: Top 10 States in terms of disbursement during the quarter (in ₹ Cr)

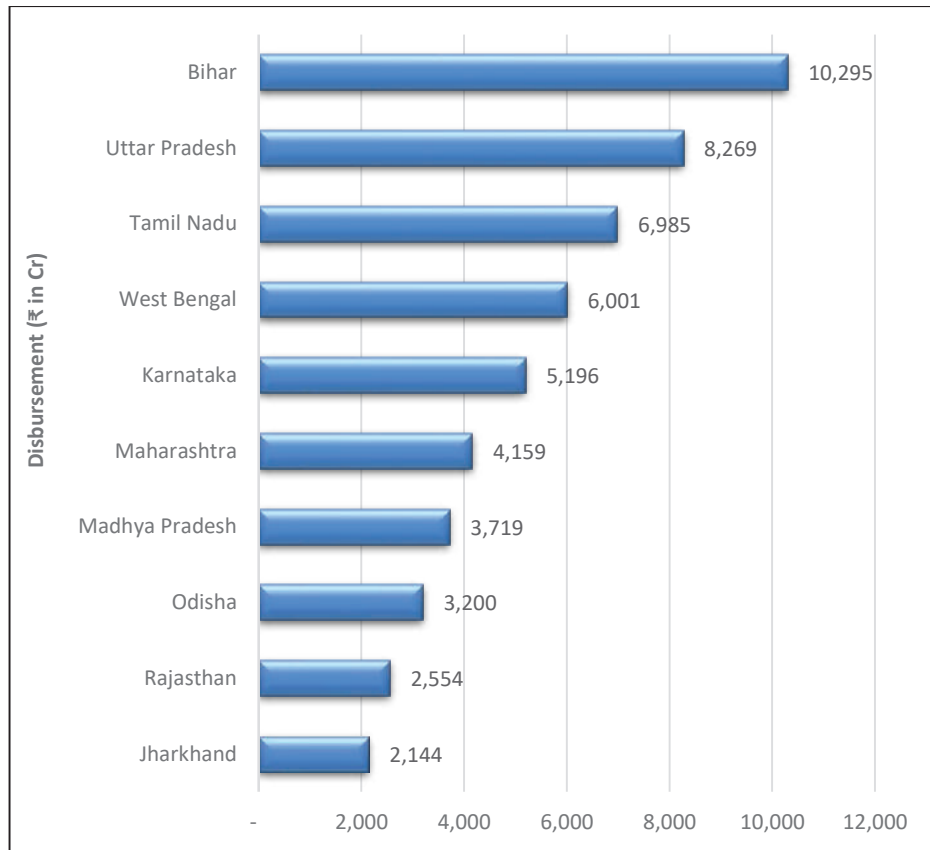


Table 4: State-wise Disbursement during Oct - Dec 2025

State/UT	Number of Loans (in lakhs)	Amount Disbursed (in ₹ Cr)	Y-o-Y growth	Q-o-Q growth
Andaman & Nicobar	0.00	3	24%	-6%
Andhra Pradesh	2.03	1,131	-9%	4%
Arunachal Pradesh	0.04	26	22%	-9%
Assam	2.74	1,379	41%	7%
Bihar	15.62	10,295	17%	11%
Chandigarh	0.01	5	33%	-3%
Chhattisgarh	2.00	1,102	0%	9%
Dadar & Nagar Haveli	0.00	1	10%	-16%
Delhi	0.13	94	20%	6%
Goa	0.03	17	-25%	-3%
Gujarat	2.63	1,617	12%	5%
Haryana	1.50	954	40%	9%
Himachal Pradesh	0.05	32	12%	-10%
Jammu & Kashmir	0.02	11	2%	-28%
Jharkhand	3.70	2,144	8%	21%
Karnataka	8.33	5,196	-11%	7%
Kerala	2.04	1,283	-17%	11%
Madhya Pradesh	6.58	3,719	5%	15%
Maharashtra	7.16	4,159	-18%	8%
Manipur	0.01	2	-57%	-33%

State/UT	Number of Loans (in lakhs)	Amount Disbursed (in ₹ Cr)	Y-o-Y growth	Q-o-Q growth
Meghalaya	0.08	42	56%	34%
Mizoram	0.06	34	74%	15%
Nagaland	0.04	18	35%	14%
Odisha	5.57	3,200	3%	27%
Puducherry	0.21	163	-3%	3%
Punjab	1.51	907	45%	1%
Rajasthan	4.14	2,554	9%	12%
Sikkim	0.02	13	-26%	-18%
Tamil Nadu	9.79	6,985	9%	9%
Telangana	1.28	739	-40%	-21%
Tripura	0.51	302	8%	-3%
Uttar Pradesh	14.07	8,269	23%	18%
Uttarakhand	0.48	286	10%	15%
West Bengal	10.38	6,001	3%	1%
Industry	103	62,689	6%	10%

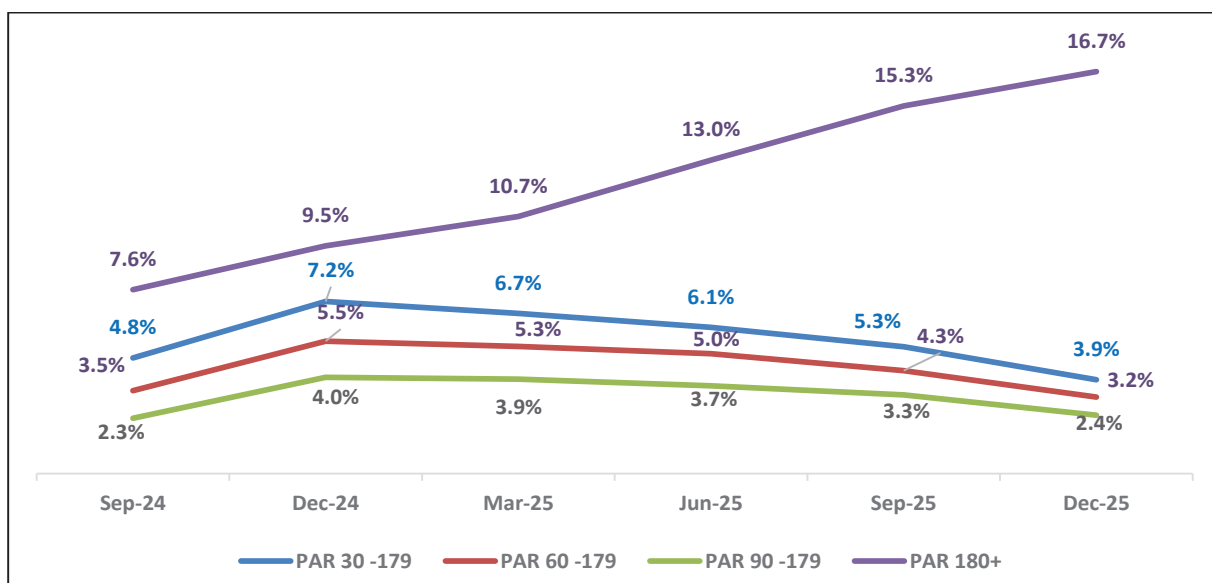
The table is in alphabetical order of States.

C. Portfolio Quality

C.1 Trends in the Sector

The asset quality trend indicates a gradual deterioration in deeper delinquency buckets despite improvement in early-stage stress. PAR 30–179, which reflects early-stage delinquency, increased from 4.8% in September 2024 to a peak of 7.2% in December 2024, but then steadily declined to 3.9% by December 2025. This suggests that recent underwriting tightening and collection efforts have helped reduce fresh slippages. A similar pattern is visible in PAR 60–179, which rose to 5.5% in December 2024 before moderating to 3.2% by December 2025, indicating improvement in mid-stage delinquencies. PAR 90–179 also followed a declining trajectory after peaking at 4.0% in December 2024, falling to 2.4% by December 2025, reflecting better resolution or recovery of overdue accounts. However, PAR 180+ shows a persistent increase from 7.6% in September 2024 to 16.7% by December 2025, indicating that a portion of earlier stressed accounts has transitioned into long-term delinquency. Overall, the trend suggests that while fresh delinquency formation is improving, legacy stress continues to accumulate in the most severe bucket, highlighting the sector's ongoing challenge in resolving older problem accounts.

Figure 13: Bucket-wise PAR values for the last five quarters



C.2 Lender-wise trend

The lender-wise delinquency trend indicates that asset quality pressures peaked around September 2025 and have since begun to moderate across most lender segments by December 2025. Improvements are visible across all delinquency buckets (PAR 30+, PAR 60+, and PAR 90+) for major lender categories, particularly Banks, NBFC-MFIs, and Small Finance Banks, suggesting that collection efforts and tighter underwriting are beginning to yield results. The core microfinance segment (NBFC-MFIs), which holds the largest share of the portfolio, shows a notable reduction in delinquency levels, indicating stabilization in the segment that largely drives sector performance. Banks and SFBs have also recorded meaningful improvements, pointing to broader sector-wide normalization rather than isolated recovery. NBFCs (non-MFI) continue to maintain relatively low delinquency levels, reflecting comparatively stable portfolio quality. While the Others category still exhibits elevated delinquency, its overall share in the industry remains small and does not materially influence sector trends. Overall, the data suggest that the asset quality stress experienced earlier in the year is gradually easing, indicating that the sector may be moving from a phase of heightened delinquency toward gradual stabilization, supported by improved collections, portfolio recalibration, and more cautious credit expansion.

Figure 14: Lender-wise PAR value for various buckets

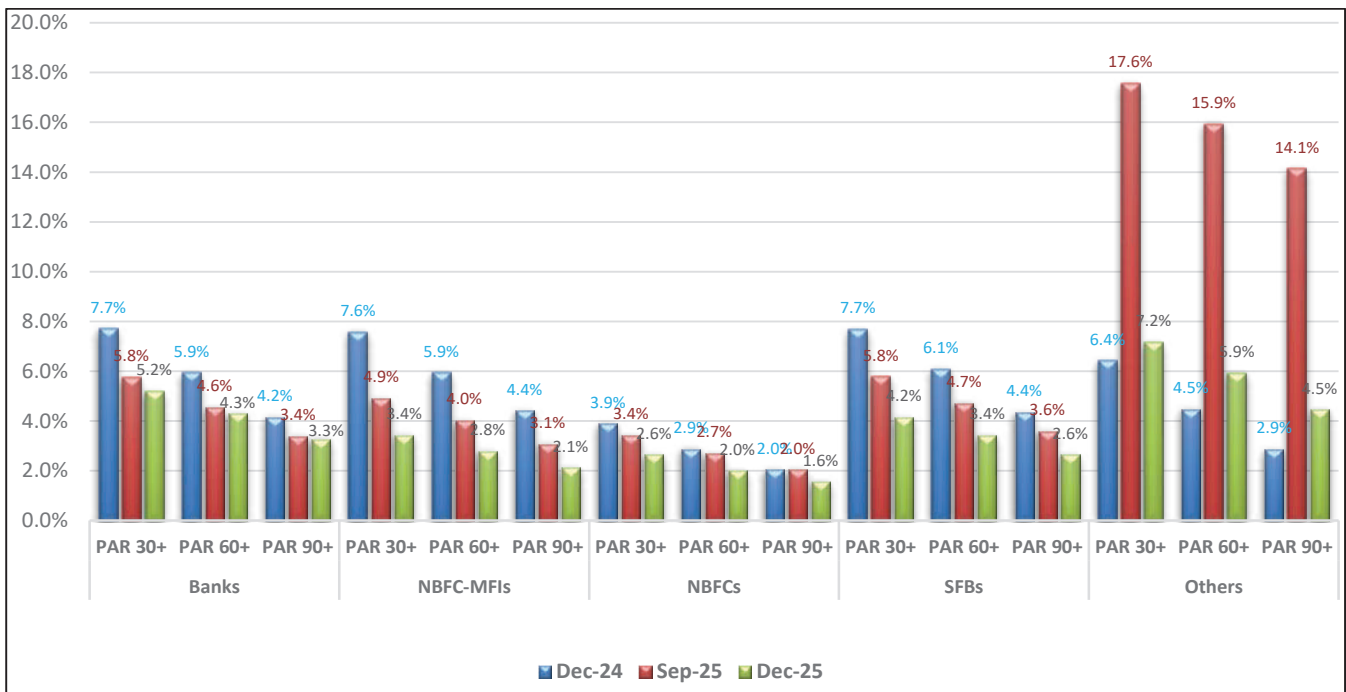


Table 5: State-wise PAR values for different buckets

State/UT	PAR 30 - 179 dpd	PAR 60- 179 dpd	PAR 90- 179 dpd	PAR 180+ dpd	Write Off
Andaman & Nicobar	0.27%	0.19%	0.19%	2.96%	4.01%
Andhra Pradesh	5.05%	4.13%	3.29%	10.82%	27.77%
Arunachal Pradesh	1.36%	1.00%	0.66%	3.59%	2.77%
Assam	0.89%	0.69%	0.50%	21.59%	123.51%
Bihar	4.06%	3.36%	2.59%	13.87%	8.12%
Chandigarh	3.67%	2.61%	1.84%	21.69%	17.28%
Chhattisgarh	3.03%	2.44%	1.88%	15.74%	20.86%
Dadra & Nagar Haveli	1.78%	1.62%	0.99%	10.42%	26.96%
Delhi	3.13%	2.49%	1.80%	19.99%	56.50%
Goa	3.25%	2.77%	2.14%	13.96%	21.10%
Gujarat	4.95%	3.99%	3.00%	18.12%	33.45%

State/UT	PAR 30 - 179 dpd	PAR 60-179 dpd	PAR 90-179 dpd	PAR 180+ dpd	Write Off
Haryana	3.47%	2.63%	1.95%	15.08%	15.53%
Himachal Pradesh	1.89%	1.50%	1.28%	5.31%	3.55%
Jammu & Kashmir	3.33%	2.70%	2.31%	10.01%	1.30%
Jharkhand	3.56%	2.95%	2.24%	18.43%	10.84%
Karnataka	4.44%	3.72%	2.96%	18.86%	14.89%
Kerala	2.53%	2.14%	1.59%	22.84%	9.76%
Lakshadweep	0.00%	0.00%	0.00%	20.98%	5.91%
Madhya Pradesh	4.46%	3.65%	2.84%	17.29%	27.06%
Maharashtra	4.83%	4.08%	3.18%	17.83%	22.26%
Manipur	6.93%	4.83%	3.51%	56.50%	90.50%
Meghalaya	1.12%	0.86%	0.50%	9.64%	34.44%
Mizoram	0.81%	0.58%	0.42%	5.85%	7.49%
Nagaland	0.46%	0.28%	0.20%	2.68%	51.35%
Odisha	3.76%	3.17%	2.48%	23.30%	21.65%
Puducherry	2.31%	1.90%	1.45%	11.98%	18.44%
Punjab	3.06%	2.13%	1.69%	20.18%	21.20%
Rajasthan	4.36%	3.51%	2.61%	17.41%	22.82%
Sikkim	4.36%	3.50%	2.38%	14.41%	65.67%
Tamil Nadu	3.08%	2.54%	1.94%	13.82%	18.66%
Telangana	7.07%	5.51%	4.21%	8.89%	26.83%
Tripura	3.72%	3.02%	1.93%	12.88%	60.04%
Uttar Pradesh	4.02%	3.25%	2.47%	14.43%	12.74%
Uttarakhand	3.85%	3.12%	2.40%	14.35%	39.81%
West Bengal	3.52%	2.61%	1.84%	12.10%	51.59%
Industry	3.90%	3.18%	2.43%	16.07%	22.65%

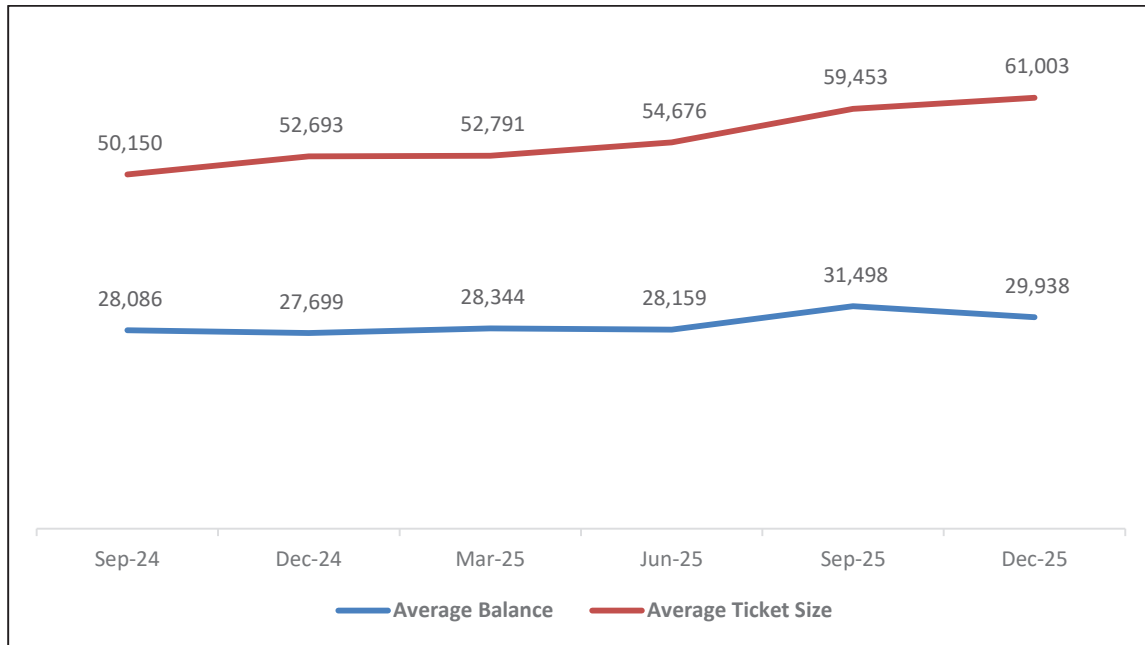
The table is in alphabetical order of States.

