



Signs of moderation, but undertone positive

May 2019 | Volume 6

CriSidEx survey for January-March 2019 and April-June 2019

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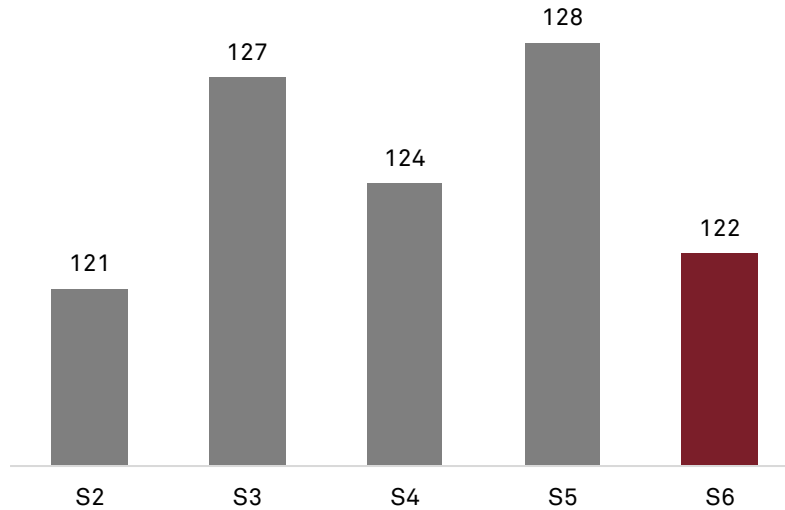
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S6 CriSidEx at same level on-year, but below S5



At 122, the CriSidEx* score for January-March, 2019 (Survey 6) was below the 128 logged in October-December, 2018 (Survey 5)

Abbreviations

CriSidEx survey	Survey quarter (SQ)	Next quarter (NQ)
Survey 1 (S1)	October- December 2017 (SQ1)	January-March 2018 (NQ1)
Survey 2 (S2)	January-March 2018 (SQ2)	April-June 2018 (NQ2)
Survey 3 (S3)	April-June 2018 (SQ3)	July-September 2018 (NQ3)
Survey 4 (S4)	July-September 2018 (SQ4)	October-December 2018 (NQ4)
Survey 5 (S5)	October-December 2018 (SQ5)	January-March 2019 (NQ5)
Survey 6 (S6)	January-March 2019 (SQ6)	April-June 2019 (NQ6)

* See 'How to read CriSidEx' on page 12

On-year movement of parameter index

Manufacturing

Component parameters	Actual		
	S2	S6	S6-S2
Volume of production	133	132	-1
Order-book size	137	133	-4
PAT margin	119	120	1
Capacity utilisation	133	126	-7
Employee base	111	106	-5
Manufacturing Index	127	123	-4

Services

Component parameters	Actual		
	S2	S6	S6-S2
Order-book size	122	131	9
PAT margin	113	128	15
Employee base	111	104	-7
Services Index	115	121	6

The share of positive respondents was higher on the following index parameters:

- PAT margins among manufacturing-based MSEs
- Order-book size and PAT margins among services-based MSEs

Positive ■ Negative ■

CriSidEx readings | Manufacturing

Index parameters	SQ					NQ				
		Negative	Neutral	Positive	Index		Negative	Neutral	Positive	Index
Volume of production	S2	9%	49%	42%	133	S1	5%	39%	56%	151
	S3	10%	47%	43%	133	S2	7%	35%	58%	151
	S4	9%	48%	43%	134	S3	5%	39%	56%	151
	S5	8%	49%	43%	135	S4	7%	36%	57%	150
	S6	12%	44%	44%	132	S5	8%	49%	43%	135
	Order-book size	S2	7%	49%	44%	137	S1	4%	43%	53%
S3		8%	45%	47%	139	S2	7%	34%	59%	152
S4		8%	50%	42%	134	S3	5%	38%	57%	152
S5		8%	46%	46%	138	S4	6%	37%	57%	151
S6		13%	41%	46%	133	S5	10%	45%	45%	135
PAT margin		S2	15%	51%	34%	119	S1	9%	48%	43%
	S3	13%	48%	39%	126	S2	9%	46%	45%	136
	S4	12%	52%	36%	124	S3	6%	44%	50%	144
	S5	12%	50%	38%	126	S4	10%	42%	48%	138
	S6	17%	46%	37%	120	S5	11%	47%	42%	131
	Capacity utilisation	S2	7%	53%	40%	133	S1	5%	49%	46%
S3		6%	57%	37%	131	S2	6%	46%	48%	142
S4		7%	57%	36%	129	S3	5%	45%	50%	145
S5		6%	56%	38%	132	S4	5%	47%	48%	143
S6		10%	54%	36%	126	S5	9%	54%	37%	128
Employee base		S2	4%	81%	15%	111	S1	3%	69%	28%
	S3	3%	79%	18%	115	S2	2%	71%	27%	125
	S4	4%	84%	12%	108	S3	2%	77%	21%	119
	S5	5%	75%	20%	115	S4	5%	70%	25%	120
	S6	4%	86%	10%	106	S5	5%	80%	15%	110
	Manufacturing Index	S2	SQ2			127	S2	NQ2		
S3		SQ3			129	S3	NQ3			141
S4		SQ4			126	S4	NQ4			142
S5		SQ5			129	S5	NQ5			140
S6		SQ6			123	S6	NQ6			128

CriSidEx readings | Services

Index parameters	SQ					NQ				
		Negative	Neutral	Positive	Index		Negative	Neutral	Positive	Index
Order-book size	S2	8%	62%	30%	122	S1	6%	46%	48%	142
	S3	9%	47%	44%	135	S2	6%	43%	51%	145
	S4	8%	53%	39%	131	S3	5%	41%	54%	149
	S5	6%	53%	41%	135	S4	8%	36%	56%	148
	S6	13%	43%	44%	131	S5	9%	50%	41%	132
	PAT margin	S2	16%	55%	29%	113	S1	10%	47%	43%
S3		13%	47%	40%	127	S2	10%	42%	48%	138
S4		13%	51%	36%	123	S3	7%	43%	50%	143
S5		9%	50%	41%	132	S4	10%	38%	52%	142
S6		16%	40%	44%	128	S5	11%	49%	40%	129
Employee base		S2	4%	81%	15%	111	S1	4%	68%	28%
	S3	5%	79%	16%	111	S2	4%	70%	26%	122
	S4	4%	81%	15%	111	S3	3%	74%	23%	120
	S5	5%	75%	20%	115	S4	7%	65%	28%	121
	S6	9%	78%	13%	104	S5	9%	70%	21%	112
	Services Index	S2	SQ2			115	S2	NQ2		
S3		SQ3			124	S3	NQ3			135
S4		SQ4			122	S4	NQ4			137
S5		SQ5			127	S5	NQ5			137
S6		SQ6			121	S6	NQ6			124
CriSidEx		S2	SQ2			121	S2	NQ2		
	S3	SQ3			127	S3	NQ3			138
	S4	SQ4			124	S4	NQ4			140
	S5	SQ5			128	S5	NQ5			139
	S6	SQ6			122	S6	NQ6			126

Business sentiment in January-March 2019

The Survey 6 findings need to be viewed in the context of factors such as slowdown in auto sales leading to inventory pile-up and production cuts by automobile industry, slower tendering/awarding ahead of elections affecting engineering, and regulations impacting logistics.

Sectors that saw a positive trend

- Sentiment was positive for both manufacturing and services sectors
- Among manufacturers, 42% reported a good SQ6, indicating a consistent run in the latest 5 surveys
 - In SQ6, leather & leather goods, chemicals and engineering & capital goods had the highest share of respondents who reported a good quarter
 - On-year basis (S2 to S6), leather & leather goods, chemicals and pharmaceuticals reported higher increase in positive respondents
- Among service providers, 39% reported a good SQ6, indicating significant improvement over the five quarters, from 29% in SQ2
 - In latest quarter SQ6, IT/ITeS, professional services and human resources segments had the highest share respondents who reported a good quarter
 - On-year basis, IT/ITeS and human resources reported higher increase in positive respondents

Sectors that saw a subdued trend

- Among manufacturers
 - In the latest quarter SQ6, gems & jewellery, textiles and auto components had a higher share of respondents reporting a subdued quarter (SQ6)
 - On-year basis, auto components and food products witnessed greater decline in positive respondents

- Among service providers
 - In latest quarter SQ6, logistics, power & utilities and diversified consumer services MSEs had a higher share of respondents reporting a subdued quarter
 - On-year basis, power & utilities and health care providers witnessed greater decline in positive respondents

Business sentiment for April-June 2019

- Over a third of respondents in both manufacturing and services expect a good next quarter
- Compared with NQ5, there has been a decrease in positive expectation

Sectors anticipating a positive trend

- Among manufacturers
 - For NQ6, respondents from leather & leather goods, pharmaceuticals, and chemicals were the most optimistic
 - On-year basis, food products reported higher increase in the share of positive respondents
- Among service providers
 - For NQ6, respondents from human resources, IT/ITeS, and traders segments were the most optimistic
 - On-year basis, IT/ITeS reported higher increase in the share of positive respondents

Sectors foreseeing a subdued trend

- Among manufacturers
 - In the next quarter NQ6, gems & jewellery, textiles and auto components had a higher share of respondents expect a subdued quarter
 - On-year basis, auto components and food products expect higher decline in positive respondents

