

TransUnion<sup>tu</sup> CIBIL



# UNLOCKING ACCESS

TEN YEARS OF CREDIT EXPANSION IN INDIA

# TABLE OF CONTENTS

Executive Summary	01
The Growth Imperative	02
Divergence: Expanding the Borrower Base	04
Structural Evolution of Credit	09
Changes in Underlying Borrower Behaviours	12
Deepening of the Credit Ecosystem	15
The Road Ahead	20

Over the past decade, India's credit ecosystem has undergone a remarkable transformation — expanding access to millions of borrowers while building deeper and more meaningful engagement with the borrowers.

This transformation has been powered by two distinct yet interconnected forces: divergence, which has brought new and underserved segments into the formal credit system, and deepening, which has strengthened engagement, trust, and financial participation among existing consumers.

As we enter the next phase of growth, the context is evolving. Growth is moderating, and the path forward demands a sharper focus—not just on expanding access, but on enabling responsible, sustainable, and inclusive credit participation. The increasing engagement of women, younger borrowers, and consumers from semi-urban and rural markets is reshaping the landscape, while improvements in credit awareness, digital access, and borrower maturity are strengthening the system from within.

The last decade has witnessed significant changes in the profile of India's credit-active consumers. Younger borrowers have emerged as an important driver of this transformation, with their share increasing from 33% in 2017 to 39% in 2026. Credit monitoring is also gaining momentum as consumer become more conscious of managing their financial profiles.

At the same time, the credit journey of existing borrowers has deepened. Credit-experienced consumers now account for 54% of credit-active consumers in 2026, compared to 38% in 2017. This is reflective of a maturing borrower base. Borrowers, today, are not only accessing credit but are also engaging with a wider range of products. This helps to create a more dynamic and evolving credit landscape.

At the same time, the increase in leveraged borrowers over the years highlights the importance of continued focus on informed decision-making and sustainable credit practices. As credit access grows, responsible lending and borrowing remain critical.

This report brings together these structural shifts to present a comprehensive view of India's credit journey over the past decade. It highlights how the ecosystem is not only expanding but progressing—toward a future that is broader in reach, deeper in engagement, and stronger in resilience. At TransUnion CIBIL, we remain committed to enabling this transformation through data, insights, and trust.



**BHAVESH JAIN**

**MD & CEO,**  
TransUnion CIBIL Ltd.

# EXECUTIVE SUMMARY

India's credit ecosystem stands at an important inflection point. Over the past decade, credit penetration has expanded significantly, reaching nearly 28% of the eligible population. However, the pace of year over year growth has moderated in recent years coming down to 11% in March 2026 from 15% a decade ago in March 2017, indicating a transition from a phase of rapid expansion to one that requires more deliberate and targeted strategies. This shift underscores the need to move beyond broad-based growth toward a model that is both inclusive and sustainable - where new borrower segments are brought into the ecosystem while existing consumers engage more deeply and responsibly with credit.

This evolving landscape is being shaped by the dual engines of divergence and deepening. Divergence is evident in the increasing participation of women, younger borrowers, and consumers from semi-urban and rural regions, as well as the geographic expansion of credit beyond its traditional strongholds of south India to newer geographies in the north. At the same time, deepening is reflected in rising credit maturity (5+ years of retail credit experience), increased borrower education and monitoring, and faster access to credit. Borrowers are not just entering the system—they are progressing within it, moving from microfinance to retail products and, in some cases, toward entrepreneurial and commercial credit.

