Digital Personal Loans

Apr-Jun 2026

Contents

This report	3
Summary	4
Definitions and abbreviations	5
Part 1: placing Digital personal loans in the overall personal loan market	7-12
Part 2: digital personal loans	14-26
Part 3: annexures	28-39

This report

- This report captures the trends for digital lending by analysing the personal loans of 110+ Digital NBFCs from Apr 2022 to Jun 2026.
- 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 LSPs. This set does not include NBFCs/Banks that offer both digital and non-digital loans, as the credit bureau data cannot distinguish between them. In that sense, the report falls short in capturing the full scope and diversity of digital lending, as the overall size of digital credit is even larger.
- Observing these Digital NBFCs' personal loans gives us a measure of progress in scale, outreach, and customer segments. We also place digital loans in the broader personal loan market to highlight 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 the few years since we first identified the digital-first/only NBFCs. We have also pegged the period under consideration to Apr 2022 for recency and a steady-state view, removing COVID-induced abnormalities in the trends.

Summary

- Digital NBFCs sanctioned 3.4 Cr loans amounting to Rs 64,656 Cr, with an average ticket size of Rs 18,802 in Q1FY26-27.
- Digital personal loans by digital NBFCs have steadily increased their share in the overall personal loan market, with 22% by sanction value, and account for 70% of the sanction volume.
- During Q1FY 26-27, 58% of sanction value went to young customers (< 35 years of age), 82% to males, and about 40% to Tier III cities and beyond.
- Digital loans are climbing in ticket sizes, bureau vintage and risk chain, with more than half of the sanction value(~60%) coming from customers with ticket sizes > Rs 50k, bureau vintage of 5 years+ and mid-low credit risk.
- Loan amount outstanding as of Jun 2026 has increased by ~28% from Jun 2025, reaching 1.54 Lakh Cr.
- Overall, the average ticket size is about Rs 18,802, but there is much diversity. Ticket sizes are larger for borrowing in metro/urban areas and increase 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.

Sanction value:
Total amount of loans sanctioned during a specified period.

Sanction volume:
Total number of loans sanctioned during a specified period.

Credit scores:

Very High Risk	High Risk	Medium Risk	Low Risk	Very Low Risk
300-399	**400-577**	**578-644**	**645-693**	**694-900**

Abbreviations

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

Percentages in the stack charts may not always add up to 100% due to rounding off.

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

Pages 7-12

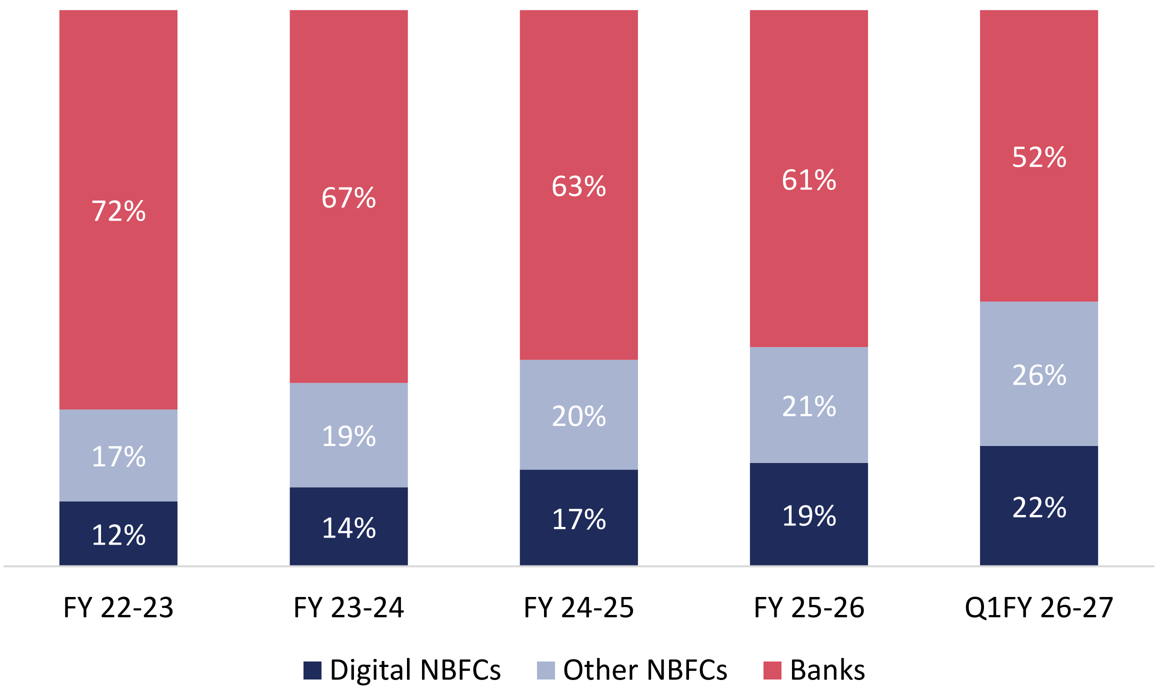
During Q1FY 26-27, the personal loan sanctions reached about 4.9 Cr, totalling to Rs 2.99 Lakh Cr.

Digital NBFCs sanctioned 3.4 Cr loans amounting to Rs 64,656 Cr, with an average ticket size of Rs 18,802. Digital loans accounted for 22% of the sanction value and 70% of the sanction volume.

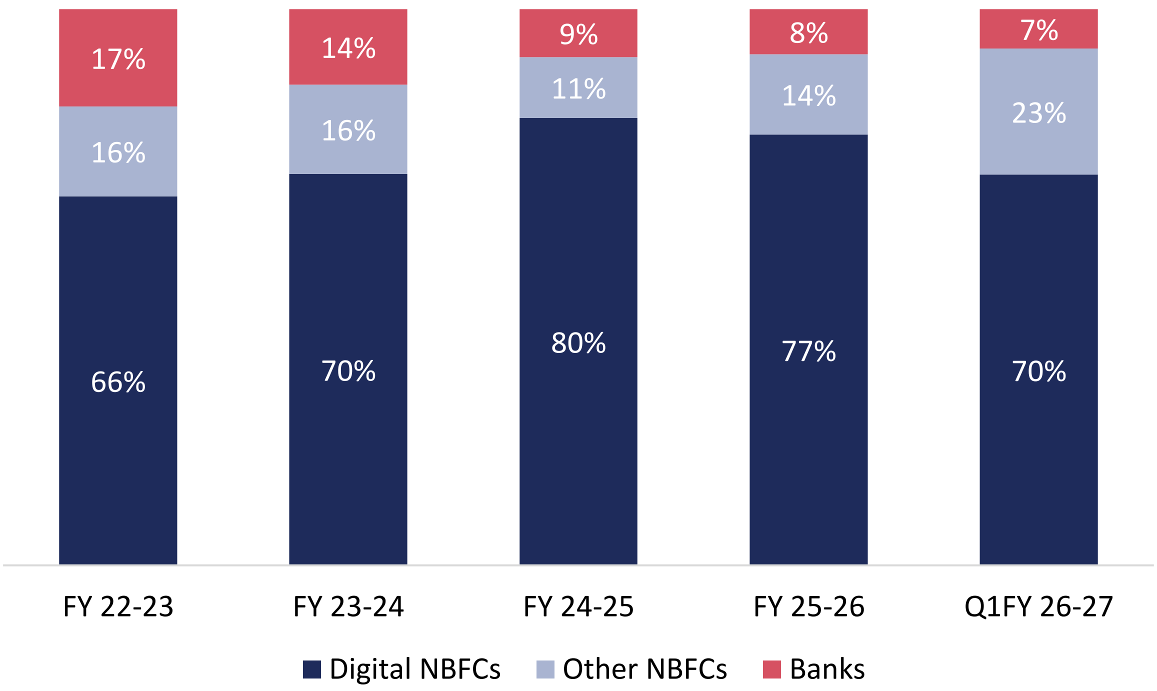
Q1 FY 26-27 Sanctions	volume, Cr	value, Rs Cr	avg sanction value per loan, Rs	share in volume	share in value
Digital NBFCs	3.4	64,656	18,802	70%	22%
Other NBFCs	1.1	77,699	70,025	23%	26%
Banks	0.3	1,56,802	4,52,212	7%	52%
Total	**4.9**	**2,99,157**	**61,112**	**100%**	**100%**

