

EQUIFAX[®]



FinTech

Newsletter

Vol VI



Analytical Contacts

EQUIFAX

Kiran Samudrala
Head – Data Analytics
kiran.samudrala@equifax.com

Shruti Joshi
Head – Insights & Analytics
shruti.joshi@equifax.com

Vandana Panchal
Associate Manager – Insights & Analytics
vandana.panchal@equifax.com

Reema Paswan
Data Scientist – Insights & Analytics
reema.paswan@equifax.com

SIDBI

Sanjay Jain
CGM-ERDAV
erdav@sidbi.in

Chand Kureel
GM-ERDAV
erdav@sidbi.in

Soham Nag
AGM-ERDAV
erdav@sidbi.in

Vandita Srivastava
AM-ERDAV
erdav@sidbi.in



Index

01

**Executive
Summary**



02

**FinTech
Overview**



07

**Geographical
Overview**



10

FinTech Product
Business Loan - General-General
Analysis based on Ticket size



14

**Delinquency
Deep Dive**



17

**Abbreviations
& Glossary**



Executive Summary

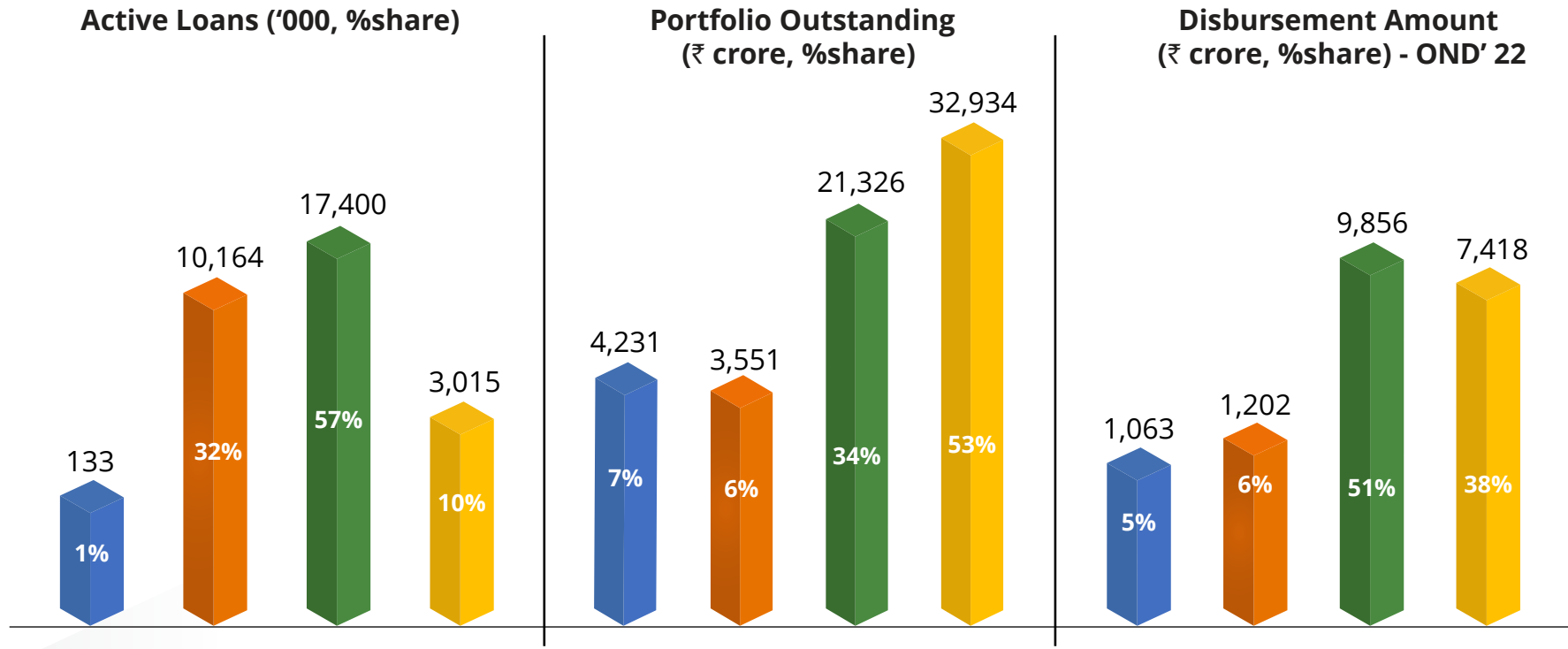
India is the third largest FinTech market after the US and UK. Fintechs and banking services are interlinked with each other. Fintech can integrate banking services with its advanced innovations, making them more accessible and useful for the general population. Additionally, increasing demand for comprehensive financial services, customer expectations, and a highly competitive financial services market are supporting the rise and growth of FinTech. In this report we have brought together an overview of the current state of the FinTech landscape, top products, geography and growth trends.

FinTech industry contributes ₹62.04 thousand crore towards portfolio outstanding as on 31st December 2022, and recorded an annual growth of 66%. Loan disbursement show an annual growth where disbursement by amount grew by 9% while number of loans disbursed grown by 34% in OND'22 as compared to OND'21. FinTech's value and volume-based analysis reflect Personal Loans as the top favorite product among borrowers and it has grown by 33% and 42%. Geographically, all segment has highest share of Personal Loans disbursement. Business Loans have low Fintech's market share but have been able to manage their delinquencies below industry levels.

The data is as submitted by the NBFC Fintechs to the Credit Bureau. Through this report, we aim to answer key questions and hypothesis on the FinTech growth, Regional presence and outreach, Risk profiling and growth trends in FinTech lending space.

