

Bank Lending Survey for Q3:2025-26

Today, the Reserve Bank released the results of 34th round of its quarterly Bank Lending Survey (BLS)¹, which captures qualitative assessment and expectations of major scheduled commercial banks on credit parameters (*viz.*, loan demand as well as terms and conditions of loans) for major economic sectors². The latest round of the survey, which was conducted during Q3:2025-26, collected senior loan officers' assessment of credit parameters for Q3:2025-26 and their expectations for Q4:2025-26 and Q1, Q2 of 2026-27.

Highlights:

A. Assessment for Q3:2025-26

- Bankers assessed higher loan demand from most of the sectors of the economy during Q3:2025-26 as compared to the previous quarter ([Chart 1](#) and [Table 1](#)).
- Majority of the responding bankers indicated easier loan terms and conditions ([Table 2](#)).

B. Expectations for Q4:2025-26

- Bankers' outlook on overall loan demand improved for Q4:2025-26, mainly driven by manufacturing, infrastructure, services, and retail/personal loans sectors ([Table 1](#)).
- Overall, easy terms and conditions for loans are expected to prevail during the quarter ([Table 2](#)).

C. Expectations for Q1:2026-27 and Q2:2026-27

- Responding bankers continue to expect increased loan demand and easier loan terms and conditions from all major sectors till Q2:2026-27 ([Table 3](#)).

¹ The results of 33rd round of the BLS with reference period as July-September 2025 were released on the RBI website on [October 01, 2025](#). The survey results reflect the views of the respondents, which are not necessarily shared by the Reserve Bank.

² The survey questionnaire is canvassed among major 30 SCBs, which together account for over 90 per cent of credit by SCBs in India.

