CRIF HIGH MARK
Together to the next level

HOW INDIA LENDS

CREDIT LANDSCAPE IN INDIA FY2022

FOREWORD

SANJEET DAWAR
Managing Director, CRIF High Mark

Welcome to the second issue of our report, **How India Lends - FY2022.**

FY22 was the year of hope for Indian financial services sector. Though initial months of FY22 were impacted due to the spread of the Delta variant, localized nature of the lockdowns helped minimize disruptions to business activity. In addition, both the Central Government and the RBI announced a host of measures to contain the impact of the second wave on domestic economic activity. The Government focused on providing relief and credit flow to small business and other sectors that were affected by the pandemic. This resulted in more positive macroeconomic outlook across industries including financial services.

As a result, FY22 witnessed tremendous growth in new loan originations across Retail, Microfinance and Commercial loans. Our Report How India Lends - FY2022 highlights this growth and provides key insights into each of the major Retail product categories, Microfinance and Commercial loans. While the key focus is growth in FY22, we have evaluated a broad range of parameters to showcase key trends across product categories and Lender categories with the help of our in-house expertise on lending ecosystem, advanced analytics and big data capabilities.

We hope you find this report to be valuable and look forward to your feedback.

FOREWORD

VIPUL JAIN

Vice President – Product Management
& Business Intelligence, CRIF High Mark

The “How India Lends” report is our effort to capture annual lending trends across product segments. The first edition received positive response and we are pleased to know that “How India Lends” has become one of the most anticipated releases from CRIF High Mark. This report is also the reference source for some, to come up to speed with the Lending landscape in India.

As we finally enter post COVID phase, we are pleased to present 2nd edition of ‘How India Lends’ to highlight critical trends in Lending, impact of pandemic on the sector for previous two years and recovery trends post COVID. As we concluded working on this report, we could see strong trends of recovery in both originations and delinquency as well as few emerging trends in terms of emergence of fintechs and small ticket lending.

We are sure that you will enjoy reading this report and find it useful. Please do write to us if you have any feedback or comments.

CONTENTS

Executive Summary 3

Definitions 5

Introduction to Indian Credit Landscape 6

Retail Lending 7

Home Loans 10

Personal Loans 15

Two-Wheeler Loans 20

Auto Loans 25

Business Loans 30

Consumer Durable Loans 35

Credit Cards 40

Microfinance Lending 44

Commercial Lending 49

About How India Lends | About Crif High Mark 54

EXECUTIVE SUMMARY

Size of total lending market in India as of Mar'22 is at ₹ 174.3 Lakh Crore, Y-o-Y growth of 11.1% over Mar'21. Retail lending contributes 48.9%, Commercial lending 49.5% while Microfinance contributes 1.6% to total lending in India as of Mar'22. After facing unprecedented challenges in FY21 due to COVID pandemic and deadly second wave in Q1 FY22, lending landscape in India witnessed sharp recovery in the remaining part of FY22. This report deep dives into major lending product categories in India and presents insights on their trends and patterns witnessed between FY21 and FY22.

Below is a summary of major product categories and their performance from FY21 to FY22:

1. Retail Loans

a. Home Loans: Portfolio outstanding (value) of Home Loans at ₹ 25.5 Lakh Cr as of Mar'22, 13.3% Y-o-Y growth by value and 9% Y-o-Y growth by active loans (volume). Home Loans witnessed 29% growth in Originations (by value) and 20% growth in Originations (by volume) from FY21 to FY22. Home Loans are dominated by Public Sector Banks and HFCs.

b. Personal Loans: Portfolio outstanding (value) of Personal Loans at ₹ 792.4 K Cr as of Mar'22, growth of 22.4% Y-o-Y. Active loans (volume) at 584.6 Lakh, Y-o-Y growth of 47.3%. Personal Loans witnessed 46% growth in Originations (by value) and 2.2X growth in Originations (by volume) from FY21 to FY22. Personal Loans are dominated by Public Sector Banks, Private Banks and NBFCs.

c. Two-Wheeler Loans: Portfolio outstanding (value) of Two-Wheeler Loans at ₹ 77.9 K Cr as of Mar'22, declining Y-o-Y both by value and volume (active loans) by 0.7% and 3.9% respectively. Two-Wheeler Loans witnessed 9.2% growth in Originations (by value) and 2% growth in Originations (by volume) from FY21 to FY22. Two-Wheeler Loans are dominated by NBFCs.

d. Auto Loans: Portfolio outstanding (value) of Auto Loans at ₹ 471.4 K Cr as of Mar'22, 8.3% Y-o-Y growth by value and 5.4% Y-o-Y growth by active loans (volume). Auto Loans witnessed 23% growth in Originations (by value) and 8.5% growth in Originations (by volume) from FY21 to FY22. Private Banks, Public Sector Banks and NBFCs have good presence in Auto Loans.

