

DECEMBER 2025

CREDIT MARKET INDICATOR

A comprehensive measure of
retail lending health trends

TransUnion^{tu} CIBIL

Content

1

Overall Credit
Market Conditions

2

Demand and
Supply Trends

3

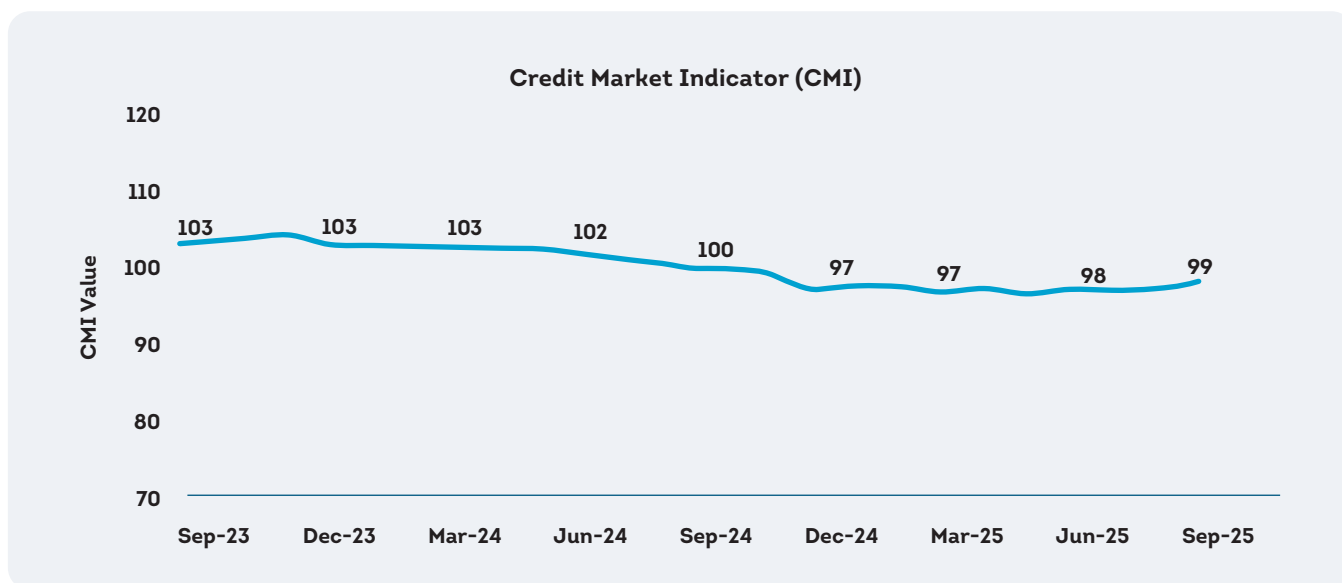
Changes in Consumer Behavior
and Credit Performance

OVERALL CREDIT MARKET CONDITIONS

Boost in retail demand with bounce back in growth for some credit active consumer segments and rising delinquencies in small ticket housing and micro-LAP lending

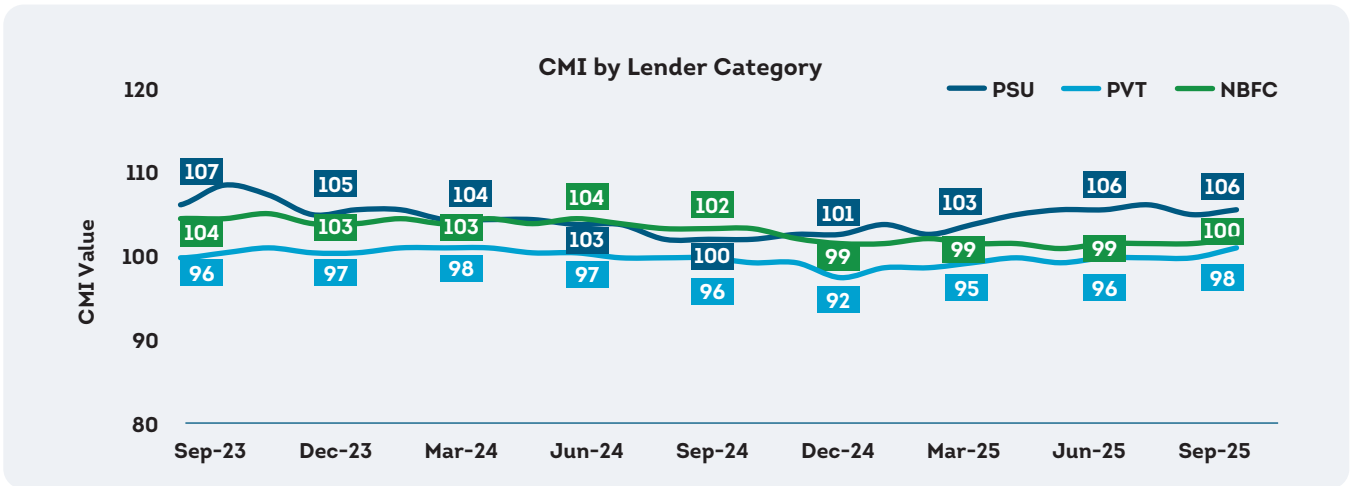
Key Highlights

- Retail demand has seen a boost post implementation of GST 2.0, particularly in the vehicles and consumer durable loan segments.
- Growth opportunity both in expansion and deepening engagement with borrowers remain as credit active consumers growth rate has continued to grow at slower pace; NTC and younger consumer segments focus which has seen some bounce back will help in expanding the base.
- Early delinquencies have risen in micro-LAP by 29 bps and small ticket housing loans by 19 bps. Proactive monitoring of this segment will be critical for lenders to mitigate risk and reduce stress.