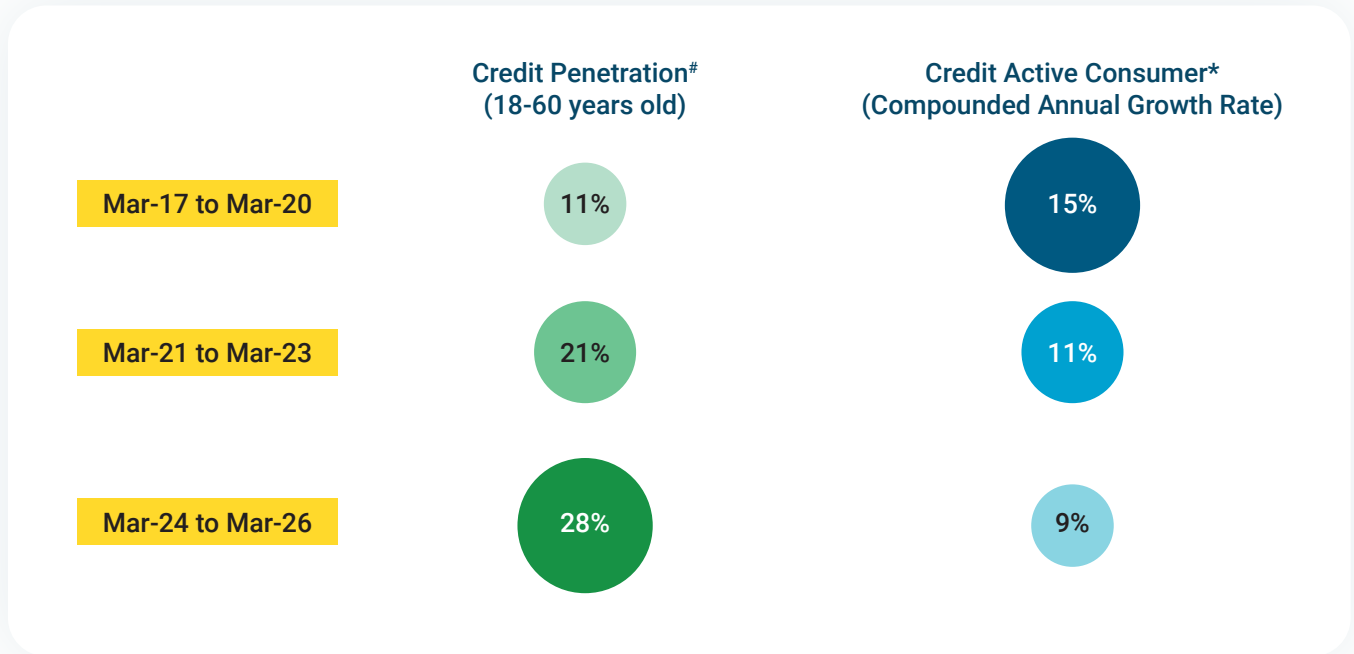
Together, these trends signal a structural transformation of India's credit ecosystem - from one defined primarily by access to one characterized by engagement, progression, and resilience. The opportunity ahead lies in sustaining this momentum by enabling responsible growth, fostering financial awareness, and leveraging innovation to create a seamless and inclusive credit experience. The next phase of India's credit journey will be defined not just by scale, but by the quality and depth of participation.

Source: TransUnion CIBIL



# THE GROWTH IMPERATIVE

# A decade of credit inclusion and expansion - but growth is no longer automatic



Early growth was driven by expansion; the next phase requires targeted inclusion and smarter engagement. As growth matures, the question shifts from how many to who and how.

\* Credit active consumers are those who have at least 1 loan with balance or limit reported on the portfolio date.  
# Credit penetration is the percentage of credit active population to the total adult (18 to 60) population.

Source: TransUnion CIBIL



**DIVERGENCE:**  
EXPANDING THE  
BORROWER BASE

# A deeper look into this transformation helps understand the nuances of this growth

## SHARE OF CREDIT ACTIVE CONSUMERS



**WOMEN**

● 22% ● 30%



**YOUNGER\***

● 33% ● 39%



**CREDIT EXPERIENCED#**

● 38% ● 54%



**CREDIT MONITORING##**

● 1% ● 35%



**SuRu**

● 53% ● 63%

Mar-17

Mar-26

The next wave of growth is being driven by new and diverse borrower segments as the credit landscape is becoming for inclusive across demographics.

