

30 December 2023

Sectoral growth in Credit: November 2023

The sectoral growth in credit provides useful insights on which sectors are borrowing funds and hence driving the investment and production cycles. The table below provides data on growth across sectors.

Deployment of Gross Bank Credit by Major Sectors			
Rs cr	17.Nov,2023	2022/2021	2023/2022
		%	%
Bank Credit (II + III)	1,56,20,554	17.2	20.6
	<i>1,50,39,956</i>		<i>(16.2)</i>
Food Credit	40,261	-36.6	-22.9
Non-food Credit	1,55,80,294	17.6	20.8
	<i>1,49,99,695</i>		<i>(16.3)</i>
1. Agriculture and Allied Activities	19,31,215	14.0	18.2
2. Industry	36,00,876	13.0	6.6
	<i>35,83,164</i>		<i>(6.1)</i>
Micro and Small	6,89,502	19.5	17.2
Medium	2,83,774	27.9	12.0
Large	26,27,599	10.3	3.6
3. Services	42,64,761	21.3	25.4
	<i>41,45,875</i>		<i>(21.9)</i>
Transport Operators	2,18,897	11.8	24.4
Professional Services	1,55,924	12.5	21.1
Trade	9,10,846	16.0	19.0
Commercial Real Estate	4,28,720	7.7	37.5
	<i>3,62,185</i>		<i>(16.2)</i>
Non-Banking Financial Companies (NBFCs)	14,93,751	32.4	21.5
Other Services	9,06,037	25.2	36.2
	<i>8,68,549</i>		<i>(30.6)</i>
4. Personal Loans	50,56,524	19.9	30.1
	<i>46,12,590</i>		<i>(18.6)</i>
Housing (Including Priority Sector Housing)	25,94,106	16.6	37.0
	<i>21,77,221</i>		<i>(15.0)</i>
Advances against Fixed Deposits	1,12,983	30.2	17.2
Credit Card Outstanding	2,44,689	25.8	34.2
Education	1,11,868	12.9	22.8
Vehicle Loans	5,64,785	22.3	20.8
Loans against gold jewellery	1,00,279	17.8	18.5
Other Personal Loans	12,96,385	24.0	24.3
	<i>12,69,843</i>		<i>(21.7)</i>

Note: Figures in italics exclude numbers of HDFC Limited

As can be seen:

1. Personal loans have share of 32.3% and services 29%. Industry has share of just 25.1% followed by agriculture with 13.5%. The matrix is clearly tilted to personal and services with industry diminishing in importance.
2. Three of the 4 segments witnessed higher growth in credit in period Nov 2022-Nov 2023.
3. The only sector to witness lower growth was industry where large industry slowed down from 10.3% to 3.6%.
4. All major categories in services grew at a higher rate in 8M-FY24 relative to last year.
5. Within personal loans housing has share of 47.2% followed by other personal loans with 28.1%. The latter has retained growth of 24.3% this year and is higher than that of housing and auto loans.

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