

June 2026
(Data as of Apr-26)

SPECIAL EDITION

EARLY INDICATORS OF GEOPOLITICAL IMPACT



INTRODUCTION

The MSME Spotlight is a special edition focused on how the ongoing geopolitical uncertainty is impacting India's micro, small, and medium exposure businesses, with a specific lens on early indicators in credit portfolios. While earlier editions tracked the structural deepening of formal credit to the Micro, Small, and Medium exposure businesses this report asks a sharper question: How resilient the ecosystem is when confronted with external shocks, and where are the first signs of strain beginning to appear?

This edition is different on three counts.

- First, it juxtaposes continued portfolio expansion with a clear moderation in growth momentum across entities, industries, lenders and products, showing that the sector is still expanding but no longer insulated from global uncertainty.
- Second, it highlights that the impact is not uniform: manufacturing and trade, particularly supply-chain- exposed subsectors such as shipping and transport, food processing, and auto and ancillaries, are feeling moderate pinch than services, even as domestic demand and credit flows continue to underpin activity.
- Third, it brings together operational metrics like working capital utilization, ticket-size shifts and leverage profiles to identify subtle but important changes in micro, small, medium business behaviour during this period.

Across the analysis, one overarching message emerges: the sector has demonstrated resilience in the face of geopolitical disruptions, aided by strong domestic demand, diversified lender participation and continued policy support. Government initiatives-including guarantee-backed schemes have played an important role in sustaining credit flow to the sector.

At the same time, early stress signals are visible in higher early-stage delinquency in the micro segment, slowdowns in portfolio and active loans growth momentum and a more cautious stance among some lender groups, underscoring the need for close and continuous monitoring.

The Micro, Small, Medium exposure businesses demonstrates resilience, though key areas warrant monitoring.

EXECUTIVE SUMMARY

The MSMEEx (Micro, Small, Medium Exposure Businesses) portfolio has continued to expand, though with a clear moderation in growth momentum and emerging early-stage risk pockets that warrant closer monitoring, amid the global backdrop.



CREDIT OUTSTANDING:

As of Apr'26, MSMEEx POS stood at ~₹46 lakh crore, growing 12.8% YoY, supported by asset-quality gains, diversified geographic and sectoral participation, and targeted policy measures including credit guarantee and liquidity schemes.

However, between Dec'25 and Apr'26, POS growth slowed to 3.1% (vs. 9.7% in the prior year) and active loans declined 3.5% (vs. 3.0% growth last year), reflecting the potential impact of global uncertainty into domestic MSMEEx credit supply.



BORROWER SEGMENT:

At the segment level, the micro segment continues to dominate by volume (~86% of active loans) but shows higher delinquency, particularly in early stage buckets (PAR 31-90 at 2.7% vs. 1.5% for small and 0.8% for medium as of Apr'26), underlining its greater vulnerability to shocks.

All three borrower segments saw slower growth between Dec'25 and Mar'26, with micro POS degrowing (-3.1% between Dec'25 and Mar'26 vs. +3.4% same period last year) and micro active loans contracting more sharply (-4.6% vs. +1.5% last year), though some stabilization was visible by Apr'26.



INDUSTRY ACTIVITY:

Industry wise, manufacturing and trade jointly account for the largest POS share (~30-31% each) but both slowed between Dec'25-Mar'26 and Mar'26-Apr'26.

Manufacturing credit momentum eased to 4.3% growth between Dec'25 and Mar'26 (vs. 10.4% last year) and further degrew by 3.1% between Mar'26 and Apr'26, although this could be partly attributable to seasonal factors. Within manufacturing, subsectors such as shipping & transport, food processing, and auto & ancillaries saw mid-teens % declines in POS. These movements may reflect cyclical factors and merit ongoing observation to gauge their persistence. Early stage delinquencies (PAR 31-90) in manufacturing edged up MoM (1.6% to 1.8% between Mar'26 and Apr'26).



LENDER SEGMENT:

By lender type, PSU Banks lead by active loans (driven by working capital-cash credit), while private banks lead by POS. Over the last two years, PSU banks have ceded share to NBFCs and other lenders.

In the most recent period, lending growth moderated across all lender types, with sharper slowdowns for NBFCs (-1.6% between Dec'25 and Mar'26 vs. +6.4% last year) and PSU Banks (-0.2% vs. +3.5% last year). Banks showed marginally better momentum into Apr'26, while NBFCs resumed growth during Apr'26.



PRODUCT TYPE:

By product, term loans constitute ~50% of MSMEEx POS, with the remainder split across working capital-cash credit and overdraft.

All products saw slower POS growth compared with the prior year. Working capital utilization peaked at ~73% (cash credit) and ~70% (overdraft) in Mar'26, remaining a key monitorable.



PERFORMANCE:

Portfolio health metrics point to resilience: PAR 31-90 remained broadly stable, PAR 90+ improved slightly YoY, and delinquencies moderated across most buckets.

That said, early delinquency is inching up in specific segments between Mar'26 and Apr'26

1. Micro borrowers (PAR 91-180 increased from 1.1% to 1.4%),
2. PSU Bank portfolios (PAR 31-90 rose from 2.7% to 3.0%),
3. NBFCs (higher PAR 91-180 compared to other lender types),
4. Cash credit (PAR 31-90 increased from 1.6% to 1.9%, while term loans continue to show higher PAR), and
5. Manufacturing (PAR 31-90 rising from 1.6% to 1.8%) - together forming "early indicator" signals.



CONCENTRATION ANALYSIS:

From a regional perspective, western and southern regions together account for >60% of POS, though growth is now led by the North and South. Working capital utilization remains highest in the South (~71%).

Leverage analysis shows that borrowers with multiple active loans (~17% of borrower base, ~70% of POS) exhibit better delinquency outcomes than single loan borrowers.



KEY TAKEAWAY:

India's MSME Business sector has so far navigated the geopolitical factors with domestic demand resilience, policy support, and adaptive working capital management. However, there are areas like slower portfolio growth, stress in select subsectors and lender groups, and rising early stage delinquencies in certain borrower segments - that lenders and policymakers may need to observe closely.

IMPORTANT NOTE

For the purpose of this report, references to CRIF High Mark data categorize borrowers based on their credit exposure:

Micro Exposure Businesses (Micro)	Exposure up to ₹ 2 crore
Small Exposure Businesses (Small)	Exposure between ₹ 2 crore and ₹ 20 crore
Medium Exposure Businesses (Medium)	Encompass those with exposure between ₹ 20 crore and ₹ 100 crore.

MSME refers to Micro, Small, Medium Exposure Businesses. This report covers only Fund based credit facilities - Term Loans, Property Loans, Working Capital (Cash Credit & Overdraft). This report comprises of data reported to the commercial bureau.