Sep 2025 CMI value is provisional and subject to revision as additional data get reported to the TransUnion CIBIL credit bureau; micro-LAP is defined as property loans with ticket size between INR 2L-10L and small ticket housing is defined as home loan with ticket size between INR 2L-25L

CMI for PSU has improved year-on-year by 6 points in September 2025 owing to stable growth in balances and improvement in performance



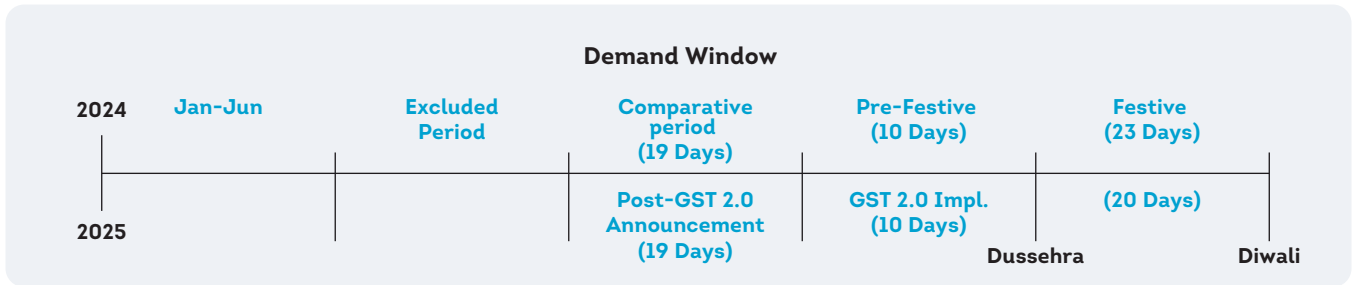
Sep 2025 CMI value is provisional and subject to revision as additional data get reported to the TransUnion CIBIL credit bureau.

	Key Metric for 3M Ended Sep-25		
	PSU Banks	PVT Banks	NBFC
Accounts Disbursed (YoY)	6%	-4%	20%
Amount Disbursed (YoY)	36%	15%	45%
Outstanding Balances (YoY)	18%	15%	21%
Balance Level 90+ DPD (YoY)	-54bps	-14bps	-3bps

NBFC includes NBFC, HFC & Fintech
Sanction amount for credit card and Kisan Credit card excluded from Amount disbursed

DEMAND AND SUPPLY TRENDS

Retail loan demand show a positive sentiment in post GST 2.0 implementation – especially in vehicle finance and consumer durables



To create a comparative view of the festive periods in 2024 and 2025 given the GST 2.0 impact in 2025, we have defined the following time intervals:

• **Jan-Jun (Starting Period):**

Base comparable period, indexed to 100.

• **Post-GST 2.0 Announcement:**

The period between GST 2.0 announcement to its implementation in 2025, and the comparative time period considered for 2024.

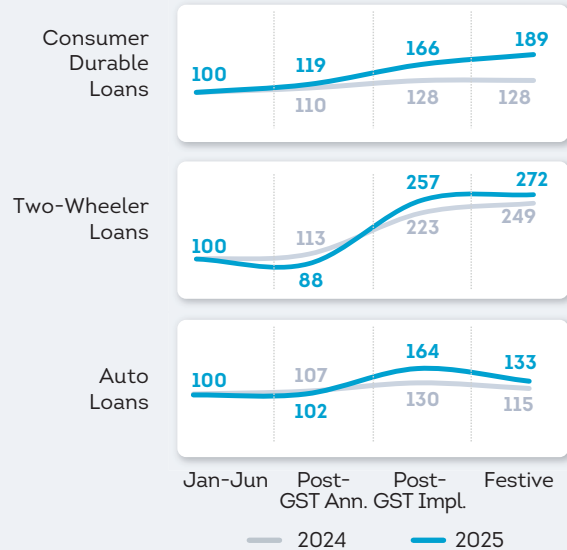
• **Post-GST 2.0 Implementation / Pre-Festive:**

The period after GST 2.0 implementation in 2025, and the same timeframe in 2024.

• **Festive:**

The period from Dussehra to Diwali in 2024 & 2025.

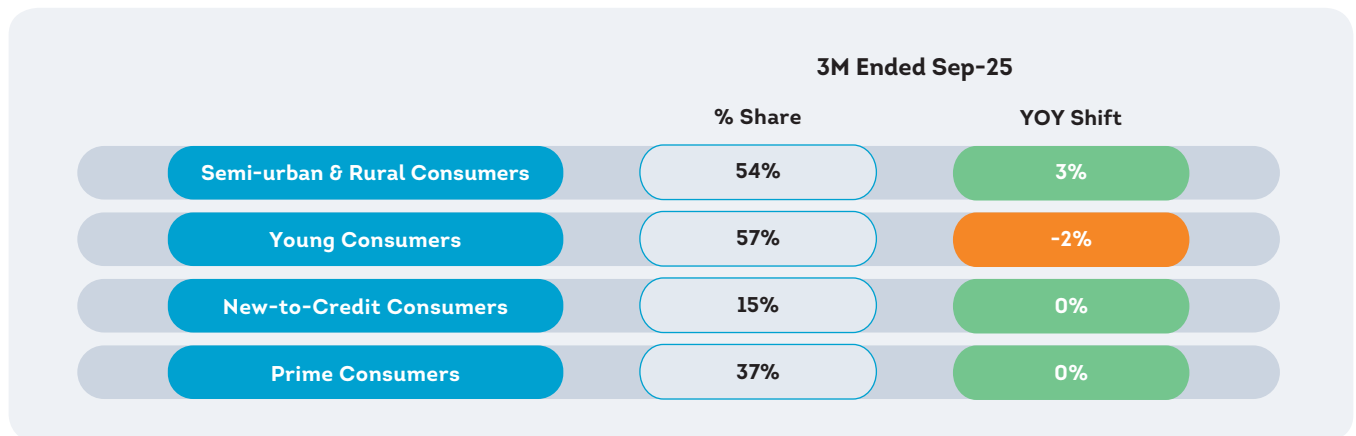
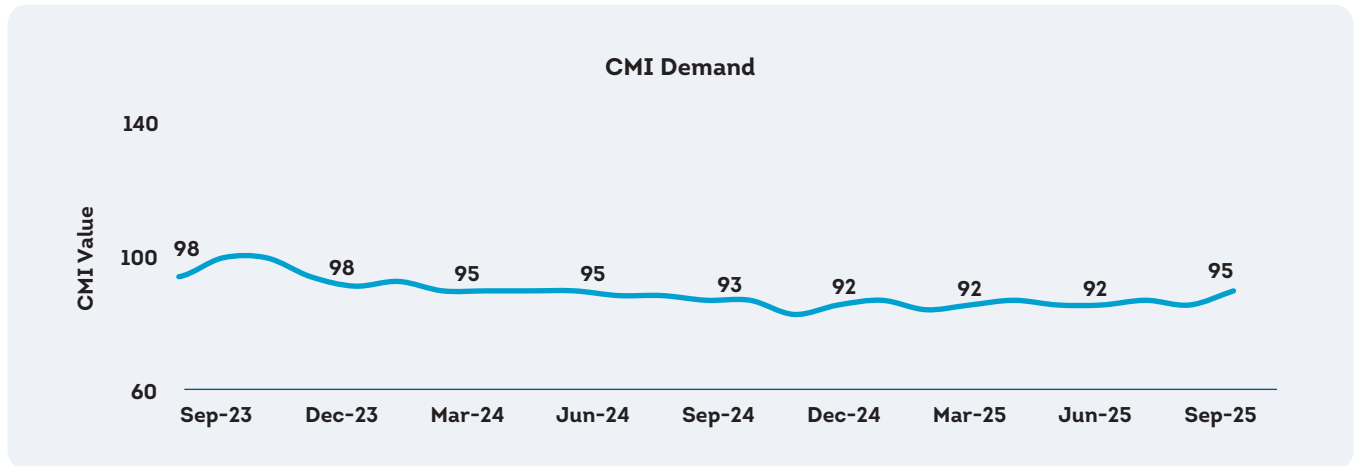
Avg. Daily Demand Indexed Growth Indexed to Jan-Jun Avg. Daily Demand



