Households' Pulse Survey: Q1 FY27

Economic & Credit Perspectives

September 2026

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Households' Economic Assessment and Outlook

- The Q1 FY27 survey comprises 4,248 respondents, with only 58 repeat participants from Q4 FY26, making it largely a fresh sample. Nevertheless, the broad demographic profile remained comparable with Q4 FY26, with some notable changes in age, geography, income, and occupational composition. Detailed demographics are provided in the Appendix.
- Household sentiment weakened in Q1 FY27. Unlike the predominantly neutral shift in Q4 FY26, the latest weakening in household sentiment was reflected more clearly in rising negative assessments, particularly of current economic conditions and the economic outlook for the year ahead. Reported household-income outcomes also weakened; however, household income and job/business expectations remained comparatively resilient.
- The positive assessment of current economic conditions fell to 37% in Q1 FY27 from ~44% in Q4 FY26, while the negative share rose to 22% from ~16%. Positive assessments declined across all occupational groups, although self-employed and salaried respondents continued to report relatively higher positive shares.
- The economic outlook for the year ahead weakened. The negative assessment share rose to ~26% from ~20%, while both positive and neutral shares declined, indicating that the weakening was reflected more clearly in negative views than in the previous quarter.
- Income and job/business expectations remained broadly positive, with around three in five respondents continuing to expect improvement. Nevertheless, negative expectations increased modestly. Self-employed respondents retained the strongest outlook, while respondents not currently working and contractual/part-time workers recorded relatively more weakening in job/business expectations.
- Reported income outcomes were less favourable: the share reporting an income decline rose to ~27% in Q1 FY27 from ~23% in Q4 FY26, led by those reporting a decline of more than 10%.
- Inflation expectations remained elevated but broadly stable, with nearly two-thirds of respondents continuing to expect prices to rise.

Households' Credit Profile and Purchase Intentions

- Among respondents who borrowed during the past 12 months, ~87% reported using formal channels in Q1 FY27, down marginally from Q4 FY26. Banks remained the largest formal source, followed by NBFCs/fintechs. The share using informal sources increased by 2 percentage points to around 32%, while 18.5% used both formal and informal sources.
- Among all respondents, the share reporting two or more active loans eased to ~46% in Q1 FY27 from ~48% in Q4 FY26, mainly reflecting a decline in the share reporting four or more active loans. The share reporting no active loans increased modestly. These movements indicate some moderation in multi-loan exposure.
- Multi-loan exposure declined across most occupational groups but increased among contractual/part-time workers and respondents not currently working. These increases warrant monitoring alongside their relatively weaker reported EMI-management outcomes.
- Reported EMI comfort weakened in Q1 FY27. The share of all respondents describing EMIs as easily manageable declined, while the combined share struggling or unable to pay increased. Respondents not currently working reported relatively greater difficulty, with ~28% reporting that they were unable to pay their EMIs. This comparison should be interpreted cautiously, given the relatively small and changing sample for this group.
- Among respondents who reported taking at least one loan during the past 12 months, personal loans remained the leading borrowing purpose, although their share declined to ~45% from ~49%. Borrowing for electronics and home purchases gained share in Q1 FY27.
- Mobile phones remained the leading planned purchase, particularly among younger respondents. Among respondents planning an electronics purchase, ~44% reported two or more active loans, broadly unchanged from Q4 FY26.
- Price overtook brand as the leading mobile-phone purchase consideration, while financing options remained broadly stable.

Households' Perceptions – Snapshot

Household optimism weakened in Q1 FY27. Unlike Q4 FY26, when the shift was predominantly towards neutral responses, the latest moderation was reflected more clearly in rising negative assessments across most indicators. Income and job/business expectations nevertheless remained broadly positive, while inflation expectations remained elevated but broadly stable.

- **Assessment of current economic conditions weakened most:** the share of respondents with a positive assessment fell by 7.1 percentage points QoQ to 37% in Q1 FY27, while the negative assessment share rose by 6.2 percentage points to 22%. The neutral share at 41% became the largest sub-category.
- **The year-ahead economic outlook also weakened:** the negative outlook share rose to 25.7% in Q1 FY27 from 20.3% in Q4 FY26, while both positive and neutral shares declined.
- **Income and job/business expectations remained comparatively resilient:** around three in five respondents continued to expect improvement, although positive shares declined and negative shares increased moderately in both indicators.
- **Reported income outcomes were less favourable:** the share of respondents reporting a decline in household income over the past year rose by 4.0 percentage points from Q4 FY26 to 27.2% in Q1 FY27, led by those reporting a decline of more than 10%. In Q4 FY26, the weakening was reflected mainly in a higher share reporting no change in income; in Q1 FY27, it was reflected in a higher share reporting income decline.
- **Inflation expectations remained elevated but broadly stable:** nearly two-thirds of respondents expected prices to rise, broadly unchanged from Q4.

Households' Perceptions – Q1 FY27 versus Q4 FY26

Section	Indicator	Category	Q4 FY26	Q1 FY27	QoQ Change (Percentage Points)	Interpretation
Economic Assessment and Outlook	Current Economic Conditions	Positive	44.1%	37.0%	-7.1	Deterioration
		Neutral	40.1%	41.0%	0.9	Neutral Share Increased
		Negative	15.8%	22.0%	6.2	Deterioration
	Economic Outlook in Your Region Over the Next Year	Positive	43.2%	39.5%	-3.7	Deterioration
		Neutral	36.5%	34.8%	-1.7	Neutral Share Decreased
		Negative	20.3%	25.7%	5.4	Deterioration
	Household Income Outlook Over the Next Year	Positive	60.4%	59.7%	-0.7	Deterioration
		Neutral	29.1%	28.0%	-1.1	Neutral Share Decreased
		Negative	10.5%	12.3%	1.8	Deterioration
	Job/Business Outlook Over the Next Six Months	Positive	61.1%	59.1%	-2.0	Deterioration
		Neutral	30.3%	30.2%	-0.1	Broadly Unchanged
		Negative	8.6%	10.7%	2.1	Deterioration
Inflation Outlook	Inflation Outlook Over the Next Year	Expect Prices to Fall	13.0%	13.2%	0.2	Broadly Unchanged
		No Change	22.5%	22.1%	-0.4	Broadly Unchanged
		Expect Prices to Rise	64.5%	64.7%	0.2	Broadly Unchanged
Income Outcomes	Change in Household Income Over the Past Year	Rose by More Than 10%	23.8%	22.9%	-0.9	Deterioration
		Rose by Up to 10%	23.2%	22.3%	-0.9	Deterioration
		No Change in Income	29.8%	27.6%	-2.2	No-Change Share Decreased
		Fell by Up to 10%	7.9%	8.8%	0.9	Deterioration
		Fell by More Than 10%	15.3%	18.4%	3.1	Deterioration

Note: Category colours indicate favourable (green), neutral/no-change (amber) and adverse (brown) outcomes. "Change" equals Q1 FY27 minus Q4 FY26. Absolute movements of 0.5 percentage points or less are labelled 'Broadly Unchanged'; larger movements are interpreted according to their direction and category. As the respondent sample is largely refreshed each quarter, quarter-on-quarter movements should be interpreted alongside changes in sample composition.

Households' Economic Assessment and Outlook

Assessment of Current Economic Conditions Weakened Further in Q1 FY27; Negative Views Rose Sharply and Neutral Responses Became the Largest Category

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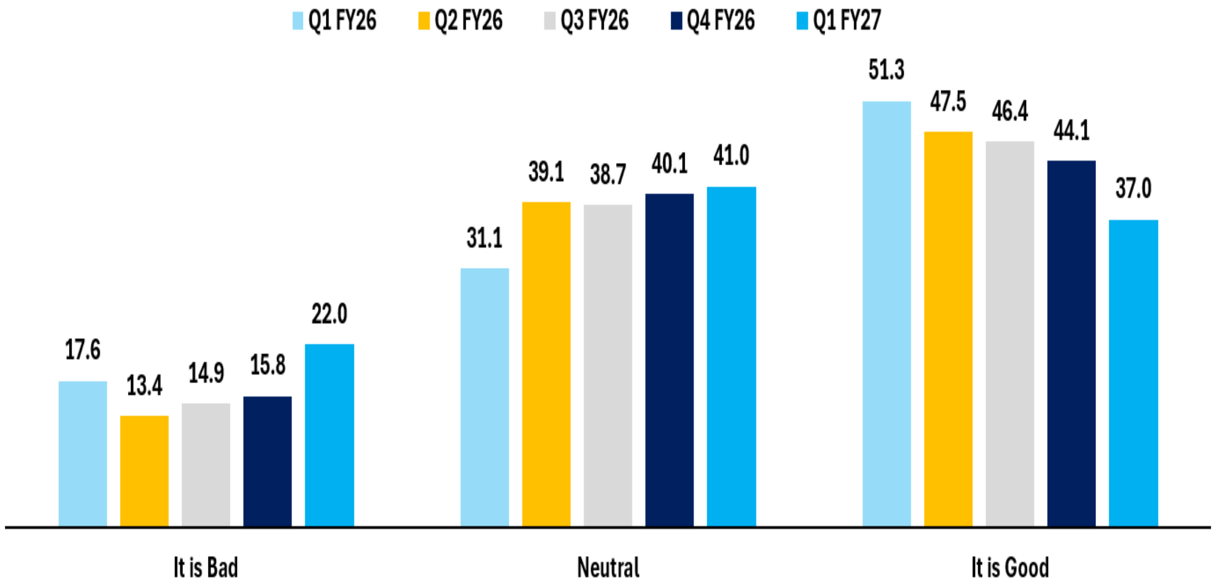
Respondents' Assessment of Current Economic Conditions (%)

Neutral Assessments Became the Largest Category at 41%, as the Fall in Positive Views Was Largely Mirrored by a Rise in Negative Views



Note: Percentages are calculated as shares of total respondents.

