



Press Release

21-05-2021

Q4 FY 21 net profit at Rs. 6.79 Crore

South Indian Bank has announced the Q4 results with a net profit of Rs. 6.79 Crore as against a loss of Rs. 143.69 Crore during the corresponding period of the previous year. The net profit for the current financial year is Rs. 61.91 Crore as against Rs. 104.59 Crore of the previous financial year.

Highlights

- Customer Deposits up by 12% Y-o-Y
 - Savings Deposits up by 15% Y-o-Y
 - Current Deposits up by 35% Y-o-Y
 - CASA up by 18% Y-o-Y
 - NRI Deposits up by 9% Y-o-Y
- Advances
 - Agriculture Loans up by 15% Y-o-Y
 - Gold Loan portfolio up by 18% Y-o-Y
 - Reduced Corporate advance portfolio by 21% Y-o-Y
- Provision Coverage Ratio improved from 54.22% to 58.73% on Y-o-Y basis
- Capital Adequacy Ratio improved to 15.42% from 13.41% on Y-o-Y basis

FY 21 – Y-o-Y growth

Rs. in Crore

	31.03.21	31.03.20	Growth	%
Customer Deposits	77,858	69,827	8,031	12
Advance	59,418	65,524	(6,106)	(9)
NRI Deposit	25,855	23,710	2,145	9
CASA	24,590	20,760	3,830	18
Savings Bank Deposits	20,269	17,552	2,717	15
Current Deposits	4,321	3,208	1,113	35
Gross NPA %	6.97	4.98	199	BPS
Net NPA %	4.71	3.34	137	BPS

Rs. in Crore

	Quarter ended	Quarter ended			12 Months	12 Months		
	31.03.21	31.03.20	Growth	%	31.03.21	31.03.20	Growth	%
Treasury & Forex income	166	238	(72)	(30)	468	435	33	8
Other Core Fee Income	224	156	68	44	718	611	107	18
Operating Profit	423	533	(111)	(21)	1618	1646	(28)	(2)
Provisions excl tax provisions	412	724	(312)	(43)	1531	1496	35	2
Net Profit	7	(144)	150	(105)	62	105	(43)	(41)

Murali Ramakrishnan, MD & CEO of the Bank while announcing the results mentioned that the prevailing COVID Pandemic scenario in the country, impacted the growth in the Business and Personal loan segment. While Bank could register substantial growth in the desired segments like Agriculture and Gold Loan portfolios 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 28% as on March 31, 2020 to 25% as on March 31, 2021. He added that the Bank will continue its focus in the area of MSME, Agriculture and Retail Loans and reduce the Large Corporate exposure to further strengthen Balance sheet.

Bank has also been able to meet the targeted levels of recovery/ upgrades which has helped in containing the GNPA level despite higher slippages numbers during the year on account of the COVID Pandemic scenario. The Provision coverage ratio of the Bank has improved to 58.73% from 54.22% Y-o-Y.

The Capital Adequacy Ratio of the Bank stands comfortable at 15.42% as on March 31, 2021. Bank has raised the Equity Capital during the quarter for an amount of Rs. 240 Crore which strengthened the Common Equity. Bank plans to raise further capital during FY 21-22 to further strengthen the capital base.

MD & CEO also added that the lower quarterly profit was mainly on account of credit cost on the fresh slippages during the fourth quarter, as a result of additional stress in the economy due to COVID pandemic. Bank has strengthened the review and monitoring system of the advance portfolio to improve the credit quality and there by bringing drastic reduction in the slippages and improve upgrades/ recovery. 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.

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