

October 29, 2025

## RBL Bank Limited: Long-term rating placed on watch with positive implications

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Basel III Tier II bonds	70.00	70.00	[ICRA]AA-; Placed on rating watch with positive implications
Fixed deposit	-	-	[ICRA]AA-; Placed on rating watch with positive implications
Short-term fixed deposit	-	-	[ICRA]A1+; outstanding
Certificates of deposit	6,000.00	6,000.00	[ICRA]A1+; outstanding
<b>Total</b>	<b>6,070.00</b>	<b>6,070.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

#### Material Event

On October 18, 2025, RBL Bank Limited (RBL) informed the stock exchanges that its board of directors have considered and approved Emirates NBD PJSC (ENBD; rated A1 by Moody's Ratings) will be investing upto approximately \$3 billion (Rs. 26,850 crore) through a preferential issue to acquire a 60% controlling stake in RBL. This will also trigger a mandatory open offer, to be made by ENBD, for the purchase of up to 26% stake from the public shareholders of the bank. Additionally, the transaction will also involve amalgamation of ENBD's Indian branches with RBL (to ensure compliance with RBI regulations), post execution of preferential issuance of RBL, where ENBD will be allotted shares in RBL. The transaction is subject to approvals from shareholders and various statutory and regulatory authorities, including from the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Department for Promotion of Industry and Internal Trade (DPIIT) and the Central Bank of UAE.

Dubai-based ENBD, established in October 2007, is the second largest bank in the UAE (in terms of assets) with total assets of \$296 billion as of June 2025. Its net profit stood at \$3.4 billion in H1 CY2025 (against \$6.25 billion in CY2024). ENBD also has presence in India and operates as a foreign bank under the branch model. It carries operations through three branches (Mumbai, Gurugram and Chennai), having a total asset base of Rs. 12,457 crore, a net worth of Rs. 2,416 crore and a PAT of Rs. 84 crore in FY2025.

#### Impact of Material event

After completion of the transaction, ENBD will be classified as the promoter of RBL. Successful completion of the proposed transaction is likely to increase RBL's net worth to ~Rs. 44,500 crore from its current net worth of ~Rs. 16,000 crore (on complete preferential infusion of ~Rs. 26,800 crore and ~Rs. 2,400 crore post amalgamation of ENBD's India branches). The same will strengthen RBL's capitalisation level, supporting its operational scale-up.

ICRA has placed RBL's long-term rating on watch with positive implications and will continue to monitor the progress in terms of receipt of requisite approvals, understand ENBD's strategy and its extent of involvement in bank operations and will take appropriate rating action, as more clarity emerges. ICRA will resolve the rating watch on completion of the transaction.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position and Rating sensitivities: [Click here](#)

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">ICRA's Rating Methodology for Banks and Financial Institutions</a>
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of RBL. However, in line with ICRA's consolidation approach, the standalone assessment of the bank factors in the ordinary and the extraordinary support that it is expected to extend to its subsidiary.

## About the company

Maharashtra-based RBL Bank Limited was established in 1943. It received the status of a scheduled commercial bank in 1959. The bank underwent a management change in FY2011, following which its corporate office was shifted to Mumbai. Besides, RBL underwent a change in shareholding in FY2011 with equity infusions from various private equity funds. From its erstwhile name of Ratnakar Bank Limited, it was renamed RBL Bank Limited in mid-2014. It was listed on Bombay Stock Exchange and National Stock Exchange after its initial public offering (IPO) in August 2016. RBL FinServe Limited, its subsidiary, acts as a business correspondent for the bank, sourcing microfinance loans through its branches along with distributing various financial services and products.

As on September 30, 2025, RBL had 564 branches, 415 ATMs and 1,347 business correspondent branches (through RBL FinServe Limited).

