

# How India Lends

Credit Landscape in India FY 2024

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## Foreword



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CRIF High Mark

Welcome to the fourth edition of our report, How India Lends – Credit Landscape in India FY 2024.

In the past few years, the Indian economy has navigated through several challenges and opportunities. Despite the glaring challenges posed by COVID-19 pandemic, supply chain disruptions, and inflationary pressures among others, Indian economy has shown remarkable resilience.

FY 2023-24 was a year marked by notable resurgence of the Indian economy, driven by a combination of factors such as domestic reforms, global recovery, and technological advancements. With the constant push from the government on infrastructure development, along with investment-friendly policies, the economy saw a growth of 8.2% in FY 23-24 as against 7.0% in FY 22-23.

Financial Institutions including non-banking sector have been a key facilitator of this economic growth over the years. However, while there has been a remarkable growth in credit uptake over the last few years, Y-o-Y growth in FY 23-24 originations has been muted for all consumption loans, MFI loans and Entity MSME loans. Individual MSME loans on the other hand displayed higher growth in originations compared to previous years.

Our Report How India Lends - FY2024 highlights originations, portfolio and delinquency trends and provides key insights for major product 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.

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# Definitions

This version of How India Lends is based on data reported as of Mar'24

The following criteria and filters have been applied in this report

**Consumption Lending** includes Home Loans, Personal Loans, Two-Wheeler Loans, Auto Loans, Consumer Durable Loans and Credit Cards

**Auto Loans:** Only Auto Loans (Personal) are considered in this report

**Consumer Durable Loans:** Only lender types NBFCs and Private Banks are considered in this report

**Entity MSME Loans:** Entity MSME Loans are defined on the basis of entity level aggregate credit exposure of up to ₹50 Crore

**Business Loans:** Business Loans include 13 account types namely Business Loan General, Overdraft, Business Loan Priority Sector Small Business, Business Loan – Secured, Business Loan Priority Sector Others, Mudra Loans, Business Loan Unsecured, Loan to Professional, Microfinance Business Loan, GECL Loan secured, GECL Loan unsecured, Business Loan Against Bank Deposits and Prime Minister Jaan Dhan Yojana – Overdraft

Rural and Urban geographies is defined at pin code level on the basis of Census data

Top 8, Top 9-50, Top 51-100 and Beyond Top 100 (BT100) cities are identified on the basis of size of consumer loans portfolio

Through out this report

**Portfolio Outstanding or value** refers to the current outstanding balance of the loan account

**Active loans or volume** refers to the number/ count of active loans

**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

# Executive Summary

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# Indian Credit Landscape - Snapshot



This report encapsulates detailed analysis on Consumptions Lending, MSME Lending (Individual and Entity), Corporate Lending and Microfinance Lending and deep dive into major lending product categories in India.

	Portfolio as of Mar'24 (₹ Lakh Cr)	Growth % Mar'23 to Mar' 24	Originations Value FY24 (₹ Lakh Cr)	Growth % FY23 to FY24	Originations Volume FY24 (Lakh)	Growth % FY23 to FY24
Consumption Loans	90.3	15.2%	48.4	8.7%	3,825.2	14.2%
MSME Loans (Individual & Entity)	64.1	17.8%	54.2	5.4%	274.5	19.3%
Microfinance	4.4	26.8%	3.8	19.0%	835.0	6.0%
Corporate Loans (Only Entity)	58.4	-2.3%	67.8	-3.6%	4.8	4.2%

1

Consumption Loans refers to loans given to individuals for wide variety of consumption needs like Home, Vehicle, Personal, Education, Agri etc. These loans are reported to Consumer Bureau.

2

MSME Loans refers to loans given to self employed individual (reported to Consumer Bureau) and entities with aggregate credit exposure up to ₹50 Crore (reported to Commercial Bureau)

3

Corporate Loans refers to loans given to Mid and Large size entities with aggregate credit exposure more than ₹50 Crore (reported to Commercial Bureau)

# Indian Credit Landscape – High level Summary

The Indian credit landscape has undergone significant growth and transformation over the past few years, driven by various factors including



technological advancements



regulatory changes



evolving financial ecosystem



Rapid urbanization, easy access to credit, emergence of e-commerce coupled with Government support through initiatives like



Pradhan Mantri Awas Yojana (PMAY)



Pradhan Mantri Jan Dhan Yojana (PMJDY),



Pradhan Mantri Mudra Yojana (PMMY)

have aimed to promote financial inclusion and empower individuals and businesses to fulfill their needs through access to formal credit channels.

While there has been remarkable growth over the last 5 years, Y-o-Y growth in Originations value and volume in FY24 has been muted for all consumption loans, MFI loans and Entity MSME loans. Individual MSME loans on the other hand displayed higher growth in originations compared to previous years.

Following section provides high level summary of trends observed in major Consumption loans, MSME loans and Microfinance over the last 2 financial years.



# Consumption Loans – High Level Summary

This report deep dives into 6 major consumption loan products –  
**Home Loans, Personal Loans, Two-Wheeler Loans, Auto Loans, Consumer Durable Loans and Credit Cards.**



## Home Loans

Home loans growth in India has surged significantly over the last few years, driven by low interest rates, increasing urbanization, and favorable government policies. As of Mar'24, Portfolio outstanding of Home Loans stood at ₹ 36.2 L Cr. Y-o-Y growth in Originations value stood at 9.2% by value and 2.6% by volume in FY24. Home Loans are dominated by Public Sec Banks and Private Banks. Shift in Originations is seen from ticket size ₹ 5L - ₹ 35L to ₹ 35L+. There is 32% increase in Average Ticket Size from ₹20.1L in FY20 to ₹26.5L in FY24, driven by factors such as rising property prices, higher borrowing capacity of individuals and inflation in general. Home Loans portfolio has witnessed higher delinquency over Mar'23.



## Personal Loans

The personal loans market in India has undergone significant evolution and expansion over the last few years, driven by technological advancements, changing consumer behaviors and competitive forces. Increased financial literacy and a burgeoning middle class has aided growth in personal loans in India. As of Mar'24, portfolio outstanding of Personal Loans stood at ₹ 13.5 L Cr witnessing Y-o-Y growth of 26%. However, recent regulatory reforms introduced by RBI have impacted growth of originations in PL with Y-o-Y growth in Originations value declining from 38% in FY23 to 14% in FY24 and Y-o-Y growth in Originations volume declining from 52% in FY23 to 25% in FY24. Public Sec Banks and private Banks drive PL by value while NBFCs are predominant players in driving volumes. 3.9X growth in Originations Value for ₹10L+ loans from FY20 to FY24. Average Ticket Size in FY24 at ₹15.4L for these loans. Delinquencies in PL book have increased from Mar'23 to Mar'24.



# Consumption Loans – High Level Summary



## Two-Wheeler Loans

The demand for two-wheelers in India, especially in rural and semi-urban areas, has been robust, driven by the need for affordable and efficient personal transportation. Affordable financing options has further aided in boosting demand. Two-Wheeler Loans registered a remarkable 34% Y-o-Y growth in portfolio outstanding reaching ₹ 140.9 K Cr as of Mar'24. Y-o-Y growth in Originations value stood at 23% by value and 13% by volume in FY24. TW loans delinquency has improved over Mar'23. NBFCs have played a pivotal role in the growth story of TW loans and hold a hefty share of nearly 70% of the market. Shift in Originations can be observed from < ₹75K to ₹75K+ ticket size bands, over the last few years driven by rising TW prices and a shift in borrower preferences towards premium models. There has been 4.6X growth in Originations (by Value and Volume) for ₹75K+ from FY20 to FY24. Growth of TW loans into deeper markets beyond top 100 cities has further aided expansion of TW portfolio, however, delinquencies in Beyond Top 50 cities have been observed to be higher than Top 8 cities as of Mar'24, meriting caution.



## Auto Loans

Growing urbanization coupled with infrastructure development has boosted demand for cars, accentuating demand for auto loans. Portfolio outstanding of auto loans witnessed significant Y-o-Y growth of 20%, reaching ₹ 7.1L Cr as of Mar'24. Y-o-Y growth in Originations value stood at 12.5% by value and 5.3% by volume in FY24 with improvement in delinquency. Auto Loans are dominated by Public Sec Banks & Pvt Banks by Value, and Public Sec Banks & NBFCs by Volume. Average Ticket Size of Auto loans too has continued to increase over the past few years for reasons similar to two wheeler loans.

# Consumption Loans – High Level Summary



## Consumer Durable Loans

Increased Consumer Spending, E-commerce boom, technological advancements and easy financing options provided by lenders in the last few years have accentuated demand for Consumer durables loans in recent years. Portfolio outstanding of CD Loans stood at ₹ 66.2 K Cr as of Mar'24 with 34% Y-o-Y growth. Y-o-Y growth in Originations value stood at 21% by value and 8.5% by volume in FY24. CD loans delinquency has improved over Mar'23. NBFCs are instrumental in driving growth of CD loans in India. Their ability to offer customized, flexible, and accessible financing options makes them a popular choice among borrowers looking to purchase high-cost items. Private banks offer competition with increase in Originations share (Value and Volume) from FY20 to FY23 where share of NBFCs declined. However, NBFCs regained share in FY24, at the cost of Pvt Banks. Expansion in CD loans portfolio can be seen into BT100 cities in the last few years.



## Credit Cards

Credit cards provide convenience, rewards, and the ability to manage cash flow effectively making them an attractive product for borrowers. For lenders increase in CC usage boosts revenue through interest charges, fees, and merchant commissions. It also allows banks to expand their customer base and cross-sell other financial products. In the last few years, Credit Card market has grown exponentially. As of Mar'24 Credit Cards have total balances of ₹ 3.0L Cr and 999.1 Lakh cards were in circulation. There is also marginal improvement in delinquencies from Mar'23 to Mar'24. Pvt Banks continue to play a pivotal role in driving CC growth by value and volume. Between FY22 and FY23 there has been 51% growth in new cards originations, while Y-o-Y growth in FY24 has been flat at 0.2%. As financial institutions continue to innovate and consumers become more financially literate, the use of credit cards is expected to rise further, playing a crucial role in India's evolving financial landscape.

# MSME Loans – High Level Summary

MSME loans, crucial for the growth and sustainability of small businesses in India have grown exponentially over the years . Total MSME lending comprises of Entity MSME Loans (**₹28.4 L Cr**) and Individual MSME segment (**₹35.7 L Cr**). Credit facilities availed by Enterprises like Proprietorships, Partnerships, Pvt Ltd, Public Ltd, HUFs etc and reported to Commercial repository are referred to as Entity MSME loans.

Credit facilities availed by self-employed individuals taking loans for business purposes and reported to Consumer repository are referred to as Individual MSME loans. Individual MSME segment witnessed robust Y-o-Y growth of **29%** in portfolio outstanding while Entity MSMEs grew by a mere **6%** as of **Mar'24**.

Entity MSMEs witnessed 3.1% Y-o-Y growth in Originations value and 18.9% Y-o-Y growth in Originations volume in FY24.

**3.1%**

Originations Value

**18.9%**

Originations Volume

Originations include both fresh disbursements and renewals.

For Individual MSMEs, Y-o-Y growth in Originations value stood at 12.6% in FY24. At the same time, Y-o-Y growth in Originations volume stood at 19.4% in FY24.

**12.6%**

Originations Value

**19.4%**

Originations Volume

Individual MSMEs witnessed substantial improvement in delinquency across all bands while Entity MSME segment saw increase in PAR 31-180% compared to Mar'23. The number of MSME registrations in India have crossed 2.8 crore as per Udyam Registration Portal\*, indicating the potential of India's entrepreneurial boom. With the support of government initiatives and proactive participation from financial institutions, the MSME sector is poised for significant growth in the years to come.

\*[udyamregistration.gov.in/RealTimeUdyamDashboard.aspx](http://udyamregistration.gov.in/RealTimeUdyamDashboard.aspx)

# Microfinance Loans – High Level Summary



Microfinance Sector in India has grown rapidly in the last few years both in terms of borrower outreach and loan portfolio.



Portfolio outstanding of Microfinance Loans witnessed robust growth of **27%** to reach **₹ 442.7 K Cr** as of **Mar'24**.



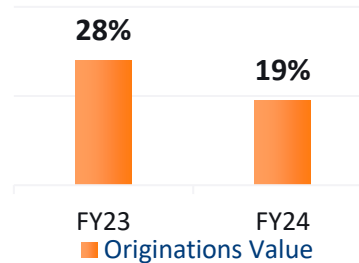
NBFC- MFIs and Banks are instrumental in driving growth for MFI. In the last few years there has been shift in loan size towards higher ticket-size loans. Between **FY23** and **FY24**, MFI witnessed **11%** increase in Average Ticket Size from **₹40.9K** to **₹45.4K**.



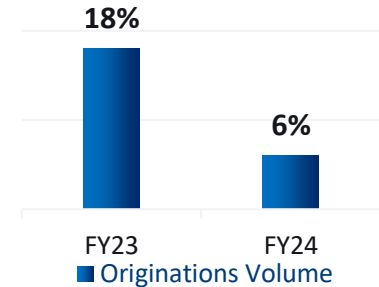
Overall the microfinance sector demonstrated resilience and adaptability in the last few years, overcoming pandemic challenges and embracing regulatory changes.

However, Y-o-Y growth in Originations value declined from **28%** in **FY23** to **19%** in **FY24**. At the same time, Y-o-Y growth in Originations volume declined from **18%** in **FY23** to **6%** in **FY24**.

## Originations Value



## Originations Volume



Following section presents detailed analysis, historical trends and patterns observed in major Consumption loans, MSME loans and Microfinance.

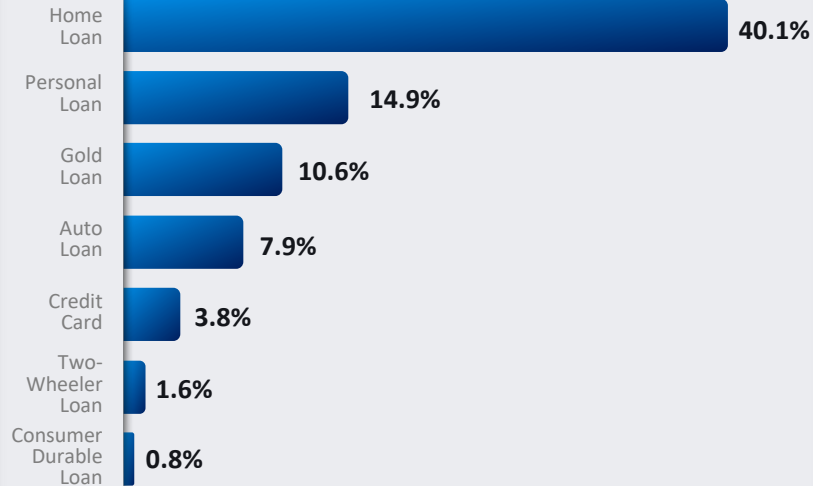
# Consumption Lending

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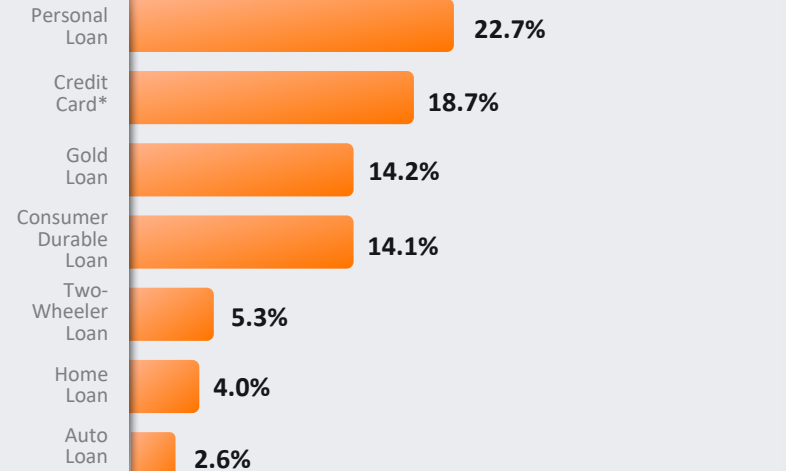
# Top Consumption Lending Products

## Top Consumption Loans – By Portfolio Outstanding (Value)



Portfolio Outstanding as of Mar'24

## Top Consumption Loans – By Active Loans (Volume)



Active Loans as of Mar'24

1 Home Loans, Personal Loans, Gold Loans dominate the market (by value)

2 Personal Loans, Credit Cards, Gold Loans, CD Loans dominate the market (by volume)

3 Gold Loans witnessed highest Y-o-Y growth by value and Personal Loans by volume

# Consumption Loan Products

Following major consumption Loan products are considered for deep dive analysis in this report

	Portfolio as of Mar'24 (₹ Lakh Cr)	Growth % Mar'23 to Mar' 24	Originations Value FY24 (₹ Cr)	Growth % FY23 to FY24	Originations Volume FY24 (Lakh)	Growth % FY23 to FY24
Home Loans	36.2	7.9%	10.3L	9.2%	38.8	2.6%
Personal Loans	13.5	25.6%	9.0L	14.2%	1,383.4	24.8%
Two-Wheeler Loans	1.4	33.6%	97.4K	22.6%	108.7	13%
Auto Loans	7.1	20.0%	3.3L	12.5%	41.5	5.2%
Consumer Durable Loans	0.7	34.1%	1.4L	20.6%	609.4	8.5%

	Cards in Circulation (Lakh) as of Mar'24	Growth % Mar'23 to Mar' 24	New Cards issued in FY24 (Lakh)	Growth % FY23 to FY24
Credit Cards	999.1	16.5%	273.3	0.2%



# Home Loans

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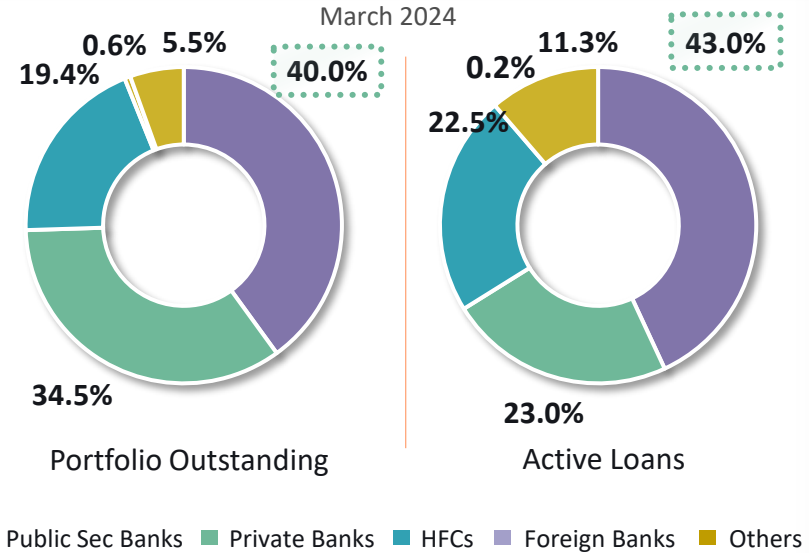


# Muted Portfolio Growth with increased PAR 31-90 & PAR 91-180

## Portfolio Snapshot

	Mar-22	Mar-23	Mar-24
Portfolio Outstanding (₹ L Cr)	27.3	33.6	36.2
Y-O-Y Growth %		23.0%	7.9%
Active Loans (Lakh)	194.9	213.1	226.5
Y-O-Y Growth %		9.3%	6.3%
PAR 31-90%	2.2%	1.9%	2.3%
PAR 91-180%	0.5%	0.4%	0.6%
PAR 181-360%	0.3%	0.3%	0.2%
PAR 360+%	1.8%	1.7%	1.6%