The background image is a composite of several digital and financial motifs. A hand is shown in the foreground, with a finger touching a glowing point on a virtual interface. This interface includes a world map with glowing arcs connecting different regions, a bar chart with an upward-trending arrow, and a line graph with data points labeled with years (2014, 2016, 2018, 2020). There are also icons of people and abstract geometric shapes like hexagons and squares. The overall color palette is dominated by dark blues, greys, and a prominent red/maroon color that forms a large triangular shape on the left side, which serves as the background for the title text.

FinTech Overview



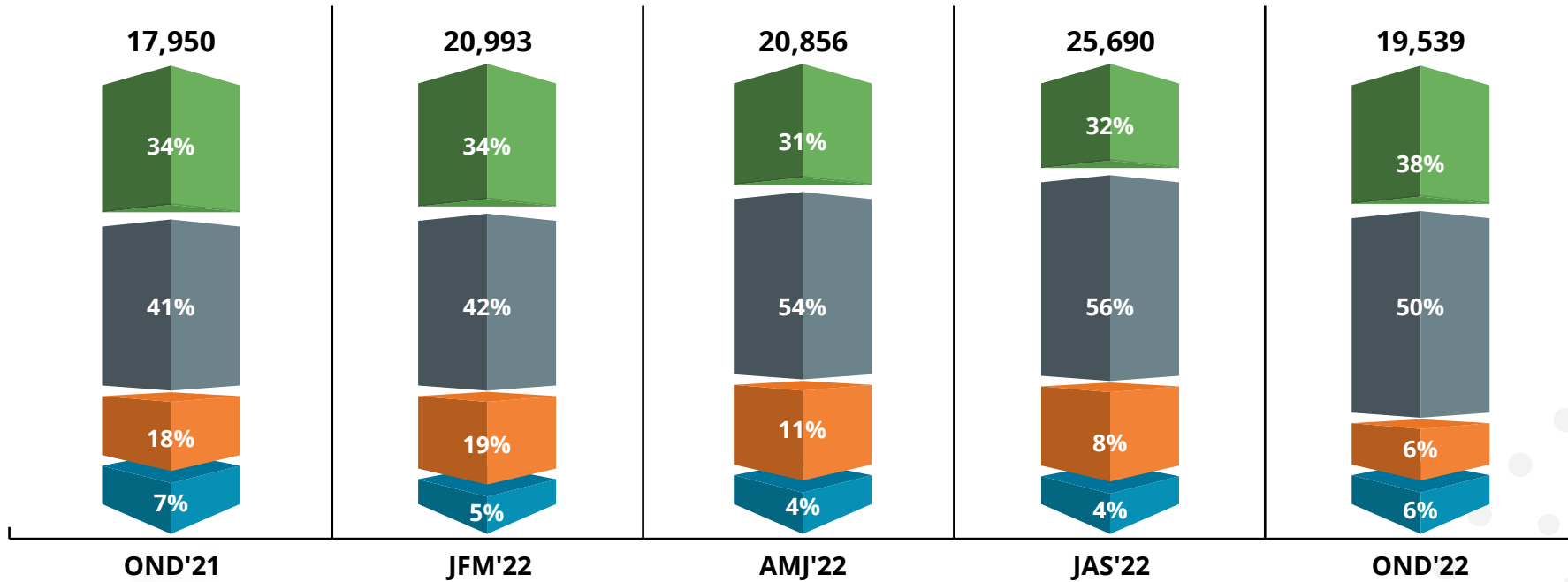
- Business Loan - General
- Consumer Loan
- Personal Loan
- Rest of the Products

FinTech Snapshot

Snapshot as on 31 st December 2022	Business Loan- General	Consumer Loan	Personal Loan	Rest of the Products	All Products
Active Loans ('000)	133	10,164	17,400	3,015	30,712
Portfolio Outstanding (₹ crore)	4,231	3,551	21,326	32,934	62,042
Disbursement Amount (₹crore) - OND'22	1,063	1,202	9,856	7,418	19,539

- As on 31st December 2022 book size of fintech industry is ₹ 62,042 crore.
- FinTech industry disbursed ₹ 19,539 crore.
- Among other products Personal Loan is top fintech lending product in terms of value and volume (excluding Rest of the Product).
- As on 31st December 2022 Portfolio outstanding of Personal Loan is leading by 34%, followed by Business Loan - General by 7% (excluding Rest of the Product).

Quarterly Sourcing Distribution



← Disbursed Value (₹ crore)

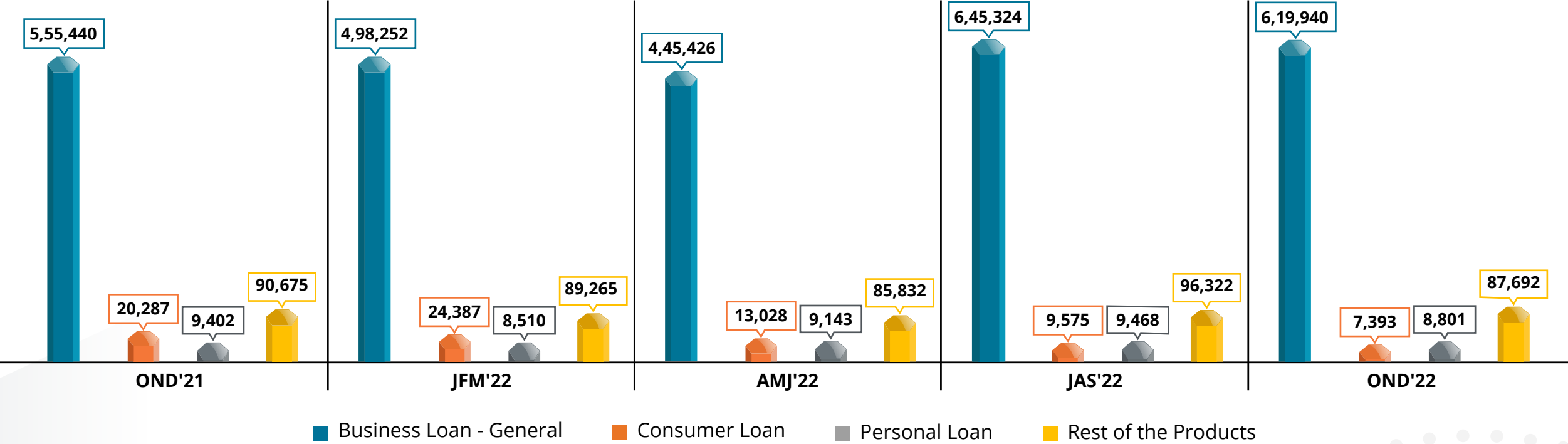
- Business Loan - General
- Consumer Loan
- Personal Loan
- Rest of the Products

