

# CONSUMPTION CREDIT LANDSCAPE - PART II

Growth picks up; Pvt banks continue losing market share across key segments



Unsecured lending  
accelerates

PSBs gain,  
NBFCs lose share

Stress persists in  
small-ticket segments

Table of Contents	Page No.
<a href="#">Introduction</a>	3
<a href="#">Focus Charts</a>	4
<a href="#">Personal Loans: Trend reverses as disbursement growth picks up, PSBs gain market share</a>	8
<a href="#">Consumer Durables: Disbursement growth picks up; private banks gain market share</a>	14
<a href="#">Credit cards: Moderation in new card issuance continues; private banks gain market share</a>	18
<a href="#">Home Loans: Disbursements growth picks up; PSBs continue to gain market share</a>	22
<a href="#">Auto Loans: Disbursement growth picks up; PSBs continue to gain market share</a>	27
<a href="#">2W Loans: Disbursement growth picks up marginally; NBFCs lose market share</a>	31

RELATED REPORTS

19 Dec 2025

India Financials - Consumption credit landscape

Growth momentum, PM leading banking market share across segments

India Financials

Consumption credit landscape

Key highlights

- Personal Loans: Growth momentum, PM leading banking market share across segments
- Consumer Durables: Disbursement growth picks up; private banks gain market share
- Credit Cards: Moderation in new card issuance continues; private banks gain market share
- Home Loans: Disbursements growth picks up; PSBs continue to gain market share
- Auto Loans: Disbursement growth picks up; PSBs continue to gain market share
- 2W Loans: Disbursement growth picks up marginally; NBFCs lose market share

19 Dec 2025

India Financials - MSME loans: Moderating disbursements, early delinquencies up

India Financials

MSME loans: Moderating disbursements, early delinquencies up

Key highlights

- MSME Loans: Moderating disbursements, early delinquencies up

19 Dec 2025

Bajaj Finance: AR Analysis: Expanding horizon, changing mix

Bajaj Finance

AR Analysis: Expanding horizon, changing mix

Key highlights

- Bajaj Finance: AR Analysis: Expanding horizon, changing mix

India Financials-  
Consumption credit landscape

MSME loans: Moderating disbursements;  
early delinquencies up

Bajaj Finance : AR Analysis:  
Expanding horizon; changing mix

<p><b>Ajit Kumar</b> ajit.k@jmfl.com Tel: (91 22) 66303489</p>	<p><b>Raghvesh</b> raghvesh@jmfl.com Tel: (91 22) 66303099</p>	<p><b>Pratik Matkar</b> pratik.matkar@jmfl.com Tel: (01 22) 66301881</p>	<p><b>Mayank Mistry</b> mayank.mistry@jmfl.com Tel: (91 22) 62241877</p>
<p><b>Shubham Karvande</b> shubham.karvande@jmfl.com Tel: (01 22) 66303696</p>	<p><b>Arun Nalkara</b> arun.nalkara@jmfl.com Tel: (91 22) 39533640</p>	<p><b>Sunita Nayak</b> sunita.nayak@jmfl.com Tel: (91 22) 66301889</p>	<p><b>Aryan Singhal</b> aryan.singhal@jmfl.com Tel: (91 22) 66303253</p>

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.  
Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

In this second part of the report, we assess how consumption lending trends have evolved in 1HFY26, after analysing the yearly trends in [Part - I](#), based on a recent bureau report (by [CRIF Highmark](#)). The trends in 1H/2QFY26 reflect early recovery in disbursement growth across sub-segments (except in Credit cards) (+6% to 35% YoY in 2QFY26 vs. -3% to 11% YoY in FY25) which should weigh positively on FY27 loan growth. In terms of disbursements market share, PSB gained in personal, home and auto loans while private banks gained in consumer durable, credit cards and 2W. Unlike earlier years, NBFC/HFCs lost market share across sub-segments in 2QFY26. In PL, banks have further increased ticket sizes (up ~29% YoY for PSB in 2QFY26). In HL, disbursement growth in lower ATS segments (<INR3.5mn) continue to remain muted (2% YoY in 2QFY26). Early delinquencies either have improved or remained stable across sub-segments except in [Auto loans](#) (driven by NBFCs). In HL/Auto loans, early delinquencies further inched up in lower ticket size segments. Our preference is for ICICI/Axis/SBI/CUBK/DCB in banks and AB Cap/SHFL/PNB HF/Aadhar in NBFC/HFCs.

■ [Unsecured lending- Personal loans \(PL\): Disbursement growth picks up in 1H/2QFY26; PSBs gain market share led by higher ATS, asset quality improves across lenders/ticket sizes](#)

PL disbursements grew by ~23%/35% YoY in 1H/2QFY26, reversing the decline seen in FY25 ([Exhibit 19](#)). System o/s loans increased by 12% YoY in 2QFY26, up from 9% in FY25, though growth was still below historical highs of >25%. **PSBs outperformed, with disbursements growing 77% YoY and market share (value) rising to 36%** in 2QFY26, while NBFCs still hold the majority of volume (91%) and value (37%) market share ([Exhibit 21](#)). Banks focused on larger ticket sizes, with PSBs' average disbursement ticket size increasing by 29% YoY to INR 717k in 2QFY26. **Asset quality improved**, with overall PAR 31-90 declining to 1.6% in 2QFY26 (vs. 1.8% in 1QFY26) ([Exhibit 30](#)). There was an improvement in early delinquencies across lenders and ticket sizes ([Exhibit 6](#), [Exhibit 7](#)).

■ [Unsecured lending - Consumer durables \(CD\): Disbursement growth picks up in 1H/2QFY26; Private banks gain market share; mixed asset quality trends](#)

The consumer durable loan segment saw a rebound in disbursements, growing ~12%/19% YoY in 1H/2QFY26, up from a modest 3% in FY25 ([Exhibit 37](#)). Private banks' disbursement market share (value) rose by 110bps QoQ in 2QFY26, reversing a declining trend since FY23 ([Exhibit 38](#)). **Asset quality trends were mixed** with early delinquencies (PAR 31-90) moderating by ~20bps QoQ. However, PAR180+ increased sharply to 6.0% in 2QFY26, up from 2.1% in FY25 ([Exhibit 43](#)). Among individual lenders, HDFC Bank's consumer durable loan growth declined 9% YoY, while Bajaj Finance's growth moderated to 23% YoY ([Exhibit 46](#)).

■ [Unsecured lending- Credit cards \(CC\): Moderation in card issuances continue; Private banks gain market share; mixed asset quality trends](#)

Credit card issuance saw a significant decline, with new card issuances falling 28% YoY in 2QFY26 ([Exhibit 53](#)). This led to subdued growth of just 6% YoY in cards in circulation, down from 7% YoY in FY25. Private banks led the market, issuing 78% of the new cards. Overall asset quality trends improved with 40bps QoQ drop in PAR 1-30% and stable PAR 31-90 and PAR 90+ on QoQ basis ([Exhibit 57](#)). However, private banks have seen PAR 31-90 increasing from FY25 to 1Q/2QFY26 ([Exhibit 56](#)). HDFC and SBI Cards gained market share in spends in FY26 YTD vs. FY25 ([Exhibit 60](#)).

■ [Secured lending: Home loans \(HL\): Disbursement growth picks up in 1H/2QFY26; PSBs continue to gain market share; stable asset quality trends except in lower ticket size segment](#)

Home loan disbursements grew ~11%/14% YoY in 1H/2QFY26, up from 3% in FY25, driven by a 6% YoY increase in disbursement volume (vs. -5% YoY in FY25) ([Exhibit 66](#)). PSBs increased their market share, capturing 50% of origination value in 2QFY26, up from 43% in FY25 ([Exhibit 67](#)). The segment has shifted towards higher-ticket loans, with disbursements above INR 7.5mn accounting for nearly 40% of the value, indicating a preference for larger homes amidst rising real estate prices ([Exhibit 69](#)). Asset quality was steady or improved across lenders, though smaller ticket loans (<INR 0.5mn) showed signs of rising delinquencies in the early stages (PAR 31-90).

■ [Secured lending: Auto loans \(Auto\): Disbursement growth picks up in 1H/2QFY26; PSBs gain market share; asset quality worsened for NBFCs and lower ticket size segments](#)

Auto loan disbursements grew by ~9%/14% YoY in 1H/2QFY26, up from 5% in FY25, driven by a ~6%/10% YoY increase in volume in 1H/2QFY26 (vs. 2% YoY in FY25) ([Exhibit 82](#)). PSBs continued to gain market share, while private banks and NBFCs lost ground ([Exhibit 83](#)). The segment is shifting towards higher-ticket loans, with the share of disbursements above INR 1.0mn rising to 50% ([Exhibit 86](#)). Asset quality worsened with ~50bps QoQ inch up in overall PAR 31-90 bucket driven by sharp rise in early delinquencies for NBFCs. Further, barring the INR 2mn+ segment, all other ticket sizes segments showed deterioration in early bucket delinquencies.

■ [Secured lending: 2W loans \(2W\): Disbursement growth marginally picks up; Private banks gain market share; asset quality improved](#)

The 2W loan segment saw marginal jump in disbursement growth to 6% YoY in 2QFY26 (5%/11% YoY in 1HFY26/FY25) ([Exhibit 96](#)). Market share of private banks increased both in terms of value and volume. Delinquencies (PAR 31-90% and 91-180%) improved sequentially in 2QFY26 with NBFCs witnessing higher improvement ([Exhibit 102](#)).

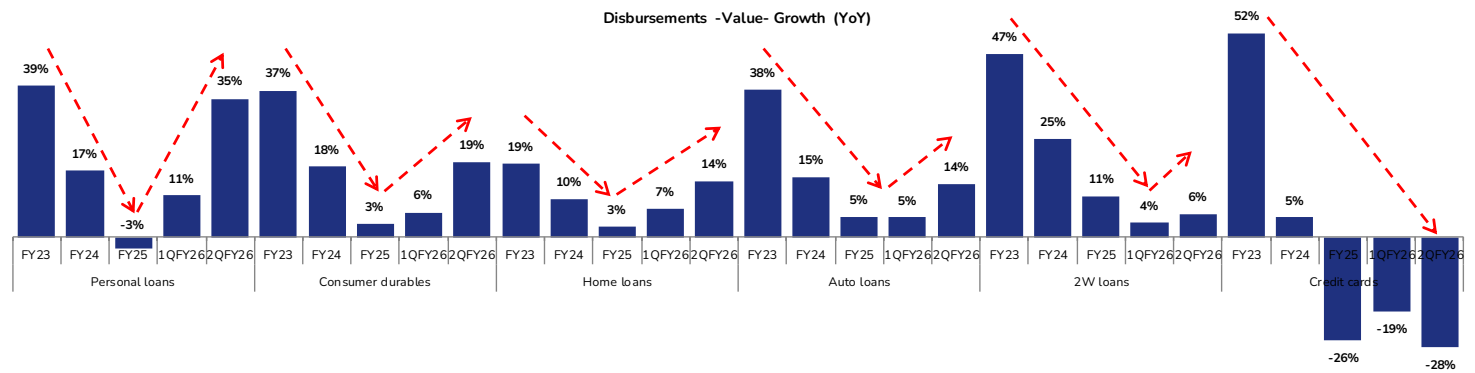
■ [NTC moderation and geographic mix reflects cautious origination strategy](#)

NTC shares declined across all segments in 2QFY26, with sharper drops in two-wheelers (down >500bps YoY), personal loans (down >200bps YoY) and CD loans (down 190bps YoY), highlighting lenders' stronger preference for seasoned borrowers.

■ [We remain selective in financials: ICICI/Axis/SBI/CUBK/DCB in banks; AB Cap/SHFL/PNB HF/Aadhar in NBFC/HFCs remains our top picks.](#)

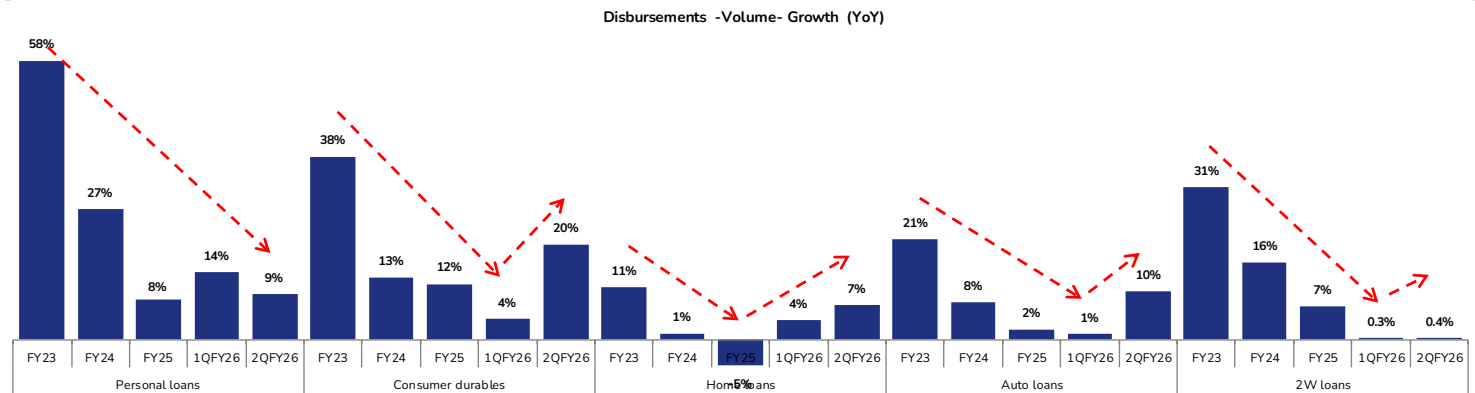
## Focus Charts

**Exhibit 1. Disbursement (value): Disbursement growth has picked up in 1HFY26 (except for CC) but is significantly lower than historical growth**



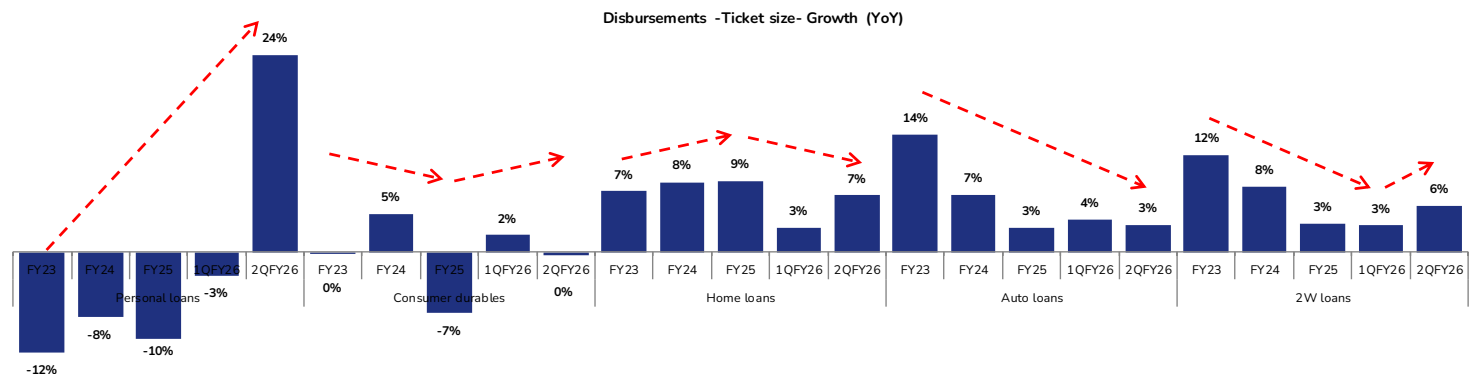
Source: CRIF, JM Financial \*For Credit cards, YoY growth is for new cards issued

**Exhibit 2. Disbursement (volume): Growth picking up in volume terms in 2QFY26 in most segments except for PL**



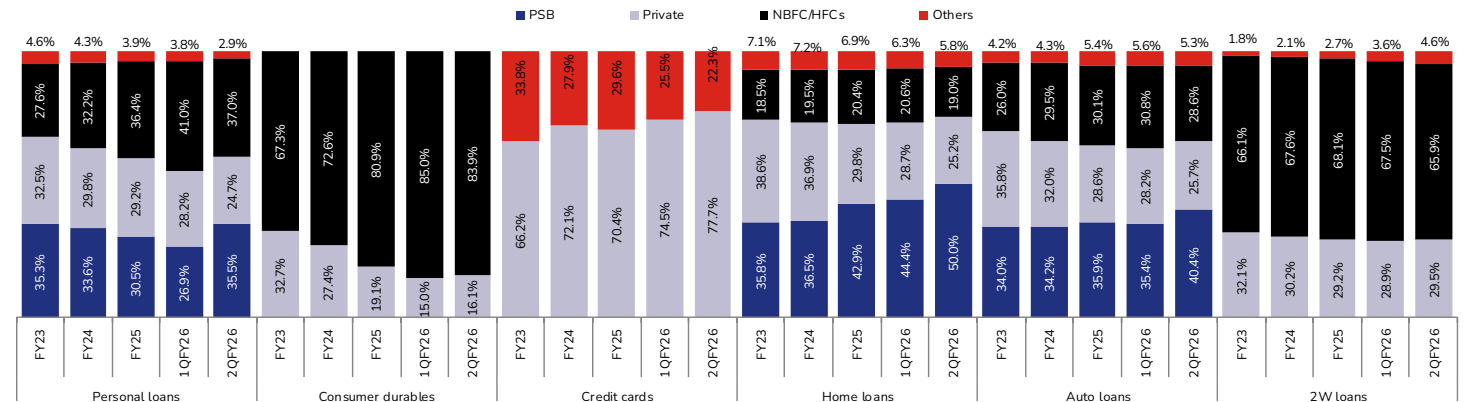
Source: CRIF, JM Financial

**Exhibit 3. Disbursements (TS): Growth in ticket size shows mixed trends across segments; Increasing TS leads to disbursement growth in PL**



Source: CRIF, JM Financial



**Exhibit 4. Disbursements (value): NBFC/HFCs have lost market share in 2QFY26 across segments; PSB gained market share in personal, home and auto loans while private banks gained market share in consumer durable, credit cards and 2W segments**


Source: CRIF, JM Financial \*For Credit cards, market share is for new cards issued

# Others include:

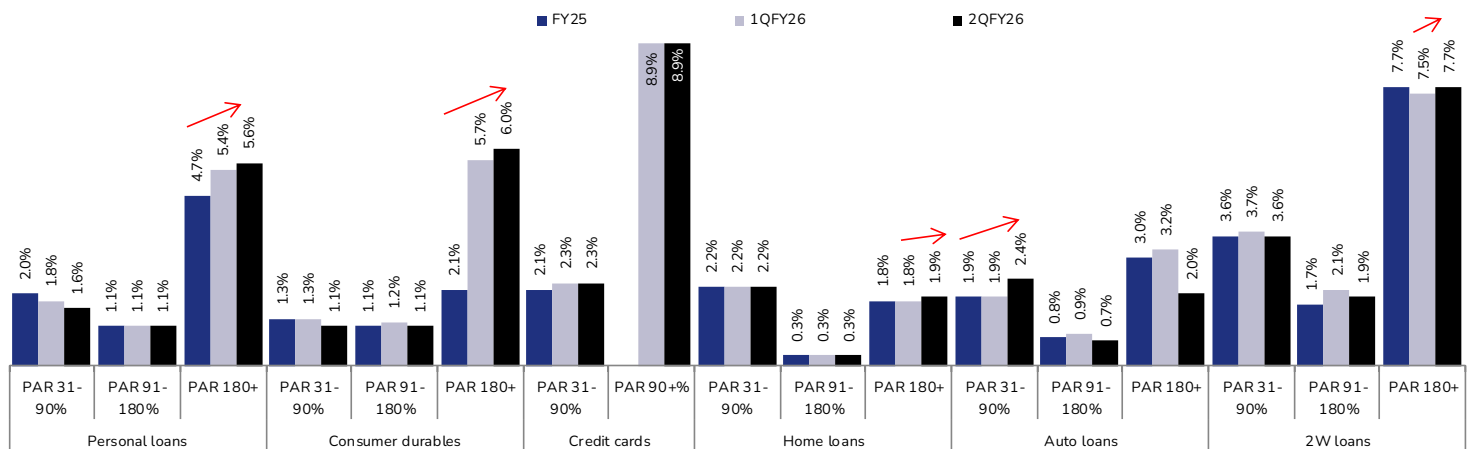
Home loan: NBFCs, SFBs, Foreign Banks, Cooperative Banks, RRBs, ARCs

Personal loans: SFBs, Foreign Banks, HFCs, Cooperative Banks, RRBs, ARCs etc.

