

# Credit Market Indicator

A comprehensive measure of  
retail lending health trends

**JUNE 2025**

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# Overall Credit Market Conditions

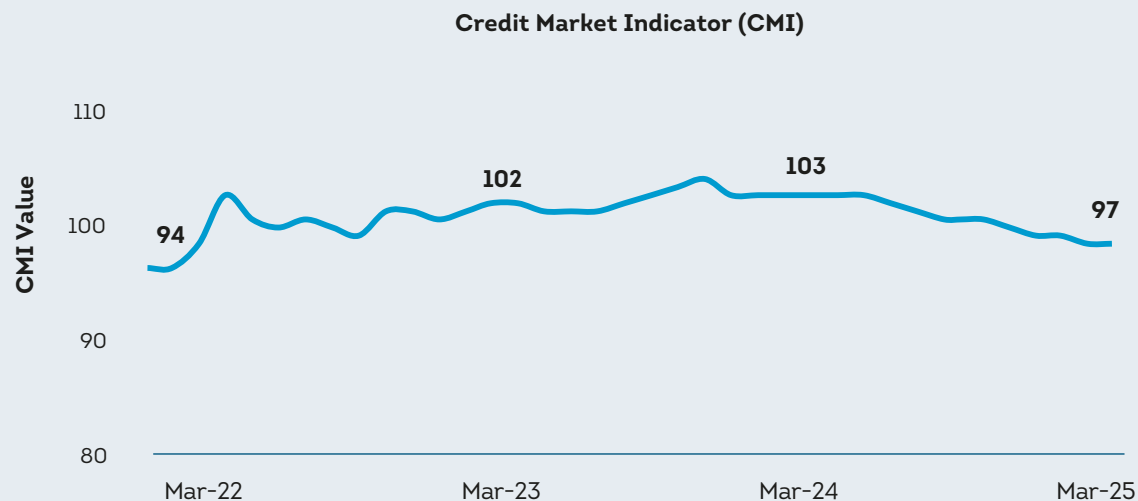
# Consumption-Led Credit Product Delinquencies Continued to Steady During January to March Quarter



Executive  
Summary

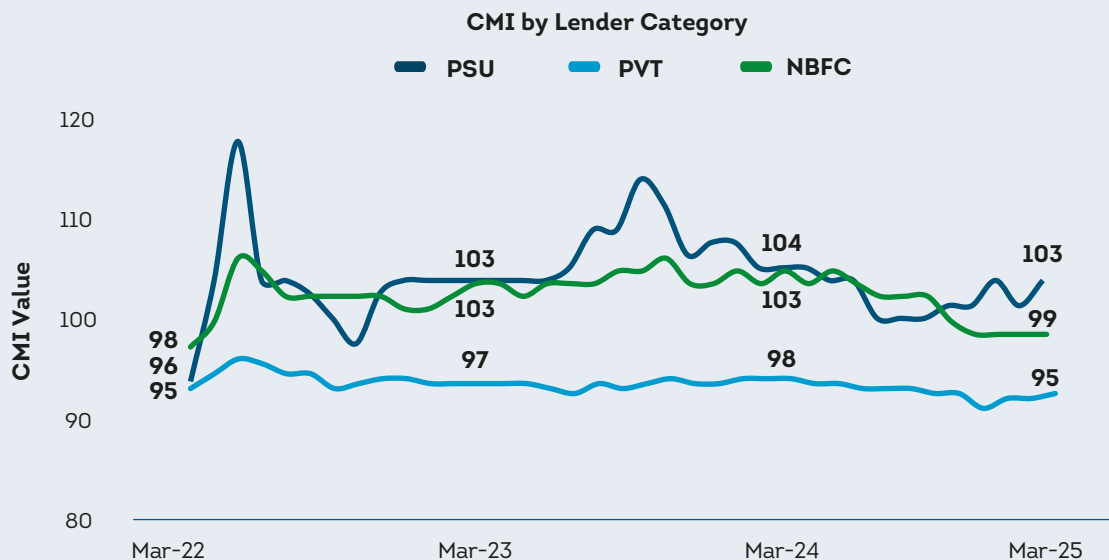
## Key Highlights

- Credit demand has witnessed moderation, more pronounced for young consumers of age 35 or less for consumption-led credit
- Loan originations shifted towards high-ticket segments of home and two-wheeler loan categories
- Credit performance for consumption-led credit products such as personal loans, consumer durable loans and credit cards showed signs of stabilization quarter-on-quarter from Sept 2024 onwards



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

# CMI for NBFC has declined 4 points in Mar 2025 owing to slower growth in originations compared to previous years



Mar 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 Mar-25

Metric	PSU Banks	PVT Banks	NBFC
Accounts Disbursed (YoY)	3%	-12%	13%
Amount Disbursed (YoY)	18%	2%	26%
Outstanding Balances (YoY)	18%	18%	25%
Balance Level 90+ DPD (YoY)	-27 bps	-14 bps	-32 bps