- Among service providers
 - For NQ6, logistics, power & utilities and diversified consumer services MSEs had a higher share of respondents expecting a subdued quarter
 - On-year basis, health care providers expect greater decline in positive respondents

Other trends in business sentiment

Companies more positive than firms

- Companies were more positive, with 45% reporting a good survey quarter, compared with 37% of firms
- The trend was in line with the previous 5 surveys as well

Large MSEs had a better quarter and were more optimistic

- 47% of MSEs with more than 25 employees reported a good SQ6 compared with 30% of those with less than 10 employees.
- A similar trend is expected next quarter, with larger MSEs expecting a better NQ6



Order books and margins showing improvement since S2

Manufacturing

Change in the share of positive respondents

Component parameters	Actual	
	S6-S5	S6-S2
Volume of production	1%	2%
Order-book size	0%	2%
PAT margin	-1%	3%
Capacity utilisation	-2%	-4%
Employee base	-10%	-5%

Services

Change in the share of positive respondents

Component parameters	Actual	
	S6-S5	S6-S2
Order-book size	3%	14%
PAT margin	3%	15%
Employee base	-7%	-2%

- Between S2 and S6, the share of respondents who reported an increase in order book size increased by 2% in manufacturing and by 14% in services.
- On-quarter basis, the share of respondents reporting an increase in positive sentiment on order book size was stable for manufacturing and saw an increase of 3% in services.
- Both manufacturing and services MSEs have experienced decrease in positive sentiments with respect to employee base in S6 in comparison to both S2 and S5.



Domestic order book in January-March 2019

- For SQ6, 43% of MSEs reported an increase in order book, higher than 41% in SQ5 and 36% in SQ2
- In manufacturing, pharmaceuticals and chemicals reported a higher increase in order book size
 - Leather & leather goods, and textiles were a mixed bag
 - Auto components and gems & jewellery had a larger share of respondents reporting a subdued quarter
- In services, human resources, traders and IT/ITeS segment reported a higher increase in order book size
 - Diversified consumer services and logistics had a relatively muted quarter

Domestic order book in April-June 2019

- MSEs are largely optimistic for NQ6 with 43% expecting increased orders
- In manufacturing, chemicals was the most optimistic
 - Pharmaceuticals was a mixed bag
 - Auto components, Gems & jewellery and textiles had a higher share of respondents expecting a muted quarter
- In services, IT/ITeS and human resources segments anticipate enhanced order book position in NQ6
 - Optimism continued to be lower in diversified consumer services and power & utilities segments

Other order book trends

Export-oriented MSEs perform marginally better than domestic peers

- In SQ6, 45% of export-based MSEs reported an increase in order book, an rise from 33% in SQ2
 - These players continue to marginally outpace their domestic peers
- However in NQ6, only 40% of exporters expect an increase in order book size as against 54% in NQ5
 - Here, domestic players anticipate a marginally higher (43%) order book compared with their export-based peers (40%)

Importers subdued

- In SQ6, the share of importers who increased their orders declined to 17% against 25% in SQ5
- For NQ6, only 14% of the importers expect an increase in order book

Miscellaneous trends

Production and capacity utilisation expected to remain stable

- 43% of manufacturing MSEs expect an increase in production in NQ6, 8% expect it to be lower, and 49% see it unchanged
- In terms of capacity utilisation, 37% respondents expect higher utilisation in NQ6, which is similar to SQ6 levels

Hiring to continue

- In SQ6, 11% of the MSEs reported additions to their employee base compared with 20% in SQ5; 7% reported reductions, while 82% maintained the base
- In NQ6, 18% intend to add employees, while 7% intend to reduce headcount
 - In manufacturing, engineering & capital goods and leather & leather goods are looking to add more employees
 - In services, human resources, IT/ITeS and professional services are the most optimistic about hiring more

Lenders cautious on business situation

- In SQ6, 3 out of 10 of lenders surveyed saw improvement in overall business situation of MSEs and 6 out of 10 rated it as satisfactory
- For NQ6, 3 out of 10 of the lenders have a positive outlook on MSEs

Medium-ticket segment the hottest for lenders

- In SQ6, 6 out of 10 lenders reported highest credit growth in the Rs 1-5 crore exposure segment, compared with 3 out of 10 in sub Rs 1 crore segment
- For NQ6, too, lenders expect a similar trend

Lenders see minor improvement in asset quality

- 5 out of 10 lenders reported no change in NPAs, while 3 reported an increase and only 2 reported a decrease
- 5 out of 10 witnessed the most increase in NPA levels in the very small and small segment, 3 out of 10 in the medium segment and 2 out of 10 in large segment

About CriSidEx

CriSidEx is India's first sentiment index for micro and small enterprises (MSEs) that indicates the current state and expected outlook on the sector every quarter based on a survey. Survey 1 was conducted for September-December 2017.

The index is based on a diffusion index of 8 parameters (5 manufacturing and 3 services parameters) with equal weights. It measures MSE business sentiment on a scale of 0 to 200, where 0 indicates extremely negative sentiment, 100 neutral sentiment and 200 extremely positive sentiment. The distance of the score from 100 is indicative of the strength of the expansion or decline.

The index is calculated for (a) the respondent's assessment of the survey quarter (SQ) and (b) the respondent's expectation for the next quarter (NQ). Responses were received from 1,100 MSEs. No economic indicators, trade statistics or financials of MSEs have been used in computing it.

Since CriSidEx represents MSEs only, care should be taken by users when comparing it with other economic data/ indices.

Survey process

The survey tracks the business sentiment of MSEs in manufacturing and services (including trading) across India. Responses have been drawn from CRISIL-rated enterprises and current and past borrowers of SIDBI. It also includes micro enterprises funded by microfinance institutions (MFIs) that are, in turn, funded by SIDBI. Additionally, there are responses from lenders (banks and non-banking finance companies, or NBFCs). CRISIL and SIDBI acknowledge the support of all the participant banks and financial institutions, with special thanks to Cashpor Micro Credit, Fullerton India Credit Company Limited, IndusInd Bank, Kotak Mahindra Bank, North Eastern Development Finance Corporation Limited and Vistaar Financial Services Private Limited for eliciting sizeable responses from their MSE borrowers for the current survey. The sample has been drawn up to ensure representation of enterprises based on size, geography and nature of business. It covers MSEs with at least three years of business operations. The broad characteristics of the sample are:

Established business

Turnover <Rs 25 crore

Representation of various legal forms – companies, partnerships and proprietorships

Appropriate sectoral representation; to have equal coverage of manufacturing and services sectors (including trading)

Appropriate geographic representation

Covers exporters and importers, besides domestic firms

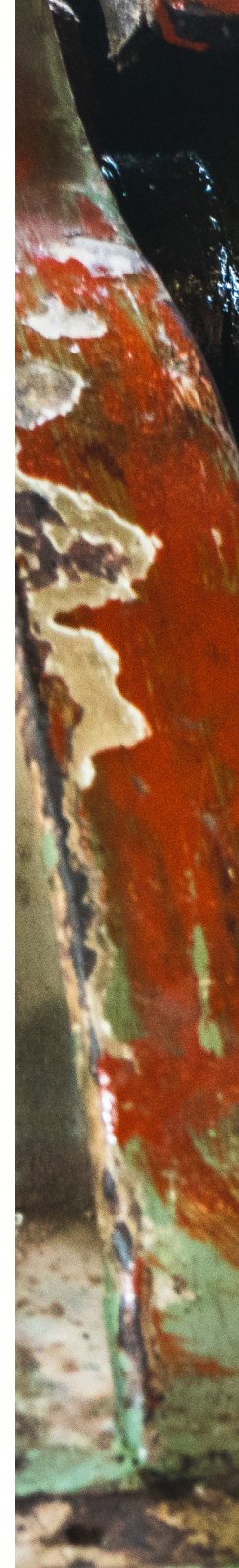
How to read CriSidEx

CriSidEx is a sentiment index and hence, a qualitative measure of the mood. Respondents are asked to assign qualitative, rather than quantitative inputs, to variables of their interest. Thus, they may not necessarily refer to actual data related to their enterprises when responding to the survey. For example, respondents are asked to assign qualitative inputs to the value of their order books, such as 'above normal', 'unchanged' or 'below normal'. That's different from a conventional industry survey where respondents may be asked to give quantitative information about their order books, such as the actual value of outstanding orders.

