



Digital Personal Loans

Dec 2025

Contents

This report, 3

Summary, 4

Definitions and abbreviations, 5

Part 1: placing Digital personal loans in the overall personal loan market, 6-12

Part 2: digital personal loans, 13- 26

Part 3: annexures, 27-39

This report

- This report captures the trends for digital lending by analysing the personal loans of 110+ Digital NBFCs from Apr 2022 to Dec 2025.
- Based on our market understanding, the report groups the Digital NBFCs as NBFCs primarily offering digital personal loans through their own/in-house digital lending apps (DLAs) or in partnership with DLAs of Lending Service Providers (LSPs).
- This set does not include a) NBFCs/Banks that offer both digital and non-digital loans, and b) digital co-lending portfolios lying with traditional NBFCs, as it is not possible to distinguish between them in the credit bureau data. In that sense, the report is short on presenting the totality and plurality of digital lending, as the overall size of credit through digital is even larger.
- Observing these Digital NBFCs' personal loans gives us a measure of progress in scale, outreach, and consumer segments. We also place digital loans in the broader context of the personal loan market to highlight the differences and similarities.
- We sourced data for this report from [CRIF High Mark](#), a credit bureau.
- Please note that we have changed the underlying peer group for digital NBFCs from our previous reports titled FinTech Personal Loans, as the market has evolved in two years since we first identified the digital-first/only NBFCs. We have also narrowed the period under consideration to Apr 2022 for recency and a steady-state view, removing COVID-induced abnormalities in the trends.

- Digital personal loans by digital NBFCs, though just 19% of the personal loan market by sanction value, account for 78% of the sanction volume. Digital personal loans continue to expand their reach by seizing opportunities in vast, underserved markets and serving consumer preferences for digital credit.
- It is worth noting that consumers take personal loans for multiple reasons including to manage cash flows, tap opportunities and deal with unexpected events. Access to convenient and timely digital credit is a crucial component of a financial toolkit for managing finances and building resilience.
- During Q1-Q3 FY 25-26, over 60% of sanction value went to young (< 35 years of age), 82% to males, and more than a third (about 39%) to consumers from Tier III cities and beyond.
- Digital loans are climbing up in ticket sizes, bureau vintage and risk chain, with more than half of the sanction value(~56%) coming from consumers with ticket sizes > Rs 50k and bureau vintage of 5 years+ and mid-low credit risk.
- Loan amount outstanding as of Dec 2025 has increased by ~53% from Mar 2024, reaching 1.39 Lakh Cr.
- Overall, the average ticket size is about Rs 15,493 but there is much diversity. The ticket size is larger for borrowing in metro/urban areas and increases with age and vintage, as expected.

Definitions/Abbreviations

- Digital NBFCs: Report groups the Digital NBFCs as those who primarily do digital loans through digital lending apps (DLAs) as per our market understanding.
- Other NBFCs: NBFCs other than those grouped as Digital NBFCs.
- Banks: All types of banks.
- Credit scores: Very High Risk= 300-399, High Risk= 400-577, Medium Risk= 578-644, Low Risk= 645-693, Very Low Risk= 694-900
- Sanction value: Total amount of loans sanctioned during a specified period
- Sanction volume: Total number of loans sanctioned during a specified period
- Percentages in the stack charts may not always add up to 100% due to rounding off.

Avg	Average
dpd	Days past due
FY	Financial Year
LSP	Lending Service Provider
PAR	Portfolio at Risk
POS	Portfolio outstanding
Q	A quarter of an FY
Rs	Rupee

Part 1: placing digital personal loans in the overall personal loan market

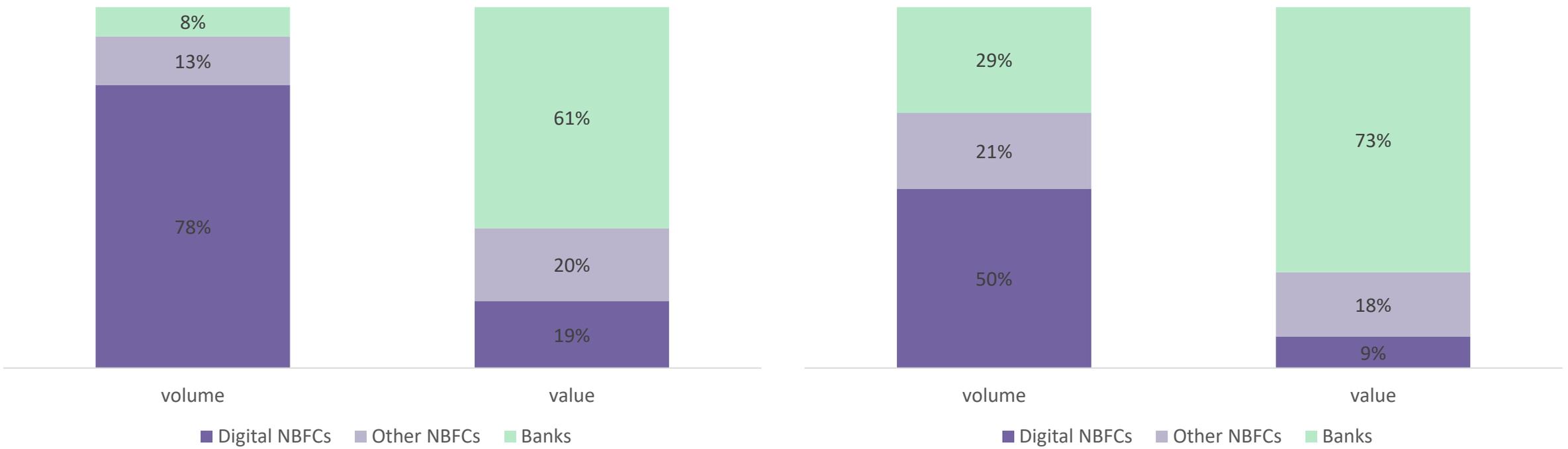
By Dec 2025, i.e. Q1-Q3 FY 25-26, the overall personal loan sanctions were 12.6 Cr, totalling Rs 8.24 lakhs Cr. Digital NBFCs sanctioned 9.9 Cr loans amounting to Rs 153,260 Cr, with an average ticket size of Rs 15,493. Digital loans accounted for 19% of the sanction value and 78% of the sanction volume.

Sanctions Q1-Q3FY 25-26	volume, Cr	value, Rs Cr	avg sanction value per loan, Rs	share in volume	share in value
Digital NBFCs	9.9	153,260	15,493	78%	19%
Other NBFCs	1.7	166,226	98,056	13%	20%
Banks	1.0	504,840	491,327	8%	61%
Total	12.6	824,326	65,345	100%	100%

By Q1-Q3 FY 25-26, digital loans accounted for 19% of the sanction value and 78% of the sanction volume, with a focus on underserved segments that need small-value loans. Similarly, in loans outstanding, the share of Digital NBFCs is just 9% of the total value of personal loans outstanding as of Dec 25, but accounts for 50% of active loans.