EXECUTIVE SUMMARY

e. Business Loans: Portfolio outstanding (value) of Business Loans at ₹ 621.1 K Cr as of Mar'22, 12.2% Y-o-Y growth by value and 11.1% Y- o-Y growth by active loans (volume). Business Loans witnessed 10% growth in Originations (by value) from FY21 to FY22. Business Loans are dominated by Public Sector Banks, Private Banks and NBFCs.

f. Consumer Durable Loans: Portfolio outstanding (value) of Consumer Durable Loans at ₹ 37.4 K Cr as of Mar '22, with 30.4% Y-o-Y growth by value and 22.3% Y-o-Y growth by active loans (volume). Consumer Durable Loans witnessed 66% growth in Originations (by value) and 43% growth in Originations (by volume) from FY21 to FY22. Consumer Durable Loans are dominated by NBFCs.

g. Credit Cards: Credit Cards have total balances of ₹ 181.2 K Cr and 713 Lakh cards in circulation as of Mar'22, with 4.4% Y-o-Y growth by value and 17.7% Y-o-Y growth by volume. Credit Cards witnessed 48% growth in New Card Originations from FY21 to FY22. Share of New Card Originations of Private Banks increased from 61.2% in FY21 to 71.4% in FY22.

2. Microfinance:

Portfolio outstanding (value) of Microfinance Loans at ₹ 286.5 K Cr as of Mar'22, 10.2% Y-o-Y growth by value and 2.9% Y- o-Y growth by active loans (volume). Microfinance loans witnessed 22% growth in Originations (by value) and 13% growth in Originations (by volume) from FY21 to FY22. Microfinance Loans are dominated by Banks and NBFC MFIs.

3. Commercial Loans:

Portfolio outstanding (value) of Commercial Loans at ₹ 86.3 Lakh Cr as of Mar'22, 8.5% Y-o-Y growth by value and 14.8% Y-o-Y growth by active loans (volume). Commercial Loans witnessed 73% growth in Originations (by value) from FY21 to FY22. Commercial Loans are dominated by Private Banks and Public Sector Banks.

DEFINITIONS

The following criteria and filters have been applied in this report:

- **Home Loans:** Loans with sanctioned amount >₹ 5L ticket size reported under home loans are considered in this report
- **Consumer Durable Loans:** Only lender types NBFCs and Private Banks are considered in this report
- **Auto Loans:** Only Auto Loans (Personal) are considered in this report
- **Business Loans:** Business Loans include 5 account types namely Loans to Professionals, Business Loan General, Business Loan Unsecured, Business Loan Priority Sector Small Business and Mudra Loans reported to CRIF High Mark Consumer Bureau
- **Commercial Loans:** Only funded credit facilities are considered for Originations. Borrower Segments Micro, Small, Medium, Mid Corporate and Large Corporate are considered in this report

Throughout this report:

- Portfolio Outstanding or value refers to the current outstanding balance of the loan account, unless otherwise mentioned
- Active loans or volume refers to the number/count of active loans, unless otherwise mentioned
- Market share by value refers to the share of different lender types/financiers in the current outstanding balance
- Market share by volume refers to the share of different lender types/financiers in the number of active loans
- Originations Value refers to the total sanctioned amount, unless otherwise mentioned
- Originations Volume refers to the number of loans sanctioned, unless otherwise mentioned
- PAR or Portfolio at Risk refers to the proportion of delinquent portfolio
- ATS or Average ticket Size refers to the average sanctioned amount

* The graphs might not be to scale and are only indicative

INTRODUCTION TO
INDIAN CREDIT LANDSCAPE

Retail

Portfolio as of Mar'22 (₹ Lakh Cr)	Growth % Mar' 21 to Mar' 22
85.2	13.6%

Originations Value FY22 (₹ Lakh Cr)	Growth % FY21 to FY22
42.3	22.9%

Originations Volume FY22 (Lakh)	Growth % FY21 to FY22
2,310.7	38.5%

Microfinance

Portfolio as of Mar'22 (₹ Lakh Cr)	Growth % Mar' 21 to Mar' 22
2.9	10.0%

Originations Value FY22 (₹ Lakh Cr)	Growth % FY21 to FY22
2.3	23.2%

Originations Volume FY22 (Lakh)	Growth % FY21 to FY22
614.8	13.1%

Commercial

Portfolio as of Mar'22 (₹ Lakh Cr)	Growth % Mar' 21 to Mar' 22
86.3	8.6%

Originations Value FY22 (₹ Lakh Cr)	Growth % FY21 to FY22
66.5	73.2%

Originations Volume FY22 (Lakh)	Growth % FY21 to FY22
22.2	-4.3%

RETAIL LENDING

TOP RETAIL LENDING PRODUCTS

TOP RETAIL LOANS – BY PORTFOLIO OUTSTANDING (VALUE)