For more details, please refer to the first CriSidEx report available at:

<https://www.crisil.com/en/home/our-analysis/reports/2018/01/crisidex-the-mse-sentiment-index.html>

<https://sidbi.in/en/crisidex>

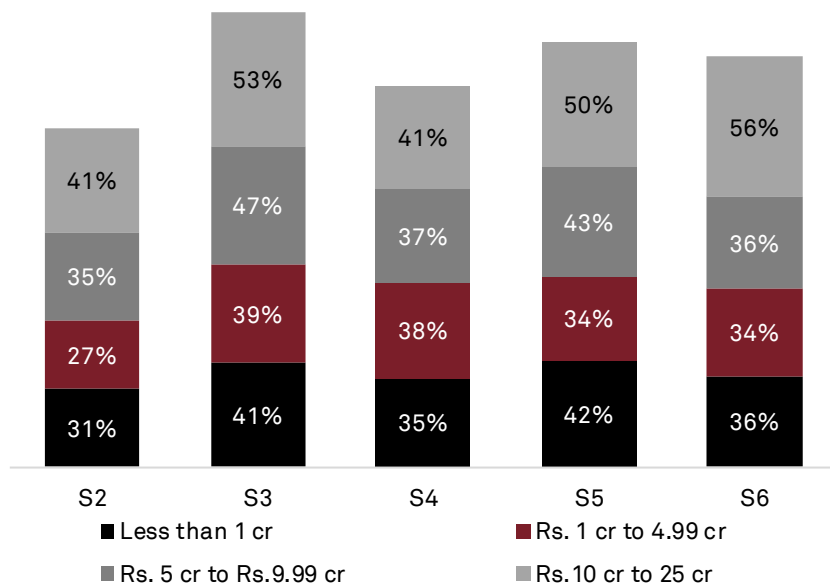




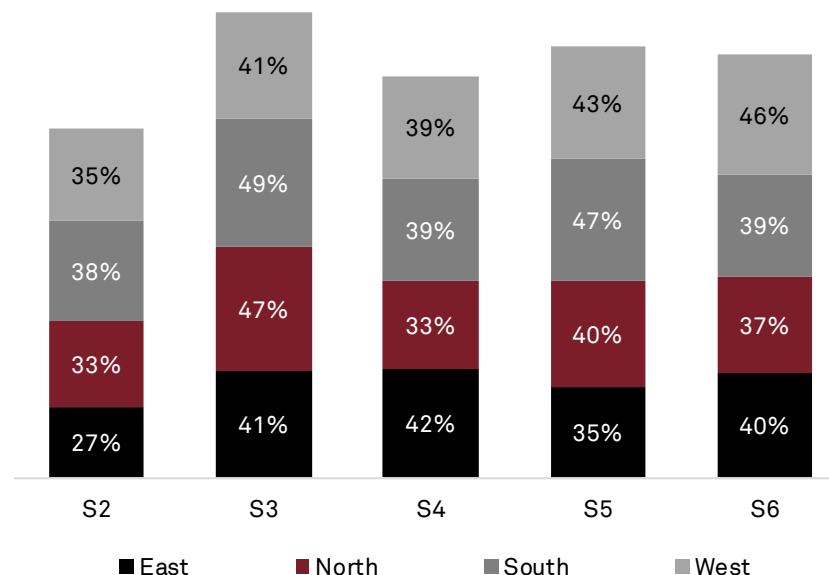
Comparison across surveys

Larger MSEs most positive, small segment quite improved

Based on size of business



Regional sentiment



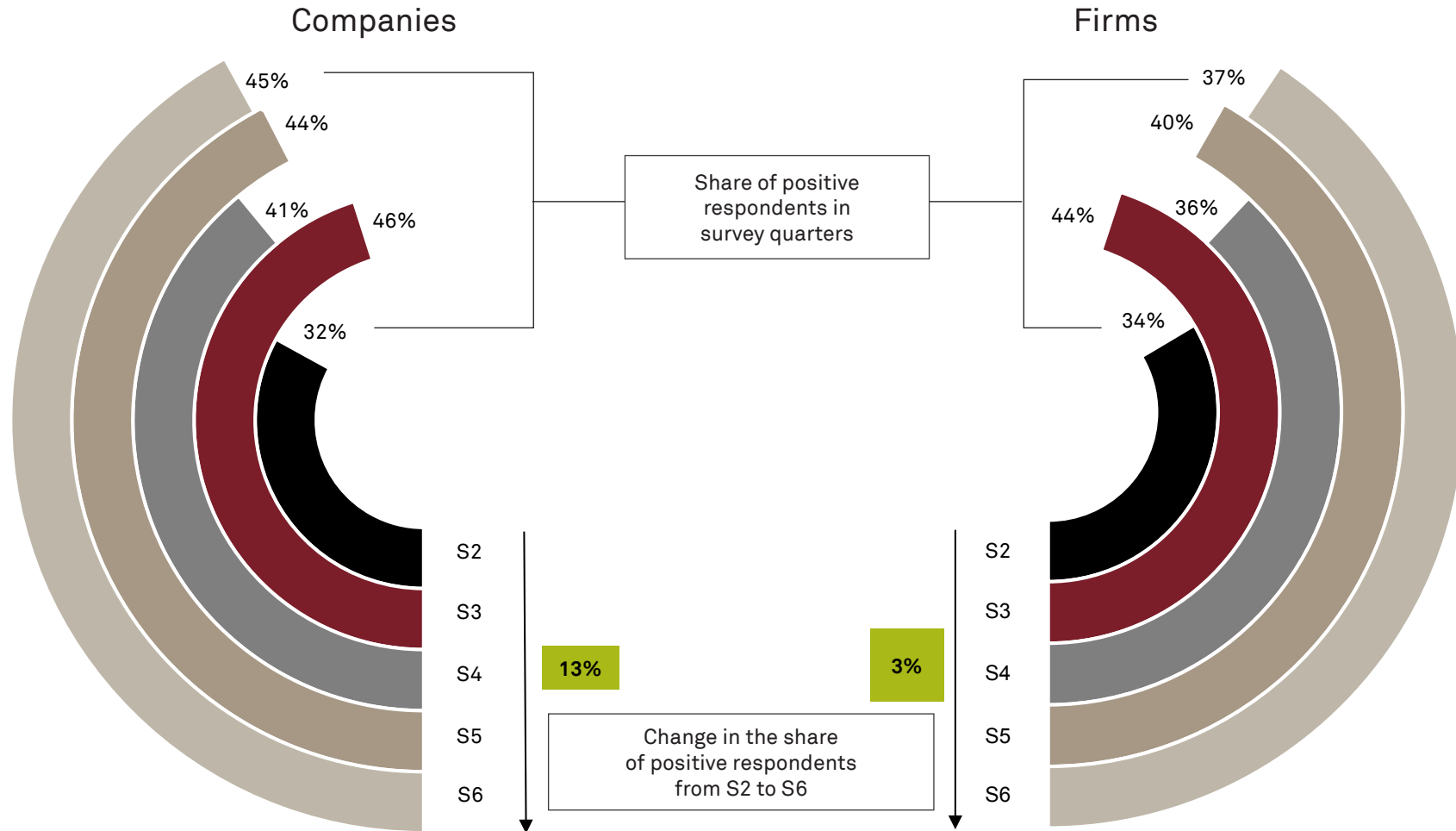
- MSEs with annual turnover of Rs 10-25 crore have consistently had over 40% positive respondents
- Sentiments in Rs 1-4.99 crore segment have been lower compared with peers

Sentiment remains positive in West and East, muted in North and South

- The share of positive respondents in the West and East has increased from 35% and 27% in S2 to 46% and 40% in S6, respectively
- North and South have shown lesser variation in sentiment. Compared with S5, sentiment of MSEs in these regions have been muted

% represent share of positive respondents

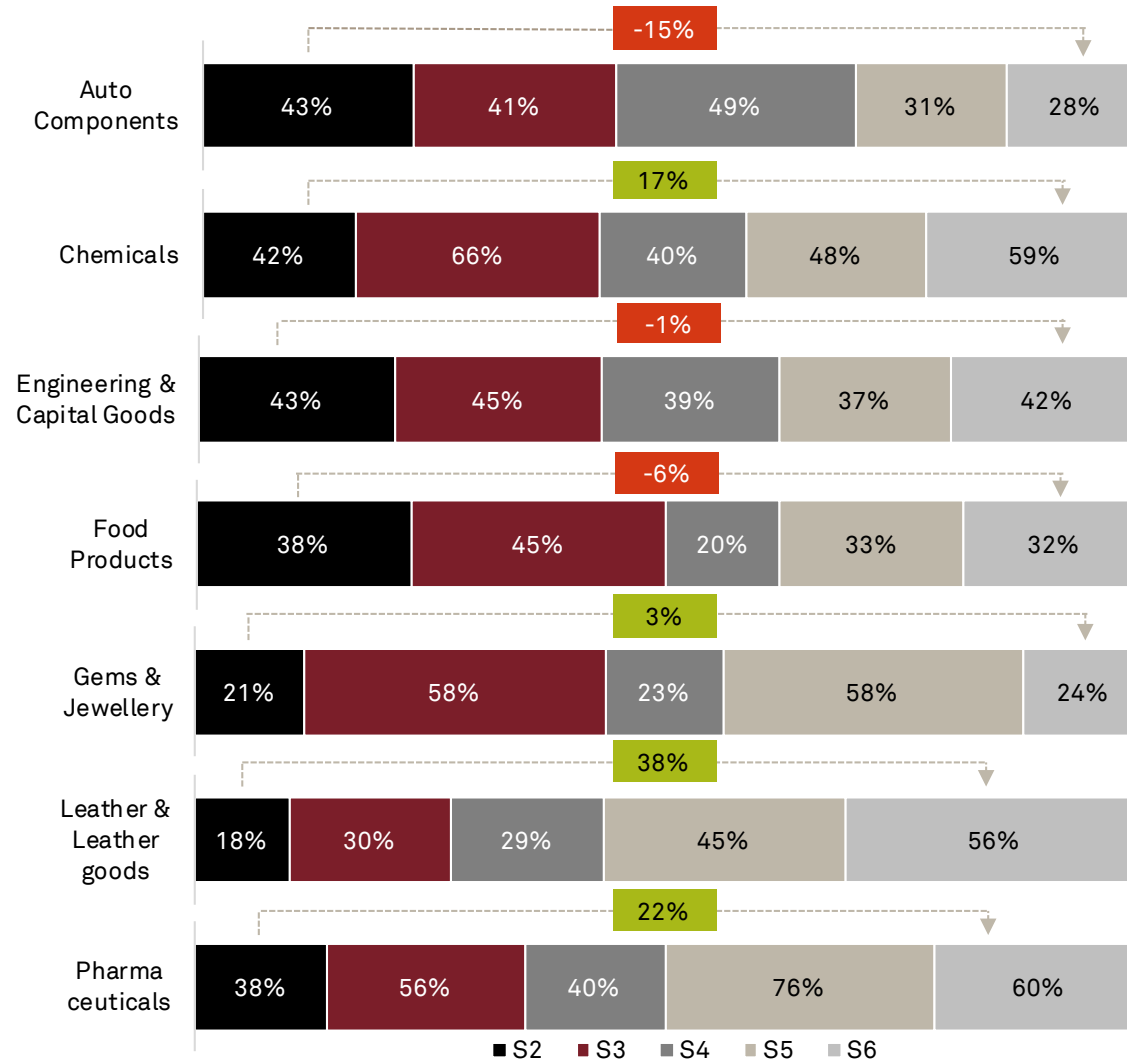
Companies outpacing firms consistently



- Positive sentiment was higher for companies compared with firms
- Compared with S2, increase in share of positive respondents has been higher for companies than for firms