## Market Share



1

Dominated by Public Sec Banks by Value and Volume followed by Pvt Banks

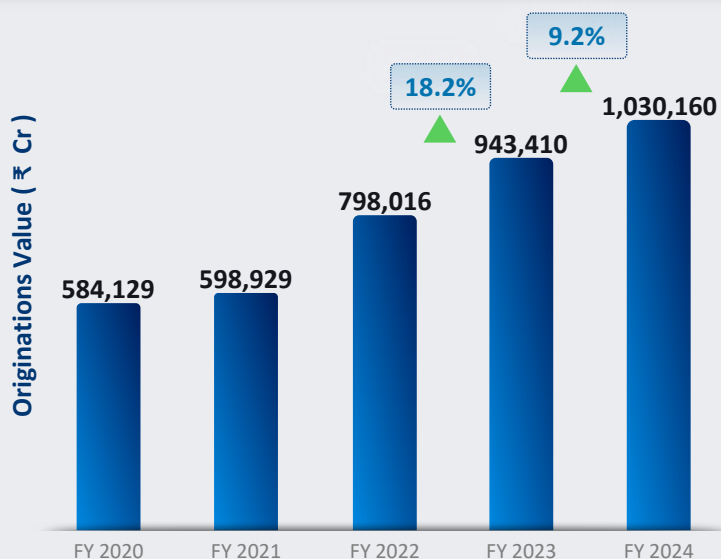
2

Deterioration in PAR 31-180% compared to Mar'23, while PAR 180+% improved

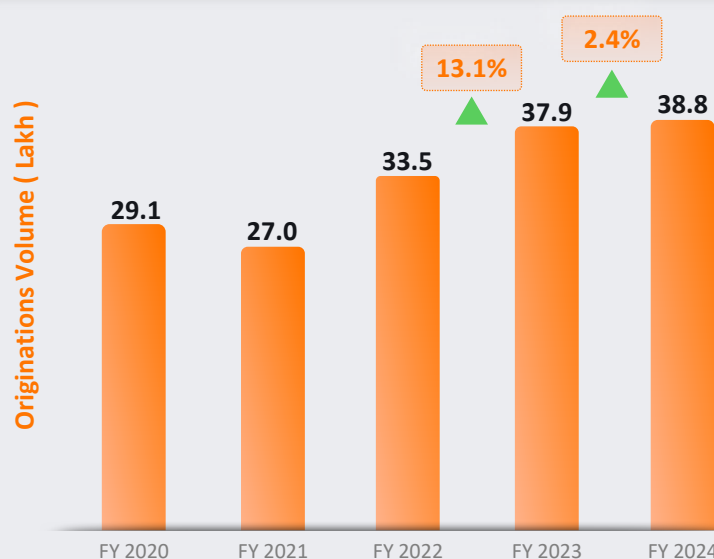


# Decline in Y-o-Y growth in Originations in FY24 compared to FY23

### Originations Value



### Originations Volume



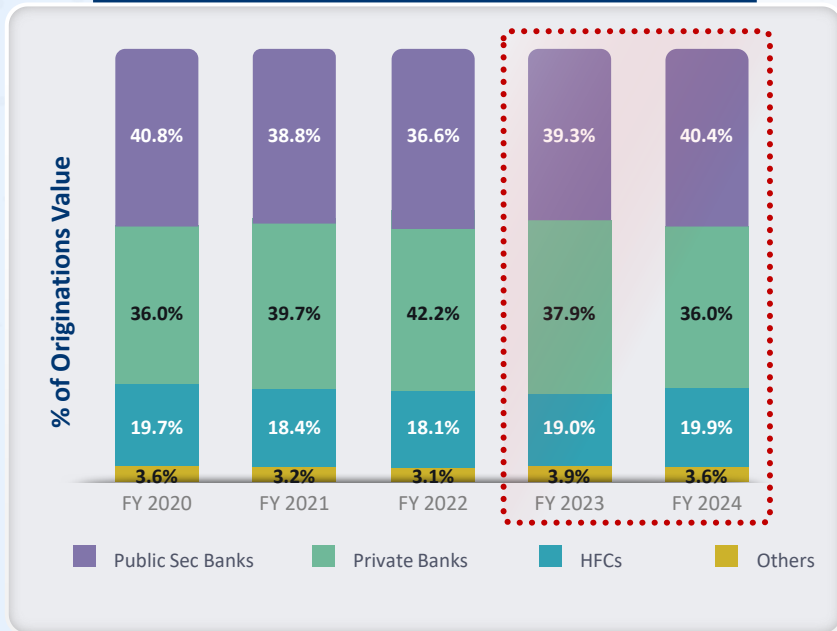
**1** 9.2% Y-o-Y growth in Originations value in FY24, declining from 18.2% Y-o-Y growth in FY23

**2** 2.4% Y-o-Y growth in Originations volume in FY24, declining from 13.1% Y-o-Y growth in FY23

**3** 6.5% Growth in Average Ticket Size from ₹ 24.9L in FY23 to ₹ 26.5L in FY24

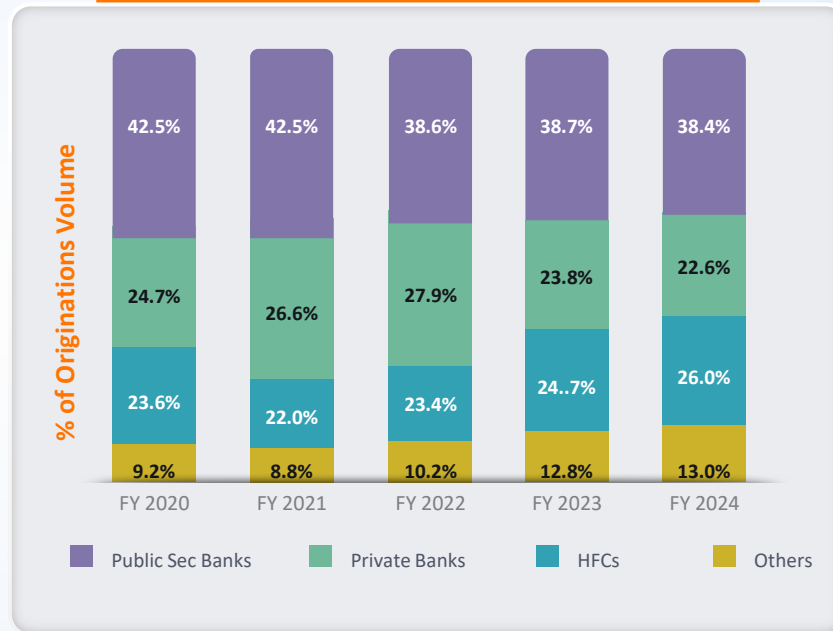
# Decline in Originations Share for Pvt Banks | Increase for PSU Banks and HFCs

## Originations Value by Lender Type



1 Decline in Originations Share for Pvt Banks, Increase for PSU Banks and HFCs from FY23 to FY24

## Originations Volume by Lender Type

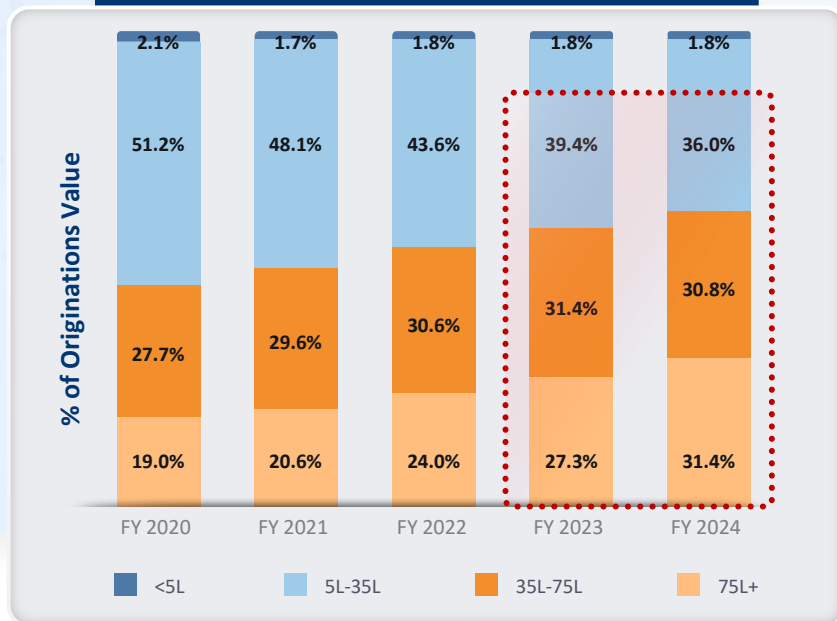


2 11% Y-o-Y increase in ATS for Public Sec Banks from ₹25L to ₹28L and 7% for Pvt Banks from ₹39L to ₹42L in FY24

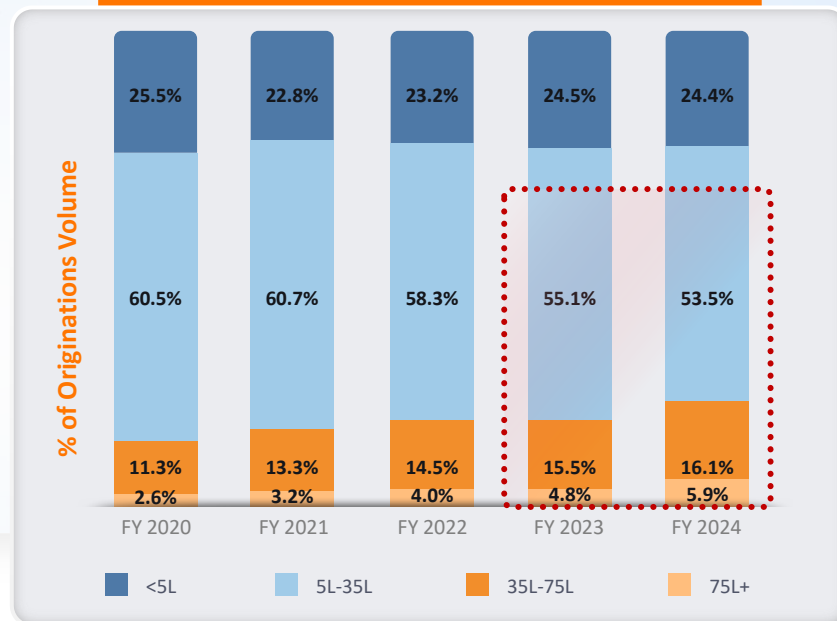


# Shift in Originations from ticket size ₹ 5L - ₹ 35L to ₹ 35L+

### Originations Value by Ticket Size



### Originations Volume by Ticket Size

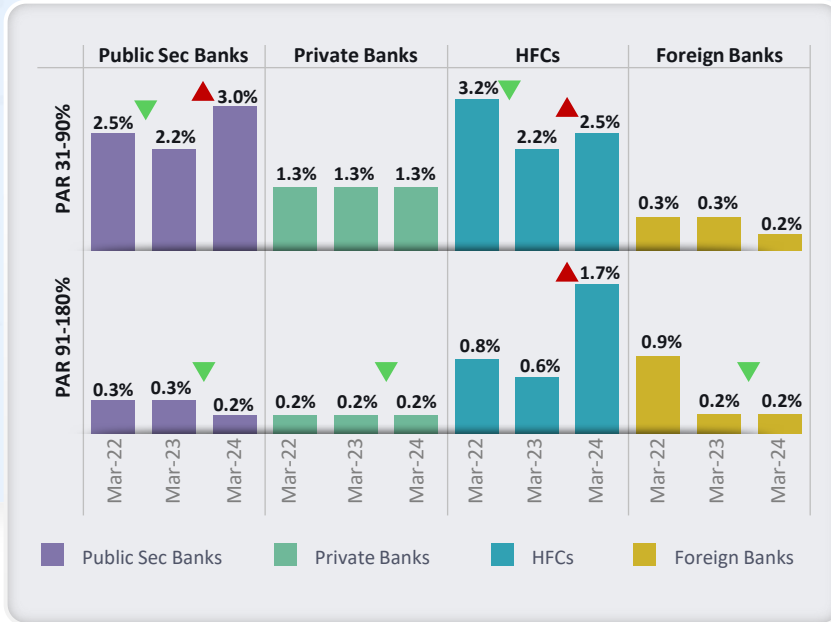


- 1 Shift in Originations (by value and volume) from ₹ 5L - ₹ 35L to ₹ 35L+
- 2 Public Sector Banks are dominant players in <₹75L, Pvt Banks Lead ₹75L+ ticket size loans
- 3 HFCs have concentration in <₹35L Loans

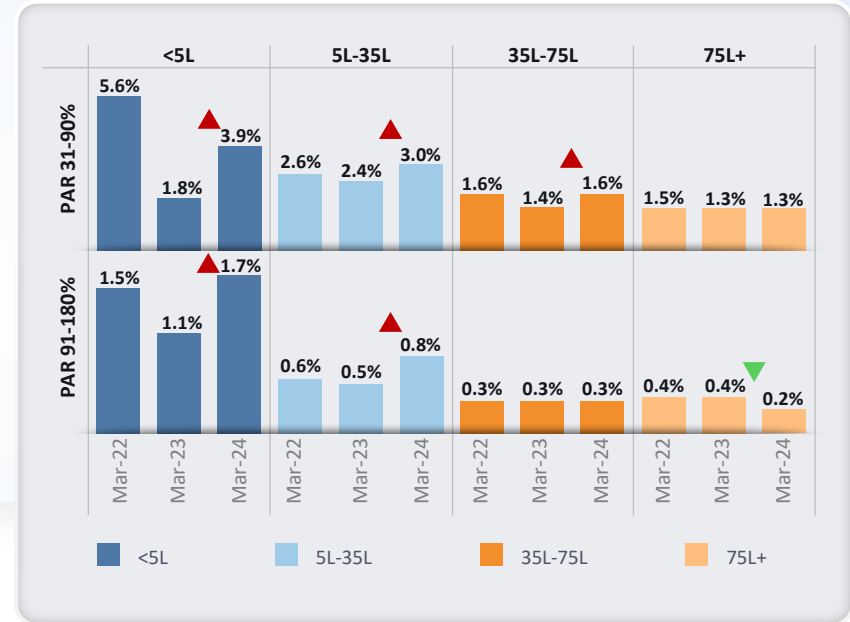


# Y-o-Y Deterioration in PAR 31-90% for Public Sec Banks and HFCs in Mar'24

## Delinquency– Lender Type



## Delinquency– Ticket Size



1 Deterioration in PAR 31-90% for Public Sec Banks and HFCs from Mar'23 to Mar'24, after showing improvement from Mar'22 to Mar'23

2 Improvement in PAR 91-180% for all lender types except HFCs

3 PAR 31-90% and PAR 91-180% is better for >₹ 35L loans compared to <₹ 35L loans

# Personal Loans

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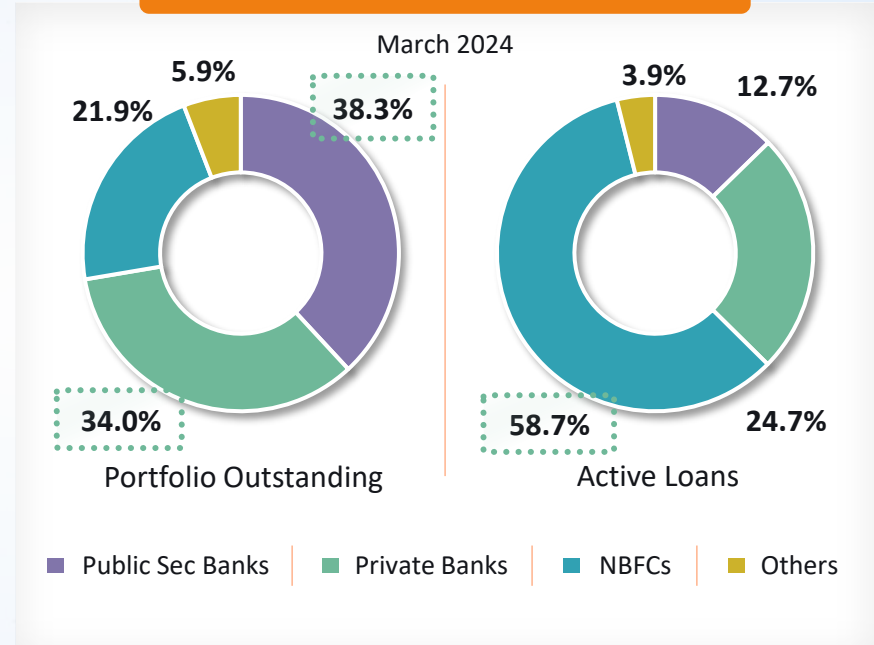
# Robust Growth with stable PAR 31-180%, while deterioration in PAR 180+

## Personal Loans – Portfolio Snapshot

	Mar-22	Mar-23	Mar-24
Portfolio Outstanding (₹ L Cr)	8.1	10.7	13.5
Y-0-Y Growth %		31.9%	25.6%
Active Loans (Lakh)	656.6	951.8	1277.8
Y-0-Y Growth %		45.0%	34.3%
PAR 31-90%	2.3%	1.9%	1.9%
PAR 91-180%	0.8%	0.8%	0.9%
PAR 181-360%	0.6%	0.5%	0.7%
PAR 360+%	2.7%	2.6%	3.5%

1 Dominated by Public Sec Banks and Pvt Banks by Value and NBFCs by Volume

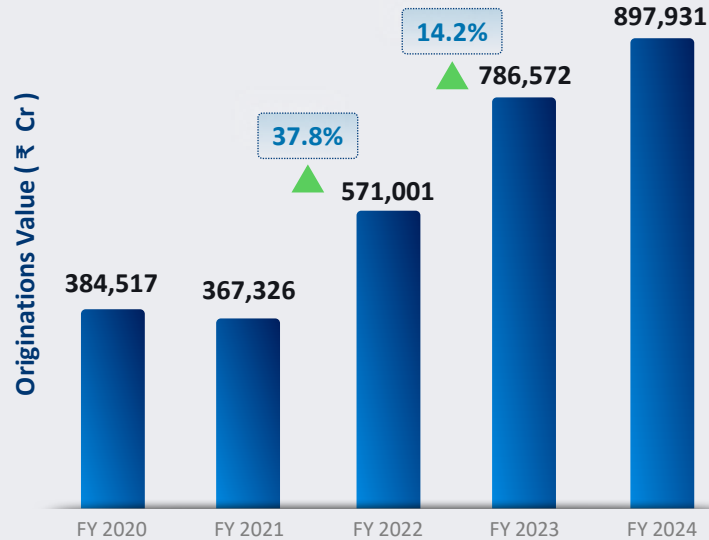
## Personal Loans – Market Share



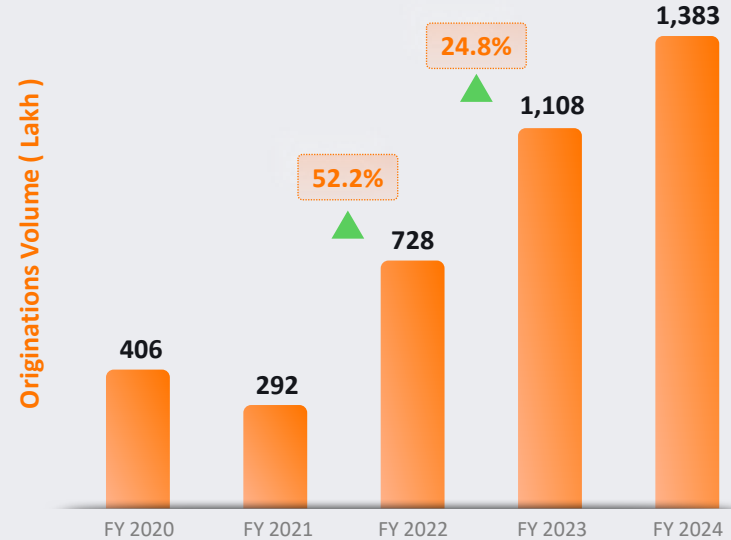
2 Stable PAR 31-90 % and PAR 91-180% compared to Mar'23, coupled with deterioration in PAR 180+%