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

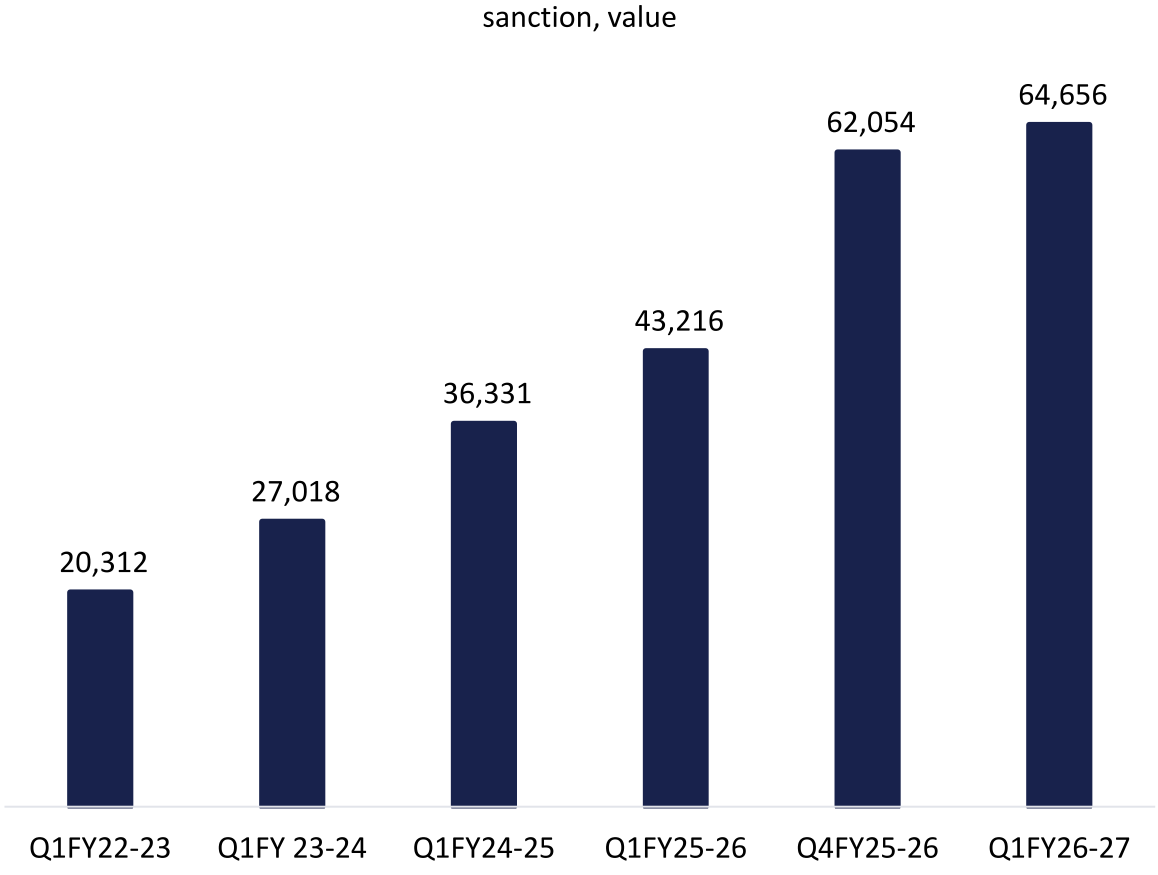
share by sanction value

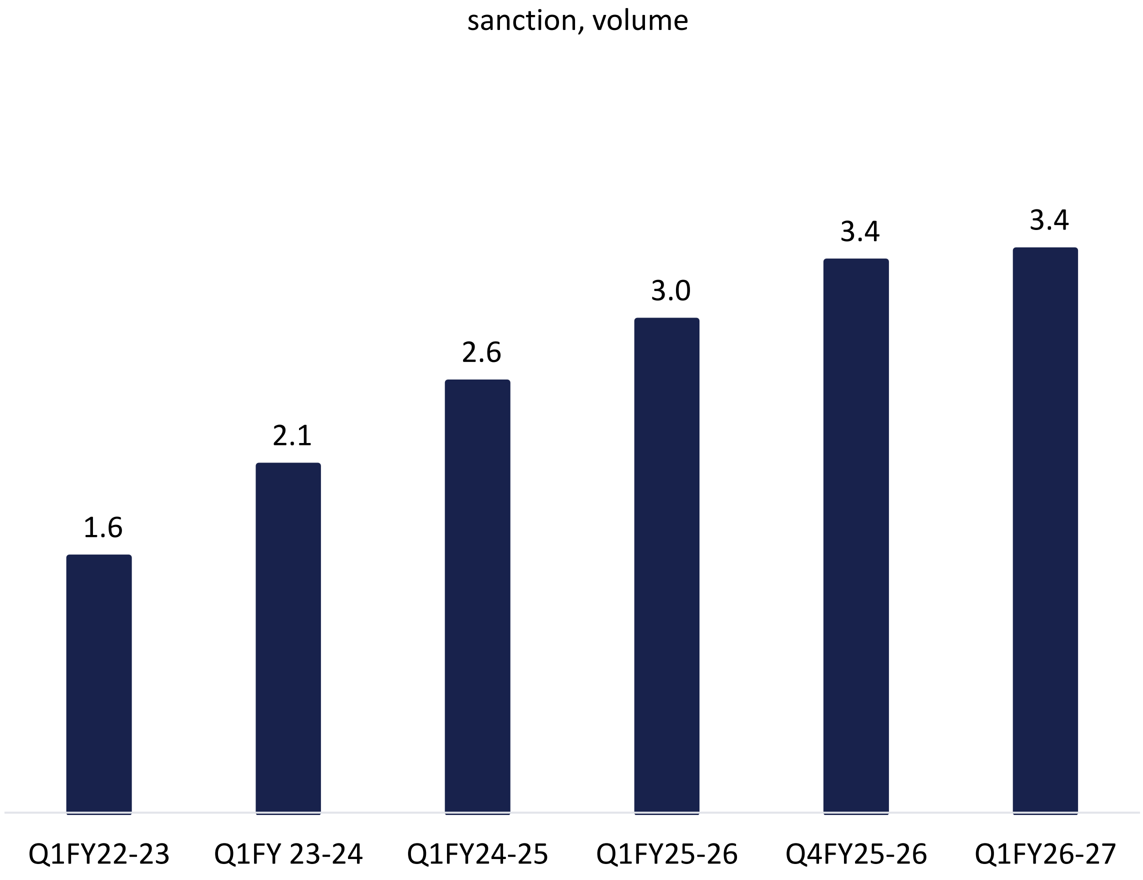


share by sanction volume



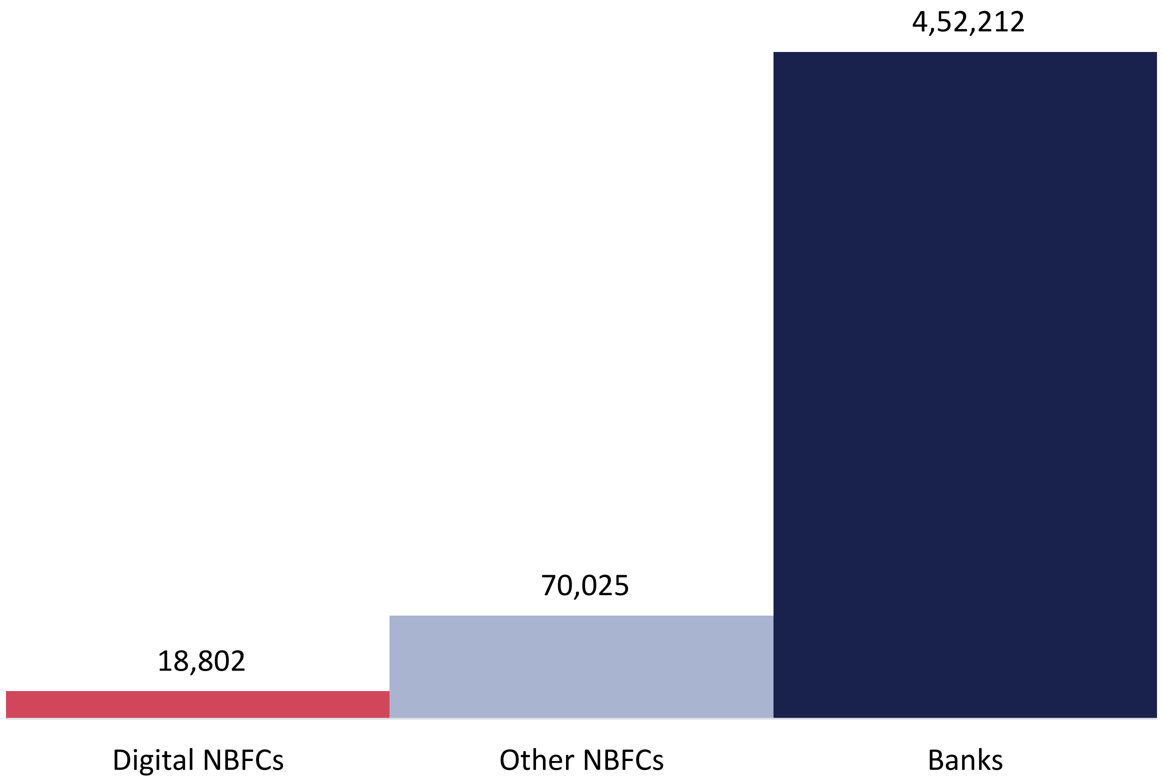
The sanction volume growth rate for Q1FY 26-27 is the same as the previous quarter, but the sanction value has steadily increased from Q1 FY 25-26





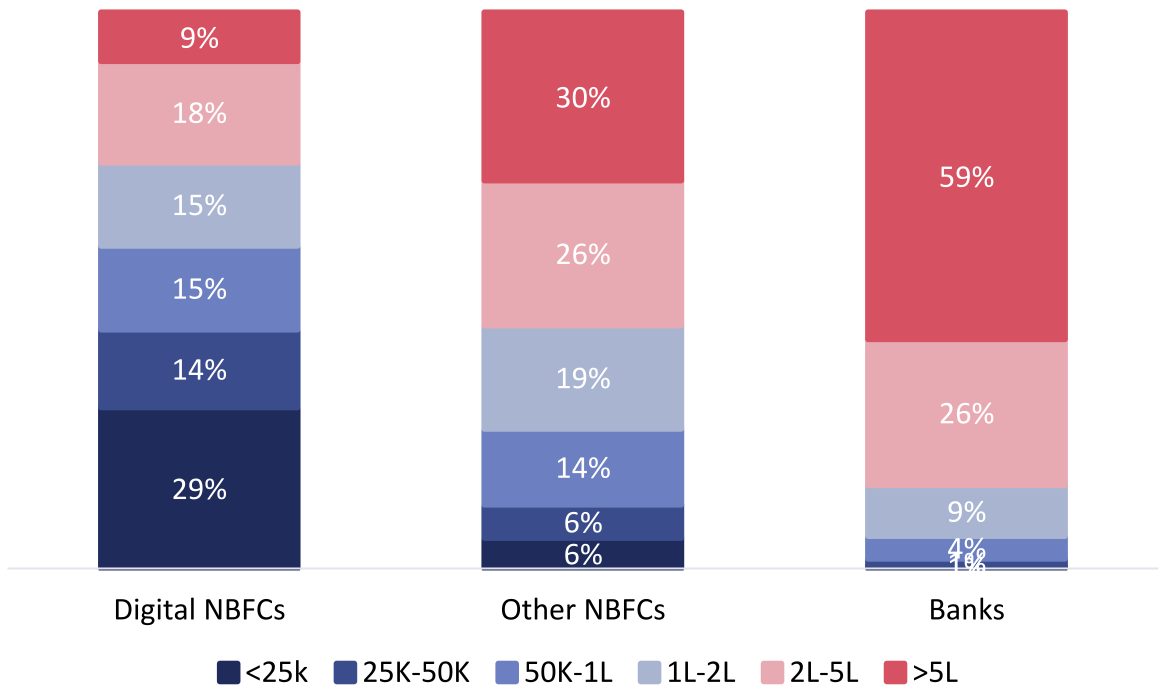
Digital lending business models are unique in their ability to reach customer segments that require small-value loans for a short period.

average ticket size, Rs, Q1FY26-27



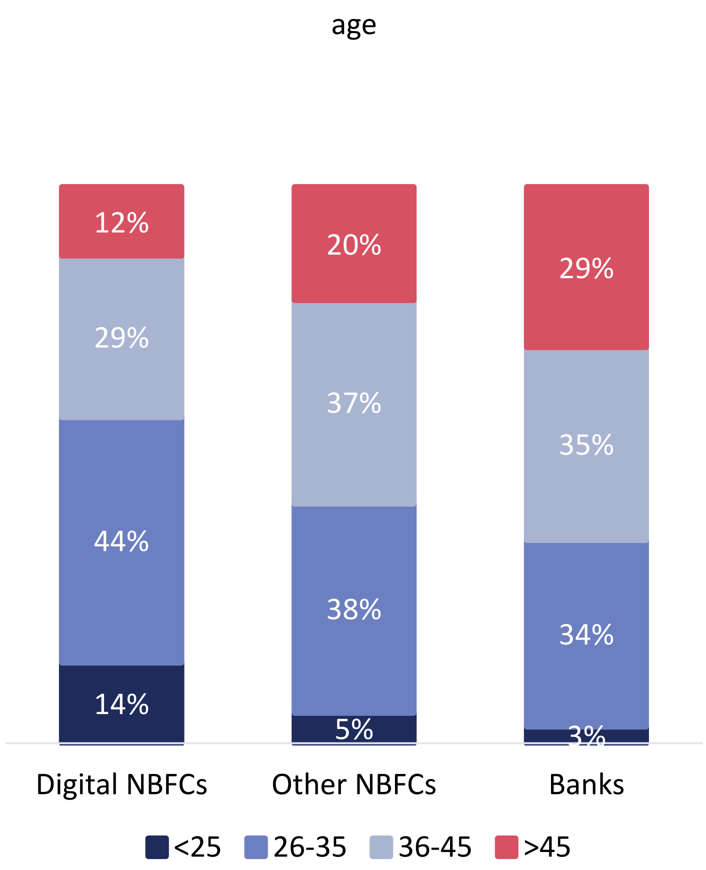
avg ticket size = sanction value/sanction volume

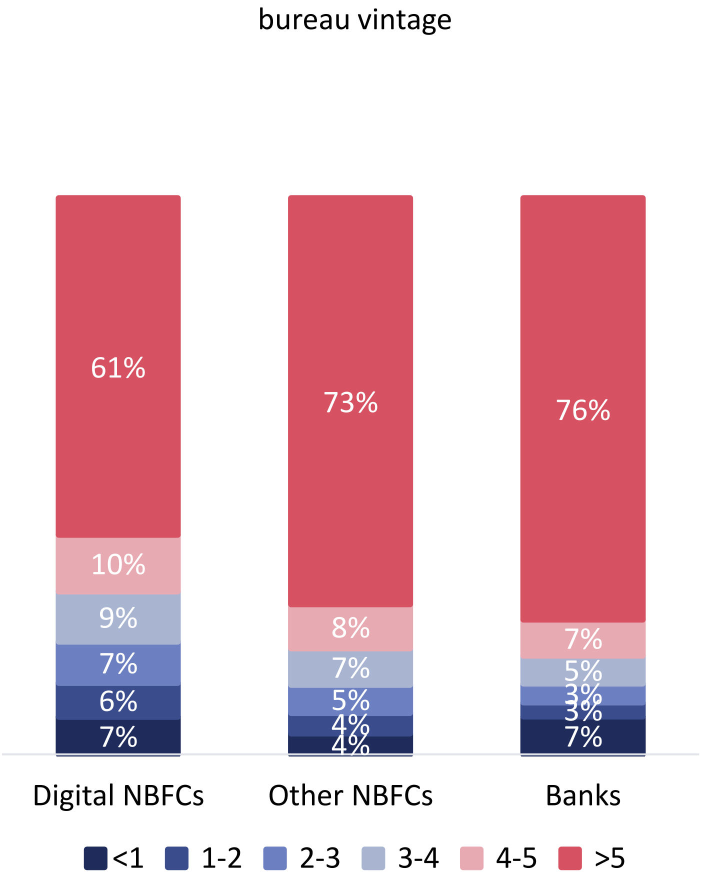
ticket sizes, Rs, Q1FY26-27

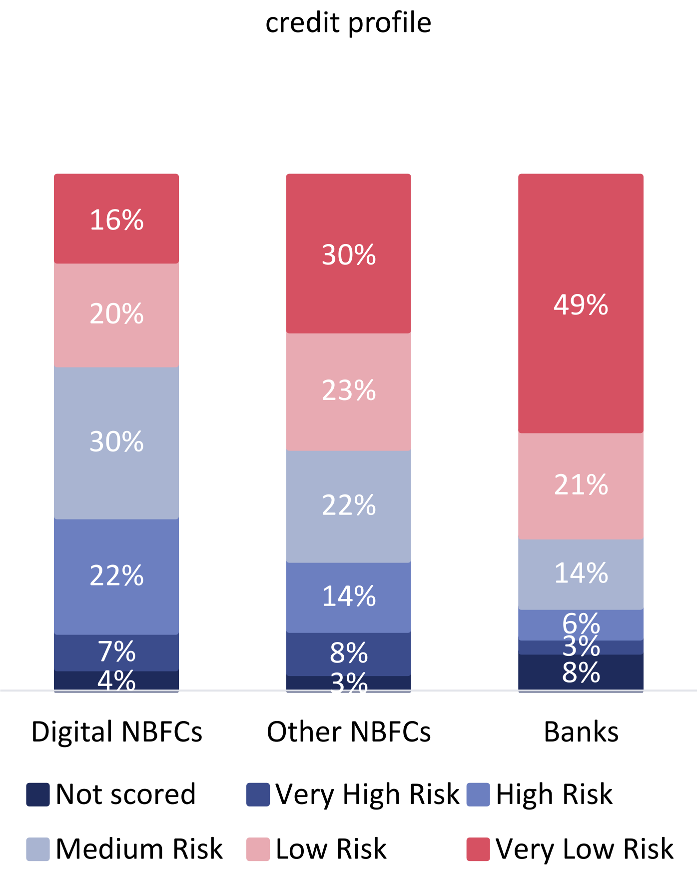


Digital loan customers are younger, with 58% of sanctioned value going to the < 35-year-old age bracket.

40% of loans are to customers with a bureau vintage of <5 years, and more than 60% are to customers with a mid-low risk profile.



