

## BANKING

Q2FY26 Preview

10 October 2025

**Margin pressure and lower treasury gains to weigh on PPOP**

- Credit growth remains moderate, mainly due to weak demand from corporates. Credit growth likely to be back-ended in FY26
- Earnings to witness NIMs pressure, but will be partially offset by lower CC. Asset quality to moderate with slippages expected to improve
- Top picks: ICICIB, KMB, HDFCB and SBIN in large caps, while FB and KVB in midcaps

Niraj Jalan  
 Research Analyst  
 Vijiya Rao  
 Research Analyst  
[research@bobcaps.in](mailto:research@bobcaps.in)

**Credit growth remains muted, likely to improve from 2HFY26:** System credit growth remains muted at 10.4% YoY, mainly due to slow growth in the industry (6.5% YoY), NBFC (3.4%), and unsecured retail (8.4%). These three sectors accounted for ~40% of system non-food credit. However, we note that RBI proposed several regulatory updates in Oct'25 to improve the flow of credit such as a) lower RWAs for corporates (with AA, BBB and BB ratings from 30% to 20%, 100% to 75% and 150% to 100%, respectively), MSME, mortgage and credit cards b) expanding the capital market lending scope like allowing banks to finance M&A by Indian corporates c) withdraw guideline on enhancing credit supply for large borrowers through market mechanism, among others. These measures are likely to support credit growth. We expect system credit offtake to stay moderate at 11-12% YoY in FY26, largely supported by the retail and MSME segments. Credit growth for our coverage banks is expected to be at ~10.6% YoY/~3.1% QoQ for Q2FY26.

**NIMs pressure to persist but will be partially offset by lower CC:** Post the RBI reducing repo rates by 100bps, in CY2025 till date, the WALR on O/S loans declined by 46bps during Feb-Aug'25. We expect a large impact of the transmission of 50bps repo rate cut in Jun'25 to be seen in Q2FY26 and result in QoQ decline in NIMs across most banks. We expect NIMs to bottom out by Q2/ Q3FY26, given that there are no further repo rate cuts, and probably be cushioned by: a) 100bps CRR cut from Sep'25 in a phased manner b) lagged impact of deposit repricing (15bps reduction in WADTDR on O/S TDs during Feb-Aug'25). Further, PPOP is likely to decline due to lower trading profits, as the 10-year g-sec yields rose to 6.58% (+25 bps QoQ) in Q2FY26. However, the QoQ fall in PAT is likely to be lower at ~9% vs PPOP fall of ~17%, given the likely lower CC across most banks.

**Slippages expected to improve gradually:** We expect slippage ratio to improve across banks on QoQ basis, considering lower agri seasonality vs. Q1, stress in unsecured segments have largely peaked out and CE seems to be improving. We remain watchful on CV and small-ticket LAP segments in terms of AQ. Overall, we remain positive on the sector given likely bottoming of NIMs, moderation in slippages and CC. PAT is expected to grow in high-teens in FY27 vs. mid-single digit in FY26.



**Fig 1 – BOBCAPS Banking Universe: Valuation Snapshot**

Company	CMP	Mcap (Rs bn)	P/ABV (x)		ROA (%)		ROE (%)	
			FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
HDFCB IN	981	15,012	2.8	2.5	1.7	1.9	13.4	14.6
ICICIB IN	1,380	9,827	3.0	2.6	2.3	2.3	16.5	16.5
AXSB IN	1,182	3,622	1.8	1.6	1.5	1.7	12.9	14.1
KMB IN	2,151	4,265	3.2	2.8	2.1	2.1	12.3	12.8
IIB IN	764	584	0.8	0.8	1.2	1.3	9.8	10.5
KVB IN	209	510	1.6	1.4	1.6	1.6	16.0	16.1
FB IN	292	176	1.4	1.2	1.3	1.4	13.1	14.5
RBK IN	130	41	1.1	1.0	0.5	1.0	4.9	10.0
DCBB IN	169	263	0.7	0.6	0.8	0.9	11.6	12.7
BANDHAN IN	74	539	0.9	0.8	2.4	2.5	18.8	19.3
IDFCBK IN	880	7,958	1.3	1.2	0.7	1.0	6.1	9.1
SBIN IN	127	1,144	1.6	1.4	1.0	1.1	15.1	15.1
CBK IN	765	567	1.1	0.9	1.0	1.0	16.3	16.3
AUBANK IN	56	64	3.1	2.6	1.5	1.8	14.3	17.4
EQUITASB IN	981	15,012	1.1	1.0	0.3	1.1	2.8	11.7
UJJIVANS IN	1,380	9,827	1.4	1.2	1.5	1.7	12.2	14.5