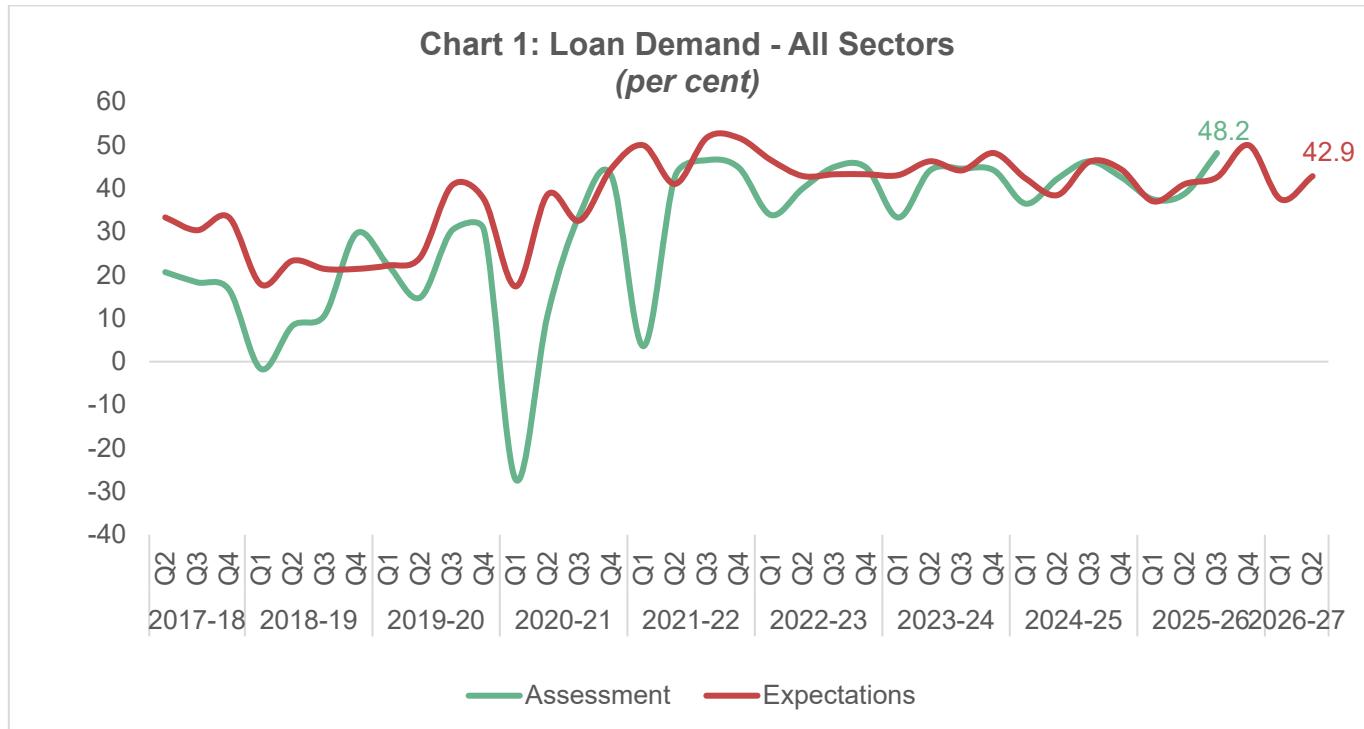


Table 1: Sector-wise Loan Demand - Net Response³

(per cent)

Sector	Assessment Period		Expectations Period	
	Q2:2025-26*	Q3:2025-26	Q3:2025-26*	Q4:2025-26
All Sectors	38.9	48.2	42.6	50.0
Agriculture	39.7	43.3	44.8	41.7
Mining and Quarrying	1.9	16.1	14.8	16.1
Manufacturing	37.5	36.2	44.6	50.0
Infrastructure	20.7	40.0	34.5	46.7
Services	35.2	48.2	37.0	48.2
Retail/Personal	37.5	41.4	39.3	46.6

* Based on the previous round's response.

³ Net Response (NR) is computed as the difference of percentage of banks reporting increase/optimism and those reporting decrease/pessimism in respective parameter. The weights of +1.0, 0.5, 0, -0.5 and -1.0 are assigned for computing NR from aggregate per cent responses on 5-point scale, i.e., substantial increase/ considerable easing, moderate increase/ somewhat easing, no change, moderate decrease/ somewhat tightening, substantial decrease/ considerable tightening for loan demand/loan terms and conditions parameters respectively. NR ranges between -100 to 100. Any value greater than zero indicates expansion/optimism and any value less than zero indicates contraction/pessimism. Increase in loan demand is considered optimism (Table 1), while for loan terms and conditions, a positive value of net response indicates easy terms and conditions (Table 2).

Table 2: Sector-wise Loan Terms and Conditions - Net Response

(per cent)

Sector	Assessment Period		Expectations Period	
	Q2:2025-26*	Q3:2025-26	Q3:2025-26*	Q4:2025-26
All Sectors	9.3	16.7	18.5	22.2
Agriculture	15.5	18.3	19.0	18.3
Mining and Quarrying	0.0	0.0	3.7	0.0
Manufacturing	12.5	12.5	21.4	21.4
Infrastructure	6.9	12.1	10.3	13.8
Services	18.5	18.5	22.2	22.2
Retail/Personal	18.5	22.2	22.2	24.1

* Based on the previous round's response.

Table 3: Sector-wise Expectations for Extended Period - Net Response

(per cent)

Sector	Loan Demand		Loan Terms and Conditions	
	Q1:2026-27	Q2:2026-27	Q1:2026-27	Q2:2026-27
All Sectors	37.5	42.9	27.8	24.1
Agriculture	36.7	38.3	21.7	20.0
Mining and Quarrying	14.3	16.1	3.7	1.9
Manufacturing	36.7	45.0	25.9	24.1
Infrastructure	38.3	36.7	15.5	13.8
Services	42.9	46.4	21.2	25.0
Retail/Personal	28.3	33.3	24.1	22.4

Note: [Please see the attached excel file for detailed time series data.](#)