Quarterly Sourcing Distribution by Volume

Top Products (No. of loans, '000)	OND'21	JFM'22	AMJ'22	JAS'22	OND'22	Y-o-Y Growth Rate%
Business Loan - General	19	21	18	17	17	-10%
Consumer Loan	1,618	1,632	1,812	2,037	1,627	1%
Personal Loan	7,896	10,367	12,274	15,197	11,199	42%
Rest of the products	682	799	755	858	846	24%
All Products	10,215	12,819	14,859	18,109	13,689	34%
Q-o-Q Growth Rate %	-	25%	16%	22%	-24%	-

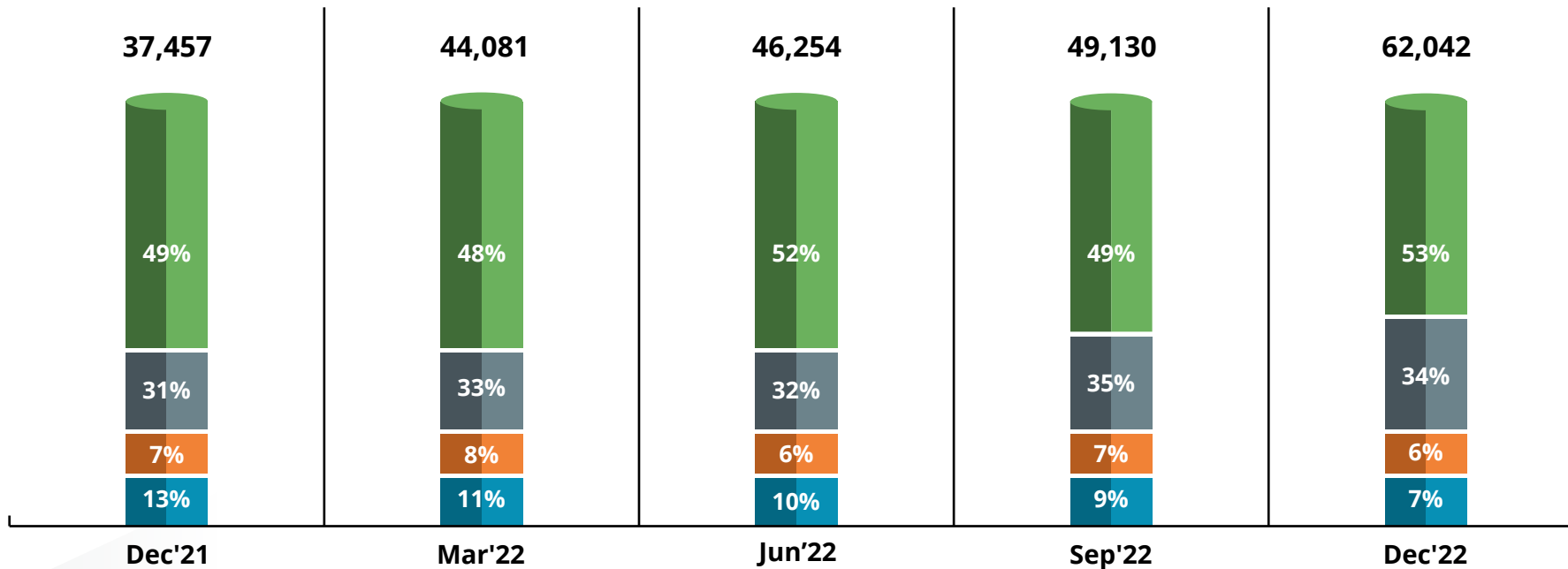
- Disbursement by value and volume registered a Y-O-Y growth of 9% and 34% respectively from OND'21 to OND'22.
- In terms of disbursement value and volume Personal Loans registered highest Y-O-Y growth of 33% and 42% respectively from OND'21 to OND'22.

FinTech Average Ticket Size Trends



● FinTech ATS for all the products declined annually by 19% for the Period of OND'21 to OND'22

Portfolio Outstanding Distribution



← Portfolio Outstanding (₹ crore)

