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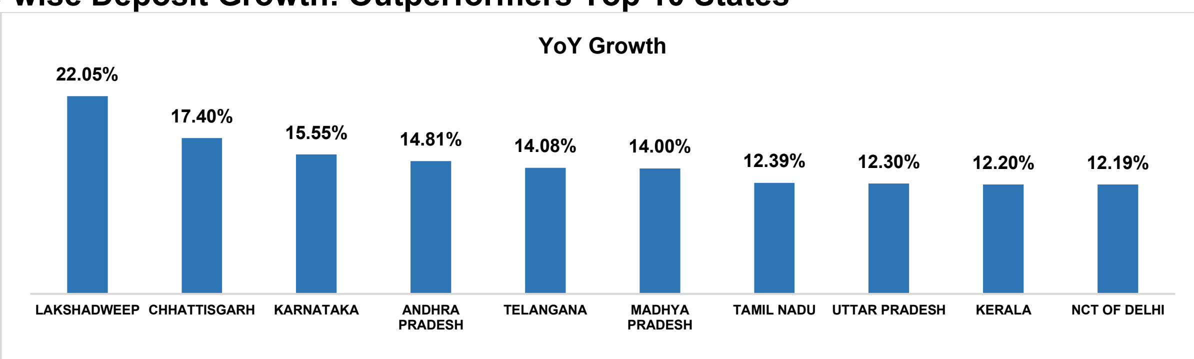
Credit and Deposit of States as of June 2026 for SCBs

This note analyses the performance of Scheduled Commercial Banks (SCBs) in aggregate deposits and credit as of June 2026, with a focus on year-on-year (YoY) growth across States/Union Territories and districts. It identifies geographies that have outperformed or lagged the all-India trend, assesses whether growth is broad-based or influenced by low-base effects, and examines regional patterns in deposits and advances. The analysis also links banking performance with key state-level indicators such as GDP, per capita income thereby providing a more comprehensive view of the underlying drivers of deposit mobilization and credit expansion across India. It also outlines pattern deposits with respect to Individual or other along with depositor age profile.

1. Overview

- Aggregate deposits of SCBs increased by 11.35% YoY to Rs.256.52 Lakh Crore in Q1 FY 2026-27, compared with Rs.230.38 Lakh Crore in Q1 FY 2025-26.
- Credit expanded at a faster pace of 16.84% YoY to Rs.212.88 Lakh Crore, up from Rs.182.20 Lakh Crore during the corresponding period of the previous year.
- The faster growth in credit, outpacing deposit growth by nearly 5.5 percentage points, indicates a system-wide rise in the Credit-Deposit (C-D) ratio over the year.
- Among the 36 States/UTs, 15 recorded deposit growth above the all-India average (11.35%), while 25 surpassed the all-India average in credit growth (16.84%). This suggests that credit expansion is more broad-based across geographies, whereas deposit growth remains relatively concentrated among fewer States/UTs.

2. State-wise Deposit Growth: Outperformers Top 10 States



- Lakshadweep shows the growth of 22.05%, which is the highest but it is on the low base of Rs.1,524 crore. This may be considered as due to small-base effect rather than a systemic deposit shift.
- Chhattisgarh (17.40%) and Karnataka (15.55%) lead among major States with high deposit base, followed closely by a cluster of southern and central States such as Andhra Pradesh, Telangana and Madhya Pradesh which are above the all-India average of 11.35% YoY.

