



Fintech Pulse – Vol I

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Index

- Foreword
- Executive Summary
- The Indian Fintech Story
- Fintech Lending - Personal Loan Segment
- Fintech Lending- All Loan Segments
- Geographical Overview
- Product Overview
- Demographic Overview

FOREWORD



Shri Mohammad Mustafa, IAS

Chairman & Managing Director
Small Industries Development Bank of India

As the times are changing, the use of digital technology in lending space will create new dimension. Though, the Fintech Lending is at nascent stage at present, the lending space is set to witness the extensive use of digital channels. With Government and regulators pushing for improved digital financial infrastructure, digital lending will provide impetus to financial inclusion, especially for borrowers in unserved / underserved segment. Further, COVID pandemic has propelled the use of digital technology and has established Tech adoption as the new normal.

As another sector building initiative, the Bank is partnering with Equifax for “Fintech Pulse” to bring out how the Fintech Lending is proving to be a differentiator in timely and adequate delivery of credit. As the Fintech Lending space will grow, this report will be made more comprehensive with additional parameters and will serve as first of its kind report to provide policy insights to stakeholders on Fintech Lending.

Mix set of traditional lenders viz Banks, NBFCs and the New Age Fintechs will improve the credit penetration in MSME sector. Harmonized strategy between these lenders can take the MSME lending to the next level of growth.

I hope Fintech Pulse will be able to track the growth of Fintech Lending sector from the nascent stage to leaders in lending space. I thank Equifax for partnering for the effort.

FOREWORD



Shri Nanaiah K M

Managing Director, Equifax Credit
Information Services Private Limited and
Country Leader - India & MEA, Equifax

The Lending market place in India is evolving tremendously with Fintechs leading the way to serve new segments by leveraging digital channels and technology for scalable yet sustainable growth. With a sizable population that is still underserved or unserved, lending continues to be an attractive business proposition for Fintechs. We continue to see a burgeoning number of players and growing investments in the space. We are extremely positive that we will continue to see traction across this industry especially as Fintechs foray into new segments such as rural, new to credit and very importantly the MSME sector that present huge opportunities.

We are very pleased to present the '**Fintech Pulse**' in partnership with SIDBI to help the industry understand trends and showcase various opportunities that lending presents across geographies, demographics, products etc. Using the rich source of data provided to Equifax by lending institutions including the Fintech NBFCs in the country, the report provides deep insights to throw light on the way forward.

We look forward to monitoring trends and growth of the Fintech lending space and I am sure that the Fintech pulse will provide you with valuable information to guide you as founders, regulators, investors, industry players or enablers in the ecosystem.

I am sure you will enjoy reading this report and will find the insights very useful.

EXECUTIVE SUMMARY

The Fintech Lending report by SIDBI and Equifax will help in understanding the current dynamics of Fintechs Lending in India, which is the second largest sector within Fintechs after Digital Payments. The report aims to bring out how the emerging technologies are causing disruption in the financial sector and the impact of these technologies in credit landscape, in addition to the analytical contents regarding performance etc. with reference to key parameters. This report focuses on the upward trajectory of New Age Fintechs, emerging as differentiators in timely and adequate delivery of credit to unserved and underserved; there are also cross comparisons of Lending Fintechs vis-a-vis the traditional banks and NBFCs. The newsletter also includes the performance of Lending Fintechs across products, geographies and different demographic segments and analyses key trends.

Despite more than a 100% growth in disbursement by Fintechs in the last one year, a huge market is yet unserved. This augurs well for the future of lending Fintechs. Personal loans have been the star product for majority of Fintechs across regions with a 66% share among the products and will continue to fuel lending growth for Fintechs. The delinquencies for Fintechs are indeed higher as compared to other lenders, which may be a result of serving subprime/prime/new to credit segments. Accordingly, Fintechs need to continue with enhanced focus on using additional data sources and robust credit models to have a sustainable business. Geographically, a majority of Fintechs still basically serve the urban population; however, many Fintechs are exploring avenues of serving the semi urban and rural population through digital means.

The current report is an analysis of 39 NBFC-Fintechs (as on Dec'19) which submit data to Equifax. Through this report, we aim to answer key questions and hypothesis on the Fintech growth, Regional presence & outreach, Borrower profile, Risk profiling and growth trends in Fintech lending space.

THE INDIAN FINTECH STORY

Indian Fintech Story

- ▶▶ The Fintech industry in India has grown by leaps and bounds in last five years making India the world's second largest Fintech hub (trailing only the US).¹
- ▶▶ The overall transaction value in the Indian FinTech market is estimated to go up steeply from around \$65 bn in 2019 to \$140 bn in 2023.²
- ▶▶ Fintech investments have nearly doubled to \$3.7bn in 2019 from 1.9 bn in 2018 with 198 deals in 2019 with majority of the funding going into payments followed by lending, InsurTech and WealthTech.³

Sources: ¹ India Fintech report 2019 ² Invest India analysis ³ Accenture study

India Fintech Lending

- ▶▶ In lending, there is a massive opportunity in both the MSME and consumer space. It is estimated that total retail loans over \$1 trillion could be disbursed digitally by 2023 in India.⁴
- ▶▶ The majority of these Fintechs focus on Personal loans, Consumer loans and Business loans using traditional and alternate data.
- ▶▶ Types of lending Fintechs include –
 - Market place aggregators and P2P lenders
 - Direct NBFC lenders
 - Crowd funding companies
 - Enablers - regulatory tech companies, tech companies powering lenders and alternate scoring and data companies

Source: ⁴ BCG Study on digital lending 2019

Factors leading to growth of Fintechs

- ▶▶ Launch of various initiatives such as Digital India, India Stack, Jan Dhan Yojana, Startup India which have played a pivotal role in creating a favorable environment for Fintechs.
- ▶▶ Supportive regulatory bodies - New Video KYC norms, setting up regulatory frameworks for P2P lending, setting up regulatory sandbox have been positive initiatives. Further, it has encouraged more companies to take up NBFC licenses in the lending space.
- ▶▶ Other factors include evolving consumer demographics, internet penetration and robust funding activity.

The way forward for Fintech lenders

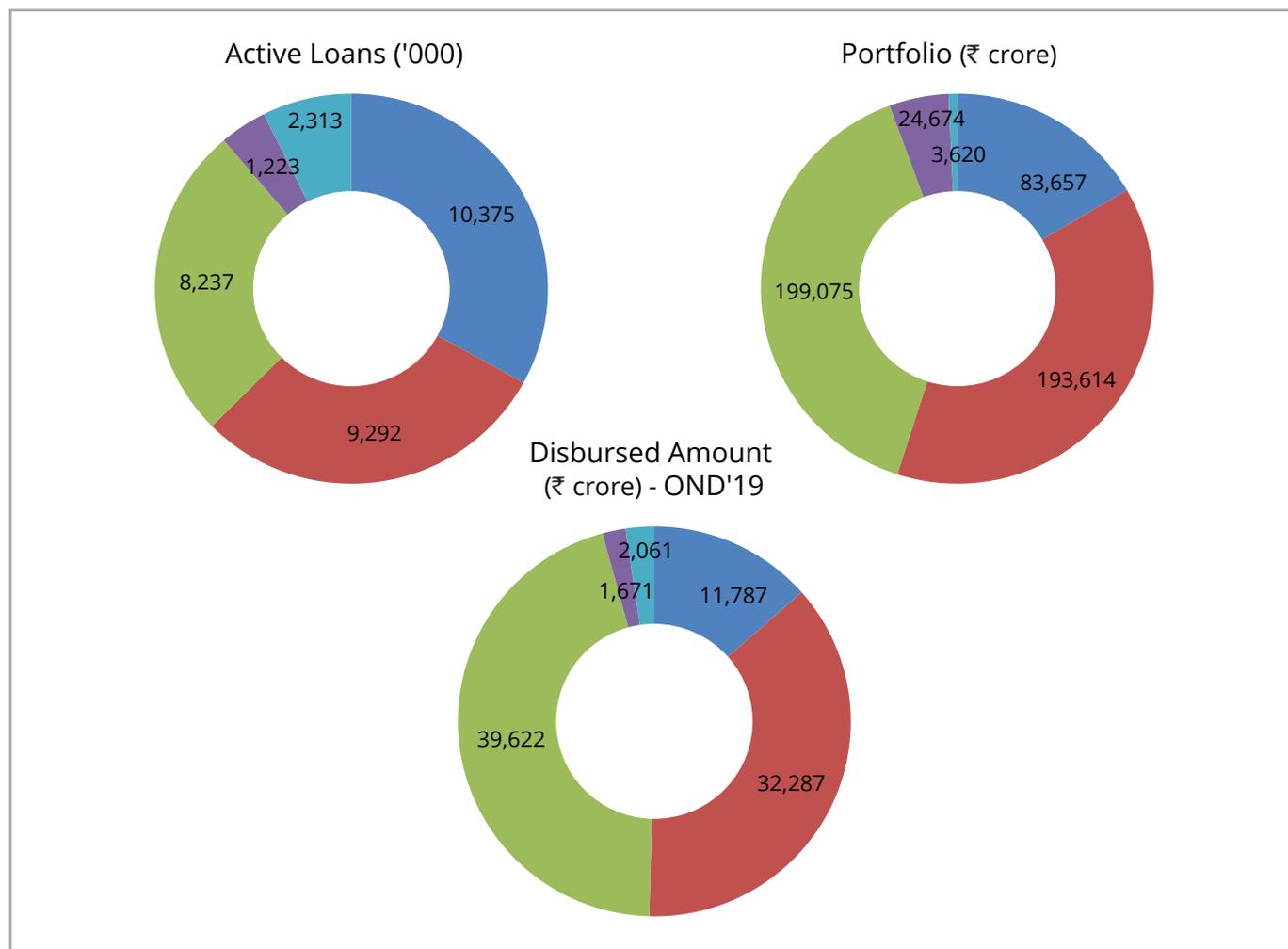
- ▶▶ Fintech lending will continue to grow in India as more and more players enter the lending space. Foreign players and players in non-traditional spaces such as e-commerce, consumer companies etc are entering the lending ecosystem armed with proprietary data.
- ▶▶ Additionally collaboration between various players in the ecosystem including NBFCs, banks, data providers and non traditional players with large consumer data, will lead to innovation in bringing new products and targeting new segments.
- ▶▶ While innovation has spurred much of the growth in the digital lending industry, lenders need to adhere strictly to privacy norms, and regulatory requirements as they continue their aggressive growth.