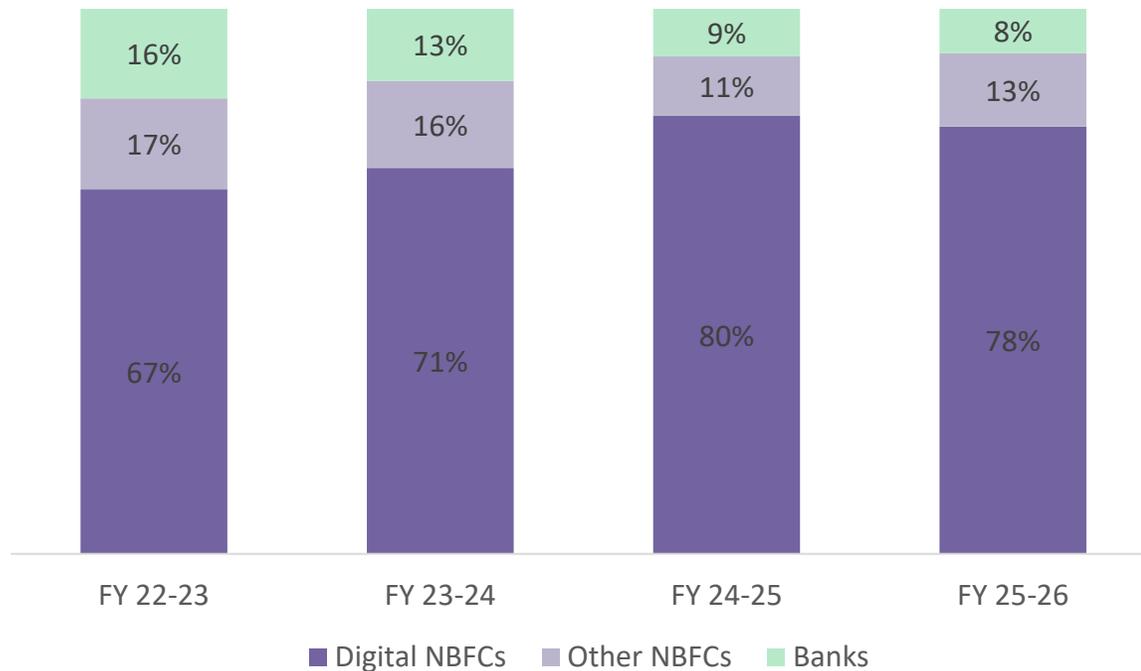
sanctions, Q1-Q3 FY 25-26

loan outstanding, Dec 2025

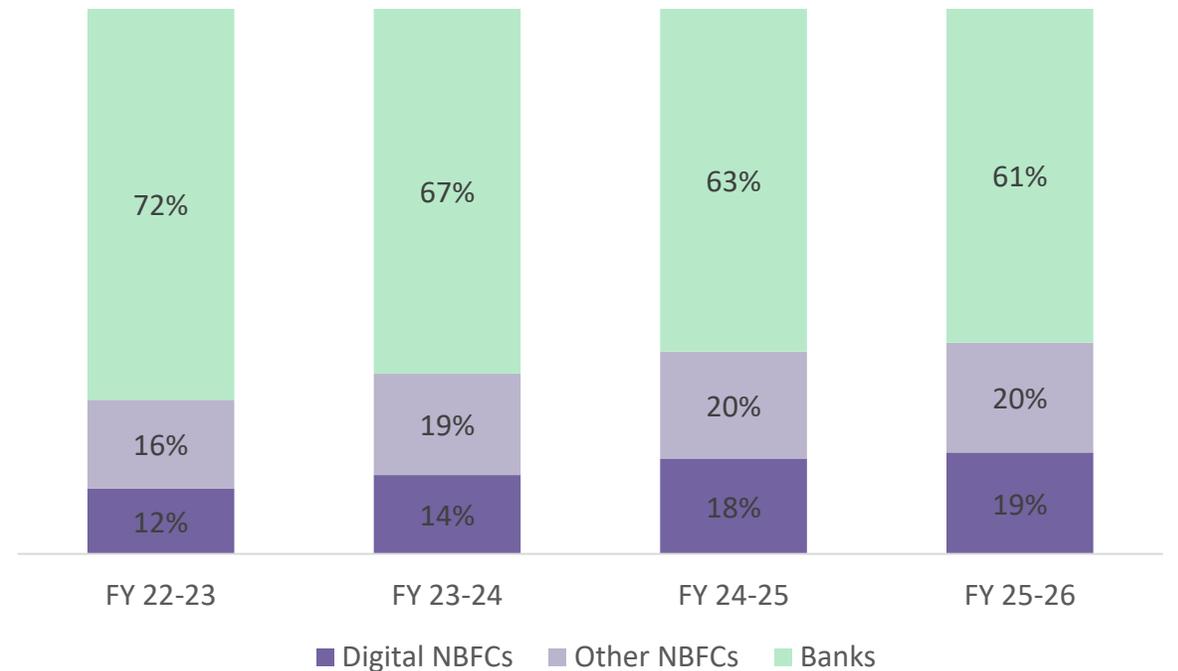


Digital loans are consistently increasing their share in the personal loan market.

share by sanction volume



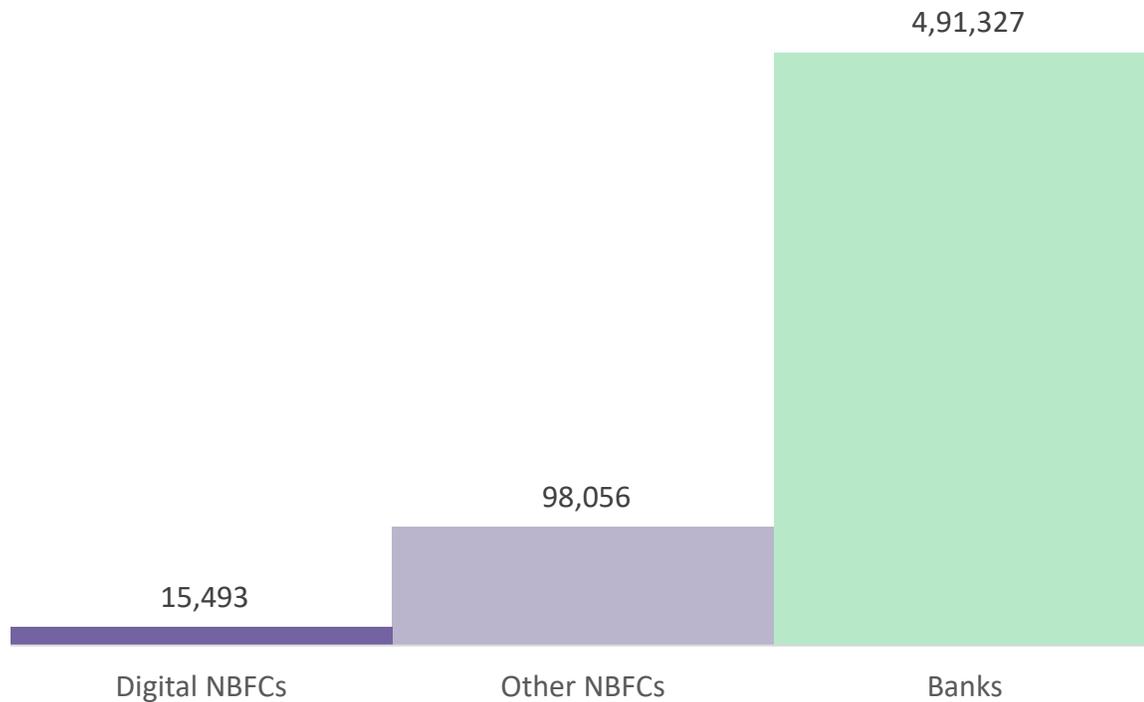
share by sanction value



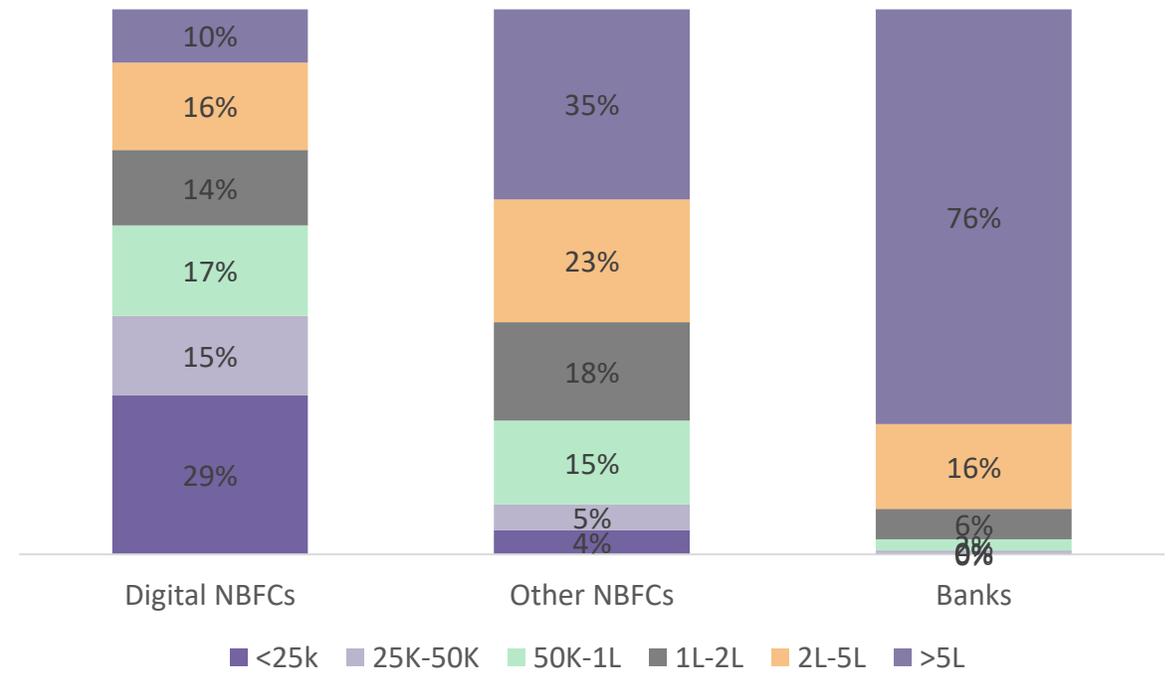
FY 25-26 values refer to Q1-Q3 FY 25-26

Digital lending business models are unique in their ability to reach customer segments that require small-value loans for a short period.