TOP RETAIL LOANS – BY # ACTIVE LOANS (VOLUME)

Portfolio Outstanding & # Active Loans as of Mar'22

- Among top retail loans, Home Loans dominate the market (by value) with share of 29.9%, while Consumer Durables Loans constitute the least share of 0.4%
- By count of active loans, Credit Cards dominate the market with a share of 17.2%, while Auto Loans constitute least share of 2.9%
- Personal Loans, Consumer Durable Loans and Gold Loans witnessed highest Y-o-Y growth (by value and volume), as of Mar'22

*Cards in circulation

RETAIL LOAN PRODUCTS
HOW INDIA LENDS

Following Retail Loan products are considered for deep dive analysis in this report:

Home Loans	Personal Loans	Two-Wheeler Loans	Auto Loans	Business Loans	Consumer Durable Loans	Credit Cards
Originations Value FY22 (₹ K Cr)	Originations Value FY22 (₹ K Cr)	Originations Value FY22 (₹ K Cr)	Originations Value FY22 (₹ K Cr)	Originations Value FY22 (₹ K Cr)	Originations Value FY22 (₹ K Cr)	Cards in Circulation (Lakh) as of Mar'22
735.8	524.2	49.7	203.5	173.1	87.5	713.0
Originations Volume FY22 (Lakh)	Originations Volume FY22 (Lakh)	Originations Volume FY22 (Lakh)	Originations Volume FY22 (Lakh)	Originations Volume FY22 (Lakh)	Originations Volume FY22 (Lakh)	New Cards issued in FY22 (Lakh)
24.0	633.9	66.8	30.6	47.1	412.3	159.9

HOME LOANS

HOME LOANS INDUSTRY SUMMARY

HOME LOANS – PORTFOLIO SNAPSHOT

	Mar-20	Mar-21	Mar-22
Portfolio Outstanding (₹ Lakh Cr)	20.0	22.5	25.5
Y-o-Y Growth %		12.4%	13.3%
Active Loans (Lakh)	114.7	124.2	135.3
Y-o-Y Growth %		8.3%	9.0%
PAR 31-90 %	2.6%	2.8%	2.1%
PAR 91-180 %	0.8%	0.6%	0.3%
PAR 181-360 %	0.3%	0.3%	0.2%
PAR 360+ %	1.2%	1.4%	1.7%

HOME LOANS – MARKET SHARE

Mar-22

- Portfolio outstanding (value) of Home Loans at ₹ 25.5 Lakh Cr as of Mar'22, Y-o-Y growth of 13.3% by value and 9% by volume (active loans)
- Improvement in PAR 91-180 from 0.6% as of Mar'21 to 0.3% as of Mar'22 and in PAR 181-360 from 0.3% as of Mar'21 to 0.2% as of Mar'22
- Public Sector Banks and HFCs dominate Home Loans (by value and volume)

Loans with sanctioned amount >₹ 5L ticket size reported under home loans are considered

HOME LOANS ORIGINATIONS SUMMARY

ORIGINATIONS – FY18 TO FY22

QUARTERLY ORIGINATIONS – FY22

- 29% growth in Originations (by value) and 20% growth in Originations (by volume) from FY21 to FY22
- 7.7% increase in Average Ticket Size for Home Loans from ₹ 28.4 Lakhs in FY21 to ₹ 30.6 Lakhs in FY22
- 50% Q-o-Q drop in Originations (by value) in Q1 FY22 due to COVID second wave. Recovery in Originations from Q2 FY22 onwards

HOME LOANS ORIGINATIONS – LENDER TYPE

ORIGINATIONS (FY18 TO FY22) - BY LENDER TYPE

ORIGINATIONS (FY22) - BY LENDER TYPE

- Increase in Originations share (by value and volume) of Private Banks and HFCs from FY21 to FY22
- Originations share (by value and volume) consistently increased for Public Sector Banks and decreased for Private Banks from Q1 FY22 to Q4 FY22

Lender type 'Foreign Banks' and 'Others' are not presented in this analysis

HOME LOANS ORIGINATIONS – TICKET SIZE

ORIGINATIONS (FY18 TO FY22) - TICKET SIZE

LENDER TYPE – AVERAGE TICKET SIZE (₹ Lakh)

