



प्रेस विज्ञप्ति
PRESS RELEASE

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IDBI Bank reports 125% increase in Net Profit at ₹ 324 crore for Q2 FY 2021

Highlights of Q2 FY 2021 (Quarter ending September 30, 2020) Financial Results

Major Highlights

- Bank reports Net profit of ₹ 324 crore for Q2 FY 2021 against net loss ₹3,459 crore for Q2-FY 2020
- Bank registers Profit Before Tax (PBT) of ₹ 665 crore for Q2 FY 2021 against Loss Before Tax of ₹ 4,632 crore for Q2 FY 2020.
- Operating Profit for Q2 FY 2021 is ₹ 1,246 crore , YoY growth of 23%.
- NII at ₹ 1,695 crore for Q2 FY 2021, YoY growth of 4%.
- NIM at 2.70% for Q2 FY 2021, YoY growth of 37 bps.
- CASA ratio at 48.33%, YoY growth of 346 bps.
- Net NPA at 2.67%. CRAR at 13.67%.
- PCR stood at 95.96%.

Operating Performance

- **Net Profit** reported for Q2-2021 is ₹ 324 crore as against loss of ₹ 3,459 crore for Q2-2020. Net Profit for Q2-2021 has improved by 125% against ₹ 144 crore reported for Q1-2021.
- **PBT improved** for Q2-2021 to ₹ 665 crore as against loss of ₹ 4,632 crore for Q2-2020. PBT for Q2-2021 has improved by 52% against ₹ 438 crore reported for Q1-2021.
- **Operating profit** for Q2-2021 improved by 23% to ₹ 1,246 crore as against ₹ 1,009 crore for Q2-2020.
- **Net Interest Income (NII)** for Q2-2021 improved by 4% to ₹ 1,695 crore as against ₹1,631 crore for Q2-2020.
- **Net Interest Margin (NIM)** improved by 37 bps to 2.70% for Q2-2021 as compared to 2.33% for Q2-2020.
- **Cost of Deposit** improved by 76 bps to 4.41% for Q2-2021 as compared to 5.17% for Q2-2020.
- **Cost of Funds improved** by 80 bps to 4.73% for Q2-2021 as compared to 5.53% for Q2-2020.
- **Non-Interest Income to Total Income improved** to 18.61% for Q2-2021 as compared to 16.57% for Q2-2020.
- **Cost to Net Income Ratio has improved** to 54.96% in Q2-2021 from 62.11% in Q2-2020.

Business Growth

- **CASA increased** to ₹ 1,08,217 crore as on September 30, 2020 as against ₹ 1,04,027 crore as on September 30, 2019.
- **Share of CASA in Total Deposits** improved to 48.33% as on September 30, 2020 as against 44.87% as on September 30, 2019.
- The **composition of Advances portfolio** Corporate V/s Retail was realigned to 42:58 as on September 30, 2020 as against 47:53 as on September 30, 2019.

Asset Quality

- **Gross NPA ratio improved** to 25.08% as on September 30, 2020 as against 29.43% as on September 30, 2019 and 26.81% as on June 30, 2020.
- **Net NPA ratio improved** to 2.67% as on September 30, 2020 as against 5.97% as on September 30, 2019 and 3.55% as on June 30, 2020.
- **Provision Coverage Ratio (including Technical Write-Offs)** improved to 95.96% as on September 30, 2020 from 91.25% as on September 30, 2019 and 94.71% as on June 30, 2020.

Capital Position

- **Tier 1 improved** to 11.06% as on September 30, 2020 as against 9.52% as on September 30, 2019.
- **CRAR improved** to 13.67% as on September 30, 2020 as against 11.98% as on September 30, 2019.
- **Risk Weighted Assets (RWA)** reduced by 6.27% to ₹ 1,57,323 crore as on September 30, 2020 as against ₹ 1,67,842 crore as on September 30, 2019. Credit Risk weighted assets reduced by 6% to ₹ 1,28,087 crore from ₹ 1,36,789 crore as on September 30, 2019.

COVID 19 Impact

- In accordance with the RBI guidelines relating to COVID-19, the Bank has granted a moratorium on the payment of installments and or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 ('moratorium period') to eligible borrowers classified as Standard, even if overdue, as on February 29, 2020, without considering them as restructuring. Bank has made COVID-19 related provision of ₹ 247 crore in March 2020 quarter and ₹ 189 crore in June 2020 quarter. Cumulative COVID-19 related provision was ₹ 436 crore as at September 30, 2020. The provision made by the Bank is more than minimum required as per the RBI guidelines.

- RBI has provided for Resolution framework for COVID -19 related stress vide circular dated August 6, 2020. Bank has as a prudent measure made provision of ₹ 270 crore towards the expected provisioning requirement for cases to be restructured under the Resolution framework.
- Pursuant to Supreme Court interim order dated September 3, 2020, in the PIL case of Gajendra Sharma vs Union Bank of India & Anr, Bank has not classified any borrower account as NPA, which has not been classified as NPA as on August 31, 2020. Bank has however maintained provision against the same under standard assets provision. However, if the Bank had classified borrower accounts as NPA after August 31, 2020, the bank's proforma Gross NPA ratio and proforma Net NPA ratio would have been 25.20% and 2.81% respectively.

Significant Developments during Q2 2021

- IDBI Bank has launched Banking Services 24X7 on WhatsApp on October 15, 2020
- IDBI Bank has won the Trusted Brand Award in the Banks - Private category as adjudged in a consumer survey entitled Reader's Digest Trusted Brand, 2020.
- The Bank extended its social media presence by launching its official Instagram account "idbibankofficial".
- IDBI Bank announced the launch of six specialized gold loan branches branded as "IDBI Swarna Kalash", by remodeling its existing branches at Bengaluru, Hyderabad and New Delhi.
- IDBI Bank has executed an agreement to sell up to 27% stake in its Joint venture Insurance arm, IDBI Federal Life Insurance Company Limited (IFLI), to other JV partners as Age Insurance International NV and The Federal Bank Limited.
- IDBI Bank became the first bank to have implemented the new feature of document embedding facility with Letter of Credit ("LC") / Bank Guarantee ("BG") messages over SFMS platform of IFTAS (a wholly owned subsidiary of Reserve Bank of India) through its middleware application i@Connect-SFMS (CSFMS) developed by IDBI Intech Limited.




- IDBI Bank announced the launch of two new variants of NACH Facility namely E-NACH and B-NACH for Corporate Customers at large, and more specifically for customers falling under BFSI segment. With this, the Bank will provide a Web based solution, to its Corporate Customers, to facilitate their interbank, high volume, electronic transactions which are repetitive and periodic in nature. It is a step towards adding one more product in the Digital kitty of the Bank, for its Corporate Customers.
- **Mumbai, October 23, 2020:** The Board of Directors of **IDBI Bank Ltd. (IDBI Bank)** met in Mumbai today and approved the financial results for the Quarter ended September 30, 2020.

[Click here for attachment](#)

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