## Key financial indicators (standalone)

RBL Bank Limited	FY2024	FY2025	H1 FY2026
Total income	8,950	9,893	4,751
Profit after tax	1,168	695	379
Total assets (Rs. lakh crore)	1.38	1.47	1.54
CET	14.38%	14.06%	13.51%*
CRAR	16.18%	15.54%	15.02%*
Net profit/ATA	0.92%	0.49%	0.50%
Gross NPAs	2.65%	2.60%	2.32%
Net NPAs	0.74%	0.29%	0.57%

Source: RBL Bank Limited, ICRA Research; Amount in Rs. crore unless specified otherwise; Total income = Net interest income + Non-interest income (excluding trading gains); All calculations as per ICRA Research; \* Includes profits for the interim period

## Status of non-cooperation with previous CRA: Not applicable

## Any other information

## Rating history for past three years

Instrument	Current ratings (FY2026)					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Oct-29-2025	Date	Rating	FY2025		FY2024		FY2023	
						Date	Rating	Date	Rating	Date	Rating
<b>Certificates of deposit</b>	Short term	6,000	[ICRA]A1+	Aug-25-2025	[ICRA]A1+	Aug-21-2024	[ICRA]A1+	Aug-16-2023	[ICRA]A1+	Jun-9-2022	[ICRA]A1+
				-		-	-	-	-	Sep-14-2022	[ICRA]A1+
<b>Short-term fixed deposit</b>	Short term	-	[ICRA]A1+	Aug-25-2025	[ICRA]A1+	Aug-21-2024	[ICRA]A1+	Aug-16-2023	[ICRA]A1+	Jun-9-2022	[ICRA]A1+
				-		-	-	-	-	Sep-14-2022	[ICRA]A1+
<b>Basel III Tier II bonds</b>	Long term	70	[ICRA]AA-; &	Aug-25-2025	[ICRA]AA-(Stable)	Aug-21-2024	[ICRA]AA-(Stable)	Aug-16-2023	[ICRA]AA-(Stable)	Jun-9-2022	[ICRA]AA-\$
				-		-	-	-	-	Sep-14-2022	[ICRA]AA-(Stable)
<b>Fixed deposit</b>	Long term	-	[ICRA]AA-; &	Aug-25-2025	[ICRA]AA-(Stable)	Aug-21-2024	[ICRA]AA-(Stable)	Aug-16-2023	[ICRA]AA-(Stable)	Jun-9-2022	[ICRA]AA-\$
				-		-	-	-	-	Sep-14-2022	[ICRA]AA-(Stable)

& - Rating watch with positive implications; \$ - Rating watch with developing implications

## Complexity level of the rated instrument

Instrument	Complexity indicator
<b>Basel III Tier II bond programme</b>	Highly Complex
<b>Fixed deposit programme</b>	Very Simple
<b>Short-term fixed deposit programme</b>	Very Simple
<b>Certificates of deposit programme</b>	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

### Annexure I: Instrument details

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
NA	Basel III Tier II bonds	Yet to be placed	-	-	70.00	[ICRA]AA-; rating watch with positive implications
NA	Fixed deposits	NA	NA	NA	-	[ICRA]AA-; rating watch with positive implications
NA	Short-term fixed deposits	NA	NA	NA	-	[ICRA]A1+
NA	Certificates of deposit	Yet to be placed	-	7-365 days	1,550.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Aug 18, 2025	6.3998%	Dec 17, 2025	150.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Aug 19, 2025	6.3999%	Dec 17, 2025	350.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Aug 26, 2025	6.3999%	Dec 17, 2025	100.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Aug 29, 2025	6.4000%	Dec 17, 2025	400.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Sep 30, 2025	6.2498%	Dec 17, 2025	1,200.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Sep 30, 2025	6.2498%	Dec 17, 2025	250.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Oct 01, 2025	6.2502%	Dec 17, 2025	400.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Oct 06, 2025	6.2503%	Dec 17, 2025	800.00	[ICRA]A1+
INE976G16OD3	Certificates of deposit	Oct 07, 2025	6.2498%	Dec 17, 2025	800.00	[ICRA]A1+

Source: RBL Bank Limited; Certificates of deposit outstanding as on October 23, 2025

### Key features of rated debt instruments

The servicing of the fixed deposits and certificates of deposit is not subject to any capital ratios and profitability. However, the Basel III Tier II bonds are expected to absorb losses once the point of non-viability (PONV) trigger is invoked by the RBI. These bonds have equity-like loss-absorption features. Such features may translate into higher loss severity vis-à-vis conventional debt instruments.

### Annexure II: List of entities considered for consolidated analysis

Company name	RBL Bank ownership	Consolidation approach
RBL FinServe Limited	100%	Full consolidation

Source: RBL Bank Limited

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