

## **Digital lending disbursement volume increase by 31%, crossing 2.2 crore loans in Q1 FY 23-24: FACETS Report**

- Account Aggregator framework take roots as more than 3.6 lakh loans disbursed utilising the AA

**Mumbai, 11<sup>th</sup> September 2023:** Digital lending continues to expand its impact, with lending volumes and value growing at annual growth rates of 31% and 32%, respectively, in Q1 of FY 23-24, according to a report released by the [Fintech Association for Consumer Empowerment \(FACE\)](#). Analysing disbursement data from 36 member companies, FACE launched the 7<sup>th</sup> edition of their FACETS report today.

**Commenting on the eighth edition of FACETS, Sugandh Saxena, CEO at FACE, said,** “As the industry marks the first anniversary of Digital Lending Guidelines (DLG), we all draw much satisfaction in the way the industry is contributing to meet the credit needs of vast unaddressed segments, adapting extremely well to all the aspects of regulations - be it disclosures, data privacy/consent, transactions, grievance redressal, partnerships. As the fintech lending industry scales and innovates with a much larger, complex, and diverse supply side consisting of banks, NBFCs and LSPs, our new upgraded Code of Conduct put the industry in good stead by unifying the market practices around customer centricity and value creation.”

Some of the key insights from the report are as follows:

**Supported by regulation and scale, the digital lending industry is going through sustainable normalisation, with disbursement volumes and value growing by 31% and 32%, respectively.**

- FACE member companies disbursed 2.2 crore loans during Q1 FY 23-24, an increase of 31% compared to Q1 FY 22-23 and a 16% increase over the previous quarter.
- Disbursement value increased by 32% in Q1 FY 23-24 from Q1 FY 22-23 to reach INR 29,875 crore compared to INR 22,682 crore last year. Three-fourths of the companies reported positive annual growth over the comparable quarter in FY 22-23.
- Overall, the average ticket size in Q1 FY 23-24 is Rs 11,043, though there is much variation across the companies.
- With the Account Aggregator framework shaping up, fintech lenders are quickly embracing it. More than a fourth of FACE member companies are already leveraging the AA framework, disbursing nearly 4% of loans utilising the same.