- Home loan Originations dominated by ticket size <₹ 35 Lakh and ₹35 Lakh-₹75 Lakh by value
- Average Ticket Size increased by 9% for HFCs, 8% for Public Sector Banks and 6% for Private Banks from FY21 to FY22

PERSONAL LOANS

PERSONAL LOANS INDUSTRY SUMMARY

PERSONAL LOANS – PORTFOLIO SNAPSHOT

	Mar-20	Mar-21	Mar-22
Portfolio Outstanding (₹K Cr)	536.4	647.4	792.4
Y-o-Y Growth %		20.7%	22.4%
Active Loans (Lakh)	339.2	396.9	584.6
Y-o-Y Growth %		17.0%	47.3%
PAR 31-90 %	1.6%	2.3%	2.2%
PAR 91-180 %	0.8%	1.3%	0.8%
PAR 180+ %	2.4%	3.2%	3.2%

PERSONAL LOANS – MARKET SHARE

- Portfolio outstanding (value) of Personal Loans at ₹ 792.4 K Cr as of Mar'22, growth of 22.4% Y-o-Y. Active loans (volume) at 584.6 Lakhs, growth of 47.3% Y-o-Y
- Improvement in PAR 91-180 from 1.3% as of Mar'21 to 0.8% as of Mar'22. Improvement in PAR 31-90 also in the same period
- Public Sector Banks and Private Banks dominate Personal Loans by value with share of 42.3% and 37.0% respectively
- NBFCs and Private Banks dominate Personal Loans by volume with share of 47.4% and 31.2% respectively

PERSONAL LOANS ORIGINATIONS SUMMARY

ORIGINATIONS – FY18 TO FY22

QUARTERLY ORIGINATIONS – FY22

- 46% growth in Originations (by value) and 2.2X growth in Originations (by volume) from FY21 to FY22
- 33.6% reduction in Average Ticket Size of Personal Loans from ₹ 1.25 Lakhs in FY21 to ₹ 83K in FY22
- 31% Q-o-Q drop in Originations (by value) in Q1 FY22 due to COVID second wave. Recovery in Originations from Q2 FY22 onwards
- Originations (by value) in Q4 FY22 are 33% higher than originations in Q4 FY21

PERSONAL LOANS ORIGINATIONS – LENDER TYPE

ORIGINATIONS (FY18 TO FY22) - BY LENDER TYPE

QUARTERLY ORIGINATIONS (FY22) - BY LENDER TYPE

- Originations (by value) dominated by Public Sector Banks and Private Banks
- Originations (by volume) dominated by NBFCs. Originations share (by volume) for NBFCs increased from 68.1% in FY21 to 73.7% in FY22

Lender type 'Foreign Banks' and 'Others' are not presented in this analysis

PERSONAL LOANS ORIGINATIONS – TICKET SIZE

ORIGINATIONS (FY18 TO FY22) - TICKET SIZE

LENDER TYPE – AVERAGE TICKET SIZE (₹ Lakh)

- Increase in Originations share (by value) for ticket size ₹ <1 Lakh and ₹ 10 Lakhs+ from FY21 to FY22
- 13% increase in Originations share (by volume) for ticket size ₹ <1 Lakh from 75.2% in FY21 to 85.1% in FY22
- Reduction in Average Ticket Size of Private Banks by 44% and NBFCs by 33% from FY21 to FY22
- While NBFCs have Average Ticket Size of ₹ 22.7K in FY22, NBFCs specializing in small ticket, small tenure loans have ATS of approx. ₹ 7K

TWO-WHEELER LOANS

TWO-WHEELER LOANS INDUSTRY SUMMARY

TWO-WHEELER LOANS – PORTFOLIO SNAPSHOT

	Mar-20	Mar-21	Mar-22
Portfolio Outstanding (₹K Cr)	70.4	78.4	77.9
Y-o-Y Growth %		11.3%	-0.7%
Active Loans (Lakh)	222.4	237.8	228.6
Y-o-Y Growth %		6.9%	-3.9%
PAR 31-90 %	4.5%	6.8%	5.2%
PAR 91-180 %	2.3%	3.9%	2.3%
PAR 180+ %	5.4%	7.5%	9.5%

TWO-WHEELER LOANS – MARKET SHARE

- Portfolio outstanding (value) of Two-Wheeler Loans at ₹ 77.9 K Cr, active loans (volume) at 228.6 Lakh accounts, as of Mar'22
- Improvement in PAR 91-180 from 3.9% as of Mar'21 to 2.3% as of Mar'22. Improvement in PAR 31-90 also in the same period
- Two-Wheeler Loans dominated by NBFCs and Private banks by both value and volume

