

Headline non-food credit growth eased in November but remained in double digits at 11.2%YY

January 03, 2026

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Data Highlights

Non-food credit by sector

- In November, non-food credit to farm, industry, services, and personal loans (incl. impact of merger of a non-bank with a bank) eased across segments but overall growth remained in double digits at 11.2%YY, compared to 12.1% in October.

Agriculture & Industry

- Credit growth to agriculture eased to 8.7%YY from 8.9% in October. Credit growth to industry dwindled to single digits at 9.6%YY from 10.0% in the previous month. There was moderation in credit growth to medium, and micro and small firms, and fractional improvement in credit to large enterprises. The year-on-year growth remained the highest to small firms, followed by medium and then large firms. More than 50% of incremental credit (year-on-year nominal change) continued to accrue to small firms, though there has been improvement in credit flow to large firms in the past two months at around one-third share. Accordingly, small firms contributed the most to year-on-year credit growth to industry, followed by large and medium firms.

Services

- Credit growth to services remained in double digits for second straight month but eased to 11.7%YY from 13.0% in October. Loan growth eased in most segments except professional services and trade, where it improved. Even as NBFCs continued to top the list in terms of share in credit to services at over 30%, the largest share of incremental credit went to trade that also led to the segment contributing the most to year-on-year growth in credit to services.

Personal loans

- Personal loan growth eased to 12.8%YY from 14.0% in October. Credit growth eased across most key categories but there were exceptions. Advances against shares and bonds continued to grow at accelerated pace for the second straight month, mostly attributable to easing norms by the RBI in October. Though gold loan growth eased, it remained above 100%, while credit for consumer durables remained weak and fell in November. The largest share of overall and incremental personal loans accrued to housing, with the segment contributing the most to personal loan growth.

Non-food credit by industry

- The largest portion of incremental and total credit went to infrastructure, with rise in credit to the power sector in recent months at over 50% share within infrastructure.

Outlook

- **Headline credit growth:** As noted earlier, credit growth to key segments of farm, industry, services, and personal loans eased to 11.2%YY from 12.1% in October. But RBI data shows that credit growth improved to 11.4%YY from 11.1% in October, marking the third straight month of double digit growth. In addition to the four groups, the data perhaps includes lending to other segments on which details are not available.
- **Bank vs. non-bank sources:** Data from the RBI's latest monthly bulletin shows that amid improvement in bank credit growth in recent months, the commercial sector continues to increasingly rely on non-bank sources as well. Data for Apr-Nov FY26 shows year-on-year surge in corporate bond issuances within domestic non-bank sources. Within foreign sources, data shows higher FDI and ECBs by non-financial entities.
- **Outlook:** The outlook on credit growth remains positive. In October, the RBI had announced regulatory credit easing measures. Based on one of these proposals, the RBI recently changed its risk-weight framework for infrastructure lending by NBFCs, which includes easing of norms for high quality projects, while also ensuring protection to the lenders. The government is also playing its part in ensuring financial support and credit flow to the export segment that is currently facing headwinds from the delayed India-US trade deal. The government recently announced the Market Access Support (MAS) Intervention under the Export Promotion Mission (EPM), followed by measures on interest subvention and export credit collateral guarantee.

Flow of financial resources to the commercial sector

Source (amt. in Rs. lakh crore)	April-March		Upto November 28	
	FY24	FY25	FY25	FY26 P
A. Non-food bank credit	21.4	18.0	10.5	12.4
B. Non-bank (B1+B2)	12.6	17.1	7.9	10.2
B1. Domestic	10.2	13.9	5.9	7.5
B2. Foreign	2.4	3.2	2.0	2.7
C. Total (A+B)	34.0	35.1	18.3	22.6

Note: P stands for provisional estimates. For more detailed table, click here. Source: RBI

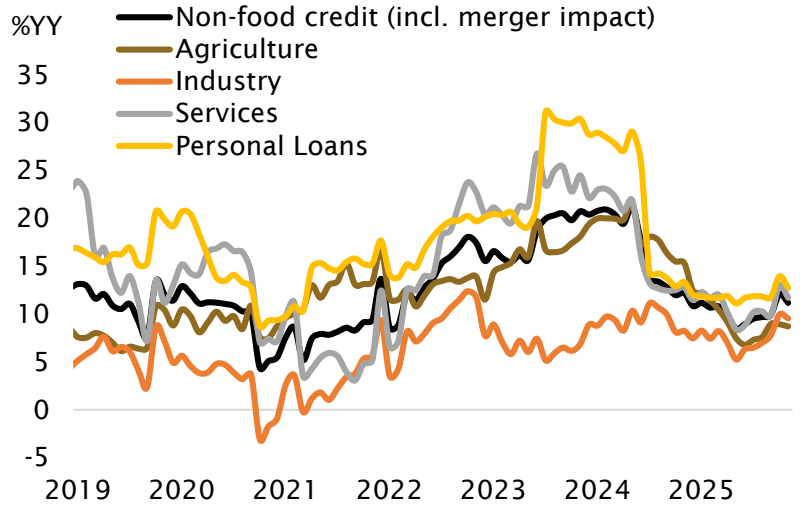
Outstanding credit to the commercial sector

