


**BANKING**

Q3FY26 Review

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## Credit growth and improving AQ led to earnings momentum

- Continued improvement in advances growth resulting in ATH LDR; aided by Retail & MSME demand with pickup in corporate credit
- AQ improved due to lower slippages; expect Pvt/PSU banks to report PAT CAGR of 15%/13% in FY25-FY28E
- Top picks: ICICIBC, KMB, HDFCB and SBIN in large caps, while FB and KVB in midcaps

### Advances growth continues to improve, resulting in an all-time high LDR:

Credit growth improved for our coverage banks to 13.3% YoY (Q3FY26) vs 11.6% YoY (Q2FY26). The growth was largely led by continued demand in Retail and MSME segments, along with a pick-up in corporate credit. However, deposit accretion remains challenging with growth of 10.8% YoY and 2.4% QoQ. System level LDR ratio reached an all-time high (ATH) of ~82%, as deposit growth lagged loan growth. IIB was the only bank under coverage to witness degrowth in both advances and deposits, as of Dec'25. We note that SBIN, with ~23% market share in system advances, raised loan growth guidance to 13-15% in FY26 from 12-14% guided earlier. We expect credit offtake for coverage banks to be ~13-14% YoY in FY26, largely backed by retail, MSME and uptick in corporate segments.

**AQ improved, mainly on receding stress in unsecured segments:** Asset quality (AQ) improved, with GNPA ratio decreasing for most banks under coverage sequentially, mainly driven by lower slippages. This is because the stress appears to have peaked out in MFI and PL, and plateaued in the credit cards. Most of the banks under coverage witnessed a decline in the SMA levels, indicating improvement in early delinquency buckets. Further, CE improved across most of the banks under coverage. Credit costs (CC) for PSU banks were lower at 0.4%-0.8% vs private banks (0.4%-3.4%) in our coverage — largely on the back of relatively lower share of unsecured loans. Also, most banks plan to increase the CGFMU cover in the MFI segment. Slippage and credit costs are expected to remain benign, given the signs of improvement in CE and SMA portfolio.

**PAT improved, largely by credit growth and sequential uptick in NIMs:** PAT for coverage banks was up by 10% YoY in Q3FY26, beating our estimates by 5.9%. This was mainly supported by a) uptick in loan growth b) higher sequential NIMs for most of the banks c) benign credit cost. The rise in NIMs was driven by lower CoF, aided by deposit repricing, CRR cut, high LDR and better liquidity management (as indicated by QoQ fall in LCR). Opex was marginally impacted due to new labour codes provisions (~0.4% of PPop in FY26E). However, the opex growth (+9% YoY) was lower than credit growth across most banks thereby supporting profitability.



**Our view:** We expect the growth in advances to gradually improve to ~13-14% YoY growth in FY26; mainly driven by retail, MSME and an uptick in the corporate segments. Deposit growth is expected to remain challenging with elevated LDR ratio. However, managing LDR ratio seems to be of less focus for the sector currently. We estimate private / PSU banks to report PAT CAGR of 15%/ 13% in FY25-FY28E. This is likely to be driven by a pick-up in loan growth, resilient NIMs, and benign credit costs. The lower credit costs will be supported by the improvement in AQ stress in unsecured segments. However, there could be a marginal capital impact of ECL implementation (<1%), wherein the credit costs will be spread over 4-years glide path (Apr'27- Mar'31). Post Q3FY26 results, we have upgraded to BUY from HOLD for AXSB and BANDHAN. Our top picks in large caps: ICICIBC (BUY, TP Rs 1,784), KMB (BUY, TP Rs 531), HDFCB (BUY, TP Rs 1,200), and SBIN (BUY, TP Rs 1,279). In midcaps, our top picks are FB (BUY, TP Rs 312), & KVB (BUY, TP Rs 306).

**ICICIBC:** ICICIBC is well on track to give a robust performance, driven by healthy credit growth and resilient AQ. RoA is likely to be ~2.3% and RoE 16.0-16.6% in FY26-FY28E. Also, Board approved the re-appointment of Mr. Bakhshi (MD & CEO) until Oct'28, subject to approvals. We have revised SOTP-based TP to Rs 1,784 (earlier Rs 1,736) and roll over valuation to 2.8x Dec'27E ABV (3Y avg. - 2.8x).

**KMB:** KMB is well capitalised with CAR at 22.6% (CET1 at 21.5%) as of Q3FY26 to fund the business growth. We estimate the bank to deliver RoA/RoE at 1.9- 2.2%/11.2-13.5% over FY26E- FY28E. We maintain BUY and raise SOTP-based TP to Rs 531 (vs Rs 521). We roll over the valuation to 2.5x Dec'27E ABV (unchanged). This includes Rs 140/sh as the value of subsidiaries.

**HDFCB:** We believe HDFCB has managed to outperform large private sector peers previously, by effectively navigating business cycles, delivering stronger profitability and margins, coupled with better AQ. We maintain BUY with revised SOTP-based TP of Rs 1,200 (from Rs 1,181), set at 2.5x Dec'27E ABV.

