



PHD Research Bureau
PHD Chamber of Commerce and Industry



Gross Bank Credit growth stands at 14.5% in July 2022

Gross bank credit growth (year-on-year) stands at 14.5% in July 2022 as compared to 5% in July 2021. Gross bank credit y-o-y growth stood at 13.2% in June 2022.

Highlights:

- Credit growth to agriculture and allied activities improved to 13.2 per cent in July 2022 from 11.1 per cent a year ago.
- Credit growth to industry accelerated to 10.5 per cent in July 2022 from 0.4 per cent in July 2021. Size-wise, credit to large industry grew by 5.2 per cent against a contraction of 3.8 per cent a year ago. Medium industries recorded credit growth of 36.8 per cent in July 2022 as compared with 59.0 per cent last year, while credit growth to micro and small industries accelerated to 28.3 per cent from 10.5 per cent during the same period.
- Within industry, credit growth to 'all engineering', 'basic metal & metal products', 'cement & cement products', 'chemicals & chemical products', 'food processing', 'infrastructure', 'leather & leather products', 'mining and quarrying', 'rubber, plastic & their products', 'vehicles, vehicle parts & transport equipment' and 'wood & wood products' accelerated in July 2022 as compared with the corresponding month of the previous year. However, credit growth to 'beverage & tobacco', 'construction', 'gems & jewellery', 'glass & glassware', 'paper & paper products', 'petroleum, coal products and nuclear fuels' and 'textiles' decelerated/contracted.
- Services sector credit growth improved to 16.5 per cent in July 2022 from 3.8 per cent a year ago, mainly due to improved credit offtake to 'NBFCs' and 'transport operators'.
- Credit growth in the personal loans sector was robust at 18.8 per cent in July 2022 vis-a-vis 11.9 per cent in July 2021 supported 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)

	30.Jul,2021	29.Jul,2022	30.Jul,2021 / 31.Jul,2020	29.Jul,2022 / 30.Jul,2021
			%	%
I. Gross Bank Credit (II + III)	10800511	12369224	5.0	14.5
II. Food Credit	77478	32345	-2.3	-58.3
III. Non-food Credit	10723034	12336880	5.1	15.1
1. Agriculture and Allied Activities	1351072	1529206	11.1	13.2
2. Industry (Micro and Small, Medium and Large)	2880627	3182010	0.4	10.5
2.1. Micro and Small ¹	434388	557251	10.5	28.3
2.2. Medium	160312	219327	59.0	36.8
2.3. Large	2285927	2405433	-3.8	5.2
3. Services	2722774	3171546	3.8	16.5
3.1. Transport Operators	141665	155202	4.6	9.6
3.2. Computer Software	20457	20925	1.6	2.3
3.3. Tourism, Hotels and Restaurants	59881	65089	7.9	8.7
3.4. Shipping	7558	7306	25.9	-3.3
3.5. Aviation	32301	22498	26.5	-30.3
3.6. Professional Services	109606	118567	-4.7	8.2
3.7. Trade	630630	720086	7.5	14.2
3.7.1. Wholesale Trade (other than food procurement)	327579	366135	13.9	11.8
3.7.2. Retail Trade	303052	353950	1.3	16.8
3.8. Commercial Real Estate	284585	294842	-1.1	3.6
3.9. Non-Banking Financial Companies (NBFCs) ² of which,	913694	1163637	0.3	27.4
3.9.1. Housing Finance Companies (HFCs)	255481	305509	4.9	19.6
3.9.2. Public Financial Institutions	83808	157764	144.6	88.2

(PFIs)				
3.10. Other Services ³	522397	603395	8.6	15.5
4. Personal Loans	3024152	3594016	11.9	18.8
4.1. Consumer Durables	18945	32175	42.8	69.8
4.2. Housing (Including Priority Sector Housing)	1522703	1769249	10.7	16.2
4.3. Advances against Fixed Deposits (Including FCNR (B), NRNR Deposits etc.)	64531	87991	0.2	36.4
4.4. Advances to Individuals against share, bonds, etc.	5557	6473	-20.0	16.5
4.5. Credit Card Outstanding	126835	162706	12.3	28.3
4.6. Education	77773	85098	-0.7	9.4
4.7. Vehicle Loans	368230	438973	10.2	19.2
4.8. Loans against gold jewellery	73215	77325	89.5	5.6
4.9. Other Personal Loans	766365	934025	13.2	21.9
5. Priority Sector (Memo)				
5.1. Agriculture and Allied Activities ⁴	1356044	1535442	12.3	13.2
5.2. Micro and Small Enterprises ⁵	1209760	1441472	1.4	19.2
5.3. Medium Enterprises ⁶	246461	367377	67.8	49.1
5.4. Housing	592064	606970	5.7	2.5
5.5. Educational Loans	64601	57499	3.9	-11.0
5.6. Renewable Energy	2245	4239	43.0	88.8
5.7. Social Infrastructure	3012	2535	99.8	-15.8
5.8. Export Credit	25734	17637	23.4	-31.5
5.9. Others	34032	47359	87.1	39.2
5.10. Weaker Sections including net PSLC- SF/MF	985765	1244034	5.7	26.2

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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