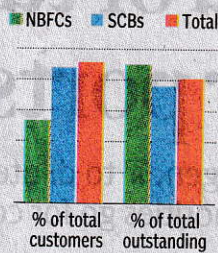


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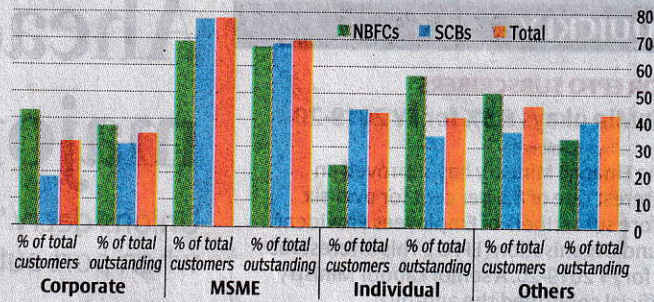
Smaller companies at the forefront in availing moratorium

The RBI's loan moratorium scheme saw a steady acceptance from borrowers with 45.6 per cent of total customers availing it in the midst of the economic uncertainty from Covid-19 pandemic and lockdown. Larger numbers of MSME borrowers have taken the moratorium and Small Finance Banks have also recorded more takers. This indicates possible stress ahead

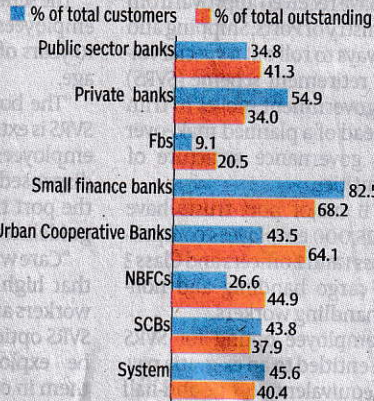
Nearly half the customers used the moratorium facility as on August 31, 2020



MSMEs were the largest category of customers to avail the moratorium



Amongst lenders, small finance banks had the largest number of borrowers under moratorium



Signs of stress: The report said the data on gross non-performing assets (GNPA) of banks are yet to reflect the stress, obscured under the asset quality standstill with attendant financial stability implications. An analysis of published quarterly results of a sample of banks indicates that their GNPA ratios would have been higher in the range of 0.10% to 0.66% at end-September 2020

Gross NPA as % of Gross Advances: SCBs



An increase in the restructured advances ratio to 0.43% at end-September 2020 from 0.36% in March 2020 may be indicative of incipient stress

Source: RBI Report on Trends and Progress of Banking in India 2019-20