The declining trajectory of non-bank credit growth began in the second half of 2018-19 amidst the economic slowdown and continued in fiscal 2020 with the onslaught of the pandemic. The gradual impact of the economic slowdown on the sector was expected to enable defence mechanisms. But, the pandemic rendered an immediate and debilitating impact.

The Reserve Bank of India (RBI) consented to a moratorium on loans from banks until August 2020, but not on non-banks capital market borrowings. The primary challenge for most non-banks, then, is ensuring adequate liquidity to meet repayments in the near term. The secondary challenge is ensuring that asset quality remains under control through various precautionary measures, including contact with, and support to borrowers in this unprecedented crisis.

Non-bank finance companies (NBFCs) will need to recalibrate their strategies in a post pandemic world.
CRISIL view
Recalibrate strategies in a post pandemic world.

- How will strategic shifts impact credit growth in the sector?
- When will liquidity improve?
- Will the central government’s and RBI’s liquidity enhancement measures help NBFCs?
- Can NBFCs achieve pre-2018 growth in the medium term or will growth remain anaemic?
- What key factors could drive growth?
- Will the earnings growth trajectory worsen?
- How much capital will NBFCs need over the next two years?
- What could separate the winners from the losers?
- Where are the opportunities for growth?
Our coverage

- Overall and segment-wise impact of the pandemic on NBFCs
- Detailed assessment of the competitive scenario with banks and the market share of NBFCs
- Perspective of regulatory impact
- Company profile along with financial and operational benchmarks
- Advancement in digital platforms for lending
### NBFC Report

**Extensive quarterly coverage on 12 key NBFC segments**

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**Note:** *Ticket size lower than Rs. 10 lacs
Source: CRISIL Research
Company Profile and Interactive Tool
To measure standalone and comparative performance indicators

- Company history
- Rating information
- Key financial indicators of the past five years
- Profit and Loss Statement of the past five years
- Balance Sheet of the past five years
- Profitability Ratios of the past five years
- Borrowing Mix of the past five years

Interactive tool—Operating Benchmarks
- Borrowing mix
- Profile mix
- Branches
- Employees
- Operating expense by total income
- Profit after tax per employee
- Yield on advances
- Cost of funds
- Total interest expenses
- Total income

Interactive tool—Financial Benchmarks
1) Industry to Company
2) Industry to Industry
3) Company to Company

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- Return Ratio
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- Spread Analysis
- ROA Tree
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- Analysis of large HFCs vis-à-vis small and medium sized HFCs
- Market share and outlook of HFCs vs. banks
- Player-wise market share of HFCs
- Breakup of HFC portfolio (retail and non-retail housing loans)
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**Profitability and Asset Quality**
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**Asset quality**
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**Profitability and Asset Quality**
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**Fintech**

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- Fintech adoption in India’s lending market
- Factors driving fintech growth in India
- Issues related to cyber security and data privacy
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