**SBIN:** Healthy business growth, despite SBIN's size, along with steady return profile and improving asset quality — augurs well. We expect the bank to deliver ROA/ROE of 1.16%/15.8% by FY28E. Given SBIN's healthy performance, we revise TP to Rs 1,279 (from Rs 1,156) and roll over valuation to 1.5x Dec'27E ABV (1.4x earlier).

**FB:** We model advances growth of 14% CAGR over FY25-28E with RoA/RoE of 1.3%/14.2% in FY28E (1.15%/11.7% in Q3FY26). We maintain BUY and roll over valuation to 1.6x Dec'27E ABV (1.4x earlier) with TP of Rs 312 (Rs 263 earlier). We have increased P/ABV multiple to factor in FB's strategic initiatives unfolding with better loan growth visibility and a consistently improving return profile.

**KVB:** KVB's adequate capital position (Tier I of 15.1% as of Dec'25), higher-than-system levels-growth (+17.3% YoY) and pristine AQ — all resulted in a consistent outperformance vs peers, in terms of return profile. We expect the bank to deliver RoA/RoE of 1.9%/17.9% by FY28E. Further, the Board approved the re-appointment of Mr. B Ramesh Babu as MD & CEO for a 2Y period w.e.f. July 29, 2026, subject to RBI and shareholders' approval. Hence, we maintain BUY and roll over the valuation to 1.6x Dec'27E ABV (from 1.5x) with TP of Rs 306 (earlier Rs 263) vs currently trading at 1YF P/ABV of 1.6x.

Fig 1 – BOBCAPS Banking universe

Company	CMP	Rating	Mcap (Rs bn)	P/ABV (x)			ROA (%)			ROE (%)		
				FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
HDFCB	912	BUY	14,421	2.6	2.3	2.0	1.8	1.9	2.0	14.0	14.5	15.4
ICICIBC	1,395	BUY	10,273	3.0	2.7	2.3	2.2	2.3	2.3	16.0	16.3	16.6
KMB	421	BUY	4,242	3.2	2.9	2.5	1.9	2.1	2.2	11.2	12.8	13.5
AXSB	1,367	BUY	3,919	2.1	1.8	1.6	1.5	1.7	1.9	13.0	15.0	16.1
AUBANK	1,030	HOLD	726	4.1	3.5	2.9	1.5	1.7	1.8	14.0	17.0	18.8
IDFCBK	84	BUY	713	1.6	1.4	1.3	0.6	1.0	1.1	5.0	8.9	11.3
IIB	926	SELL	709	1.2	1.1	1.0	0.1	0.7	0.9	1.2	5.7	7.8
FB	293	BUY	614	2.0	1.8	1.5	1.1	1.2	1.3	11.4	12.9	14.2
KVB	323	BUY	256	2.2	1.9	1.6	1.9	1.9	1.9	18.7	18.2	17.9
BANDHAN	171	BUY	231	1.1	1.0	0.9	0.7	1.3	1.5	5.5	10.9	12.6
CUBK	282	BUY	206	2.1	1.8	1.6	1.6	1.5	1.5	13.0	13.4	13.7
RBK	329	HOLD	189	1.2	1.1	1.0	0.8	1.0	1.2	7.3	10.5	12.5
UJJIVANS	63	BUY	112	1.9	1.7	1.4	1.3	1.7	1.8	10.7	14.6	16.4
EQUITASB	67	BUY	78	1.3	1.2	1.1	0.1	1.1	1.4	0.7	11.2	14.9
DCBB	191	BUY	59	1.1	0.9	0.8	0.9	0.9	1.0	12.0	13.1	14.9
SBIN	1,216	BUY	9,493	2.1	1.9	1.7	1.1	1.1	1.2	16.4	15.4	15.8
CBK	154	BUY	1,368	1.3	1.1	1.0	1.1	1.0	1.0	17.8	16.6	16.5