FINTECH LENDING - PERSONAL LOAN SEGMENT



PERSONAL LOAN INDUSTRY SNAPSHOT AS ON 31ST DECEMBER 2019



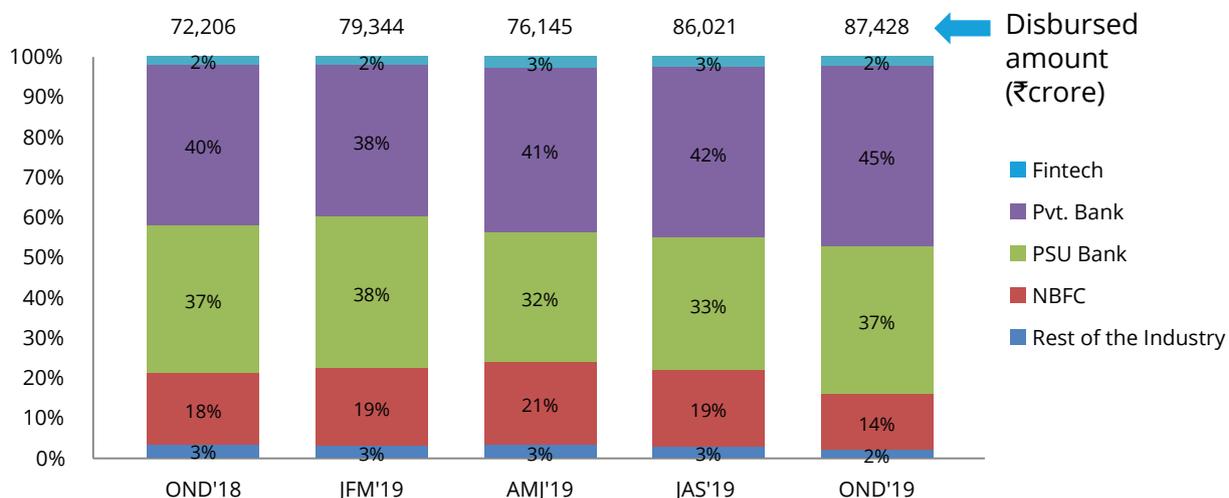
■ NBFC ■ PSU Bank ■ Pvt. Bank ■ Rest of the Industry ■ Fintech

| Personal loan Snapshot as of Dec'19 | Fintech | NBFC | PSU Bank | Pvt. Bank | ROI | Total Industry |
|-------------------------------------|---------|--------|----------|-----------|--------|----------------|
| Active Loans ('000) | 2,313 | 10,375 | 9,292 | 8,237 | 1,223 | 31,440 |
| Portfolio ₹crore | 3,620 | 83,657 | 193,614 | 199,075 | 24,674 | 504,640 |
| Disbursed Amount ₹crore - OND'19 | 2,061 | 11,787 | 32,287 | 39,622 | 1,671 | 87,428 |
| 90+ Delinquency | 6.15% | 1.17% | 0.38% | 0.55% | 2.26% | 0.71% |

- ▶ Although the current market share of Fintechs is 7.35% in terms of active accounts and 0.71% in terms of POS, they are carving out a separate market for themselves with smaller ticket sizes and tenures by catering to customers outside spectrum of traditional lenders.

PERSONAL LOAN DISBURSEMENT TRENDS

Market Share Trends by Lender type (Disbursed Amount)

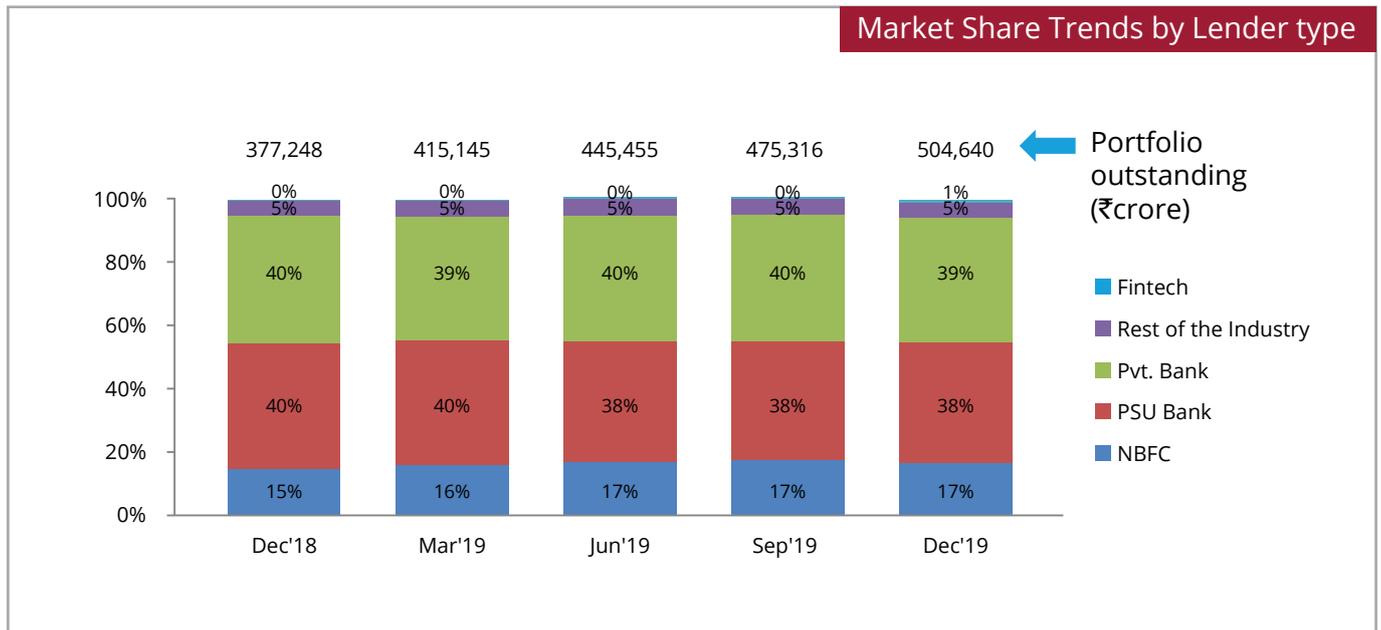


Disbursed no of loans ('000)

| Lender Category | OND'18 | JFM'19 | AMJ'19 | JAS'19 | OND'19 |
|-----------------|--------|--------|--------|--------|--------|
| Fintech | 863 | 1,522 | 1,946 | 2,668 | 3,043 |
| NBFC | 1,299 | 1,833 | 2,563 | 2,723 | 1,327 |
| PSU Bank | 765 | 892 | 682 | 769 | 867 |
| Pvt. Bank | 803 | 815 | 843 | 1,064 | 1,326 |
| ROI | 72 | 77 | 70 | 73 | 46 |
| Industry Total | 3,802 | 5,139 | 6,104 | 7,297 | 6,609 |

- ▶ Fintech disbursement (by Value) has grown by more than ~110% over the last 1 year compared to overall industry growth rate of ~22%.
- ▶ This surge in disbursement by Fintech could be attributed to the adoption of digital lending platforms by consumers and foray in new customer segment using innovative credit assessment models.

PERSONAL LOAN PORTFOLIO OUTSTANDING TRENDS

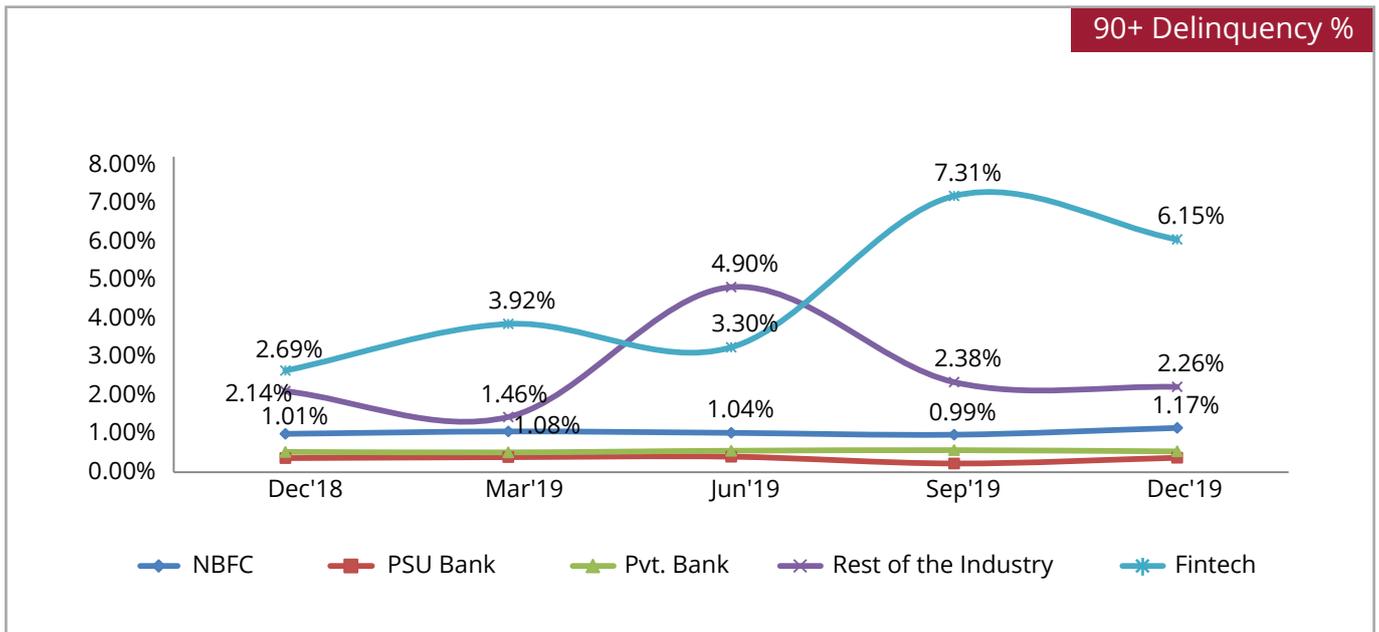


Portfolio Outstanding by no. of loans ('000)

| Lender Category | Dec'18 | Mar'19 | Jun'19 | Sep'19 | Dec'19 | Y-o-Y Growth Rate % |
|---------------------|--------|--------|--------|--------|--------|---------------------|
| Fintech | 285 | 401 | 701 | 680 | 2,313 | 712% |
| NBFC | 4,671 | 6,114 | 7,735 | 9,402 | 10,375 | 122% |
| PSU Bank | 8,433 | 8,839 | 8,658 | 8,838 | 9,292 | 10% |
| Pvt. Bank | 6,377 | 6,615 | 6,944 | 7,363 | 8,237 | 29% |
| ROI | 870 | 942 | 1,151 | 1,185 | 1,223 | 41% |
| Total Industry | 20,636 | 22,911 | 25,189 | 27,468 | 31,440 | 52% |
| Q-o-Q growth rate % | - | 11% | 10% | 9% | 14% | - |

- ▶ Portfolio outstanding of Fintechs has grown over 400% by value, over the past year – the highest growth rate as compared to other industry players

PERSONAL LOAN RISK PROFILE



- ▶ Delinquency trends remained consistent across all the categories except for Fintechs which could be partially due to the higher risk appetites of Fintechs. However Fintechs continue to experiment with new data sources to underwrite loans and find innovative means through technology for increased scrutiny even in digital applications in order to create robust predictive underwriting models to reduce defaults.