average ticket size, Rs, FY 25-26

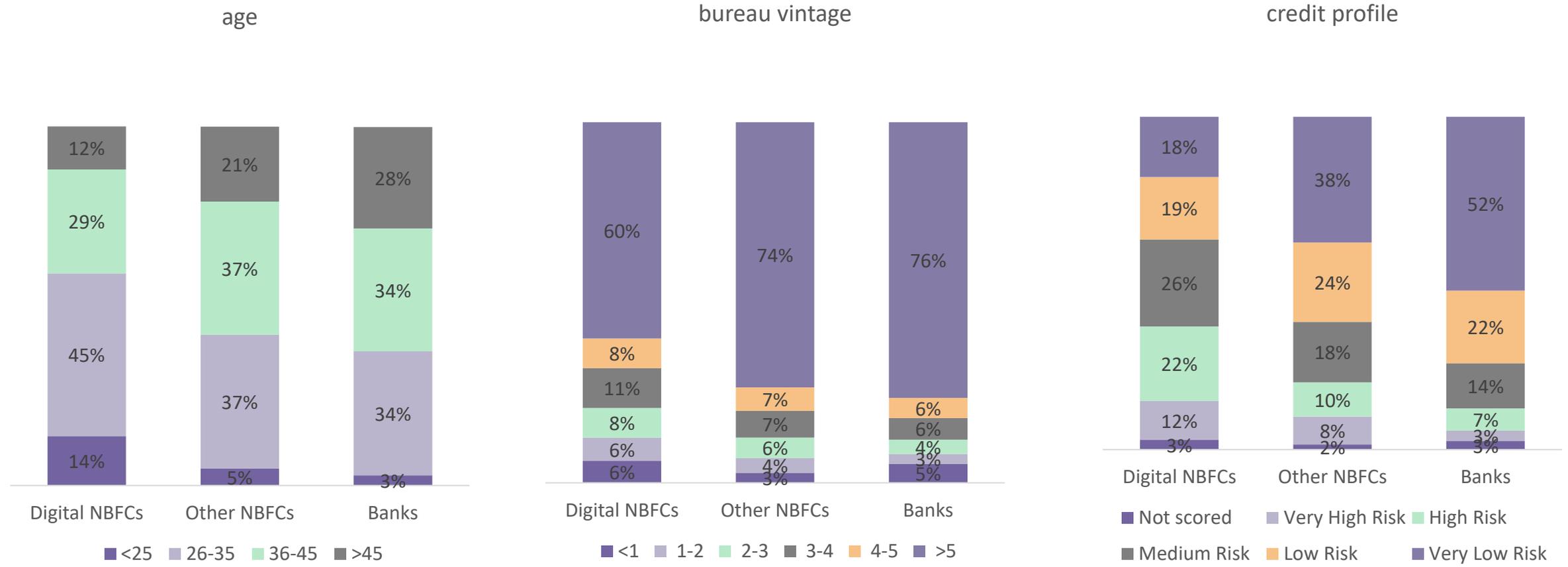


ticket sizes, Rs, FY 25-26



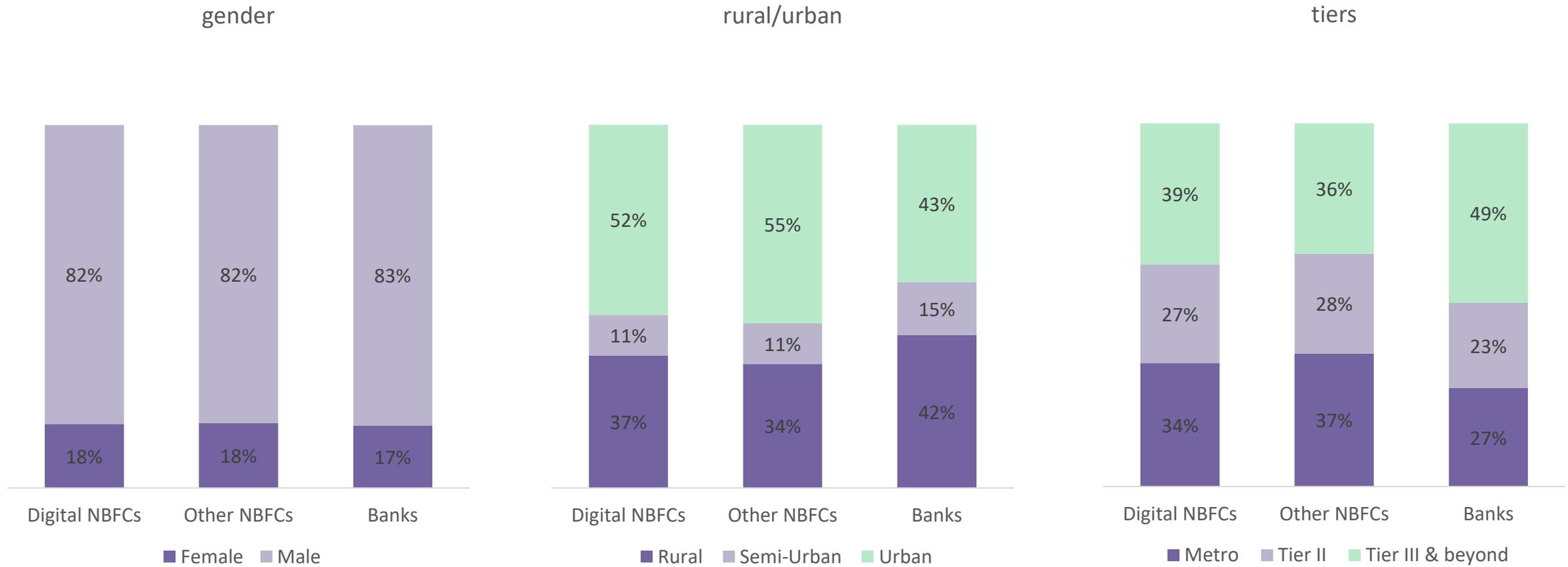
avg ticket size = sanction value/sanction volume. FY 25-26 values are for Q1-Q3 FY25-26

Digital loan customers are younger, with nearly 60% of loans going to the < 35-year-old age bracket. 40% of loans are to customers with a bureau vintage of < 5 years, and more than 60% to customers with a mid-low risk profile.



share in sanction value for Q1-Q3 FY 25-26, age and bureau vintage in years.

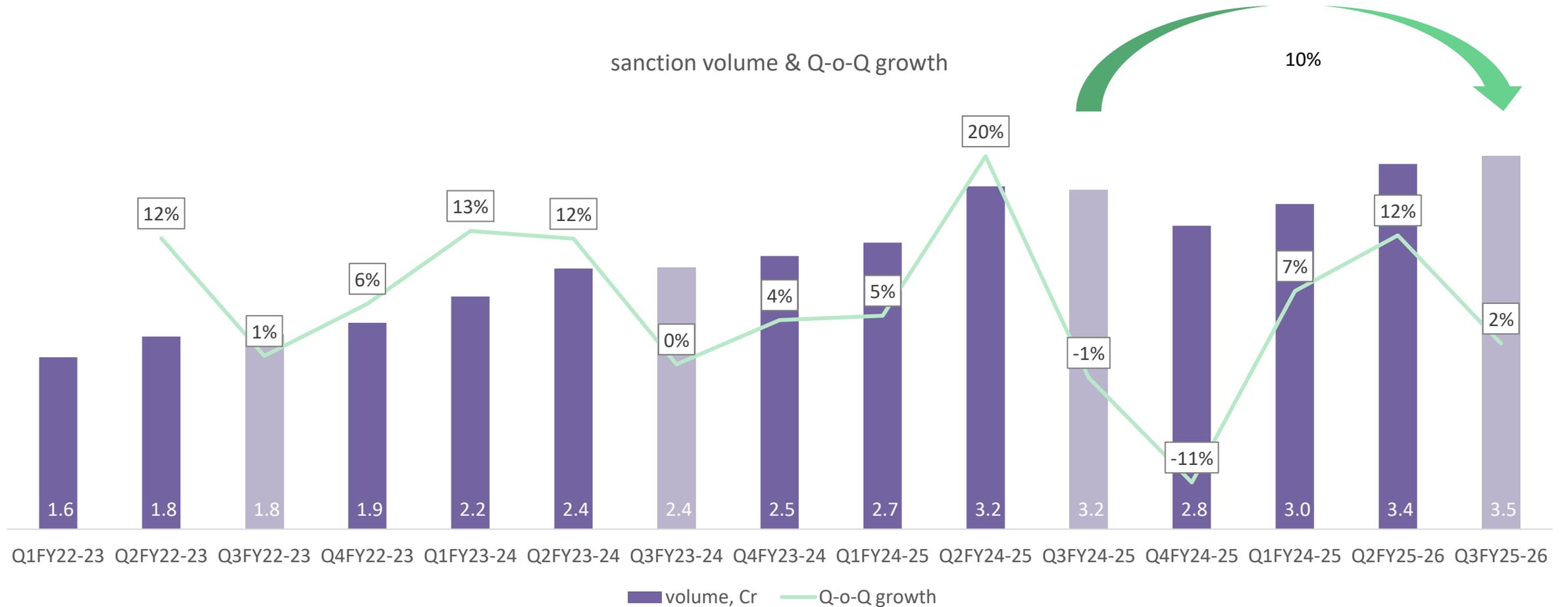
The composition of gender and location for personal loans by Digital NBFCs is not too different. This presents scope to diversify and expand by offering suitable products.



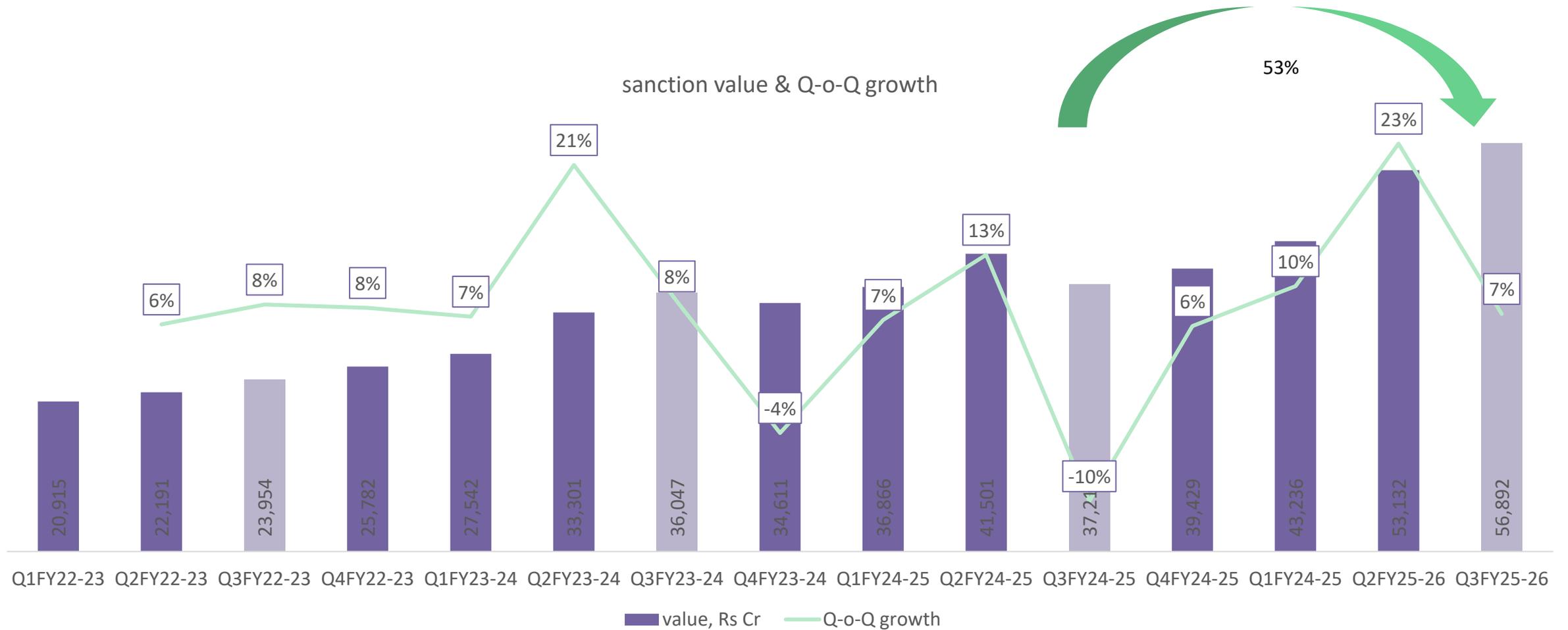
share in sanctioned value for Q1-Q3 FY 25-26

Part 2: digital personal loans

In Q3 FY 2025-26, the sanction volume increased by 2% from Q2 FY 2025-26, and by 10% from Q3 FY 24-25.

