



PHD Research Bureau
PHD Chamber of Commerce and Industry



Gross Bank Credit growth stands at 13.2% in June 2022

Gross bank credit growth (year-on-year) stands at 13.2% in June 2022 as compared to 4.8% in June 2021. Gross bank credit y-o-y growth stood at 12.1% in May 2022.

Highlights:

- Credit to agriculture and allied activities grew by 13.0 per cent in June 2022 as compared with 10.6 per cent a year ago.
- Credit to industry continued to expand, registering 9.5 per cent growth in June 2022 against a contraction of 0.6 per cent in June 2021. Size-wise, credit to medium industries grew by 47.6 per cent in June 2022 as compared with 59.0 per cent last year. Credit growth to micro and small industries accelerated to 29.6 per cent in June 2022 from 11.6 per cent a year ago, while credit to large industries recorded a growth of 3.3 per cent against a contraction of 4.8 per cent during the same period.
- Within industry, credit growth to 'all engineering', 'basic metal & metal products', 'chemicals & chemical products', 'food processing', 'infrastructure', 'leather & leather products', 'mining and quarrying', 'petroleum, coal products & nuclear fuels', 'rubber, plastic & their products', 'vehicles, vehicle parts & transport equipment' and 'wood & wood products' accelerated in June 2022 as compared with the corresponding month of the previous year. However, credit growth to 'beverage & tobacco', 'cement & cement products', 'construction', 'gems & jewellery', 'glass & glassware', 'paper & paper products' and 'textiles' decelerated/contracted.
- Credit growth to services sector improved to 12.8 per cent in June 2022 as compared with 4.0 per cent a year ago, mainly due to improved offtake to 'NBFCs', 'professional services', 'transport operators' and 'trade'.
- Personal loans segment maintained its uptrend and grew by 18.1 per cent in June 2022 vis-a-vis 12.2 per cent in June 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)	
	18.Jun,2021	17.Jun,2022	18.Jun,2021 / 19.Jun,2020	17.Jun,2022 / 18.Jun,2021
			%	%
I. Gross Bank Credit (II + III)	10736583	12149034	4.8	13.2
II. Food Credit	86912	43559	-2.7	-49.9
III. Non-food Credit	10649671	12105475	4.9	13.7
1. Agriculture and Allied Activities	1328731	1500875	10.6	13.0
2. Industry (Micro and Small, Medium and Large)	2894061	3168168	-0.6	9.5
2.1. Micro and Small ¹	427870	554398	11.6	29.6
2.2. Medium	149554	220669	59.0	47.6
2.3. Large	2316637	2393101	-4.8	3.3
3. Services	2721667	3070538	4.0	12.8
3.1.Transport Operators	139360	152045	3.5	9.1
3.2.Computer Software	19965	19687	2.2	-1.4
3.3. Tourism, Hotels and Restaurants	59574	63973	10.0	7.4
3.4. Shipping	7239	7205	22.2	-0.5
3.5. Aviation	28190	21733	14.0	-22.9
3.6. Professional Services	109121	120107	-3.6	10.1
3.7. Trade	628496	733416	13.8	16.7
3.7.1. Wholesale Trade (other than food procurement)	324592	384026	18.2	18.3
3.7.2. Retail Trade	303904	349390	9.5	15.0
3.8. Commercial Real Estate	289057	298732	1.6	3.3
3.9. Non-Banking Financial Companies (NBFCs) ² <i>of which,</i>	909042	1101044	-1.1	21.1
3.9.1. Housing Finance Companies (HFCs)	253069	283992	0.8	12.2

3.9.2. Public Financial Institutions (PFIs)	85384	140173	144.4	64.2
3.10. Other Services ³	531624	552596	4.2	3.9
4. Personal Loans	2980902	3520062	12.2	18.1
4.1. Consumer Durables	17178	30461	13.7	77.3
4.2. Housing (Including Priority Sector Housing)	1511985	1740921	11.1	15.1
4.3. Advances against Fixed Deposits (Including FCNR (B), NRRR Deposits etc.)	70048	78429	6.8	12.0
4.4. Advances to Individuals against share, bonds, etc.	5385	6547	-15.4	21.6
4.5. Credit Card Outstanding	116994	152931	7.7	30.7
4.6. Education	77789	84375	0.1	8.5
4.7. Vehicle Loans	363427	427654	10.5	17.7
4.8. Loans against gold jewellery	74447	75024	111.3	0.8
4.9. Other Personal Loans	743648	923719	13.1	24.2
5. Priority Sector (Memo)				
5.1. Agriculture and Allied Activities ⁴	1339890	1450586	12.5	8.3
5.2. Micro and Small Enterprises ⁵	1155564	1429973	-0.6	23.7
5.3. Medium Enterprises ⁶	226623	363489	63.2	60.4
5.4. Housing	586328	616839	5.4	5.2
5.5. Educational Loans	58740	57931	-6.2	-1.4
5.6. Renewable Energy	2030	3868	54.4	90.5
5.7. Social Infrastructure	3058	2586	108.4	-15.4
5.8. Export Credit	25293	18582	22.2	-26.5
5.9. Others	25363	46243	32.7	82.3
5.10. Weaker Sections including net PSLC- SF/MF	954371	1190612	7.2	24.8
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 93 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.

Note 3: Bank credit growth are adjusted for past reporting errors by select SCBs.

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.

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

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Warm Regards,

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