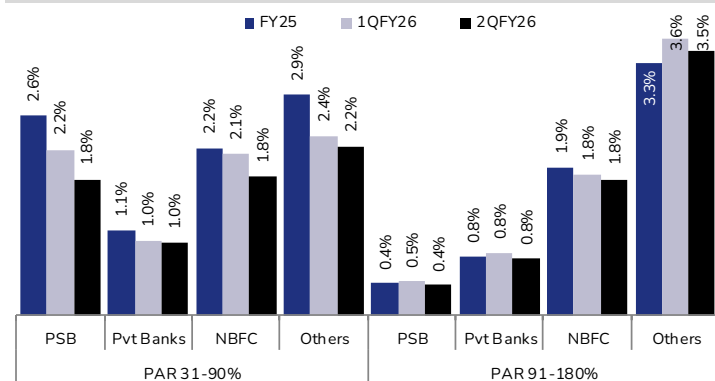
Auto loans: SFBs, Foreign Banks, Cooperative Banks, RRBs, ARCs.

Credit cards: PSU Banks, NBFCs, SFBs, Foreign Banks, Cooperative Banks, RRBs.

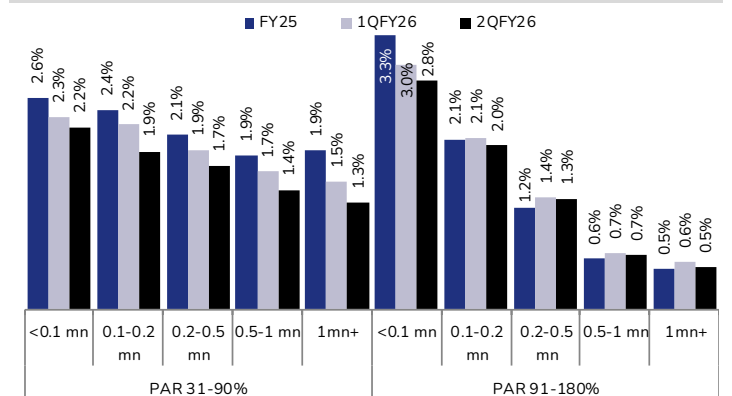
2W Loans: PSU Banks, SFBs, Foreign Banks, Cooperative Banks, RRBs, ARCs.

**Exhibit 5. Early bucket delinquencies have either improved or remained stable across sub-segments except for auto loans**


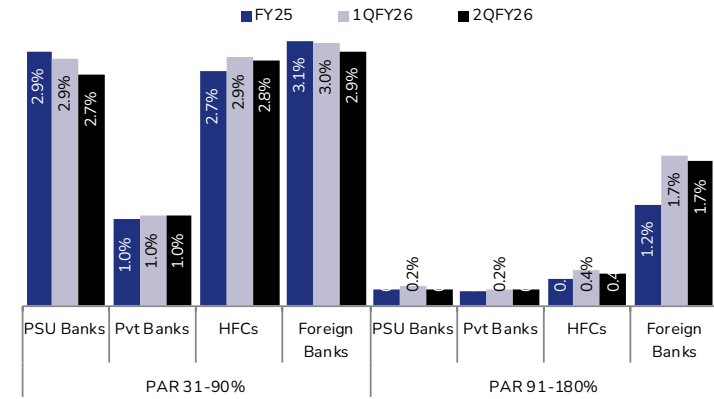
Source: CRIF, JM Financial

**Exhibit 6. Personal Loans: Delinquencies declined across lenders...**


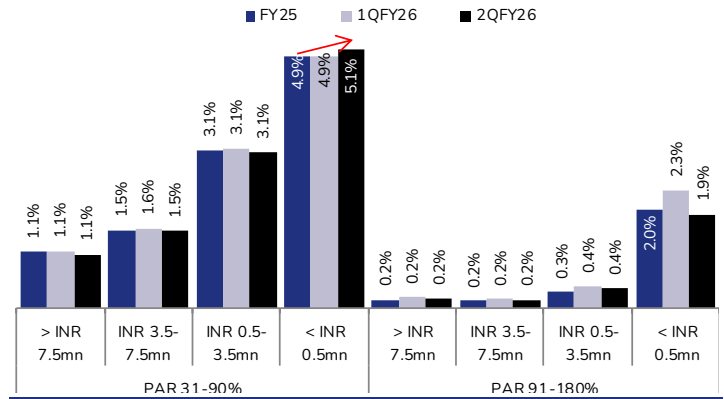
Source: CRIF, JM Financial

**Exhibit 7. ....and across ticket sizes**


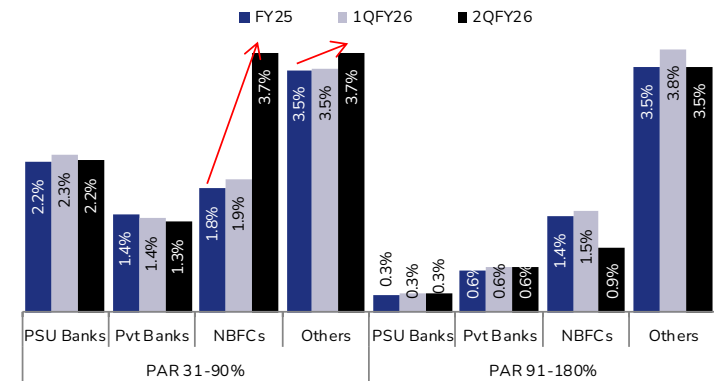
Source: CRIF, JM Financial

**Exhibit 8. Home loans: Asset quality trends were broadly stable or improving across all lenders in 2QFY26**

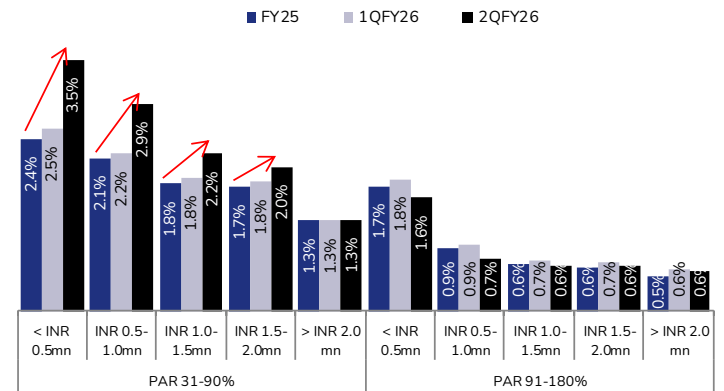
Source: CRIF, JM Financial

**Exhibit 9. Home loans: Lower ticket sizes showed weaker AQ, with early delinquency increasing in the sub-INR0.5mn segment**

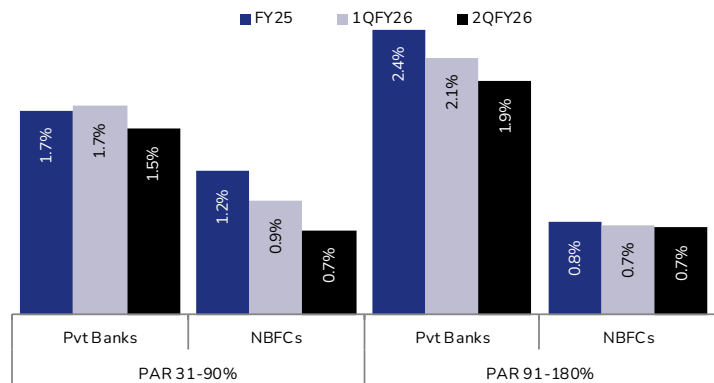
Source: CRIF, JM Financial

**Exhibit 10. Auto loans: Asset quality trends deteriorated for NBFCs and other lenders; improved for banks**

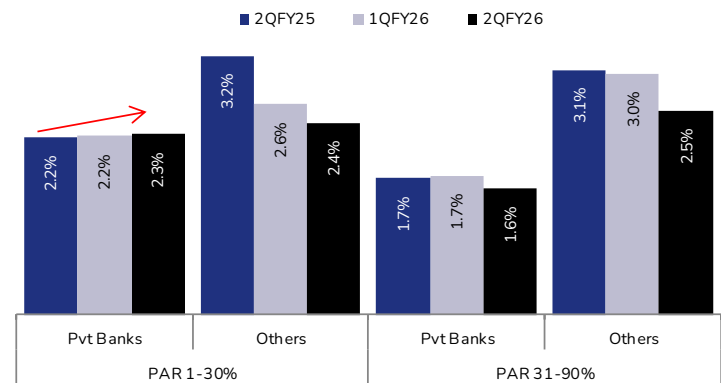
Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

**Exhibit 11. Auto loans: In terms of ticket sizes, barring the INR 2mn+ segment, all other segments showed deterioration in early bucket dpd**

Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

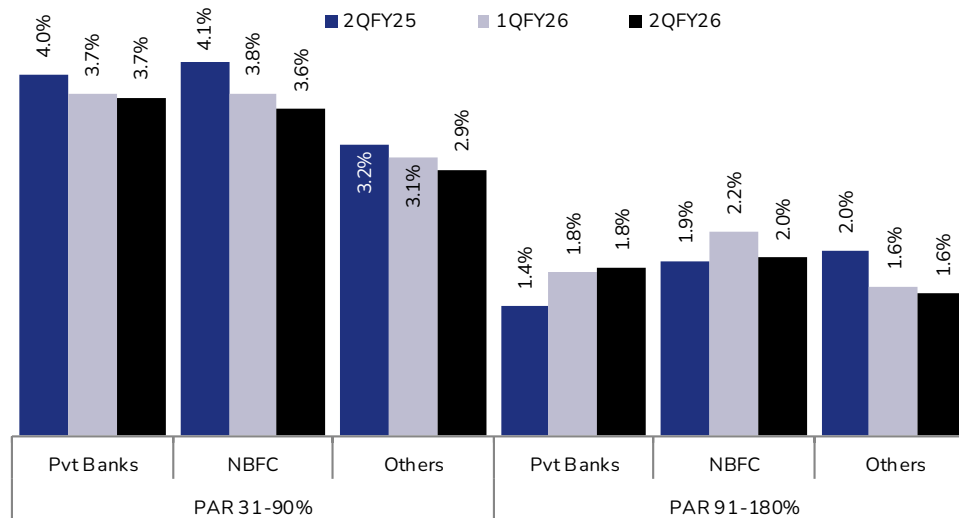
**Exhibit 12. Consumer durables: Asset quality improved in 2QFY26**

Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

**Exhibit 13. Credit cards: Private banks saw rising delinquencies**

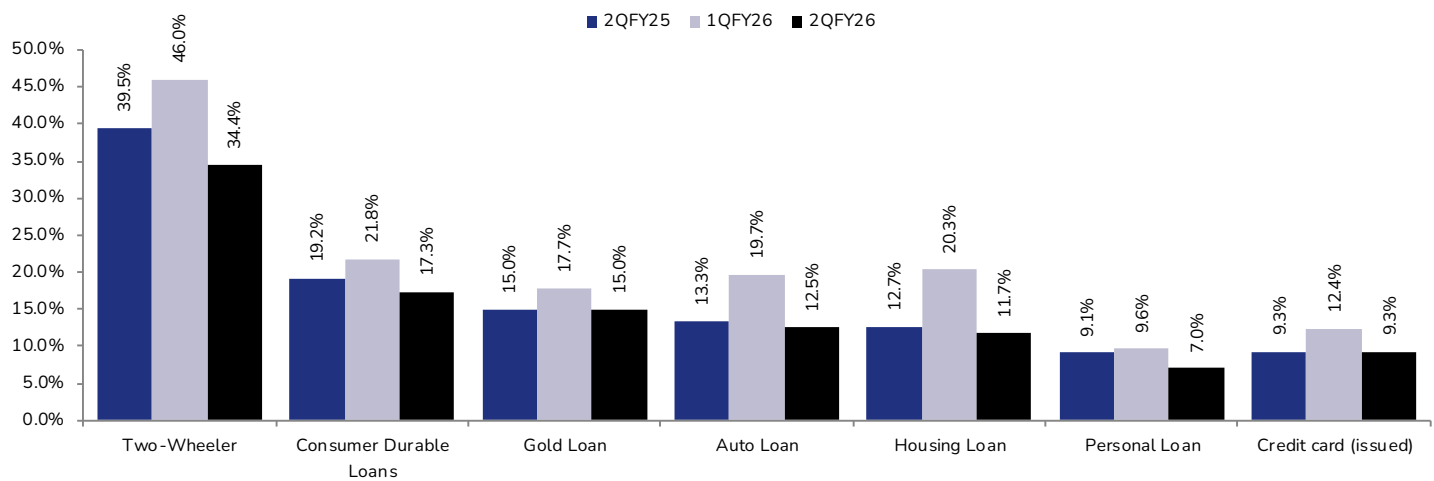
Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

**Exhibit 14. 2W loans: Delinquency levels are still high; NBFCs have shown stronger improvement in both the PAR 31–90 and PAR 91–180 segments compared with private banks**



Source: CRIF, JM Financial

**Exhibit 15. Disbursements to New to Credit (NTC) customers has come down in 2QFY26 (both YoY and QoQ), suggesting a cautious stance**



Source: CRIF, JM Financial

## Personal Loans: Trend reverses as disbursement growth picks up, PSBs gain market share

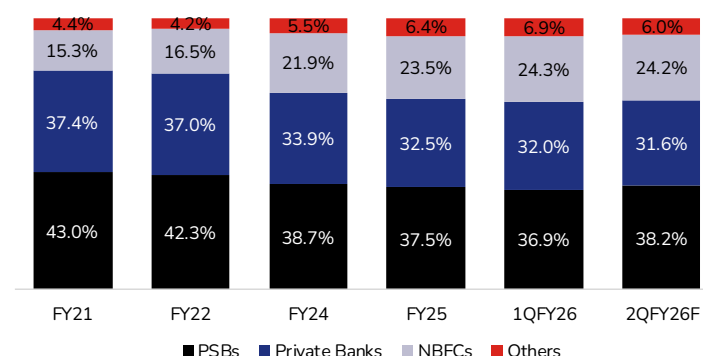
- **Disbursements: System growth picked up both in volume/value terms:** After a decline in FY25, disbursements (value) rose by ~23%/35% YoY in 1H/2QFY26 (vs. decline of 3% in FY25). Even in terms of volume, disbursement growth increased to ~11%/9% YoY in 1H/2QFY26 (from 8% YoY in FY25) (Exhibit 19).
- **Outstanding: System growth inched up in o/s loans:** Driven by increasing disbursement growth, outstanding (o/s) personal loan growth accelerated slightly to 12% YoY in 2QFY26 vs. 9% YoY in FY25, but it remains significantly lower than historical highs (>25% between FY22-24). Over FY23-1HFY26, o/s personal loan growth decelerated to 16% CAGR vs. 26% during FY20-23 (Exhibit 16).
- **Outstanding: System volume growth bounces back:** The slowdown in o/s personal loan growth can be attributed to fall in volume as there was a declining trend in active loans growth since FY22, and active loans fell by 8% in FY25. However, the o/s active loans increased by +9%/8% in 1Q/2Q FY26, signalling a reversal of the downtrend, albeit lower than the strong historical CAGR of 40% during FY20-23 (Exhibit 16).
- **PSBs grew faster and gained market share in 2Q:** PL disbursements (value) of PSBs grew 77% YoY in 2QFY26, outperforming NBFCs (with 30% YoY growth) and system (35% YoY growth). This helped improve PSBs' market share to 36% in 2QFY26. However, NBFCs continue to hold the majority market share in terms of disbursement value (37%) and volume (91%) in 2QFY26 (Exhibit 21, Exhibit 22).
- **Banks continue to cut down on small ticket size loans; NBFCs still at the forefront of providing small ticket size loans:** Disbursement ticket size for PSBs/Private banks has gone up in 1HFY26 by 22%/5% YoY to ~INR661/389k respectively. NBFCs, on the other hand, continue to provide lower ticket size loans with average ATS of INR 28k. *This indicates banks have been cautious on small ticket size loans and are cutting down on it, while NBFCs are still aggressive on providing small ticket size loans* (Exhibit 23).
- **Rise in share of >INR 0.5mn loans in the mix:** In the disbursement mix, the share of >INR0.5mn has gone up by ~700/60bps YoY in terms of value/volume in 2QFY26, mainly driven by banks. The share of <INR0.1mn (by value) has come down by 100bps YoY in 2QFY26, as overall average ticket size increases to INR 69k vs. INR 60k in FY25 (Exhibit 24, Exhibit 25).
- **This decline in low-ticket originations has coincided with an improvement in asset quality:** Portfolio at Risk (PAR) 31-90 declined to 1.6% in 2QFY26 vs. 2.0% in FY25, with delinquencies significantly lower for bank-originated and high-ticket-size personal loans. Even in the PAR 91-180 bucket, banks, with higher ticket size loans, have much lower delinquencies (0.4%/0.8% for PSBs/private banks in 2QFY26) as compared to NBFCs (1.8% in 2QFY26) (Exhibit 28, Exhibit 29, Exhibit 31).
- **Movement in NTC share:** The NTC share decreased from 9.6% in 1QFY26 to 7.0% in 2QFY26, reflecting a 2.6% QoQ decline and a 2.1% YoY drop from 9.1% in 2QFY25, indicating continued cautious sentiment towards new customers in the personal loan segment.
- **Trends in individual Banks/NBFCs:** We have seen a pick-up in personal loan growth for individual banks and NBFCs as well. In banks, SBI, HDFC Bank, BOB, IDFC and CUB picked up PL growth in 1HFY26. For NBFCs also, growth inched up, continuing to be higher than the system with BAF, CIFC, LTF, SHFL, etc., growing at a strong pace (Exhibit 26, Exhibit 27).



