FINANCIAL OPPORTUNITIES FORUM

Today's topic:

Indian Credit Bureaus: A Symbiotic Engine for Credit Markets

Upcoming FOFs:

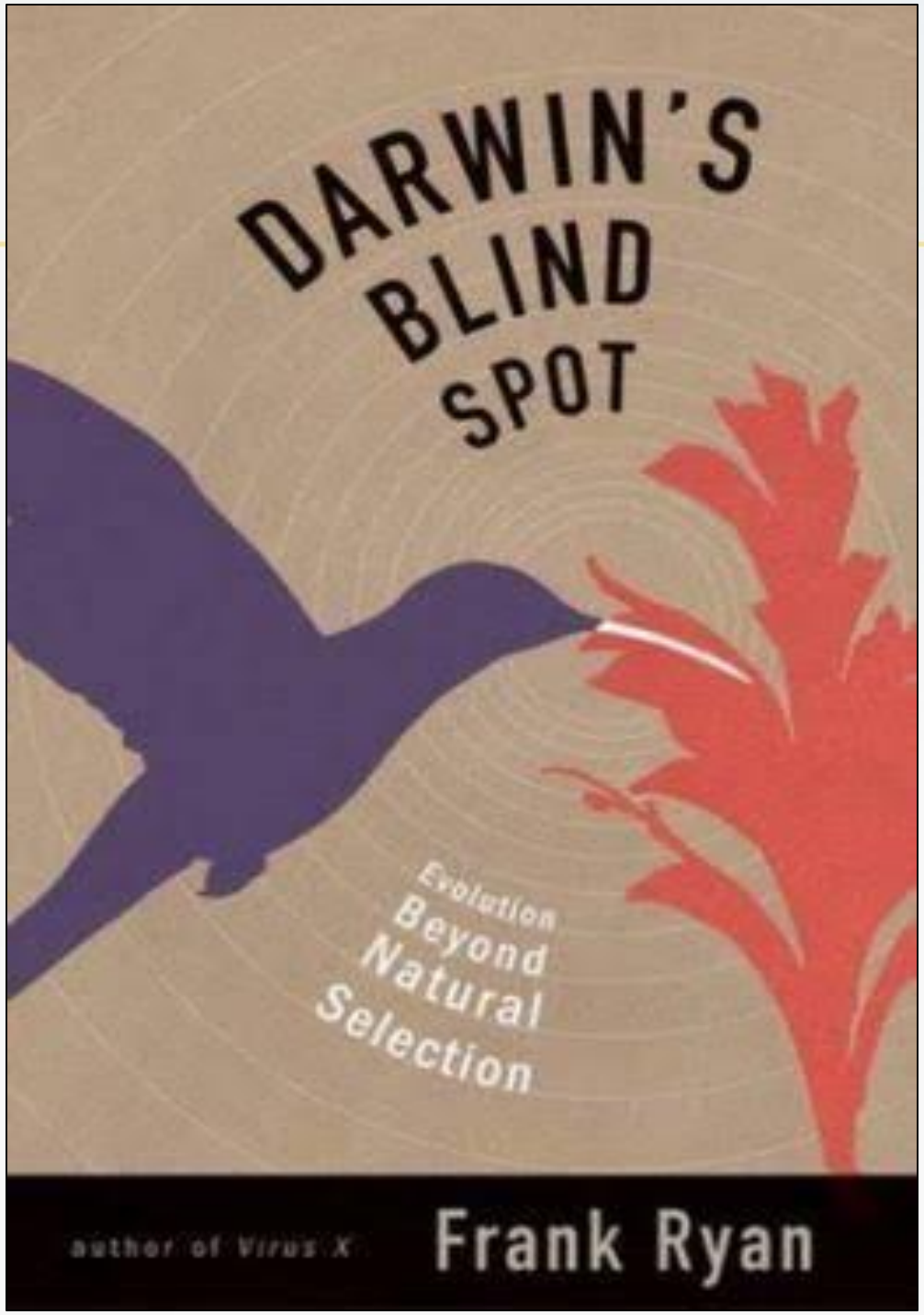
Thursday, October 22, 2026
Tuesday, November 17, 2026
Thursday, December 17, 2026

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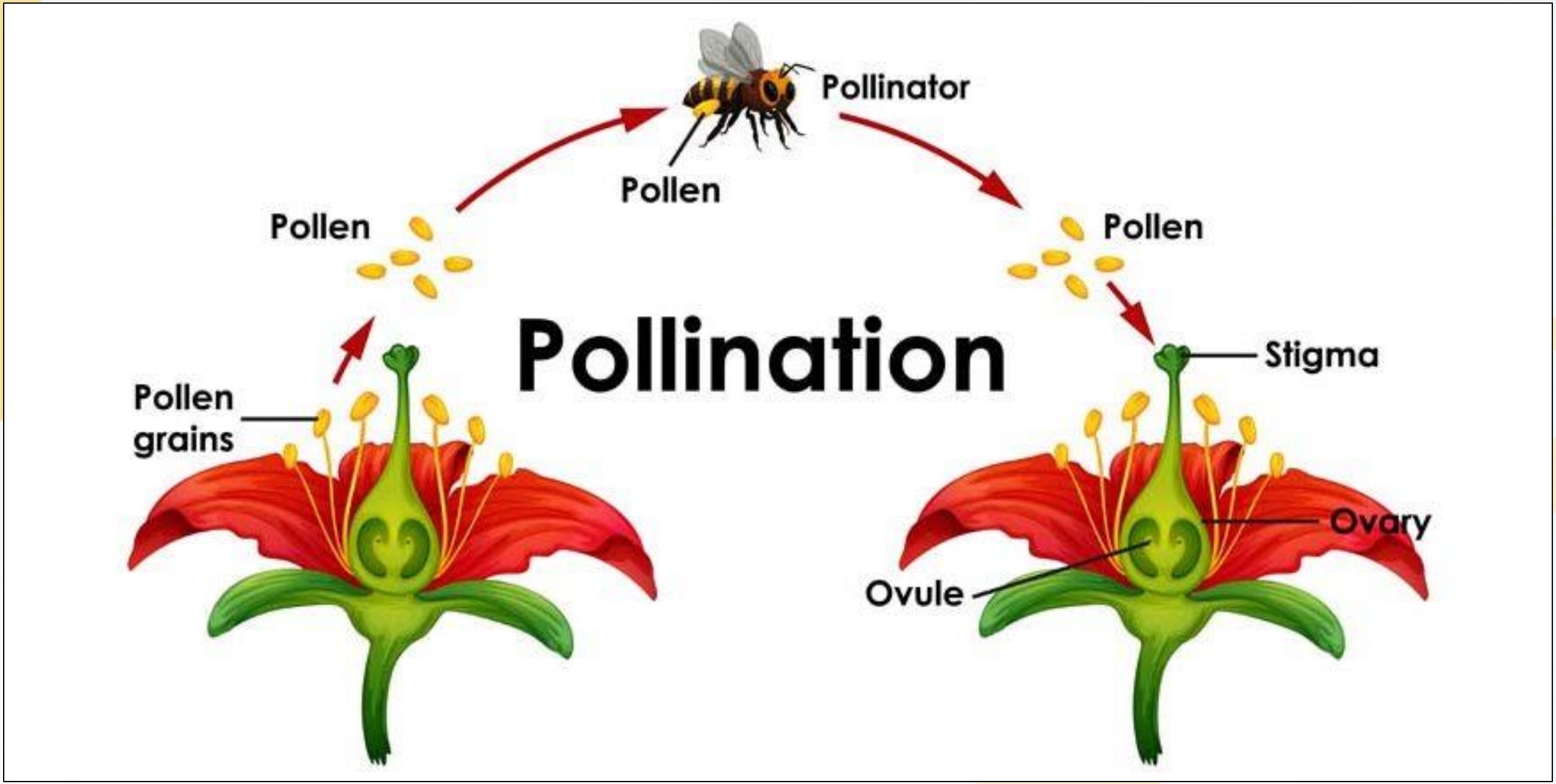
Mr. Shantanu Bawari

Manager-Research,
Parag Parikh Financial Advisory Services Ltd



- Symbiosis – another engine of evolution
- Example of Pollination
- Munger – mental model

Source: Google



Source: Google

Symbiotic Relationship with PepsiCo

Demand Delivery

- Production Facilities
- Sales & Distribution – GTM & Logistics
- In-outlet Management – Visi-Coolers
- Consumer Push Management (BTL) - Market Share Gains

34+

Years of Association

(agreement in India valid till April, 2039)

90%+

of PepsiCo India Sales Volume



Demand Creation

- Trademarks
- Formulation through Concentrate
- Product & Packaging innovation through investment in R&D
- Consumer Pull Management (ATL) - Brand Development

Other examples:
Contract Manufacturers (like Hindustan Foods), Auto Ancs, CDMO, etc

Source: Varun Beverages PPT, PPFAS Research

Another symbiotic relation example for today





Source: Google

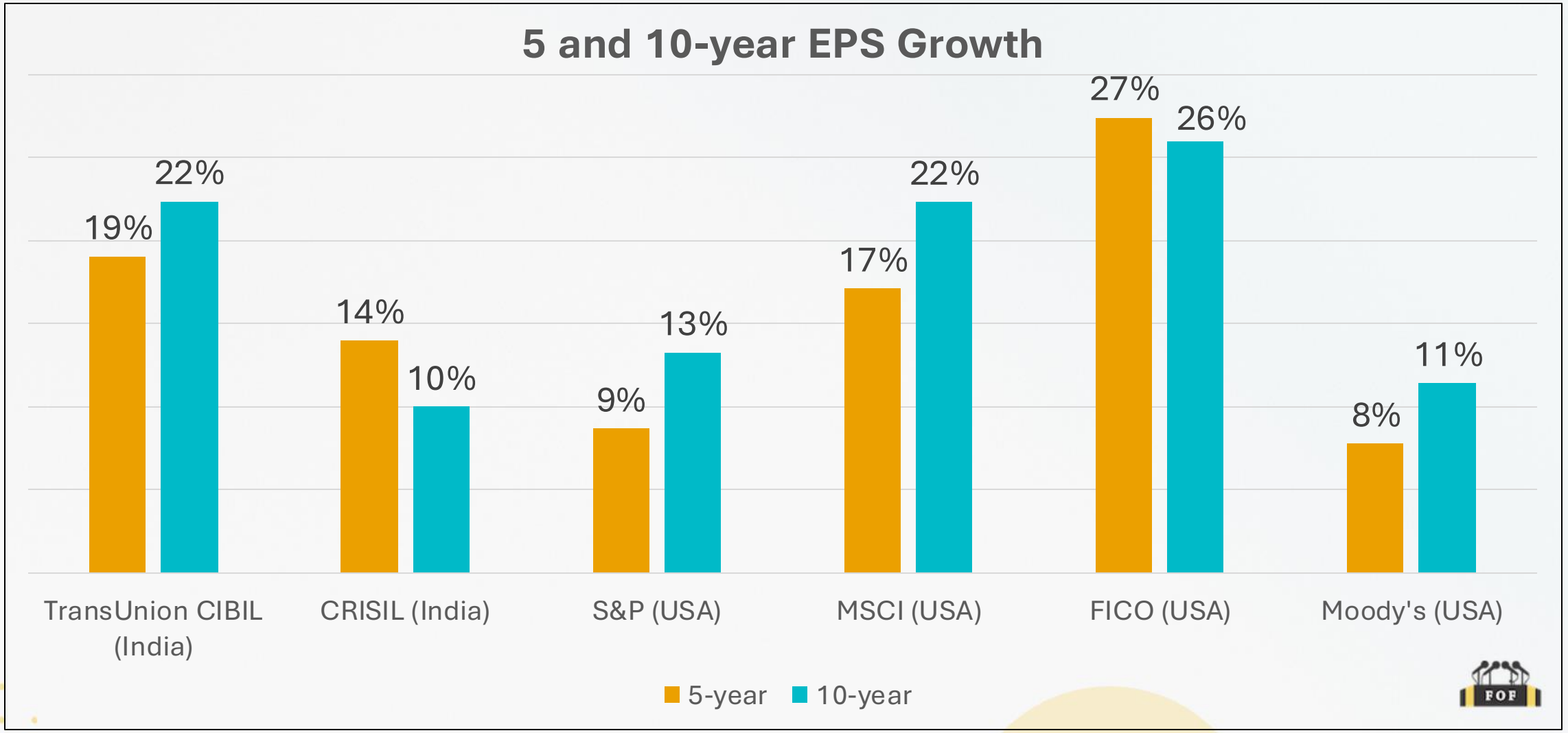
And hence the topic name –

INDIAN CREDIT BUREAUS:
A Symbiotic Engine for Credit Markets

Why is it interesting to study such kind of info service companies?