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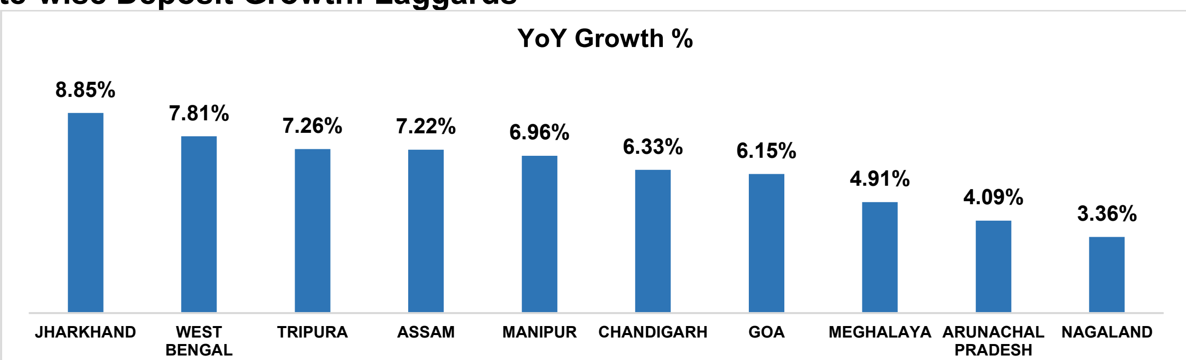
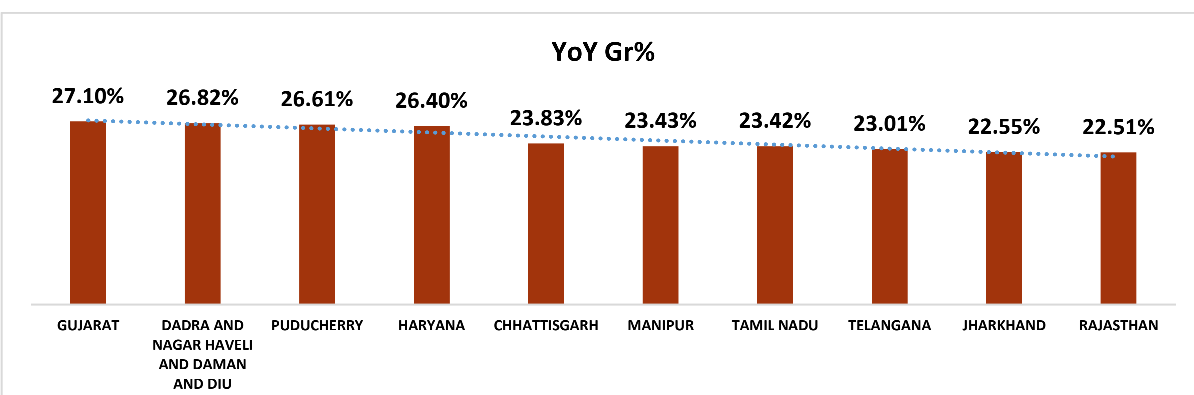
- Delhi also shows the growth of 12.19% on YoY basis which is in line with Delhi's per capita income which is estimated to be approximately **2.5 times higher than the national average** of India.
- The stronger deposit growth recorded by Chhattisgarh, Karnataka, Andhra Pradesh, Telangana and Madhya Pradesh broadly corresponds with the growing economic activity, expanding formal financial base and rising household and business incomes in these States. Karnataka, for instance, combines a relatively high per-capita income with a diversified economy led by information technology, services, manufacturing and start-ups.
- Andhra Pradesh, Telangana and Madhya Pradesh also combine expanding State economies with growing urbanization, infrastructure activity, agriculture-linked incomes and increasing financial inclusion.

3. State-wise Deposit Growth: Laggards



- Jharkhand, West Bengal, Tripura, Assam, Manipur, Chandigarh, Goa, Meghalaya, Arunachal Pradesh and Nagaland recorded the low deposit growth, all under 10% YoY, well below the all-India average. They are at the bottom 10 of the Deposits growth.
- Northeastern states generally have small economic base and lower per capita income.
- Lowest growth has been recorded in Nagaland with 3.36% YoY growth in Q1 FY 2026-27.

