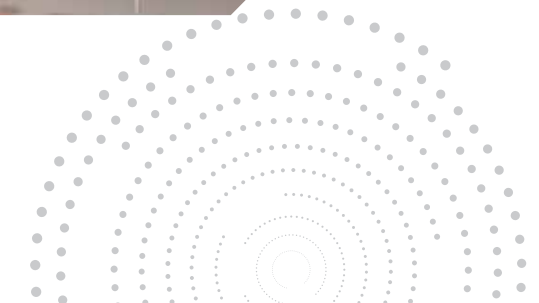


Fintech

Newsletter **Vol V**



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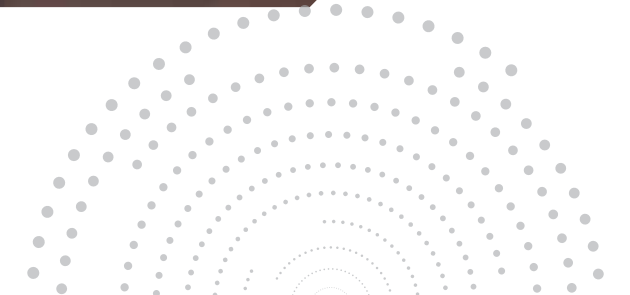
Fintechs have been growing amid the global pandemic crises. The fintechs are raising the bar for the transformation of the financial industry, from digital banking to wealth management to capital markets. This growth is accelerated by the increased demand for digital financial services and e-commerce amid the pandemic. New areas of innovation have continued to emerge across fintech sectors including payment facilitation with the help of various fintech models. 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 Rs 45.5 thousand crore towards portfolio outstanding as on 31st March 2022, and recorded an annual growth of 30%. Loan disbursement show an annual growth where disbursement by amount grew by 46% while number of loan disbursed grown by 186% in JFM'22 as compared to JFM'21. Fintechs volume based analysis reflect Personal loans as the top favorite product among borrowers which grew by 310% . Geographically, rural segment has highest share of Personal Loans. Business loans have low Fintech's market share but have been able to manage their delinquencies below industry levels.

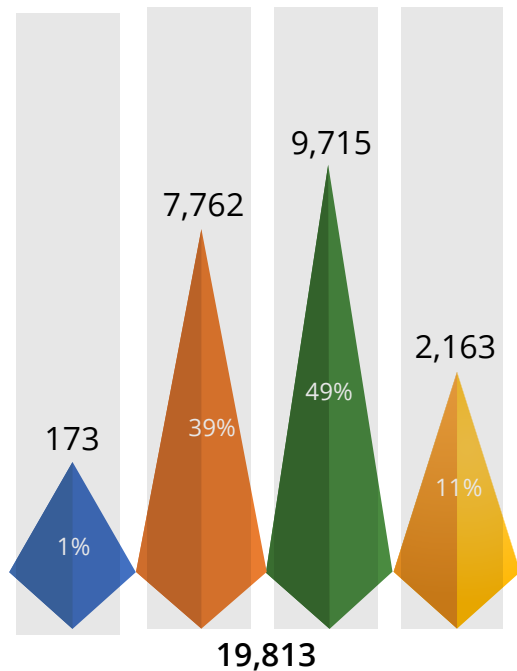
The current report is an analysis of 118 NBFC-Fintechs (as on March 2022) which submit data to Equifax. Through this report, we aim to answer key questions and hypothesis on the Fintech growth, Regional presence & outreach, Risk profiling and growth trends in Fintech lending space.



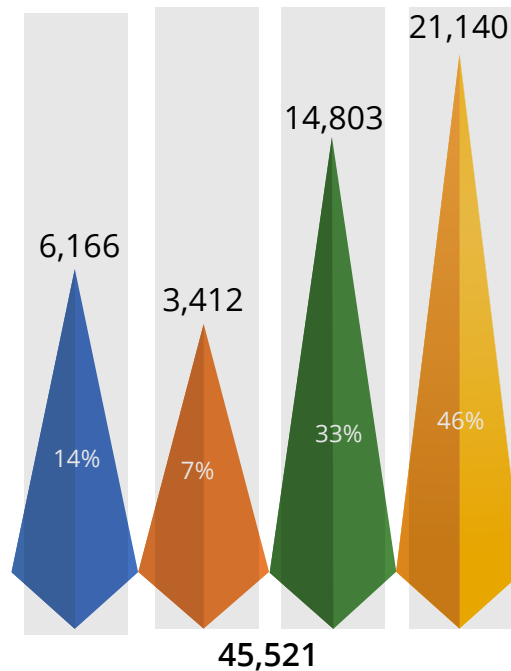
Fintech Overview



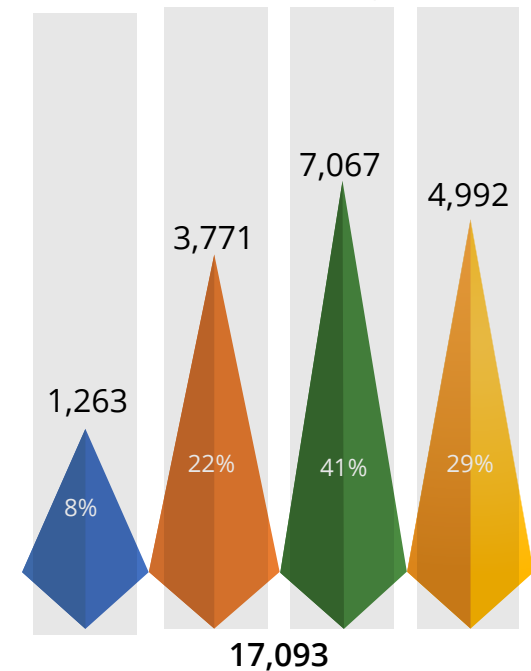
Active Loans ('000, %share)