D. Borrower Analysis

D.1 Average Portfolio Outstanding v/s Average Ticket Size

The trend highlights a structural shift in lending dynamics within the microfinance sector, where loan sizes are increasing while borrower leverage remains relatively contained. The average ticket size has risen steadily from about ₹48,800 in June 2024 to over ₹61,000 by December 2025, indicating that lenders are gradually adjusting loan sizes to meet borrower needs, inflationary pressures, and higher operating costs of micro-enterprises. At the same time, the average outstanding balance per borrower has remained broadly stable, suggesting that borrowers are not significantly accumulating additional debt despite larger loan disbursements. This implies a reduction in multiple lending and more disciplined credit deployment across institutions. From a sector perspective, this trend reflects a transition toward more responsible and calibrated lending practices. Rather than aggressively expanding borrower numbers, lenders appear to be focusing on serving existing borrowers with slightly larger, better-structured loans. This approach helps maintain credit flow while managing the risk of over-indebtedness.

Figure 15: Movement of Average Balance and Average Ticket Size



D.2 Trends in lender counts

The data indicate a clear improvement in borrower leverage discipline across the microfinance sector. By December 2025, about 91% of borrowers have exposure to two or fewer lenders, reflecting a stable and highly concentrated borrowing pattern. At the same time, the share of borrowers with four or more lenders has declined sharply, with those having five or more lenders falling from 1.6% in March 2025 to just 0.3% by December 2025. The overall trend suggests a significant reduction in loan stacking and multiple borrowing, which had historically been a key source of portfolio stress. This shift indicates stronger adherence to credit guardrails and improved use of credit bureau data by lenders. From a sector perspective, the pattern reflects better borrower-level risk management and more coordinated lending practices, which can help contain over-indebtedness risks and support more sustainable growth in the microfinance ecosystem.

Table 6: Share of Active unique borrowers under each lender count bucket

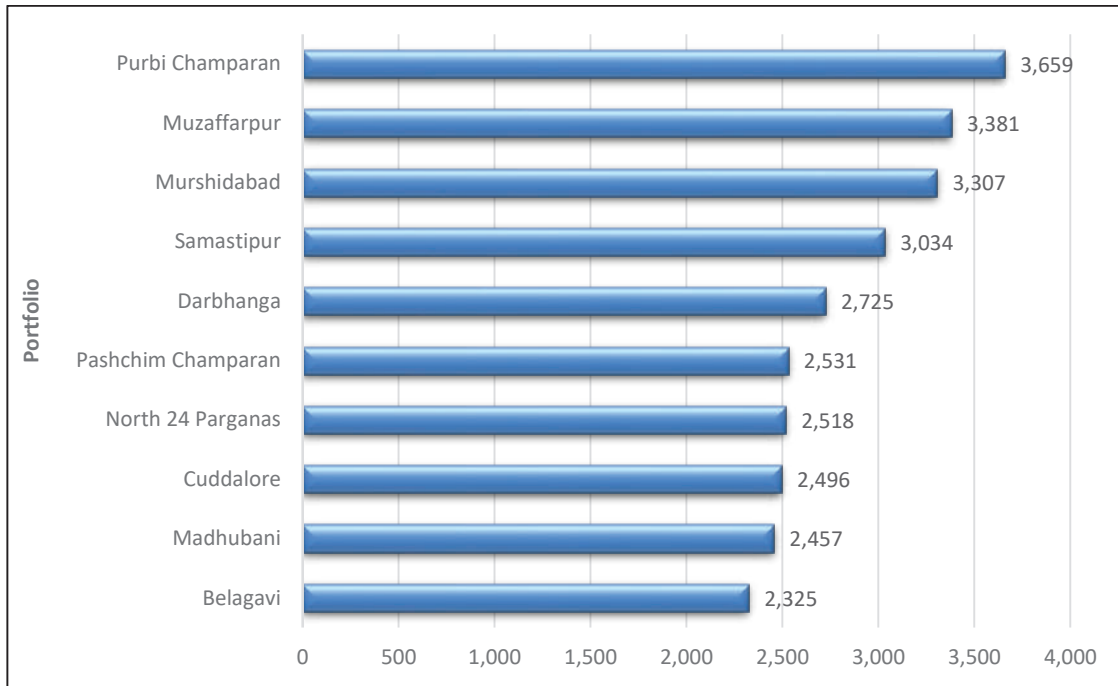
Lender's count	Mar-25	Jun-25	Sep-25	Dec-25
<=2	90.5%	90.1%	91.0%	91.0%
3	5.6%	7.3%	7.0%	7.0%
4	2.3%	2.0%	1.7%	1.7%
>=5	1.6%	0.5%	0.3%	0.3%

E. Geographical trends at the district level

E.1 Portfolio Outstanding

Microfinance is operating in 768 districts. There are 14 districts with a portfolio of more than ₹2,000 crores in outstanding amounts, primarily in Bihar, West Bengal, and Karnataka. There are 76 districts with a portfolio outstanding between ₹1,000 crore and ₹2,000 crore. These districts account for approximately 43% of the sector's total portfolio.

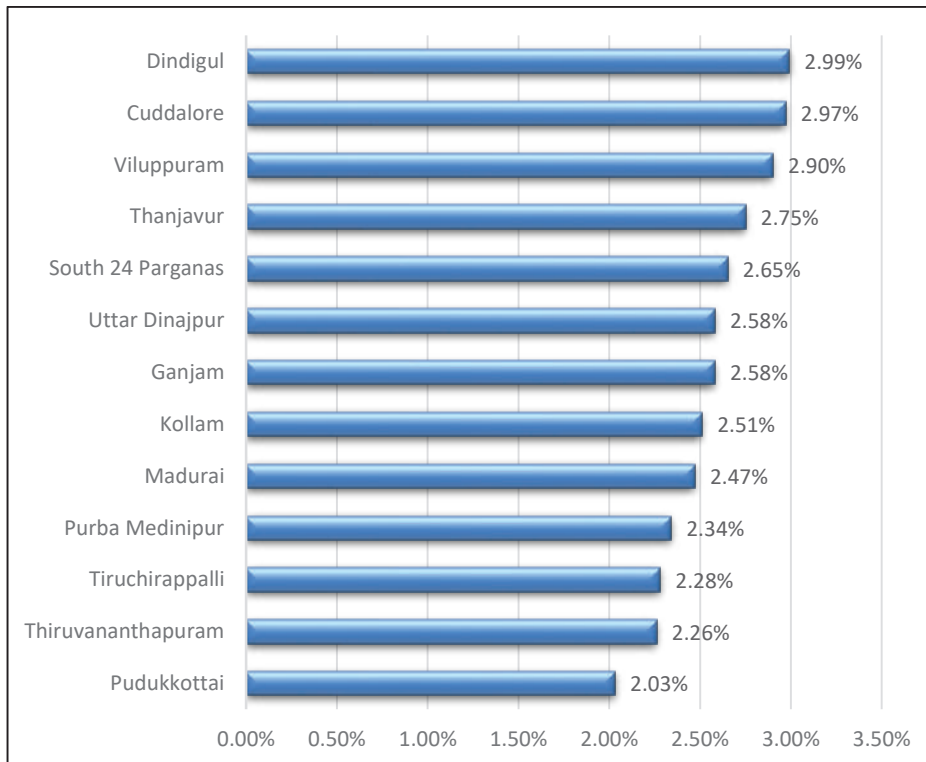
Figure 16: Top 10 districts in terms of Portfolio



E.2 Portfolio at risk

Among the districts with a portfolio above ₹1,000 crores, 7 districts have a PAR of 30-179 days past due (dpd) of more than 5%, and 13 districts have a PAR of 3% or less for the same bucket. Overall, there are 23 districts with a PAR of 30-179 days, with a percentage above 10%; 231 districts with a PAR of less than or equal to 3%; and 33 districts with a PAR of 0%.

Figure 17: Districts with less than 3% PAR values for the 30-179 dpd bucket with a base of ₹1,000 crores portfolio



Section II: Data collected directly from MLIs

Section II draws on primary data collected from **125 Micro Lending Institutions (MLIs)**. These MLIs include NBFC-MFIs, NBFCs, Section 8 Companies, Societies, Trusts, MACS/Cooperatives, and Private Limited Companies, while excluding Banks and Small Finance Banks (SFBs). This section provides qualitative insights into the operations and practices of MLIs across the country. Additionally, it concludes with a brief analysis of data gathered from **8 Small Finance Banks (SFBs), and 1 Urban Cooperative Bank**.

Performance Highlights of Micro Lending Institutions (MLIs)

(Excluding Banks and SFBs)

S. No.	Indicators	As on 31 Dec' 25	As on 30 Sept' 25	As on 31 Dec 24	(Q-o-Q Growth) (in %)	(Y-o-Y Growth) (in %)
1	No. of Branches	24,895	24,477	24,538	1.71%	1.45%
2	No. of Staff (in lakhs)	2.07	2.16	2.06	-4.17%	0.49%
3	No. of Field Officers (in lakhs)	1.19	1.23	1.24	-3.25%	-4.03%
4	Client Outreach (in lakhs)	393	407	459	-3.44%	-14.38%
5	On-balance sheet Portfolio (i.e., Own Portfolio)- (in ₹ Cr.)	1,01,157	99,218	1,06,200	1.95%	-4.75%
6	Off-balance Sheet Portfolio (in ₹ Cr.)	63,747	63,513	59,208	0.37%	7.67%
7	Out of the Off-balance Portfolio, BC Portfolio alone (in ₹ Cr.)	39,331	38,053	42,859	3.36%	-8.23%
8	Total Assets (in ₹ Cr.)	1,25,054	1,21,445	1,27,338	2.97%	-1.79%

This summary of analysis is based on the data collected from 125 MLIs.

Note: MLIs that did not submit data for Q3 have been excluded from the analysis, and their names have not been included in the Annexure.

Synopsis

Source: Data of 125 MLIs (Excluding Banks and SFBs):

- As of 31 Dec 2025, the total client outreach of the 125 MLIs has reached 393 lakhs, reflecting a decline of 3.44% over the last quarter (Q2 FY26).
- During Q3 FY26, a total of 30,370 new staff have been recruited by 94 MLIs, whereas 32,587 staff have left/dropped/exited from 100 MLIs.
- As of 31 Dec 2025, the Own portfolio accounts for 65% of the aggregated GLP. while the Off-balance sheet portfolio representing 35% of the aggregated GLP.
- As of 31 Dec 2025, the Business Correspondent (BC) Portfolio has stood at ₹39,331 crore, registering a growth of 3.36% over the last quarter (Q2 FY26).
- Out of 125 reported MLIs, 61 have been engaged in BC arrangements with various Banks/FIs. Among these 61 MLIs, 35 have a BC portfolio exceeding 50% of their total portfolio. Of these 35, 10 MLIs have maintained a 100% BC portfolio, while the remaining 26 have a BC portfolio above 50% but below 100%.
- As of 31 Dec 2025, the total Co-lending Portfolio of 10 MLIs together is ₹1,594 crore, engaged with 11 Banks/FIs.
- Out of 125 MLIs, 5 MLIs have GLP >₹10,000 Cr., which constitute 57% of the total GLP.

- An amount of ₹35,453 crore has been disbursed through 54 lakh loans by 112 MLIs during Q3 FY 26, while 116 MLIs have disbursed ₹33,601 crore through 48 lakh loans during Q2 FY 26.

1. Geographical Spread of Microfinance

As of 31 December 2025, 125 Micro Lending Institutions (MLIs) have collectively served approximately 393 lakh active clients through a network of 24,895 branches and a total workforce of 2.07 lakh employees. Of this workforce, around 57% (1.19 lakh) are field staff who play a critical role in delivering doorstep credit services to low-income clients. Compared to the previous quarter (Q2 FY26), the sector has witnessed a 4% decline in total staff and a 3% reduction in the number of field staff.

2. Branch Network:

As of 31 December 2025, 125 MLIs have been operating through **24,895 branches**, marking an increase of 2% compared to Q2 FY26. Among these, **Nano MLIs** (GLP < ₹100 Cr) have accounted for 1,599 branches; **Small MLIs** (GLP between ₹100 Cr and ₹500 Cr) have operated 2,402 branches; **Medium MLIs** (GLP between ₹500 Cr and ₹2,000 Cr) have maintained 3,702 branches; **Large MLIs** (GLP between ₹2,000 Cr and ₹5,000 Cr) have operated 5,725 branches; and **Very Large MLIs** (GLP > ₹5,000 Cr) have constituted the majority, with 11,440 branches.

Between Q3 FY2025–26 and Q2 FY2025–26, the total number of branches **declined by 418**. This reduction was primarily driven by **Medium MLIs** (GLP between ₹500 crore and ₹2,000 crore), which closed **500 branches**, followed by **Small MLIs** (GLP between ₹100 crore and ₹500 crore) that closed **58 branches**. **Large MLIs** (GLP between ₹2000 crore and ₹5000 crore) accounted for the remaining **50 branch reductions**. In contrast, **Nano MLIs** (GLP below ₹100 crore) and **Very Large MLIs** (GLP above ₹5,000 crore) together **added 1,026 branches**, partially offsetting the overall decline.

In addition, **9 Small Finance Banks (SFBs)** and **1 Urban Cooperative Bank (UCB)** are operating through a combined network of **5,909 branches**. In total, MLIs, SFBs, and the UCB collectively operate 30,804 branches.

Figure 1: MLI Branch Network - Total and Category-wise Break-up

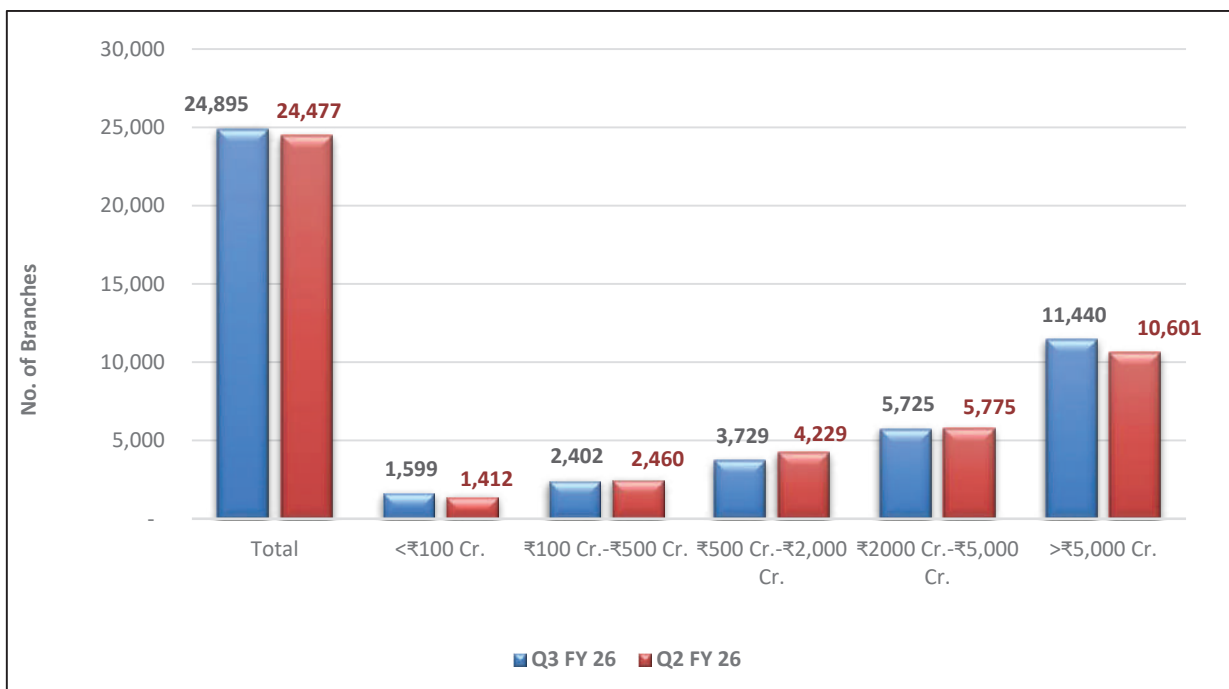


Table 1: State-wise number of branches opened and closed during the quarter (Q3 FY 26)