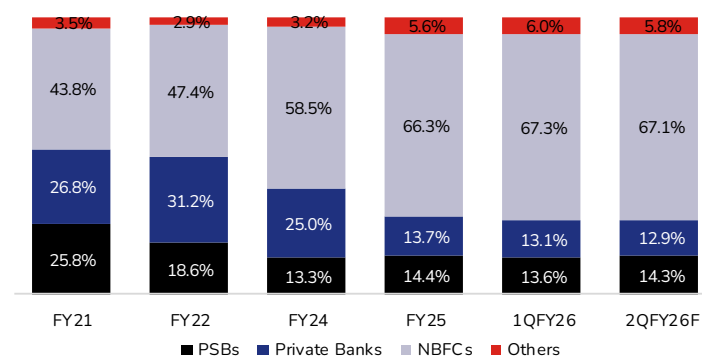
**Exhibit 16. Personal loans (outstanding): System growth picking up slightly in value terms but continues to fall in volume terms**

Personal loans	FY20	FY21	FY22	FY23	FY24	FY25	1QFY26	2QFY26	FY20-23	FY23-1H FY26	FY19-1H FY26
Portfolio Outstanding (INR tn)	5.4	6.5	8.1	10.7	13.4	14.6	14.9	15.4	26%	16%	23%
Active loans (mn)	21	34	40	66	93	124	114	120	40%	12%	31%
Ticket size (INR k)	158	163	123	115	108	128	124	125	-10%	3%	-7%
<b>YoY growth</b>											
Portfolio Outstanding	31%	21%	25%	32%	25%	9%	8%	12%			
Active loans	61%	17%	65%	42%	34%	-8%	9%	8%			
Ticket size	-19%	3%	-24%	-7%	-6%	19%	-1%	4%			

Source: CRIF, JM Financial

**Exhibit 17. Personal O/s loans (value): PSBs gain market share in 2Q****Personal loan outstanding portfolio**

Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

**Exhibit 18. Personal O/s loans (volume): PSBs' market share rises****Active loans**

Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

**Exhibit 19. PL disbursements: Growth picking up both in volume/value terms; ticket size reverses its declining trend in 2QFY26**

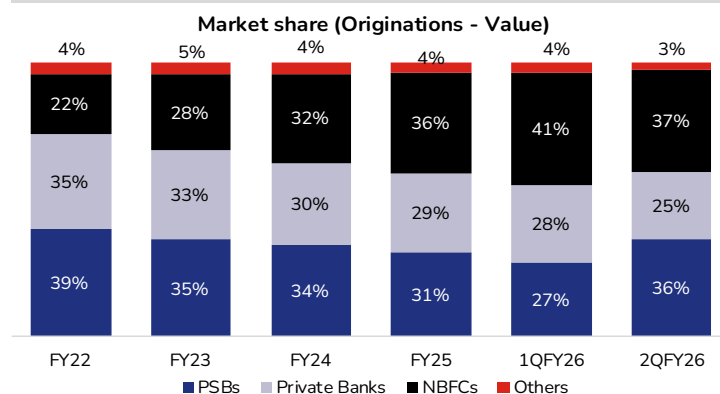
Originations (INR tn)	FY20	FY21	FY22	FY23	FY24	FY25	1H FY26	1QFY26	2QFY26	CAGR		
										FY20-23	FY23-25	FY17-25
Disbursement Value (INR tn)	3.7	3.6	5.6	7.7	9.1	8.8	5.1	2.2	2.9	28%	7%	25%
Disbursement Volume (mn)	39.7	28.6	67.6	106.5	135.1	146.3	80.4	37.9	42.6	39%	17%	48%
Ticket size (INR k)	94	125	83	73	67	60	64	59	69	-8%	-9%	-16%
<b>YoY Growth</b>												
Disbursement Value	30%	-4%	56%	39%	17%	-3%	23%	11%	35%			
Disbursement Volume	161%	-28%	137%	58%	27%	8%	11%	14%	9%			
Ticket size	-50%	33%	-34%	-12%	-8%	-10%	11%	-3%	24%			

Source: CRFI, JM Financial

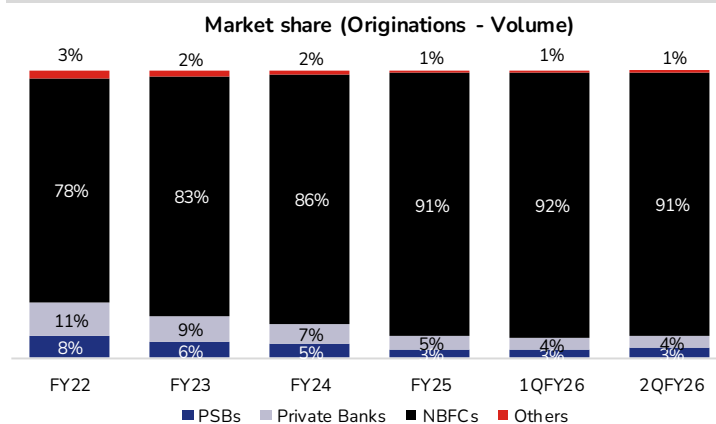
**Exhibit 20. PL disbursements: NBFCs' disbursements continue to be higher than that of PSB/Private banks**

Originations (INR tn)	FY20	FY21	FY22	FY23	FY24	FY25	1H FY26	1QFY26	2QFY26	YoY Growth			CAGR		
										2QFY26	1H FY26	FY25	FY20-23	FY23-25	FY17-25
PSBs	1.2	1.7	2.2	2.7	3.0	2.7	1.6	0.6	1.0	77%	43%	-12%	32%	-1%	21%
Private Banks	1.5	1.1	1.9	2.5	2.7	2.6	1.3	0.6	0.7	10%	7%	-5%	18%	1%	20%
NBFCs	0.8	0.6	1.2	2.1	2.9	3.2	2.0	0.9	1.1	30%	25%	10%	38%	22%	40%
Others	0.2	0.2	0.2	0.4	0.4	0.3	0.2	0.1	0.1	1%	0%	-12%	27%	-2%	17%
<b>NBFC vs Pvt banks</b>	<b>0.5x</b>	<b>0.5x</b>	<b>0.6x</b>	<b>0.8x</b>	<b>1.1x</b>	<b>1.3x</b>	<b>1.5x</b>	<b>1.5x</b>	<b>1.5x</b>						
<b>NBFC vs PSB</b>	<b>0.7x</b>	<b>0.3x</b>	<b>0.6x</b>	<b>0.8x</b>	<b>1.0x</b>	<b>1.2x</b>	<b>1.2x</b>	<b>1.5x</b>	<b>1.1x</b>						

Source: CRIF, JM Financial

**Exhibit 21. Disbursement trend changes in 2Q with PSBs gaining and Private banks/NBFCs losing market share in value terms**

Source: CRIF, JM Financial

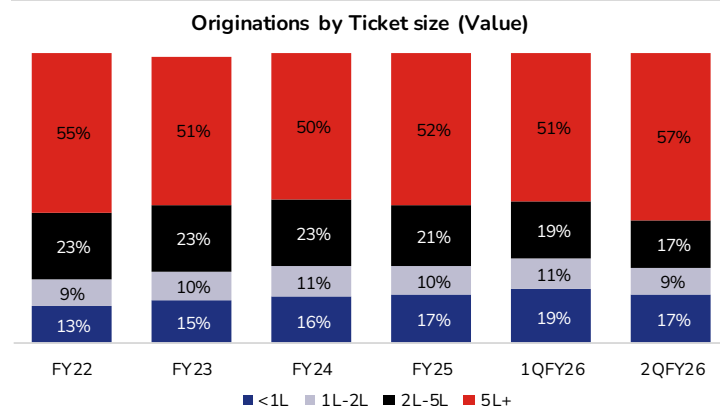
**Exhibit 22. NBFCs continue to hold a majority share in volume terms**

Source: CRIF, JM Financial

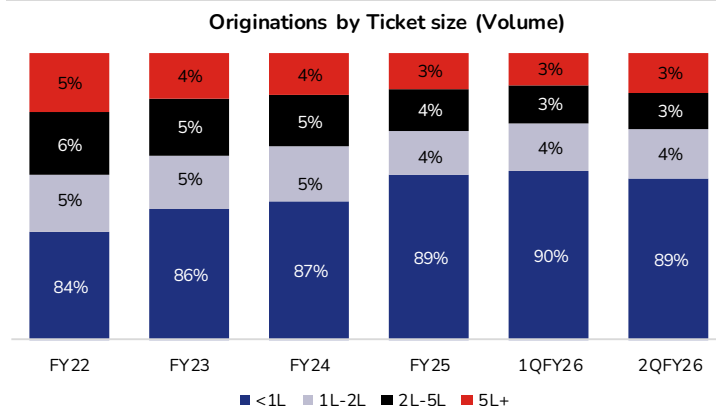
**Exhibit 23. Ticket sizes (TS): Banks continue to increase TS, NBFCs increase TS slightly but focus continues on small TS loans**

Annexure 2B: Ticket sizes (INR k). Banks continue to increase FY, NBFCs increase FY slightly but focus continues on small FY loans															
Originations -										YoY Growth			CAGR		
Ticket size (INR k)	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	2QFY26	1HFY26	FY25	FY20-23	FY23-25	FY17-25
PSBs	364	343	410	443	442	592	661	583	717	29%	22%	34%	7%	16%	14%
Private Banks	300	325	251	269	294	382	389	384	394	3%	5%	30%	-4%	19%	2%
NBFCs	27	29	23	24	25	24	27	26	28	19%	12%	-4%	-3%	0%	-23%
Others	170	235	120	146	160	213	201	202	199	1%	3%	33%	-5%	21%	-2%
Total	94	125	83	73	67	60	64	59	69	24%	11%	-10%	-8%	-9%	-16%

Source: CRIF, JM Financial

**Exhibit 24. Rise in share of >INR 0.5mn loans in value terms...**

Source: CRIF, JM Financial

**Exhibit 25. ...as well as in volume terms**

Source: CRIF, JM Financial

**Exhibit 26. Banks: Personal loan growth picks up slightly in individual banks**

Personal loans landscape	Outstanding loans (INR bn)				YoY growth (%)				Market share (%) -2QFY26		% of loan book	
Banks	FY24	FY25	1QFY26	2QFY26	FY24	FY25	1QFY26	2QFY26	Banks	System	FY24	2QFY26
SBIN (Xpress credit)	3,484	3,501	3,468	3,524	15%	0%	0%	3%	31%	23%	9%	8%
HDFCB	1,846	1,993	2,016	2,063	8%	8%	8%	9%	18%	13%	7%	8%
ICICI	1,167	1,216	1,200	1,217	33%	4%	1%	-1%	11%	8%	10%	9%
Axis	716	773	771	787	31%	8%	5%	4%	7%	5%	7%	7%
BOB	298	361	367	380	52%	21%	20%	19%	3%	2%	3%	3%
IDFCB(Consumer loans)#	265	297	319	345	33%	12%	15%	22%	3%	2%	14%	13%
KMB (PL, BL and CD)	200	248	244	243	27%	24%	20%	16%	2%	2%	5%	5%
Yes	158	132	155	145	8%	-16%	1%	-4%	1%	1%	7%	6%
IIB	80	102	107	108	49%	28%	31%	24%	1%	1%	2%	3%
Federal	38	38	37	37	61%	-1%	-5%	-7%	0.3%	0.2%	2%	1%
Bandhan	13.7	21	22	23	52%	54%	46%	38%	0.2%	0.2%	1%	2%
CUB	14	12	14	26	44%	-11%	5%	98%	0.2%	0.2%	3%	5%
AU SFB	9	8	7	6	35%	-5%	-20%	-37%	0.1%	0.0%	1%	1%
<b>Total-Selected banks</b>	<b>8,288</b>	<b>8,703</b>	<b>8,726</b>	<b>8,904</b>	<b>19%</b>	<b>5%</b>	<b>5%</b>	<b>6%</b>	<b>77%</b>	<b>58%</b>	<b>8%</b>	<b>7%</b>
<b>Overall banks-Personal loans</b>	<b>10,465</b>	<b>11,154</b>	<b>11,294</b>	<b>11,676*</b>	<b>17%</b>	<b>7%</b>	<b>NA</b>	<b>NA</b>		<b>75%</b>	<b>7%</b>	<b>6%</b>
<b>System- Personal loans</b>	<b>13,400</b>	<b>14,600</b>	<b>14,900</b>	<b>15,400</b>	<b>25%</b>	<b>9%</b>	<b>8%</b>	<b>12%</b>				
<b>Market share of:</b>												
<i>Selected Banks in system</i>	<b>61.9%</b>	<b>59.6%</b>	<b>58.6%</b>	<b>57.8%</b>								
<i>Selected Banks in overall Banks</i>	<b>79.2%</b>	<b>78.0%</b>	<b>77.3%</b>	<b>76.3%</b>								
<i>Overall Banks in system</i>	<b>78.1%</b>	<b>76.4%</b>	<b>75.8%</b>	<b>75.8%</b>								

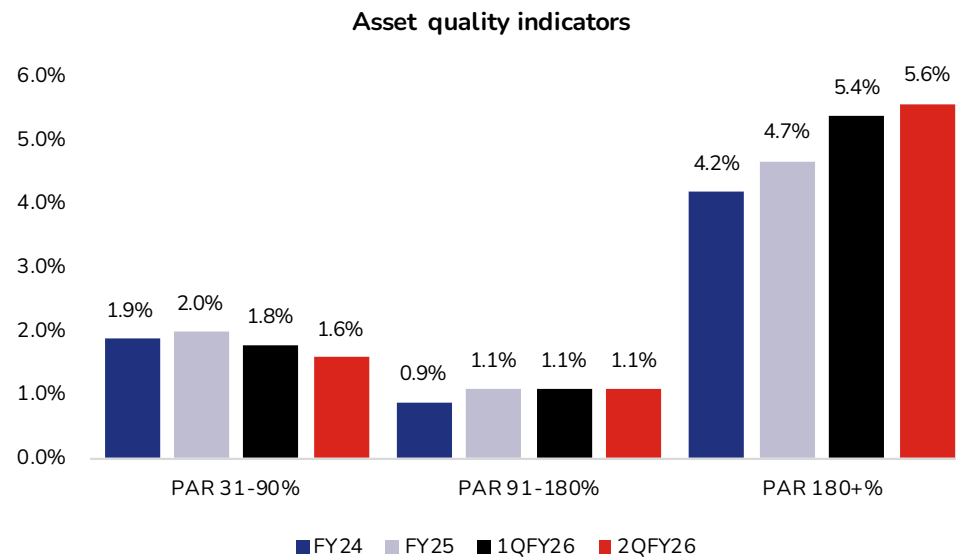
Source: RBI, Company data, Rating agencies, CRIF Highmark, Transunion CIBIL, JMFe Note: For KMB, we have taken PL, BL and consumer durable loans for analysis; \*JMF estimate; #Consumer loans include consumer durables, personal loans, digital loans and education loans

**Exhibit 27. NBFCs: Pick-up in personal loan growth for individual NBFCs**

Personal loans landscape	Outstanding loans (INR bn)				YoY Growth (%)					Market share (%) -2QFY26		% of loan book	
Company Name	FY24	FY25	1QFY26	2QFY26	FY24	FY25	1QFY26	2QFY26	2Q'26 vs FY24	System	NBFCs	FY24	2QFY26
Bajaj Finance- Personal loans (Rural/Urban B2C)	837	1,092	1,137	1,193	23%	30%	27%	25%	1.4 x	7.7%	30.4%	25%	26%
Aditya Birla Finance- Personal and consumer	174	155	164	182	13%	-11%	2%	15%	1.0 x	1.2%	4.6%	17%	13%
Cholamandalam - Consumer & small enterprise loans	114	146	142	140	107%	27%	10%	-2%	1.2 x	0.9%	3.6%	8%	7%
Shriram Finance- Personal loans	90	96	103	105	35%	7%	15%	27%	1.2 x	0.7%	2.7%	4%	4%
Piramal Enterprise- Personal and digital	69	89	88	99	95%	28%	24%	37%	1.4 x	0.6%	2.5%	10%	11%
L&T Finance- Consumer loans	64	86	94	109	18%	34%	41%	52%	1.7 x	0.7%	2.8%	8%	10%
Poonawalla Fincorp- Personal and consumer	59	82	95	124	127%	40%	26%	56%	2.1 x	0.8%	3.2%	23%	26%
Navi Finserv	76	76	81	96	24%	-1%	2%	15%	1.3 x	0.6%	2.4%	89%	89%
MMFS- Personal/consumer/TA loans	41	60	61	89	-1%	46%	15%	32%	2.2 x	0.6%	2.3%	4%	7%
Krazybee	46	56	63	72	97%	24%	21%	39%	1.6 x	0.5%	1.8%	100%	100%
IIFL Finance- Digital loans	43	55	51	46	71%	27%	11%	-15%	1.1 x	0.3%	1.2%	5%	5%
<b>Total</b>	<b>1,614</b>	<b>1,992</b>	<b>2,079</b>	<b>2,255</b>	<b>32%</b>	<b>23%</b>	<b>21%</b>	<b>24%</b>	<b>1.4 x</b>	<b>14.6%</b>	<b>57.4%</b>	<b>14%</b>	<b>14%</b>
<b>Overall NBFCs- Personal loans</b>	<b>2,935</b>	<b>3,431</b>	<b>3,621</b>	<b>3,724*</b>	<b>NA</b>	<b>17%</b>	<b>NA</b>	<b>NA</b>					
<b>System- Personal loans</b>	<b>13,400</b>	<b>14,600</b>	<b>14,900</b>	<b>15,400</b>	<b>25%</b>	<b>9%</b>	<b>8%</b>	<b>12%</b>					
<b>Market share of:</b>													
<i>Selected NBFCs in system</i>	<b>12.0%</b>	<b>13.6%</b>	<b>14.0%</b>	<b>14.6%</b>									
<i>Selected NBFCs in overall NBFCs</i>	<b>55.0%</b>	<b>58.1%</b>	<b>57.4%</b>	<b>57.4%</b>									
<i>Overall NBFCs in system</i>	<b>21.9%</b>	<b>23.5%</b>	<b>24.3%</b>	<b>24.2%</b>									

Source: RBI, Company data, Rating agencies, CRIF Highmark. JM Financial estimates ; \*JMF estimate

Exhibit 28. PAR 180+ increased, indicating some stress in long-overdue bucket



Source: CRIF, JM Financial

Exhibit 29. Delinquencies for banks are lower than that of NBFCs, led by higher-ticket-size loans