Portfolio Outstanding (₹ crore, %share)



Disbursement Amount (₹ crore, %share) - JFM' 22



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

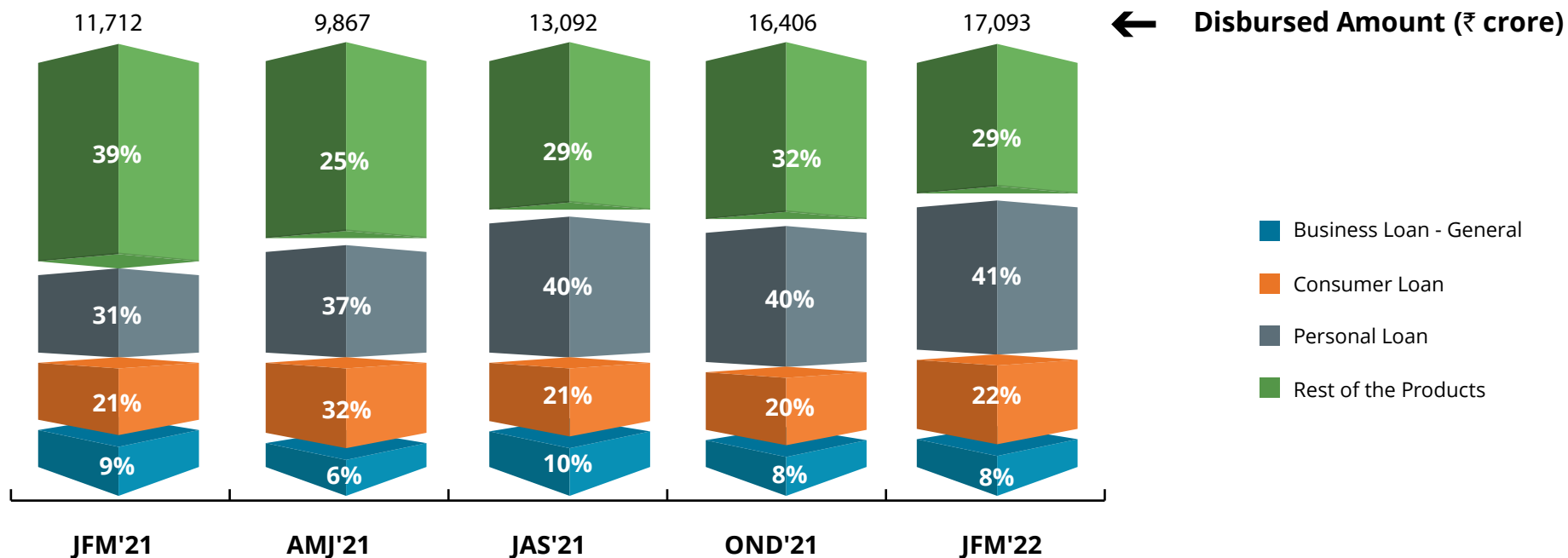
- Total portfolio outstanding of Fintech as on 31st March 2022 is ₹ 45.5 thousand crore
- Personal loan remains top Fintech leading product basis value and volume analysis (excluding ROP)
- As on 31st March 2022, Personal Loan by portfolio outstanding (value) holds 33% and 49% Active loans (volume) of Fintech market
- Consumer Loans hold 39% Fintech market share by Active loans (volume) – 2nd highest across the Fintech landscape as on 31st March 2022

Fintech Snapshot

Fintech Snapshot as of Mar'22	Business Loan (General)	Consumer Loan	Personal Loan	Rest of the Products	All Products
Active Loans ('000)	173	7,762	9,715	2,163	19,813
Portfolio Outstanding (₹ crore)	6,166	3,412	14,803	21,140	45,521
Disbursement Amount (₹ crore) - JFM'22	1,263	3,771	7,067	4,992	17,093

- Rest of the products contributes 46% to the Fintech portfolio outstanding and 11% to Active Fintech loans as on March 2022
- Disbursement amount during JFM'22 is ₹ 17 thousand crore with leading contribution of 41% by Personal loan