SN	State/UT	No. of Branch Opened	No. of reported MLIs	No. of Branch Closed	No. of reported MLIs
1	Andaman & Nicobar Islands	0	0	0	0
2	Andhra Pradesh	12	3	0	0
3	Arunachal Pradesh	0	0	0	0
4	Assam	28	3	2	2
5	Bihar	62	7	60	7
6	Chandigarh	0	0	0	0
7	Chhattisgarh	9	3	11	5
8	Delhi	0	0	0	0
9	Goa	0	0	1	1
10	Gujarat	31	4	13	4
11	Haryana	2	2	8	1
12	Himachal Pradesh	1	1	0	0
13	Jammu & Kashmir	0	0	0	0
14	Jharkhand	5	3	14	5
15	Karnataka	2	1	49	6
16	Kerala	5	2	5	2
17	Madhya Pradesh	18	4	9	4
18	Maharashtra	24	7	10	3
19	Manipur	0	0	0	0
20	Meghalaya	5	1	0	0
21	Mizoram	1	1	0	0
22	Nagaland	2	1	0	0
23	Odisha	5	4	9	5
24	Puducherry	0	0	0	0
25	Punjab	13	1	4	1
26	Rajasthan	9	3	30	9
27	Sikkim	0	0	0	0
28	Tamil Nadu	23	8	23	8
29	Telangana	2	2	1	1
30	Tripura	3	2	1	1
31	Uttar Pradesh	56	11	77	8
32	Uttarakhand	4	1	2	1
33	West Bengal	55	11	6	3

Based on self-reported data from 42 MLIs

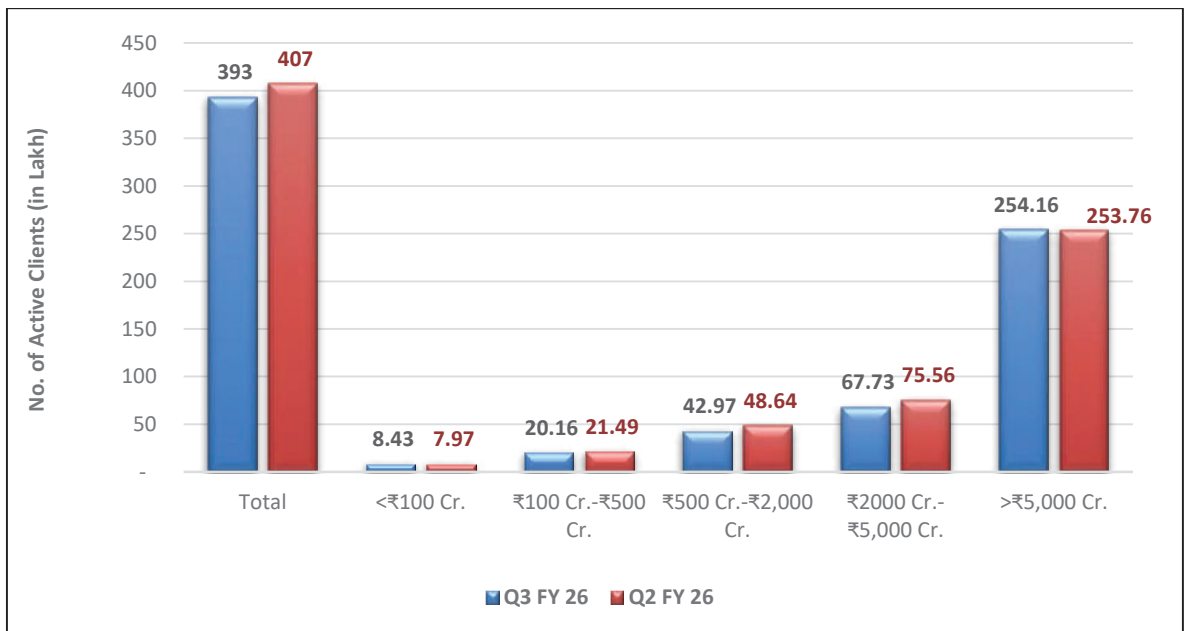
3. Client Outreach³ and Number of Loan Accounts

As of 31 December 2025, 125 MLIs have collectively served 393 lakh active clients, reflecting a 3% decline compared to Q2 FY26. Of the total client base, Nano MLIs (GLP < ₹100 crore) have served 8.43 lakh clients; Small MLIs (GLP between ₹100 crore and ₹500 crore) have served 20.16 lakh clients; Medium MLIs (GLP between ₹500 crore and ₹2,000 crore) have served 42.97 lakh clients; Large MLIs (GLP between ₹2,000 crore and ₹5,000 crore) have served 67.73 lakh clients; and Very Large MLIs (GLP above ₹5,000 crore) have served 254.16 lakh clients.

³ Client outreach is reported, including overlap, i.e., if a single borrower has two active loans from two different MLIs, they are counted twice.

Client outreach has declined across most categories of lenders, except Nano and Very Large MLIs. Among the declining segments, Large MLIs have recorded the highest decline at 8%, while Small MLIs have experienced the smallest drop at 1%.

Figure 2: Client Outreach: Total and Category-wise Break-up



4. Qualified and Non-qualified⁴ Loan Accounts:

Table 2: Total number of loan accounts, along with the break-up of Qualified and Non-qualified accounts, as of December 2025

Loan Accounts within the On-Balance Sheet Portfolio		Loan Accounts within the Off-Balance Sheet Portfolio	
Total No. of Loan Accounts: 419 Lakhs			
264.41 Lakhs (63%)		154.14 Lakhs (37%)	
Qualified Loan Accounts	Non-qualified Loan Accounts	Qualified Loan Accounts	Non-qualified Loan Accounts
202.65 Lakhs	61.76 Lakhs	133.15 Lakhs.	20.09 Lakhs.
77%	23%	86%	14%

The table above indicates that out of the total loans of 419 lakhs, loan accounts within the On-balance sheet portfolio accounted for 63% and the remaining 37% represented loan accounts within the Off-balance sheet portfolio.

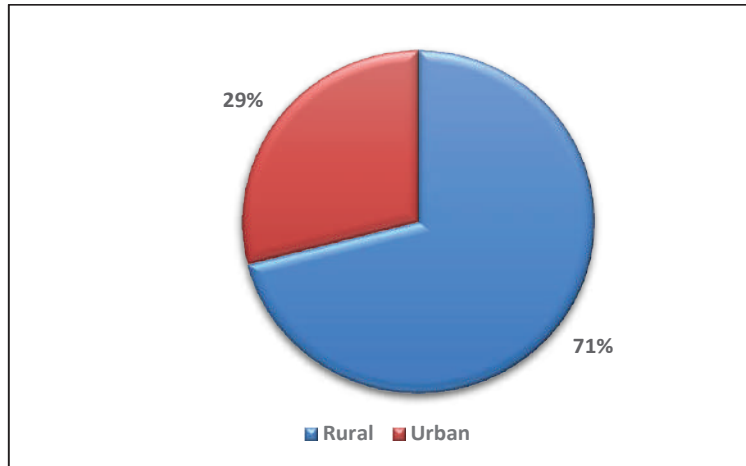
Within the on-balance sheet portfolio, 77% of loan accounts are qualified, while 23% are non-qualified. In the off-balance sheet portfolio, 86% of loan accounts are qualified, with the remaining 14% being non-qualified

⁴ Qualified refers to loans extended to households with an annual income of up to ₹3 lakh, while non-qualified refers to loans extended to households with an annual income above ₹3 lakh

5. Rural-Urban Share of Microfinance Borrowers:

Figure 3 shows that 71% of clients are located in rural areas, while 29% are in urban areas. This highlights that rural outreach continues to be a dominant feature of the microfinance sector. Section 8 Companies (76%) and small-sized MLIs (74%) exhibit the highest rural client shares, indicating a stronger focus on underserved rural populations. Their higher rural outreach likely reflects their social impact orientation and operational models aimed at financial inclusion in rural areas.

Figure 3: Rural-Urban shares of MLI Borrowers

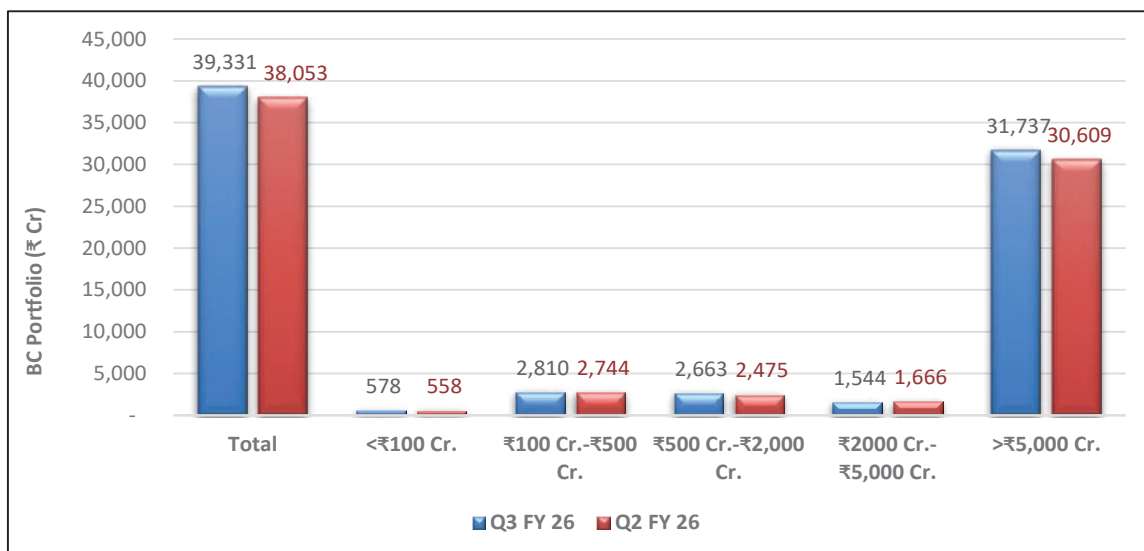


6. Off-balance Sheet Portfolio:

6.1 Business Correspondent (BC) Portfolio:

As of 31 December 2025, the total BC portfolio of 61 MLIs has stood at ₹39,331 crore, accounting for 71% of the total Off-Balance Sheet portfolio. The total BC portfolio has increased by 3% compared to Q2 FY26. Nano MLIs (GLP < ₹100 crore) have held ₹578 crore (1% of total BC portfolio), Small MLIs (GLP between ₹100 crore and ₹500 crore) have held ₹2,810 crore (7% of total BC portfolio); Medium MLIs (GLP between ₹500 crore and ₹2,000 crore) have held ₹2,663 crore (7% of total BC portfolio); Large MLIs (GLP between ₹2,000 crore and ₹5,000 crore) have held ₹1,544 crore (4% of total BC portfolio); and Very Large MLIs (GLP above ₹5,000 crore) have held ₹31,737 crore (81% of total BC portfolio).

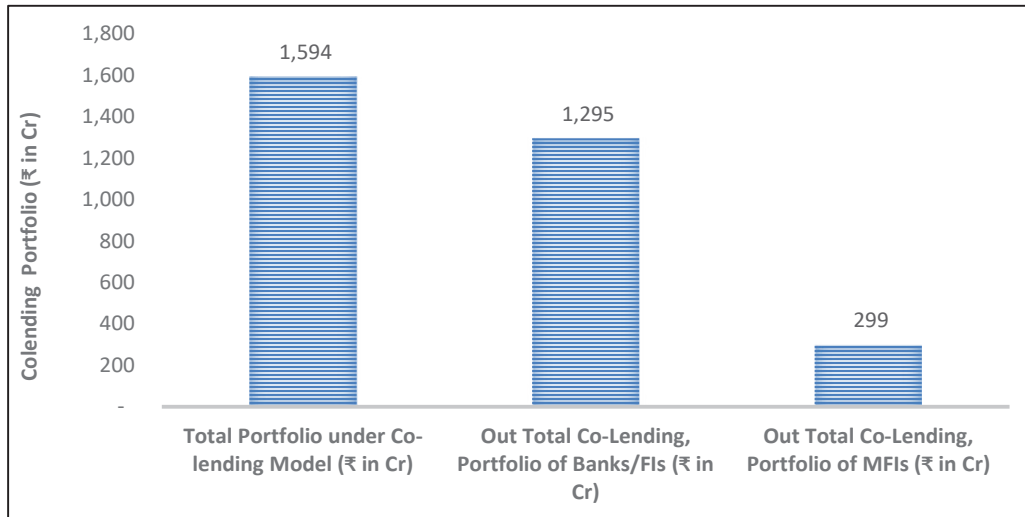
Figure 4: Business Correspondent (BC) Portfolio - Total and Category-wise Break-up



6.2 Co-Lending Portfolio:

A co-lending arrangement is a partnership model between MLIs and Banks/Financial Institutions (FIs), where both entities jointly lend to the same borrower segment, typically low-income or underserved customers. Under this model, the participating institutions share capital contributions, credit risk, and operational responsibilities. The arrangement enables wider access to affordable credit while supporting the broader objective of financial inclusion. The typical risk-sharing ratio is **80:20**, although it may vary depending on the specific agreement between the bank/FI and the MLI.

Figure 5: Portfolio under Co-Lending Arrangements



As of Dec 2025, the total co-lending portfolio of 10 MLIs engaged with 11 Banks/FIs has stood at ₹1,594 crore. Out of the total co-lending portfolio, the Banks/FIs have contributed ₹1,295 crore, while MLIs have contributed ₹209 crore.

6.3: Qualified and Non-qualified Loan Portfolio:

Table 3: Qualified and Non-qualified Portfolio

On-balance sheet Portfolio Outstanding		Off-balance sheet Portfolio Outstanding	
₹1,01,157 Cr. (65%)		₹55,186 Cr. (35%)	
Qualified Portfolio	Non-qualified Portfolio	Qualified Portfolio	Non-qualified Portfolio
₹69,213 Cr.	₹31,941 Cr.	₹48,761 Cr.	₹6,425 Cr.
68%	32%	88%	12%

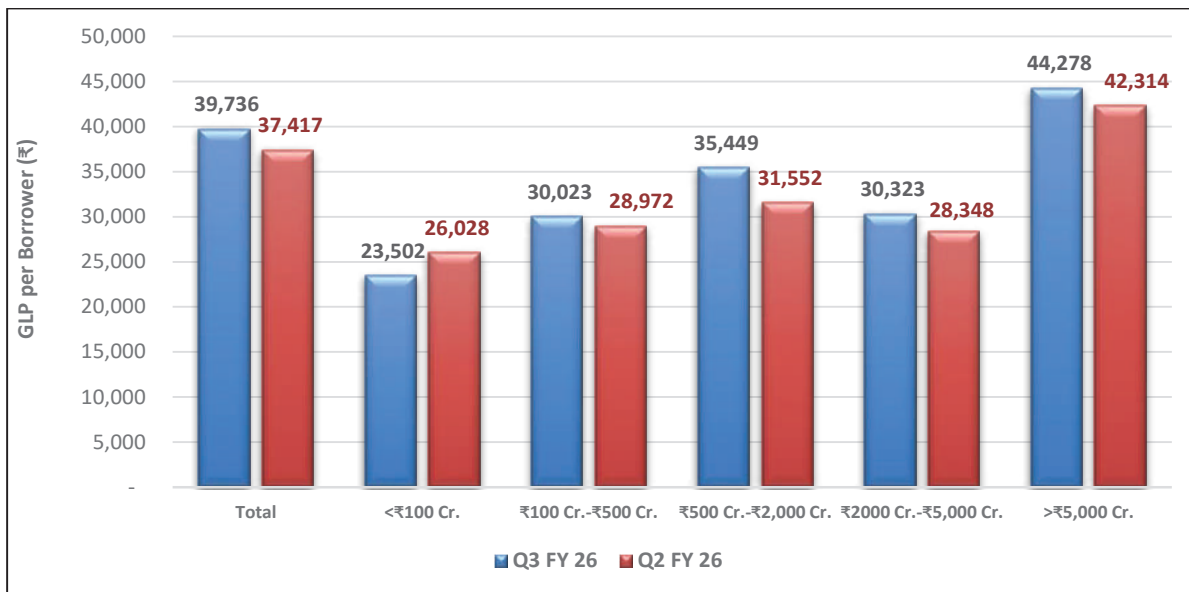
The table above indicates that within the On-Balance Sheet Portfolio, loans classified as qualified portfolio, i.e., loans extended to households with an annual income of up to ₹3 lakh, are ₹69,213 crore, representing 68% of the total. The remaining ₹31,941 crore (or 32%) falls under the non-qualified portfolio. In contrast, within the Off-Balance Sheet Portfolio, the qualified portfolio constitutes 88%, while the non-qualified portfolio accounts for the remaining 12%.

7. Loan Outstanding Per Borrower:

Loan outstanding per borrower is a key metric for understanding the typical client profile of MLIs. It has important implications for both operating costs and the adequacy of the loan amount in meeting the borrower's intended purpose.

The average loan outstanding per borrower has been ₹39,736 crore in Q3 FY26, up from ₹37,417 crore in Q2 FY26. Among different institution sizes, Very Large MLIs (GLP>₹5,000 crore) have recorded the highest loan outstanding per borrower at ₹44,278 crore, while Nano MLIs (GLP<₹100 crore) have registered the lowest at ₹23,502 crore.

Figure 6: Loan Outstanding per Borrower across Size



8. Workforce and Productivity:

8.1 Workforce in MLIs

As of 31 Dec 2025, 2.07 lakh staff have been employed by 125 MLIs, reflecting a sharper de-growth of 4% compared to Q2 FY26. Of this total, 1.19 lakh have been field staff, which has seen a decline of 3% over the previous quarter. Notably, Very Large MLIs (GLP>₹5,000 Cr) have employed 1.13 lakh staff, accounting for 55% of the total workforce. Among the lender segments, the steepest degrowth (20%) has been recorded by Large MLIs (GLP between ₹2000 Cr.-₹5,000 Cr), followed by a 18% de-growth from Nano MLIs (GLP <₹100 Cr).