“ The MSME sector continues to be the backbone of India’s growth story, fostering entrepreneurship, employment, and innovation. Indian MSMEs have consistently demonstrated their ability to navigate external challenges while continuing to support economic activity and employment. Strengthening access to finance, technology, and markets will remain critical to sustaining this momentum. Being a vintaged lender to MSMEs in India, ABCL is committed to bridging the credit gap in the MSME sector and partnering with small and medium size businesses in their growth, strengthening the foundation of India’s economic growth story.

”



RAKESH SINGH

Executive Director & Chief Executive Officer (NBFC),
Aditya Birla Capital Limited

“ India’s MSME sector has exhibited notable resilience over the past year, supported by progressive formalization, expanding access to institutional credit, digital enablement and sustained policy support. Going forward, the sector is expected to maintain a positive growth trajectory, although the West Asia crisis may pose near-term challenges through elevated input costs, export disruptions, logistics pressures and tighter working capital cycles. Continued policy support, timely credit access, institutional handholding and initiatives such as ECLGS will remain vital in helping MSMEs manage external pressures. Continued support from the Government and RBI will further strengthen MSME competitiveness, financial inclusion, employment generation and contribution to India’s long-term economic growth.

”

RAVINDRA SINGH NEGI

Group Chief Risk Officer,
Bank of Baroda

“ India’s MSME sector continues to demonstrate strong resilience amid a rapidly evolving global landscape. Supported by robust domestic demand, expanding export opportunities, increasing formalisation, and improved access to credit, MSMEs are well positioned to play a pivotal role in the next phase of India’s economic growth. Their contribution to employment generation, innovation, and industrial development will remain central to sustaining India’s long-term economic momentum and strengthening its global competitiveness.

”



VIJAY SHETTY

Group Head,
Commercial Banking Coverage Group

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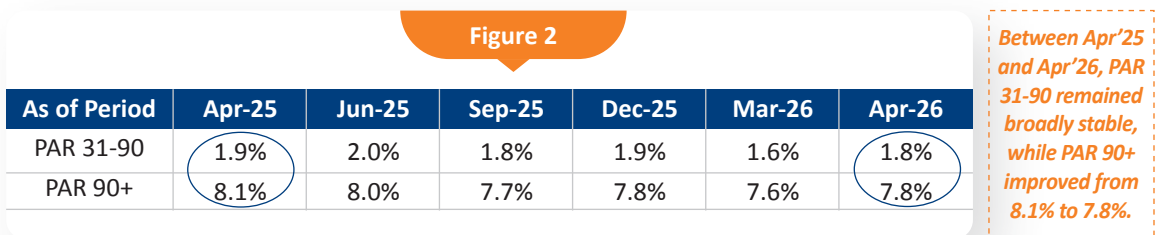
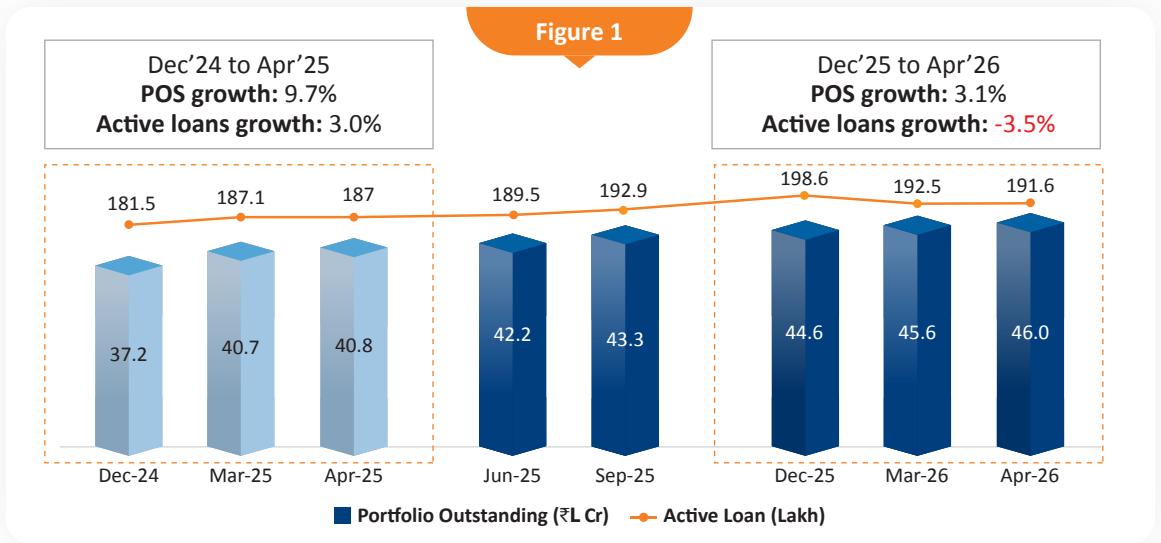
IMPACT ON MSME_x - ENTITIES

Portfolio expansion sustained:

MSME_x POS reached ₹46 L Cr in Apr'26 (12.8% YoY), with 191.6 L active loans (2.4% YoY), supported by asset quality gains and wider geographic/sectoral participation. The growth also being aided by targeted credit active schemes to improve the credit flow and support to the sector.

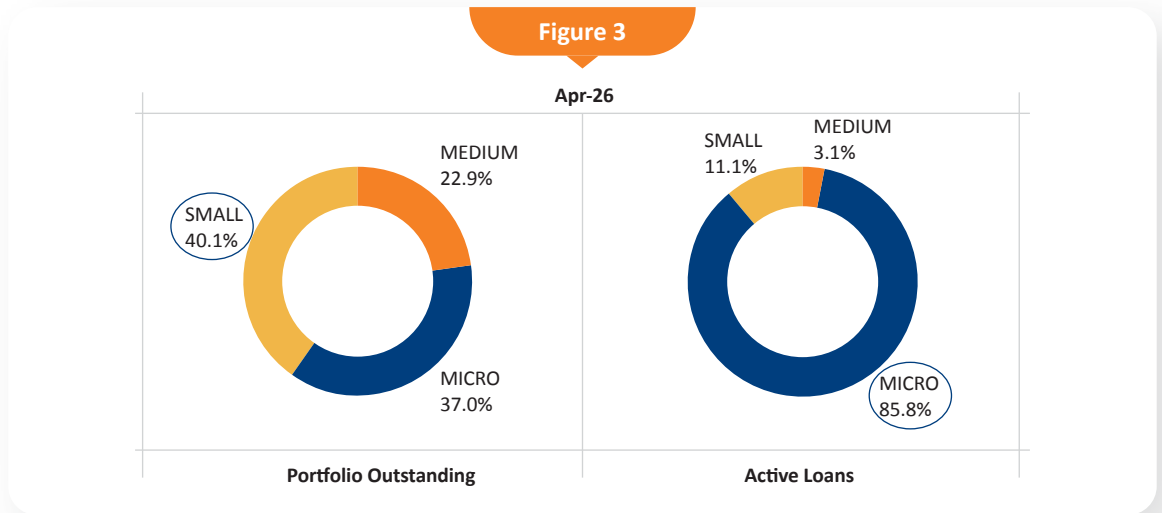
Recent trends - Momentum slowing:

- The pace of active loans and POS growth moderated between Dec'25 and Apr'26 compared with the same period last year. POS grew 3.1% during this period, versus 9.7% in the prior year.
- Active loans declined 3.5% between Dec'25 and Apr'26, contrasting with 3% growth in the same period last year, possibly indicating the potential impact of global uncertainty.



