



प्रेस विज्ञप्ति
PRESS RELEASE

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IDBI Bank Exhibits improved Asset Quality with Net NPA at 5.97%, Provision Coverage at 91.25% and CRAR of 11.98%

Highlights of Q2 FY 2020 (Quarter ending September 30, 2019) Financial Results

Business

Bank scaled a defining milestone of ₹1 Trillion Retail CASA as on September 30, 2019

- **CASA** deposit has crossed one trillion mark and stood at ₹1,04,027 crore as on September 30, 2019 as against ₹90,071 crore as on September 30, 2018, an increase of 15.49%.
- **Share of CASA in Total Deposits** improved to 44.87% as on September 30, 2019 as against 38.13% as on September 30, 2018.
- The **composition of Advances portfolio** Corporate V/s Retail was realigned to 47:53 as on September 30, 2019 as against 54:46 as on September 30, 2018.
- **Structured Retail Assets portfolio increased** by ₹8,180 crore (17%) to ₹56,320 crore as on September 30, 2019 from ₹48,140 crore as on September 30, 2018.
- **Priority Sector Lending target achieved** and stood at 41.29% of ANBC for Q2 FY 2020.

Profitability

- **Operating profit** for Q2-2020 improved by 19% to ₹1,009 crore for Q2-2020 as against ₹850 crore for Q2-2019.
- **Net Interest Income** for Q2-2020 improved by 25% to ₹1,631 crore as against ₹1,301 crore for Q2-2019.
- **Net Interest Margin improved** by 53 bps to 2.33% for Q2-2020 as compared to 1.80% for Q2-2019.
- **Net Loss** reported for Q2-2020 is ₹3,459 crore as against ₹3,602 crore for Q2-2019.
- **Cost of Funds improved** by 26 bps to 5.53% for Q2-2020 as compared to 5.79% for Q2-2019.
- **Cost of Deposits improved** by 24 bps to 5.17% for Q2-2020 as compared to 5.41% for Q2-2019.
- **Non-interest income to total income improved** by 3.49% to 16.57% for Q2-2020 as compared to 13.08% for Q2-2019.

Asset Quality

- **Gross NPA** ratio improved to 29.43% as on September 30, 2019 as against 31.78% as on September 30, 2018 and 29.12% as on June 30, 2019.
- **Net NPA** ratio improved to 5.97% as on September 30, 2019 as against 17.30% as on September 30, 2018 and 8.02% as on June 30, 2019.
- Net NPAs reduced to ₹7,919 crore as on September 30, 2019 from ₹27,295 crore as on September 30, 2018 and ₹10,963 crore as on June 30, 2019
- **Provision Coverage Ratio (including Technical Write-Offs)** improved to 91.25% as on September 30, 2019 from 87.79% as on June 30, 2019 and 68.72% from September 30, 2018.
- **First Time NPAs** reduced by 41 % to ₹2,059 crore in Q2-2020 from ₹3,489 crore in Q2-2019.

Capital

- **Tier 1** capital and **CRAR** stood at 9.52% and 11.98% respectively as on September 30, 2019 as against 4.22% and 6.22% as on September 30, 2018.
- **Risk Weighted Assets** (RWA) reduced by 13% to ₹1,67,842 crore as on September 30, 2019 as against ₹1,92,028 crore as on September 30, 2018.
- During the quarter, Bank received capital of ₹4,743 crore from Life Insurance Corporation of India (LIC) and ₹4,557 crore from Government of India (GOI) aggregating to ₹9,300 crore. The amount was outstanding as share application money as on September 30, 2019 and was considered as a part of CET 1 Capital in accordance with approval of Reserve Bank of India. Further on October 23, 2019, Bank has allotted equity shares to LIC & GOI @ ₹35.17 (including share premium of ₹25.17 per share). Post allotment the shareholding of LIC and GOI stands at 51% and 47.11% respectively.

IDBI-LIC Synergies –Business potentials and Action Plan

- The LIC renewal premium collection is enabled through Cash, IDBI Cheque, Merchant invoices (in cash), Internet Banking and POS Terminals of Bank.
- Enabling renewal premium payments through UPI gateway
- Extending ACH Debit facility to at least two MASH Centres of LIC for collection of premium.
- Co-branding of Gift Cards, Cash Cards and Credit Cards commenced in November 2019.
- On boarding 1000 LIC agents as Home Loan Agents.

Significant Developments between July – September 2019

- IDBI Bank has secured 3rd position amongst the 51 Government & Private Sector Banks for the month of August 2019 in the latest Digital Payment Dashboard of Ministry of Electronics & Information Technology (MeitY), Government of India.
- IDBI Bank has launched Portfolio Management Services (PMS) for HNW Customers from 17th July 2019. Bank has tied up with its own subsidiary IDBI Capital to distribute PMS to the Bank's HNW Clients. This PMS will be served by the Bank's top 100 branches across 12 Cities.
- IDBI Bank Ltd. entered into a Bancassurance Corporate Agency agreement with The New India Assurance Co. Ltd. on June 14, 2019 to provide New India's suite of general insurance products, especially designed to mitigate varied risks and offer financial protection against unforeseen eventualities to the Bank's 20 million customer base across 1850 plus branches.
- Ashirwad", a renowned literary and cultural organization in Mumbai, presented 'Vikas Prabha' the award of "Shreshth Grih Patrika" in category of Hindi house magazines on September 20, 2019 in a programme organized in Mumbai.
- **Mumbai, November 08, 2019:** The Board of Directors of **IDBI Bank Ltd. (IDBI Bank)** met in Mumbai today and approved the financial results for the Quarter and half year ended September 30, 2019.

All representatives of Print, Wire and Electronic Media.

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