In addition, 9 Small Finance Banks (SFBs) and 1 Urban Cooperative Bank (UCB) have employed 41,060 staff. Overall, MLIs, SFBs, and the UCB together employ approximately 2.48 lakh staff in the microfinance sector. Out of the total workforce, 1.44 lakh are field staff, of which 0.25 lakh are employed by the 9 SFBs and the UCB.

Figure 7: No. of MLI Staff: Total Staff and Category-wise Breakup of Total Staff

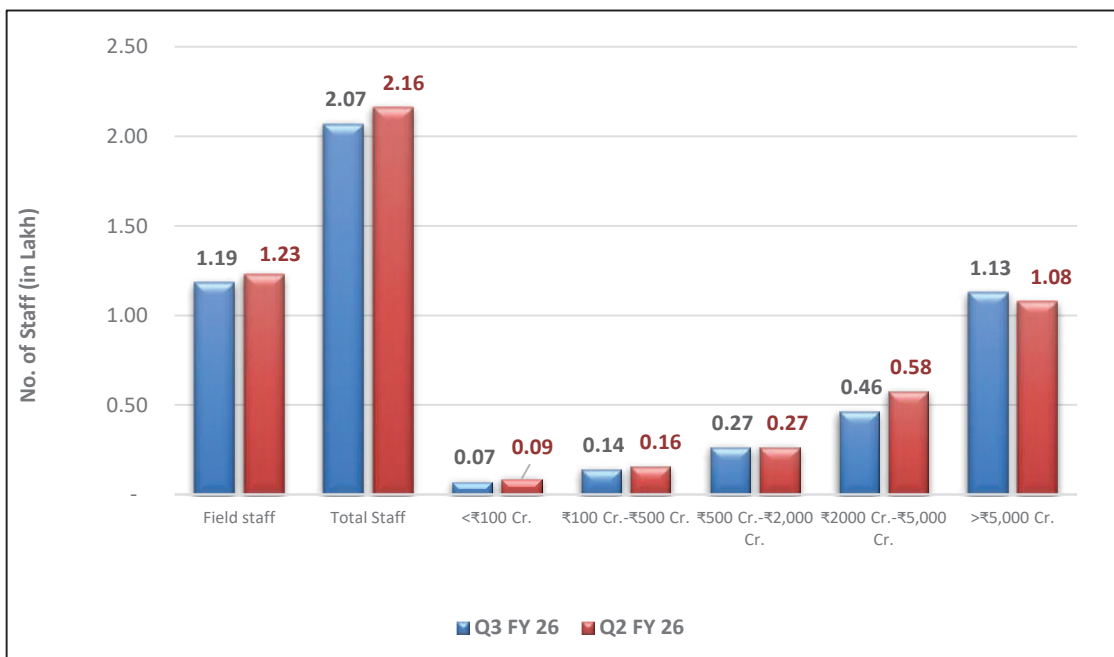
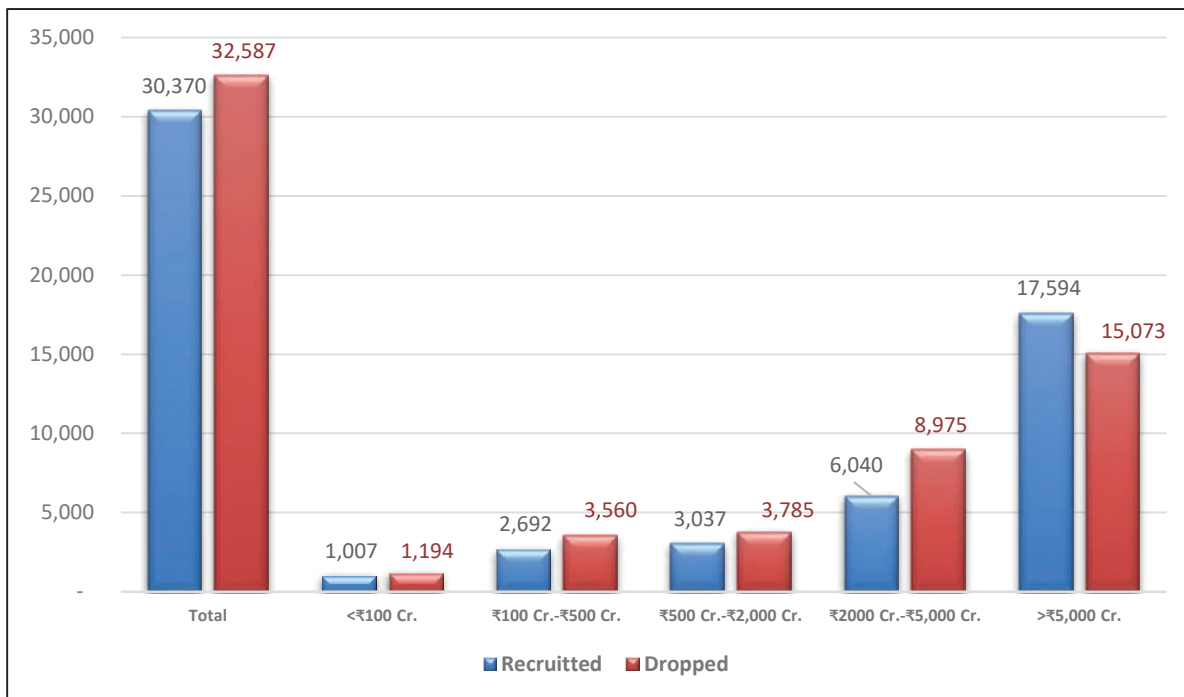
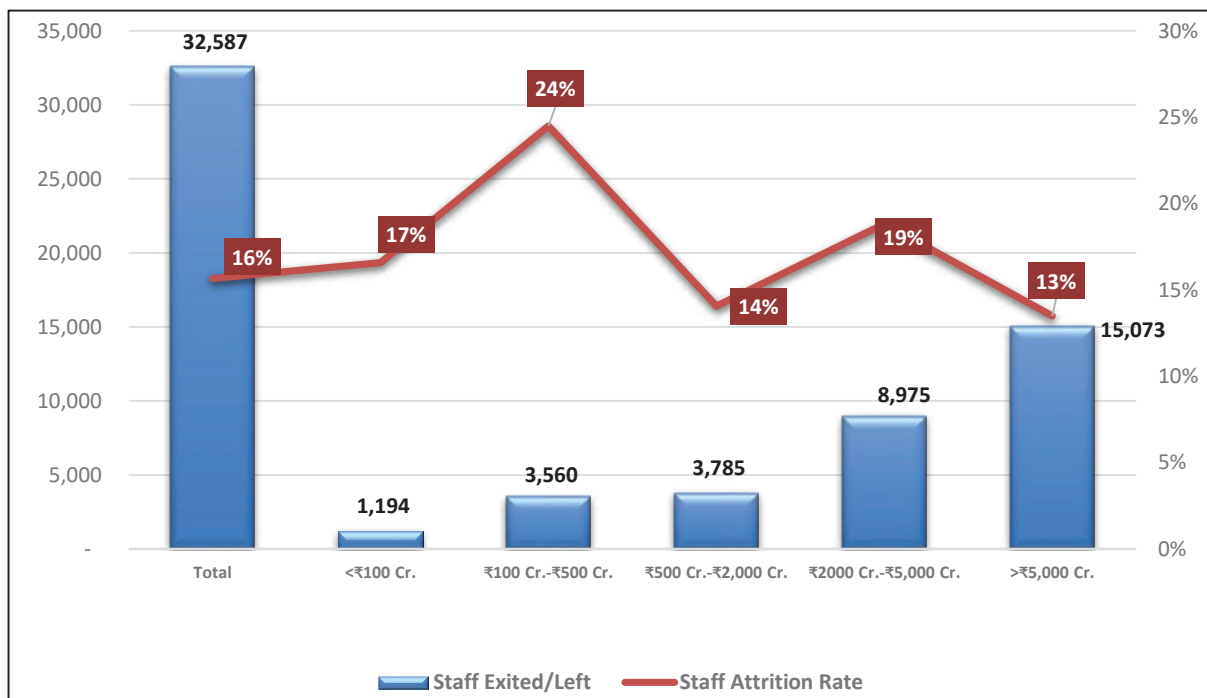


Figure 8: No. of Staff Recruited and Left/Exited across different categories



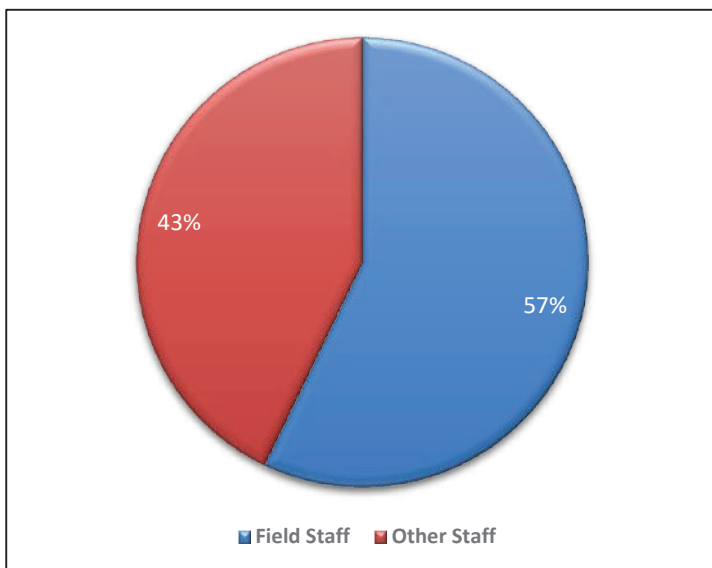
During Q3 FY 26, a total of 30,370 new staff have been recruited by 94 MLIs, whereas 32,587 staff have exited or resigned from 100 MLIs. The break-up of figures for new staff recruitment and staff left/dropped further indicates that a major part of the new staff has been hired by Very Large MLIs (GLP >₹5,000 Cr.). Staff attrition is relatively high among Small MLIs (24%) and Large MLIs (19%) compared with the other categories

Figure 9: Number of Staff Exited/Left and Attrition Rate across different categories



Note: This is overall staff attrition, but exclusive field staff attrition is approximately 35-40%.

Figure 10: MLI Field Staff vs Other Staff



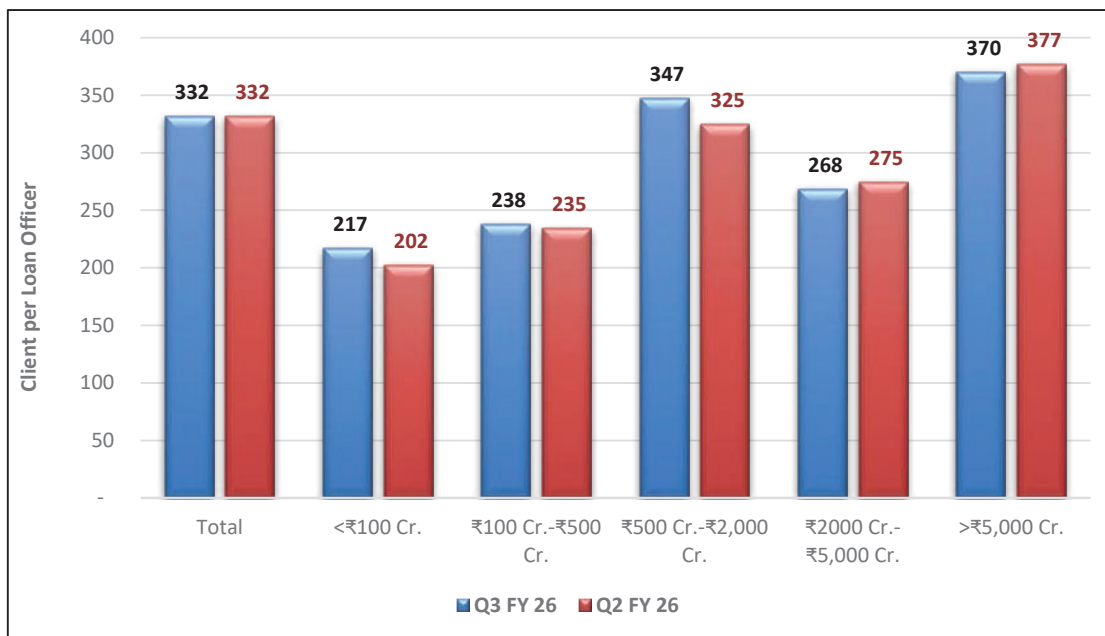
Fifty seven percent (57%) of the total staff are field staff, working in the branches of MLIs. This is primarily due to the labour-intensive nature of MLI operations, which require direct human interaction with clients. The remaining 43% comprise professional or administrative staff who handle general office-related tasks.

8.2 Staff Productivity

8.2.1 Clients per Field Staff

This metric measures the number of active borrowers served by a field staff and is an effective indicator of staff productivity. It is significant because it reflects the quantity and quality of time a field staff can dedicate to each borrower, which directly impacts service quality. In Q3 FY26, the average number of clients served per field staff remained unchanged overall. However, performance improved among Nano, Small, and Medium MLIs, while Large and Very Large MLIs experienced a decline compared to Q2 FY26.

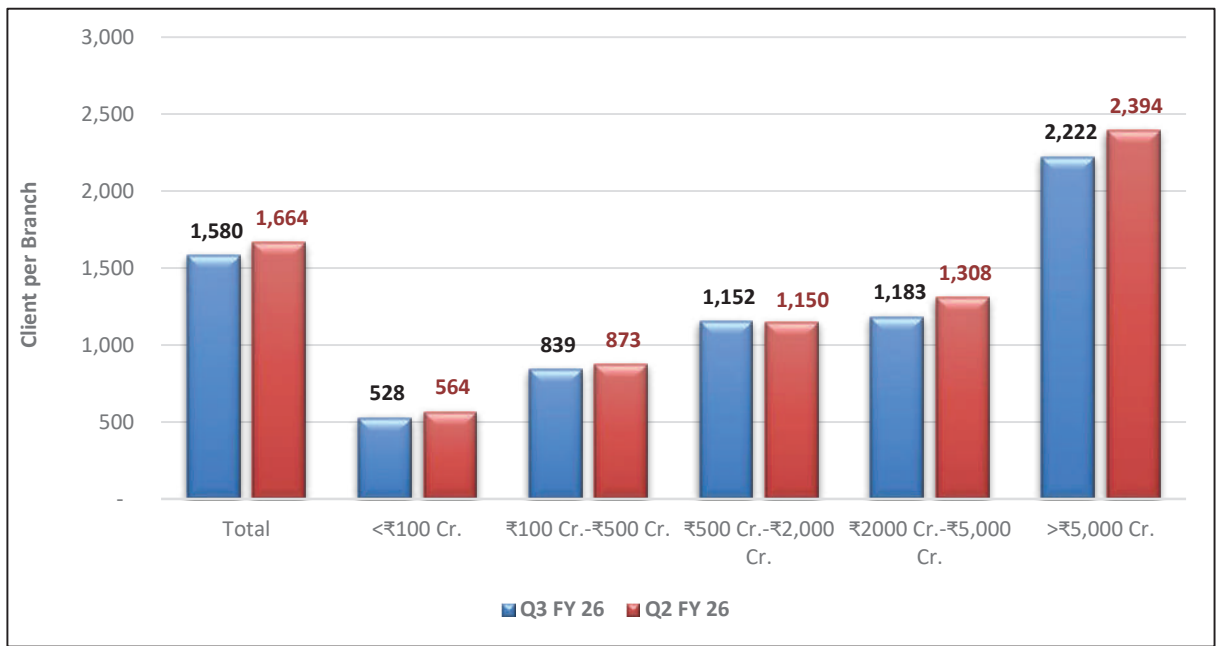
Figure 11: Client per Field Staff: Total and Size-wise Break-up



8.2.2 Client per Branch

Figure 12 shows that the number of clients served per branch has decreased to 1,580 in Q3 FY26, down from 1,664 in Q2 FY26. Performance declined across all MLI categories except **Medium MLIs (GLP <₹100 Cr)**, which recorded an improvement compared to Q2 FY26.

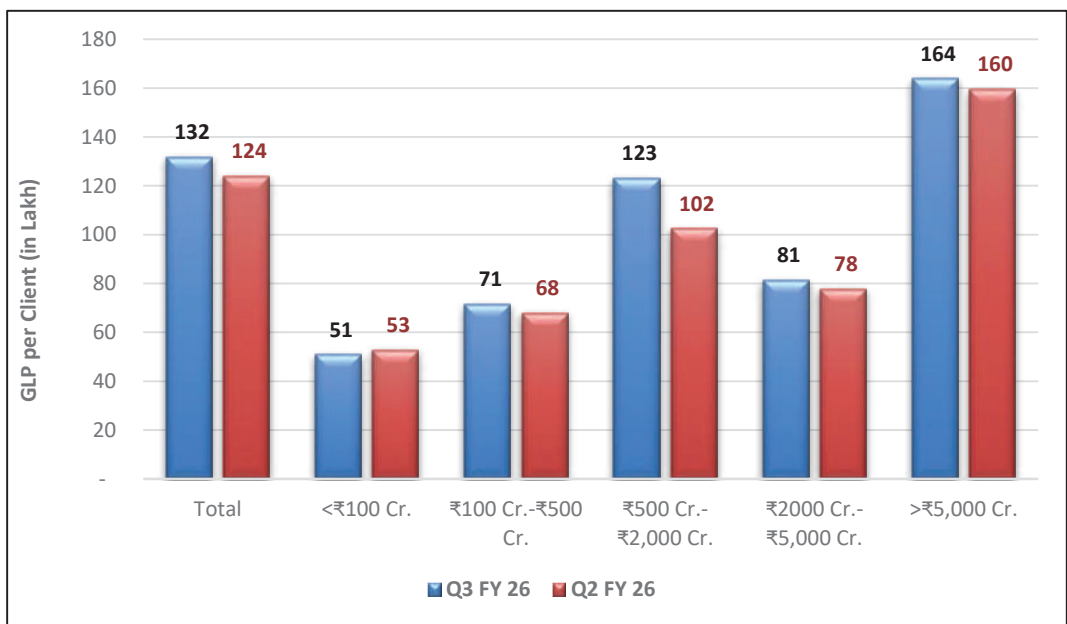
Figure 12: Client per Branch - Total and Size-wise breakup



8.2.3 GLP per Field Staff (in lakhs)

Figure 13 shows that the GLP per Field Staff has increased to ₹132 lakhs in Q3 FY 26 from 124 lakhs in Q2 FY 26. However, compared to Q2 FY26, the GLP per Field Staff has increased across all MLI categories, except for Nano MLIs.