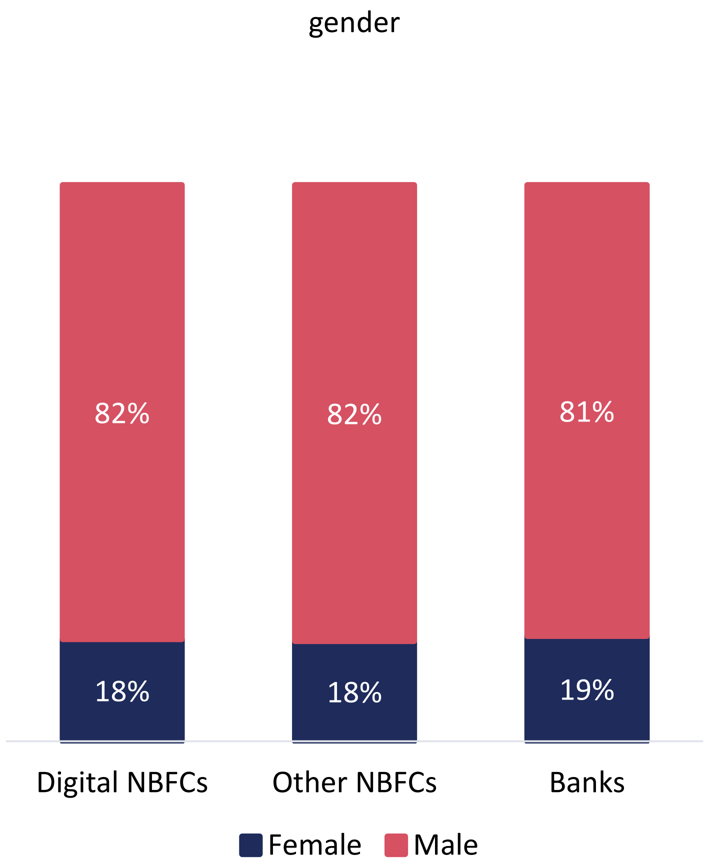


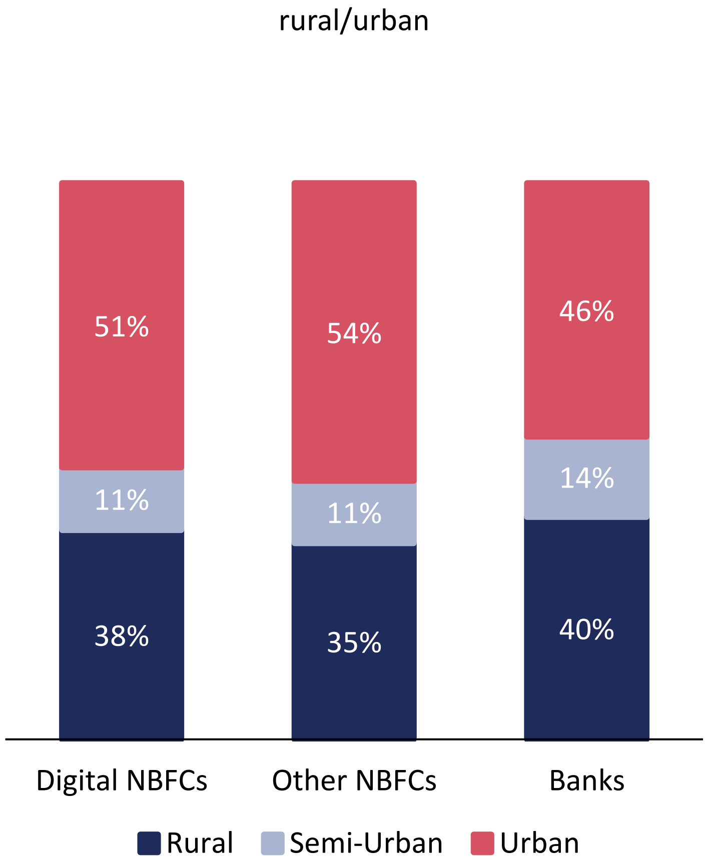


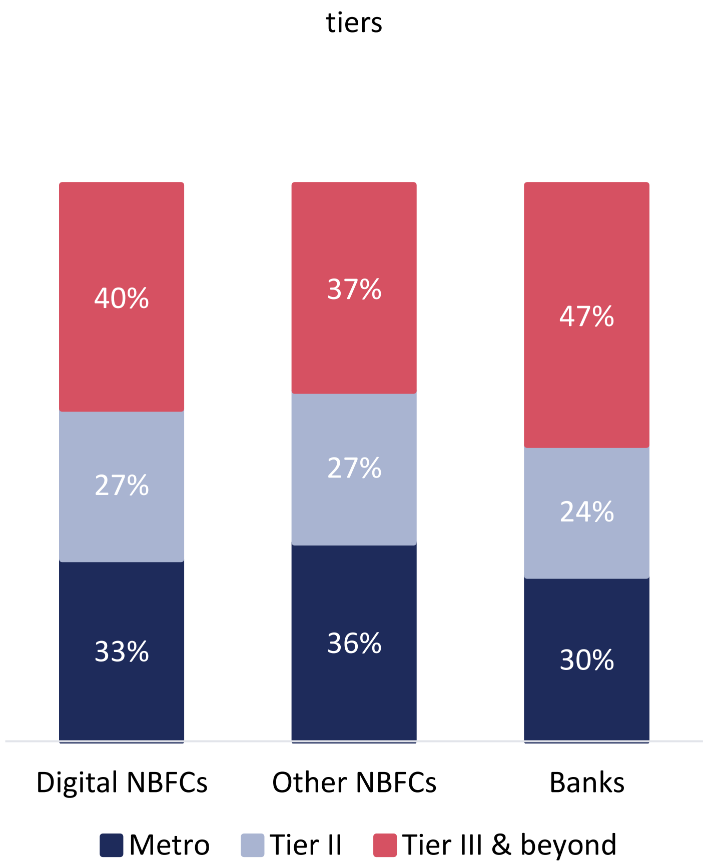
share in sanctioned value for Q1 FY26-27

The composition of gender and location for personal loans by Digital NBFCs is not much different from that of their peer.

This shows deeper persistent challenges in women's participation in the credit market. It also presents scope to diversify and expand by offering suitable products.







share in sanctioned value for Q1FY26-27

Part 2: digital personal loans

Pages 14-26

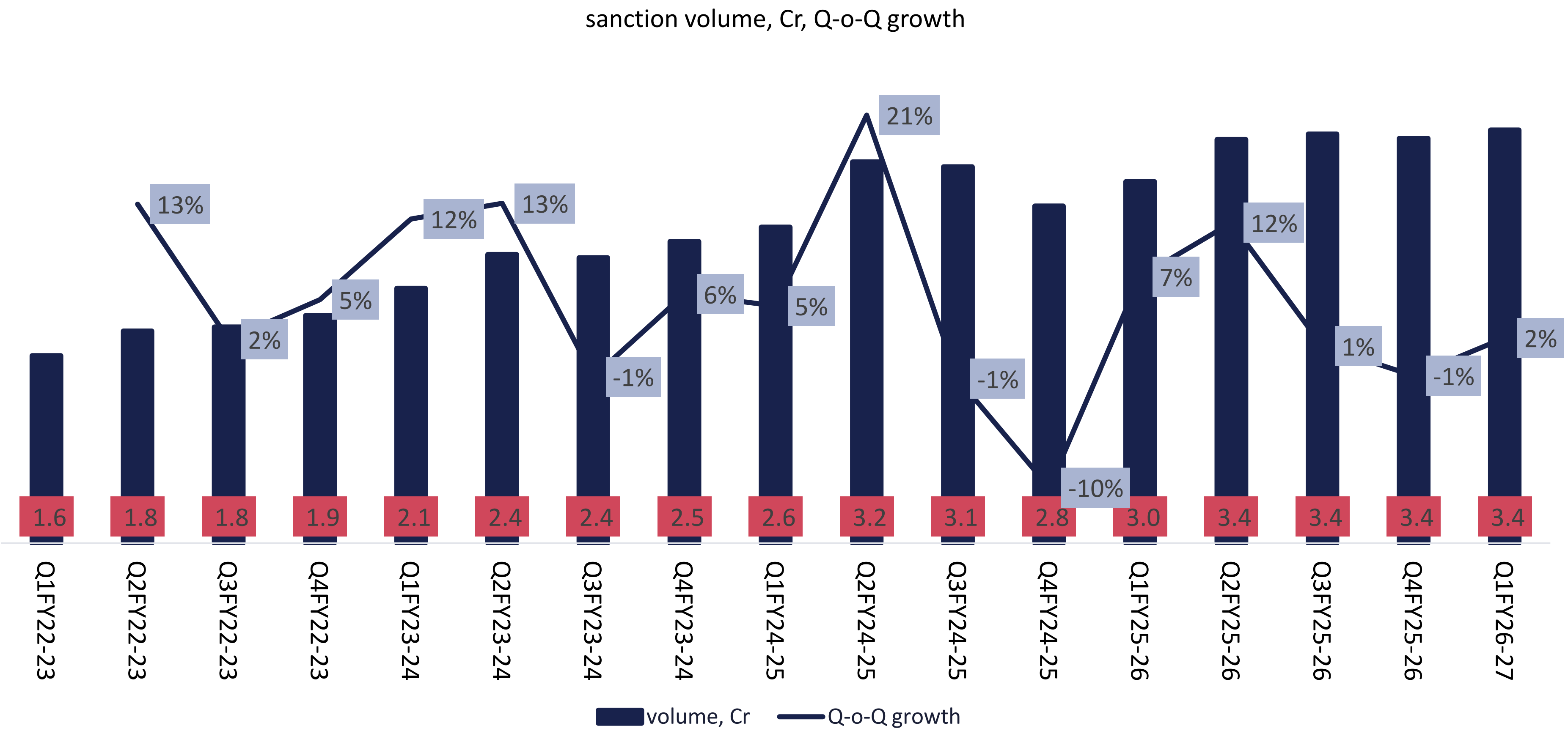
The growth rate of the sanction volume is moderating over time.

In Q1 FY 2026-27, the sanction volume rose by 2% from Q4 FY 2025-26, and increased by 14% from Q1 FY 25-26

14%
Q1 FY26-27 vs Q1 FY25-26
YoY growth

2%
Q1 FY26-27 vs Q4 FY25-26
QoQ growth

3.4 Cr
Q1 FY26-27 volume
loans sanctioned

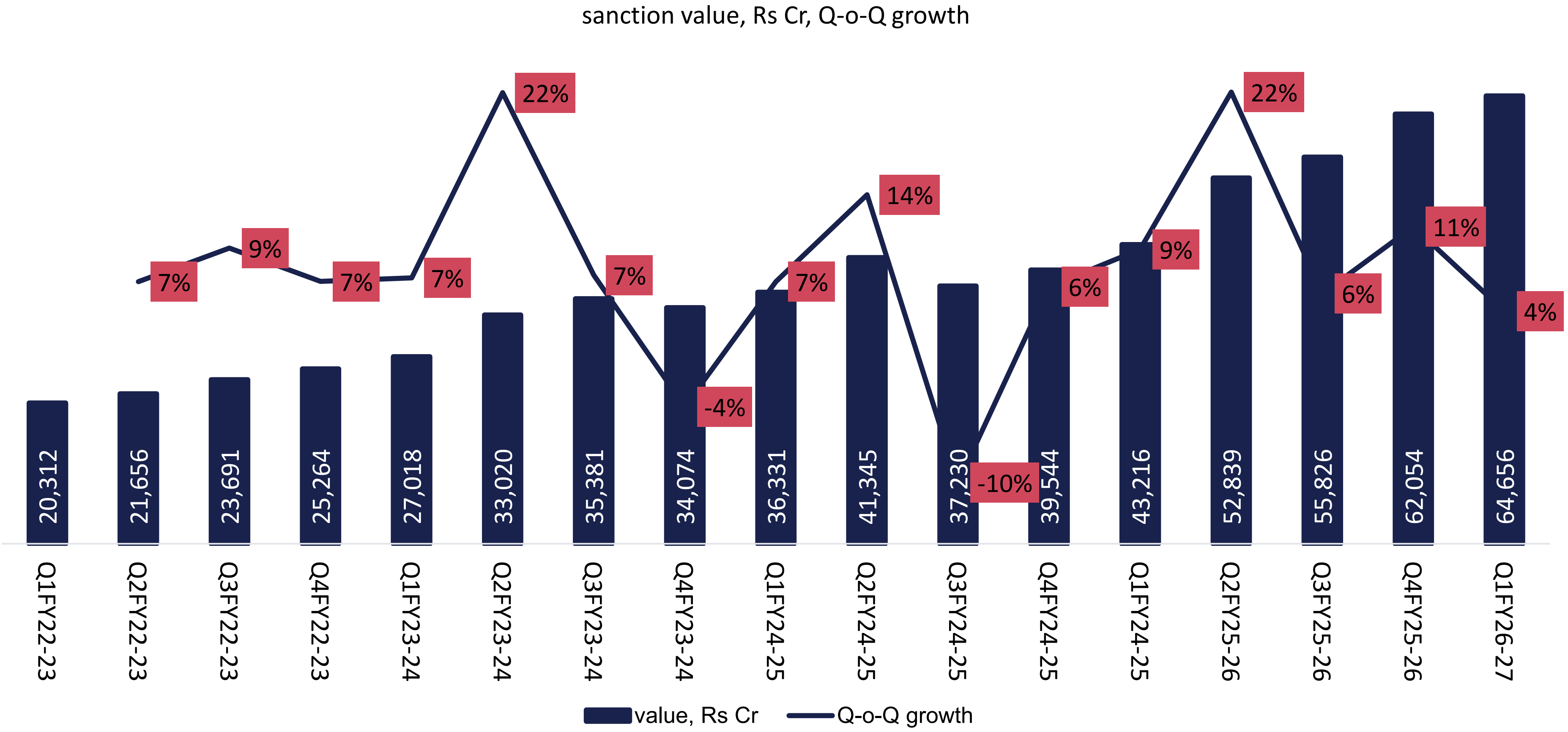


In Q1 FY 2026-27, the sanction value increased by 4% from Q4 FY 25-26 and by 50% from Q1FY25-26.