# Slow down of growth in Personal Loans Originations in FY24 compared to FY23

Originations Value



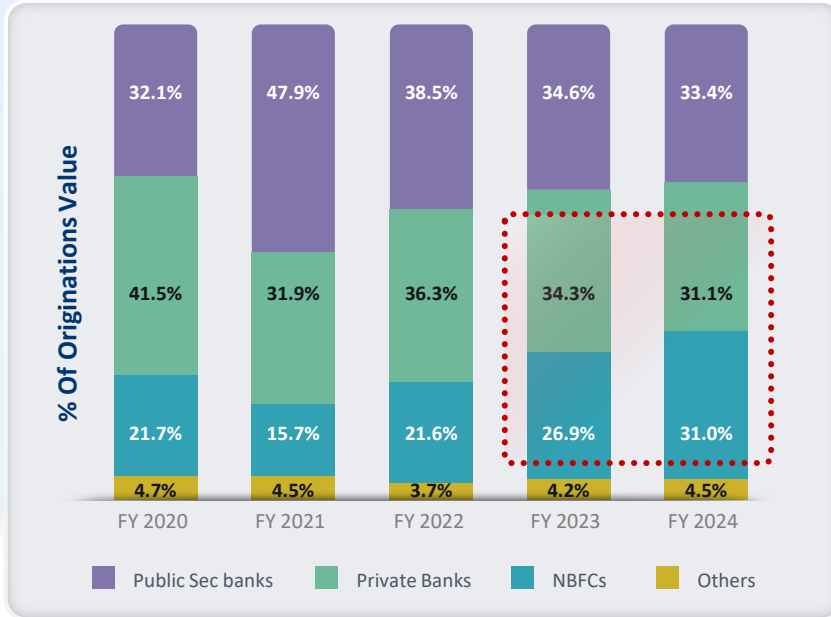
Originations Volume



- 2.4X** Growth in Originations (by value) and **3.4X** Growth in Originations (by volume) from FY20 to FY24
- 37.8%** Y-o-Y growth in Originations value in FY24, declining from **14.2%** Y-o-Y growth in FY23
- 24.8%** Y-o-Y growth in Originations volume in FY24, declining from **52.2%** Y-o-Y growth in FY23
- 2.2X** growth in Originations volume for **>₹ 50K** ticket size loans from FY23 to FY24

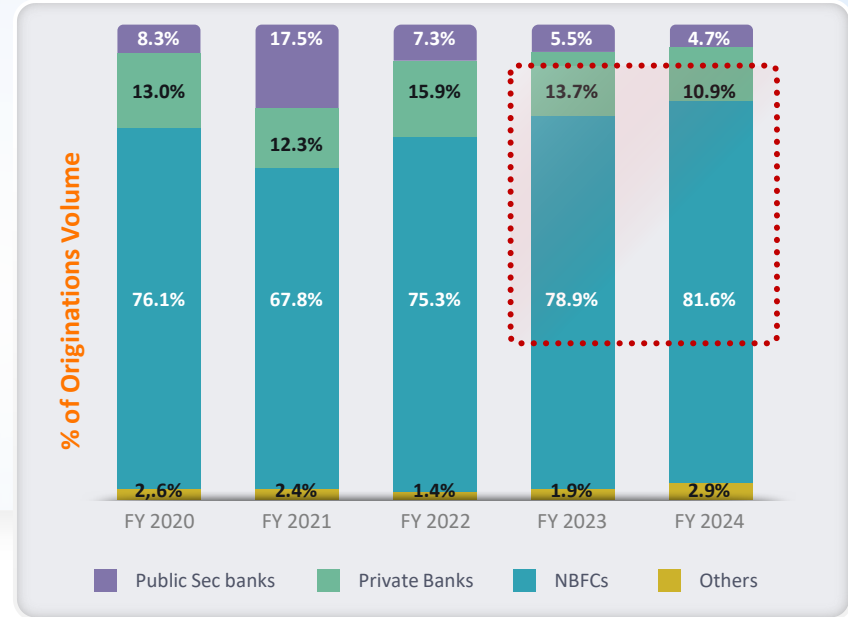
# Decline in Originations Share of Private Banks

### Originations Value by Lender Type



1 Growing dominance of NBFCs in Originations (by value and volume)

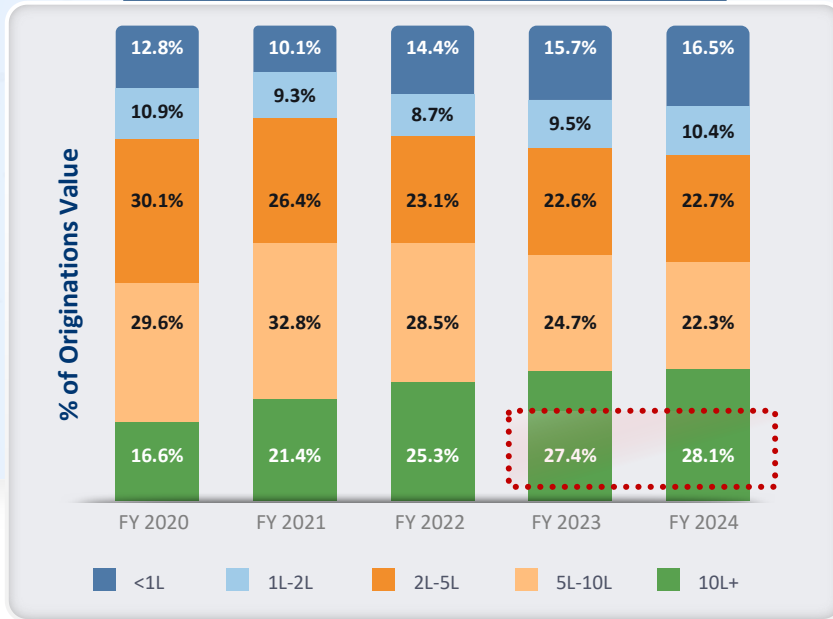
### Originations Volume by Lender Type



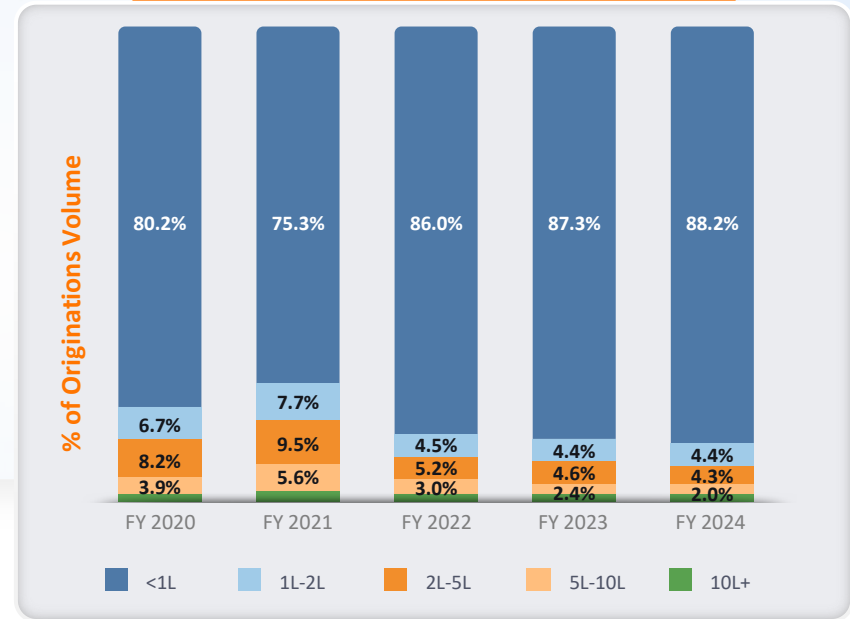
2 Decline in Originations Share (value and volume) of Private Banks from FY23 to FY24

# Share of ₹10L+ Originations accelerates in Value; Below <₹1L by volume

Originations Value by Ticket Size



Originations Volume by Ticket Size

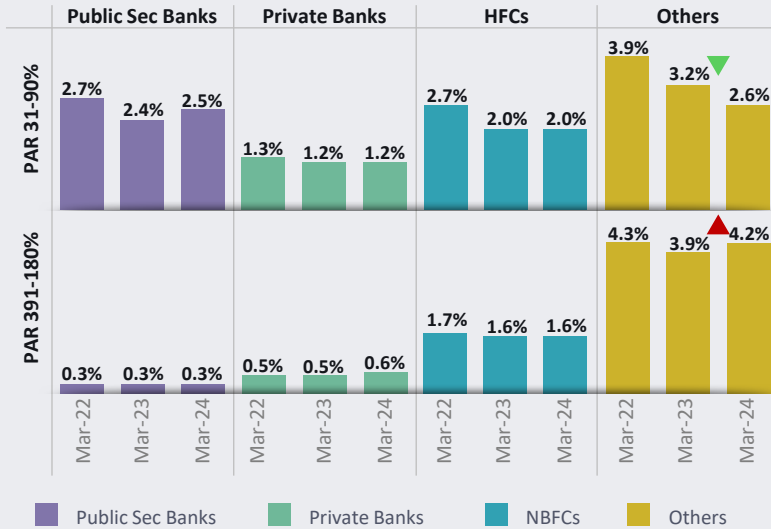


1 2.1X growth in Originations Volume for <₹ 10K and 4.6X growth for ₹ 10K-50K from FY20 to FY24

2 3.9X Growth in Originations Value for ₹10L+ loans from FY20 to FY24. ATS in FY24 at ₹15.4L for these loans

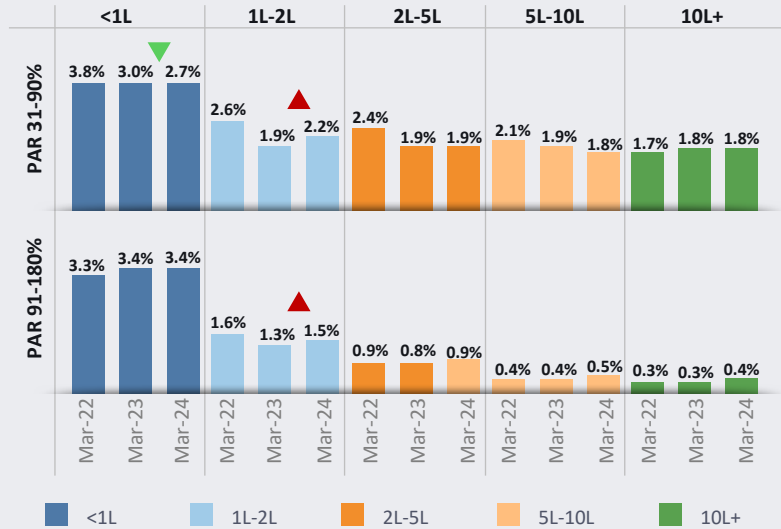
# Performance of Private Banks better than Other lender types

## Delinquency– Lender Type



1 Performance of PL improves for higher ticket sizes

## Delinquency– Ticket Size



2 Stress in ₹1L-₹2L segment observed in Mar'24 but improvement seen from Mar'22 to Mar'23

# Two-Wheeler Loans

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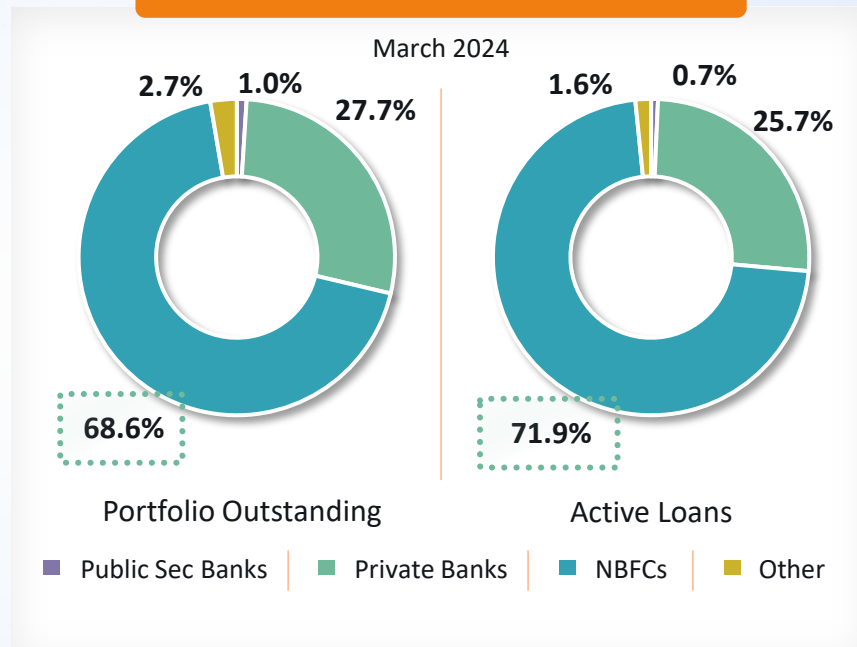


# Accelerated Growth with Improvement in Delinquency Across all Bands

## Two-wheeler Loans – Portfolio Snapshot

	Mar-22	Mar-23	Mar-24
Portfolio Outstanding (₹ K Cr)	81.0	105.5	140.9
Y-0-Y Growth %		30.3%	33.6%
Active Loans (Lakh)	239.8	266.8	299.8
Y-0-Y Growth %		11.2%	12.4%
PAR 31-90%	5.2%	3.3%	3.1%
PAR 91-180%	2.3%	1.9%	1.6%
PAR 181-360%	2.5%	2.0%	1.9%
PAR 360+%	6.9%	6.4%	6.2%

## Two-wheeler Loans – Market Share



1 Dominated by NBFCs by Value and Volume followed by Pvt Banks

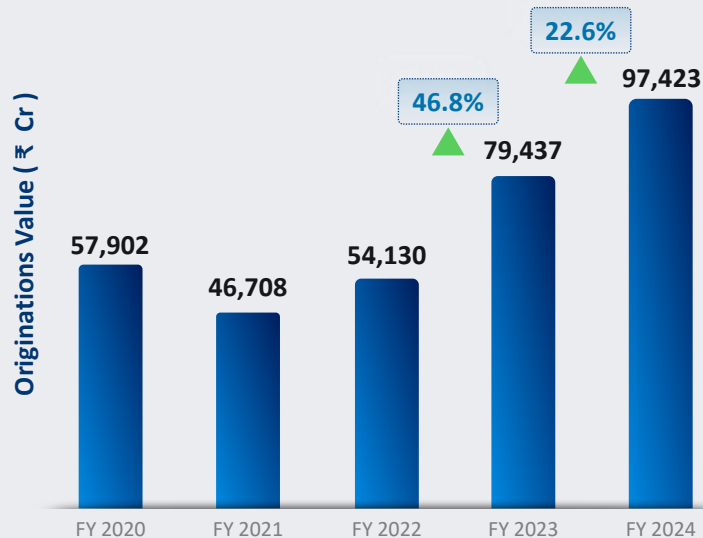
2 Improvement in PAR 31-90 %, PAR 91-180%, PAR 180+% compared to Mar'23



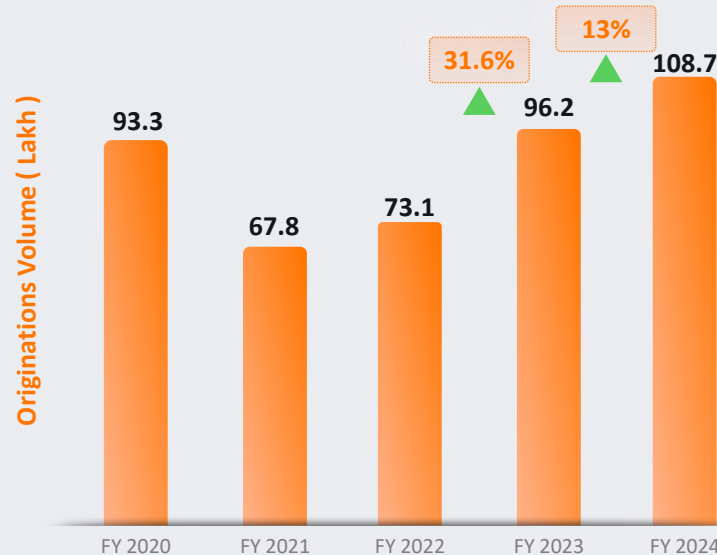


# Y-o-Y Originations Growth Declines in FY24 Compared to FY23

## Originations Value



## Originations Volume



1 22.6% Y-o-Y growth in Originations value in FY24, declining from 46.8% Y-o-Y growth in FY23

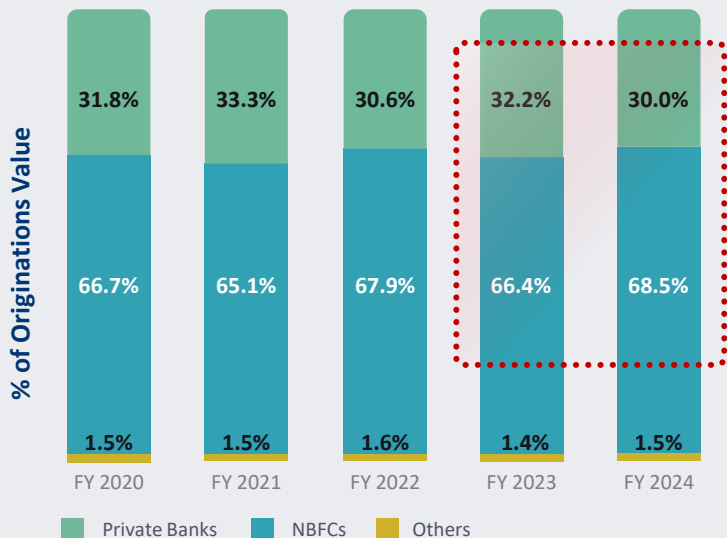
2 13% Y-o-Y growth in Originations volume in FY24, declining from 31.6% Y-o-Y growth in FY23

3 8.5% Increase in ATS from ₹82K in FY23 to ₹90K in FY24

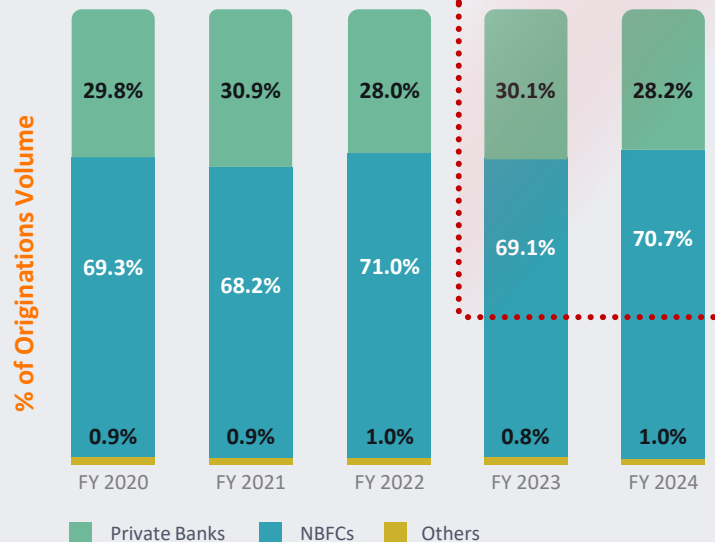


# Decline in Originations Share of Private Banks, Increase for NBFCs

### Originations Value by Lender Type



### Originations Volume by Lender Type



1 NBFCs dominate Originations by Value and Volume

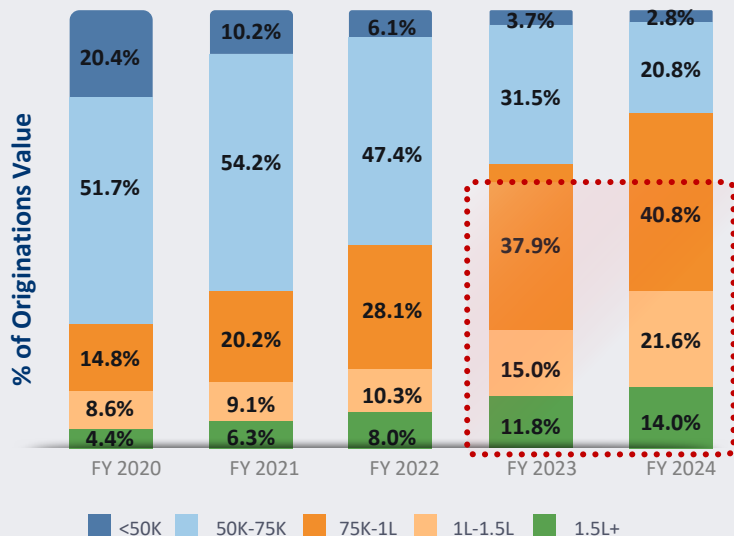
2 Y-o-Y decline in Originations Share of Private Banks, Increase for NBFCs