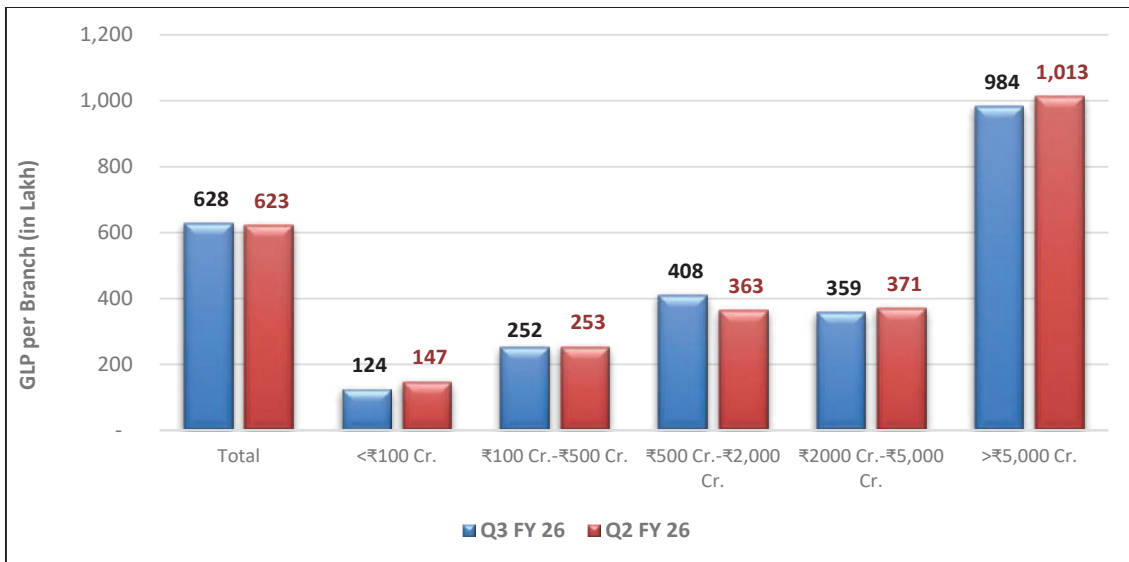
Figure 13: GLP per Field Staff (in lakhs) - Total and Size-wise breakup



8.2.4 GLP per Branch (in lakhs)

Figure 14 shows that GLP per Branch has increased to 628 lakhs in Q3 FY 26 from 623 lakhs in Q2 FY 26. Compared to Q2 FY26, performance on this metric declined across all MLI categories except **Medium MLIs**, which demonstrated a deterioration.

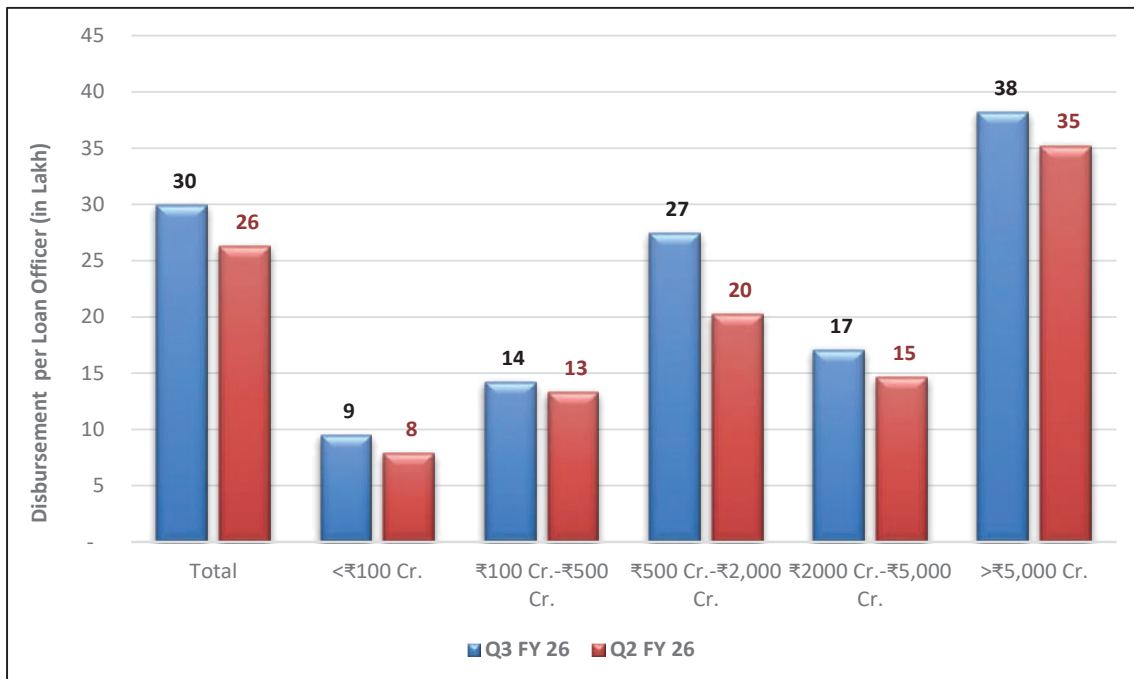
Figure 14: GLP per Branch (in lakhs): Total and Size-wise breakup



8.2.5 Disbursement per Field Staff (in lakhs)

Figure 15 shows that Disbursement per field staff has increased to 30 lakhs in Q3 FY 26, up from 26 lakhs in Q2 FY 26. The performance across all categories has increased in Q3 FY26 compared to Q2 FY26.

Figure 15: Disbursement per Field Staff (in lakhs): Total and Size-wise breakup

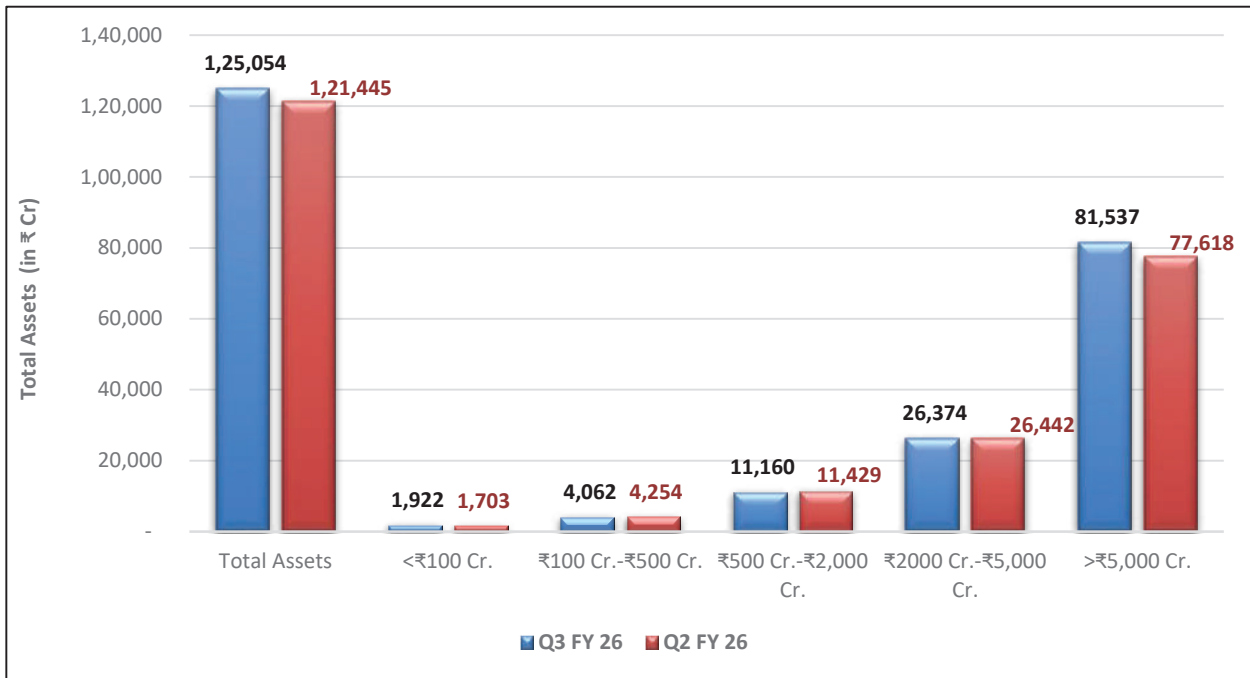


9. Financial Performance:

9.1 Total Assets

As of 31 December 2025, MLIs have held total assets of ₹1,25,054 crore, there is an increase of 3% over Q2 FY 26. The total assets have decreased across all MLI categories except Nano and Very Large MLIs. Very Large MLIs (GLP > ₹5,000 Cr.) have accounted for the largest share, with an asset size of ₹81,537 crore, constituting approximately 65% of the total assets.

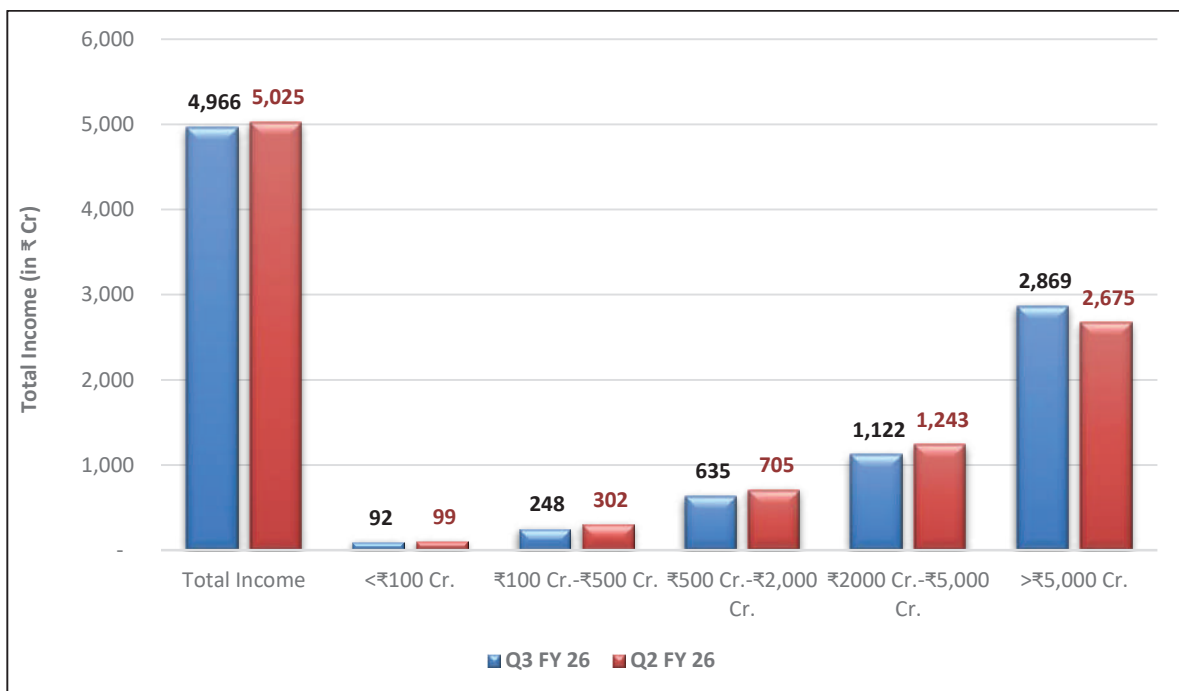
Figure 16: Total Assets: Total and Category-wise Break-up



9.2 Total Income

Total income generated by MLIs during the third quarter stood at ₹4,966 crore, reflecting a decline of ₹58 crore compared to Q2 FY26. Out of the total income, Nano MLIs (GLP < ₹100 crore) accounted for ₹92 crore, Small MLIs (GLP between ₹100 crore and ₹500 crore) contributed ₹248 crore, Medium MLIs (GLP between ₹500 crore and ₹2,000 crore) reported ₹635 crore, Large MLIs (GLP between ₹2,000 crore and ₹5,000 crore) recorded ₹1,122 crore, and Very Large MLIs (GLP > ₹5,000 crore) accounted for ₹2,869 crore. Income declined across all categories except Very Large MLIs.

Figure 17: Total Income: Total and Category-wise Break-up



9.3 Total Income and Different Sources of Income

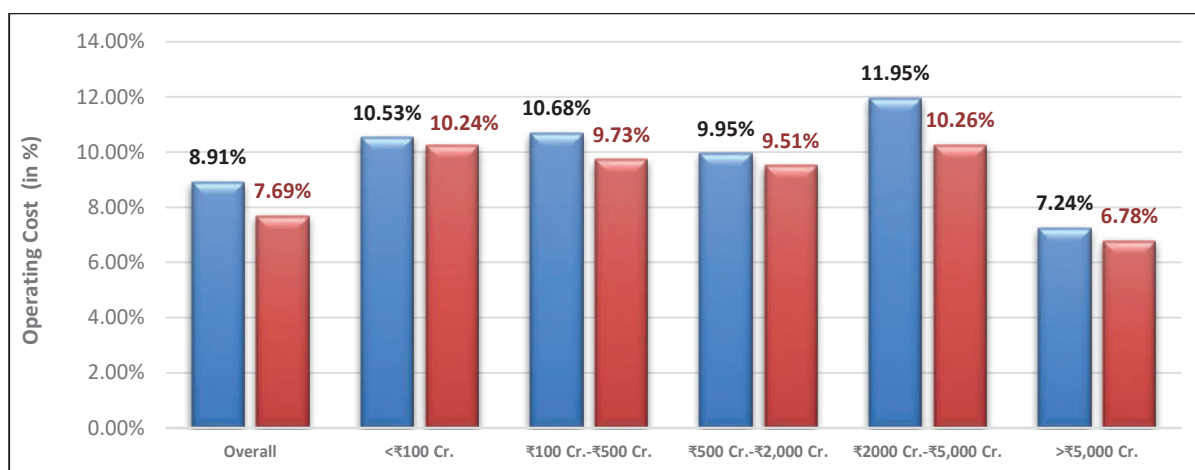
Table 4: Total Income: Total and Category-wise Break-up – (in ₹ Cr)

MLI Category	Total Income	Income earned from the on-balance sheet Microfinance loan portfolio	Income earned from the on-balance sheet non-Microfinance portfolio	Income earned from the off-balance sheet microfinance loan portfolio	Income earned from non-credit financial products	Income earned from non-credit non-financial products	Income earned from any other sources
Total	4,966	3,776	294	374	165	54	302
<₹100 Cr.	92.21	73.50	2.71	9.29	2.94	2.07	1.71
₹100 Cr.-₹500 Cr.	248.45	159.96	3.06	29.30	11.14	19.97	25.01
₹500 Cr.-₹2,000 Cr.	634.71	355.28	147.39	32.09	38.27	11.51	50.17
₹2000 Cr.-₹5,000 Cr.	1,122.13	944.85	35.22	35.37	55.01	5.42	44.86
>₹5,000 Cr.	2,868.95	2,242.78	105.79	267.87	57.14	14.78	180.59

10. Cost (Operational & Financial) and Interest Rate (charged to clients)

10.1 Operating Cost

Figure 18: Operating Cost: Total and Category-wise Break-up



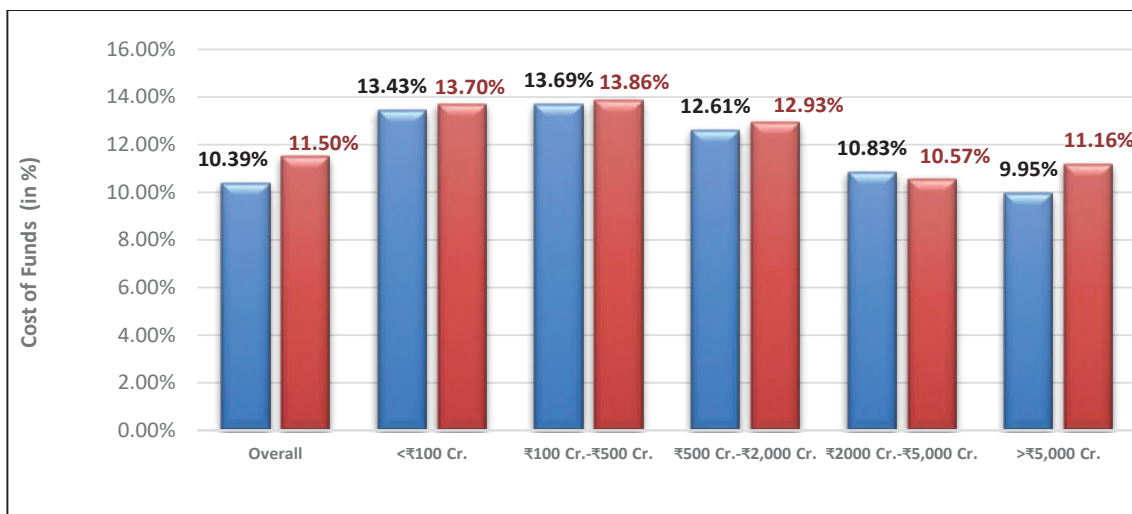
The operating cost (weighted average) of the 125 MLIs has stood at 8.91% in Q3 FY26, whereas it was 7.69% in Q2 FY26. Across portfolio size categories, operating cost has been lowest for Very Large MLIs (GLP > ₹5,000 crore) at 7.24%, while it has been highest for Large MLIs (GLP between ₹2,000 crore and ₹5,000 crore) at 11.95%. Compared to Q2 FY26, operating costs have increased across all MLI categories. In the Q-o-Q comparison, operating cost has increased for all categories of MLIs in Q3 FY 26. In several cases, operating costs have risen significantly due to a decline in portfolio size while staff strength has remained largely unchanged, leading to higher cost ratios. Additionally, reduced loan disbursements, driven by liquidity constraints and higher rejection rates under guardrail restrictions, have also contributed to the increase in operating costs.