SEGMENT WISE EXPOSURE

As of Apr'26, micro exposure businesses ($\leq ₹2$ Cr) comprised 37% of POS, small ($₹2\text{Cr}–₹20\text{Cr}$) 40%, and medium ($₹20\text{Cr}–₹100\text{Cr}$) 23%. Active loans were dominated by micro at 86%, with small at 11% and medium forming the balance. The distribution has remained largely unchanged over the past two years.



Recent trends breakdown: All borrower segments slowed between Dec'25 and Mar'26, with the micro segment experiencing a steep decline.

- **Between Dec'25 and Mar'26, all three borrower segments experienced slower growth in both POS and active loans.**
 - Micro POS declined 3.1% versus 3.4% growth in the prior year, while small exposure business growth slowed to about 5% compared with 10.2%; medium segment followed a similar trend.
 - Micro active loans degrew by 4.6% compared with 1.5% growth last year (*see active loans table below after POS trends*), while medium segment growth sharply moderated to 6.6%, compared to 27% growth in the same period last year.
- **Between Mar'26 and Apr'26, however, the slowdown was more contained on a YoY basis.**
 - Small-segment POS declined only 1.7% between Mar'26 and Apr'26, compared with a 3.4% drop in the prior year.
 - Micro active loans increased $\sim 2\%$ during the month, consistent with the growth recorded in the same period last year.

POS - Trends (a)

Figure 4

Borrower Segment	Dec-24 to Mar-25 QoQ Change	Dec-25 to Mar-26 QoQ Change	Mar-25 to Apr-25 MoM Change	Mar-26 to Apr-26 MoM Change
Micro	3.4%	-3.1%	9.9%	8.7%
Small	10.2%	4.7%	-3.4%	-1.7%
Medium	18.7%	6.2%	-8.8%	-6.1%

Active Loans - Trends (b)

Figure 5

Borrower Segment	Dec-24 to Mar-25 QoQ Change	Dec-25 to Mar-26 QoQ Change	Mar-25 to Apr-25 MoM Change	Mar-26 to Apr-26 MoM Change
Micro	1.5%	-4.6%	2.0%	1.6%
Small	11.0%	5.8%	-13.7%	-12.1%
Medium	26.8%	6.6%	-8.6%	-9.7%

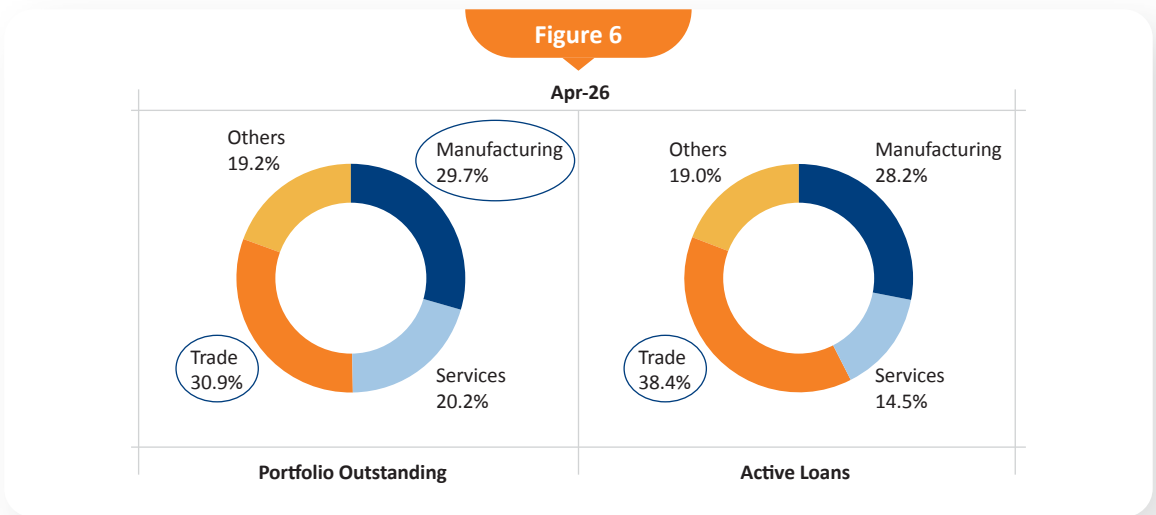
1) Small business POS momentum slowed to 4.7% between Dec'25 and Mar'26, compared with 10.2% during the same period in the previous year.

2) Micro active loans degrew by 4.6% over Dec'25–Mar'26, versus 1.5% growth in the prior year.

INDUSTRY ACTIVITY

- As of Apr'26, manufacturing and trade each accounted for the largest POS share at 30% to 31%, followed by services at 20.2%.
- Active loans were more concentrated in trade (38.4%), with manufacturing at 28%.

Industry type POS and Active loans share



Note: Excludes NA (13% of POS and 22% of active loans) where data is either not reported or mapping to any industry activity was not possible.

Recent trends: Credit momentum slowdown across key industry activities

1. Between Dec'25 and Mar'26, all key industry activities slowed compared with the same period last year. Manufacturing credit grew 4.3% during the quarter, down from 10.4% in the corresponding period previously.
2. Additionally, between Mar'26 and Apr'26, manufacturing and trading credit especially degrew by 3.1% and 2.1%, as compared to the almost stable rates during the same time in the previous year.

Industry type POS Trends - All key industries witnessed slowdown between Dec'25 and Mar'26, continuing in Apr'26

Figure 7

Industry Activity	Dec-24 to Mar-25 QoQ Change	Dec-25 to Mar-26 QoQ Change	Mar-25 to Apr-25 MoM Change	Mar-26 to Apr-26 MoM Change
Manufacturing	10.4%	4.3%	0.5%	-3.1%
Services	10.7%	-0.9%	2.5%	0.6%
Trade	8.0%	3.1%	-1.3%	-2.1%

3. Within manufacturing, shipping & transport, food processing, and auto & ancillaries were the subsectors that saw the sharpest POS declines, ranging from 14-17%.