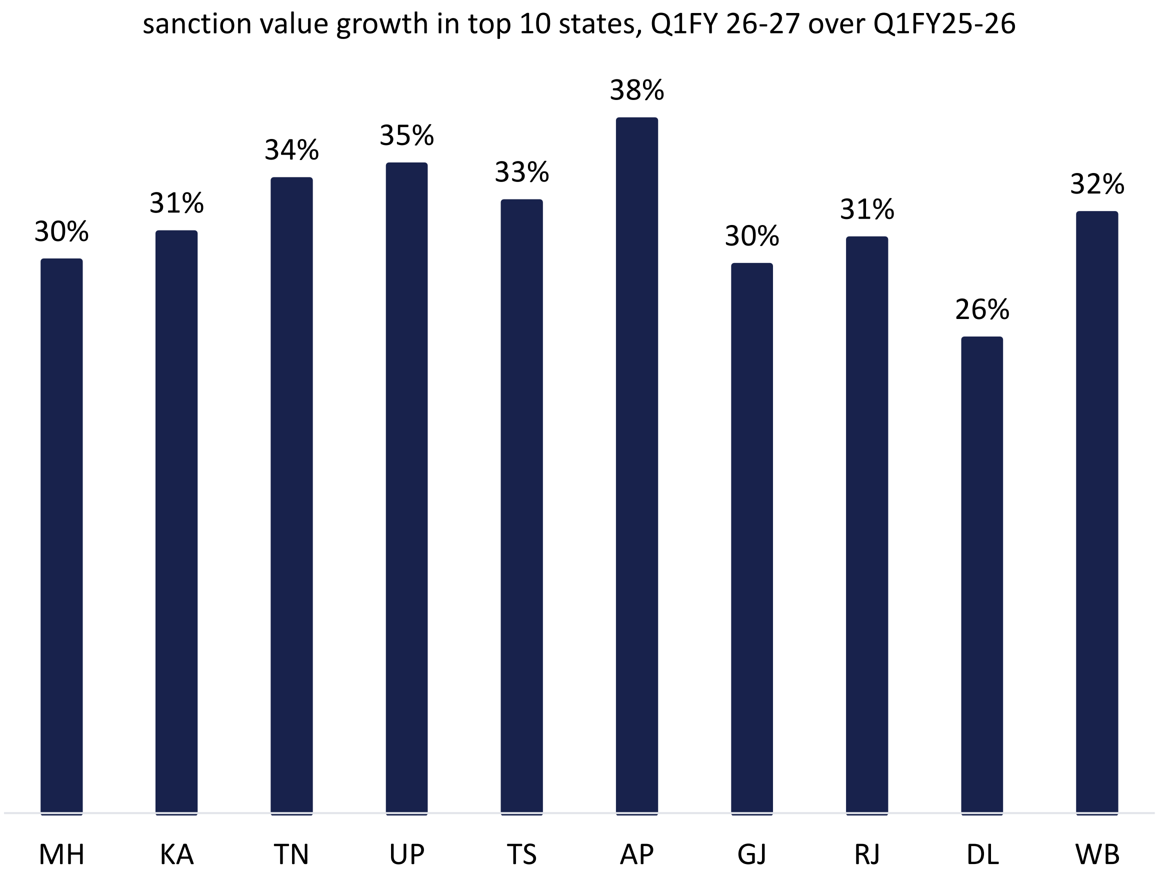
50%
Q1 FY26-27 vs Q1 FY25-26
YoY growth

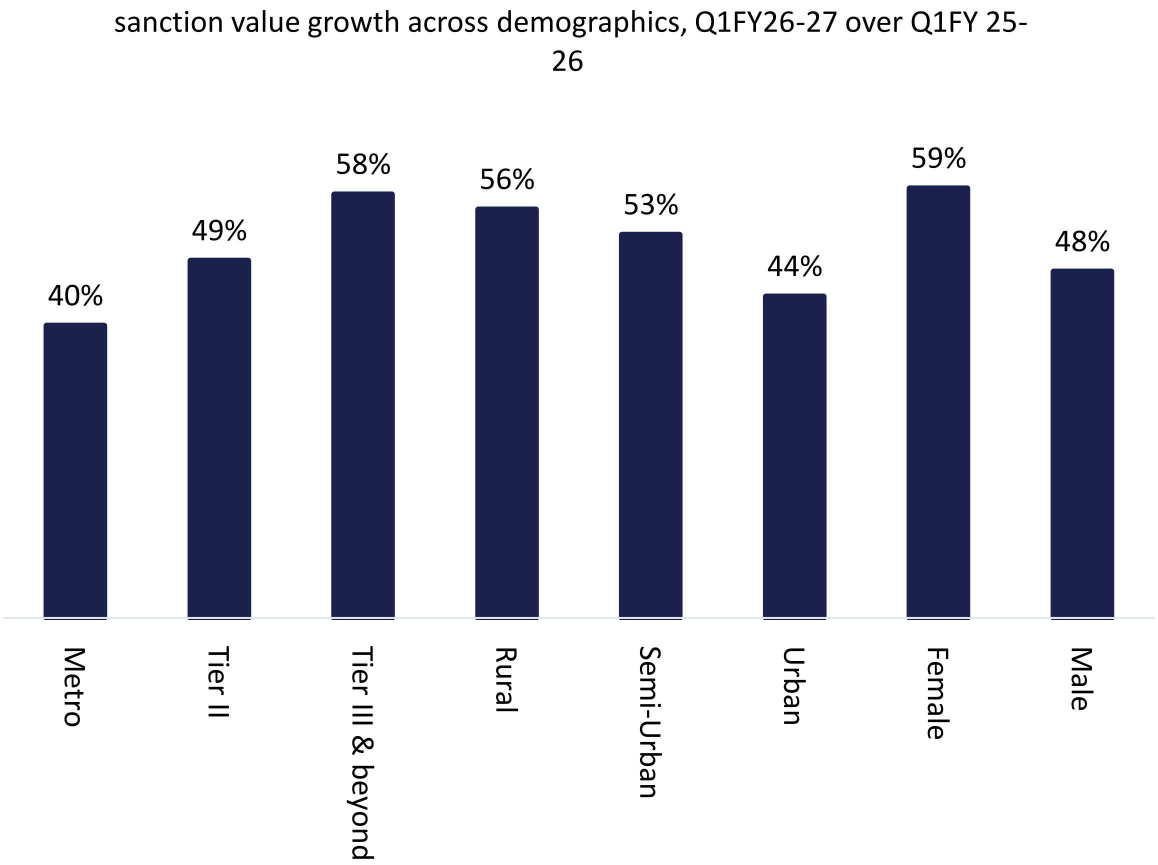
4%
Q1 FY26-27 vs Q4 FY25-26
QoQ growth

Rs 64,656Cr
Q1 FY26-27 value
sanctioned



The charts below show the change in sanction value in Q1FY 26-27 over Q1FY 25-26 across the top 10 states, geography and gender.

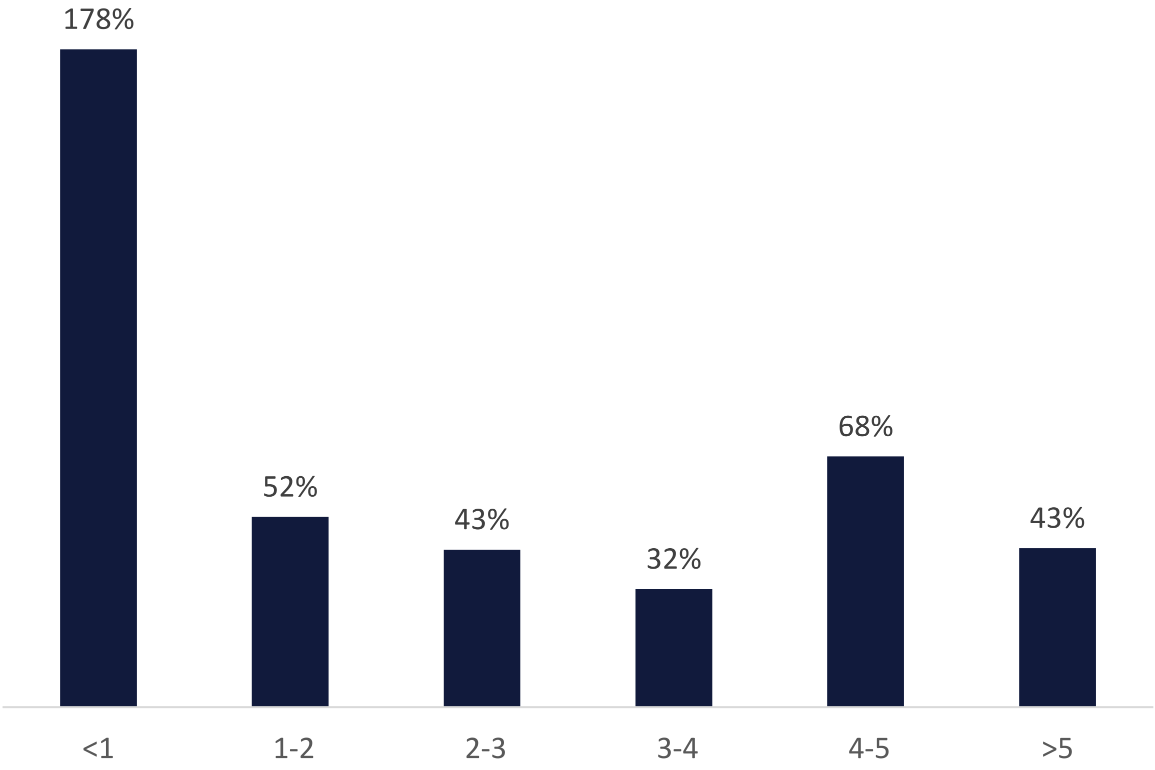




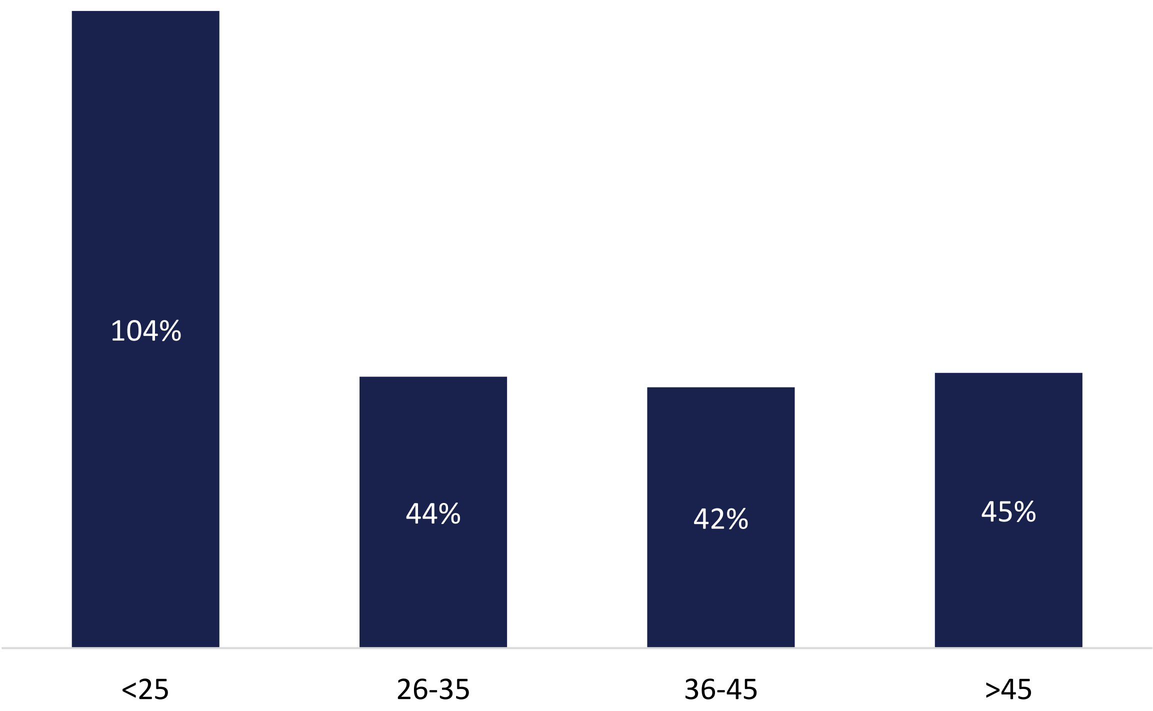
The growth rate across bureau vintage and age for digital NBFCs is shown in the charts below.

The growth is significantly higher among low-bureau vintage and younger customers.

growth in sanction value on bureau vintage, Q1FY 26-27 over Q1FY25-26



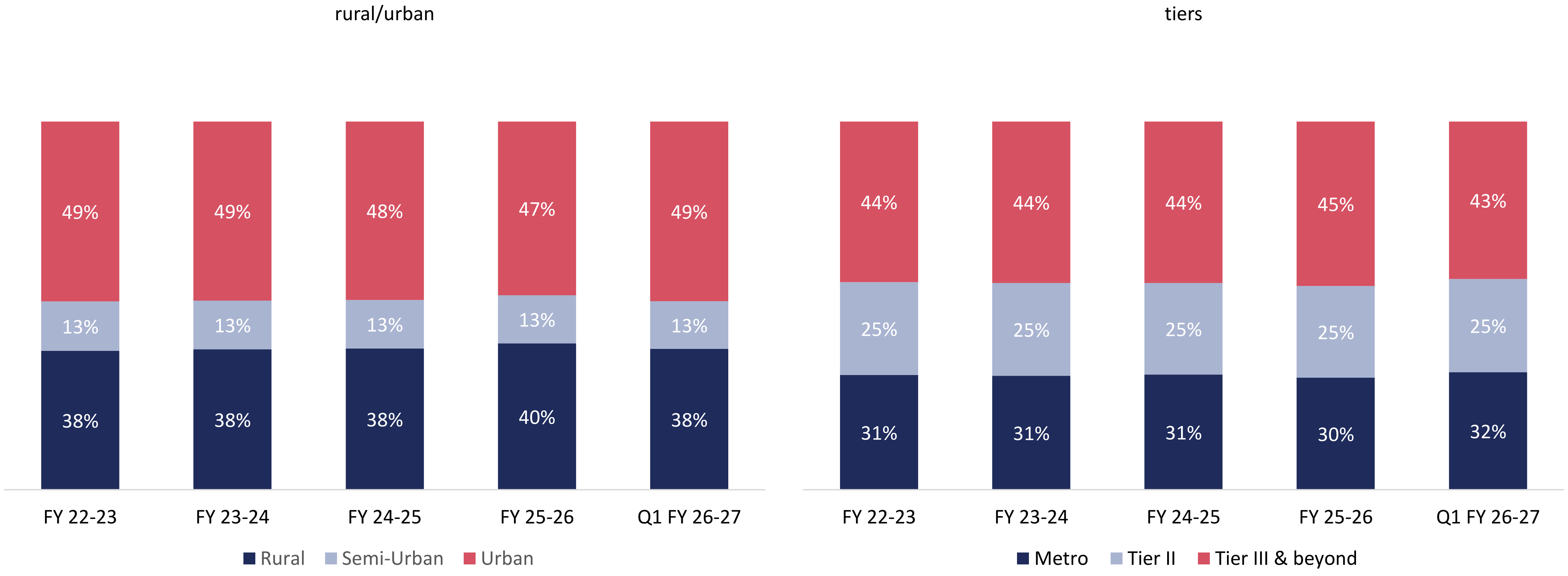
growth in sanction value on age, Q1FY 26-27 over Q1FY25-26



Bureau vintage and age in years.