Source: Company, BOBCAPS Research

Fig 2 – BOBCAPS Banking universe: Q3FY26

Banks	NII (Rs mn.)	YoY (%)	QoQ (%)	PPOP (Rs mn.)	YoY (%)	QoQ (%)	PAT (Rs mn.)	YoY (%)	QoQ (%)
HDFCB	3,26,150	6.4	3.4	2,70,978	8.4	(3.0)	1,86,538	11.5	0.1
ICICIBC	2,19,322	7.7	1.9	1,73,560	2.8	0.3	1,13,179	(4.0)	(8.4)
KMB	75,646	5.1	3.5	53,798	3.8	2.1	34,461	4.3	5.9
AXSB	1,42,866	5.0	3.9	1,08,757	3.2	4.4	64,896	2.9	27.5
AUBANK	23,413	15.7	9.2	12,153	0.9	0.5	6,677	26.3	19.0
IDFCBK	54,924	12.0	7.4	20,334	15.6	8.2	5,025	48.1	42.6
IIB	45,617	(12.7)	3.5	22,696	(37.0)	10.9	1,279	(90.9)	(129.3)
FB	26,527	9.1	6.3	17,293	10.2	5.2	10,412	9.0	9.0
KVB	12,393	14.9	(1.7)	10,053	23.3	(1.2)	6,900	39.1	20.2
BANDHAN	26,883	(5.0)	3.9	14,450	(28.5)	10.3	2,056	(51.8)	83.8
CUBK	7,522	28.0	12.8	5,132	17.7	9.0	3,322	16.1	1.1
RBK	16,572	4.6	6.9	9,124	(8.4)	25.3	2,139	555.5	19.8
UJJIVANS	10,005	12.8	8.5	4,398	22.4	11.3	1,857	71.0	52.6
EQUITASB	8,516	4.1	10.1	3,072	(7.7)	27.7	900	35.8	273.0
DCBB	6,247	15.1	4.8	3,228	19.1	6.2	1,847	22.0	0.5
SBIN	4,51,904	9.0	5.1	3,28,624	39.5	20.3	2,10,282	24.5	4.3
CBK	92,523	1.1	1.2	91,195	16.4	6.2	51,551	25.6	8.0

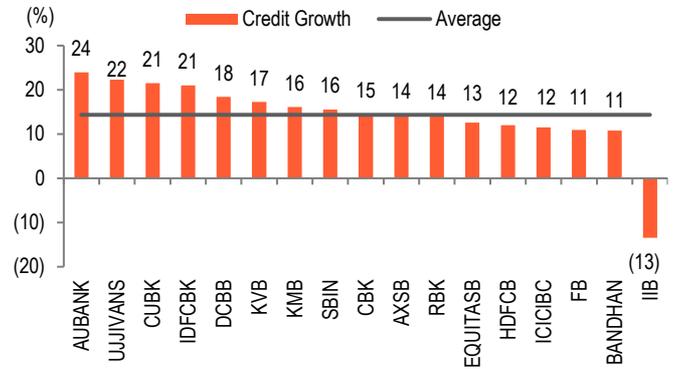
Source: Company, BOBCAPS Research

**Fig 3 – Overall advances grew by 13.3% YoY**

Advances (YoY%)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
AUBANK	49.2	46.4	22.5	22.0	24.0
UJJIVANS	15.6	16.8	19.9	15.9	22.3
CUBK	15.0	14.4	16.3	18.6	21.5
IDFCBK	20.3	19.8	20.3	19.5	21.0
DCBB	22.7	24.7	21.4	19.1	18.5
KVB	14.6	14.0	15.6	15.8	17.3
KMB	15.1	13.5	14.1	15.8	16.1
SBIN	13.8	12.4	11.9	13.1	15.6
CBK	11.2	12.6	13.4	14.8	14.6
AXSB	8.8	7.8	8.1	11.7	14.2
RBK	13.1	10.3	8.9	14.4	14.0
EQUITASB	21.1	16.9	8.8	7.0	12.6
HDFCB	3.0	5.4	6.7	10.1	12.0
ICICIBC	13.9	13.3	11.5	10.3	11.5
FB	15.7	12.1	9.2	6.2	10.9
BANDHAN	15.6	9.0	5.7	6.8	10.8
IIB	12.2	0.5	(4.1)	(8.8)	(13.5)

Source: Company, BOBCAPS Research

**Fig 4 – Credit growth inching-up**



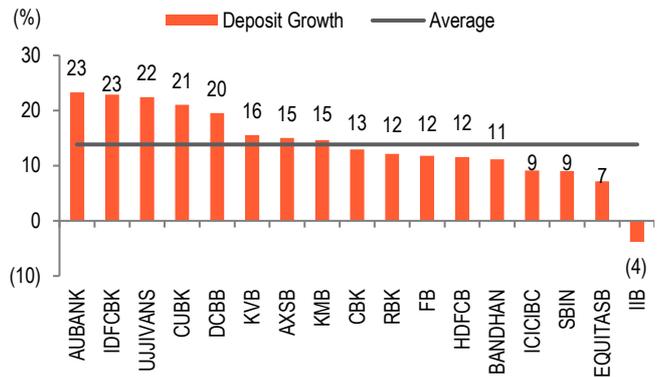
Source: Company, BOBCAPS Research

**Fig 5 – Deposits mobilisation remained challenging**

Deposits (YoY %)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
AUBANK	40.1	42.5	31.3	20.8	23.3
IDFCBK	29.8	25.7	26.4	23.8	22.9
UJJIVANS	16.3	19.6	18.8	15.1	22.4
CUBK	10.5	14.1	19.8	21.1	21.0
DCBB	20.3	21.6	20.0	18.8	19.5
KVB	15.7	14.5	15.5	15.3	15.6
AXSB	9.1	9.8	9.3	10.7	15.0
KMB	15.9	11.2	14.6	14.6	14.6
CBK	6.6	9.0	8.1	11.4	12.9
RBK	15.1	7.2	11.2	8.1	12.1
FB	11.2	12.3	8.0	7.4	11.8
HDFCB	15.8	14.1	16.2	12.1	11.6
BANDHAN	20.1	11.8	16.1	10.9	11.1
ICICIBC	14.1	14.0	12.8	7.7	9.2
SBIN	9.8	9.5	11.7	9.3	9.0
EQUITASB	25.8	19.3	18.3	10.6	7.2
IIB	11.0	6.8	(0.3)	(5.5)	(3.8)