Manufacturing: pharma, chemicals and leather & leather goods doing well, auto-components subdued

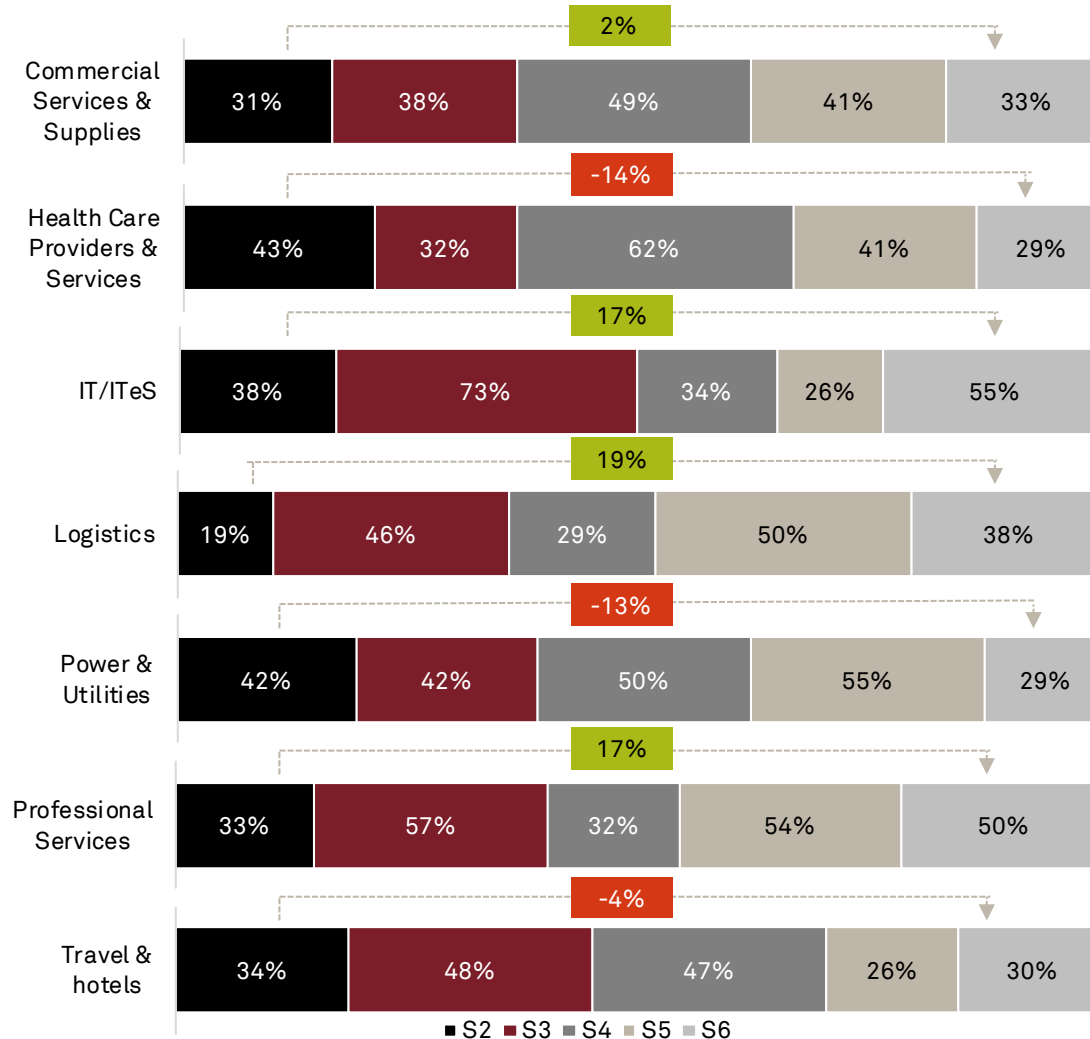
Movement of positive respondents from S2 to S6



- MSEs in leather & leather goods and chemicals have reported higher positive sentiment compared with both S5 and S2
- Auto-component manufacturers and food product MSEs have shown lower positive sentiment, with a decrease of 3% and 1% in the share of positive respondents in S6 compared with S5.
- Despite increase in positive sentiments in S6 compared with S2, gems & jewellery and pharmaceuticals MSEs are among the subdued segments when compared with S5.










Services: IT/ITeS a good performer, health care a laggard

Movement of positive respondents from S2 to S6



- The share of positive respondents in IT/ITeS has increased from 38% in S2 to 55% in S6
- Travel & hotel MSEs have reported growth in positive sentiment in S6 compared with S5
- Additionally, positive sentiment of MSEs in logistics, professional services and commercial services & supplies was higher in S6 compared with S2, but lower compared with S5
- On the contrary, health care providers & services had lower positive sentiment in S6 compared with both S2 and S5

Sector underpinnings

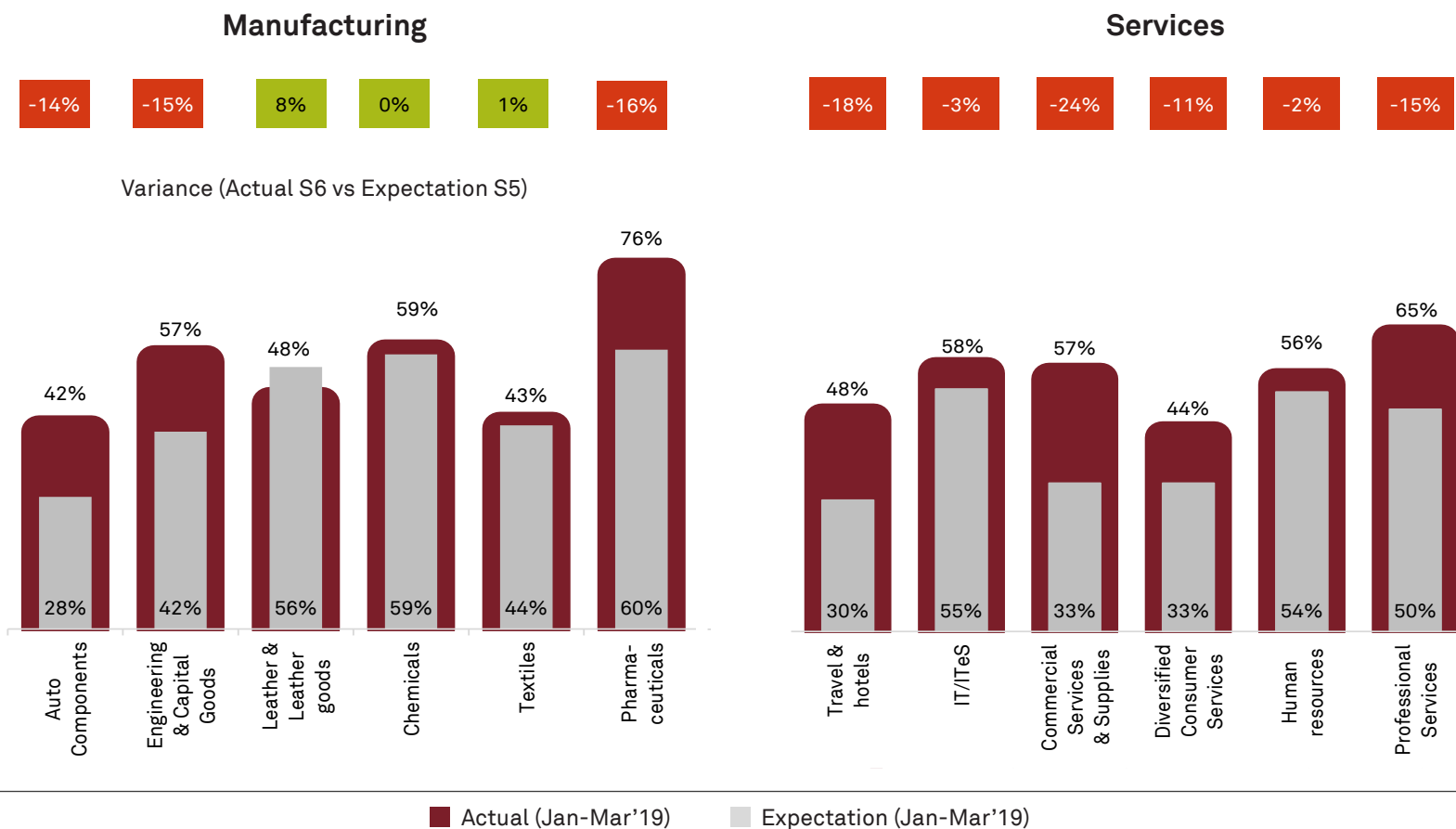
	Auto components	<p>Auto components Q4FY19 demand slowed down on-quarter on account of</p> <ul style="list-style-type: none"> • Higher dealer inventory, which resulted in production cuts across OEMs in a bid to liquidate stocks • Retail sentiments remained weak for end-user industry due to rising cost of ownership following fuel price hike, financing and insurance costs.
	Chemicals	<p>Lower crude oil prices on-quarter resulting in fall in input prices for chemical manufacturers is likely to have a positive impact on the profitability of players.</p>
	Engineering & capital goods	<p>The uptick in positive sentiment was a tad muted on the back of slower tendering/ awarding due to the pre-election season</p>
	Food products	<p>Positive sentiment for food products in Q4 of fiscal 2019 has weakened marginally on-quarter on account of lower consumer demand, which can also be seen in the FMCG industry.</p>
	Gems & jewellery	<p>Q4FY19 sentiment declined owing to a high base in Q3FY19, given the festive season. Moreover, higher gold prices dented demand sentiment for most part of Q4FY19.</p>
	Leather & leather goods	<p>On-quarter uptick in sentiment for Q4FY19 is led by rise in leather exports, which comprise ~49% of the overall industry revenue; exports are primarily to US and European countries.</p>
	Pharmaceuticals	<p>Slower growth in anti-infectives – accounting for ~13% of domestic pharma market – in the domestic market has led to a slight decline in sentiment for Q4 FY19. The domestic market accounts for ~50% of the pharma market size.</p>
	Healthcare providers & services	<p>With government focussed on health and wellness centres, there is talk of regulating pricing of diagnostic tests. If regulated, there could be concerns for the diagnostic industry.</p>
	IT/ITeS	<p>Increase in bookings has been led by digital-based projects. But in future, there is a cautious outlook on growth due to slowdown expectation in GDP growth of developed economies.</p>
	Logistics	<p>During Q4 FY19, sentiment slowed down on-quarter due to</p> <ul style="list-style-type: none"> • Revision in Department of Industrial Policy and Promotion (DIPP) regulations for e-commerce and slow economic growth on-quarter that impacted air freight and courier industry • Impact of axle norms gained prominence with greater proportion of transporters re-registering with the higher payload, leading to an oversupply of trucks, impacting fleet utilisation





