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Equifax Insights

Retail QBR – Mar 2026

(Data as of Dec 2025)

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Executive Summary

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1. **Goldilocks moment for lending in India:** Fresh disbursement grew by 40% Y-o-Y while Asset Under Management grew by ~13%. This is the highest growth rate in recent times. Overall, asset quality is very much under control with slippages actually coming down (For Personal Loan it has come down to 0.65% from 0.86% a year back, for Home Loan it has come down marginally to 0.15% from 0.16%). NBFCs are leading the disbursement growth with Gold Loan being the primary driver. Hence, India lending is undergoing high growth rate coupled with improving asset quality making this a truly 'Goldilock moment'.

2. **Product Substitution and Emergence of Gold Loan:** Lending basket has seen a remarkable shift with Gold Loan emerging as top product displacing both Home Loan and Personal Loan. Gold Loan grew Y-o-Y by ~94% making it the top lending product by a big margin. High Value Gold Loan (>2 Lacs) is the fastest growing segment within this product category aided by growth in Gold prices. Price increase in Gold Loan however doesn't fully explain growth in this segment. While Gold prices went up by 25% CAGR over the last three years the growth in last year itself on Gold Loan was 94%. Hence, there is clearly a case in favor of product substitution. For NBFC, growth in business segment was muted (BL and CV was 5% and 10% respectively Y-o-Y) while for Gold Loan it was ~190%. Hence, borrowers seem to have a preference for Gold Loan over other available means for their business needs. However, Gold Loan alone cannot sustain the growth momentum for very long as underlying asset growth will not keep pace with it.

3. **Potential build up of leverage:** The moment of high growth is often the time when stress creeps in the portfolio. Lenders need to be watchful of potential build up in leverage. We also find higher deterioration in Score profile among borrowers of NBFC. This is mainly due to higher growth in exposure and rapid balance build up. As per our empirical study we also feel there is a need to better price the risk. Gold is highly sensitive to macro factors, and any adverse downward movement can potentially disrupt the growth story. As MFI slows down many of the borrower's 'graduate' to Micro Lap and Gold Loan. As they transition to retail mainstream, they also bring new challenges in terms of risk management.

Industry Overview

Gold Loan leads the disbursement growth. Almost all product categories increased disbursement implying strong optimism across the lending landscape

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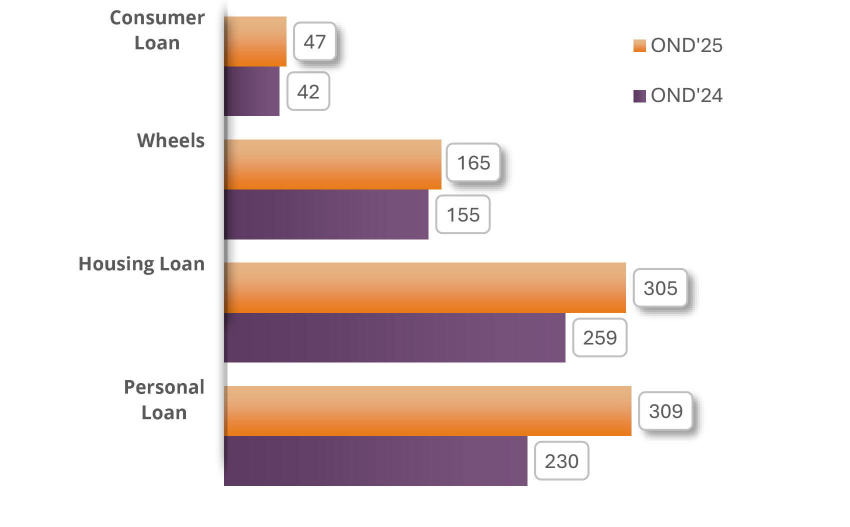
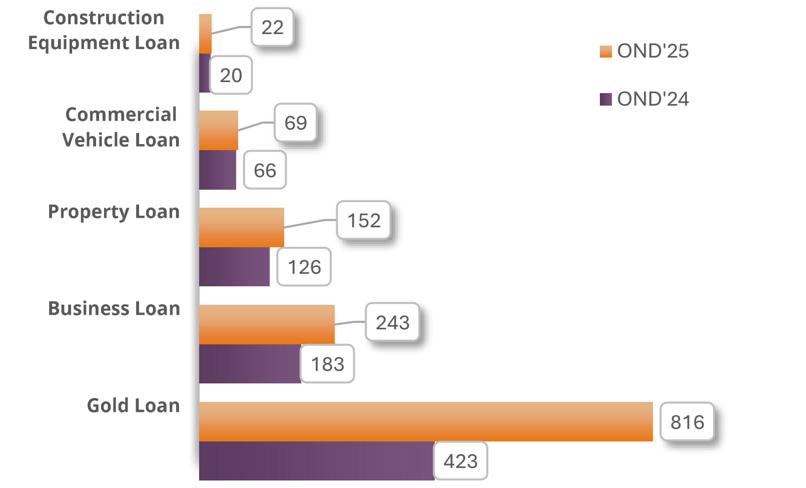
Consumption Growth (₹ Thousand Crore)

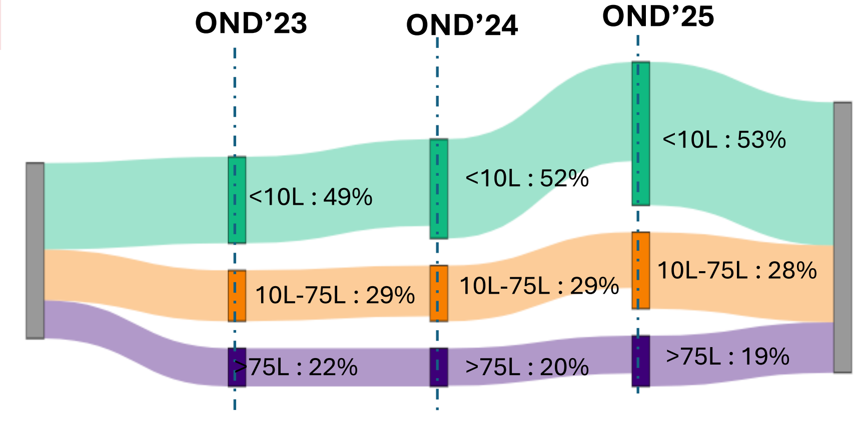


Productive Growth (₹ Thousand Crore)

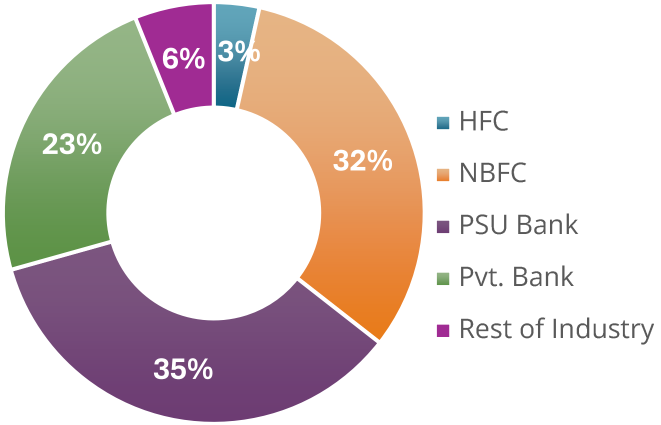


Origination Value (₹ Lakh Crore)

Ticket Size Wise Originations Trends



% of Origination Value – OND'25



Key Takeaways

- Lenders are prioritizing collateralized growth, evidenced by Gold Loans nearly doubling in value to ₹816k Cr, while Business Loans maintain a robust 24% growth rate.
- This "Quality over Quantity" strategy has concentrated 53% of origination value into the <₹10L segment, balancing high-velocity lending with secured risk.

*Wheels : Two-wheeler, Auto loan, Used car

Strong Portfolio Health Sustained by Prime Segment Dominance Amid Expanding AUM

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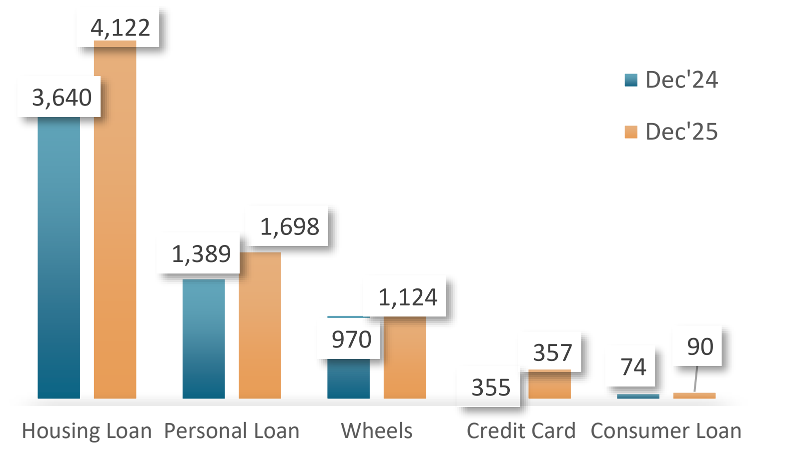
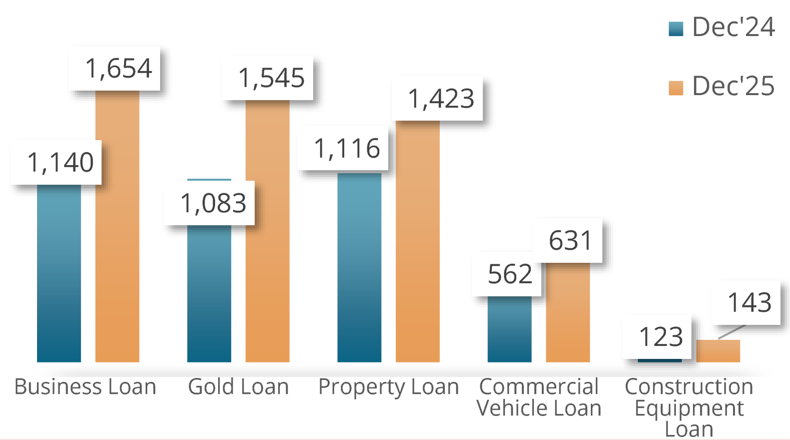
Consumption AUM growth (₹ Thousand Crore)

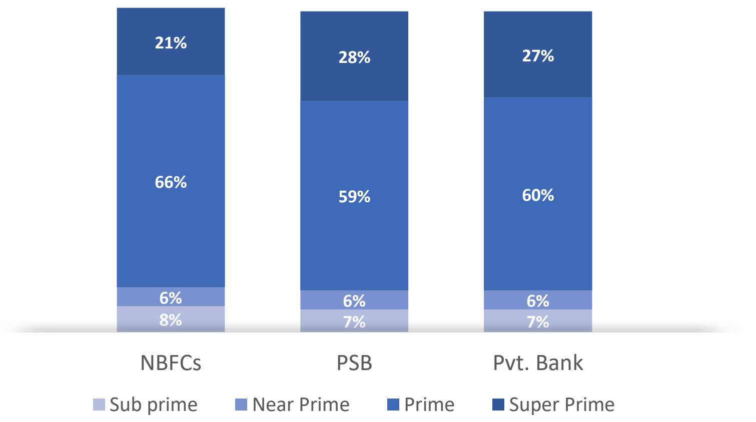


Productive AUM growth(₹ Thousand Crore)



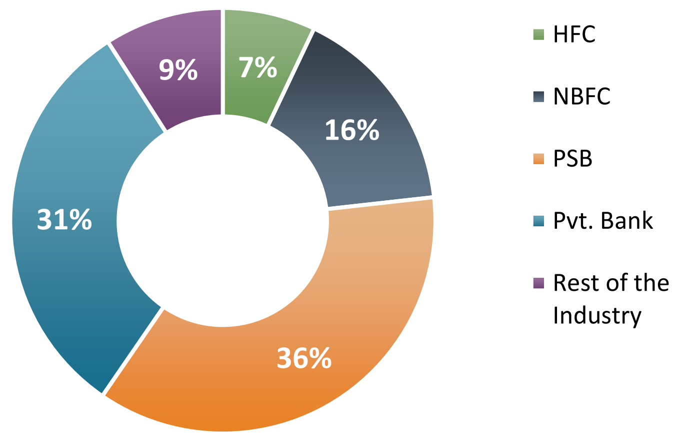
AUM (₹ Lakh Crore)

Score Distribution



Super Prime : 800+,Prime : 700-800,Near Prime 650-700,Sub prime : <650

AUM Market % share



Key Takeaways

- The portfolio's dominant Prime and Super Prime segments (over 85%) confirm successful risk mitigation and quality-driven AUM growth.
- This high concentration in low-risk tiers makes the overall portfolio highly resilient to economic volatility.

Live AUM : 0 to 179 DPDs
Score distribution done on sample on 6L

Asset quality improves as observed in both lagged and coincidental delinquencies

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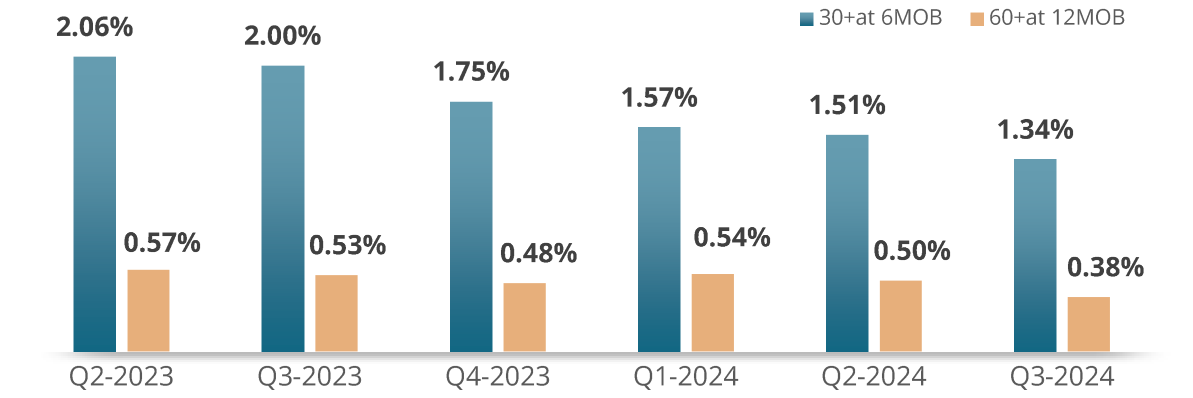
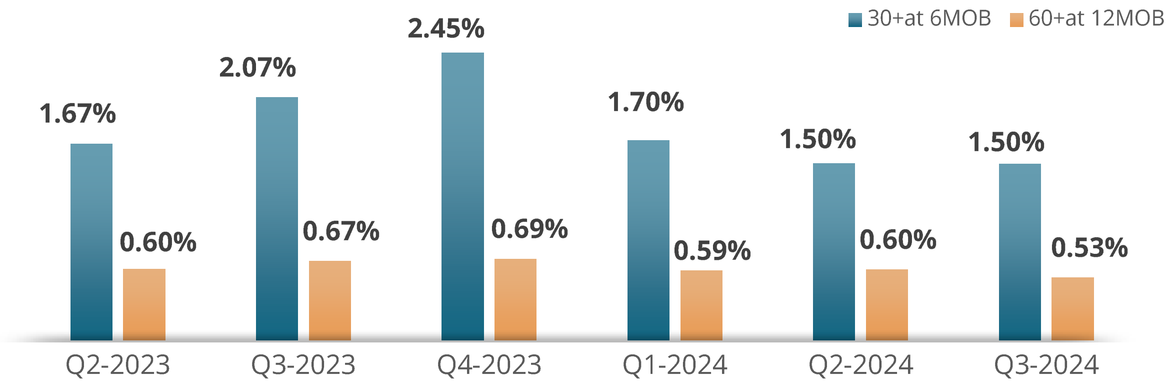
Consumption

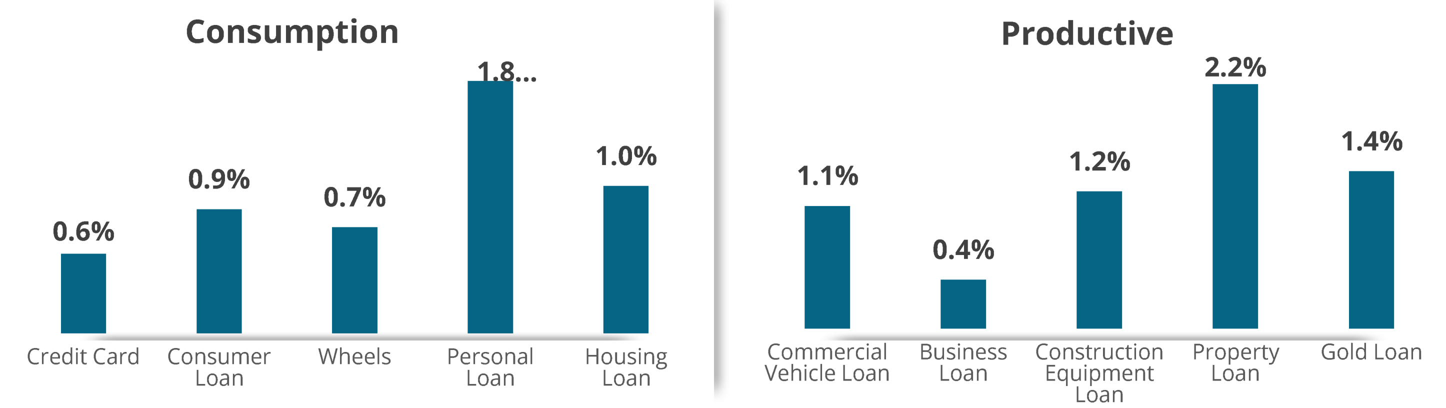


Productive

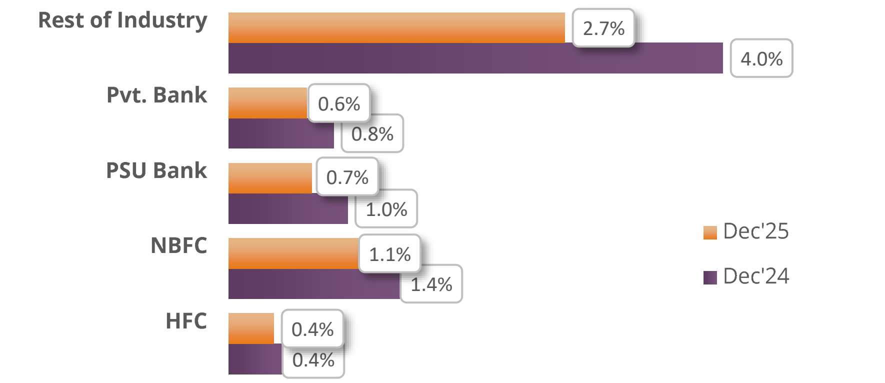


The market shows stabilization in delinquency trends, indicating a healthier credit environment. Public Sector Banks demonstrate superior risk control with significantly lower delinquency compared to NBFCs, which face higher pressure.

Net 90+ Delinquency



Net 90+ Delinquency across Lenders



30+ : 30-179/sanctioned amount
60+ : 60-179//sanctioned amount
90+ : 90-179/0-179 DPDs

South India leads in disbursement with growth hotspots also being traditional Gold Loan markets

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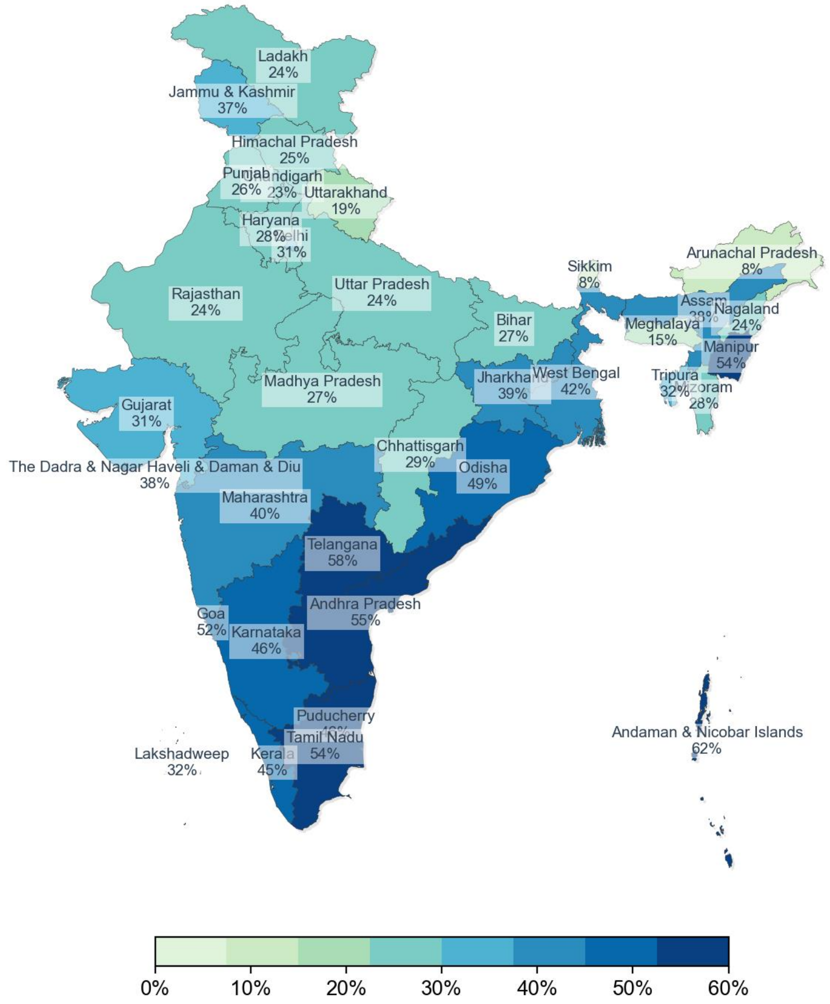
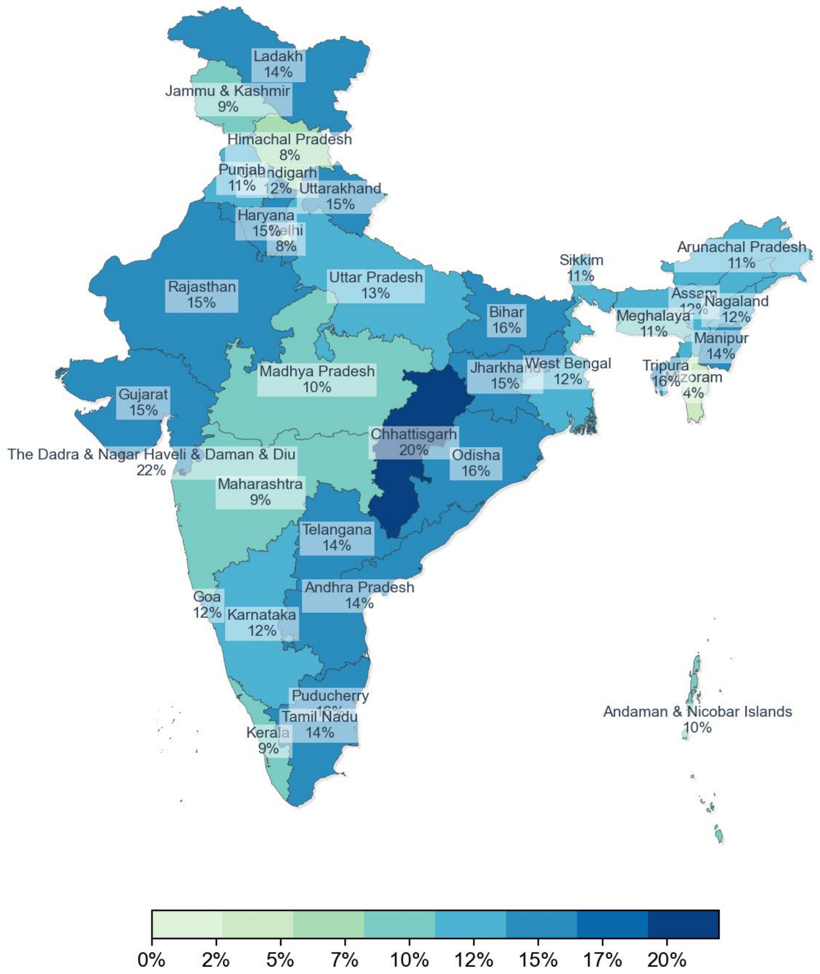
Disbursement YoY growth (OND’24-OND’25)