- Business Loan - General
- Consumer Loan
- Personal Loan
- Rest of the Products

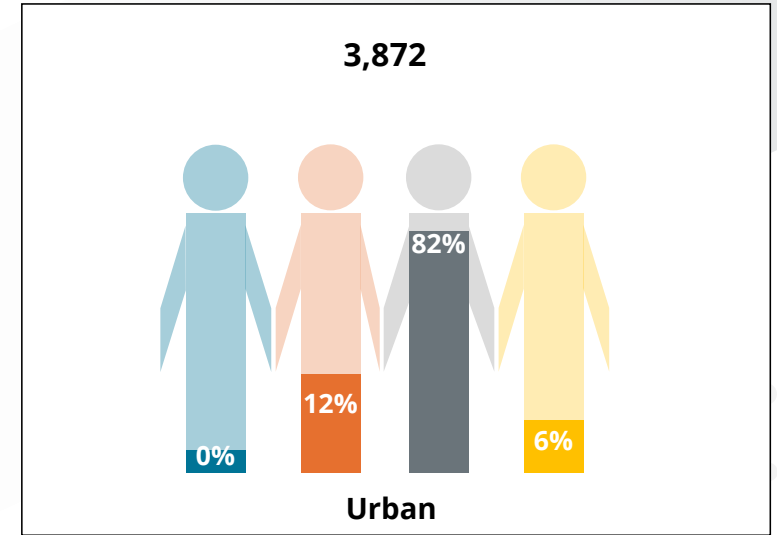
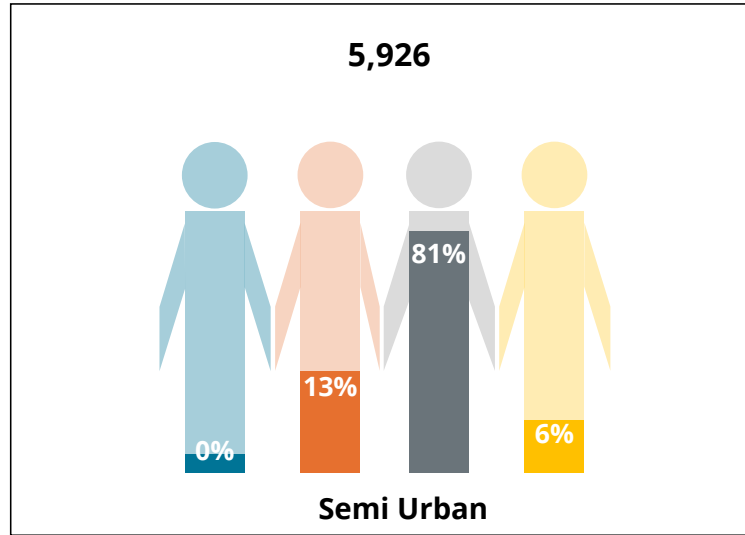
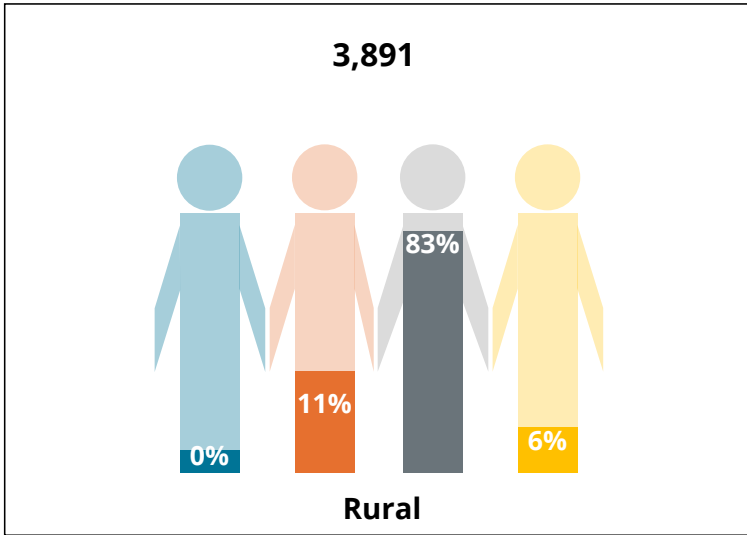
Particular	Dec'21	Mar'22	Jun'22	Sep'22	Dec'22	Y-o-Y Growth Rate%
Business Loan - General	4,827	4,726	4,233	4,369	4,231	-12%
Consumer Loan	2,482	3,412	2,816	3,527	3,551	43%
Personal Loan	11,608	14,803	14,978	17,364	21,326	84%
Rest of the products	18,541	21,140	24,227	23,871	32,934	78%
All Products	37,457	44,081	46,254	49,130	62,042	66%
Q-o-Q Growth Rate %	-	18%	5%	6%	26%	-

- Annually Book Size of FinTech Industry grew up by 66% in December 2022 as compare to December 2021.
- Personal Loan showing highest Y-o-Y growth of 84% in December 2022 as compare to December 2021.