Source: Company, BOBCAPS Research, Priced as at 10 Oct 2025

**Fig 2 – BOBCAPS Banking universe: Q2FY26 estimates**

Ticker	NII (Rs mn)	YoY (%)	QoQ (%)	PPOP (Rs mn)	YoY (%)	QoQ (%)	PAT (Rs mn)	YoY (%)	QoQ (%)
HDFCB IN	3,14,539	4.4	0.1	2,55,435	3.4	(28.5)	1,69,824	1.0	(6.5)
ICICIB IN	2,14,708	7.1	(0.8)	1,70,085	1.7	(9.3)	1,15,828	(1.4)	(9.3)
AXSB IN	1,30,962	(2.9)	(3.4)	1,02,244	(4.6)	(11.2)	59,191	(14.4)	1.9
KMB IN	73,198	4.3	0.8	52,934	3.8	(4.9)	33,235	(0.6)	1.3
IIB IN	44,716	(16.4)	(3.6)	23,573	(34.5)	(8.2)	4,659	(65.0)	(22.9)
KVB IN	10,953	3.3	1.5	8,107	(0.7)	0.6	5,148	8.7	(1.3)
FB IN	23,418	(1.1)	0.2	14,859	(5.1)	(4.5)	8,784	(16.9)	1.9
RBK IN	15,093	(6.5)	1.9	7,106	(21.9)	1.1	2,228	0.1	11.2
DCBB IN	5,691	11.8	(2.0)	2,959	16.0	(9.5)	1,578	1.5	0.3
BANDHAN IN	27,255	(7.6)	(1.2)	14,522	(21.7)	(13.0)	2,879	(69.3)	(22.6)
IDFCBK IN	50,781	6.1	2.9	19,402	(1.1)	(13.4)	3,931	95.9	(15.0)
SBIN IN	4,05,056	(2.7)	(1.4)	2,53,127	(13.6)	(17.1)	1,61,957	(11.7)	(15.5)
CBK IN	89,252	(4.2)	(0.9)	74,114	(3.2)	(13.4)	38,355	(4.5)	(19.3)
AUBANK IN	20,712	4.9	1.3	12,280	8.5	(6.4)	5,315	(6.9)	(8.5)
EQUITASB IN	7,572	(5.6)	(3.6)	2,495	(28.7)	(20.7)	(83)	(164.5)	(96.3)
UJJIVANS IN	8,901	(5.7)	4.0	3,912	(15.1)	8.5	1,213	(47.9)	17.5

Source: BOBCAPS Research

## Company-wise expectations

**Fig 3 – HDFCB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>3,14,539</b>	<b>3,01,139</b>	<b>3,14,380</b>	<b>4.4</b>	<b>0.1</b>
Growth (YoY %)	4.4	10.0	10.0	-	-
Other Income	1,24,599	1,14,827	2,17,298	8.5	(42.7)
<b>Net Income</b>	<b>4,39,138</b>	<b>4,15,966</b>	<b>5,31,678</b>	<b>5.6</b>	<b>(17.4)</b>
Growth (YoY %)	5.6	9.2	31.3	-	-
Opex	1,83,703	1,68,909	1,74,338	8.8	5.4
<b>PPOP</b>	<b>2,55,435</b>	<b>2,47,057</b>	<b>3,57,340</b>	<b>3.4</b>	<b>(28.5)</b>
Growth (YoY %)	3.4	8.9	49.6	-	-
Provision	30,205	27,005	1,44,416	11.9	(79.1)
<b>PAT</b>	<b>1,69,824</b>	<b>1,68,210</b>	<b>1,81,552</b>	<b>1.0</b>	<b>(6.5)</b>
Growth (YoY %)	1.0	5.3	5.3	-	-
Advances	2,74,13,100	2,49,51,203	2,62,84,342	9.9	4.3
Growth (YoY %)	9.9	7.0	6.7	-	-
Deposits	2,80,15,000	2,50,00,882	2,76,40,890	12.1	1.4
Growth (YoY %)	12.1	15.1	16.2	-	-
NIM (calc)	3.32	3.53	3.39	(21bps)	(7bps)
C-D Ratio	97.9	99.8	95.1	(195bps)	276bps
C/I ratio	41.8	40.6	32.8	123bps	904bps
Credit Cost	0.5	0.4	2.2	1bps	(175bps)
GNPA %	1.4	1.4	1.4	3bps	(1bps)
NNPA %	0.5	0.4	0.5	5bps	(1bps)
PCR %	67.0	69.9	66.9	(290bps)	14bps