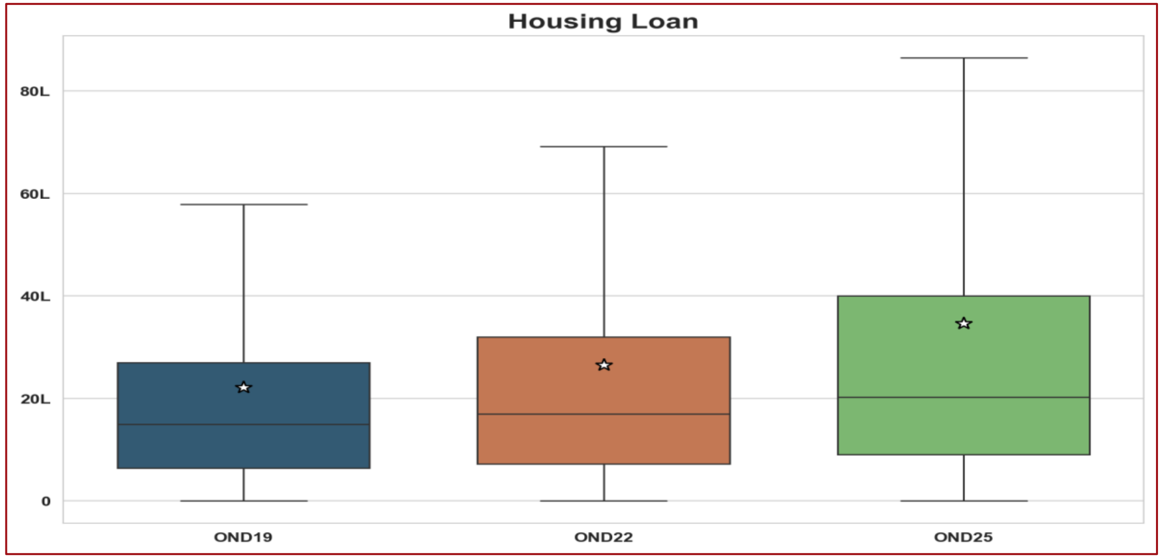


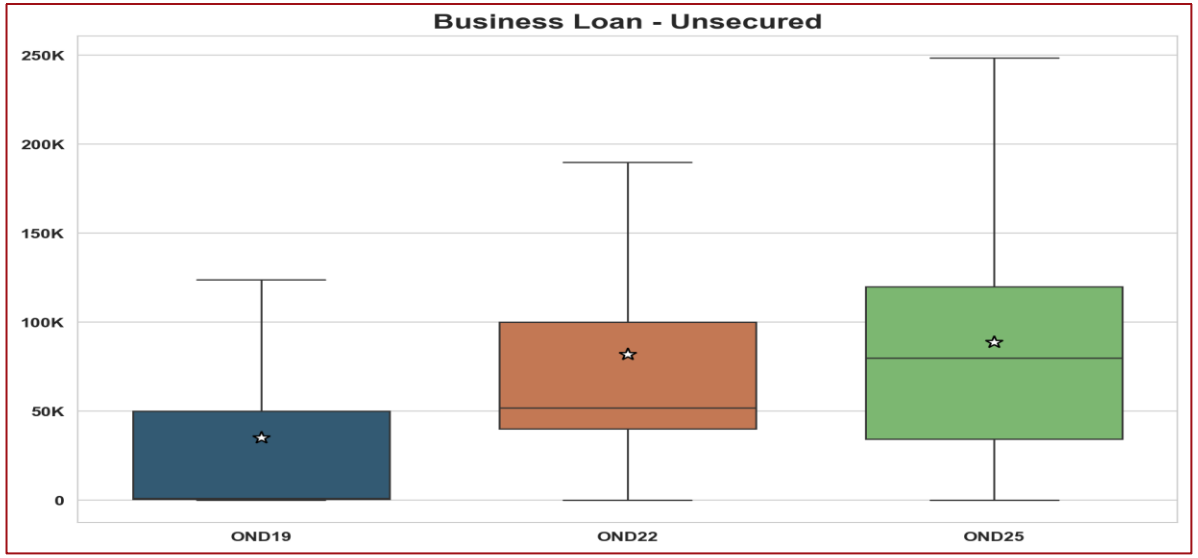
DAGR distribution across states



DAGR: Delinquency adjusted Growth Rate = Growth rate * (1- Delinquency)

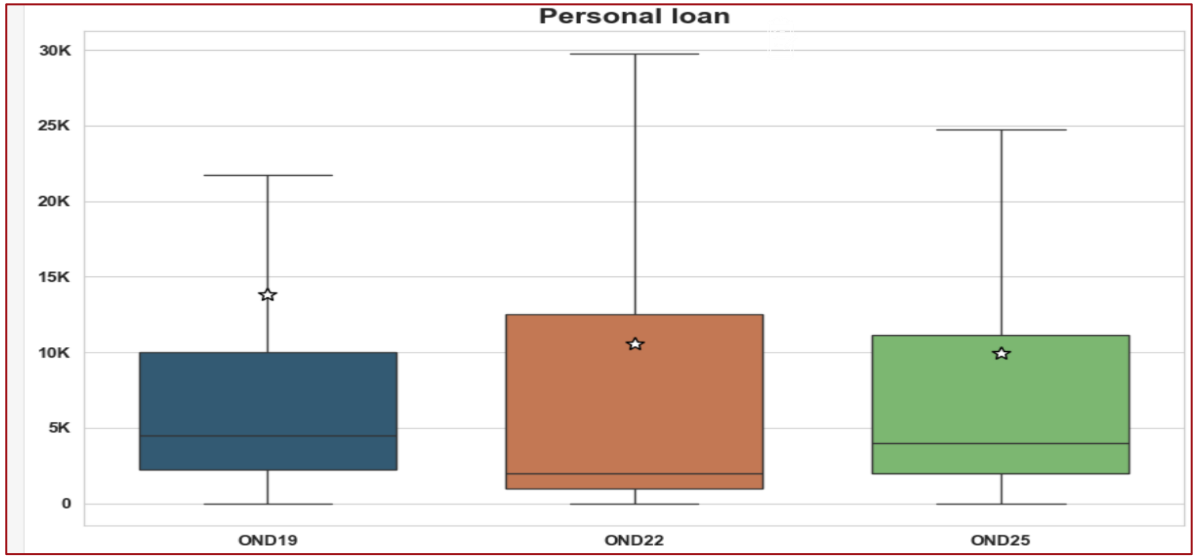
Ticket size increases faster than inflation implying shift towards higher value loans





Key Takeaways

- A strategic bifurcation in lending: Housing and Unsecured Business loans show consistent upward shift in median and mean ticket size, indicating scale up in higher value exposures.
- Median and mean sizes have moderated, suggesting recalibration toward lower ticket, high frequency lending.



Star (*): Represents the Mean (average)
Center Line: Represents the Median (middle value).
Box (IQR): Shows the middle 50% of data.; Top Edge (Q3): 75th percentile.; Bottom Edge (Q1): 25th percentile.
Whiskers: Extend to the Min and Max values (excluding outliers).

Score profile of NBFC customers deteriorated faster implying leverage build up

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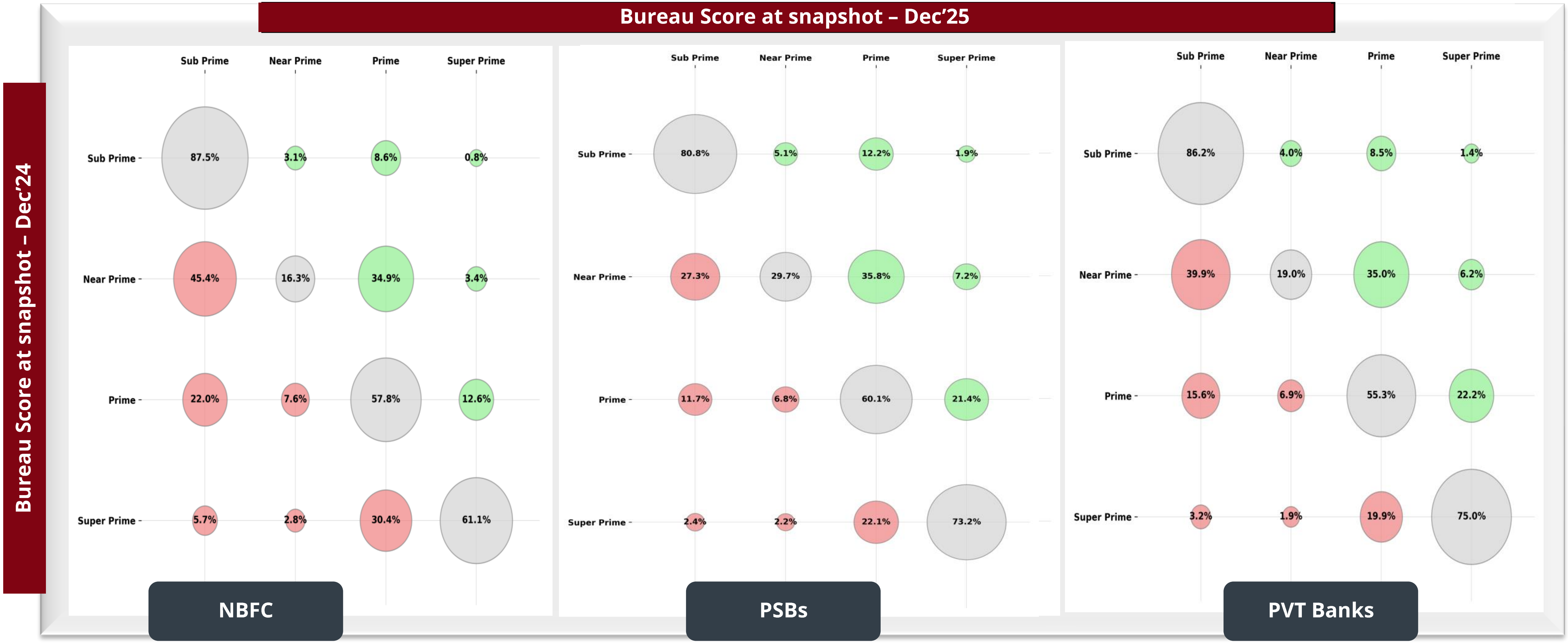

Key Takeaways

Private Banks maintain the most resilient portfolios with 75% Super Prime retention, while NBFCs struggle with a 30.4% quality leak from their top-tier segment. Across all sectors, the Sub-Prime trap remains a systemic challenge, with over 80% of borrowers unable to migrate upward, necessitating more aggressive credit-rebuilding programs.

Score distribution done on sample on 6L
Super Prime : 800+, Prime : 700-800, Near Prime 650-700, Sub prime : <650

NBFC Sector Outlook: Pivot Toward Gold Loan but business segment saw a muted growth

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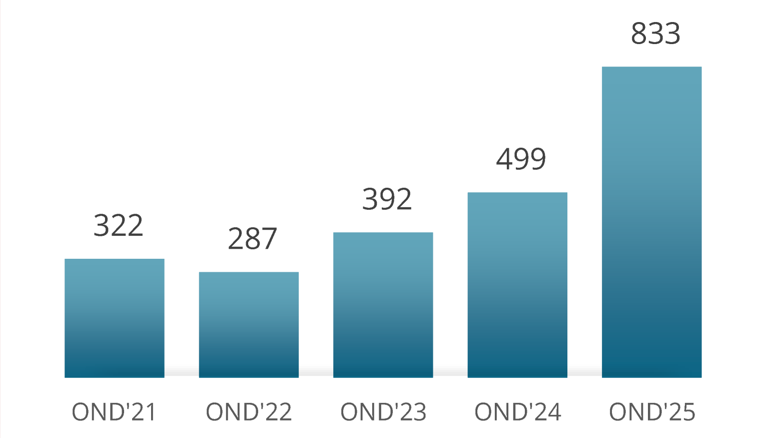
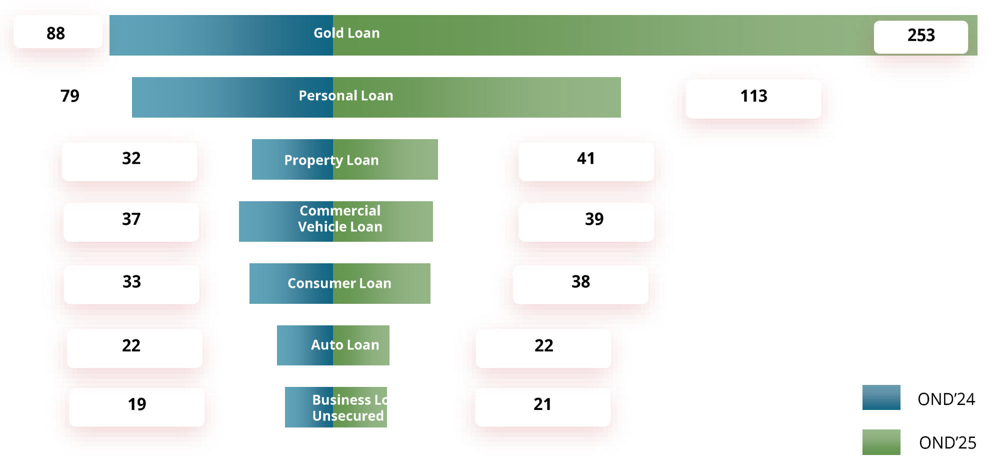
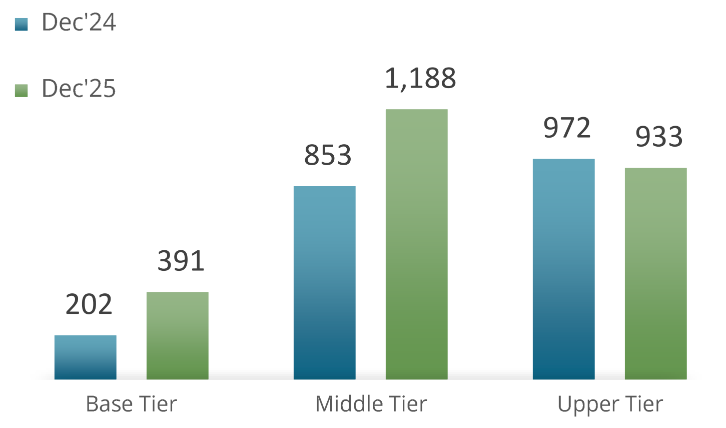
Disbursement Amount (₹ Thousand Crore)

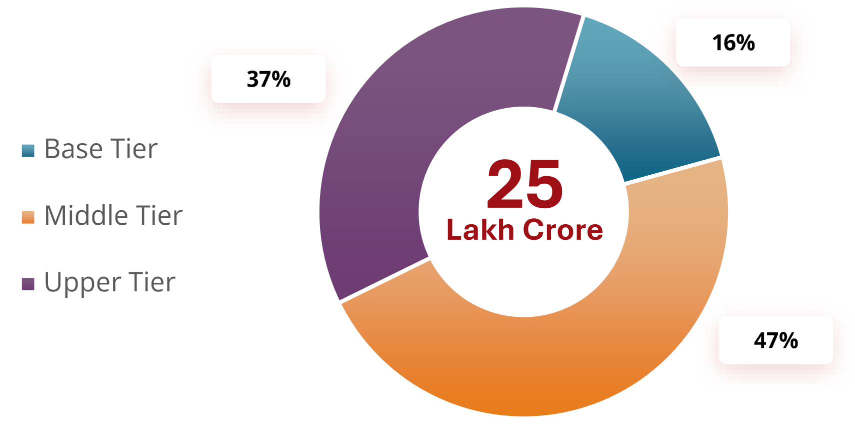




AUM (₹ Thousand Crore)



AUM market share by NBFC Type



Key Takeaways

- The NBFC sector is aggressively reweighting toward collateralized assets, with Gold Loan disbursements nearly tripling to ₹253k Cr in OND'25 to anchor a total ₹25 Lakh Crore AUM.
- This strategic shift has successfully concentrated 84% of market share within the resilient Middle and Upper Tiers, prioritizing capital preservation over mass-market volume.

*Tier classification shown as per RBI standards
Base Tier: Non-deposit taking NBFCs with assets
crore, and specific, less risky entities (P2P, Aggregators).
Middle Tier: All deposit-taking NBFCs (NBFC-D), and non-deposit taking NBFCs with assets crore.
TOP Tier: NBFCs identified by RBI as having large scale and systemic risk, requiring enhanced regulation

NBFC Credit Quality Analysis: Asset Quality stabilized. Upper Tier NBFC are comparable to top Private Banks in terms of asset quality

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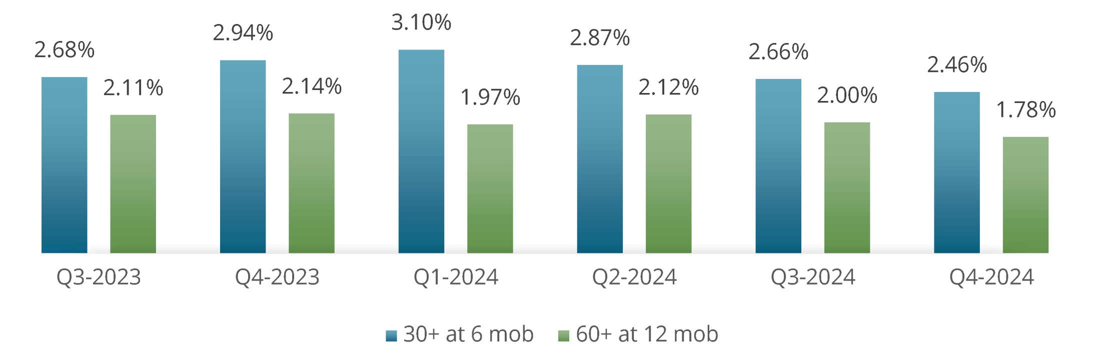
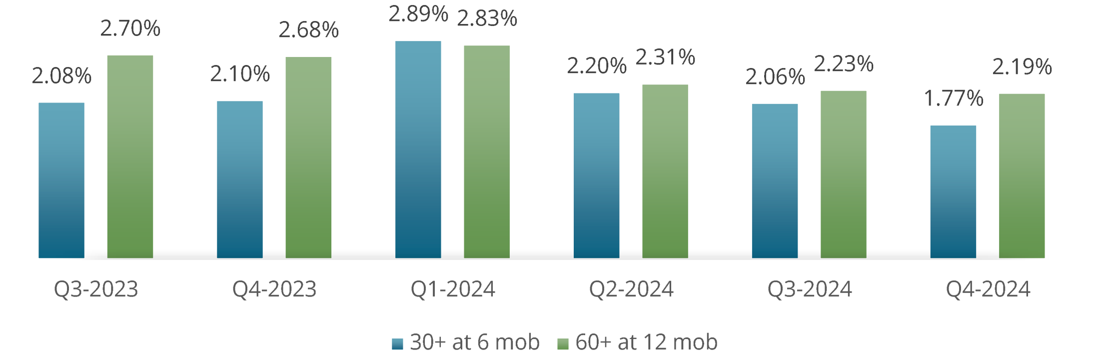
Consumption

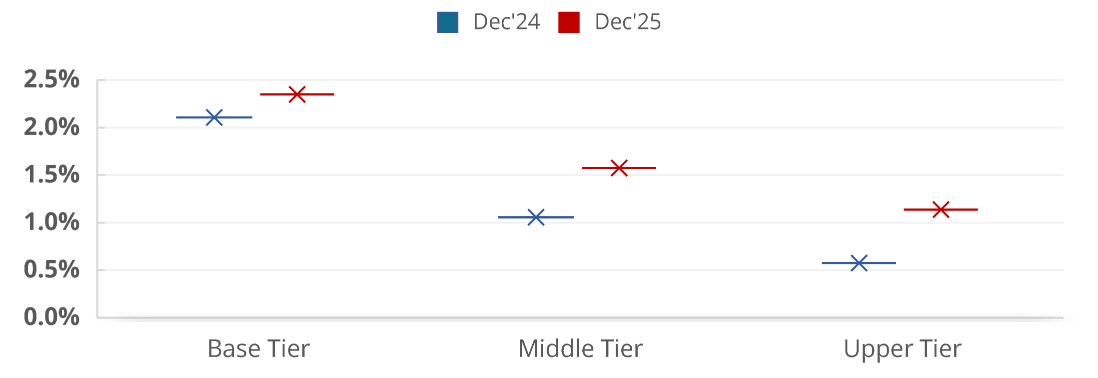


Productive



Net 90+ Delinquency

Reporting Month	Commercial Vehicle Loan	Personal Loan	Property Loan	Gold Loan	Auto Loan
Dec'24	1.4%	2.2%	0.7%	0.7%	1.9%
Dec'25	1.3%	1.6%	0.5%	0.2%	1.1%

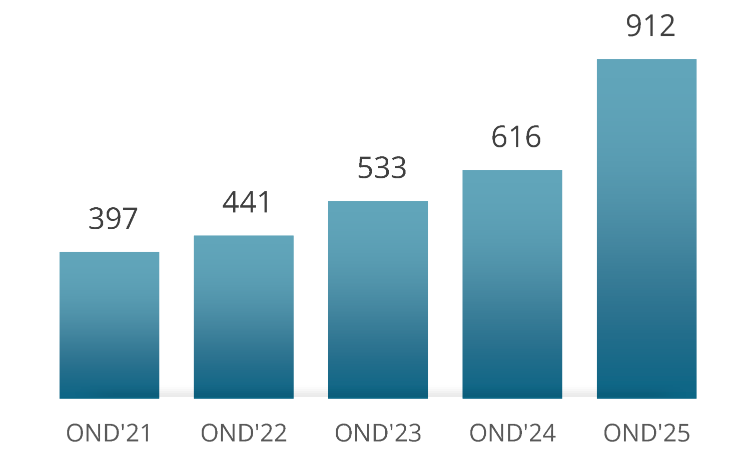


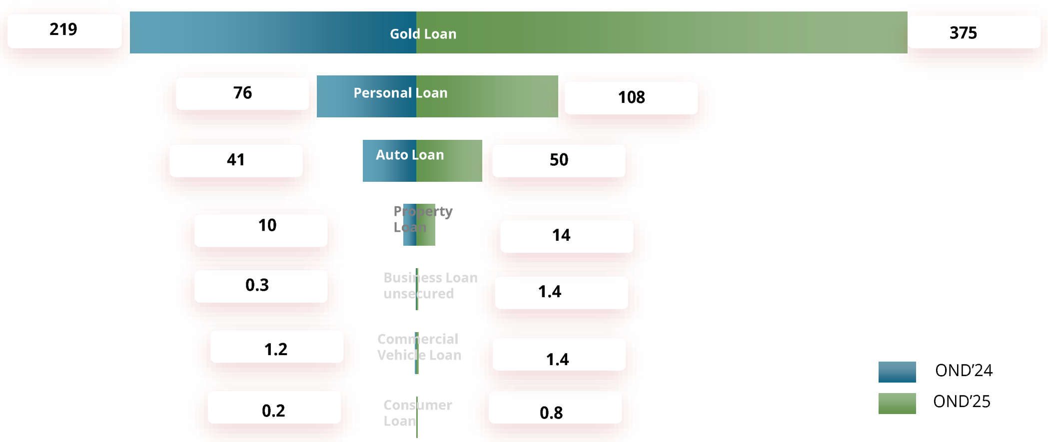
The broad improvement in 90+ DPD across most categories is primarily driven by aggressive recovery cycles.

