



Press Release

21-01-2021

South Indian Bank announces Q3 results

South Indian Bank has announced the Q3 FY 21 results with a net loss of Rs. 91.62 Crore as against Net Profit of Rs. 90.54 Crore during the corresponding period of the previous year on account of higher credit cost.

Highlights

- Core Deposits up by 8% Y-o-Y
 - Savings Deposits up by 12% Y-o-Y
 - CASA up by 9% Y-o-Y
 - NRI Deposits up by 12% Y-o-Y
- Advances
 - Business Segment Loans up by 7% Y-o-Y
 - Agriculture Loans up by 19% Y-o-Y
 - Gold Loan portfolio up by 20% Y-o-Y
- Gross NPA reduced to 4.90% as on 31.12.2020 from 4.96% as on 31.12.2019 and Net NPA to 2.12% as on 31.12.2020 from 3.44% as on 31.12.2019.
- Provision Coverage Ratio improved markedly from 50.37% to 72.03% on Y-o-Y basis
- Net Interest Margin improved from 2.65% to 2.74% Y-o-Y.

Q3 – Y-o-Y growth

Rs. in Crore

	Quarter ended	Quarter ended	Growth	%
	31.12.20	31.12.19		
Customer Deposits	76,573	70,703	5,870	8
Advance	63,353	65,335	-1,982	-3
NRI Deposit	25,859	23,105	2,754	12
CASA	23,332	21,422	1,910	9
Gross NPA %	4.90	4.96	(6)	BPS
Net NPA %	2.12	3.44	(132)	BPS

	Quarter ended	Quarter ended	Growth	%	9 Months	9 Months	Growth	%
	31.12.20	31.12.19			31.12.20	31.12.19		
Other Income	270	220	50	23	795	652	143	22
Operating Profit	377*	383	-6	-1	1195*	1112	83	7
Provisions excl tax	499	261	239	91.42	1119	772	347	44.89

Net Profit	(92)	91	(182)	(201)	55	248	(193)	(78)
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** After considering the interest reversal on proforma slippages during the current period*

Murali Ramakrishnan, MD & CEO of the Bank, while announcing the results mentioned that despite the COVID Pandemic scenario in the country, Bank could register a moderate growth in the desired segments during the period. As part of the business strategy to reduce the exposure in the Corporate Advances, Bank has brought down the share of Corporate Advances from 30% as on December 31, 2019 to 24% as on December 31, 2020. He added that the growth in the desired portfolios and the reduction in the Corporate exposure has further strengthened Bank's Balance sheet.

Bank has also been able to meet the targeted levels of recovery/ upgrades which has helped in containing the GNPA level. The Provision coverage ratio of the Bank has improved markedly to 72% from 50% Y-o-Y.

The Capital Adequacy Ratio of the Bank stands comfortable at 14.47% as on December 31, 2020. Bank has taken approval from the Shareholders for raising the Equity Capital during the Financial Year for an amount not exceeding Rs. 750 Crore.

MD & CEO also added that the quarterly loss was mainly on account of credit cost on the higher proforma slippages during the third quarter, as a result of additional stress in the economy due to COVID pandemic. Further, there was one time additional employee provision requirement on account of the Wage settlement which got finalised during the quarter. Bank has come up with a 3 year Medium Term Strategy (Vision 2024) where in Bank's focus will continue in the areas of MSME and Retail Loans with improved underwriting standards. The Technology initiatives of the Bank will be leveraged to improve the CASA and the Technology Income in the coming quarters. Thrust will be given on competency building of the work force through Career Development Programmes, Leadership and Skill Development training etc. As per the Strategy, Bank's Return on Assets and NIM will be crossing 1% and 3.5% respectively by the financial year 2024.

As on date SIB has 878 Branches, 50 Extension Counters and 1443 ATMs/ CRMs.

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For more details, please contact:

Francy Jos E

Head (Corporate Communications)

Ph: 9447000503