Geographical Overview



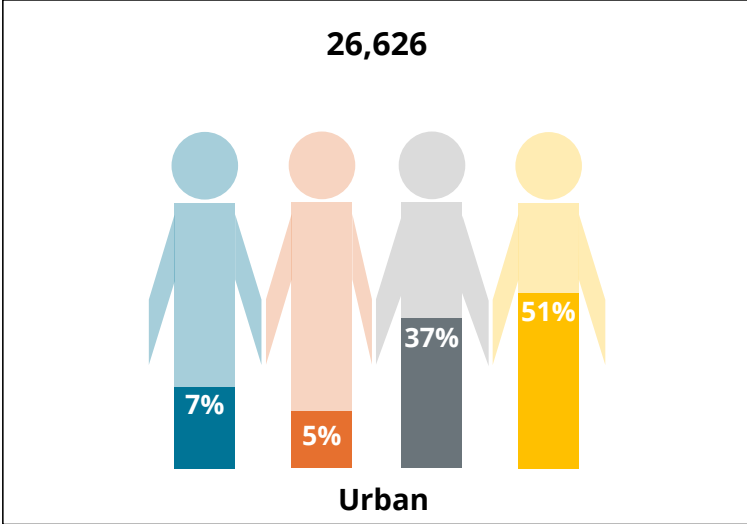
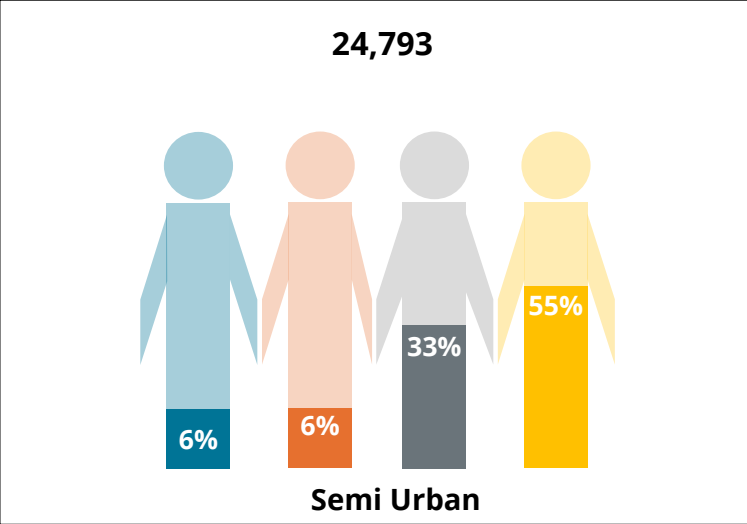
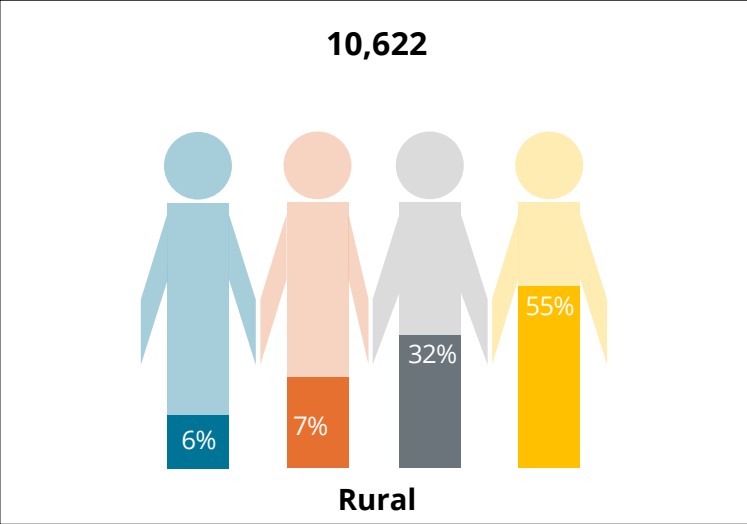
Urban/Rural Sourcing Distribution by No. of Loans - OND'22 ('000)



■ Business Loan - General ■ Consumer Loan ■ Personal Loan ■ Rest of the Products

- In FinTech Industry Personal Loan having highest market share in all the region by volume compared to other FinTech products.
- Personal Loan have more than 80% market share in all the region in OND'22.
- FinTech Industry disbursed 43% of loans in Semi Urban region in OND'22.

Urban/Rural POS Exposure as on 31st December 2022 (₹ crore)

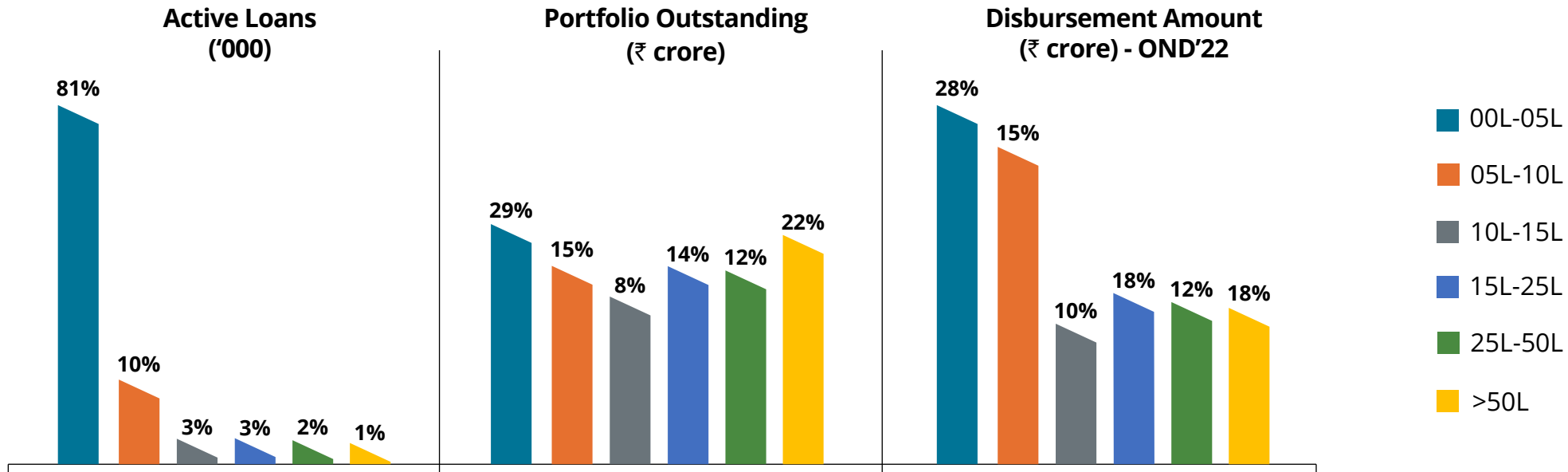


■ Business Loan - General ■ Consumer Loan ■ Personal Loan ■ Rest of the Products

● As on 31st December 2022 FinTech Industry contributed by 43% in Urban region.