Delinquencies calculated basis POS

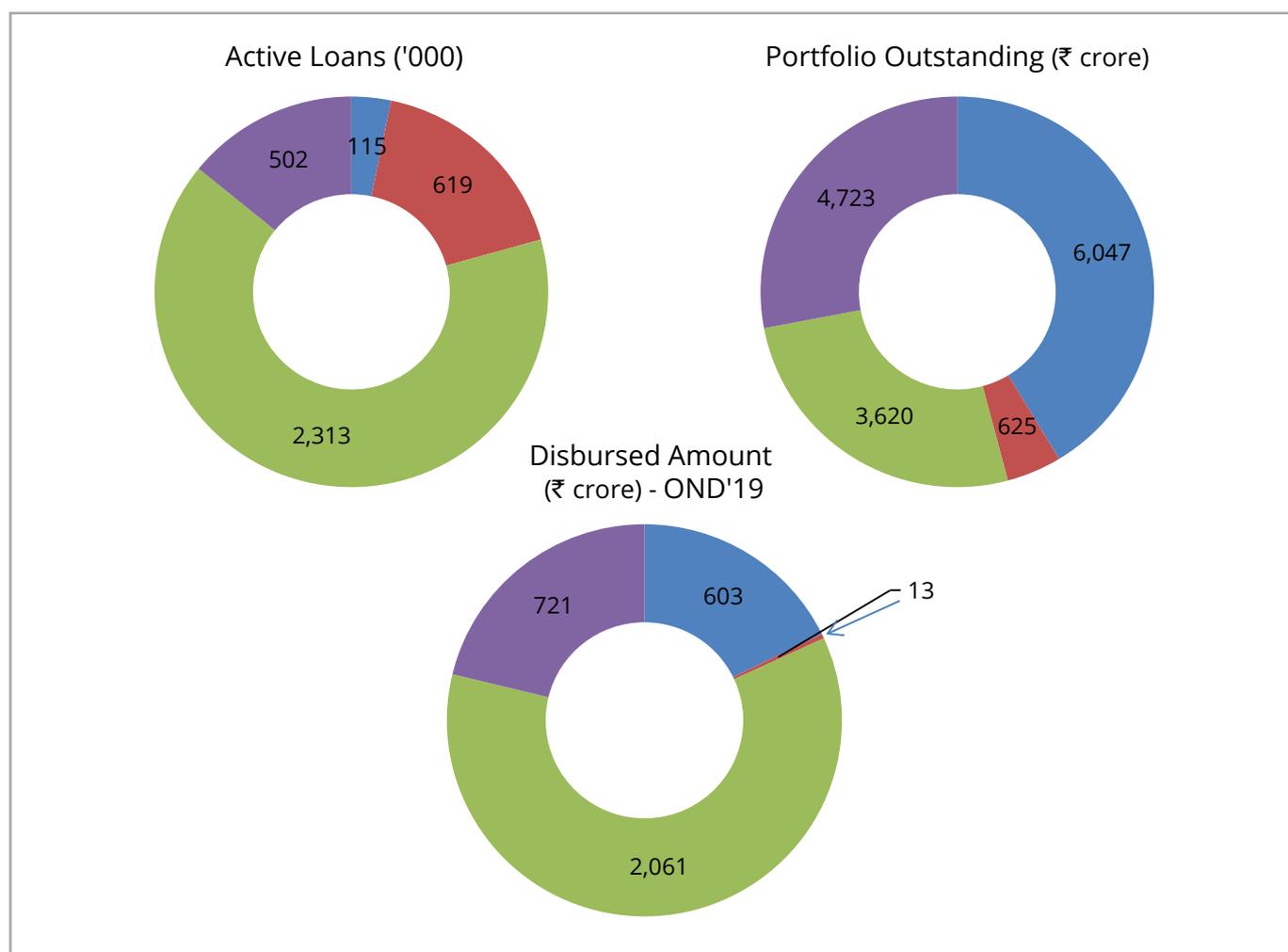


FINTECH LENDING - ALL LOAN SEGMENTS



FINTECH OVERVIEW

AS ON 31ST DECEMBER 2019



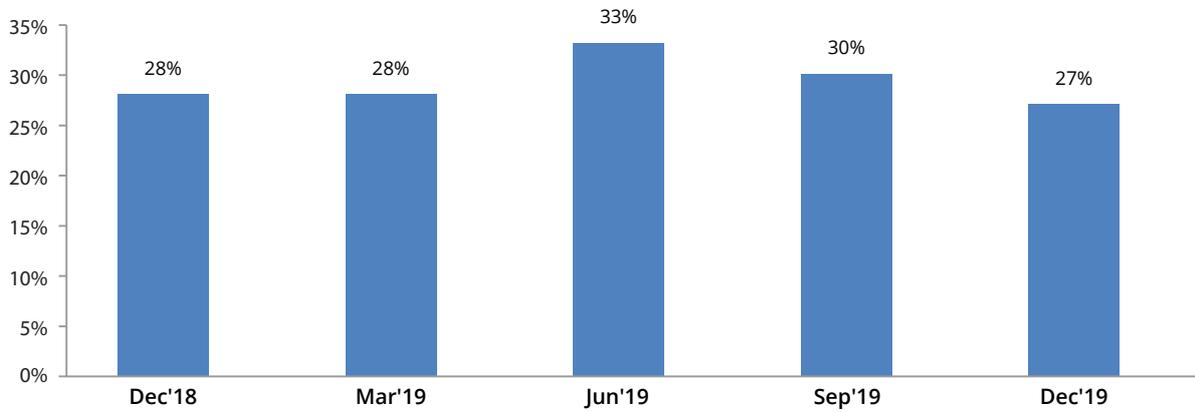
■ Business Loan - General
 ■ Consumer Loan
 ■ Personal Loan
 ■ Rest of the Products

| Fintech Snapshot as of Dec'19 | Business Loan - General | Consumer Loan | Personal Loan | Rest of the products | All Products |
|-------------------------------------|-------------------------|---------------|---------------|----------------------|--------------|
| Active Loans ('000) | 115 | 619 | 2,313 | 502 | 3,549 |
| Portfolio Outstanding (₹ crore) | 6,047 | 625 | 3,620 | 4,723 | 15,015 |
| Disbursed Amount (₹ crore) - OND'19 | 603 | 13 | 2,061 | 721 | 3,398 |
| Average Ticket Size (₹) | 623,267 | 20,603 | 6,780 | 59,833 | - |

- ▶ Personal loans is the most favoured category for disbursement by Fintechs. Driven by higher volumes and lower ticket sizes, Personal loans continue to fuel growth of the Fintech portfolios. This can be attributed to Fintechs offering small credit lines/loans for small purchases. For example, Fintechs even provide loans for mobile recharges & small consumer durable purchase, besides providing app based credit to new to credit customers.

NEW TO FINTECH CUSTOMERS

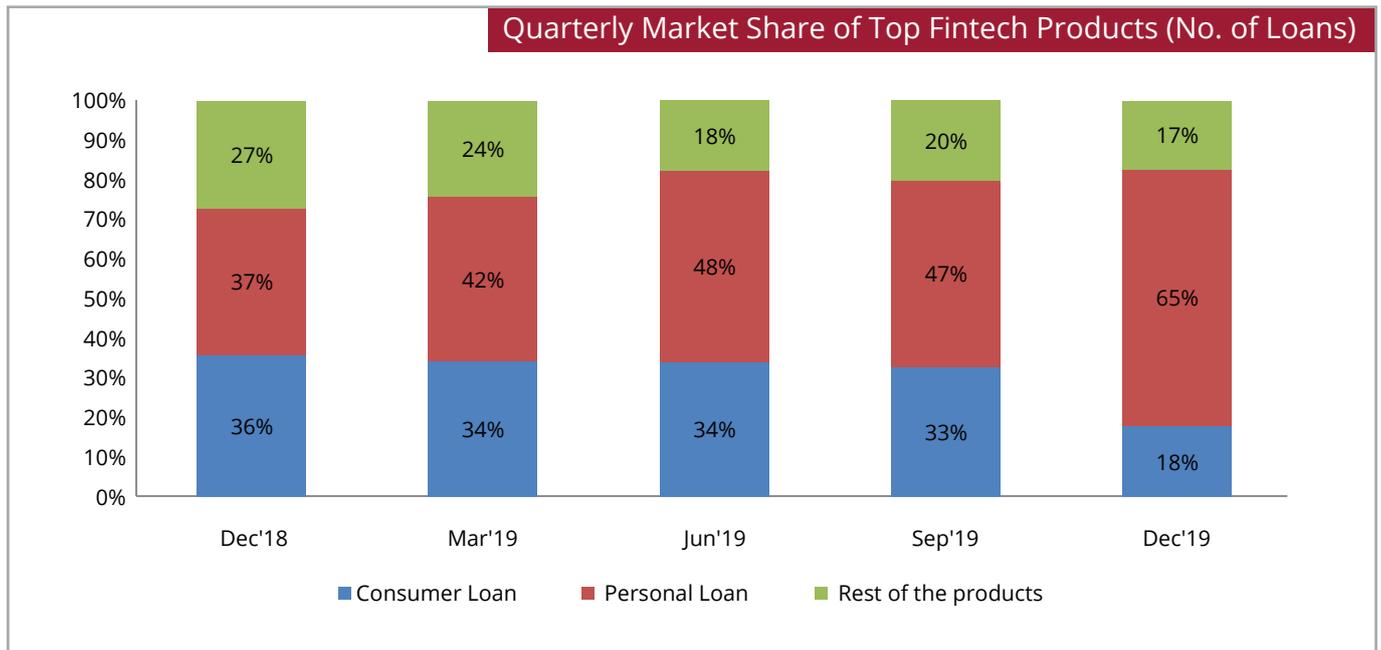
New to Fintech credit customer rates (%)



- ▶ The industry experiences an average of approx. 27% - 33%, New to Fintech credit customers on a quarterly basis.