Assessment of Current Economic Conditions, by Occupation (%)

Positive Assessments Declined Across All Occupational Groups; Negative Views Were Highest Among Respondents Not Currently Working and Daily-Wage Workers

Occupation Category	It is Bad	Neutral	It is Good
Salaried	**20.2%** (15.0%)	**41.1%** (39.2%)	**38.7%** (45.8%)
Self- employed	**14.2%** (11.5%)	**42.9%** (40.1%)	**42.9%** (48.4%)
Contractual/Part-time	**23.4%** (17.4%)	**49.0%** (47.1%)	**27.6%** (35.5%)
Daily-wage/Casual Worker	**33.0%** (24.0%)	**41.2%** (45.5%)	**25.8%** (30.5%)
Currently Not Working	**55.6%** (37.1%)	**25.6%** (32.2%)	**18.8%** (30.7%)

Note: Percentages are calculated as shares of respondents within each occupational category. Figures in brackets refer to Q4 FY26. "Salaried" includes full-time private- and government-sector employees; "Self-employed" includes respondents who own or help in a family business and skilled professionals; and "Contractual/part-time" includes contract, freelance and gig workers. "Daily-wage/casual" includes respondents engaged in daily-wage or casual work, while "Currently not working" includes those who reported that they were not working at the time of the survey.

- Assessments of current economic conditions weakened more than the other sentiment indicators in Q1 FY27, with positive views declining and negative assessments rising across all occupational groups. Unlike Q4 FY26's predominantly neutral shift, the latest weakening was reflected more clearly in rising negative views, with the overall negative share reaching a series high of 22%.
- Positive assessments declined across all occupational groups in Q1, most notably among respondents not currently working, contractual/part-time workers and salaried respondents. Self-employed respondents retained the highest positive share.
- The rise in negative assessments was led by respondents not currently working and daily-wage/casual workers. Neutral responses increased among salaried, self-employed and contractual/part-time respondents but declined among respondents not currently working and daily-wage/casual workers, indicating a stronger shift towards negative assessments among the latter groups.

Optimism on the Year-Ahead Economic Outlook Fell Further in Q1 FY27 as Negative Views Rose to a Series High

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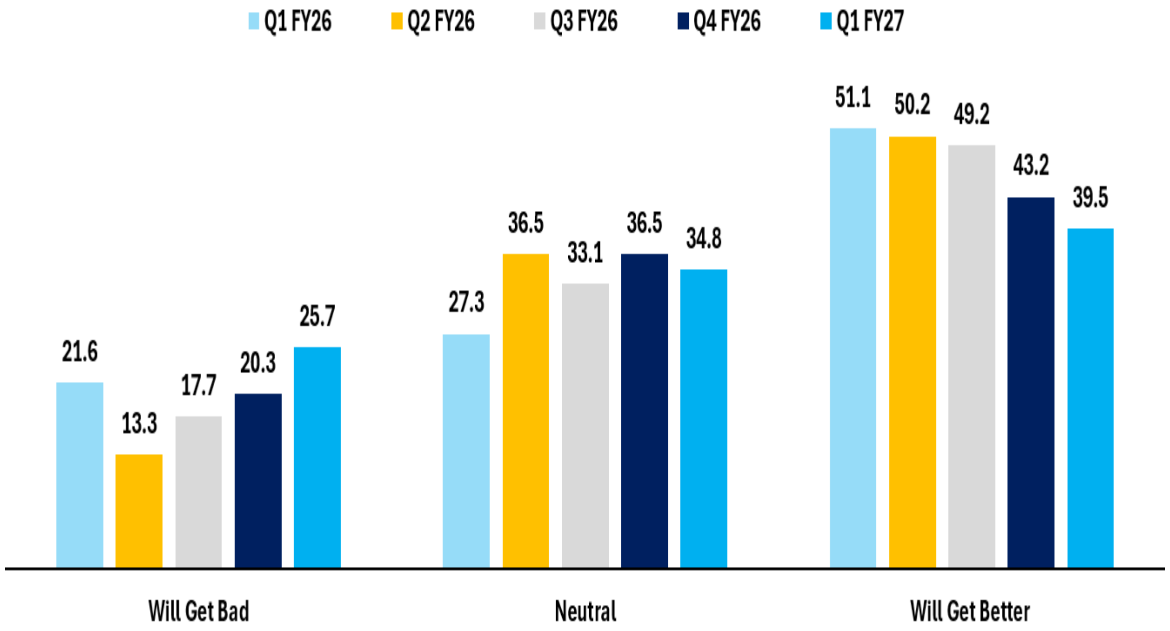
Respondents' Regional Economic Outlook Over the Next 12 Months (%)

Positive Outlook Remained the Largest Category at 39.5%, but Negative Views Rose to 25.7% as Both Positive and Neutral Shares Declined



Note: Percentages are calculated as shares of total respondents.

Assessment of Regional Economic Outlook, by State (%)

State	Number of Responses	Will Get Bad	Neutral	Will Get Better
Uttar Pradesh	**929** (1,150)	**24.5%** (20.9%)	**35.3%** (35.7%)	**40.2%** (43.4%)
Bihar	**454** (62)	**28.0%** (17.7%)	**30.4%** (33.9%)	**41.6%** (48.4%)
Maharashtra	**441** (43)	**24.9%** (14.0%)	**41.3%** (37.2%)	**33.8%** (48.8%)
Rajasthan	**345** (36)	**29.3%** (2.8%)	**35.9%** (36.1%)	**34.8%** (61.1%)
West Bengal	**219** (36)	**26.9%** (25.0%)	**30.6%** (36.1%)	**42.5%** (38.9%)
Gujarat	**203** (24)	**21.7%** (8.3%)	**35.5%** (29.2%)	**42.9%** (62.5%)
Haryana	**183** (185)	**25.7%** (15.7%)	**31.7%** (32.4%)	**42.6%** (51.9%)
Madhya Pradesh	**176** (17)	**28.4%** (5.9%)	**41.5%** (41.2%)	**30.1%** (52.9%)
Assam	**174** (28)	**24.7%** (17.9%)	**28.2%** (32.1%)	**47.1%** (50.0%)
Karnataka	**144** (455)	**25.7%** (22.0%)	**35.4%** (35.2%)	**38.9%** (42.9%)

Note: States shown in the table account for around 77% of responses; the remainder comprises other/not-reported states. Figures in brackets refer to Q4 FY26. State-level QoQ changes should be interpreted cautiously where samples were small.

- Unlike Q4 FY26's predominantly neutral shift, the latest weakening in respondents' regional economic outlook was reflected more clearly in negative views: the negative share rose by 5.4 percentage points to a series high of 25.7%, while the positive share fell by 3.7 percentage points to a series low of 39.5%.
- Among the 10 states shown, each with at least 100 responses in Q1 FY27, Assam, Gujarat, Haryana, and West Bengal recorded the highest positive shares; Madhya Pradesh recorded the lowest, followed by Maharashtra and Rajasthan.
- Negative shares exceeded Q4 levels across all states shown, but most Q4 state samples were below 100 and the regional mix changed materially. UP, Haryana and Karnataka were the only states shown with at least 100 respondents in both rounds; each recorded a decline in positive views and an increase in negative views, consistent with the overall direction of the survey results.

