

# MAHARASHTRA, TAMIL NADU AND KARNATAKA ACCOUNT FOR 40% OF RETAIL LOANS: REPORT

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MUMBAI: Maharashtra, Tamil Nadu and Karnataka together accounted for 40 per cent of the total [retail loans](#) in the country as on June 30, despite representing just 20 per cent of the population, a report said.

The growth in retail advances were driven by [economic development](#) and urbanisation, [TransUnion Cibil](#) said in its report Monday.

"At the midpoint of 2018, three of the large Indian states Maharashtra, Tamil Nadu and Karnataka comprised nearly 40 per cent of all retail lending balances despite representing about 32 per cent of the overall credit population share and around 20 per cent of the aggregate Indian population," the report said.

As of June, retail balances in Maharashtra were the highest at Rs 5,50,200 crore, representing nearly 20 per cent of all the retail advances in the country.

It was followed by Tamil Nadu at Rs 2,77,400 crore and Karnataka at Rs 2,74,900 crore.

In total, the 10 largest Indian states represented Rs 21,27,400 crore in balances, which comprised almost 76 per cent of the total balance share, according to the report.

The 10 largest balance markets made up 68 per cent of the consumer credit population.

Retail lending includes auto loans, used car loans, [home loans](#), loans against property, personal loans, consumer durable loans, education loans, credit cards loans and two-wheeler loans.

The report said retail lending balances rose by nearly 27 per cent between the second quarters of 2017 and 2018.

[Personal loan](#) balances (up 43 per cent) and credit card balances (up 42 per cent) grew at the highest rate of all major credit products in the last year.

Yogendra Singh, vice-president of research and consulting, TransUnion Cibil, said the retail lending sector continues to expand strongly as consumers are seeking credit and lenders are making credit available.

"With delinquency rates generally remaining at controlled levels, this points to a well-functioning consumer credit market," he added.

The report said loans against property was the only product category which witnessed a significant increase in serious delinquency rates, growing by 65 basis points year-over-year to 3.04 per cent in the second quarter of 2018.

Delinquency rates rose modestly for home loans and credit cards and continued to decline for auto loans, personal loans and two wheeler loans, it added.

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