Delinquencies calculated basis POS

QUARTERLY FINTECH GROWTH

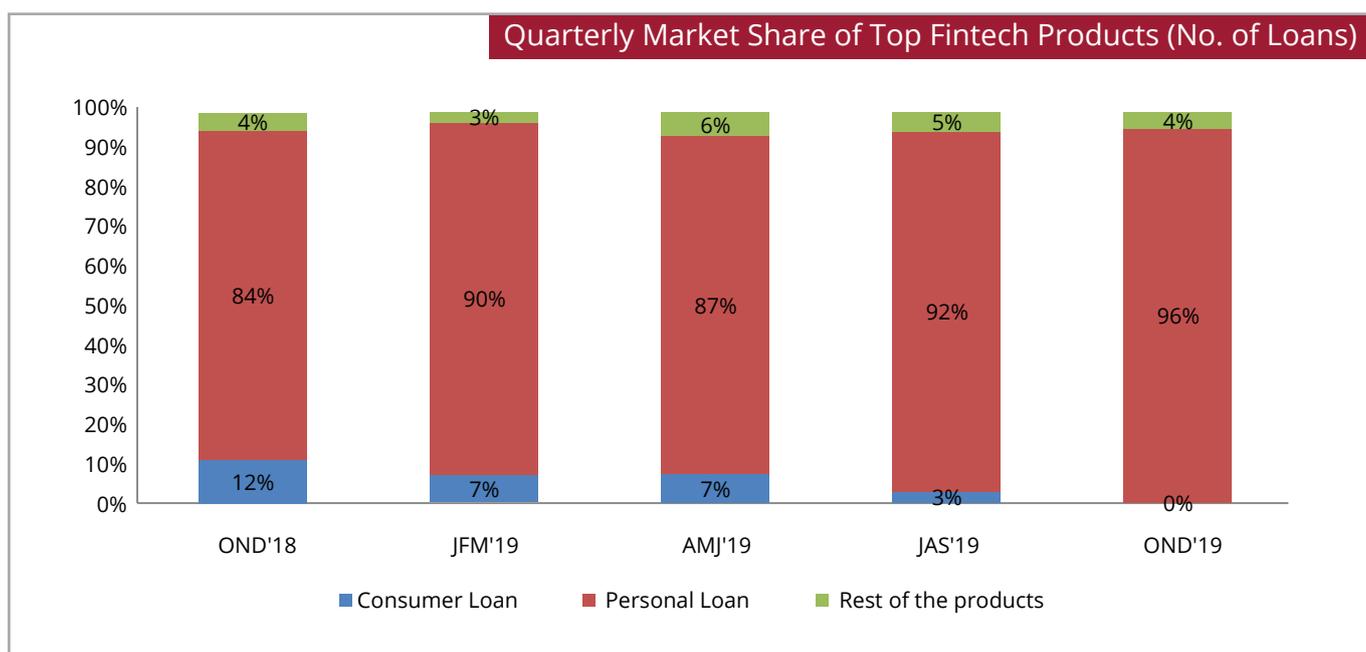


Quarterly Market Share of Top Fintech Products (POS)

| Top Products (₹crore) | Dec'18 | Mar'19 | Jun'19 | Sep'19 | Dec'19 | Y-o-Y Growth Rate % |
|-------------------------|--------|--------|--------|--------|--------|---------------------|
| Business Loan - General | 3,485 | 4,214 | 5,183 | 5,450 | 6,047 | 74% |
| Personal Loan | 707 | 1,024 | 1,930 | 1,962 | 3,620 | 412% |
| Rest of the products | 3,610 | 3,805 | 3,633 | 4,134 | 5,348 | 48% |
| All Products | 7,802 | 9,043 | 10,746 | 11,546 | 15,015 | 92% |
| Q-o-Q growth rate % | - | 16% | 19% | 7% | 30% | - |

- ▶ While Personal Loans have seen exponential growth for Fintechs, other loans such as Business Loans and other products has also seen healthy growth at 74% and 48% respectively.

FINTECH DISBURSEMENT TRENDS



Quarterly Sourcing Share and ATS of Top Fintech Products

| Top Products (Disbursed Amount) (₹crore) | OND'18 | JFM'19 | AMJ'19 | JAS'19 | OND'19 |
|--|--------|--------|--------|--------|--------|
| Business Loan- General | 1,239 | 1,522 | 1,350 | 1,305 | 602 |
| Personal Loan | 980 | 1,673 | 2,103 | 2,328 | 2,062 |
| Rest of the products | 918 | 1,204 | 2,758 | 1,964 | 734 |

| Top Products (ATS, ₹) | OND'18 | JFM'19 | AMJ'19 | JAS'19 | OND'19 |
|------------------------|---------|---------|---------|---------|---------|
| Business Loan- General | 800,741 | 740,561 | 682,229 | 572,922 | 623,267 |
| Consumer Loan | 41,246 | 46,100 | 115,482 | 123,630 | 20,603 |
| Personal Loan | 11,356 | 10,993 | 10,806 | 8,723 | 6,780 |
| Rest of the products | 144,427 | 250,379 | 73,127 | 69,369 | 59,833 |

- ▶ Disbursement of Business loan has decreased on Y-o-Y basis, whereas other products like Personal Loans have witnessed an increase.
- ▶ The highest jump in disbursement growth was in the Personal Loan products, on Y-o-Y basis.
- ▶ There was a dip in average ticket size, on Y-o-Y basis, across all the products as Fintechs continue to target lower ticket size loans to new customer segments.

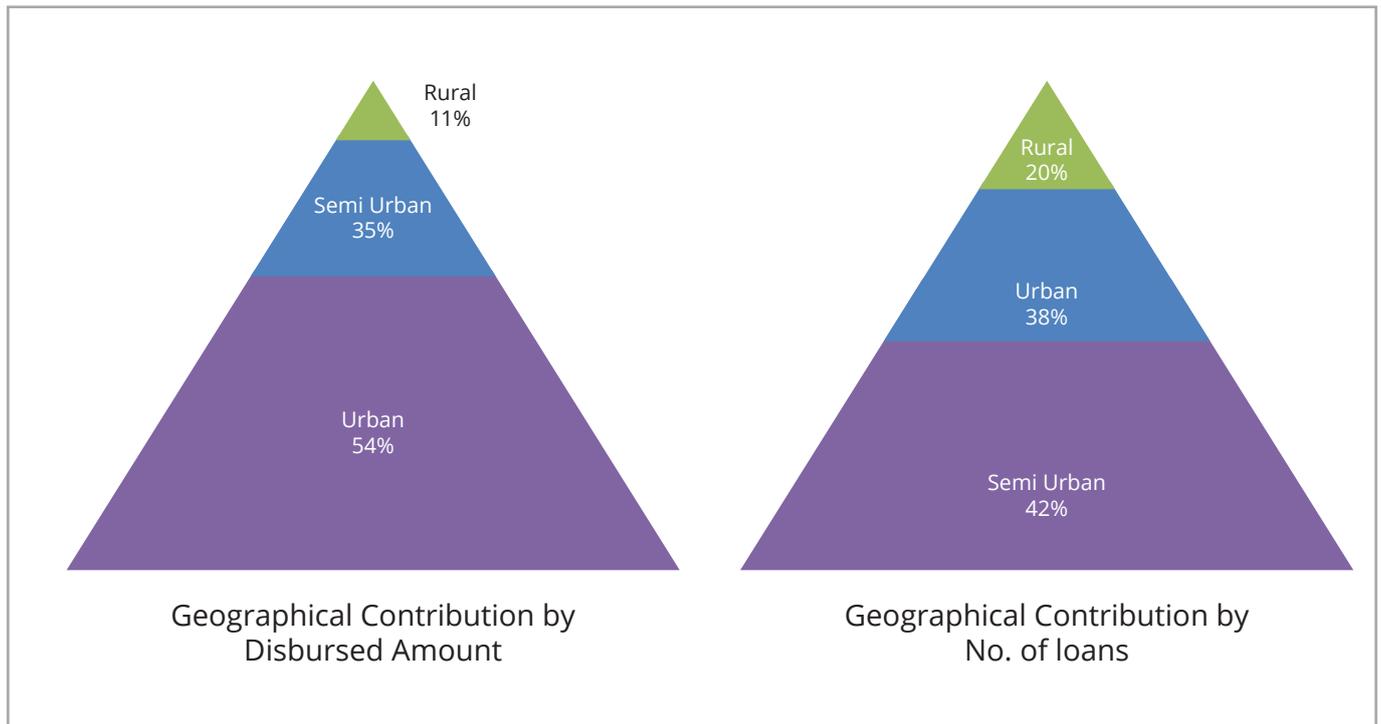
Top Products by no. of loans : Consumer loan and Personal loan;
Top products by POS : Business loan and Personal loan