Reported Income Outcomes Weakened Further in Q1 FY27; Share of Those Reporting an Income Decline Rose More Sharply Among Multiple-Loan Respondents

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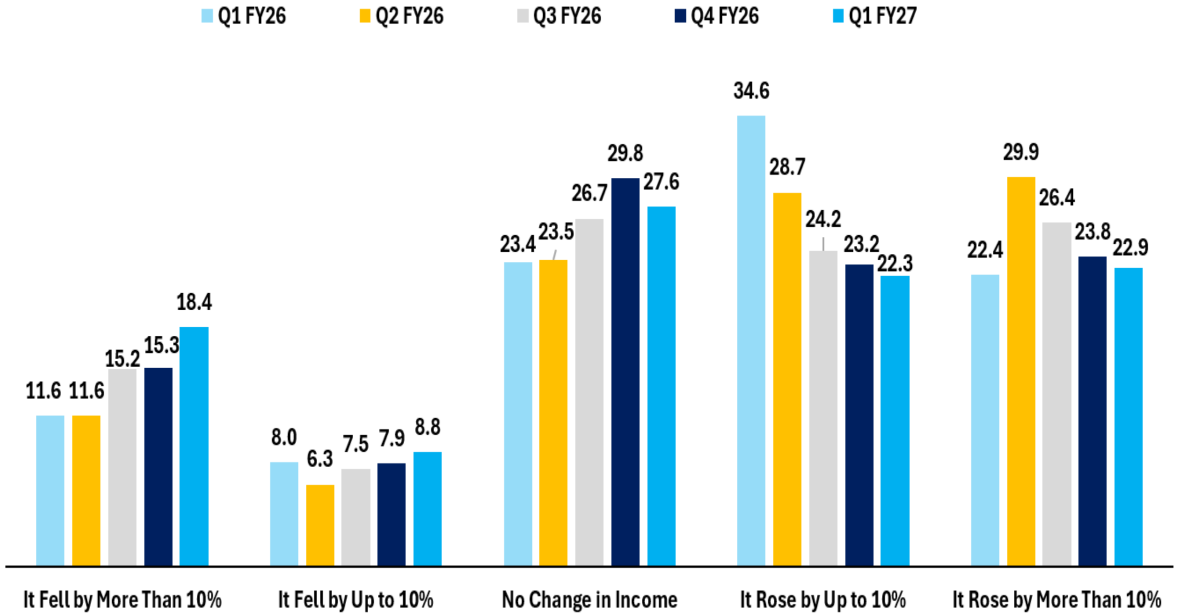
Respondents' Assessment of Change in Their Household Income Over the Past Year (%)

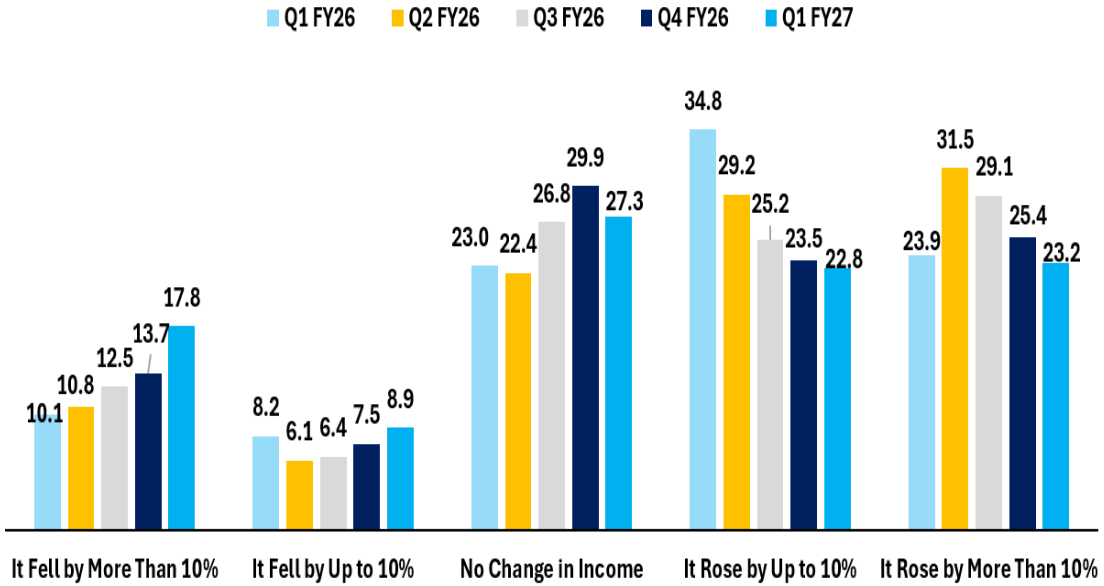
Share of Respondents Reporting an Increase in Household Income Fell to Around 45% in Q1 FY27, While the Share Reporting an Income Decline Rose and the No-Change Share Fell



Note: Percentages are calculated as shares of total respondents.

Among Respondents with Two or More Active Loans: Share by Reported Change in Income (%)

Among Respondents with Two or More Active Loans, the Share Reporting an Income Decline Rose, While the Share Reporting an Increase Fell in Q1 FY27



Note: The chart is based on respondents reporting two or more active loans at the time of the survey.

- The share of respondents reporting an increase in household income declined to 45.2% in Q1 FY27 from 47.0% in Q4 FY26. The share of respondents reporting an income decline rose by 4.0 percentage points QoQ to 27.2% in Q1 FY27, led by those reporting a decline of more than 10%, while the no-change share fell. Compared with Q4 FY26, the weakening was reflected more clearly in a rising incidence of income declines.
- Among respondents with two or more active loans, the share reporting an income decline rose from 21.2% in Q4 FY26 to 26.7% in Q1 FY27, while the share of those reporting an increase in household income fell from 48.9% to 46.0%. The deterioration was somewhat more pronounced than in the overall sample.

Income Outlook Remained Broadly Positive in Q1 FY27; Self-Employed and Higher-Income Respondents Were the Most Optimistic

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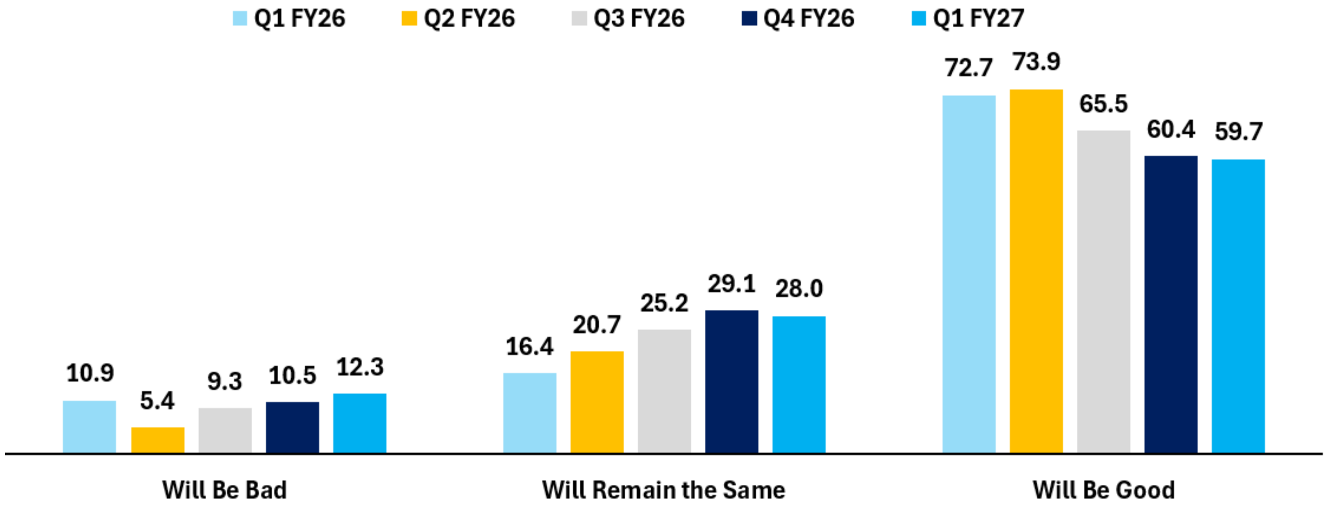
Respondents' Outlook for Household Income Over the Next Year (%)

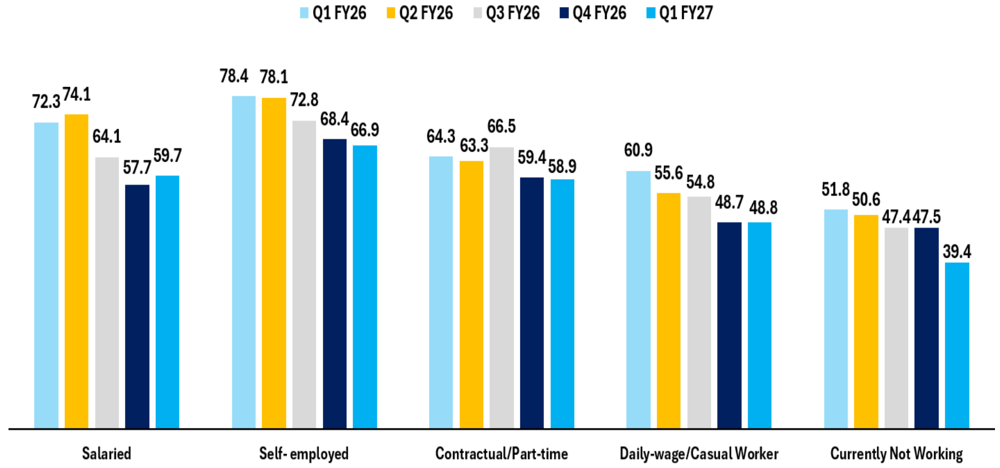
A Majority Continued to Expect Household Income to Improve, Although the Positive Share Edged Down to 59.7% and Negative Expectations Rose Modestly



Note: Percentages are calculated as shares of total respondents.