TWO-WHEELER LOANS ORIGINATIONS SUMMARY

ORIGINATIONS – FY18 TO FY22

QUARTERLY ORIGINATIONS – FY22

- 9.2% growth in Originations (by value) from FY21 to FY22. Increase in Average Ticket Size from ₹69.5K in FY21 to ₹74.4K in FY22
- 37% Q-o-Q drop in Originations (by value) in Q1 FY22 due to COVID second wave. Recovery in Originations from Q2 FY22 onwards

TWO-WHEELER LOANS ORIGINATIONS – LENDER TYPE

ORIGINATIONS (FY18 TO FY22) - BY LENDER TYPE

QUARTERLY ORIGINATIONS (FY22) - BY LENDER TYPE

- Two-Wheeler Loan Originations (by value and volume) dominated by NBFCs

Lender type 'Public Sector Banks' and 'Others' are not presented in this analysis

TWO-WHEELER LOANS ORIGINATIONS – TICKET SIZE

ORIGINATIONS (FY18 TO FY22) - TICKET SIZE

LENDER TYPE – AVERAGE TICKET SIZE (₹ K)

- Originations dominated by ticket size ₹ 50K-₹ 75K and ₹ 75K-₹ 1L from FY20 onwards
- 8.2% growth in Average Ticket size of Private banks, 7.1% growth for NBFCs from FY21 to FY22

AUTO LOANS

AUTO LOANS INDUSTRY SUMMARY

AUTO LOANS – PORTFOLIO SNAPSHOT

	Mar-20	Mar-21	Mar-22
Portfolio Outstanding (₹K Cr)	425.7	435.4	471.4
Y-o-Y Growth %		2.3%	8.3%
Active Loans (Lakh)	119.3	115.4	121.6
Y-o-Y Growth %		-3.3%	5.4%
PAR 31-90 %	3.5%	3.9%	3.3%
PAR 91-180 %	1.1%	1.2%	0.9%
PAR 180+ %	2.4%	2.9%	3.1%

AUTO LOANS – MARKET SHARE

Mar-22

- Portfolio outstanding (value) of Auto Loans at ₹ 471.4 K Cr with 8.3% Y-o-Y growth as of Mar'22
- Active loans (volume) at 121.6 Lakh accounts with 5.4% Y-o-Y growth as of Mar'22
- Private Banks, Public Sector Banks and NBFCs have good presence in Auto Loans

AUTO LOANS ORIGINATIONS SUMMARY

ORIGINATIONS – FY18 TO FY22

QUARTERLY ORIGINATIONS – FY22

- 23% growth in Originations (by value) from FY21 to FY22, 8.6% growth in Originations (by volume) from FY21 to FY22
- 39% Q-o-Q drop in Originations (by value) in Q1 FY22 due to COVID second wave. Recovery in Originations from Q2 FY22 onwards

AUTO LOANS ORIGINATIONS – LENDER TYPE

ORIGINATIONS (FY18 TO FY22) - BY LENDER TYPE

QUARTERLY ORIGINATIONS (FY22) - BY LENDER TYPE

- Originations (by value) dominated by Private banks. Decline in share of NBFCs from FY20 to FY21/FY22

Lender type 'Others' is not presented in this analysis

AUTO LOAN ORIGINATIONS – TICKET SIZE

ORIGINATIONS (FY18 TO FY22) - TICKET SIZE

LENDER TYPE – AVERAGE TICKET SIZE (₹ Lakh)

- Originations dominated by ticket size <₹ 5 Lakhs and ₹ 5 Lakhs-₹10 Lakhs
- Increase in Originations share (by value) for ticket size ₹ >10 Lakhs from FY21 to FY22
- Average Ticket Size increased by 15.3% for Public Sector Banks, 12.8% for Private Banks and 9.5% for NBFCs from FY21 to FY22

BUSINESS LOANS

BUSINESS LOANS INDUSTRY SUMMARY

OVERALL BUSINESS LOANS

	Mar-20	Mar-21	Mar-22
Portfolio Outstanding (₹K Cr)	474.1	553.6	621.1
Y-o-Y Growth %		16.8%	12.2%
Active Loans (Lakh)	101.8	132.9	147.7
Y-o-Y Growth %		30.6%	11.1%
PAR 31-90 %	2.7%	2.8%	3.3%
PAR 91-180 %	3.0%	2.5%	2.3%
PAR 180+ %	14.0%	16.0%	17.9%

OVERALL BUSINESS LOANS – LENDER MIX

Mar-22

- Portfolio outstanding (value) of Business Loans at ₹ 621.1 K Cr as of Mar'22, with 12.2% Y-o-Y growth by value and 11.1% by volume (active loans)
- Public Sector Banks, Private Banks and NBFCs dominate Business Loans (by value and volume) as of Mar'22

