

18 January 2026

## Mixed bag; upside to unfold gradually

RBL Bank (RBL IN) reported a mixed Q3FY26 performance. While core PPoP was steady, elevated slippages and credit cost were a miss. The key highlights were: 1) stronger NII, up 7% QoQ, with a 12bp QoQ rise in NIM (drawing support from better funding cost) and steady loan growth, and 2) softer asset quality outcomes with elevated slippages, driven primarily by credit cards. RBL is emerging from the prolonged phase of consolidation & balance sheet reorientation and seems at inflection point, with early signs of stability across key operating metrics. While the transition (pending few approvals) would play well, we see several moving variables at play, and the journey will be more gradual. We retain **Accumulate** with a higher TP of INR 345 as we roll forward to December 2027E.

**Asset-side transition underway; growth shaping up well:** RBL has been reorienting its balance sheet toward more durable, risk-calibrated growth with a focus on retail and MSME lending. Q3 saw similar trends with stronger growth in MSME, business banking, and mid-corporate segment being the key drivers. This along with better NIM, up 12bp QoQ, was led by uptick of 4bp CRR release, balance sheet efficiency, improvement in short-term investments, fed into 7% QoQ NII growth. Deposit growth at 2.6% QoQ and 12% YoY was steady, driven by term deposits while traction on CASA base remains softer. On the liability side, while there is steady reweighting, the road ahead is long as RBL lags sectoral averages (more progress is needed to close this structural gap).

**Cost ratios – a lot needs to be done:** Q3 saw 2.3% QoQ opex growth with 3.6% QoQ employee cost growth as it had one-time impact of Labour Law changes of INR 286mn. Overall core profitability growth seems to be gaining momentum with Q3 core PPoP growth pegged at 13% plus, but sustainability is the key. Our analysis on cost ratios for RBK does leave a few open ends, which warrant to be monitored. We see a durable reduction in cost structure to be key to core PPoP growth, which, in turn, would drive rerating.

**Credit cost volatility persists:** Slippages stood at ~INR 9bn (~3.6% of lagged loans, higher than estimates), led by higher credit card slippages and rise in secured book as well while MFI slippages continue to trend down. The bank expects two quarters of elevated slippages in credit cards, which would lower the pace of improvement. PCR has trended down to 71% levels vs >85% in FY25, which could render variability in credit cost outcome. While RBL has tightened internal controls and reduced concentration, we believe higher exposure to unsecured segments will continue to be volatile, with outcomes more contingent on macro cycles.

**Retain Accumulate with a higher TP of INR 345:** While strategic repair is underway, we see current valuation of 1.0x FY28E P/BV after 21% outperformance in the past six months vs the index at ~3%, capture the recent progress and residual risk fairly. We await greater consistency in earnings and return ratios before turning more constructive. We retain **Accumulate** with a higher TP of INR 345 from INR 315 based on 1.0x (unchanged) P/BV as we roll forward to December 2027E.

### Key financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
PPoP (INR mn)	30,308	36,268	34,378	40,190	46,618
YoY (%)	37.6	19.7	(5.2)	16.9	16.0
NP (INR mn)	11,679	6,954	8,952	14,681	20,049
YoY (%)	32.3	(40.5)	28.7	64.0	36.6
EPS (INR)	19.3	11.4	14.7	24.2	33.0
YoY (%)	31.1	(40.7)	28.7	64.0	36.6
P/PPoP (x)	6.6	5.5	5.8	5.0	4.3
RoAE (%)	8.2	4.6	5.6	8.6	10.8
RoAA (%)	1.0	0.5	0.6	0.9	1.1
P/E (x)	16.8	28.4	22.0	13.4	9.8
P/ABV (x)	1.4	1.3	1.2	1.1	1.0

Note: Pricing as on 16 January 2026; Source: Company, Elara Securities Estimate

Rating: **Accumulate**

Target Price: INR 345

Upside: 6%

CMP: INR 325

As on 16 January 2026

### Key data

Bloomberg	RBK IN
Reuters Code	RATB.NS
Shares outstanding (mn)	617
Market cap (INR bn/USD mn)	200/2,205
EV (INR bn/USD mn)	0/0
ADTV 3M (INR mn/USD mn)	2,668/29
52 week high/low	332/146
Free float (%)	97