**Expectation in S5
vs actual
performance in S6**

Leather performed better; textiles as expected



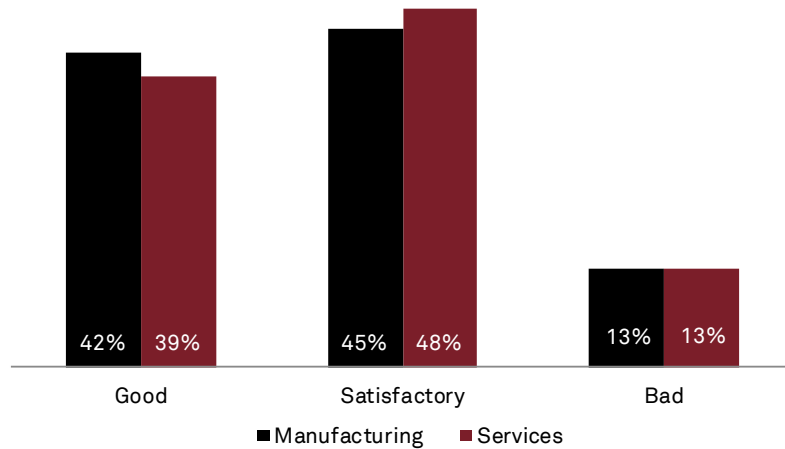
- Expectations for the next quarter are generally a few percentage points higher than the actual achievement. Only a few segments have been able to exceed the expectations for S5 positive sentiment.
- MSEs operating in leather & leather goods and textiles reported better overall business situation compared with expectations



Sentiment in S6

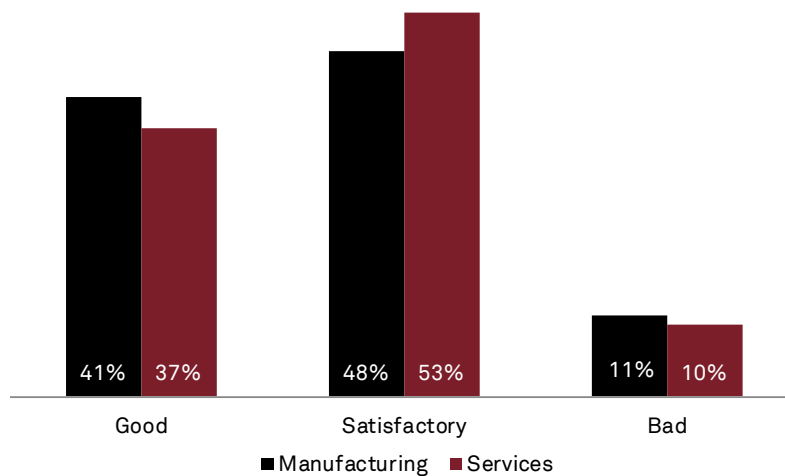
MSEs positive about business situation

SQ6 (Jan-Mar'19)



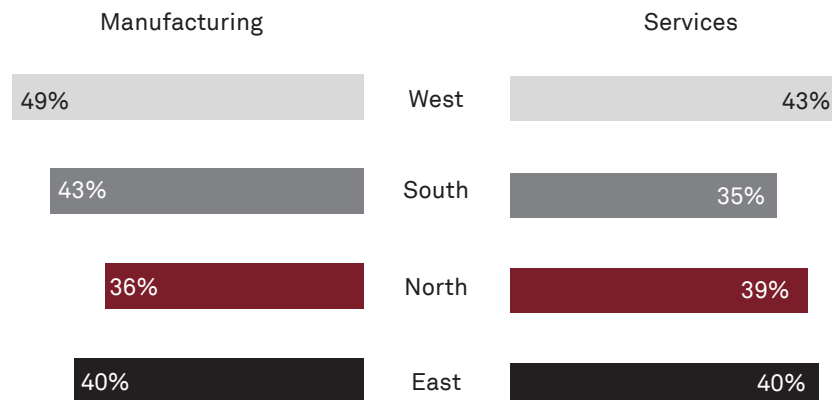
- Two-fifths (42% and 39%) of respondents in manufacturing and services sectors, respectively, are positive about the overall business situation

NQ6 (Apr-Jun'19)

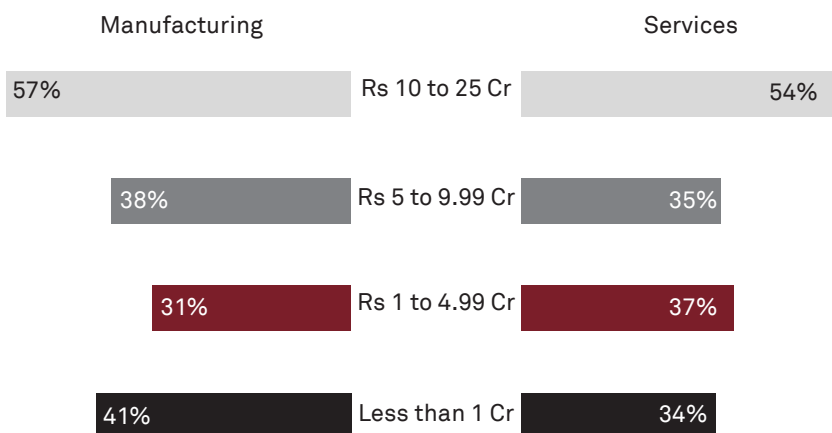


- More than 45% of the respondents each in manufacturing and services are expecting a satisfactory next quarter

Services doing better than manufacturing in North; manufacturing better than services in South



- Manufacturing MSEs based in the South and West reported 8% and 6% higher positive sentiment compared with their services-based counterparts
- Services MSEs fared better in the North compared with manufacturing counterparts



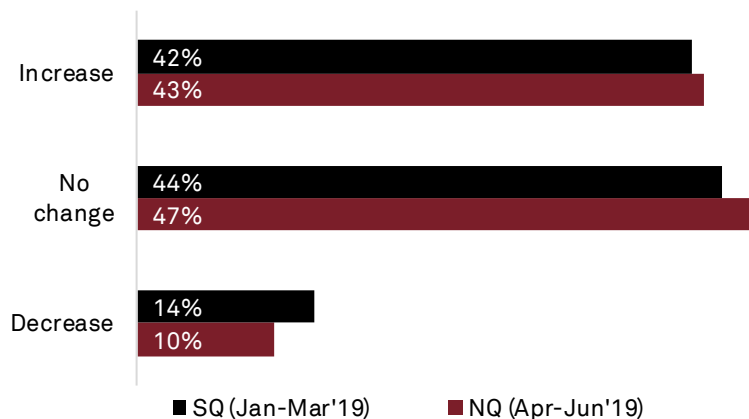
Small MSEs more positive in manufacturing