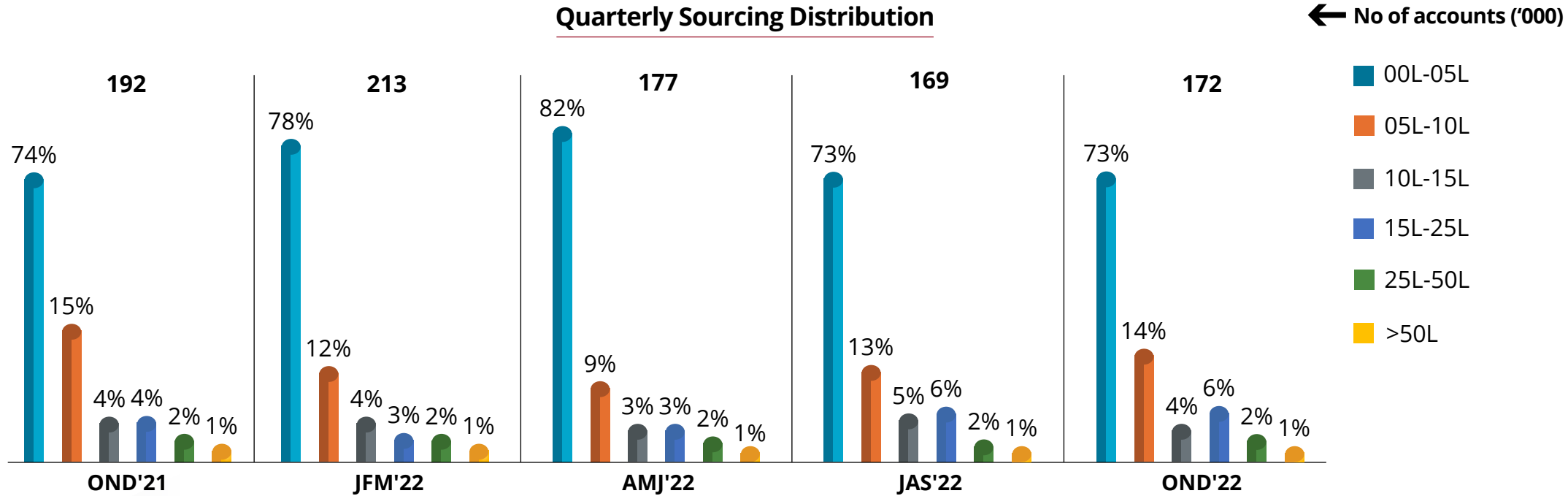
FinTech Product:
Business Loan -
General Analysis
based on Ticket size



Business Loan Snapshot as of Dec'22	00L-05L	05L-10L	10L-15L	15L-25L	25L-50L	>50L	Total
Active Loans ('000)	108	14	4	4	2	1	133
Portfolio Outstanding (₹ crore)	1,207	651	343	591	518	921	4,231
Disbursement Amount (₹ crore) -OND'22	294	156	103	186	131	193	1,063

- 00L-05L ticket size registered highest Portfolio outstanding market share of 29% and active loan market share of 81% as on December 2022
- In terms of disbursement value, 00L-05L ticket size having highest share in the market in OND'22

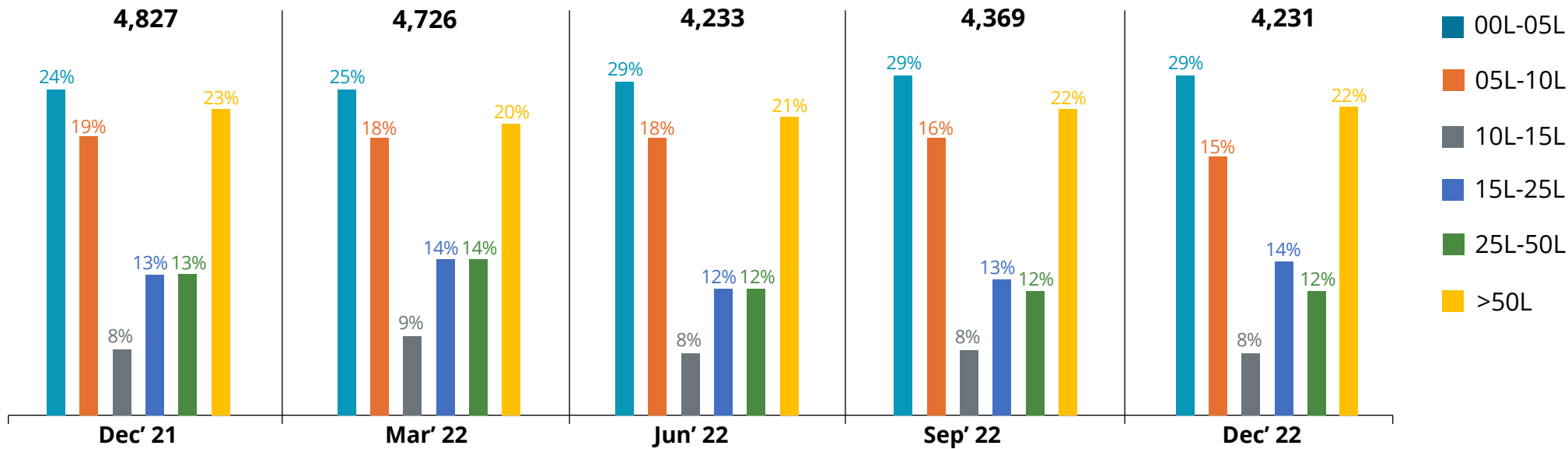
Quarterly Sourcing Distribution



Ticket Size	OND'21	JFM'22	AMJ'22	JAS'22	OND'22
00L-05L	142	166	146	124	124
05L-10L	28	25	16	22	24
10L-15L	8	8	5	8	8
15L-25L	7	8	6	9	10
25L-50L	5	5	3	4	4
>50L	2	1	1	2	2