Source (amt. in Rs. lakh crore)	At end-March		As on November 28	
	2024	2025	2024	2025 P
A. Non-food bank credit	164	182	175	194
	(20.2)	(11.0)	(10.6)	(11.4)
B. Non-bank (B1+B2)	78	89	82	96
	(4.2)	(14.6)	(12.2)	(17.0)
B1. Domestic	57	66	60	72
	(4.9)	(17.3)	(15.6)	(19.8)
B2. Foreign	21	22	22	24
	(2.4)	(7.2)	(3.8)	(9.4)
C. Total (A+B)	242	271	257	290
	(14.5)	(12.1)	(11.1)	(13.2)

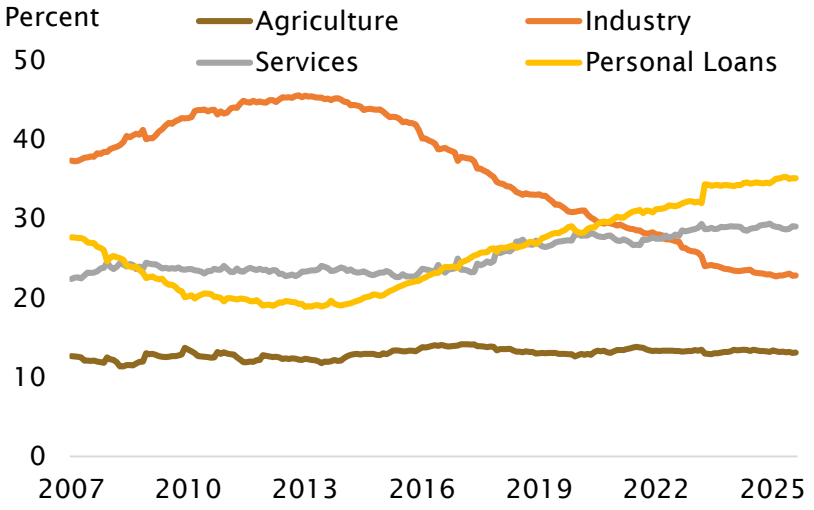
Note: Figures in parentheses are y-o-y percentage changes. For more detailed table, click here. Source: RBI

Non-food credit growth to key sectors eased in Nov but remained in double digits at 11.2%YY vs. 12.1% in Oct

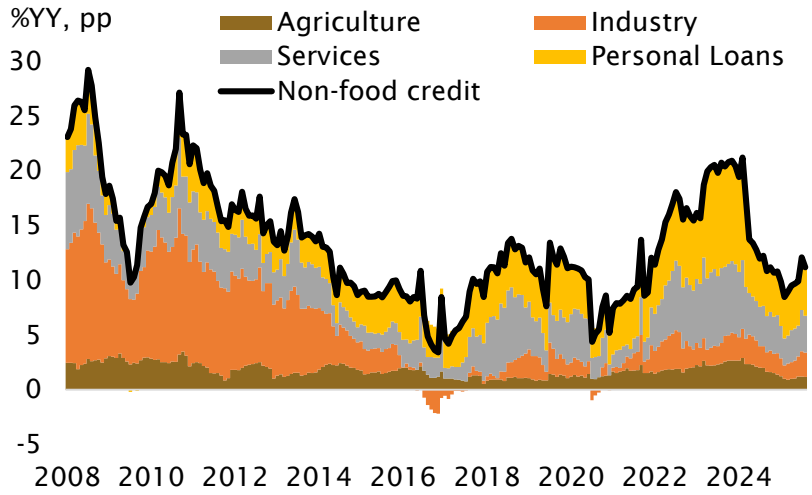
Non-food credit growth including impact of merger