Source: Company, BOBCAPS Research

**Fig 4 – ICICIB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>2,14,708</b>	<b>2,00,480</b>	<b>2,16,345</b>	<b>7.1</b>	<b>(0.8)</b>
Growth (YoY %)	7.1	9.5	10.6	-	-
Other Income	70,864	71,767	85,049	(1.3)	(16.7)
<b>Net Income</b>	<b>2,85,572</b>	<b>2,72,246</b>	<b>3,01,394</b>	<b>4.9</b>	<b>(5.2)</b>
Growth (YoY %)	4.9	13.0	13.5	-	-
Opex	1,15,487	1,05,015	1,13,935	10.0	1.4
<b>PPOP</b>	<b>1,70,085</b>	<b>1,67,232</b>	<b>1,87,458</b>	<b>1.7</b>	<b>(9.3)</b>
Growth (YoY %)	1.7	17.5	17.0	-	-
Provision	15,648	12,331	18,146	26.9	(13.8)
<b>PAT</b>	<b>1,15,828</b>	<b>1,17,459</b>	<b>1,27,682</b>	<b>(1.4)</b>	<b>(9.3)</b>
Growth (YoY %)	(1.4)	14.5	15.5	-	-
Advances	1,41,77,369	1,27,72,404	1,36,41,571	11.0	3.9
Growth (YoY %)	11.0	15.0	11.5	-	-
Deposits	1,67,00,031	1,49,77,607	1,60,85,173	11.5	3.8
Growth (YoY %)	11.5	15.7	12.8	-	-
NIM (calc)	4.14	4.33	4.25	(19bps)	(11bps)
C-D Ratio	84.9	85.3	84.8	(38bps)	9bps
C/I ratio	40.4	38.6	37.8	187bps	264bps
Credit Cost	0.5	0.4	0.5	5bps	(9bps)
GNPA %	1.8	2.0	1.7	(20bps)	10bps
NNPA %	0.4	0.4	0.4	0bps	1bps
PCR %	76.5	79.0	75.9	(254bps)	64bps

Source: Company, BOBCAPS Research

**Fig 5 – KMB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>73,198</b>	<b>70,196</b>	<b>72,593</b>	<b>4.3</b>	<b>0.8</b>
Growth (YoY %)	4.3	11.5	6.1	-	-
Other Income	28,899	26,842	30,800	7.7	(6.2)
<b>Net Income</b>	<b>1,02,097</b>	<b>97,038</b>	<b>1,03,393</b>	<b>5.2</b>	<b>(1.3)</b>
Growth (YoY %)	5.2	12.7	5.8	-	-
Opex	49,163	46,046	47,756	6.8	2.9
<b>PPOP</b>	<b>52,934</b>	<b>50,993</b>	<b>55,637</b>	<b>3.8</b>	<b>(4.9)</b>
Growth (YoY %)	3.8	10.6	5.9	-	-
Provision	8,620	6,604	12,078	30.5	(28.6)
<b>PAT</b>	<b>33,235</b>	<b>33,437</b>	<b>32,817</b>	<b>(0.6)</b>	<b>1.3</b>
Growth (YoY %)	(0.6)	4.8	(47.5)	-	-
Advances	46,25,520	39,95,216	44,48,230	15.8	4.0
Growth (YoY %)	15.8	14.7	14.1	-	-
Deposits	52,87,760	46,14,542	51,28,380	14.6	3.1
Growth (YoY %)	14.6	15.1	14.6	-	-
NIM (calc)	4.29	4.69	4.32	(40bps)	(2bps)
C-D Ratio	87.5	86.6	86.7	90bps	74bps
C/I ratio	48.2	47.5	46.2	70bps	196bps
Credit Cost	0.8	0.7	1.1	8bps	(37bps)
GNPA %	1.4	1.5	1.5	(7bps)	(6bps)
NNPA %	0.3	0.4	0.3	(11bps)	(2bps)
PCR %	77.5	71.4	76.9	607bps	56bps

Source: Company, BOBCAPS Research

**Fig 6 – AXSB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>1,30,962</b>	<b>1,34,832</b>	<b>1,35,598</b>	<b>(2.9)</b>	<b>(3.4)</b>
Growth (YoY %)	(2.9)	9.5	0.8	-	-
Other Income	66,320	67,219	72,581	(1.3)	(8.6)
<b>Net Income</b>	<b>1,97,282</b>	<b>2,02,051</b>	<b>2,08,178</b>	<b>(2.4)</b>	<b>(5.2)</b>
Growth (YoY %)	(2.4)	16.5	8.2	-	-
Opex	95,038	94,926	93,027	0.1	2.2
<b>PPOP</b>	<b>1,02,244</b>	<b>1,07,125</b>	<b>1,15,152</b>	<b>(4.6)</b>	<b>(11.2)</b>
Growth (YoY %)	(4.6)	24.1	13.9	-	-
Provision	23,324	22,041	39,477	5.8	(40.9)
<b>PAT</b>	<b>59,191</b>	<b>69,176</b>	<b>58,061</b>	<b>(14.4)</b>	<b>1.9</b>
Growth (YoY %)	(14.4)	18.0	(3.8)	-	-
Advances	1,08,49,775	99,99,792	1,05,97,244	8.5	2.4
Growth (YoY %)	8.5	11.4	8.1	-	-
Deposits	1,18,99,847	1,08,67,440	1,16,16,146	9.5	2.4
Growth (YoY %)	9.5	13.7	9.3	-	-
NIM (calc)	3.39	3.80	3.55	(40bps)	(15bps)
C-D Ratio	91.2	92.0	91.2	(84bps)	(5bps)
C/I ratio	48.2	47.0	44.7	119bps	349bps
Credit Cost	0.9	0.9	1.5	(3bps)	(65bps)
GNPA %	1.5	1.4	1.6	9bps	(4bps)
NNPA %	0.4	0.3	0.5	9bps	(2bps)
PCR %	72.5	76.6	71.5	(414bps)	102bps