GEOGRAPHICAL OVERVIEW



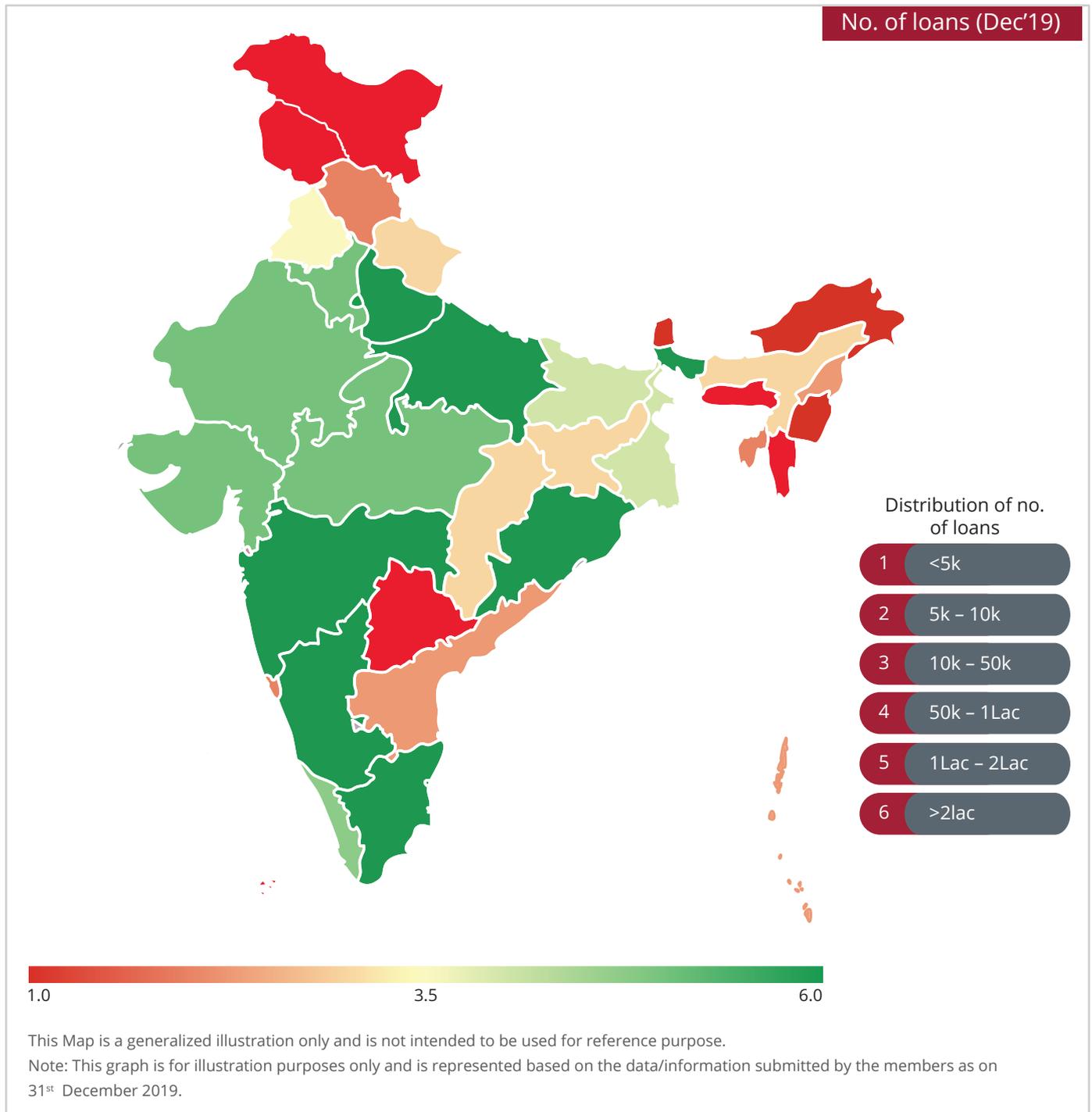
FINTECH REACH BY GEOGRAPHY



- ▶ Lending Fintechs in India are focusing on Urban and Semi Urban customers. Rural population accounted for 11% of total disbursed loans last year.
- ▶ As most Fintechs are using digital data to run their decision engines, enhanced adoption of the digital technique will help them penetrate more in Rural areas. With plummeting data and smartphone costs and government initiatives towards Financial Inclusion, the rural segment will provide massive opportunity for growth of Fintechs.

* Sourcing Period : October 2018 – December 2019

FINTECH STATE WISE EXPOSURE



- ▶ While Fintechs using digital platforms are capable of catering to customers across India, there is a variation within the Country; the top 4 states contribute to ~50% of the live loans in the country.
- ▶ There is certainly a large untapped potential as Fintechs expand their reach to newer geographies especially into the Semi Urban and Rural areas.
- ▶ Southern states have witnessed highest rate of Fintech adoption (loan accounts >2lakh)

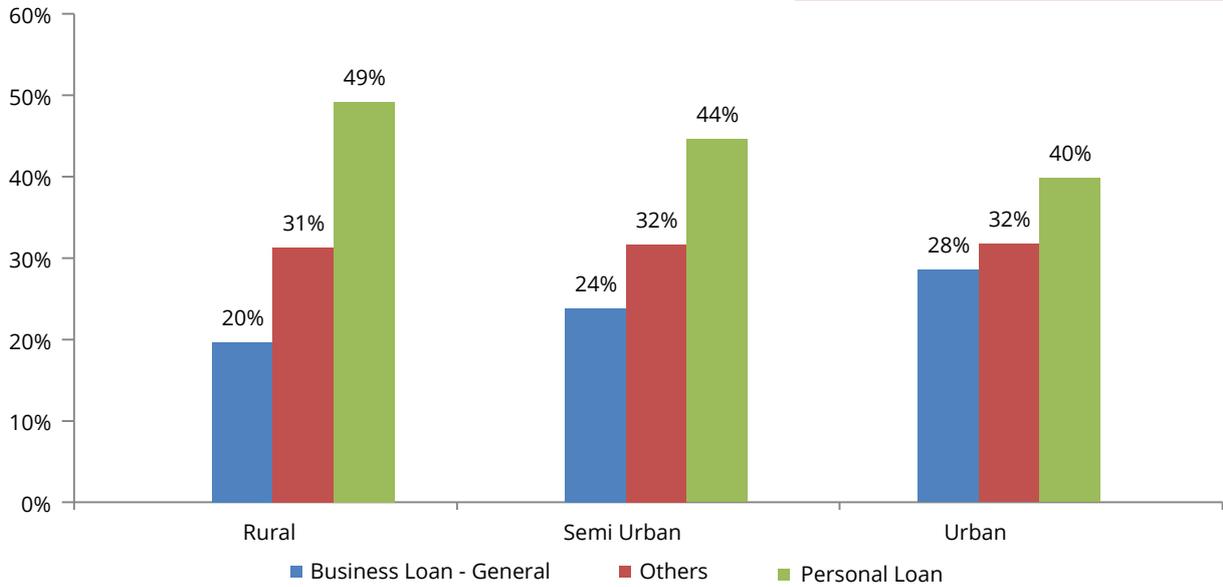


PRODUCT OVERVIEW

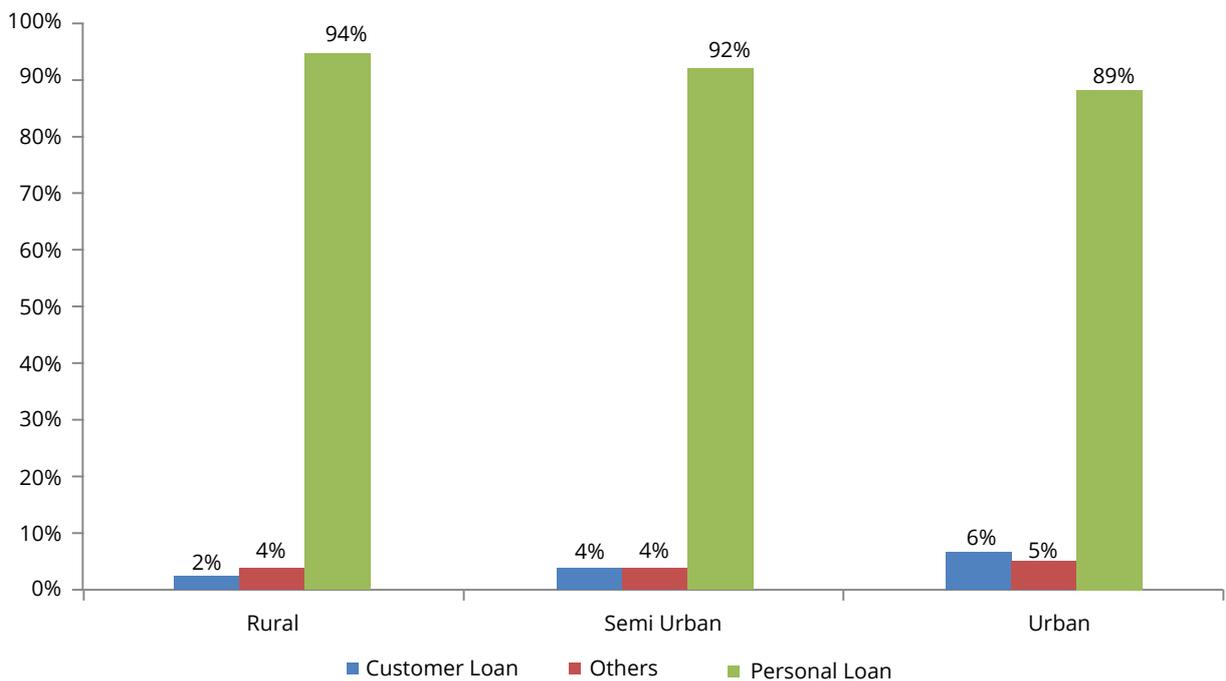


GEOGRAPHICAL EXPOSURE BY PRODUCTS

Exposure by disbursed amount*



Exposure by No. of loans disbursed*



- ▶ Across all the products and geographies, Personal loans have the largest offtake by consumers.
- ▶ Business loan have least penetration in rural market which may be attributed to lack of awareness in Rural customers and also due to lack of data driven business proposition for loan products for Rural customers.
- ▶ Personal loan disbursement by Fintechs has grown multifold - this growth is attributed to the high tech and low cost model adopted by Fintechs leveraging digital platforms, AI/ML and other advanced data analytics to create robust decision capabilities.

* Sourcing Period : October 2018 - December 2019

FINTECH EXPOSURE TRENDS - GEOGRAPHY AND TOP PRODUCTS

Exposure by POS

| Category | Top Products | Dec'18 | Mar'19 | Jun'19 | Sep'19 | Dec'19 |
|------------|-------------------------|--------|--------|--------|--------|--------|
| Rural | Business Loan-General | 73% | 76% | 65% | 56% | 53% |
| | Others | 23% | 16% | 16% | 20% | 19% |
| | Personal Loan | 4% | 8% | 19% | 24% | 28% |
| | Rural Total | 100% | 100% | 100% | 100% | 100% |
| Semi Urban | Business Loan-General | 67% | 63% | 57% | 55% | 50% |
| | Others | 25% | 23% | 22% | 20% | 22% |
| | Personal Loan | 8% | 14% | 21% | 25% | 28% |
| | Semi Urban Total | 100% | 100% | 100% | 100% | 100% |
| Urban | Business Loan-General | 66% | 57% | 55% | 55% | 48% |
| | Others | 25% | 24% | 24% | 20% | 21% |
| | Personal Loan | 9% | 19% | 21% | 25% | 31% |
| | Urban Total | 100% | 100% | 100% | 100% | 100% |

- ▶ Personal loans are the second largest contributor in terms of portfolio outstanding in Q4 of 2019 having a share of 28% in semi Urban and Rural areas and 31% in Urban areas.