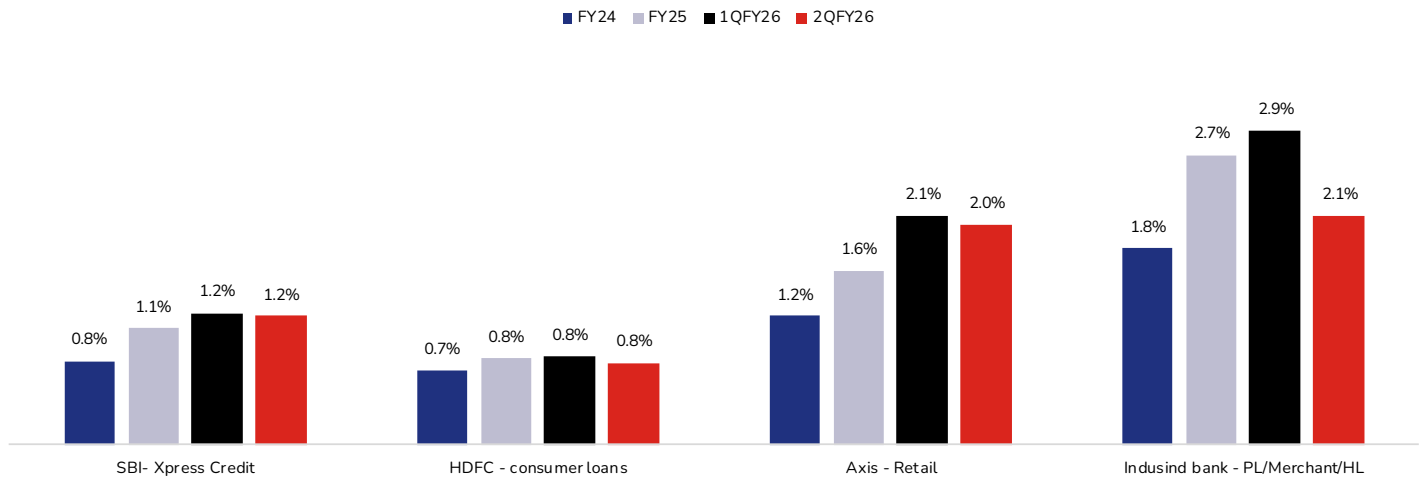
Delinquency - Lender type	PAR 31-90						PAR 91-180					
	FY22	FY23	FY24	FY25	1QFY26	2QFY26	FY22	FY23	FY24	FY25	1QFY26	2QFY26
PSU Banks	2.7%	2.4%	2.5%	2.6%	2.2%	1.8%	0.3%	0.3%	0.3%	0.4%	0.5%	0.4%
Pvt Banks	1.3%	1.2%	1.2%	1.1%	1.0%	1.0%	0.5%	0.5%	0.6%	0.8%	0.8%	0.8%
NBFC	2.7%	2.0%	2.0%	2.2%	2.1%	1.8%	1.7%	1.6%	1.6%	1.9%	1.8%	1.8%
Others	3.9%	3.2%	2.7%	2.9%	2.4%	2.2%	4.3%	4.2%	4.4%	3.3%	3.6%	3.5%

Source: CRIF, JM Financial

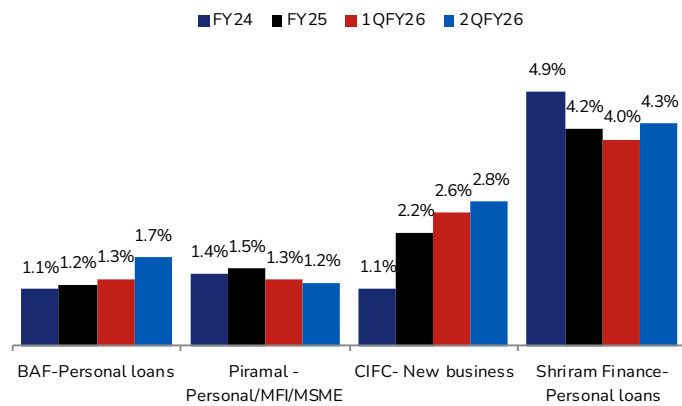
Exhibit 30. PL delinquency: Asset quality improves across all ticket sizes, though stress remains high in &lt;INR 0.1mn

Delinquency - Ticket type	PAR 31-90						PAR 91-180					
	FY22	FY23	FY24	FY25	1QFY26	2QFY26	FY22	FY23	FY24	FY25	1QFY26	2QFY26
<0.1 mn	3.8%	3.0%	2.7%	2.6%	2.3%	2.2%	3.3%	3.5%	3.5%	3.3%	3.0%	2.8%
0.1-0.2 mn	2.6%	1.9%	2.2%	2.4%	2.2%	1.9%	1.6%	1.3%	1.5%	2.1%	2.1%	2.0%
0.2-0.5 mn	2.4%	1.9%	1.9%	2.1%	1.9%	1.7%	0.9%	0.8%	0.9%	1.2%	1.4%	1.3%
0.5-1 mn	2.1%	1.9%	1.8%	1.9%	1.7%	1.4%	0.4%	0.4%	0.5%	0.6%	0.7%	0.7%
1mn+	1.7%	1.8%	1.9%	1.9%	1.5%	1.3%	0.3%	0.3%	0.4%	0.5%	0.6%	0.5%

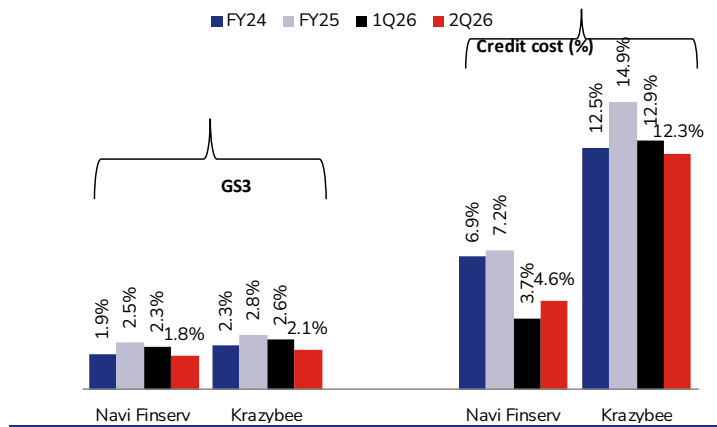
Source: CRIF, JM Financial

**Exhibit 31. Bank's PL/retail portfolio snapshot: GNPA % has improved in 2QFY26**

Source: Company, JM Financial \*For HDFC Bank, we have taken data from Basel 3

**Exhibit 32. NBFC PL: GS3 went up for most NBFC players...**

Source: Company, JM Financial

**Exhibit 33. ...while fintechs' asset quality improved in 2QFY26**

Source: Company, JM Financial

## Consumer Durables: Disbursement growth picks up; private banks gain market share

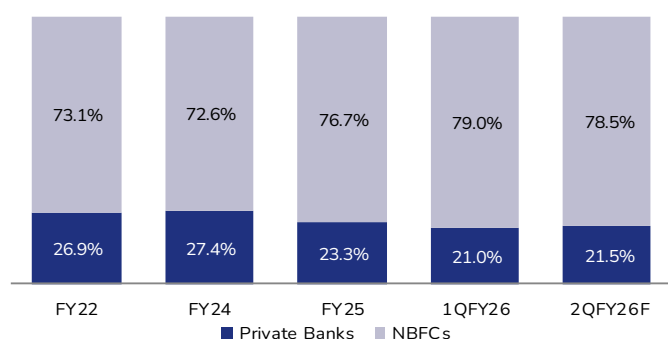
- Disbursements: Rise in disbursement growth in both value/volume terms; private banks gain market share:** Disbursement (value) growth in consumer durables increased to 12%/19% YoY in 1H/2QFY26 (vs. 3% YoY in FY25) led by 20% YoY growth in disbursement volume in 2QFY26 (vs. 12% YoY in FY25). Ticket sizes have largely been steady YoY in 2QFY26 at INR 20.4k (vs. a 7% YoY decline seen in FY25) (**Exhibit 37**). Private banks gained disbursement market share (value) by 110bps QoQ in 2QFY26, **reversing a declining trend since FY23** as disbursement by NBFCs decreased (**Exhibit 38**).
- Outstanding: Loan growth continues to moderate:** Despite improvement in disbursement growth, the o/s loan growth continues to moderate and stood at 10% YoY in 2QFY26 vs. 14% YoY in FY25, led by a 5% YoY decline in active loans in 2QFY26 (**Exhibit 34**).
- Asset quality shows mixed trends:** On the asset quality front, this segment saw a sharp deterioration in the PAR180+ bucket in 2QFY26. PAR180+ rose sharply to 6.0% as of 2QFY26 (vs. 2.1% in FY25). However, early delinquency (PAR31-90) moderated by ~20bps over FY25-2QFY26. PAR 91-180 was also largely steady over the last 2 quarters. (**Exhibit 43**).
- Movement in NTC share:** The NTC share decreased to 17.3% in 2QFY26 from 21.8% in 1QFY26, a decline of 4.5% QoQ and a 1.9% YoY drop from 19.2% in 2QFY25, suggesting a cautious stance towards NTC customers.
- Trends in individual banks/NBFCs:** We have seen a YoY decline in consumer durables loans for HDFC Bank (-9% YoY in 2QFY26 vs. 11% YoY in FY25), whereas for Bajaj Finance (BAF) consumer durable loan growth moderated slightly, but it remains robust at 23% YoY in 2QFY26 (vs. 25% in FY25). The asset quality for both BAF and HDFC Bank worsened in 2QFY26 for consumer durable loans with GNPA increasing by ~15bps/11bps over FY25-2QFY26 (**Exhibit 46, Exhibit 47**).

**Exhibit 34. Consumer durables (outstanding): Growth has moderated in 2QFY26 led by a YoY decline in active loans; however, higher ticket sizes have ensured that overall YoY loan growth was positive (+10% YoY)**

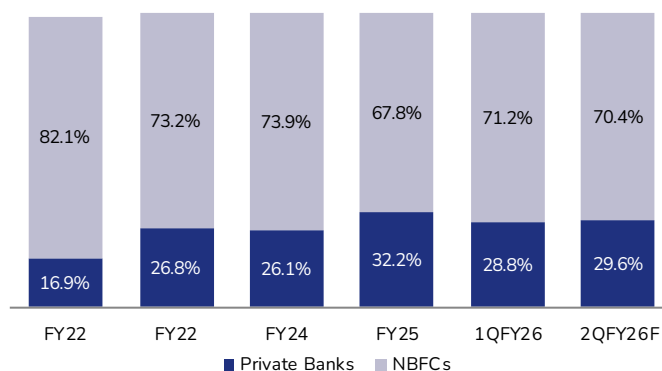
Consumer Durables	FY20	FY21	FY22	FY23	FY24	FY25	1QFY26	2QFY26	FY20-23	FY23-1H FY26	FY20-1H FY26
Portfolio Outstanding (INR bn)	345	287	391	485	644	737	893	898	12%	28%	19%
Active loans (mn)	37.3	38.2	48.2	65.4	76.9	96.6	103.4	95.6	21%	16%	19%
Ticket size (INR k)	9.2	7.5	8.1	7.4	8.4	7.6	9	9	-7%	10%	0%
<b>YoY growth</b>											
Portfolio Outstanding		-17%	36%	24%	33%	14%	21%	10%			
Active loans		2%	26%	36%	17%	26%	8%	-5%			
Ticket size		-19%	8%	-9%	13%	-9%	11%	16%			

Source: CRIF, JM Financial



**Exhibit 35. Consumer durables (outstanding): With increase in disbursements, Banks gained market share in value terms in 2QFY26...****Outstanding portfolio**

Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

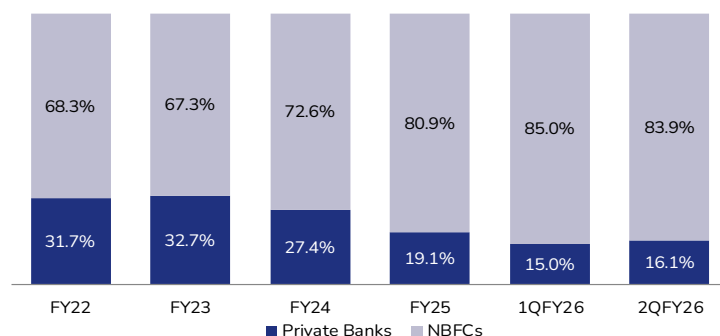
**Exhibit 36. ...and in volume terms also****Active Loans**

Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

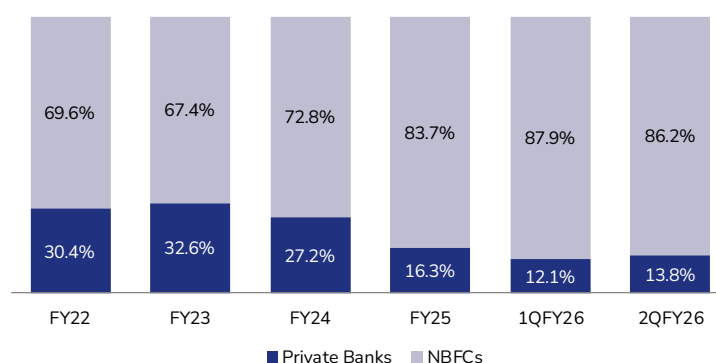
**Exhibit 37. Consumer durables disbursements: YoY growth in disbursement value led by growth in volume; ticket sizes largely flat YoY**

Originations	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	FY20-23	FY23-25	FY20-25
Disbursement Value (INR bn)	744	553	955	1314	1550	1602	901	466	435	21%	10%	17%
Disbursement Volume (mn)	37.0	28.9	44.9	61.8	69.8	77.8	44	22.4	21.3	19%	12%	16%
Ticket size (INR k)	20.1	19.1	21.3	21.2	22.2	20.6	20.6	20.8	20.4	2%	-2%	0%
<b>YoY Growth</b>												
Disbursement Value	18%	-26%	73%	37%	18%	3%	12%	6%	19%			
Disbursement Volume	18%	-22%	55%	38%	13%	12%	11%	4%	20%			
Ticket size	0%	-5%	11%	0%	5%	-7%	1%	2%	0%			

Source: CRIF, JM Financial

**Exhibit 38. Consumer durables disbursements: Market share of NBFCs has moderated sequentially not just on value basis...****Market share (Originations - Value)**

Source: CRIF, JM Financial

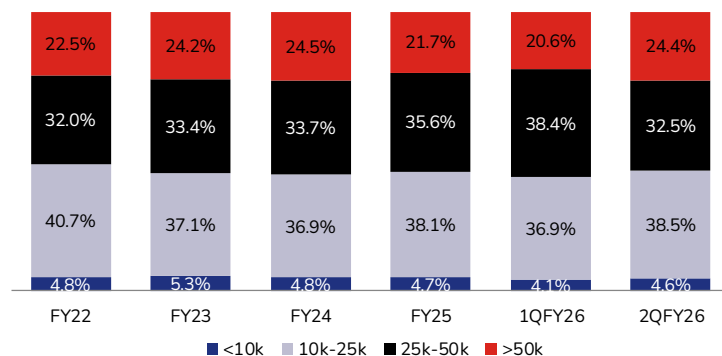
**Exhibit 39. ...but in volume terms also****Market share (Originations - Volume)**

Source: CRIF, JM Financial

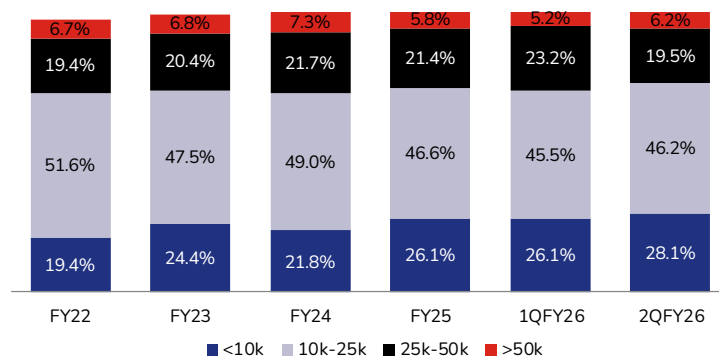
**Exhibit 40. Ticket sizes are largely flat YoY for banks/NBFCs**

Originations - Ticket size (INR k)	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	YoY			CAGR
								2QFY26	1HFY26	FY25	FY20-23
Private Banks	22.2	21.3	22.4	24.1	24.8	25.8	23.8	4%	7%	8%	3%
NBFCs	20.9	21.2	22.2	19.9	20.0	20.1	19.9	0%	1%	-10%	-2%

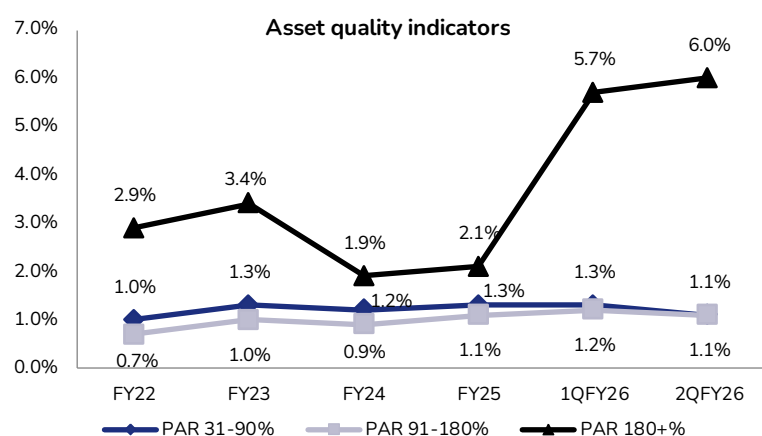
Source: CRIF, JM Financial

**Exhibit 41. Mid segment loans (INR10k-50k) constitute the majority...****Originations by Ticket size (Value)**

Source: CRIF, JM Financial

**Exhibit 42. ...same trend can be observed in volume terms****Originations by Ticket size (Volume)**

Source: CRIF, JM Financial

**Exhibit 43. Asset quality: PAR 180+ increases sharply in the last 2 quarters; other bucket numbers largely steady**

Source: CRIF, JM Financial

**Exhibit 44. Consumer durables delinquency: NBFCs continue to outperform in PAR 31-180 overall**

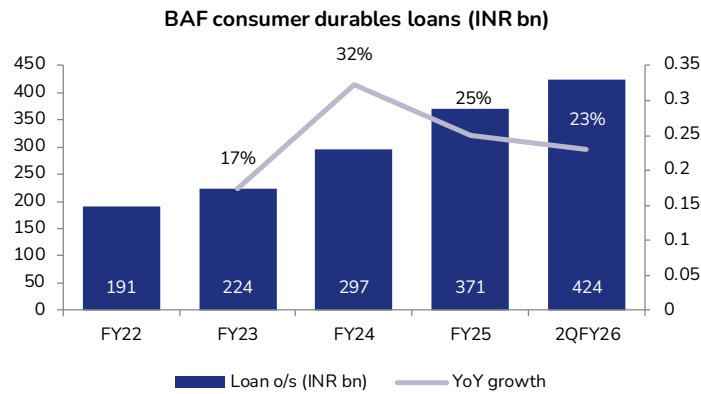
Delinquency - Lender type	PAR 31-90					PAR 91-180				
	FY23	FY24	FY25	1QFY26	2QFY26	FY23	FY24	FY25	1QFY26	2QFY26
Pvt Banks	1.9%	1.6%	1.7%	1.7%	1.5%	1.5%	1.5%	2.4%	2.1%	1.9%
NBFCs	1.1%	1.0%	1.2%	0.9%	0.7%	0.9%	0.6%	0.8%	0.7%	0.7%