Source: Company, BOBCAPS Research

**Fig 7 – IIB (Consolidated)**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>44,716</b>	<b>53,473</b>	<b>46,398</b>	<b>(16.4)</b>	<b>(3.6)</b>
Growth (YoY %)	(16.4)	5.3	(14.2)	-	-
Other Income	20,360	21,850	21,569	(6.8)	(5.6)
<b>Net Income</b>	<b>65,077</b>	<b>75,322</b>	<b>67,967</b>	<b>(13.6)</b>	<b>(4.3)</b>
Growth (YoY %)	(13.6)	2.4	(13.4)	-	-
Opex	41,504	39,324	42,294	5.5	(1.9)
<b>PPOP</b>	<b>23,573</b>	<b>35,998</b>	<b>25,673</b>	<b>(34.5)</b>	<b>(8.2)</b>
Growth (YoY %)	(34.5)	(7.9)	(35.0)	-	-
Provision	17,352	18,201	17,600	(4.7)	(1.4)
<b>PAT</b>	<b>4,659</b>	<b>13,313</b>	<b>6,041</b>	<b>(65.0)</b>	<b>(22.9)</b>
Growth (YoY %)	(65.0)	(39.5)	(72.2)	-	-
Advances	32,73,490	35,71,586	33,36,940	(8.3)	(1.9)
Growth (YoY %)	(8.3)	13.2	(4.1)	-	-
Deposits	38,98,030	41,23,968	39,71,440	(5.5)	(1.8)
Growth (YoY %)	(5.5)	14.7	(0.3)	-	-
NIM (calc)	3.58	4.21	3.62	(63bps)	(4bps)
C-D Ratio	84.0	86.6	84.0	(263bps)	(5bps)
C/I ratio	63.8	52.2	62.2	1,157bps	155bps
Credit Cost	2.1	2.1	2.1	3bps	3bps
GNPA %	3.8	2.1	3.6	173bps	20bps
NNPA %	1.1	0.6	1.1	51bps	3bps
PCR %	70.9	70.1	70.2	78bps	72bps

Source: Company, BOBCAPS Research

**Fig 8 – KVB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>10,953</b>	<b>10,600</b>	<b>10,794</b>	<b>3.3</b>	<b>1.5</b>
Growth (YoY %)	3.3	15.8	5.1	-	-
Other Income	4,504	4,720	4,473	(4.6)	0.7
<b>Net Income</b>	<b>15,456</b>	<b>15,320</b>	<b>15,266</b>	<b>0.9</b>	<b>1.2</b>
Growth (YoY %)	0.9	22.1	8.1	-	-
Opex	7,349	7,157	7,211	2.7	1.9
<b>PPOP</b>	<b>8,107</b>	<b>8,162</b>	<b>8,055</b>	<b>(0.7)</b>	<b>0.6</b>
Growth (YoY %)	(0.7)	28.0	8.0	-	-
Provision	1,243	1,798	1,181	(30.9)	5.2
<b>PAT</b>	<b>5,148</b>	<b>4,736</b>	<b>5,215</b>	<b>8.7</b>	<b>(1.3)</b>
Growth (YoY %)	8.7	25.1	13.7	-	-
Advances	9,17,918	7,96,188	8,89,440	15.3	3.2
Growth (YoY %)	15.3	14.5	15.6	-	-
Deposits	11,04,920	9,58,385	10,66,500	15.3	3.6
Growth (YoY %)	15.3	15.4	15.5	-	-
NIM (calc)	3.56	3.97	3.64	(41bps)	(8bps)
C-D Ratio	83.1	83.1	83.4	(0bps)	(32bps)
C/I ratio	47.5	46.7	47.2	83bps	31bps
Credit Cost	0.6	0.9	0.6	(38bps)	(1bps)
GNPA %	0.6	1.1	0.7	(46bps)	(2bps)
NNPA %	0.2	0.3	0.2	(11bps)	(2bps)
PCR %	73.0	74.5	71.2	(155bps)	179bps

Source: Company, BOBCAPS Research

**Fig 9 – FB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>23,418</b>	<b>23,672</b>	<b>23,368</b>	<b>(1.1)</b>	<b>0.2</b>
Growth (YoY %)	(1.1)	15.1	2.0	-	-
Other Income	11,077	9,640	11,130	14.9	(0.5)
<b>Net Income</b>	<b>34,496</b>	<b>33,312</b>	<b>34,498</b>	<b>3.6</b>	<b>(0.0)</b>
Growth (YoY %)	3.6	19.5	7.6	-	-
Opex	19,636	17,658	18,935	11.2	3.7
<b>PPOP</b>	<b>14,859</b>	<b>15,654</b>	<b>15,563</b>	<b>(5.1)</b>	<b>(4.5)</b>
Growth (YoY %)	(5.1)	18.2	3.7	-	-
Provision	3,116	1,584	4,002	96.8	(22.1)
<b>PAT</b>	<b>8,784</b>	<b>10,567</b>	<b>8,618</b>	<b>(16.9)</b>	<b>1.9</b>
Growth (YoY %)	(16.9)	10.8	(14.6)	-	-
Advances	24,75,854	23,03,120	24,12,040	7.5	2.6
Growth (YoY %)	7.5	19.4	9.2	-	-
Deposits	29,54,795	26,91,070	28,74,360	9.8	2.8
Growth (YoY %)	9.8	15.6	8.0	-	-
NIM (calc)	2.76	3.02	2.80	(26bps)	(4bps)
C-D Ratio	83.8	85.6	83.9	(179bps)	(12bps)
C/I ratio	56.9	53.0	54.9	391bps	204bps
Credit Cost	0.5	0.3	0.7	23bps	(16bps)
GNPA %	1.9	2.1	1.9	(19bps)	(1bps)
NNPA %	0.5	0.6	0.5	(11bps)	(2bps)
PCR %	76.0	72.9	75.2	307bps	79bps