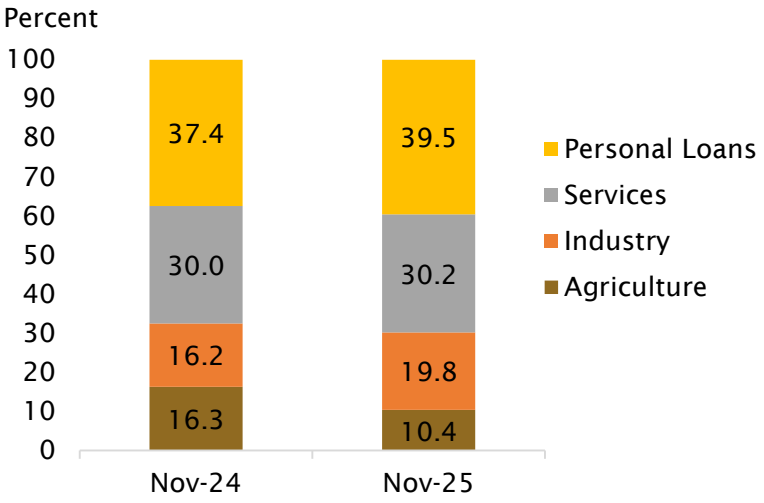
Share in non-food credit by sector



Contribution of sectors to non-food credit growth

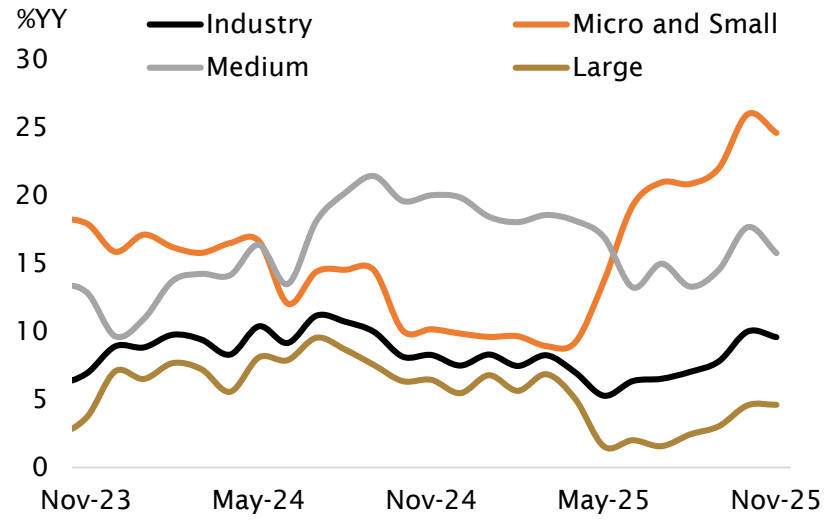


Share in incremental credit (nominal y-o-y change)

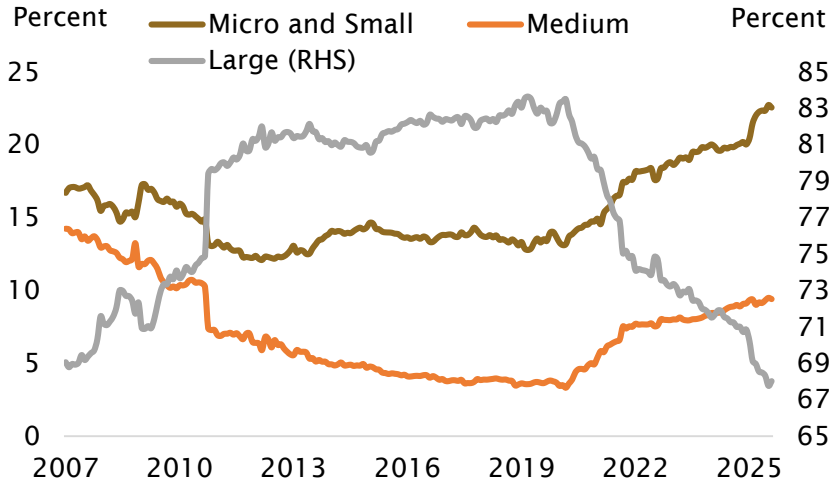


Almost half of incremental credit continued to accrue to small firms; share of credit to large firms improved in Oct-Nov

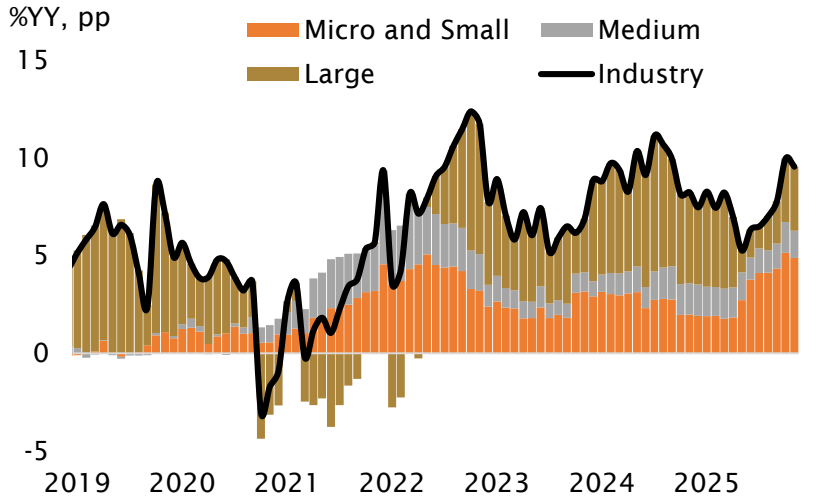
Non-food credit including merger impact: industry