Source: CRIF, JM Financial

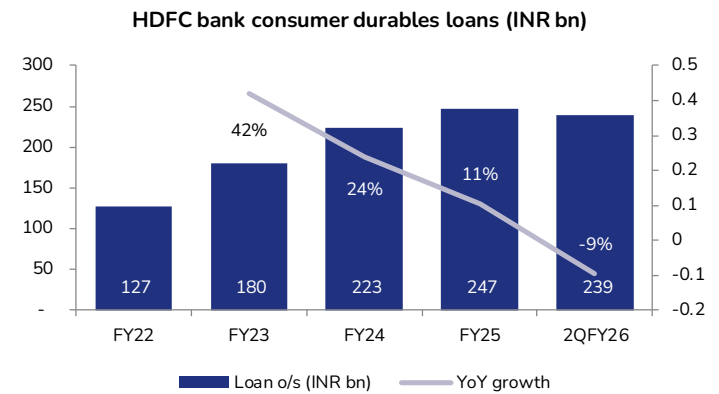
**Exhibit 45. Consumer durables delinquency: Dpd comes down across ticket sizes**

Delinquency - Ticket size	PAR 31-90					PAR 91-180				
	FY23	FY24	FY25	1QFY26	2QFY26	FY23	FY24	FY25	1QFY26	2QFY26
<10k	2.4%	1.9%	2.2%	1.5%	1.2%	2.6%	2.7%	2.2%	1.1%	0.8%
10k-25k	1.3%	1.2%	1.2%	1.0%	0.8%	1.0%	0.8%	1.0%	0.9%	0.8%
25k-50k	1.2%	1.3%	1.2%	1.0%	0.8%	1.0%	0.9%	1.1%	1.0%	0.9%
>50k	1.3%	1.1%	1.4%	1.3%	1.0%	1.0%	0.8%	1.2%	1.2%	1.2%

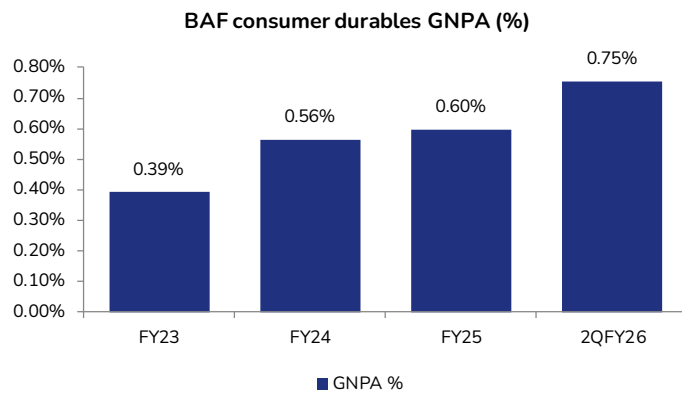
Source: CRIF, JM Financial

**Exhibit 46. BAF- Consumer durables loan growth moderated in 2QFY26**

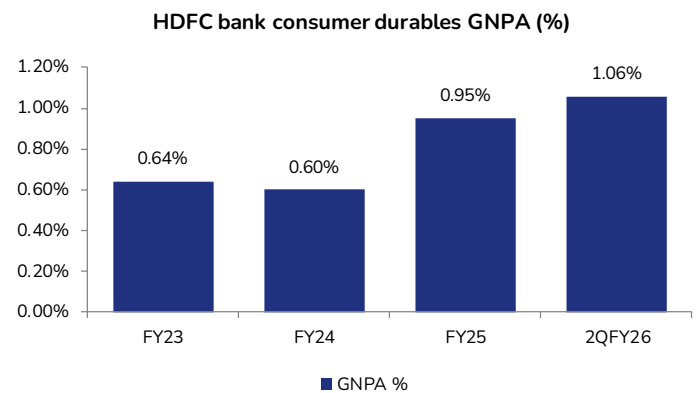
Source: Company, JM Financial

**Exhibit 47. HDFCB: Consumer durables loans declined YoY**

Source: Company, JM Financial. Note: Consumer durable loans denote fund exposure disclosed in Basel 3 disclosures

**Exhibit 48. BAF- GNPA has increased in consumer durables**

Source: Company, JM Financial

**Exhibit 49. HDFCB - GNPA has increased for consumer durables loans**

Source: Company, JM Financial

## Credit cards: Moderation in new card issuance continues; private banks gain market share

- **New issuance: Fall in new card issuance:** The number of new cards issued during 2QFY26 was 4.4mn, down from 6.1mn in 2QFY25 (**down 28% YoY**). Hence, growth in card in circulation remained muted at only 6% YoY in 2QFY25 vs. 7% YoY in FY25 (**Exhibit 53**).
- **Outstanding: Moderation in growth of o/s balance:** Driven by weak cards issuance growth, growth in o/s balances also moderated to 9% YoY in 2QFY26 vs. 20% YoY in FY25 (**Exhibit 50**).
- **Majority of cards issued by private banks, NBFC/others ceding market share:** ~78% of the new card issues were done by private banks and the rest by NBFCs/Others. The market share in terms of new cards issued was higher by ~730bps for private banks in 2QFY26 vs. FY25 levels (**Exhibit 54**).
- **Asset quality indicators showing mixed trends:** PAR90+ went up sharply in FY25 to 15%, but it has started moderating and stood at 8.9% as of 2QFY26 (same as in 1QFY26). PAR1-30 also moderated by ~40bps to 2.3% over FY25-2QFY26. PAR31-90 was stable QoQ in 2QFY26. **In terms of lenders, private banks saw delinquencies (PAR 31-90) increasing from FY25 to 2QFY26. (Exhibit 55, Exhibit 56).**
- **Movement in NTC share:** The NTC share in newly issued Credit Cards was steady at 9.3% in 2QFY26, consistent with 2QFY25, but decreased significantly from 12.4% in 1QFY26, showing a 3.1% QoQ decline.
- **HDFC/SBI Cards gain market share in spends:** Data from RBI shows that SBI Cards (172bps) and HDFC (96bps) have gained market share in credit cards spends in FY26 YTD vs. FY25. On the other hand, KMB (74bps), IIB (65bps), RBL (52bps) and ICICI (32bps) have lost market share in spends in FY26YTD vs. FY25. In terms of o/s cards, HDFC Bank saw market share increasing over FY25 to Oct'25, while ICICI/RBL/KMB saw market share moderating. **We also note that loan growth across players has moderated in this segment in 2QFY26 (Exhibit 60).**

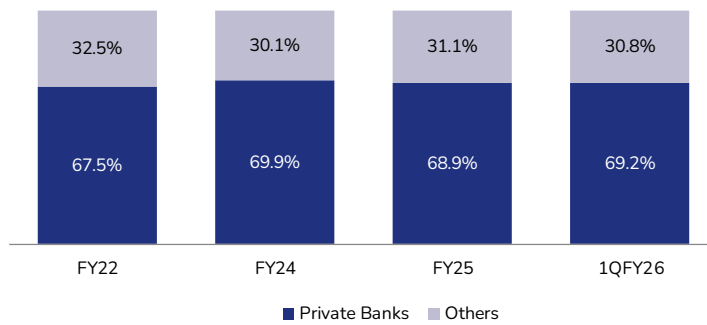
**Exhibit 50. Credit cards: Moderation in growth of o/s balances and cards in circulation**

Credit Cards	FY20	FY21	FY22	FY23	FY24	FY25	1QFY26	2QFY26	FY20-23	FY23-1HFY26	FY20-1HFY26
Credit card balances (INR tn)	1.6	1.7	1.8	2.4	3.0	3.7	3.4	3.5	15%	17%	16%
Cards in circulation (mn)	54.0	60.6	71.3	85.7	99.9	107.2	107.9	108.5	17%	10%	14%
Ticket size (INR k)	29.1	28.6	25.4	27.8	30.4	34.1	31.5	32.3	-2%	6%	2%
<b>YoY growth</b>											
Credit card balances		10%	4%	31%	28%	20%	3%	9%			
Cards in circulation		12%	18%	20%	17%	7%	7%	6%			
Ticket size		-2%	-11%	9%	10%	12%	-4%	3%			

Source: CRIF, JM Financial

Exhibit 51. Cards in circulation (o/s) dominated by private banks...

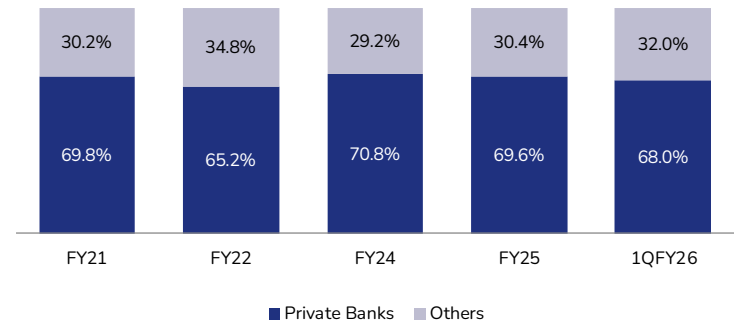
## Cards in circulation



Source: CRIF, JM Financial

Exhibit 52. ...and credit card balances follow a similar trend

## Credit card balances



Source: CRIF, JM Financial

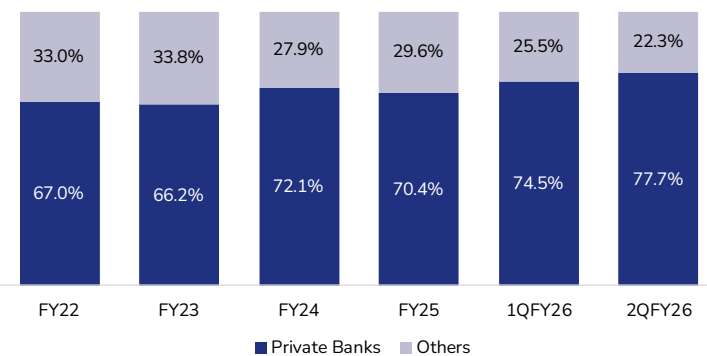
Exhibit 53. Credit cards: New card issuances fall by 28% in 2QFY26

Originations	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	CAGR		
										FY20-23	FY23-25	FY20-25
New cards issued (mn)	16.0	11.1	18.4	28.0	29.4	21.6	9.0	4.6	4.4	20%	-12%	6%
YoY Growth (%)	19%	-31%	67%	52%	5%	-26%	-24%	-19%	-28%			

Source: CRIF, JM Financial

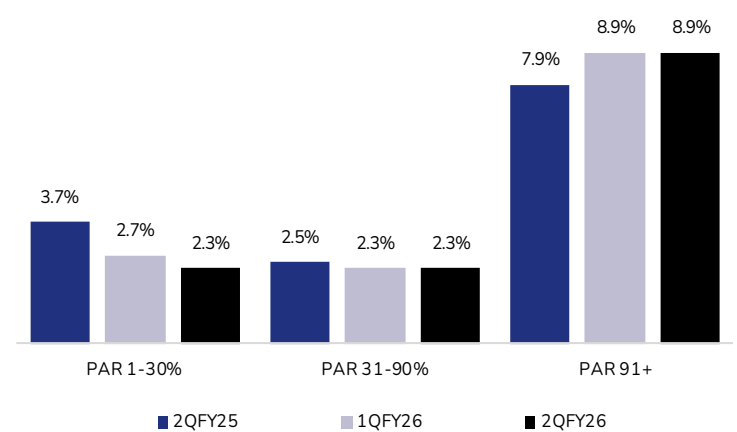
Exhibit 54. New card issuance: NBFCs/others losing market share

## New Cards issued - by issuer type

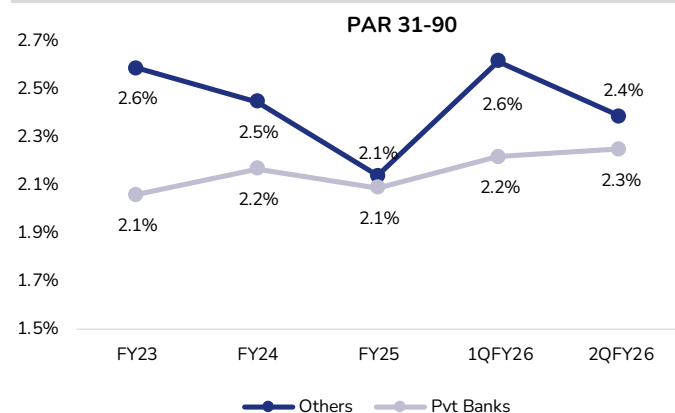


Source: CRIF, JM Financial

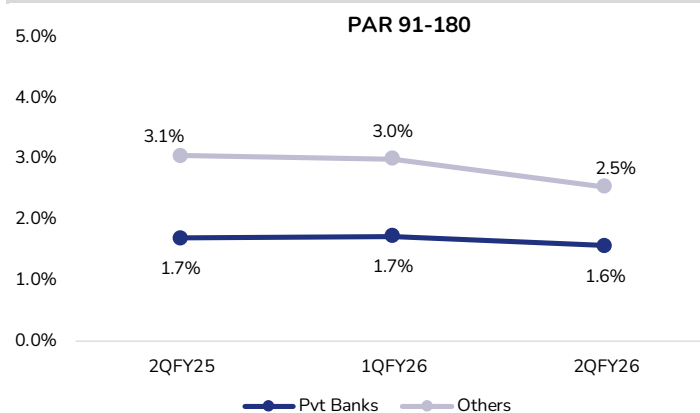
Exhibit 55. Late delinquencies (PAR 90+%) remain elevated in 2QFY26



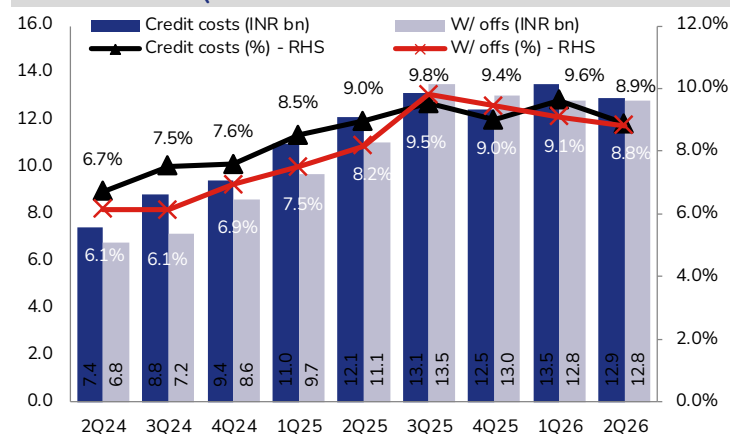
Source: CRIF, JM Financial

**Exhibit 56. Mid-stage delinquencies have deteriorated for both pvt banks and others over FY25-2QFY26**

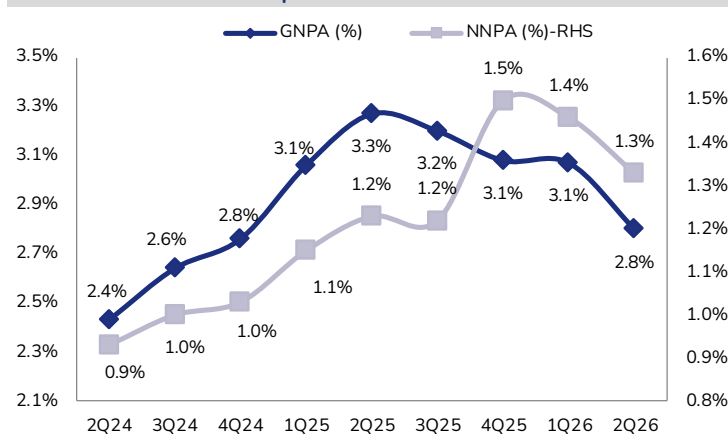
Source: CRIF, JM Financial

**Exhibit 57. Late stage delinquencies have improved for both pvt banks and others over the last year**

Source: CRIF, JM Financial

**Exhibit 58. SBI Cards: Credit cost remains elevated but has shown signs of moderation in 2QFY26**

Source: Company, JM Financial

**Exhibit 59. SBI Cards: GNPA and NNPA in credit card segment has moderated over the last 3 quarters**

Source: Company, JM Financial

**Exhibit 60. HDFC Bank has gained market share over FY25-Oct'25, while ICICI/RBL/Kotak have ceded market share in terms of o/s cards**

Market share- O/S cards	FY23	FY24	FY25	Jun'25	Jul'25	Aug'25	Sep'25	Oct'25	MoM (bps)
HDFC Bank	20.6%	20.2%	21.7%	22.0%	22.2%	22.3%	22.3%	22.3%	0
SBI Cards	19.7%	18.6%	19.0%	19.1%	19.0%	19.0%	19.0%	19.0%	1
ICICI Bank	16.9%	16.7%	16.6%	16.2%	16.2%	16.2%	16.2%	16.2%	0
Axis Bank (Inc. Citi)	14.4%	14.2%	13.8%	13.8%	13.8%	13.9%	13.8%	13.8%	(0)
RBL Bank	5.2%	5.1%	4.4%	4.2%	4.2%	4.0%	3.9%	3.9%	(4)
Kotak Mahindra	5.8%	5.8%	4.4%	4.1%	4.1%	4.1%	4.0%	4.0%	(2)
Indusind Bank	2.6%	2.8%	2.9%	2.9%	2.9%	2.8%	2.8%	2.8%	(2)
AMEX	1.6%	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	(1)
Standard Chartered	1.2%	1.0%	0.8%	0.7%	0.7%	0.7%	0.7%	0.6%	(3)
YES	1.7%	2.0%	2.2%	2.5%	2.1%	2.2%	2.3%	2.4%	2
HSBC	0.8%	0.6%	0.8%	0.9%	0.9%	0.9%	0.9%	0.8%	(2)
<b>Top 4 players (Inc. CITI)</b>	<b>71.6%</b>	<b>69.6%</b>	<b>71.0%</b>	<b>71.0%</b>	<b>71.3%</b>	<b>71.3%</b>	<b>71.3%</b>	<b>71.3%</b>	<b>1</b>

