

09:28 AM   04 DEC <b>LIVE</b> <b>MARKET STATS</b> ▼	சென்செக்ஸ் <b>36,140</b> ▼ -100.58	நிஃப்டி 50 <b>10,860</b> ▼ -23.30	கோல்டு (எம்சிகக்... <b>30,725.0</b> ▲ 485.0	யுஎஸ்டி/ஐஎ... <b>70.38</b> ▲ 0.79	<b>CREATE PORTFOLIO</b>	<b>ETMONEY</b> THE DIRECT MUTUAL FUNDS APP	<b>CHOOSE LANGUAGE</b> TAM
--	---------------------------------------	--------------------------------------	--	--------------------------------------	-------------------------	---	-------------------------------

# In rare move, India's top bad-debt buyer eyes consumer loans

BY BLOOMBERG | UPDATED: DEC 03, 2018, 04.00 PM IST

Post a Comment

By Anurag Joshi and Saloni Shukla

India's massive pile of bad business debt has kept asset-reconstruction companies busy in recent years.

But as signs emerge that the supply of such assets may be leveling off, the nation's largest buyer of bad loans is considering a rare move to start purchasing soured consumer debt. [Edelweiss Asset Reconstruction Co.](#) is setting up a team for that and seeks to start purchases in 2019, Chief Executive Officer Raj Kumar Bansal said in an interview.

"Corporate non-performing assets have plateaued," Bansal said. "There will, therefore, be more business opportunities for purchases of retail loans. We will start with buying mortgage loans first, and then loans against property and other secured loans."

While India's soured debt is still among the biggest in the world, fresh bad loan formation for the top five banks has leveled off since earlier this year after the regulator's push to clean up lender balance sheets. At the same time, individual borrowers are increasingly missing payments on consumer loans amid weak job creation.

Bad debt opportunities may expand ahead. Banks have been channeling increasing amounts of credit to retail consumers after defaults among corporate borrowers eroded their profitability.

**RELATED COMPANIES**

EXPAND

**Edelweiss** 8.90 (5.00%)

**Big Change:**  
[The end of Five-Year Plans: All you need to know](#)



Housing and automobile loans led an acceleration in personal loans, which "ran above trend" in the year to March 2018, according to a central bank report. Outstanding consumer loans grew almost 18 percent over a year earlier as of end-March.

Edelweiss is setting up the 20-member team to buy and recover soured consumer credit, Bansal said.

The firm will begin by buying soured assets, mostly backed by collateral. It will later turn the focus on unsecured loans like education and credit cards, Bansal said.

Stay on top of business news with The Economic Times App. [Download it Now!](#)

[Live Market News Portfolio](#)

[Industry Newsletters Commodities](#)

[About Us](#)  
[Subscribe to ET Prime](#)  
[Book your Newspaper Subscription](#)

Powered by

[Mobile](#)  
[Live TV](#)  
[Biz Listings](#)
[Speed](#)  
[Blogs](#)  
[RSS](#)
[Create Your Own Ad](#)  
[Advertise with Us](#)  
[Terms of Use & Grievance Redressal](#)  
[Privacy policy](#)
**FOLLOW US**
[Download it from  
APP STORE](#)
[Download it from  
GOOGLE PLAY](#)
[Download it from  
Windows Store](#)
**Other Times Group news sites**

इकॉनॉमिक टाइम्स | ईकोनॉमिक्स टाइम्स | Pune Mirror | Bangalore Mirror | Ahmedabad Mirror |  
 ItsMyAscent | Education Times | Brand Capital | Mumbai Mirror | Times Now |  
 Indiatimes | नवभारत टाइम्स | महाराष्ट्र टाइम्स | ವಿಜಯ ಕರ್ನಾಟಕ | Go Green | AdAge India  
 | Eisamay | IGN India | NavGujarat Samay | Times of India | Samayam Tamil |  
 Samayam Telugu | Miss Kyra | Bombay Times | Filmipop | Games App | MX Player

**Living and Entertainment**

Timescity | iDiva | Entertainment | Zoom | Healthmeup | Luxpresso | Gadget Reviews |  
 Titanium & Platinum Credit Card | Online Songs | MensXP | Hotels | Travel  
 Destinations | Cricbuzz | Recipes | Gaana | Happytrips | Getsmartapp

**Interest Network**

itimes

**Hot on the Web**

Stock market crash | GST | Rupee | Aadhaar Card | IFSC Code | RBI | Top ELSS  
 Funds to Invest | How to save Income Tax | Sensex Today | Nifty Bank | Telangana  
 Elections | Income Tax Calculator

**Services**

Book print ads | Online shopping | Matrimonial | Astrology | Jobs | Tech Community |  
 Property | Buy car | Bikes in India | Free Classifieds | Send money to India | Used Cars  
 | Restaurants in Delhi | Remit to India | Buy Mobiles | Listen Songs | News |  
 TimesMobile | Real Estate Developers | Restaurant Deals in Delhi | Car Insurance |  
 Gadgets Now | Free Business Listings | CouponDunia | Remit2India | Tchradar |  
 AliveAR | Getsmartapp App | ETMoney Finance App | Feedback | Auto

**In Case You Missed It**[All about PNB Fraud](#)[Home Loan Calculator](#)[Tata Steel](#)[Income Tax](#)[Oil Import](#)[HUL GSK deal](#)[Income Tax Calculator](#)[RCom](#)[Education Loan Calculator](#)[IL&FS crisis](#)[IFSC Code](#)[Sachin Bansal](#)Copyright © 2018 Bennett, Coleman & Co. Ltd. All rights reserved. For reprint rights: [Times Syndication Service](#)