BUSINESS LOANS ORIGINATIONS SUMMARY

ORIGINATIONS – FY18 TO FY22

QUARTERLY ORIGINATIONS – FY22

- 10% growth in Originations (by value) from FY21 to FY22. 41% increase in Average Ticket Size from ₹ 2.6 Lakhs in FY21 to ₹ 3.7 Lakhs in FY22
- 53% Q-o-Q drop in Originations (by value) in Q1 FY22 due to COVID second wave. Recovery in Originations from Q2 FY22 onwards

BUSINESS LOANS ORIGINATIONS – LENDER TYPE

ORIGINATIONS (FY18 TO FY22)- BY LENDER TYPE

QUARTERLY ORIGINATIONS (FY22) - BY LENDER TYPE

- Public Sector Banks dominate Business Loan Originations by value and volume
- Increase in Originations share (by value) of Private Banks from 22.4% in FY21 to 27.3% in FY22

Lender type 'Foreign Banks' is not presented in this analysis

BUSINESS LOANS ORIGINATIONS – TICKET SIZE

ORIGINATIONS (FY18 TO FY22) - TICKET SIZE

LENDER TYPE – AVERAGE TICKET SIZE (₹ Lakh)

- Originations (by value) dominated by >₹50 Lakh loans and ₹ 1Lakh - ₹10 Lakh loans
- Originations (by volume) dominated by <₹1 Lakh loans
- Average Ticket Size increased for Public Sector Banks and NBFCs while declined for Private Banks from FY21 to FY22

CONSUMER DURABLE LOANS

CONSUMER DURABLE LOANS INDUSTRY SUMMARY

CONSUMER DURABLE LOANS – PORTFOLIO SNAPSHOT

	Mar-20	Mar-21	Mar-22
Portfolio Outstanding (₹K Cr)	34.5	28.7	37.4
Y-o-Y Growth %		-16.7%	30.4%
Active Loans (Lakh)	373.0	382.0	467.0
Y-o-Y Growth %		2.4%	22.3%
PAR 31-90 %	2.8%	1.5%	0.9%
PAR 91-180 %	1.2%	2.4%	0.6%
PAR 180+ %	4.0%	9.5%	2.8%

CONSUMER DURABLE LOANS – MARKET SHARE

- Portfolio outstanding (value) of Consumer Durable Loans at ₹ 37.4 K Cr, with 30.4% Y-o-Y growth in value and 22.3% Y-o-Y growth in Active Loans (volume) as of Mar'22
- Improvement in PAR 91-180 from 2.4% as of Mar'21 to 0.6% as of Mar'22. Improvement in PAR 31-90 also in the same period
- NBFCs dominate Consumer Durable Loans by both value and volume

CONSUMER DURABLE LOANS ORIGINATIONS SUMMARY

ORIGINATIONS – FY18 TO FY22

QUARTERLY ORIGINATIONS – FY22

- 66% growth in Originations (by value) and 43% growth in Originations (by volume) from FY21 to FY22
- 16% growth in Average Ticket Size of Consumer Durable Loans from ₹ 18.3K in FY21 to ₹ 21.2K in FY22
- 18.5% Q-o-Q drop in Originations (by value) in Q1 FY22 due to COVID second wave. Recovery in Originations from Q2 FY22 onwards
- Originations (by value) in Q4 FY22 are 46% higher than originations in Q4 FY21

CONSUMER DURABLE LOANS ORIGINATIONS – LENDER TYPE

ORIGINATIONS (FY19 TO FY22) - BY LENDER TYPE

QUARTERLY ORIGINATIONS (FY22) - BY LENDER TYPE

- Share of Private Banks in Originations (by value) increased from 18.3% in FY21 to 21.8% in FY22
- Share of NBFCs in Originations (by volume) decreased from 81.9% in FY21 to 77.7% in FY22

CONSUMER DURABLE LOANS ORIGINATIONS – TICKET SIZE

ORIGINATIONS (FY18 TO FY22) - TICKET SIZE

LENDER TYPE – AVERAGE TICKET SIZE (₹ K)

- Originations (by value and volume) dominated by ₹ 10K-₹ 25K loans
- Increase in Average Ticket size for both Private Banks and NBFCs from FY21 to FY22

CREDIT CARDS

CREDIT CARDS INDUSTRY SUMMARY

CREDIT CARDS – PORTFOLIO SNAPSHOT

	Mar-20	Mar-21	Mar-22
Credit Card Balances (₹K Cr)	157.2	173.5	181.2
Y-o-Y Growth %		10.3%	4.4%
Cards in Circulation (Lakh)	544.0	606.0	713.0
Y-o-Y Growth %		11.4%	17.7%
PAR 31-90 %	1.9%	2.5%	2.5%
PAR 91-180 %	3.6%	6.3%	6.0%
PAR 180+ %	5.1%	5.6%	7.1%