Quarterly Sourcing Distribution by Value



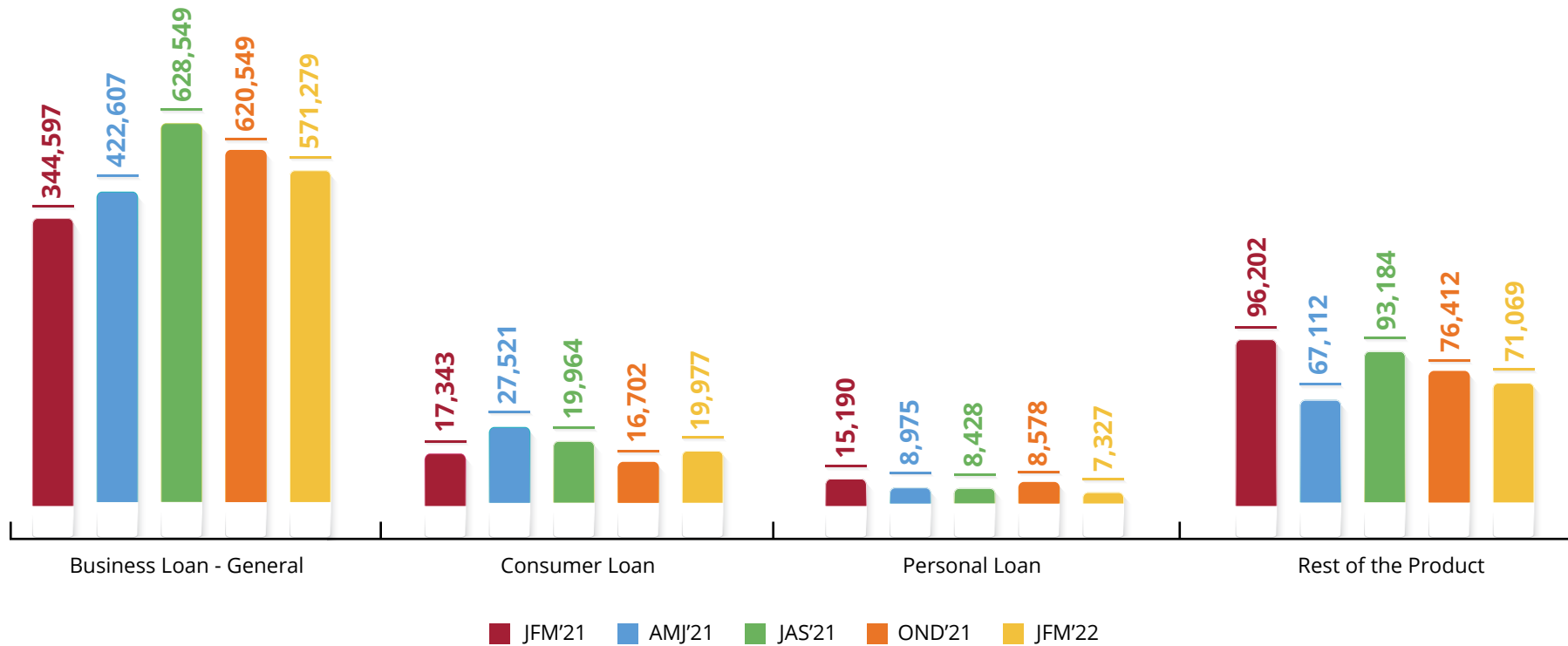
- Disbursement by value and volume registered a Y-o-Y growth of 46% and 186% respectively from JFM'21 to JFM'22
- In terms of market share, Personal Loan and Consumer loans showed increase in their annual market share as compared to Business Loan (General) and ROPs annual drop as on JFM'22 over JFM'21
- Personal Loans recorded an annual growth of 93% by value while Consumer Loans showed a increase of 52% from JFM'21 to JFM'22

Quarterly Sourcing Distribution by Volume

Top Products (No. of loans, '000)	JFM'21	AMJ'21	JAS'21	OND'21	JFM'22	Y-o-Y Growth Rate%
Business Loan - General	32	14	22	21	22	-31%
Consumer Loan	1,429	1,149	1,373	1,961	1,887	32%
Personal Loan	2,354	4,095	6,101	7,596	9,645	310%
Rest of the products	474	363	414	697	703	48%
All Products	4,289	5,621	7,910	10,275	12,257	186%
Q-o-Q Growth Rate %	-	31%	41%	30%	19%	-

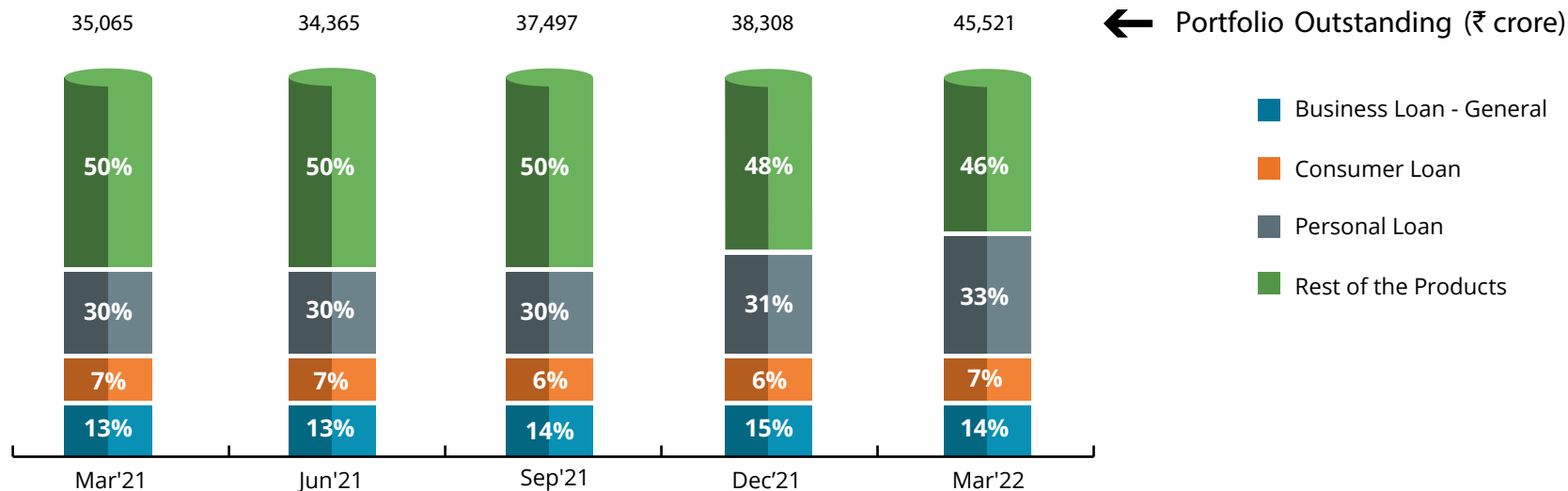
- In terms of volume growth, Personal Loans are the major contributors (Y-o-Y 310% growth, 79% JFM'22 share) to the overall volume growth