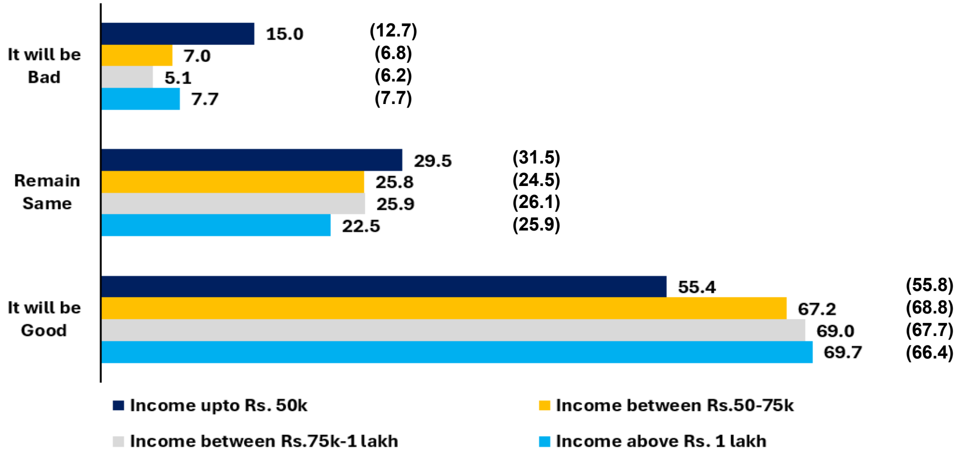
- The positive income-outlook share edged down to 59.7% in Q1 FY27 from 60.4% in Q4 FY26, while the negative share rose to 12.3% from 10.5%.
- The positive income-outlook share increased among salaried respondents and remained broadly stable among daily-wage/casual workers and contractual/part-time respondents, but moderated among self-employed respondents. Nevertheless, self-employed respondents remained the most optimistic occupational group.
- Respondents not currently working recorded the sharpest weakening, with the positive share falling to 39.4% from 47.5% in Q4 FY26.
- Income expectations were generally more positive at higher income levels. Respondents with household income above Rs 1 lakh were the most optimistic, with 69.7% expecting improvement, compared with 55.4% among those with income up to Rs 50,000. Relative to Q4 FY26, the positive share increased in both income groups above Rs 75,000, while the increase in negative expectations was largely concentrated among respondents with income up to Rs 50,000.

Positive Household Income Outlook, by Occupational Group (%)



Note: Percentages are calculated within each occupational group and represent the share of respondents expecting their household income to improve over the next 12 months.

Household Income Outlook, by Monthly Household Income (%)

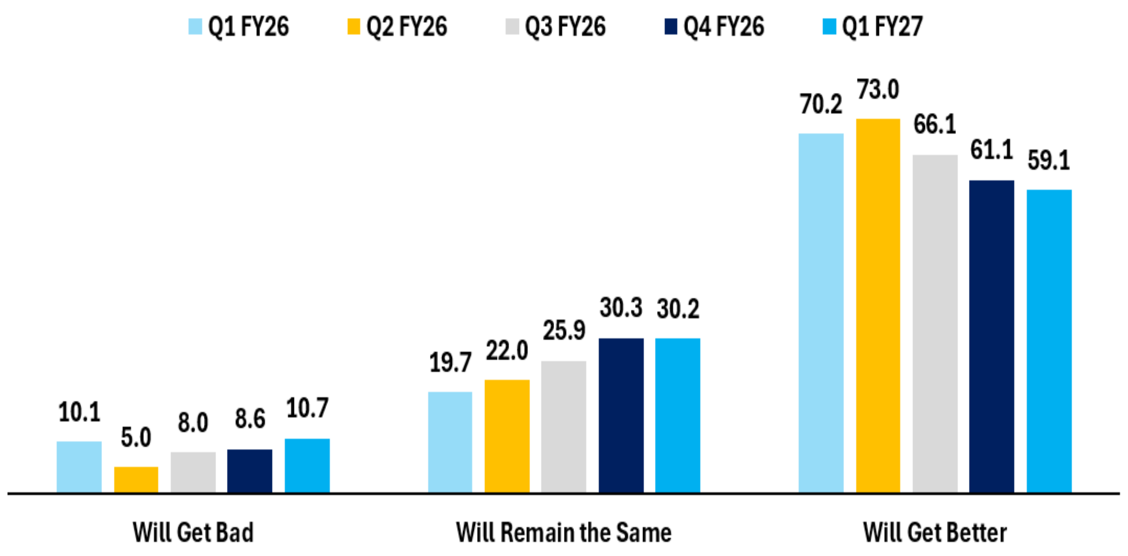


Note: Percentages are calculated within each monthly household-income group. Figures in brackets refer to Q4 FY26.

Job/Business Outlook Remained Broadly Positive but Moderated in Q1 FY27; Self-Employed Respondents Retained the Strongest Outlook

Respondents' Job/Business Outlook (%)

Around 59% Continued to Expect Job/Business Prospects to Improve Over the Next Six Months, but Negative Expectations Increased as Optimism Moderated Further



Note: Percentages are calculated as shares of total respondents.

Job/Business Outlook by Occupational Group (%)

Self-Employed Respondents Retained the Strongest Outlook; Expectations Weakened Most Among Contractual/Part-Time Respondents and Those Not Currently Working

Occupation Category	Will Get Bad	Will Remain the Same	Will Get Better
Salaried	**9.3%** (9.1%)	**32.6%** (33.5%)	**58.1%** (57.3%)
Self- employed	**7.0%** (4.9%)	**25.9%** (23.8%)	**67.1%** (71.2%)
Contractual/Part-time	**13.0%** (4.5%)	**28.6%** (31.6%)	**58.3%** (63.9%)
Daily-wage/Casual Worker	**14.6%** (15.2%)	**36.8%** (38.1%)	**48.6%** (46.6%)
Currently Not Working	**30.0%** (21.3%)	**30.9%** (34.7%)	**39.1%** (44.1%)

Note: Percentages are calculated as shares of respondents within each occupational category. Figures in brackets refer to Q4 FY26.

- Compared with current economic conditions and the regional outlook, the weakening in job/business expectations was more contained; the overall neutral share remained broadly unchanged.
- Self-employed respondents retained the strongest outlook, although their positive share declined by 4.1 percentage points from Q4 FY26 to 67.1% in Q1 FY27. Positive expectations improved modestly among salaried and daily-wage/casual workers.
- The outlook weakened most among contractual/part-time respondents and those not currently working. Their positive shares fell to 58.3% and 39.1%, respectively, while their negative shares rose to 13.0% and 30.0% in Q1 FY27.