\* Younger consumers are aged less than 35;

# Credit experienced are consumers who have been in the retail bureau for more than 5 years

## Credit monitoring are consumers who monitored their credit with TransUnion CIBIL in last one year from period end.

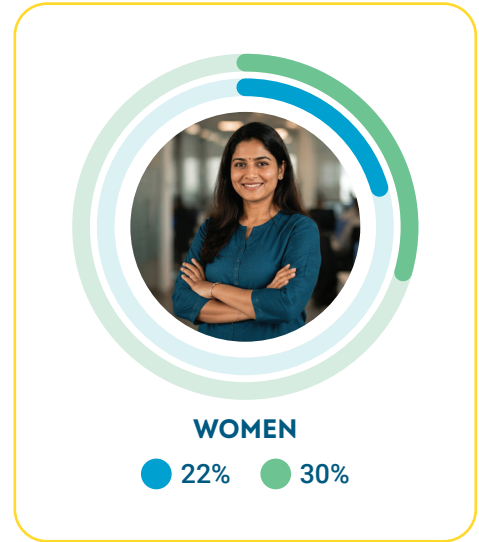
Share is from Mar-18 to Mar-26

Source: TransUnion CIBIL



# Women are emerging as a core engine of inclusive credit growth

## SHARE OF CREDIT ACTIVE WOMEN CONSUMERS



Mar-17

Mar-26

They are a foundational pillar of inclusive growth becoming more digital and increasing rural penetration.

\* Younger consumers are aged less than 35;

# Credit experienced are consumers who have been in the retail bureau for more than 5 years

## Credit monitoring are consumers who monitored their credit with TransUnion CIBIL in last one year from period end. Share is from Mar-18 to Mar-26

Source: TransUnion CIBIL

# Younger consumers are reshaping credit through early and active participation

## SHARE OF CREDIT ACTIVE YOUNGER\* CONSUMERS



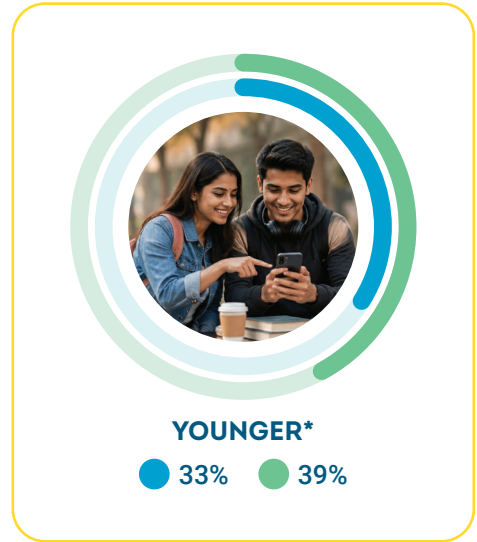
**CREDIT MONITORING##**

● 1% ● 52%



**CREDIT EXPERIENCED#**

● 22% ● 33%



**YOUNGER\***

● 33% ● 39%



**BUSINESS ORIENTED**

● 3% ● 9%



**SuRu**

● 47% ● 61%

Mar-17

Mar-26

This segment is driving future credit behavior with high credit monitoring and shift towards consumption-led credit.

\* Younger consumers are aged less than 35;

# Credit experienced are consumers who have been in the retail bureau for more than 5 years

## Credit monitoring are consumers who monitored their credit with TransUnion CIBIL in last one year from period end. Share is from Mar-18 to Mar-26