30+ : 30-179/sanctioned amount
60+ : 60-179//sanctioned amount
90+ : 90-179/0-179 DPDs

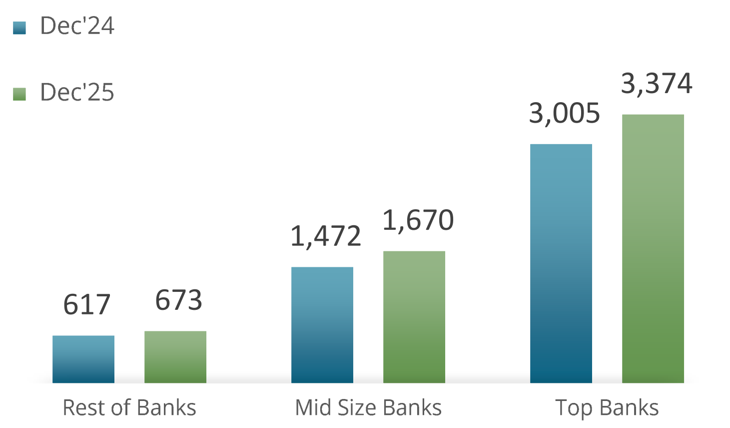
Public Sector (PSB) Outlook:Gold Loan grew at an astonishing pace

Disbursement Amount (₹ Thousand Crore)

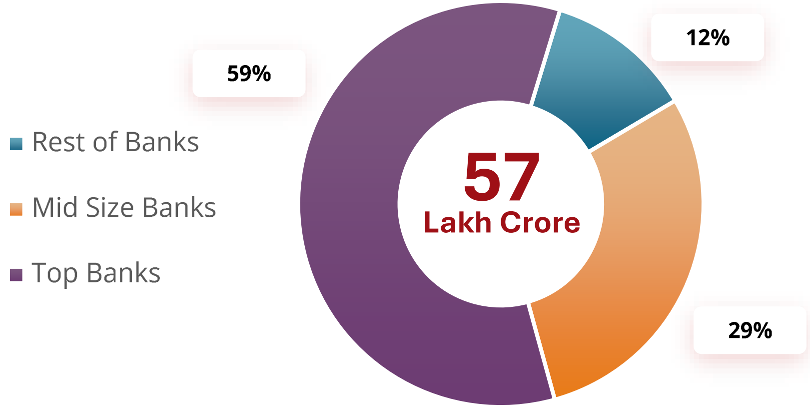




AUM (₹ Thousand Crore)



AUM market share by PSB Type



Key Takeaways

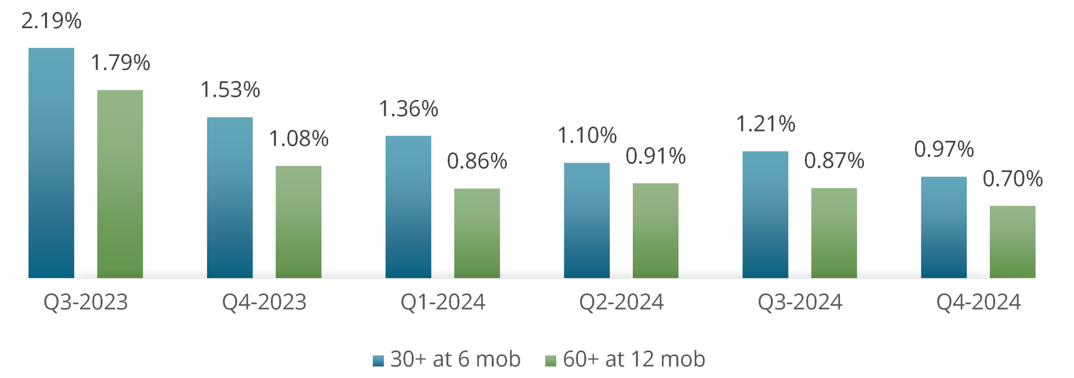
The Upper Tier's 12% growth confirms that the largest banks are successfully utilizing their "too-big-to-fail" status to absorb high-quality credit demand while the Base Tier remains stagnant

Gold Loans are the primary disbursement engine across the board, the ₹375k Cr volume in PSBs indicates they are using this as a low-risk parking lot for their vast capital

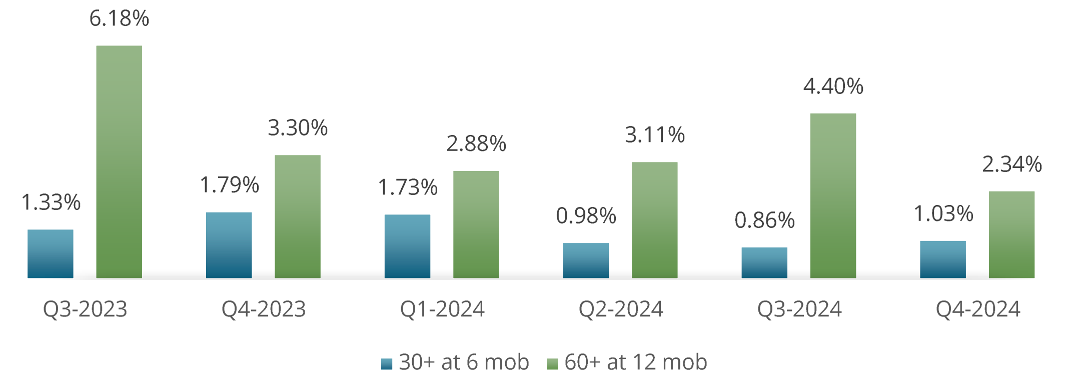
Banks classification is done on basis of bank's AUM
Top Banks : Top 5 PSBs

PSB Credit Quality Analysis: Asset quality has fluctuated but is seen improving Q3

Consumption

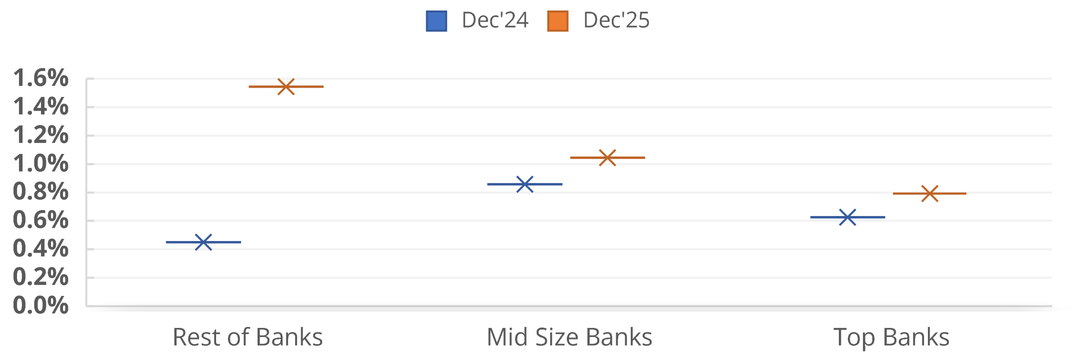


Productive



Net 90+ Delinquency

Reporting Month	Gold Loan	Personal Loan	Auto Loan	Commercial Vehicle Loan	Property Loan
Dec'24	0.1%	0.4%	0.3%	2.4%	0.5%
Dec'25	0.2%	0.4%	0.3%	2.3%	0.6%

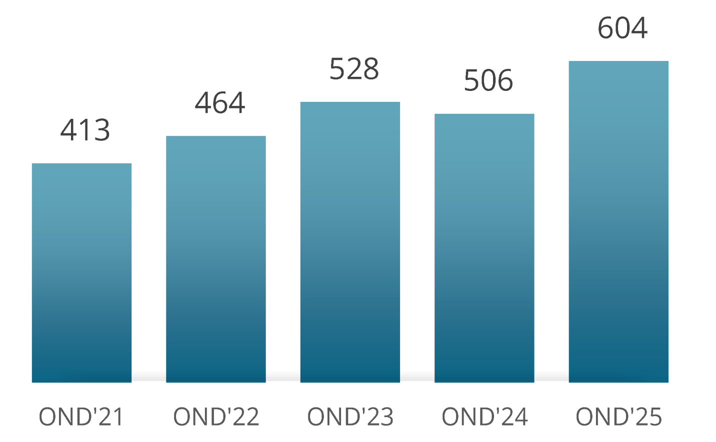


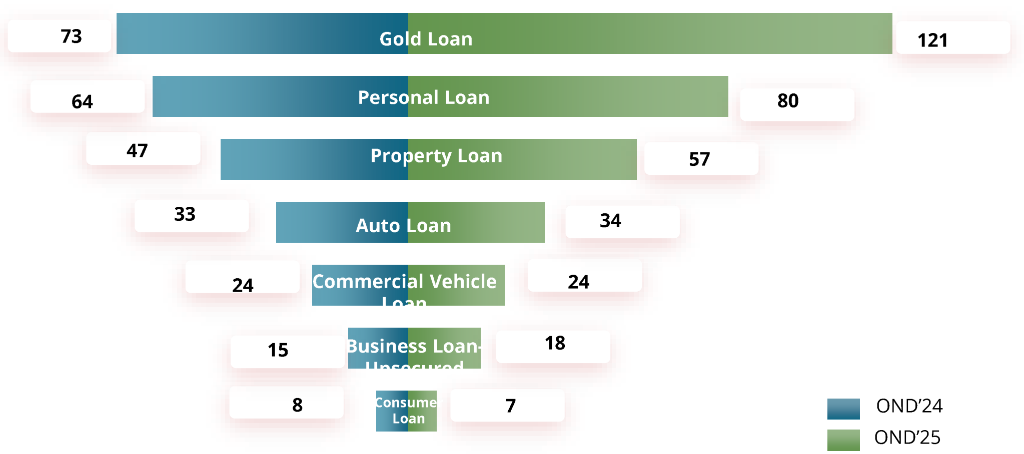
PSU have demonstrated a remarkable 'clean-up' of legacy stress, particularly in Productive lending, where the 60+ at 12-month MOB plummeted from a peak of 6.18% (Q3-2023) to under 1% by late 2024. This systemic improvement across both Consumption and Productive sectors highlights a robust structural shift in PSU risk management and a significantly healthier balance sheet entering 2026.

30+ : 30-179/sanctioned amount
60+ : 60-179//sanctioned amount
90+ : 90-179/0-179 DPDs

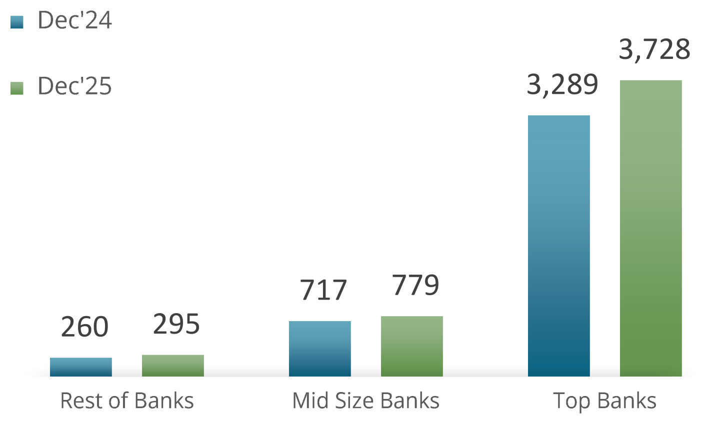
Top Private Banks consolidated their market share through robust growth

Disbursement Amount (₹ Thousand Crore)

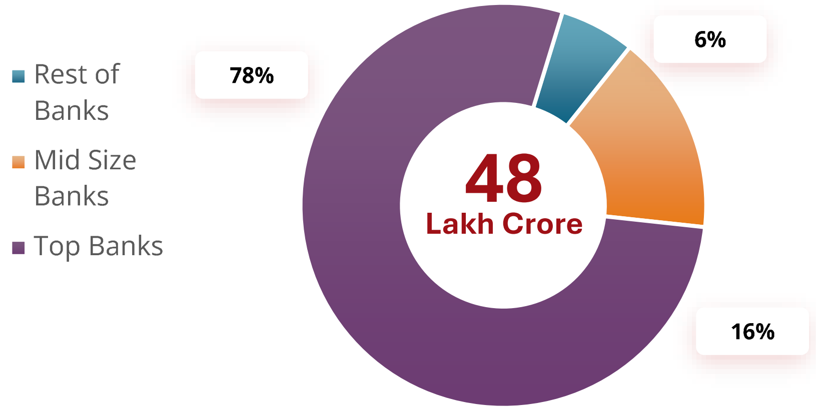




AUM (₹ Thousand Crore)



AUM market % share by PVT Type



Key Takeaways

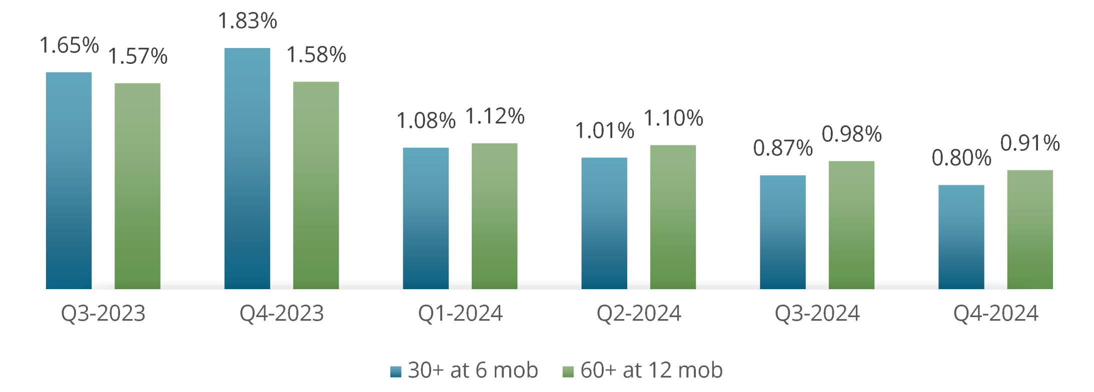
The OND'25 quarter marks a 19.4% YoY surge in total disbursements, reaching a 6-year peak of 604k Crore. This growth is fueled 66.4% increase in Gold Loans, signaling a strategic pivot toward liquid, secured assets.

The market remains highly concentrated, with the "Upper" segment controlling 78% of the total AUM. While Housing and Personal loans showed steady gains, the aggressive shift to collateralized lending suggests a de-risking move by private lenders.

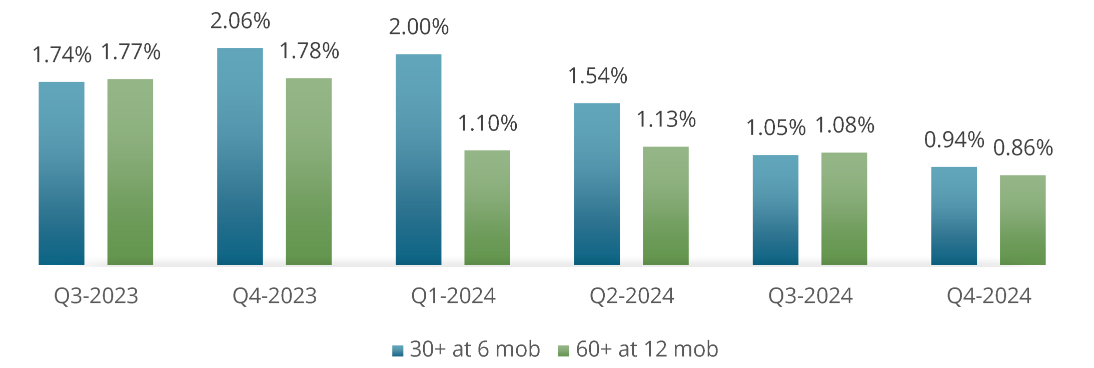
Banks classification is done on basis of bank's AUM
Top Banks : Top 5 Private Banks

Private Banks Credit Quality: Asset quality improved further providing elbow room for another quarter of strong growth

Consumption

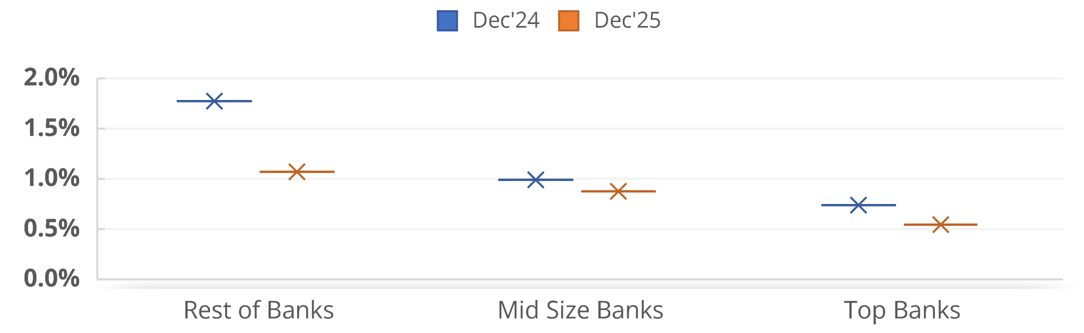


Productive



Net 90+ Delinquency

Reporting Month	Gold Loan	Personal Loan	Auto Loan	Commercial Vehicle Loan	Property Loan
Dec'24	0.2%	0.6%	0.4%	0.9%	0.2%
Dec'25	0.4%	0.8%	0.4%	0.8%	0.2%

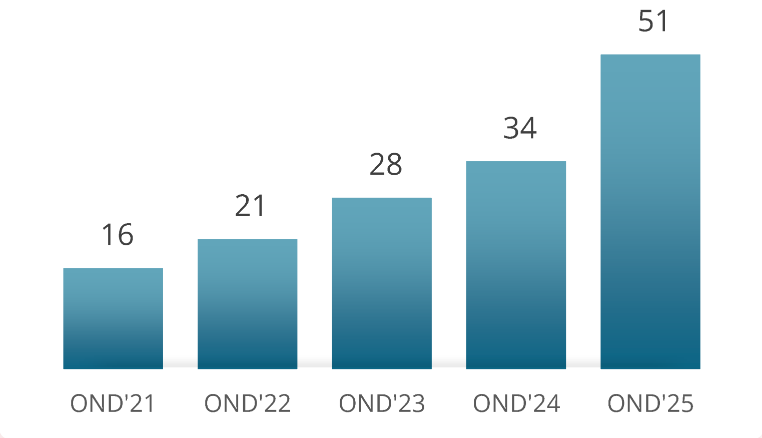


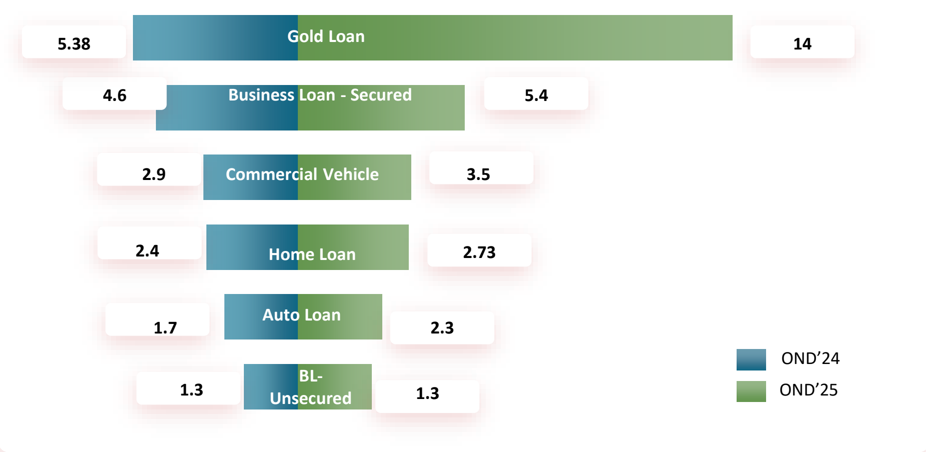
Pvt Banks continue to lead in Consumption lending stability, with vintage delinquency (30+ at 6m) stabilizing well below the 1% mark in 2025. Interestingly, the Middle risk tier shows the most significant improvement in loss expectations compared to Dec'24, suggesting that tightened underwriting standards are successfully filtering out volatility in the mid-market segment while maintaining steady growth. Specific retail segments like Home and Gold loans saw their 90+ delinquency rates halved, reaching low levels of 0.1% and 0.2% respectively by Dec'25.