CREDIT CARDS – MARKET SHARE

- Credit Cards have total balances of ₹ 181.2 K Cr and 713 Lakh cards in circulation as of Mar'22, with 4.4% Y-o-Y growth by value and 17.7% by volume
- PAR 90+ increased from Mar'21 to Mar'22

Issuer type Others includes Foreign Banks, Public Sector Banks, Credit Card Companies

NEW CREDIT CARDS ISSUED SUMMARY

NEW CARDS ISSUED (Lakh) - FY18 TO FY22

NEW CARDS ISSUED (Lakh) - QUARTERLY FY22

- 48% growth in new cards issued from FY21 to FY22
- 26.5% Q-o-Q drop in new cards issued in Q1 FY22 due to COVID second wave. Recovery in cards issued from Q2 FY22 onwards.
- New cards issued in Q4 FY22 are 28% higher than that in Q4 FY21

NEW CREDIT CARDS ISSUED - ISSUER TYPE

NEW CARDS ISSUED (FY18 TO FY22)- BY ISSUER TYPE

NEW CARDS ISSUED (QUARTERLY FY22)- BY ISSUER TYPE

- Share of New Card Originations of Private Banks increased from 61.2% in FY21 to 71.4% in FY22
- Share of New Card Originations of Private Banks reached nearly 80% in Q4 FY22

MICROFINANCE LENDING

MICROFINANCE INDUSTRY SUMMARY

MICROFINANCE – PORTFOLIO SNAPSHOT

	Mar-20	Mar-21	Mar-22
Portfolio Outstanding (₹K Cr)	241.1	260.0	286.5
Y-o-Y Growth %		7.9%	10.2%
Active Loans (Cr)	11.4	11.5	11.9
Y-o-Y Growth %		1.0%	2.9%
Average Balance per Account (₹K)	21.1	22.5	24.1
Average Balance per Borrower (₹K)	38.0	43.0	46.9
PAR 31-90 %	0.9%	5.1%	3.3%
PAR 91-180 %	0.8%	4.2%	2.7%
PAR 180+ %	4.0%	4.4%	8.4%

MICROFINANCE – MARKET SHARE

Mar-22

- Portfolio outstanding (value) of Microfinance Loans at ₹ 286.5 K Cr as of Mar'22, with 10.2% Y-o-Y growth
- Improvement in PAR 91-180 from 4.2% as of Mar'21 to 2.7% as of Mar'22. Improvement in PAR 31-90 also in the same period
- 7% increase in Avg. balance per account, 9% in Avg. balance per borrower from as of Mar'21 to as of Mar'22
- Banks dominate the market with portfolio share of 37.7% by value and 36.3% by volume as of Mar'22

MICROFINANCE ORIGINATIONS SUMMARY

ORIGINATIONS – FY18 TO FY22

QUARTERLY ORIGINATIONS – FY22

- 22% growth in Originations (by value) and 13% growth in Originations (by volume) from FY21 to FY22
- 70.9% Q-o-Q drop in Originations (by value) in Q1 FY22 due to COVID second wave. Recovery in Originations from Q2 FY22 onwards
- 7.6% increase in Average Ticket Size from FY21 to FY22

MICROFINANCE ORIGINATIONS – LENDER TYPE & TICKET SIZE

ORIGINATIONS - BY LENDER TYPE

ORIGINATIONS - BY TICKET SIZE (₹)

- Banks continue to dominate Originations (by value) with more than 40% share
- Originations (by value) dominated by ₹30K-₹50K

MICROFINANCE - LENDER EXPOSURE

OVERALL MICROFINANCE - # OF LENDER EXPOSURE

TOP 10 STATES - # OF LENDER EXPOSURE

Mar-22

- Proportion of borrowers having exposure to 4 or more lenders has reduced from 4.4% in Mar'20 to 4.0% in Mar'22
- Among major states, proportion of exposure to 4 or more lenders is highest for Tamil Nadu (9.2%) and least for West Bengal (0.8%)

COMMERCIAL LENDING

COMMERCIAL LOANS INDUSTRY SUMMARY

COMMERCIAL LOANS – PORTFOLIO SNAPSHOT

	Mar-20	Mar-21	Mar-22
Portfolio Outstanding (₹ Lakh Cr)	75.8	79.5	86.3
Y-o-Y Growth %		4.9%	8.5%
Active Loans (Lakh)	41.8	56.1	64.4
Y-o-Y Growth %		34.3%	14.8%
Avg. Balances (₹ Lakh)	181.4	141.6	133.9
PAR 91-180 %	1.7%	1.4%	1.1%
PAR 180 + %	4.3%	4.4%	3.4%