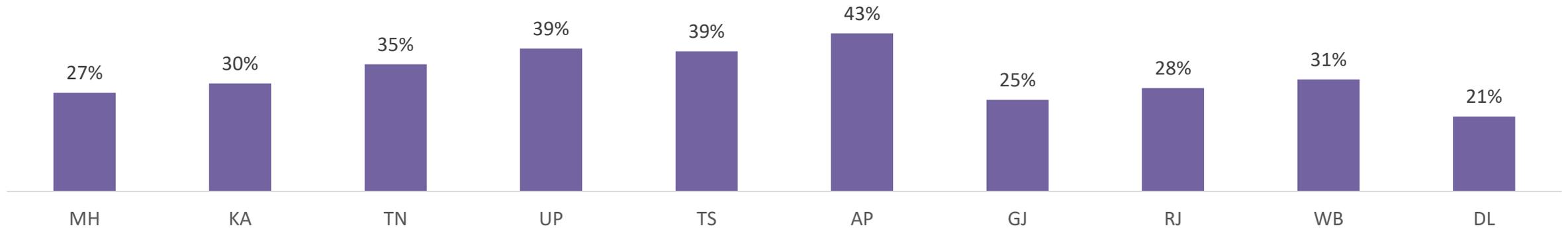


In Q3 FY 2025-26 the sanction value increased by 7% from Q2 FY 2025-26, and by 53% from Q3 FY 24-25.

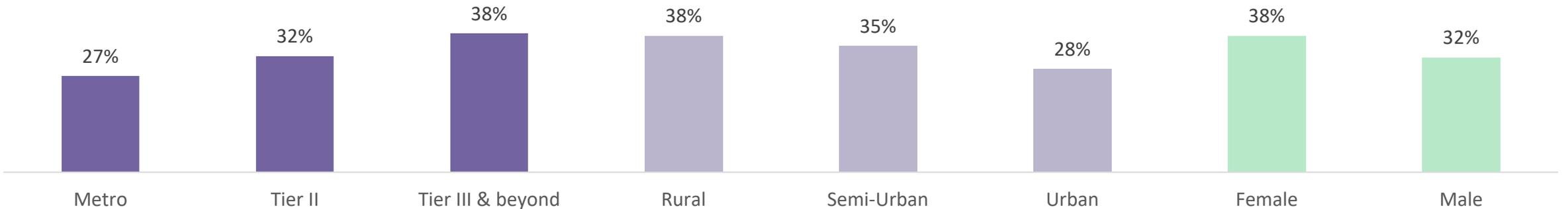


The charts below show the change in sanction value in Q1-Q3 FY 25-26 over Q1-Q3 FY 24-25 across the top 10 states, geography and gender.

growth, sanction value, top 10 states, FY 25-26 over FY 24-25



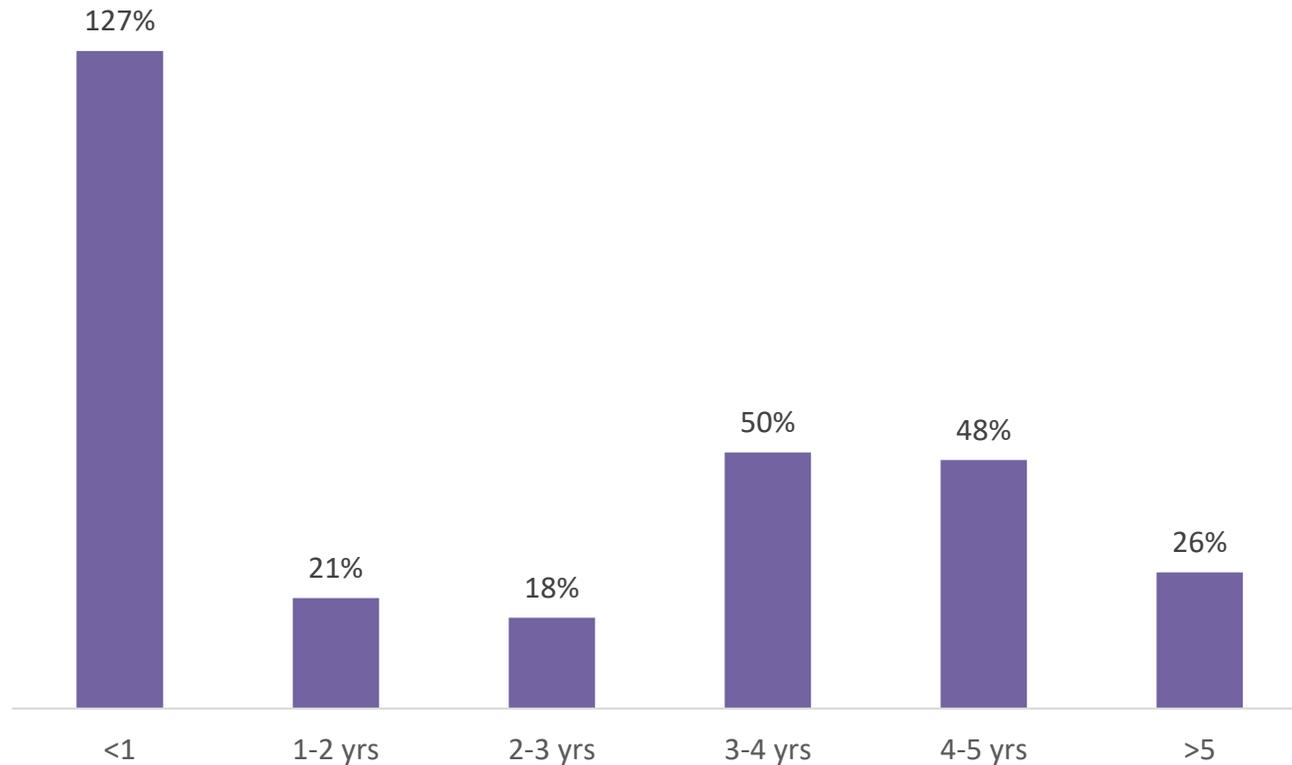
growth, sanction value, demographics, FY 25-26 over FY 24-25



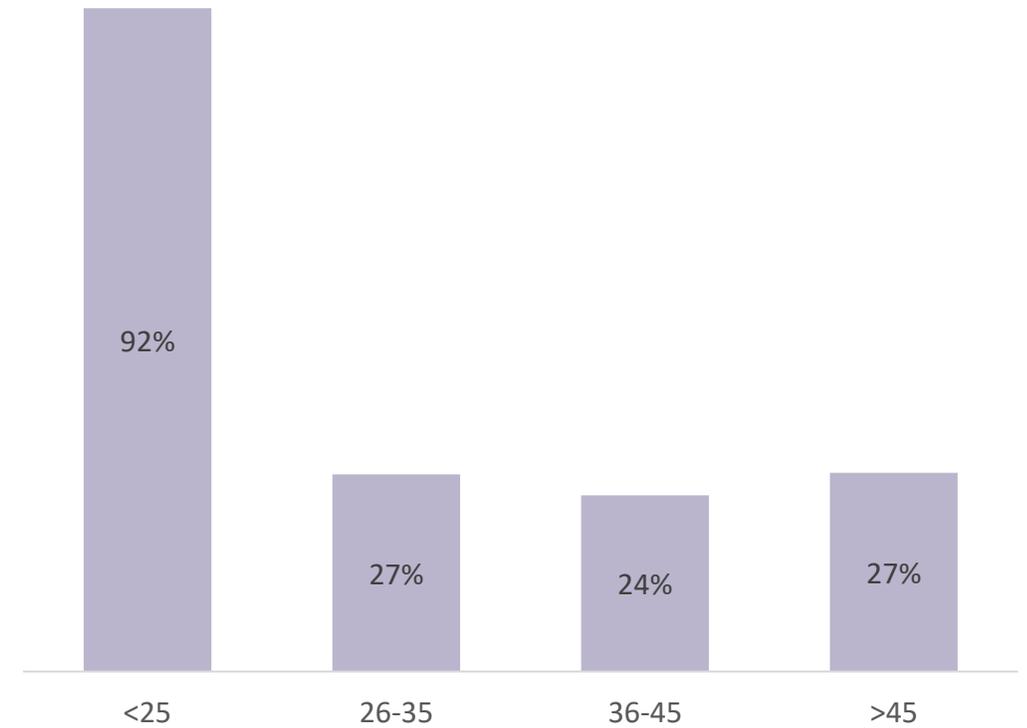
FY values are for Q1-Q3 of the respective financial year, growth on sanction value

The growth rate across bureau vintage and age for digital NBFCs is shown in the charts below. The growth is significantly higher among low bureau vintage and younger consumers.