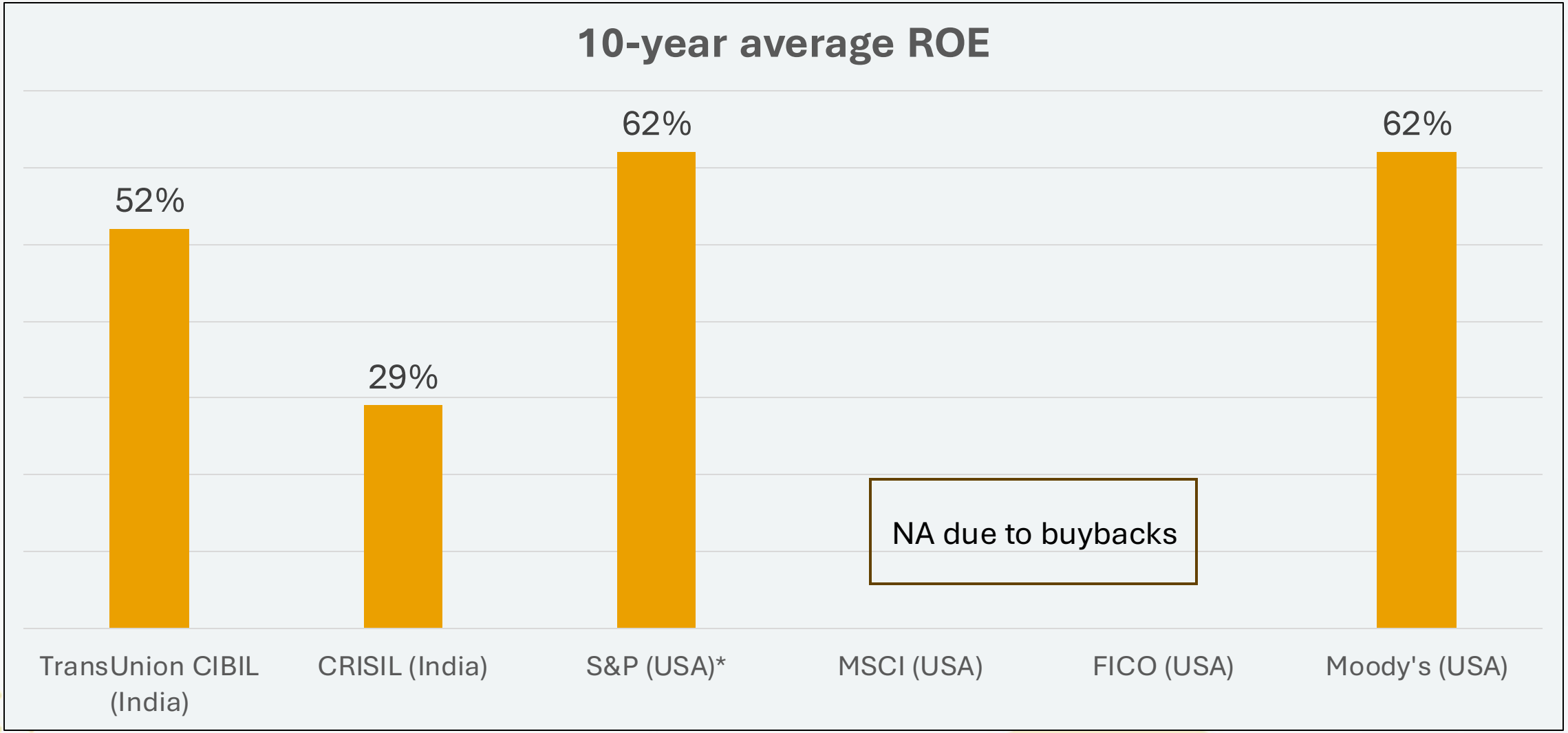
(B2B, proprietary data/analytics/algorithm, asset light toll bridges)

