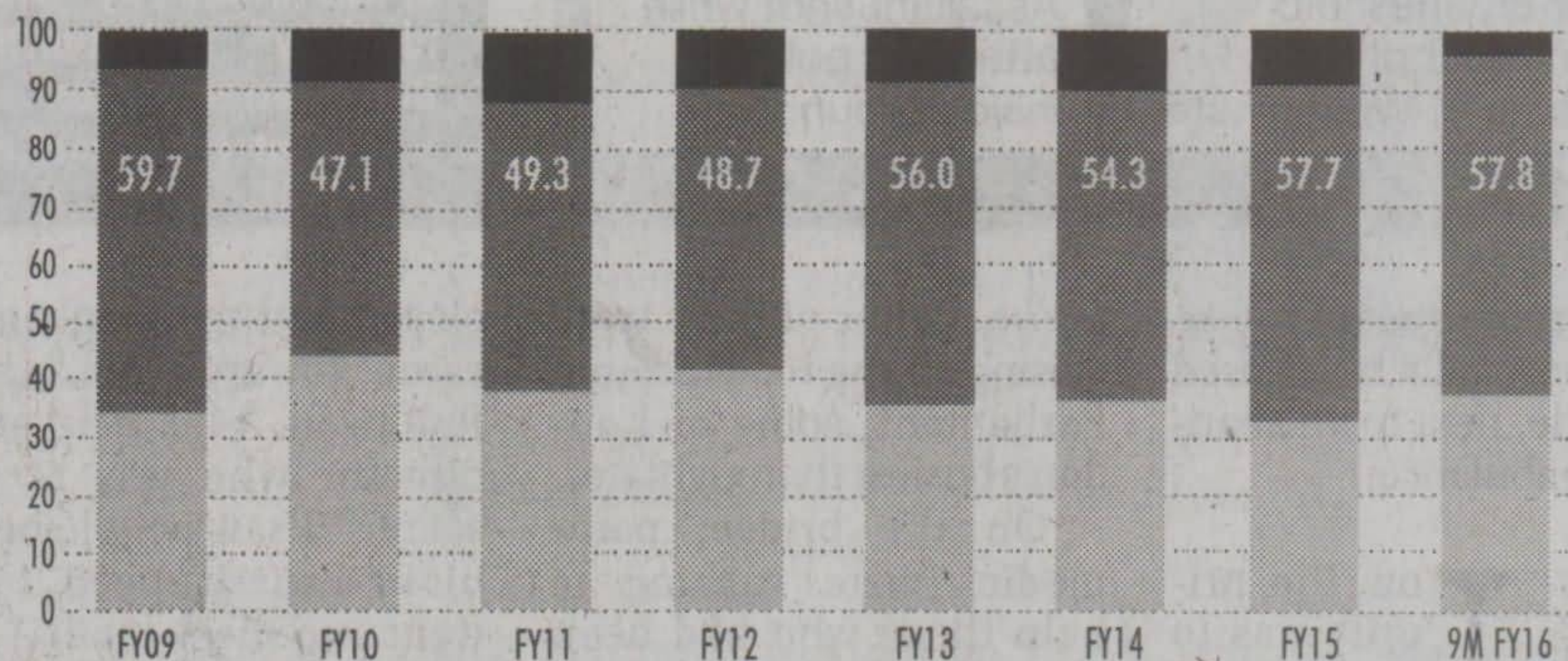


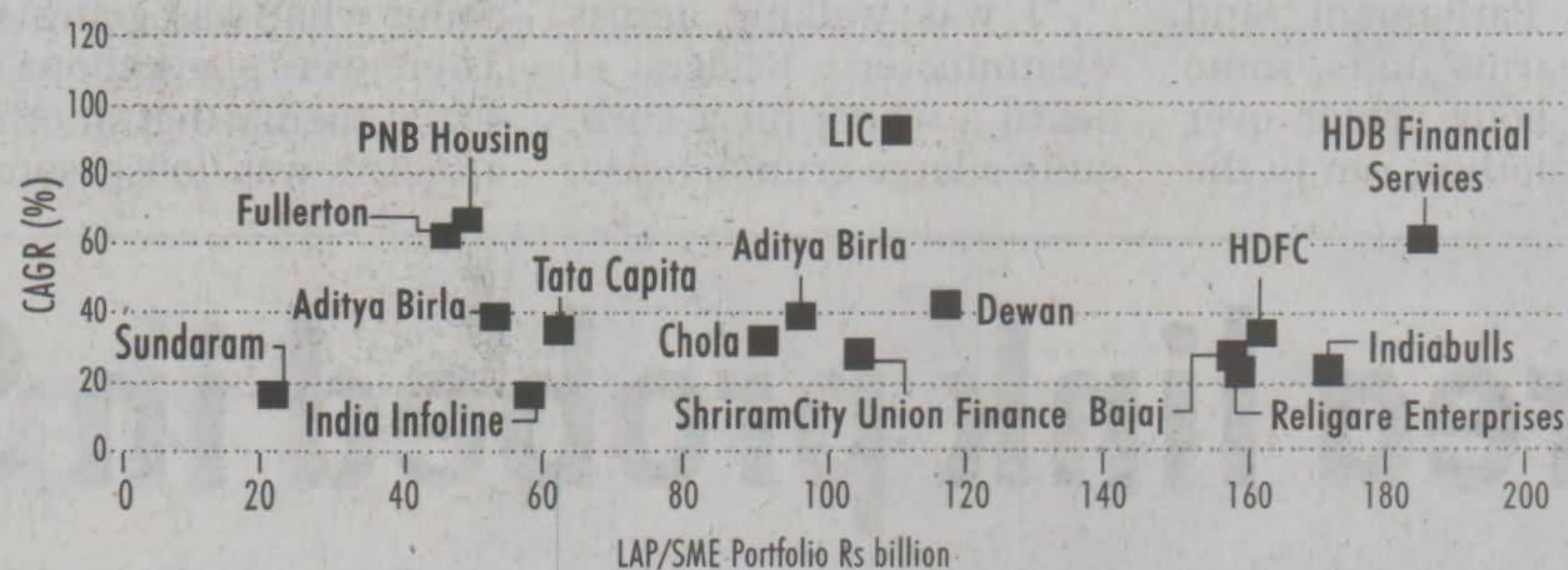
## Rising share of surrogate loans



Figures in per cent

Sources: RBI, Company Financials (NBFCs and Mortgage Lenders), ICRA Research

## Size vs growth rates of key NBFCs and HFCs in LAP/SME segment



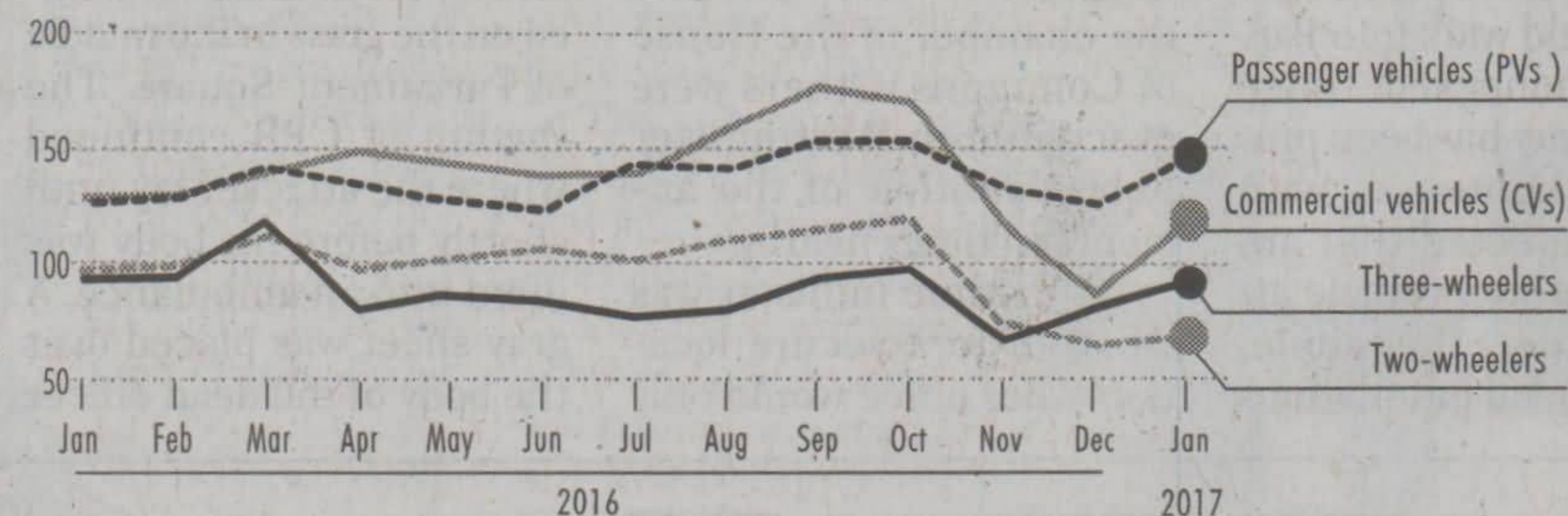
## LAP: Rapid growth poses risks

- The LAP segment may have grown at a CAGR of about 25 per cent over 4 years, compared to 17 per cent for overall retail credit.
- Around 10-11 players have loan book sizes of at least \$1 billion versus 2-3 players four years ago.
- Favourable market conditions could have led to an under-appreciation of the risks involved