3 10% Y-o-Y increase in ATS for NBFCs from ₹79K to ₹ 87K in FY24 and 8% for Pvt Banks from ₹88K to ₹95K

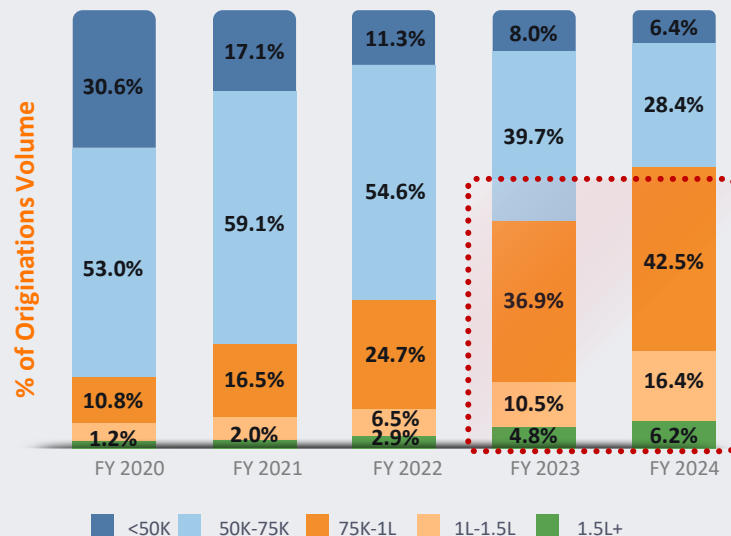


# Shift in Originations to Higher Ticket Size loans

### Originations Value by Ticket Size (₹)



### Originations Volume by Ticket Size (₹)



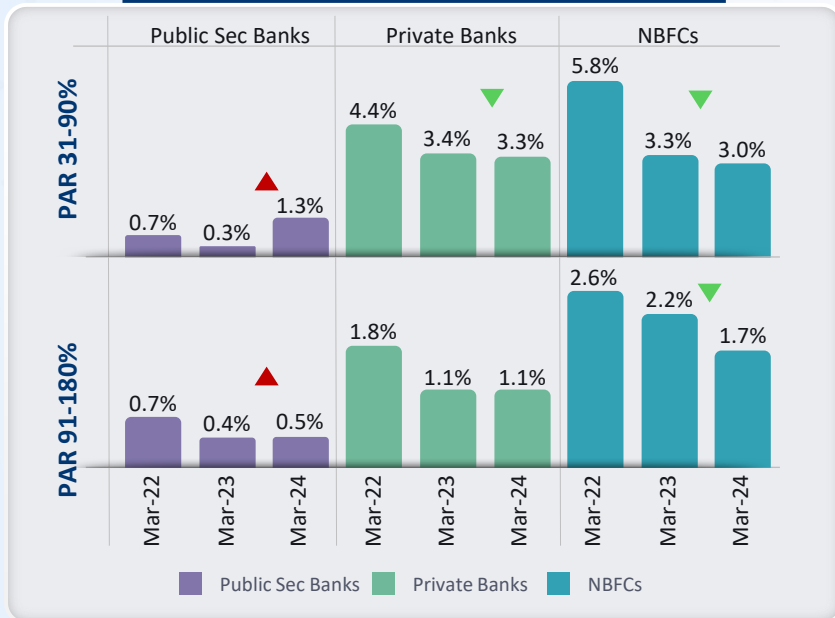
1 Shift in Originations from lower ticket sizes to ₹75K+ ticket sizes

2 4.6X Growth in Originations (by Value and Volume) for ₹75K+ from FY20 to FY24, Y-o-Y increase of 45% by value and 41% by volume for these loans in FY24.

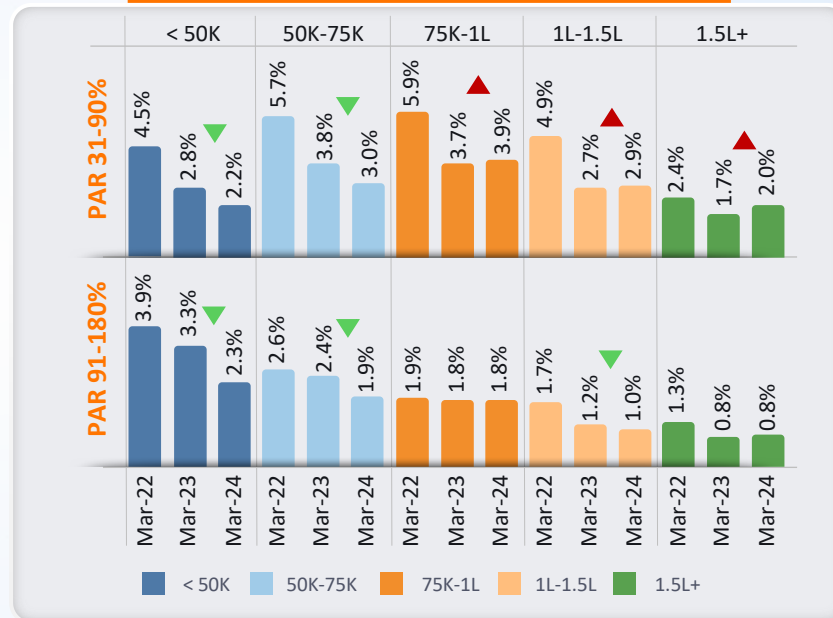


# Improvement in PAR 31-180% for NBFCs, Stable for Private Banks

### Delinquency– Lender Type



### Delinquency– Ticket Size



1 Improvement in PAR 31-180% for NBFCs, Stable for Private Banks from Mar'23 to Mar'24

2 PAR 31-90% improved for <₹75K loans and deteriorated marginally for ₹75K+ from Mar'23 to Mar'24

3 Steep Improvement in PAR 91-180% for <₹75K loans, stable for ₹75K+ from Mar'23 to Mar'24

# Auto Loans

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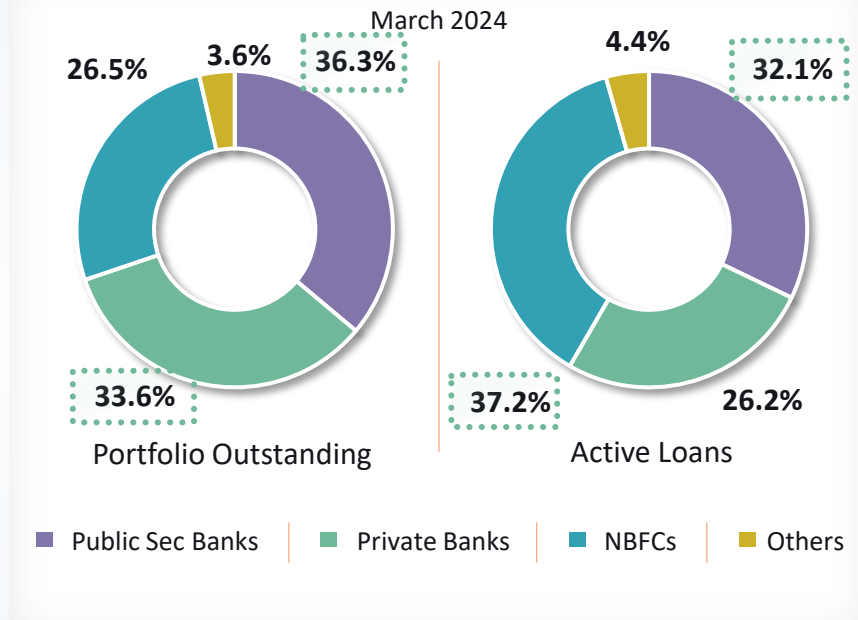
# Sustained Growth with Improvement in PAR 30+%

## Auto Loans – Portfolio Snapshot

	Mar-22	Mar-23	Mar-24
Portfolio Outstanding (₹ L Cr)	4.9	6.0	7.1
Y-O-Y Growth %		22.2%	20.0%
Active Loans (Lakh)	129.6	138.3	148.1
Y-O-Y Growth %		6.7%	7.1%
PAR 31-90%	3.3%	2.3%	1.9%
PAR 91-180%	1.0%	0.7%	0.7%
PAR 181-360%	0.5%	0.4%	0.3%
PAR 360+%	2.7%	2.3%	2.6%

1 Dominated by Public Sec Banks & Pvt Banks by Value, and Public Sec Banks & NBFCs by Volume

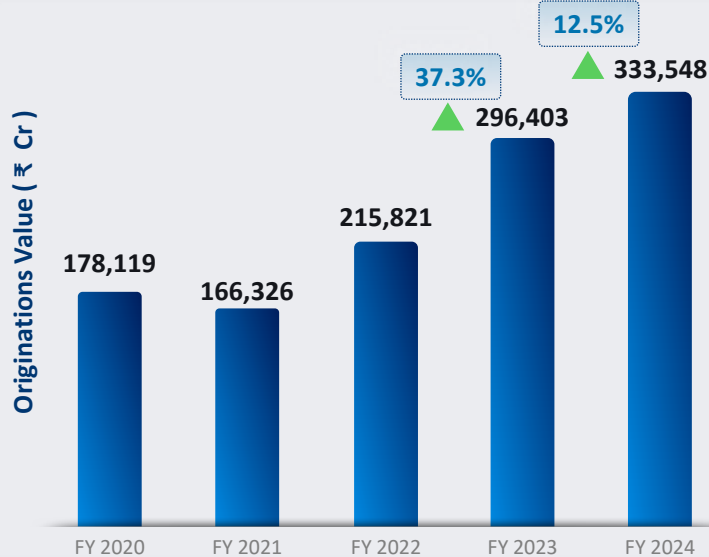
## Auto Loans – Market Share



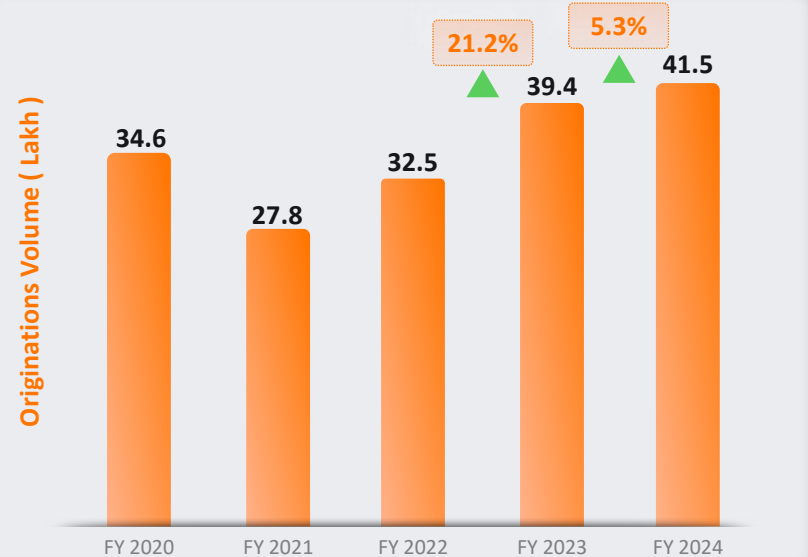
2 Improvement in PAR 30+% compared to Mar'23

# Decline in Y-o-Y growth in Originations in FY24 compared to FY23

Originations Value



Originations Volume

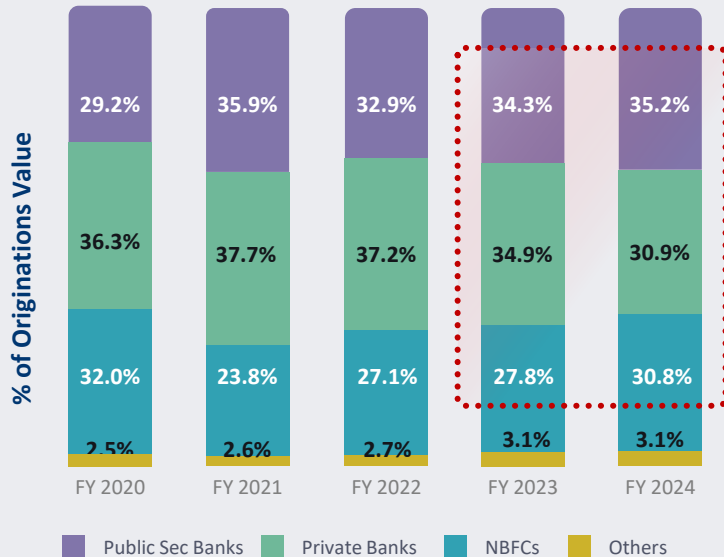


- 12.5% Y-o-Y growth in Originations value in FY24, declining from 37.3% Y-o-Y growth in FY23
- 5.3% Y-o-Y growth in Originations volume in FY24, declining from 21.2% Y-o-Y growth in FY23
- 7% growth in ATS from ₹7.5L in FY23 to ₹8.0L in FY24

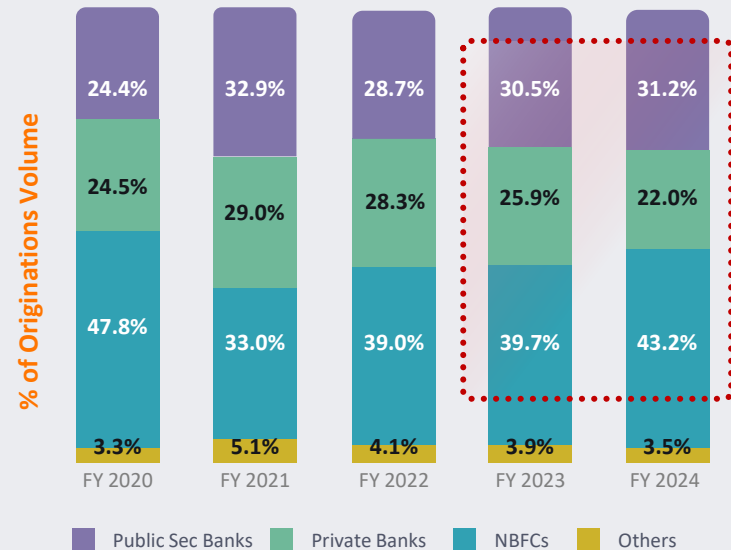


# Public Sec Banks gain, Pvt Banks and NBFCs lose Market Share

### Originations Value by Lender Type



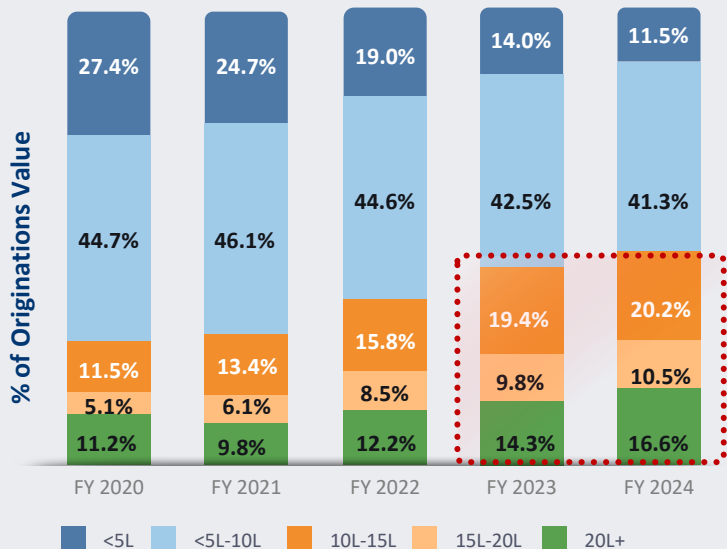
### Originations Volume by Lender Type



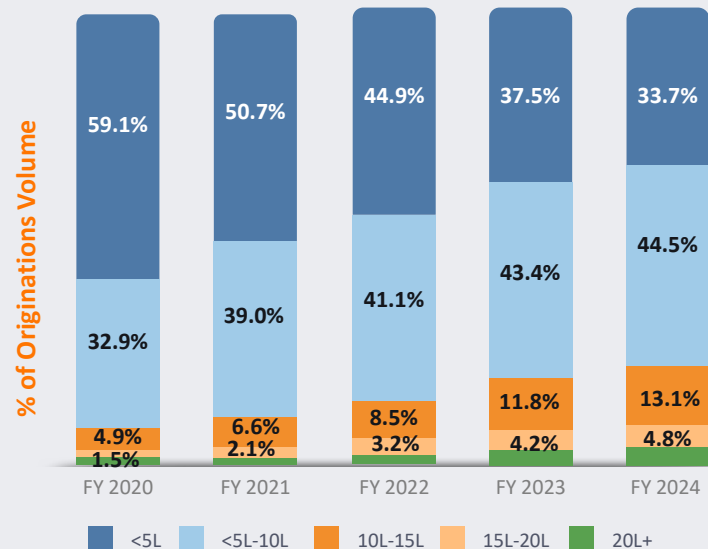
1 Increase in Originations share (by Value and Volume) of Public Sec Banks, while Pvt Banks and NBFCs lose share

# Shift in Originations to ₹10L+ Ticket Size loans

### Originations Value by Ticket Size (₹)



### Originations Volume by Ticket Size (₹)



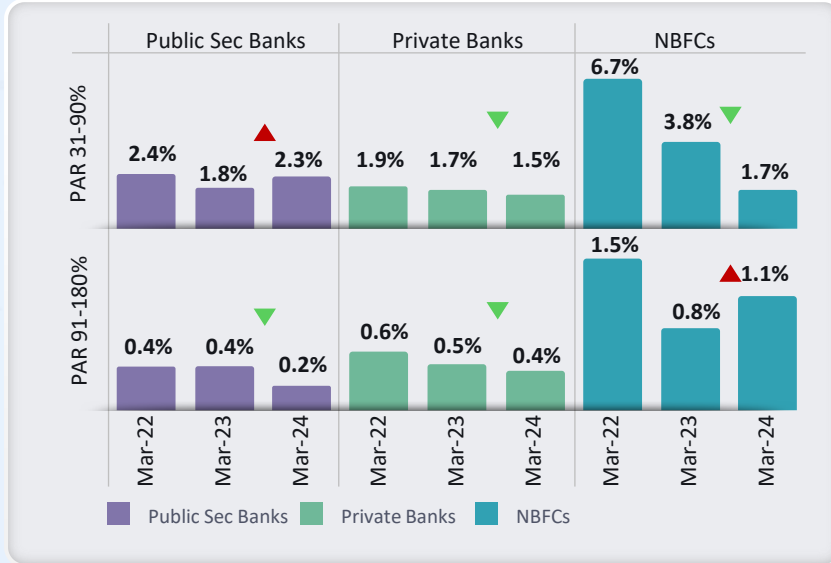
1 Shift in Originations from lower ticket sizes to ₹10L+ ticket sizes