- CDL experienced the highest incremental demand (~1.5x) during the festive period
- TWL and AL also experienced higher (~1.1x to 1.2x) incremental demand during the festive period

Supply Metrics for this analysis will be available in the next release of CMI report

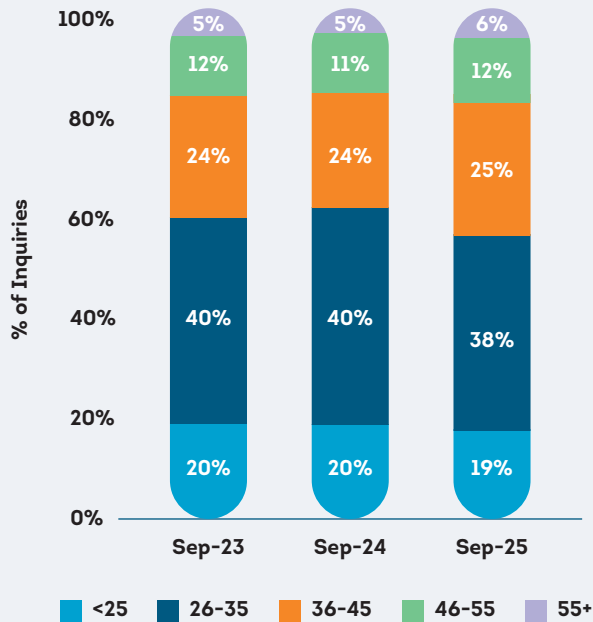
CMI for demand showed an upward trend in quarter ending September 2025 owing to onset of festive season



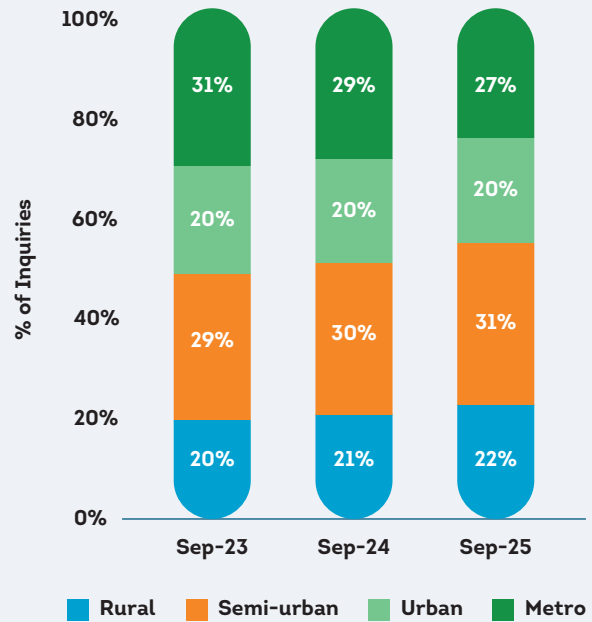
CreditVision (CV) score ranges are: Prime = 731-770; Young Consumers – Age less than 35 years

Credit demand witnessed negative growth for young borrowers leading to a decrease in their share