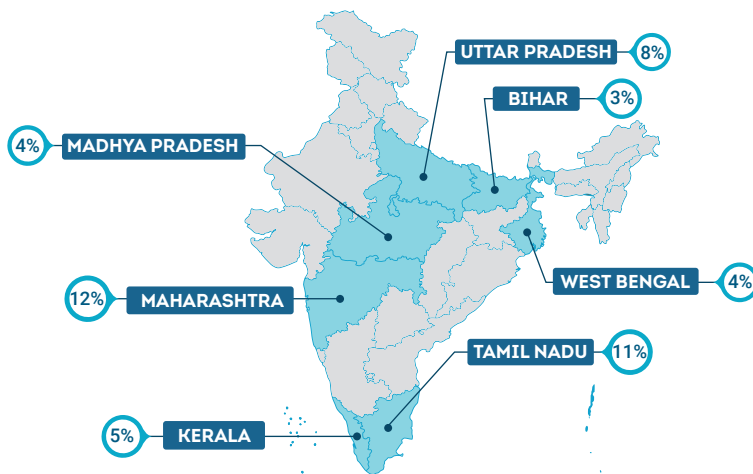
Source: TransUnion CIBIL

# Geographically, credit is becoming truly national as growth shifts toward north & central India in recent years

## SHARE OF CREDIT ACTIVE CONSUMER BY STATE FOR TOP 7 STATES

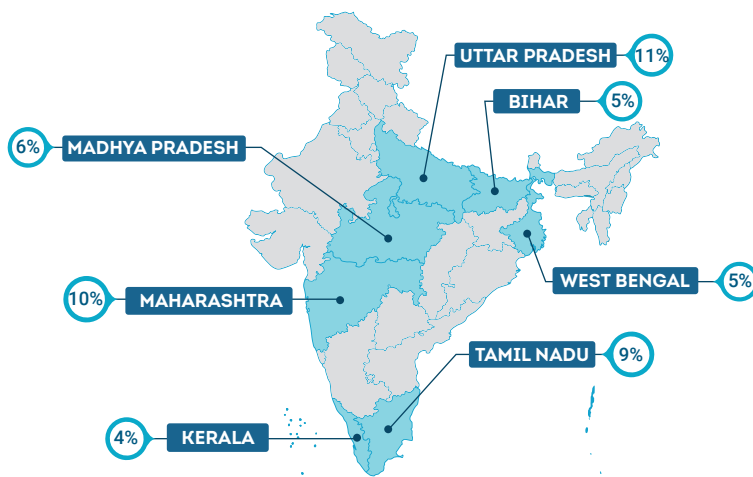
### Mar-17

Bihar	3%
West Bengal	4%
Uttar Pradesh	8%
Madhya Pradesh	4%
Maharashtra	12%
Kerala	5%
Tamil Nadu	11%



### Mar-26

Bihar	5%
West Bengal	5%
Uttar Pradesh	11%
Madhya Pradesh	6%
Maharashtra	10%
Kerala	4%
Tamil Nadu	9%