2 2.8X Growth in Originations (by Value) and 3.2X growth in Originations (by Volume) for ₹20L+ from FY20 to FY24, Y-o-Y increase of 30% by value and 33% by volume for these loans in FY24

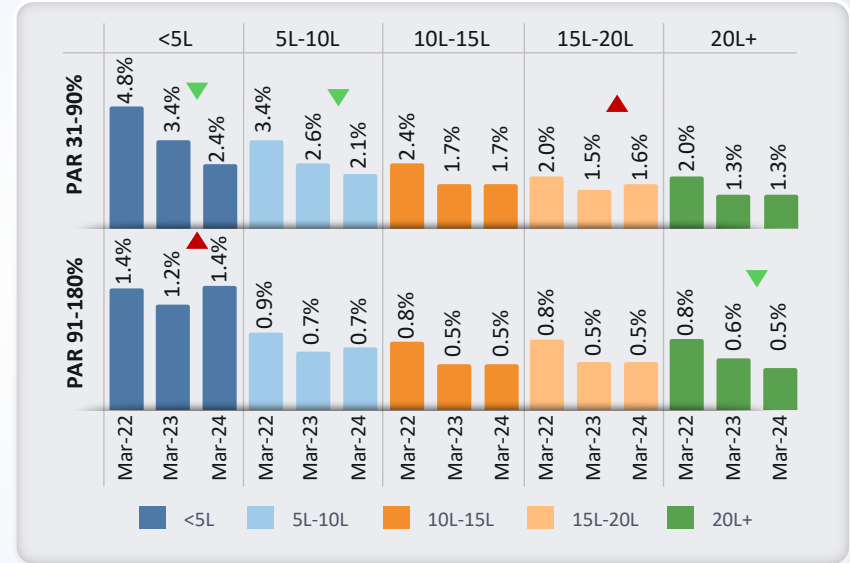


# Step Improvement in Delinquency of NBFCs, Private Banks, Higher ATS, better performance

### Delinquency– Lender Type



### Delinquency– Ticket Size



1 PAR 31-90% Improved for NBFCs and private banks from Mar'23 to Mar'24, deteriorations for PSU banks

2 PAR 91-180% Improved for PSU and private banks from Mar'23 to Mar'24, deteriorations for NBFCs

3 PAR 31-90% improved for loans under ₹10L, remained stable for loans over ₹10L

4 PAR 91-180% stable across most loan sizes except for loans under ₹5L

# Consumer Durable Loans

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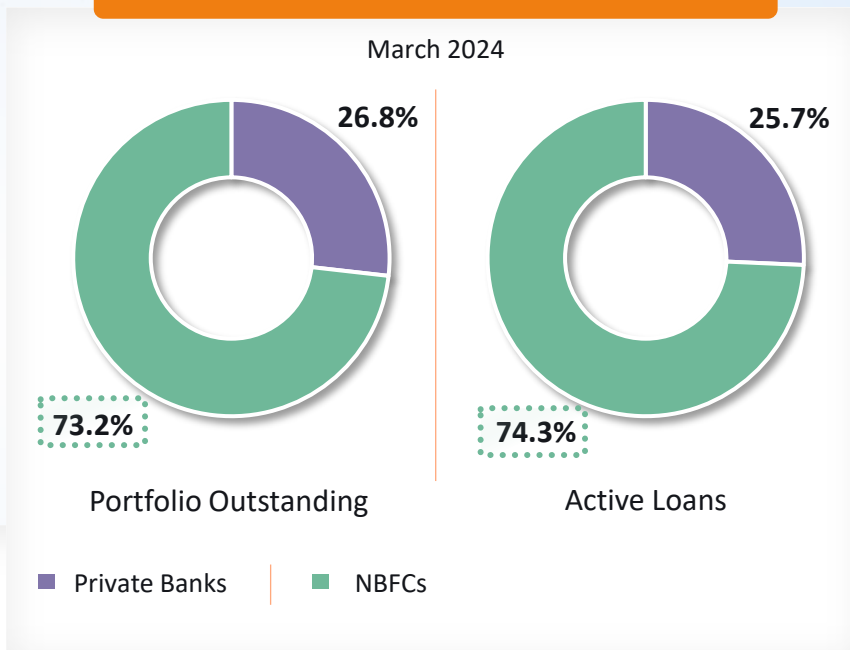
# Good growth in Portfolio with improvement in delinquency up to PAR 180

## Consumer Durable Loans – Portfolio Snapshot

	Mar-22	Mar-23	Mar-24
Portfolio Outstanding (₹ K Cr)	39.1	49.3	66.2
Y-O-Y Growth %		26.0%	34.1%
Active Loans (Lakh)	482.1	659.0	784.0
Y-O-Y Growth %		36.7%	19.0%
PAR 31-90%	1.0%	1.3%	1.2%
PAR 91-180%	0.7%	1.0%	0.9%
PAR 181+ %	2.9%	3.3%	1.9%

1 Dominated by NBFCs by Value and Volume

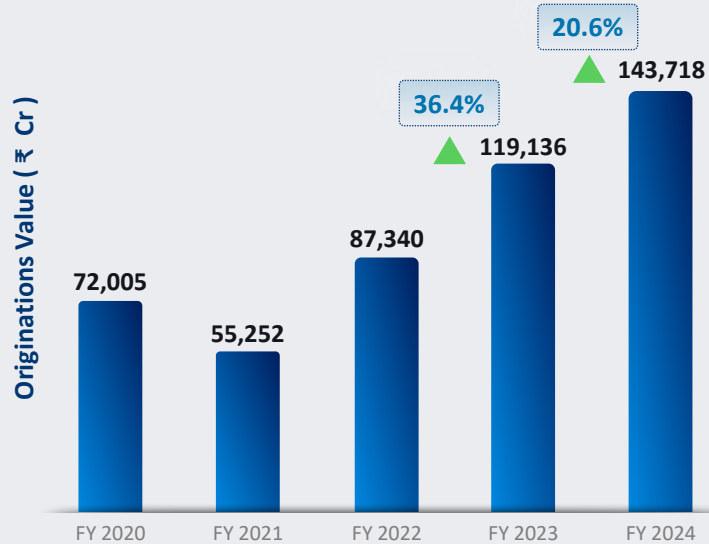
## Consumer Durable Loans – Market Share



2 Marginal improvement in PAR 31-90%, PAR 91-180% and PAR 180+% from Mar'23 to Mar'24

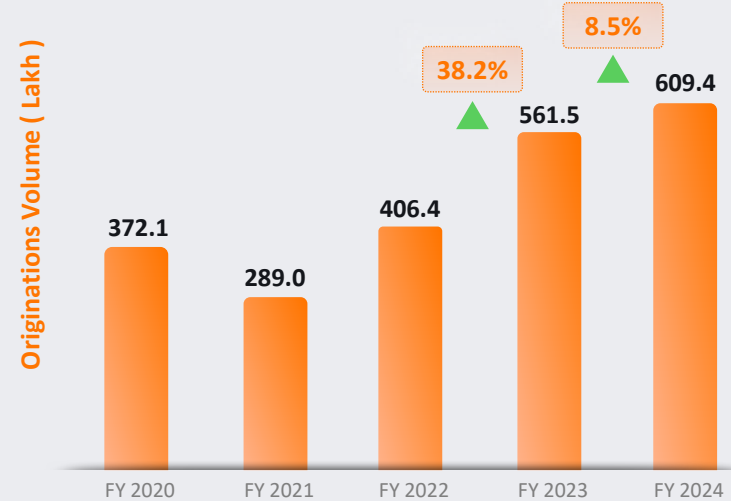
# Decline in Y-o-Y growth in Originations in FY24 compared to FY23

Originations Value



1 **20.6%** Y-o-Y growth in Originations value in FY24, declining from **36.4%** Y-o-Y growth in FY23

Originations Volume



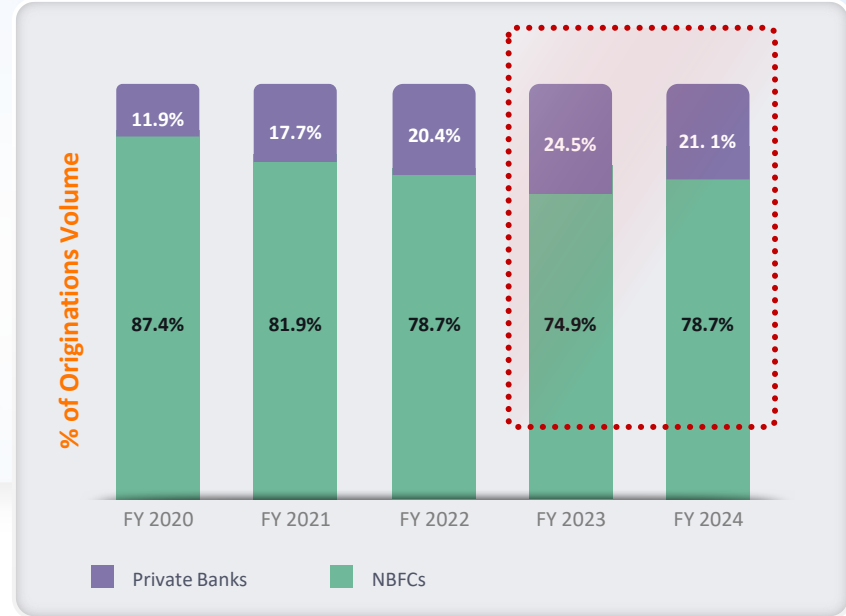
2 **8.5%** Y-o-Y growth in Originations volume in FY24, declining from **38.2%** Y-o-Y growth in FY23

# NBFCs gain Market Share in FY24 after losing to Pvt Banks in FY23

Originations Value by Lender Type



Originations Volume by Lender Type

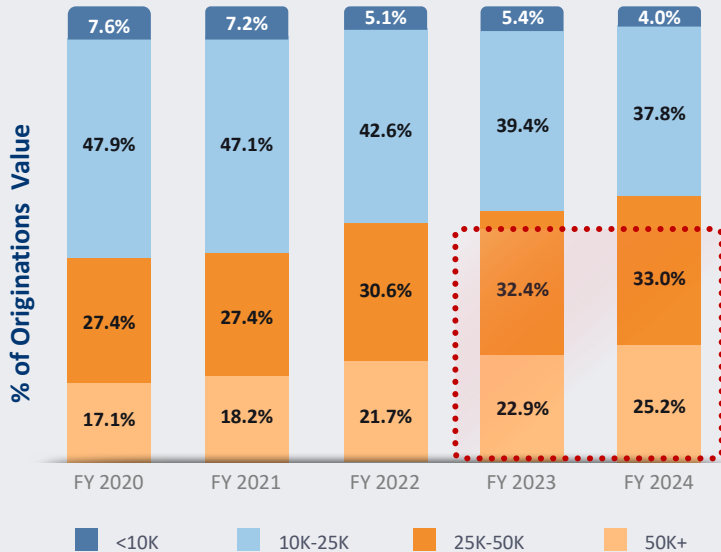


1 Increase in Originations share (Value and Volume) for Private Banks from FY20 to FY23, decline for NBFCs

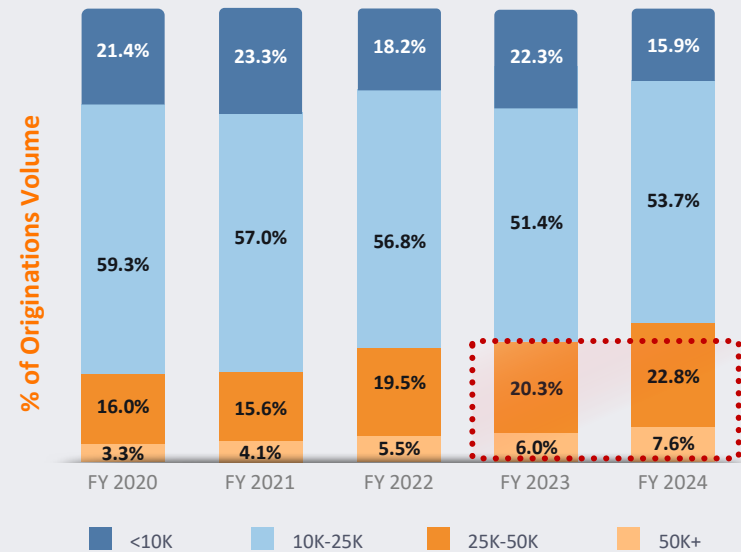
2 NBFCs gain share from FY23 to FY24, at the cost of Pvt Banks

# High Growth in ₹25K+ ticket size loans

## Originations Value by Ticket Size



## Originations Volume by Ticket Size



1

Shift in Originations from lower ticket size loans to >₹25K ticket size loans

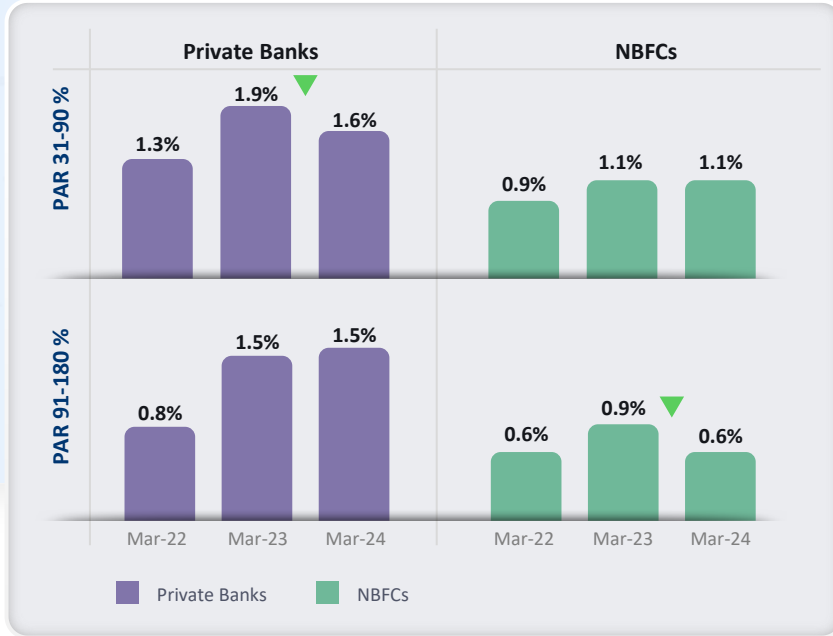
2

2.6X Growth in Originations (by Value) and 3.5X growth in Originations (by Volume) for ₹50K+ loans from FY20 to FY24, Y-o-Y increase of 31.9% by value and 35.5% by volume for these loans in FY24



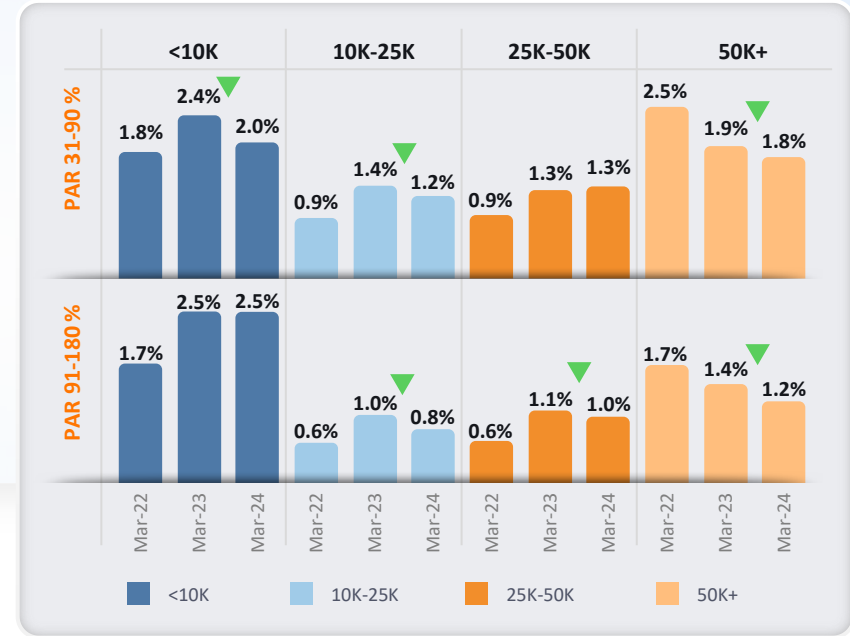
# NBFCs perform better in PAR 31-180 DPD compared to Pvt Banks

## Delinquency – Lender Type



1 Pvt Banks have higher **PAR 31-180** compared to NBFCs. Improvement in **PAR 31-180%** for Pvt Banks for NBFCs from Mar'23 to Mar'24

## Delinquency – Ticket Size



2 PAR 31-180% improves across all ticket sizes, performance of loans of ticket size ₹10K-₹50K is better compared to ₹<10K and ₹50K+

# Credit Cards

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# Significant Growth with stable Risk

## Credit Cards – Portfolio Snapshot

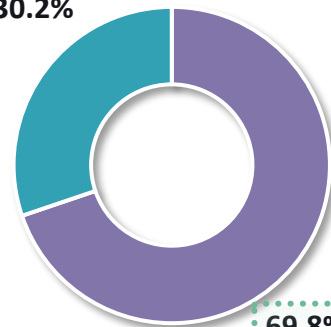
	Mar-22	Mar-23	Mar-24
Credit Card Balance (₹ L Cr)	1.8	2.4	3.0
Y-O-Y Growth %		32.9%	27.7%
Cards in Circulation (Lakh)	704.6	857.4	999.1
Y-O-Y Growth %		21.7%	16.5%
PAR 1-30%	3.3%	4.1%	3.9%
PAR 31-90%	2.4%	2.2%	2.3%
PAR 90+ %	12.8%	12.6%	12.5%