Source: Company, BOBCAPS Research

**Fig 6 – Deposits growth slowly picking up, but lagged advances growth**



Source: Company, BOBCAPS Research

**Fig 7 – CD ratio largely increased on a sequential basis**

C-D Ratio (%)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
HDFCB	98.2	96.5	95.1	98.0	98.7
IDFCBK	94.2	92.5	92.0	92.9	92.7
AXSB	92.6	88.7	91.2	92.8	91.9
EQUITASB	86.9	84.0	78.3	82.4	91.2
BANDHAN	90.3	87.3	83.1	85.1	90.0
AUBANK	88.7	86.2	86.0	87.3	89.2
KMB	87.4	85.5	86.7	87.5	88.6
ICICIBC	86.5	83.3	84.8	87.3	88.3
RBK	84.7	83.5	83.8	86.2	86.1
FB	86.5	82.8	83.9	84.7	85.8
UJJIVANS	85.9	83.4	84.2	86.2	85.8
CUBK	84.8	82.0	80.7	81.6	85.1
KVB	83.0	82.3	83.4	83.4	84.2
DCBB	84.3	85.0	82.6	81.8	83.5
SBIN	76.6	77.4	76.7	78.0	81.2
IIB	89.6	84.0	84.0	83.6	80.6
CBK	76.0	73.4	74.4	75.3	77.1

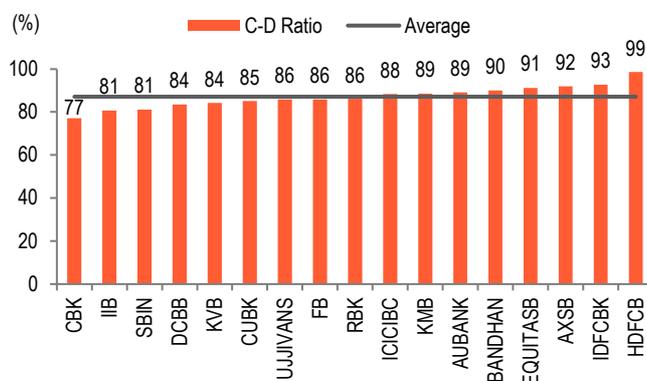
Source: Company, BOBCAPS Research

**Fig 9 – CASA ratio largely contained**

CASA Ratio (%)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
IDFCBK	47.7	46.9	48.0	50.1	51.6
KMB	42.3	43.0	40.9	42.3	41.3
ICICIBC	40.5	41.8	41.2	40.9	40.2
AXSB	39.5	40.8	40.3	39.8	39.1
SBIN	37.6	38.4	37.8	38.0	37.5
HDFCB	34.0	34.8	33.9	33.9	33.6
FB	30.2	30.2	30.3	31.0	32.1
RBK	32.8	34.1	32.5	31.9	30.9
IIB	34.9	32.8	31.5	30.7	30.2
EQUITASB	28.6	28.8	29.4	30.9	29.5
AUBANK	30.6	29.2	29.1	29.4	28.9
UJJIVANS	25.1	25.5	24.3	27.5	27.3
CUBK	27.7	28.5	27.3	28.1	27.3
BANDHAN	31.7	31.4	27.1	28.0	27.3
KVB	28.4	27.3	27.5	27.7	27.2
CBK	28.0	29.0	27.4	28.5	27.1
DCBB	25.1	24.5	23.3	23.5	22.8