4. State-wise Credit Growth: Outperformers Top 10 States



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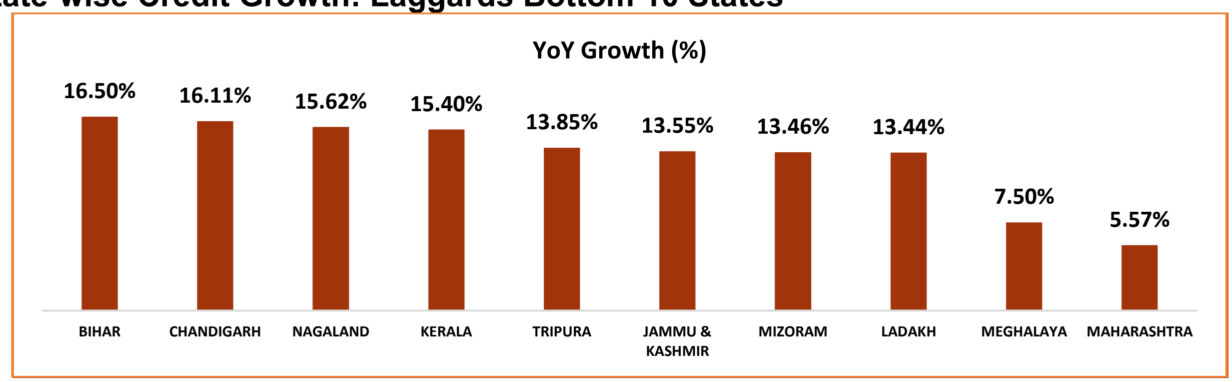
- Credit growth is more closely linked to the investment and working-capital cycle than to per-capita income alone. High-GSDP States with manufacturing, infrastructure, exports, MSMEs and services generate a larger pipeline of projects and working-capital requirements.
- Gujarat's credit growth of 27.10% is the most significant example of high credit expansion supported by a large economic base. The State's relatively high per-capita income, strong industrial and manufacturing ecosystem, ports, export orientation, MSME activity and infrastructure provide a broad demand for working-capital, project and retail credit. Since Gujarat also has a substantial credit base, its performance is more economically meaningful than a similar percentage increase in a small State.
- Tamil Nadu's diversified industrial structure, high urbanization, manufacturing base, services sector and relatively high per-capita income support sustained credit demand. Chhattisgarh's performance, despite a lower per-capita income base, suggests that industrial, infrastructure, mining, agriculture and MSME-linked credit demand may be expanding faster than the State's existing banking base.
- Notably, Chhattisgarh and Tamil Nadu appear among both the top deposit and top credit growth States, indicating broad-based balance-sheet expansion rather than growth concentrated in only one side of the ledger.

5. State-wise Credit Growth: Laggards Bottom 10 States



- **Maharashtra's credit growth of 5.57% YoY is the slowest in the country and far below the all-India average of 16.84%.** This is even though Maharashtra is the single largest State by both deposit and credit base (over Rs.58 Lakh Crore in deposits and Rs. 53 Lakh Crore in credit).
- *Maharashtra also presents the case where economic size and income level have not translated into proportionate incremental credit growth. The State accounts for approximately 14% of India's GDP, has an estimated per-capita income of ₹3,47,903 for 2025–26, and represents 23.3% of deposits and 27.6% of advances.*
- Meghalaya and other States underperforming on both deposits and credit are more likely to reflect a combination of lower economic contribution lower per-capita income, limited industrial activities weaker formal financial penetration and smaller pools of borrowers.