Long-term Growth rates



Source: PPFAS Analysis

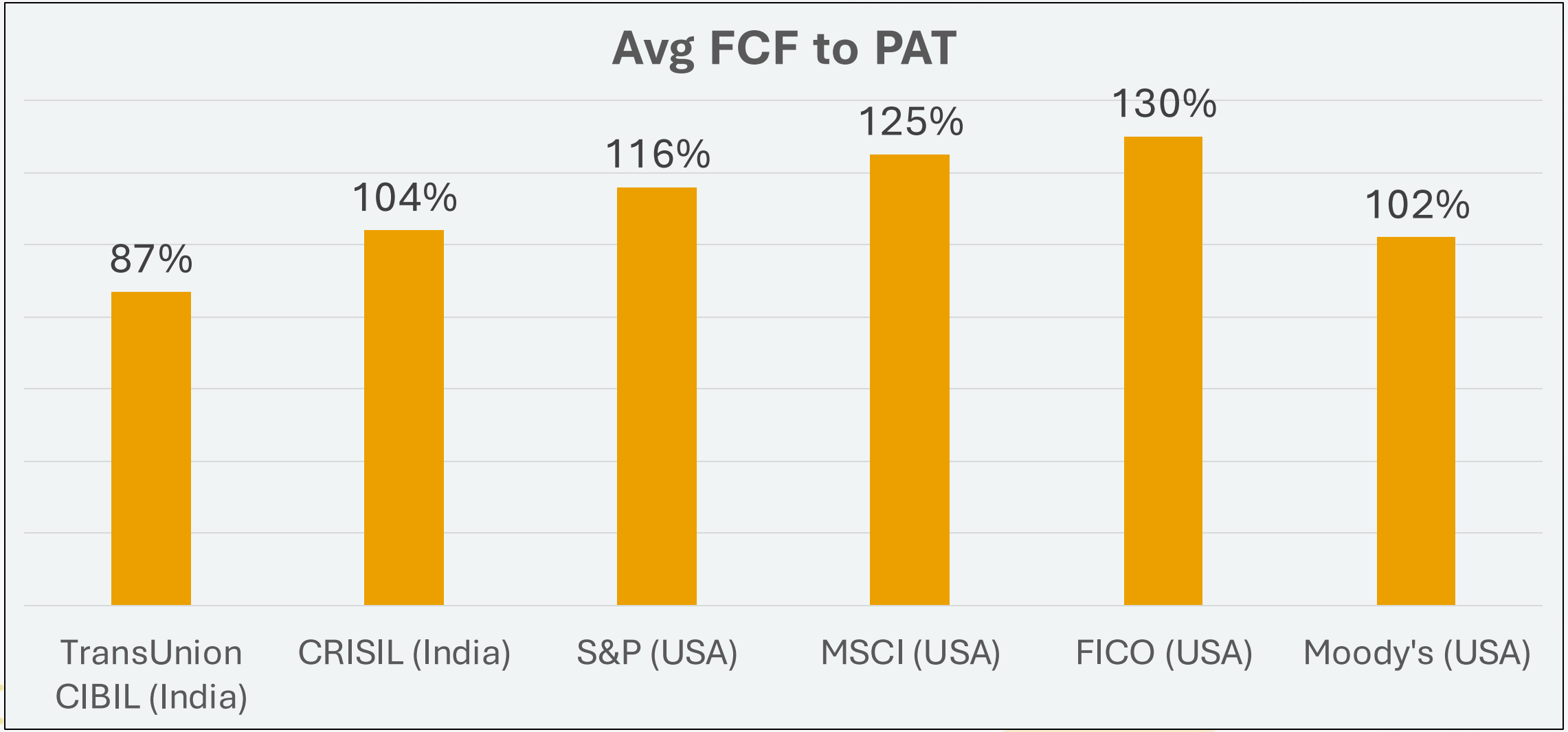
Average ROEs



**Pre acquisition ROEs*

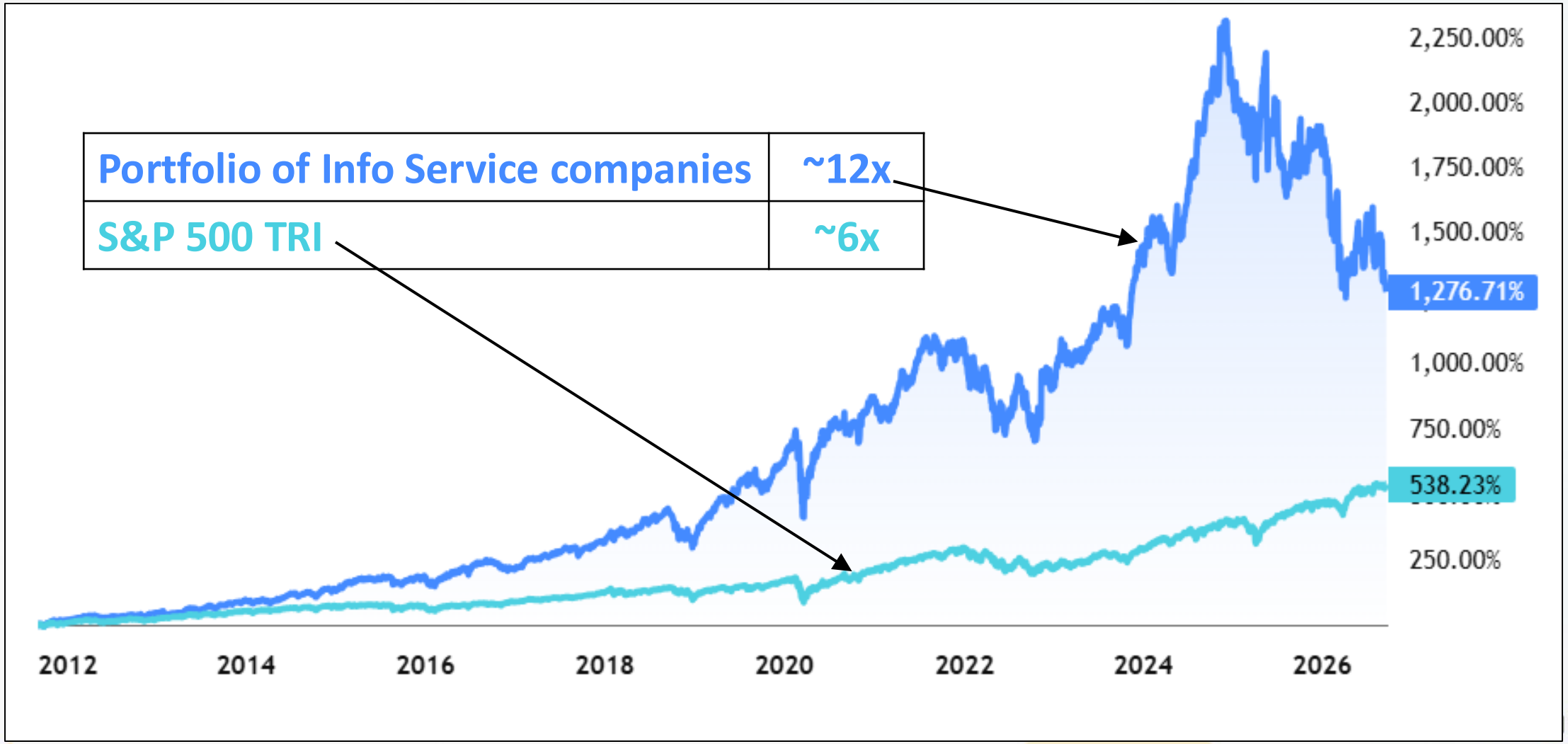
Source: PPFAS Analysis

Average FCF to PAT



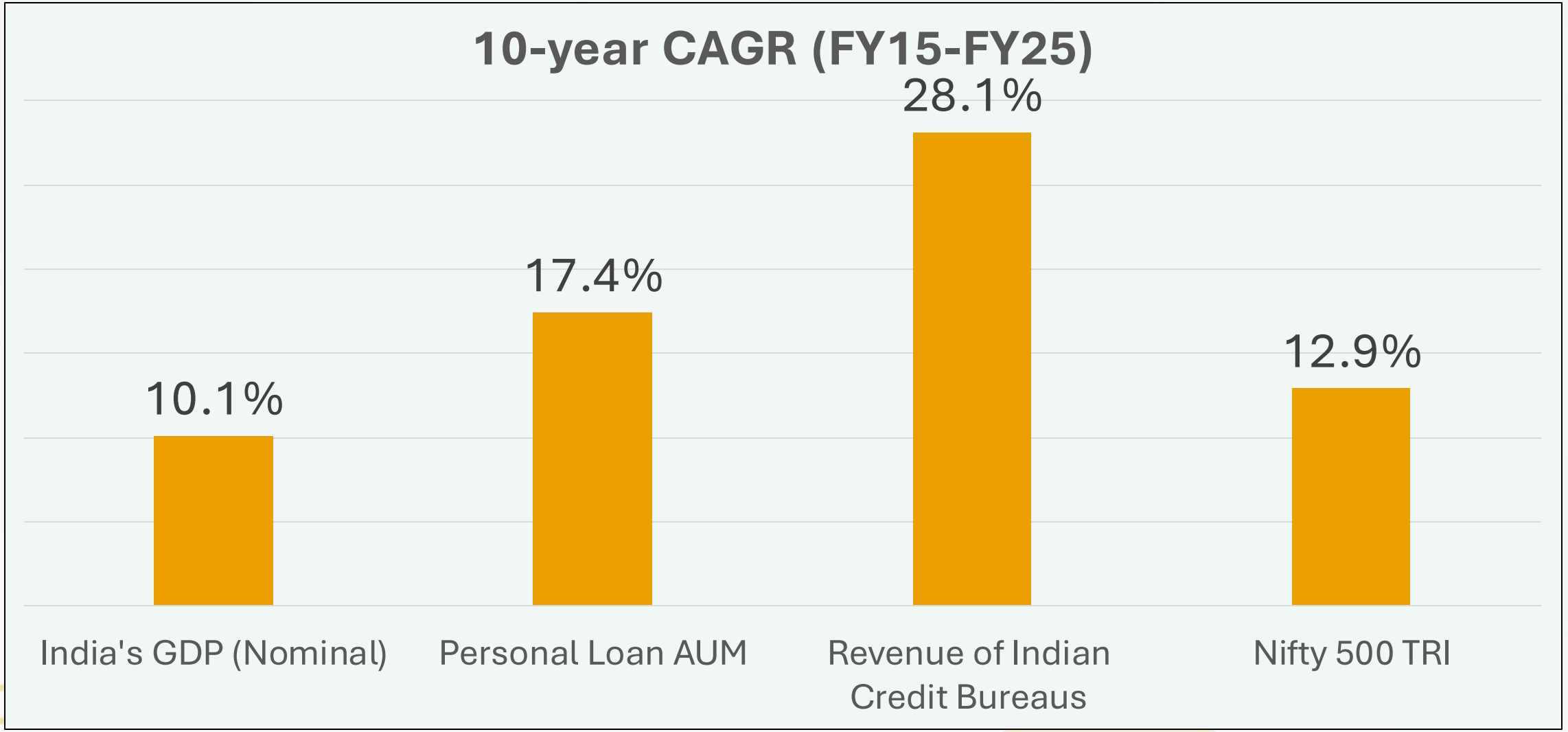
Source: PPFAS Analysis

Last 15-years' stock performance



Source: TradingView, PPFAS Analysis

Indian Credit Bureaus vis-à-vis the Economy



Source: RBI; PPFAS Analysis

Legal and Historical background of credit bureaus in India

Parties in the value-chain

Credit Institutions	Furnish borrowers' data
Certified Bureaus (CICs)	Store, Process, Score
Specified Users	Access credit info and scores

Source: Credit Information Companies Act, 2005

Certified Credit Info Companies (Bureaus) in India

92% held by TransUnion Inc



67% held by Experian plc





73% held by CRIF SpA



100% stake held by Equifax Inc

Source: Google

How does RBI think about new registrations?

Excerpt from the CIC Act, 2005:

"The RBI will consider:

- *the **available business of credit information**,*
- *the **potential and scope for expansion of existing CICs** and*
- *other relevant factors*

*to **determine the total number of the CICs** which may be granted the certificates of registration for carrying on the business of credit information."*

Source: Credit Information Companies Act, 2005

What are / aren't the functions of a CIC?

CHAPTER V

FUNCTIONS OF CREDIT INFORMATION COMPANIES

14. Functions of a credit information company.—(*1*) A credit information company may engage in any one or more of the following forms of business, namely:—

(*a*) to collect, process and collate information on trade, credit and financial standing of the borrowers of the credit institution which is a member of the credit information company;

(*b*) to provide credit information to its specified users or to the specified users of any other credit information company or to any other credit information company being its member;

(*c*) to provide credit scoring to its specified users or specified users of any other credit information company or to other credit information companies being its members;

(*d*) to undertake research project;

(*e*) to undertake any other form of business which the Reserve Bank may, specify by regulations as a form of business in which it is lawful for a credit information company to engage.

(*2*) No credit information company shall engage in any form of business other than those referred to in sub-section (*1*).

Source: Credit Information Companies Act, 2005

The history of credit bureaus in India

1994
RBI defaulter disclosure scheme

1999
RBI working group recommends a credit bureau

2000
CIBIL incorporated
Promoters: large Indian banks + TransUnion & Dun & Bradstreet

2003
TransUnion becomes CIBIL's exclusive tech partner

2005–06
CICRA — the Act governing credit bureaus — passed

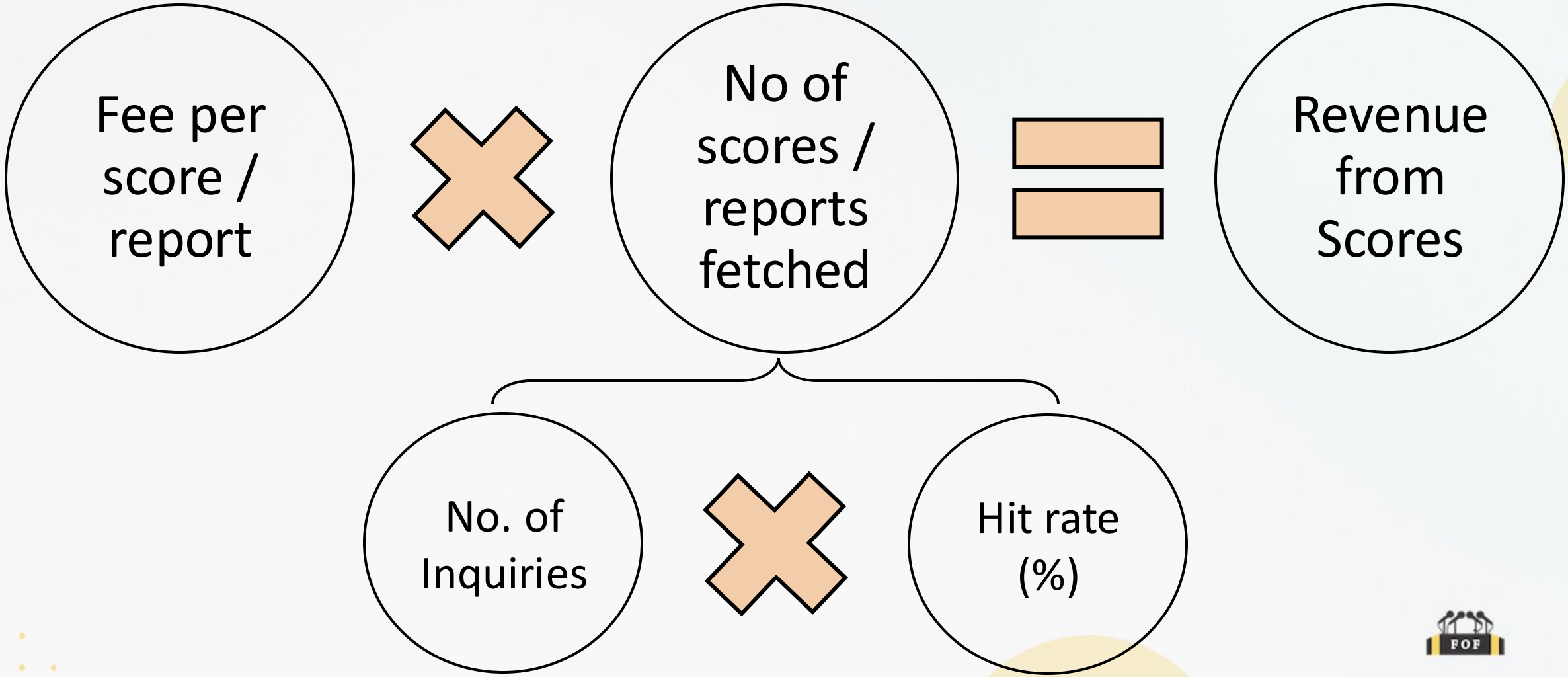
2010
3 more bureaus licensed
Started as JVs between Indian lenders and global players

2010–2017
Global players raise stakes toward majority
Clearest for CIBIL (TransUnion) & CRIF High Mark; Indian banks kept divesting through 2017–18

Source: Google; Company documents

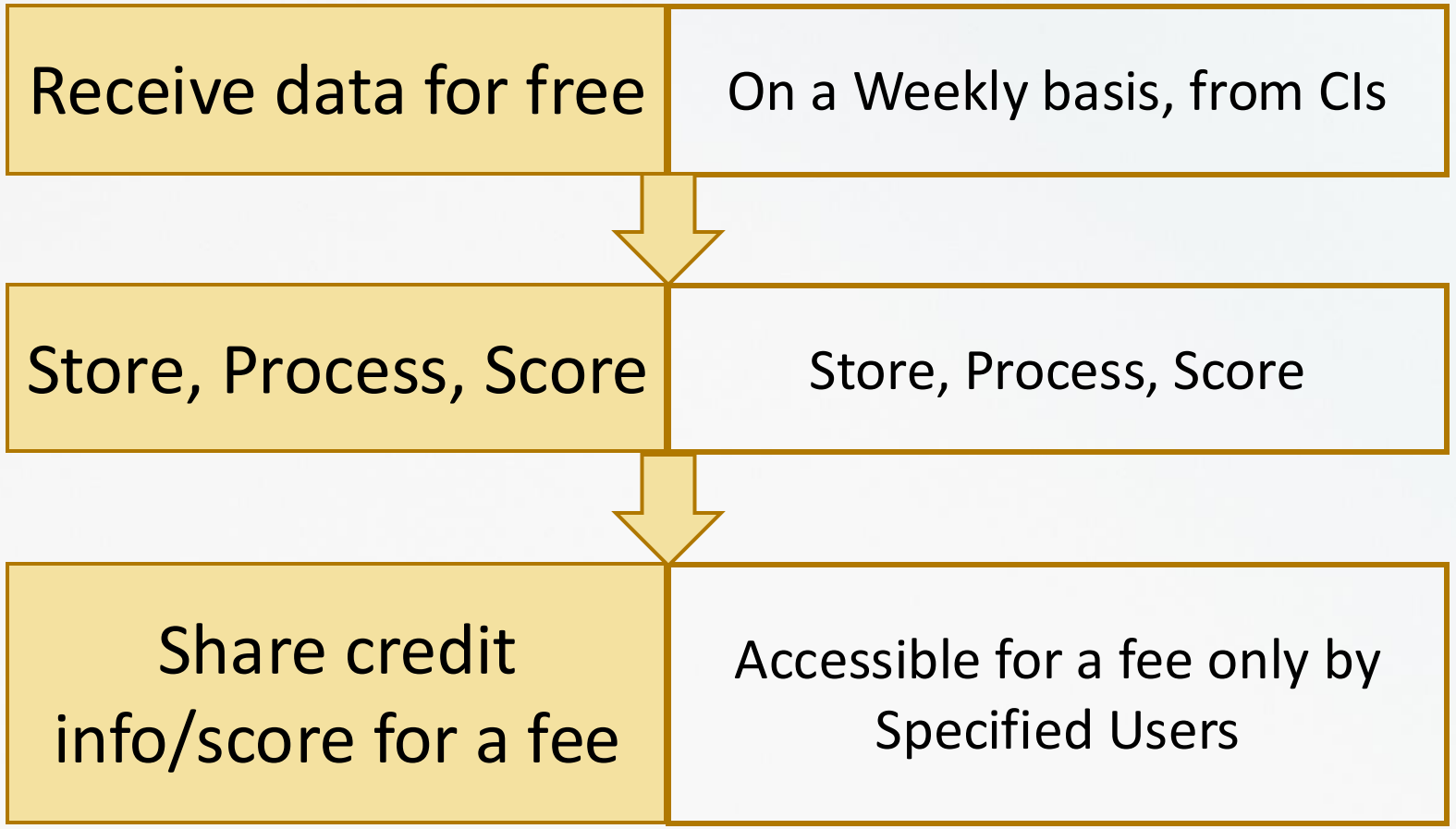
Business Model

Revenue Model



Source: Company Documents

The process (a CIC's perspective)



Source: PPFAS Analysis

The process (a CIC's perspective)

WE WORK WITH BANKS, NBFCS, AND OTHER FINANCIAL INSTITUTIONS TO:



Collect and aggregate credit data reported by your lenders



Generate your CIBIL Score and Report



Help lenders assess risk and make responsible lending decisions



Empower you to take control of your financial future

Source: TransUnion CIBIL

Upper limit on the fees by regulations

deems appropriate not exceeding Rs.100/- .

(4) Every credit information company shall be entitled to charge from a specified user, such amount, as it may deem appropriate, not exceeding Rs.500/- for providing credit information report of an individual, and Rs 5000/- for others.