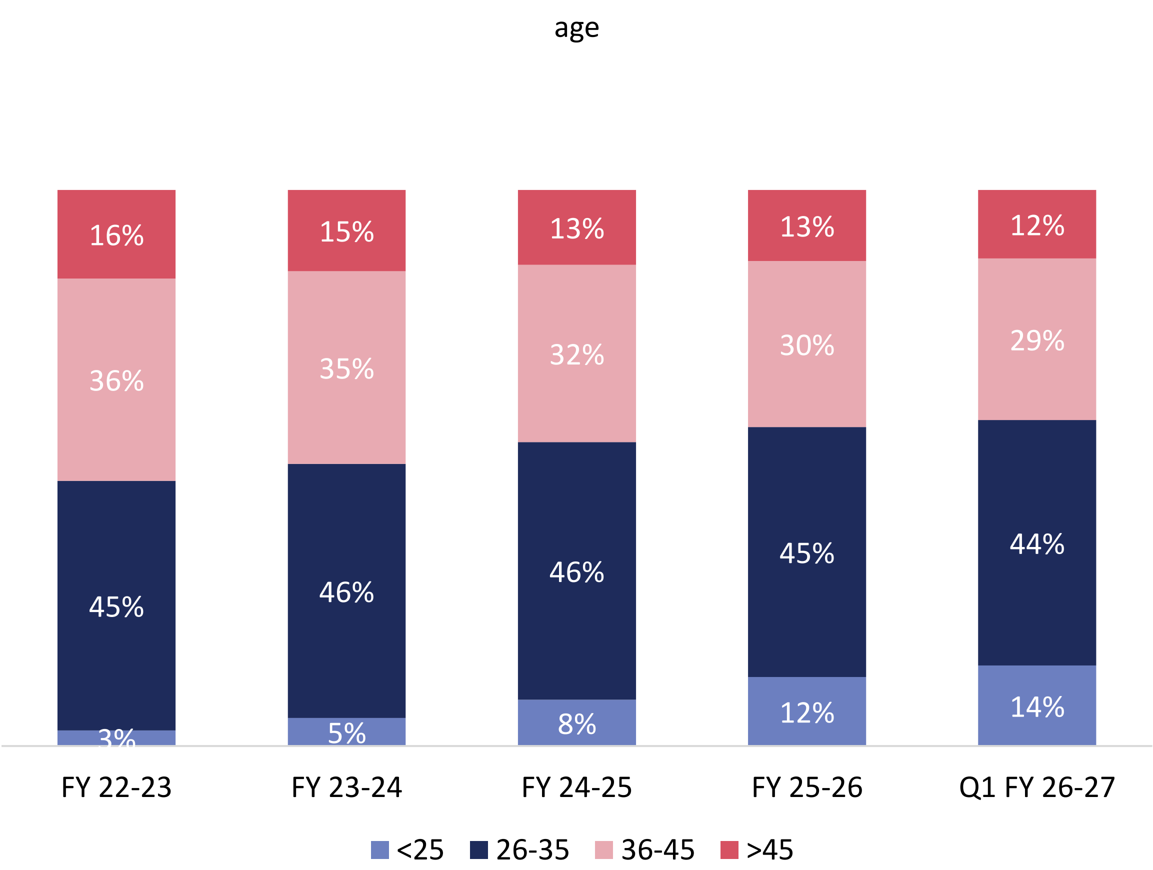
The share of customers from rural areas remains broadly stable, although they are less likely to reside there.

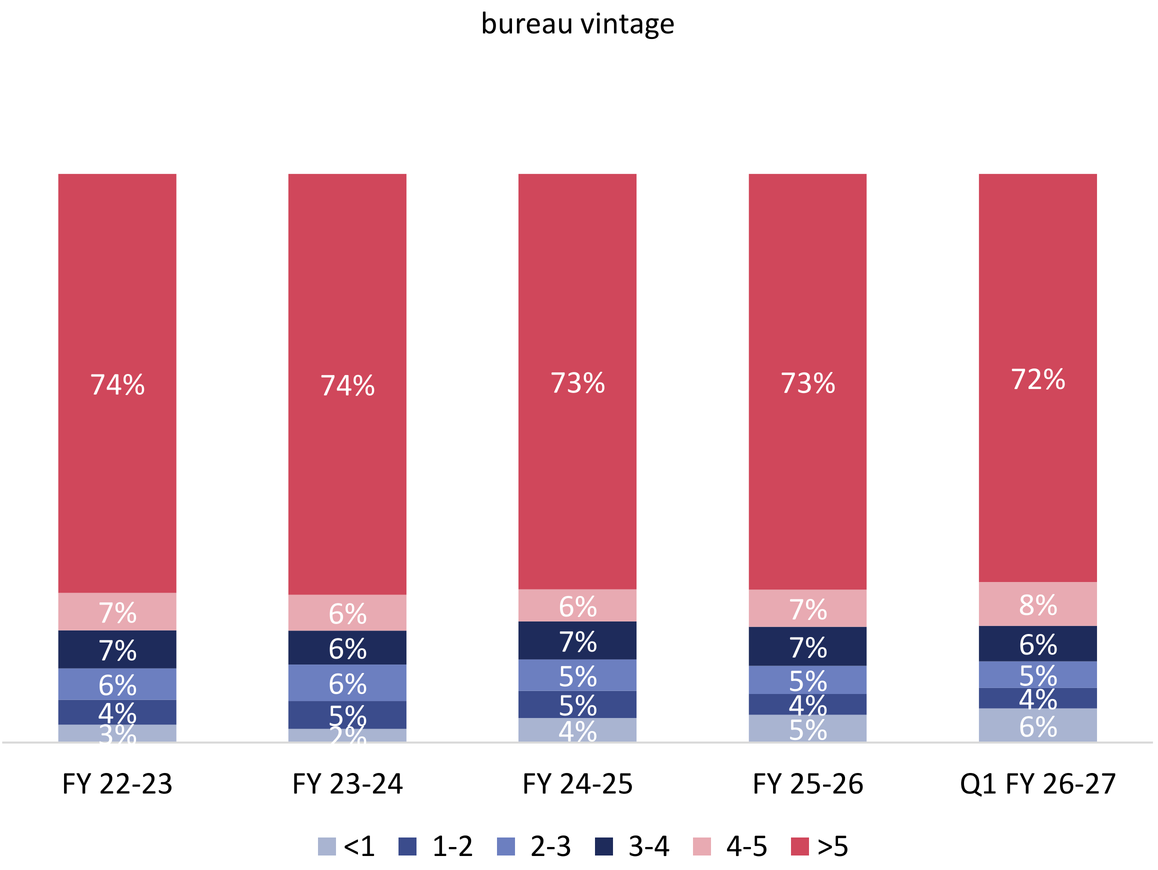
We note that a) the mapping of rural/urban is based on the 2011 census and is not truly reflective of the current reality of urbanisation, and b) many new urban migrants submit permanent home addresses in rural areas. Most customers belong to Tier III and beyond.



For young customers, digital lending is the choice, with two-thirds of loan sanction value to customers aged <35 years.

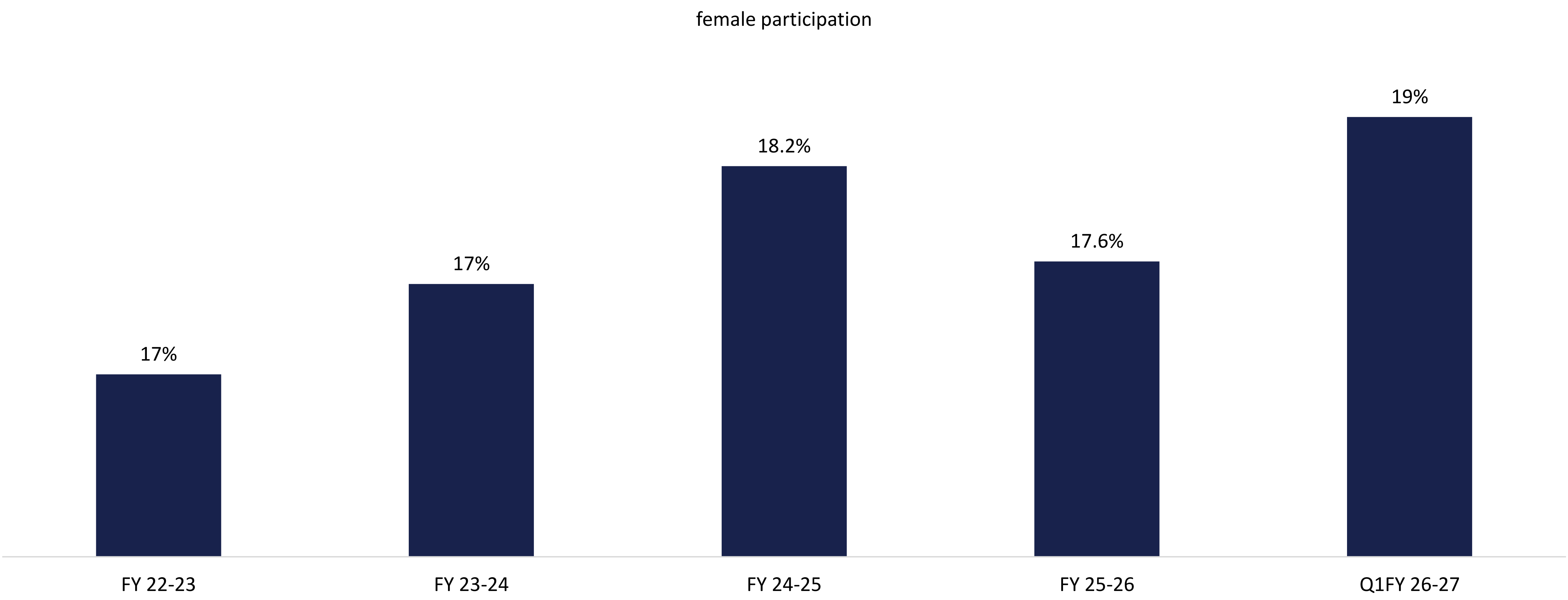
Digital lending's ability to meet the opportunities presented by credit demand for current and future needs holds enormous promise for responsible and sustainable growth over the long term.





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

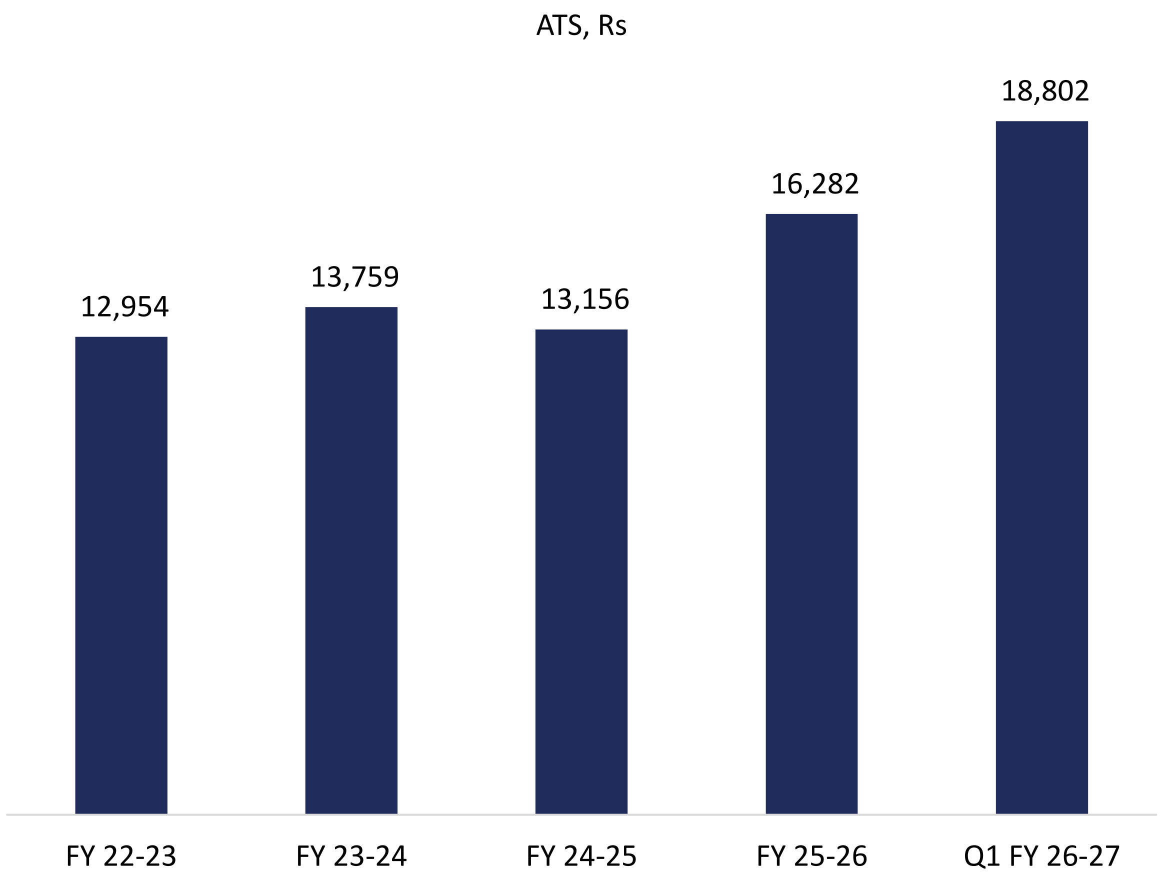
Female participation in the digital personal loan market remains low.