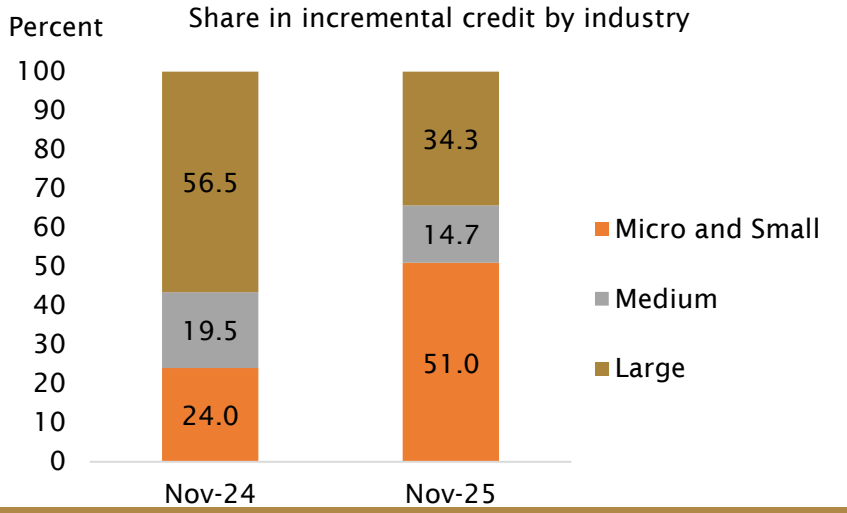
Share in non-food credit: industry



Contribution to non-food credit growth: industry



Share in incremental non-food credit growth: industry



By industry, one-third share of credit accrued to infrastructure; credit to power sector has increased in recent months

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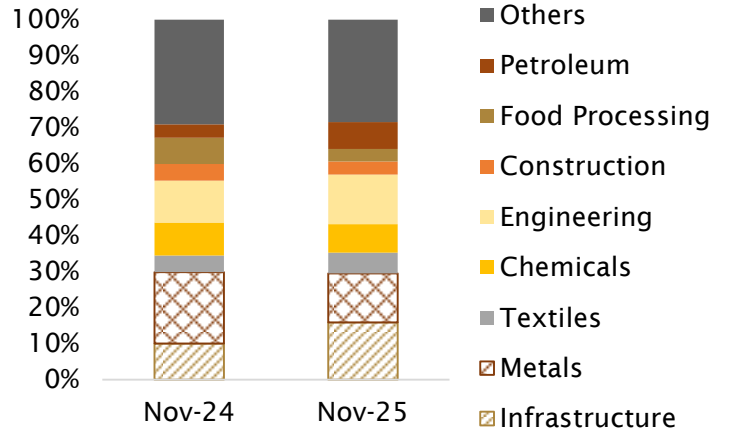
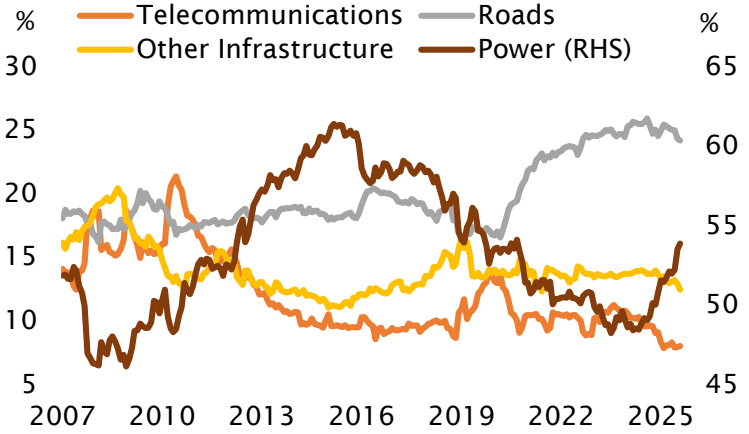
Industry-wise deployment of bank credit