30+ : 30-179/sanctioned amount
60+ : 60-179//sanctioned amount
90+ : 90-179/0-179 DPDs

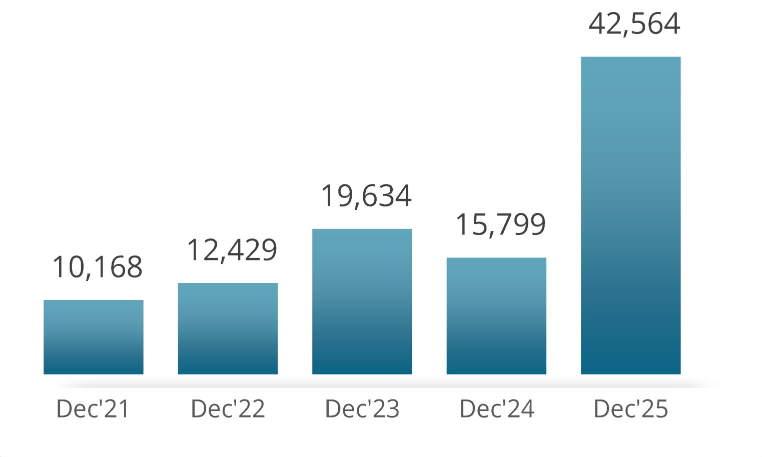
SFB Sector Outlook: Strong collection in mid-bucket helped in attaining a sustainable growth

Disbursement Amount (₹ Thousand Crore)

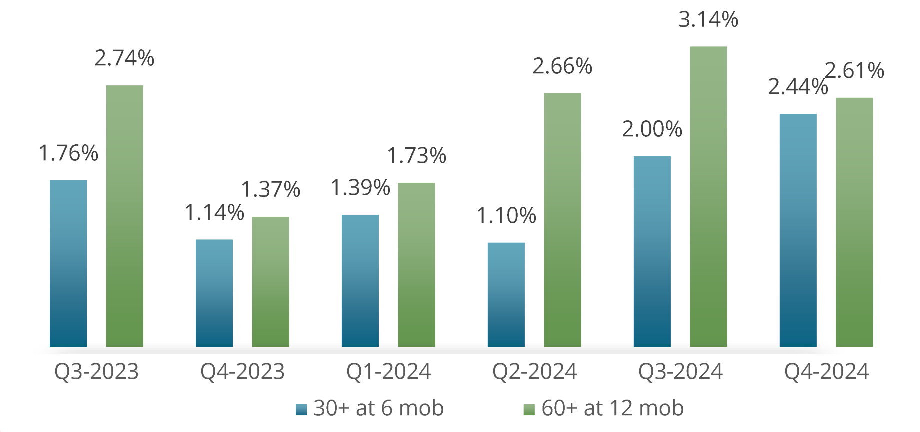




AUM(₹ Thousand Crore)



Vintage Delinquency



Key Takeaways

- Hyper-Growth in Secured Credit: The portfolio is anchored by a phenomenal 92% surge in Gold Loan disbursements
- Diversified growth is evident across the board, with Overdrafts (up 29%) and Auto Loans (up 35%) showing the highest relative momentum outside of Gold Loans.
- Consistent year-on-year increases in Business Loans (Secured) and Property Loans validate the sector's strategic shift toward lower-risk, high-collateral value assets to ensure long-term stability.

Banks classification is done on basis of bank's AUM
Top Banks : Top 5 PSBs

Fintech is back to high growth, but high early delinquency is a concern

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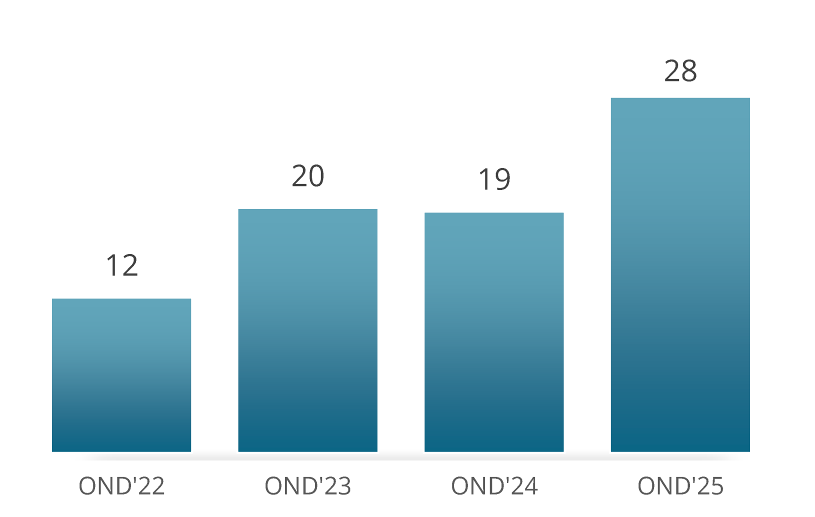
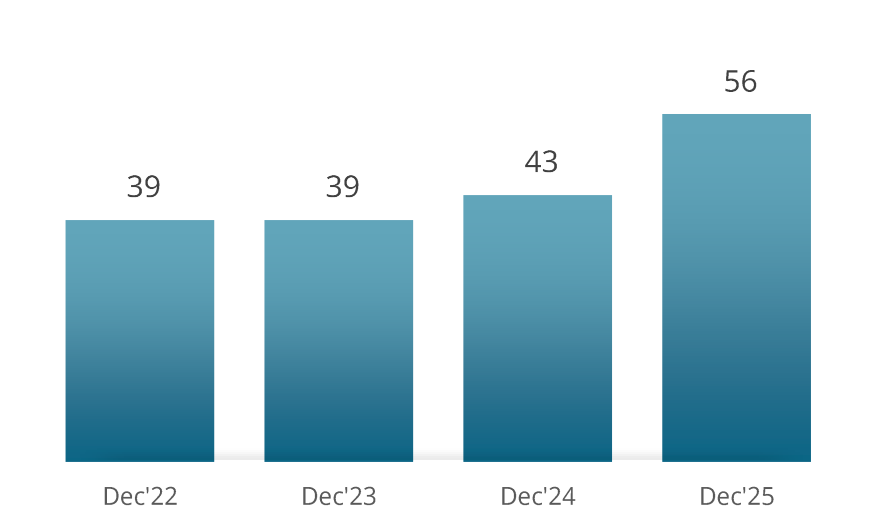
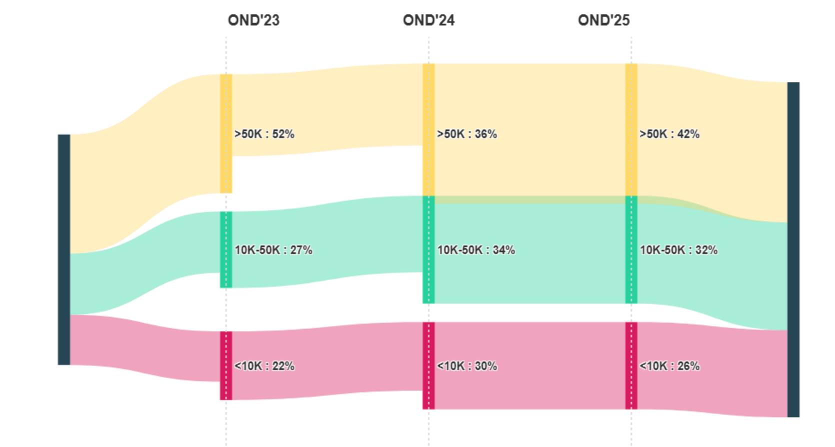
Disbursement Amount (₹ Thousand Crore)



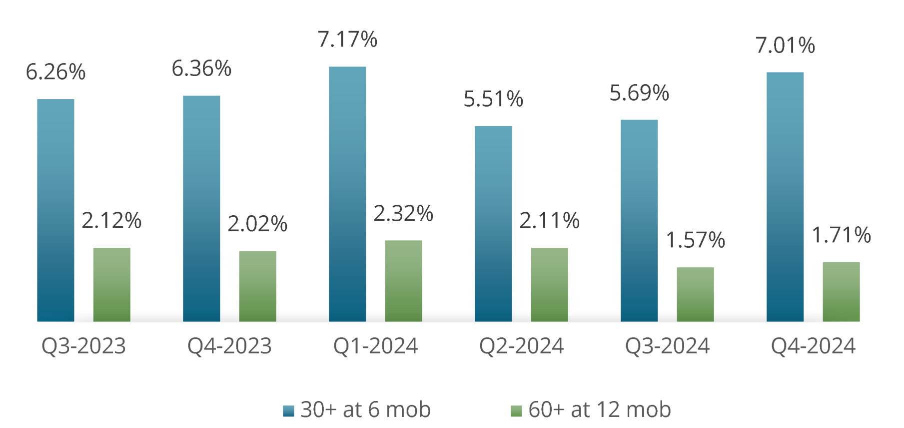
AUM (₹ Thousand Crore)



Ticket size wise Origination Trend



Vintage Delinquency



Key Takeaways

- The Fintech sector in 2025 achieved a massive 48% year-on-year surge in disbursements, peaking at ₹28 Crore, while simultaneously driving aum up by 20% . This aggressive scaling has been accompanied by a strategic shift in ticket sizes, where the >₹50K segment now dominates 42% of originations, signaling a move away from hyper-granular micro-lending toward more stable, mid-ticket profiles.

- While early-stage vintage stress (30+ at 6 mob) saw a recent uptick to 7.01%, the long-term risk performance (60 at 12 mob) improved to 1.71%, confirming that the pivot to quality is successfully filtering for sustainable borrower behavior.

30+ : 30-179/sanctioned amount
60+ : 60-179//sanctioned amount

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Personal Loan

Personal Loan disbursement grew by ~34% implying the product segment is back to high growth rate seen prior to slowdown

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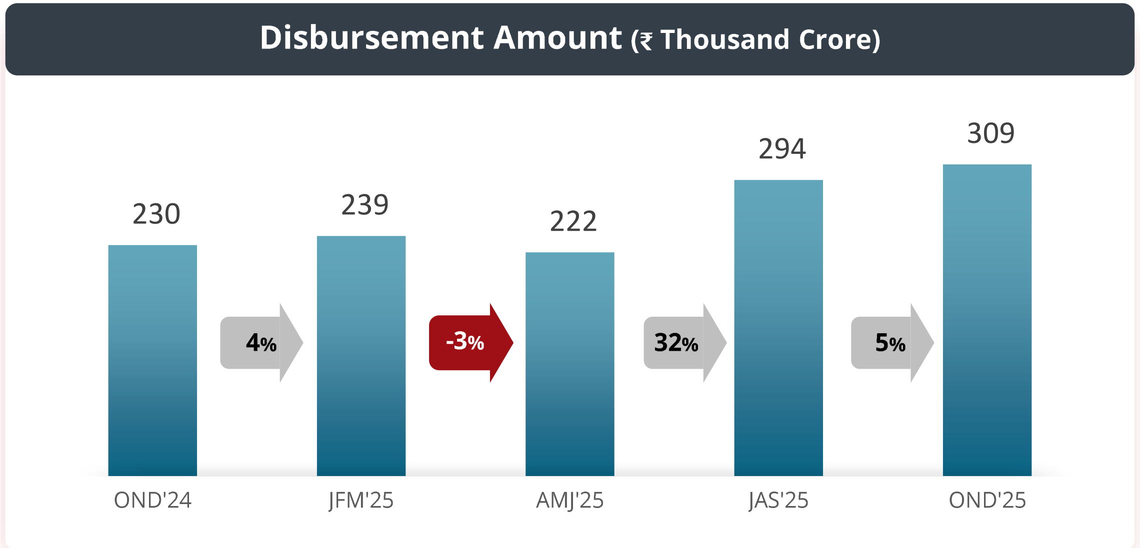
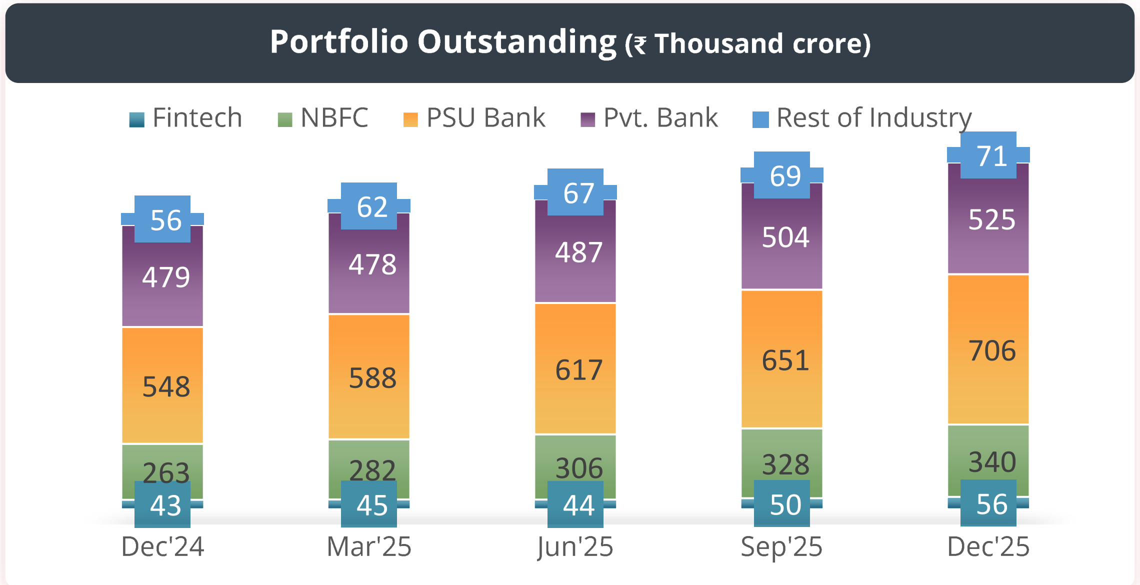


Lender Type	Disbursement Amount (₹ Thousand Crore)	Market % share	YoY growth
Fintech	28	9%	48%
NBFC	84	27%	41%
PSB	108	35%	42%
Pvt. Bank	80	26%	24%
Rest of Industry	9	3%	-13%



Key Takeaways

- The data suggests a structural shift in market leadership, where PSBs are no longer just stable players but have become the primary growth engine; their 42% YoY growth (nearly double that of Private Banks) implies they are successfully digitizing and leveraging their massive low-cost deposit base to aggressively undercut private competitors on personal loan pricing.
- While Fintechs hold the smallest total portfolio, their 48% YoY disbursement growth indicates they are capturing the high-frequency, short-term credit market.

Asset Quality: High-Ticket Resilience

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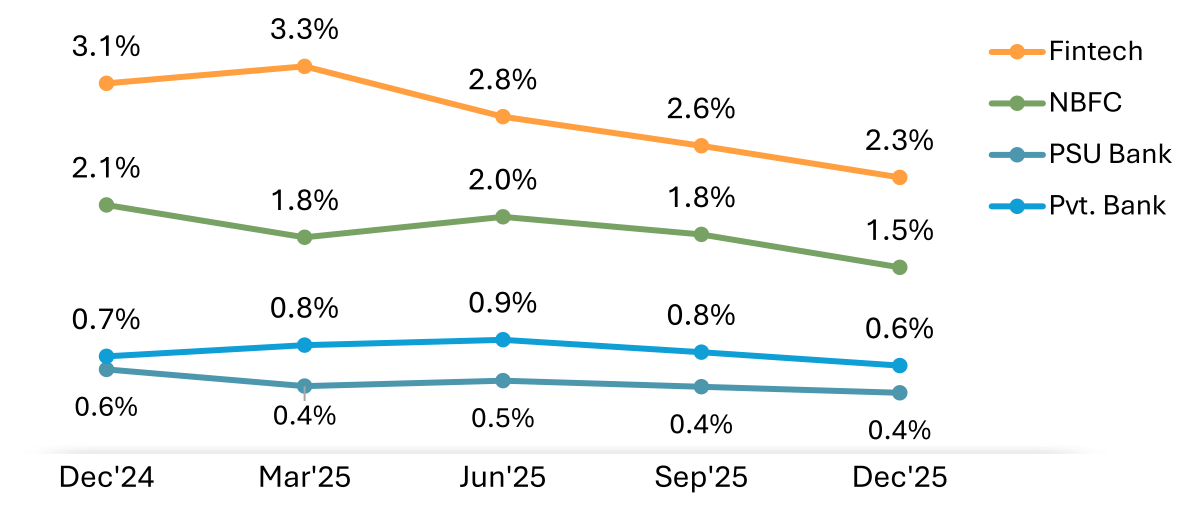
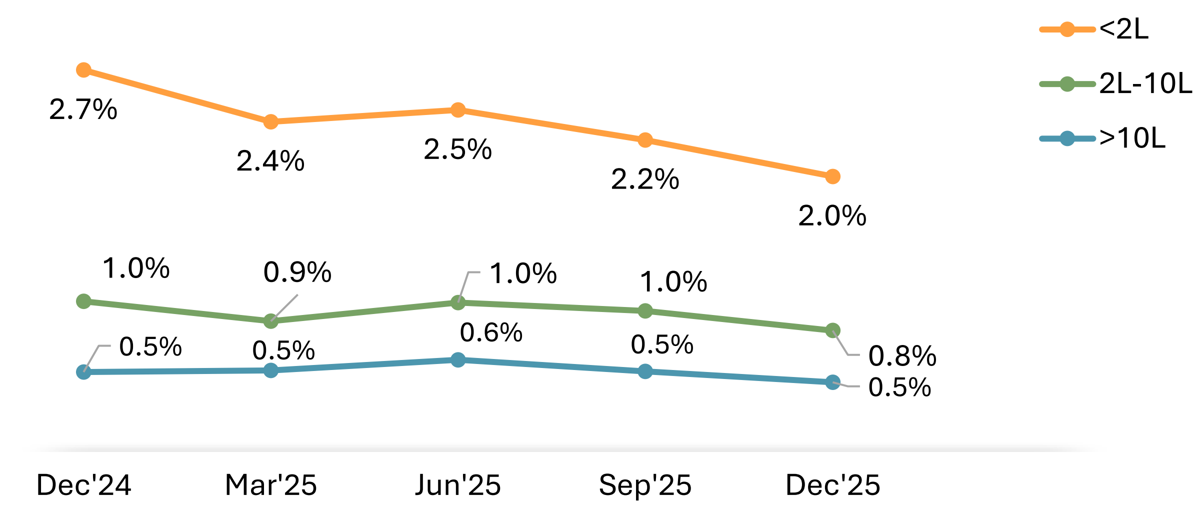
Net 90+ delinquency



Slippage Ratio

Reporting Month	NBFC	PSU	Pvt. Bank	Industry
Dec'24	2.20%	0.30%	0.61%	0.86%
Dec'25	1.55%	0.20%	0.51%	0.65%

Net 90+ delinquency

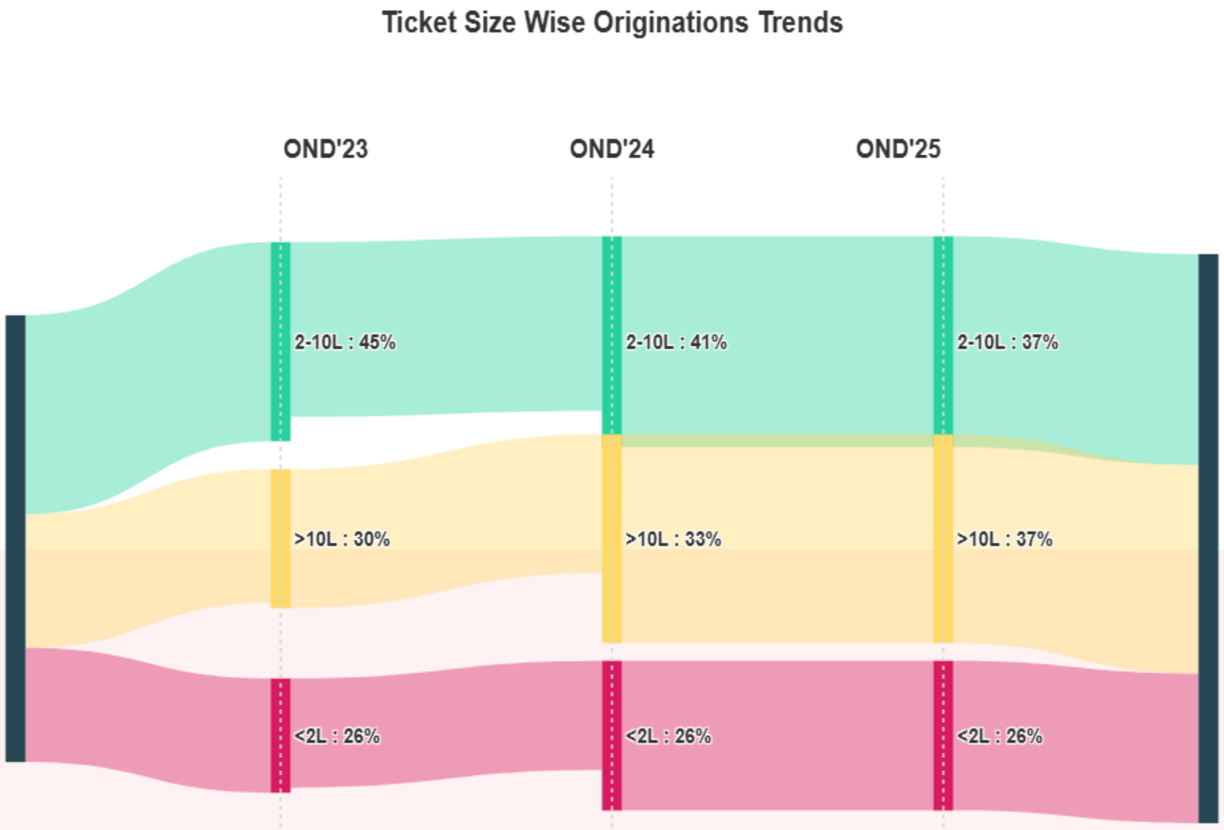


Key Takeaways

- The low delinquency in the >₹10L segment suggests that high-ticket borrowers are significantly more resilient to macroeconomic shocks.
- For lenders like PSU and Private Banks, this segment acts as a protective buffer, allowing them to maintain industry-beating delinquencies of 0.4% and 0.6% respectively for the last quarter.
- The sharp decline in slippages indicates that aggressive write-offs and a shift toward high-ticket, resilient borrowers have successfully flushed out pandemic-era portfolio stress.

Personal Loan growth in the mid-segment (2-10lacs) is the highest

Ticket Size	Fintech		NBFC		PSB		Pvt. Bank	
	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share
<2L	87%	30%	48%	49%	6%	8%	9%	9%
2-10L	13%	3%	36%	27%	43%	40%	38%	27%
>10L	0%	0%	16%	12%	51%	49%	53%	37%



Fintechs and NBFCs face a strategic mass-market trap, where their heavy reliance on the <2L segment forces them into a high-delinquency environment (1.96% for <2L).
Lenders are executing a "flight to quality" by aggressively shifting toward high-ticket originations, as seen in the >10L segment's growth from 30% to 37% share of originations over two years, while simultaneously tightening middle-tier (2-10L) lending to insulate portfolios from volatility.

