

Credit demand to remain robust, to clock about 14% growth: Khara

YONO 2.0 rollout by FY24-end; app fetches ₹100 crore in fee income every qtr

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State Bank of India (SBI) Chairman Dinesh Kumar Khara on Tuesday said the robust credit growth in the first quarter ended June would continue in this financial year on the back of demand from corporates and strong traction in the retail segment in the country.

The loan would grow by around 14 per cent year-on-year (Y-o-Y), he said.

“There is clear visibility of demand for credit from large corporations when it comes to adding capacity. When it comes to retail, the traction is huge,” Khara said at the Global Fintech Fest in Mumbai.

In infrastructure, there is no dearth of efforts being put for investments, he said, adding that the new levers of growth were renewable energy, electric vehicles, and batteries. “The economy is booming,” he said. SBI’s loan book expanded by 13.9 per cent Y-o-Y to ₹33.03 trillion at the end of June. The domestic retail personal seg-

ment showed 16.46 per cent Y-o-Y growth, and the corporate book expanded by 12.38 per cent till June.

Addressing a query on liquidity, he said the bank would be able to comfortably meet the credit demand with an excess bond portfolio of over ₹4 trillion.

The SBI chairman said there were certain concerns in terms of inflation, but these appeared to be blips and need not be read as trends. “The Indian economy has an orientation for the domestic economy, which has all levers of growth, so with that there is no dearth of demand given the projects that are being appraised by the bank for sanctions,” he added.

Referring to the digital app YONO’s revamp, he said it would have a customer relationship management layer

and artificial intelligence would be used to the maximum. It would be more modular.

The chairman said while the entire YONO 2.0 version would be functional by the end of the financial year, some modules would be added before that. The app generates a quarterly fee income of ₹100 crore from subsidiaries in insurance and mutual funds. The YONO loan book for the past two financial years has been ₹21,000 crore each.

Recently, SBI added pre-approved business loans to the platform where the bank is disbursing ₹600 crore a month. This should help us disburse ₹7,000 to ₹8,000 crore this financial year, which will take the digital loan book to be around ₹29,000 to ₹30,000 crore from lending and other B2B activities, he said.