1 Dominated by Pvt Banks by Value and Volume

## Credit Cards – Market Share

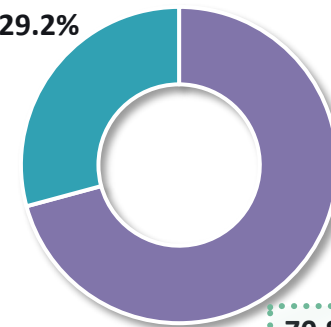
March 2024

30.2%



Portfolio Outstanding

29.2%



Active Loans

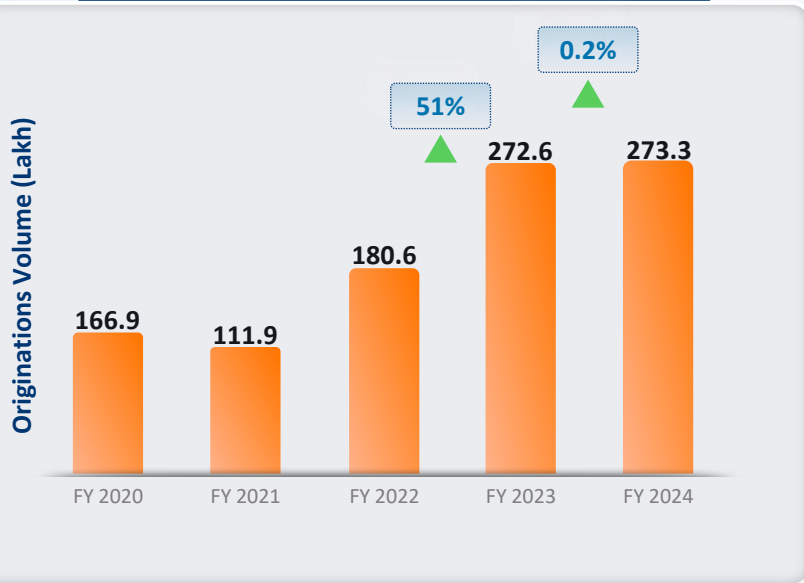
Private Banks | Others

2 Improvement in **PAR 1-30%** and stable **PAR 30+%** from Mar'23 to Mar'24

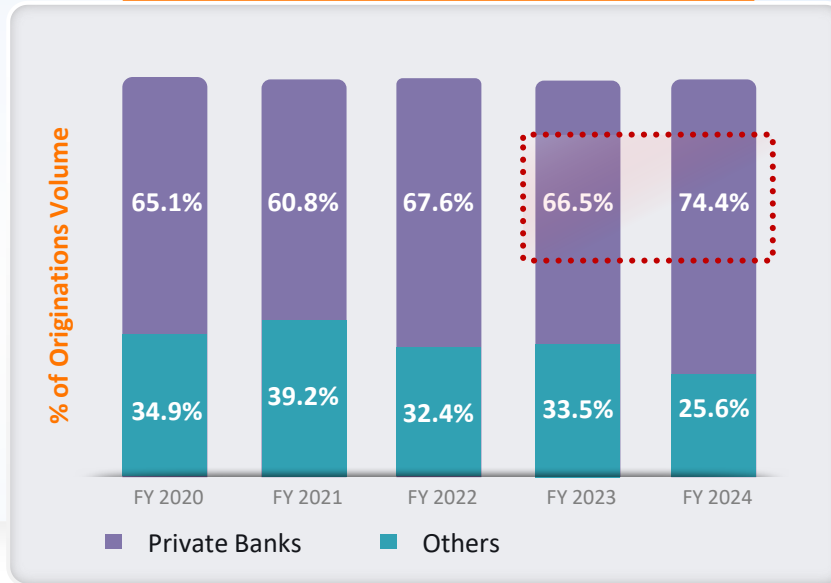


# Flat Y-o-Y growth for New Card Originations in FY24

## New Credit Cards Issued



## New Credit Cards Issued – by Issuer Type



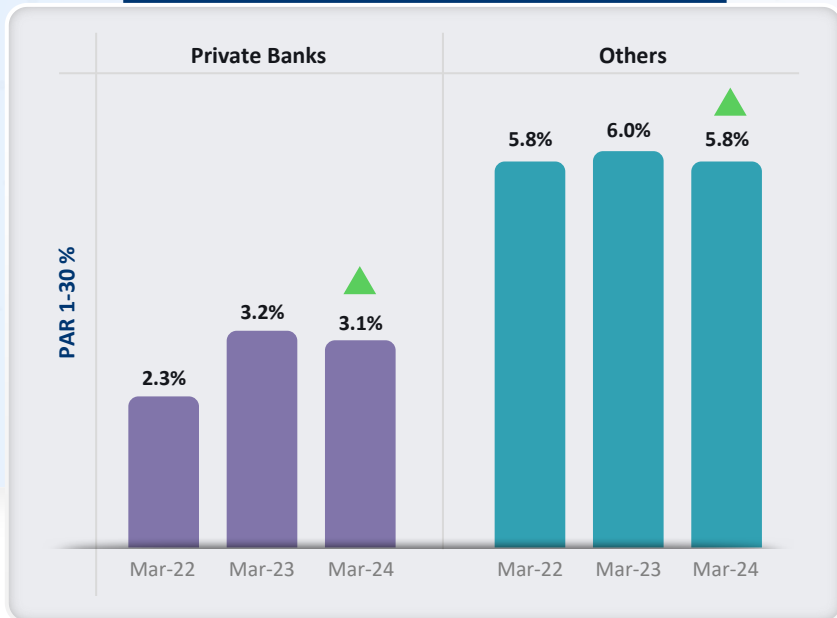
1 0.2% Y-o-Y increase in New Card Originations in FY24, growth from FY22 to FY23 stood at 51%

2 Y-o-Y growth in share of New Card Originations for Private Banks in FY24

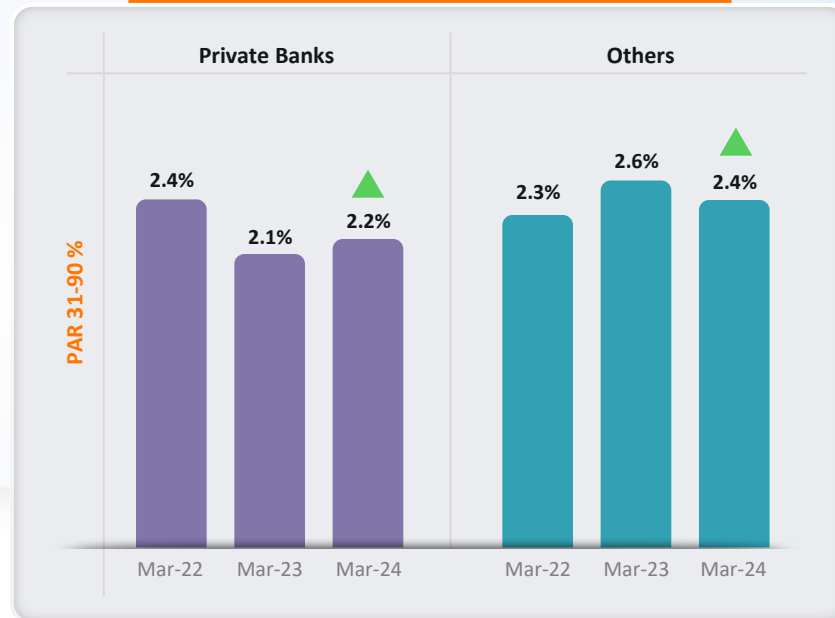


# Stable PAR 1-30% and PAR 31-90% for Private Banks, improvement for Others

### Delinquency PAR 1-30% – Lender Type



### Delinquency PAR 31-90% – Lender Type



1 Stable PAR 1-30% and PAR 31-90% for Private Banks, improvement for Others from Mar'23 to Mar'24

# MSME Lending

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# MSME Credit Landscape in India – A Comprehensive View

## Commercial Repository - Entity MSME

Portfolio  
Mar'24 (₹ L Cr)

**28.4**

Growth  
Mar'23 to Mar'24

**6.6%**

Originations Value #  
FY 24 (₹ L Cr)

**39.9**

Growth %  
FY 23 to FY 24

**3.1%**

Originations Volume #  
FY 24 ( L )

**64.7**

Growth %  
FY 23 to FY 24

**18.9%**

# Both Fresh Disbursements and Renewals are included

## Consumer Repository - Individual MSME\*

Portfolio  
Mar'24 (₹ L Cr)

**35.7**

Growth  
Mar'23 to Mar'24

**28.9%**

Originations Value #  
FY 24 (₹ L Cr)

**14.3**

Growth %  
FY 23 to FY 24

**12.6%**

Originations Volume #  
FY 24 ( L )

**209.8**

Growth %  
FY 23 to FY 24

**19.4%**

\*Includes Business Loans (BL), Property Loans (LAP), Commercial Vehicle Loans (CVL) and Construction Equipment Loans (CEL)



# Entity MSME Loans



Loans given to **entities** and reported to **Commercial bureau**

Entities with Aggregate Credit Exposure up to ₹50 Crore are considered

Micro  
< ₹ 1Cr

Small  
₹ 1Cr – ₹ 10Cr

Medium  
₹ 10Cr – ₹ 50Cr

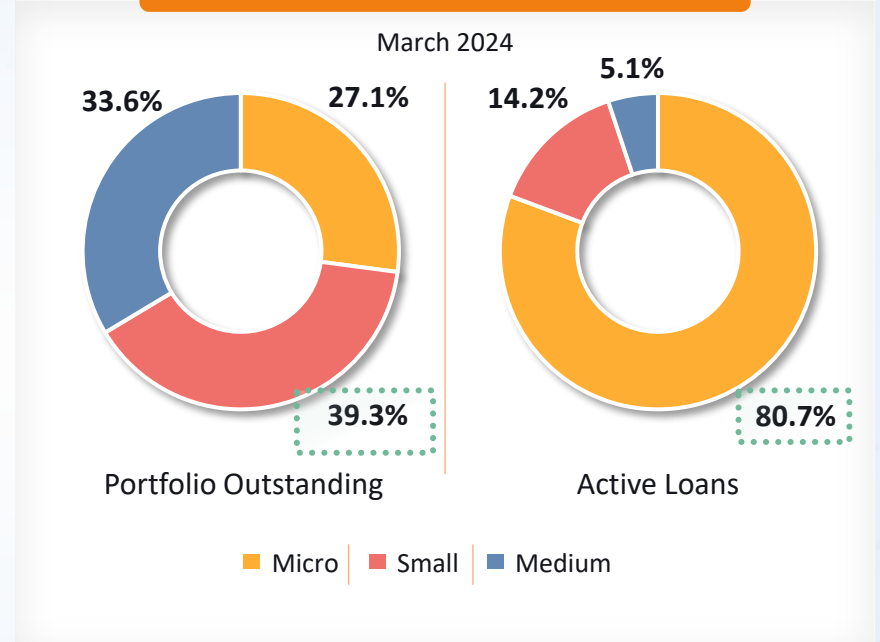


# Muted Growth in Book Size along with increasing PAR 31-180%

## Entity MSME Loans – Portfolio Snapshot

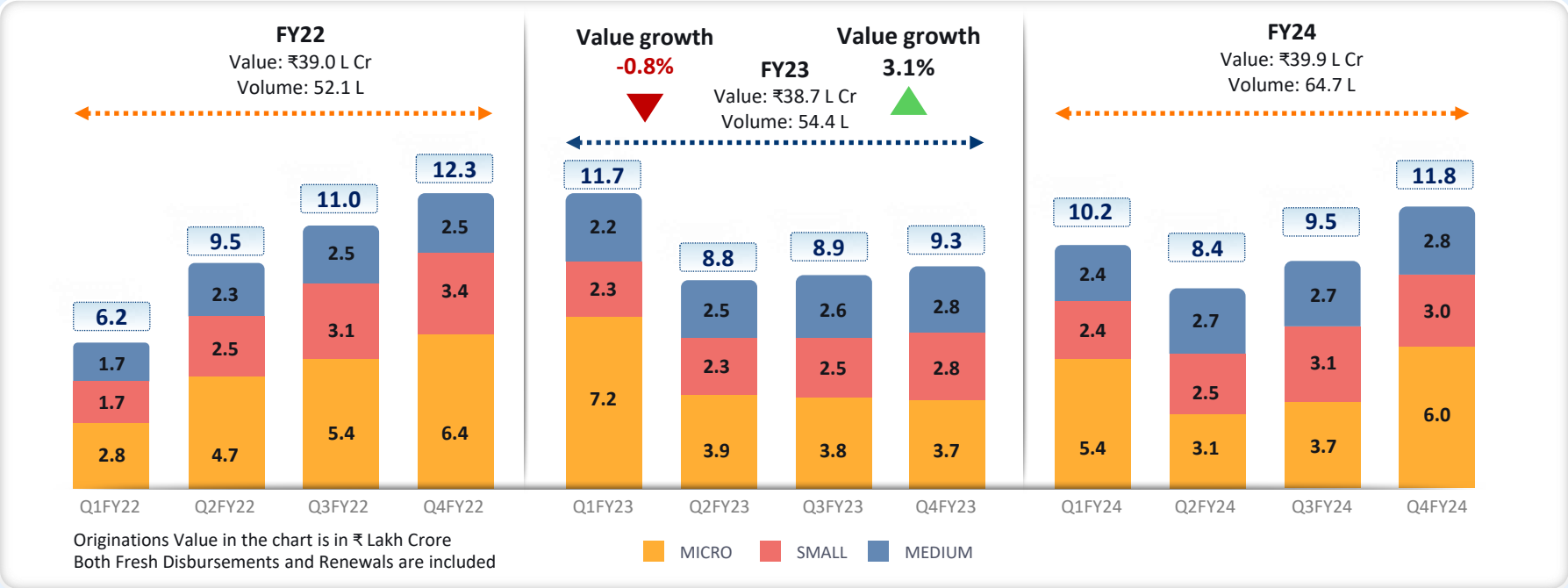
	Mar-22	Mar-23	Mar-24
Portfolio Outstanding (L Cr)	22.7	26.7	28.4
Y-O-Y Growth %		17.2%	6.6%
Active Loans (Lakh)	137.2	154.8	157.6
Y-O-Y Growth %		12.9%	1.8%
PAR 31-90%	2.7%	2.1%	2.5%
PAR 91-180%	1.3%	1.0%	1.1%
PAR 181-360%	0.3%	0.3%	0.3%
PAR 360+%	2.2%	1.9%	1.4%

## Market Share – Borrower Segment



1 Micro holds ~80% of active loans and 1/3rd of the Portfolio Outstanding

# MSMEs witnessed higher Originations Growth (Value & Volume) compared to last year

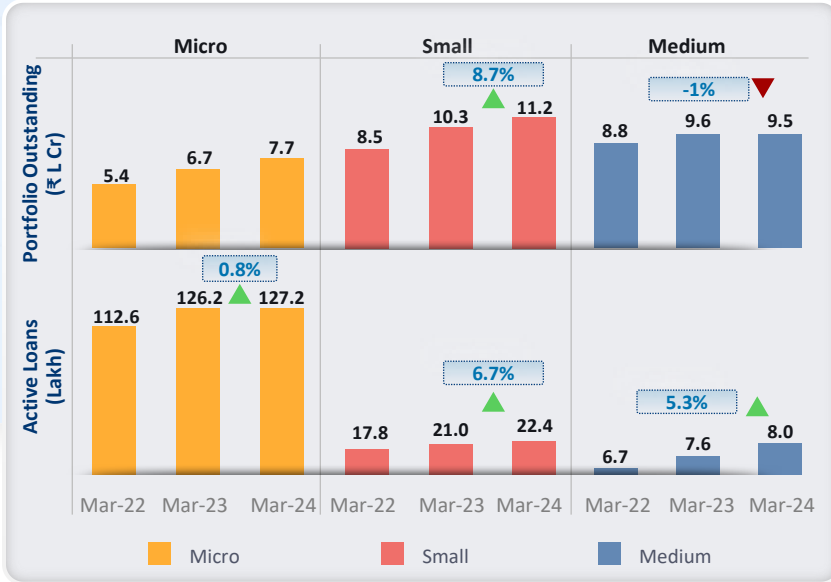


**1** 3.1% Y-o-Y growth in Originations value and 18.9% Y-o-Y growth in Originations volume in FY24

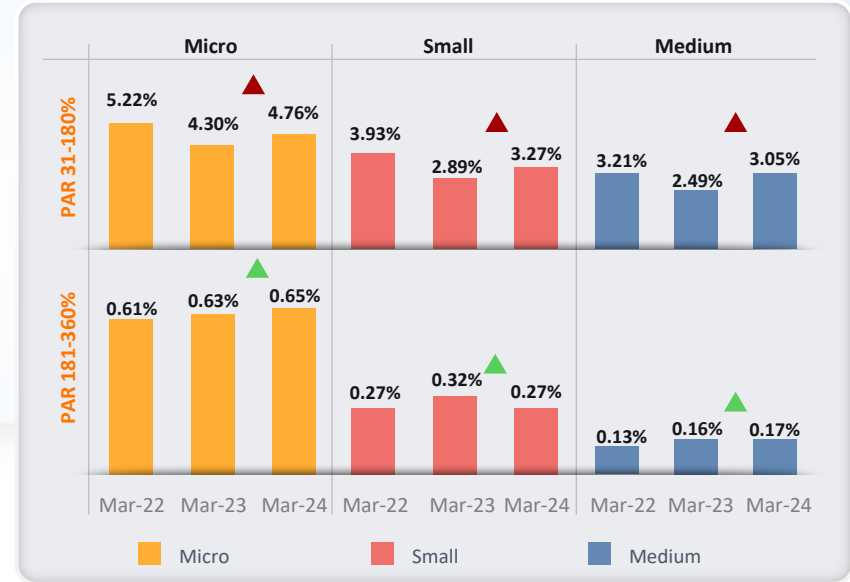
**2** Micro Segment Continues to be the largest Contributor, Medium Segment displays milder growth

# Micro Portfolio Grows Fastest By Value, Small Segment By Active Loans Between Mar'23 And Mar'24. Increase in Portfolio Risk Across All Segments

Portfolio Share – Borrower Segment



Delinquency - Borrower Segment

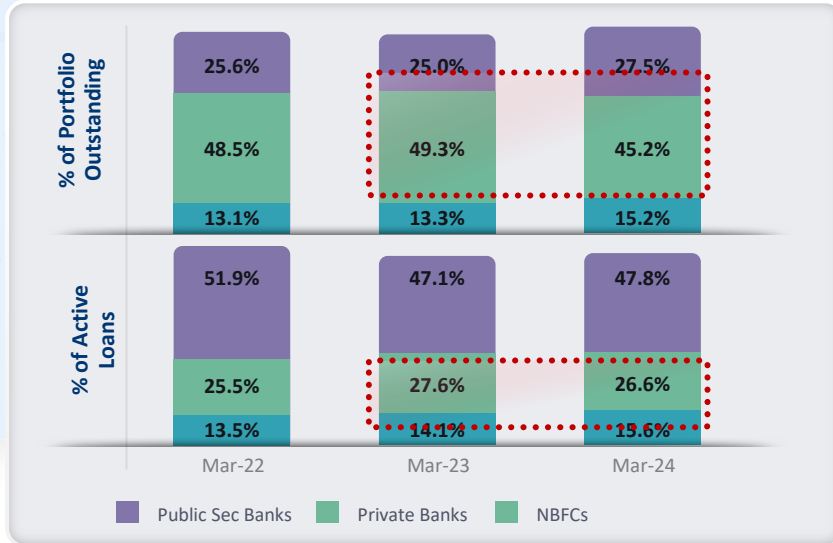


1 Micro Segment grows by **14.9%** (by value), while small segment grows by **6.7%** (by volume)

2 PAR **31-180%** increases across all Segments – Micro, Small and Medium from Mar'23 to Mar'24

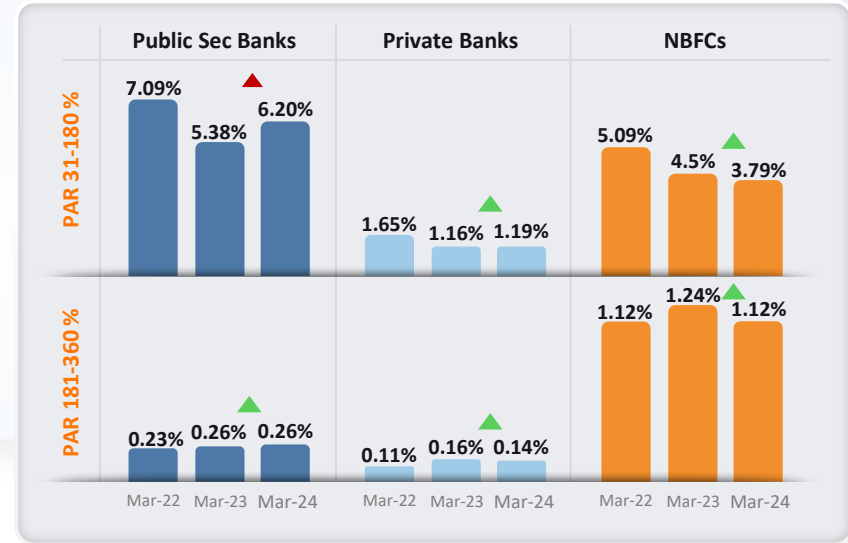
# Public Sector Banks and NBFCs gain market while Private Banks lose. Increase in Delinquency for PSU Banks, Stable for Private Banks, Decline for NBFCs