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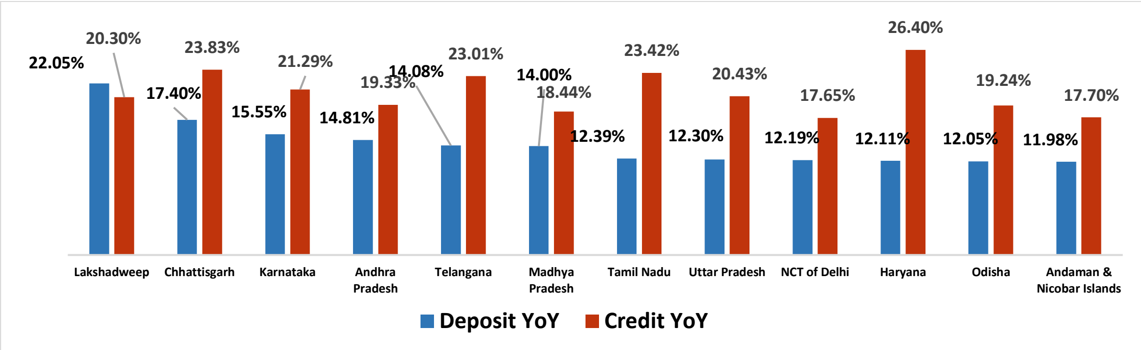
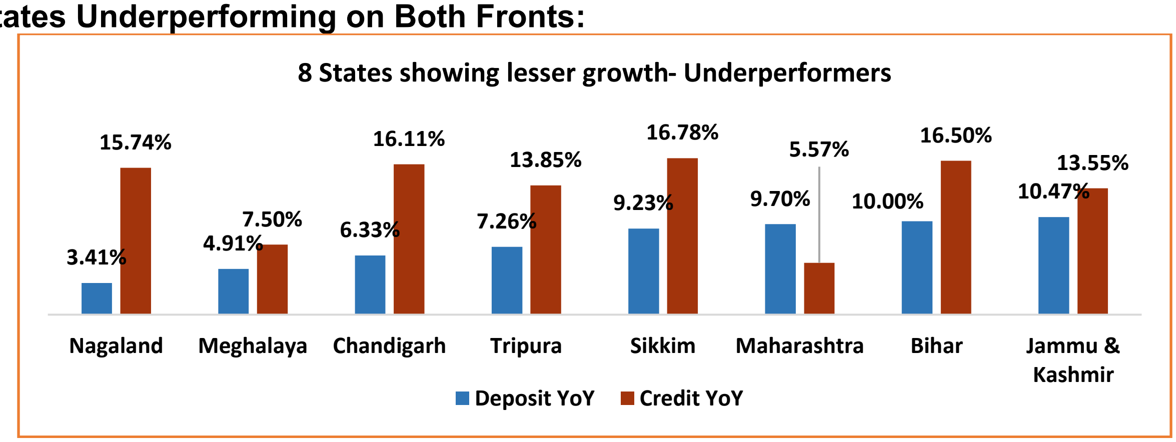
6. States Outperforming on Both Deposit and Credit

- 12 States/UTs grew faster than the all-India average on both Deposit and Credit, indicating broad-based balance-sheet growth rather than a one-sided pickup:



- Chhattisgarh, Karnataka, Andhra Pradesh, Telangana, Madhya Pradesh and Tamil Nadu stand out as the most consistent all-round outperformers, each combining double-digit deposit growth with 15-24% credit growth.
- These outperforming states represent a mix of large, diversified and fast-expanding regional economies. Karnataka and Tamil Nadu have strong services, manufacturing, technology, urban consumption and export-linked ecosystems, which support both household savings and working-capital or investment-led credit demand.
- Andhra Pradesh and Telangana benefit from expanding urbanization, infrastructure activity, agriculture-linked incomes, industrial growth and a deepening formal financial base. Madhya Pradesh and Chhattisgarh, while relatively different in income levels and economic structure, are supported by agriculture, mining, energy, infrastructure and MSME activity, which can generate demand for both deposits and bank credit.
- In GDP terms, these states are important contributors to India's growth story because their banking expansion appears to be aligned with economic activity, rising incomes, investment demand, business formalization and broader financial inclusion.

7. States Underperforming on Both Fronts:



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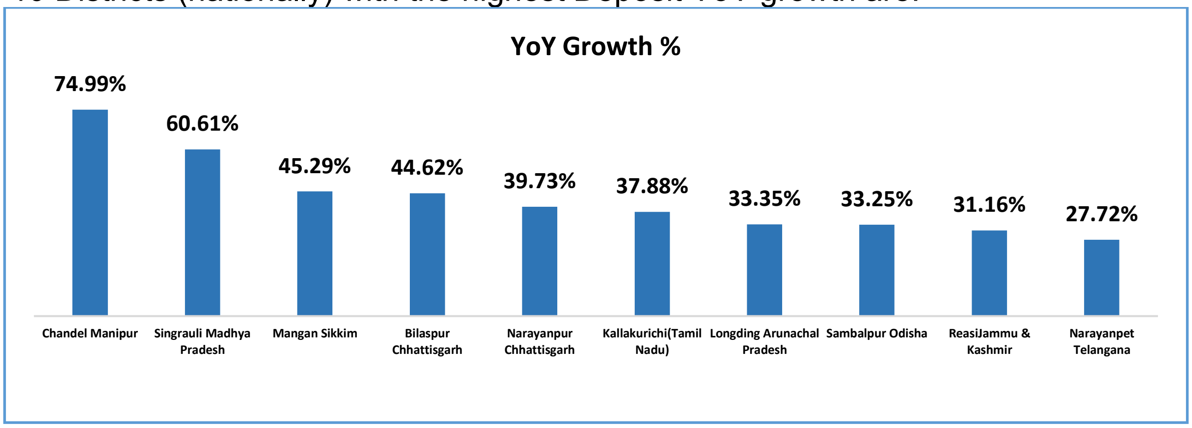
- Meghalaya has the weakest performance as this state is trailing on both fronts; Maharashtra's inclusion here is driven almost entirely by its very low credit growth, since its deposit growth (9.70%) is only marginally below average.