Source: RBI, JM Financial



**Exhibit 61. Spends: HDFC/SBI Cards/ have gained market share while KMB/IIB/RBL/ICICI have ceded market share**

Market share- Spends	FY23	FY24	FY25	Jun'25	Jul'25	Aug'25	Sep'25	Oct'25	FY26YTD	FY26YTD vs FY25 (bps)
HDFC Bank	27.9%	27.0%	27.1%	27.9%	27.8%	28.2%	28.0%	28.9%	28.0%	96
SBI Cards	18.2%	17.8%	15.7%	16.7%	16.8%	17.3%	18.7%	18.7%	17.4%	172
ICICI Bank	18.0%	17.8%	18.9%	18.2%	18.7%	18.0%	19.3%	18.5%	18.6%	(32)
Axis Bank (inc. Citi)	12.6%	12.1%	11.6%	12.3%	12.0%	11.6%	12.3%	11.6%	12%	8
RBL Bank	4.2%	4.3%	4.4%	3.7%	3.7%	3.7%	3.2%	3.5%	3.6%	(52)
Kotak Mahindra	3.2%	3.9%	3.9%	3.3%	3.2%	2.9%	2.8%	3.0%	3.1%	(74)
Indusind Bank	5.1%	4.9%	4.9%	4.5%	4.6%	4.9%	3.7%	2.5%	4.2%	(65)
AMEX	2.7%	2.7%	3.0%	2.8%	2.7%	2.7%	2.6%	2.8%	2.8%	(19)
Standard Chartered	1.0%	0.7%	0.6%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	(16)
YES	1.1%	1.3%	1.6%	1.8%	1.8%	1.8%	1.6%	1.8%	1.8%	15
HSBC	0.6%	0.5%	0.9%	1.0%	0.9%	0.8%	0.7%	0.8%	0.9%	(1)
<b>Top 4 players (Inc. CITI)</b>	<b>76.7%</b>	<b>74.7%</b>	<b>73.2%</b>	<b>75.1%</b>	<b>75.2%</b>	<b>75.1%</b>	<b>78.3%</b>	<b>77.7%</b>	<b>75.9%</b>	<b>244</b>

Source: RBI, JM Financial

**Exhibit 62. Credit card loan growth moderates across players**

Credit card loans YoY growth	FY22	FY23	FY24	FY25	1QFY26	2QFY26
SBIC	25%	30%	25%	10%	7%	8%
ICICIBC	45%	52%	36%	12%	1%	6%
AXSB	19%	100%	30%	4%	2%	7%
KMB	40%	81%	44%	-7%	-12%	-14%
IIB	22%	52%	28%	3%	3%	-2%
RBL	10%	-1%	28%	1%	-1%	-2%

Source: RBI, JM Financial

## Home Loans: Disbursements growth picks up; PSBs continue to gain market share

- **Disbursements: Disbursements growth improves in terms of value and volume:** Disbursements in home loans in terms of value grew by 11%/14% YoY in 1H/2QFY26 (vs. 3% YoY in FY25) primarily led by a growth in disbursement volume at 6%/7% YoY in 1H/2QFY26 (vs. -5% YoY in FY25). Disbursement ticket sizes growth moderated to 7% YoY in 2QFY26 (vs. 9% YoY in FY25) (**Exhibit 66**).
- **Outstanding: System growth continues to moderate in o/s loans and volumes:** During 2QFY26, despite disbursement showing signs of improvement, the growth in o/s portfolio and active loans in the home loans industry further moderated to 11% and 3% respectively in 2QFY26 (vs. 13% and 5% in FY25). The overall home loan book expanded at a CAGR of 12% over FY23-1HFY26, compared to a robust 17% CAGR during FY20-23. O/s volume growth has also decelerated sharply to 4% over FY23-1HFY26, from 22% over FY20-23 (**Exhibit 63**).
- **Private banks/HFCs losing market share while PSBs have benefited:** The competitive landscape has tilted further in favour of public sector banks, with the share of PSBs in terms of origination value increasing further to 50% as of 2QFY26 (vs. ~43% in FY25), while private banks lost market share from ~30% in FY25 to ~25% as of 2QFY26. HFCs' market share declined by ~140bps to 19% during FY25-2QFY26 (**Exhibit 67, Exhibit 68**).
- **Rising share of >INR 7.5mn high ticket housing loans:** The share of high-ticket housing loans (>INR 7.5mn) continues to increase sharply; in terms of disbursement (value), it increased to 39.4% as of 2QFY26 (vs. 35% in FY25), and in terms of disbursement volume it increased to 9% as of 2QFY26 (vs. 7.6% in FY25). This reflects the consumer preference for larger homes amid rising real estate prices (**Exhibit 70, Exhibit 71**).
- **Disbursement growth in <INR3.5mn (affordable segment broadly) continue to remain muted:** Disbursement (value) growth in <INR3.5mn segment was only ~2%/1% YoY in 2Q/1HFY26 (vs. decline of 5% YoY in FY25) leading to consistent decline in its market share in overall disbursements.
- **Movement in NTC share:** The NTC share in housing Loans dropped to 11.7% in 2QFY26 from 20.3% in 1QFY26, showing a 8.6% QoQ decline and a 1% YoY drop from 12.7% in 2QFY25.
- **Increase in high-ticket originations leads to steady asset quality (except for <INR0.5mn segment):** Asset quality trends were broadly stable or improving across all lenders in 2QFY26, indicating stronger collection efficiency with PSU banks continuing to report consistent improvements in PAR 31-180. On an overall basis as well, asset quality indicators across buckets were steady. However, based on ticket sizes, **lower ticket sizes showed weaker asset quality, with early delinquency increasing in the sub-0.5mn segment for the PAR31-90 bucket** (**Exhibit 72 - Exhibit 75**).

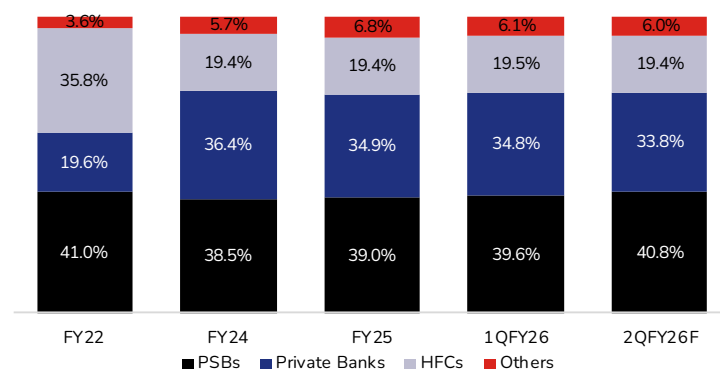
**Exhibit 63. Home loans: Growth moderates in portfolio o/s and active loans**

Home loans	FY20	FY21	FY22	FY23	FY24	FY25	1QFY26	2QFY26	FY20-23	FY23-1HFY26	FY20-1HFY26
Portfolio Outstanding (INR tn)	20.0	22.5	27.3	31.9	35.9	40.6	41.2	42.1	17%	12%	14%
Active loans (mn)	11.5	12.4	13.5	20.9	22.0	23.0	22.9	23.2	22%	4%	14%
Ticket size (INR mn)	1.7	1.8	2.0	1.5	1.6	1.8	1.8	1.8	-4%	7%	1%
<b>YoY growth</b>											
Portfolio Outstanding	9%	13%	21%	17%	13%	13%	13%	11%			
Active loans	8%	8%	9%	54%	5%	5%	5%	3%			
Ticket size	1%	4%	11%	-24%	7%	8%	8%	8%			

Source: CRIF, JM Financial

Exhibit 64. PSBs have gained market share in o/s portfolio...

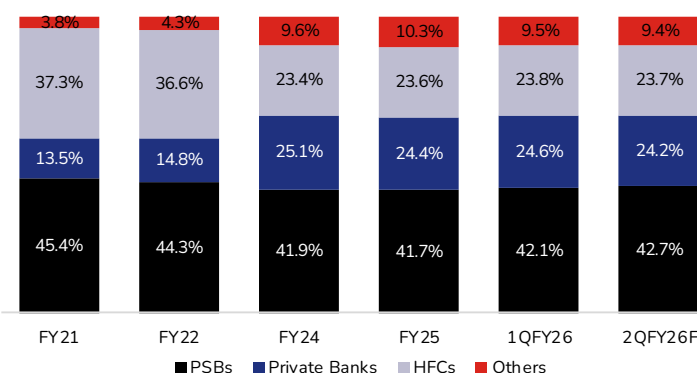
## Home loan outstanding portfolio



Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

Exhibit 65. ...and share in active loans has also inched up sequentially

## Home loan: Active loans



Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

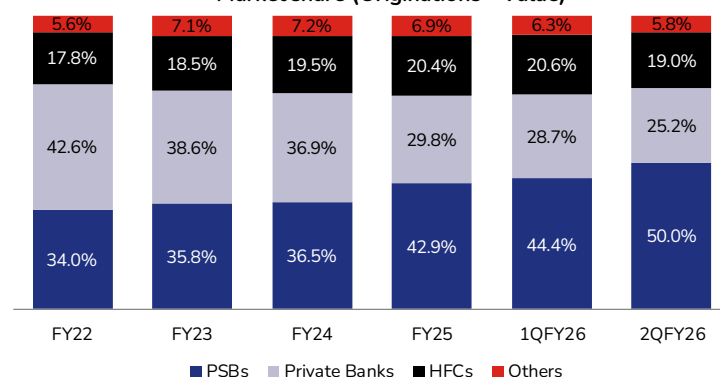
Exhibit 66. Home loans: Disbursement growth (value) improves led by growth in volume and ticket size

Originations	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	FY20-23	FY23-25	FY17-25
Disbursement Value (INR tn)	5.8	6.0	8.0	9.5	10.4	10.7	5.5	2.4	3.0	18%	6%	13%
Disbursement Volume (mn)	2.9	2.7	3.3	3.6	3.7	3.5	1.7	0.8	0.9	8%	-2%	4%
Ticket size (INR mn)	2.0	2.2	2.4	2.6	2.8	3.1	3.2	3.1	3.3	9%	8%	9%
<b>YoY Growth</b>												
Disbursement Value	3%	3%	33%	19%	10%	3%	11%	7%	14%			
Disbursement Volume	33%	-7%	21%	11%	1%	-5%	6%	4%	7%			
Ticket size	-23%	11%	10%	7%	8%	9%	5%	3%	7%			

Source: CRIF, JM Financial

Exhibit 67. Home loans: PSBs continue to gain market share in value...

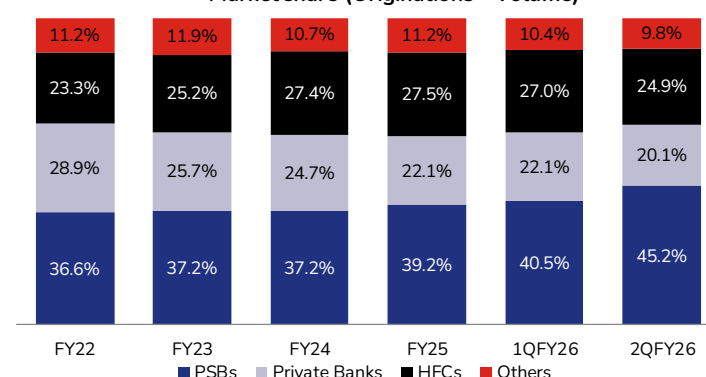
## Market share (Originations - Value)



Source: CRIF, JM Financial

Exhibit 68. ...and in volume terms

## Market share (Originations - Volume)

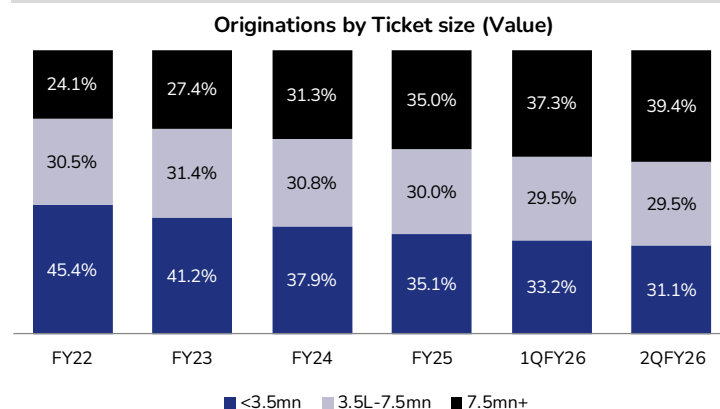


Source: CRIF, JM Financial

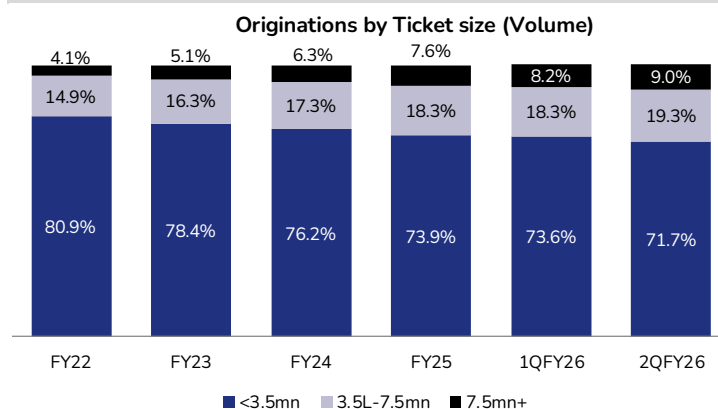
Exhibit 69. Home loans: Ticket size increases for PSBs and HFCs while it is broadly stable for private banks and other lenders

Originations - Ticket size (INR mn)										YoY			CAGR		
	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	2QFY26	1HFY26	FY25	FY20-23	FY23-25	FY20-25
PSBs	1.9	2.0	2.3	2.5	2.8	3.4	3.6	3.4	3.7	10%	10%	21%	9%	16%	12%
Private Banks	2.9	3.3	3.6	3.9	4.2	4.2	4.1	4.1	4.2	-2%	-3%	-2%	10%	3%	7%
HFCs	1.7	1.9	1.9	1.9	2.0	2.3	2.5	2.4	2.5	13%	11%	13%	5%	9%	6%
Others	0.8	0.8	1.2	1.6	1.9	1.9	1.9	1.9	2.0	0%	-4%	-1%	26%	10%	19%

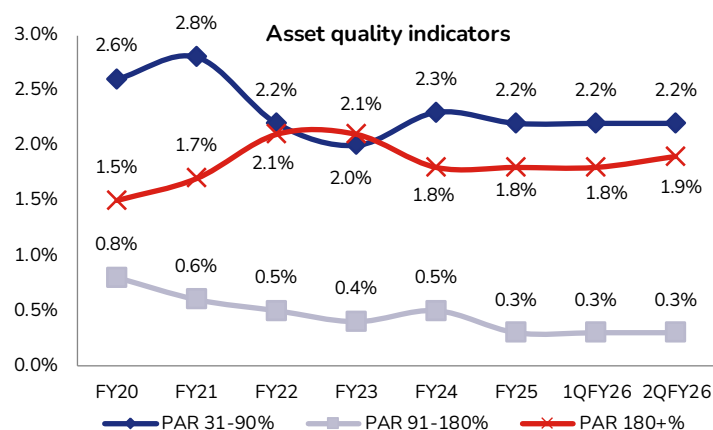
Source: CRIF, JM Financial

**Exhibit 70. Home loans: Rise in share of high ticket loans in disbursement value terms**

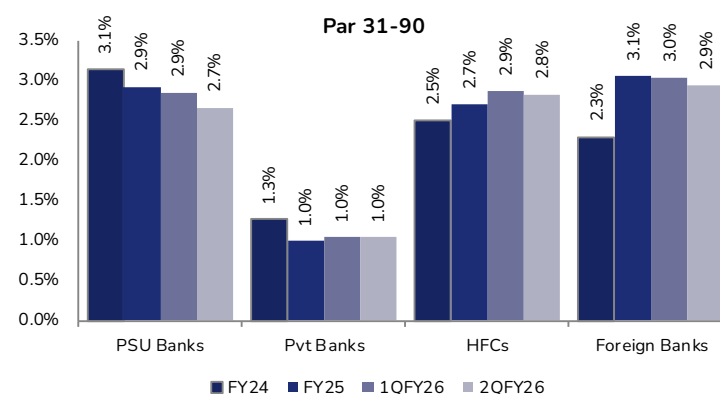
Source: CRIF, JM Financial

**Exhibit 71. Home loans: Rise in share of high ticket loans in disbursement volume terms**

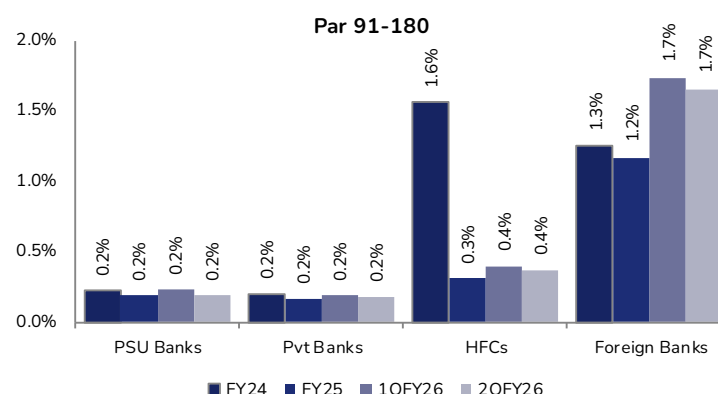
Source: CRIF, JM Financial

**Exhibit 72. Home loans: Asset quality indicators broadly stable across buckets**

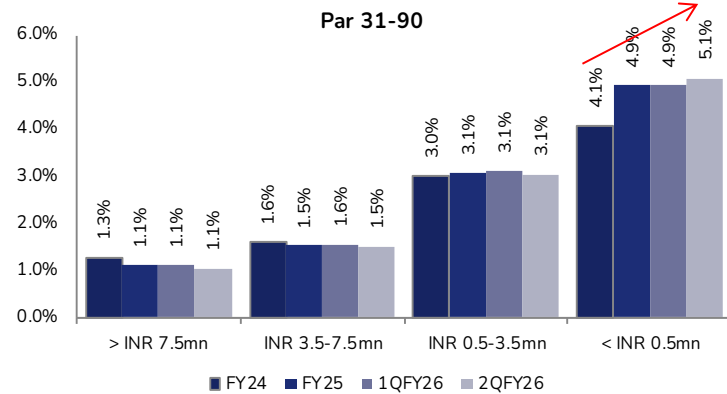
Source: CRIF, JM Financial

**Exhibit 73. Home loans: Early stage delinquencies improve for PSU and foreign banks**

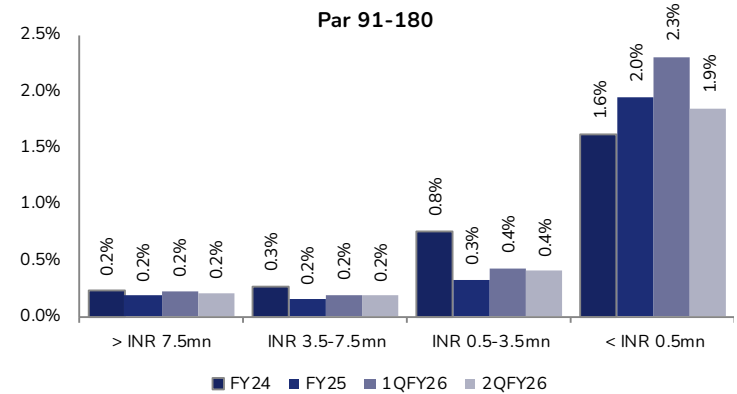
Source: CRIF, JM Financial

**Exhibit 74. Home loans: Mid-stage delinquencies improve for PSU banks and HFCs**

Source: CRIF, JM Financial

**Exhibit 75. Home loans: Early delinquency rates for low ticket loans continues to deteriorate**

Source: CRIF, JM Financial

**Exhibit 76. Home loans: PAR 91-180 showed steady asset quality, except for small ticket loans, which showed improvement**

