



PHD Research Bureau
PHD Chamber of Commerce and Industry



Gross Bank Credit growth stands at 12.1% in May 2022

Gross bank credit growth (year-on-year) stands at 12.1% in May 2022 as compared to 4.9% in May 2021. Gross bank credit y-o-y growth stood at 11.1% in April 2022.

Highlights:

- Credit to agriculture and allied activities grew by 11.8 per cent in May 2022 as compared with 9.4 per cent a year ago.
- Credit growth to industry accelerated to 8.7 per cent in May 2022 from 0.2 per cent in May 2021. Size-wise, credit to medium industries grew by 49.3 per cent in May 2022 as compared with 47.9 per cent last year. Credit growth to micro and small industries continued to perform well, registering accelerated growth of 33.0 per cent from 8.9 per cent, while credit to large industries recorded a growth of 1.9 per cent against a contraction of 3.1 per cent during the same period last year.
- Within industry, credit growth to 'all engineering', 'beverage & tobacco', 'chemicals & chemical products', 'infrastructure', 'mining and quarrying', 'petroleum, coal products & nuclear fuels', 'rubber, plastic & their products' and 'vehicles, vehicle parts & transport equipment' accelerated in May 2022 as compared with the corresponding month of the previous year. However, credit growth to 'basic metal & metal products', 'cement & cement products', 'construction', 'food processing', 'gems & jewellery', 'glass & glassware', 'leather & leather products', 'paper & paper products', 'textiles' and 'wood & wood products' decelerated/contracted.
- Credit to services sector grew by 12.9 per cent in May 2022 as compared with 3.4 per cent a year ago, mainly due to improved offtake by 'NBFCs', 'professional services' and 'transport operators'.
- Personal loans segment maintained its uptrend and grew by 16.4 per cent in May 2022 vis-a-vis 12.8 per cent in May 2021, primarily driven by 'housing' and 'vehicle loans' segments.

Statement 1: Deployment of Gross Bank Credit by Major Sectors				
(Rs. Crore)				
Sector	Outstanding as on		Variation (Year-on-Year)	
	21.May,2021	20.May,2022	21.May,2021 / 22.May,2020	20.May,2022 / 21.May,2021
			%	%
I. Gross Bank Credit (II + III)	10727269	12027305	4.9	12.1
II. Food Credit	90663	53254	14.2	-41.3
III. Non-food Credit	10636606	11974051	4.9	12.6
1. Agriculture and Allied Activities	1326698	1483557	9.4	11.8
2. Industry (Micro and Small, Medium and Large)	2910571	3164938	0.2	8.7
2.1. Micro and Small ¹	414750	551566	8.9	33.0
2.2. Medium	146312	218446	47.9	49.3
2.3. Large	2349509	2394926	-3.1	1.9
3. Services	2695701	3043206	3.4	12.9
3.1. Transport Operators	141831	152061	3.8	7.2
3.2. Computer Software	19270	19241	-1.9	-0.1
3.3. Tourism, Hotels and Restaurants	59088	64358	10.2	8.9
3.4. Shipping	5719	7617	-7.7	33.2
3.5. Aviation	27647	22382	8.6	-19.0
3.6. Professional Services	109853	119143	-3.2	8.5
3.7. Trade	629945	714543	15.4	13.4
3.7.1. Wholesale Trade (other than food procurement)	325833	377061	20.4	15.7
3.7.2. Retail Trade	304112	337481	10.5	11.0
3.8. Commercial Real Estate	290337	300774	2.8	3.6
3.9. Non-Banking Financial Companies (NBFCs) ² of which,	908834	1095777	-1.1	20.6
3.9.1. Housing Finance Companies (HFCs)	255908	289048	1.5	12.9
3.9.2. Public Financial Institutions (PFIs)	80304	142580	138.3	77.5
3.10. Other Services ³	503176	547311	-0.4	8.8
4. Personal Loans	2979579	3467812	12.8	16.4
4.1. Consumer Durables	17168	29593	14.7	72.4
4.2. Housing (Including Priority Sector Housing)	1502877	1708911	11.0	13.7
4.3. Advances against Fixed Deposits (Including FCNR (B), NRNR Deposits etc.)	66580	77906	2.6	17.0
4.4. Advances to Individuals against share, bonds, etc.	5269	6172	6.1	17.2
4.5. Credit Card Outstanding	118512	154137	14.3	30.1
4.6. Education	77941	82721	0.1	6.1
4.7. Vehicle Loans	366623	418350	11.3	14.1
4.8. Loans against gold jewellery	75984	73752	126.0	-2.9
4.9. Other Personal Loans	748626	916270	13.6	22.4

5. Priority Sector (Memo)				
5.1. Agriculture and Allied Activities ⁴	1307555	1457961	10.1	11.5
5.2. Micro and Small Enterprises ⁵	1120944	1423956	-4.0	27.0
5.3. Medium Enterprises ⁶	216816	357217	51.2	64.8
5.4. Housing	586715	614155	5.4	4.7
5.5. Educational Loans	59105	57938	-5.7	-2.0
5.6. Renewable Energy	1838	3994	41.7	117.3
5.7. Social Infrastructure	3023	2545	109.5	-15.8
5.8. Export Credit	21435	20801	-2.6	-3.0
5.9. Others	14287	46082	-23.3	222.5
5.10. Weaker Sections including net PSLC- SF/MF	989205	1165808	6.7	17.9
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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