Note: as on 16 January 2026; Source: Bloomberg

### Price chart



Source: Bloomberg

Shareholding (%)	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26
Promoter	0.0	0.0	0.0	0.0
% Pledge	0.0	0.0	0.0	0.0
FII	13.4	14.4	17.6	15.5
DII	18.0	21.1	34.7	35.6
Others	68.6	64.4	47.7	48.9

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(0.1)	2.9	10.7
RBL Bank	8.4	21.0	109.3
NSE Mid-cap	0.4	1.5	9.4
NSE Small-cap	(5.1)	(9.5)	(3.0)

Source: Bloomberg

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**Financials (YE March)**

<b>Income Statement (INR mn)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
<b>Net interest income</b>	<b>60,429</b>	<b>64,630</b>	<b>65,033</b>	<b>74,711</b>	<b>85,268</b>
Fee income	29,616	34,183	37,943	42,800	48,321
Trading profits	700	3,760	4,500	4,000	4,000
Non-interest income	30,429	38,062	42,567	46,932	52,460
Net operating revenue	90,858	102,692	107,600	121,643	137,728
Operating expenses	60,550	66,424	73,222	81,453	91,109
<b>Pre-provisioning operating profit</b>	<b>30,308</b>	<b>36,268</b>	<b>34,378</b>	<b>40,190</b>	<b>46,618</b>
Total provisions	17,785	29,587	22,415	20,571	19,826
Profit before tax	12,523	6,681	11,963	19,619	26,793
Tax	844	(272)	3,011	4,938	6,744
Minorities/exceptionals	-	-	-	-	-
<b>Profit after tax</b>	<b>11,679</b>	<b>6,954</b>	<b>8,952</b>	<b>14,681</b>	<b>20,049</b>
<b>Balance Sheet (INR mn)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
Customer loans	839,869	926,183	1,078,990	1,248,992	1,437,614
Investments	295,758	321,648	327,639	369,292	416,925
Cash & bank balances	144,165	125,596	126,712	129,590	137,453
Fixed assets	5,324	5,772	7,272	8,772	10,272
Other assets	99,255	88,057	100,385	114,439	130,460
<b>Total Assets</b>	<b>1,384,371</b>	<b>1,467,255</b>	<b>1,640,997</b>	<b>1,871,084</b>	<b>2,132,724</b>
Net worth	147,964	156,068	163,967	176,894	195,188
Deposits	1,034,936	1,109,435	1,247,005	1,427,821	1,639,139
Borrowings	141,841	137,338	160,906	192,056	218,339
Other liabilities	59,630	64,413	69,119	74,313	80,058
<b>Total Liabilities</b>	<b>1,384,371</b>	<b>1,467,255</b>	<b>1,640,997</b>	<b>1,871,084</b>	<b>2,132,724</b>
<b>Key operating ratios (%)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
Lending yield	12.9	12.7	11.8	11.8	11.8
Cost of Funds	5.6	5.9	5.7	5.7	5.6
Spreads	4.9	4.6	4.3	4.4	4.4
Net interest margin	5.1	4.9	4.5	4.6	4.6
CASA Ratio	35.2	34.1	31.1	31.7	33.0
Non-interest income / operating income	33.5	37.1	39.6	38.6	38.1
Cost/income	66.6	64.7	68.0	67.0	66.2
Operating expense/avg assets	(5.1)	(5.0)	(5.0)	(5.0)	(4.9)
Credit costs / avg loans	(1.5)	(2.2)	(1.5)	(1.3)	(1.1)
Effective tax rate	6.7	(4.1)	25.2	25.2	25.2
Loan deposit ratio	81.2	83.5	86.5	87.5	87.7
<b>ROA decomposition (%)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
NII /Assets	5.1	4.9	4.5	4.6	4.6
Fees/Assets	2.5	2.6	2.6	2.6	2.6
Invst profits/Assets	0.1	0.3	0.3	0.2	0.2
Net revenues/Assets	7.7	7.5	7.1	7.2	7.2
Opex /Assets	(5.1)	(5.0)	(5.0)	(5.0)	(4.9)
Provisions/Assets	(1.5)	(2.2)	(1.5)	(1.3)	(1.1)
Taxes/Assets	(0.1)	0.0	(0.2)	(0.3)	(0.4)
Total costs/Assets	(6.7)	(7.2)	(6.8)	(6.5)	(6.3)
ROA	1.0	0.5	0.6	0.9	1.1
Equity/Assets	12.0	11.5	11.0	10.4	9.9
ROAE	8.2	4.6	5.6	8.6	10.8
<b>Key financial ratios (%)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
Tier I Capital adequacy	14.4	14.1	13.0	12.3	12.0
Gross NPL	2.7	2.6	1.9	1.8	1.7
Net NPL	0.7	0.3	0.5	0.5	0.7
Slippage ratio	3.4	4.8	4.0	2.8	2.0
<b>Per share data (INR)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
EPS	19	11	15	24	33
BVPS	245	257	270	291	321
Adj- BVPS	237	254	263	283	310
<b>Valuation (x)</b>					
P/BV	1.3	1.3	1.2	1.1	1.0
P/ABV	1.4	1.3	1.2	1.1	1.0
P/E	16.8	28.4	22.0	13.4	9.8