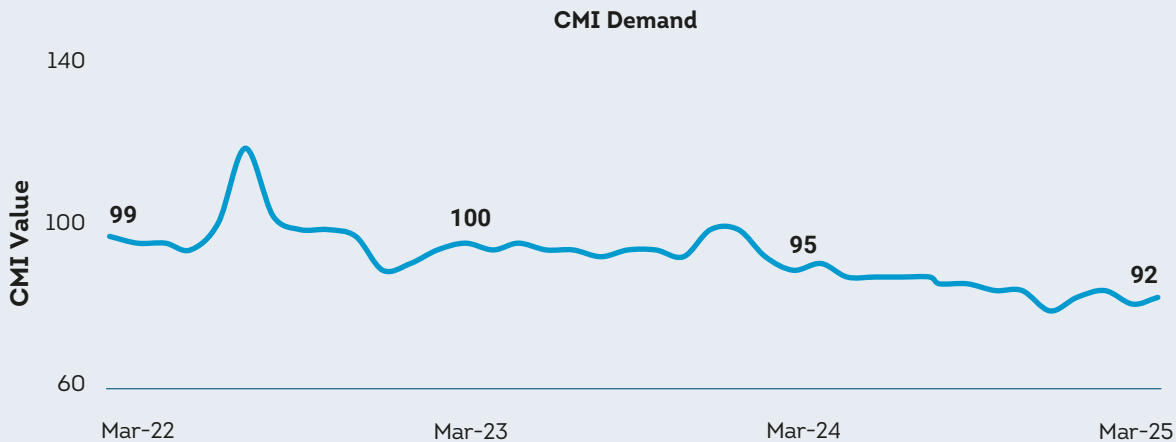
NBFC includes NBFC, HFC & Fintech. Sanction amount for credit card and Kisan Credit card excluded from Amount disbursed.

# Demand and Supply Trends

# Retail credit demand moderated, with a more pronounced impact on consumers aged 35 years or below



Demand



### 3M Ended Mar-25

	% Share	YOY Shift
Semi-urban & Rural Consumers	52%	+4%
Younger Consumers	56%	-2%
New-to-Credit Consumers	14%	-1%
Prime Consumers	37%	0%

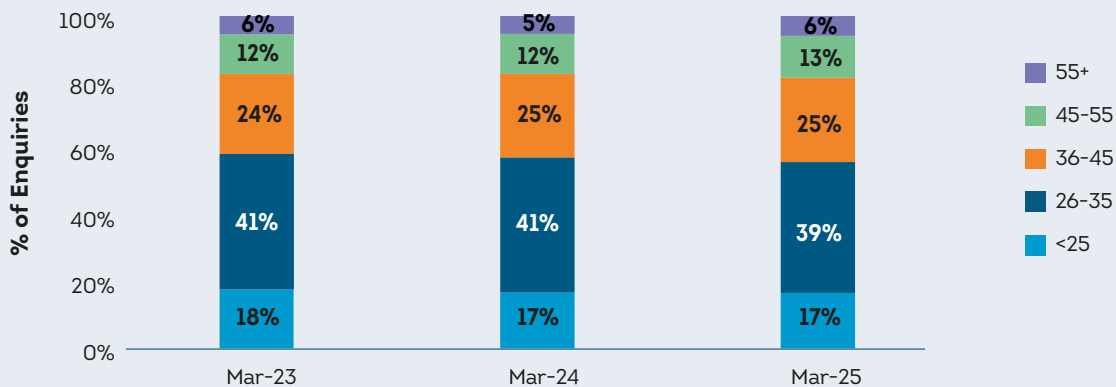
CreditVision (CV) score ranges are: Prime = 731-770; Younger Consumers – Age less than 35 years