- Manufacturing-based MSEs with annual turnover greater than Rs 10 crore are marginally positive compared with their services counterparts
- In services, MSEs with annual turnover of Rs 1-4.99 crore are more positive than their manufacturing counterparts

% represent share of positive respondents

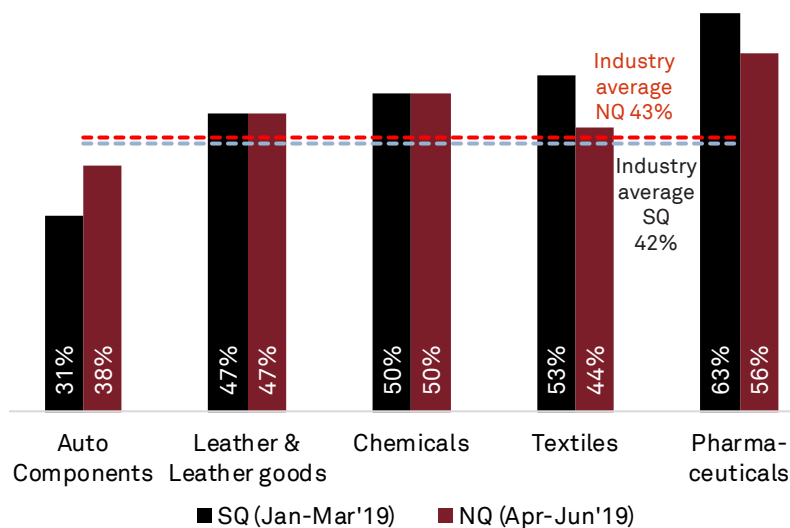
Order book size (domestic): Moderation in manufacturing to continue

Manufacturing - order book size (domestic)



- 42% of MSEs in manufacturing sector saw growth in domestic order book in SQ. A similar proportion of respondents expect growth in domestic order book in NQ

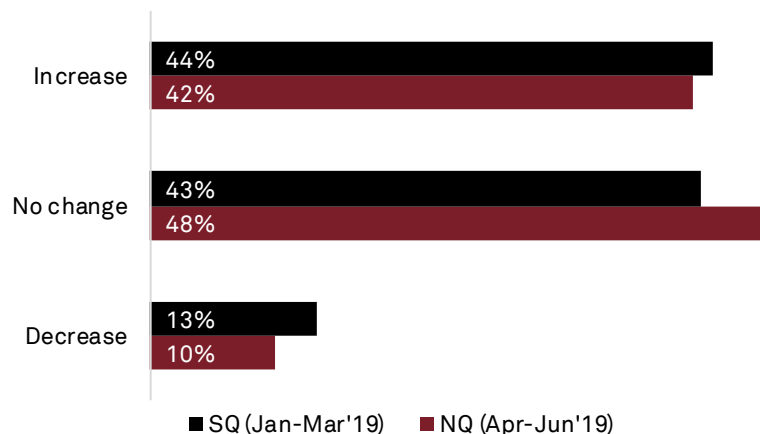
Manufacturing industries - order book size (domestic)



- Share of respondents who reported an increase in order book size was higher than industry average in pharmaceuticals, textiles, chemicals and leather & leather goods
- In auto components, the share of respondents who reported an increase in order book size was below industry average

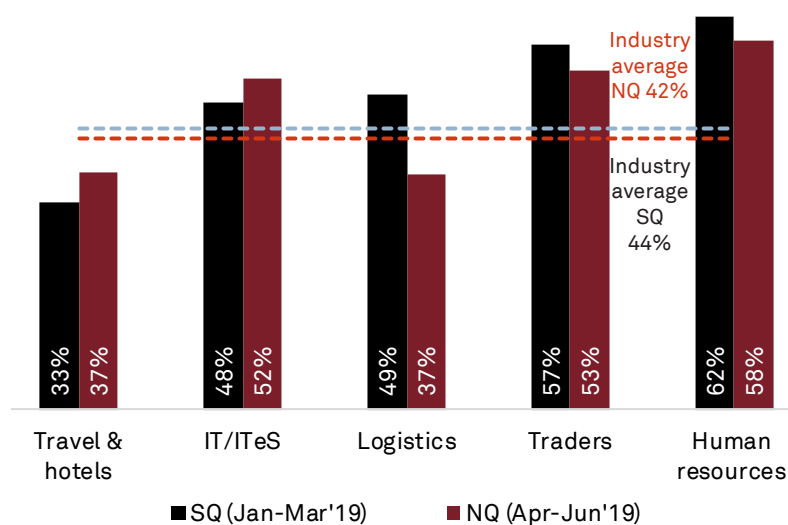
Order book (domestic): Services doing relatively better

Services - order book size (domestic)



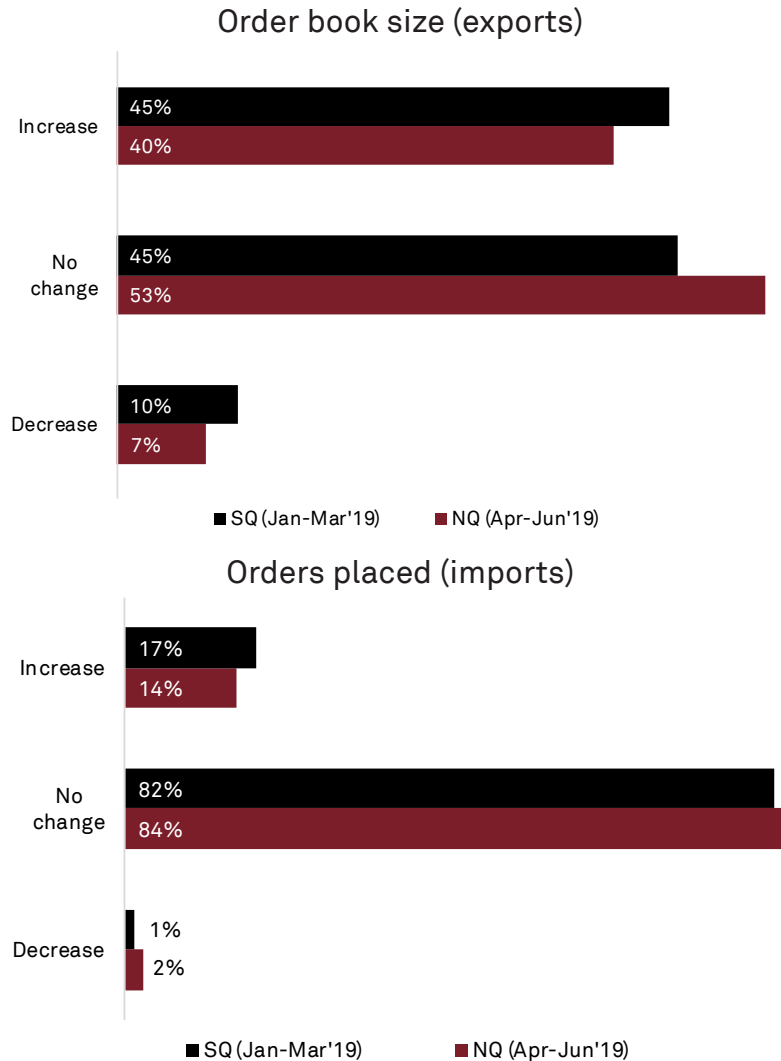
- 44% of MSEs in services sector reported an increase in domestic order book
- 42% services-based MSEs expect growth in domestic order book in NQ

Services industry - order book size (domestic)



- Share of respondents who reported an increase in order book size was higher than industry average in IT/ITeS, logistics, and human resources
- In travels & hotels, the share of respondents who reported an increase in order book size was below industry average
- Logistics likely to be muted in next quarter

Order book (international): Export MSEs expect slower next quarter

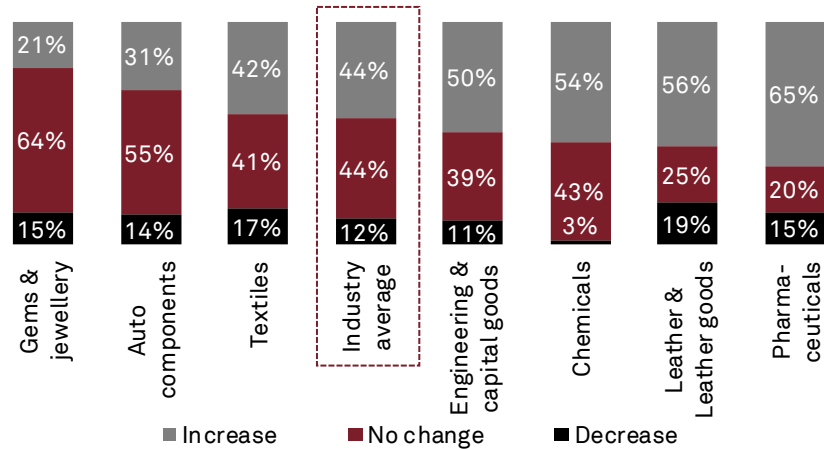


- 45% of MSEs with export order book reported an increase in orders in SQ6 while 40% expect better NQ6

- Importers expect NQ6 to remain subdued with the share of respondents reporting increased order book size declining to 14% from 17% in SQ6