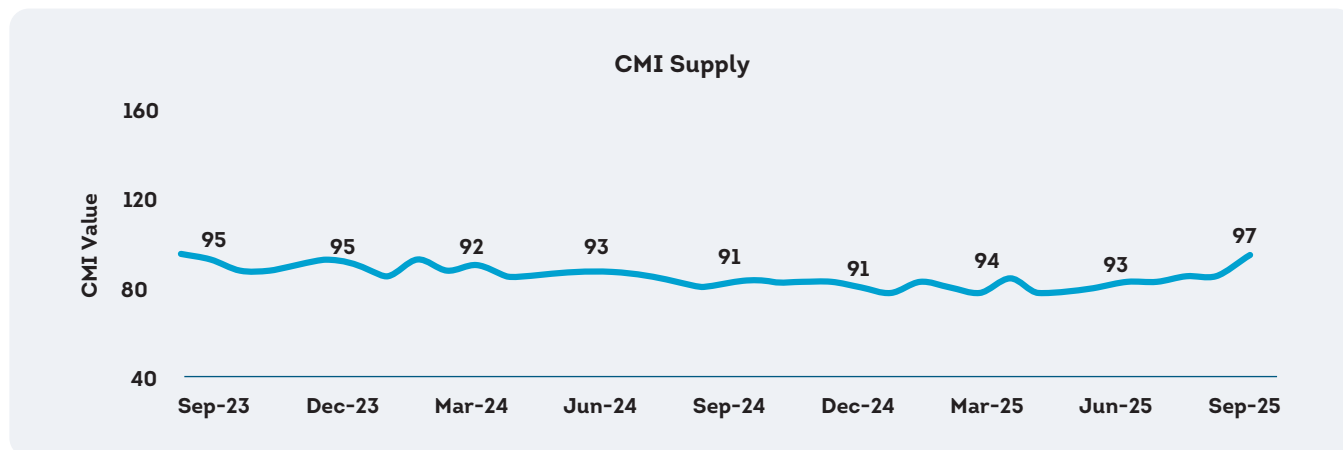
Enquiry Volumes by Consumer Age (3M Ended Period)



Enquiry Volumes by City Tier (3M Ended Period)



CMI for supply increased in quarter ending September 2025, primarily driven by increased originations in consumption loans and gold loans



YoY Growth in Originations (3M Ended Sep'25)

Product	Volume	Value
Home Loan	1%	9%
Property Loan	1%	22%
Auto Loan	6%	11%
Two-Wheeler Loan	1%	7%
Personal Loan	10%	35%
Credit Card	-15%	-
Consumer Durable Loan	19%	19%
Gold Loan	16%	57%

Sanction amount for credit cards excluded from amount disbursed analysis. Further, home loans and property loans with sanction amount less than INR 2 Lakhs have also been excluded

With consumption-led credit supply increase, we continue to see focus towards semi-urban and rural geographies

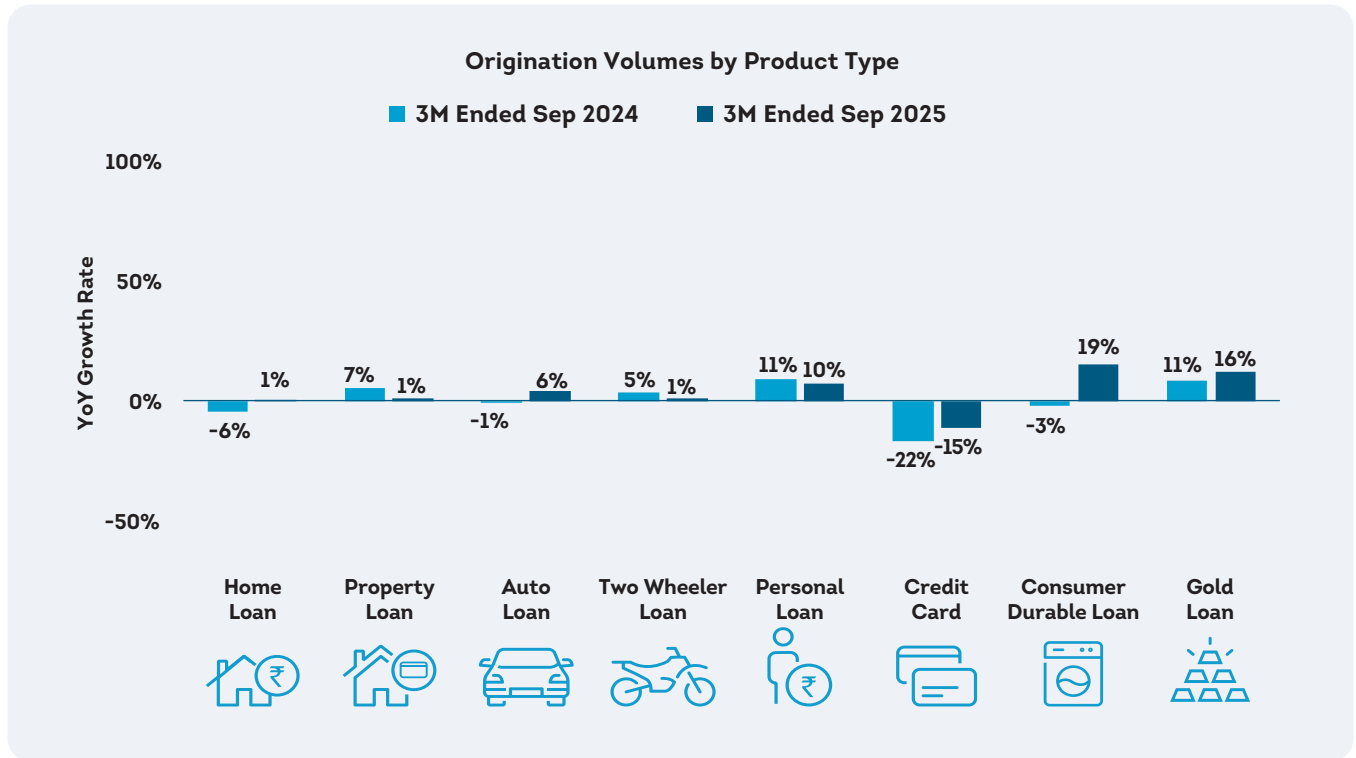


3M Ended Sep-25

	% Share	YOY Shift
Semi-urban & Rural Consumers	61%	0%
Young Consumers	50%	1%
New-to-Credit Consumers	16%	-1%
Prime Consumers	36%	0%