Note: Data for **ROI (Rest of Industry)** has been factored into all internal calculations and trend analyses to ensure a comprehensive view of the lending landscape, despite its exclusion from the primary visual table.

Point in time delinquency across vintages have stabilized

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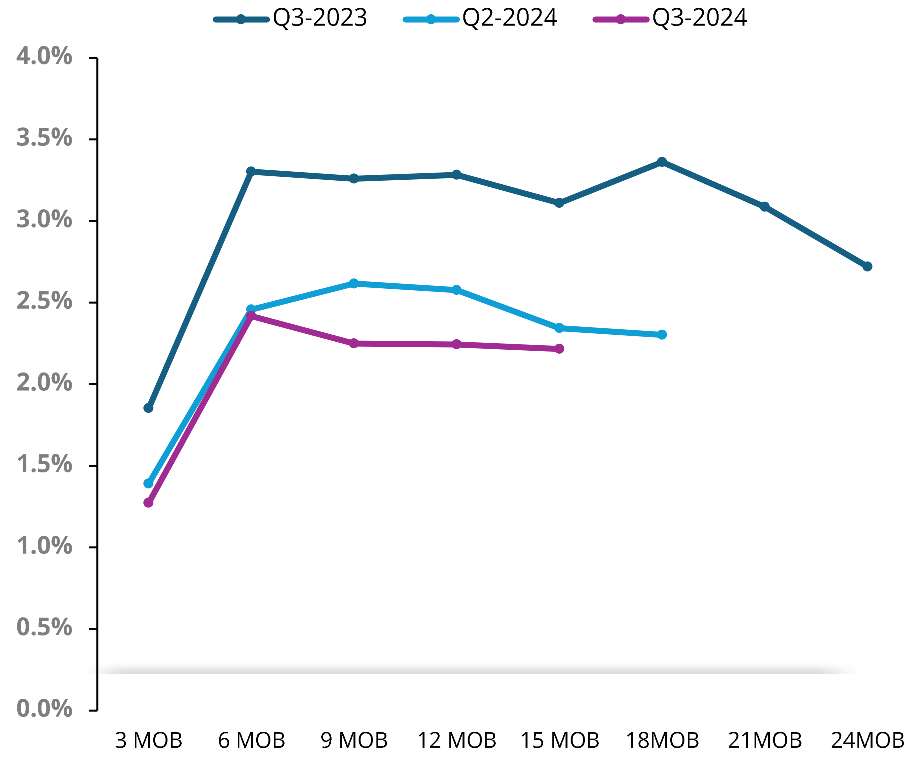
Vintage 30+ Delinquency



Ticket Size	Sourcing Quarter	3 MOB	6 MOB	9 MOB	12 MOB	15 MOB	18 MOB	21 MOB	24 MOB
<02L	Q3-2023	2.5%	4.3%	3.6%	3.3%	3.0%	2.9%	2.5%	2.1%
	Q2-2024	2.6%	4.8%	3.9%	3.9%	3.2%	3.1%		
	Q3-2024	2.6%	4.4%	3.4%	3.4%	2.9%			
2L-10L	Q3-2023	1.4%	2.5%	2.9%	3.0%	3.0%	3.2%	3.0%	2.7%
	Q2-2024	0.9%	1.9%	2.4%	2.4%	2.4%	2.4%		
	Q3-2024	0.8%	1.7%	2.1%	2.2%	2.3%			
>10L	Q3-2023	2.0%	3.6%	3.6%	3.7%	3.3%	4.0%	3.7%	3.3%
	Q2-2024	1.0%	1.4%	2.0%	1.9%	1.7%	1.7%		
	Q3-2024	0.8%	1.8%	1.7%	1.6%	1.7%			

Lenders must implement "Early-MOB Surveillance" specifically for the <2L segment, as the risk typically manifests within the first 6 months. Instead of standard monthly reporting, these borrowers should be tracked on a weekly basis during the first quarter to trigger proactive collection interventions before the 6-month "peak".

30+ : 30-179/sanctioned amount

PL Portfolio: Improving Roll-Back Efficiency

DISHA Equifax Insights

Roll Rate Analysis as of Sep'25

Days Past Due	0 DPD	1-29 DPD	30-59 DPD	60-89 DPD	90-179 DPD	180+ DPD
0 DPD	95.33%	2.41%	0.78%	0.99%	0.40%	0.10%
1-29 DPD	19.41%	41.32%	7.39%	6.28%	25.54%	0.06%
30-59 DPD	5.64%	5.16%	29.81%	5.80%	53.52%	0.09%
60-89 DPD	5.72%	1.93%	1.96%	36.31%	40.41%	13.67%
90-179 DPD	1.89%	0.32%	0.38%	0.69%	17.99%	78.73%
180+ DPD	0.49%	0.03%	0.02%	0.01%	0.12%	99.34%

Roll Forward Analysis as of Sep'25 with comparison to Jun'25

Roll Rate Analysis as of Dec'25

Days Past Due	0 DPD	1-29 DPD	30-59 DPD	60-89 DPD	90-179 DPD	180+ DPD
0 DPD	96.19%	1.61%	0.90%	1.04%	0.20%	0.06%
1-29 DPD	30.60%	33.27%	7.53%	6.55%	21.99%	0.06%
30-59 DPD	5.65%	4.50%	28.79%	6.22%	54.77%	0.08%
60-89 DPD	5.69%	1.47%	1.88%	38.91%	44.26%	7.79%
90-179 DPD	1.73%	0.30%	0.33%	0.42%	17.26%	79.95%
180+ DPD	0.23%	0.01%	0.01%	0.01%	0.04%	99.71%

Roll Forward Analysis as of Dec'25 with comparison to Sep'25

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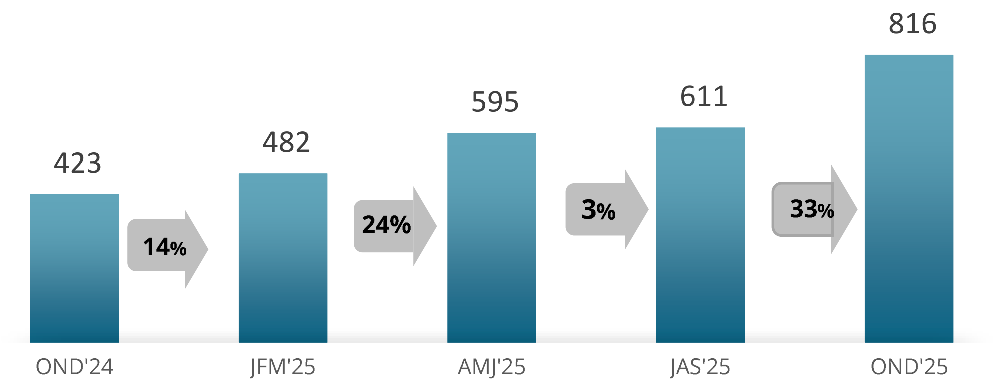
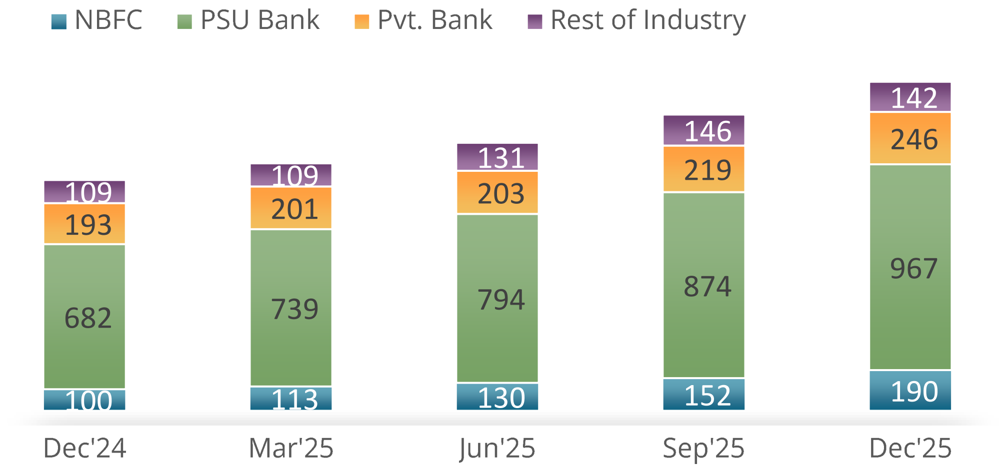
Gold Loan

Gold Loan had a rockstar growth and was pre-dominantly led by NBFC

Disbursement Amount (₹ Thousand Crore)



Portfolio Outstanding (₹ Thousand crore)



Lender Type	Disbursement Amount (₹ Thousand Crore)	Market % share	YoY growth
NBFC	253	31%	189%
PSB	375	46%	71%
Pvt. Bank	121	15%	66%
Rest of Industry	66	8%	50%

Key Takeaways

The gold loan market is experiencing explosive growth, characterized by a massive 33% surge in disbursements in the final quarter of 2025 and a total AUM nearly doubling within a year. While PSBs maintain the largest market share (46%) and the highest total AUM, NBFCs are the fastest-growing segment with a staggering 189% year-on-year growth, signaling a significant shift in borrower preference toward non-banking lenders.

Gold Loan, as expected, maintains very high asset quality level but there is need to monitor leverage of Customers

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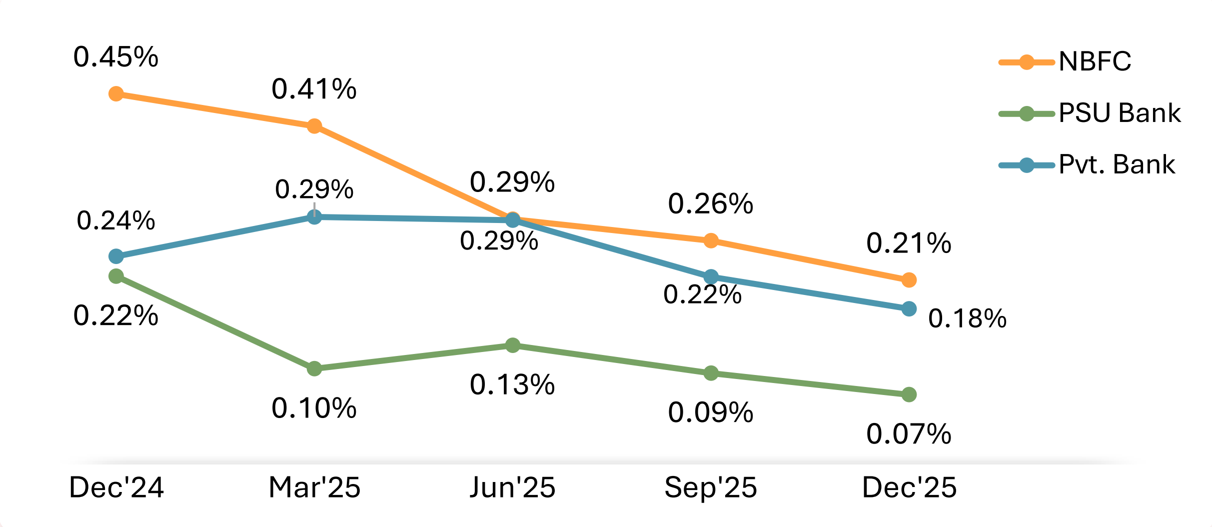
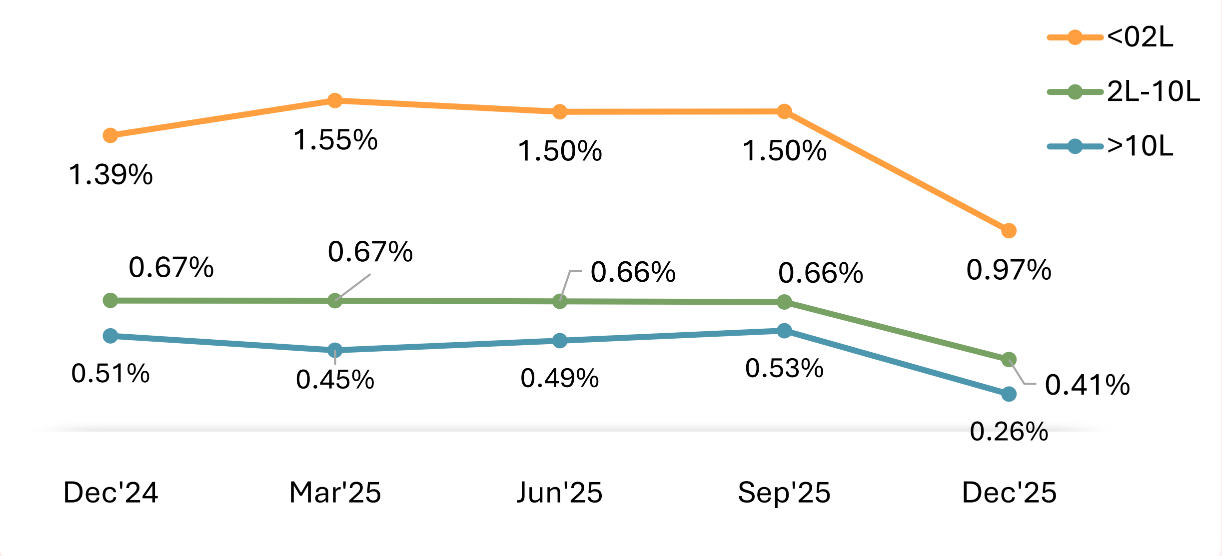
Net 90+ delinquency



Slippage Ratio

Reporting Month	NBFC	PSU	Pvt. Bank	Industry
Dec'24	0.5%	0.4%	0.2%	0.4%
Dec'25	0.2%	0.1%	0.1%	0.2%

Net 90+ delinquency



Key Takeaways

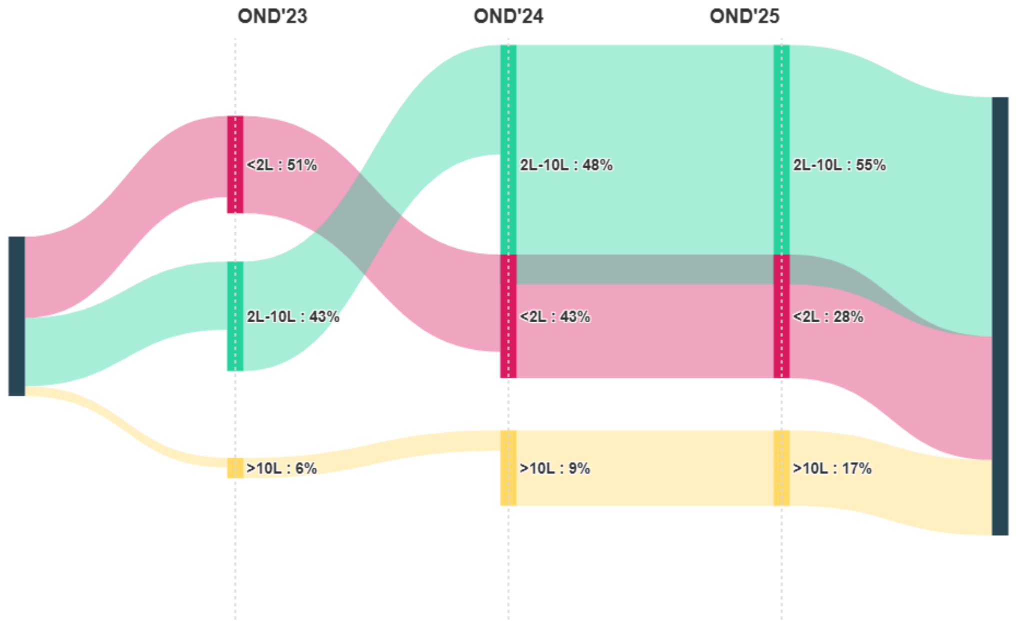
By Dec'25, gold loan delinquency rates across all lender types and loan sizes plummeted to their lowest levels of the year, signaling a market-wide recovery. Private Banks saw the most dramatic improvement, slashing defaults from 0.9% to 0.2%, while the high-risk small-ticket segment (<₹2L) finally began to stabilize.

Increase in Gold prices also led to increase in average ticket size on Gold Loan

DISHA
Equifax Insights

Ticket Size	NBFC		PSB		Pvt. Bank		Rest of Industry	
	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share
<2L	61%	27%	44%	47%	24%	14%	62%	12%
2L-10L	30%	15%	45%	57%	30%	21%	31%	7%
>10L	9%	9%	12%	28%	46%	59%	6%	3%

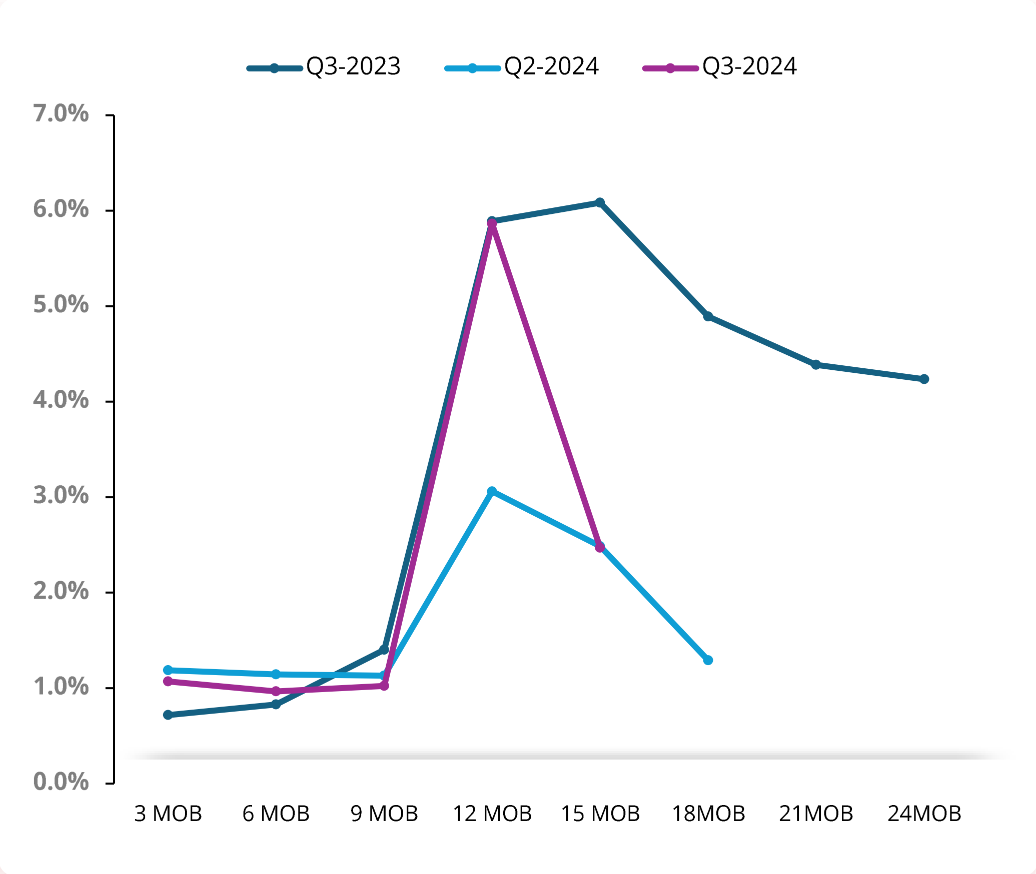
Ticket Size Wise Originations Trends



An aggressive shift toward high-value credit, with originations for loans >10L nearly tripling to capture 17% of the market. While Private Banks have successfully cornered the premium segment with a dominant 59% share, PSBs continue to anchor the mid-market, maintaining a defensive 57% stronghold in the 2L–10L category.

Maturation of Portfolio Risk Across Time and Ticket Sizes

Vintage 30+ Delinquency



Ticket Size	Sourcing Quarter	3 MOB	6 MOB	9 MOB	12 MOB	15 MOB	18 MOB	21 MOB	24 MOB
0-2L	Q3-2023	0.7%	1.0%	1.9%	7.1%	6.7%	6.2%	5.3%	5.2%
	Q2-2024	1.2%	1.3%	1.5%	3.7%	2.8%	1.6%		
	Q3-2024	1.1%	1.1%	1.2%	6.4%	2.7%			
2L-10L	Q3-2023	0.7%	0.7%	1.1%	5.5%	6.3%	4.5%	4.2%	4.0%
	Q2-2024	1.1%	1.1%	0.9%	2.8%	2.3%	1.1%		
	Q3-2024	1.0%	0.9%	0.9%	5.9%	2.5%			
>10L	Q3-2023	1.1%	0.7%	1.0%	3.1%	2.2%	1.0%	1.3%	1.1%
	Q2-2024	2.0%	1.1%	1.0%	2.6%	2.5%	1.4%		
	Q3-2024	1.4%	1.0%	1.2%	2.9%	1.3%			

Delinquency rates consistently peak at the 12-month mark (12 MOB) before trending downward, suggesting a critical risk window at the one-year maturity point. Notably, smaller ticket sizes (<2L) exhibit significantly higher peak delinquency levels (reaching over 7%) compared to the more stable performance seen in the >10L segment.