Source: TransUnion CIBIL

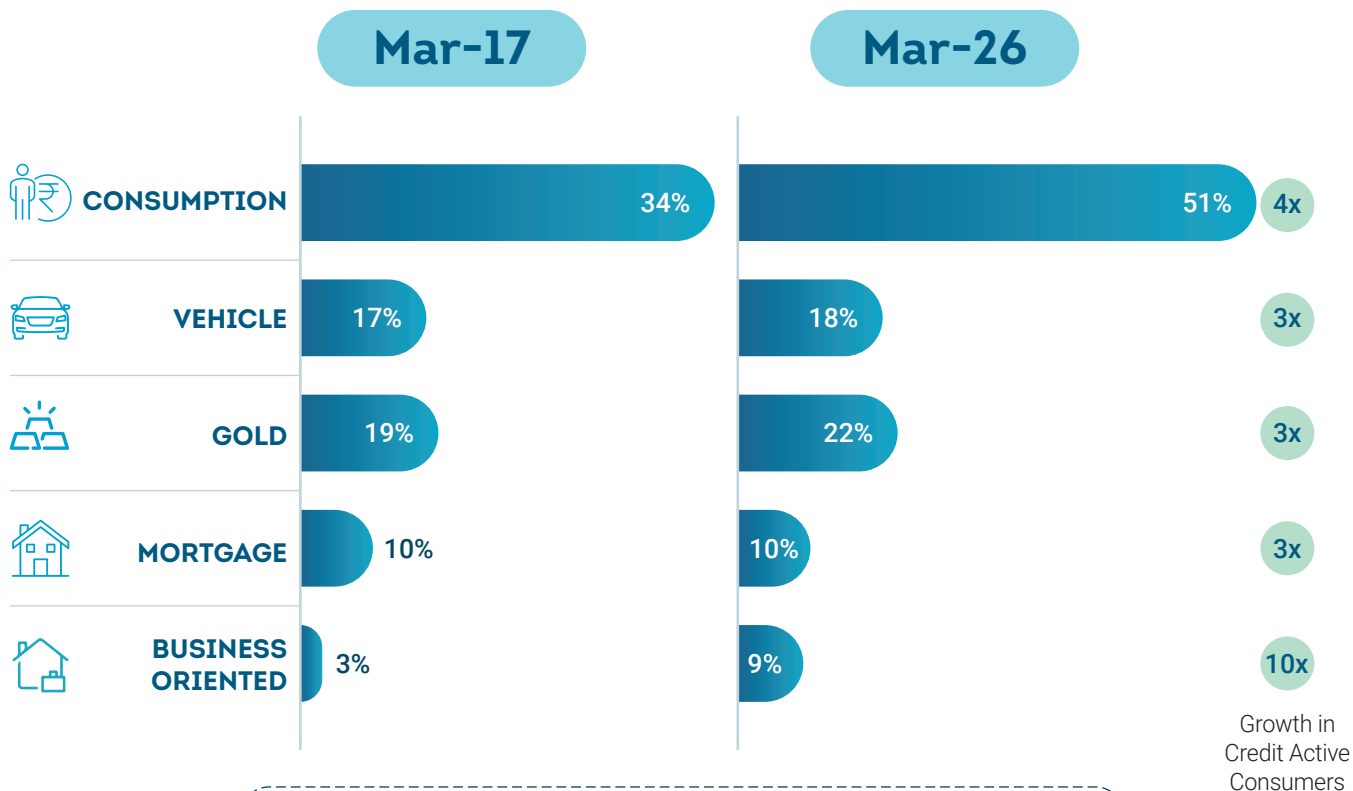


# STRUCTURAL EVOLUTION OF CREDIT



# Product preferences have changed over time with consumption loans dominant in the wallet

## SHARE OF CREDIT ACTIVE CONSUMERS BY PRODUCT IN WALLET



Gold loans have seen a resurgence in recent period while business loans have grown 10x in the last decade.

Consumption refers to personal loan, credit card and consumer durable loan; Vehicle refers to passenger vehicle loans like auto loans and two-wheeler loans; Gold includes gold loans and PSL-gold loans; Mortgage includes housing loan and property loan; Business oriented refers to business loans, construction equipment loan and commercial vehicle loan availed by individuals

Source: TransUnion CIBIL


# Faster and seamless access is becoming central to credit adoption

## ORIGINATION SHARE OF CONSUMPTION LOANS | AVG TAT FROM INQUIRY TO ORIGINATION (IN DAYS)

### TAT\* REDUCTION BY CV SCORE RANGE#

	FY17	FY22	FY26
<b>NTC##</b>	29%   9	19%   8	11%   7
<b>ABOVE PRIME</b>	20%   11	16%   10	15%   8
<b>PRIME</b>	32%   12	26%   11	26%   8
<b>BELOW PRIME</b>	19%   12	39%   12	48%   9

### TAT\* REDUCTION BY TIER

	FY17	FY22	FY26
 <b>SuRu</b>	27%   10	42%   10	53%   8
 <b>MeUr</b>	73%   11	58%   11	47%   9

Faster turnaround from inquiry to origination - especially in Prime and above segments - is redefining credit access. Not only is credit expanding - but the way it is accessed is also evolving.

\* TAT - Turnaround Time for loan origination by the lender post inquiry made by the lender with TransUnion CIBIL