FINTECH EXPOSURE TRENDS – GEOGRAPHY AND TOP PRODUCTS

Exposure by No. of Loans

| Category | Top Products | Dec'18 | Mar'19 | Jun'19 | Sep'19 | Dec'19 |
|------------|-------------------------|--------|--------|--------|--------|--------|
| Rural | Consumer Loan | 41% | 39% | 14% | 13% | 4% |
| | Others | 25% | 14% | 12% | 11% | 11% |
| | Personal Loan | 34% | 47% | 74% | 76% | 85% |
| | Rural Total | 100% | 100% | 100% | 100% | 100% |
| Semi Urban | Consumer Loan | 38% | 39% | 20% | 18% | 7% |
| | Others | 21% | 12% | 12% | 11% | 12% |
| | Personal Loan | 41% | 49% | 68% | 71% | 81% |
| | Semi Urban Total | 100% | 100% | 100% | 100% | 100% |
| Urban | Consumer Loan | 37% | 36% | 26% | 26% | 16% |
| | Others | 17% | 10% | 12% | 10% | 10% |
| | Personal Loan | 46% | 54% | 62% | 64% | 74% |
| | Urban Total | 100% | 100% | 100% | 100% | 100% |

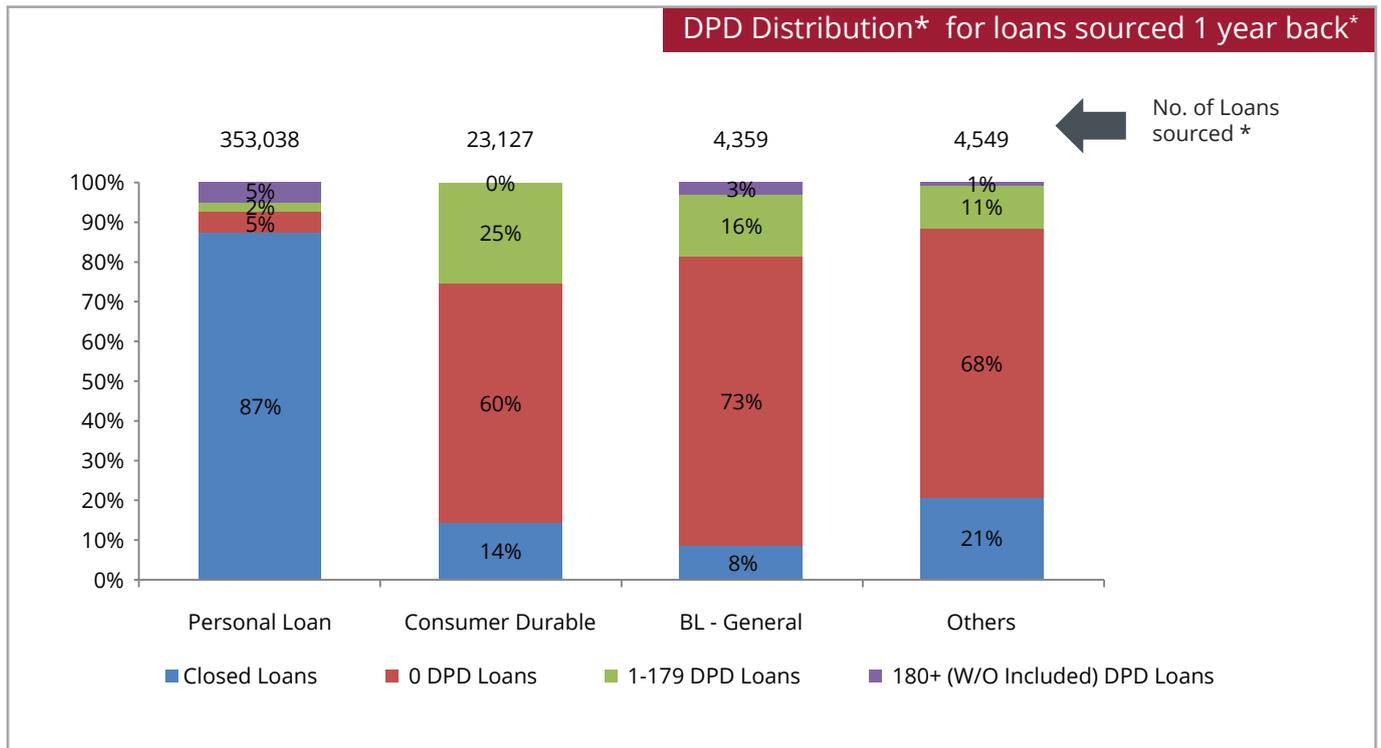
- ▶ While several Fintechs started by giving small ticket Consumer Loans to new segments through e-commerce, the sector has evolved and 2019 has seen a phenomenal rise in Personal Loans which are more customized for various types of buying needs across the geographies.
- ▶ Personal loans contributed more than 70% of the total number of loans in all the geographies as on Dec'19, with small ticket size and shorter tenures, this product is poised to grow with more and more players entering Fintech space.

GEOGRAPHICAL 90+ DELINQUENCY

| Personal Loan | | | | |
|-------------------------|----------------------------------|-------------------|-------------------------|-------------------|
| Top States | 90+ Delinquency % (No. of Loans) | | 90+ Delinquency % (POS) | |
| | Fintech | State Delinquency | Fintech | State Delinquency |
| Karnataka | 6.10% | 1.88% | 6.30% | 0.68% |
| Maharashtra | 7.41% | 2.24% | 6.22% | 1.14% |
| Telangana | 6.30% | 1.83% | 6.50% | 0.63% |
| Tamil Nadu | 6.23% | 1.46% | 5.66% | 0.62% |
| Andhra Pradesh | 5.92% | 1.49% | 4.82% | 0.49% |
| Consumer Loan | | | | |
| Top States | 90+ Delinquency % (No. of Loans) | | 90+ Delinquency % (POS) | |
| | Fintech | State Delinquency | Fintech | State Delinquency |
| Karnataka | 12.64% | 2.19% | 30.67% | 2.94% |
| Maharashtra | 12.90% | 1.75% | 29.89% | 2.86% |
| Telangana | 10.15% | 1.57% | 25.84% | 2.52% |
| Tamil Nadu | 11.65% | 1.66% | 24.45% | 2.92% |
| Andhra Pradesh | 7.96% | 1.06% | 14.90% | 1.72% |
| Business Loan - General | | | | |
| Top States | 90+ Delinquency % (No. of Loans) | | 90+ Delinquency % (POS) | |
| | Fintech | State Delinquency | Fintech | State Delinquency |
| Karnataka | 3.45% | 5.71% | 2.32% | 4.85% |
| Maharashtra | 4.77% | 3.53% | 3.66% | 5.28% |
| Telangana | 3.37% | 3.78% | 1.98% | 5.17% |
| Tamil Nadu | 4.01% | 2.98% | 2.25% | 5.38% |
| Andhra Pradesh | 2.10% | 4.52% | 0.75% | 7.47% |

- ▶ Fintech delinquency rates are higher for Personal and Consumer Loans vis-à-vis Business Loans.
- ▶ The higher delinquencies could be a factor of the higher risk taken by the Fintechs in serving subprime/prime/new to credit segments of the market using low cost digital platforms.

QUICK MORTALITY RATES



- ▶ Though the Personal loans have highest share in Fintech portfolio, it experiences least delinquency rates (by volume) compared to Consumer durable and Business loan (General).

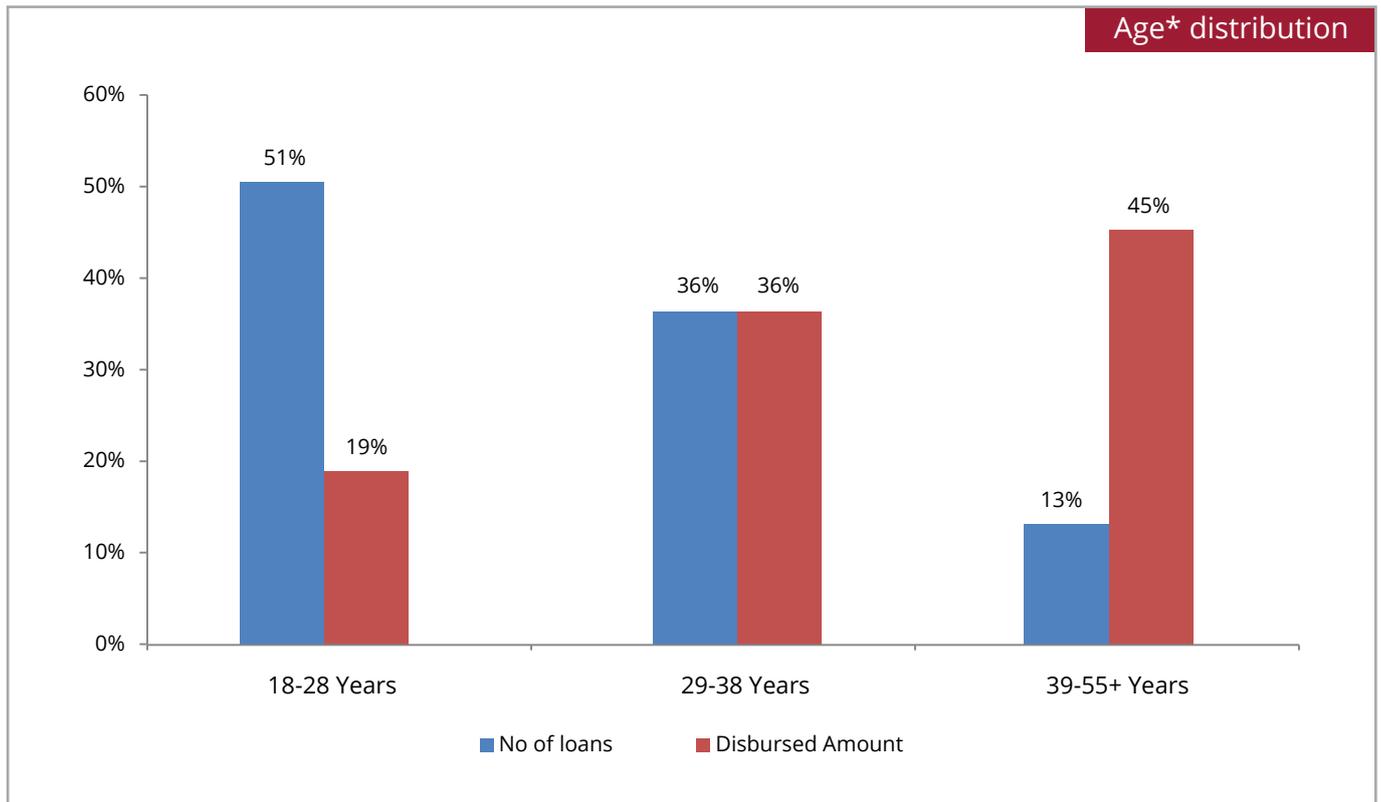
DPD Distribution : As on 31 Dec 2019.
 1 Year Back / No of loans sourced : Loans sourced between 01Dec2018 - 31 Dec 2018