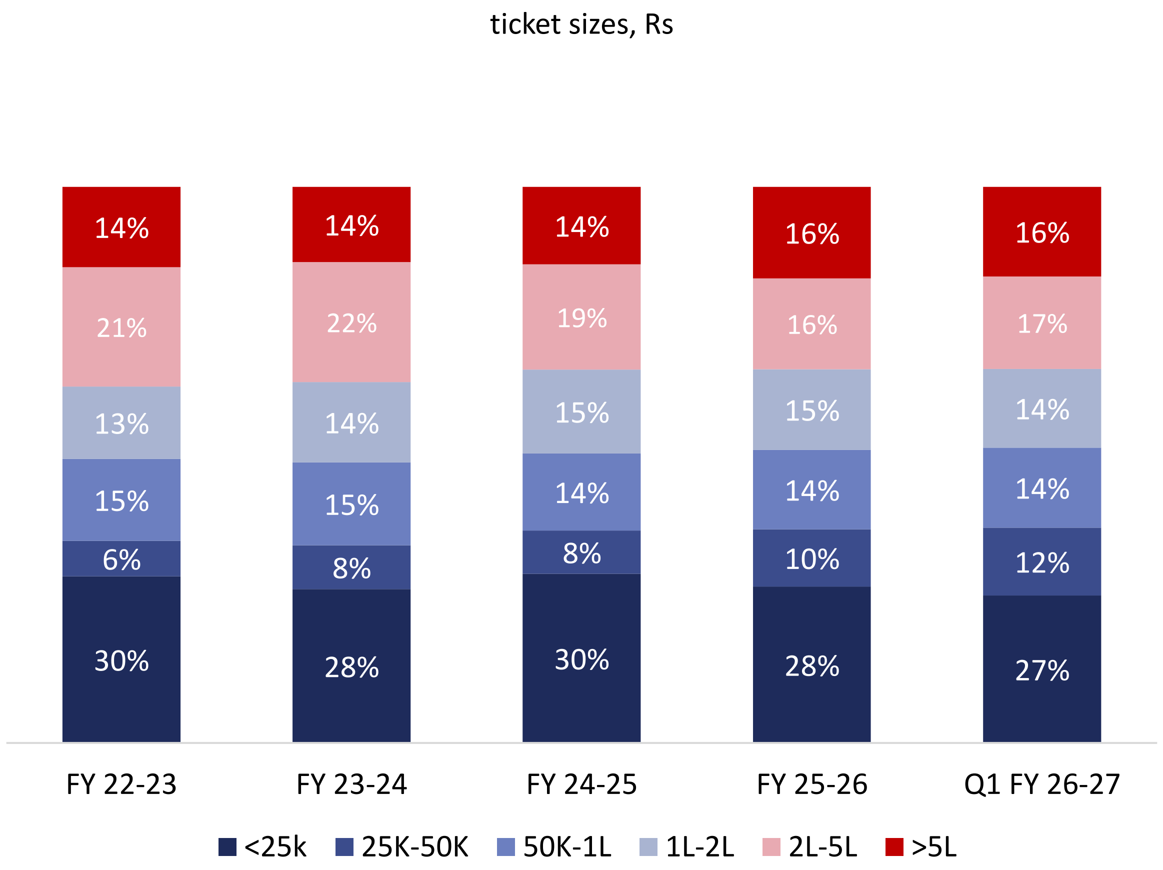


Share on sanction value

At the aggregate level, the average ticket size (ATS) is close to Rs 19k, driven by a higher volume of small-value loans.

However, the overall composition of digital loans is more diverse and spread across a wider range of ticket sizes. Compared with FY 25-26, the average ticket size in Q1FY 26-27 increased by ~15%.

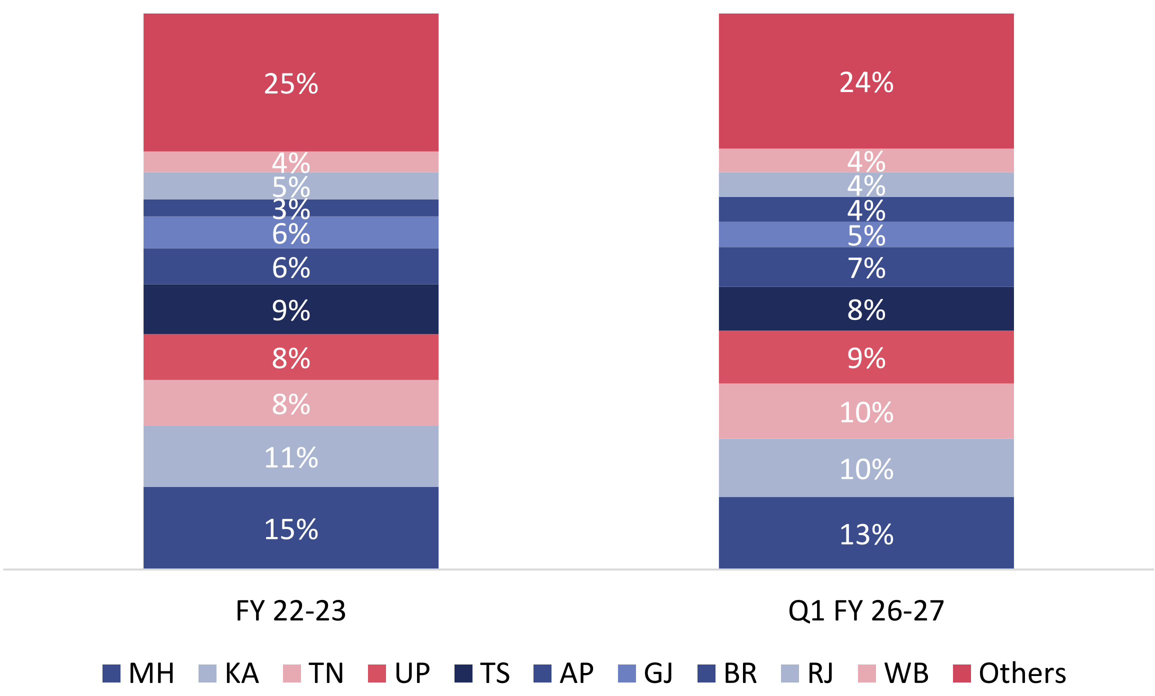




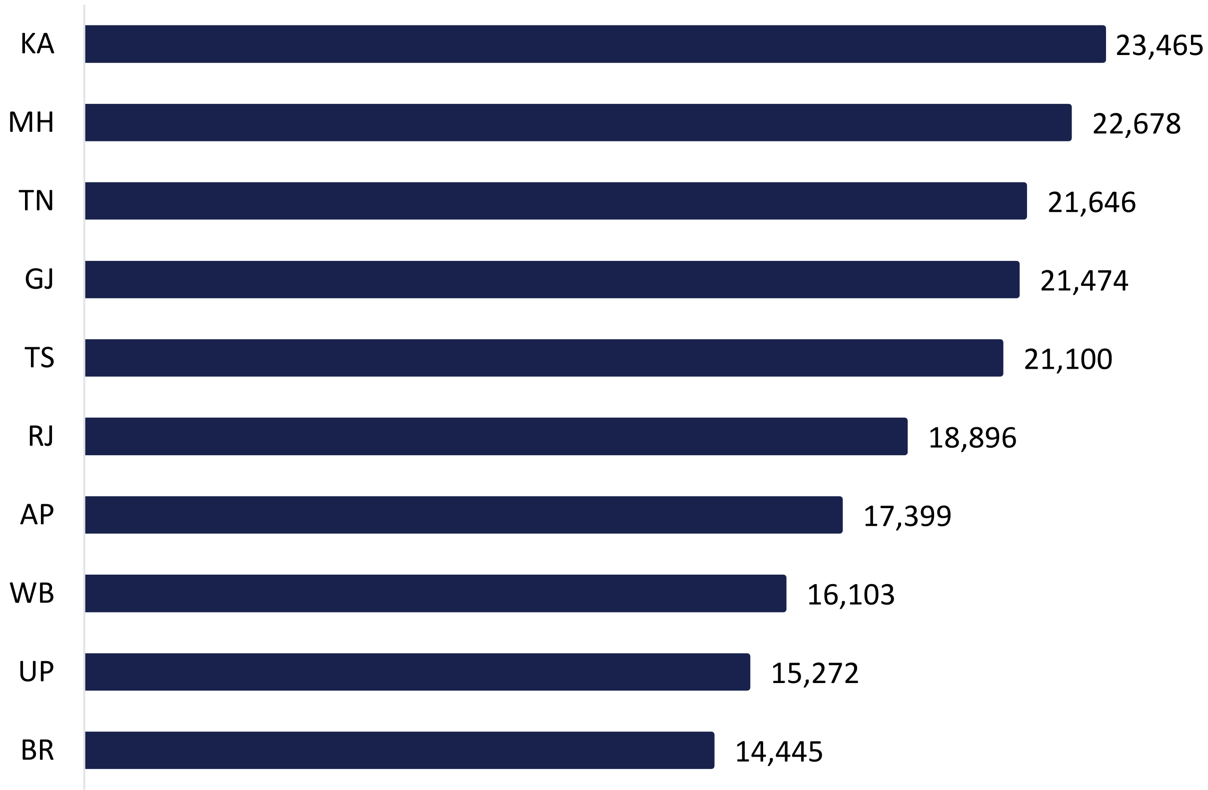
avg ticket size = sanction value/sanction volume