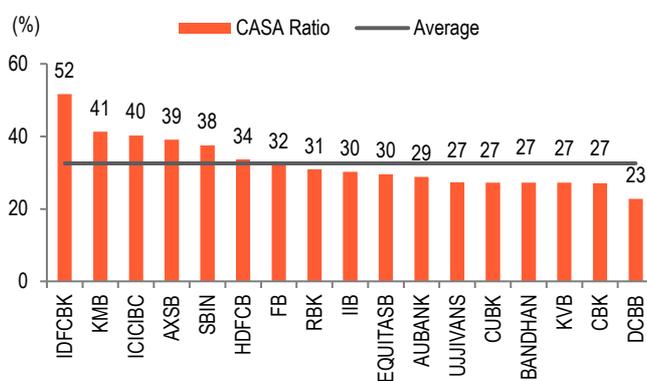
Source: Company, BOBCAPS Research

**Fig 8 – Sector CD ratio at ATH**



Source: Company, BOBCAPS Research

**Fig 10 – IDFC maintained its CASA position in Q3FY26**



Source: Company, BOBCAPS Research

**Fig 11 – NII growth supported by uptick in loan growth**

NII Growth (YoY %)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
CUBK	13.9	9.8	14.7	14.4	28.0
AUBANK	52.7	56.6	6.5	8.6	15.7
DCBB	14.5	9.9	16.9	17.1	15.1
KVB	7.7	9.2	5.1	19.0	14.9
UJJIVANS	3.1	(7.4)	(9.1)	(2.3)	12.8
IDFCBK	14.4	9.8	5.1	6.8	12.0
FB	14.5	8.3	2.0	5.4	9.1
SBIN	4.1	2.7	(0.1)	3.3	9.0
ICICIBC	9.1	11.0	10.6	7.4	7.7
HDFCB	7.7	10.3	5.4	4.8	6.4
KMB	9.8	5.4	6.1	4.1	5.1
AXSB	8.6	5.5	0.8	1.9	5.0
RBK	2.5	(2.3)	(12.9)	(4.0)	4.6
EQUITASB	4.2	5.5	(2.0)	(3.6)	4.1
CBK	(2.9)	(1.4)	(1.7)	(1.9)	1.1
BANDHAN	12.1	(3.9)	(8.2)	(12.2)	(5.0)
IIB	(1.3)	(43.3)	(14.2)	(17.5)	(12.7)

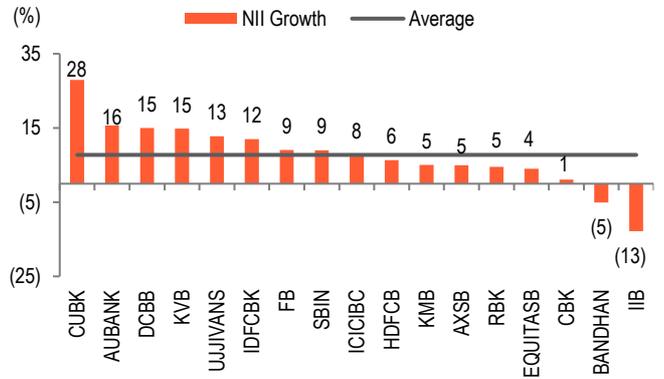
Source: Company, BOBCAPS Research

**Fig 13 – NIMs improved on lower COF for most of the banks**

NIM (%)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
UJJIVANS	8.6	8.3	7.7	7.9	8.2
EQUITASB	7.4	7.1	6.6	6.3	6.7
BANDHAN	6.9	6.7	6.4	5.8	5.9
IDFCBK	6.0	6.0	5.7	5.6	5.8
AUBANK	5.9	5.8	5.4	5.5	5.7
RBK	4.9	4.9	4.5	4.5	4.6
KMB	4.9	5.0	4.7	4.5	4.5
ICICIBC	4.3	4.4	4.3	4.3	4.3
KVB	4.0	4.1	3.9	3.8	4.0
CUBK	3.6	3.6	3.5	3.6	3.9
AXSB	3.9	4.0	3.8	3.7	3.6
IIB	3.9	2.3	3.5	3.3	3.5
HDFCB	3.4	3.5	3.4	3.3	3.4
DCBB	3.3	3.3	3.2	3.2	3.3
FB	3.1	3.1	2.9	3.1	3.2
SBIN	3.1	3.0	2.9	3.0	3.0
CBK	2.7	2.7	2.6	2.5	2.5

