

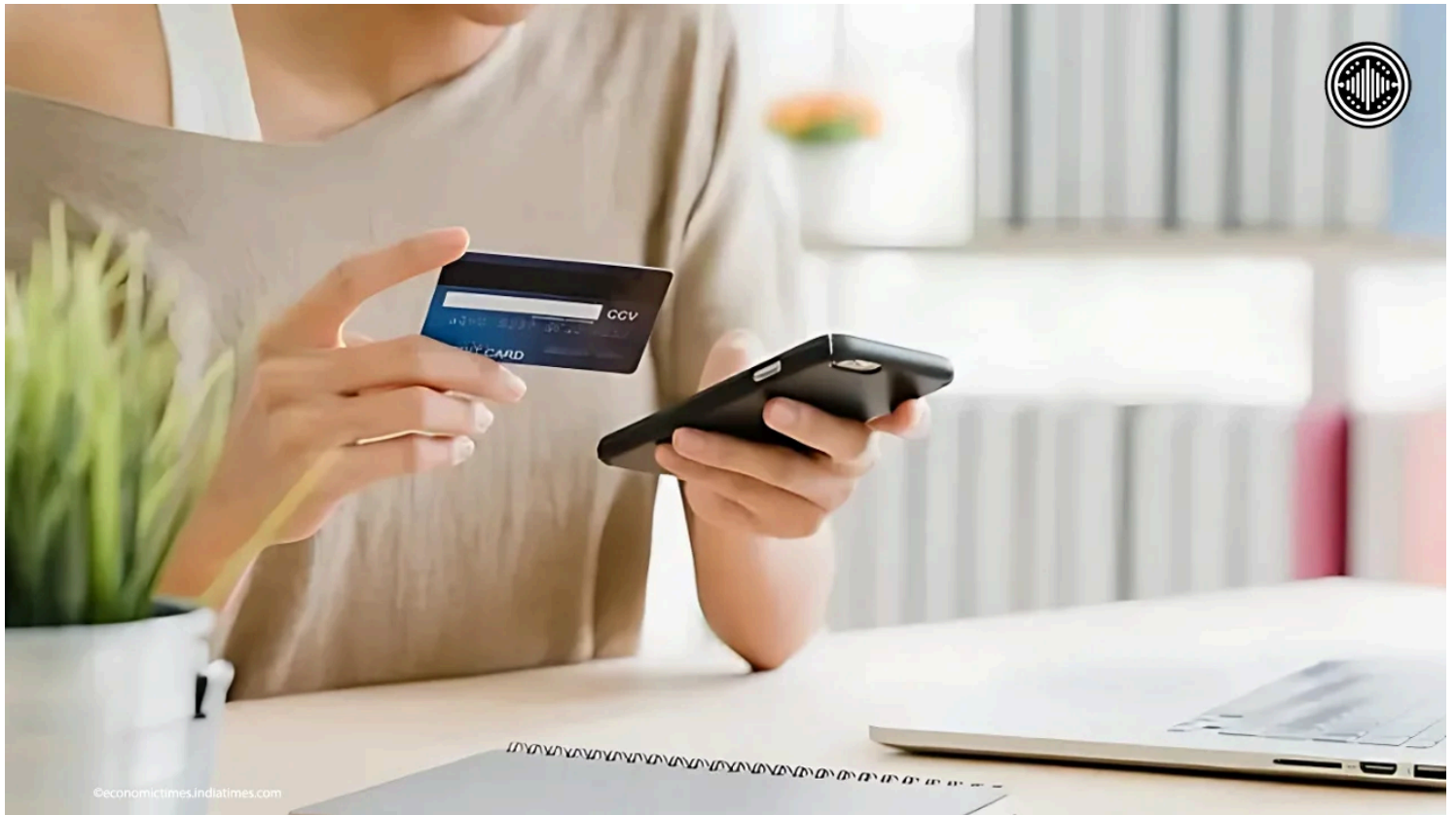
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93% of Low–Income Salaried Workers in India Rely on Credit Cards, Study Finds

July 19, 2025

– Categories: Finance



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A recent study by Think360.ai reveals that a striking **93%** of salaried individuals earning less than ₹50,000 per month depend on credit cards to manage their daily expenses. This data underscores a deepening reliance on short-term credit among lower-income households.

The study, which examined financial habits of over 20,000 salaried and self-employed individuals across India over 12 months, also found that **85%** of self-employed workers use credit cards. In addition, **15%** of salaried and **18%** of self-employed individuals are using Buy Now, Pay Later (BNPL) services to cover costs.

Amit Das, founder and CEO of Think360.ai, highlighted this trend:

“Credit cards and BNPL are now essentials for everyone, from salaried professionals to gig workers.”

The report points to fintech firms as key players in this shift. In fiscal year 2023, fintech platforms issued over ₹92,000 crore in personal loans, making up **76%** of new loan originations by volume. These digital lenders are extending short-term credit rapidly to individuals who struggle with cash flow but need immediate funds.

Top findings from the study include:

- **93%** of low-income salaried earners rely on credit cards.
- **85%** of low-income self-employed workers use credit cards.
- **15%** of salaried and **18%** of self-employed users employ BNPL services.
- Over ₹92,000 crore in personal loans disbursed by fintechs in FY23.

The data suggests that credit cards and BNPL services have become essential financial tools for managing monthly expenses among India’s underserved segments. However, as these households become more dependent on digital short-term credit, the report stresses the need for lenders to adopt advanced credit evaluation. Using AI and alternative data, such as UPI transaction history or mobile usage patterns, can help assess risk and ensure responsible lending.

This research reveals a growing credit trend within India’s lower-income communities. While fintech innovation increases access, it also raises questions about debt sustainability and financial resilience.