Fintech Average Ticket Size Trends



- Fintech ATS for Personal Loan reflect 52% annual drop in trends in JFM22 over JFM21
- Consumer Loan ATS registered 15% increase at end of JFM22 over JFM21 quarter
- ATS of Business Loan - General increased by 66% in JFM22 compared to JFM21

Quarterly POS Distribution



Top Products (₹ crore)	Mar'21	Jun'21	Sep'21	Dec'21	Mar'22	Y-o-Y Growth Rate%
Business Loan - General	4,506	4,374	5,432	5,678	6,166	37%
Consumer Loan	2,025	1,882	2,059	2,482	3,412	68%
Personal Loan	10,761	10,553	11,337	11,608	14,803	38%
Rest of the products	17,773	17,556	18,669	18,540	21,140	19%
All Products	35,065	34,365	37,497	38,308	45,521	30%
Q-o-Q Growth Rate %	-	-2%	9%	2%	19%	-

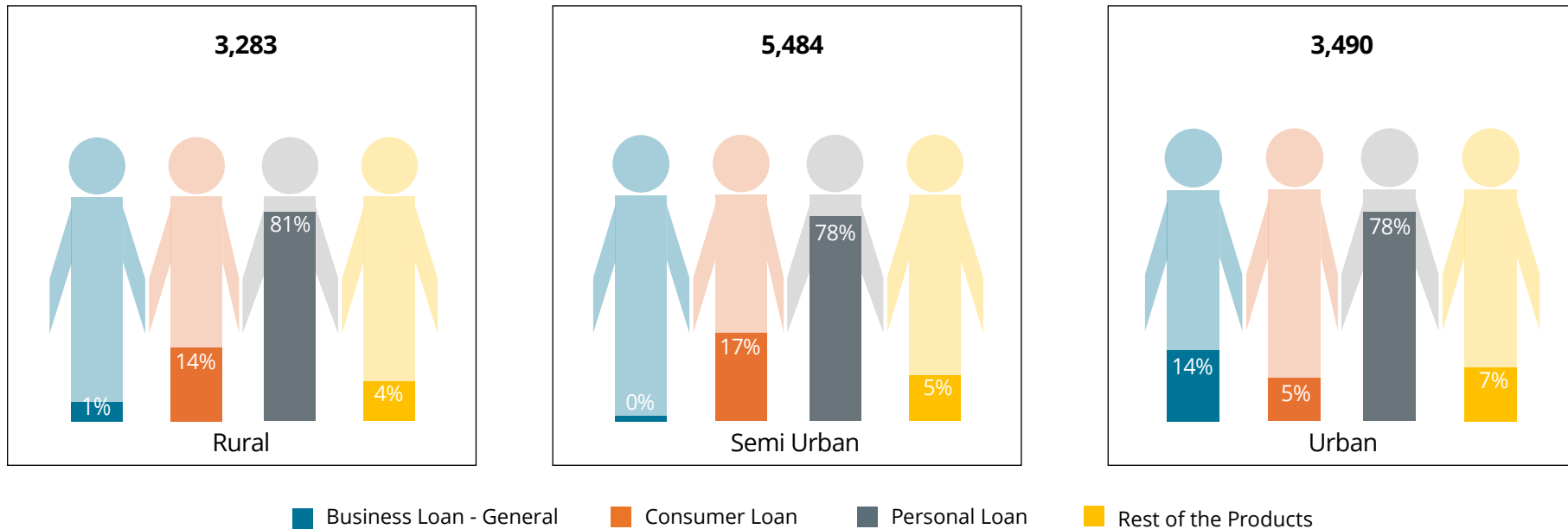
- Portfolio outstanding declined in all the segments in June 2021 due to second wave of COVID 19 and later recorded Y-o-Y growth of 30% from March 2021 to March 2022 and Q-o-Q growth of 19% from December 2021 to March 2022
- Consumer Loan witnessed Y-o-Y growth of 68% from March 2021 to March 2022
- Personal Loans and Business Loan (General) registered Y-o-Y growth of 38% and 37% respectively in March 2022