30+ : 30-179/sanctioned amount

Credit Card

Credit Card remain an outlier as it remains the only product to actually degrow in the quarter

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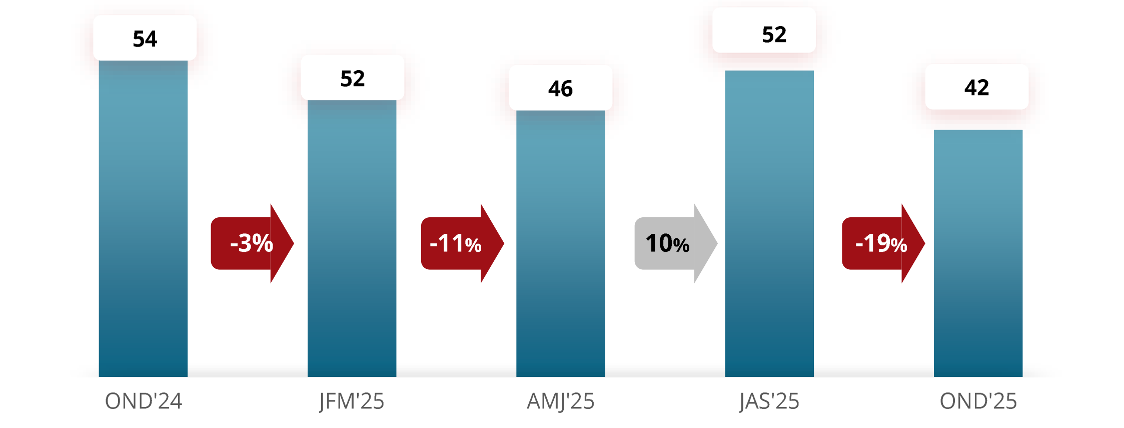
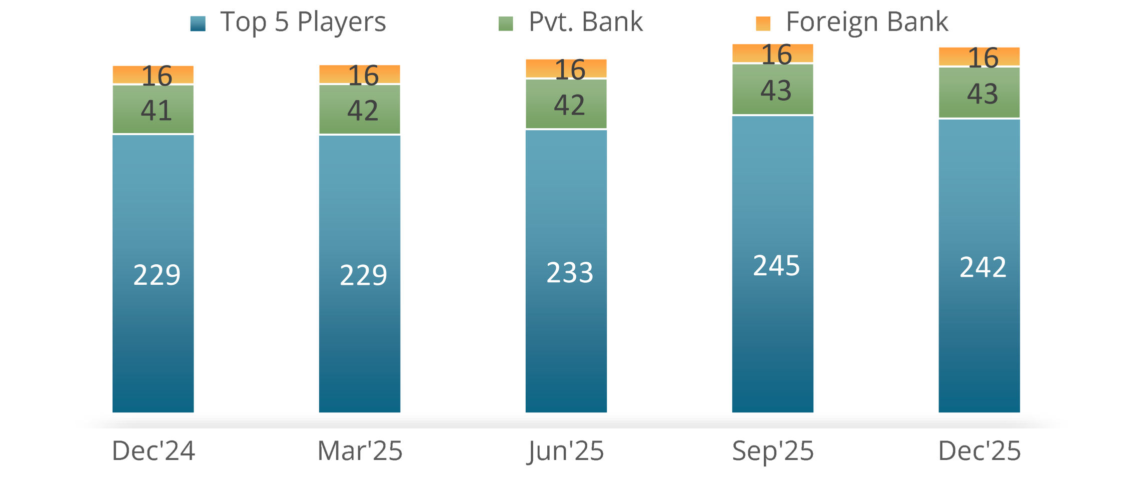
No of Cards (In Lakh)



Portfolio Outstanding (₹ Thousand crore)



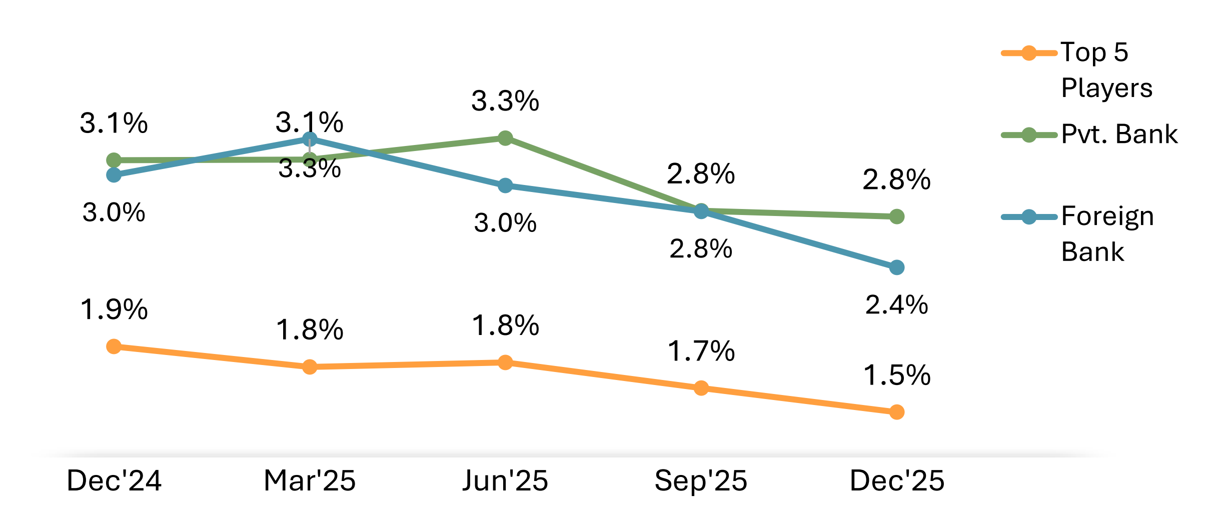
Lender Type	No of Cards (In Lakh)	Market % share	YoY growth
Top Players	27	65%	-33%
Foreign Banks	10	23%	24%
Pvt Banks	2	6%	-29%
Rest of Industry	3	6%	81%

Key Takeaways

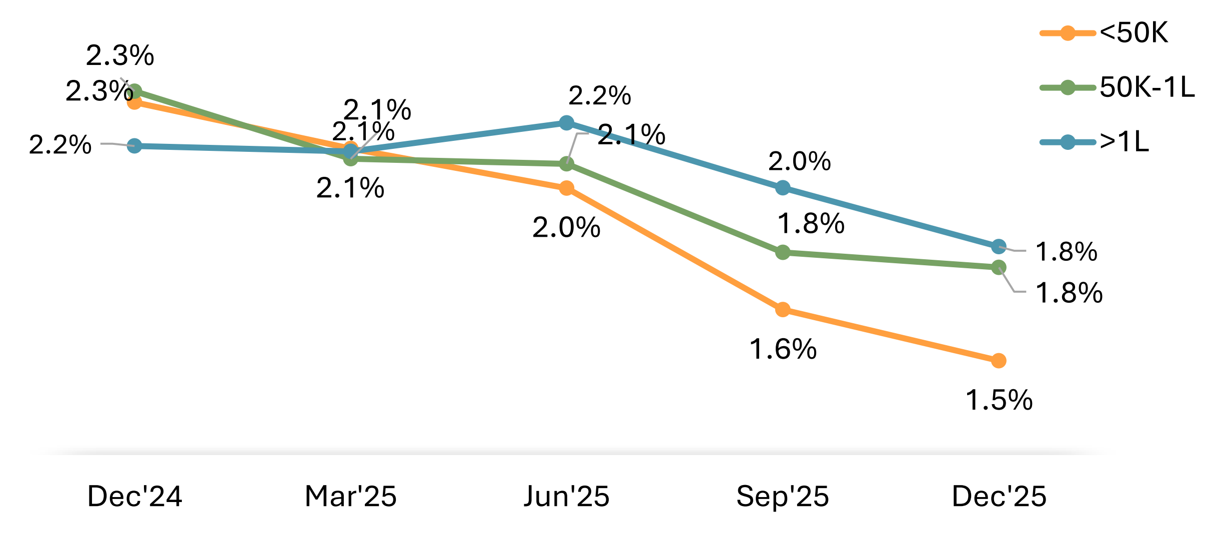
- Despite a total market reduction of over 1.1 million cards since late 2024, the total portfolio outstanding grew suggesting a strategic shift toward higher-value, higher-spending customers
- While the largest players saw a significant 33% YoY decline in card volume, smaller players in the "Rest of Industry" surged by 81%, indicating an aggressive expansion by niche lenders.

Asset quality continues to improve despite no growth in portfolio outstanding. Slippages too have come down

Net 90+ delinquency



Net 90+ delinquency



Slippage Ratio

Reporting Month	Foreign Bank	PSB	Industry
Dec'24	2.20%	1.76%	1.93%
Dec'25	1.48%	1.47%	1.56%

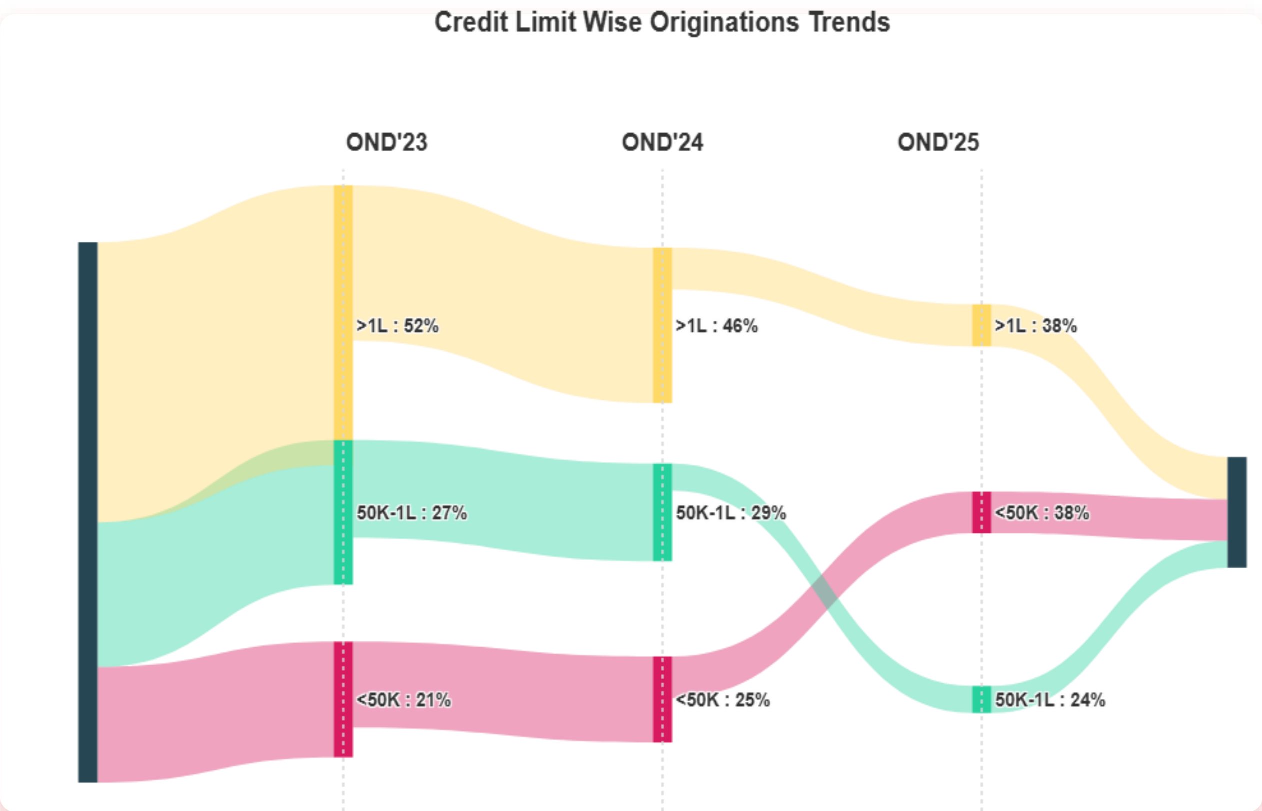
Key Takeaways

- The high delinquency for Pvt. Banks correlates with their 24% YoY growth in card volume, inferring that their rapid customer acquisition may be coming at the cost of higher credit risk compared to the more conservative Top 5 Players.
- The dramatic drop in Small Ticket (<50K) delinquency from 2.3% to 1.5% suggests that lenders have significantly tightened their entry-level underwriting or improved digital collection tools for the mass-market segment.

Credit card new issuances were disproportionately higher in lower limit bands. Is the high limit segment saturated?

DISHA Equifax Insights

Ticket Size	Fintech		NBFC		PSB		Pvt. Bank	
	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share
<50K	41%	65%	34%	22%	23%	6%	41%	65%
50K-1L	26%	62%	24%	23%	17%	7%	26%	62%
>1L	33%	51%	42%	26%	60%	15%	33%	51%



The top 5 card issuers still maintain a massive stranglehold on the industry, owning more than half of every single ticket-size segment. Foreign banks are running a highly specialized premium-only strategy. While they have a tiny overall footprint, a staggering 60% of their business comes from high-ticket customers.
Regulatory pressures and dormant card deactivations have significantly eroded the middle and premium tiers, allowing the Top 5 Players to aggressively consolidate a 65% market share in the surging small-ticket segment.

Note: Data for **ROI (Rest of Industry)** has been factored into all internal calculations and trend analyses to ensure a comprehensive view of the lending landscape, despite its exclusion from the primary visual table.

Vintage delinquency on Credit Card peaks at about 12 MOB

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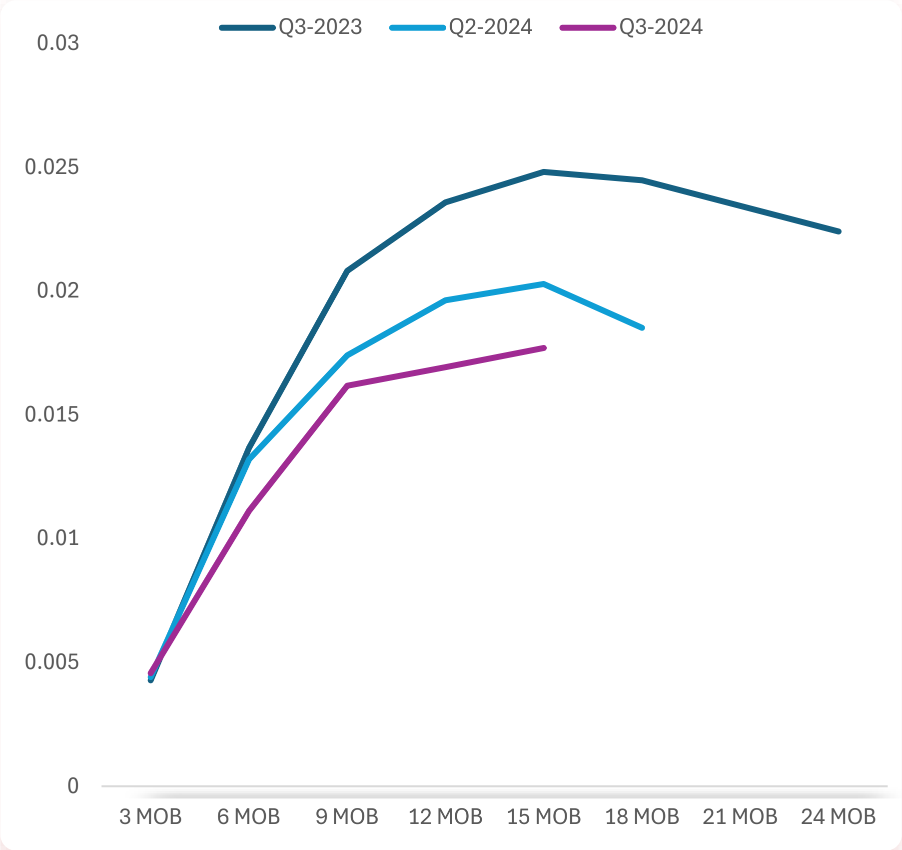
Vintage 30+ Delinquency



Ticket Size	Sourcing Quarter	3 MOB	6 MOB	9 MOB	12 MOB	15 MOB	18 MOB	21 MOB	24 MOB
<50K	Q3-2023	0.7%	1.8%	2.8%	2.8%	2.4%	2.4%	2.2%	1.9%
	Q2-2024	0.7%	1.6%	1.8%	1.9%	1.9%	1.6%		
	Q3-2024	0.7%	1.2%	1.5%	1.5%	1.6%			
50K-1L	Q3-2023	0.4%	1.5%	2.2%	2.5%	2.5%	2.3%	2.2%	2.1%
	Q2-2024	0.4%	1.3%	1.6%	1.8%	1.9%	1.8%		
	Q3-2024	0.4%	1.1%	1.5%	1.6%	1.8%			
>1L	Q3-2023	0.3%	1.1%	1.7%	2.1%	2.5%	2.5%	2.5%	2.4%
	Q2-2024	0.3%	1.2%	1.8%	2.1%	2.1%	2.0%		
	Q3-2024	0.3%	1.1%	1.7%	1.8%	1.9%			

Risk managers should maintain higher provisioning for the "bubble" cohorts (late 2023) while aggressively shifting their marketing and limit-increase budgets toward the 2024 vintages, as these customers have already demonstrated a 50%+ better repayment profile than the previous year's borrowers at the same "age" (MOB).

Collections teams should not deprioritize the >1L segment just because it looks "green" in the first 6-9 months. A "pre-delinquency" monitoring system for high-ticket users should be active for at least 18-24 months; the vintage data shows that while large-ticket users start safe, their delinquency can "creep" up to 2.5% after 18–21 months as they exhaust their higher liquidity buffers.

30+ : 30-179/sanctioned amount

Credit Cards: Resilient Early-Bucket Recovery

DISHA Equifax Insights

Roll Rate Analysis as of Sep'25

Days Past Due	0 DPD	1-29 DPD	30-59 DPD	60-89 DPD	90-179 DPD	180+ DPD
0 DPD	98.17%	0.98%	0.47%	0.31%	0.07%	0.00%
1-29 DPD	49.21%	18.85%	7.88%	10.98%	13.06%	0.00%
30-59 DPD	29.50%	5.54%	13.73%	11.92%	39.30%	0.01%
60-89 DPD	16.70%	2.93%	4.85%	12.85%	54.61%	8.06%
90-179 DPD	11.49%	2.11%	1.63%	1.74%	24.82%	58.21%
180+ DPD	0.37%	0.02%	0.02%	0.01%	0.05%	99.52%

Roll Forward Analysis as of Sep'25 with comparison to Jun'25

Roll Rate Analysis as of Dec'25

Days Past Due	0 DPD	1-29 DPD	30-59 DPD	60-89 DPD	90-179 DPD	180+ DPD
0 DPD	98.41%	0.86%	0.41%	0.25%	0.07%	0.00%
1-29 DPD	50.91%	19.69%	7.94%	8.90%	12.56%	0.00%
30-59 DPD	30.83%	5.62%	13.29%	11.76%	38.49%	0.00%
60-89 DPD	17.39%	3.44%	4.07%	20.64%	46.81%	7.65%
90-179 DPD	10.10%	2.25%	1.52%	1.74%	23.14%	61.25%
180+ DPD	0.45%	0.02%	0.03%	0.03%	0.10%	99.38%

Roll Forward Analysis as of Dec'25 with comparison to Sep'25

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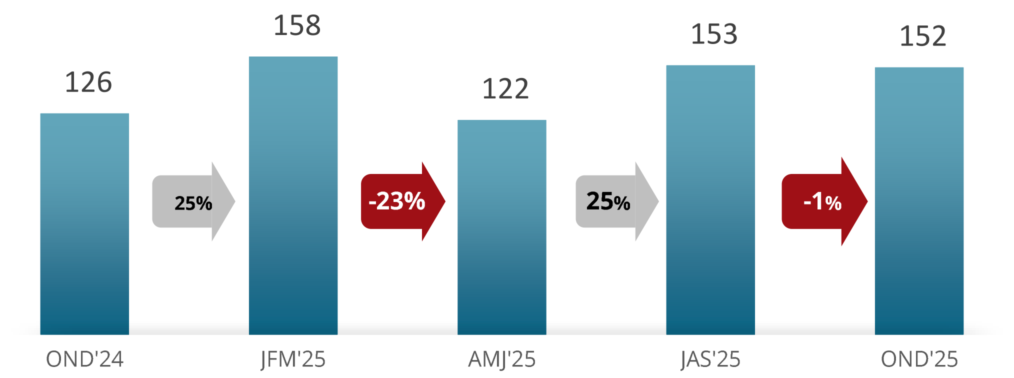
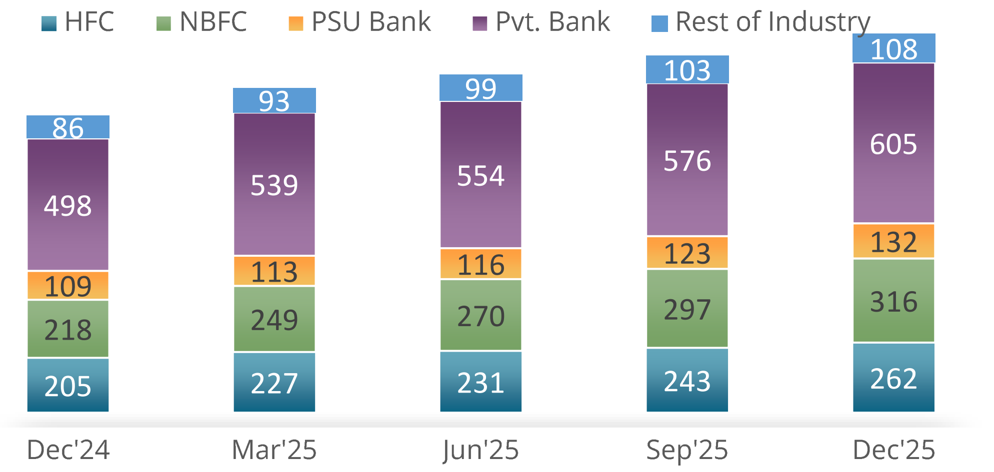
Property Loan

PSB and NBFC lead the growth in LAP segment

Disbursement Amount (₹ Thousand Crore)



Portfolio Outstanding (₹ Thousand crore)



Lender Type	Disbursement Amount (₹ Thousand Crore)	Market % share	YoY growth
HFC	30	20%	5%
NBFC	41	27%	31%
PSB	14	9%	35%
Pvt. Bank	57	38%	23%
Rest of Industry	9	6%	7%

Key Takeaways

The property loan market is showing a strong shift toward Private Banks and NBFCs, which together control 65% of the total market share. While overall disbursements saw a slight 1% dip in the most recent quarter (OND'25), NBFCs and PSBs are expanding with impressive Year-over-Year growth of 31% and 35% respectively.