Source: CIC Act, 2005

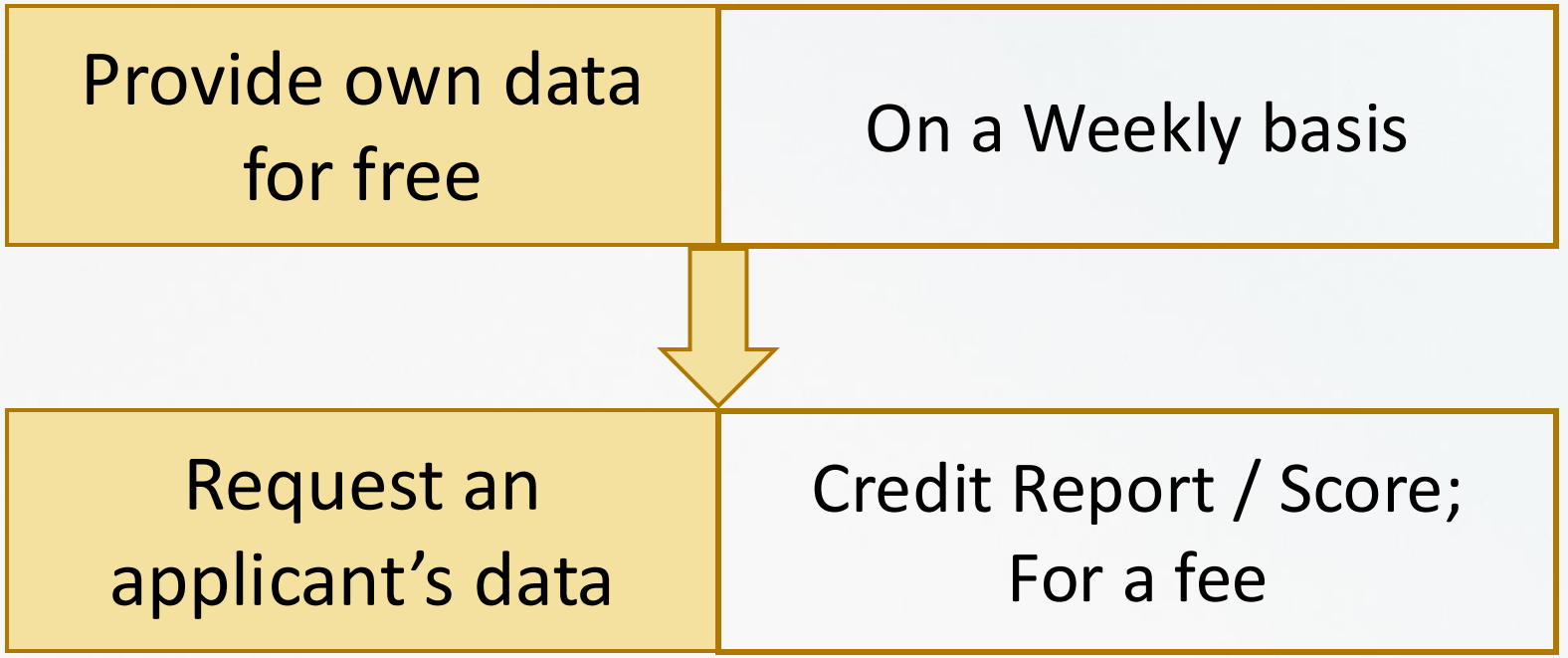
How do model rate structures look like?

Consumer Credit Information Report

Monthly Volumes	Price per Report (₹)
Up to 1,000	₹28.00
Up to 5,000	₹22.00
Up to 10,000	₹20.00
Up to 30,000	₹17.00
Up to 50,000	₹14.50
Up to 75,000	₹12.00
Up to 100,000	₹9.50
Above 100,000	₹8.00

Source: Experian

The process (a lender's perspective)



A credit score is one of the many inputs that go into underwriting a loan

Source: PPFAS Analysis

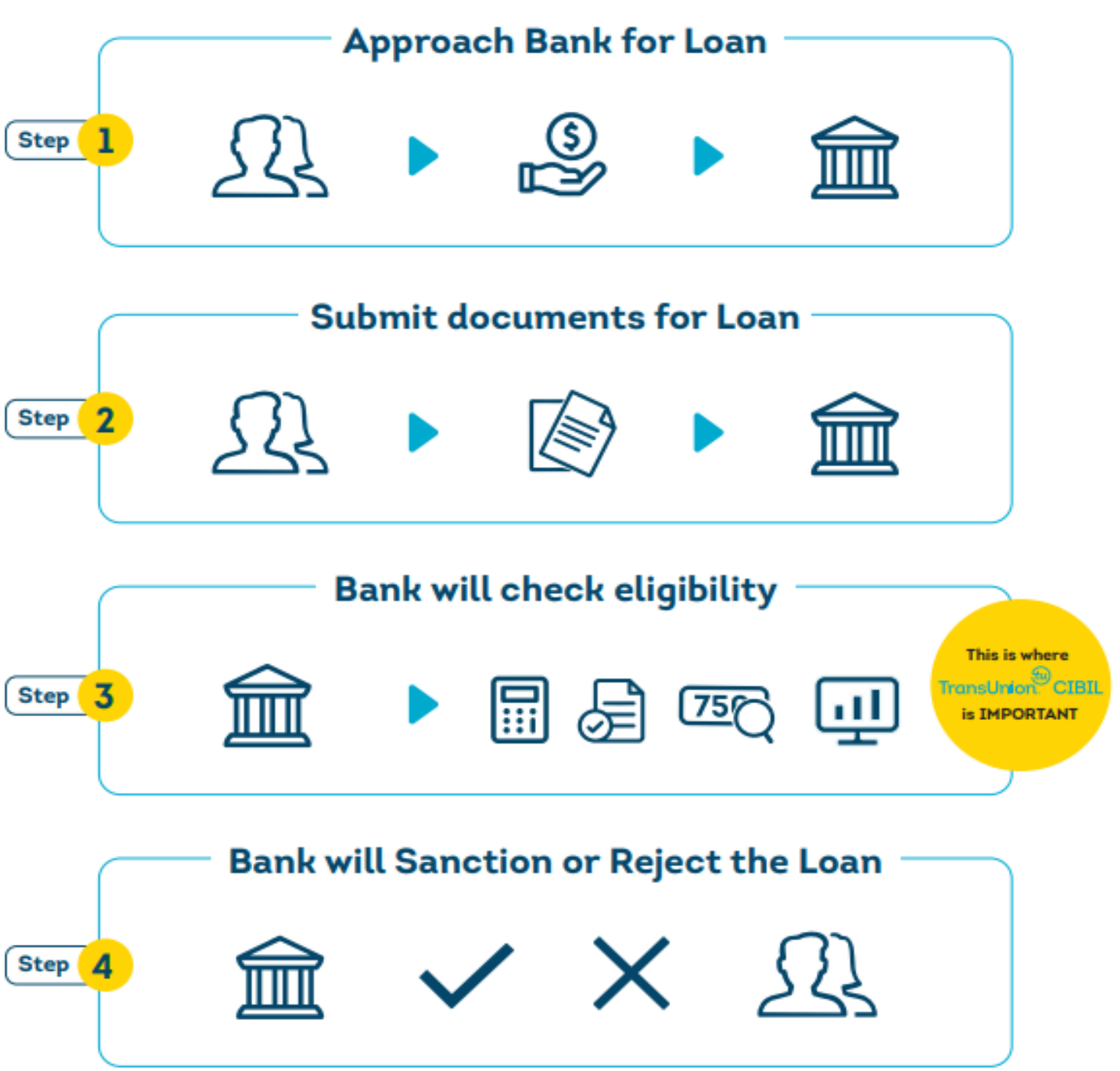
A symbiotic relation between lenders and CICs





Source: Google

The process (a borrower's perspective)



Source: TransUnion CIBIL



What are the Eligibility Criteria for a Pre-approved Personal Loan?

Eligibility for a Pre-approved Personal Loan typically hinges on having a strong credit history and being existing bank customer. Banks look for -

1. A high credit score
2. Consistent repayment histories, and
3. A stable income

Personal Loans | kotak Kotak Mahindra Bank

IDFC FIRST Bank

Personal Business

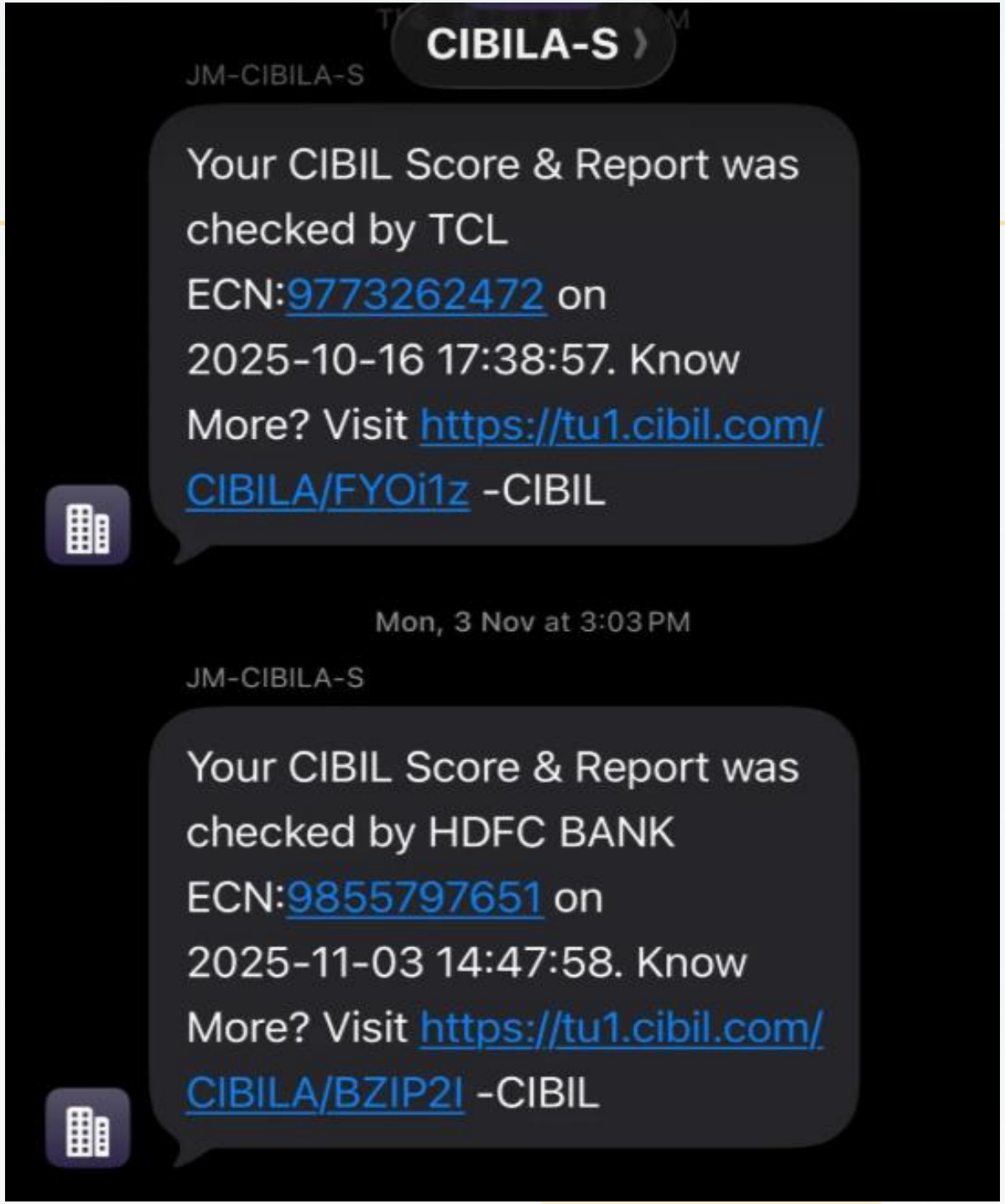
Overview Benefits Eligibility

Eligibility Criteria

Applicants need to have a steady income, meet minimum salary requirements, and maintain a CIBIL score of 710 or above for FIRSTmoney personal loans.