Market Share - Lender Type



Remaining Lender Types are not presented in this analysis

Delinquency - Lender Type



1 Public Sec Banks and NBFCs gain while Private Banks lose market share of portfolio Outstanding

2 NBFCs gain, Private Banks slip and Public Sec Banks hold steady market share of active loans

3 Deterioration in PAR 31-180% for PSU banks, Stable for Pvt Banks and improvement for NBFCs from Mar'23 to Mar'24

# Individual MSME Loans



Loans given to **self employed individuals** in their **individual name** and reported to **Consumer bureau**

## Loan Types Includes:

Business  
Loans (BL)

Property  
Loans (LAP)

Commercial Vehicle  
Loans (CVL)

Construction Equipment  
Loans (CEL)

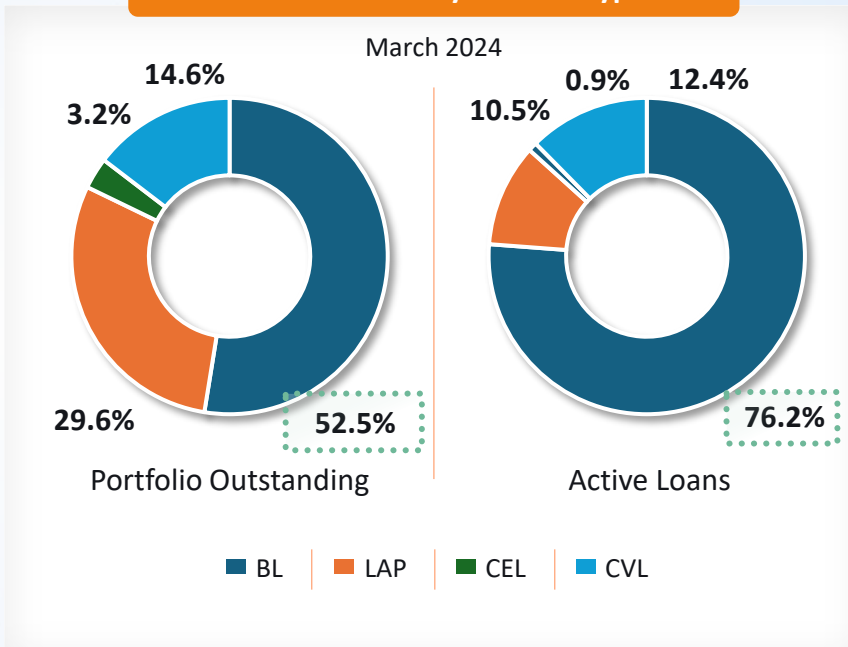
# Strong Portfolio Growth and Improvement Across All Delinquency Bands

## Portfolio Snapshot

	Mar-22	Mar-23	Mar-24
Portfolio Outstanding (₹ L Cr)	24.1	27.7	35.7
Y-O-Y Growth %		14.7%	29.0%
Active Loans (Lakh)	547.1	564.7	672.3
Y-O-Y Growth %		3.2%	19.1%
PAR 31-90%	3.6%	3.0%	2.7%
PAR 91-180%	1.9%	1.5%	1.1%
PAR 181-360%	1.2%	0.9%	0.7%
PAR 360+%	11.0%	10.4%	7.3%

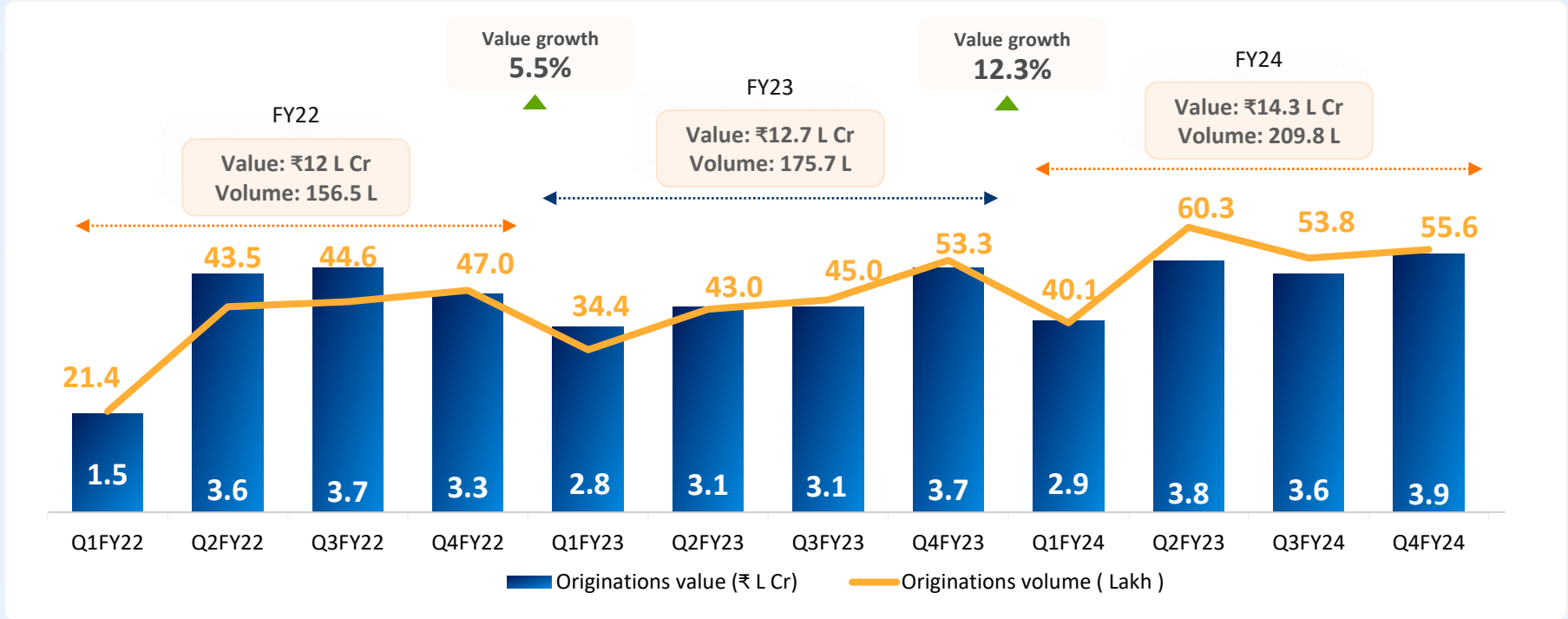
1 Improvement in PAR 31-90%, PAR 91-180% & PAR 180+% from Mar'23 to Mar'24

## Market Share – By Product Type



2 Business Loans constitute 76% by volume, 52.5% by value as of Mar'24

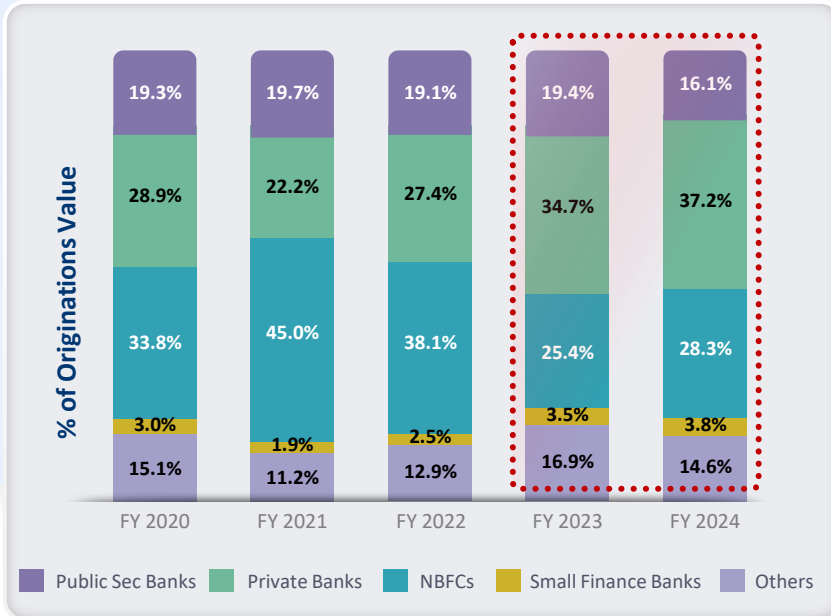
# Continuous and Accelerated Growth in Originations Over Last Two Years



- 1 12.6% Y-o-Y growth in Originations value in FY24, increasing from 5.5% Y-o-Y growth in FY23
- 2 19.4% Y-o-Y growth in Originations volume in FY24, increasing from 12.8% Y-o-Y growth in FY23
- 3 ATS for Individual MSME declined from ₹7.2L in FY23 to ₹6.8L in FY24

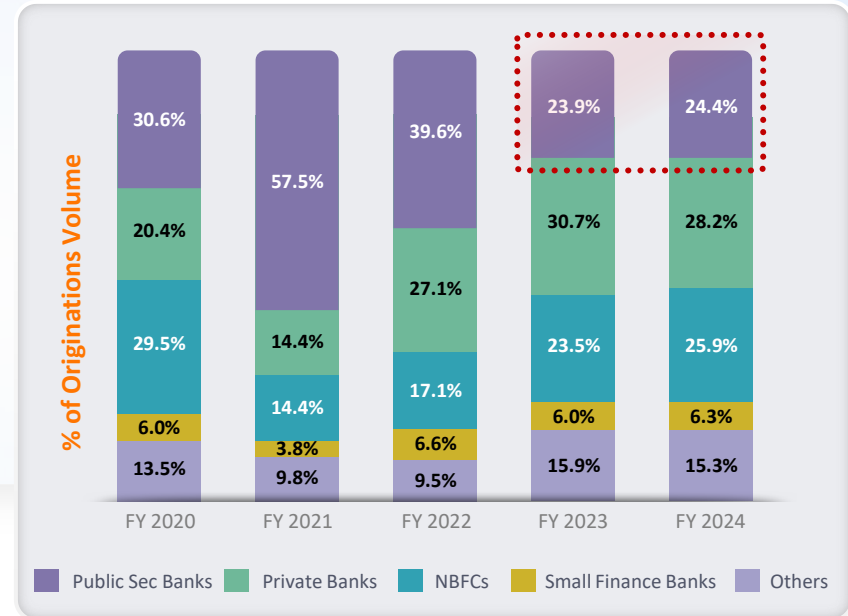
# PSU Banks lose Market Share to Pvt Banks and NBFCs

## Originations Value - Lender Type



1 Decline in Originations share (Value) for Public Sec Banks, increase in Volume share from FY23 to FY 24

## Originations Volume - Lender Type

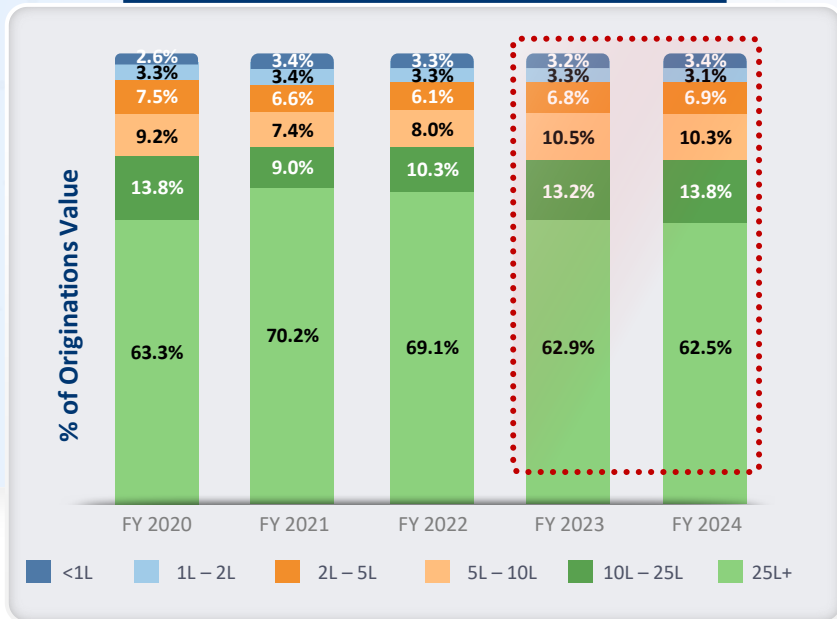


2 Increase in Originations share (Value) for Pvt Banks, NBFCs and SFBs during the same period



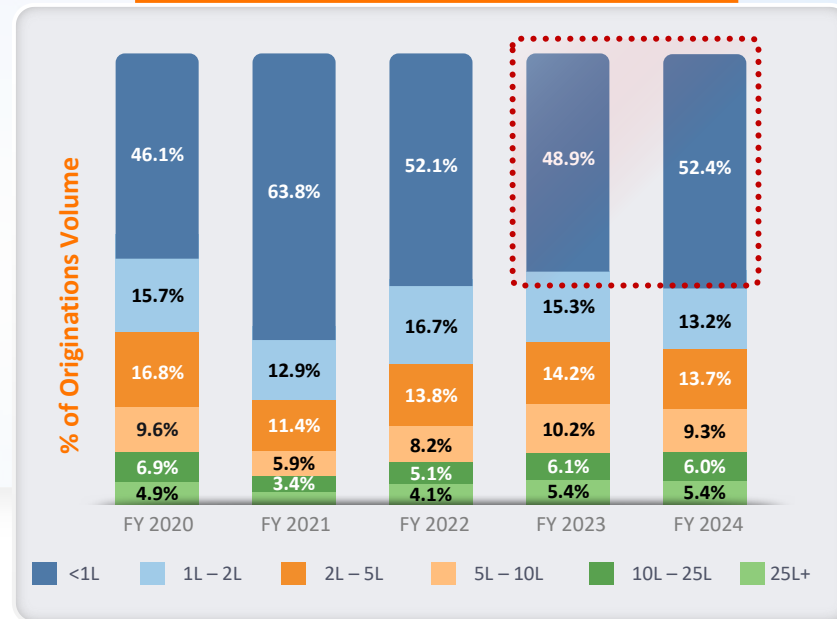
# Higher Supply For <₹10L Ticket Size Loans - Driving ~90% of Originations (Volume) While Contributing ~25% to Originations (Value)

Originations Value by Ticket Size (₹)



1 Increase in Originations share (by volume) of <₹1L ticket size loans from FY23 to FY24

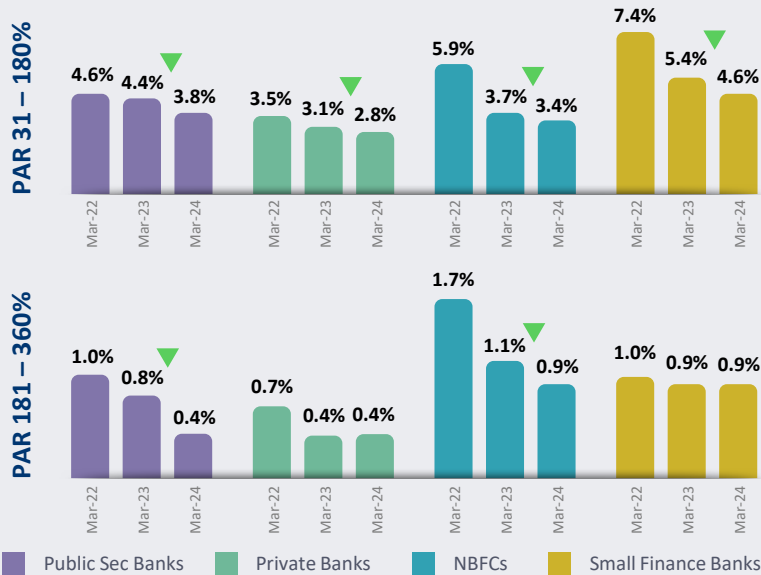
Originations Volume by Ticket Size (₹)



2 Stable Originations share (by value) across all ticket sizes from FY23 to FY24

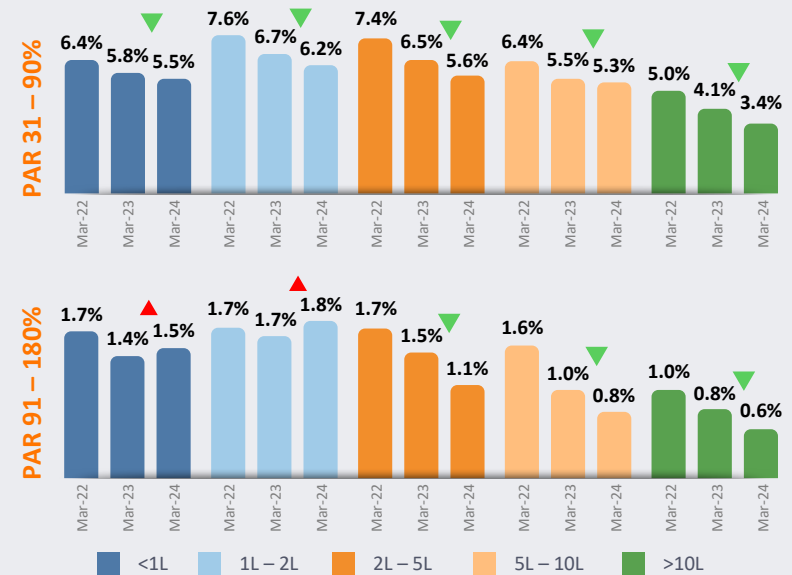
# Performance of Individual MSME loans improved across all Lender Type & Ticket Sizes

## Delinquency – Lender Type



1 PAR 31-180% and PAR 181-360% improved across all lender types from Mar'23 to Mar'24

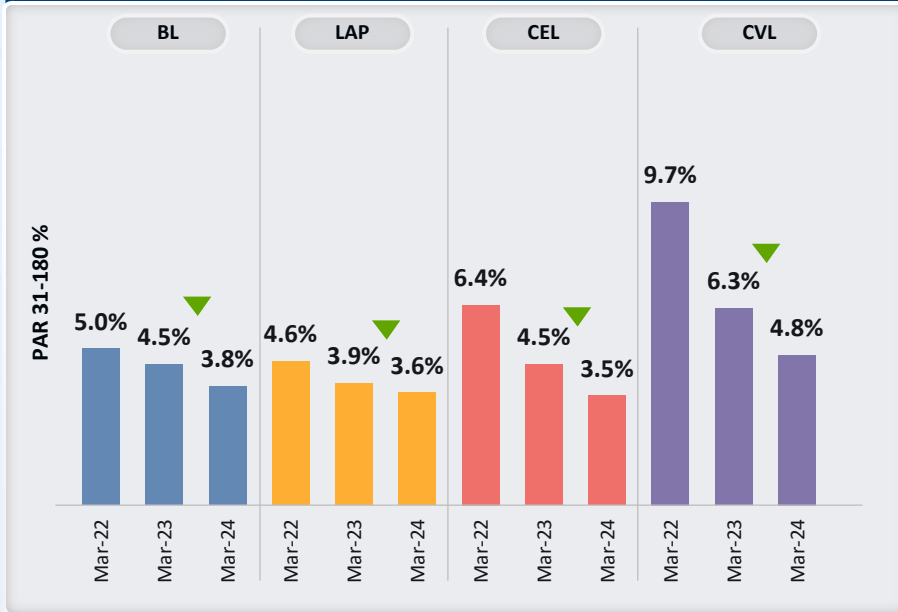
## Delinquency – Ticket Size



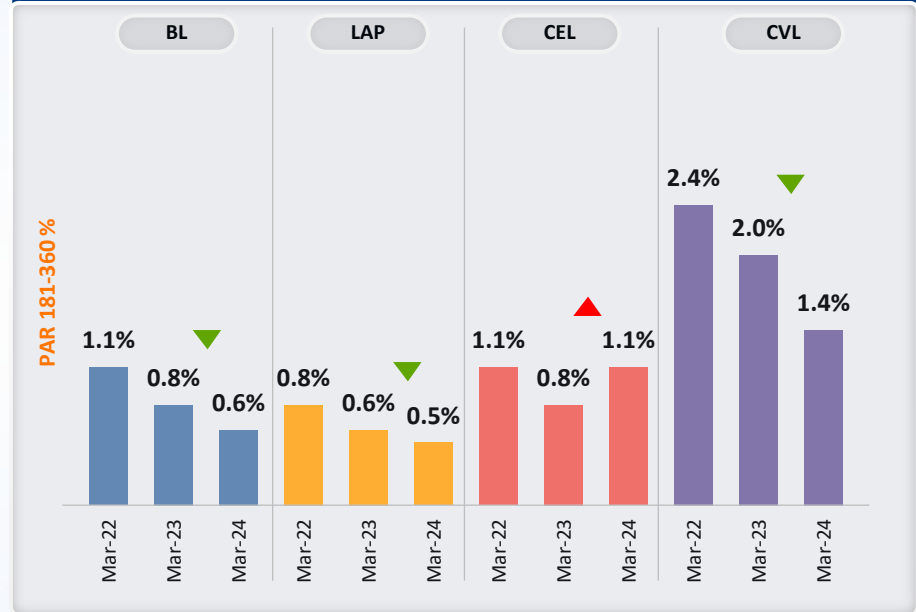
2 PAR 31-180% improved across all ticket sizes, PAR 181-360% improved for >₹2L ticket size loans from Mar'23 to Mar'24