Source: CRIF, JM Financial

**Exhibit 77. Home loans: O/S loan growth picks up slightly in individual banks...**

Home loans landscape	Outstanding loans (INR bn)					YoY growth (%)				Market share (%) -2Q		% of loan book	
	FY23	FY24	FY25	1QFY26	2QFY26	FY24	FY25	1QFY26	2QFY26	Banks	System	FY24	2QFY26
<b>Banks</b>													
SBIN	6,407	7,258	8,308	8,509	8,804	13%	14%	15%	15%	26.0%	20.9%	20%	20%
HDFCB	1,021	7,744	8,357	8,428	8,565	659%	8%	7%	7%	25.3%	20.3%	31%	31%
ICICI (Mortgages)	3,447	3,959	4,396	4,479	4,606	15%	11%	10%	10%	13.6%	10.9%	33%	33%
Axis (Housing loans)	1,574	1,659	1,671	1,660	1,657	5%	1%	0%	-1%	4.9%	3.9%	17%	15%
BOB	980	1,118	1,311	1,337	1,389	14%	17%	17%	16%	4.1%	3.3%	10%	11%
KMB (Mortgage)	927	1,067	1,270	1,315	1,379	15%	19%	19%	18%	4.1%	3.3%	28%	30%
PNB	819	983	1,163	1,187	1,241	20%	18%	17%	13%	3.7%	2.9%	11%	11%
Federal (Retail housing)	251	280	366	365	361	11%	31%	7%	2%	1.1%	0.9%	13%	15%
Yes	137	189	223	262	278	39%	18%	35%	38%	0.8%	0.7%	8%	11%
IDFCB	196	223	272	272	271	14%	22%	10%	6%	0.8%	0.6%	11%	11%
Bandhan (Housing)	211	226	260	262	262	7%	15%	12%	8%	0.8%	0.6%	19%	19%
DCB Bank (Mortgages)	151	184	223	224	227	22%	21%	17%	13%	0.7%	0.5%	45%	43%
Ujjivan SFB	34	49	73	80	88	45%	48%	53%	51%	0.3%	0.2%	18%	26%
AU SFB (Home loan)	43	60	74	75	76	41%	22%	12%	9%	0.2%	0.2%	7%	7%
IIB	-	-	45	50	55	NA	NA	NA	NA	0.2%	0.1%	0%	2%
Equitas SFB	29	42	48	49	51	46%	14%	12%	15%	0.1%	0.1%	14%	14%
CUB (Housing)	21	21	25	26	27	2%	19%	19%	17%	0.1%	0.1%	5%	5%
<b>Total-Selected banks</b>	<b>16,246</b>	<b>25,063</b>	<b>28,085</b>	<b>28,578</b>	<b>29,336</b>	<b>54%</b>	<b>12%</b>	<b>11%</b>	<b>11%</b>	<b>87%</b>	<b>70%</b>	<b>21%</b>	<b>21%</b>
<b>Overall banks-Home loans</b>		<b>28,933</b>	<b>32,764</b>	<b>33,166</b>	<b>33,933*</b>	<b>NA</b>	<b>13%</b>	<b>NA</b>	<b>NA</b>		<b>81%</b>	<b>18%</b>	<b>18%</b>
<b>System- Home loans</b>	<b>31,852</b>	<b>35,897</b>	<b>40,600</b>	<b>41,200</b>	<b>42,100</b>	<b>13%</b>	<b>13%</b>	<b>13%</b>	<b>11%</b>				
<b>Market share of:</b>													
<b>Selected Banks in system</b>	<b>51.0%</b>	<b>69.8%</b>	<b>69.2%</b>	<b>69.4%</b>	<b>69.7%</b>								
<b>Selected Banks in overall Banks</b>		<b>86.6%</b>	<b>85.7%</b>	<b>86.2%</b>	<b>86.5%</b>								
<b>Overall Banks in system</b>		<b>80.6%</b>	<b>80.7%</b>	<b>80.5%</b>	<b>80.6%</b>								

Source: RBI, Company data, Rating agencies, CRIF Highmark, Transunion CIBIL, \*JMF estimate

## Exhibit 78. Home loans: NBFCs O/S loans growing higher than the system

Home loans landscape	Outstanding loans (INR bn)				YoY Growth (%)					Market share (%) - 2QFY26		% of loan book	
Company Name	FY24	FY25	1QFY26	2QFY26	FY24	FY25	1QFY26	2QFY26	2Q'26 vs FY24	System	NBFCs	FY24	2QFY26
LIC HF - Home loan	2,442	2,616	2,624	2,641	7%	7%	7%	5%	1.1 x	6.3%	32.2%	85%	85%
Bajaj Finance- Home loan	541	655	683	709	23%	21%	20%	19%	1.3 x	1.7%	8.6%	16%	15%
PNB HF - Individual housing	455	535	548	578	16%	18%	17%	18%	1.3 x	1.4%	7.0%	70%	72%
Tata Capital - Home loan	NA	384	402	413	NA	NA	NA	NA	NA	1.0%	5.0%	NA	17%
Piramal Enterprise- Home loan	220	267	280	295	33%	21%	23%	23%	1.3 x	0.7%	3.6%	32%	32%
L&T Finance- Home loan	146	193	202	206	36%	32%	29%	22%	1.4 x	0.5%	2.5%	17%	19%
Cholamandalam - Home loan	134	184	194	204	59%	37%	33%	28%	1.5 x	0.5%	2.5%	9%	10%
Aadhar HF - Home loan	158	188	194	201	17%	19%	20%	18%	1.3 x	0.5%	2.4%	75%	73%
Aavas Financiers - Home loan	120	139	139	143	21%	16%	13%	13%	1.2 x	0.3%	1.7%	69%	67%
HFFC - Retail Housing	83	106	112	118	32%	28%	26%	24%	1.4 x	0.3%	1.4%	86%	83%
Aptus - Home loan	52	65	69	72	34%	25%	26%	22%	1.4 x	0.2%	0.9%	60%	61%
Fedfina - Small Ticket LAP and HL	32	37	37	37	43%	16%	11%	4%	1.2 x	0.1%	0.5%	26%	23%
<b>Total</b>	<b>4,383</b>	<b>5,369</b>	<b>5,485</b>	<b>5,618</b>	<b>14%</b>	<b>22%</b>	<b>22%</b>	<b>21%</b>	<b>1.3 x</b>	<b>13.3%</b>	<b>68.4%</b>	<b>14%</b>	<b>14%</b>
<b>Overall NBFCs- Home loans</b>	<b>6,964</b>	<b>7,876</b>	<b>8,034</b>	<b>8,167*</b>	<b>NA</b>	<b>13%</b>	<b>NA</b>	<b>NA</b>					
<b>System- Home loans</b>	<b>35,897</b>	<b>40,600</b>	<b>41,200</b>	<b>42,100</b>	<b>13%</b>	<b>13%</b>	<b>13%</b>	<b>11%</b>					
<b>Market share of:</b>													
<i>Selected NBFCs in system</i>	<b>12.2%</b>	<b>13.2%</b>	<b>13.3%</b>	<b>13.3%</b>									
<i>Selected NBFCs in overall NBFCs</i>	<b>62.9%</b>	<b>68.2%</b>	<b>68.3%</b>	<b>68.8%</b>									
<i>Overall NBFCs in system</i>	<b>19.4%</b>	<b>19.4%</b>	<b>19.5%</b>	<b>19.4%</b>									

Source: RBI, Company data, Rating agencies, CRIF Highmark. \*JMF estimates



## Auto Loans: Disbursement growth picks up; PSBs continue to gain market share

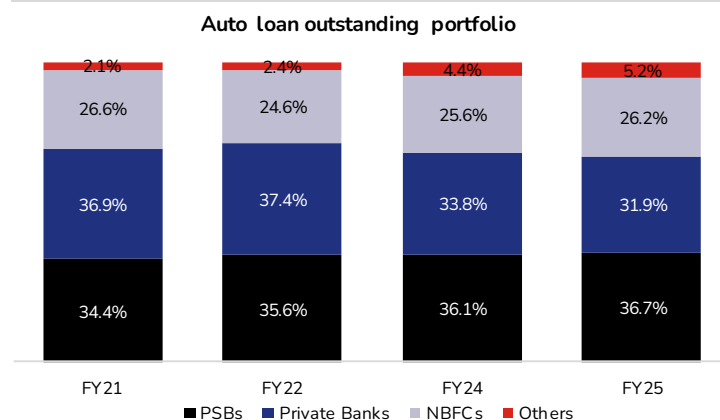
- **Disbursements: Disbursements growth improves in terms of value and volume:** Auto loans saw an increase in disbursement growth in 1H/2QFY26 with volume growing at 6%/10% YoY (vs. 2% YoY in FY25) leading to value growth of 9%/14% YoY (vs. 5% growth in FY25). Ticket size growth was steady at 4%/3% in 1H/2QFY26 (vs. 3% in FY25). But overall disbursement growth still remains muted compared to the 34% CAGR seen over FY21-23 (**Exhibit 82**).
- **Outstanding: Growth in o/s portfolio inches up, supported by growth in active loans:** The growth in o/s portfolio in the auto loans industry inched up to 16% in 2QFY26 (vs. 15% in FY25). This was led by increasing growth in o/s active loans, which grew 12% YoY in 2QFY26 (vs. 9% in FY25) (**Exhibit 79**).
- **Private banks and NBFCs lose market share while PSBs benefit:** Public sector banks continued to gain market share in terms of disbursement value as of 2QFY25 (450bps over FY25-2QFY26), while private banks lost 290bps and NBFCs lost 150bps over the same period. (**Exhibit 83, Exhibit 84**).
- **Rise in share of >INR 1.5mn ATS auto loans:** The auto loan sector is gradually shifting to medium to high ticket loans with share of originations in ticket size >1.5mn rising from ~28% in FY25 to ~31% as of 2QFY26. (**Exhibit 86, Exhibit 87**)
- **Movement in NTC share:** The share of NTC customers in auto loans fell from 19.7% in 1QFY26 to 12.5% in 2QFY26, representing a significant 7.2% QoQ decline and a 0.8% YoY decrease from 13.3% in 2QFY25.
- **Asset quality metrics worsened for NBFCs/lower ATS segments:** Asset quality trends were steady across most lenders barring NBFCs, which showed mixed trends. NBFCs saw a sharp deterioration in early and mid-stage delinquencies (PAR31-90), from 1.8% in FY25 to 3.7% in 2QFY26, while PAR91-180 moderated from 1.4% to 0.9% in 2QFY26. **In terms of ticket sizes, barring the INR 2mn+ segment**, all other ticket sizes showed deterioration in asset quality for PAR31-90, pointing to broad-based short-term stress, with the sub-0.5mn ticket size seeing a 110bps increase to 3.5% over FY25-2QFY26. For PAR91-180, asset quality was largely steady with slight improvement visible in lower ticket sizes, suggesting effective lender intervention (**Exhibit 88 - Exhibit 92**).

**Exhibit 79. Auto loans: Portfolio o/s inches up to 16% YoY as of 2QFY26 led by increase in active loans (+12% YoY vs. 9% YoY in FY25)**

Auto Loans	FY20	FY21	FY22	FY23	FY24	FY25	1QFY26	2QFY26	FY20-23	FY23-1H FY26	FY20-1H FY26
Portfolio Outstanding (INR tn)	4.3	4.4	4.9	5.9	7.1	8.2	8.3	8.6	11%	16%	14%
Active loans (mn)	11.9	11.5	13.0	13.6	14.6	15.9	16.3	16.6	4%	8%	6%
Ticket size (INR k)	357	377	378	434	487	516	510	517	7%	7%	7%
<b>YoY growth</b>											
Portfolio Outstanding	7%	2%	13%	20%	20%	15%	14%	16%			
Active loans	7%	-3%	12%	5%	7%	9%	8%	12%			
Ticket size	0%	6%	0%	15%	12%	6%	6%	4%			

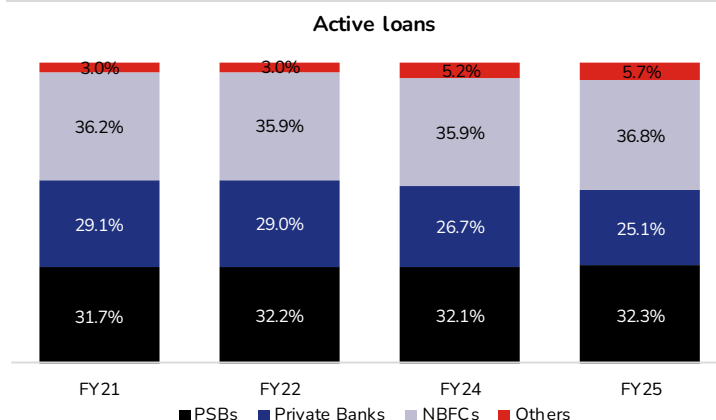
Source: CRIF, JM Financial

Exhibit 80. PSBs are gradually gaining market share in 2Q value...



Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

Exhibit 81. ...as well as volume terms



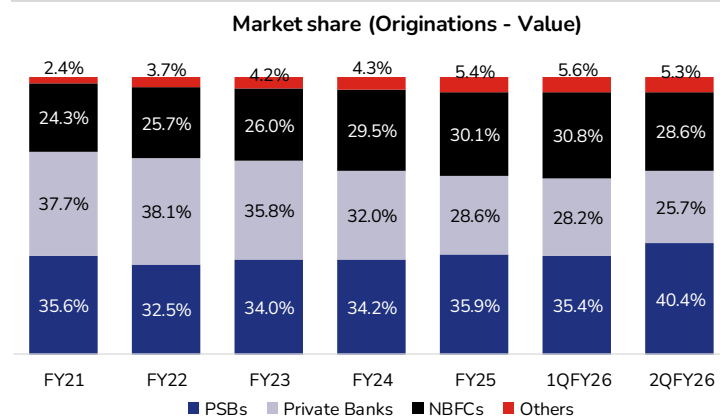
Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

Exhibit 82. Auto loans: Disbursement growth improves, with improvement seen across value, volume and ticket size

Originations	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	FY21-23	FY23-25	FY18-25
Disbursement Value (INR tn)	1.8	1.6	2.2	3.0	3.4	3.6	1.8	0.8	1.0	34%	10%	10%
Disbursement Volume (mn)	3.5	2.8	3.2	3.9	4.2	4.2	2.0	0.9	1.1	18%	5%	3%
Ticket size (INR k)	512	595	675	770	824	848	877	882	873	14%	5%	7%
<b>YoY Growth</b>												
Disbursement Value	-7%	-7%	31%	38%	15%	5%	9%	5%	14%			
Disbursement Volume	-3%	-20%	16%	21%	8%	2%	6%	1%	10%			
Ticket size	-4%	16%	14%	14%	7%	3%	4%	4%	3%			

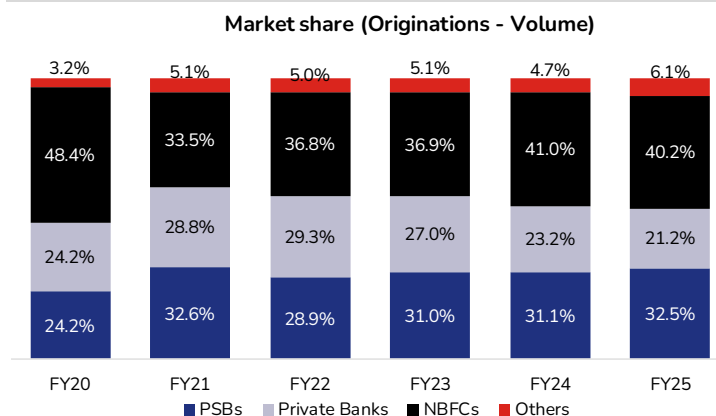
Source: CRIF, JM Financial

Exhibit 83. Auto loans: Rising market share of PSBs in value terms...



Source: CRIF, JM Financial

Exhibit 84. ...and in volume terms

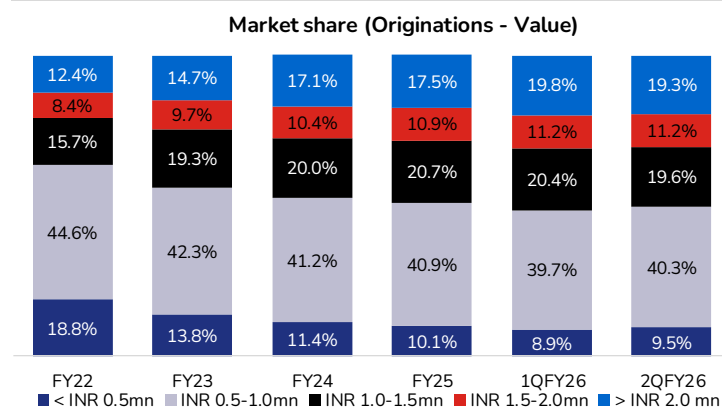


Source: CRIF, JM Financial

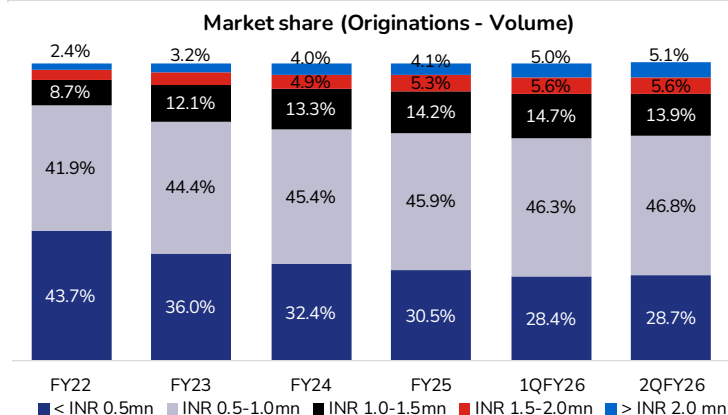
Exhibit 85. Auto loans: Ticket size growing in the range of ~3%-4% YoY

Originations - Ticket size (INR k)	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	YoY Growth			CAGR		
								2QFY26	1HFY26	FY25	FY20-23	FY23-25	FY18-25
PSBs	760	845	906	937	989	994	985	5%	5%	3%	11%	5%	8%
Private Banks	878	1,021	1,136	1,144	1,191	1,201	1,181	2%	3%	1%	10%	6%	7%
NBFCs	472	543	593	635	643	648	639	2%	2%	7%	16%	8%	6%
Others	500	634	754	751	788	823	759	7%	8%	0%	18%	9%	12%
<b>Total</b>	<b>675</b>	<b>770</b>	<b>824</b>	<b>848</b>	<b>877</b>	<b>882</b>	<b>873</b>	<b>3%</b>	<b>4%</b>	<b>3%</b>	<b>15%</b>	<b>5%</b>	<b>7%</b>