Source: Google; Websites of banks

The process (a borrower's perspective)



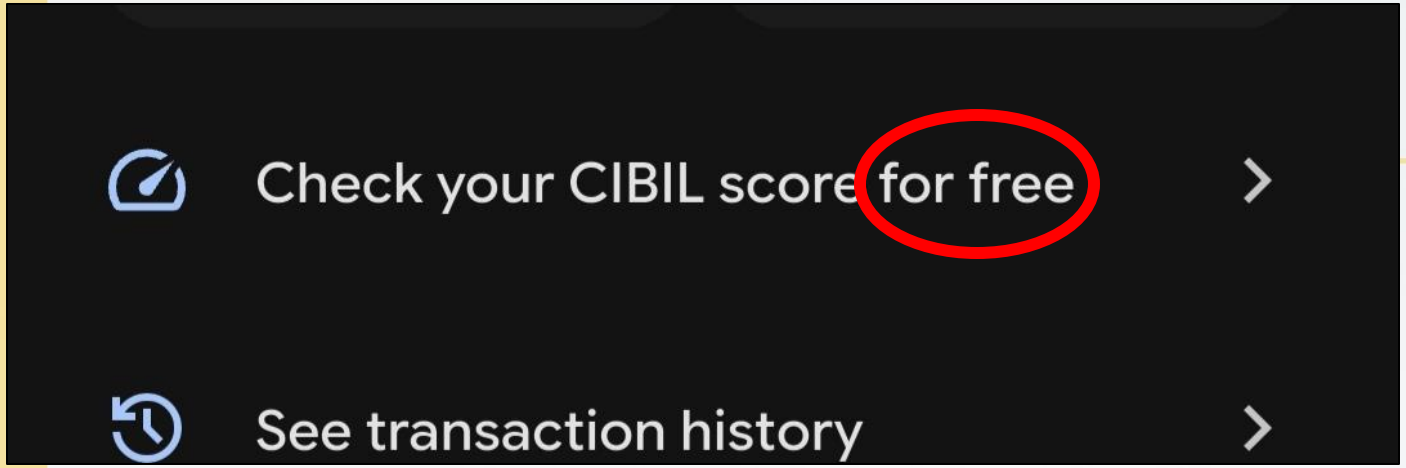
Source: Reddit

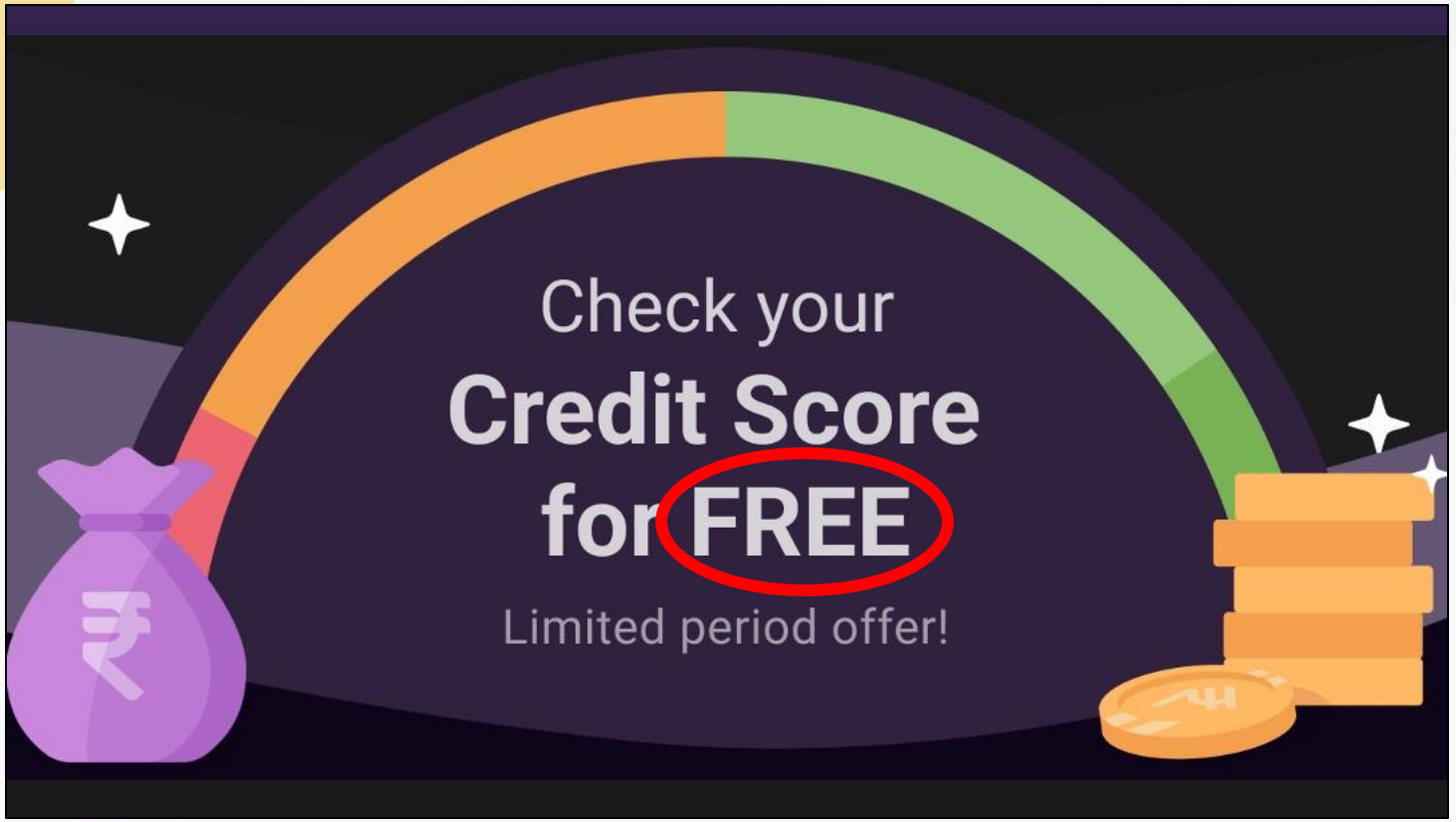
Few other points

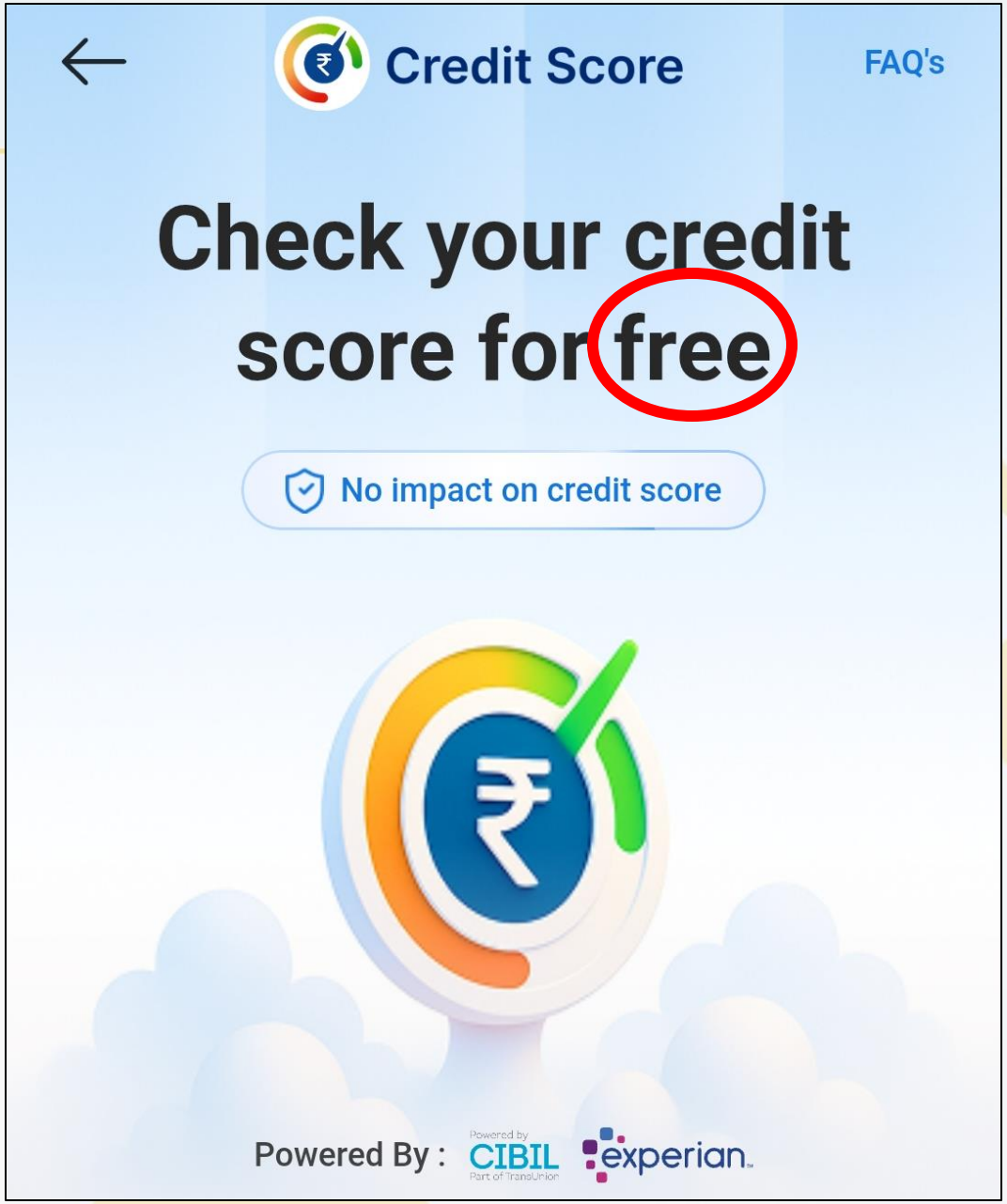
1. Can you check your Credit Score for free?
2. Difference between Credit Bureaus and Rating Agencies
3. Account Aggregators
4. Thin file customers / New to credit
5. Multi-bureau strategy + alternative data sources

Source: PPFAS Analysis

Source: Gpay, PhonePe and PayTM applications







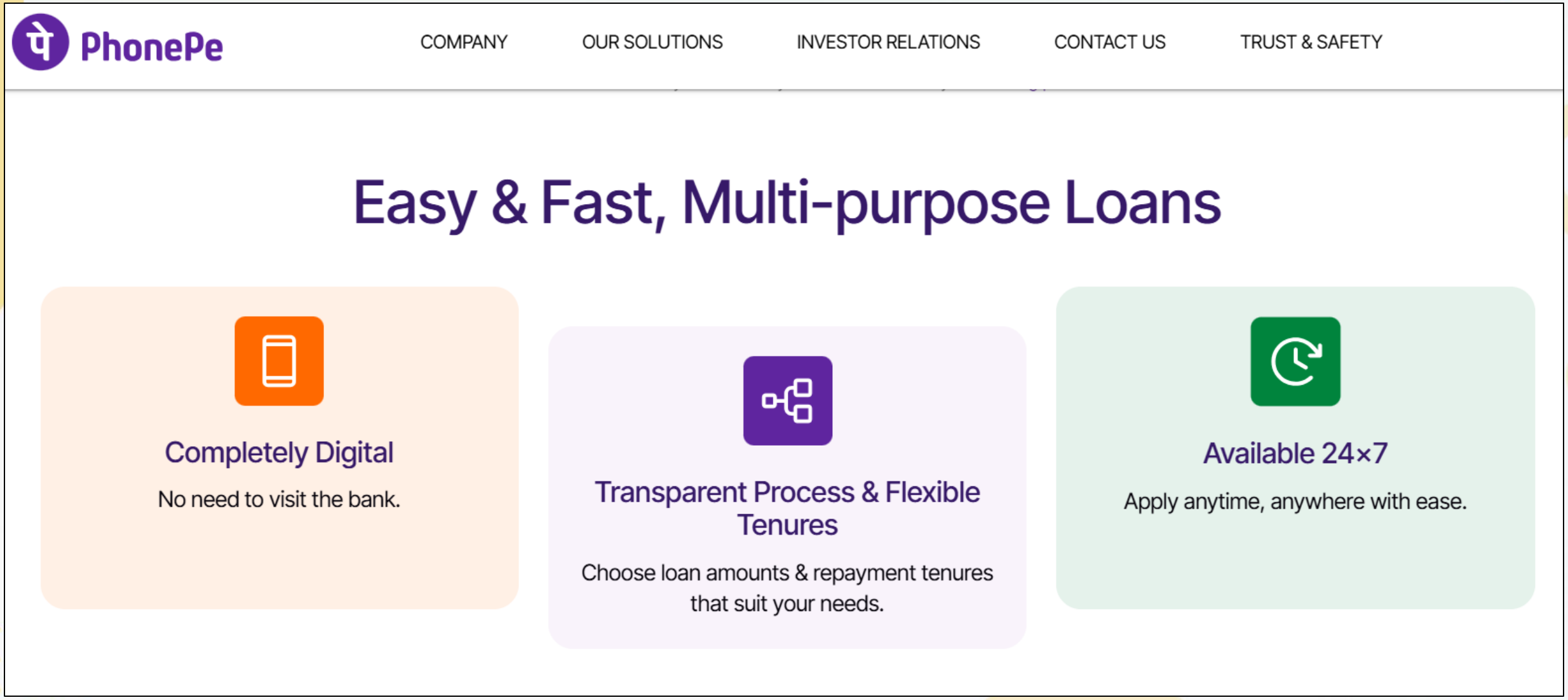
How do fintechs make money here?

deny to give your consent on the above mentioned point. To avoid doubt, if you do not consent to the above, you cannot avail the Services).