Source: Company, BOBCAPS Research

**Fig 10 – SBIN**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>4,05,056</b>	<b>4,16,195</b>	<b>4,10,725</b>	<b>(2.7)</b>	<b>(1.4)</b>
Growth (YoY %)	(2.7)	5.4	(0.1)	-	-
Other Income	1,47,021	1,52,706	1,73,457	(3.7)	(15.2)
<b>Net Income</b>	<b>5,52,077</b>	<b>5,68,901</b>	<b>5,84,182</b>	<b>(3.0)</b>	<b>(5.5)</b>
Growth (YoY %)	(3.0)	13.1	11.7	-	-
Opex	2,98,950	2,75,964	2,78,737	8.3	7.3
<b>PPOP</b>	<b>2,53,127</b>	<b>2,92,937</b>	<b>3,05,445</b>	<b>(13.6)</b>	<b>(17.1)</b>
Growth (YoY %)	(13.6)	50.9	15.5	-	-
Provision	37,184	45,057	47,592	(17.5)	(21.9)
<b>PAT</b>	<b>1,61,957</b>	<b>1,83,314</b>	<b>1,91,604</b>	<b>(11.7)</b>	<b>(15.5)</b>
Growth (YoY %)	(11.7)	27.9	12.5	-	-
Advances	4,30,29,559	3,85,74,235	4,19,62,051	11.6	2.5
Growth (YoY %)	11.6	15.3	11.9	-	-
Deposits	5,61,36,615	5,11,72,849	5,47,32,537	9.7	2.6
Growth (YoY %)	9.7	9.1	11.7	-	-
NIM (calc)	2.56	2.89	2.64	(33bps)	(8bps)
C-D Ratio	76.7	75.4	76.7	127bps	(2bps)
C/I ratio	54.2	48.5	47.7	564bps	644bps
Credit Cost	0.4	0.5	0.5	(12bps)	(11bps)
GNPA %	1.8	2.1	1.8	(36bps)	(6bps)
NNPA %	0.5	0.5	0.5	(7bps)	(1bps)
PCR %	74.5	75.7	74.5	(116bps)	1bps

Source: Company, BOBCAPS Research

**Fig 11 – RBK**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>15,093</b>	<b>16,150</b>	<b>14,807</b>	<b>(6.5)</b>	<b>1.9</b>
Growth (YoY %)	(6.5)	9.5	(12.9)	-	-
Other Income	10,217	9,274	10,695	10.2	(4.5)
<b>Net Income</b>	<b>25,309</b>	<b>25,423</b>	<b>25,501</b>	<b>(0.4)</b>	<b>(0.8)</b>
Growth (YoY %)	(0.4)	16.7	1.8	-	-
Opex	18,203	16,324	18,472	11.5	(1.5)
<b>PPOP</b>	<b>7,106</b>	<b>9,099</b>	<b>7,030</b>	<b>(21.9)</b>	<b>1.1</b>
Growth (YoY %)	(21.9)	24.5	(18.2)	-	-
Provision	4,138	6,183	4,423	(33.1)	(6.4)
<b>PAT</b>	<b>2,228</b>	<b>2,225</b>	<b>2,003</b>	<b>0.1</b>	<b>11.2</b>
Growth (YoY %)	0.1	(24.3)	(46.1)	-	-
Advances	10,03,030	8,78,820	9,44,310	14.1	6.2
Growth (YoY %)	14.1	15.1	8.9	-	-
Deposits	11,66,650	10,79,587	11,27,340	8.1	3.5
Growth (YoY %)	8.1	20.2	11.2	-	-
NIM (calc)	4.28	4.98	4.28	(71bps)	(1bps)
C-D Ratio	86.0	81.4	83.8	457bps	221bps
C/I ratio	71.9	64.2	72.4	771bps	(51bps)
Credit Cost	1.7	2.8	1.9	(113bps)	(19bps)
GNPA %	2.7	2.9	2.8	(16bps)	(6bps)
NNPA %	0.4	0.8	0.5	(34bps)	(0bps)
PCR %	84.0	73.0	84.0	1,102bps	(3bps)