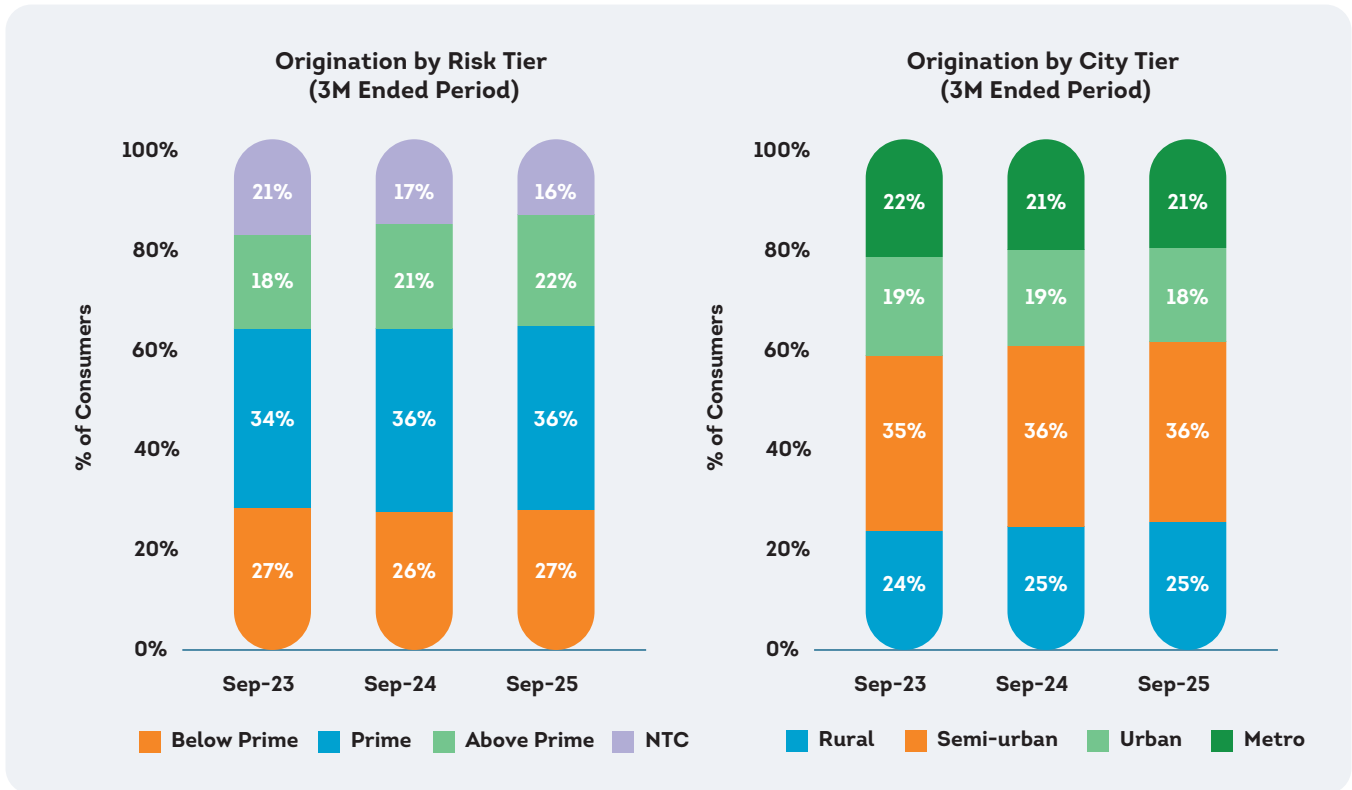
CreditVision (CV) score ranges are: Prime = 731-770; Younger Consumers – Age less than 35 years

Home Loans, Auto Loans and Consumer Durable Loans have shown positive momentum in the September 2025 quarter, despite experiencing decline last year



Home loans and property loans with sanction amount less than INR 2 Lakhs have been excluded

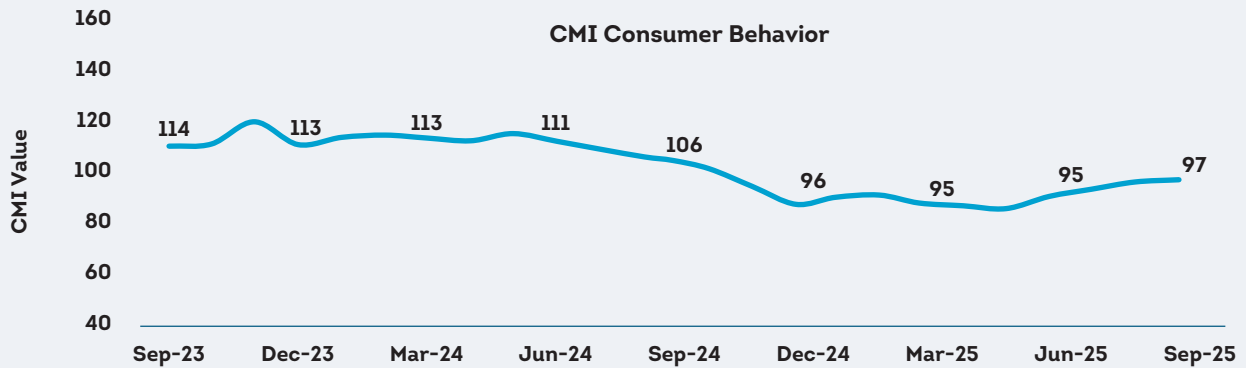
Lenders continue to focus on credit tested consumers with prime and above consumers making up 58% of all originations



CreditVision (CV) score ranges are: Subprime = 300-680; Near prime = 681-730; Prime = 731-770; Prime plus = 771-790; Super prime = 791-900

