

Business Standard

State Bank of Bikaner and Jaipur reports Rs 221 crore loss in Q1

Bank showed rise in gross non-performing assets to 6.2% at the end of June quarter from 4.45% year ago

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SBI associate State Bank of Bikaner and Jaipur (SBBJ) has reported net loss of Rs 221.56 crore for the first quarter ended June 30, as provisions for bad loans soared.

It had registered a net profit of Rs 270.62 crore in the April-June period of last financial year, 2015-16, SBBJ said in a regulatory filing.

The bank's provisions for bad loans and contingencies more than quadrupled as of June 30, 2016 to Rs 995.09 crore, from Rs 212.94 crore parked aside for the same duration last financial year.

Its total income increased to Rs 2,771.85 crore in the first quarter of the current financial year, from Rs 2,683.26 crore in the year-ago period.

SBBJ showed rise in gross non-performing assets (NPAs) to 6.2% at the end of June quarter of the current financial year, from 4.45% year ago.

Net NPAs were at 3.65% of net advances, up from 2.36%.

Also, the return on assets fell to (-)0.82%, from 1.07% at the end of June 2015.

The bank also informed that it provided Rs 61.53 crore towards pension and Rs 3.89 crore towards gratuity during the June quarter.

Besides, on merger plans with parent SBI, it said the bank has entered into negotiation with State Bank of India (SBI) for acquisition of the business including assets and liabilities of the bank by SBI.

"While the decision is purely exploratory at this stage and there is no certainty in relation to completion of the acquisition. No decision has been taken at this stage approving the acquisition and the same will be taken by the Bank's board upon evaluating all the relevant considerations, including pursuant to discussion with relevant stakeholders," the bank added.

SBBJ stock closed 2.79% down at Rs 670.85 on BSE.