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

top 10 states, sanction value

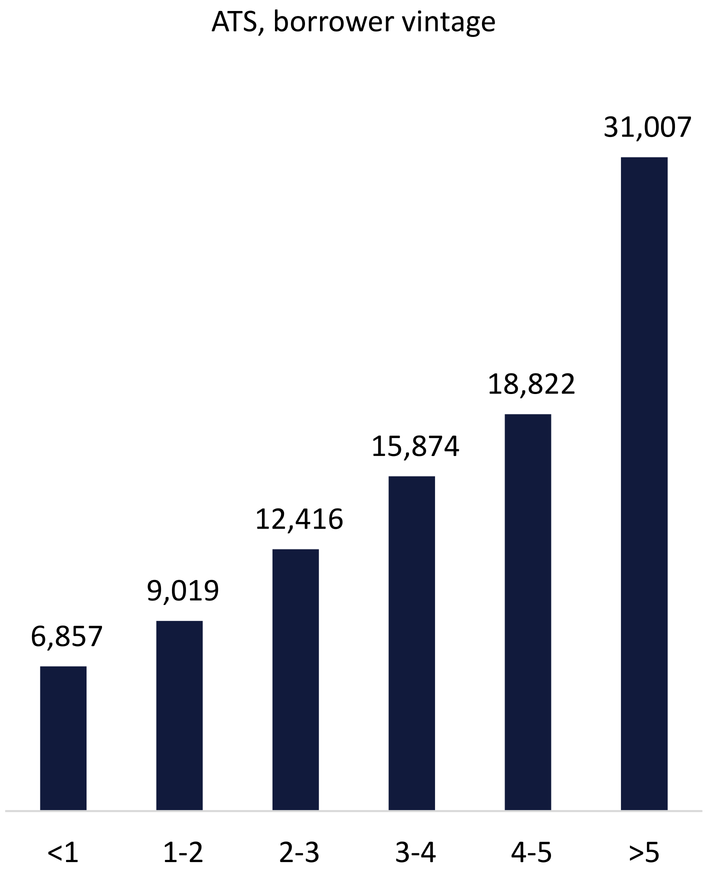


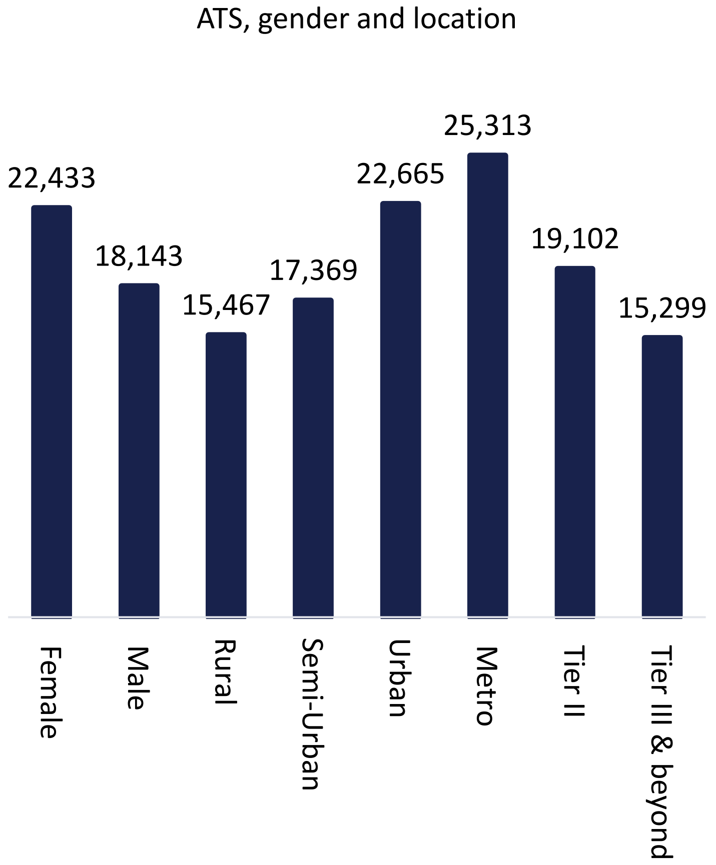
ATS, states, Rs, Q1FY 26-27

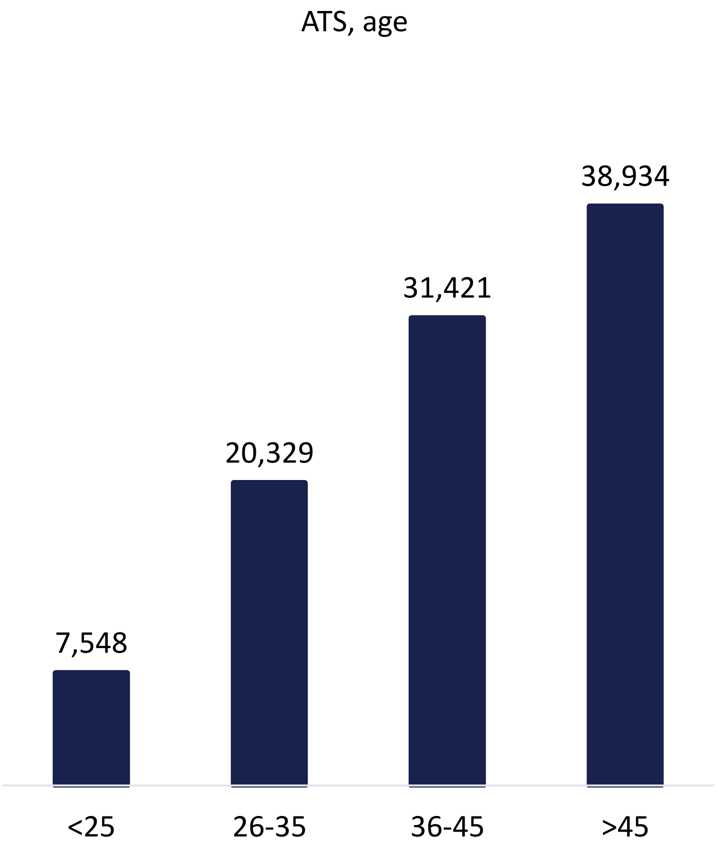


The average ticket size for Q1FY 26-27 varies across demographics and customer vintage.

It is higher for female, urban, and metro customers and increases linearly with age and vintage.

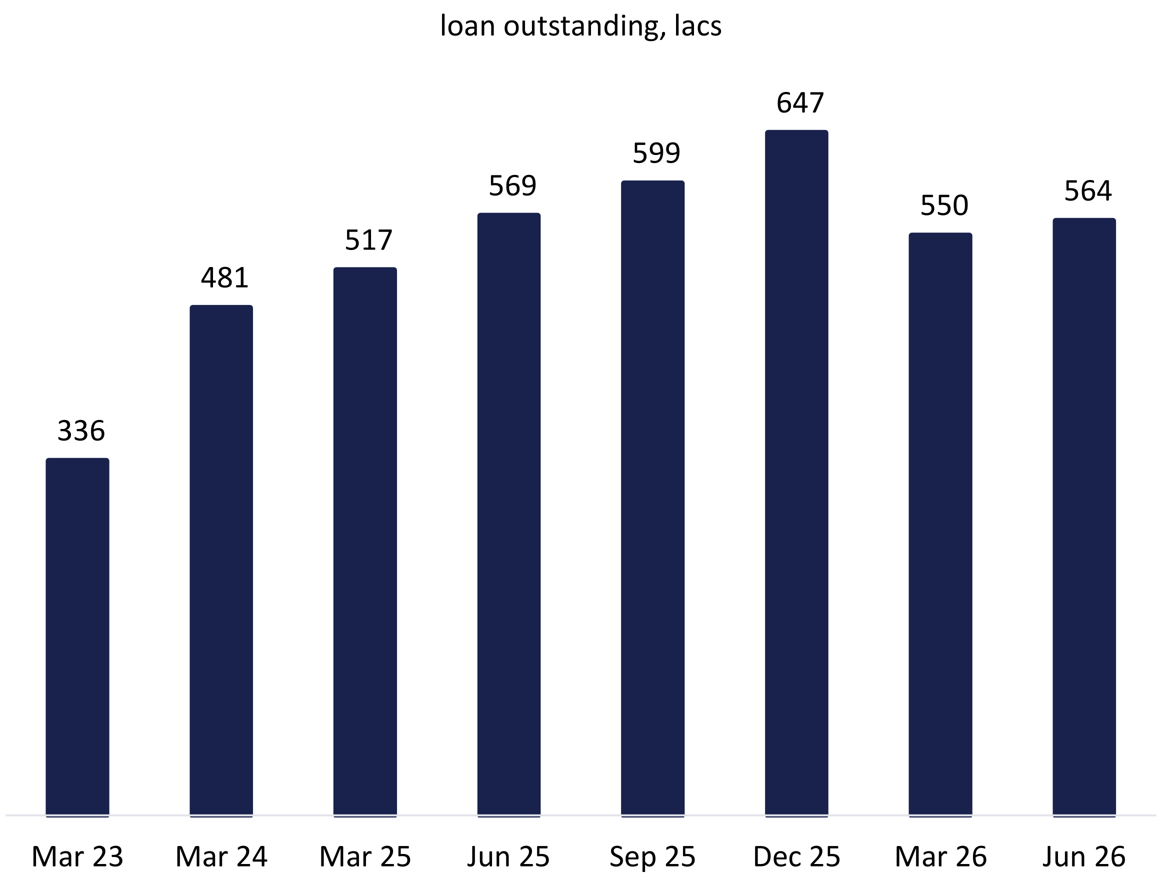


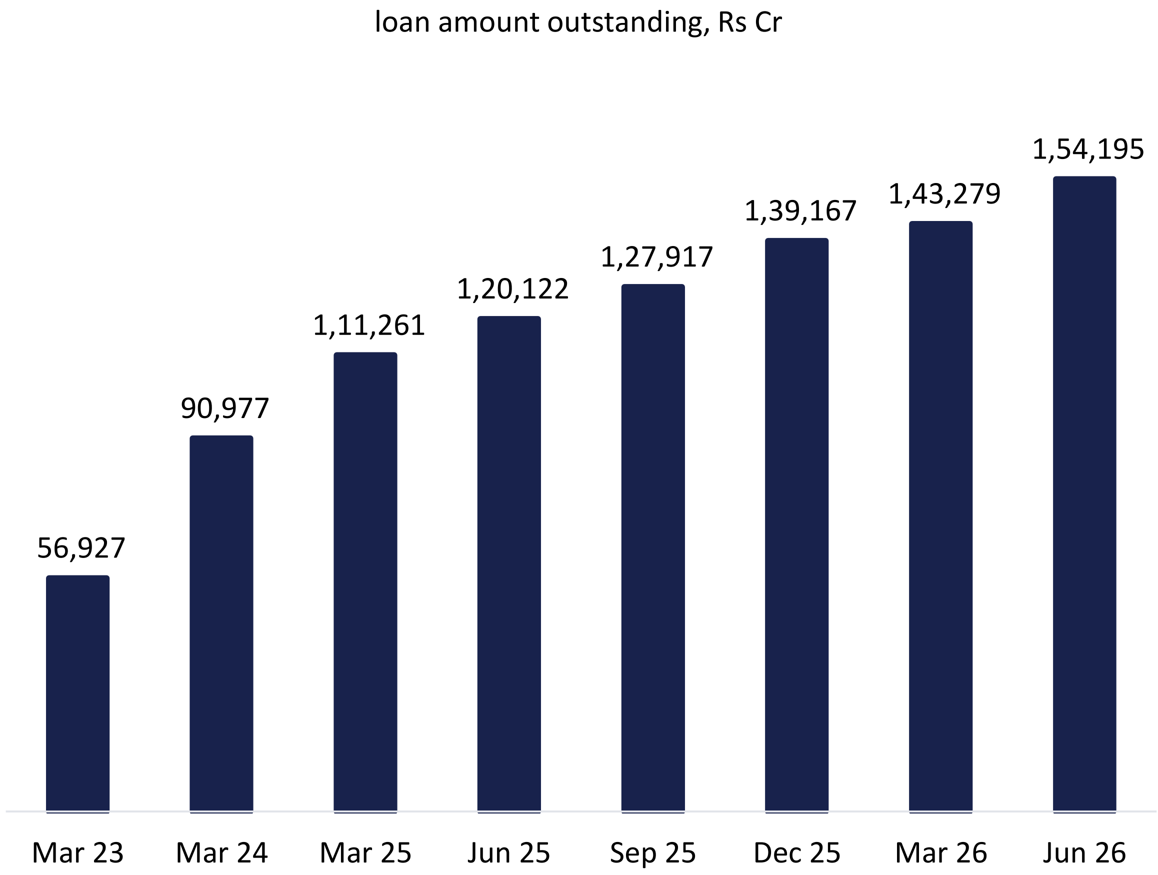




Bureau vintage and age for customers in years. ATS is Rs

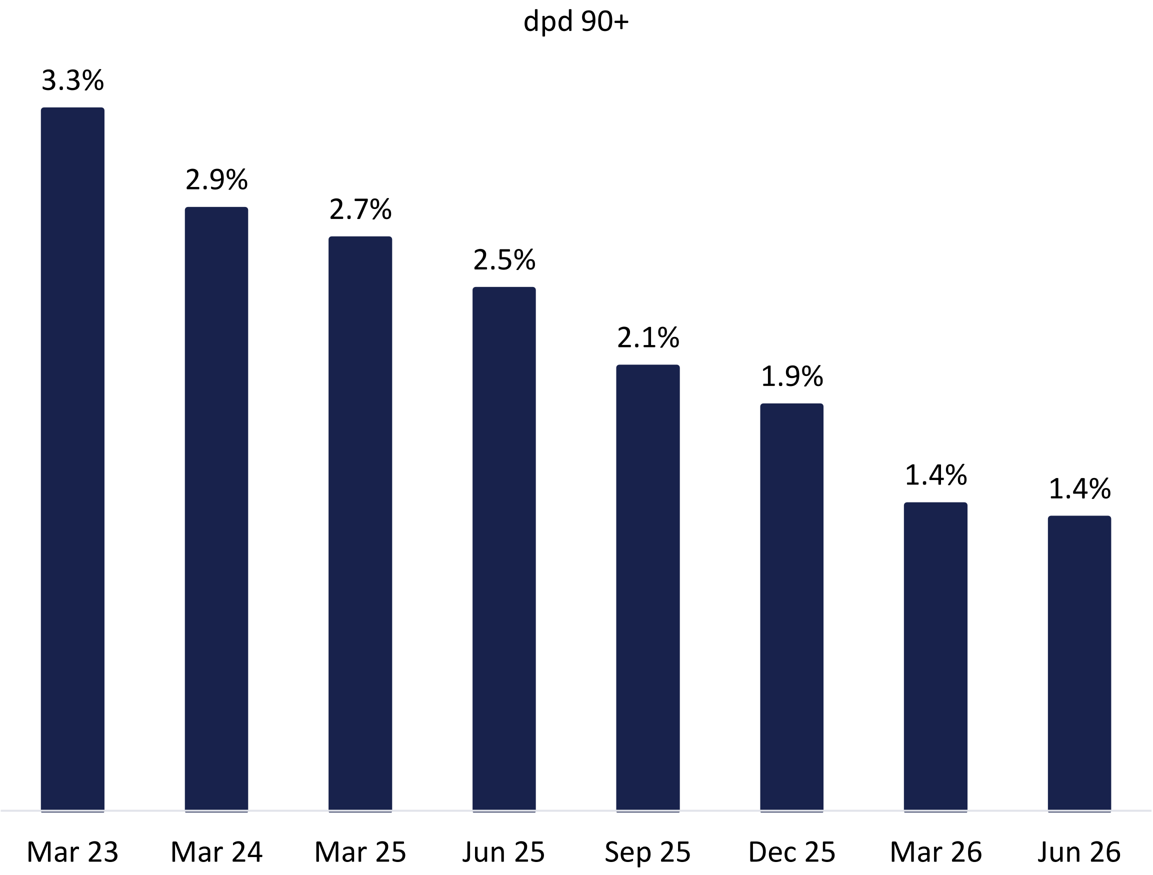
As of Jun 26, the digital personal loan volume is 5.6 Cr with an outstanding value of Rs 1.54 Lakh Cr