- 15L-25L category witnessed the highest growth in disbursement of 37% from OND'21 to OND'22
- For OND'22, Highest number of loans are disbursed in 00L-05L category with market

Portfolio Outstanding Distribution

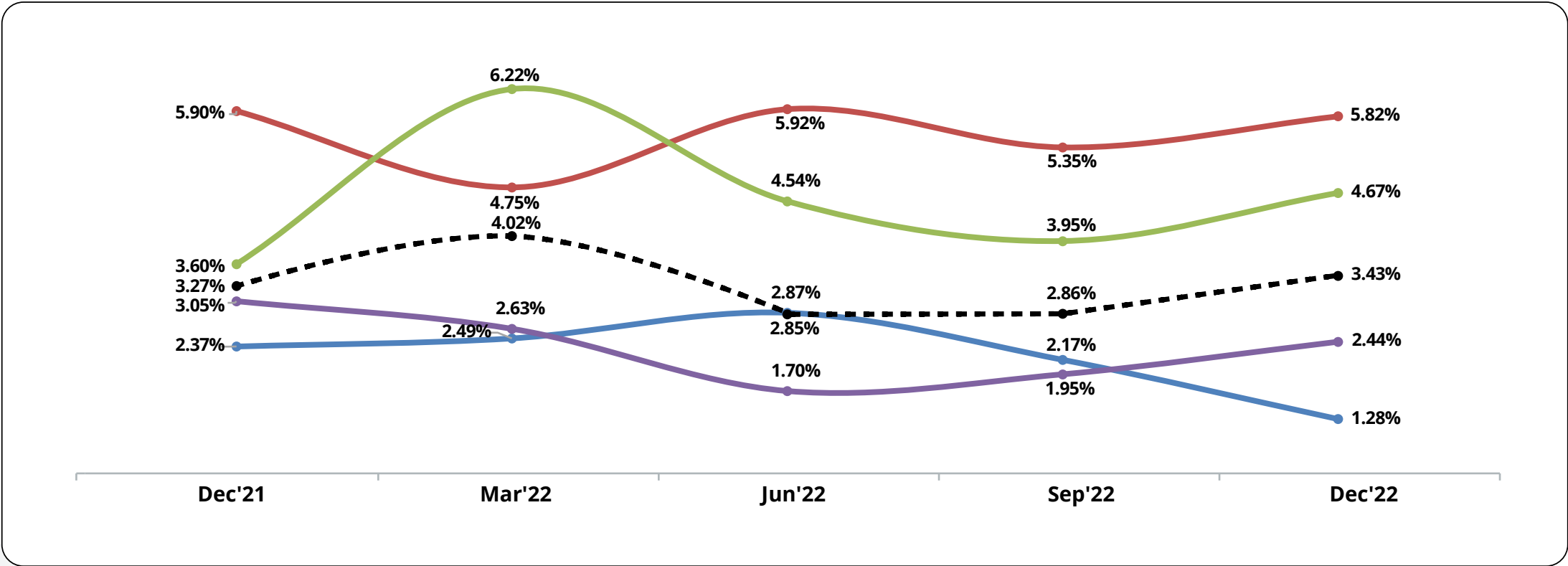


Ticket Size (₹ Crore)	Dec'21	Mar'22	Jun'22	Sep'22	Dec'22	Y-o-Y Growth Rate%
00L-05L	1,159	1,167	1,213	1,255	1,207	4%
05L-10L	897	853	746	705	651	-27%
10L-15L	395	412	357	370	343	-13%
15L-25L	638	666	508	576	591	-7%
25L-50L	646	668	526	546	518	-20%
>50L	1,093	960	884	917	921	-16%
Grand Total	4,827	4,726	4,233	4,369	4,231	-12%

- 00L-05L category has highest market share of 29% toward Portfolio outstanding as on December'22
- Portfolio Outstanding has declined by 27% from December'21 to December'22 and 8% from September'22 to December'22 in 05L-10L category
- For Overall ticket size, Portfolio outstanding has declined by 12% from December'21 to December'22 and declined by 3% from September'22 to December'22