DEMOGRAPHIC OVERVIEW



BORROWER AGE PROFILING



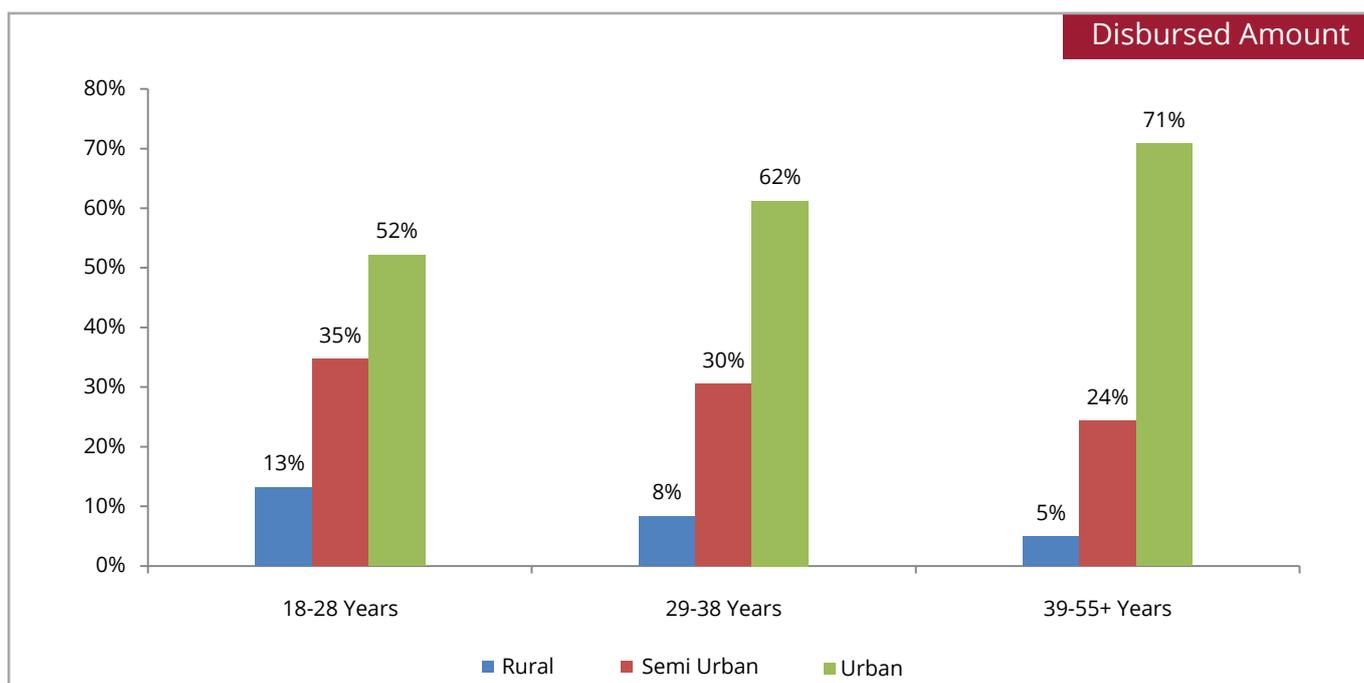
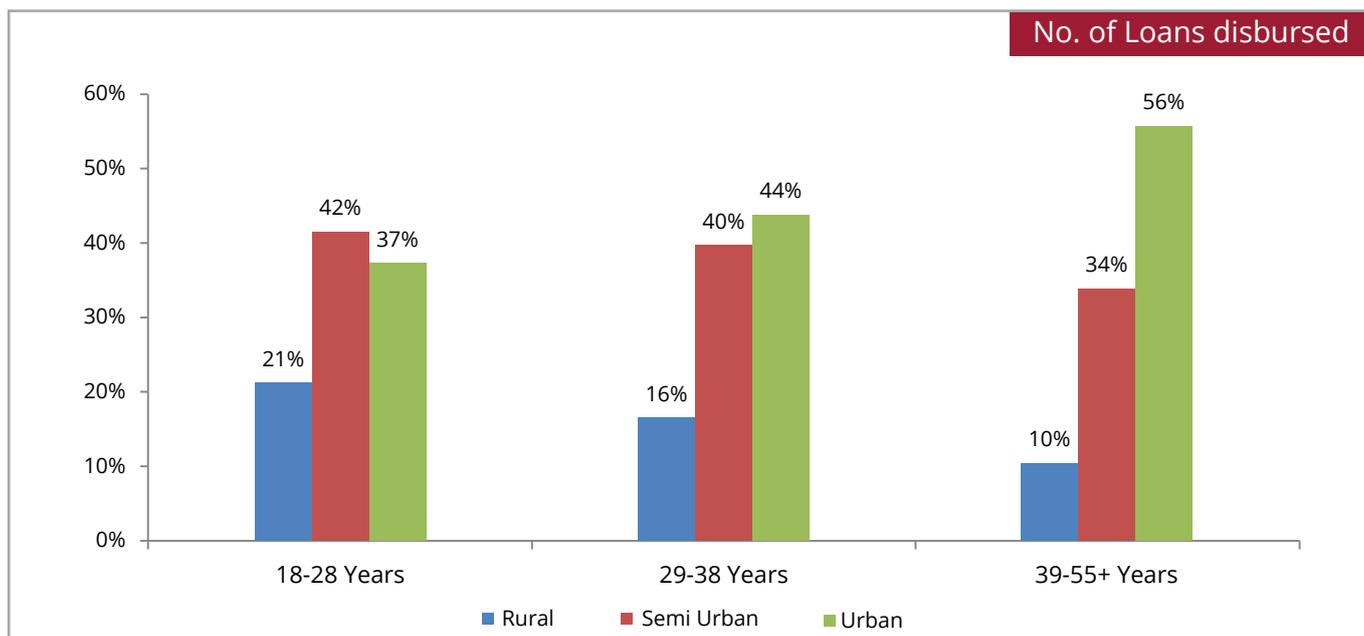
- ▶ Millennials upto the age of 28 account for 51% of the loans by volume and 19% by value.
- ▶ The 18-28 years segment witnesses lower ATS vis-à-vis 39-55+ years segment.

* Age calculated at the time of sourcing of loan

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AGE DISTRIBUTION ACROSS FINTECH

Age* distribution across geography

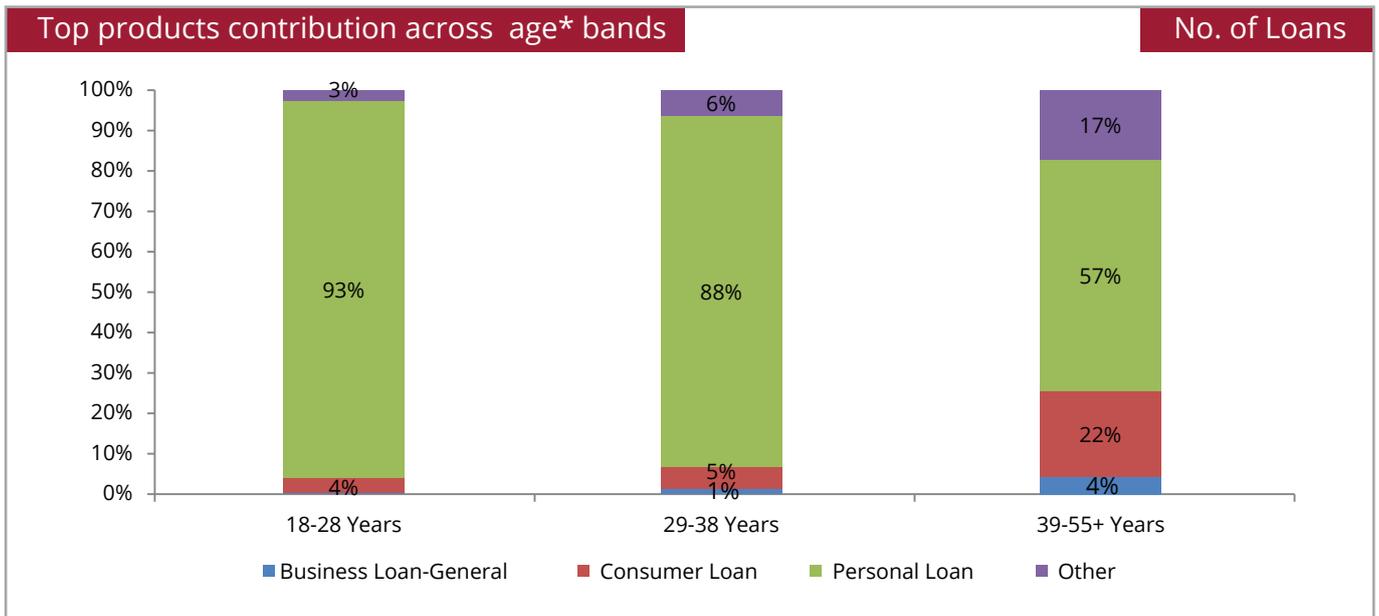


- ▶ Fintechs disbursed 51% of the loans to millennials up to the age of 28 years of which 79% were based out of Urban and Semi Urban locations.
- ▶ The mass adoption of Fintechs, especially by Urban and Semi Urban millennials, could be attributed to the smooth user experience and differentiated product offered by Fintechs.
- ▶ Across the age groups, Rural penetration lag as compared to that in Urban and Semi Urban areas.

* Age calculated at the time of sourcing of loan

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PRODUCTS AND TICKET SIZE DISTRIBUTION BY AGE BANDS

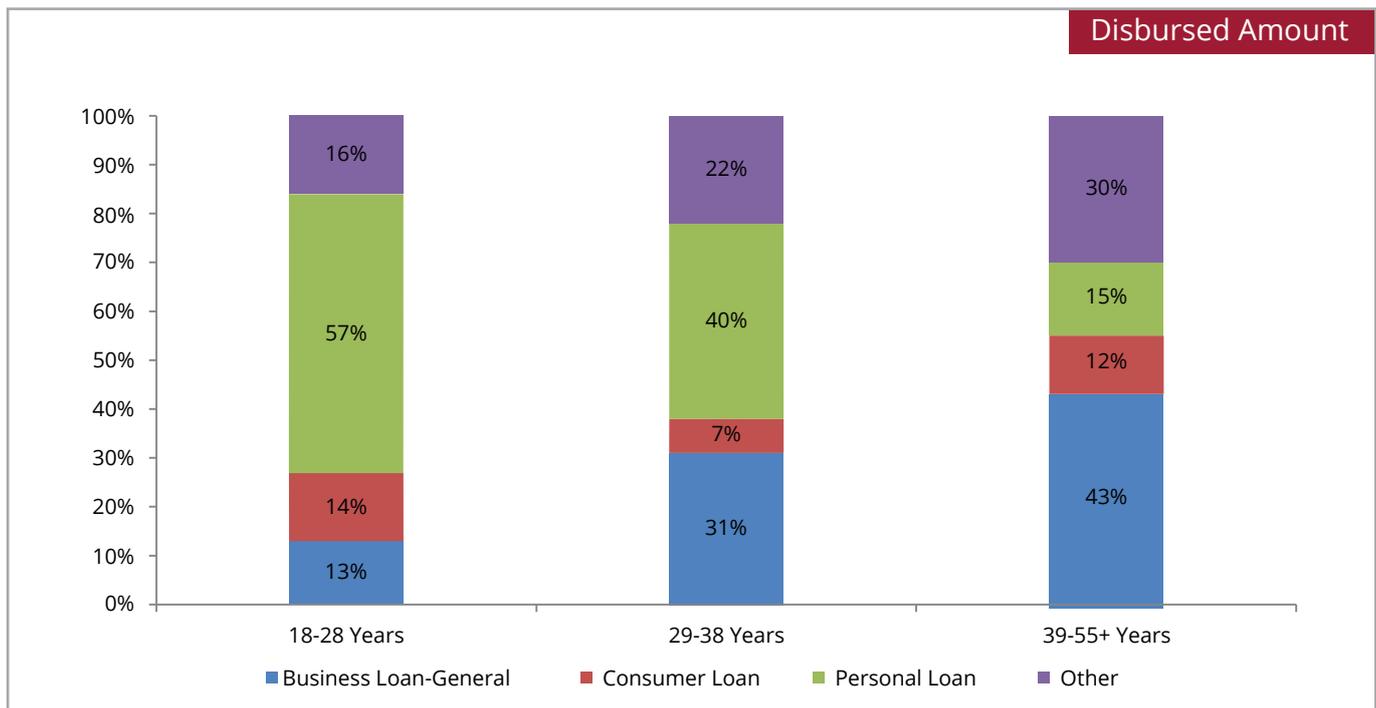


- ▶ Personal loans below ₹50,000 saw maximum demand across all the age categories with over 70% share across different ticket sizes.
- ▶ The differentiated loan products for travel, weddings, electronic gadgets, personal loans have fuelled discretionary spending by millennials, due to convenient loan options by Fintechs.
- ▶ Personal loans account for 93% of the total loans for the 18-28 age group.