- In terms of active loans, all these key sectors registered declines between Dec'25 and Apr'26, led by food processing (-16.7%) and shipping & transport (-13.5%).

Figure 8

Borrower Activity	Active loans (Lakh)		POS (₹ L Cr)	
	Apr-26	Change Dec-25 to Apr-26	Apr-26	Change Dec-25 to Apr-26
Agri Products & Forestry	12.4	-9.5%	1.4	3.2%
Shipping & Transport	9.0	-13.5%	2.0	-14.6%
Textile	2.0	-9.1%	0.8	-6.7%
Chemicals	1.6	-5.9%	1.0	-8.8%
Food Processing	1.0	-16.7%	0.3	-17.2%
Auto & Ancillaries	1.1	-8.3%	0.3	-14.0%

Note: Borrower activity is a derived field, based on bureau-defined logics and tokens, and may not fully represent the broader industry landscape.

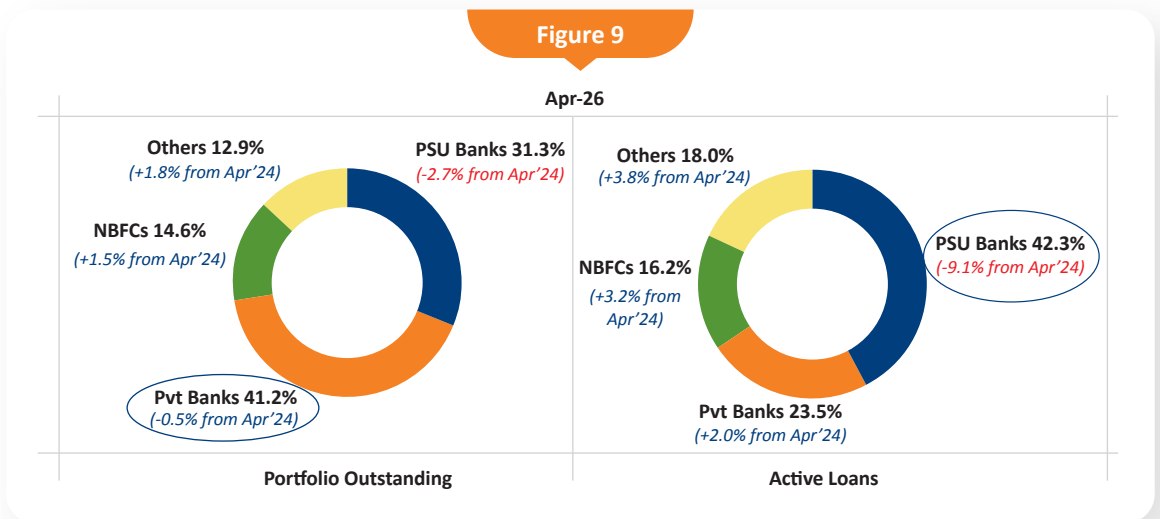
Borrower activity that has a higher fill rate is mentioned in the above table.

LENDER-TYPE IMPACT

As of Apr'26, **PSU Banks** were the leading lenders by **active loans**, driven by the Working Capital-Cash Credit product, with a 42.3% share. In contrast, private banks led in POS with a 41.2% share.

Share shifts: Over the past two years, PSU Banks have ceded market share primarily to NBFCs and other lender groups.

Lender type POS and Active loans share



Recent trends: Lending activity **moderated across all lender groups between Dec'25-Mar'26**, with the **slowdown** more pronounced in **NBFCs and PSU Banks**.

- **Dec'25-Mar'26:** Pvt Banks' MSME lending grew 5.3% (vs. 16.4% last year), while PSU banks and NBFCs declined marginally (-0.2% and -1.6% vs. growth of 3.5% and 6.4% last year).

- Between Mar'26 and Apr'26, the momentum was slightly better for banks compared with the prior year. NBFCs also contributed to MSME growth, expanding 3.2% (vs. 4.9% last year), alongside other financial institutions.

Lender type POS change

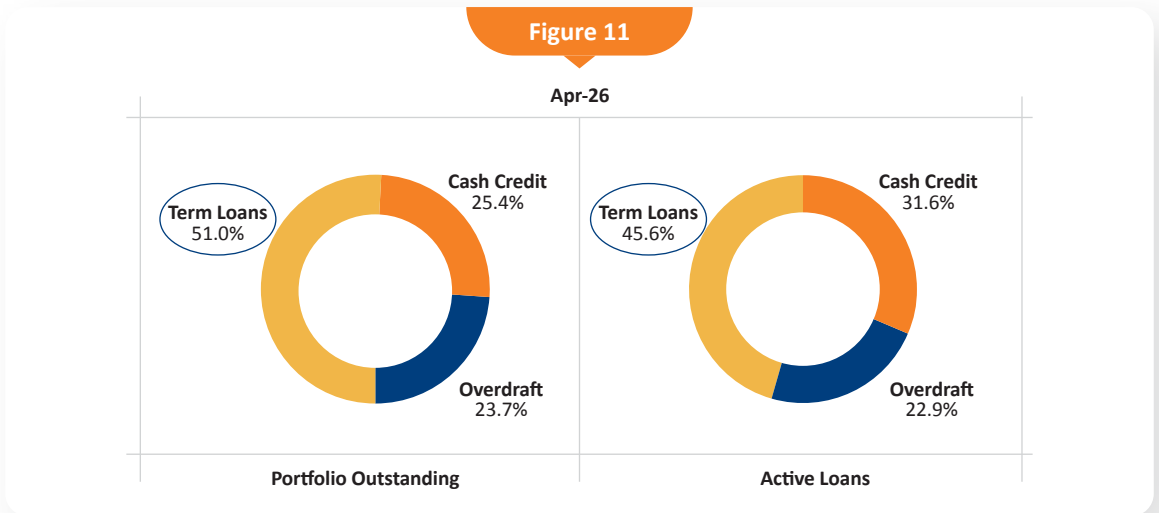
Figure 10

Lender Type	Dec-24 to Mar-25 QoQ Change	Dec-25 to Mar-26 QoQ Change	Mar-25 to Apr-25 MoM Change	Mar-26 to Apr-26 MoM Change
PSU Banks	3.5%	-0.2%	-1.8%	-1.1%
Pvt Banks	16.4%	5.3%	-1.1%	0.4%
NBFCs	6.4%	-1.6%	4.9%	3.2%
Others	6.8%	3.2%	4.9%	4.5%

PRODUCT TYPE IMPACT

- For MSME loans, term loans account for 51% of the POS share, with working capital comprising the remainder.
- Within active loans, term loans lead with a 46% share, followed by working capital - cash credit at 32% and overdraft at 23%. Notably, there have been no perceptible share shifts over the past two years.