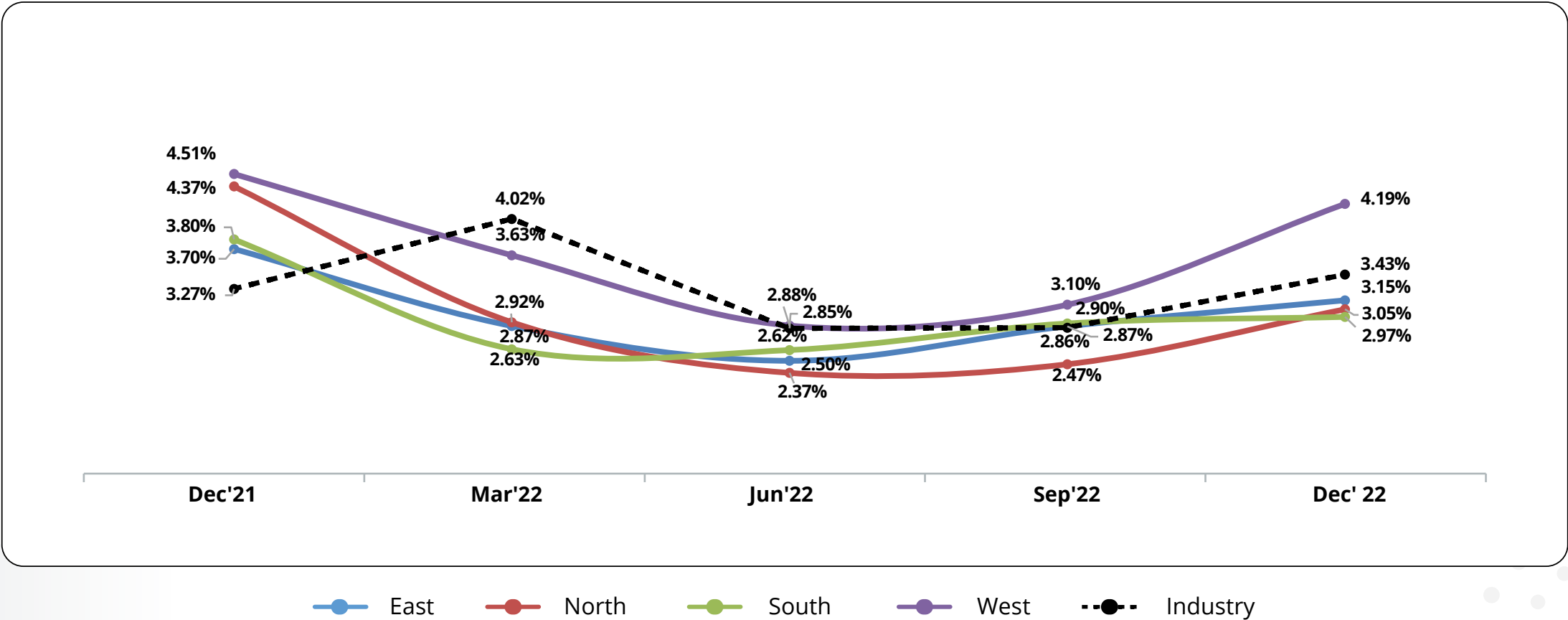
A hand is shown pointing at a computer screen. The screen displays a candlestick chart, which is a type of financial chart used to represent price movements of a security, like a stock, over time. The chart consists of vertical bars (candles) with wicks extending from them. The background is a blurred image of a person's hand pointing at a screen. A red banner is overlaid on the left side of the image, containing the text 'Delinquency Deep Dive'.

Delinquency Deep Dive



→ Business Loan - General
 → Consumer Loan
 → Personal Loan
 → Rest of the Products
 - - - All Products

- Among the top three products of FinTech industry Business Loan-General showing drop by 109 bps and Consumer Loan showing drop by 8 bps in December 2022 over December 2021.
- FinTech industry 90+ delinquency increased by 16 bps in December 2022 over December 2021



- In December 2022, North zone showing highest drop in 90+ delinquency by 132 bps over December 2021.
- All zones are showing drop in 90+delinquency in December 2022 over December 2021.

- **Live POS or Active loans** = 0 to 179 DPD + New Accounts + Current Accounts
- **POS** = Portfolio Outstanding
- **90+ Delinquency** = 90-179 DPD/ Live POS
- **ATS (Average Ticket Size)** = Disbursed Amount / Number of Loans

- **OND'21** = October 2021 to December 2021
- **JFM'22** = January 2022 to March 2022
- **AMJ'22** = April 2022 to June 2022
- **JAS' 22** = July 2022 to September 2022
- **OND'22** = October 2022 to December 2022

- **Rest of the Products (ROP) :**

Auto Loan, Business Loan Against Bank Deposits, Business Loan - Priority Sector - Agriculture, Business Loan - Priority Sector - Small Business, Business Loan - Secured, Business Loan - Unsecured, Check Credit/Line of Credit, Commercial Vehicle Loan, Credit Card, Education Loan, Gold Loan, Housing Loan, Lease Loan against Shares/Securities, Loan on Credit Card, Loan to Professional, Manufactured Housing, MicroFinance Business Loan, MicroFinance Housing Loan, MicroFinance Personal Loan, Other, Overdraft, P2P Personal Loan, Pradhan Mantri Awas Yojana - Credit Link Subsidy Scheme MAY CLSS, Property Loan, Tractor Loan, Two-wheeler Loan, Used Car Loan.

- **Zones:**

East : Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Sikkim, Tripura, West Bengal

North : Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Uttar Pradesh, Uttarakhand

South : Andhra Pradesh, Karnataka, Lakshadweep, Kerala, Tamil Nadu, Telangana, Andaman & Nicobar Islands, Pondicherry

West : Dadra & Nagar Haveli, Daman & Diu, Goa, Gujarat, Madhya Pradesh, Maharashtra, Rajasthan



The FinTech Pulse (Report) is prepared by Equifax Credit Information Services Pvt Ltd (Equifax). By accessing and using the report, the user acknowledges and accepts that such use is subject to this disclaimer. This Report is based on collation of information submitted by institutions to the bureau as of December 2022 and who are members of Equifax. While Equifax takes reasonable care in preparing the Report, it shall not be responsible for accuracy, errors and/or omissions caused by inaccurate or inadequate information submitted by institutions. Further, Equifax does not guarantee the adequacy or completeness of the information in the Report and/or its suitability for any specific purpose nor is Equifax responsible for any access or reliance on the Report and that Equifax expressly disclaims all such liability. This Report is not a recommendation for rejection/denial or acceptance of any application, product nor any recommendation by Equifax to (i) lend or not to lend and (ii) enter into or not to enter into any financial transaction with the concerned individual/entity. The information contained in the Report does not constitute advice and the user should carry out all necessary analysis that is prudent in its opinion before taking any decision based on the Information contained in this Report. All analysis presented in the Report is based on samples. The use of the Report is governed by the provisions of the Credit Information Companies (Regulation) Act 2005, the Credit Information Companies Regulations, 2006, Credit Information Companies Rules, 2006.

No part of the report should be copied, circulated, published without prior approvals.

The current report is an analysis of 123 NBFC-FinTech (as on December 2022) which submit data to Equifax.