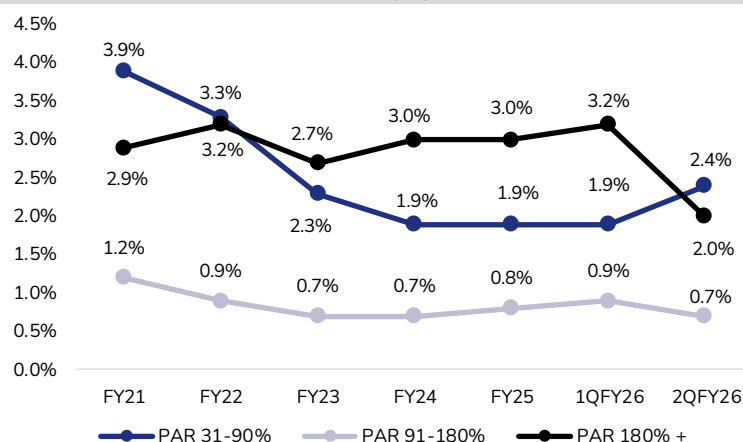
Source: CRIF, JM Financial

**Exhibit 86. Auto loans: Higher growth seen in higher ticket size loans over FY25-2QFY26**

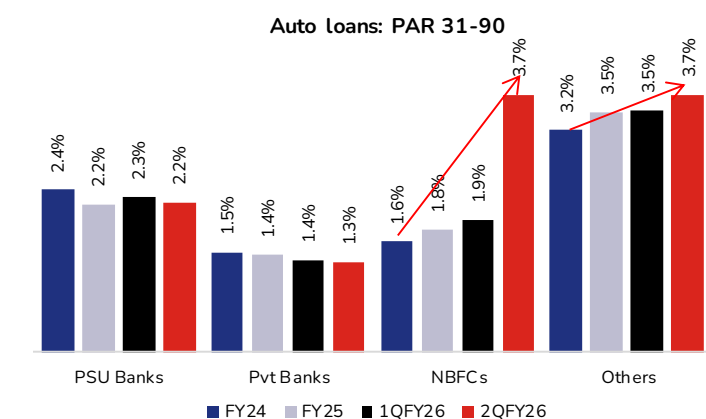
Source: CRIF, JM Financial

**Exhibit 87. Auto loans: Higher growth seen in higher ticket size loans as well as in 0.5mn-1mn ticket size loans**

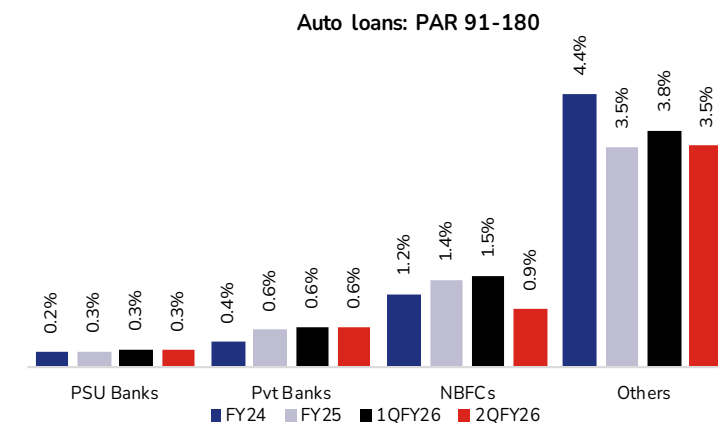
Source: CRIF, JM Financial

**Exhibit 88. Auto loans: PAR 31-90 deteriorated QoQ due to increase in NBFCs' delinquencies**

Source: CRIF, JM Financial

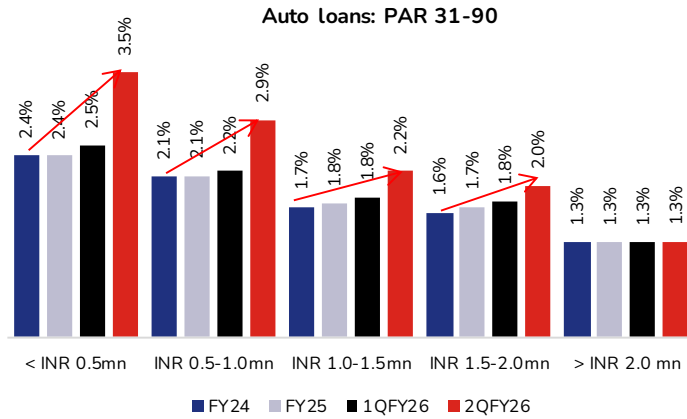
**Exhibit 89. Auto loans: Early delinquencies inched up for NBFCs and other lenders**

Source: CRIF, JM Financial

**Exhibit 90. Auto loans: Late delinquencies moderated for NBFCs**

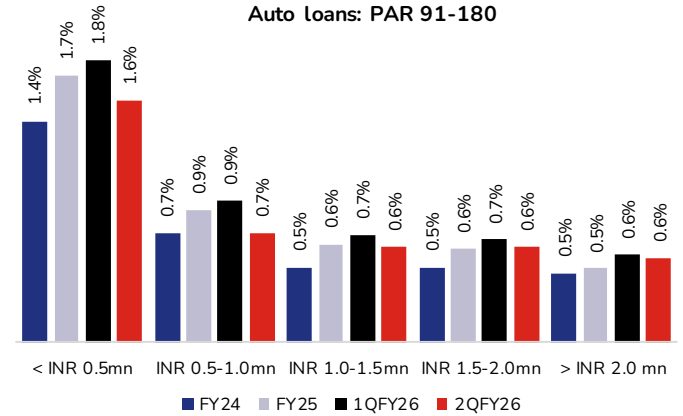
Source: CRIF, JM Financial

**Exhibit 91. Auto loans: Early delinquencies inched up across most ticket sizes barring the INR 2mn+ segment**



Source: CRIF, JM Financial

**Exhibit 92. Auto loans: Late delinquencies were steady across most ticket sizes; lower ticket sizes saw slight moderation**



Source: CRIF, JM Financial

## 2W Loans: Disbursement growth picks up marginally; NBFCs lose market share

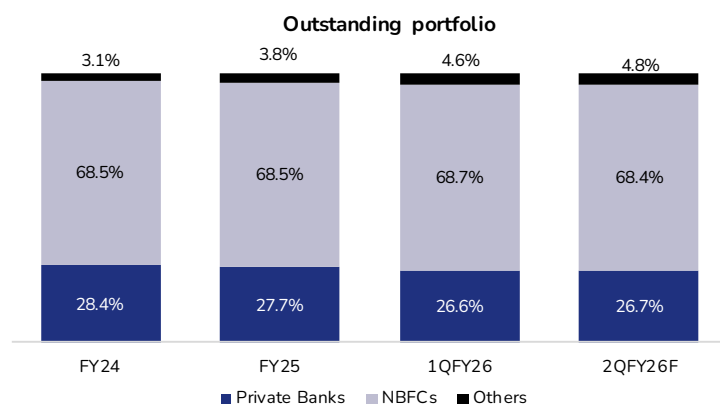
- **Disbursements: Disbursement growth picks up marginally in 2QFY26 but remains lower than earlier levels:** 2W loans saw marginal jump in disbursement growth to 6% YoY in 2QFY26 (5%/11% YoY in 1H FY26/FY25). The growth in ticket size in disbursements has inched up slightly to 4%/6% YoY in 1H/2QFY26 (vs. 3% YoY in FY25) (**Exhibit 96**).
- **Outstanding: Growth in o/s portfolio remains:** With a slight pick-up in disbursements, growth in o/s portfolio remained steady at 15% YoY in 2QFY26 (vs. 15%/18% in 1QFY26/FY25). The low growth is also attributed to declining ticket size growth, which moderated to 2% YoY in 2QFY26 (vs. 3% in 1QFY26/FY25 each) (Error! Reference source not found.).
- **Banks' market share inches up while NBFCs see decline:** Private banks saw a ~30bps increase in market share in terms of disbursement value in 2QFY26 over FY25, and ~80bps in terms of disbursement volume over FY25-2QFY26. NBFCs saw a ~220bps decline in market share in terms of disbursement value and ~260bps in terms of disbursement volume over FY25-2QFY26 (**Exhibit 97, Exhibit 98**).
- **Rise in share of high ticket 2W loans:** The 2W sector is gradually shifting to medium to higher ticket loans with share of originations in ticket size >0.1mn rising from 38.9% in FY25 to 46.2% in 2QFY26. The overall growth in ticket sizes for private banks and NBFCs has also slightly inched up in 2QFY26 vs. FY25 (**Exhibit 99, Exhibit 100**).
- **Movement in NTC share:** The share of NTC customers decreased from 46.0% in 1QFY26 to 34.4% in 2QFY26, reflecting a significant decline of 11.6% QoQ and a 5.1% drop YoY from 39.5% in 2QFY25.
- **Asset quality trends largely improved:** Overall PAR levels came down across buckets. NBFCs have shown stronger improvement in both the PAR 31–90 and PAR 91–180 segments compared with private banks. (**Exhibit 102**).

**Exhibit 93. 2W loans: Growth remains steady in 2QFY26 vs. 1QFY26**

2W	FY23	FY24	FY25	1QFY26	2QFY26	FY23-1H FY26
Portfolio Outstanding (INR bn)	1053	1,393	1,646	1,685.0	1,722.0	22%
Active loans (mn)	26.5	29.5	33.9	34.6	35.2	12%
Ticket size (INR k)	39.7	47.2	48.5	48.7	48.9	9%
<b>YoY growth</b>						
Portfolio Outstanding		32%	18%	15%	15%	
Active loans		11%	15%	11%	12%	
Ticket size		19%	3%	3%	2%	

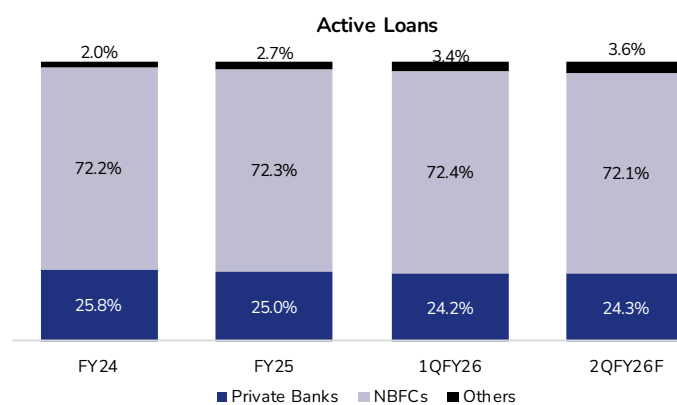
Source: CRIF, JM Financial

Exhibit 94. Banks are gradually gaining market share in 2Q value...



Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

Exhibit 95. ...as well as volume



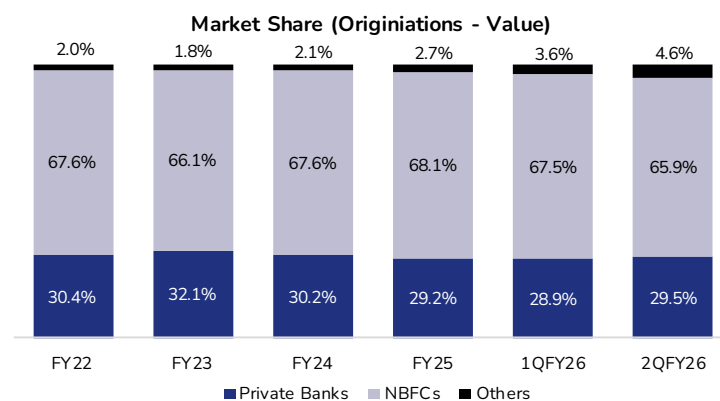
Source: CRIF, JM Financial; 2QFY26F numbers are JMF estimates

Exhibit 96. 2W loans: Marginal pick up in disbursement growth in 2QFY26 driven by largely ticket sizes

Originations	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	CAGR		
										FY20-23	FY23-25	FY20-25
Disbursement Value (INR bn)	564	455	542	796	995	1,101	525	269	256	12%	18%	14%
Disbursement Volume (mn)	9.1	6.6	7.4	9.7	11.2	12.0	5.5	2.9	2.6	2%	11%	6%
Ticket size (INR k)	62.3	69.5	73.7	82.4	88.9	91.9	95.1	93.5	96.9	10%	6%	8%
<b>YoY Growth</b>												
Disbursement Value	7%	-19%	19%	47%	25%	11%	5%	4%	6%			
Disbursement Volume	-4%	-28%	12%	31%	16%	7%	0%	0%	0%			
Ticket size	11%	12%	6%	12%	8%	3%	4%	3%	6%			

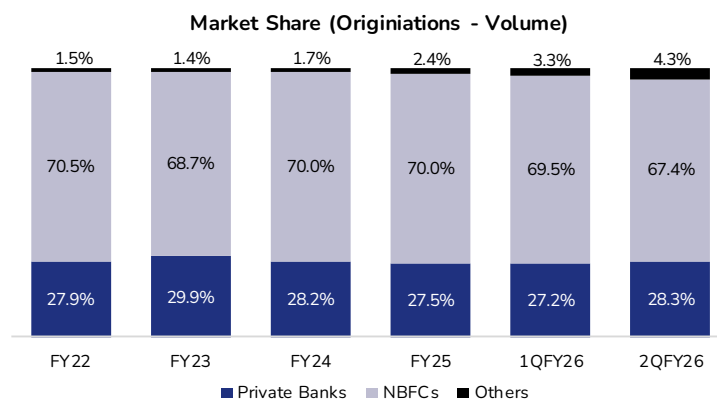
Source: CRIF, JM Financial

Exhibit 97. Banks' market share in disbursement value inching up slightly as of 2QFY26 vs. FY25



Source: CRIF, JM Financial

Exhibit 98. Banks' market share has also risen marginally in disbursement volume for 2QFY26



Source: CRIF, JM Financial

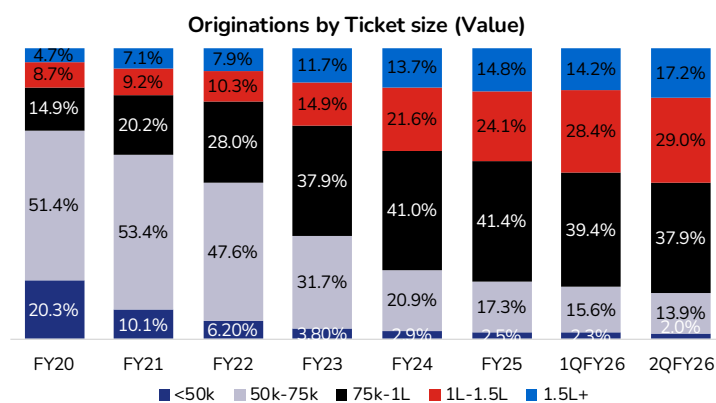
Exhibit 99. Ticket size growth has gone up slightly in 1HFY26 vs. FY25

Originations - Ticket size (INR k)	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26	1QFY26	2QFY26	YoY Growth			CAGR		
										2QFY26	1HFY26	FY25	FY20-23	FY23-25	FY20-25
Private Banks	66	74	80	88	95	98	100	99	101	4%	4%	3%	10%	5%	8%
NBFCs	60	66	71	79	86	89	93	91	95	6%	5%	4%	10%	6%	8%
Others	118	149	98	106	110	103	103	102	104	-2%	-3%	-6%	-4%	-1%	-3%

Source: CRIF, JM Financial

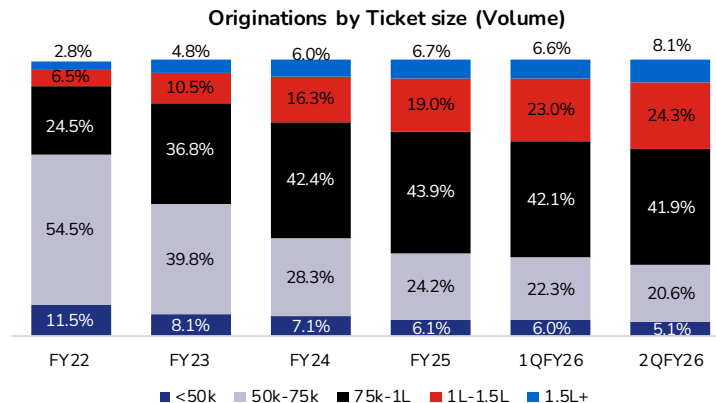


Exhibit 100. 2W loans: Increasing share of high-ticket-size loans (value)



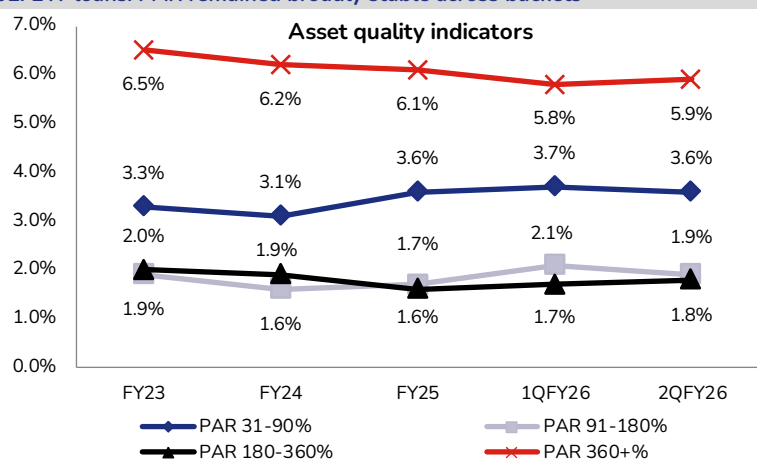
Source: CRIF, JM Financial

Exhibit 101. 2W loans: Rising share of high-ticket-size loans (volume)



Source: CRIF, JM Financial

Exhibit 102. 2W loans: PAR remained broadly stable across buckets



Source: CRIF, JM Financial

Exhibit 103. 2W loans: NBFCs demonstrated greater improvement in both PAR 31-90 and PAR 91-180 segments relative to private banks

Delinquency - Lender type	PAR 31-90			PAR 91-180		
	2QFY25	1QFY26	2QFY26	2QFY25	1QFY26	2QFY26
Pvt Banks	3.95%	3.74%	3.71%	1.42%	1.79%	1.84%
NBFCs	4.10%	3.75%	3.58%	1.92%	2.24%	1.95%
Others	3.19%	3.06%	2.92%	2.03%	1.64%	1.56%

Source: Company, JM Financial

## APPENDIX I

## JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.

Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfirancial.research@jmfl.com | www.jmfl.com

Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com

Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return $\geq$ 15% over the next twelve months.
ADD	Expected return $\geq$ 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return $\geq$ -10% and $<$ 5% over the next twelve months.
SELL	Expected return $<$ -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

\* REITs refers to Real Estate Investment Trusts.

**Research Analyst(s) Certification**

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and

No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

**Important Disclosures**

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives individually own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click [here](#) to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

**Additional disclosure only for U.S. persons:** JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1325 Avenue of the Americas, 27th Floor, Office No. 2715, New York, New York 10019. Telephone +1 (332) 900 4958 which is registered with the SEC and is a member of FINRA and SIPC.

**Additional disclosure only for U.K. persons:** Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

**Additional disclosure only for Canadian persons:** This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.