COMMERCIAL LOANS – MARKET SHARE

Mar-22

- Portfolio outstanding (value) of Commercial Loans at ₹ 86.3 Lakh Cr as of Mar'22, 8.5% Y-o-Y growth by value and 14.8% by volume (active loans)
- Improvement in PAR 91-180 from 1.4% as of Mar'21 to 1.1% as of Mar'22. Improvement in PAR 180+ also in the same period
- Commercial Loans dominated by Private Banks and Public Sector Banks

In Portfolio Outstanding (value) and Active Loans (volume) both Funded and Non Funded Credit Facilities are included

COMMERCIAL LOANS CREDIT FACILITY & BORROWER TYPES

MARKET SHARE BY CREDIT FACILITY

MARKET SHARE BY BORROWER LEGAL CONSTITUTION

- Term Loans dominate Commercial Loans portfolio by value and volume
- Private Limited and Public Limited entities dominate Commercial Loans portfolio by value (portfolio outstanding).
- Proprietorship and Private Limited entities dominate portfolio by volume (active loans).

In Portfolio Outstanding (value) and Active Loans (volume) both Funded and Non Funded Credit Facilities are included Credit Facility 'Others' includes BG, LC, FX and Derivatives

COMMERCIAL LOANS ORIGINATIONS SUMMARY

ORIGINATIONS – FY18 TO FY22

QUARTERLY ORIGINATIONS – FY22

- 73% growth in Originations (by value) and 4.3% decline in Originations (by volume) from FY21 to FY22
- Originations (by value) in Q4 FY22 are 36.4% higher than originations in Q4 FY21

In Originations (value) and Originations (volume) only Funded Credit Facilities are included

COMMERCIAL LOANS - BORROWER SEGMENTS & AVERAGE TICKET SIZE

ORIGINATIONS (FY18 TO FY22) - BORROWER SEGMENTS

LENDER TYPE – AVERAGE TICKET SIZE (₹ Lakh)

- Increase in Originations share (by value) of MSMEs from 27.2% in FY21 to 38.1% in FY22
- Micro borrower segment continues to dominate Originations (by volume). However, there is decline in share from 53.7% in FY21 to 46.1% in FY22
- Average Ticket Size increased across all lender types from FY21 to FY22

In Originations (value) and Originations (volume) only Funded Credit Facilities are included
Borrower Segments are defined on the basis of entity level credit exposure as: Micro: ₹ 10 Lakh - ₹ 1 Crore, Small: ₹ 1 Crore – ₹ 10 Crore, Medium: ₹ 10 Crore – ₹ 50 Crore, Mid Corporate: ₹50 Crore - ₹100 Crore, Large Corporate: >₹100 Crore

ABOUT HOW INDIA LENDS

How India Lends is an annual publication from CRIF High Mark on the lending landscape in India. The publication presents trends & analysis of key parameters such as portfolio growth, risk and originations across lender types and ticket size bands over the last 5 financial years.

ANALYTICAL CONTACTS

VIPUL JAIN

Vice President – Product Management & Business Intelligence, CRIF High Mark

vipul.jain@crifhighmark.com

SRIKANTH GOLI

Associate Vice President, Research & Insights

srikant.goli@crifhighmark.com

SAUMYA SAH

Manager, Research & Insights

saumya.sah@crifhighmark.com

Reach us at

research@crifhighmark.com

for any queries

Stay updated with Insights, follow us on www.crifhighmark.com

ABOUT CRIF HIGH MARK

CRIF High Mark in INDIA- partner for all your credit related requirements

CRIF High Mark in India, now offers products and services for Credit Information, Business Information, Analytics, Scoring, Credit Management and Decision solutions in India.

CRIF operates **CRIF High Mark,** India's leading credit bureau, which has largest database of individual records and supports millions of lending decisions every month. CRIF High Mark is India's first full-service credit bureau covering all borrower segments – MSME/Commercial, Retail and Microfinance. CRIF High Mark works with all leading financial institutions in the country, providing them a comprehensive bureau coverage using its proprietary 'Made in India for India Search Engine', proven to work even with low quality data.

We bring our global expertise in Analytics, Scoring, Credit Management and Decision Solutions to India through our center of excellence at Pune. Our team of expert data scientists and statisticians bring together years of experience in developing bespoke scorecards for Originations, Marketing and Collections for Financial Services, Insurance or Telecom sectors.

We bring together best of both worlds – comprehensive data and sophisticated dedupe technology for India along with global best practices, expertise in scoring and top-rated credit management software solutions – to add most value to our clients.

Thank you!
CRIF
Together to the next level