Note: Pricing as on 16 January 2026; Source: Company, Elara Securities Estimate

## Q3FY26 conference call highlights

### Business momentum

- ▶ Net advances grew by 14% YoY and 3% QoQ. Retail advances increased by 10% YoY and 1% QoQ, with the retail-wholesale mix was at 59:41, adjusted for an IBPC reduction of INR 30bn.
- ▶ Secured advances grew by 24% YoY and 1% QoQ, while BL + home loans increased by 3% YoY and 8% QoQ. Retail quarterly disbursements stood at >INR 50bn compared to INR 30bn in Q1FY26.
- ▶ Wholesale banking grew by 21% YoY, with commercial banking expanding at a rapid pace of 30% YoY and 7% QoQ. Secured business loans – average tenure is 4-5 years and is linked to repo.
- ▶ Gold loan disbursements stood at ~INR 2.3-2.5bn per month, with management indicating for a meaningful increase.
- ▶ RBL Finserv Limited has been gaining traction as a sourcing channel for secured loans, while the retail secured businesses have turned profitable at the operating level.
- ▶ Deposits grew by 12.5% YoY and 2% QoQ, with the CASA ratio at 30.9%. Branch banking led deposits grew by 18% YoY and 3% QoQ.
- ▶ The CASA ratio remains a challenge and continues to drag the impact on overall cost PF deposits.
- ▶ LCR stood at 125% while the CD ratio was 86.1%, within the banks comfortable range in the of 83–87%. The LCR impact is set to have a slight positive impact.
- ▶ Management priorities remain focused on building granular liabilities, retaining a balanced retail asset mix with rapid growth in secured products, driving branch-led acquisition, and improving operational efficiency. Overall, the bank believes it is on the right trajectory to achieve these objectives.
- ▶ ECL transition: currently, the impact is ~10% of net worth – await further clarity.
- ▶ On the capital front, shareholder approval has been received for the proposed capital infusion by Emirates NBD. Applications have been submitted to the RBI, the GOI, the CCI & the SEBI, and are currently at various stages of approval.
- ▶ Credit guidance: wholesale advances at 20-25% and retail at 25-30% and JLG advances to grow at 10-15%.

### Unsecured advances

- ▶ Unsecured advances have stopped contracting and grew by 1% QoQ with JLG disbursements reaching a monthly run-rate of INR 7bn, supported by improvement in collection efficiency and a reduction in slippages.
- ▶ In the credit card segment, the bank issued ~100,000 cards in a single month, with cards-in-force growing QoQ after 6–7 quarters. Slippages in the segment remain slightly elevated, and this trend is set to continue for the next two quarters. However, the bank aims to reach card accretion of 150,000-200,000 in the near term.
- ▶ Early bucket collection efficiency in the JLG portfolio stood at 99.5%, improving sequentially.
- ▶ RBL expects the credit card book to turn positive, and with the quality of portfolio built in the past two years, it expects to see improvement in collections and cost reduction.