growth, sanction value, bureau vintage, FY25-26 over FY24-25

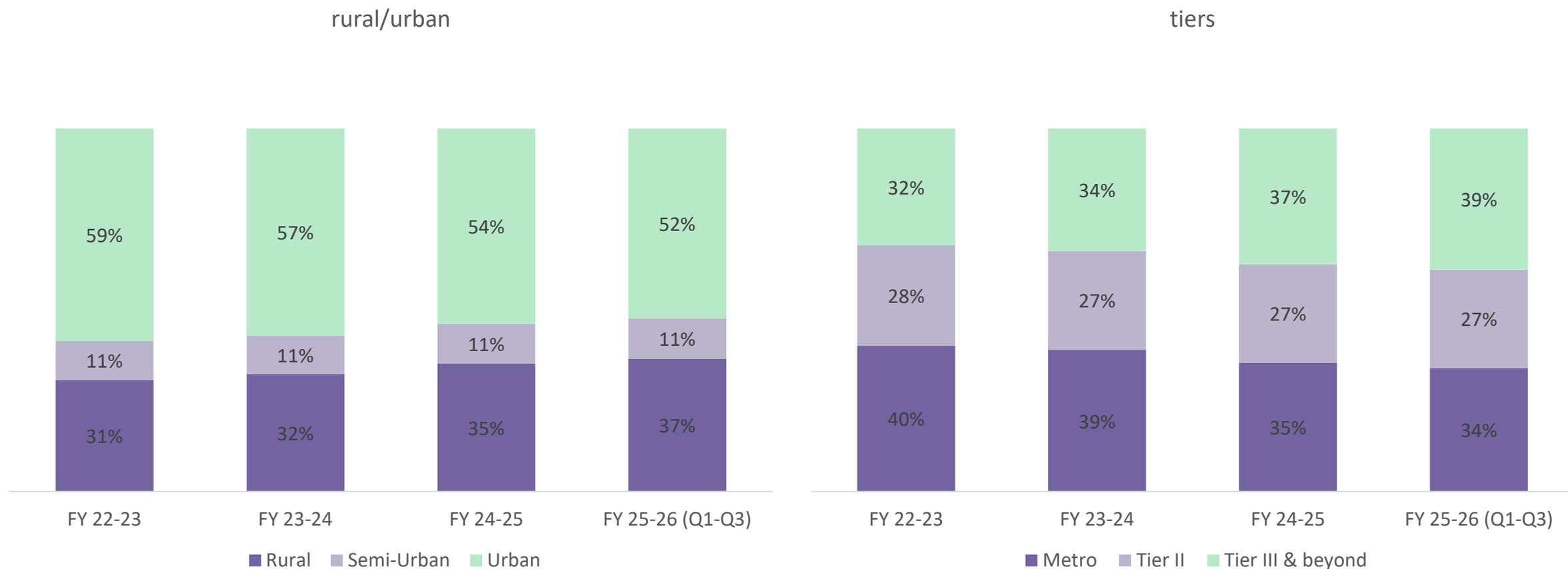


growth, sanction value, age, FY25-26 over FY24-25

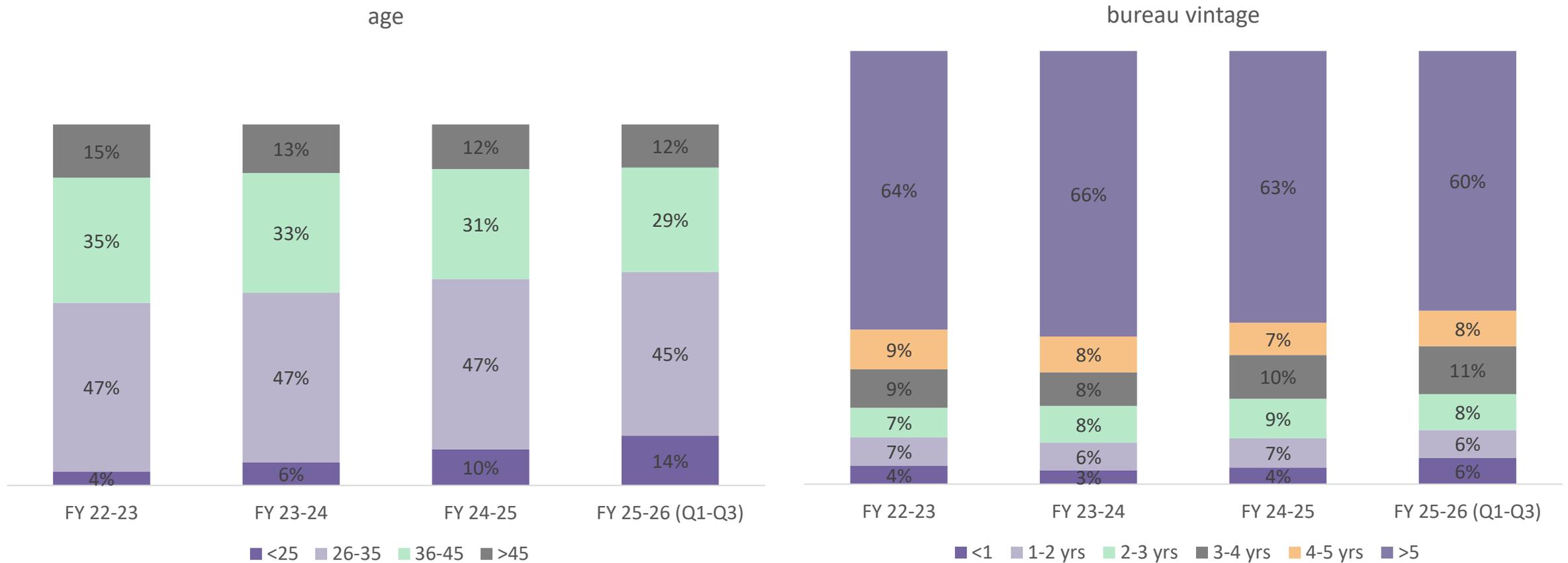


bureau vintage and age for consumers in years, FY values are for Q1-Q3 of the respective financial year.

The share of consumers from rural areas is marginally increasing, although they are less likely to reside there. We note that a) mapping of rural/urban is based on the 2011 census and is not truly reflective of the current reality of urbanisation, and b) many new urban migrants submit permanent home addresses in rural areas. Most consumers belong to Tier III and beyond.

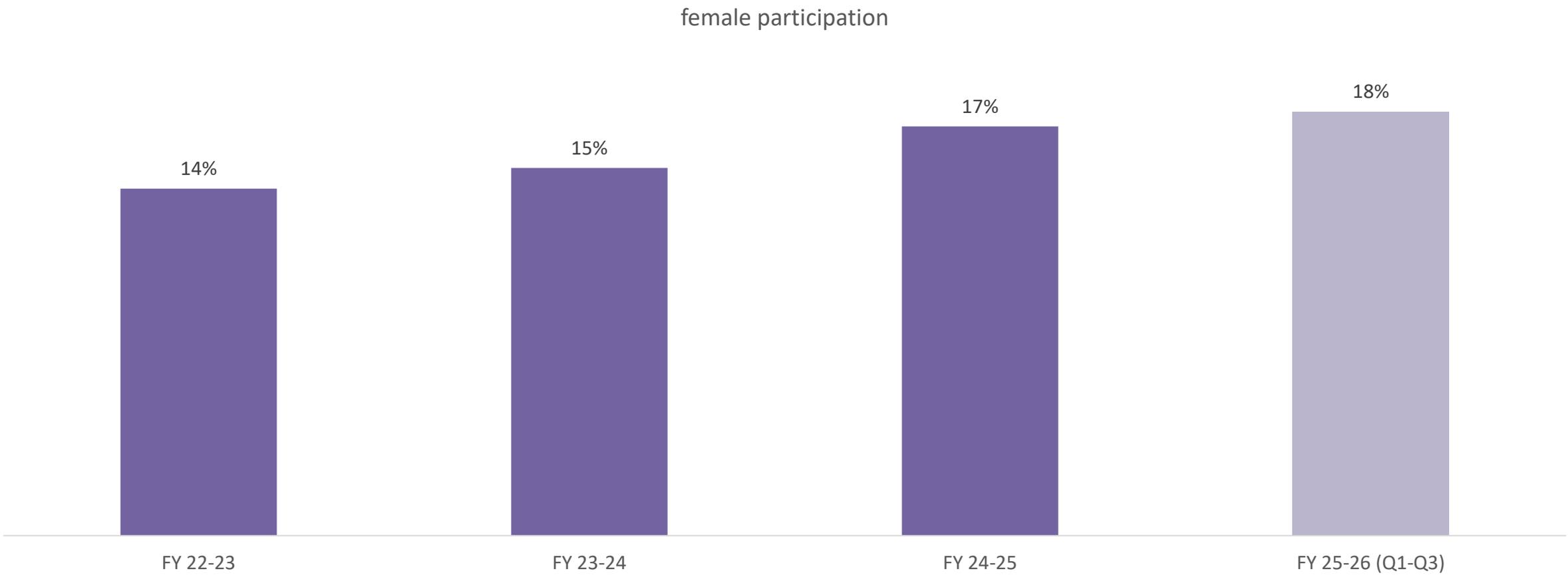


For young consumers, digital lending is the choice, with two-thirds of loan sanction value to consumers aged <35 years. Digital lending's ability to meet the opportunities presented by credit demand for current and future needs holds enormous promise for responsible and sustainable growth over the long term.