# CV Score Range: Below Prime = 300-750; Prime = 751-810; Above Prime = 811-900

## 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.

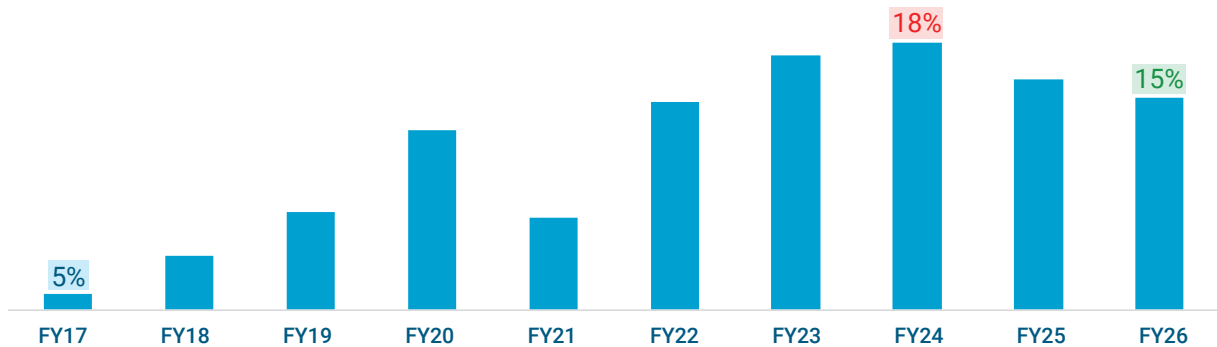
Source: TransUnion CIBIL

The background features a series of concentric circles in shades of blue, with a glowing yellow vertical line on the left side. The circles are composed of small blue dots and lines, creating a sense of depth and movement. The overall aesthetic is futuristic and digital.

# CHANGES IN UNDERLYING BORROWER BEHAVIOURS

# Leverage increased during expansion but is now stabilizing

## SHARE OF LEVERAGE CONSUMER\* ORIGINATIONS



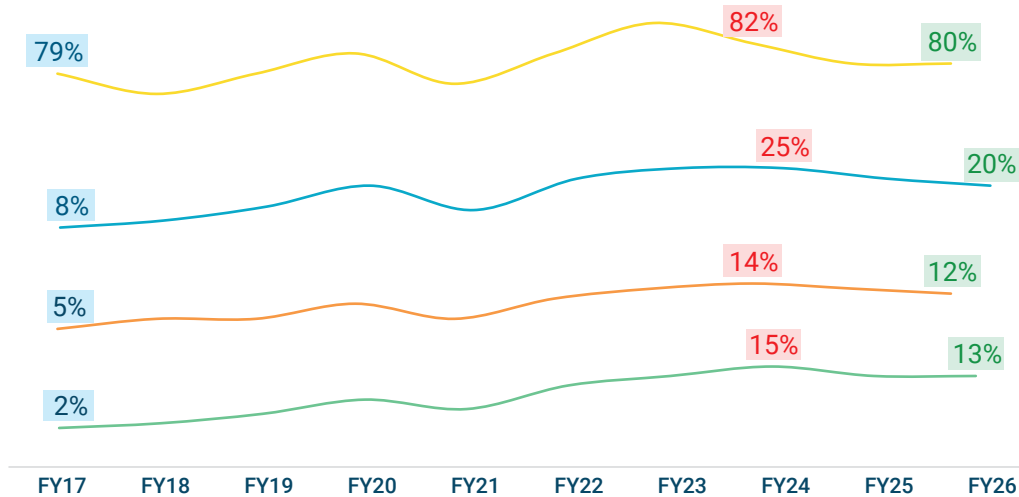
Leveraged consumers increased over time, though industry took action to stem this in last 2 years.

\*Leverage consumers are those classified under segment 4 and 5 based on proprietary leverage segments developed by TransUnion CIBIL

Source: TransUnion CIBIL

# Higher leverage is concentrated in younger, and multiple inquiry segments

## SHARE OF LEVERAGE CONSUMER\* ORIGINATIONS




- Younger##
- Credit Experienced#
- SuRu
- 3+ Inquiries in 6 months

The ecosystem is becoming more disciplined and self-aware; even as growth expands, there are signs of maturity and control.

\* Leverage consumers are those classified under segment 4 and 5 based on proprietary leverage segments developed by TransUnion CIBIL;  
 # Credit experienced are consumers who have been in the retail bureau for more than 5 years  
 ## Younger consumers are aged less than 35.