# Credit demand in rural and semi-urban areas seemed to have weathered the demand moderation better

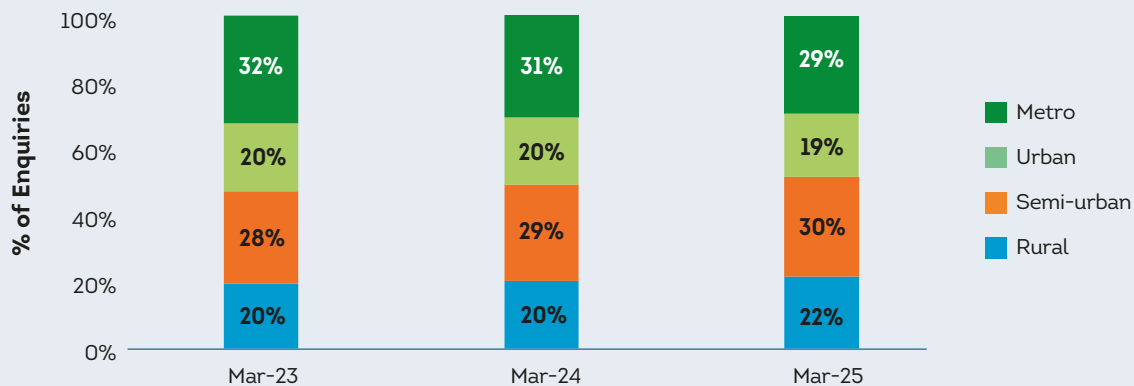


Demand

### Enquiry Volumes by Consumer Age (3M Ended Period)



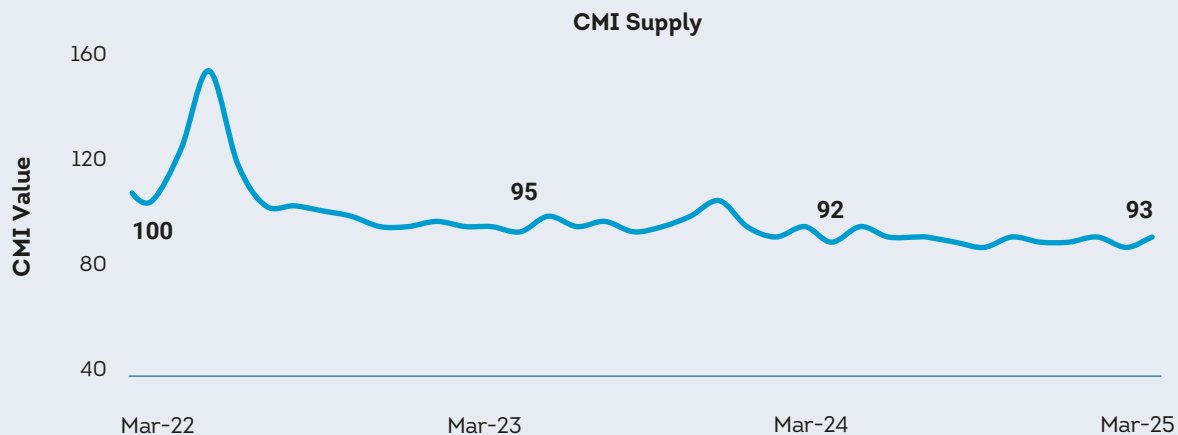
### Enquiry Volumes by City Tier (3M Ended Period)



# CMI for supply witnessed a marginal increase during the Jan-March 2025 quarter



Supply



## YoY Growth in Originations (3M Ended Mar-25)

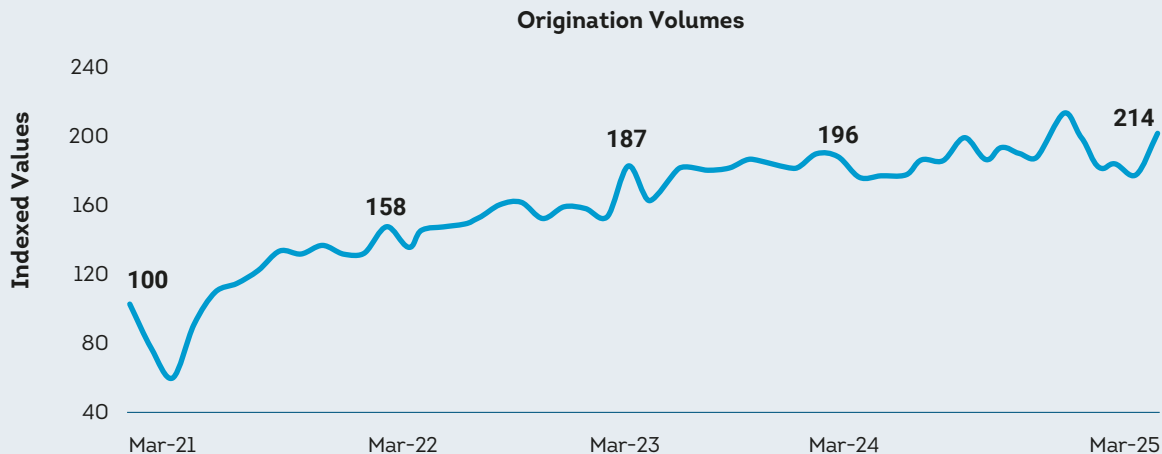
Product	Volume	Value
Home Loan	-7%	-1%
Property Loan	-1%	15%
Auto Loan	1%	6%
Two-Wheeler Loan	-1%	2%
Personal Loan	6%	0%
Credit Card	-32%	-
Consumer Durable Loan	6%	7%

Sanction amount for credit cards excluded from amount disbursed analysis

# Continued moderation in consumption-led credit supply has had a more pronounced impact on New-to-Credit (NTC) consumer originations



