

Business Standard

Sound financials place NBFCs to make best of credit demand

The aggregated balance sheet of NBFC sector expanded by 15.5% in March 2016. On the asset quality level also, performance improved with GNPA's declining to 4.6%

Abhijit Lele | Mumbai June 30, 2016 Last Updated at 00:19 IST

Finance companies with better risk management and recovery systems are better placed than banks to take advantage of an upturn in credit demand. Vibha Batra, co-head of ICRA, said finance companies, especially those in the retail space, faced less concerns over asset quality. The tightening of regulatory framework has also given strength to finance companies. V Vaidyanathan, executive chairman of Capital First, a finance company focused on MSME lending, said steps such as hiking standard assets provisions to 0.4 per cent, moving towards 90-day NPA recognition by June 2017 and higher ...