	Share (%)		%YY		Share in incremental credit (%)	
	Nov-24	Nov-25	Nov-24	Nov-25	Nov-24	Nov-25
Infrastructure	34.9	33.2	2.2	4.3	10.0	15.8
Basic metals	11.1	11.3	15.8	11.8	19.9	13.7
Others	7.6	7.9	24.4	13.2	19.6	10.6
Textiles	6.7	6.7	5.4	8.1	4.6	5.7
Chemicals	6.8	6.9	11.4	11.1	9.2	7.9
Engineering	5.8	6.5	18.1	22.6	11.7	13.8
Food processing	5.1	5.0	12.1	6.5	7.3	3.5
Petroleum, coal, etc.	3.8	4.1	8.1	19.0	3.7	7.5
Construction	3.9	3.9	9.9	8.9	4.6	3.7
Vehicles and parts	3.0	3.0	4.7	11.4	1.8	3.5
Rubber, plastic	2.5	2.5	11.9	9.3	3.5	2.5
Gems and jewellery	2.3	2.5	-2.9	18.7	-0.9	4.4
Cement and products	1.6	1.5	1.0	2.6	0.2	0.4
Mining and quarrying	1.4	1.5	0.6	18.1	0.1	2.6
Paper and products	1.3	1.3	12.8	8.7	2.0	1.2
Beverage, tobacco	0.8	0.9	11.0	22.6	1.0	1.9
Wood and products	0.7	0.7	13.8	12.5	1.1	0.9
Leather and products	0.3	0.3	4.0	6.7	0.2	0.2
Glass and glassware	0.3	0.3	13.9	7.8	0.5	0.3

Share in incremental credit to industry



Share in deployment of bank credit: infrastructure



Despite moderation in recent years, largest portion of overall credit to services continues to accrue to NBFCs at ~30%

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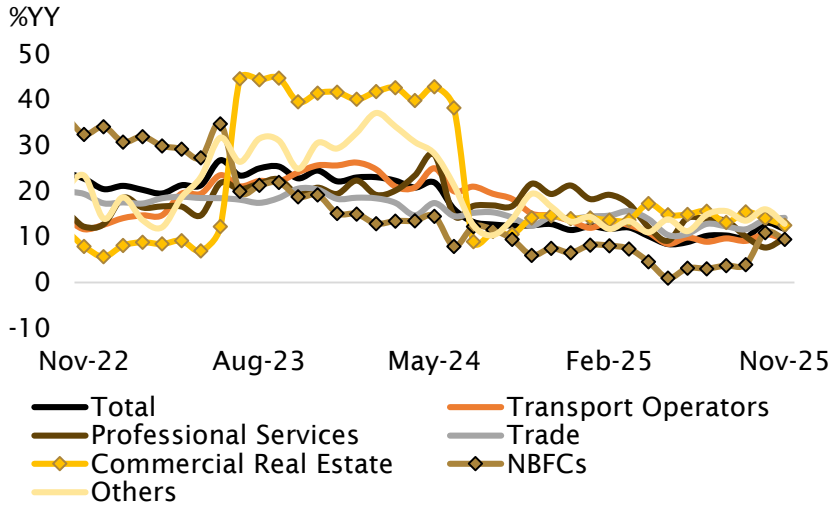
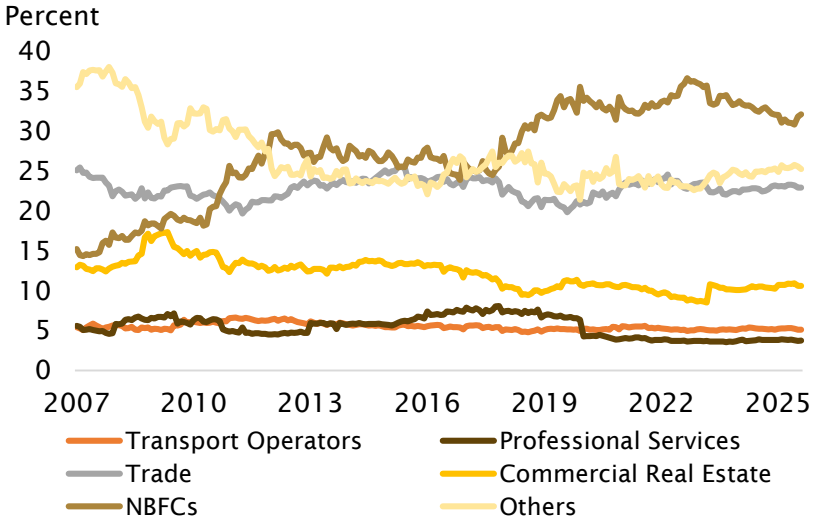
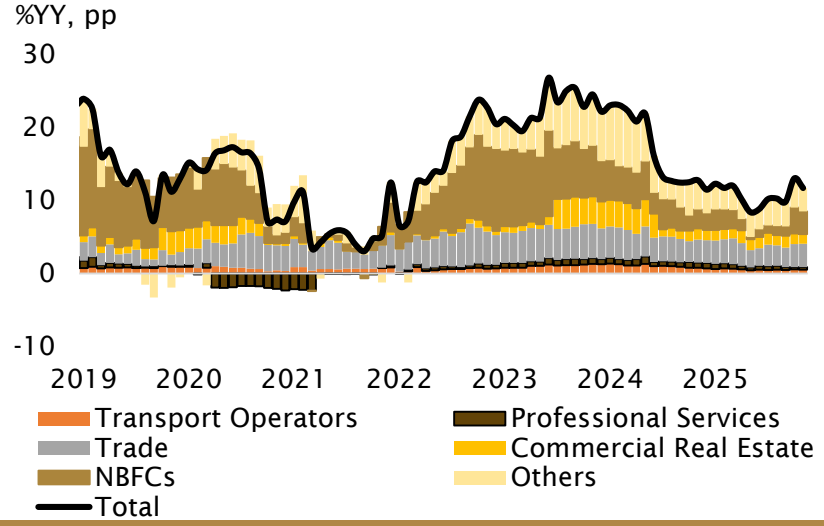
Non-food credit including merger impact: services