# Improvement in Performance across Product Categories. Commercial Vehicle loans show sharpest improvement

Delinquency (PAR 31-180 DPD) – Individual MSME Loan Category



Delinquency (PAR 181-360 DPD) – Individual MSME Loan Category



Delinquency improved across all Indv. MSME Loans except for PAR 181-360% for CEL from Mar'23 to Mar'24

# Microfinance Lending

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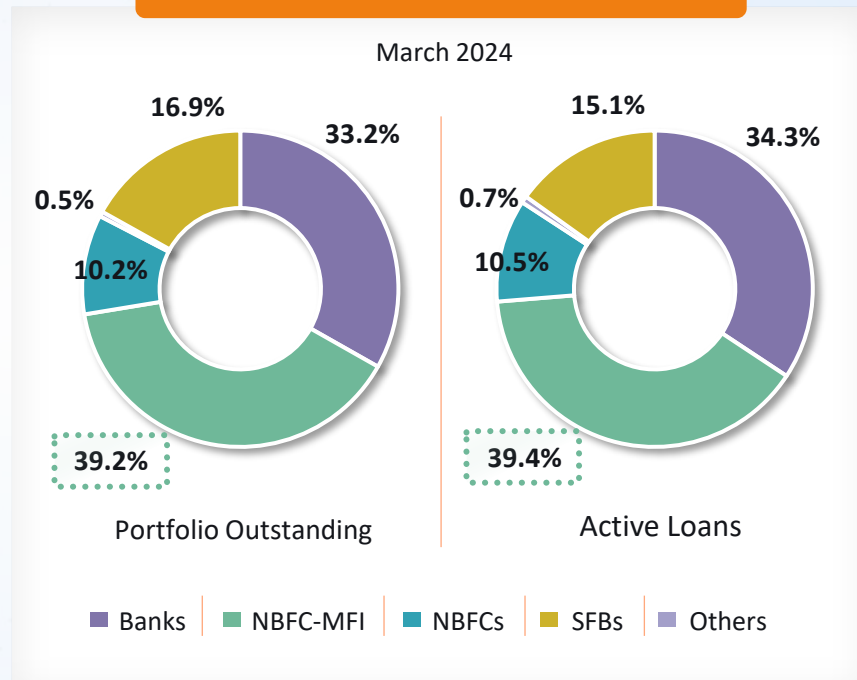
# Sustained Growth in MFI with Stable PAR 31-90% and PAR 91-180%

## Microfinance – Portfolio Snapshot

	Mar-22	Mar-23	Mar-24
Portfolio Outstanding (₹ K Cr)	287.5	349.1	442.7
Y-o-Y Growth%		21.4%	26.8%
Active Loans	12.4	14.2	16.1
Y-o-Y Growth%		14.1%	14.0%
Average Balance Per Account (₹ K)	23.2	24.7	27.4
Active Balance Per Borrower (₹ K)	45.7	45.7	45.7
PAR 31-90 %	3.3%	1.1%	1.2%
PAR 91-180 %	2.7%	1.1%	0.9%
PAR 180+%	8.4%	9.1%	9.6%
Write Off (Amt %)	4.8%	7.7%	8.6%

1 Dominated by NBFC-MFIs and Banks by Value and Volume

## Microfinance – Market Share

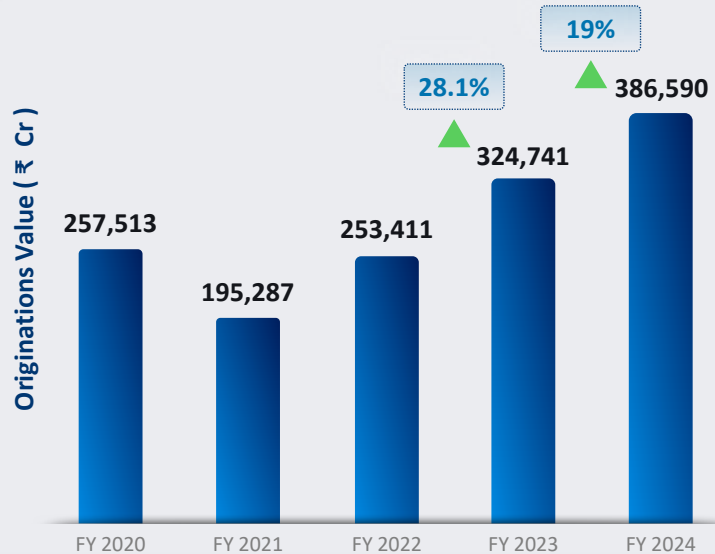


2 Stable PAR 31-90% and PAR 91-180% as of Mar'24 compared to Mar'23

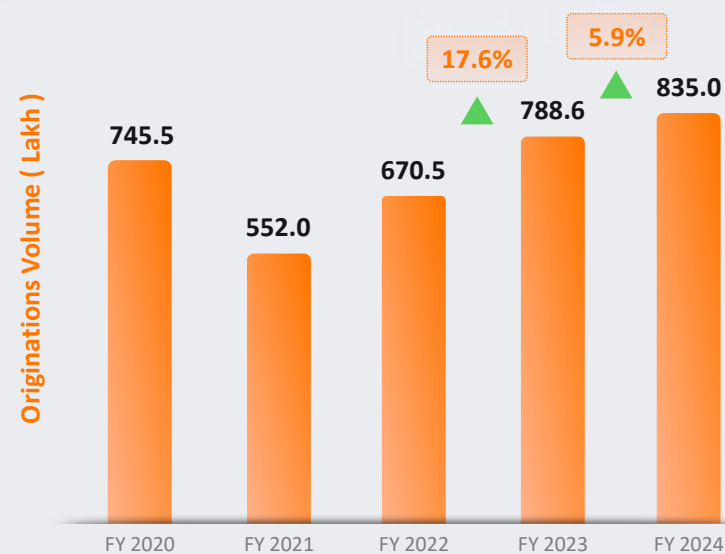


# Decline in Y-o-Y growth in Originations in FY24 compared to FY23

### Originations Value



### Originations Volume



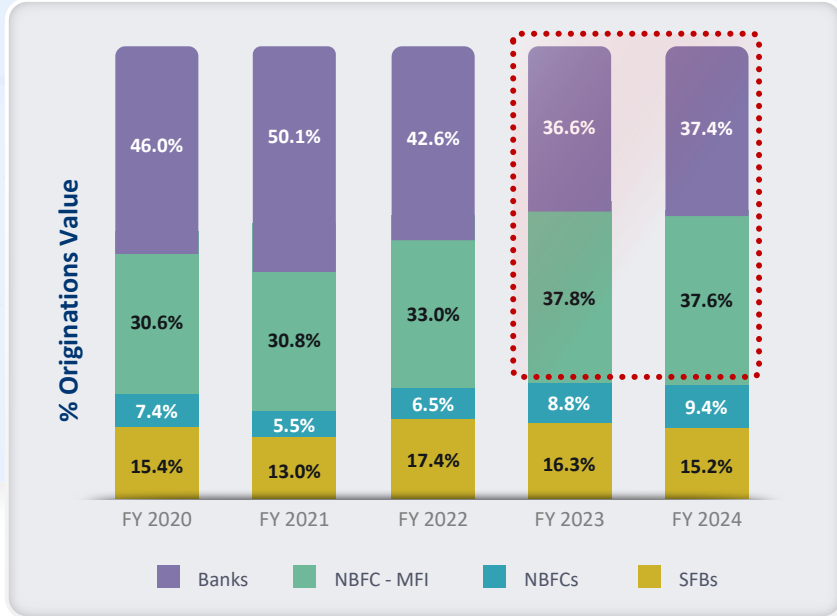
**1** 19% Y-o-Y growth in Originations value in FY24, declining from 28.1% Y-o-Y growth in FY23

**2** 5.9% Y-o-Y growth in Originations volume in FY24, declining from 17.6% Y-o-Y growth in FY23

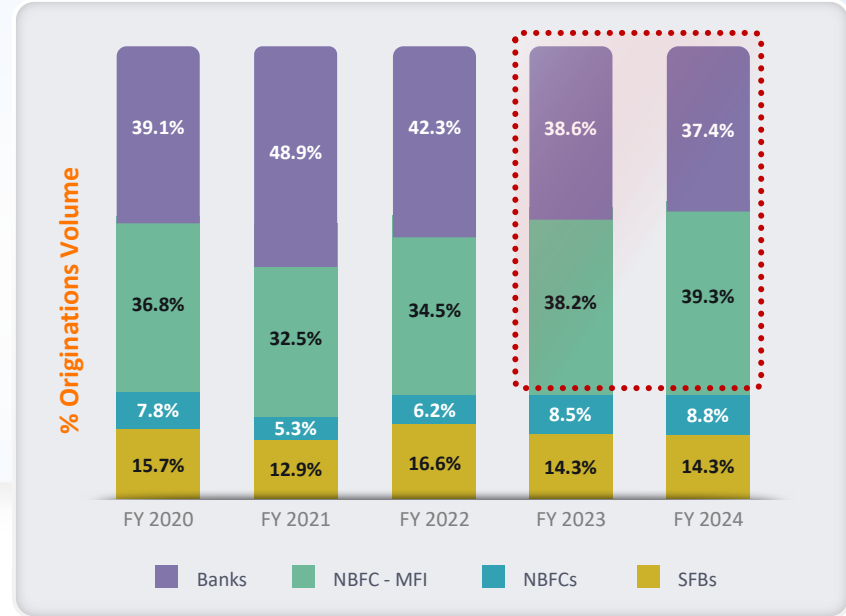
**3** 11% increase in Average Ticket Size from ₹40.9K in FY23 to ₹45.4K in FY24

# Banks gain market share by Value, NBFC MFIs lose share in FY24. Banks share growth is backed by higher ATS

Originations value by Lender Type



Originations volume by Lender Type

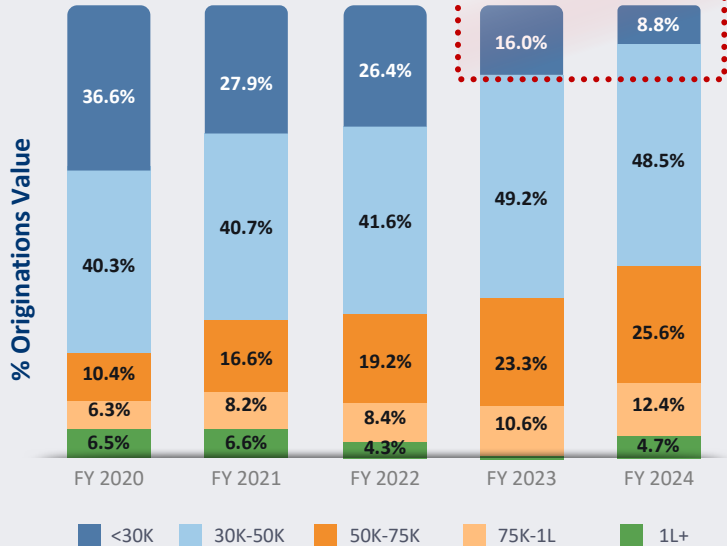


1 Y-o-Y increase in Originations share (by value) for Banks, while losing Originations share (by volume) in FY24

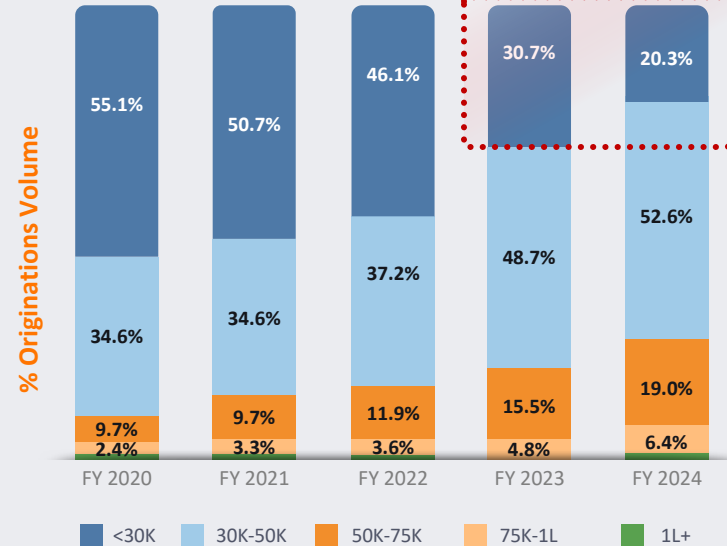
2 Y-o-Y decline in Originations share (by value) for NBFC-MFIs, while gaining Originations share (by volume)

# Step Deceleration in <=₹30K Ticket Size. MFI Originations move to Higher Ticket Sizes

Originations value by Ticket Size (₹)



Originations volume by Ticket Size (₹)



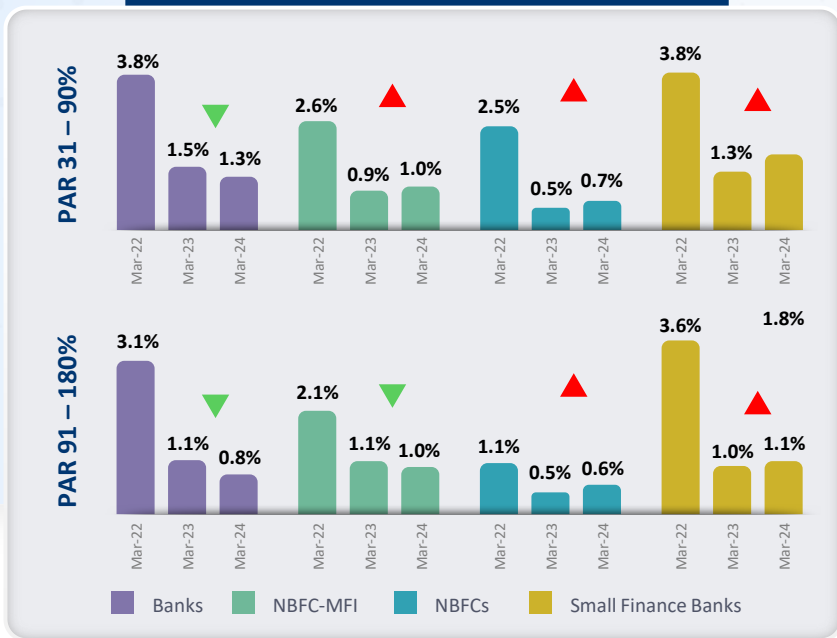
1 ATS of Banks increased by 19% from ₹39.1K to ₹46.4K and by 9% from ₹40.7K to ₹44.3K for NBFC-MFIs from FY23 to FY24



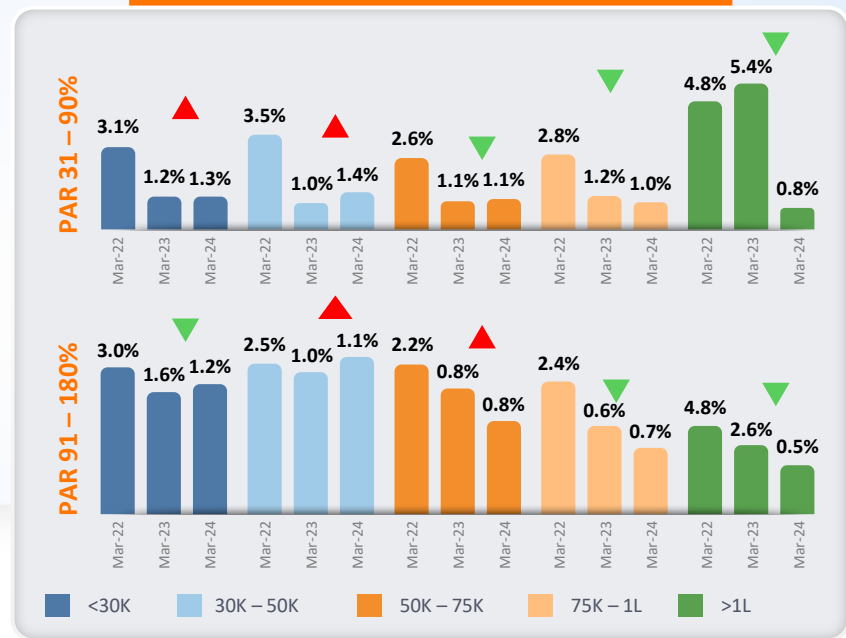
# Performance of Banks Improves, NBFCs and SFBs witness Deterioration

## Steep Improvement in Performance of Higher Ticket size Loans >1L

Delinquency– Lender Type



Delinquency– Ticket Size



- 1 Improvement in **PAR 31-90%** for Banks & **PAR 91-180%** for Banks and NBFC MFIs
- 2 **PAR 31-180%** highest for <₹ 30K loans
- 3 **PAR 31-90%** improved for all ticket sizes >₹50K from Mar'23 to Mar'24

# Higher PAR 180+ and write-offs in MFI is a cascading effect of the disbursements made in FY21 & FY22

Disbursal Period	POS 180+ (₹ Cr)	Cumulative Write-Off Amt (₹ Cr)	POS 180+ and Cumulative Write-Off (₹ Cr)	Reporting Period	GLP (₹ Cr)	PAR 31-180%	PAR 91-180%	PAR 180+%	Write-Off (Amount) %
Pre-FY 20-21	18,474	25,490	43,964	Mar 20	2.34	1.7%	0.8%	4.1%	1.6%
FY 20-21	9,875 ▼	6,212 ▼	16,087 ▼	Mar 21	2.60	9.4% ▲	4.2%	4.4%	3.1%
FY 21-22	7,614 ▼	4,913 ▼	12,527 ▼	Mar 22	2.86	6.0% ▼	2.7%	8.4%	4.8%
FY 22-23	5,459 ▼	1,048 ▼	6,507 ▼	Mar 23	3.49	2.2% ▼	1.1%	9.1%	7.7%
FY 23-24	397 ▼	40 ▼	437 ▼	Mar 24	4.43	2.1% ▼	0.9%	9.6%	8.6%

1

Significant reduction in Portfolio moving to PAR 180+ and write-off for loans disbursed in FY23 and FY24 compared to previous 2 years

2

Stress observed in MFI Portfolio for the year ending Mar'20 to Mar'22 can be attributed to the impact of the pandemic and signs of recovery are evident from FY 22-23 onwards

## 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 and analysis of key parameters such as portfolio growth, risk and originations across lender types and ticket sizes over the last 5 financial years



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