Source: Company, BOBCAPS Research

**Fig 12 – DCBB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>5,691</b>	<b>5,092</b>	<b>5,804</b>	<b>11.8</b>	<b>(2.0)</b>
Growth (YoY %)	11.8	7.0	16.9	-	-
Other Income	2,263	2,046	2,361	10.6	(4.2)
<b>Net Income</b>	<b>7,954</b>	<b>7,138</b>	<b>8,166</b>	<b>11.4</b>	<b>(2.6)</b>
Growth (YoY %)	11.4	22.4	27.7	-	-
Opex	4,995	4,587	4,897	8.9	2.0
<b>PPOP</b>	<b>2,959</b>	<b>2,551</b>	<b>3,269</b>	<b>16.0</b>	<b>(9.5)</b>
Growth (YoY %)	16.0	21.2	59.2	-	-
Provision	833	456	1,151	82.7	(27.7)
<b>PAT</b>	<b>1,578</b>	<b>1,555</b>	<b>1,573</b>	<b>1.5</b>	<b>0.3</b>
Growth (YoY %)	1.5	22.6	19.7	-	-
Advances	5,29,135	4,44,652	5,12,150	19.0	3.3
Growth (YoY %)	19.0	19.3	21.4	-	-
Deposits	6,39,112	5,45,317	6,20,390	17.2	3.0
Growth (YoY %)	17.2	19.9	20.0	-	-
NIM (calc)	3.01	3.20	3.13	(19bps)	(13bps)
C-D Ratio	82.8	81.5	82.6	125bps	24bps
C/I ratio	62.8	64.3	60.0	(147bps)	283bps
Credit Cost	0.6	0.4	0.9	22bps	(26bps)
GNPA %	3.1	3.3	3.0	(17bps)	14bps
NNPA %	1.2	1.2	1.2	7bps	2bps
PCR %	61.0	65.2	59.7	(417bps)	125bps

Source: Company, BOBCAPS Research

**Fig 13 – BANDHAN**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>27,255</b>	<b>29,483</b>	<b>27,572</b>	<b>(7.6)</b>	<b>(1.2)</b>
Growth (YoY %)	(7.6)	20.7	(8.2)	-	-
Other Income	5,808	5,947	7,259	(2.3)	(20.0)
<b>Net Income</b>	<b>33,063</b>	<b>35,430</b>	<b>34,831</b>	<b>(6.7)</b>	<b>(5.1)</b>
Growth (YoY %)	(6.7)	18.7	(1.4)	-	-
Opex	18,541	16,879	18,147	9.8	2.2
<b>PPOP</b>	<b>14,522</b>	<b>18,551</b>	<b>16,684</b>	<b>(21.7)</b>	<b>(13.0)</b>
Growth (YoY %)	(21.7)	17.2	(14.0)	-	-
Provision	10,683	6,062	11,469	76.2	(6.9)
<b>PAT</b>	<b>2,879</b>	<b>9,374</b>	<b>3,720</b>	<b>(69.3)</b>	<b>(22.6)</b>
Growth (YoY %)	(69.3)	30.0	(65.0)	-	-
Advances	13,44,595	12,60,557	12,85,100	6.7	4.6
Growth (YoY %)	6.7	23.6	5.7	-	-
Deposits	15,79,750	14,25,095	15,46,700	10.9	2.1
Growth (YoY %)	10.9	27.2	16.1	-	-
NIM (calc)	5.92	7.14	6.07	(122bps)	(15bps)
C-D Ratio	85.1	88.5	83.1	(334bps)	203bps
C/I ratio	56.1	47.6	52.1	844bps	398bps
Credit Cost	3.3	2.0	3.5	129bps	(27bps)
GNPA %	4.9	4.7	5.0	22bps	(6bps)
NNPA %	1.3	1.3	1.4	3bps	(4bps)
PCR %	74.0	73.5	73.7	54bps	34bps

Source: Company, BOBCAPS Research

**Fig 14 – IDFCFB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>50,781</b>	<b>47,879</b>	<b>49,331</b>	<b>6.1</b>	<b>2.9</b>
Growth (YoY %)	6.1	21.2	5.1	-	-
Other Income	19,371	17,273	22,268	12.1	(13.0)
<b>Net Income</b>	<b>70,152</b>	<b>65,152</b>	<b>71,599</b>	<b>7.7</b>	<b>(2.0)</b>
Growth (YoY %)	7.7	21.1	13.4	-	-
Opex	50,751	45,533	49,205	11.5	3.1
<b>PPOP</b>	<b>19,402</b>	<b>19,619</b>	<b>22,394</b>	<b>(1.1)</b>	<b>(13.4)</b>
Growth (YoY %)	(1.1)	29.9	19.0	-	-
Provision	14,270	17,319	16,591	(17.6)	(14.0)
<b>PAT</b>	<b>3,931</b>	<b>2,007</b>	<b>4,626</b>	<b>95.9</b>	<b>(15.0)</b>
Growth (YoY %)	95.9	(73.3)	(32.0)	-	-
Advances	25,48,477	21,50,613	24,36,789	18.5	4.6
Growth (YoY %)	18.5	23.0	20.3	-	-
Deposits	27,58,101	22,36,067	26,49,713	23.3	4.1
Growth (YoY %)	23.3	30.6	26.4	-	-
NIM (calc)	5.76	6.39	5.85	(64bps)	(10bps)
C-D Ratio	92.4	96.2	92.0	(378bps)	44bps
C/I ratio	72.3	69.9	68.7	246bps	362bps
Credit Cost	2.3	3.3	2.8	(103bps)	(49bps)
GNPA %	2.0	1.9	2.0	6bps	1bps
NNPA %	0.6	0.5	0.6	8bps	1bps
PCR %	72.4	75.3	72.3	(292bps)	0bps