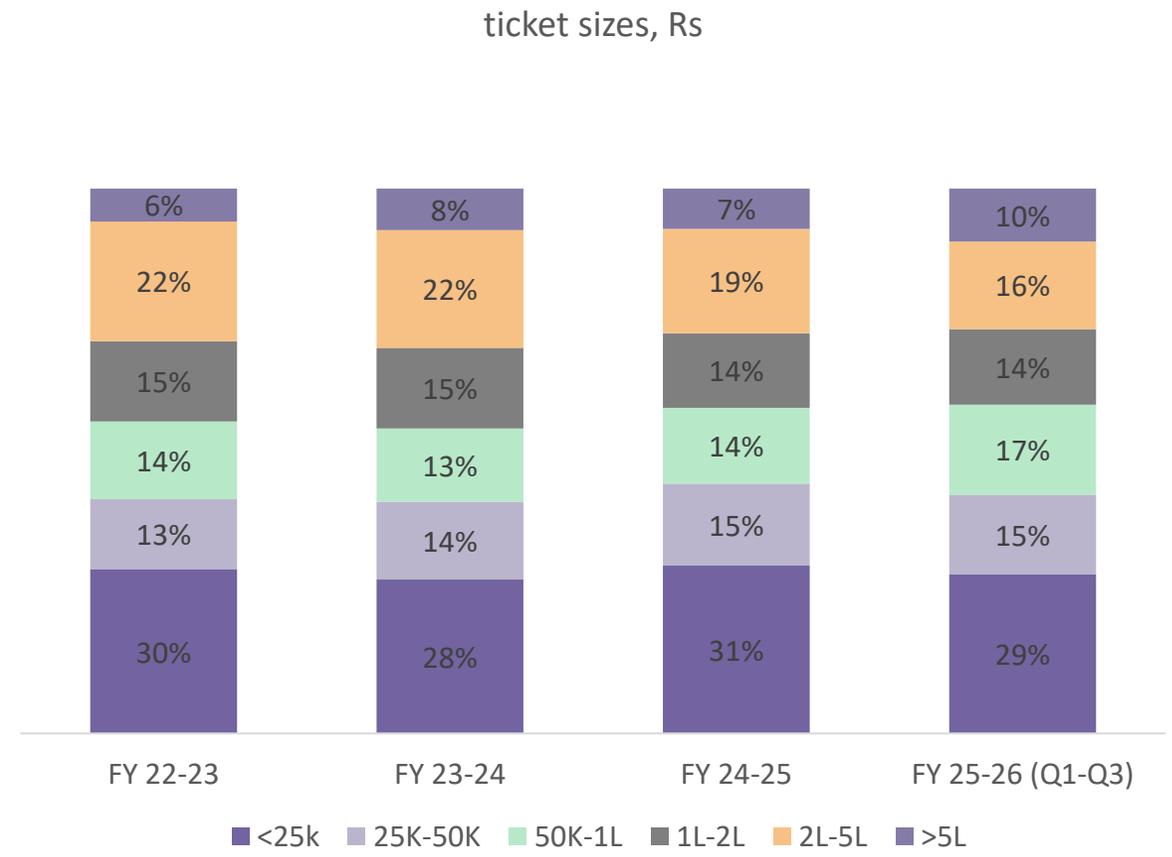
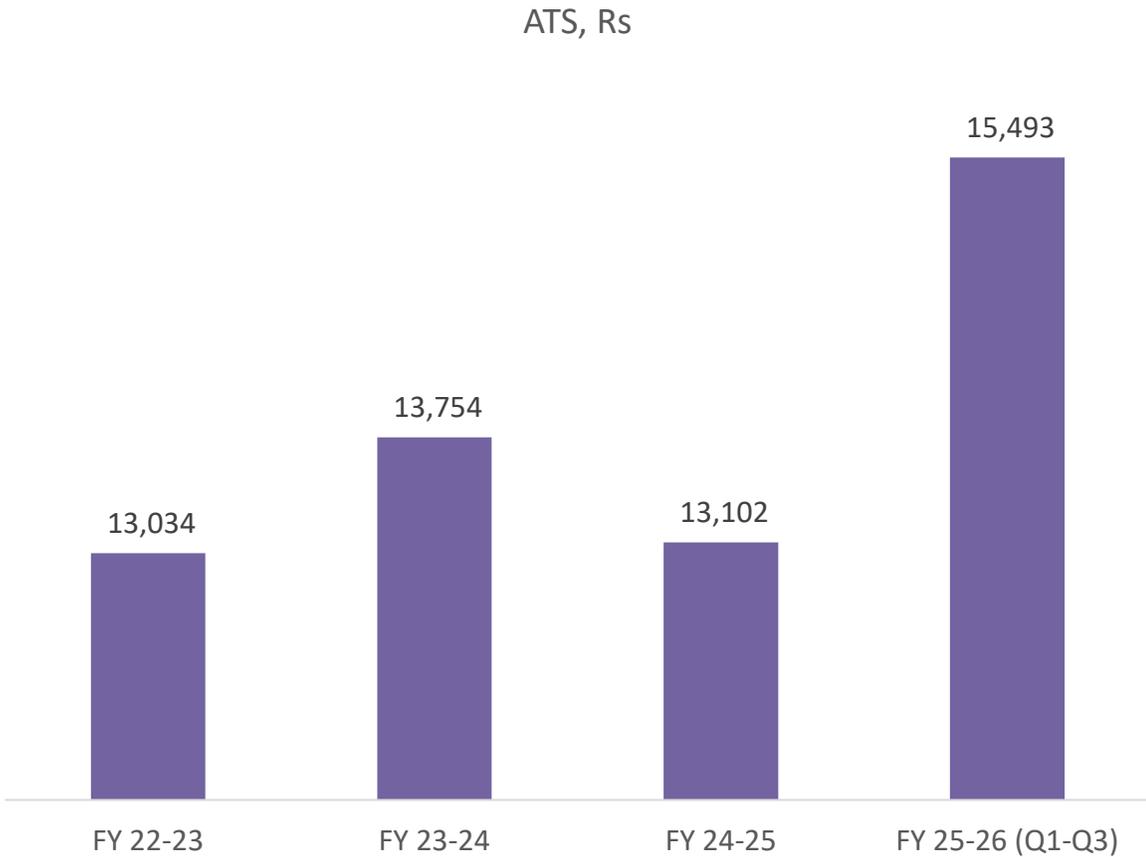


Share on sanction value, bureau vintage and age for consumers in years

Female participation in the digital personal loan market is gradually improving.



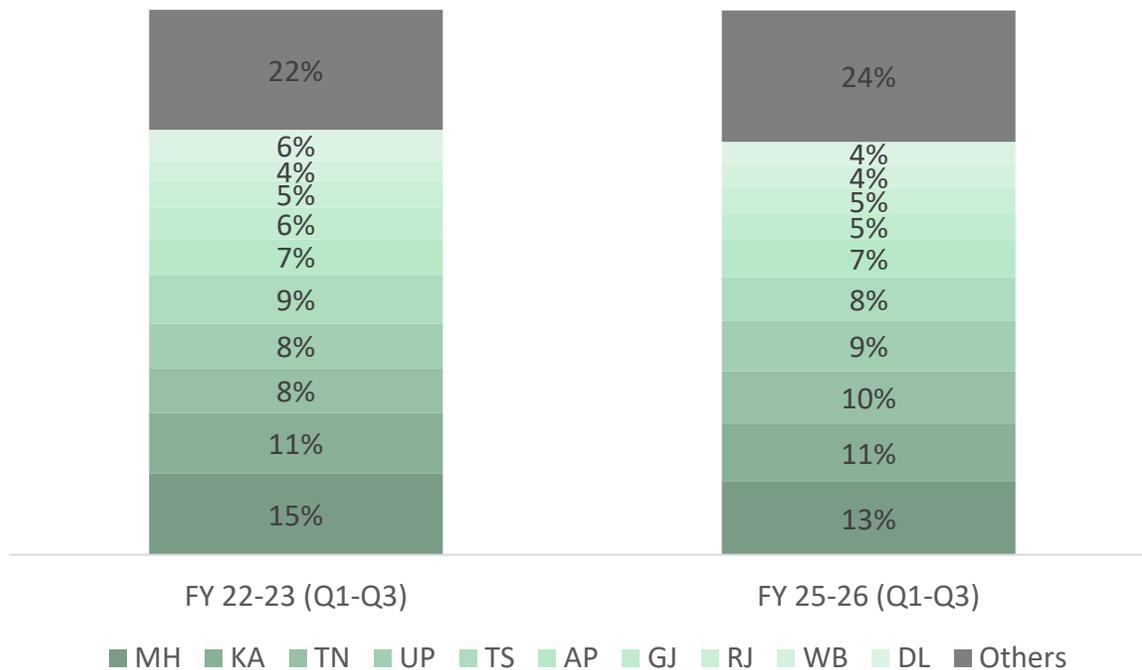
At the aggregate level, the average ticket size (ATS) is Rs 15,493, driven by a higher volume of small-value loans. There is a slight variation across the top states. However, the overall composition of digital loans is more diverse, spanning different ticket sizes. As compared to FY 24-25, the average ticket size in FY 25-26 is higher by ~18%



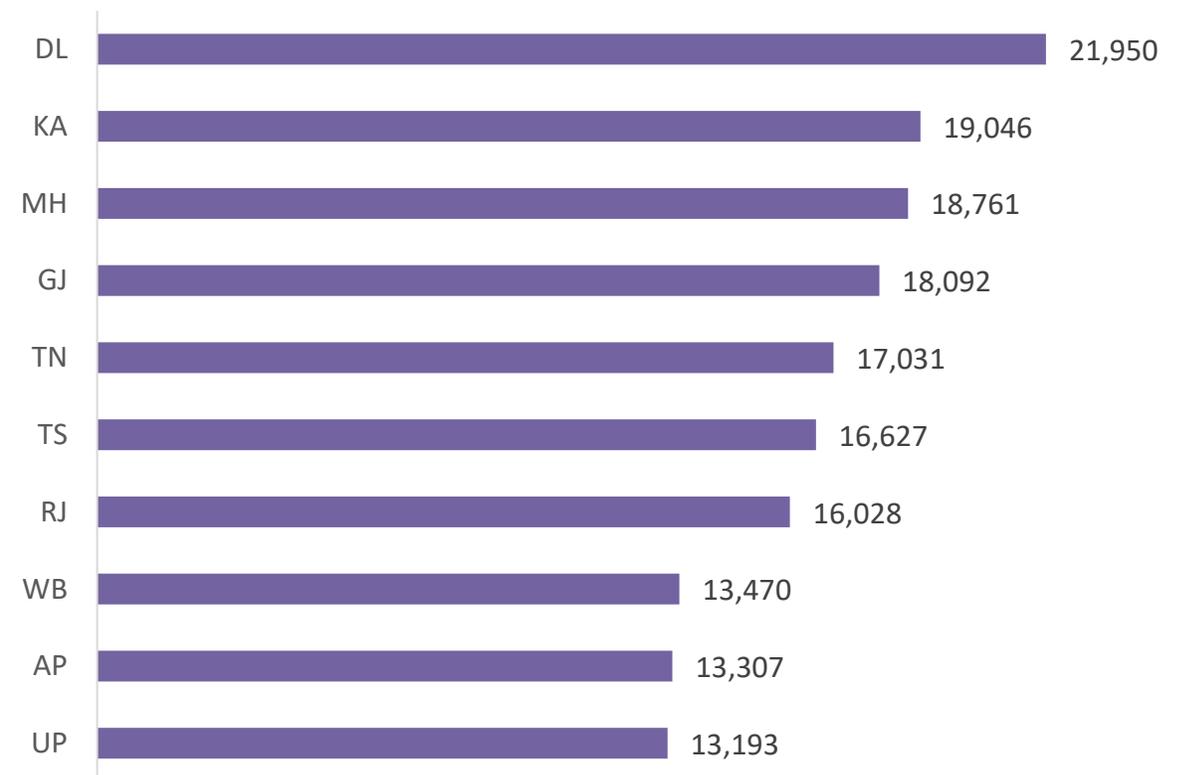
avg ticket size = sanction value/sanction volume

Charts below show loan sanctions and average ticket size across states.

