

## South Indian Bank posts 15% rise in Q3 profit

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Kochi, January 20:

Refocusing business strategies has helped South Indian Bank post a 15 per cent increase in net profit at Rs. 101.63 crore, in the third quarter of the current fiscal, against Rs. 87.93 crore in the corresponding period last year.

The growth drivers are mainly agri and SME loans, home and auto loans and CASA deposits, VG Mathew, MD and CEO, said.

With the asset quality stress in the corporate sector bottoming out and an increased focus on retail lending, the stress in the overall loan book is expected to ease, going forward, Mathew added.

The bank's total business increased Rs. 8,585 crore to Rs. 94,042 crore, a growth of 10 per cent. Deposits increased 10.28 per cent to Rs. 53,441 crore and advances went up Rs. 3,603 crore to Rs. 40,601 crore, registering a credit growth of 9.74 per cent.

CASA deposits increased Rs. 1,883 crore to Rs. 12,307 crore, showing a growth of 18.06 per cent. These low-cost deposits now constitute 23.03 per cent of total deposits. Net interest margin too, improved 6 basis points (bps) year-on-year and 9 bps sequentially.

According to Mathew, the bank started its centralised marketing and processing centre at Kalamassery near Kochi for ensuring focussed marketing of various retail products and fully compliant customer account creation on the liability side.

This will go a long way in further improving operational efficiency and customer service, he added.

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