Source: Company, BOBCAPS Research



**Fig 15 – CBK**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>89,252</b>	<b>93,152</b>	<b>90,088</b>	<b>(4.2)</b>	<b>(0.9)</b>
Growth (YoY %)	(4.2)	4.6	(1.7)	-	-
Other Income	59,784	49,810	70,605	20.0	(15.3)
<b>Net Income</b>	<b>1,49,035</b>	<b>1,42,962</b>	<b>1,60,692</b>	<b>4.2</b>	<b>(7.3)</b>
Growth (YoY %)	4.2	5.6	10.9	-	-
Opex	74,921	66,424	75,157	12.8	(0.3)
<b>PPOP</b>	<b>74,114</b>	<b>76,538</b>	<b>85,536</b>	<b>(3.2)</b>	<b>(13.4)</b>
Growth (YoY %)	(3.2)	0.5	12.3	-	-
Provision	22,700	22,513	23,516	0.8	(3.5)
<b>PAT</b>	<b>38,355</b>	<b>40,145</b>	<b>47,520</b>	<b>(4.5)</b>	<b>(19.3)</b>
Growth (YoY %)	(4.5)	11.3	21.7	-	-
Advances	1,10,22,111	98,40,412	1,07,35,762	12.0	2.7
Growth (YoY %)	12.0	10.3	13.4	-	-
Deposits	1,50,22,915	1,34,73,467	1,46,76,553	11.5	2.4
Growth (YoY %)	11.5	9.3	9.9	-	-
NIM (calc)	2.11	2.49	2.18	(38bps)	(7bps)
C-D Ratio	73.4	73.0	73.1	33bps	22bps
C/I ratio	50.3	46.5	46.8	381bps	350bps
Credit Cost	0.8	0.9	0.9	(10bps)	(5bps)
GNPA %	2.6	3.7	2.7	(117bps)	(13bps)
NNPA %	0.6	1.0	0.6	(38bps)	(2bps)
PCR %	77.0	74.1	77.1	291bps	(8bps)

Source: Company, BOBCAPS Research

**Fig 16 – AUBANK**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>20,712</b>	<b>19,744</b>	<b>20,447</b>	<b>4.9</b>	<b>1.3</b>
Growth (YoY %)	4.9	58.1	6.5	-	-
Other Income	7,336	6,380	8,106	15.0	(9.5)
<b>Net Income</b>	<b>28,048</b>	<b>26,123</b>	<b>28,553</b>	<b>7.4</b>	<b>(1.8)</b>
Growth (YoY %)	7.4	57.8	15.8	-	-
Opex	15,768	14,806	15,431	6.5	2.2
<b>PPOP</b>	<b>12,280</b>	<b>11,318</b>	<b>13,122</b>	<b>8.5</b>	<b>(6.4)</b>
Growth (YoY %)	8.5	80.0	32.8	-	-
Provision	5,193	3,730	5,333	39.2	(2.6)
<b>PAT</b>	<b>5,315</b>	<b>5,712</b>	<b>5,809</b>	<b>(6.9)</b>	<b>(8.5)</b>
Growth (YoY %)	(6.9)	42.1	15.6	-	-
Advances	11,59,604	9,48,382	10,98,340	22.3	5.6
Growth (YoY %)	22.3	47.8	22.5	-	-
Deposits	13,25,100	10,96,932	12,76,960	20.8	3.8
Growth (YoY %)	20.8	44.8	31.3	-	-
NIM (calc)	5.16	6.13	5.26	(97bps)	(10bps)
C-D Ratio	87.5	86.5	86.0	105bps	150bps
C/I ratio	56.2	56.7	54.0	(46bps)	217bps
Credit Cost	1.8	1.6	1.9	27bps	(10bps)
GNPA %	2.3	2.0	2.5	30bps	(19bps)
NNPA %	0.8	0.8	0.9	4bps	(9bps)
PCR %	64.7	65.1	68.1	(43bps)	(335bps)