**Asset quality**

- ▶ Asset quality metrics improved sequentially, with GNPA declining by 45bp QoQ and NNPA reducing by 2bp QoQ.
- ▶ The PCR stood at 71%, reflecting adequate provisioning coverage. Net slippages came in at INR 7.11bn vs INR 7.27bn QoQ
- ▶ Importantly, more than 80% of the standard JLG portfolio is covered under (CGFMU).
- ▶ Net restructured advances remain low at 0.16%.
- ▶ Credit cost for the quarter was 64bp – with the MFI cycle softening; RBL expects credit cost to trend down materially from Q2FY27.

**Cost, margin, and other highlights**

- ▶ Term deposits are set to reprice further in Q4FY26, with margin likely to improve in the upcoming quarter.
- ▶ NII increased by 7% QoQ, while NIM stood at ~4.6%, up 12bp, led by uptick of 4bp CRR release, balance sheet efficiency, and improvement in short-term investments. Cost of deposits stood at 6.2% vs ~6.3% in the previous quarter. Savings account rate actions included a reduction in the peak bucket from 6.5% to 6.0%, with cost of deposits set to reduce further.
- ▶ Other income grew by 13% YoY, excluding the one-off impact from the listing of strategic investments.
- ▶ Operating expenses increased by 8% YoY, with the cost-to-income ratio improving to 66.3% from 70.7% QoQ.
- ▶ Gratuity provision increased by INR 300mn on account of Labor codes.
- ▶ Capital adequacy remains comfortable, with overall capital adequacy at ~14.9% and CET-1 at ~13.5% (including profit) with 7-8bp capital consumption during the quarter due to growth.
- ▶ The bank added 18 branches during the quarter, reflecting accelerated branch expansion, which is set to continue to strengthen deposit franchise. Branch-led businesses, including gold loans, working capital and secured business loans, also witnessed traction. RBL aims to exit March 2026 by 600 branches, 800 by FY27 and 1,000 by FY28 with an annual operating cost of INR 6-7mn per branch.

**Exhibit 1: RBK reports a PAT of INR 21.4bn, led by improved core performance**

(INR mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
NII	15,459	15,999	17,000	16,150	15,851	15,630	14,807	15,507	16,572
Other Income	7,776	8,755	8,055	9,274	10,733	10,000	10,695	9,327	10,503
Net revenue	23,234	24,753	25,054	25,423	26,584	25,631	25,501	24,834	27,075
Opex	15,582	15,883	16,464	16,324	16,618	17,019	18,472	17,550	17,951
PPoP	7,653	8,870	8,591	9,099	9,966	8,612	7,029	7,284	9,124
Provisions	4,581	4,138	3,663	6,183	11,889	7,851	4,423	4,997	6,393
PAT	2,331	3,526	3,715	2,225	326	687	2,003	1,785	2,139
<b>YoY (%)</b>									
NII	34.6	32.1	19.5	9.5	2.5	(2.3)	(12.9)	(4.0)	4.6
Other Income	25.7	29.9	17.5	31.6	38.0	14.2	32.8	0.6	(2.1)
Net revenue	31.5	31.3	18.9	16.7	14.4	3.5	1.8	(2.3)	1.8
Opex	29.9	23.0	12.8	12.7	6.6	7.2	12.2	7.5	8.0
PPoP	34.9	49.4	32.7	24.5	30.2	(2.9)	(18.2)	(19.9)	(8.4)
Provisions	56.5	76.3	37.6	(3.4)	159.5	89.7	20.8	(19.2)	(46.2)
PAT	11.5	30.1	29.0	(24.3)	(86.0)	(80.5)	(46.1)	(19.8)	555.5
<b>QoQ (%)</b>									
NII	4.8	3.5	6.3	(5.0)	(1.9)	(1.4)	(5.3)	4.7	6.9
Other Income	10.4	12.6	(8.0)	15.1	15.7	(6.8)	6.9	(12.8)	12.6
Net revenue	6.6	6.5	1.2	1.5	4.6	(3.6)	(0.5)	(2.6)	9.0
Opex	7.6	1.9	3.7	(0.8)	1.8	2.4	8.5	(5.0)	2.3
PPoP	4.7	15.9	(3.2)	5.9	9.5	(13.6)	(18.4)	3.6	25.3
Provisions	(28.5)	(9.7)	(11.5)	68.8	92.3	(34.0)	(43.7)	13.0	27.9
PAT	(20.7)	51.3	5.4	(40.1)	(85.3)	110.5	191.6	(10.9)	19.8