Product type POS and Active loans share - Basis all funded facilities



Recent trends: Between Dec'25 and Mar'26, all product types saw a slowdown in POS compared to the previous year.

- **Dec'25-Mar'26:** The decline was most pronounced in cash credit and term loans, which grew only 1.0% vs 4.6% (cash credit) and 1.9% vs 10.5% (term loans) in the same period last year.

- Although between Mar'26 and Apr'26, working capital remained broadly stable compared with declines in the prior year, while term loans grew 2.9% versus 3.9% in the same period last year.

Product type POS Trends - All products witnessed slowdown between Dec'25 and Mar'26

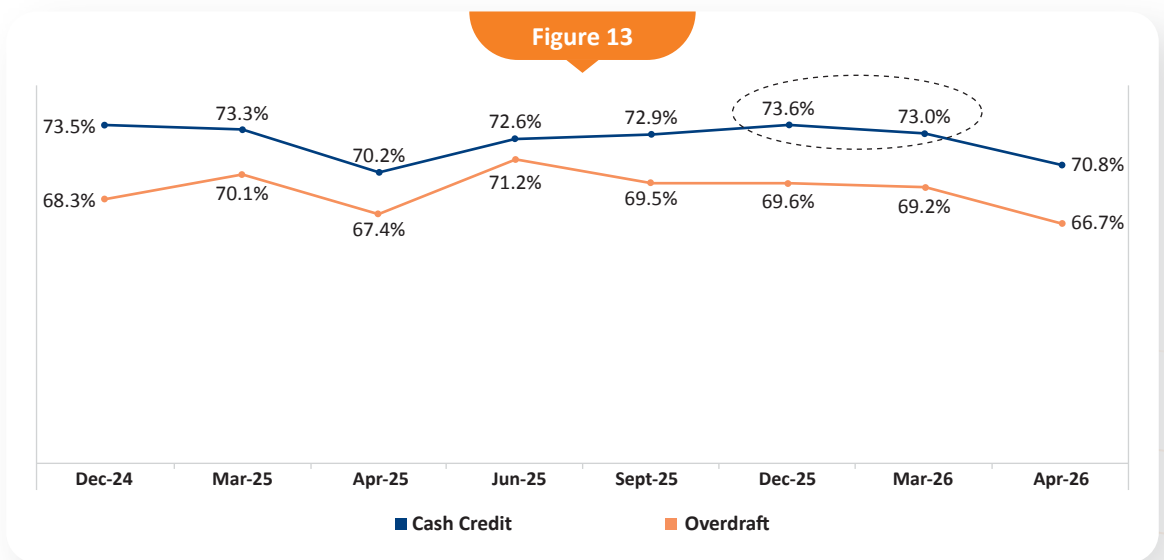
Figure 12

Product Type	Dec-24 to Mar-25 QoQ Change	Dec-25 to Mar-26 QoQ Change	Mar-25 to Apr-25 MoM Change	Mar-26 to Apr-26 MoM Change
Term Loans	10.5%	1.9%	3.9%	2.9%
Working Capital Cash Credit	4.6%	1.0%	-1.6%	-1.1%
Working Capital Overdraft	12.7%	4.2%	-5.3%	-1.5%

OPERATIONAL TRENDS - WORKING CAPITAL UTILIZATION - MINIMAL CHANGE, THOUGH REMAINS A KEY MONITORABLE

- Overall, utilization levels showed little variation. Working capital utilization for cash credit peaked slightly at ~73% between Dec'25 and Mar'26, higher than in prior periods, though broadly in line with Mar'25. By Apr'26, utilization moderated to ~70.8%, nearly unchanged from the previous period, although this remains a key monitorable.
- Utilization for working capital - overdraft remained range-bound at 67-71%, with no significant change.

Change in working capital utilization - For cash credit and overdraft

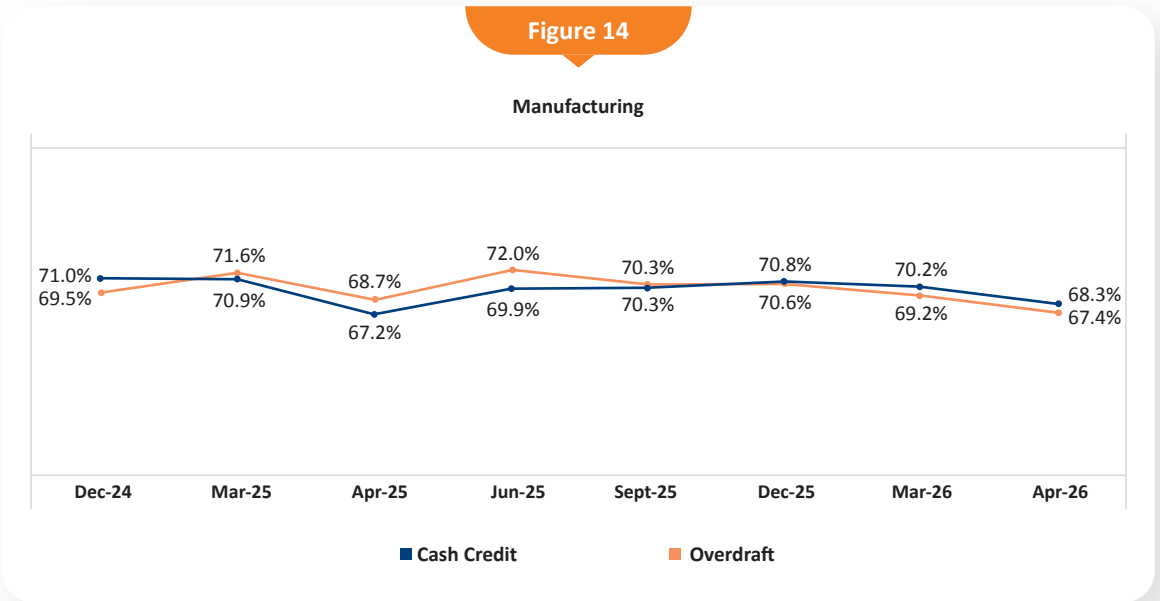


Note: WC utilisation is measured as a ratio of portfolio outstanding to total active disbursed amount.

OPERATIONAL TRENDS - WORKING CAPITAL UTILIZATION - MINIMAL CHANGE, THOUGH REMAINS A KEY MONITORABLE

- **Within manufacturing**, cash credit and overdraft utilization also remained range-bound at ~68-70%, reflecting stronger working capital absorption and reliance on sanctioned limits, with minimal change.