Geographical Overview

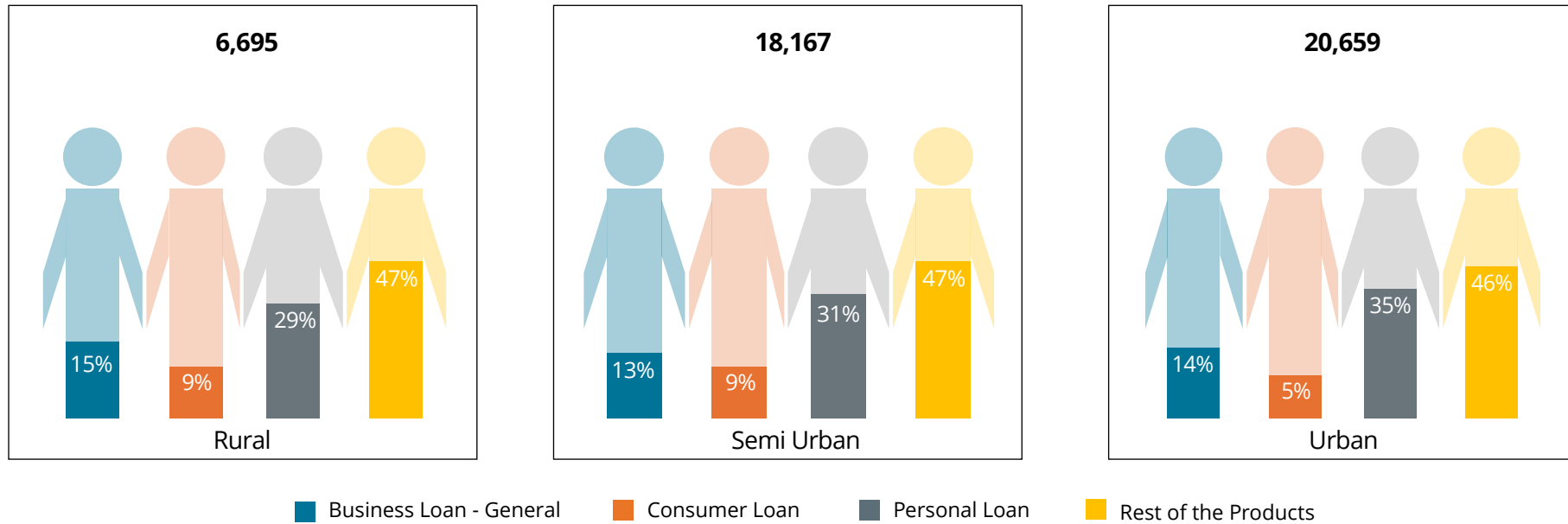


Urban/Rural Sourcing Distribution by No. of Loans - JFM'22 ('000)



- Personal loan is the leading product across geographies with a market share of more than 70% (by volume)
- Semi urban geography has highest market share of 45% in JFM'22 and also has highest Consumer Loans share of 17% across 3 geographies
- Rural segment has highest share of Personal loans at 81%

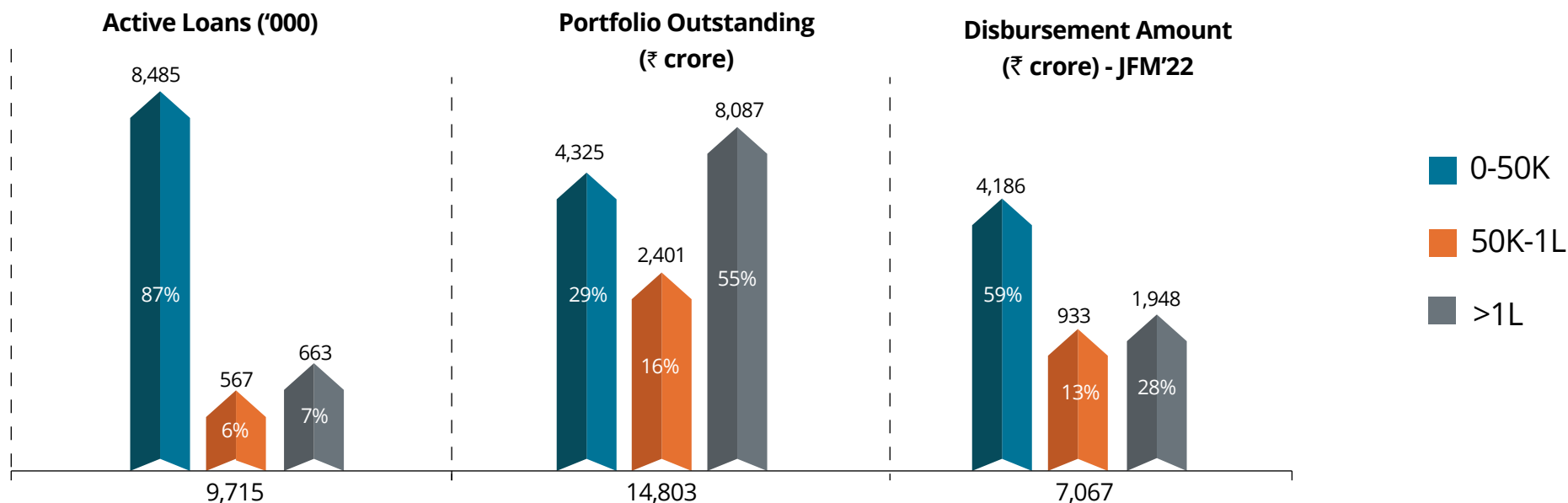
Urban/Rural POS Exposure as on March 2022 (₹ crore)



- Urban geography is leading with 45% portfolio outstanding market share, as on March 2022
- Semi Urban geography contributes 40% and Rural geography contributes 15% towards the total portfolio outstanding of Fintech industry