Supply



Index: Mar-21 = 100

### 3M Ended Mar-25

	% Share	YOY Shift
Semi-urban & Rural Consumers	60%	+1%
Younger Consumers	48%	-1%
New-to-Credit Consumers	16%	-3%
Prime Consumers	41%	+2%

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

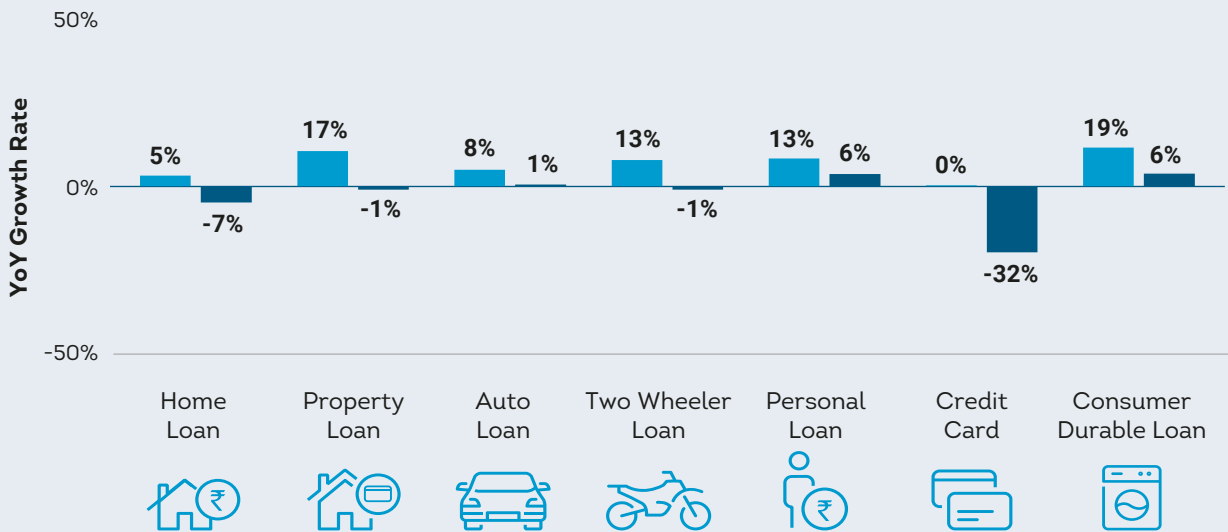
# Credit card and home loan originations continued to witness YoY decline for quarter ending Mar 2025