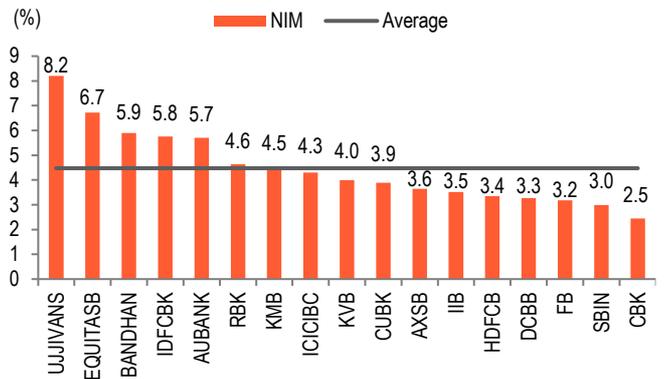
Source: Company, BOBCAPS Research

**Fig 12 – NII witnessed decent growth for most of the banks**



Source: Company, BOBCAPS Research

**Fig 14 – NIMs improved sequentially for most banks in Q3FY26**



Source: Company, BOBCAPS Research

**Fig 15 – Opex growth lagged growth in loans**

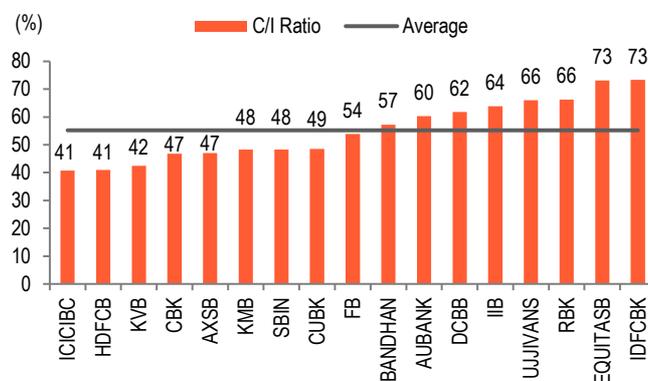
CIR (%)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
ICICIBC	38.5	37.9	37.8	40.6	40.8
HDFCB	40.6	39.8	32.8	39.2	40.9
KVB	47.3	47.8	47.2	42.6	42.5
CBK	47.6	47.5	46.8	47.0	46.8
AXSB	46.2	47.8	44.7	48.9	47.0
KMB	47.2	47.7	46.2	46.8	48.3
SBIN	55.1	53.3	47.7	53.2	48.3
CUBK	46.6	48.2	48.1	49.2	48.6
FB	53.1	56.7	54.9	54.0	53.9
BANDHAN	48.5	54.5	52.1	58.2	57.2
AUBANK	54.4	54.7	54.0	57.7	60.3
DCBB	62.7	60.7	60.0	61.2	61.8
IIB	52.5	113.1	62.2	66.2	63.8
UJJIVANS	66.1	68.3	67.4	66.4	66.1
RBK	62.5	66.4	72.4	70.7	66.3
EQUITASB	68.5	70.5	70.8	76.0	73.1
IDFCBK	73.7	73.4	68.7	73.2	73.3

Source: Company, BOBCAPS Research

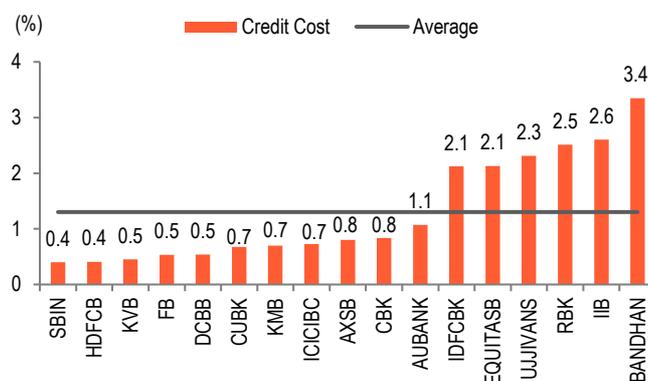
**Fig 17 – Credit costs improved for most banks sequentially, as unsecured stress largely peaking out**

Credit Cost (%)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
SBIN	0.1	0.6	0.5	0.5	0.4
HDFCB	0.5	0.5	2.2	0.5	0.4
KVB	0.7	0.8	0.6	1.2	0.5
FB	0.5	0.2	0.7	0.6	0.5
DCBB	0.6	0.5	0.9	0.5	0.5
CUBK	0.6	0.6	0.5	0.4	0.7
KMB	0.8	0.9	1.1	0.9	0.7
ICICIBC	0.4	0.3	0.5	0.3	0.7
AXSB	0.9	0.5	1.5	1.3	0.8
CBK	1.0	0.7	0.9	0.9	0.8
AUBANK	2.0	2.4	1.9	1.7	1.1
IDFCBK	2.4	2.5	2.8	2.3	2.1
EQUITASB	2.9	2.9	6.8	2.4	2.1
UJJIVANS	3.1	3.6	2.9	2.9	2.3
RBK	5.3	3.4	1.9	2.1	2.5
IIB	1.9	2.8	2.1	3.2	2.6
BANDHAN	4.3	3.9	3.5	3.5	3.4

Source: Company, BOBCAPS Research

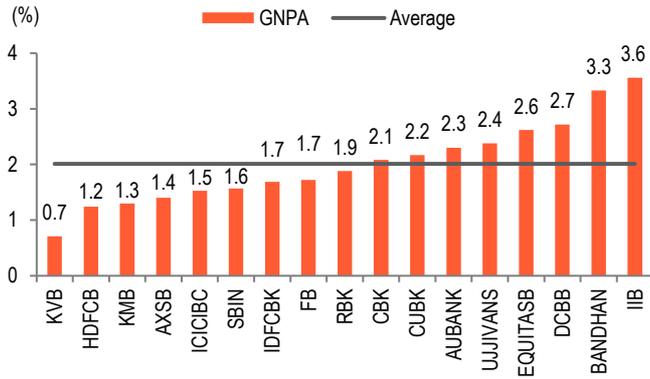
**Fig 16 – Opex impacted by new labour code provisions**