Fintech Product : Personal Loan
Analysis based on Ticket size

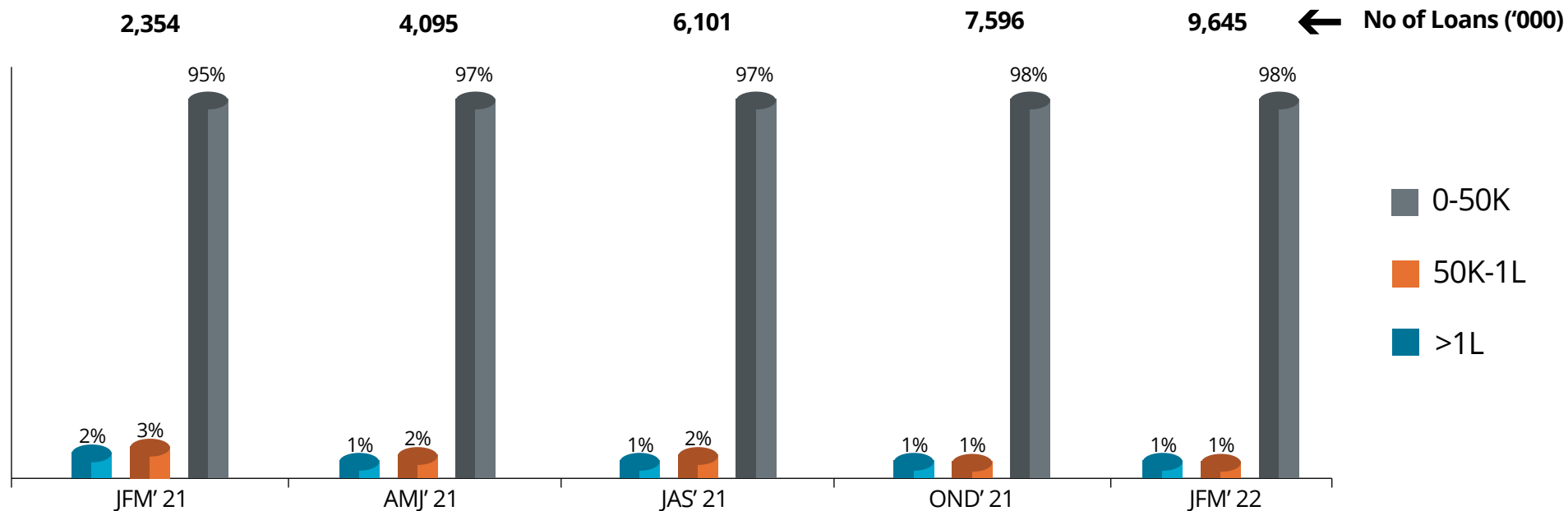


PL Snapshot as of Mar'22	0-50K	50K-1L	>1L	Total
Active Loans ('000)	8,485	567	663	9,715
Portfolio Outstanding (₹ crore)	4,325	2,401	8,077	14,803
Disbursement Amount (₹ crore) - JAS'21	4,186	933	1,948	7,067

- Personal Loan portfolio outstanding contributes 33% market share to the overall fintech portfolio outstanding as on 31st March 2022
- 1L+ ticket size registered highest portfolio outstanding market share of 55%, while 0-50k ticket size registered highest active loan market share of 87%
- More than 59% of the Fintech Personal loans are disbursed under the ticket size 0-50k

Personal Loan Disbursement Trends

Quarterly Sourcing Distribution

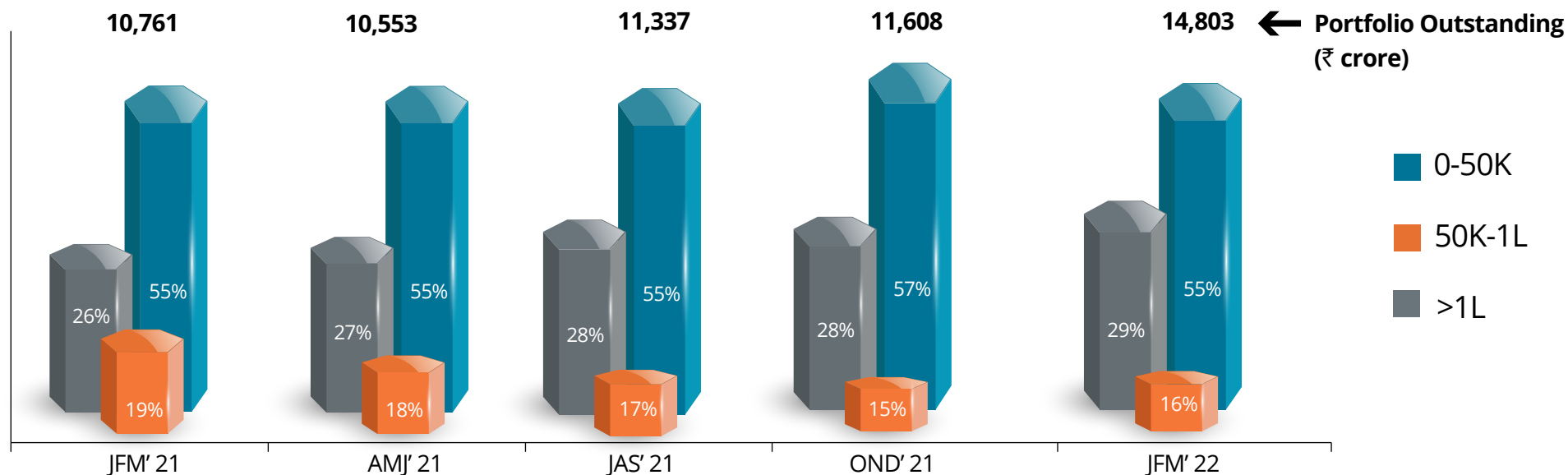


Ticket Size (No. of loans, '000)	JFM'21	AMJ'21	JAS'21	OND'21	JFM'22	Y-o-Y Growth Rate%
0-50K	2,220	3,972	5,934	7,395	9,424	325%
50K-1L	78	70	91	107	125	60%
>1L	56	53	76	94	96	71%
Total	2,354	4,095	6,101	7,596	9,645	310%
Q-o-Q Growth Rate %		74%	49%	25%	27%	