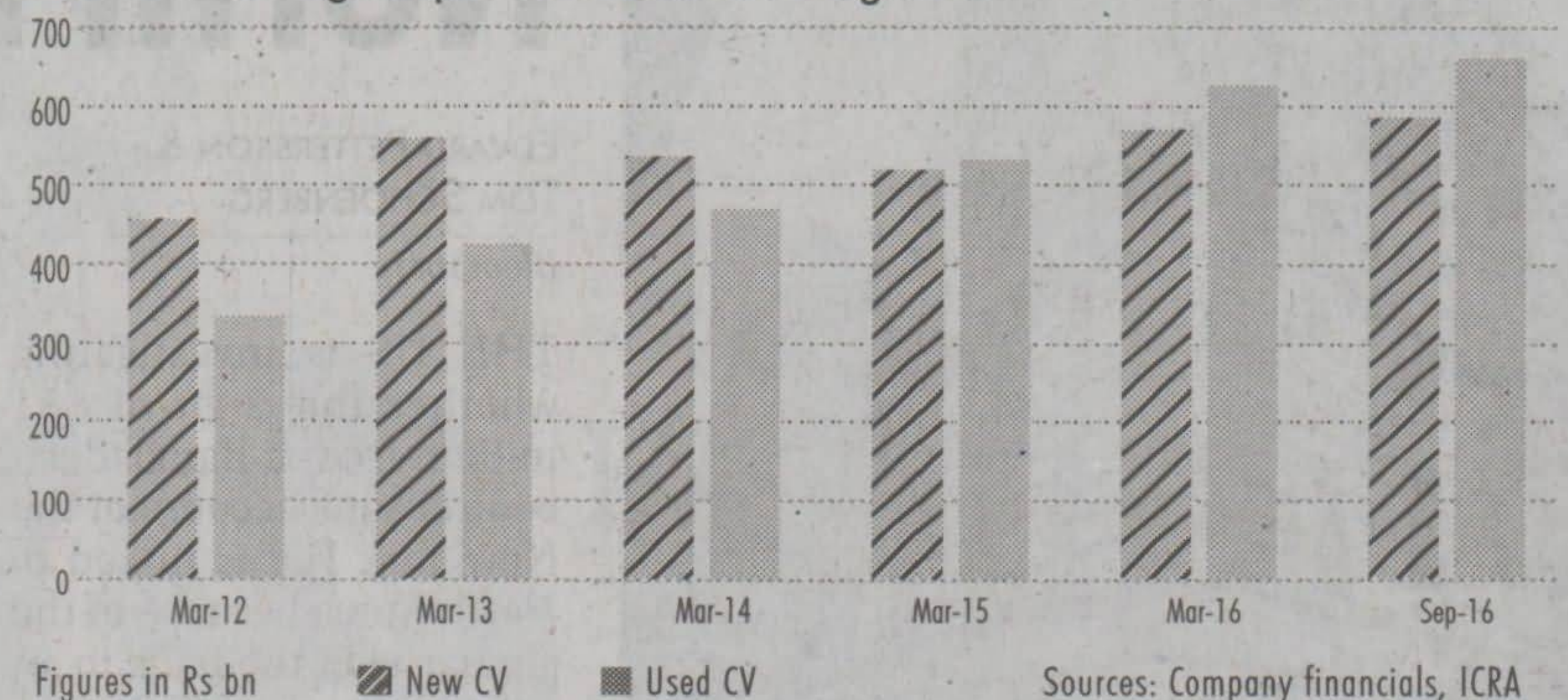
## Commercial vehicle: Growth outlook subject to macro factors

- Pre-buying ahead of Bharat Stage-IV will help improve the growth prospects for commercial vehicle (CV) loans.
- Private investment remains muted; weak investment activity and uncertainty as to the implementation of the GST represent the key downside risks.
- Asset quality has begun to stabilise, after incorporating the impact of demonetisation.

## Auto sales (CV and passenger vehicle) — rebased to 100



## NBFC managed portfolio in CV segment



Figures in Rs bn

■ New CV

■ Used CV

Sources: Company financials, ICRA

Source: Moody's Investors Service