Source: Company, BOBCAPS Research

**Fig 18 – Although improving, BANDHAN reported higher provisions in Q3FY26 due to EEB stress**

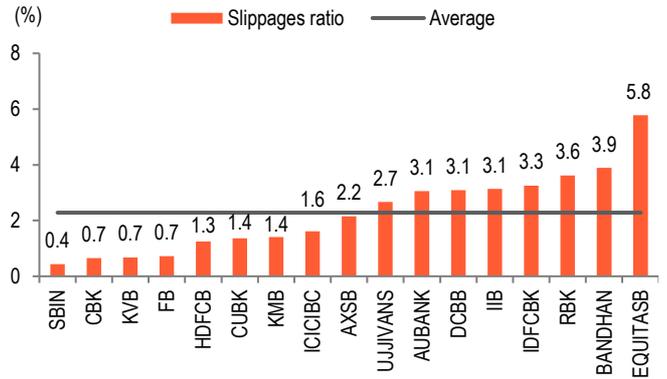
Source: Company, BOBCAPS Research

**Fig 19 – GNPA ratios improved across banks on lower slippages**



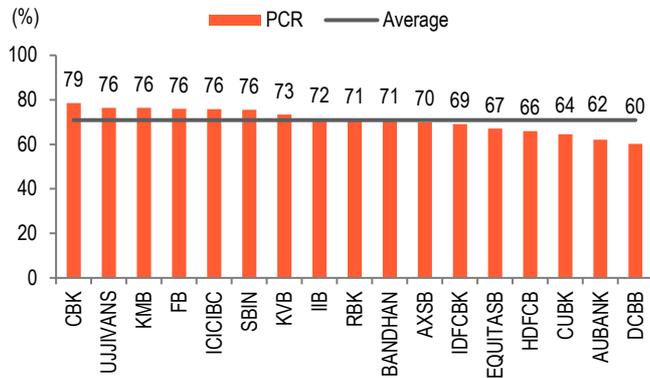
Source: Company, BOBCAPS Research

**Fig 20 – EQUITASB’s & BANDHAN’s slippages came largely from MFI segment**



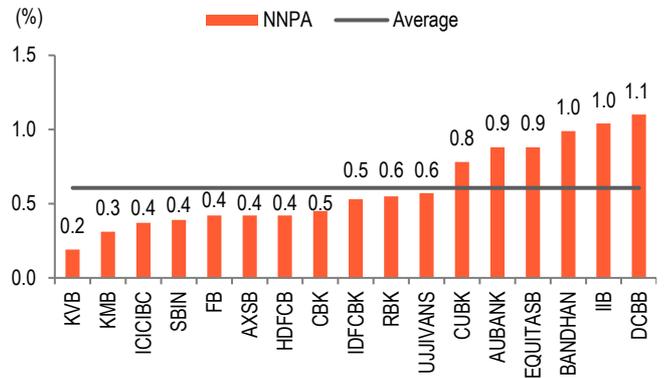
Source: Company, BOBCAPS Research

**Fig 21 – PCR stays in the 60-79% range across banks**



Source: Company, BOBCAPS Research

**Fig 22 – NNPA ratios largely improved QoQ**



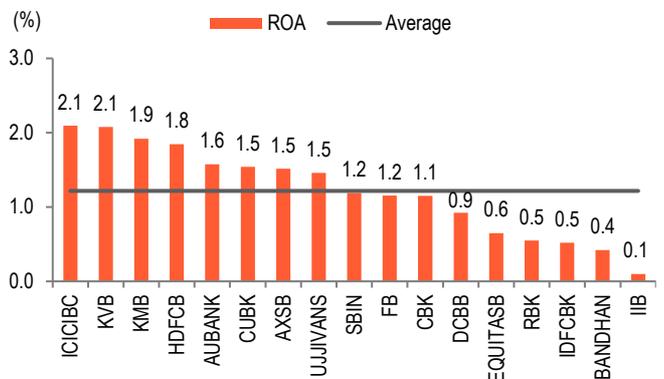
Source: Company, BOBCAPS Research

**Fig 23 – PSU banks maintaining ROA >1%**

ROA (%)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
ICICIBC	2.4	2.4	2.4	2.3	2.1
KVB	1.7	1.7	1.7	1.8	2.1
KMB	2.1	2.1	1.9	1.9	1.9
HDFCB	1.8	1.8	1.8	1.9	1.8
AUBANK	1.5	1.3	1.5	1.4	1.6
CUBK	1.6	1.5	1.6	1.6	1.5
AXSB	1.7	1.8	1.4	1.2	1.5
UJJIVANS	1.0	0.7	0.9	1.0	1.5
SBIN	1.0	1.1	1.1	1.2	1.2
FB	1.1	1.2	1.0	1.1	1.2
CBK	1.0	1.2	1.1	1.1	1.1
DCBB	0.9	1.0	0.8	0.9	0.9
EQUITASB	0.5	0.3	(1.7)	0.2	0.6
RBK	0.1	0.2	0.5	0.5	0.5
IDFCBK	0.4	0.4	0.5	0.4	0.5
BANDHAN	0.9	0.7	0.8	0.2	0.4
IIB	1.0	(1.7)	0.4	(0.3)	0.1