Source: Company, Elara Securities Research

**Exhibit 2: Loans grow by ~14% YoY and 2.5% QoQ**

(INR mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Loan book	799,490	839,869	867,040	878,823	904,120	926,183	944,310	1,005,286	1,030,860
% YoY	19.9	19.6	18.6	15.1	13.1	10.3	8.9	14.4	14.0
% QoQ	4.7	5.1	3.2	1.4	2.9	2.4	2.0	6.5	2.5

Source: Company, Elara Securities Research

**Exhibit 3: Secured retail continues to grow at a rapid pace, leading to ~33.4% of total loans**

Loanbook mix	(INR Mn)			Loan Growth (%)		Loan Mix (%)			
	(INR mn)	Q3FY25	Q2FY26	Q3FY26	QoQ	YoY	Q3FY25	Q2FY26	Q3FY26
Corporate Banking	244,280	272,820	284,600	4.3	16.5	27.0	27.1	27.6	
Commercial Banking (Mid-corporates & SME)	107,850	131,150	140,160	6.9	30.0	11.9	13.0	13.6	
<b>Wholesale Banking</b>	<b>352,130</b>	<b>403,970</b>	<b>424,760</b>	<b>5.1</b>	<b>20.6</b>	<b>38.9</b>	<b>40.2</b>	<b>41.2</b>	
Credit cards	172,880	171,970	166,900	(2.9)	(3.5)	19.1	17.1	16.2	
Personal loans	37,220	28,610	28,220	(1.4)	(24.2)	4.1	2.8	2.7	
JLG (MFI)	65,320	58,850	66,920	13.7	2.4	7.2	5.9	6.5	
<b>Unsecured Retail</b>	<b>275,420</b>	<b>259,430</b>	<b>262,040</b>	<b>1.0</b>	<b>(4.9)</b>	<b>30.5</b>	<b>25.8</b>	<b>25.4</b>	
Business loans	98,590	134,910	151,370	12.2	53.5	10.9	13.4	14.7	
Housing loans	78,850	84,540	86,190	2.0	9.3	8.7	8.4	8.4	
Rural Vehicle finance	25,990	29,940	31,990	6.8	23.1	2.9	3.0	3.1	
Retail Agri	14,360	14,900	15,090	1.3	5.1	1.6	1.5	1.5	
Others	58,770	77,600	59,430	(23.4)	1.1	6.5	7.7	5.8	
<b>Secured Retail</b>	<b>276,560</b>	<b>341,890</b>	<b>344,070</b>	<b>0.6</b>	<b>24.4</b>	<b>30.6</b>	<b>34.0</b>	<b>33.4</b>	
<b>Net Advances</b>	<b>904,110</b>	<b>1,005,290</b>	<b>1,030,870</b>	<b>2.5</b>	<b>14.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	

Source: Company, Elara Securities Research

**Exhibit 4: Deposit growth largely led by term deposits; CASA ratio declines 100bp to 30.9%**

(INR mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Deposits	927,460	1,034,936	1,012,506	1,079,590	1,067,530	1,109,440	1,127,340	1,166,670	1,197,210
% YoY	13.5	22.0	18.2	20.2	15.1	7.2	11.3	8.1	12.1
% QoQ	3.3	11.6	(2.2)	6.6	(1.1)	3.9	1.6	3.5	2.6
Current Account	139,119	184,219	147,974	165,630	146,820	179,280	177,070	173,640	164,710
% YoY	8.4	24.7	(2.4)	11.8	5.5	(2.7)	19.7	4.8	12.2
% QoQ	(6.1)	32.4	(19.7)	11.9	(11.4)	22.1	(1.2)	(1.9)	(5.1)
Savings Account	174,362	180,079	181,420	196,610	203,400	199,580	189,070	198,050	205,010
% YoY	2.1	6.6	8.1	14.1	16.7	10.8	4.2	0.7	0.8
% QoQ	1.2	3.3	0.7	8.4	3.5	(1.9)	(5.3)	4.7	3.5
Term Deposits	613,979	670,639	683,112	717,350	717,310	730,580	761,200	794,980	827,490
% YoY	18.5	26.2	27.2	24.3	16.8	8.9	11.4	10.8	15.4
% QoQ	6.4	9.2	1.9	5.0	(0.0)	1.8	4.2	4.4	4.1
CASA Ratio	33.8	35.2	32.5	33.6	32.8	34.1	32.5	31.9	30.9