* Age calculated at the time of sourcing of loan

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PRODUCTS AND TICKET SIZE DISTRIBUTION BY AGE BANDS



| Age* Band | Top Products | 0-50,000 | 50,000-1,00,000 | 1,00,000-2,00,000 | >2,00,000 |
|--------------|-----------------------|----------|-----------------|-------------------|-----------|
| 18-28 Years | Business Loan-General | 0% | 3% | 8% | 25% |
| | Consumer Loan | 3% | 35% | 24% | 32% |
| | Others | 2% | 19% | 26% | 25% |
| | Personal Loan | 95% | 44% | 41% | 19% |
| 29-38 Years | Business Loan-General | 0% | 4% | 9% | 39% |
| | Consumer Loan | 5% | 13% | 11% | 13% |
| | Others | 4% | 26% | 31% | 26% |
| | Personal Loan | 91% | 57% | 49% | 23% |
| 39-55+ Years | Business Loan-General | 1% | 2% | 6% | 43% |
| | Consumer Loan | 16% | 50% | 30% | 4% |
| | Others | 12% | 24% | 39% | 34% |
| | Personal Loan | 71% | 25% | 26% | 19% |

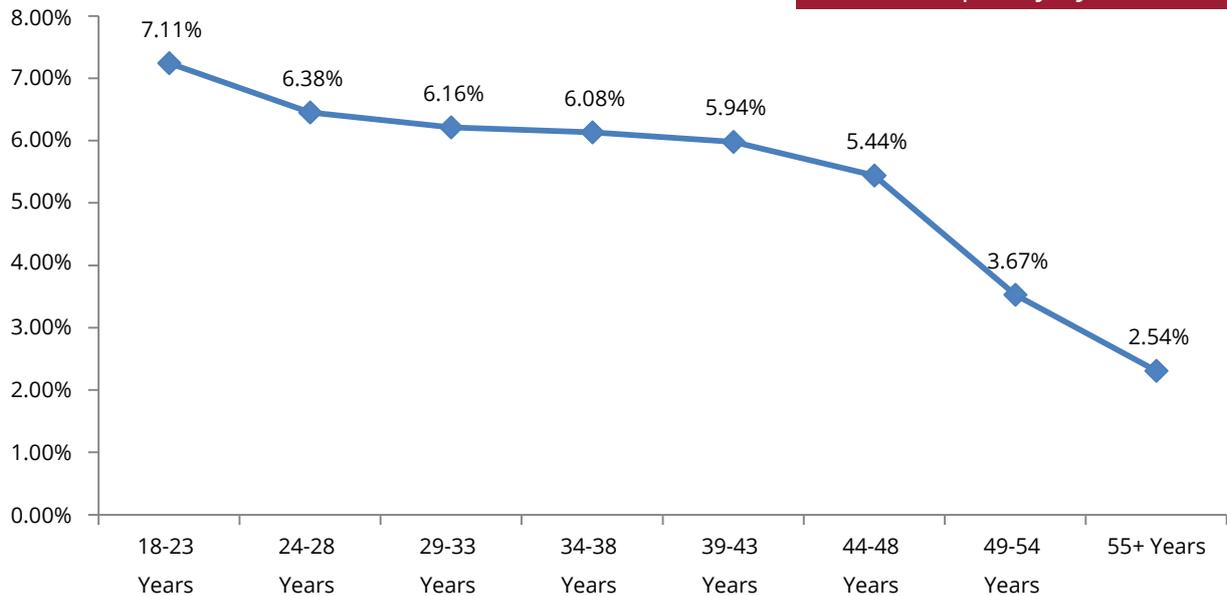
- ▶ Business loans have outpaced the other products, for loans above ₹2 lakh, contributing 43% of the disbursed amount for age group between 39- 55+, followed by 31% of age group 29-38 years.

* Age calculated at the time of sourcing of loan

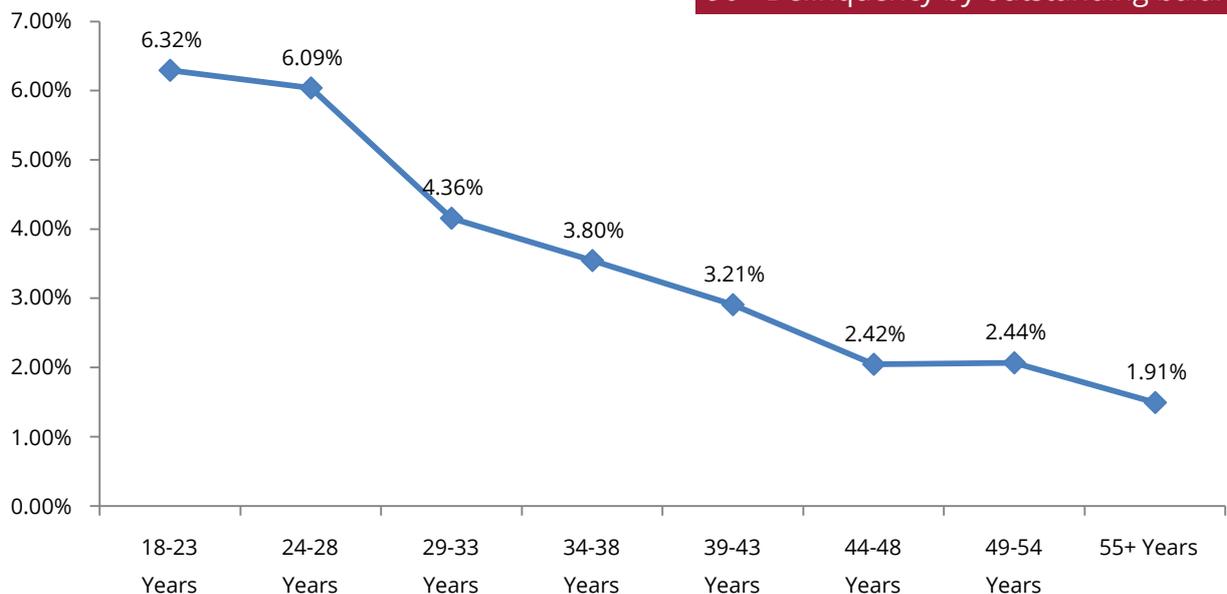
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DELINQUENCY TRENDS BY INCREASING AGE*

90+ Delinquency by No. of loans



90+ Delinquency by outstanding balance



- ▶ Delinquency rate is highest for age group between 18-23, which may be attributed to low income and awareness in terms of desired credit behaviour.
- ▶ With increasing age, delinquency rates have decreased; however, delinquency rates above 4% needs to be monitored closely.
- ▶ In order to ensure business viability, Fintechs need to focus on creating a good loan book with a sustainable approach towards managing risk and collections.

* Age calculated as on 31st December 2019

ABBREVIATIONS & GLOSSARY

- ▶ ATS (Average Ticket Size) = Disbursed Amount / Number of Loans
 - ▶ DPD = Days Past Due
 - ▶ Live POS or Active loans = 0 to 179 DPD + New Accounts + Current Accounts
 - ▶ POS = Portfolio Outstanding
 - ▶ 90+ Delinquency = 90-179 DPD / Live POS
 - ▶ ROI = Rest of Industry
-
- ▶ $OND'18$ = October 2018 to December 2018
 - ▶ $JFM'19$ = January 2019 to March 2019
 - ▶ $AMJ'19$ = April 2019 to June 2019
 - ▶ $JAS'19$ = July 2019 to September 2019
 - ▶ $OND'19$ = October 2019 to December 2019
-
- ▶ The data covers details on ~20 Fintech institutions as on December 2018, on basis of returns submitted. At the end of December 2019, this number is close to ~39 Fintech institutions, as per submission.

About SIDBI

Small Industries Development Bank of India has been established under an Act of the Parliament in 1990. SIDBI is mandated to serve as the Principal Financial Institution for executing the triple agenda of promotion, financing and development of the Micro, Small and Medium Enterprises (MSME sector) and co-ordination of the functions of the various Institutions engaged in similar activities. Over the years, through its various financial and developmental measures, the Bank has touched the lives of people across various strata of the society, impacted enterprises over the entire MSME spectrum and engaged with many credible institutions in the MSME ecosystem.

Under Vision 2.0, SIDBI has spearheaded various Initiatives to address the Information Asymmetry in MSME sector like MSME Pulse, the health tracker of MSMEs, CriSidEx, for gauging the MSE sentiments and aspirations and Microfinance Pulse, for data insights on Microfinance sector, apart from Fintech Pulse.

About Equifax

Equifax is a global information solutions company that uses trusted unique data, innovative analytics, technology and industry expertise to power organizations and individuals around the world by transforming knowledge into insights that help make more informed business and personal decisions.

Headquartered in Atlanta, Ga., Equifax operates or has investments in 24 countries in North America, Central and South America, Europe and the Asia Pacific region. It is a member of Standard & Poor's (S&P) 500® index and its common stock is traded on the New York Stock Exchange (NYSE) under the symbol EFX. Equifax employs 11,000 employees worldwide. With a global legacy of over 120 years in the credit industry, in 2010, Equifax established a presence in India market and was licensed by RBI to operate as a CIC. Over the last 9 years, the credit bureau has grown to 4000+ members including Banks, NBFCs, MFIs and insurers. These members provide data on demographic and repayment information on millions of Indian consumers. In 2014, Equifax further grew its footprint in India through acquisition of an analytics firm. Equifax Analytics Pvt. Ltd is Equifax's fully owned analytics entity in India, which delivers unparalleled customized analytics solutions that enrich both the performance of businesses and the lives of consumers.

Disclaimer

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