Source: TransUnion CIBIL



# DEEPENING OF THE CREDIT ECOSYSTEM



Growth is no longer just about access -  
it is about progression within the system



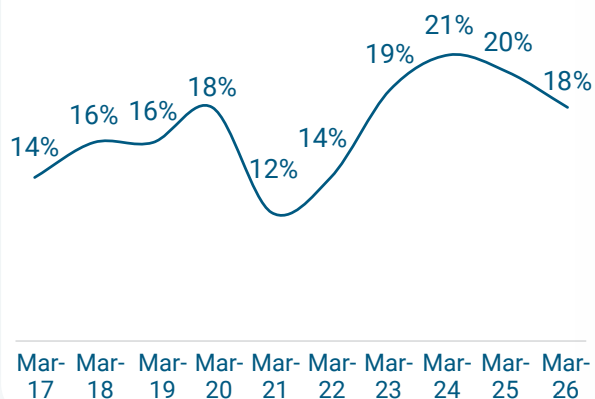
**MICROFINANCE**

**RETAIL**

**COMMERCIAL**

# Borrowers are progressing from microfinance to participation in retail consumption and business credit

Microfinance borrowers with Retail presence (%)



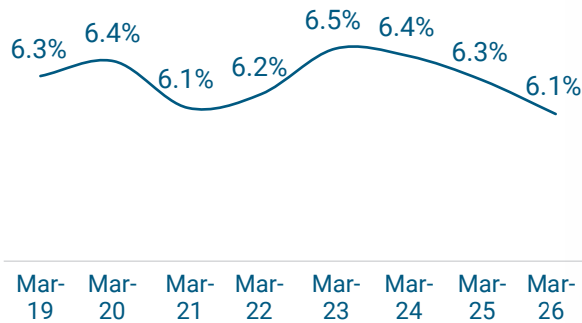
Product	Retail Live Products of Active Microfinance Borrowers		
	March 2017	March 2026	Share Change
Gold Loan	22%	20%	0.9x
Personal Loan	3%	12%	3.9x
Consumer Loan	6%	11%	1.8x
Business Loan - Unsecured	2%	9%	4.5x
Two-wheeler Loan	7%	6%	0.8x
Kisan Credit Card	5%	4%	0.8x
Agri	22%	3%	0.1x
Housing Loan	2%	1%	0.6x

One in five microfinance borrowers now has retail presence, showing a clear shift to retail—led by strong growth in personal loans and unsecured business loans.

Source: TransUnion CIBIL

# Consumers are increasingly leveraging credit for entrepreneurial growth

\*Retail business-oriented borrowers with commercial presence (%)



Product	Commercial Live Products of Active Retail Business-Oriented Borrowers		
	March 2019	March 2026	Share Change
CC/OD	49%	48%	1.0x
Term Loan	35%	20%	0.6x
Property Loan	2%	7%	3.1x
Unsecured Business Loan	4%	21%	5.5x
Others	20%	20%	1.0x

Strong growth in unsecured business and property-backed lending, alongside continued dominance of cashflow based lending, highlights a shift toward entrepreneurial credit usage and evolving borrowing patterns.

Source: TransUnion CIBIL

# Commercial credit expansion is strengthening India's economic backbone

## COMMERCIAL OUTSTANDING\* (IN INR LAKH CRORE)



Commercial lending increased outstanding from ₹21L crore to ₹47L crore with notable increase in low-risk and experienced borrowers

Mar-19 to Mar-26

SuRu Share (%)



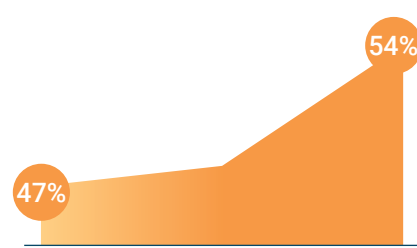
Mar-19 to Mar-26

Low Risk## Share (%)



Mar-19 to Mar-26

Credit Experienced# Share (%)