Supply

## Origination Volumes by Product Type

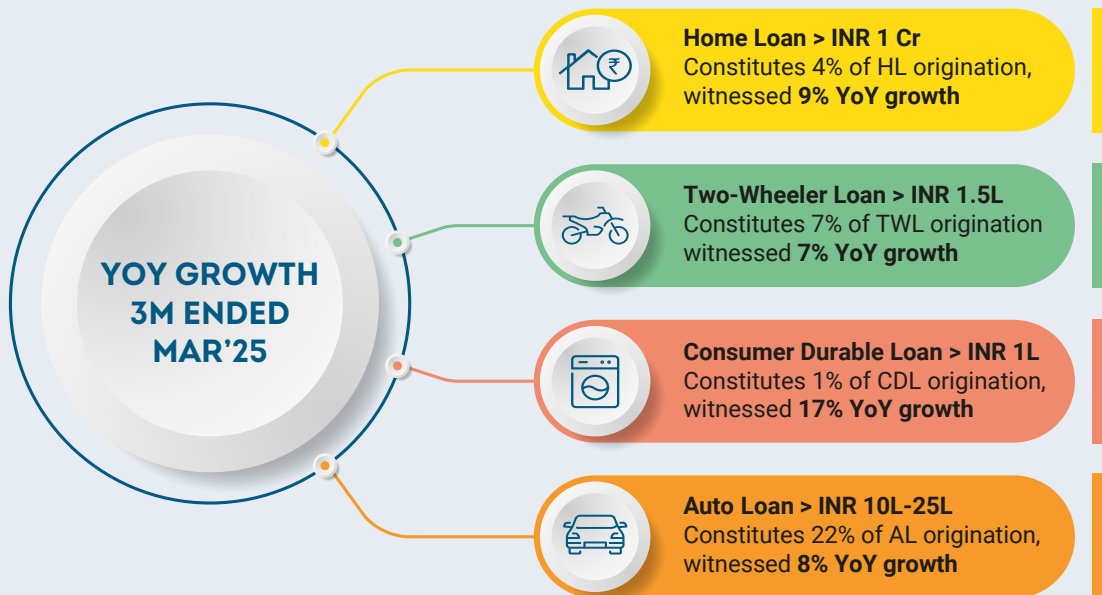
■ 3M Ended Mar 2024 ■ 3M Ended Mar 2025



# Loan originations shifted towards high-ticket segments of home and two-wheeler loan categories



Supply

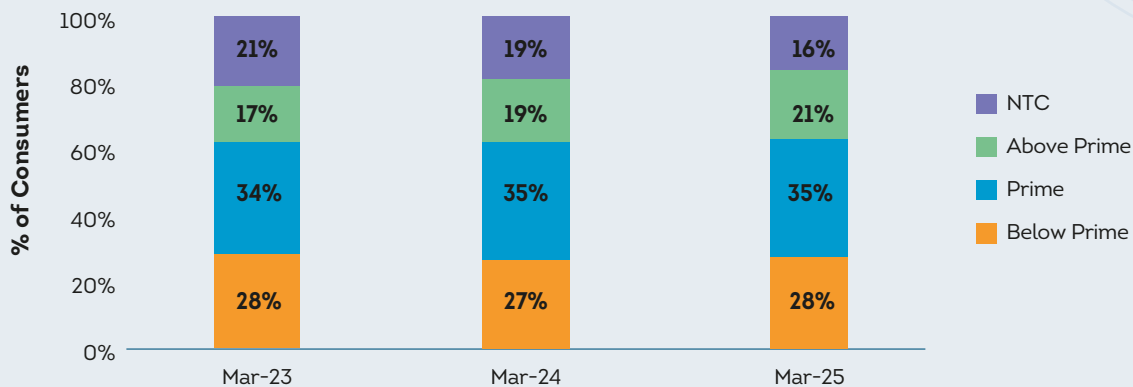


# Share of New-to-Credit (NTC) in originations continued to decrease with lenders becoming cautious



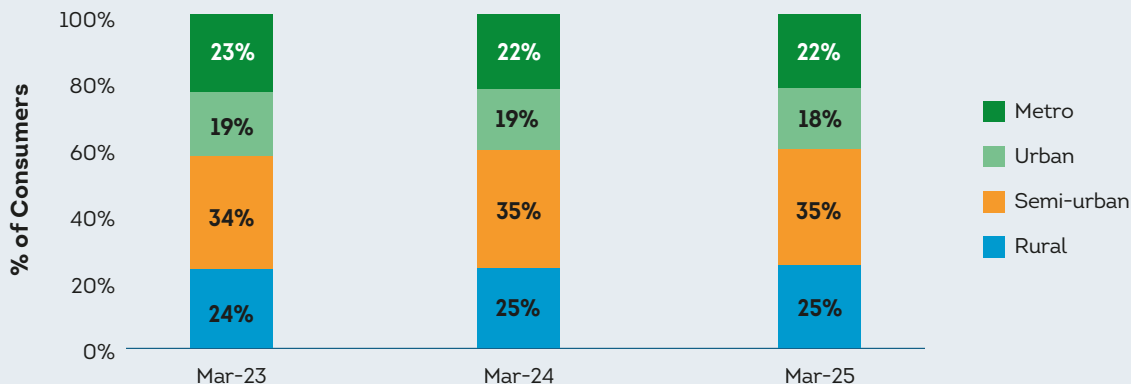
Supply

### Origination by Risk Tier (3M Ended Period)



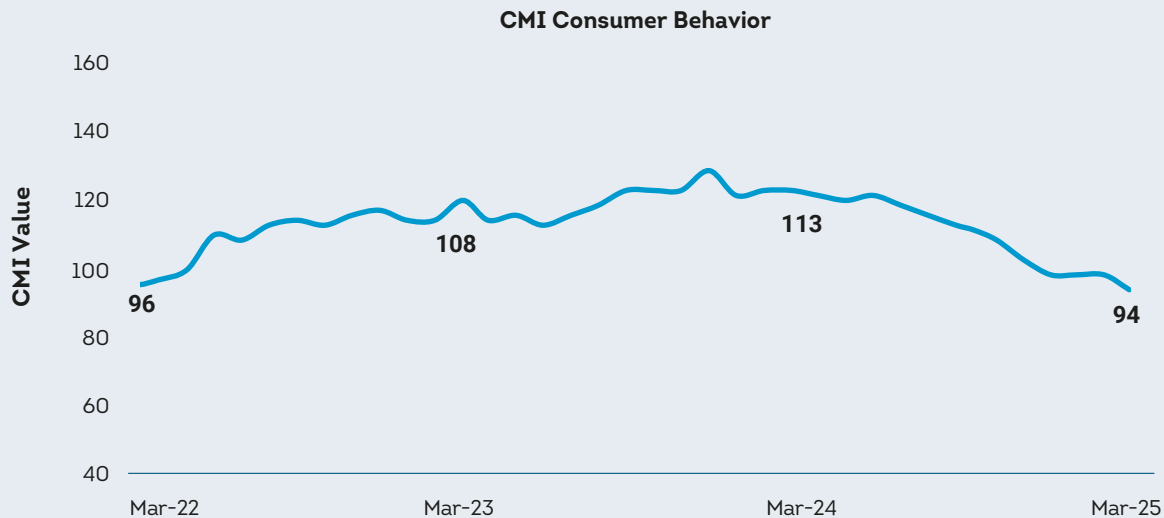
CreditVision (CV) score ranges are: Subprime = 300-680; Near prime = 681-730; Prime = 731-770; Prime plus = 771-790; Super prime = 791-900