Source: Company, Elara Securities Research

**Exhibit 5: With repo rate transmission, NIM for the quarter inches up by 12bp QoQ to ~4.6% with improved funding metrics**

%	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Interest Margin	5.52	5.45	5.67	5.04	4.90	4.89	4.50	4.51	4.63
Yield on advances	14.00	14.10	14.20	13.50	13.30	12.97	12.50	12.26	12.13
Cost of Funds	6.50	6.50	6.60	6.60	6.60	6.60	6.55	6.23	6.15
Cost of Deposits	6.30	6.40	6.50	6.50	6.60	6.50	6.53	6.26	6.20

Source: Company, Elara Securities Research

**Exhibit 6: With the decline in slippages and increasing recoveries, GNPA improves QoQ**

(INR mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Opening GNPA	24,430	25,530	22,730	23,810	25,850	27,050	24,700	26,900	23,780
Slippages	6,660	6,800	7,200	10,260	13,090	10,580	10,600	9,250	9,090
Reductions	5,560	9,600	6,120	8,220	11,890	12,930	8,400	12,330	13,250
Closing GNPA	25,530	22,730	23,810	25,850	27,050	24,700	26,900	23,820	19,620
GNPL (%)	3.12	2.65	2.69	2.88	2.92	2.60	2.78	2.32	1.88
NNPL (%)	0.80	0.74	0.74	0.79	0.53	0.29	0.45	0.57	0.55
PCR (%) - Calculated	75.1	72.7	73.1	73.0	82.2	89.0	84.0	75.9	71.1
Credit cost (%) - Calculated	2.3	2.0	1.7	2.8	5.3	3.4	1.9	2.1	2.5

Source: Company, Elara Securities Research

**Exhibit 7: Well capitalized with Tier 1 of 13.5%**

(%)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Tier-1	14.6	14.4	13.8	14.2	13.7	14.1	14.1	13.5	13.5
Tier-2	1.8	1.8	1.7	1.7	1.7	1.5	1.5	1.5	1.5
<b>CRAR</b>	<b>16.4</b>	<b>16.2</b>	<b>15.6</b>	<b>15.9</b>	<b>15.4</b>	<b>15.5</b>	<b>15.6</b>	<b>15.0</b>	<b>14.9</b>

Source: Company, Elara Securities Research

**Exhibit 8: Q3FY26 results highlights**

(INR mn)	Q3FY26	Q2FY26	QoQ (%)	Q3FY25	YoY (%)
Interest income	36,667	35,075	4.5	35,363	3.7
Interest expenses	20,095	19,568	2.7	19,513	3.0
Net interest income	16,572	15,507	6.9	15,851	4.6
Other income	10,503	9,327	12.6	10,733	-2.1
Operating expenses	17,951	17,550	2.3	16,618	8.0
Staff expense	5,024	4,848	3.6	4,530	10.9
Other opex	12,926	12,702	1.8	12,088	6.9
Pre prov op profit (PPP)	9,124	7,284	25.3	9,966	-8.4
Provisions	6,393	4,997	27.9	11,889	-46.2
Profit before tax	2,732	2,287	19.4	-1,923	NA
Provision for tax	593	502	18.2	-2,249	NA
Profit after tax	2,139	1,785	19.8	326	555.5
EPS (INR)	3.5	2.9		0.5	
<b>Ratios (%)</b>					
NII / GII	45.2	44.2		44.8	
Cost - income	66.3	70.7		62.5	
Provisions / PPOP	70.1	68.6		119.3	
Tax rate	27.7	28.1		-689.2	
<b>Balance sheet data</b>					
Advances (INR bn)	1,031	1,005	2.5	904	14.0
Deposits (INR bn)	1,197	1,167	2.6	1,068	12.1
CD ratio (%)	86.1	86.2		84.7	
<b>Asset quality</b>					
Gross NPA	19,615	23,776	-17.5	27,010	-27.4
Gross NPA (%)	1.9	2.3		2.9	
Net NPA	5,670	5,724	-0.9	4,816	17.7
Net NPA (%)	0.6	0.6		0.5	
Provision coverage (%)	71.1	75.9		82.2	