A Majority Continued to Expect Prices to Rise, While Inflation Expectations Remained Elevated but Broadly Stable in Q1 FY27

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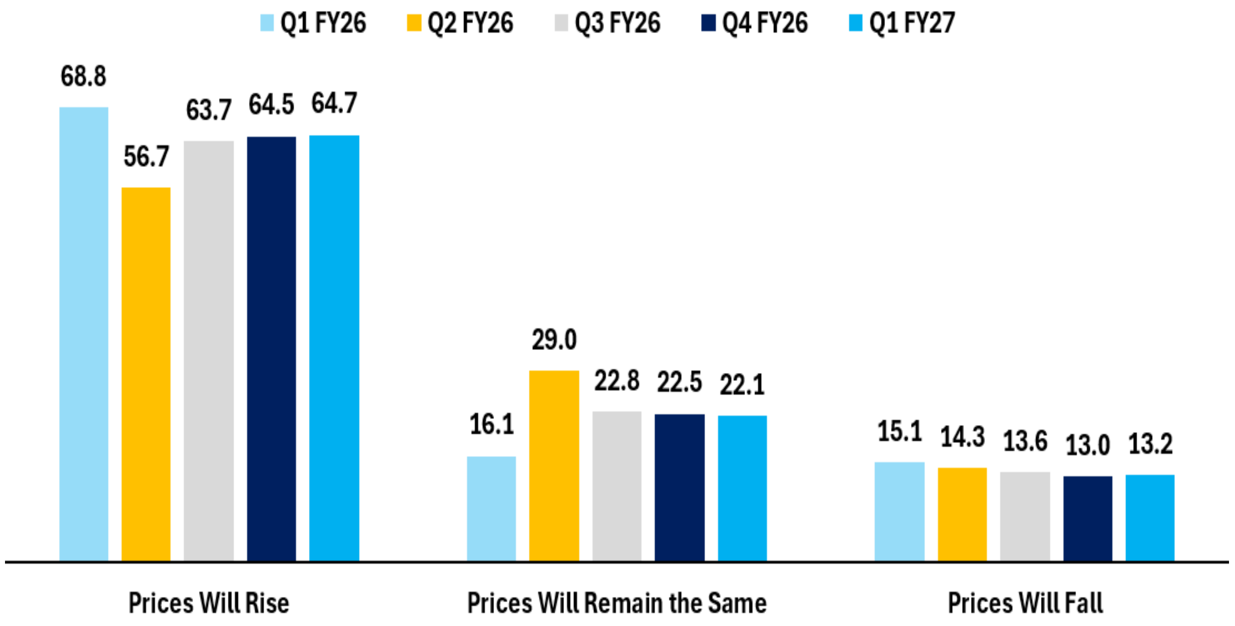
Respondents' Expectations for Prices Over the Next 12 Months (%)

Nearly Two-Thirds of Respondents Expected Prices to Rise Over the Next 12 Months



Note: Percentages are calculated as shares of total respondents.

Expectations for Prices: Share of Respondents Within Each Occupational Group (%)

Price-Rise Expectations Were Clustered at 63–66% Across Occupational Groups, Despite Mixed Movements from Q4 FY26

Occupation Category	Prices Will Rise	Prices Will Remain the Same	Prices Will Fall
Salaried	**64.3%** (63.7%)	**22.3%** (21.8%)	**13.4%** (14.5%)
Self- employed	**65.6%** (64.9%)	**24.1%** (24.7%)	**10.3%** (10.4%)
Contractual/Part-time	**65.1%** (69.0%)	**25.5%** (19.4%)	**9.4%** (11.6%)
Daily-wage/Casual Worker	**63.4%** (62.8%)	**17.2%** (22.9%)	**19.4%** (14.4%)
Currently Not Working	**63.4%** (68.3%)	**15.9%** (13.9%)	**20.6%** (17.8%)

Note: Percentages are calculated as shares of respondents within each occupational group. Figures in brackets refer to Q4 FY26.

- The share of respondents expecting prices to rise was broadly unchanged at 64.7% in Q1 FY27, compared with 64.5% in Q4 FY26. The shares of respondents expecting prices to remain unchanged or fall also moved only marginally.
- Price-rise expectations were clustered across occupational groups, ranging from 63.4% to 65.6% in Q1 FY27. Self-employed respondents recorded the highest share, although differences across groups were relatively small.
- Compared with Q4 FY26, the share expecting prices to rise increased marginally among salaried, self-employed and daily-wage/casual workers, but declined among contractual/part-time respondents and those not currently working. Overall expectations nevertheless remained broadly unchanged.

Households' Credit Profile and Purchase Intentions

Formal Sources of Borrowing Remained Dominant Among Borrowers, While Use of Informal Sources and Formal–Informal Overlap Rose Modestly

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Sources of Borrowing Among Respondents Who Borrowed (%)

- In Q1 FY27, 86.6% of respondents who borrowed reported using formal borrowing channels, down marginally from 87.3% in Q4 FY26. The share using informal sources rose to 31.9% from 29.9%, led by increased borrowing from friends/family.
- Around 18.5% of borrowers used both formal and informal sources in Q1 FY27, up from 17.2% in Q4 FY26, explaining why the combined channel shares exceed 100%.
- Banks remained the largest formal source, although their share declined by 2.6 percentage points QoQ to 41.1% in Q1 FY27, while the NBFCs/Fintechs share was broadly stable at ~28.5% and the microfinance/SHG share increased. Friends/family remained the leading informal source and gained share, while workplace borrowing share declined.

All Borrowing Channels

- **Formal Channels: (86.6%)** ▼ -0.7%
  - Banks: (41.1%) ▼ -2.6%
  - NBFCs/Fintechs: (28.5%) ▲ +0.4%
  - Microfinance/SHG: (16.9%) ▲ +1.4%
- **Informal Channels: (31.9%)** ▲ +2.0%
  - Friends/Family: (14.7%) ▲ +1.9%
  - Loan from workplace: (8.0%) ▼ -0.7%
  - Loan from moneylenders: (7.7%) ▲ +0.5%
  - Others/ Unspecified: (1.4%) ▲ +0.2%

Note: Borrowing-channel percentages are calculated among respondents who reported taking at least one loan during the past 12 months and exceed 100% because some respondents used both formal and informal sources. Arrows show percentage-point changes from Q4 FY26 to Q1 FY27.

Overall Multi-Loan Exposure Declined Moderately in Q1 FY27, Led by a Lower Share Reporting Four or More Active Loans

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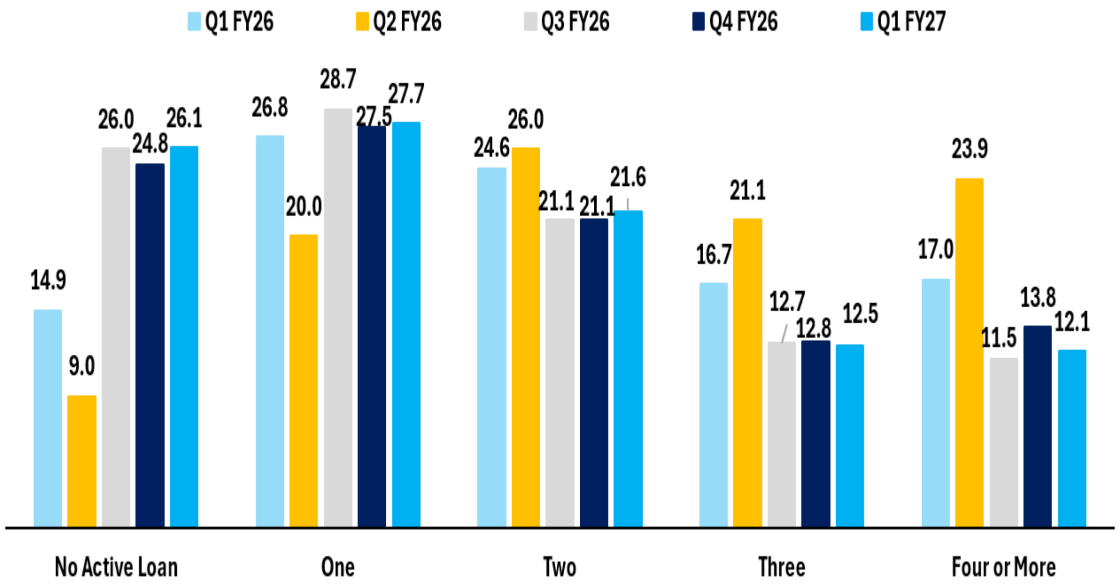
Distribution of Respondents by Number of Active Loans (%)

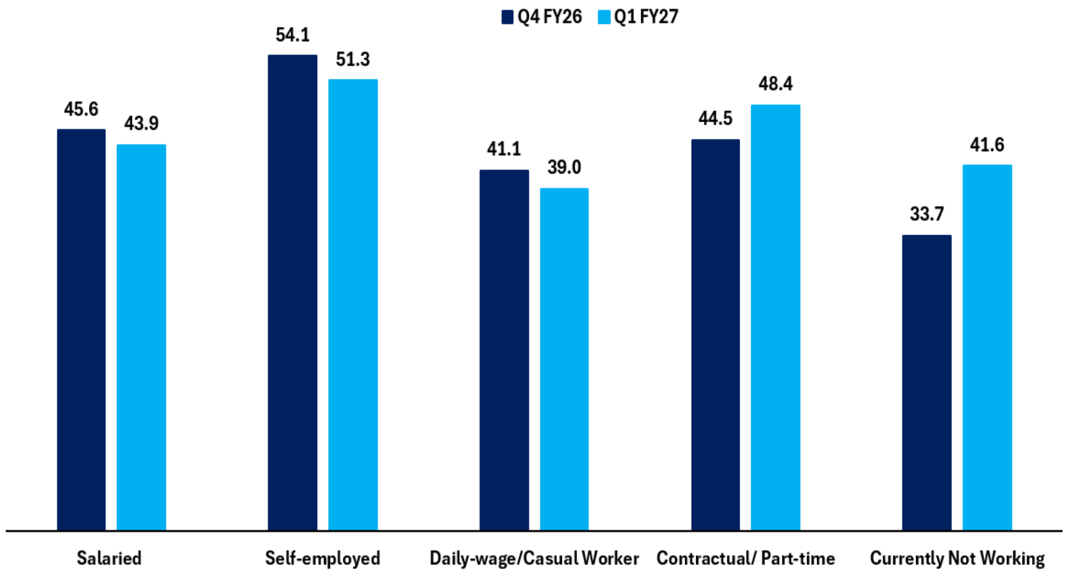
The Share of Those Reporting Two or More Active Loans Eased to 46.2% in Q1 FY27 from 47.7% in Q4 FY26, Mainly Due to a Lower Share Reporting Four or More Active Loans



Note: Percentages are calculated as shares of total respondents.

