



Press Release

21st October 2021

South Indian Bank Announces Q2 Results

South Indian Bank has announced the Q2 FY 22 results with a net loss of Rs. 187.06 Crore as against Net Profit of Rs. 65.09 Crore during the corresponding period of the previous year.

Bank declared an operating profit of Rs.111.91 Crores for the Q2 FY 22 as against Rs 390.94 crs for the Q2 FY21.

As per the recent RBI direction, provision for depreciation on investments amounting to Rs.175.56 Crores for Q2 FY 22 has been shown under “other income” in the profit and loss account, which was originally classified under “provisions and contingencies”. Further, amount recovered from written off accounts were reclassified under “provisions and contingencies” against previous year classification under “other income”. Excluding these amendments operating profit would have been Rs 346.00 crs.

As a prudent measure Bank has made an additional provision of Rs 160 crs which resulted in improved PCR from 60.11% as on 30.06.21 to 65.02% as on 30.09.21. Had this additional provision of Rs 160 crs not been provided, the net loss of the Bank would be Rs 27.06 crs.

The GNPA for the Bank improved by 137 bps to 6.65% as at September 30, 2021 compared to 8.02% as at June 30, 2021. CASA ratio for the Bank improved to 30.8% as at September 30, 2021 compared to 27.8% as at September.

Highlights

- Deposits
 - Customer Retail Deposits up by 10% Y-o-Y
 - Savings Deposits up by 18% Y-o-Y
 - CASA up by 17% Y-o-Y
 - NRI Deposits up by 6% Y-o-Y
- Advances
 - Agriculture Loans up by 7% Y-o-Y
 - Gold Loan portfolio up by 11% Y-o-Y

Key Ratios

- Provision Coverage Ratio improved from 60.11% to 65.02% on Q-o-Q basis
- Capital Adequacy Ratio improved from 15.47% to 15.74% on Q-o-Q basis

Q2 – Y-o-Y growth*Rs. in Crore*

	Quarter ended	Quarter ended	Growth	%
	30.09.21	30.09.20		
Retail Deposits	82402	74976	7426	10
Advance	58309	65349	(7040)	-12
NRI Deposit	26823	25287	1536	6
CASA	26773	22978	3795	17
Savings Bank Deposits	22403	19013	3390	18
Current Deposits	4370	3965	405	10
Provisions Excluding Tax	362	303	59	19
Gross NPA %	6.65	4.87	178	BPS
Net NPA %	3.85	2.59	126	BPS

Mr. Murali Ramakrishnan, MD & CEO of the Bank, while announcing the results stated that the prevailing COVID Pandemic scenario in the country, impacted the growth in the Business and Personal loan segment. However, the Bank could register reasonable growth in the desired segments like well rated Corporates and Gold Loan portfolio during the period.

Bank has also been able to meet the targeted levels of recovery/ upgrades which has helped in containing the GNPA level. During this quarter Bank could improve the Provision Coverage Ratio to 65.02% as on 30.09.2021 as against 60.11% as on 30.06.2021.

The Capital Adequacy Ratio of the Bank stands comfortable at 15.74% as on September 30, 2021. Bank plans to raise additional capital during FY 21-22 to further strengthen the capital base.

Mr. Murali added that Bank has seen major shifts over last one year in the key functional areas including major strides in digital banking, setting up vertical asset structure, revamping branch structure to bring efficiencies, developed new business sourcing channels, strengthening data science capabilities, employee engagement & motivation and robust recovery mechanism. Bank believes that its strong and diversified franchise large distribution network, structural changes to bring about growth, infusion of talent and technology capabilities with improved tools, provides the ability to leverage opportunities for profitable growth in the coming quarters, with the headwinds in the economy tapering.

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About South Indian Bank

South Indian Bank is a leading Kerala based Private sector bank with a pan India presence. The Bank's shares are listed on The Stock Exchange Mumbai (BSE) and The National Stock Exchange of India Ltd. Mumbai (NSE). South Indian Bank has 932 branches, 1173 ATMs and 121 CDMs/CRMs across India and a representative office in Dubai, UAE.

South Indian Bank is a pioneer in technology-based banking, offering an array of digital products and services. It has one of the youngest workforces in the banking sector in the country. The Bank's Vision 2024 will focus on 6Cs including capital, CASA, cost-to-income, competency building, customer focus, and compliance.

For more information, please log on to www.southindianbank.com

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