Asset quality (coincidental delinquency) levels have stabilized except for HFC (this could also be due to lower growth in disbursement)

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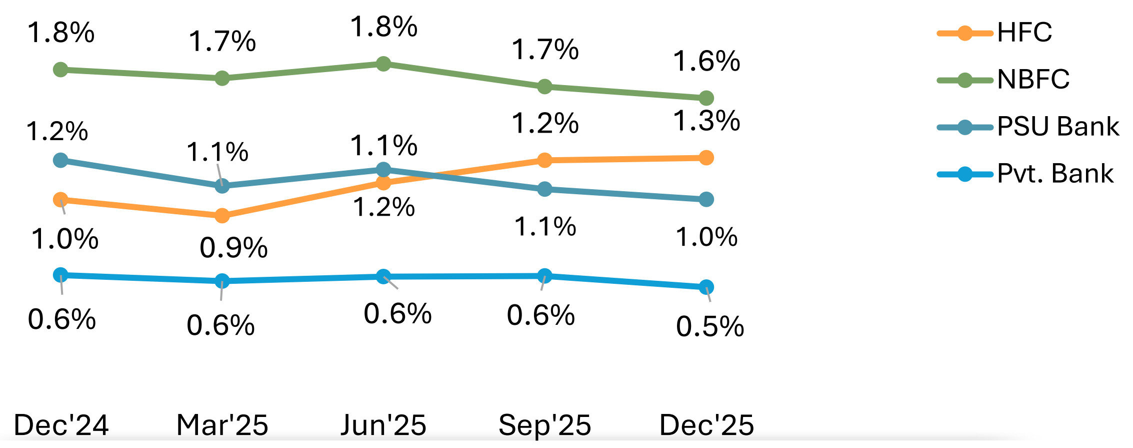
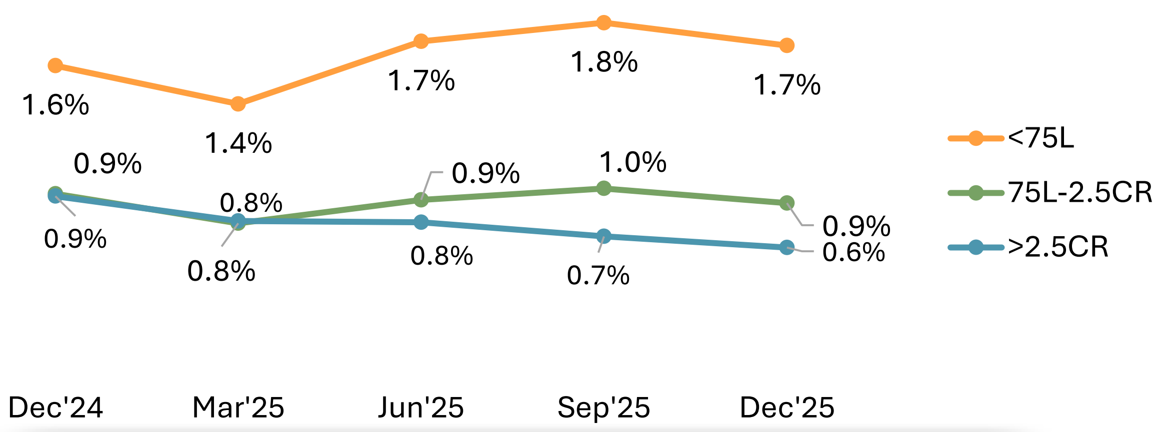
Net 90+ delinquency



Slippage Ratio

Reporting Month	NBFC	HFC	PSB	PVT Banks	Industry
Dec'24	0.5%	0.3%	0.7%	0.2%	0.4%
Dec'25	0.6%	0.4%	0.3%	0.1%	0.4%

Net 90+ delinquency



Key Takeaways

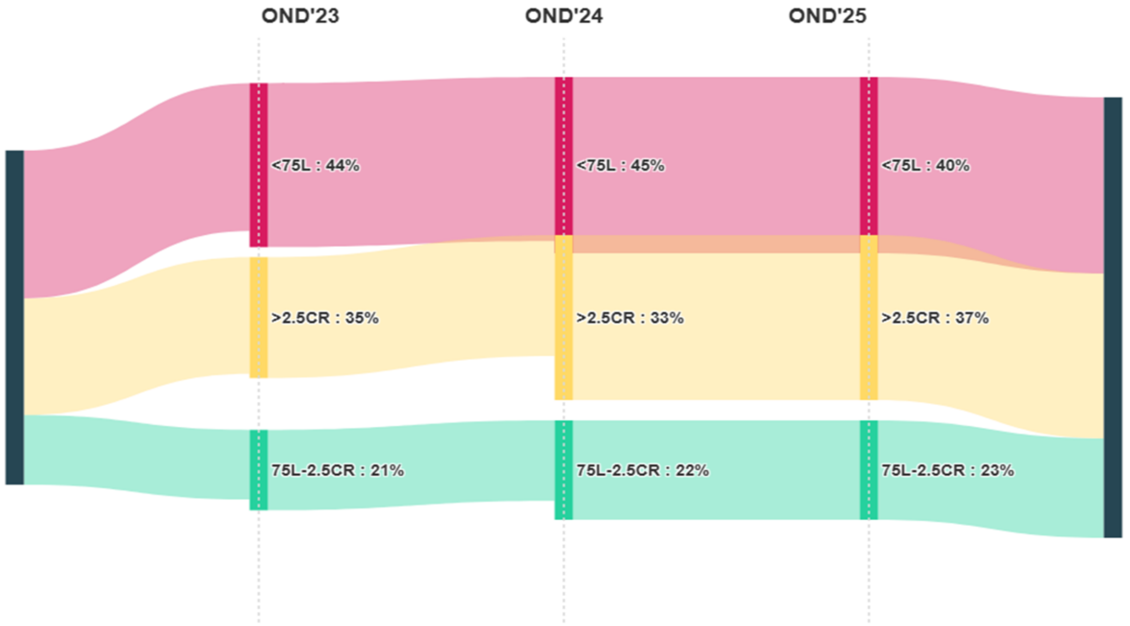
- The asset quality breakdown reveals a "risk-by-size" hierarchy: small loans (<75L) show the most strain at 1.7%, while large-ticket lending remains the safest anchor.
- Among institutions, Public Sector Banks have shown a notable improvement in slippage ratios (dropping from 0.7% to 0.3%), likely due to their aggressive push into the safer, high-value property segments traditionally dominated by private players

Property loan remains a key segment to contribute for high ticket business lending

DISHA Equifax Insights

Ticket Size	HFC		NBFC		PSB		PVT	
	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share
<75L	49%	26%	36%	27%	62%	15%	30%	31%
75L-2.5CR	14%	13%	27%	35%	20%	9%	25%	44%
>2.5CR	37%	20%	36%	28%	18%	4%	46%	48%

Ticket Size Wise Originations Trends



Public Sector Banks are the primary volume drivers for smaller loans, with 62% of their originations coming from the <₹75L ticket size. Conversely, Private Banks have pivoted sharply toward the top end of the market, deriving 46% of their sourcing from the >₹2.5CR segment. This concentration in high-value originations allows private players to maintain a high-quality AUM anchor while PSBs continue to fulfill the broad-based entry level demand.

Note: Data for **ROI (Rest of Industry)** has been factored into all internal calculations and trend analyses to ensure a comprehensive view of the lending landscape, despite its exclusion from the primary visual table.

Peak delinquency for LAP often happens late in the loan maturity

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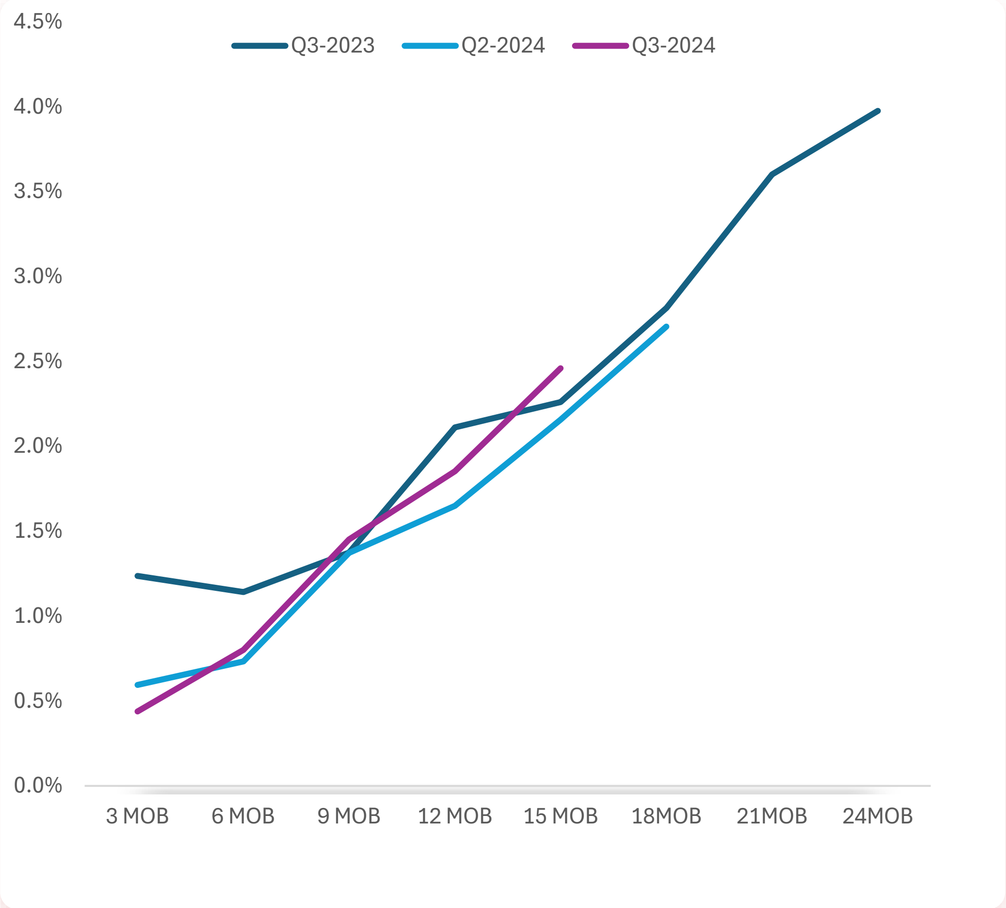
Vintage 30+ Delinquency



Ticket Size	Sourcing Quarter	3 MOB	6 MOB	9 MOB	12 MOB	15 MOB	18 MOB	21 MOB	24 MOB
<75L	Q3-2023	2.0%	2.0%	2.2%	3.3%	3.7%	4.9%	5.9%	6.4%
	Q2-2024	0.8%	1.1%	2.0%	2.9%	3.8%	4.6%		
	Q3-2024	0.6%	1.3%	2.1%	2.8%	3.9%			
75L-2.5Cr	Q3-2023	0.7%	0.6%	1.1%	1.5%	1.6%	1.8%	2.5%	2.8%
	Q2-2024	0.9%	0.7%	0.7%	1.2%	1.6%	2.1%		
	Q3-2024	0.3%	0.5%	0.9%	1.4%	1.6%			
>2.5Cr	Q3-2023	0.5%	0.3%	0.4%	0.8%	0.6%	0.6%	1.1%	1.4%
	Q2-2024	0.1%	0.2%	1.0%	0.3%	0.3%	0.5%		
	Q3-2024	0.2%	0.4%	1.0%	0.8%	1.1%			

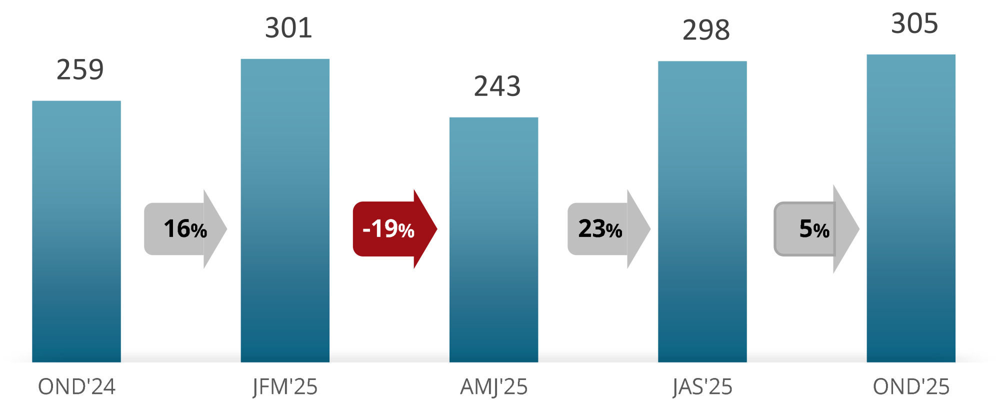
The sharp rise in risk after 12 MOB indicates that underlying borrower stress typically manifests as initial festive or introductory repayment incentives fade, particularly in the <₹75L and 75L-2.5Cr categories

30+ : 30-179/sanctioned amount

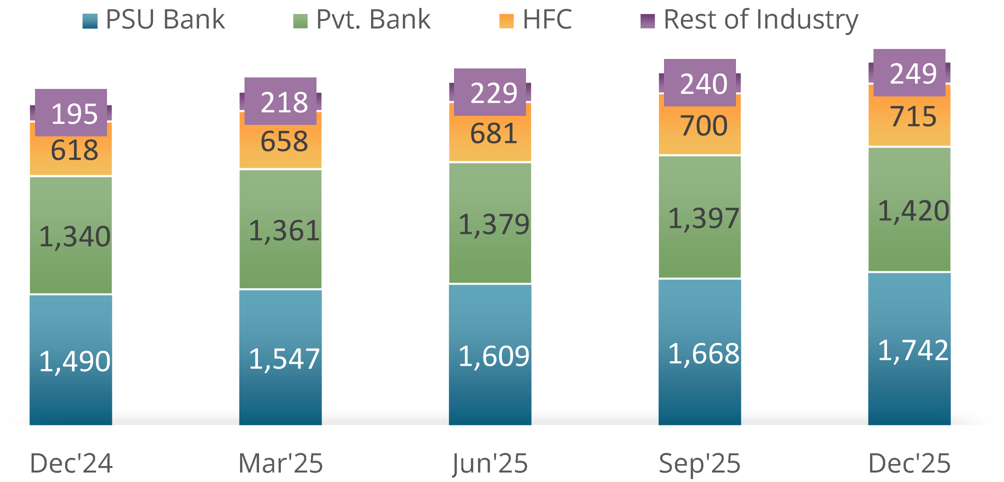
Housing Loan

Strong growth in Home Loan segment with PSB leading and accounting for nearly half of new disbursement

Disbursement Amount (₹ Thousand Crore)



Portfolio Outstanding (₹ Thousand crore)

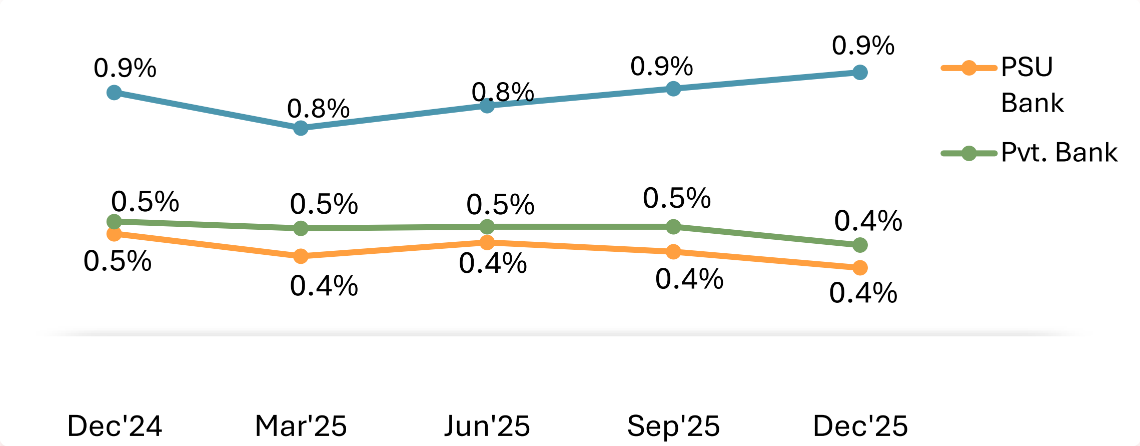


Lender Type	Disbursement Amount (₹ Thousand Crore)	Market % share	YoY growth
PSB	145	48%	27%
Pvt. Bank	86	28%	11%
HFC	55	18%	8%
Rest of Industry	19	6%	12%

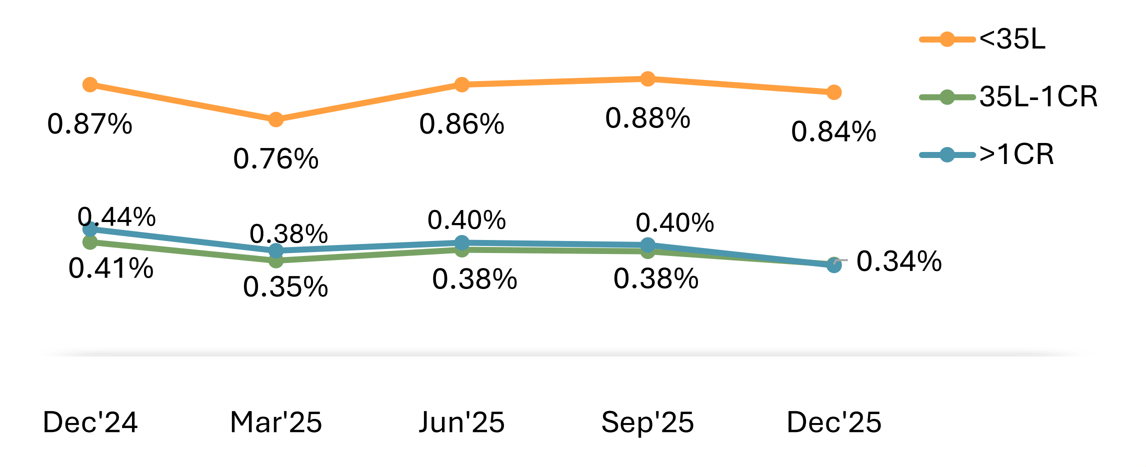
Key Takeaways

- The home loan market has hit a significant recovery milestone, with quarterly disbursements reaching ₹305 Thousand Crore in OND’25.
- While the overall outstanding portfolio is growing steadily, a clear institutional polarization has emerged, where PSBs are utilizing their scale to effectively crowd out traditional specialized lenders.

Net 90+ delinquency



Net 90+ delinquency



Slippage Ratio

Reporting Month	HFC	Pvt Bank	PSB	Industry
Dec'24	0.13%	0.12%	0.13%	0.16%
Dec'25	0.10%	0.09%	0.10%	0.15%

Key Takeaways

- The sector-wide stability is anchored by Private and PSBs, which have successfully lowered their net 90+ delinquency to 0.4%, effectively insulating the broader market from the rising stress seen in specialized HFC portfolios
- The convergence of the ₹35L–₹1CR and >₹1CR delinquency lines at roughly 0.34%–0.4% suggests that once a loan crosses the ₹35L threshold, borrower repayment behavior becomes highly predictable and resilient.

Strong growth in the Premium segment (> 1 cr)

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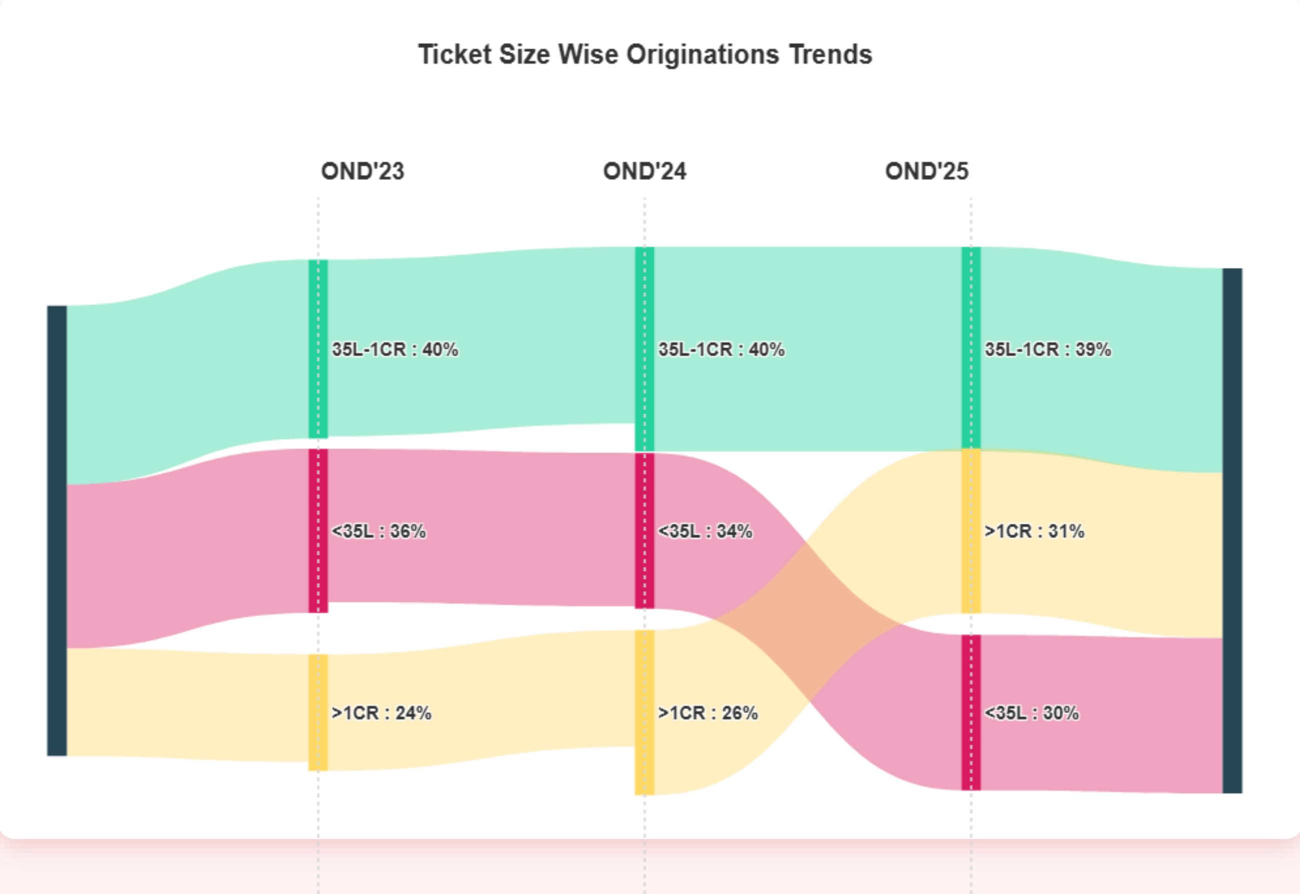
Ticket Size	HFC		PSB		Pvt. Bank		Rest of Industry	
	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share
<35L	87%	30%	48%	49%	6%	8%	9%	9%
35L-1Cr	13%	3%	36%	27%	43%	40%	38%	27%
>1Cr	0%	0%	16%	12%	51%	49%	53%	37%



The contraction in market share for the <₹35L segment (down to 30%) reflects a tactical withdrawal by Private Banks and HFCs to mitigate the higher 0.84% delinquency associated with entry-level housing.