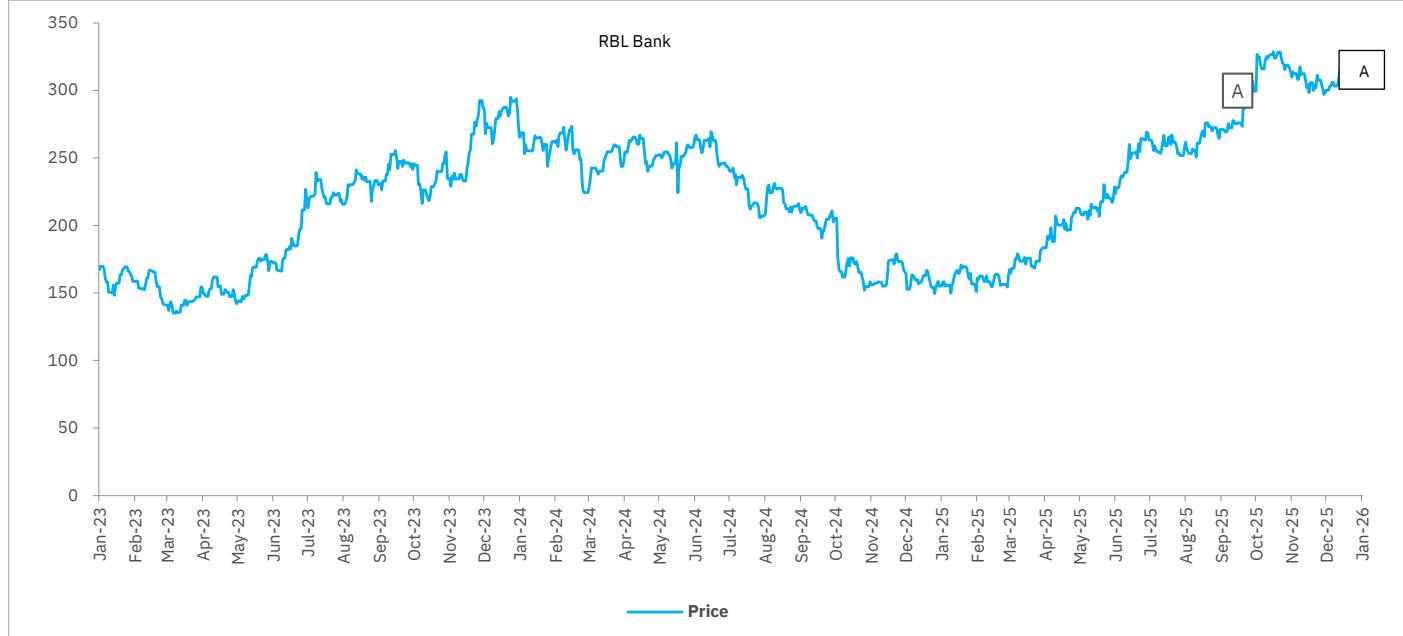
Source: Company, Elara Securities Research

**Exhibit 9: Change in estimates**

(INR mn)	Revised			Old			% Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net Interest Income	65,033	74,711	85,268	65,653	74,619	85,111	(0.9)	0.1	0.2
Operating Profit	34,378	40,190	46,618	35,305	38,755	44,936	(2.6)	3.7	3.7
Net Profit	8,952	14,681	20,049	11,845	16,380	20,934	(24.4)	(10.4)	(4.2)
<b>TP (INR)</b>			<b>345</b>			<b>315</b>			<b>9</b>

Source: Elara Securities Estimate

## Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
03-Oct-2025	Accumulate	315	276
16-Jan-2026	Accumulate	345	325

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