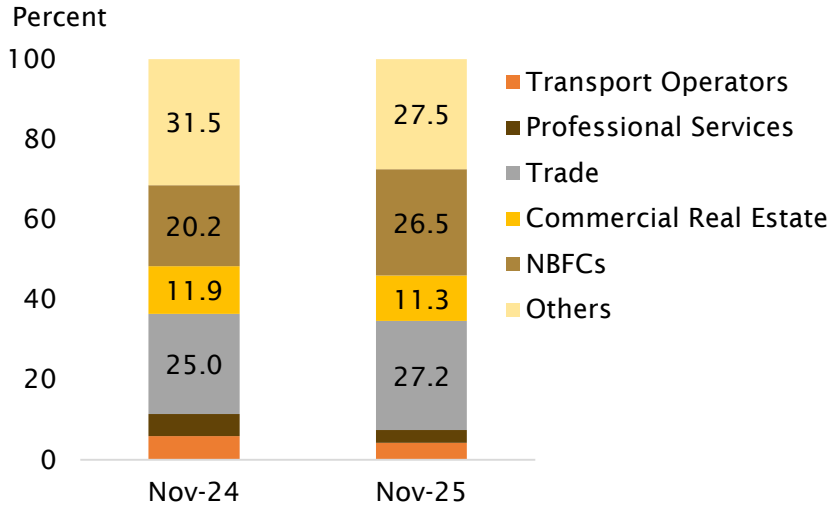
Share in non-food credit: services



Contribution to non-food credit growth: services

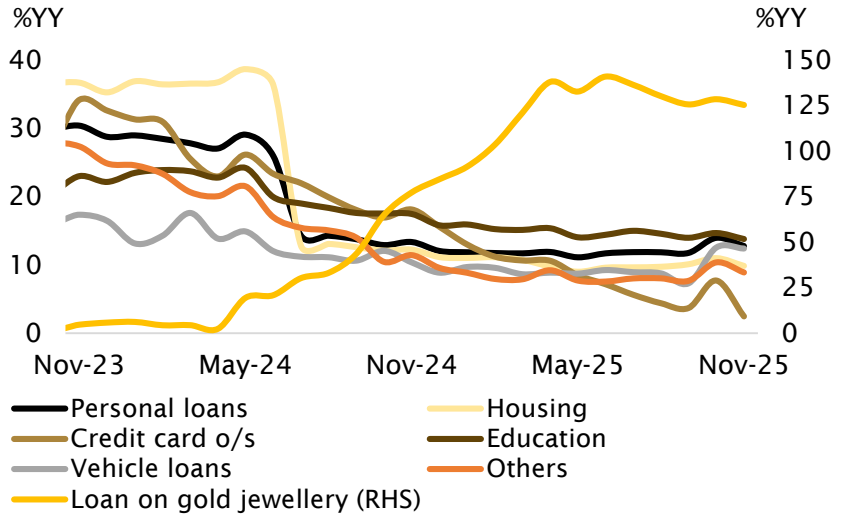


Share in incremental non-food credit growth: services

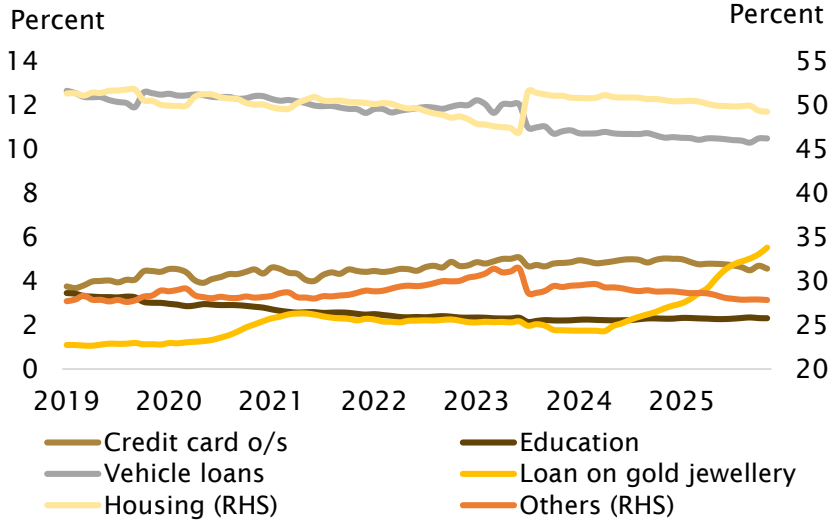


Within personal loans, most of incremental credit went to housing but share eased y-o-y; share of gold loans at over one-fourth

