

Banks' profitability may take a hit in Q3

K Ram Kumar / G Naga Sridhar

Mumbai/Hyderabad, November 29:

Banks' profitability could take a hit this quarter due to a host of factors linked to demonetisation: the requirement that banks park all of their incremental deposits with the RBI at zero interest rate, a slowdown in loan growth, and expenses incurred in recalibrating ATMs.

Details onp10

(This article was published in the Business Line print edition dated November 30, 2016)

MORE FROM BUSINESS LINE

[Bigger is not always better](#)

[Cash crunch causes economic engines to sputter](#)

[Bharatiya Mahila Bank merger with SBI cleared](#)