



# STRUCTURED FINANCE

---

**Marginal dip in collections witnessed  
in ICRA-rated securitised retail  
unsecured pools in H1 FY2025**

**NOVEMBER 2024**





[Click to see full report](#)

*ICRA-rated securitised retail unsecured pools have witnessed a slight dip in collections in H1 FY2025, attributable to the General Elections, heat waves and field-level attrition.*

*Nevertheless, ICRA expects the collections to remain strong for secured asset classes. Moreover, the rating of securitised instruments is expected to remain stable given the presence of adequate credit enhancements.*



ICRA anticipates that unsecured loans may witness pressure on asset quality during Q3 FY2025 before the commencement of recovery in Q4 FY2025, after the marginal dip in collections seen in H1 FY2025. On the other hand, ICRA-rated securitised secured pools have shown healthy performance, with collection efficiencies ranging from 89% to 107% across all asset classes in H1 FY2025.



Secured small and medium enterprise (SME) pools have outperformed unsecured ones in terms of collection efficiency and asset quality in H1 FY2025.



In Q2 FY2025, the MFI industry witnessed lower collection efficiencies and higher delinquencies due to the impact of heat waves, the General Elections and field level attrition. The concerns of overleveraging due to unchecked credit growth and issuance of multiple loans to unverified borrowers might increase asset quality stress in this sector.



Housing loans (HL) and loans against property (LAP) pools showcased steady collections in H1 FY2025. This can be attributed to the critical nature of the underlying collateral for the borrowers and advances in online collection methods.



The vehicle pools are expected to continue their stable performance in the medium term, given the strong domestic economic cycle; financiers would also ramp up the collection efforts in H2 FY2025. However, the impact of the fluctuations in global fuel prices is a key monitorable.



Collections in personal loan (PL) space have seen a slight downward trend in the past two quarters due to potential overleveraging and relatively low priority of personal loan repayment.



# ICRA Analytical Contact Details

Name	Designation	Email	Contact Number
Abhishek Dafria	Senior Vice-President & Group Head	<a href="mailto:abhishek.dafria@icraindia.com">abhishek.dafria@icraindia.com</a>	022 - 6114 3440
Sachin Joglekar	Vice-President & Co-Group Head	<a href="mailto:sachin.joglekar@icraindia.com">sachin.joglekar@icraindia.com</a>	022 - 6114 3470
Sumit Pramanik	Assistant Vice-President & Sector Head	<a href="mailto:sumit.pramanik@icraindia.com">sumit.pramanik@icraindia.com</a>	022 - 6114 3462





ICRA

# Business Development/Media Contact Details

Name	Designation	Email	Contact Number
L Shivakumar	Chief Business Officer	<a href="mailto:shivakumar@icraindia.com">shivakumar@icraindia.com</a>	022-61693304
Neha Agarwal	Head – Research Sales	<a href="mailto:neha.agarwal@icraindia.com">neha.agarwal@icraindia.com</a>	022-61693338
Rohit Gupta	Head Business Development – Infrastructure Sector	<a href="mailto:rohitg@icraindia.com">rohitg@icraindia.com</a>	0124-4545340
Vivek Bhalla	Head Business Development – Financial Sector	<a href="mailto:vivek.bhalla@icraindia.com">vivek.bhalla@icraindia.com</a>	022-61693372
Vinita Baid	Head Business Development – Corporate Sector - West & East	<a href="mailto:vinita.baid@icraindia.com">vinita.baid@icraindia.com</a>	033-71501131
Shivam Bhatia	Head Business Development – Corporate Sector - North & South	<a href="mailto:shivam.bhatia@icraindia.com">shivam.bhatia@icraindia.com</a>	0124-4545803
Naznin Prodhani	Head - Group Corporate Communications & Media Relations	<a href="mailto:communications@icraindia.com">communications@icraindia.com</a>	0124-4545860





***© Copyright, 2024 ICRA Limited. All Rights Reserved.***

All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies, while publishing or otherwise disseminating other reports may have presented data, analyses and/or opinions that may be inconsistent with the data, analyses and/or opinions in this publication. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.



ICRA

**Thank You!**