CREDIT PERFORMANCE AND CHANGES IN CONSUMER BEHAVIOR

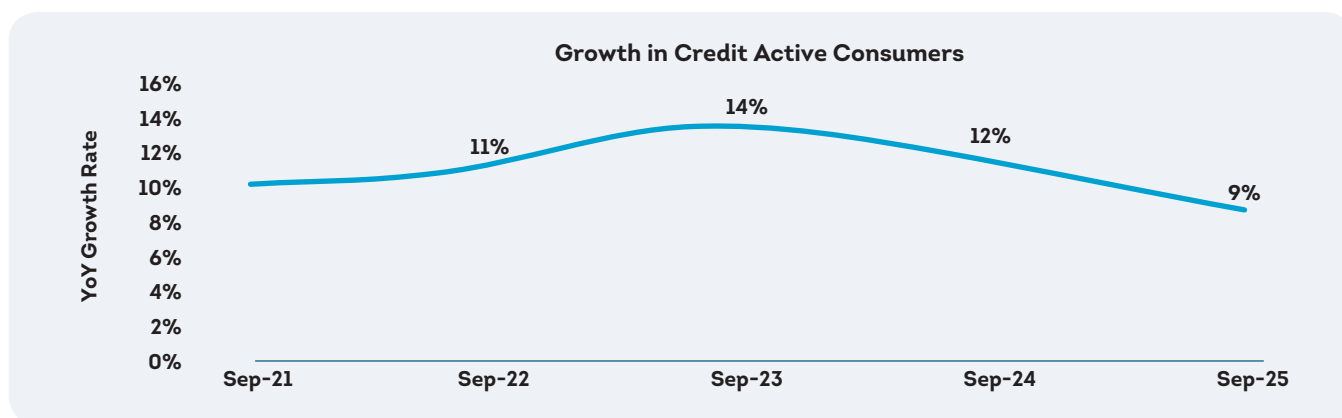
CMI for consumer behavior has declined year-on-year but has seen an improvement quarter-on-quarter



Outstanding Balances YoY Growth

Product	Sep-25	Sep-24
Home Loan	12%	14%
Property Loan	23%	23%
Auto Loan	15%	21%
Two-Wheeler Loan	13%	29%
Personal Loan	9%	15%
Credit Card	8%	35%
Consumer Durable Loan	9%	24%
Gold Loan	29%	58%

YoY growth in credit-active consumers slowed down to 9% in September 2025, resultant of lender preference of existing customers



Credit penetration is the percentage of credit active population to the total adult population

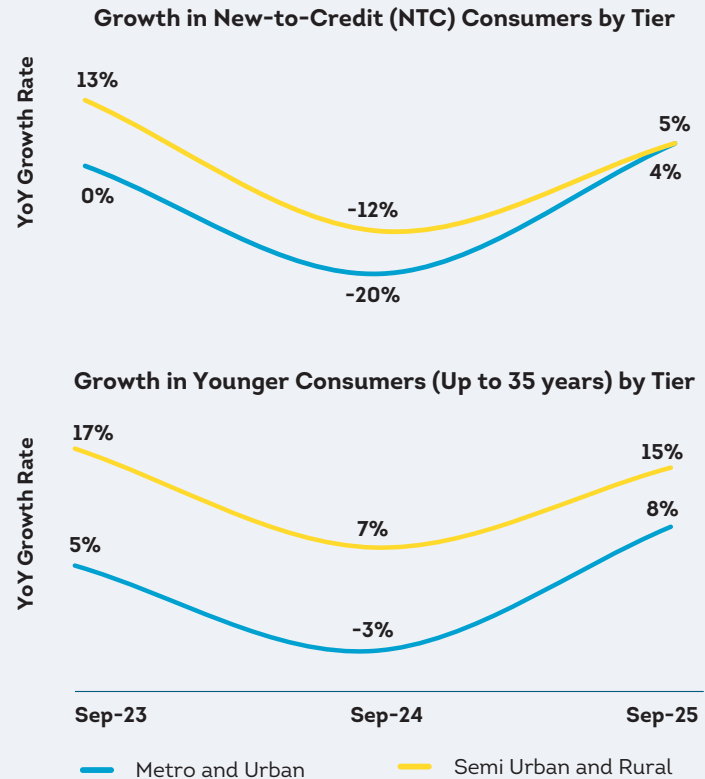
Consumers Holding Live Trades YoY Growth

Product	Sep-25	Sep-24
Home Loan	6%	6%
Property Loan	21%	20%
Auto Loan	11%	15%
Two-Wheeler Loan	14%	16%
Personal Loan	12%	14%
Credit Card	5%	9%
Consumer Durable Loan	8%	14%
Gold Loan	0%	24%

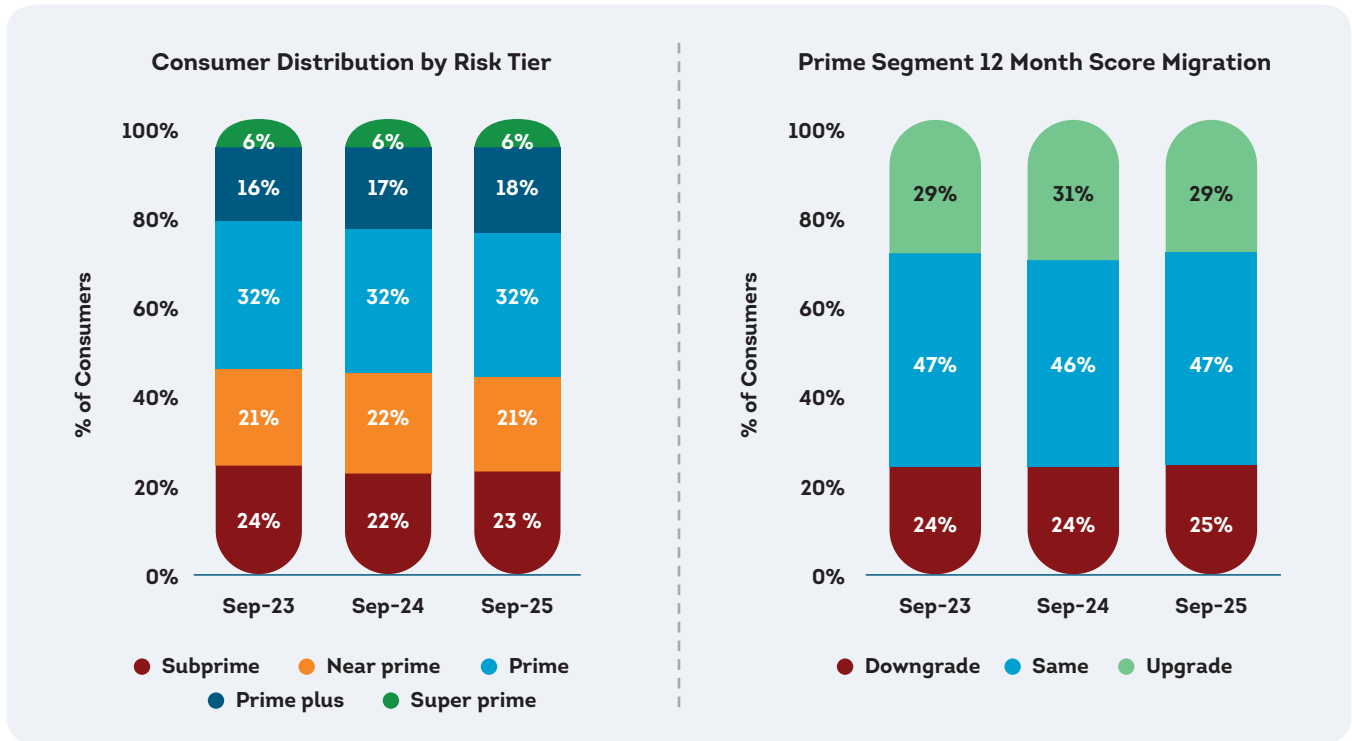
Source for population estimate: World Bank Database