2. By availing the Services you appoint PhonePe Lending Services as Your authorized representative/agent and authorize PhonePe Lending Services to instruct the Credit Bureaus, to obtain, receive and compile Your Credit Information on Your behalf and share the same with PhonePe Lending Services on an on-going basis for the End User Permitted Purposes. You agree and accept that this Service is being provided to help You better understa Your Credit Information and/or to provide You with

Source: PhonePe terms and conditions

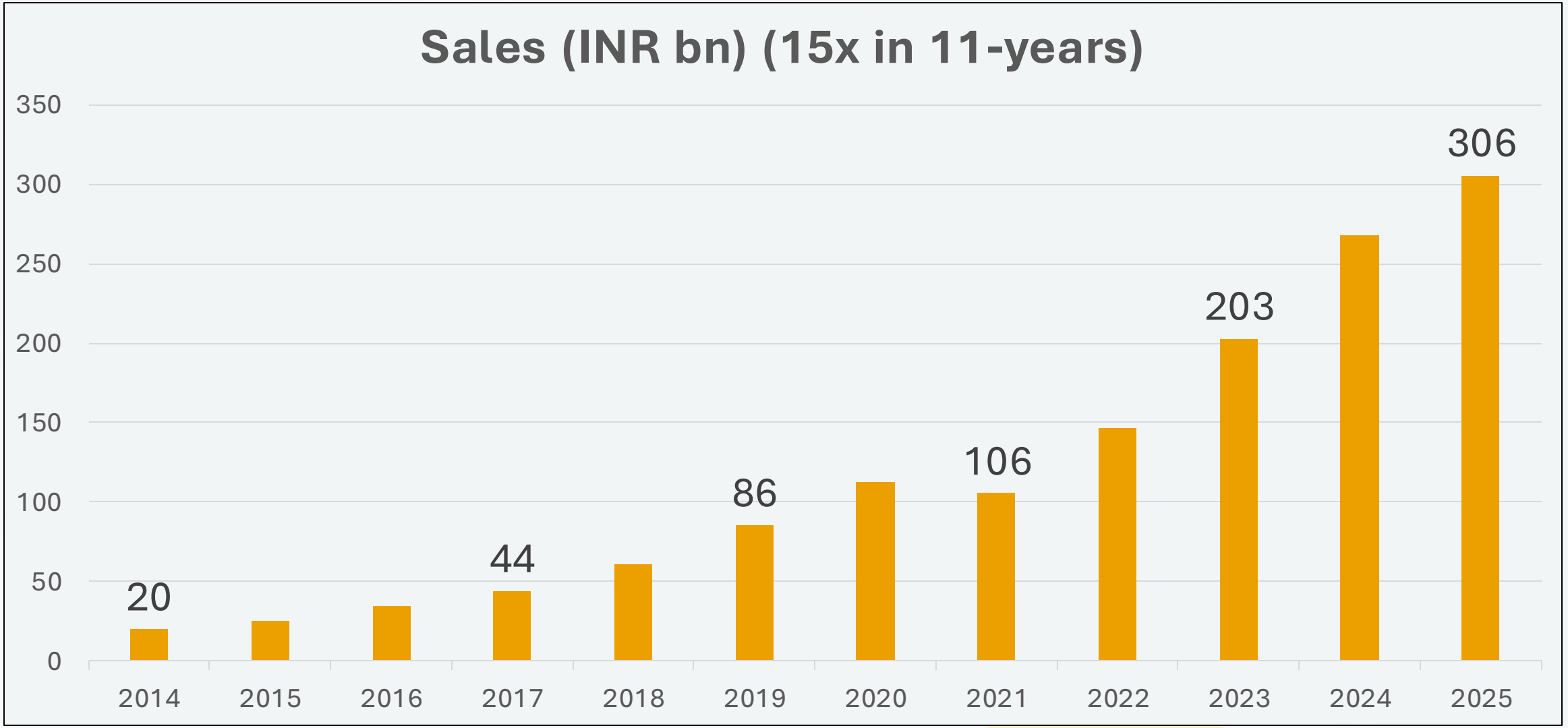
How do fintechs make money here?