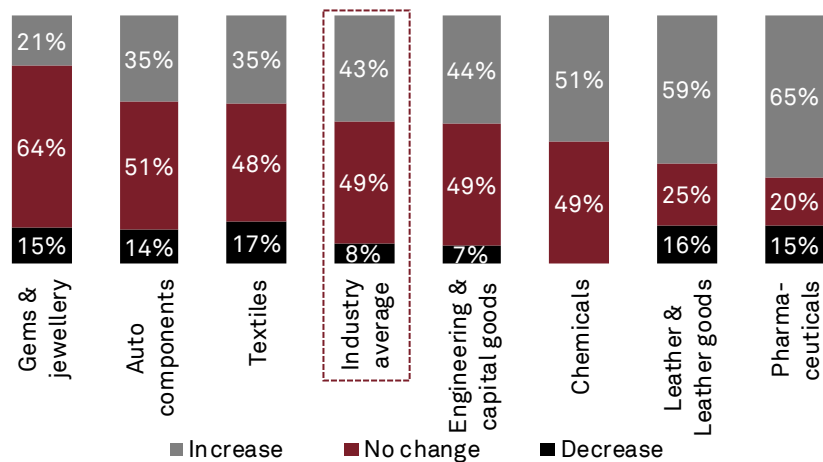
Volume of production: Pharma and leather doing well; gems & jewellery and auto components subdued

Volume of production (industry-wise) - SQ6 (Manufacturing)



- In SQ6, MSEs in pharmaceuticals and leather & leather goods had higher share of respondents reporting increase in volume of production compared with the industry average of 44%
- Textiles, auto components and gems & jewellery MSEs had a lower share of respondents reporting an increase in volume of production compared with the industry average

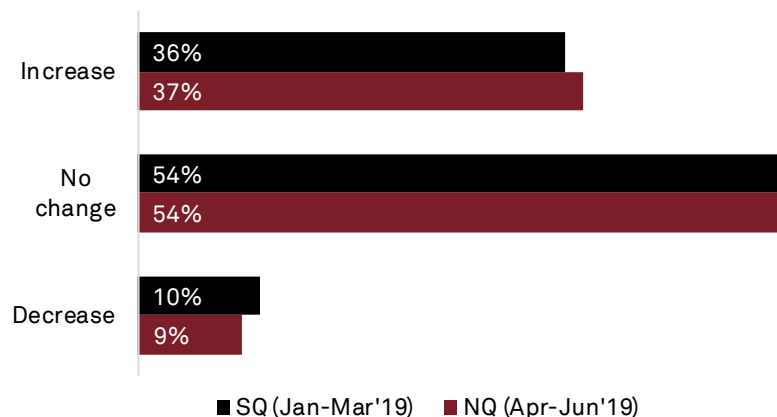
Volume of production (industry-wise) - NQ6 (Manufacturing)



- While pharmaceuticals and leather & leather goods MSEs conveyed optimism for NQ6, a lower share of respondents in textiles and gems & jewellery expect an increase in volume compared with the industry average

Capacity utilisation to increase, hiring to pickup

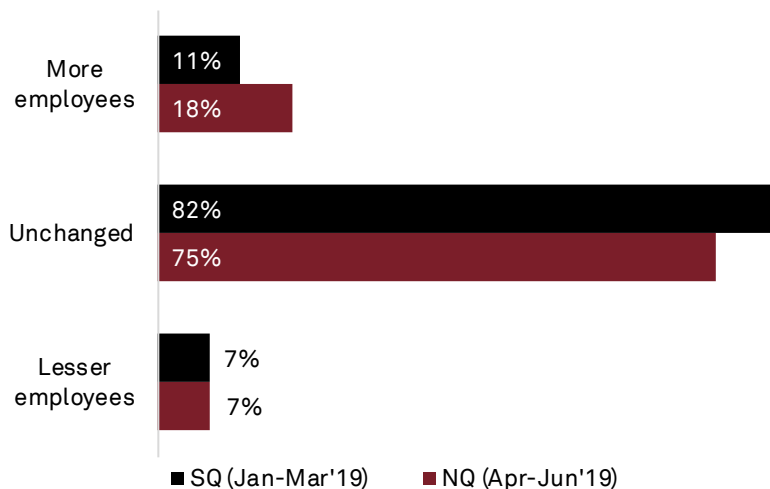
Capacity utilisation (Manufacturing)



- 36% of manufacturing-based MSEs reported an increase in capacity utilisation, while 54% had it unchanged
- Going forward, 37% of the respondents expect enhanced capacity utilisation in NQ6, while only 9% expect a reduction and the balance 54% expect no change

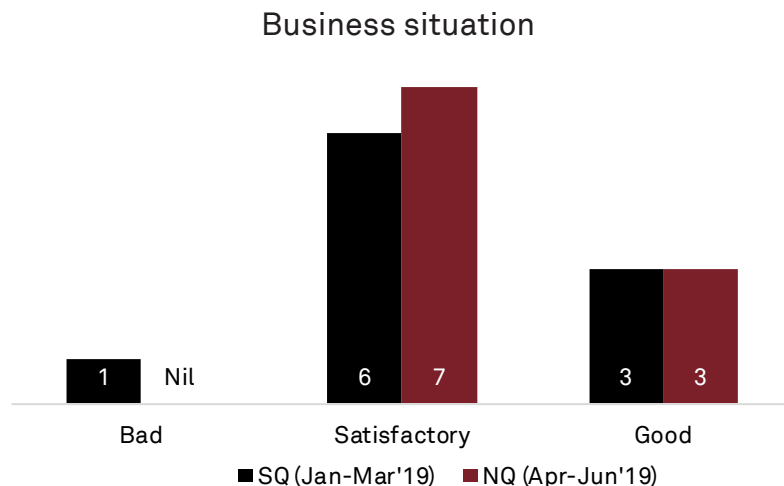
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Employee base



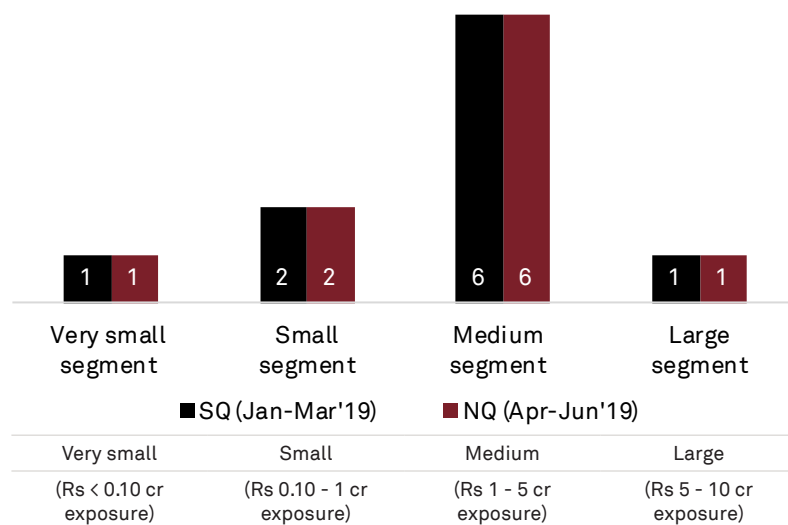
- 11% of respondents reported an enhancement in their employee base in SQ6, while 82% reported no change
- 18% of respondents expect to enhance their employee bases in NQ6, while 75% do not expect any addition in their workforce

Lenders cautious on business situation



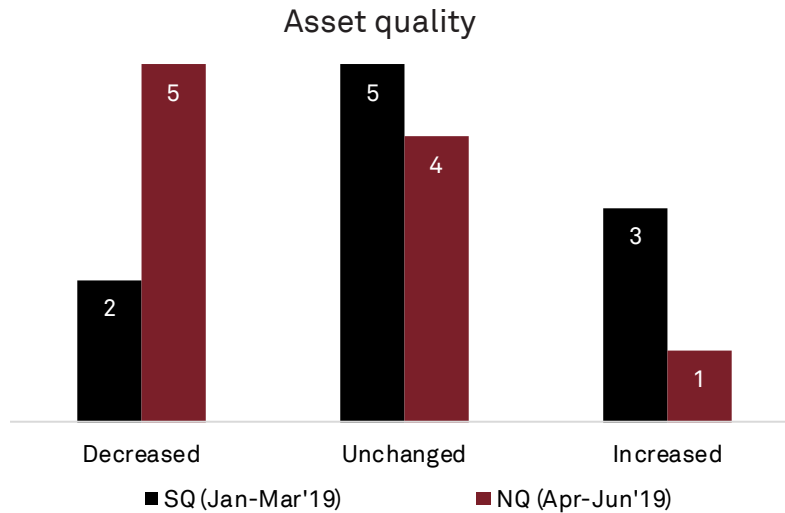
- In SQ6, 3 out of 10 of lenders surveyed saw improvement in overall business situation of MSEs and 6 out of 10 rated it as satisfactory
- For NQ6, 3 out of 10 lenders have a positive outlook on MSEs

Highest credit growth in segments (based on size of exposure)