Share Reporting Two or More Active Loans Within Each Occupational Group (%)

Multi-Loan Exposure Declined in Most Occupational Groups but Rose Among Contractual/Part-Time Workers and Those Not Currently Working



Note: Percentages are calculated as shares of respondents within each occupational group.

- The share of respondents reporting two or more active loans eased to 46.2% in Q1 FY27 from 47.7% in Q4 FY26, mainly reflecting a decline in the share reporting four or more active loans to 12.1% from 13.8%. Meanwhile, the share reporting no active loans rose to 26.1% from 24.8%.
- Within occupational groups, the share of respondents reporting two or more active loans declined to 43.9% in Q1 FY27 from 45.6% in Q4 FY26 among salaried respondents, to 51.3% from 54.1% among self-employed respondents, and to 39.0% from 41.1% among daily-wage/casual workers.
- In contrast, it increased among contractual/part-time workers to 48.4% in Q1 FY27 from 44.5% in Q4 FY26 and among respondents not currently working to 41.6% from 33.7%, with the latter recording the larger increase. The increases among contractual/part-time workers and respondents not currently working warrant monitoring alongside their relatively weaker reported EMI-management outcomes.

Reported EMI Comfort Softened Further in Q1 FY27, While the Combined Share of Respondents Struggling or Unable to Pay EMIs Increased

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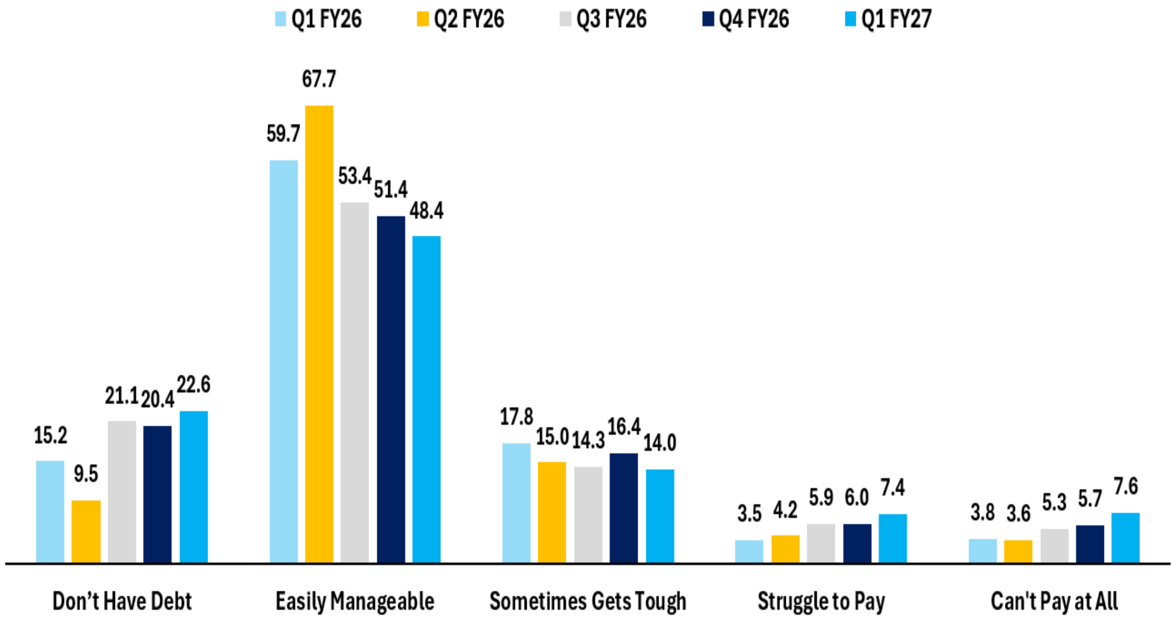
Respondents' Reported Ability to Manage Loan EMIs (%)

The Share of Respondents Describing EMIs as Easily Manageable Fell to 48.4%, While the Combined Share of Respondents Struggling or Unable to Pay EMIs Rose to 15.0%



Note: Percentages are calculated as shares of total respondents.

EMI Management: Share of Respondents Within Each Occupational Group (%)

Self-Employed Respondents Reported the Highest EMI Comfort; Respondents Not Currently Working Reported Relatively Greater Difficulty

Occupation Category	Easily Manageable	Sometimes Gets Tough	Struggle to Pay	Can't Pay at All
Salaried	49.6% (52.3%)	15.0% (15.9%)	6.0% (5.6%)	5.6% (5.5%)
Self- employed	56.3% (57.7%)	12.1% (15.9%)	5.4% (4.6%)	5.6% (4.3%)
Contractual/Part-time	47.4% (48.4%)	18.2% (20.6%)	11.5% (7.1%)	4.7% (3.9%)
Daily-wage/Casual Worker	36.6% (37.5%)	16.3% (17.3%)	13.2% (8.5%)	9.1% (8.8%)
Currently Not Working	18.4% (26.7%)	12.2% (20.3%)	14.7% (13.9%)	28.4% (13.9%)

Note: Percentages are calculated as shares of all respondents within each occupational group. Rows sum to 100% after including respondents with no debt, who are not shown. Figures in brackets refer to Q4 FY26.

- Overall, the share of respondents reporting no debt rose to 22.6% in Q1 FY27 from 20.4% in Q4 FY26, while the share describing EMIs as easily manageable fell to 48.4%. Despite the lower share of respondents reporting debt, the combined share struggling or unable to pay EMIs increased to 15.0% from 11.7%, indicating weaker reported EMI-management conditions within the survey sample.
- Salaried and self-employed respondents continued to report relatively high EMI comfort, although the shares describing their EMIs as easily manageable declined to 49.6% and 56.3%, respectively, in Q1 FY27, with self-employed respondents continuing to report the higher level of comfort.
- Reported repayment difficulty increased most among respondents not currently working, with the share unable to pay EMIs rising to 28.4% in Q1 FY27 from 13.9% in Q4 FY26. This comparison should be interpreted cautiously, given the relatively small and changing sample for this group. Contractual/part-time and daily-wage/casual workers also recorded higher shares struggling to pay their EMIs. These increases warrant monitoring, particularly among occupational groups with relatively weaker income security.

Personal Loans Remained the Leading Borrowing Purpose Despite Losing Share; Electronics and Home Loans Gained in Q1 FY27

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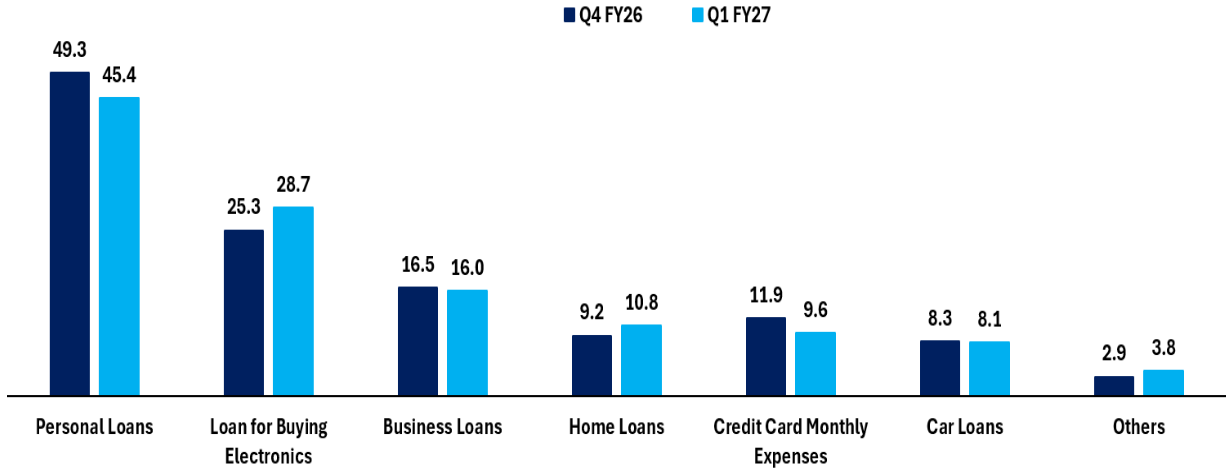
Share of Respondents by Borrowing Purpose Over the Past 12 Months (%)