Slower growth in credit-active consumers gives lenders a chance to expand by targeting emerging segments which have noted signals of revival

- **New-to-Credit (NTC) consumers rebound** with 5% year-over-year growth in the three months ended September 2025, reversing last year's **14% decline**. Growth improved across regions but remains below September 2023 levels.
- **Young consumers surge with year-over-year growth** jumping from 3% in the three months ended September 2024 to 12% in the same period this year, continuing to be led by deeper geographies with 2x higher growth compared to Metro-Urban geographies.
- Lenders must target these segments and build **effective lifecycle strategies** to integrate them into the credit ecosystem and meet evolving demands.

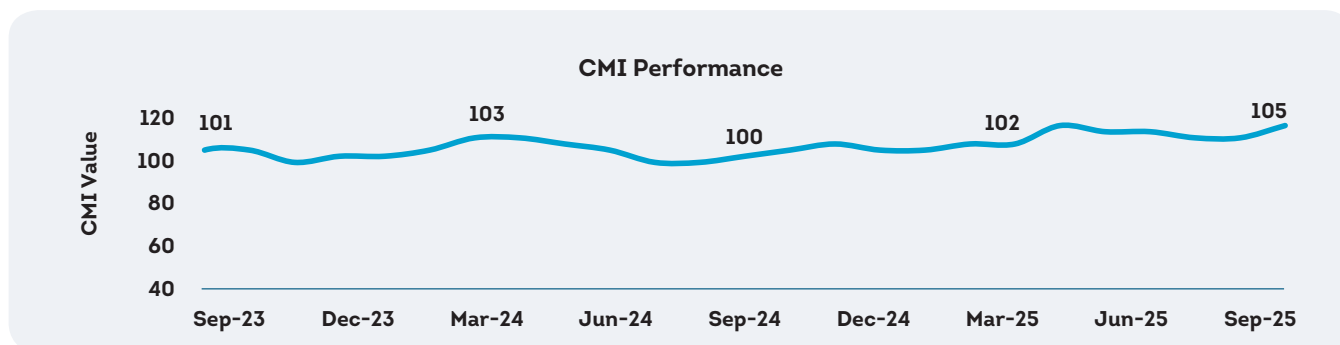


Higher downgrades in the prime segment witnessed in comparison to September 2024, indicating marginal stress in repayment



CreditVision (CV) score ranges are: Subprime = 300-680; Near prime = 681-730; Prime = 731-770; Prime plus = 771-790; Super prime = 791-900

Balance level delinquencies have remained stable for key product segments, leading to an increase in 5 points in CMI for performance



Higher value of performance CMI reflects better performance

Balance-level 90+ DPD by Product (Sep-25)

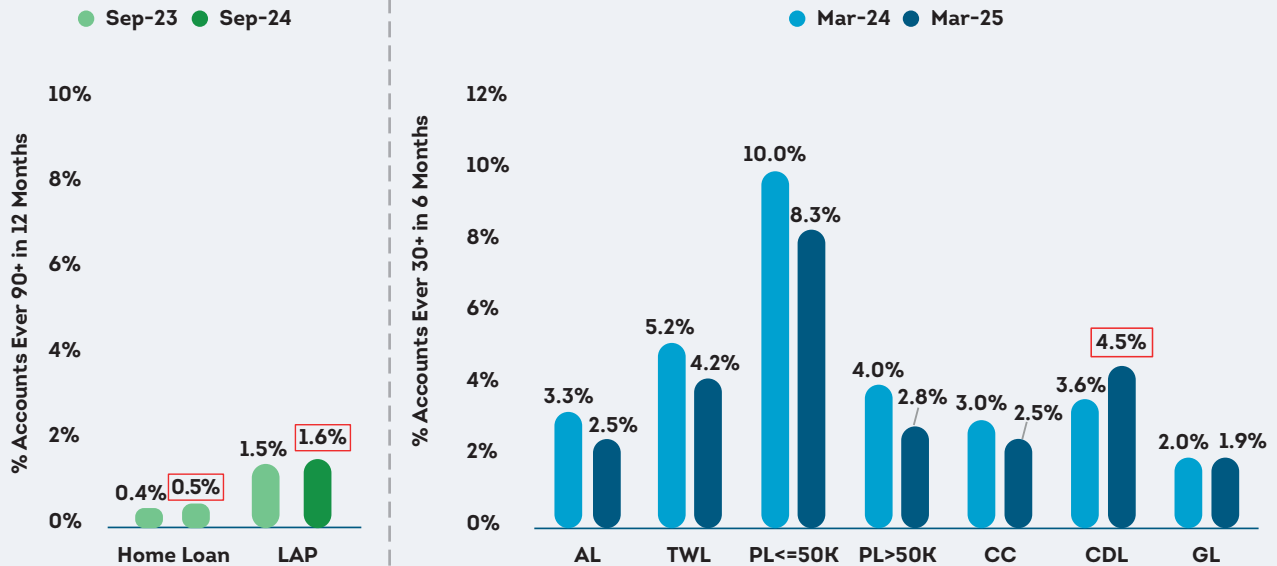
Product	90-Rate	YoY Change (Bps)
Home Loan	0.8%	-9
Property Loan	1.4%	-29
Auto Loan	0.6%	0
Two-Wheeler Loan	2.2%	22
Personal Loan	1.2%	-17
Credit Card	1.8%	-18
Consumer Durable Loan	1.2%	-31
Gold Loan	0.7%	-30

