TransUnion CIBIL

Microfinance Portfolio Review

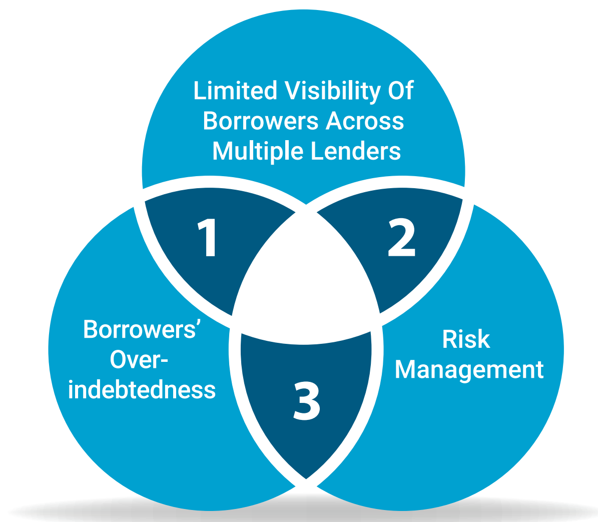
Predict risk, make smarter decisions and drive financial inclusion with a holistic, multi-lender, borrower level view.

Microfinance institutions (MFIs) operate in a unique lending landscape where small-ticket loans and group lending models require nuanced risk management.

TransUnion CIBIL's **Microfinance Portfolio Review** (MFI PR) solution offers a strategic lens into borrower behavior, credit performance, and institutional overlap-enabling credit institutions to manage their portfolios with greater precision, profitability and financial inclusion.

Critical Business Issues

MFIs often face challenges in identifying emerging risks or business opportunities, which requires the ability to transform complex data into actionable insights.



USE CASES OF MICROFINANCE PORTFOLIO REVIEW

Multi-lender Insights
Identify the number of institutions a borrower is engaged with to mitigate over-leveraging and borrower indebtedness.

Capture Potential Business Opportunities
Identify and strategize policies to cross-sell and up-sell based on borrower's profile.

Score Distribution Assessment
Understand the risk profile of your borrower base using the CIBIL Microfinance Score to segment and prioritize interventions.

Delinquency Pattern Tracking
Monitor 30+, 90+, 180+ DPD trends over time to spot at-risk segments. Get early warning signs of borrowers likely to default along with recent enquiries highlighting credit hungriness.

Geography-level Opportunities
Identify opportunities at the pincode, district, or state level for more localized portfolio management.

Retro Portfolio Review
Conduct retro analysis to evaluate past credit decisions and refine underwriting or collections strategies. Understand the transition of CIBIL Microfinance Score of the borrower over a period of time.

How Microfinance Portfolio Review helps Lenders Better Manage their Portfolio

Microfinance Portfolio Review equips Financial Institutions with deep, data-driven insights to monitor, assess, and optimize their loan portfolios. By leveraging trended credit data, borrower overlap analysis, and score distribution, Financial Institutions can make proactive decisions on credit strategy, risk control, and business growth.

Risk Across Multiple Lenders

Borrower Count (Sep-24)	Borrower Vintage with ABC Bank				
Lender Distribution	0-2 years	2-4 years	4-6 years	>6 years	Total %
Only On-Us	9.3%	5.7%	5.5%	11.1%	31.6%
ABC Bank + 1	8.1%	5.8%	5.5%	10.1%	29.4%
ABC Bank + 2	6.4%	4.3%	3.6%	6.0%	20.2%
ABC Bank + 3	3.9%	2.3%	1.7%	2.7%	10.6%
ABC Bank + >=4	3.5%	1.6%	1.1%	2.0%	8.2%
Total %	31.1%	19.7%	17.4%	31.8%	100%

30+% DPD (Sep-24)	Borrower Vintage with ABC Bank				
Lender Distribution	0-2 years	2-4 years	4-6 years	>6 years	Total %
Only On-Us	3.6%	2.8%	2.7%	2.2%	2.8%
ABC Bank + 1	5.3%	4.1%	3.9%	3.3%	4.1%
ABC Bank + 2	7.9%	6.3%	6.8%	4.7%	6.4%
ABC Bank + 3	12.0%	10.6%	8.9%	7.8%	10.1%
ABC Bank + >=4	26.0%	25.2%	19.7%	14.0%	22.1%
Total %	8.5%	6.7%	5.6%	4.2%	6.3%

Key Highlights
Sep'24 vs Jun'24

Only On-Us:
Borrowers: 31.6% vs 26.6%
30+% DPD: 2.8% vs 1.9%

Borrowers with >= ABC Bank +4 lenders:
8.2% vs 25.3%
30+% DPD: 22.1% vs 25.3%

The Microfinance Portfolio Review enables financial institutions to assess how their portfolio is leveraged, providing early indicators of potential delinquencies. When complemented with variables such as credit scores and CIBIL's Microfinance CreditVision® algorithms, it helps institutions differentiate risk profiles and uncover business opportunities across borrower segments.

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