

# Banks may have to slow down loan growth: S&P

Indian banks' credit growth, profitability and asset quality would remain robust in current financial year reflecting strong growth, but they may be compelled to slow down their loan growth as deposits are not growing at a similar pace, S&P Global Ratings has said.

In the Asia-Pacific 2Q 2024 Banking Update, S&P Global Ratings Director SSEA Nikita Anand said the agency expects the sector's strong credit growth to moderate to 14 per cent in FY25, from 16 per cent in FY24, if deposit growth, especially retail deposits, remain tepid.

**PTI**