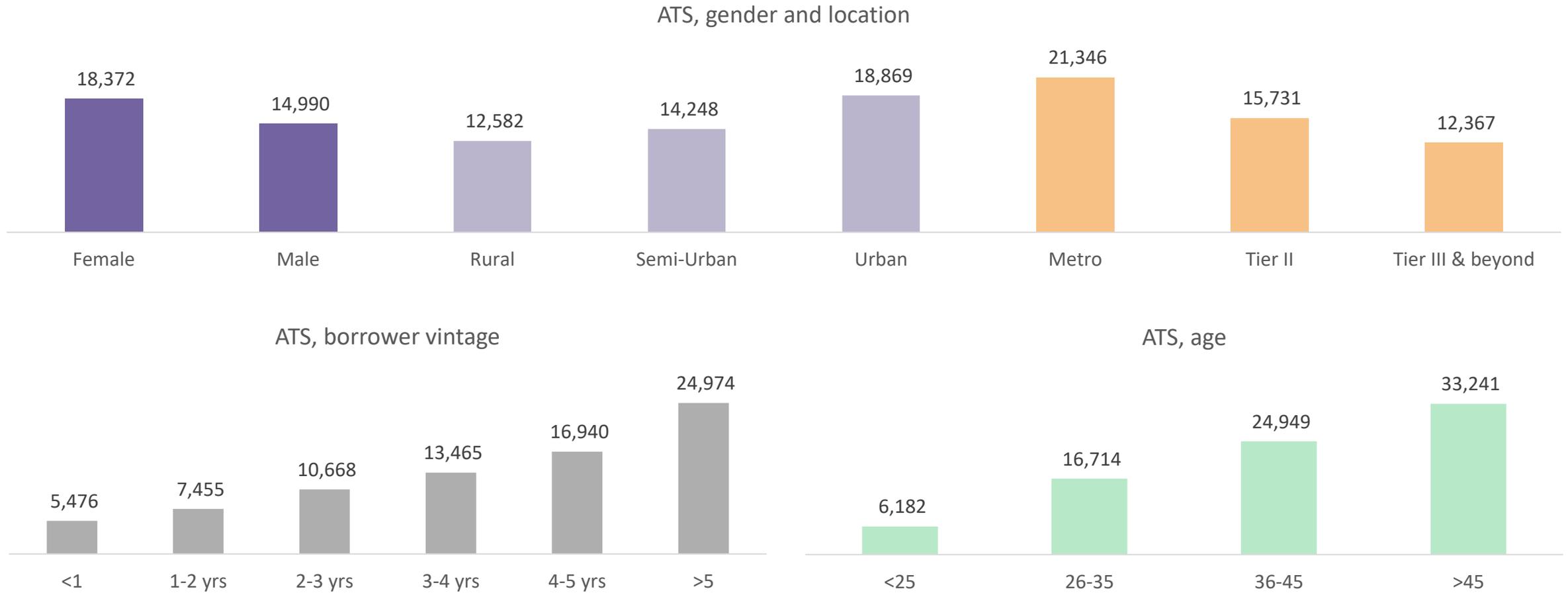
top 10 states, sanction value



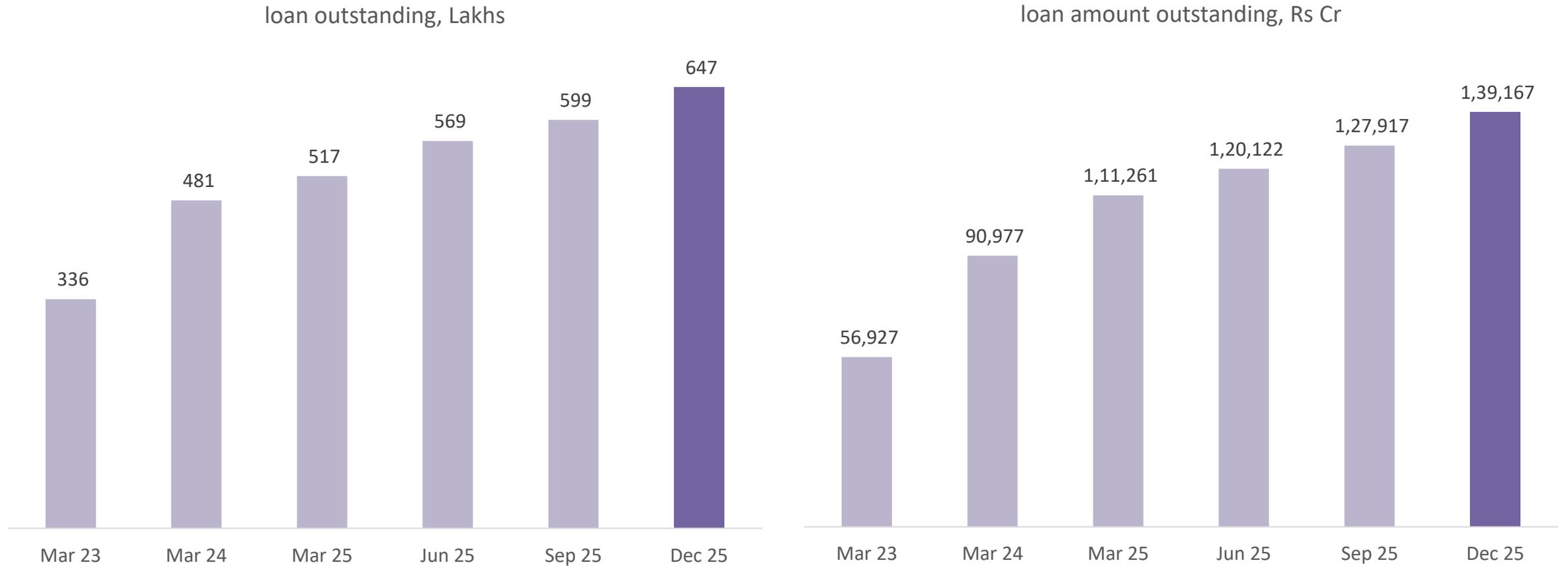
ATS, states, Rs, Q1-Q3 FY 25-26



The average ticket size for Q1-Q3 FY 25-26 varies across demographics and consumer vintage. It is higher for female, urban, and metro consumers and increases linearly with age and vintage.

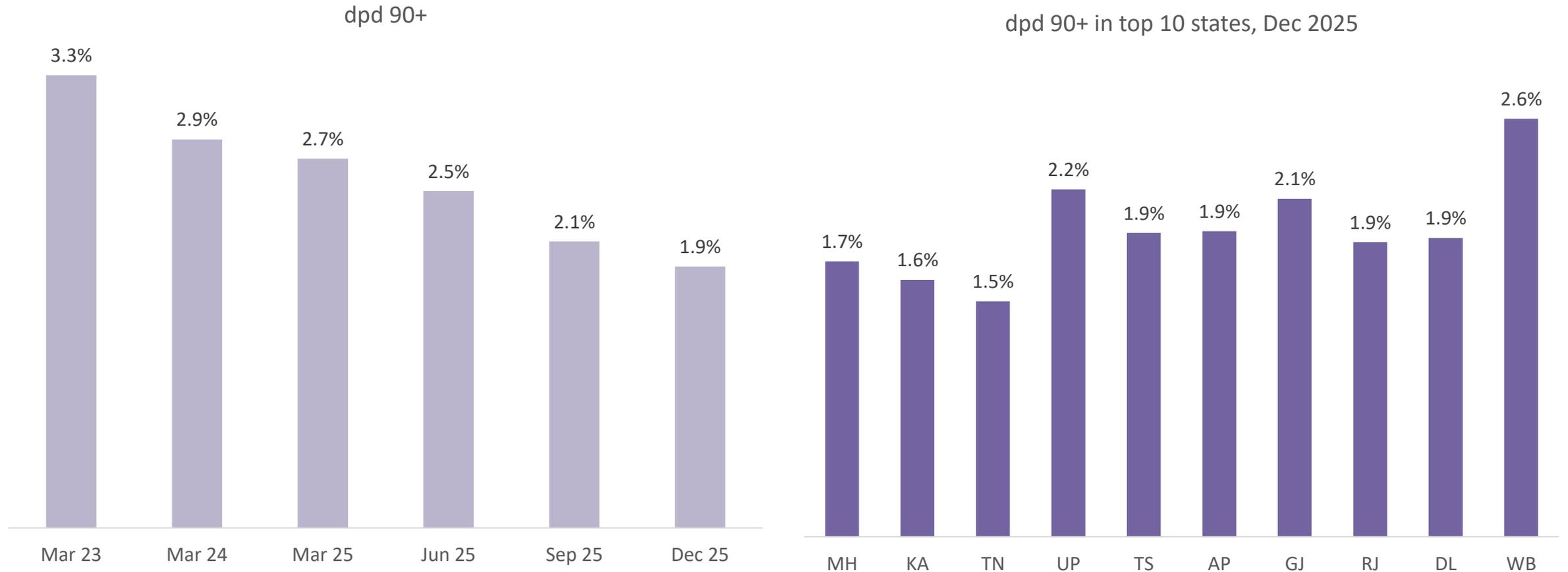


As of Dec 2025, the digital personal loan volume is 6.47 Cr with an outstanding value of Rs 1.39 Lakh Cr.



