



PHD Research Bureau
PHD Chamber of Commerce and Industry



Gross Bank Credit growth stands at 7.9% in February 2022

Gross bank credit growth (year-on-year) stands at 7.9% in February 2022 as compared to 6.6% in February 2021. Gross bank credit y-o-y growth stood at 8.2% in January 2022.

Highlights:

- On a year-on-year (y-o-y) basis, non-food bank credit registered a growth of 8.0 per cent in February 2022 as compared to 6.6 per cent a year ago.
- Credit to agriculture and allied activities continued to perform well, registering an accelerated growth of 10.4 per cent in February 2022 as compared to 8.6 per cent in February 2021.
- Credit growth to industry accelerated to 6.5 per cent in February 2022 from 1.0 per cent in February 2021. Size-wise, credit to medium industries registered high growth of 71.4 per cent in February 2022 as compared to 30.6 per cent last year. Credit growth to micro and small industries accelerated to 19.9 per cent from 3.1 per cent and credit to large industries recorded a marginal growth of 0.5 per cent against a contraction of 0.6 per cent during the same period.
- Within industry, credit growth to 'all engineering', 'chemicals & chemical products', 'food processing', 'infrastructure', 'leather & leather products', 'mining and quarrying', 'petroleum, coal products & nuclear fuels' and 'rubber plastic & their products' accelerated in February 2022 as compared to the corresponding month of the previous year. However, credit growth to 'basic metal & metal products', 'beverage and tobacco', 'cement & cement products', 'construction', 'glass & glassware', 'gems & jewellery', 'paper & paper products', 'textile', 'vehicles, vehicle parts & transport equipment' and 'wood & wood products' decelerated/contracted.
- Credit growth to services sector stood at 5.6 per cent in February 2022 as compared to 8.8 per cent a year ago. Within services, credit growth to NBFCs improved significantly to 14.6 per cent in February 2022 from 7 per cent a year ago.
- Personal loans segment continued to expand at a robust rate and grew by 12.3 per cent in February 2022 from 9.6 per cent in February 2021, driven primarily by housing loans and vehicle loans.

Statement 1: Deployment of Gross Bank Credit by Major Sectors
(Rs. Crore)

Sector	Outstanding as on		Variation (Year-on-Year)	
	26.Feb,2021	25.Feb,2022	26.Feb,2021 / 28.Feb,2020	25.Feb,2022 / 26.Feb,2021
			%	%
I. Gross Bank Credit (II + III)	10774742	11627008	6.6	7.9
II. Food Credit	75206	68224	14.6	-9.3
III. Non-food Credit	10699536	11558783	6.6	8.0
1. Agriculture and Allied Activities	1312285	1448928	8.6	10.4
2. Industry (Micro and Small, Medium and Large)	2945152	3135271	1.0	6.5
2.1. Micro and Small ¹	404155	484465	3.1	19.9
2.2. Medium	137116	235050	30.6	71.4
2.3. Large	2403881	2415757	-0.6	0.5
3. Services	2808122	2966593	8.8	5.6
3.1. Transport Operators	141683	149178	7.9	5.3
3.2. Computer Software	17698	20134	-4.5	13.8
3.3. Tourism, Hotels and Restaurants	57440	64607	2.7	12.5
3.4. Shipping	8418	7480	30.9	-11.1
3.5. Aviation	26652	23221	35.1	-12.9
3.6. Professional Services	106349	113204	-35.7	6.4
3.7. Trade	600840	687305	10.2	14.4
3.7.1. Wholesale Trade (other than food procurement)	297113	336982	14.0	13.4
3.7.2. Retail Trade	303727	350322	6.7	15.3
3.8. Commercial Real Estate	288760	288221	0.1	-0.2
3.9. Non-Banking Financial Companies (NBFCs) ² of which,	895996	1027183	7.0	14.6
3.9.1. Housing Finance Companies (HFCs)	191432	235080	6.1	22.8
3.9.2. Public Financial Institutions (PFIs)	80092	118244	144.6	47.6
3.10. Other Services ³	664286	586058	29.8	-11.8
4. Personal Loans	2944789	3306650	9.6	12.3
4.1. Consumer Durables	17055	26587	64.1	55.9
4.2. Housing (Including Priority Sector Housing)	1478790	1578125	8.9	6.7
4.3. Advances against Fixed Deposits (Including FCNR (B), NRNR Deposits etc.)	60741	76579	-12.2	26.1
4.4. Advances to Individuals against share, bonds, etc.	4957	5968	-14.1	20.4
4.5. Credit Card Outstanding	131068	144004	6.8	9.9
4.6. Education	64554	63130	-3.0	-2.2
4.7. Vehicle Loans	298874	329636	7.5	10.3
4.8. Loans against gold jewellery	56596	71408	75.9	26.2
4.9. Other Personal Loans	832154	1011213	11.9	21.5
5. Priority Sector (Memo)				
5.1. Agriculture and Allied Activities ⁴	1263614	1375748	9.4	8.9
5.2. Micro and Small Enterprises ⁵	1211174	1312435	7.9	8.4
5.3. Medium Enterprises ⁶	207995	298107	45.6	43.3

5.4. Housing	496751	487611	-4.5	-1.8
5.5. Educational Loans	48610	45643	-9.8	-6.1
5.6. Renewable Energy	1495	2573	38.9	72.1
5.7. Social Infrastructure	2439	2480	107.0	1.7
5.8. Export Credit	27983	29721	2.8	6.2
5.9. Others	17366	40603	-25.2	133.8
5.10. Weaker Sections including net PSLC- SF/MF	837992	933147	14.9	11.4
Note 1: Data are provisional. Gross bank credit and non-food credit data are based on Section - 42 return, which covers all scheduled commercial banks (SCBs), while sectoral non-food credit data are based on sector-wise and industry-wise bank credit (SIBC) return, which covers select banks accounting for about 94 per cent of total non-food credit extended by all SCBs.				
Note 2: With effect from January 2021, sectoral credit data are based on revised format due to which values and growth rates of some of the existing components published earlier have undergone some changes.				
¹ Micro & Small includes credit to micro & small industries in the manufacturing sector.				
² NBFCs include HFCs, PFIs, Microfinance Institutions (MFIs), NBFCs engaged in gold loan and others.				
³ Other Services include Mutual Fund (MFs), Banking and Finance other than NBFCs and MFs and other services which are not indicated elsewhere under services.				
⁴ Agriculture and Allied Activities also include priority sector lending certificates (PSLCs).				
⁵ Micro and Small Enterprises include credit to micro and small enterprises in manufacturing and services sector and also include PSLCs.				
⁶ Medium Enterprises include credit to medium enterprises in the manufacturing and services sector.				

Source: PHD Research Bureau, PHD Chamber, compiled from RBI

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Warm Regards,

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