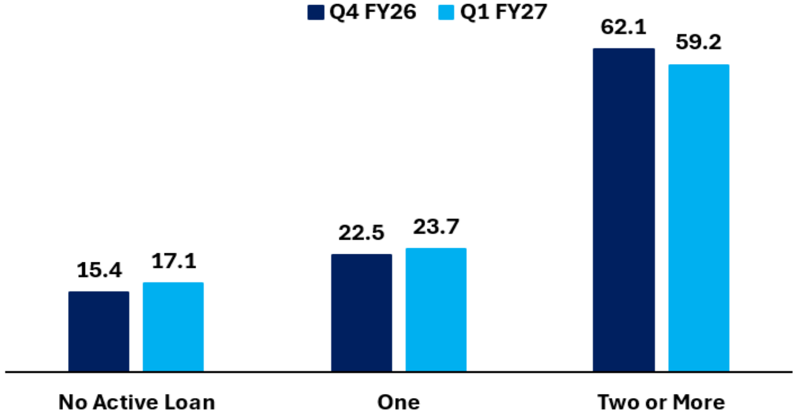
Personal Loans Remained the Leading Borrowing Purpose at 45.4% in Q1 FY27, Although Their Share Declined; Electronics and Home Loans Gained Share



Note: Percentages are calculated among respondents who reported taking at least one loan during the past 12 months. Respondents could report more than one borrowing purpose and are counted under each purpose selected; therefore, category shares may sum to more than 100%. "Others" comprises less common borrowing purposes and excludes respondents reporting no borrowing during the past 12 months. Q4 FY26 figures have been restated on the borrower base for comparability; previously published Q4 FY26 shares were calculated on total respondents.

Respondents Who Took a Personal Loan: Distribution by Number of Active Loans (%)

Among Personal-Loan Borrowers, the Share Reporting Two or More Active Loans Fell to 59.2% in Q1 FY27 from 62.1% in Q4 FY26



Note: Percentages are calculated among respondents who reported taking a personal loan during the past 12 months; each quarterly distribution sums to 100%. Active loans refer to loans outstanding at the time of the survey. Respondents in the "No Active Loans" category reported past-year personal-loan borrowing but no loan outstanding at the survey date.

Share of Respondents by First-Recorded Borrowing Purpose, by Age Group (%)

Age bucket	Personal Loan	Loan for Buying Electronics	Business Loans	Home Loans	Credit Card Monthly Expenses	Car Loans
Up to 25	35%	29%	9%	11%	8%	5%
25 – 30	38%	23%	9%	12%	8%	8%
30 – 35	37%	24%	13%	10%	8%	6%
35 – 40	34%	24%	14%	10%	7%	8%
Above 40	34%	26%	11%	10%	8%	7%

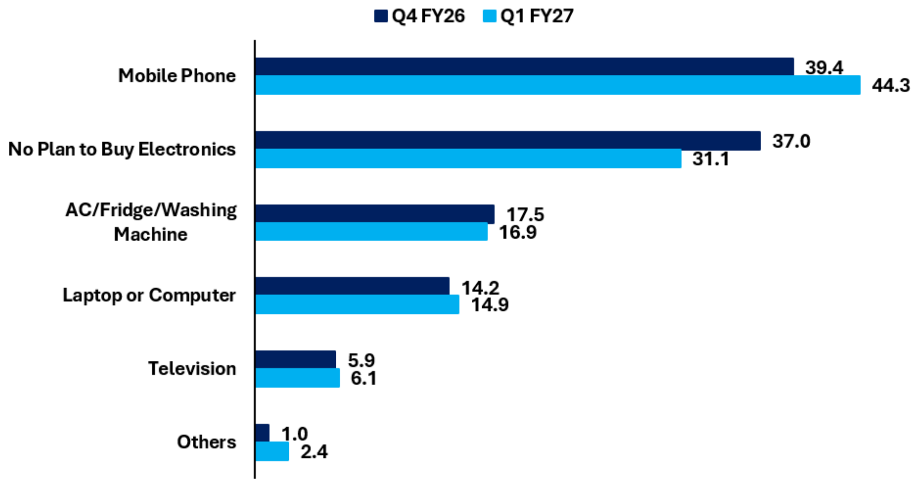
Note: Based on each borrower's first recorded borrowing purpose. Rows sum to 100% after including "Others", which is not shown. Respondents who reported no borrowing during the past 12 months are excluded.

- Personal loans remained the leading borrowing purpose, although their share declined to 45.4% in Q1 FY27 from 49.3% in Q4 FY26. The share of respondents borrowing to buy electronics rose to 28.7% from 25.3% and that of home loans to 10.8% from 9.2%, while the credit-card share declined to 9.6% from 11.9%.
- Among respondents who took a personal loan during the past year, 59.2% reported two or more active loans, down from 62.1% in Q4 FY26. A further 23.7% reported one active loan, while 17.1% reported no active loans at the time of the survey.
- Based on respondents' first recorded borrowing purpose, personal-loan borrowing was higher among those aged 25–35, peaking at 38% among respondents aged 25–30. Borrowing to buy electronics was relatively more common among respondents aged up to 25, at 29%. Home-loan borrowing share was relatively higher among respondents aged 25–30, while car-loan shares were higher among the 25–30 and 35–40 age groups.

Mobile Phones Remained the Most Popular Planned Electronics Purchase Category

Respondents' Intended Electronics/Appliance Purchases Over the Next Six Months (%)

Mobile-Phone Purchase Intentions Rose to 44.3% in Q1 FY27, While the Share Reporting No Purchase Plan Fell



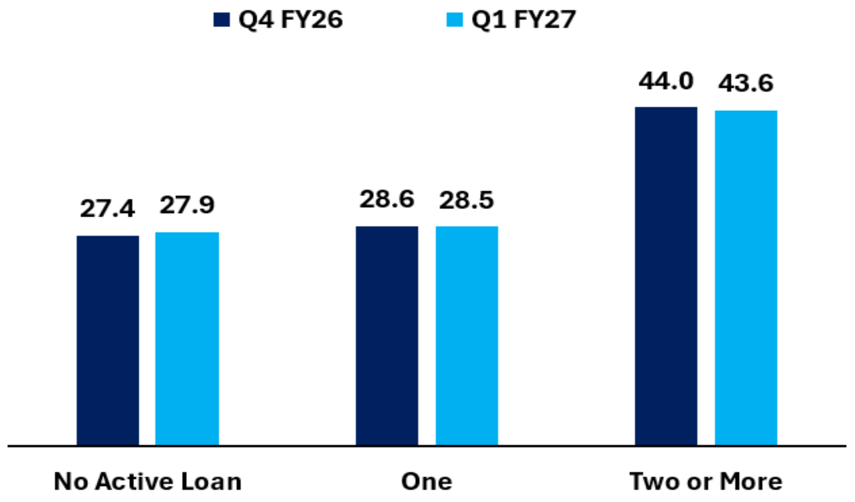
Note: Percentages are calculated as shares of total respondents. Respondents intending to purchase could select more than one product category; therefore, product-category shares may sum to more than 100%.

Electronics/Appliance Purchase Intentions, by Age Group (%)

Age Bucket	Mobile Phone	Laptop or Computer	AC/Cooler/Fridge/ Washing Machine	Television	No Plan to Buy Electronics
Up to 25	57.3%	7.6%	8.3%	2.0%	22.7%
25 - 30	48.3%	9.1%	10.5%	2.4%	28.0%
30 - 35	43.6%	7.8%	11.1%	2.7%	32.9%
35 – 40	41.1%	9.3%	9.6%	3.3%	34.8%
Above 40	36.6%	12.3%	11.4%	3.1%	34.5%

Note: Based on each respondent's first recorded response. Rows sum to 100% after including "Others", which is not shown and includes electric vehicles, kitchen electronics, cameras, tablets and other categories.