10.2 Cost of Funds

The Cost of Funds (weighted average) for the microfinance sector in Q3 FY26 is 10.39%, whereas it was 11.50% in Q2 FY26. Across portfolio sizes, the Cost of Funds is lowest for Very Large MLIs at 9.95% and highest for Small MLIs (GLP

between ₹100 Cr - ₹500 Cr.) at 13.69%. In the Q-o-Q comparison, the cost of funds has marginally decreased across all categories of MLIs, except for large MLIs in Q3 FY26.

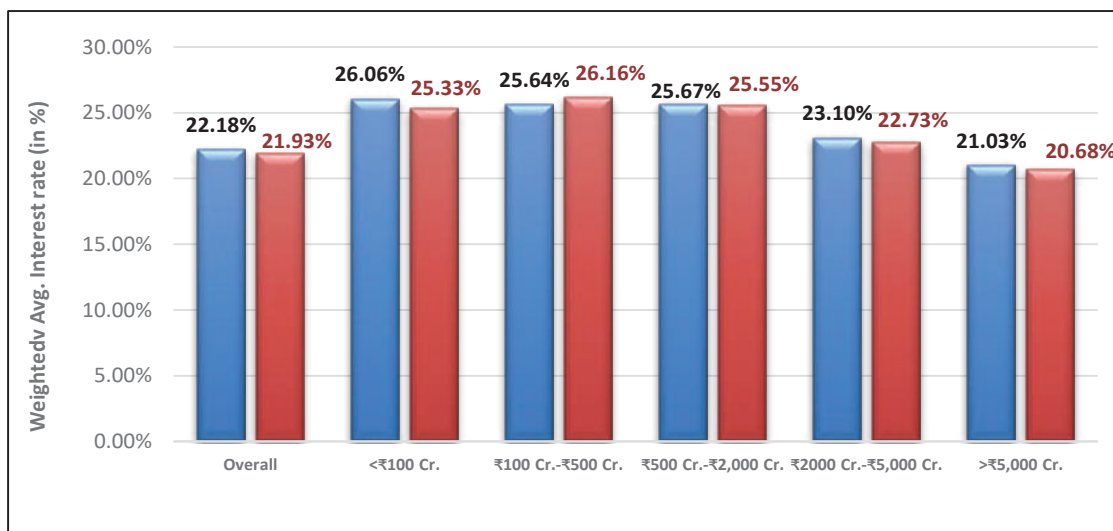
Figure 19: Cost of Fund: Total and Category-wise Break-up



10.3 Interest Rate (Rate of Interest charged to microfinance clients)

The weighted average interest rate of the microfinance sector for Q3 FY 2026 stands at 24.34%, whereas it was 21.93% in Q2 FY26. When segmented by portfolio size, the lowest interest rate is observed among Large MLIs (GLP between ₹2000 and ₹5,000 Cr) at 23.10%, while the highest is seen in Nano MLIs (GLP >₹100 Cr) at 26.06%. In the Q-o-Q comparison, interest rate has marginally increased across all categories of MLIs, except for Small MLIs in Q3 FY26.

Figure 20: Weighted Average Interest Rate: Total and Category-wise Break-up



11. Profitability Ratios:

11.1 Return on Asset (RoA) and Return on Equity (RoE)

Table 4 indicates notable shifts in the distribution of MLIs across RoE and RoA categories over the last four quarters. The number of reporting MLIs with a Return on Equity (RoE) below 2% increased from 37 in March 2025 to 52 in June 2025, declined significantly to 28 in September 2025, and rose again to 42 in December 2025. In contrast, MLIs reporting RoE above 15% declined sharply from 12 in March to 3 in June 2025, followed by a marginal increase to 4 in September 2025, and a slight decline again in December 2025.

A similar trend is observed for Return on Assets (RoA). The number of MLIs with RoA below 1% increased from 48 in March to 61 in June 2025, before declining to 29 in September 2025, and rising again to 48 in December 2025. Meanwhile, the number of MLIs reporting RoA above 3% fell from 9 in March to 4 in June, before increasing to 7 in September 2025 and rising further to 16 in December 2025.

Table 5: Range-wise distribution of RoA and RoE of MLIs as of Dec' 2025, Sept 2025, June 2025 and March 2025

RoE	No. of MLIs			
	Dec'25	Sept' 25	Jun-25	Mar-25
<2%	42	28	52	37
>2-5%	20	36	16	18
>5-8%	8	6	9	8
.8-15%	9	4	9	17
>15%	3	4	3	12

RoA	No. of MLIs			
	Dec'25	Sept' 25	Jun-25	Mar-25
<1%	48	29	61	48
>1-2%	13	37	15	20
>2-3%	6	6	13	12
>3%	16	7	4	9

12. Solvency Ratios:

12.1 Capital Adequacy Ratio/Capital to Risk-Weighted Assets Ratio (CRAR):

The Capital Adequacy Ratio, also called the Capital to Risk-Weighted Assets Ratio (CRAR), is a solvency or capital strength indicator. It measures how well a financial institution can absorb losses relative to the riskiness of its assets. Under the guidelines of the Reserve Bank of India (RBI), NBFC-MFIs must maintain a CAR (Tier I + Tier II capital) **not less than 15%** of their aggregate risk-weighted assets at all times.

Table 6: Range-wise distribution of CAR/CRAR of MLIs as of Dec 2025, Sept 2025 and June 2025

CAR/CRAR	Dec'25	Sept' 25	Jun-25
<15%	5	7	3
15-20%	7	6	5
20-25%	9	7	11
25-30%	8	15	13
>30%	53	38	27

Table 6 indicates that the number of reporting MLIs with a CAR/CRAR below the regulatory threshold of 15% increased from 3 in June 2025 to 7 in September 2025. In contrast, the number of MLIs with a strong capital position, reflected by a CAR/CRAR above 30%, rose from 27 to 38 MLIs over the same period.

12.2 Capital Debt-to-Equity (D/E) Ratio:

The Debt-to-Equity (D/E) Ratio is a key solvency and leverage indicator that reflects the proportion of debt used to finance a company's assets relative to shareholders' equity. For Microfinance Lending Institutions (MLIs), an ideal D/E ratio generally ranges between **3:1 and 5:1**.

Table 7: Range-wise distribution of Debt-to-Equity (D/E) as of September 2025 and December 2025

Debt-to-Equity (D/E) Ratio	As of September 2025	As of December 2025
0.5 to 2.0	32	34
2.0 to 3.0	9	11
3.0 to 4.0	12	10
4.0 to 5.0	8	6
>5.0	5	8

13 Funding:

Table 8: Source-wise Amount Received (₹ Crore) during Q3 FY 2025–26 across Different Categories

MLI Size	Amt. Recd. from Public Sector Banks	Amt. Recd. from Private Sector Banks	Amt. Recd. from SIDBI	Amt. Recd. from NABARD	Amt. Recd. from MUDRA	Amt. Recd. from NBFCs	Amt. Recd. from Other FIs	Amt. Recd. from ECB	Amt. Recd. by issuing NCDs	Amt. Recd. from Subordinated Debt	Amt. Recd. from Any Other Sources	Total Amt Recd.
Nano	17	3	0.3	0.0	0.0	20	13	0.0	1	3	6	63
Small	8	21	0.0	0.0	0.0	42	20	0.0	5	0.4	0.0	96
Medium	175	180	0.0	0.0	0.0	163	25	35	320	0.0	151	1,049
Large	224	1,441	0.0	411	0.0	439	0.0	0.0	985	20	131	3,652
Very Large	1,076	5,642	325	0.0	0.0	238	254	712	710	150	322	9,429
Total	1,500	7,286	325	411	0.0	903	312	748	2,021	173	611	14,289

Note: Nano: GLP < ₹100 Cr, Small: GLP between ₹100-₹500 Cr, Medium: GLP between ₹500-₹2000 Cr, Large: GLP between ₹2000-₹5000, Very Large: GLP > ₹5000 Cr.

The total amount received during Q3 FY 2025–26 by all categories of MLIs has been ₹14,289 crore, compared to ₹12,622 crore in Q2 FY 2025–26, reflecting a quarter-on-quarter increase. Of the total amount received in Q3, eight Very Large MLIs have accounted for ₹9,429 crore (66%), while six Large MLIs have received ₹3,652 crore (26%).

Collectively, these 14 MLIs (Very Large and Large categories) have received nearly 92% of the total funds, indicating a highly concentrated distribution pattern across size segments. In contrast, 109 Nano, Small and Medium MLIs together have received ₹1,208 crore, constituting only 8% of the total, which highlights comparatively limited access to funding among smaller institutions.

14. Rating & Grading Scores of MLIs:

The recent ratings and gradings reported by the MLIs have been analysed based on the scores assigned by various rating and grading agencies. The consolidated rating and grading details of the reporting MLIs are presented in the table below.

Table 9: MLI count in different Rating and Grading Scores across different categories

MLI count under various Rating scores by size									
Rating Scale	AAA / IND AAA	AA / IND AA	A / IND A	BBB / IND BBB	BB / IND BB	B / IND B	C / IND C	D / IND D	Not reported
Nano MFI				2	15	4			49
Small MLIs				10	7				9
Medium MLIs			3	5	1				4
Large MLIs		1	2	1	1				1
Very Large MLIs		2	3						3

MLI count under various Grading scores by size									
Grating Scale	M1/MFI1/MF1/mfr1/Alpha+	M2+/MFI2+/MF2/mfr2/Alpha	M2/MFI2/MF3/mfr3/Alpha -	M3+/MFI3+/MF4/mfr4/Beta+	M3/MFI3/MF5/mfr5/Beta	M4+/MFI4+/MF6/mfr6/Beta -	M4/MFI4/MF7/mfr7 / Grama +	M5/MFI5/MF8/mfr8/ Grama	Not reported
Nano MFIs	3		3	5	13	1	9		36
Small MLIs	4		10		3				9
Medium MLIs	4		2		1				6
Large MLIs	3		2						1
Very Large MLIs	5								3

Note: Nano: GLP < ₹100 Cr, Small: GLP between ₹100-₹500 Cr, Medium: GLP between ₹500-₹2000 Cr, Large: GLP between ₹2000-₹5000, Very Large: GLP > ₹5000 Cr.

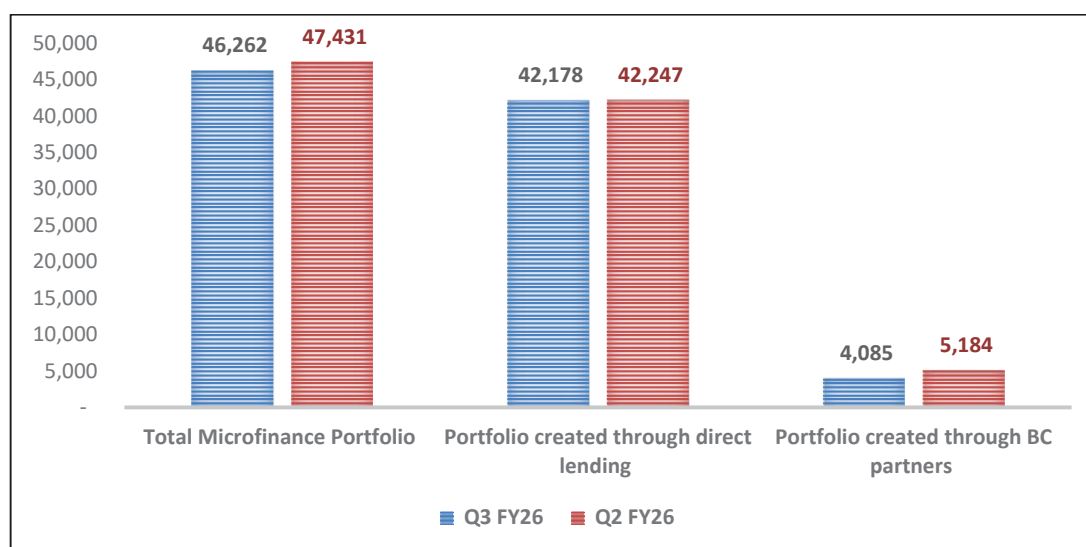
Small Finance Banks (SFBs) and Urban Cooperative Bank (UCB)

15. Microfinance Credit Performance of Small Finance Banks (SFBs) and Urban Cooperative Bank as on Q3 FY 26

Data has been captured from Small Finance Banks (SFBs) and one Urban Cooperative Bank engaged in microfinance activities, either through direct lending or via their Business Correspondent (BC) partners. Information from eight SFBs and one Urban Cooperative Bank has been collected on key parameters such as microfinance portfolio, active borrowers, disbursements, and geographical presence, among others.

15.1 Loan Portfolio

Figure 21: Total Microfinance Portfolio (₹ Cr) and its break-up



As of 31 December 2025, the total outstanding portfolio of eight Small Finance Banks (SFBs) and one Urban Cooperative Bank has stood at ₹46,262 crore, reflecting a reduction of ₹1,169 crore (2%) compared to Q2 FY26. Of the total portfolio, ₹42,178 crore (91%) has been generated through direct lending, while the remaining ₹4,085 crore (9%) has been sourced through BC partners. On a quarter-to-quarter basis, both direct lending and BC-sourced portfolio have declined, suggesting an overall contraction in microfinance exposure across delivery channels.

The decline across both channels reflects a cautious lending approach and/or moderated disbursement strategy during the quarter.

15.1 (a) Geographic Distribution of Loan Portfolio

As of 31 December 2025, the loan portfolio of the reporting Small Finance Banks (SFBs) and the Urban Cooperative Bank has shown a diversified geographic presence across rural, semi-urban, and urban & metropolitan areas, indicating a broad outreach strategy.

Urban & Metropolitan areas account for the largest share (45%) of the portfolio, reflecting a relatively higher concentration in more urbanized markets. Semi-urban areas constitute a significant portion (32%), highlighting their continued importance as a core growth segment. Rural areas account for 23% of the portfolio, indicating moderate penetration and potential for deeper rural expansion.

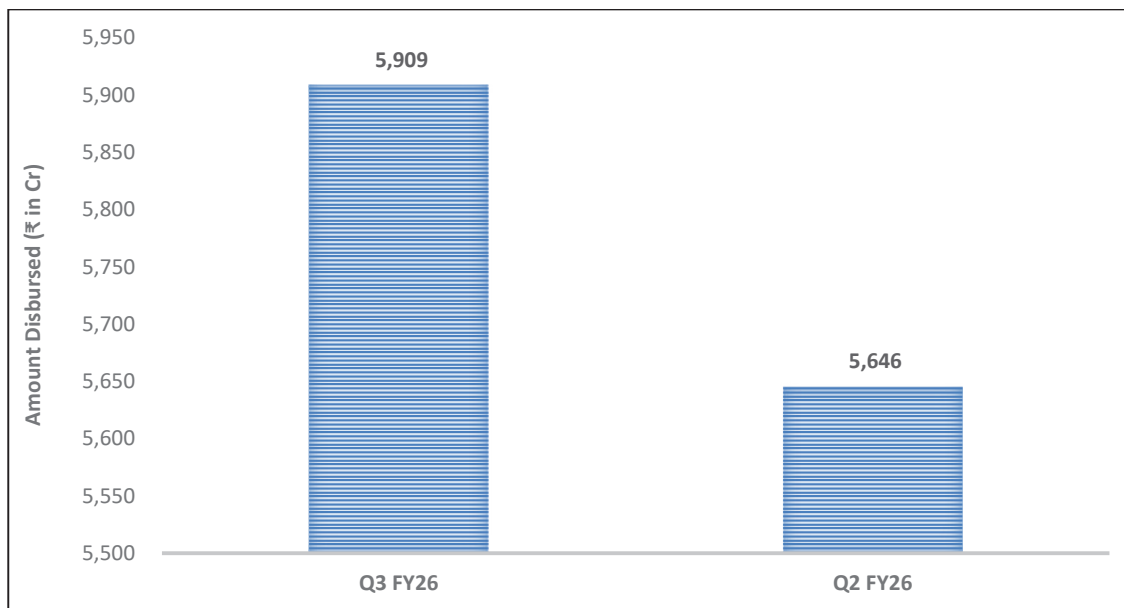
15.2 Client Outreach

As of December, eight SFBs and one Urban Cooperative bank have served 130 lakh clients with interest rates (Interest charged to clients) ranging from 23% to 29%, depending upon geographical locations. The number of client outreach has declined by 7.1% over the last quarter ended in September 2025.