### Origination by City Tier (3M Ended Period)



# Credit Performance and Changes in Consumer Behavior

CMI for consumer behavior has declined, resultant of the slower growth rate in balances and credit active consumers



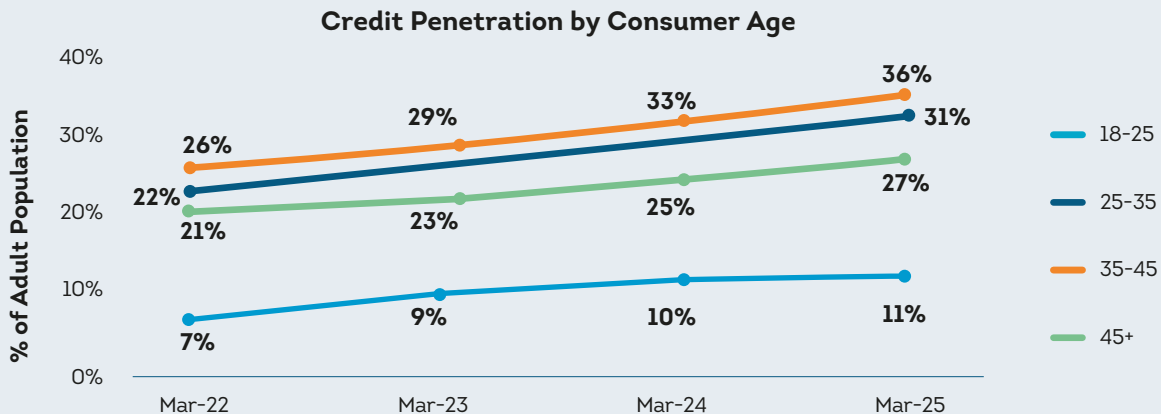
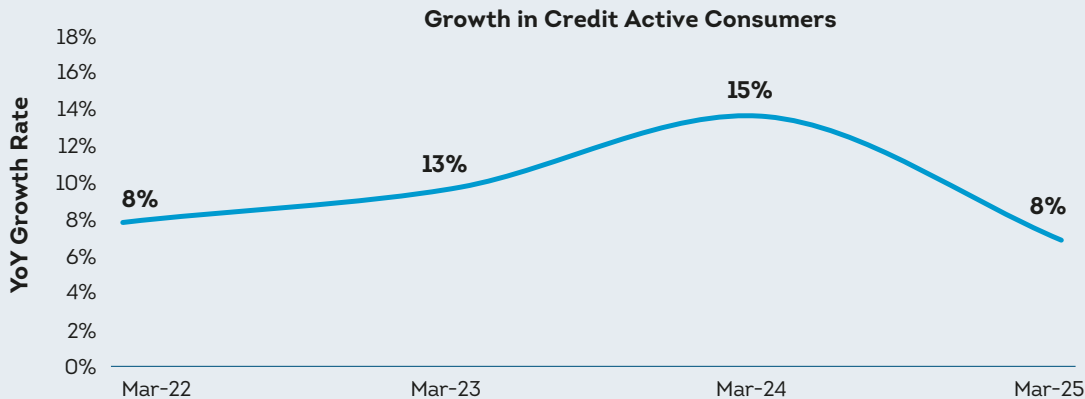
### Outstanding Balances YoY Growth

Product	Mar-25	Mar-24
Home Loan	13%	15%
Property Loan	23%	25%
Auto Loan	17%	24%
Two-Wheeler Loan	15%	37%
Personal Loan	9%	23%
Credit Card	27%	31%
Consumer Durable Loan	10%	41%