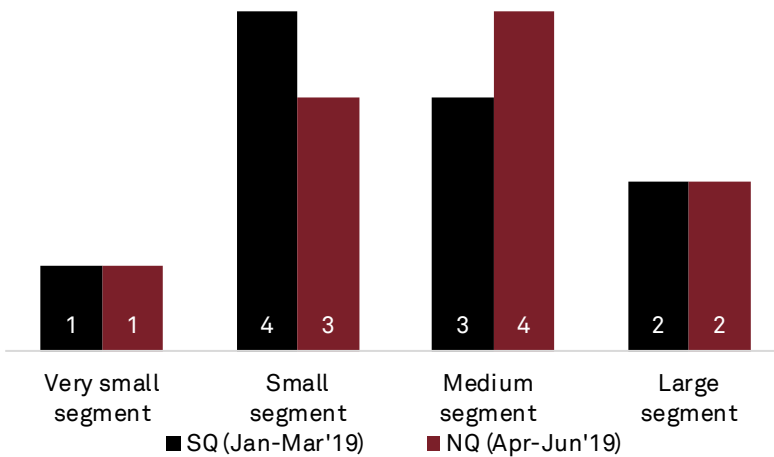
- In SQ6, 6 out of 10 lenders reported highest credit growth in the Rs 1-5 crore exposure segment versus 3 out of 10 in the sub-Rs 1 crore segment
- For NQ6, too, lenders expect a similar trend

Lenders see minor improvement in asset quality



- 5 out of 10 lenders reported no change in NPAs, while 3 reported an increase, and only 2 reported a decrease

Highest NPA rate in segments (based on size of exposure):



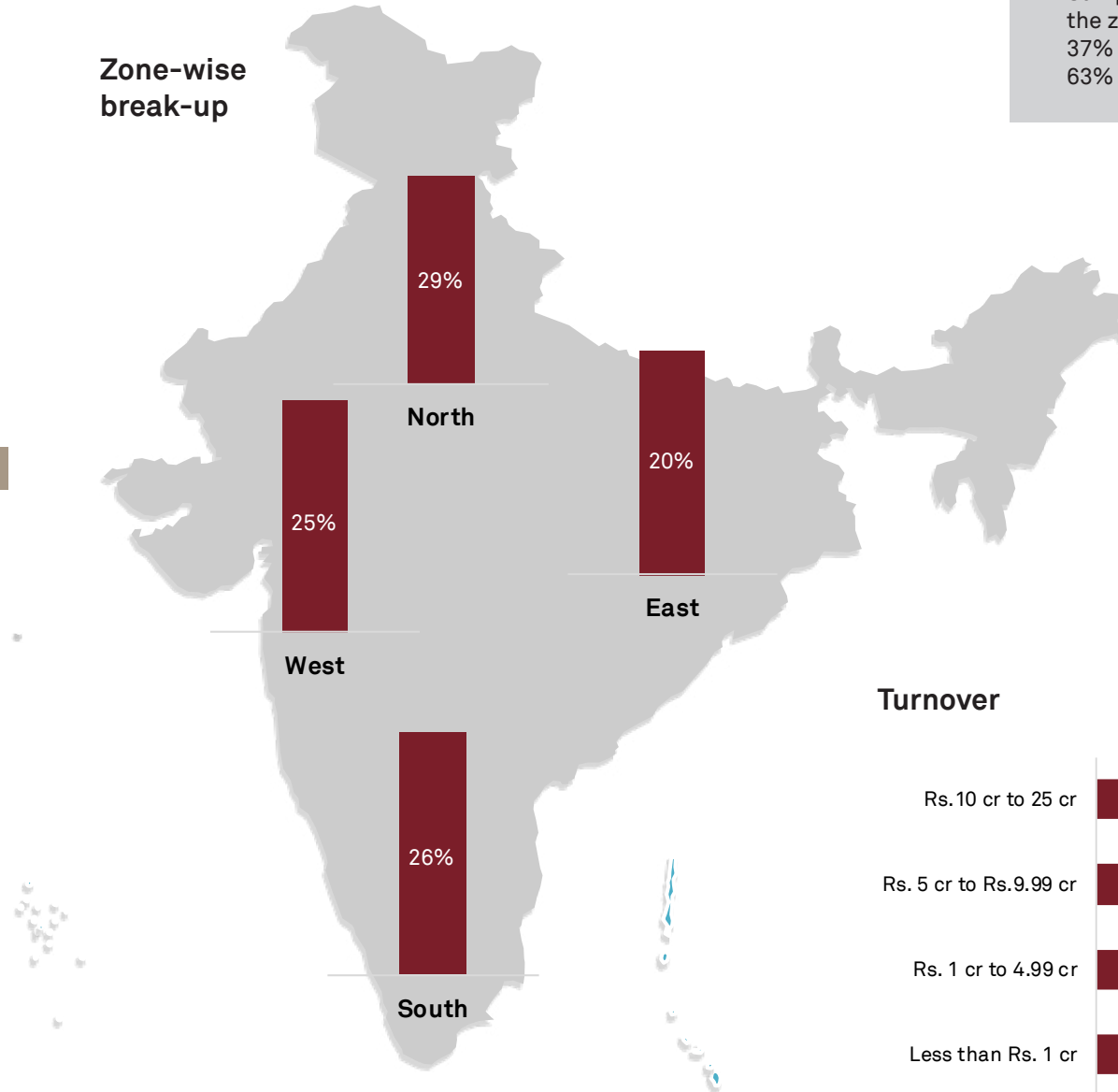
- 5 out of 10 witnessed the most increase in NPA levels in the very small and small segment, 3 out of 10 in the medium segment, and 2 out of 10 in large segment



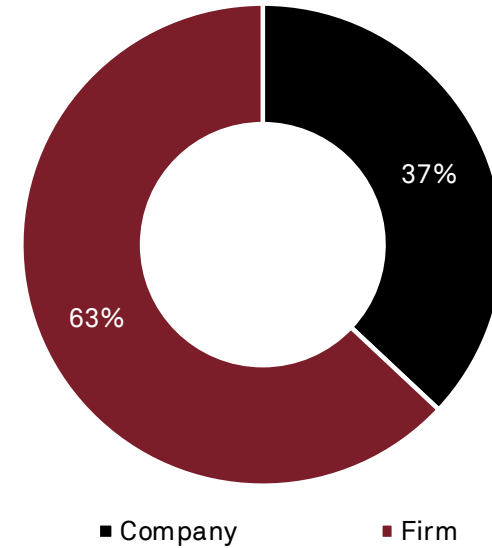
Annexures

Sample summary

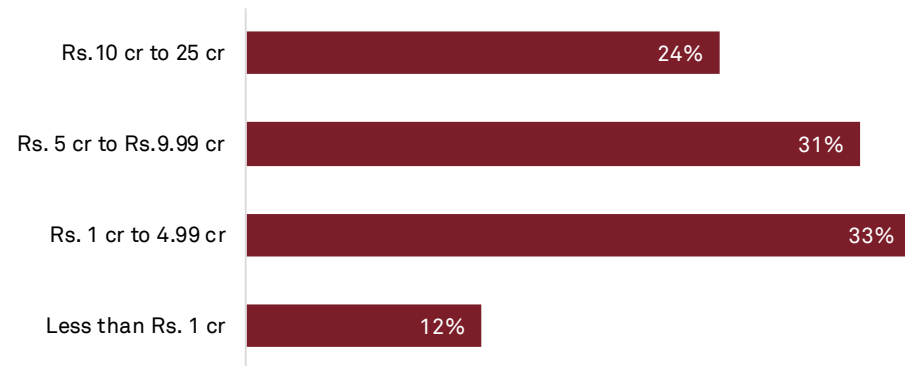
Zone-wise break-up



- Sample selected for the survey is well distributed across the zone and turnover categories. In terms of legal status, 37% of the participating MSE were companies where as 63% were firms (proprietorships and partnerships).



Turnover



Glossary

Broad products/ services included under respective segments

Auto components includes suspension and braking parts, electrical & equipment parts, transmission & steering components

Chemicals includes dyes, specialty chemicals, essential oils and perfumery, fertilisers, medicinal constituents, adhesives

Engineering & capital goods includes machinery, electrical equipment, defence equipment, electronic equipment, energy equipment

Food products includes bakery products, packaged food, ice cream, grain milling, fruit and vegetable processing, beverages

Gems & jewellery includes gold jewellery, gems and semi-precious stones

Leather & leather goods includes leather accessories and leather upholstery

Pharmaceuticals includes bulk drugs, formulations (including ayurvedic formulations)

Commercial services & supplies includes printing, ship repair, training providers, cable networks

Diversified consumer services includes education, events organising, car rental & repair, cold storage services, courier, pest control, repairs & maintenance, photocopy services

Healthcare providers & services includes hospitals, nursing homes, diagnostic centres

Human resources includes industrial manpower providers, consultancy & training services, security services, employment services

IT/ITeS includes software developers, web designing services, surveillance services, data services, IT consulting

Logistics includes air freight, rail, road and transportation service providers

Power & utilities includes industrial gas providers, solar system integrators/EPC contractors, wind mill power generation

Professional services includes consultancy/ advisory/ research services, interior designing, beauty parlours, boutiques

Notes

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Small Industries Development Bank of India (SIDBI), is the Principal Financial Institution for the Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector and for Co-ordination of the functions of the institutions engaged in similar activities. The business domain of SIDBI consists of Micro, Small and Medium Enterprises (MSMEs), which contribute significantly to the national economy in terms of production, employment and exports. SIDBI meets the financial and developmental needs of the MSME sector with a Credit+ approach to make it strong, vibrant and globally competitive. For more information, visit www.sidbi.in.

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