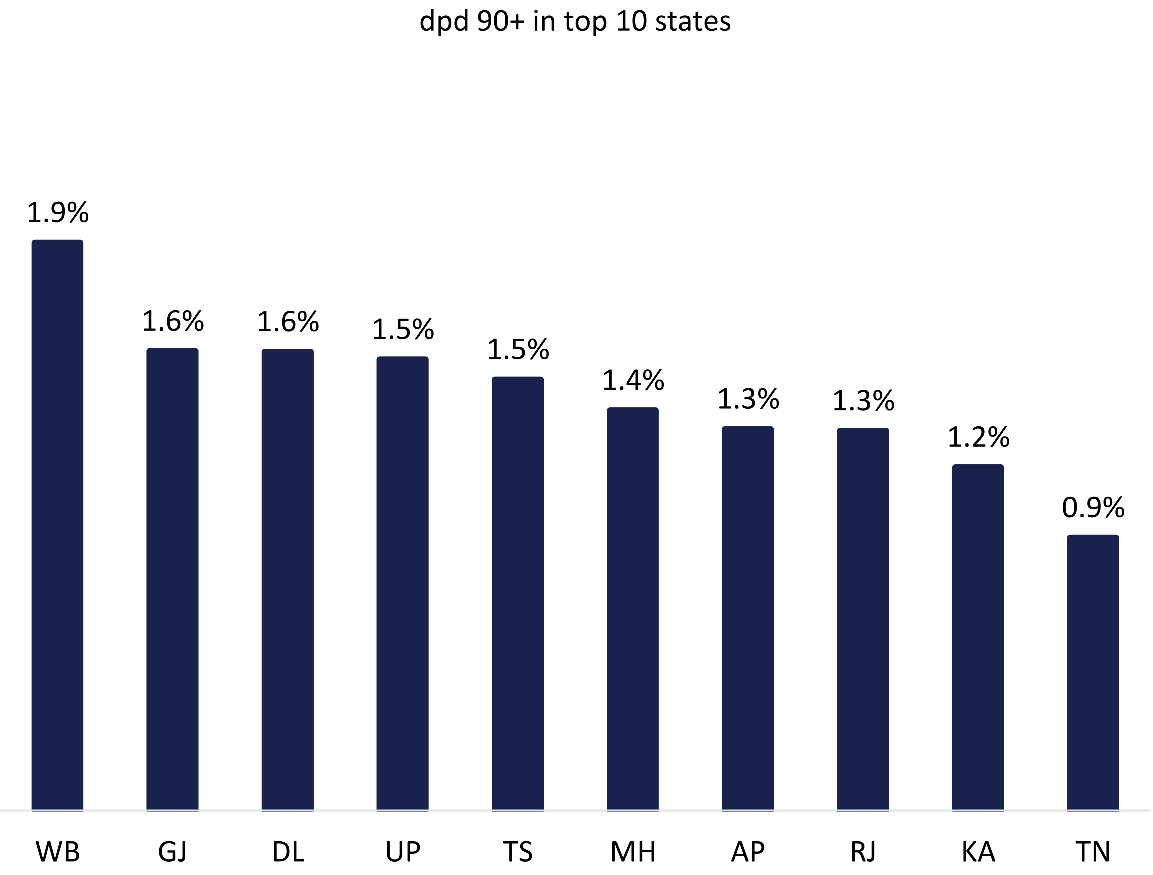




Loan amount outstanding includes 180+ portfolio

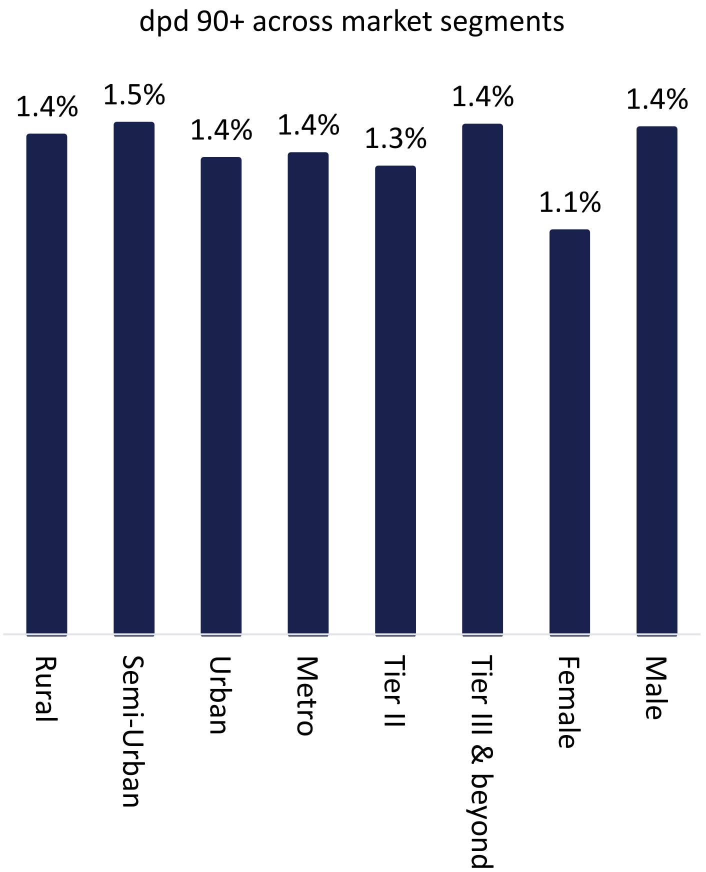
Overall, the portfolio quality (dpd 90+) is improving consistently and stands at 1.4%.

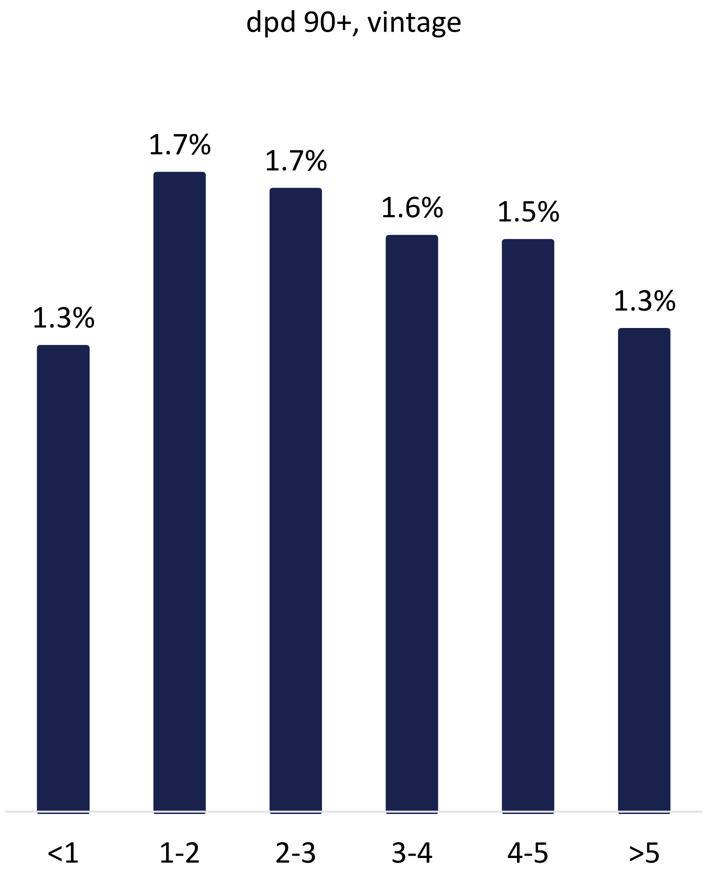


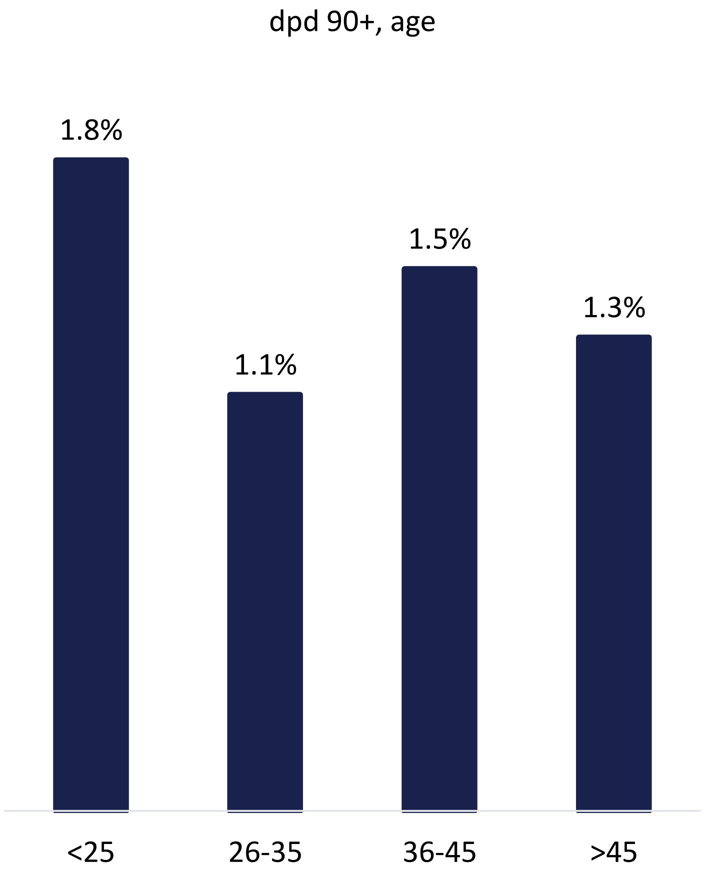


dpd 90+% = loan outstanding (90 to 180 dpd)/loan outstanding (0 to 180 dpd). Top 10 states by sanction value for Q1 FY 26-27.

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







Bureau vintage and age for customers in years, dpd for Jun 2026

Part 3: annexures

Pages 28-39

1: sanctions in Q1 FY26-27

Q1 FY 26-27 Sanctions	volume, Cr	value, Rs Cr	avg sanction value per loan, Rs	share in volume	share in value
Digital NBFCs	3.4	64,656	18,802	70%	22%
Other NBFCs	1.1	77,699	70,025	23%	26%
Banks	0.3	1,56,802	4,52,212	7%	52%
Total	**4.9**	**2,99,157**	**61,112**	**100%**	**100%**

2: loan outstanding, Jun 26

	volume, Cr	value, Rs Cr	avg outstanding per loan, Rs	volume	value
Digital NBFCs	5.6	1,54,195	27,353	44%	9%
Other NBFCs	3.2	3,25,803	1,00,545	26%	19%
Banks	3.8	12,21,180	3,19,353	30%	72%
Total	**12.7**	**17,01,179**	**1,33,934**	**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
Mar 26	5.50	2.93	3.82	12.24
Jun 26	5.64	3.24	3.82	12.70

4: loan outstanding value, Rs Cr

	Digital NBFCs	Other NBFCs	Banks	Total
Mar 23	56,927	1,47,387	8,65,535	10,69,849
Mar 24	90,977	2,11,859	10,36,690	13,39,526
Mar 25	1,11,261	2,39,689	10,88,276	14,39,226
Jun 25	1,20,122	2,56,703	11,17,594	14,94,419
Sep 25	1,27,917	2,71,476	11,38,782	15,38,175
Dec 25	1,39,167	2,83,687	11,69,246	15,92,100
Mar 26	1,43,279	3,03,722	12,03,739	16,50,740
Jun 26	1,54,195	3,25,803	12,21,180	17,01,179

5: sanction volume, Cr

	Digital NBFCs	Other NBFCs	Banks	Total
FY 22-23	7.02	1.85	1.76	10.64
FY 23-24	9.41	2.32	1.80	13.53
FY 24-25	11.74	1.66	1.29	14.69
FY 25-26	13.14	2.77	1.42	17.33
Q1FY 26-27	3.44	1.11	0.35	4.90

6: sanction value, Rs Cr

	Digital NBFCs	Other NBFCs	Banks	Total
FY 22-23	90,923	1,28,221	5,57,767	7,76,911
FY 23-24	1,29,493	1,70,776	6,09,803	9,10,072
FY 24-25	1,54,450	1,75,941	5,59,795	8,90,186
FY 25-26	2,13,936	2,39,234	6,97,317	11,50,486
Q1FY 26-27	64,656	77,699	1,56,802	2,99,157

7: average ticket size, Rs

\	Digital NBFCs	Other NBFCs	Banks	Total
FY 22-23	12,945	69,756	3,17,777	72,819
FY 23-24	13,759	73,614	3,39,479	67,273
FY 24-25	13,156	1,06,147	4,32,294	60,588
FY 25-26	16,282	86,330	4,92,069	66,396
Q1 FY 26-27	18,802	70,025	4,52,212	61,112

8: share across gender/rsu/tiers, sanctioned value Q1 FY26-27

	Female	Rural	Semi-Urban	Urban	Metro	Tier II	Tier III & beyond
Digital NBFCs	18%	38%	11%	51%	33%	27%	40%
Other NBFCs	18%	35%	11%	54%	36%	27%	37%
Banks	19%	40%	14%	46%	30%	24%	47%
Total	**19%**	**38%**	**13%**	**49%**	**32%**	**25%**	**43%**

9: share across age, years, sanctioned value Q1 FY26-27

	<25	26-35	36-45	>45	Total
Digital NBFCs	14%	44%	29%	12%	100%
Other NBFCs	5%	38%	37%	20%	100%
Banks	3%	34%	35%	29%	100%
Total	**6%**	**37%**	**34%**	**23%**	**100%**

10: share across bureau vintage, years, sanction value Q1 FY26-27

	<1	1-2	2-3	3-4	4-5	>5	Total
Digital NBFCs	7%	6%	7%	9%	10%	61%	100%
Other NBFCs	4%	4%	5%	7%	8%	73%	100%
Banks	7%	3%	3%	5%	7%	76%	100%
Total	**6%**	**4%**	**5%**	**6%**	**8%**	**72%**	**100%**

11: share across credit profile, sanction value Q1 FY26-27

	Not scored	Very High Risk	High Risk	Medium Risk	Low Risk	Very Low Risk	Total
Digital NBFCs	4%	7%	22%	30%	20%	16%	100%
Other NBFCs	3%	8%	14%	22%	23%	30%	100%
Banks	8%	3%	6%	14%	21%	49%	100%
Total	**6%**	**5%**	**12%**	**19%**	**21%**	**37%**	**100%**

12: share across ticket size Rs, sanction value Q1FY26-27

	<25k	25k-50k	50k-1L	1L-2L	2L-5L	>5L	Total
Digital NBFCs	29%	9%	15%	14%	18%	15%	100%
Other NBFCs	6%	30%	19%	6%	26%	14%	100%
Banks	1%	59%	9%	1%	26%	4%	100%
Total	**5%**	**48%**	**11%**	**4%**	**25%**	**7%**	**100%**

Fintech Association for Consumer Empowerment (FACE)

RBI-recognised Self-Regulatory Organisation in the FinTech sector (SRO-FT). Currently comprising over 400 members, FinTech companies of all kinds come together at FACE to build an industry that delivers customer-centric digital financial services that are safe, suitable, and transparent, with positive impacts on society and the economy.

All our reports are available here.

teamface@faceofindia.org

For inputs on the report and interest in FACE **Membership**, contact us.

Subscribe to the FACE monthly digest CUBE

for the latest on the FinTech ecosystem and more.