loan amount outstanding includes 180+ portfolio

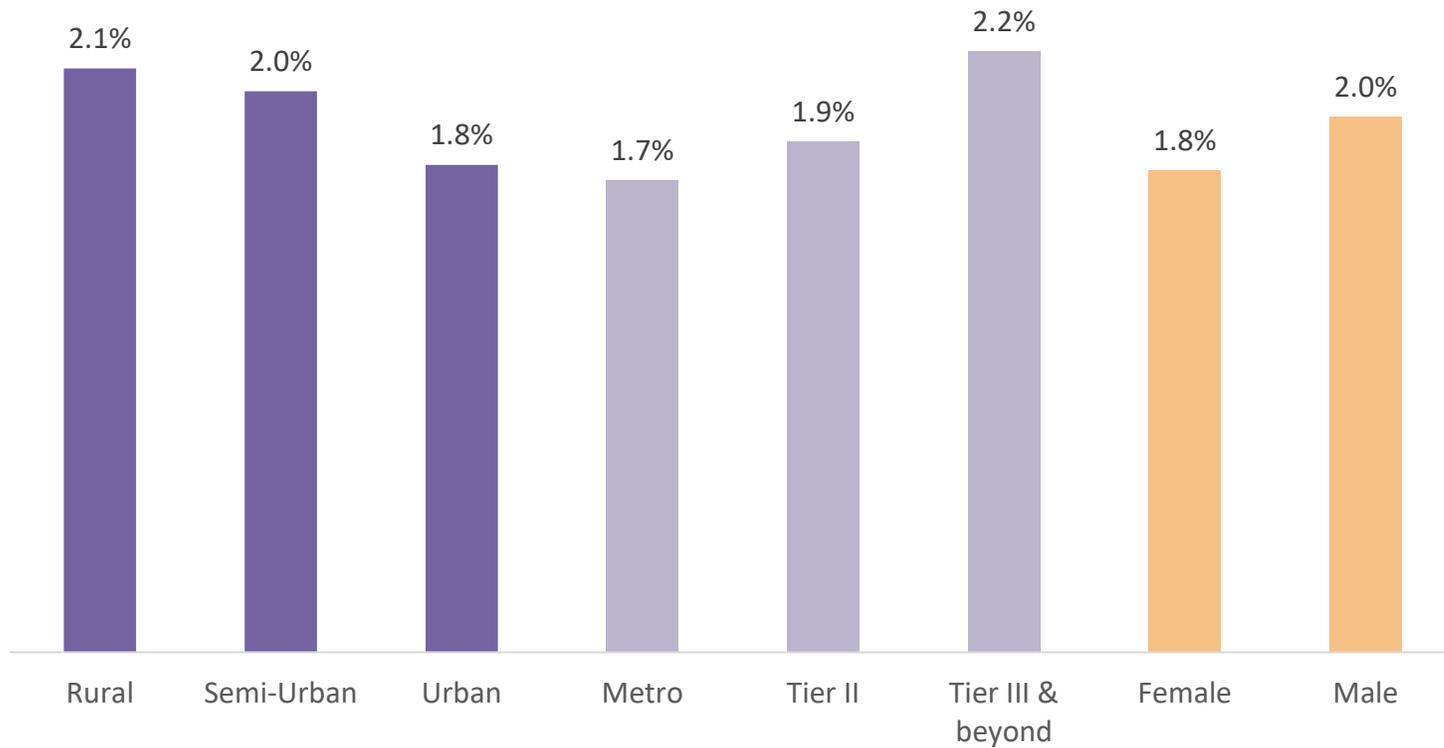
Overall, the portfolio quality (dpd 90+) is improving consistently and stands at 1.9%.



dpd 90+% = loan outstanding (90 to 180 dpd)/loan outstanding (0 to 180 dpd). Top 10 states based on sanction value in period Q1-Q3 FY 25-26.

Portfolio quality varies across market segments, as shown in the chart below.

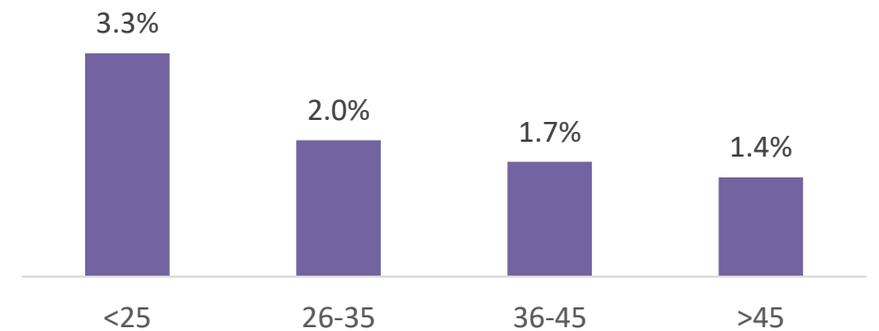
dpd 90+ across market segments, Dec 2025



dpd 90+, vintage, Dec 2025



dpd 90+, age, Dec 2025



Part 3: annexures

1: sanctions in Q1-Q3 FY 25-26

Q1-Q3 FY 25-26	volume, Cr	value, Rs Cr	avg sanction value per loan, Rs	share in volume	share in value
Digital NBFCs	9.9	153,260	15,493	78%	19%
Other NBFCs	1.7	166,226	98,056	13%	20%
Banks	1.0	504,840	491,327	8%	61%
Total	12.6	824,326	65,345	100%	100%

2: loan outstanding, Dec 25

Dec 25	volume, Cr	value, Rs Cr	avg outstanding per loan, Rs	Volume %	Value %
Digital NBFCs	6.5	139,167	21,501	50%	9%
Other NBFCs	2.7	283,687	103,434	21%	18%
Banks	3.8	1,169,246	306,364	29%	73%
Total	13.0	1,592,100	122,171	100%	100%

loan amount outstanding includes 180+ portfolio

3: loan outstanding volume, Cr

	Digital NBFCs	Other NBFCs	Banks	Total
Mar 23	3.36	1.60	4.32	9.29
Mar 24	4.81	2.53	5.08	12.43
Mar 25	5.17	2.34	3.70	11.21
Jun 25	5.69	2.47	3.85	12.00
Sep 25	5.99	2.58	3.77	12.34
Dec 25	6.47	2.74	3.82	13.03

4: loan outstanding value, Rs Cr

	Digital NBFCs	Other NBFCs	Banks	Total
Mar 23	56,927	147,387	865,535	1,069,849
Mar 24	90,977	211,859	1,036,690	1,339,526
Mar 25	111,261	239,689	1,088,276	1,439,226
Jun 25	120,122	256,703	1,117,594	1,494,419
Sep 25	127,917	271,476	1,138,782	1,538,175
Dec 25	139,167	283,687	1,169,246	1,592,100

5: sanction volume, Cr

	Digital NBFCs	Other NBFCs	Banks	Total
FY 22-23	7.12	1.78	1.75	10.65
FY 23-24	9.56	2.15	1.79	13.50
FY 24-25	11.83	1.59	1.29	14.71
FY 25-26 (Q1-Q3)	9.89	1.70	1.03	12.62

6: sanction value, Rs Cr

	Digital NBFCs	Other NBFCs	Banks	Total
FY 22-23	92,842	126629	556,142	775,612
FY 23-24	131,501	168183	607,639	907,322
FY 24-25	155,014	173828	556,286	885,127
FY 25-26 (Q1-Q3)	153,260	166226	504,840	824,326

7: average ticket size, Rs

	Digital NBFCs	Other NBFCs	Banks	Total
FY 22-23	13,034	71,136	318,151	72,819
FY 23-24	13,754	78,065	340,066	67,197
FY 24-25	13,102	109,056	432,166	60,160
FY 25-26 (Q1-Q3)	15,493	98,056	491,327	65,345

8: share across gender/rsu/tiers, sanctioned value Q1-Q3 FY 25-26

	Female	Rural	Semi-Urban	Urban	Metro	Tier II	Tier III & beyond
Digital NBFCs	18%	37%	11%	52%	34%	27%	39%
Other NBFCs	18%	34%	11%	55%	37%	28%	36%
Banks	17%	42%	15%	43%	27%	23%	49%
Total	17%	39%	13%	47%	30%	25%	45%

9: share across age (years), sanctioned value Q1-Q3 FY 25-26

	<25	26-35	36-45	>45	Total
Digital NBFCs	14%	45%	29%	12%	100%
Other NBFCs	5%	37%	37%	21%	100%
Banks	3%	34%	34%	28%	100%
Total	5%	37%	34%	24%	100%

10: share across bureau vintage (years), sanction value Q1-Q3 FY 25-26

	<1	1-2	2-3	3-4	4-5	>5	Total
Digital NBFCs	6%	6%	8%	11%	8%	60%	100%
Other NBFCs	3%	4%	6%	7%	7%	74%	100%
Banks	5%	3%	4%	6%	6%	76%	100%
Total	5%	4%	5%	7%	6%	73%	100%

11: share across credit profile, sanction value Q1-Q3 FY 25-26

	Not scored	Very High Risk	High Risk	Medium Risk	Low Risk	Very Low Risk	Total
Digital NBFCs	3%	12%	22%	26%	19%	18%	100%
Other NBFCs	2%	8%	10%	18%	24%	38%	100%
Banks	3%	3%	7%	14%	22%	52%	100%
Total	2%	6%	10%	17%	22%	43%	100%

12: share across ticket size (Rs), sanction value Q1-Q3 FY 25-26

	<25k	25k-50k	50k-1L	1L-2L	2L-5L	>5L	Total
Digital NBFCs	29%	15%	17%	14%	16%	10%	100%
Other NBFCs	4%	5%	15%	18%	23%	35%	100%
Banks	0%	0%	2%	6%	16%	76%	100%
Total	6%	4%	7%	10%	17%	55%	100%



Fintech Association for Consumer Empowerment (FACE) is the RBI-recognised Self-Regulatory Organisation in the FinTech sector (SRO-FT). FACE is the largest and most diverse convening of FinTechs with more than 360 members. FinTech companies of all kinds come together at FACE to build an industry that enables customer-centric financial services that are safe, suitable, and transparent, delivering positive impacts on society and the economy.

All our reports are [here](#). For inputs on the report and interest in membership, contact teamface@faceofindia.org

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