Mar-19 to Mar-26

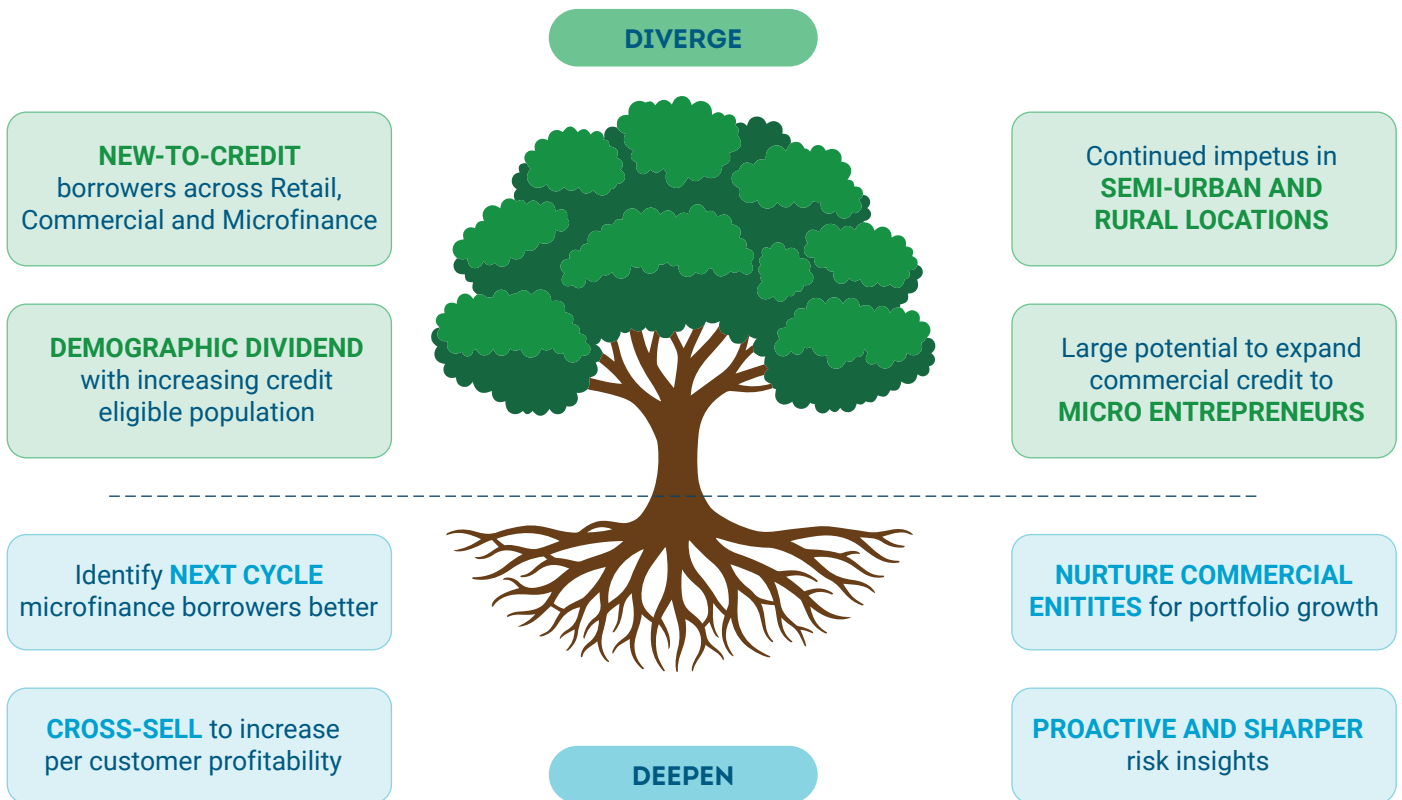
\*Commercial outstanding is considered for entities exposure up to INR 100 crores as at the period end date  
 #Credit experienced are entities with at least 4 years of commercial credit vintage  
 ## Low Risk - CIBIL Commercial Rank (1-3)

Source: TransUnion CIBIL



# THE ROAD AHEAD

# Sustainable growth will be driven by divergence and deepening together



The Indian credit ecosystem has both diverged and deepened - and the journey is only beginning. The opportunity ahead lies not just in expanding access, but in shaping how India engages with credit - more confidently, more responsibly, and more inclusively.

Source: TransUnion CIBIL

# 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.

Source: TransUnion CIBIL



**TRANSUNION CIBIL LIMITED**

One World Center, Tower 2A-2B, 19<sup>th</sup> Floor, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

© 2026 TransUnion CIBIL. All Rights Reserved.