Change in working capital utilization - For cash credit and overdraft - Manufacturing



Note: WC utilisation is measured as a ratio of portfolio outstanding to total active disbursed amount.

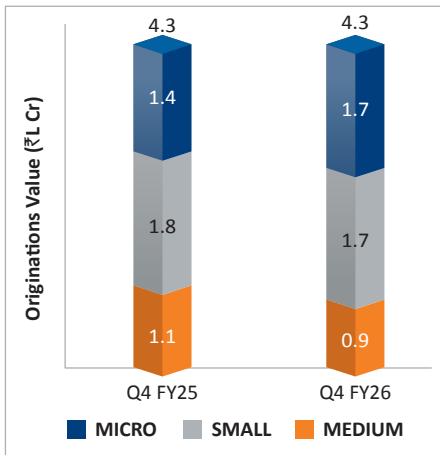
ORIGINATIONS TRENDS

FOCUSING ON HIGHER TICKET SIZE

Micro segment - A key driver

- Overall origination value remained steady at ₹4.3L Cr, driven primarily by the micro segment, which rose from ₹1.4L Cr to ₹1.7L Cr.
- Average ticket sizes in the micro and small segments increased 30-35% YoY between Q4 FY25 and Q4 FY26.

Figure 15



Increasing average ticket size led by Micro

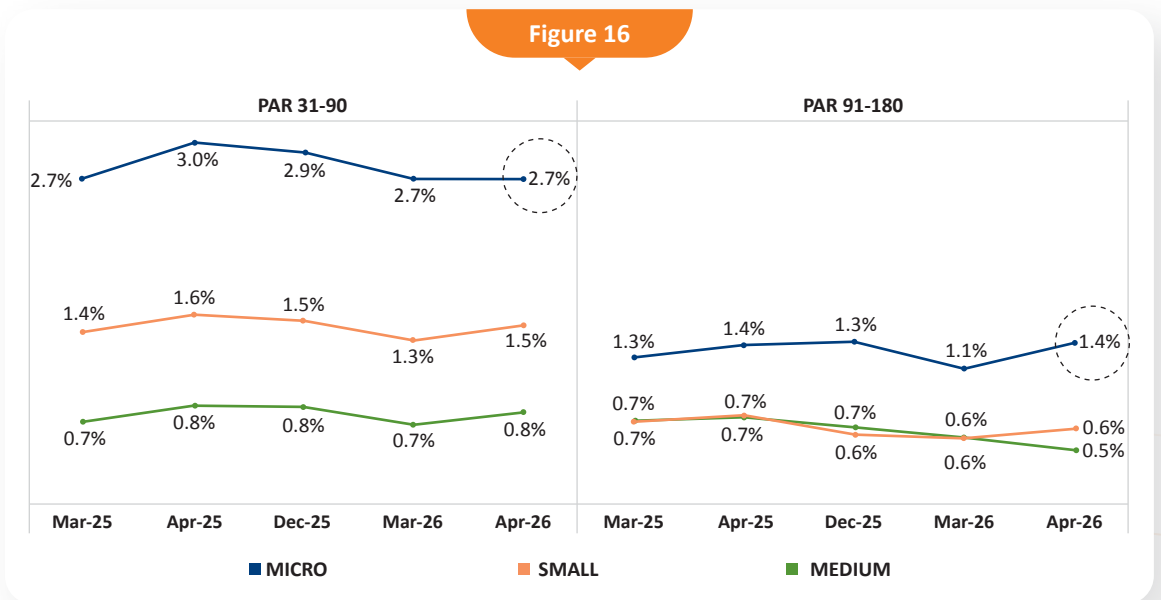
Borrower Segment	Average Ticket Size (₹ L)		YoY%
	Q4 FY25	Q4 FY26	
Micro	17.6	23.8	35.2%
Small	83.3	108	29.7%
Medium	194.9	195.3	0.2%

PORTFOLIO HEALTH AND DELINQUENCY METRICS

Borrower Segment Wise - Higher delinquency in the micro segment

1. Across the MSMEEx portfolio, delinquencies have improved across borrower segments. However, the micro segment continues to show higher delinquency compared to small and medium borrowers across the delinquency buckets, potentially reflecting its relatively less formal borrower base
2. The early delinquency especially - PAR 31-90 especially being much higher for the micro segment at 2.7% as of Apr'26 as compared to 1.5% for small and 0.8% for the medium segment

Delinquency by borrower segment



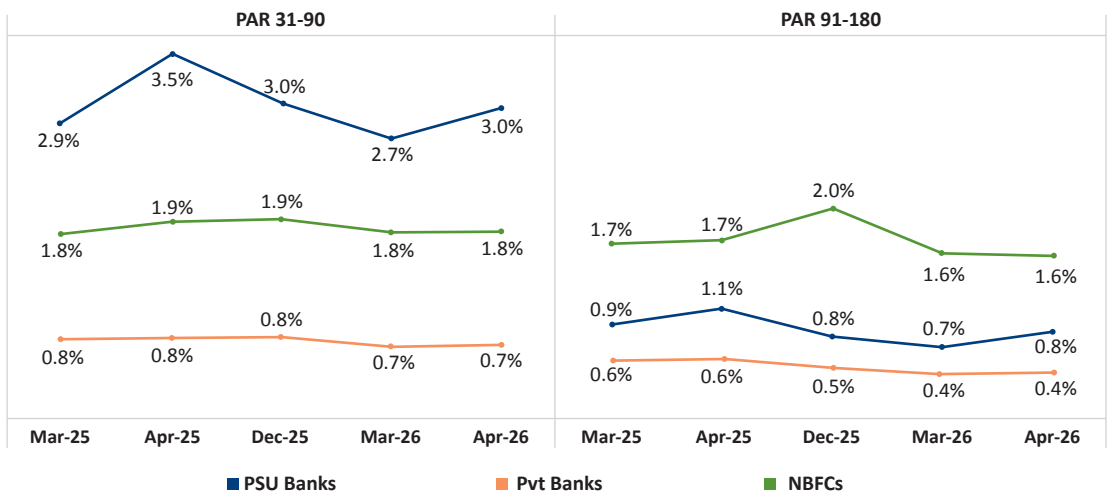
Note: PAR 181-360 is low across all product types, hence not presented separately. We have considered only major lender types - PSU Banks, Pvt banks, NBFCs, HFCs, Foreign Banks and SFBs for above analysis.

Lender Type Stress: PSU in PAR 31-90 and NBFCs in PAR 91-180 to be monitored

1. **PSU Banks** show higher early delinquency (PAR 31-90), which inched up from 2.7% in Mar'26 to 3.0% in Apr'26.
 - In the PAR 91-180 bucket, **NBFCs** report comparatively higher delinquency.
2. Across all buckets, **Private Banks** continue to anchor the lowest delinquency levels.
3. Notably, while PAR 31-90 remains higher than PAR 91-180, many accounts are not yet rolling into later stage delinquency.