Non-food credit incl. merger impact: personal loans

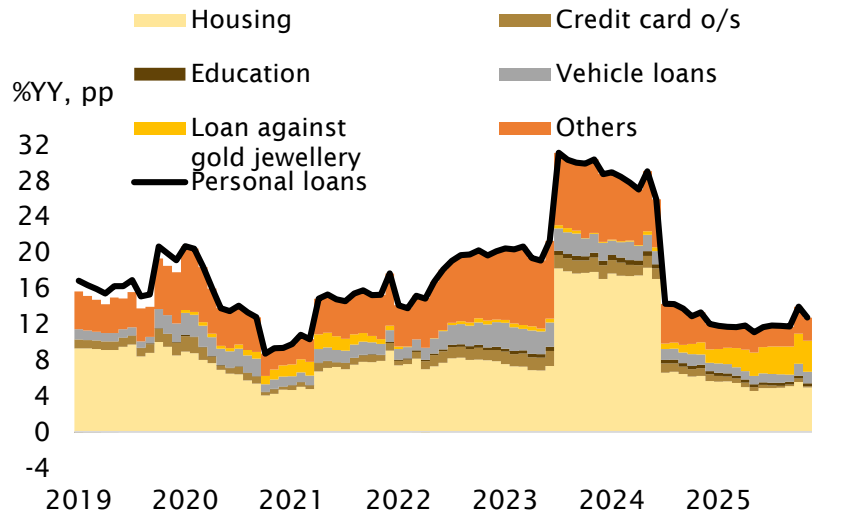


Share in non-food credit: personal loans

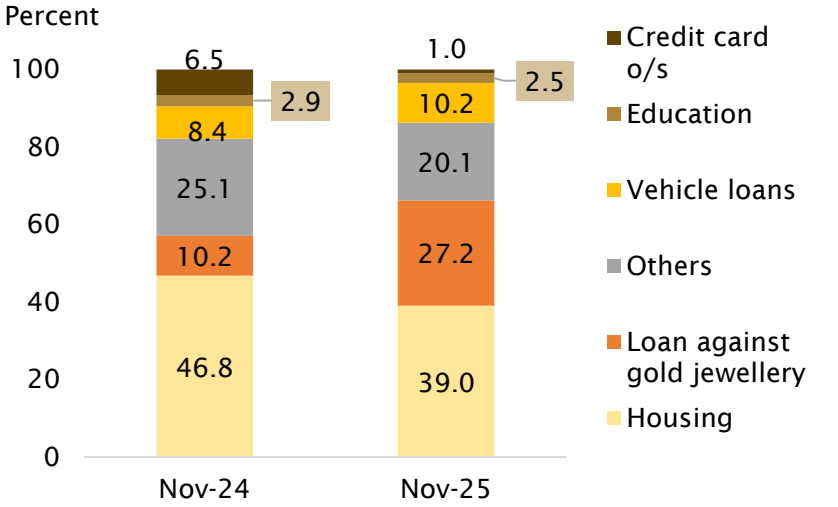


Note: Others includes loans for consumer durables, advances against FDs, shares and bonds, etc.

Contribution to non-food credit growth: personal loans



Share in incremental credit growth: personal loans



Consumer credit growth eased except adv. against shares, bonds; low momentum, negative base effect dragged overall credit growth