# YoY growth in credit-active consumers slowed down to 8% in March 2025, lowest in the last three years



Consumer Behavior



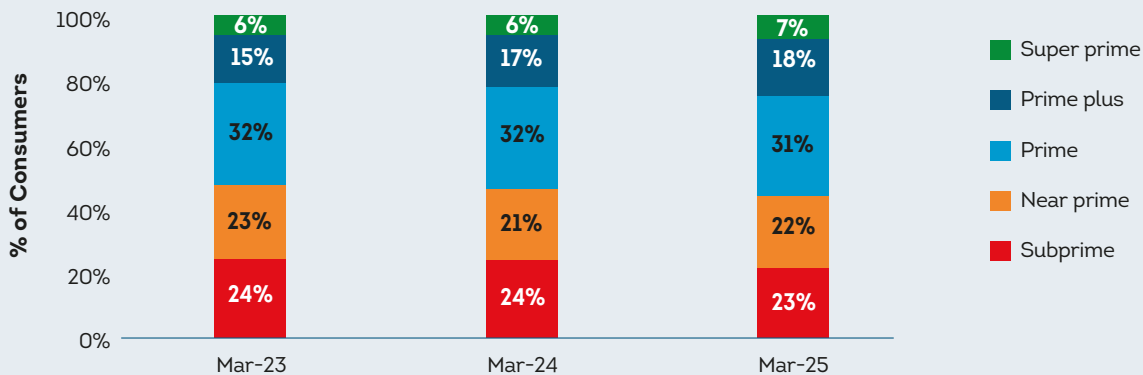
Credit penetration is the percentage of credit active population to the total adult population  
Source for population estimate: World Bank Database

Higher upgrades in the prime segment combined with higher share of above prime in supply is indicative of improved consumer behavior

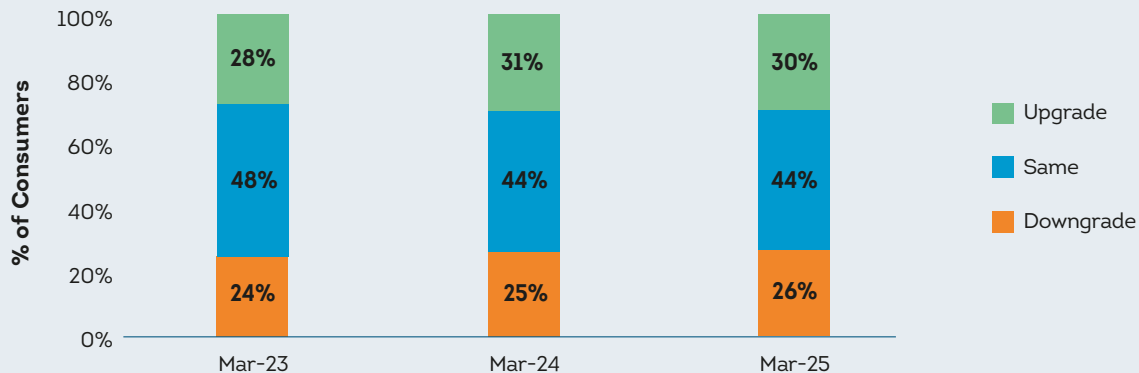


Consumer Behavior

Consumer Distribution by Risk Tier



Prime Segment 12 Month Score Migration

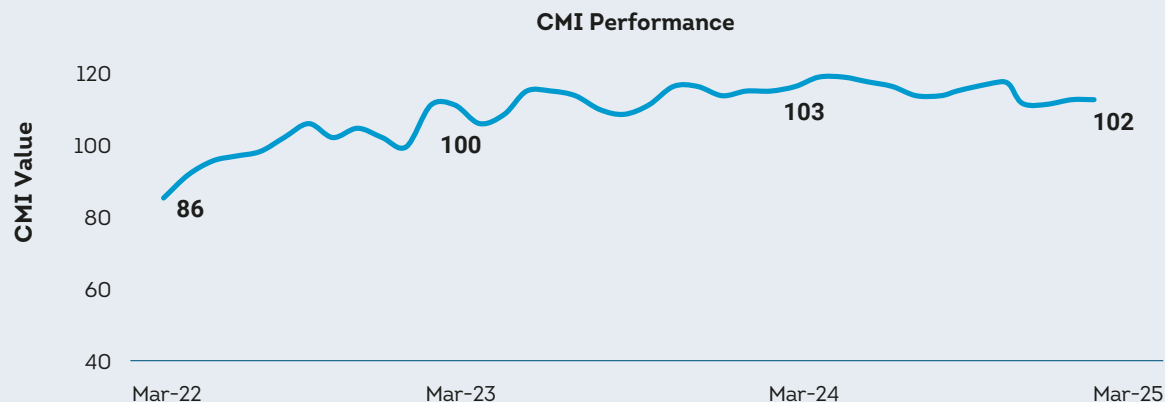


CreditVision (CV) score ranges are: Subprime = 300–680; Near prime = 681–730; Prime = 731–770; Prime plus = 771–790; Super prime = 791-900

Source: TransUnion CIBIL India

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# Balance level delinquencies have remained stable for most key product segments, personal loans continuing to show signs of improvement