Delinquency by lender type - MSME

Figure 17



Note: PAR 181-360 is low across all product types, hence not presented separately. We have considered only major lender types - PSU Banks, Pvt banks, NBFCs, HFCs, Foreign Banks and SFBs for above analysis.

Product Type stress - Term loans show higher stress; increase in CC stress

PAR 31-90

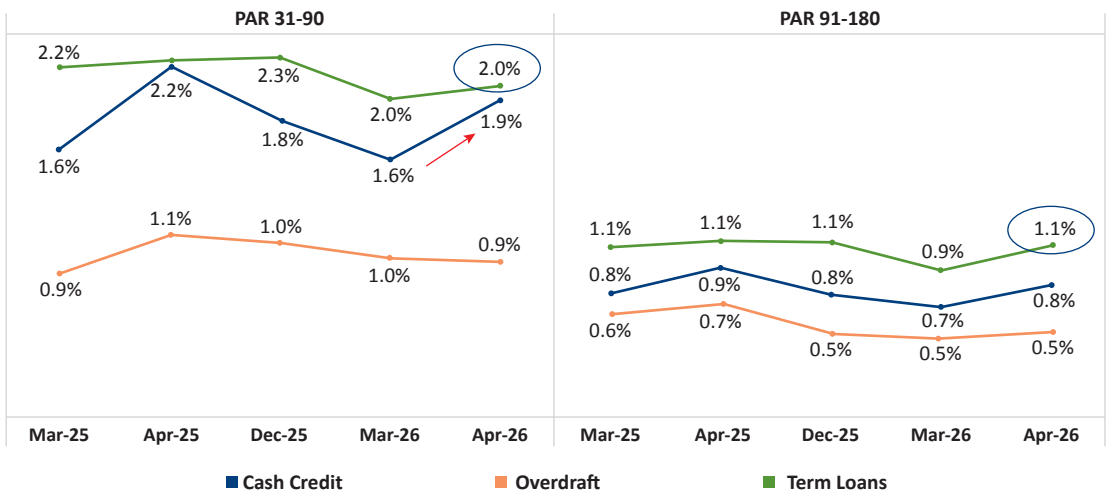
- In PAR 31-90, **Term loans** are the highest throughout, staying around 2.0% - 2.2%.
- **Cash credit** has jumped from 1.6% as of Mar'25 to 1.9% in Apr'26, showing an uptick in stress
- **Overdraft** remains the lowest around 0.9% suggesting stable repayment behaviour

PAR 91-180

- In PAR 91-180, term loans is again the highest at 1.1% as of Apr'26, cash credit almost remains stable at around 0.7%-0.8% whereas overdraft remains at around 0.5% pointing to lower roll forward into deeper delinquency,

Delinquency by product type - MSMEs

Figure 18



Note: PAR 181-360 is low across all product types, hence not presented separately. We have considered only major lender types - PSU Banks, Pvt banks, NBFCs, HFCs, Foreign Banks and SFBs for above analysis.

Industry type stress - slight uptick in manufacturing and services stress

1. PAR 31-90:

Between Mar'26 and Apr'26, manufacturing saw a slight uptick in PAR 31-90 stress, rising from 1.6% to 1.8%, though it improved on a YoY basis (Apr'25-Apr'26). Services and trade also inched up in PAR 31-90.

2. For PAR 91-180:

Manufacturing and trade edged up from 0.7% to 0.8% between Mar'26 and Apr'26, while both improved YoY. However, services PAR increased more noticeably, from 0.8% to 1.2% over the same period, driven mainly by lenders outside PSU, Private Banks and NBFCs.

Delinquency by industry type - MSMEx Business

Figure 19

PAR 31-90					
	Mar-25	Apr-25	Dec-25	Mar-26	Apr-26
Manufacturing	1.8%	1.9%	1.9%	1.6%	→ 1.8%
Services	1.8%	2.0%	1.9%	1.7%	→ 1.8%
Trade	1.8%	2.2%	2.1%	1.9%	2.0%

PAR 91-180					
	Mar-25	Apr-25	Dec-25	Mar-26	Apr-26
Manufacturing	0.9%	0.9%	0.8%	0.7%	0.8%
Services	0.9%	1.0%	0.9%	0.8%	1.2%*
Trade	0.9%	1.0%	0.9%	0.7%	0.8%

Note: PAR 181-360 is low across all industry types, hence not presented separately. We have considered only major lender types - PSU Banks, Pvt banks, NBFCs, HFCs, Foreign Banks and SFBs for above analysis.

*The increase in services PAR was more driven by lender types outside the key lender groups (PSU, private banks, and NBFCs).

CONCENTRATION ANALYSIS

Geographic concentration

- West constitutes the maximum of the POS share, 35% as of Apr'26 followed by South (26.7% share), and North (23.9%).
- In terms of growth rate, Northern states and South lead in higher growth rates at about 14%.
- PAR 91-180 improved across all the regions, led by South which improved from 2.3% as of Apr'25 to 1.7% as of Apr'26.
- South has the highest working capital utilization (71%), WC utilization slightly moderated in Apr'26 as compared to the previous year across all regions.

Figure 20

	East	North	South	West
Aggregated POS (₹ L Cr) for region – Apr'26	5.5	11.0	12.3	16.1
% Share	12.0%	23.9%	26.7%	35.0%
YoY Growth	13.0%	14.3%	13.8%	10.8%
PAR 91-180 - Apr'26	1.8%	1.2%	1.7%	1.4%
PAR 91-180 - Apr'25	1.8%	1.5%	2.3%	1.7%
WC Utilization (CC, OD) - Apr'26	70.0%	68.1%	71.3%	65.4%
WC Utilization (CC, OD) - Apr'25	70.0%	67.6%	71.2%	64.1%

Most improvement

Note: Data where states were not reported are not presented. WC utilisation is measured as a ratio of portfolio outstanding to total active disbursed amount.

LEVERAGE CONCENTRATION

1. In active loan distribution, single loan borrowers account for over 80% of borrowers but contribute only 30% of POS.
2. POS is more concentrated among borrowers with >1 loan, who represent just 17% of borrowers yet also account for about 70% of POS.
3. In terms of exposure, we can see that multi loan borrowers extend beyond the micro segment.
4. Delinquency levels are improving overall and remain better among multi-loan borrowers.