- More than 90% of the Personal loans are disbursed under the ticket size 0-50k
- 0-50k ticket size loans recorded a growth of 325% from JFM'21 to JFM'22
- Quarterly growth of 27% is recorded for 0-50k ticket size from OND'21 to JFM'22

Disclaimer : Sourcing data of all the previous quarters have been updated based on the updates received from the members

Quarterly POS Distribution

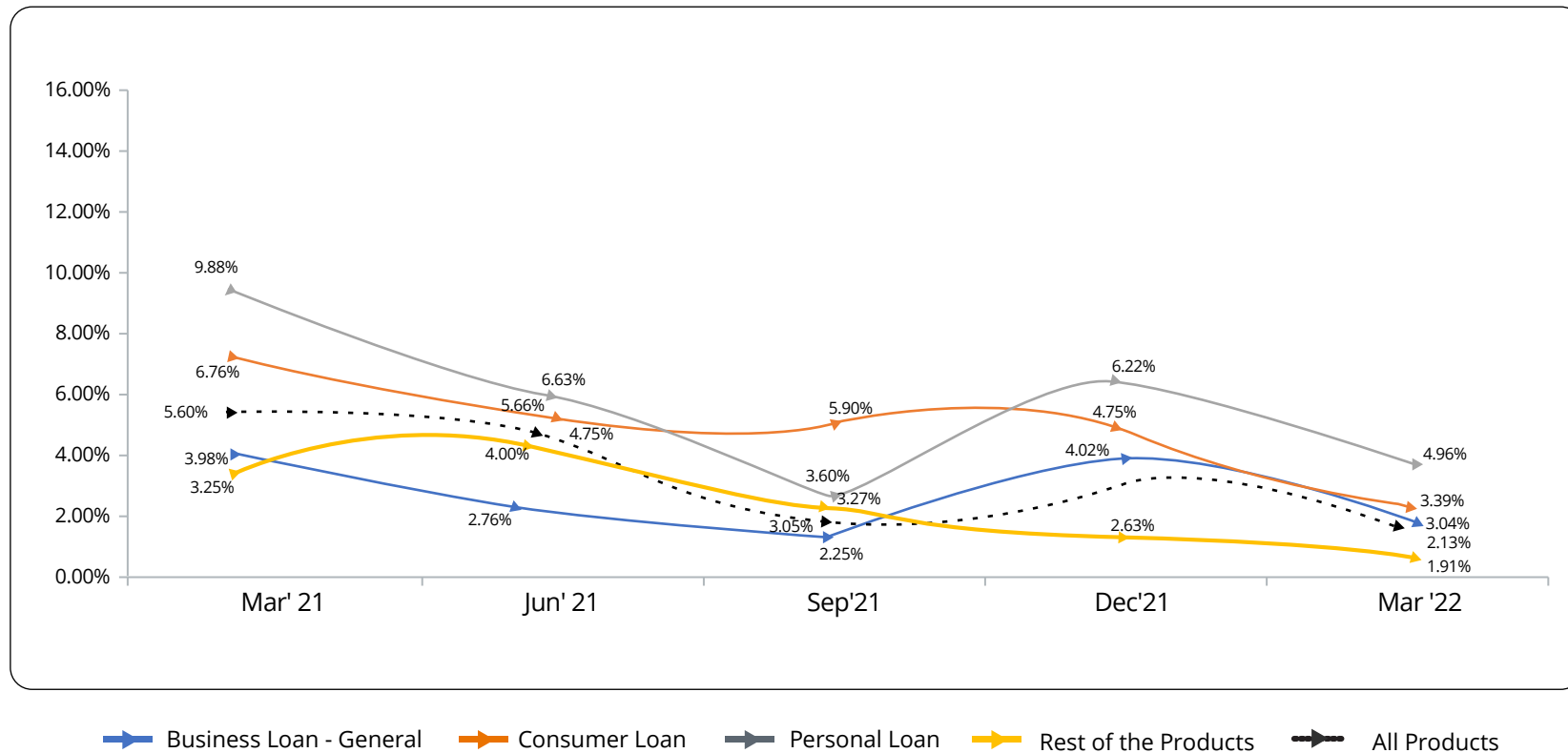


Ticket Size (Rs crore)	Mar'21	Jun'21	Sep'21	Dec'21	Mar'22	Y-o-Y Growth Rate%
0-50K	2,788	2,803	3,151	3,227	4,325	55%
50K-1L	2,007	1,925	1,935	1,704	2,402	20%
>1L	5,966	5,825	6,251	6,677	8,076	35%
Total	10,761	10,553	11,337	11,608	14,803	38%
Q-o-Q Growth Rate %		-2%	7%	2%	28%	