Source: PhonePe

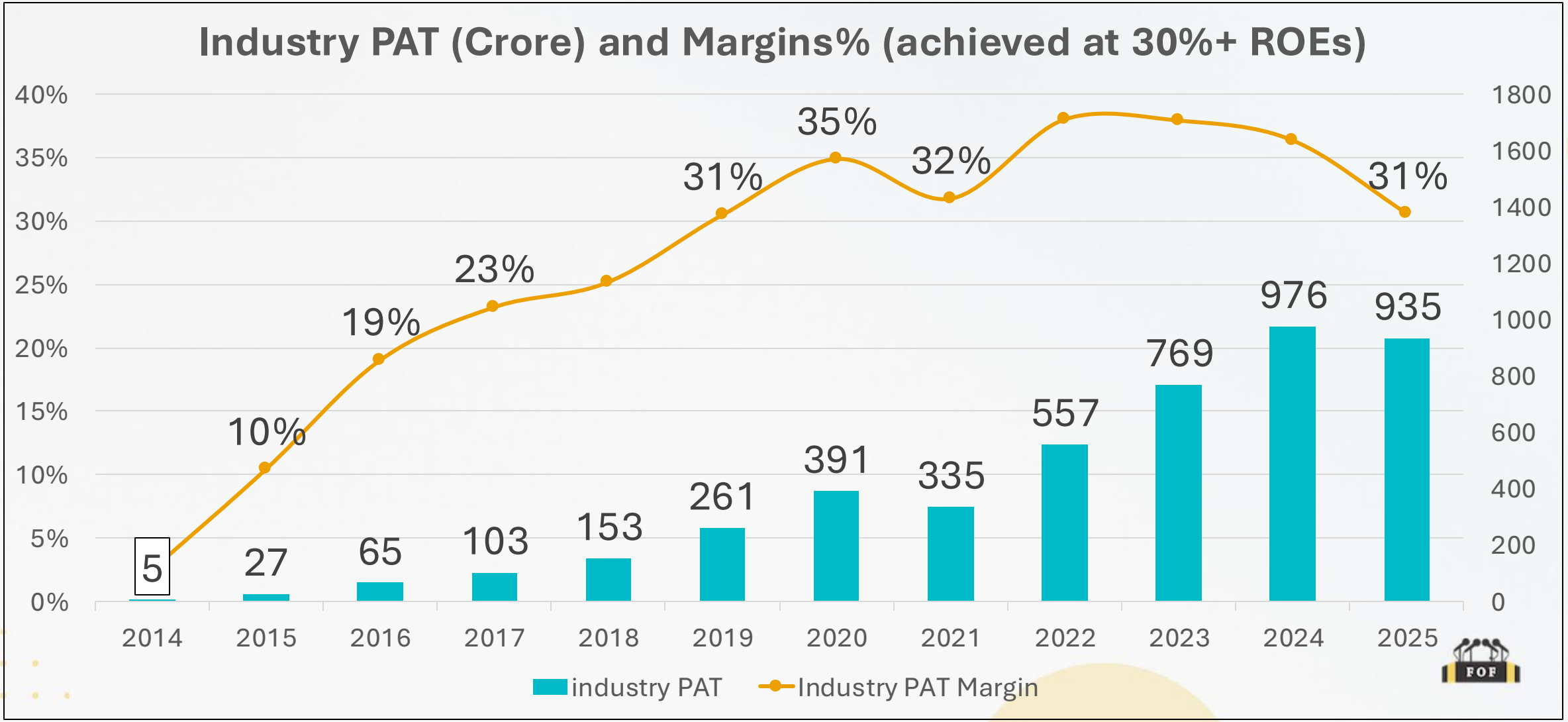
Financials

Financial Performance of the CICs – Revenues



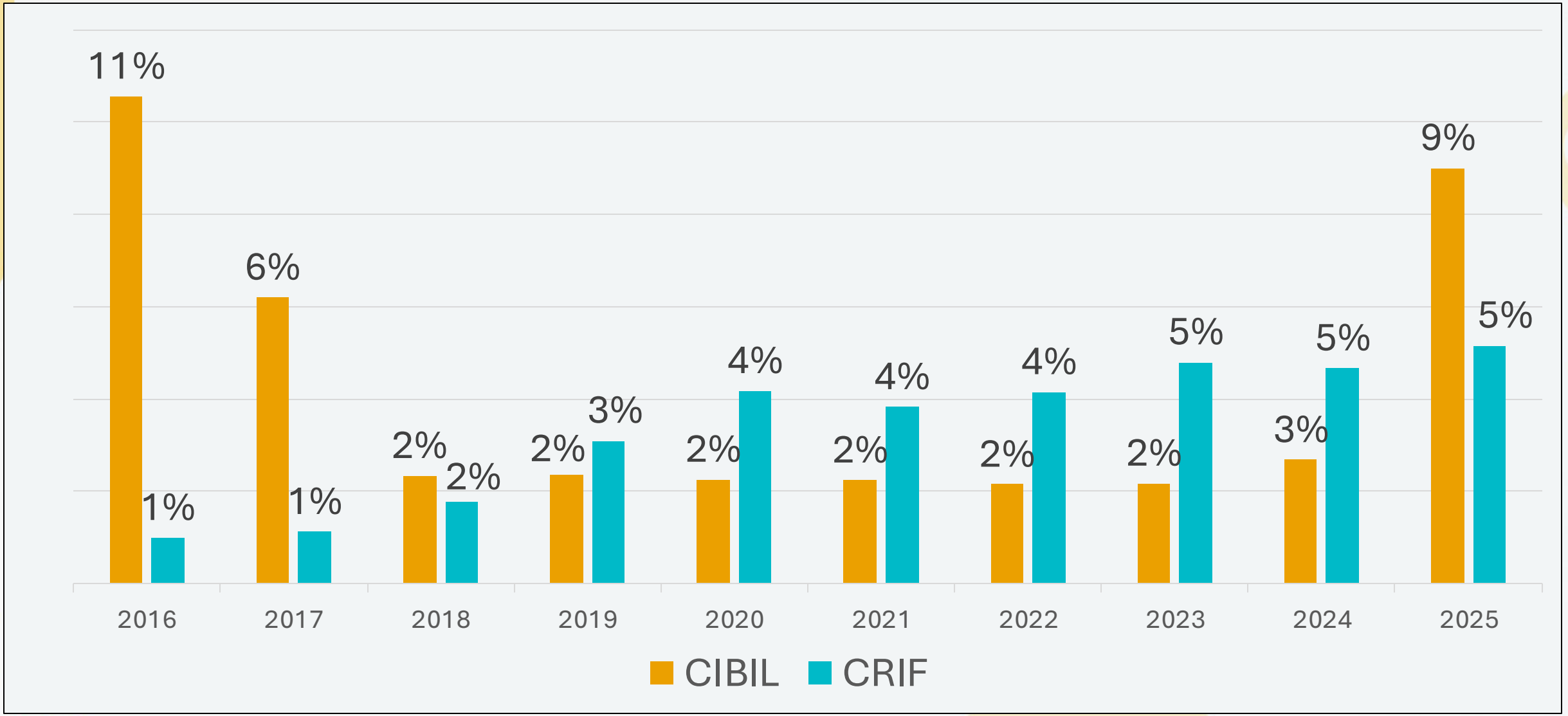
Source: MCA

Financial Performance of the CICs – Margins



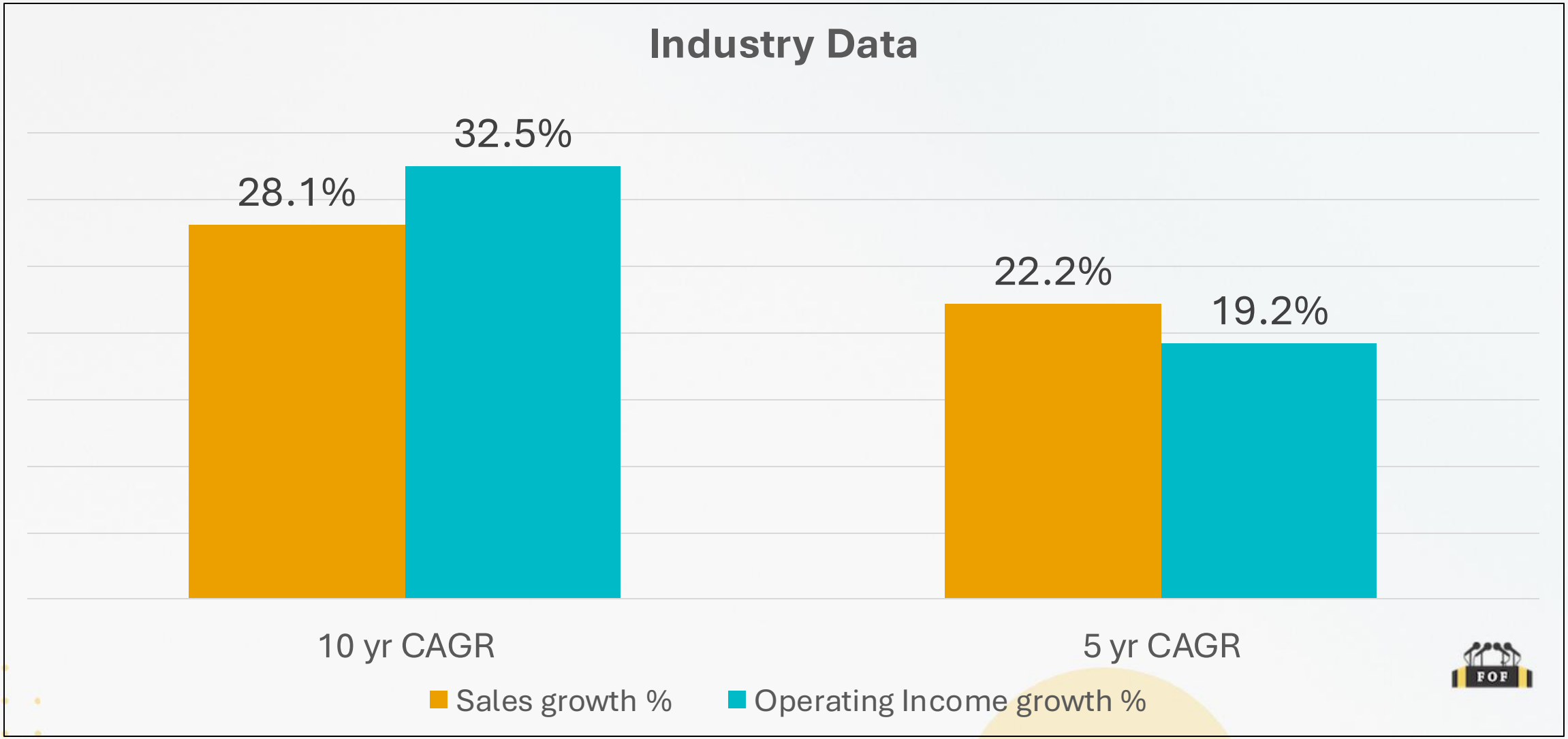
Source: MCA

Royalties (as a % of Sales)



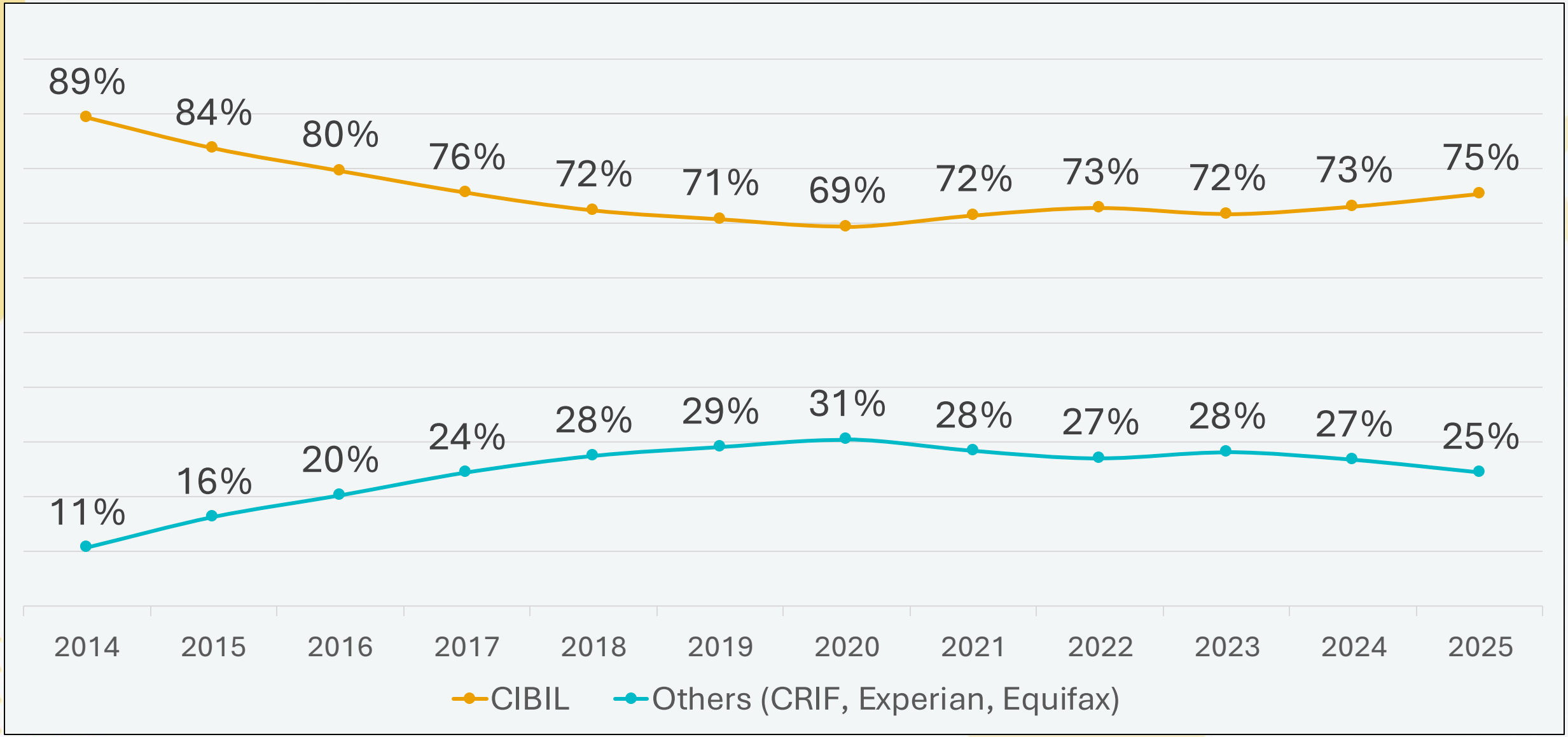
Source: MCA

Operating Leverage? Not yet.



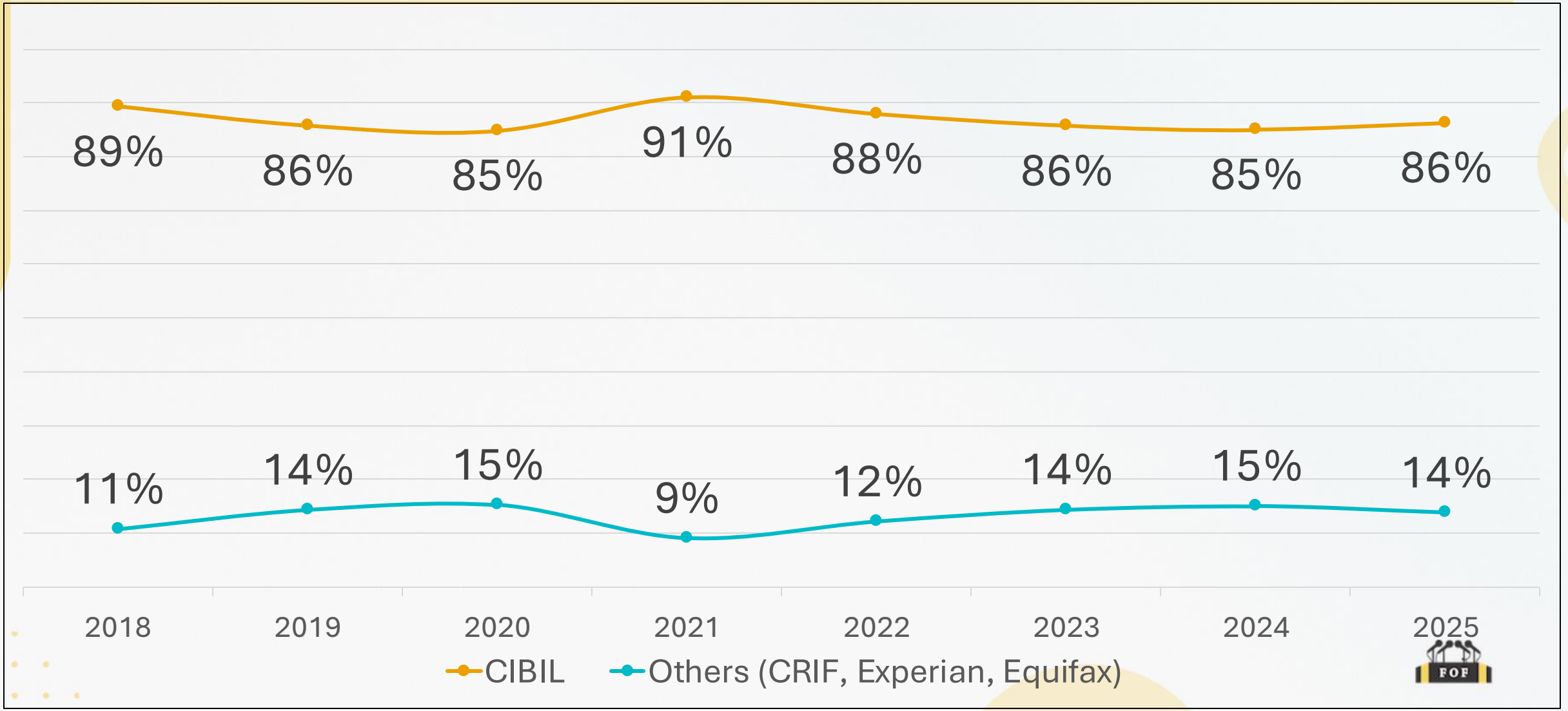
Source: MCA

Market share of players (Revenue)



Source: MCA

Market share of players (Opr. Profits)



Source: MCA

How does it work abroad?

Global players in this space

Bureau	America	Europe	Africa	Asia	Oceania	Total
TransUnion	12	2	5	2	0	21
CRB Africa	0	0	8	0	0	8
Experian	3	11	1	2	0	17
Equifax	10	4	0	1	2	17
CRIF	1	7	0	10	0	18
CreditInfo	2	11	3	3	0	19
CompuScan	0	0	4	0	0	4
D & B	1	0	1	1	2	5
XDS	0	0	3	0	0	3
OTHER	24	27	8	31	2	92
Total	**53**	**62**	**33**	**50**	**6**	**204**

Source: LinkedIn

They are allowed to do other businesses

Company	% revenue from Non-Scores	Examples
Equifax	40+%	Employment Soln. (The Work Number)
FICO	40+%	Business Rule Engine, etc. software
CRIF	NA (Private)	CRA in EU, Fraud detection software
Experian	20-30%	Fraud detection software, RCM
TransUnion	20-30%	Identity solutions for investigative and fraud

Tata Capital Ltd

Transcript - Nov 25

scoring and business rule engines, we work with **FICO**.

in-class players to create a robust IT platform. We

Concall - 03 Nov 2025

Utkarsh Small Finance Bank Ltd

Presentation - Feb 26

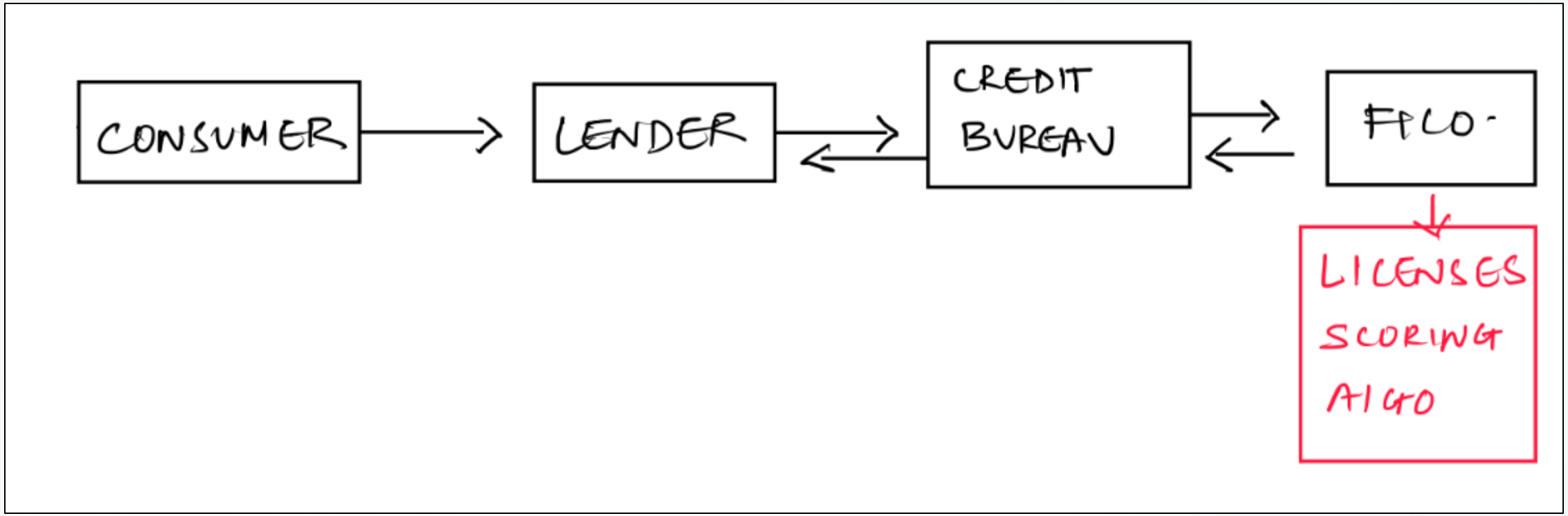
early warning signals for proactive risk mitigation **Fraud & Adverse History Detection**