15.3 Disbursement

During Q3 FY26, eight Small Finance Banks (SFBs) and one Urban Cooperative Bank have disbursed ₹10,088 crore across 15 lakh loan accounts, with an average ticket size (ATS) of ₹68,037. Disbursements increased by 5% in Q3 FY26 compared to Q2 FY26.

Figure 22: Amount Disbursed (₹ Cr) during Q3 FY26.



During Q3 FY26, disbursements have increased to ₹10,088 crore, registering a growth of 10.46% over Q2 FY26.

15.4 Portfolio Quality

Portfolio quality is influenced by several interrelated factors that determine the strength, stability, and performance potential of an investment portfolio. Disciplined allocation and robust risk management play a crucial role in enhancing portfolio quality over time, ensuring that the portfolio remains aligned with its objectives and protected against unnecessary risks. These elements help ensure alignment with institutional objectives while safeguarding against undue risk exposure. Collectively, they determine whether the portfolio remains resilient, efficient, and capable of sustaining long-term growth and financial stability.

Table 10: Portfolio Quality under different buckets

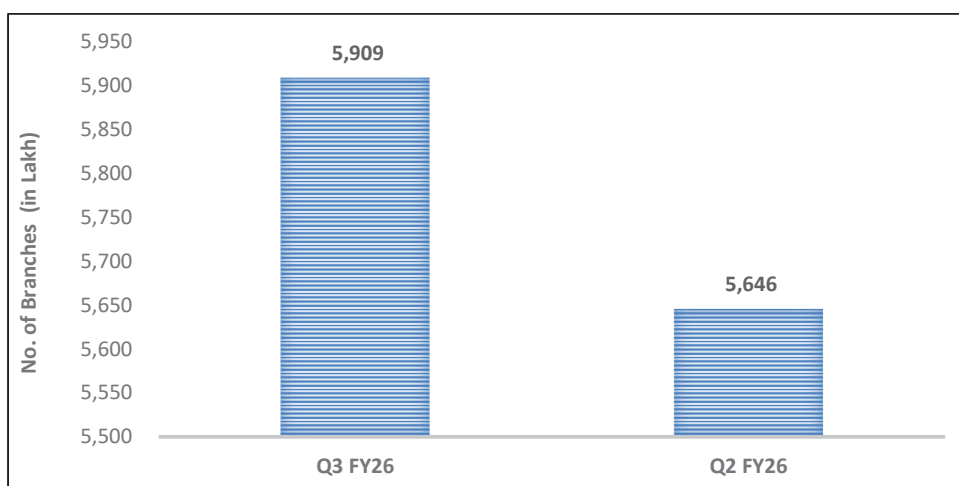
PAR>30 days	PAR>60 days	PAR>90 days	PAR>180 days	Net NPA
3.99% to 26.53%	2.55% to 25.17%	0.98% to 24.07%	0.86% to 19.70%	1.21% to 14.08%

15.5 Geographical Spread

Banks (SFBs and Urban Cooperative Bank) are operating in 716 districts across 28 States/UTs

15.6 Branch Network

Figure 23 Branch Network of SFBs and UCB



As of December 2025, the branch network has increased to 5,909, registering a growth of 4.66% compared to September 2025, with the addition of 263 new branches.

15.7 Workforce (Manpower)

Manpower is a critical operational pillar in the microfinance sector, given its high-touch, field-intensive business model. The effectiveness of staff deployment directly influences portfolio quality, customer outreach, recovery efficiency, and overall institutional performance.

As of December 2025, a total of 41,060 staff have been engaged. Of these, 25,034 are field staff, accounting for 61% of the total workforce, highlighting the sector's strong reliance on field-level operations for client engagement and service delivery.

16. Annexures:

16.1 Annexure I: State/UT-wise Presence of MLIs, UCBs & SFBs

Name of the State/UT	Name of the MLIs	Name of the UCBs & SFBs	No. of MLIs, UCBs & SFBs	No. of MLIs, UCBs & SFBs having HQ
Andaman & Nicobar Islands (AN)	Asirvad, BWDA		2	
Andhra Pradesh (AP)	RASS, Asirvad, BWDA, Midland, NABFINS, REPCO, Sanghamithra, Satin, Bajaj Finance, Belstar, Sindhuja, Spandana, Dvara KGFS, Finsigma, PAFT Inclusive, L&T Finance, Muthoot Microfin, BSS Sonata, Avanti, Satya, Magalir, IDF, SIF	AU, ESAF, Unity, Utkarsh	23 + 4 = 27	1
Arunachal Pradesh (AR)	Satin, GDFPL, Svatantira, Nightingale, Avanti		5	

Name of the State/UT	Name of the MLIs	Name of the UCBs & SFBs	No. of MLIs, UCBs & SFBs	No. of MLIs, UCBs & SFBs having HQ
Assam (AS)	Ajagar, GDFPL, Nightingale, Prochesta, SATRA , ASA, Asirvad, Midland, NABFINS, Satin, Svatantra, Uttrayan, L&T Finance, Sarala, Vedika, Muthoot Microfin, Annapurna, Avanti, Jagaran, YVU, Satya, Vector	ESAF, Jana, Ujjivan	22 + 3 = 25	5
Bihar (BR)	ACFL, Ahilya Gramin, CDoT , ASA, Asirvad, Digamber, Grameen Shakti, Mitrata, Midland, NABFINS, NEED, Pahal, Prayas, Samvedna, Satin, Save Microfinance, Share Microfin, Bajaj Finance, Belstar, Sindhuja, Spandana, Svatantra, Uttrayan, WeGrow, CASHPOR, Dhosa Fincare, Palli Pragoti, Samavesh, Prayatna, Dvara KGFS, NBJK, Pragati Finserv, Sugmya, L&T Finance, Servitium, Sarala, Vedika, FCSL, Muthoot Microfin, Srifin, Svamaan, BSS Sonata, Zylo, Annapurna, Avanti, DJT Microfinance, Sampurna, Jagaran, Satya, SIF,	AU, ESAF, Jana, Ujjivan, Unity, Utkarsh	50 + 6 = 56	3
Chandigarh (CH)	Asirvad, Satya	Ujjivan	2 + 1 = 3	
Chhattisgarh (CG)	Aviral , Asirvad, Belstar, Midland, NABFINS, Pahal, Satin, Save Microfinance, Share Microfin, Sindhuja, Spandana, Svatantra, VisionFund, CASHPOR, Prayatna, Dvara KGFS, Pragati Finserv, L&T Finance, GU Financial, Vector, Muthoot Microfin, Svamaan, BSS Sonata, Annapurna, Avanti, Satya, Svasti, Samhita	AU, ESAF, Equitas, Jana, Suryoday, Ujjivan, Unity, Utkarsh	28 + 8 = 36	1
Delhi (DL)	SURE, Satya, Zylo , Satin, Belstar, Avanti	ESAF, Jana, Ujjivan, Utkarsh	6 + 4 = 10	3
Goa (GA)	Asirvad, NABFINS, Share Microfin, Spandana, Annapurna, Satya, Svasti, IDF	Ujjivan	8 + 1 = 9	
Gujarat (GJ)	Ceejay, Pahal, Shroff , Asirvad, Midland, NABFINS, Prayas, Satin, Bajaj Finance, Belstar, Sindhuja, Spandana, Svatantra, L&T Finance, Hindusthan, Muthoot Microfin, BSS Sonata, Annapurna, Avanti, Satya, Svasti, Unnatti Finserv, SIF,	Sewa Bank , AU, ESAF, Equitas, Jana, Suryoday, Ujjivan, Unity	23 + 8 = 31	3 + 1 = 4

Name of the State/UT	Name of the MLIs	Name of the UCBs & SFBs	No. of MLIs, UCBs & SFBs	No. of MLIs, UCBs & SFBs having HQ
Haryana (HR)	Mitrata, Satin , Asirvad, Digamber, Humana, Magenta, Midland, Pahal, Save Microfinance, Belstar, Sindhuja, Spandana, Svatantra, DIMC, Samavesh, Dvara KGFS, SURE, Sugmya, L&T Finance, Muthoot Microfin, Svamaan, BSS Sonata, Annapurna, Avanti, Satya	AU, ESAF, Equitas, Jana, Ujjivan, Unity, Utkarsh	25 + 7 = 32	2
Himachal Pradesh (HP)	Digamber, Midland, Satin, Spandana, DIMC, Muthoot Microfin, Annapurna, Avanti, Satya	Ujjivan, Utkarsh	9 + 2 = 11	
Jammu & Kashmir (JK)	Digamber, Midland, Satin, Satya		4	
Jharkhand (JH)	NBJK, Vedika , Asirvad, Grameen Shakti, Midland, NABFINS, Satin, Save Microfinance, Share Microfin, Bajaj Finance, Belstar, Sindhuja, Spandana, Svatantra, Uttrayan, CASHPOR, Aviral, Samavesh, Prayatna, ACFL, Dvara KGFS, Pragati Finserv, Sugmya, Sarala, Muthoot Microfin, Srifin, Svamaan, BSS Sonata, Annapurna, Avanti, Sampurna, Jagaran, Satya	ESAF, Jana, Ujjivan, Unity, Utkarsh	33 + 5 = 38	2
Karnataka (KA)	Avanti, BSS Sonata, IDF, NABFINS, Opportunity Microfinance, RORS, Sanghamithra, SKDRDP, Shree Marikamba, Sushravya Upliftment , Asirvad, BWDA, Palma, REPCO, Satin, Save Microfinance, Share Microfin, Bajaj Finance, Belstar, Spandana, Svatantra, Dvara KGFS, PAFT Inclusive, Pragati Finserv, Sugmya, L&T Finance, Hindusthan, Muthoot Microfin, Srifin, Svamaan, Annapurna, Agora, Satya, SIF	Jana, Ujjivan , AU, ESAF, Equitas, Suryoday, Unity, Utkarsh	34 + 8 = 42	10 + 2 = 12
Kerala (KL)	Janashree, Keshava Prabha, Life Foundation, South Indian Credits, Sahrudaya, Vanchinad , Asirvad, BWDA, NABFINS Palma, REPCO, Muthoot Microfin, Sanghamithra, Save Microfinance, Share Microfin, Belstar, Spandana, Svatantra, VisionFund, Virutcham, Pragati Finserv, SKDRDP, Sree Annai, L&T Finance, Satya, Velicham, Magalir, SIF	ESAF , AU, Ujjivan, Unity	28 + 4 = 32	6 + 1 = 7
Madhya Pradesh (MP)	Jigyasa, Samhita, Sharan Welfare , Asirvad, Digamber, Mitrata, Midland, NABFINS, Pahal, Prayas, Satin, Save Microfinance, Share Microfin, Belstar, Spandana, Svatantra, CASHPOR, Aviral, Samavesh, Prayatna, Pragati Finserv, Sugmya, L&T Finance, Hindusthan, Muthoot Microfin, Svamaan, BSS Sonata, Sampada, Annapurna, Avanti, Sindhuja, Satya, Svasti, Vector	AU, ESAF, Equitas, Jana, Suryoday, Ujjivan, Unity, Utkarsh	34 + 8 = 42	3

Name of the State/UT	Name of the MLIs	Name of the UCBs & SFBs	No. of MLIs, UCBs & SFBs	No. of MLIs, UCBs & SFBs having HQ
Maharashtra (MH)	Agora, Anik, Annapurna Mahila, Bajaj Finance, Fingel, Hindusthan, L&T Finance, LOLC, Muthoot Microfin, Sampada, Svamaan, Svasti, Svatantra, Tuvis Foundation, Unnatti Finserv, Asirvad, Midland, NABFINS, Pahal, Sanghamithra, Satin, Share Microfin, Belstar, Sindhuja, Spandana, Worth-Rich, BSS Sonata, Annapurna, Avanti, Satya, Velicham, IDF, SIF	Suryoday, Unity, AU, ESAF, Equitas, Jana, Ujjivan, Utkarsh	33 + 8 = 41	15 + 2 = 17
Manipur (MN)	SEAT, YVU, Avanti		3	2
Meghalaya (ML)	Satin, GDFPL, Uttrayan, Nightingale, Annapurna, Avanti	Ujjivan	6 + 1 = 7	
Mizoram (MZ)	Satin, GDFPL, Nightingale, Avanti		4	
Nagaland (NL)	Satin, GDFPL, Avanti		3	
Odisha (OD)	Annapurna, Glowmore, GU Financial, ASA, Asirvad, BWDA, Midland, NABFINS, Pahal, Satin, Save Microfinance, Share Microfin, Bajaj Finance, Belstar, Sindhuja, Spandana, Svatantra, Uttrayan, CASHPOR, Aviral, Dvara KGFS, Sugmya, L&T Finance, Vedika, Muthoot Microfin, Svamaan, BSS Sonata, Avanti, Sampurna, Jagaran, Satya, Vector	AU, ESAF, Equitas, Jana, Suryoday, Ujjivan, Unity, Utkarsh	32 + 8 = 40	3
Puducherry (PY)	Asirvad, BWDA, NABFINS, Pahal, REPCO, Satin, Save Microfinance, Vivardhana, Belstar, Spandana, Valar Aditi, VisionFund, Virutcham, Finsigma, PAFT Inclusive, Pragati Finserv, Muthoot Microfin, Satya, BWDC, Velicham	AU, ESAF, Equitas, Jana, Suryoday, Ujjivan	20 + 6 = 26	
Punjab (PB)	Midland, Asirvad, Magenta, Satin, Save Microfinance, Belstar, Svatantra, Uttrayan, Dvara KGFS, L&T Finance, Muthoot Microfin, BSS Sonata, Annapurna, Satya	AU, Equitas, Jana, Ujjivan, Utkarsh	14 + 5 = 19	1
Rajasthan (RJ)	Digamber, PSC, Shram Sarathi, Asirvad, Humana, Mitrata, Midland, NABFINS, Pahal, Prayas, Satin, Save Microfinance, Share Microfin, Bajaj Finance, Belstar, Sindhuja, Spandana, Svatantra, Uttrayan, Samavesh, SURE, Sugmya, Zylo, L&T Finance, Hindusthan, Muthoot Microfin, Srifin, Svamaan, Jeevan Utthan, BSS Sonata, Annapurna, Avanti, Satya, Svasti	AU, ESAF, Equitas, Jana, Suryoday, Ujjivan, Unity, Utkarsh	34 + 8 = 42	3+1 = 4
Sikkim (SK)	Asirvad, Satin, Uttrayan, Sarala	ESAF, Jana	4 + 2 = 6	

Name of the State/UT	Name of the MLIs	Name of the UCBs & SFBs	No. of MLIs, UCBs & SFBs	No. of MLIs, UCBs & SFBs having HQ
Tamil Nadu (TN)	Ajaaya, Asirvad, Belstar, BWDA, BWDC, Citta Plus, Dvara KGFS, Finsigma, Magalir, PAFT Finance, PAFT Inclusive, REPCO, Sai Mithra, Sarvodaya Nano, SIF, Sree Annai, Vivardhana, Vaasavi IVF, Valar Aditi, Velicham, Virutcham, VisionFund, WOMAN, NABFINS, Opportunity Microfinance, Pahal, RORS, Sanghamithra, Satin, Save Microfinance, Share Microfin, Bajaj Finance, South Indian Credits, Spandana, Svatantra, Pragati Finserv, RASS, Sugmya, Vanchinad, L&T Finance, Keshava Prabha, Muthoot Microfin, Svamaan, BSS Sonata, Annapurna, Avanti, Satya, Svasti	Equitas, AU, ESAF, Jana, Suryoday, Ujjivan, Unity	48 + 7 = 55	23+1 =24
Telangana (TS)	Spandana, Anik, Asirvad, Pahal, Satin, Bajaj Finance, Belstar, L&T Finance, Muthoot Microfin, Svamaan, BSS Sonata, Annapurna, Avanti, Sindhuja, Satya, Velicham, IDF, SIF	AU, ESAF, Unity, Utkarsh	18 + 4 = 22	1
Tripura (TR)	ASA, Asirvad, NABFINS, Satin, Belstar, Svatantra, Vedika, Annapurna, Avanti, Satya, Vector	ESAF, Jana, Ujjivan	11 + 3 = 14	
Uttar Pradesh (UP)	CASHPOR, DIMC, DJT Microfinance, Godson, Kuber Kanak, NEED, Samavesh, Samvedna, Sindhuja, ASA, Asirvad, Digamber, Humana, Magenta, Mitrata, Midland, NABFINS, Pahal, Prayas, Satin, Save Microfinance, Share Microfin, Bajaj Finance, Belstar, Spandana, Svatantra, VisionFund, CDoT, Prayatna, ACFL, Dvara KGFS, Pragati Finserv, SURE, Sugmya, Zylo, L&T Finance, Vedika, FCSL, Muthoot Microfin, Srifin, Svamaan, BSS Sonata, Annapurna, Avanti, Satya, Svasti, SIF	Utkarsh, AU, ESAF, Jana, Equitas, Suryoday, Ujjivan, Unity	47 + 8 = 55	9 + 1 = 10
Uttarakhand (UK)	Asirvad, Digamber, Midland, Satin, Share Microfin, Belstar, Spandana, Svatantra, Uttrayan, DIMC, Dvara KGFS, SURE, Sugmya, Muthoot Microfin, BSS Sonata, Annapurna, Avanti, DJT Microfinance, Satya	AU, ESAF, Jana, Ujjivan, Utkarsh	19 + 5 = 24	
West Bengal (WB)	Apaarseva Foundation, ASA, Barasat Sampark, Destiny, Dhosa Fincare, Grameen Shakti, Jagaran, Jeevan Utthan, Palli Pragoti, Sampurna, Sarala, Sarwadi, Servitium, Uttrayan, Vector, WeGrow, Asirvad, Midland, NABFINS, NEED, Satin, Save Microfinance, Share Microfin, Belstar, Spandana, Svatantra, Sugmya, Kuber Kanak, L&T Finance, Vedika, Muthoot Microfin, Nightingale, Annapurna, Avanti, DJT Microfinance, Satya	AU, ESAF, Jana, Ujjivan, Unity, Utkarsh	36 + 6 = 42	16

Based on self-reported data from 125 MLIs, 8 SFBs, 1 Urban Cooperative Bank (UCB)

Note: Names of MLIs, SFBs, and UCB in bold indicate that they are headquartered in the respective state/UT. MLIs without operational presence in the State/UT where they are headquartered have not been included under that State/UT.