- Portfolio outstanding for overall Personal loan product witnessed a growth of 38% annually from March 2021 to March 2022 and a growth of 28% quarterly from December 2021 to March 2022
- 0-50k ticket size POS showed a Y-o-Y growth of 55% and Q-o-Q growth of 34%
- Portfolio outstanding for 50k-1L ticket sizes recorded a Q-o-Q growth of 41%

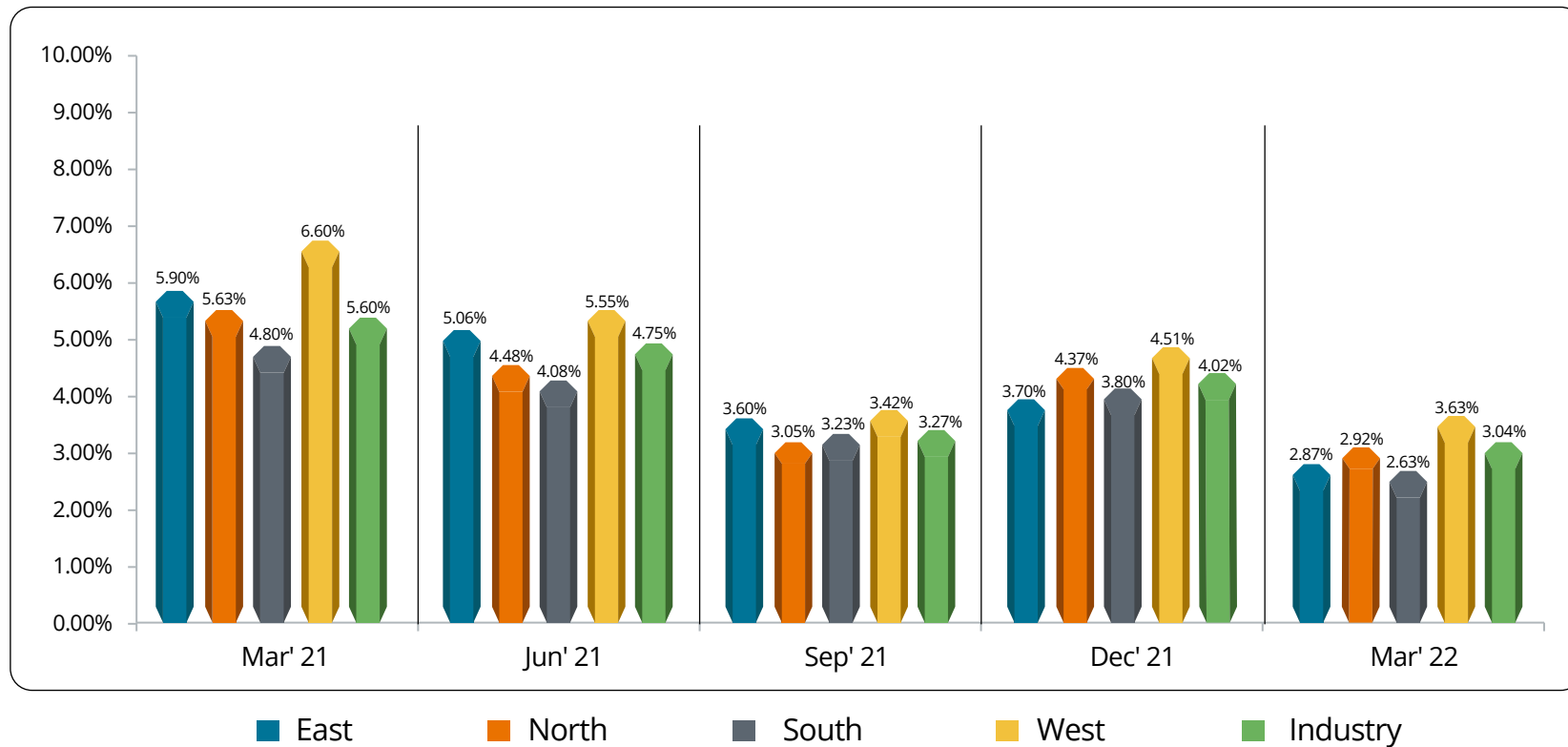


Delinquency Deep Dive



- 90+ delinquency for Personal Loans reflected an annual decline of 4.92% from March 2021 to March 2022 and a quarterly decline of 1.26% from December 2021 to March 2022
- Consumer Loans showed decline of 3.37% % annually from March 2021 to March 2022 and 1.36% quarterly December 2021 to March 2022
- Business Loan (General) showed decline of 1.85 percentage points between March 2021 and March 2022 and 1.67 percentage points between December 2021 and March 2022

Fintech Zonal 90+ Delinquency trends



- 90+ delinquency for South zones reflected an annual decrease of 2.17% from March 2021 to March 2022 and a quarterly decline of 1.17% from December 2021 to March 2022
- West zone observed a decline of 2.97% from March 2021 to March 2022 and 0.88% decline from December 2021 to March 2022
- East and North zone registered Y-o-Y decrease of 3.03% and 2.71% respectively
- All zones have witnessed a decrease in delinquency level as compared to March 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

JFM' 21 = January 2021 to March 2021

AMJ'21 = April 2021 to June 2021

JAS'21 = July 2021 to September 2021

OND'20 = October 2021 to December 2021

JFM' 22 = January 2022 to March 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

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