

IndusInd Bank Q3 net up 30% on higher interest income

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Romesh Sobti (right), MD and CEO of IndusInd Bank, and Paul Abraham, COO, announcing the bank's results in Mumbai on Tuesday - Photo: SHASHI ASHIWAL

Against all odds, the bank has showed sustained progress, says Romesh Sobti

Mumbai, Jan 12:

IndusInd Bank reported a strong set of numbers yet again for the third quarter of FY16, booking a net profit of ₹581 crore, up 30 per cent over the corresponding period last year.

Net interest income (interest income minus interest expended) grew 36 per cent year-on-year (y-o-y) to ₹1,173 crore, while operating profit was up 37 per cent at ₹1,061 crore.

Net interest margin (net interest income as a percentage of interest earning assets) grew 24 basis points to 3.91 per cent.

The bank's loan book grew at a healthy rate of 29 per cent to touch ₹82,167 crore while its deposits grew 25 per cent y-o-y to ₹86,423 crore.

Of this, the bank's corporate loan book comprised 58 per cent and the remaining 42 per cent consisted of consumer lending. Low-cost deposits in the form of current and savings accounts grew 28 per cent to ₹30,232 crore at the end of Q3 FY16.

Romesh Sobti, MD and CEO, said: "Globally as well as in the domestic market, growth continues to be weak. But against all odds, the bank has kept faith and showed sustained progress across all vectors. We will continue to keep our focus on our growth trajectory in these uncertain times."

The bank's return on equity for the third quarter was 14.05 per cent, down 4.26 percentage points y-o-y. The bank raised ₹5,081 crore via a mix of qualified institutional placement and preferential allotment this fiscal.

The bank had a network of 905 branches and 1,621 ATMs as at the end of Q3 FY16.

Net non-performing assets were up 1 basis point at 0.33 per cent while the cost-to-income ratio declined 148 bps to 47.28.

Return on assets rose two bps to 1.92 per cent.

(This article was published on January 12, 2016)

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