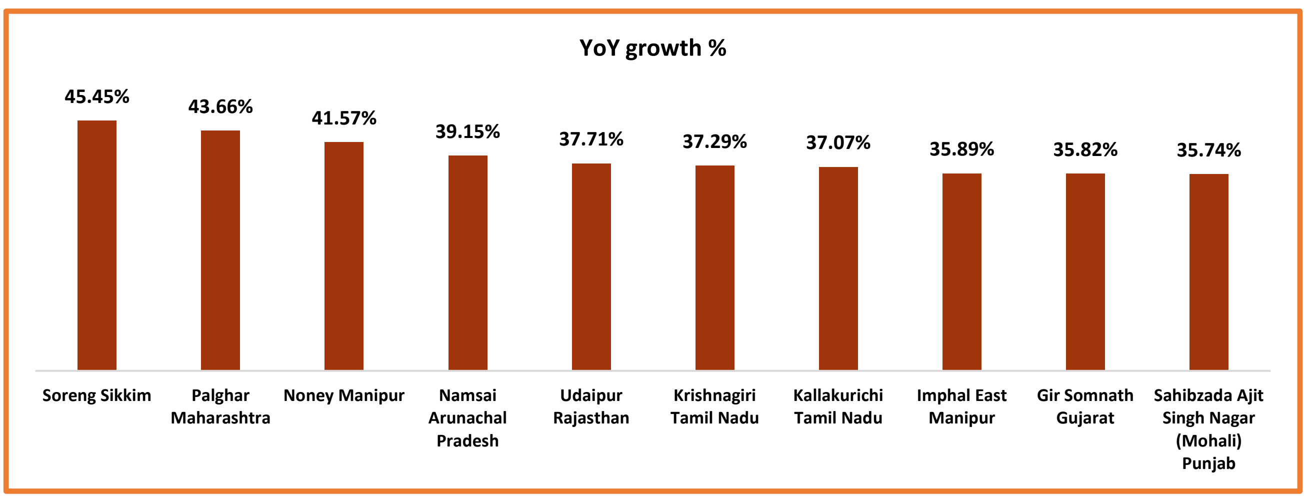
8. District-Level Highlights (All-India)

Top 10 Districts (nationally) with the highest Deposit YoY growth are:



9. Top 10 districts (nationally) with the highest Credit YoY growth are:

- Several of the fastest-growing districts such as Chandel (Manipur), Mangan (Sikkim), Soreng (Sikkim), Noney (Manipur), Namsai (Arunachal Pradesh) started from very small deposit/credit bases (under Rs. 500 crore), so a modest absolute increase translates into a large percentage move.



- **The more economically significant outperformers are districts combining high growth with a sizeable base:** Singrauli (Madhya Pradesh, Deposit +60.6% on a ~Rs. 20,000 crore base), Bilaspur (Chhattisgarh, Deposit +44.6% on a ~Rs. 27,000 crore base), Palghar (Maharashtra, Credit +43.7% on a ~Rs. 24,000 crore base), Udaipur (Rajasthan, Credit +37.7% on a ~Rs. 31,000 crore base), and Sahibzada Ajit Singh Nagar/Mohali **(Punjab, Credit +35.7% on a ~Rs. 47,000 crore base).**

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- Chhattisgarh and Tamil Nadu each place two districts in the national top 10 lists (Bilaspur and Narayanpur for Chhattisgarh's deposit growth; Krishnagiri and Kallakurichi for Tamil Nadu's credit growth; Kallakurichi also feature in deposit top 10), reinforcing that these two States' outperformance is broad within the State rather than driven by a single district.