Distribution of borrowers and loan exposure in the overall industry (as of Apr'26)

Figure 21

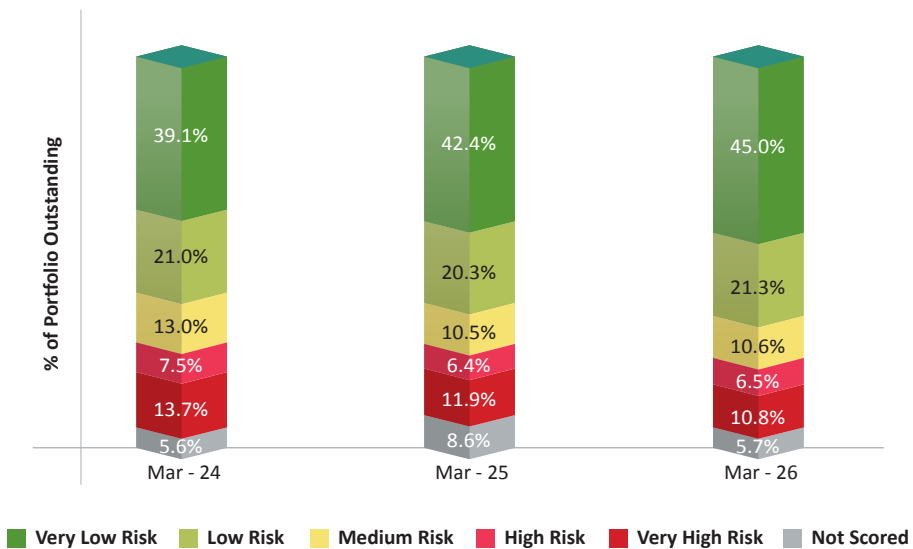
No. of Active Loans	Borrower Share%		POS Share%		Average Exposure (₹ L)	PAR 91-180	
	Apr-25	Apr-26	Apr-25	Apr-26	Apr-26	Apr-25	Apr-26
1	84.2%	82.5%	33.2%	30.0%	12.8	2.1%	2.2%
2	9.8%	10.6%	15.8%	15.9%	52.9	1.8%	1.6%
3-5	4.5%	5.2%	21.9%	23.4%	158.1	1.8%	1.2%
6-10	1.0%	1.2%	13.1%	14.3%	426.2	1.6%	1.0%
10+	0.5%	0.6%	15.9%	16.4%	1015.3	1.2%	1.0%
Industry	100%	100%	100%	100%	35.2	1.8%	1.5%

RISK DISTRIBUTION

Overall, the very-low-risk segment increased from 39% in Mar'24 to 45% in Mar'26, while the share of very-high-risk borrowers in MSME exposure declined from 13.7% to 10.8%, indicating a clear shift toward higher-quality borrowers in the micro, small, and medium exposure business.

Portfolio score distribution

Figure 22



Risk distribution is based on CIBR-CRIF India Business Rank. CIBR provides a 13-tranche ranking framework, enabling lenders to precisely differentiate credit risk across various business profiles. Risk Bands: Very Low Risk (CIBR-1 to CIBR-4), Low Risk (CIBR-5 to CIBR-7), Medium Risk (CIBR-8 to CIBR-9), High Risk (CIBR-10 to CIBR-11), Very High Risk (CIBR-12 to CIBR-13).

GLOSSARY

This report covers all Funded Credit Facilities.

- Working Capital Loans include Cash Credit, Overdraft.
- Term Loans include Long term loans (>3 yrs), medium term loans (Between 1-3 yrs), Short term loans (<1Yr), Property loans, Commercial Vehicle loans, Unsecured Business loans etc.
- Other Lender types include Housing Finance Companies, Small Finance Banks, Foreign Banks, Cooperative Banks, Regional Rural Banks etc.
- Portfolio Outstanding or value refers to the current outstanding balance of the loan account.
- Active loans or volume refers to the number/count of active loans.
- Originations Value refers to the total sanctioned amount.
- Originations Volume refers to the number of loans sanctioned.
- PAR or Portfolio at Risk refers to the proportion of delinquent portfolio.
- ATS or Average ticket Size refers to the average sanctioned amount.

Analytical Contact

Reach us at research@crifhighmark.com for any queries

ABOUT US

CRIF High Mark Credit Information Services Private Limited is one of the leading Credit Information Company (CIC) licensed by the Reserve Bank of India under the Credit Information Companies (Regulation) Act, 2005. Established in March 2011, the company plays a critical role in strengthening India's credit ecosystem by promoting responsible lending, financial inclusion, and informed decision-making.

CRIF High Mark delivers comprehensive credit information and analytics solutions to banks, financial institutions, NBFCs, housing finance and microfinance institutions, insurance companies, as well as MSMEs, corporates, and individual consumers. Its offerings are designed to enhance access to credit for underserved and previously excluded segments, while ensuring compliance with regulatory frameworks and data governance standards.

Powered by advanced technology, robust information management practices, and a culture of continuous innovation, CRIF High Mark supports lenders across the credit lifecycle from credit appraisal and risk assessment to portfolio monitoring. Its credit information database is enriched by contributions from over 5,000 member institutions, enabling data-driven insights that support a more resilient, transparent, and inclusive financial system in India.

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Commercial Report

- Commercial CIR includes CRIF India Business Rank (CIBR), which is a 13-Rank Assessment model to gauge a Business entity's Credit repayment ability based on its credit profile, credit history and other factors.



Consumer Report

- Detailed Information of a borrower's credit history & financial behavior. These details are utilized by the lenders & financial institutions to evaluate credit worthiness of the borrower.



Microfinance Report

- Detailed microfinance credit report providing borrower-level loan history, group lending insights, and recent repayment information to support micro lending decisions.



Commercial Lite

- Synopsis of credit facilities with respect to Member and Off-member exposures, exposures on CC/OD facilities, Total Banking Exposure.



Grameen Score

- Specialized score designed for rural borrowers to support inclusive lending decisions using historical bureau-led insights.



Portfolio review

- The data output represents Offline bulk credit information of their customer base with Lending Institutions.



Market Insights

- Market Insights products, offer insights on broader market trends and consumer behavior, using aggregated credit data.



Alerts

- Event based triggers for near real time and effective monitoring of borrowers, post disbursement.



Lending Index

- Advanced loan-level risk assessment solution delivering sharper underwriting insights and stronger predictive differentiation.



Comprehensive CCIR

- Consolidated view of consumer, microfinance, and commercial credit linkages to support holistic credit assessment and portfolio monitoring.



PRESENTS



Credit Goes to HER is an invite-only community, anchored by CRIF India for women shaping the future of India's evolving credit ecosystem. It is women in credit and credit for women. Designed to foster meaningful conversations, the community brings together women from across the country interested in elevating their career game and being part of invigorating conversation with executive leaders in credit.

Scan to join the LinkedIn community





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