Home Loan, with long tenure, doesn't see peak delinquency in first 24 months

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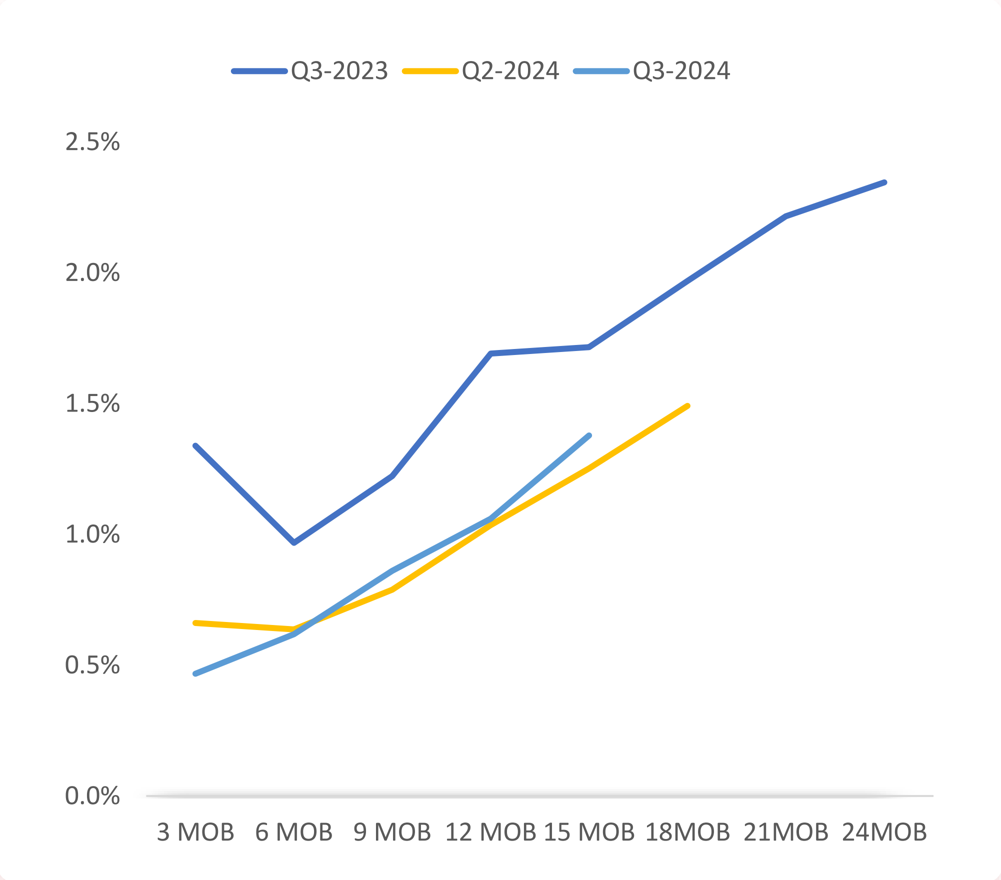
Vintage 30+ Delinquency



Ticket Size	Sourcing Quarter	3 MOB	6 MOB	9 MOB	12 MOB	15 MOB	18 MOB	21 MOB	24 MOB
<35L	Q3-2023	1.60%	1.50%	1.80%	2.60%	2.60%	3.10%	3.40%	3.60%
	Q2-2024	1.00%	1.00%	1.30%	1.60%	2.00%	2.50%		
	Q3-2024	0.80%	1.10%	1.30%	1.60%	2.20%			
35L-1CR	Q3-2023	1.30%	0.70%	1.00%	1.30%	1.30%	1.50%	1.60%	1.70%
	Q2-2024	0.60%	0.50%	0.60%	0.90%	1.00%	1.10%		
	Q3-2024	0.40%	0.50%	0.70%	0.90%	1.00%			
>1CR	Q3-2023	0.90%	0.60%	0.70%	1.00%	1.00%	1.10%	1.40%	1.40%
	Q2-2024	0.30%	0.30%	0.30%	0.50%	0.60%	0.70%		
	Q3-2024	0.20%	0.20%	0.50%	0.70%	0.80%			

The sharp 2.5 percentage point gap in 24-month vintage risk between the smallest and largest ticket sizes highlights that lower-income borrowers are significantly more vulnerable to sustained inflationary pressures.

30+ : 30-179/sanctioned amount

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Business Loan

PSB lead growth in Business Loan accounting for ~42% of market on new origination

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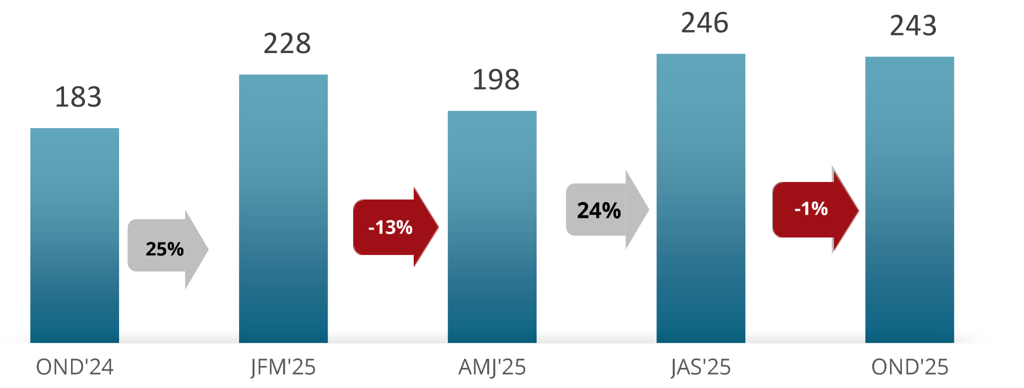
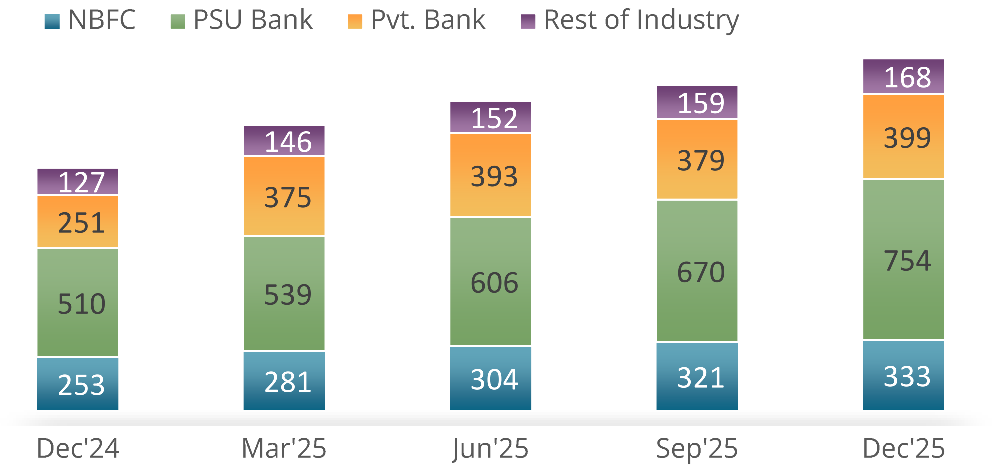
Disbursement Amount (₹ Thousand Crore)



Portfolio Outstanding (₹ Thousand crore)



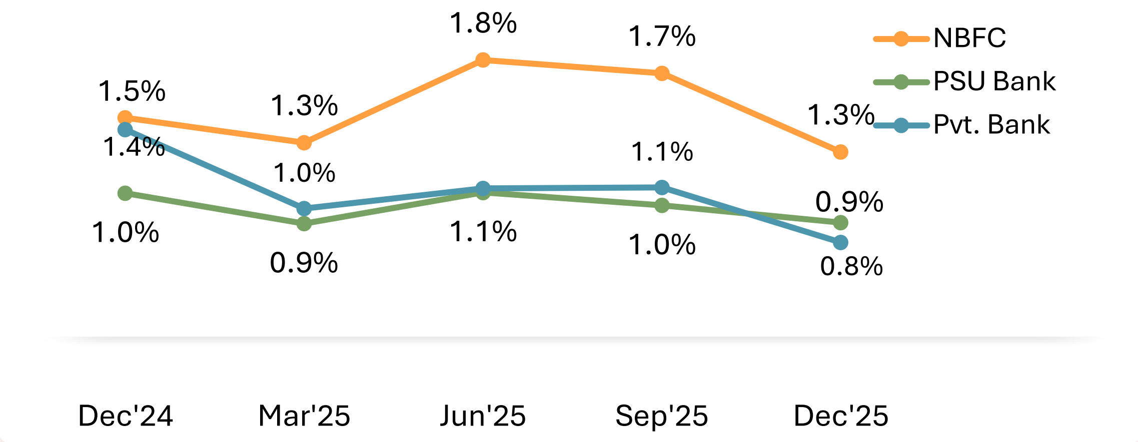
Lender Type	Disbursement Amount (₹ Thousand Crore)	Market % share	YoY growth
NBFC	51	21%	6%
PSB	103	42%	68%
Pvt. Bank	71	29%	30%
Rest of Industry	18	7%	-5%

Key Takeaways

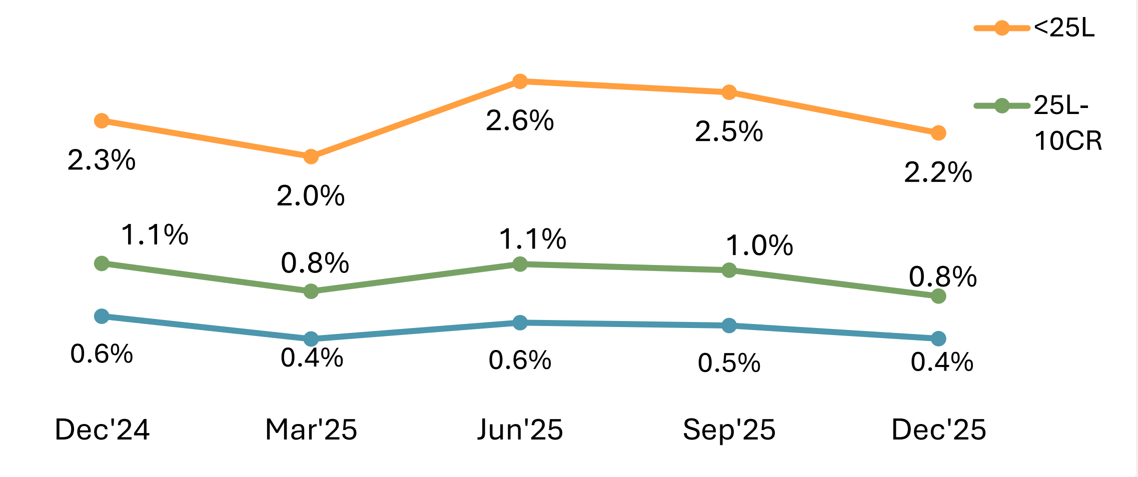
Market witnessed a massive surge led by PSBs, which achieved a dominant 68% YoY growth and secured a 42% market share by OND'25. While overall disbursements showed some quarterly volatility, total AUM grew steadily across all lender types, with the PSB segment specifically expanding from 510 to 754 Thousand Crore in just one year.

Divergent Stress Patterns in Business Loan Delinquency

Net 90+ delinquency



Net 90+ delinquency



Slippage Ratio

Reporting Month	PSB	Pvt Bank	NBFC	Industry
Dec'24	0.61%	0.77%	1.69%	1.00%
Dec'25	0.37%	0.62%	1.26%	0.69%

Key Takeaways

- The Business Loan sector is witnessing a synchronized improvement in asset quality, with the industry-wide Slippages Ratio dropping from 1.00% to 0.69% year-on-year. While NBFCs continue to navigate higher volatility, their successful reduction in slippages to 1.26% (down from 1.69%) signals a sector-wide tightening of underwriting standards and more efficient recovery cycles in the productive loan segment.
- The <₹25L ticket size remains the primary trouble zone for the industry.

Market Shift: The Rise of High-Value Loans

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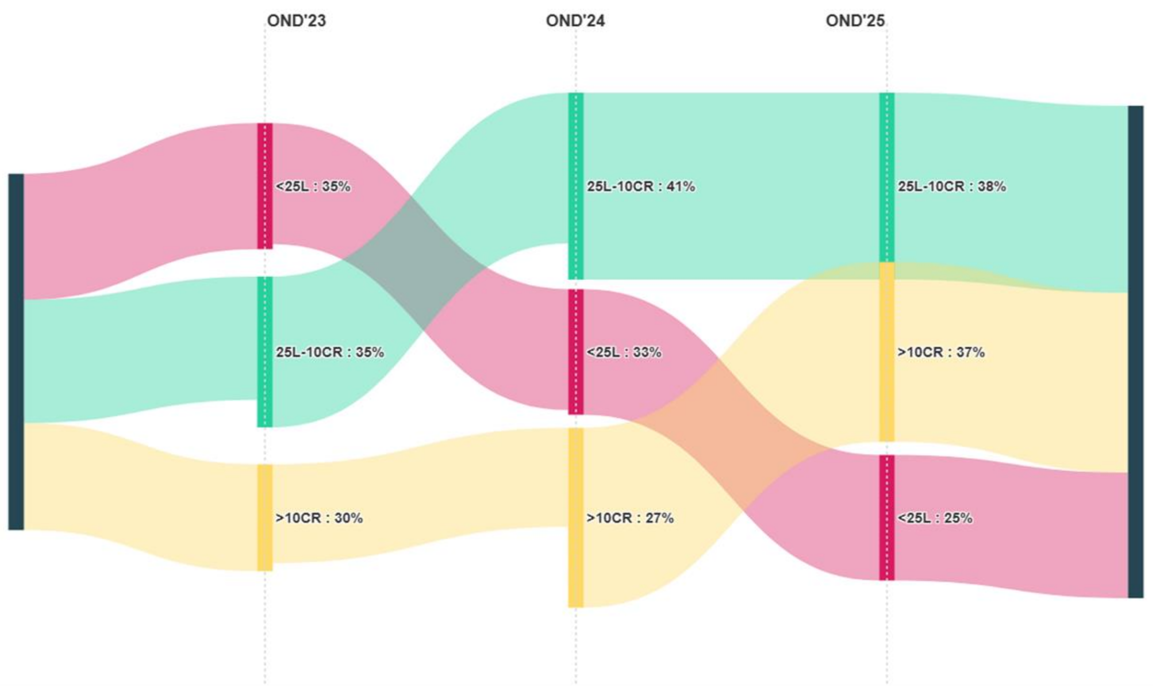
Ticket Size	NBFC		PSB		Pvt. Bank		Rest of Industry	
	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share	Contribution	Market % share
<25L	47%	39%	9%	15%	30%	35%	40%	11%
25L-10CR	37%	21%	36%	40%	39%	30%	48%	9%
>10CR	15%	9%	55%	64%	31%	25%	13%	3%

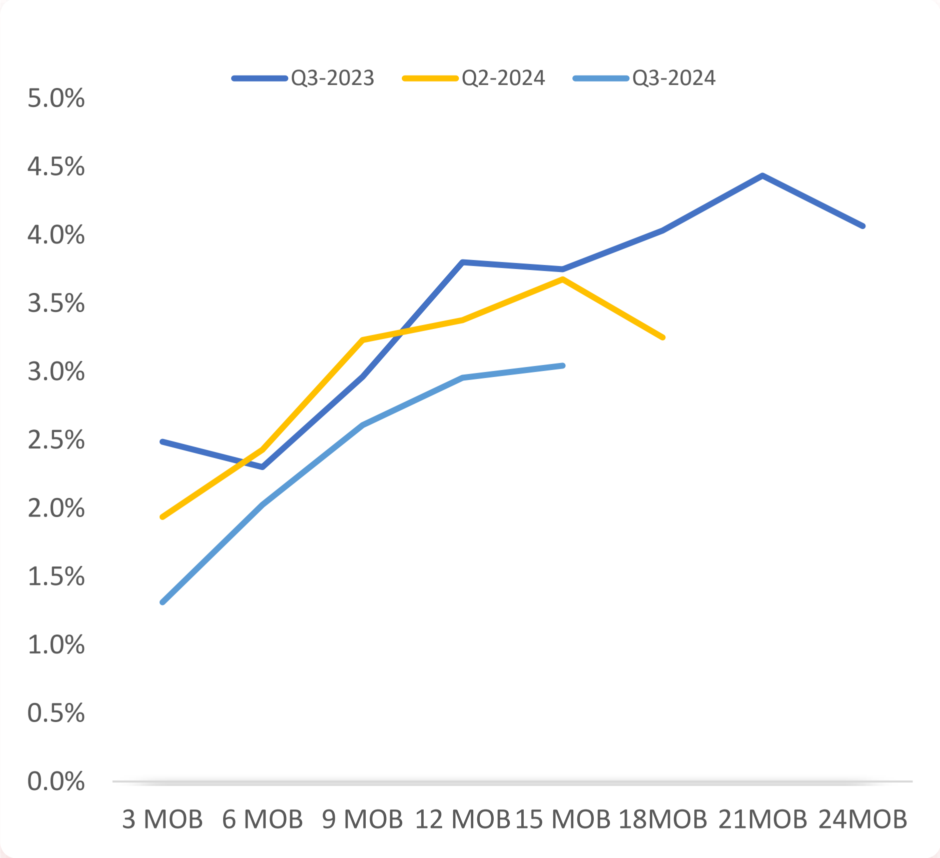
Ticket Size Wise Originations Trends



Despite facing the highest segment slippages (1.26%), NBFCs are successfully transitioning their mix, with 37% of their originations now coming from the mid-ticket ₹25L–₹10CR bracket to offset small-business volatility

Maturation of Portfolio Risk Across Time and Ticket Sizes

Vintage 30+ Delinquency



Ticket Size	Sourcing Quarter	3 MOB	6 MOB	9 MOB	12 MOB	15 MOB	18 MOB	21 MOB	24 MOB
<25L	Q3-2023	3.72%	4.68%	5.98%	6.75%	7.07%	6.96%	6.75%	6.25%
	Q2-2024	2.45%	3.84%	4.97%	5.31%	5.42%	4.99%		
	Q3-2024	2.00%	3.41%	4.11%	4.80%	4.67%			
25L-10CR	Q3-2023	2.31%	2.43%	2.86%	4.65%	3.63%	3.10%	4.52%	4.46%
	Q2-2024	1.93%	1.55%	2.10%	2.95%	3.20%	2.91%		
	Q3-2024	1.01%	1.38%	2.52%	2.80%	3.24%			
>10CR	Q3-2023	0.07%	0.02%	0.09%	0.52%	0.65%	0.45%	0.85%	0.33%
	Q2-2024	0.81%	0.38%	1.25%	0.65%	1.18%	0.78%		
	Q3-2024	0.41%	0.43%	0.33%	0.20%	0.44%			

Across all ticket sizes, risk maturation significantly accelerates after the 12-month mark, particularly in the <₹25L segment, where delinquencies nearly double from 3.72% at 3 MOB to 6.25% at 24 MOB

30+ : 30-179/sanctioned amount

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Microfinance Overview

Microfinance Credit on a Page – December 2025

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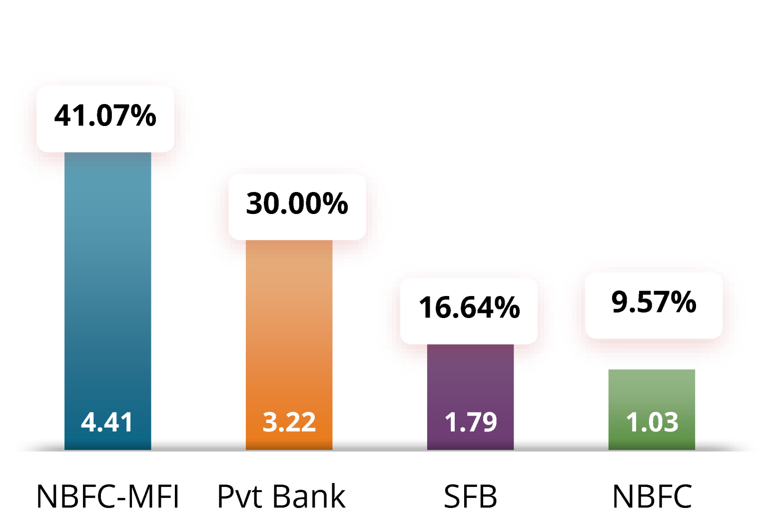
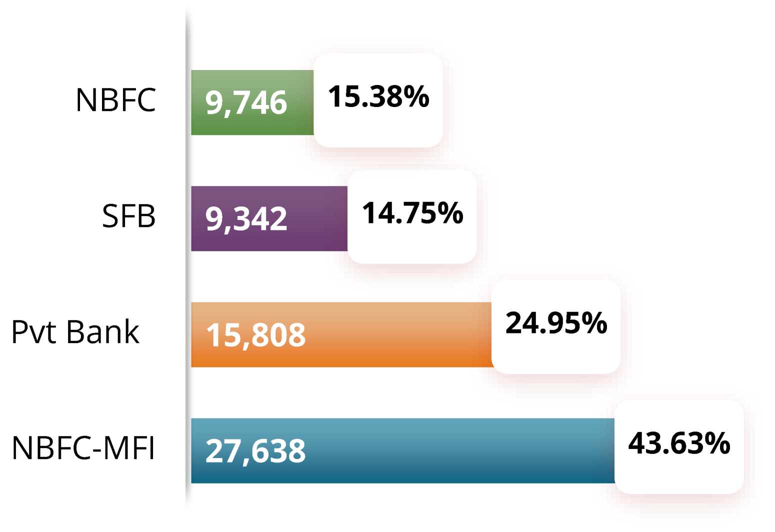
	Industry Portfolio	Industry Active Loans	Industry Disb OND'25	Industry 30+ % Delinquency	Industry 90+ % Delinquency	Industry 180+ % Delinquency
	₹ 321,570 Cr	₹ 10.74 Cr	₹ 63,348 Cr	3.9%	2.4%	16.0%
Q-o-Q	Sep'25 to Dec'25 ▼ -6.02%	Sep'25 to Dec'25 ▼ -8.52%	JAS'25 to OND'25 ▲ 7.76%	Sep'25 to Dec'25 ▼ -136bps	Sep'25 to Dec'25 ▼ -84bps	Sep'25 to Dec'25 ▲ 81bps
Y-o-Y	Dec'24 to Dec'25 ▼ -16.34%	Dec'24 to Dec'25 ▼ -22.89%	OND'24 to OND'25 ▼ -5.82%	Dec'24 to Dec'25 ▼ -302bps	Dec'24 to Dec'25 ▼ -147bps	Dec'24 to Dec'25 ▲ 661bps

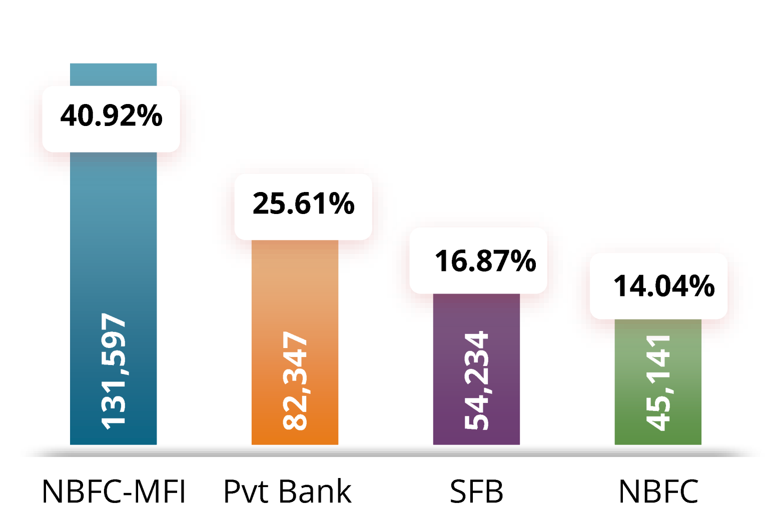
Active Loans (in Crore), % share



Disbursement OND'25 (in ₹ Crore), % share



Portfolio Outstanding (in ₹ Crore), % share



30+ % = 30-179 DPD/ 0-179 DPD | 90+ % = 90-179 DPD/ 0-179 DPD | 180+ % = 180+ DPD/ 0-180+ DPD | Market share is exclusive of MFI and Others

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