While property loans saw an improvement in performance, **stress was noted in micro-LAP segment** where balance level 90+ delinquency increased 45 bps year-over-year, reaching 3.3% as of September 2025.

Delinquency rates are measured as percentage of balances in 90 to 719 days past due respectively for home loan, property loan; and 90 to 179 days past due respectively for other products. Excludes ARCs; micro-LAP is defined as property loans with ticket size between INR 2L-10L. Home loans and property loans with sanction amount less than INR 2 Lakhs have been excluded

Early delinquency rates for home loans, loans against property and consumer durable loans have shown a slight uptick among recent originations

Vintage Delinquency by **Accounts (3M Ended Period Origination)**



- In the micro-LAP segment early delinquencies rose 29 bps to 2.2% for the 3-month period ended September 2024 which is higher than the overall LAP early delinquencies.
- In small ticket housing segment early delinquencies rose 19 bps to 0.8% for the 3-month period ended September 2024.

Vintage delinquency is calculated as % of accounts ever 30+dpd and 90+dpd respectively in 6 and 12 months from origination. E.g. Origination of Jan-Mar 2025 period and performance measured in Jul-Sep 2025 period for Ever 30+ in 6 months. Micro-LAP is defined as property loans with ticket size between INR 2L-10L and small ticket housing is defined as home loan with ticket size between INR 2L-25L. Home loans and property loans with sanction amount less than INR 2 Lakhs have been excluded

Definitions and Notes

- All credit related data is sourced from TransUnion CIBIL consumer database.
- Retail lending includes all consumer lending products.
- The latest month values are subject to revision as additional data get reported to the TransUnion CIBIL credit bureau.
- Latest month Origination/disbursement values are provisional and subject to revision as additional data gets reported.
- QoQ refers to growth rate of a month in a quarter over a similar month in the previous quarter. As an example, June over March or April over January.
- Approval rate is calculated as the percentage of accounts which were opened within the next 90 days of the enquiry for home loans, commercial vehicle, construction equipment and education loans; and within the next 30 days of enquiry for all other loans. Approval Rate month is 30 – 90 days post the enquiry month.
- NBFC+ includes Non-Banking Financial Companies (NBFCs), Housing Finance Companies (HFCs) and FinTechs.
- CreditVision (CV) score ranges are: Subprime = 300–680; Near prime = 681–730; Prime = 731–770; Prime plus = 771–790; Super prime = 791-900. Grouped together, below prime consumers constitute a CV score of ≤ 730 and prime or above a CV score of ≥ 731 .
- NTC (New to Credit) Consumers refers to those consumers who do not have a score as of beginning of the month of the loan origination for a given calendar month. An increase in NTC% indicates higher financial inclusion.
- Delinquency rates are measured as percentage of accounts, balances in 30, 90, 180, 360 to 719 days past due respectively for home loan, property loan and agriculture loans; 30,90 to 359 days past due for commercial vehicle loan, construction equipment loan and tractor loan; and 30, 90 to 179 days past due respectively for other products.
- Roll Back + Cure Rate (30-59 DPD bucket) is the percentage of accounts in 30-59 DPD in the previous month, which rolled back to 1-29 DPD bucket or were normalized to 0 DPD in the current month.
- Cure Rate (180-359 DPD bucket) is the percentage of accounts in 180-359 DPD in the previous month, which normalized to 0 DPD in the current month.
- Subprime to Above Subprime Consumers% is the percentage of consumers who were subprime (CV score 300-680) 12 months prior and migrated to above subprime (CV score 681-900) for that particular month. Higher percentage reflects improvement.
- Above Subprime to Subprime Consumers% is the percentage of consumers who were above subprime (CV score 681-900) 12 months prior and migrated to subprime (CV score 300-680) for that particular month. Higher percentage reflects deterioration.

Disclaimer

This report is prepared by TransUnion CIBIL Limited (TU CIBIL). This report is based on collation of information, substantially, provided by credit institutions who are members with TU CIBIL. While TU CIBIL takes reasonable care in preparing the report, TU CIBIL shall not be responsible for errors and/or omissions caused by inaccurate or inadequate information submitted to it by credit institutions. Further, TU CIBIL does not guarantee the adequacy or completeness of the information in the report and/or its suitability for any specific purpose nor is TU CIBIL responsible for any access or reliance on the report and that TU CIBIL expressly disclaims all such liability. This report is not a recommendation for rejection / denial or acceptance of any application nor any recommendation by TU CIBIL to (i) lend or not to lend; (ii) enter into or not to enter into any financial transaction with the concerned individual/entity. The user should carry out all the necessary analysis that is prudent in its opinion before making any decisions based on the Information contained in this report. The use of the report is governed by the provisions of the Credit Information Companies (Regulation) Act, 2005, the Credit Information Companies Regulations, 2006, Credit Information Companies Rules, 2006. No part of this report should be copied, circulated, published without prior approvals.



TransUnion CIBIL Limited:

19th Floor, Tower 2A-B, One World Center, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400013.

© 2025 TransUnion CIBIL. All Rights Reserved.