16.2 Annexure II: Distribution of MLIs

(i) Distribution of MLIs by Size

Size/Category	GLP Base	No. of MLIs
Nano	<₹100 Cr.	71
Small	>₹100 Cr. but <₹500 Cr.	27
Medium	>₹500 Cr. but <₹2,000 Cr.	13
Large	>₹2000 Cr. but <₹5,000 Cr.	6
Very Large	>₹5,000 Cr.	8
Total		125

(ii) Distribution of MFIs by Legal Form

Legal Form	No. of MLIs
NBFC-MFI	71
NBFC	14
Pvt. Ltd. Com.	9
Sec. 8 Com.	17
Society	6
Trust	5
MACS /Cooperative	3
Total	125

16.3 Annexure III: Number and Percentage Distribution of Delivery Models across Different Sizes of MLIs

	Nano MLIs (GLP <₹100 Cr)			Small MLIs (GLP >₹100 Cr. but <₹500 Cr.)		
	JLG	SHG	Individual	JLG	SHG	Individual
100%	35	7	7	15	2	3
>=50% to <100%	13	3	8	6	1	0
>0% to <50%	7	1	11	0	0	5
0%	15	59	44	5	23	18
Total	70	70	70	26	26	26

	Medium MLIs (GLP >₹500 Cr. but <₹2000 Cr.)			Large MLIs (GLP >₹2000 Cr. but <₹5000 Cr.)		
	JLG	SHG	Individual	JLG	SHG	Individual
100%:	8	0	2	5	0	0
>=50% & <100%	3	0	0	1	0	0
>0% & <100%:	0	0	3	0	1	0
0%:	2	13	8	0	5	6
Total	13	13	13	6	6	6

	Very Large MLIs (GLP >₹5000 Cr)		
	JLG	SHG	Individual
100%	4	1	0
>=50% to <100%	2	1	0
>0% to <100%	1	0	3
0%	1	6	5
Total	8	8	8

16.4 Annexure IV: Profile of MLIs and SFBs Contributed Data for this Report

(i) List of Nano MLIs (GLP <₹ 100 Cr.)

S. No	Name of the MLI	Legal Form	GLP/AUM (₹ in Cr)	Client (in lakh)	No. of Branch
1	Agora Microfinance India Ltd.	NBFC-MFI	41.36	0.17	28
2	Ahilya Gramin Livelihood Foundation	Sec. 8 Com.	1.22	0.01	2
3	Ajaaya Development Foundation	Sec. 8 Com.	7.16	0.05	9
4	Ajagar Finance Pvt. Ltd.	NBFC-MFI	4.16	0.02	6
5	Anik Financial Services Pvt. Ltd.	NBFC-MFI	46.82	0.13	8
6	Apaarseva Foundation	Sec. 8 Com.	1.26	0.01	2
7	Aviral Finance Pvt. Ltd.	NBFC-MFI	34.73	0.19	50
8	Barasat Sampark	Society	30.40	0.17	17
9	Bharathi Women Development Center	Society	18.33	0.03	18
10	Ceejay Microfin Ltd.	NBFC-MFI	96.59	0.33	65
11	Centre for Development Orientation and Training	Society	16.07	0.05	10
12	Citta Plus Consultancy Pvt. Ltd.	Pvt. Ltd. Com.	45.89	0.19	25
13	Destiny Finco Pvt. Ltd.	NBFC-MFI	32.50	0.35	99
14	Fingel Management Services Pvt. Ltd.	Pvt. Ltd. Com.	4.96	0.03	8
15	Finsigma Inclusive Services Pvt. Ltd.	Pvt. Ltd. Com.	60.00	0.24	65
16	Friends Capital Services Ltd.	NBFC	12.48	0.06	12
17	G U Financial Services Pvt Ltd.	NBFC-MFI	65.58	0.24	52
18	Glowmore Finance Pvt. Ltd.	NBFC	6.48	0.03	14
19	Godson Microfinance Federation	Sec. 8 Com.	2.36	0.01	2
20	Grameen Development and Finance Pvt. Ltd.	NBFC-MFI	91.60	0.21	34
21	Grameen Shakti Microfinance Services Pvt. Ltd.	NBFC-MFI	96.84	0.41	43
22	Hindusthan Microfinance Pvt Ltd.	NBFC-MFI	64.72	0.32	86
23	Janashree Microfin Ltd.	NBFC-MFI	2.66	0.01	11
24	Jeevan Utthan Financial Services Pvt. Ltd.	NBFC	16.55	0.06	22
25	Jigyasa Livelihood Promotions Micro Finance Foundation	Sec. 8 Com.	21.38	0.09	23
26	Keshava Prabha Microfin Pvt. Ltd.	NBFC-MFI	87.84	0.27	33
27	Kuber Kanak Microfinance Association	Sec. 8 Com.	4.04	0.02	4
28	Life Foundation	Trust	12.80	0.09	4
29	LOLC India Finance Pvt. Ltd.	NBFC-MFI	19.20	0.04	20
30	Magenta Finance Services Pvt. Ltd.	NBFC-MFI	9.98	0.06	8
31	Nav Bharat Jagriti Kendra	Society	12.22	0.06	12
32	Need Livelihood Microfinance Pvt. Ltd.	NBFC-MFI	8.56	0.21	44
33	Opportunity Microfinance India Ltd.	NBFC-MFI	3.46	0.01	2
34	PAFT Finance Ltd.	NBFC	6.20	0.05	16
35	Palli Pragoti Financial Services Pvt. Ltd.	NBFC	22.14	0.08	22
36	Palma Development Finance Pvt. Ltd.	NBFC-MFI	10.48	0.04	9
37	Planned Social Concern	Sec. 8 Com.	18.53	0.05	7
38	Prayatna Microfinance Ltd.	NBFC-MFI	65.69	0.32	69
39	Prochesta Thrift and Credit Cooperative Society Asom Ltd.	MACS/Cooperative	6.67	0.03	6
40	Rajasthan Shram Sarathi Association	Sec. 8 Com.	14.06	0.06	4
41	RORS Finance Pvt. Ltd.	NBFC-MFI	24.62	0.06	14
42	Sahrudaya Wesco Credit	Trust	7.80	0.04	NA

S. No	Name of the MLI	Legal Form	GLP/AUM (₹ in Cr)	Client (in lakh)	No. of Branch
43	Sai Mithra Microcare Foundation	Sec. 8 Com.	0.29	0.002	3
44	Samavesh Finserve Pvt. Ltd.	NBFC-MFI	25.89	0.16	55
45	Samhita Community Development Services	Sec. 8 Com.	43.36	0.27	36
46	Sampada Entrepreneurship & Livelihoods Foundation	Sec. 8 Com.	15.77	0.08	12
47	Samvedna Microfinance Pvt. Ltd.	NBFC-MFI	47.58	0.13	37
48	Sarvodaya Nano Finance Ltd.	NBFC	25.90	0.17	88
49	Sarwadi Finance Pvt. Ltd.	NBFC-MFI	15.59	0.09	15
50	Satra Development Finance Pvt. Ltd.	NBFC-MFI	16.08	0.03	6
51	Servitium Micro Finance Pvt. Ltd.	NBFC-MFI	94.42	0.39	44
52	Sharan Welfare Foundation	Sec. 8 Com.	11.66	0.02	10
53	Share Microfin Ltd.	NBFC-MFI	37.11	0.40	73
54	Shree Marikamba Micro Finance Pvt. Ltd.	NBFC-MFI	12.91	0.05	1
55	Shroff Capital and Finance Pvt. Ltd.	NBFC-MFI	4.56	0.00	1
56	Socio Economic Action Trust	Trust	8.36	0.03	4
57	South Indian Credits Ltd.	NBFC-MFI	50.78	0.08	30
58	Sree Annai Meenashi Arakkattalai	Trust	17.33	0.13	19
59	Sushravya Upliftment Foundation	Sec. 8 Com.	14.30	0.01	7
60	The Saath Savings & Credit Cooperative Society Ltd.	MACS/Cooperative	44.05	0.10	17
61	Tuvis Foundation	Sec. 8 Com.	1.57	0.01	2
62	Vaasavi IVF Micro Finance Pvt. Ltd.	NBFC-MFI	0.12	0.0003	1
63	Valar Aditi Social Finance Pvt. Ltd.	NBFC-MFI	27.91	0.10	9
64	Virutcham Microfinance Ltd.	NBFC-MFI	54.82	0.21	22
65	VisionFund India Pvt. Ltd.	NBFC-MFI	59.04	0.24	17
66	Vivardhana Microfinance Ltd.	NBFC-MFI	9.32	0.05	38
67	WeGrow Financial Services Pvt. Ltd.	NBFC-MFI	79.64	0.28	31
68	Welfare Organisation for Multipurpose Mass Awareness Network (WOMAN)	Society	47.39	0.20	3
69	Worth-Rich Micro Foundation	Sec. 8 Com.	0.21	0.001	1
70	YVU Financial Services Pvt. Ltd	NBFC-MFI	46.52	0.18	12
71	Zylo Micro Care Foundation	Sec. 8 Com.	15.03	0.09	22

(ii) List of Small MLIs (GLP between >₹100 Cr. and <₹500 Cr.)

S.No	Name of the MLI	Legal Form	GLP/AUM (₹ in Cr)	Client (in lakh)	No. of Branch
1	Adi Chitragupta Finance Ltd.	NBFC-MFI	164.98	0.65	94
2	Annapurna Mahila Coop Credit Society Ltd.	MACS/Cooperative	216.55	0.40	22
3	ASA International India Microfinance Ltd.	NBFC-MFI	281.11	1.27	160
4	BWDA Finance Ltd.	NBFC-MFI	382.61	1.09	118
5	Dhosa Fincare Pvt. Ltd.	Pvt. Ltd.Com.	162.63	0.58	74
6	Digamber Capfin Ltd.	NBFC-MFI	443.17	1.82	202
7	Disha India Micro Credit	Sec. 8 Com.	106.42	0.49	61
8	DJT Microfinance Pvt. Ltd.	NBFC-MFI	175.84	0.54	45
9	Humana Financial Services Pvt. Ltd.	NBFC-MFI	140.39	0.44	36
10	IDF Financial Services Pvt. Ltd.	NBFC-MFI	164.78	0.59	98
11	Jagaran Microfin Pvt. Ltd.	NBFC-MFI	215.65	0.96	122

S.No	Name of the MLI	Legal Form	GLP/AUM (₹ in Cr)	Client (in lakh)	No. of Branch
12	Magalir Micro Capital Pvt. Ltd.	NBFC-MFI	119.43	0.53	115
13	Mitrata Inclusive Financial Services Ltd.	NBFC-MFI	112.77	0.48	82
14	Nightingale Finvest Pvt. Ltd.	NBFC-MFI	176.64	0.61	55
15	Prayas Financial Services Pvt. Ltd.	NBFC-MFI	287.39	1.11	109
16	Rashtriya Seva Samithi (RASS)	Society	242.08	0.64	7
17	Sampurna Financial Services Pvt. Ltd.	Pvt. Ltd. Com.	409.40	1.39	99
18	Sanghamithra Rural Financial Services	NBFC-MFI	258.70	0.63	135
19	Sarala Development & Microfinance Pvt. Ltd.	NBFC-MFI	147.44	0.61	50
20	Shikhar Urban & Rural Ent. Pvt. Ltd.	Pvt. Ltd.Com.	176.86	0.53	47
21	Srifin Credit Pvt. Ltd.	NBFC-MFI	273.75	0.87	84
22	Sugmya Finance Pvt. Ltd.	NBFC	224.55	0.83	217
23	Unnatti Finserv Pvt. Ltd.	NBFC	332.62	0.77	64
24	Uttrayan Financial Services Pvt Ltd	NBFC-MFI	445.41	1.30	122
25	Vanchinad Finance Pvt. Ltd.	NBFC	204.69	0.61	70
26	Vector Finance Pvt. Ltd.	NBFC-MFI	355.27	1.33	173
27	Velicham Finance Pvt. Ltd.	NBFC	215.38	0.16	59

(iii) List of Medium MLIs (GLP between >₹500 Cr. and <₹2,000 Cr.)

S. No	Name of the MLI	Legal Form	GLP/AUM (₹ in Cr)	Client (in lakh)	No. of Branch
1	Avanti Finance Pvt. Ltd.	NBFC	940	3.51	327
2	Bajaj Finance Ltd.	NBFC	1,463	4.31	445
3	Dvara Kshetriya Gramin Financial Services Pvt. Ltd.	NBFC	1,973	4.38	423
4	PAFT Inclusive Financial Services Pvt. Ltd.	Pvt. Ltd.Com.	662	1.90	110
5	Pahal Financial Services Pvt. Ltd.	NBFC-MFI	1,476	4.49	324
6	Pragati FinServ Pvt. Ltd.	Pvt. Ltd. Com.	1,058	3.55	279
7	REPCO Micro Finance Ltd.	NBFC-MFI	1,406	0.30	130
8	Save Microfinance Pvt. Ltd.	NBFC-MFI	904	3.06	323
9	Sindhuja Microcredit Pvt. Ltd.	NBFC-MFI	959	3.10	361
10	South India Finvest Pvt. Ltd.	NBFC-MFI	725	2.72	249
11	Svamaan Financial Services Pvt. Ltd.	NBFC-MFI	1,399	3.56	415
12	Svasti Microfinance Pvt. Ltd.	NBFC-MFI	658	2.65	150
13	Vedika Credit Capital Ltd.	NBFC-MFI	1,610	5.45	193

(iv) List of Large MLIs (GLP between >₹2000 Cr. and <₹5,000 Cr.)

S. No	Name of the MLI	Legal Form	GLP/AUM (₹ in Cr)	Client (in lakh)	No. of Branch
1	Asirvad Micro Finance Ltd.	NBFC-MFI	4,460	14.73	1,567
2	CASHPOR Micro Credit	NBFC-MFI	3,769	9.12	781
3	Midland Microfin Ltd.	NBFC-MFI	2,610	8.87	612
4	NABFINS Ltd.	NBFC-MFI	3,028	10.38	525
5	SATYA MicroCapital Ltd.	NBFC-MFI	3,375	13.08	739
6	Spandana Sphoorty Financial Ltd.	NBFC-MFI	3,296	11.54	1,501

(iv) List of Very Large MLIs (GLP>₹5000 Cr)

S. No	Name of the MLI	Legal Form	GLP/AUM (₹ in Cr)	Client (in lakh)	No. of Branch
1	Annapurna Finance Pvt. Ltd.	NBFC-MFI	10,691	28.50	1,729
2	Belstar Microfinance Ltd.	NBFC-MFI	7,910	20.75	1,290
3	BSS Sonata Microcredit Ltd.	Pvt. Ltd.Com.	6,211	19.51	1,498
4	L&T Finance Ltd.	NBFC	27,874	56.37	2,115
5	Muthoot Microfin Ltd.	NBFC-MFI	13,079	33.34	1,691
6	Satin CreditCare Network Ltd.	NBFC-MFI	11,482	31.83	1,817
7	Shri Kshethra Dharmasthala Rural Development Project (SKDRDP)	Trust	26,155	41.62	254
8	Svatantra Microfin Pvt. Ltd.	NBFC-MFI	9,133	22.23	1,046

(II) List of Small Finance Banks (SFBs) and Urban Cooperative Bank (UCB)

S. No	Name of SFB	Legal Form	GLP/AUM (₹ in Cr)	Client (in lakh)	No. of Branch
1	AU SFB	Small Finance Bank	6,297	20.68	930
2	Equitas SFB	Small Finance Bank	3,782	10.42	468
3	ESAF SFB	Small Finance Bank	3,715	14.05	1561
4	Jana SFB	Small Finance Bank	7,101	15.88	707
5	Sewa Bank	Urban Cooperative Bank	222	0.19	13
6	Suryoday SFB	Small Finance Bank	5,287	15.32	624
7	Ujjivan SFB	Small Finance Bank	13,680	29.84	724
8	Unity SFB	Small Finance Bank	913	4.87	99
9	Utkarsh SFB	Small Finance Bank	5,266	18.48	783



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