

# NPAs may rise in MSME sector in next 6 months: Report

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The pressure on asset quality of loans to micro small and medium enterprises (MSMEs) is set to increase, leading to a rise in non-performing assets (NPAs) in this segment in the next six months, according to a survey by the Federation of Indian Chambers of

Commerce & Industry and the Indian Banks' Association.

Some of the high NPA risk sectors identified by respondent bankers in the survey included aviation, tourism and hospitality, power, and retail trade. Sixty five per cent of the respondent banks expect NPAs in the MSME sector to increase in the next six months.