Source: Company, BOBCAPS Research

**Fig 17 – EQUITASB**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>7,572</b>	<b>8,023</b>	<b>7,857</b>	<b>(5.6)</b>	<b>(3.6)</b>
Growth (YoY %)	(5.6)	4.8	(2.0)	-	-
Other Income	2,577	2,389	2,917	7.9	(11.6)
<b>Net Income</b>	<b>10,149</b>	<b>10,412</b>	<b>10,774</b>	<b>(2.5)</b>	<b>(5.8)</b>
Growth (YoY %)	(2.5)	10.0	6.7	-	-
Opex	7,655	6,915	7,627	10.7	0.4
<b>PPOP</b>	<b>2,495</b>	<b>3,497</b>	<b>3,148</b>	<b>(28.7)</b>	<b>(20.7)</b>
Growth (YoY %)	(28.7)	5.9	(7.5)	-	-
Provision	2,606	3,297	6,122	(21.0)	(57.4)
<b>PAT</b>	<b>(83)</b>	<b>129</b>	<b>(2,238)</b>	<b>(164.5)</b>	<b>(96.3)</b>
Growth (YoY %)	(164.5)	(93.5)	(968.7)	-	-
Advances	3,64,030	3,39,625	3,47,410	7.2	4.8
Growth (YoY %)	7.2	18.1	8.8	-	-
Deposits	4,40,940	3,98,588	4,43,790	10.6	(0.6)
Growth (YoY %)	10.6	29.2	18.3	-	-
NIM (calc)	5.81	7.04	6.12	(122bps)	(30bps)
C-D Ratio	82.6	85.2	78.3	(265bps)	428bps
C/I ratio	75.4	66.4	70.8	901bps	463bps
Credit Cost	2.9	4.1	6.8	(120bps)	(383bps)
GNPA %	2.9	3.0	2.8	(4bps)	9bps
NNPA %	1.0	1.0	1.0	1bps	3bps

Source: Company, BOBCAPS Research

**Fig 18 – UJJIVANS**

(Rs mn)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QOQ (%)
<b>NII</b>	<b>8,901</b>	<b>9,438</b>	<b>8,560</b>	<b>(5.7)</b>	<b>4.0</b>
Growth (YoY %)	(5.7)	14.6	(9.1)	-	-
Other Income	2,820	2,073	2,490	36.1	13.3
<b>Net Income</b>	<b>11,721</b>	<b>11,510</b>	<b>11,049</b>	<b>1.8</b>	<b>6.1</b>
Growth (YoY %)	1.8	13.7	(3.0)	-	-
Opex	7,809	6,902	7,445	13.1	4.9
<b>PPOP</b>	<b>3,912</b>	<b>4,608</b>	<b>3,605</b>	<b>(15.1)</b>	<b>8.5</b>
Growth (YoY %)	(15.1)	(4.7)	(29.3)	-	-
Provision	2,307	1,505	2,249	53.3	2.6
<b>PAT</b>	<b>1,213</b>	<b>2,330</b>	<b>1,032</b>	<b>(47.9)</b>	<b>17.5</b>
Growth (YoY %)	(47.9)	(28.9)	(65.7)	-	-
Advances	3,38,962	2,91,793	3,25,010	16.2	4.3
Growth (YoY %)	16.2	20.0	19.9	-	-
Deposits	3,91,010	3,40,698	3,86,190	14.8	1.2
Growth (YoY %)	14.8	16.9	18.8	-	-
NIM (calc)	7.35	9.10	7.29	(174bps)	6bps
C-D Ratio	86.7	85.6	84.2	104bps	253bps
C/I ratio	66.6	60.0	67.4	666bps	(75bps)
Credit Cost	2.8	2.2	2.9	56bps	(9bps)
GNPA %	2.5	2.5	2.5	2bps	2bps
NNPA %	0.7	0.6	0.7	14bps	(0bps)
PCR %	73.0	91.5	72.9	(1,846bps)	10bps

## Glossary

Glossary of Abbreviations			
<b>AUCA</b>	Advance Under Collection Account	<b>MSME</b>	Micro, Small and Medium Enterprises
<b>AIF</b>	Alternative Investment Fund	<b>MTM</b>	Mark to Market
<b>CASA</b>	Current Account and Savings Account	<b>NII</b>	Net Interest Income
<b>CAR</b>	Capital Adequacy Ratio	<b>NIM</b>	Net Interest Margin
<b>CET1</b>	Common Equity Tier 1	<b>NNPA</b>	Net Non-Performing Assets
<b>C-D</b>	Credit-Deposit Ratio	<b>PCR</b>	Provision Coverage Ratio
<b>CoF</b>	Cost of Funds	<b>PPOP</b>	Pre-Provision Operating Profit
<b>C/I</b>	Cost-Income Ratio	<b>PSU</b>	Public Sector Unit
<b>EBLR</b>	External Benchmark-based Lending Rate	<b>RBI</b>	Reserve Bank of India
<b>ECL</b>	Expected Credit Loss	<b>RWA</b>	Risk-weighted Assets
<b>GNPA</b>	Gross Non-Performing Assets	<b>SLR</b>	Statutory Liquidity Ratio
<b>LCR</b>	Liquidity Coverage Ratio	<b>SMA</b>	Special Mention Account
<b>MCLR</b>	Marginal Cost of Funds-based Lending Rate	<b>SME</b>	Small and Medium-sized Enterprises
<b>MFI</b>	Microfinance Institution		

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Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**

SEBI Research Analyst Registration No: **INH000000040 valid till 03 February 2025**

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