Respondents Planning an Electronics/Appliance Purchase: Distribution by Number of Active Loans (%)

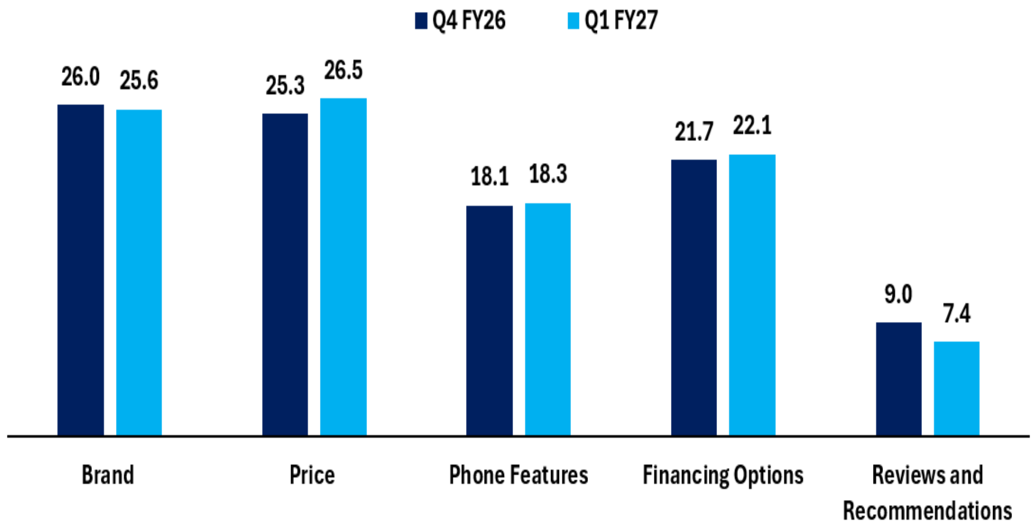


Note: Percentages are calculated among respondents reporting an intention to purchase at least one electronics/appliance category; each quarterly distribution sums to 100%. Active loans refer to loans outstanding at the time of the survey.

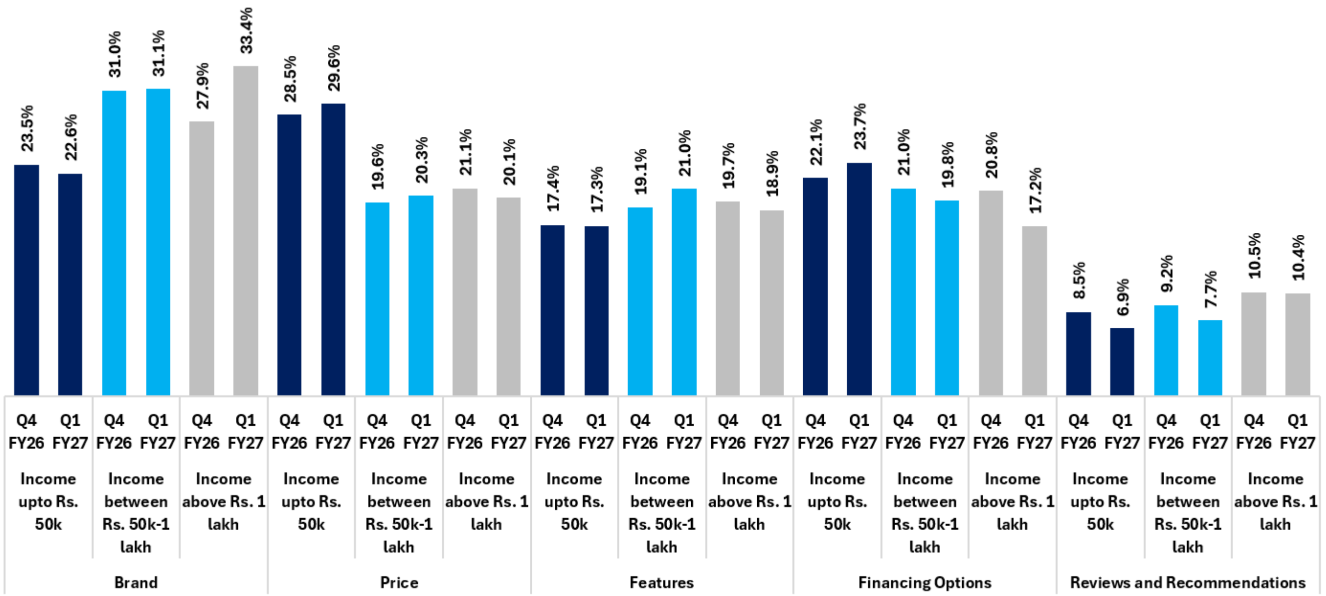
- Among respondents planning to buy electronics/appliances, 43.6% reported two or more active loans in Q1 FY27, broadly stable from 44.0% in Q4 FY26. A further 28.5% reported one active loan, while 27.9% reported no active loan at the time of the survey.
- Mobile-phone purchase intentions were highest among younger respondents, at 57.3% among those aged up to 25 and 48.3% among those aged 25–30. They declined progressively with age to 36.6% among respondents aged above 40 but remained the leading intended purchase across all age groups.
- Overall, 31.1% reported no intention to purchase electronics or appliances over the next six months, down from 37.0% in Q4 FY26. The share reporting no purchase plan was lowest among those aged up to 25, at 22.7%, compared with around 35% among respondents aged 35 and above.

Price Overtook Brand as the Leading Mobile-Phone Purchase Driver; Brand and Financing Shares Were Broadly Stable in Q1 FY27

Factors Influencing Mobile-Phone Purchase Decisions (%)



Mobile Phone Purchase Drivers: Share of Respondents Within Each Income Group (%)



Note: Percentages are calculated as shares of total respondents. On the RHS chart, percentages are calculated within each monthly household-income group.

- Price overtook brand as the leading mobile-phone purchase consideration in Q1 FY27, with its share rising to 26.5% from 25.3%. Brand and financing options were broadly unchanged at 25.6% and 22.1%, respectively.
- Purchase drivers varied clearly by income. Respondents earning above Rs 1 lakh were the most brand-conscious, followed by those earning Rs 50K–1 lakh. Respondents earning up to Rs 50K prioritised price, followed by financing options and brand.
- The importance of financing options declined as income increased, from 23.7% among respondents earning up to Rs 50K to 17.2% among those earning above Rs 1 lakh. Conversely, higher-income respondents placed relatively greater emphasis on reviews and recommendations.
- Compared with Q4 FY26, brand consideration among respondents with monthly household income above Rs 1 lakh rose to 33.4% from 27.9%, while the share prioritising financing options fell to 17.2% from 20.8%. Among respondents with monthly household income up to Rs 50K, the share prioritising price rose to 29.6% from 28.5%, while the share prioritising financing options increased to 23.7% from 22.1%, overtaking brand at 22.6%.

Appendix

Appendix: Demographics of the Survey Respondents

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- Around 67% of respondents had completed Class 12 or above.
- Age-wise, the combined share of respondents aged 25–35 increased to 45% from 41%, while the share aged above 40 declined to 25% from 29%.
- The share of respondents from UP fell to 22% (31%), and representation from southern states also declined; representation from Bihar, Maharashtra and Rajasthan increased.

- The share of respondents reporting monthly household income of Rs 25K–50K rose to 67% (62%), while representation across monthly household-income groups above Rs 50K declined.
- Occupation-wise, salaried respondents remained the largest group at 41% (44%), followed by self-employed respondents at 37% (38%). The share of respondents currently not working rose to 8% (5%).

Note: Figures in brackets refer to Q4 FY26.

Q4 FY26 | Q1 FY27

Education	Q1 FY27	Q4 FY26
Higher degree	10%	12%
Finished college	30%	32%
Up to 12th	27%	25%
Up to 10th	27%	25%
Never went to school	6%	6%

Age	Q1 FY27	Q4 FY26
Up to 25 years	13%	14%
25-30 years	23%	21%
30-35 years	22%	20%
35-40 years	17%	17%
Above 40 years	25%	29%

Monthly household income	Q1 FY27	Q4 FY26
Rs 25K – 50K	67%	62%
Rs 50K – 75K	16%	17%
Rs 75K – 1L	7%	9%
Rs 1L – 1.5L	4%	4%
Rs 1.5L – 2.0L	2%	3%
More than Rs 2.0L	4%	5%

Occupation	Q1 FY27	Q4 FY26
Salaried (Pvt/Govt)	41%	44%
Self-employed (Business/Professionals)	37%	38%
Daily-wage/Casual Work	10%	9%
Contractual/Part-time	4%	4%
Currently Not Working	8%	5%

Q1 FY27 Geographic Distribution of Survey Respondents

UP	Bihar	Maharashtra	Rajasthan	West Bengal	Gujarat	HR	MP	Others
22%	11%	10%	8%	5%	5%	4%	4%	31%

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