Source: Company, BOBCAPS Research

**Fig 24 – RoA remains superior for ICICIBC, KVB & KMB**



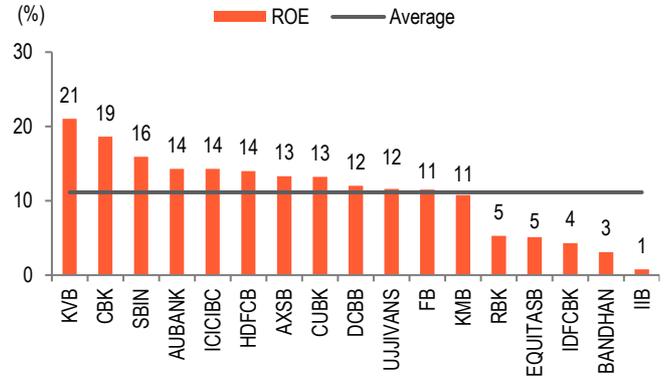
Source: Company, BOBCAPS Research

**Fig 25 – RoE increased QoQ for most banks**

ROE (%)	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
KVB	17.8	17.6	17.1	18.2	21.0
CBK	16.8	20.2	18.6	18.0	18.6
SBIN	15.8	17.0	16.8	16.3	15.9
AUBANK	13.0	11.9	13.3	12.4	14.3
ICICIBC	17.8	17.9	17.1	16.0	14.3
HDFCB	14.1	14.3	14.2	14.2	14.0
AXSB	14.9	16.2	12.7	10.8	13.3
CUBK	12.7	12.4	12.8	13.4	13.2
DCBB	11.2	12.7	10.9	12.5	12.0
UJJIVANS	7.3	5.5	6.7	7.8	11.6
FB	12.0	12.5	10.2	10.9	11.5
KMB	11.7	12.2	10.9	10.5	10.8
RBK	0.8	1.8	5.1	4.5	5.3
EQUITASB	3.7	2.3	(12.6)	1.4	5.1
IDFCBK	3.6	3.2	4.8	3.3	4.3
BANDHAN	6.7	4.9	5.6	1.7	3.1
IIB	8.3	(14.0)	3.7	(2.6)	0.8

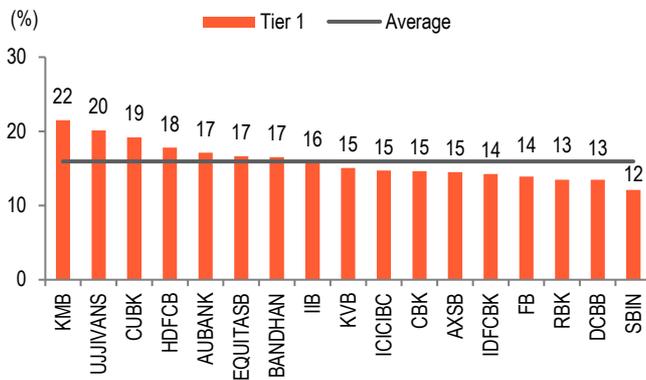
Source: Company, BOBCAPS Research

**Fig 26 – In terms of RoE, KVB and PSBs top the chart**



Source: Company, BOBCAPS Research

**Fig 27 – Tier 1 capital remained adequate, mainly supported by healthy internal capital generation**



Source: Company, BOBCAPS Research

**Fig 28 – LCR decreased QoQ for most banks**

LCR (%)	Q3FY25	Q2FY26	Q3FY26
BANDHAN	146.5	168.3	161.1
UJJIVANS	132.1	157.1	159.5
SBIN	135.7	143.1	137.8
EQUITASB	150.0	170.9	137.0
KMB	132.3	132.2	134.8
DCBB	119.4	123.2	133.8
KVB	129.1	133.5	133.7
CBK	123.1	132.3	126.1
ICICIBC	123.0	127.0	126.0
RBK	143.0	127.0	125.0
FB	118.5	129.9	123.9
IIB	117.6	132.0	121.9
AUBANK	115.0	119.0	118.0
AXSB	119.0	119.0	116.4
HDFCB	125.3	119.7	116.1
IDFCBK	115.8	115.0	115.2
CUBK	122.8	115.8	111.8

Source: Company, BOBCAPS Research

## Glossary

Glossary of Abbreviations			
<b>CASA</b>	Current Account and Savings Account	<b>NIM</b>	Net Interest Margin
<b>CAR</b>	Capital Adequacy Ratio	<b>NNPA</b>	Net Non-Performing Assets
<b>CET1</b>	Common Equity Tier 1	<b>PCR</b>	Provision Coverage Ratio
<b>C-D</b>	Credit-Deposit Ratio	<b>PSB</b>	Public Sector Banks
<b>C/I</b>	Cost-Income Ratio	<b>RBI</b>	Reserve Bank of India
<b>GNPA</b>	Gross Non-Performing Assets	<b>RWA</b>	Risk-weighted Assets
<b>LCR</b>	Liquidity Coverage Ratio	<b>SLR</b>	Statutory Liquidity Ratio
<b>MFI</b>	Microfinance Institution	<b>SMA</b>	Special Mention Account
<b>NII</b>	Net Interest Income	<b>SME</b>	Small and Medium-sized Enterprises

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