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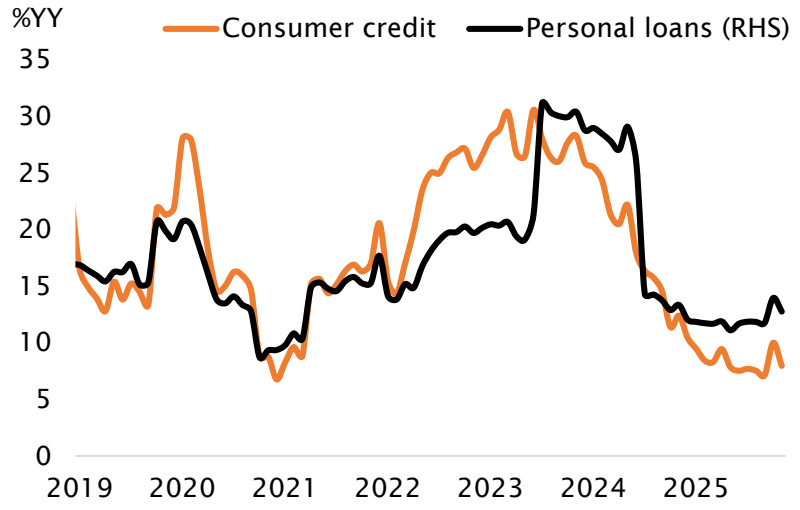
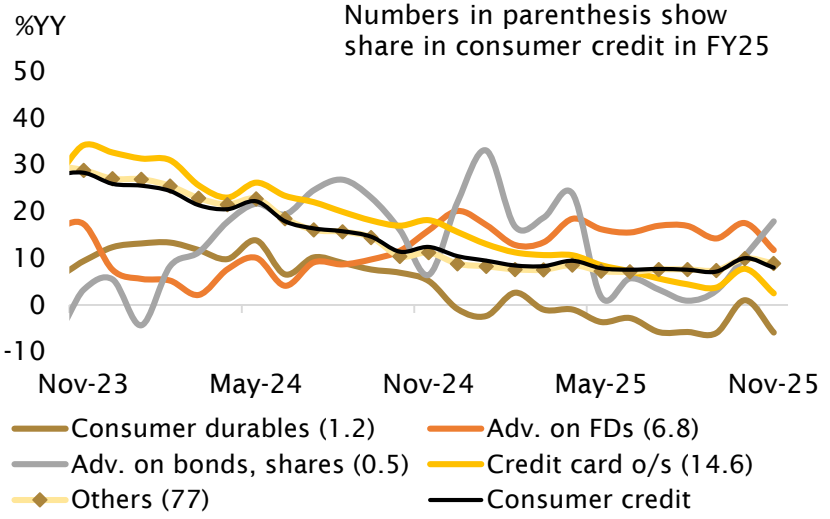
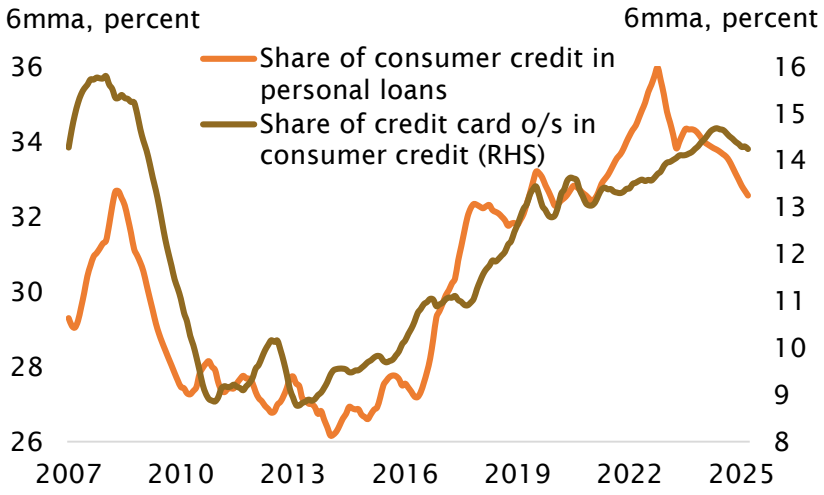
Non-food credit incl. merger impact: consumer credit



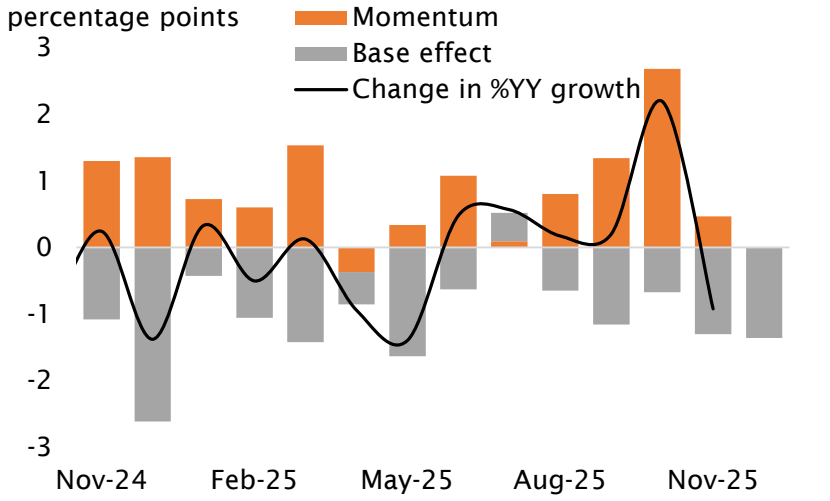
Non-food consumer credit components



Trends in consumer credit and credit card outstanding



Non-food credit growth: base effect vs. momentum



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