Utilization of platforms such as Hunter and Sherlock to

Concall - 02 Feb 2026

Source: Annual Reports, Screener

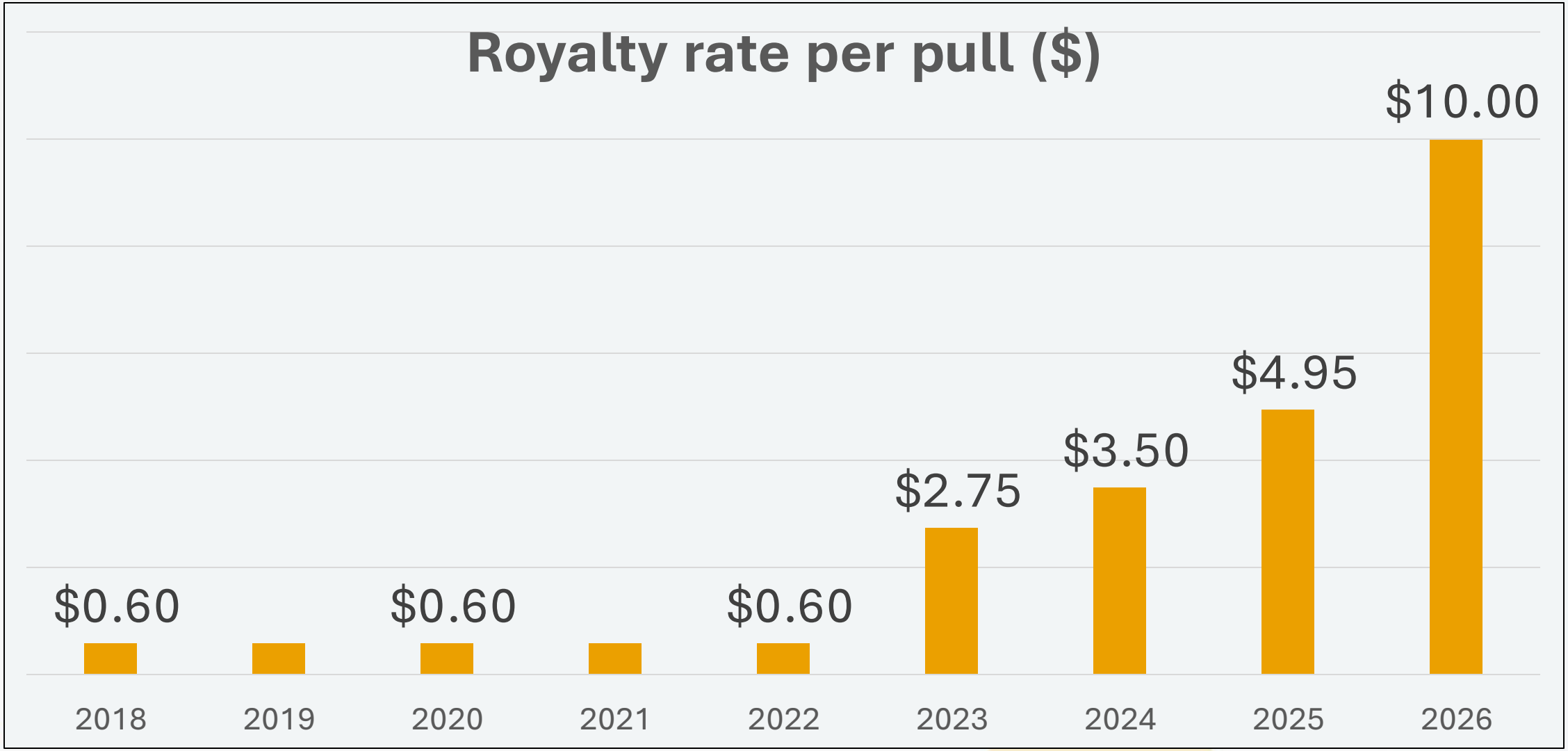
Overview of the mechanism in the US



India	United States
Bureaus in India have **both Data & Score Algo**	**Credit Bureaus** (Equifax, Experian, TransUnion) = Data **FICO** = Scoring Algo **(charges on each score generated)**

Source: PPFAS Research

Pricing power shown by FICO…



Source: Annual Reports

…and the backlash it faced

JOSH HAWLEY
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United States Senate

WASHINGTON, DC 20510–2509

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JUDICIARY
HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS
HEALTH, EDUCATION, LABOR,
AND PENSIONS
SMALL BUSINESS
AND ENTREPRENEURSHIP

March 23, 2026

Mr. William J. Lansing
Chief Executive Officer
Fair Isaac Corporation
5 West Mendenhall, Suite 105
Bozeman, MT 59715

Dear Mr. Lansing:

As Chairman of the Senate Judiciary Subcommittee on Crime and as a member of the Subcommittee on Antitrust, Competition Policy, and Consumer Rights, I am investigating Fair Isaac Corporation's pricing practices in the mortgage credit scoring market.

Source: US Senate Documents



Source: Google

FINANCIAL OPPORTUNITIES FORUM

Thank You

For Your Attention and Participation.

Upcoming FOFs:

22 October 2026

17 November 2026

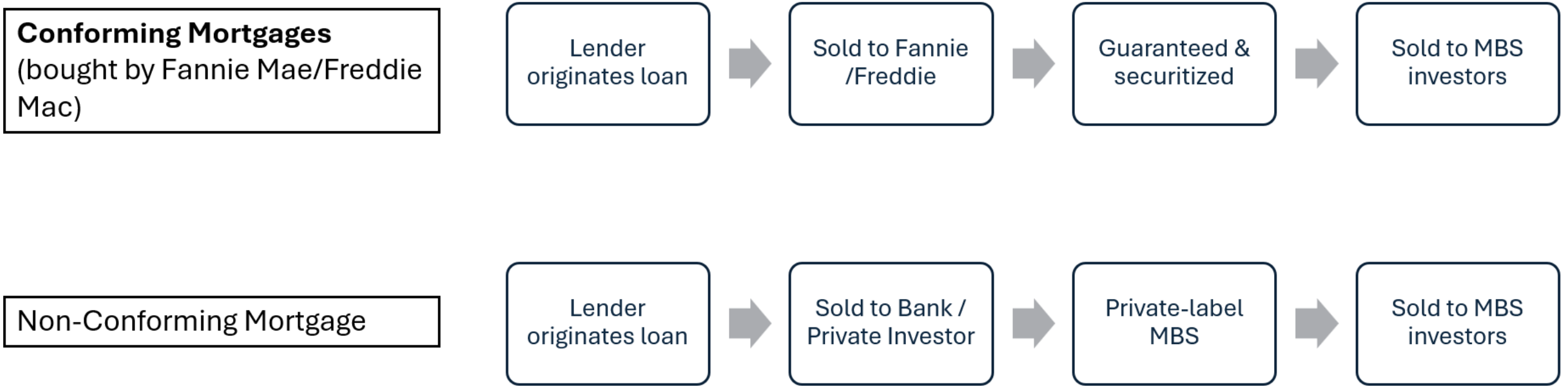
17 December 2026

All archives available at: ppfasfof.com

Annexures

Source: TransUnion CIBIL

Why is FICO Score the default score in the US?



Source: PPFAS Research

How does CIBIL calculate your credit score?

Your CIBIL Score is a three-digit number that summarizes your creditworthiness based on your past borrowing behavior. It's calculated using data such as:



Credit card and loan repayment history



Credit utilization (how much of your credit limit is used)



Types of credit (secured and unsecured)



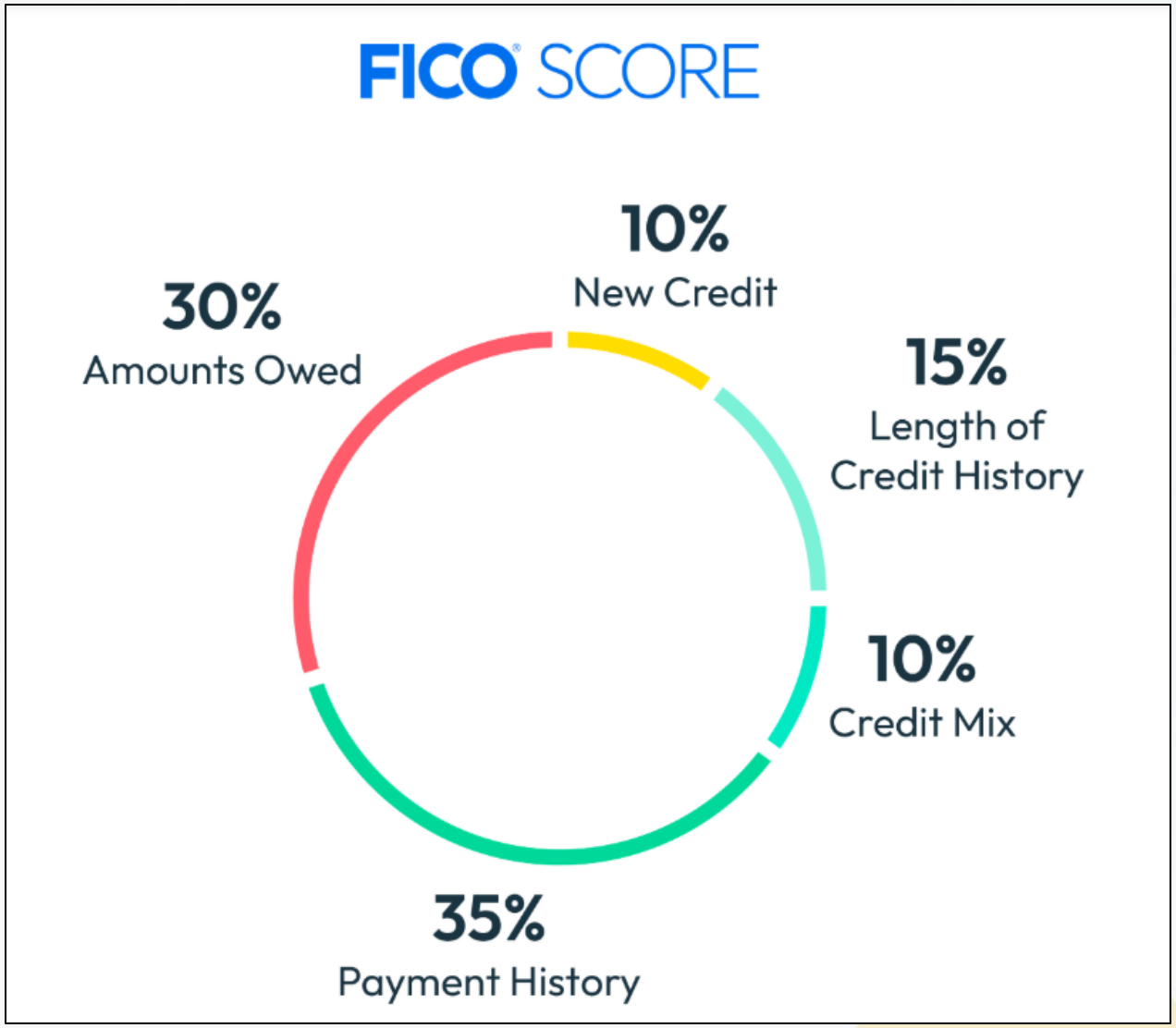
Age of your credit accounts



Frequency of recent credit applications

Source: TransUnion CIBIL

How does FICO do it?



Source: FICO

THE CYCLE OF GOOD CREDIT

Good credit is not a one-time achievement–it's a cycle of consistent positive behavior. Here's how the cycle works:



Borrow Responsibly:
Apply only for what you need and can repay.



Pay on Time, Every Time:
Timely EMI and bill payments protect your credit history.



Use Credit Wisely:
Keep your credit utilization ratio low.



Build a Diverse Credit Mix:
Maintain a healthy combination of secured and unsecured loans.



Monitor Your CIBIL Score and Report:
Check regularly for course correction if required and identification of errors if any.



Grow Your Credit Age:
Keep older accounts open (which reflect timely repayment behavior) to improve credit history.

The more consistently you follow this cycle, the more financially confident you become.

Source: TransUnion CIBIL