Higher value of performance CMI reflects better performance

## Balance-level 90+ DPD by Product (Mar-25)

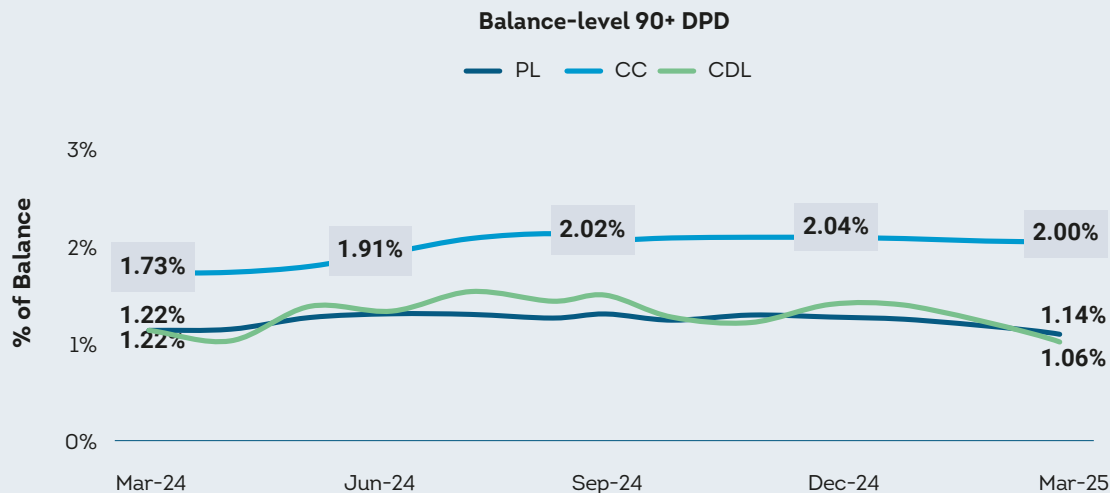
Product	90+ Rate	YOY Change (Bps)
Home Loan	0.7%	-11
Property Loan	1.2%	-27
Auto Loan	0.5%	-3
Two-Wheeler Loan	1.5%	-16
Personal Loan	1.1%	-8
Credit Card	2.0%	28
Consumer Durable Loan	1.1%	-16

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

# Credit performance for consumption-led credit products showed signs of stabilization quarter-on-quarter from Sept 2024 onwards



Performance



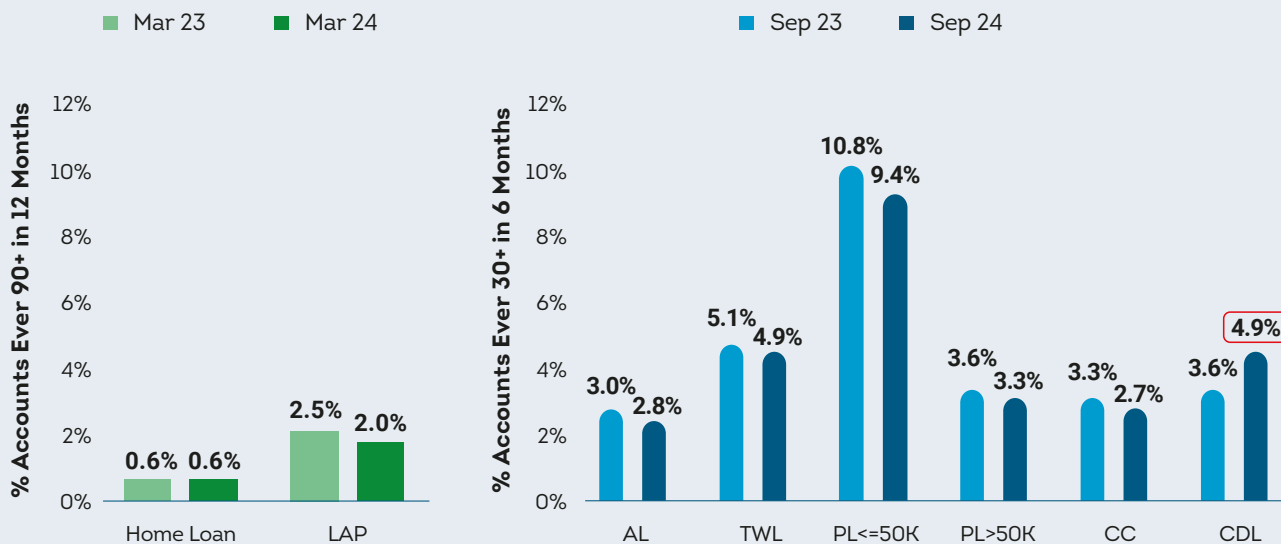
Delinquency rates are measured as percentage of balances in 90 to 179 days past due. Excludes ARCs

# Early delinquency for consumer durable loans witnessed a slight increasing trend for recent originations



Performance

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



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 Jul-Sep 2024 period and performance measured in Jan-Mar 2025 period for Ever 30+ in 6 months.



- 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.
- 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  $\leq 730$  and prime or above a CV score of  $\geq 731$ .
- 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



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