10. Composition of Deposits: % Share in All India Current, Saving and Term Deposits

Region	States	Current	Saving	Term
Central Region	Chhattisgarh Madhya Pradesh Uttarakhand Uttar Pradesh	8.89	18.10	11.09
Eastern Region	Andaman & Nicobar Islands Bihar Jharkhand Odisha Sikkim West Bengal	7.80	14.48	10.39
North Eastern region	Arunachal Pradesh Assam Manipur Meghalaya Mizoram Nagaland Tripura	1.52	2.28	1.14
Northern Region	Chandigarh Haryana Himachal Pradesh Jammu & Kashmir Ladakh NCT of Delhi Punjab Rajasthan	17.92	19.60	21.58
Southern Region	Andhra Pradesh Karnataka Kerala Lakshadweep Puducherry Tamil Nadu Telangana	26.07	25.32	24.26
Western Region	Dadra and Nagar haveli and Daman and Diu Goa Gujarat Maharashtra	37.81	20.22	31.54
ALL-INDIA		**100.00**	**100.00**	**100.00**

- The **Western Region** dominates current and term deposits, while the **Southern Region** leads to savings deposits. The source interprets this as reflecting stronger corporate/trade business/economic activity in the West and a stronger retail savings culture in the South.
- The Northeastern Region has a very low share across all three categories. The source identifies this as an opportunity to deepen business-deposit mobilization, financial literacy, digital adoption and active account usage.

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11. Analysis of Deposits wrt Individual along with female and others

Amount in Rs Crore

Parameter	Individuals	of which Female	Others	Total
Deposits	1,31,16,023	53,93,652	1,25,36,059	2,56,52,082

- Individual depositors account for around 51% of total deposits, underscoring households as the core funding base. Women contribute around 41% of individual deposits, signaling substantial participation in formal financial savings.
- The women's increasing participation indicates towards targeted savings products, digital banking awareness, doorstep banking, financial literacy and customized services for women customers, particularly in rural and semi-urban markets.

12. Age group wise Distribution of Deposits:

- The most important structural insight is the relatively low contribution of the economically active 25–40 cohort (19.27%) versus the much larger share held by customers aged 40 and above. The source connects this pattern with younger Indians' increasing preference for capital-market instruments such as shares, mutual funds and Exchange Traded Funds (ETFs).
- Reposition the bank's proposition for younger working-age customers around goal-based savings, integrated investment–deposit products and digital-first experiences.
- This indicates a deposit base that is significantly older than the population structure, with household deposit growth driven largely by mature, high-ticket savers.
- For banks, this underpins stable funding but also highlights the need to deepen savings mobilization among younger cohorts through targeted products, embedded finance, and stronger linkages between accounts, incomes and social-security mechanisms.

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13. Conclusion:

The June 2026 banking landscape is defined by robust credit off-take, a more heterogeneous deposit mobilization trajectory, and pronounced geographic differentiation in balance-sheet momentum. The highest-potential growth markets are not necessarily the largest by absolute book size; rather, they are the corridors where real economic activity is converting efficiently into both funding accretion and credit expansion, a signal of genuine economic multiplier effect rather than mere scale.

Concurrently, the deposit franchise confronts a structural vulnerability in its customer mix: younger demographic cohorts continue to hold a disproportionately low share of individual deposits, while the funding base remains heavily skewed toward and dependent on older age segments. This generational imbalance poses a latent risk to the long-term granularity, stickiness, and cost-efficiency of the liability franchise, particularly as digital-native, younger customers increasingly command disproportionate lifetime value and cross-sell potential.

Accordingly, it is recommended that the institution pursue a dual-track strategic imperative: (i) fortify and deepen the granular, low-cost deposit franchise through targeted demographic penetration with particular emphasis on youth and early-career acquisition while (ii) channelling incremental credit deployment toward high-potential economic corridors identified through data-driven market prioritization.

To operationalize this, a composite **State-and-District Scorecard** thereby integrating growth momentum, deposit base size, credit-deposit (C-D) ratio dynamics, and customer demographic composition is proposed. This framework is designed to transition the exercise from a descriptive, ranking-based diagnostic into an actionable, decision-grade business-allocation tool, enabling capital and resource prioritization aligned with risk-adjusted growth potential across the network.

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