

## Allahabad Bank identifies 20 stressed accounts for reference to NCLT

Our Bureau

₹908-cr provisioning made for such accounts, says MD



Usha Ananthasubramanian, MD and CEO Debasish Bhaduri

Kolkata, November 10:

Kolkata-based Allahabad Bank has identified 20 stressed accounts for reference to the National Company Law Tribunal (NCLT). The bank's total exposure in these accounts is ₹ 908 crore.

Fourteen other accounts in which the bank is a lender as part of a consortium, have also been identified for admission into the NCLT. The bank's total exposure in these 14 accounts is ₹ 1,652 crore.

According to Usha Ananthasubramanian, Managing Director and Chief Executive Officer, the bank has already provisioned for ₹ 908 crore while "substantial provisioning" for other accounts have already been made. "In most of the companies which we have referred to the NCLT on our own, 100 per cent provisioning has already been made," she said.

In the first list of 12 defaulter companies — released by the Reserve Bank of India and which were identified for referring to the NCLT — Allahabad Bank had an exposure in 10 companies, amounting to ₹ 4,429 crore.

In the second list of 29 companies issued by the RBI, Allahabad Bank had an exposure in 13 accounts, amounting to ₹ 4,049 crore. There could be additional provisioning on account of stressed assets admitted in the NCLT, sources said.

Allahabad Bank plans to raise about ₹ 1,000 crore through qualified institutional placement (QIP) within this quarter.

Of a proposed ₹ 2,000-crore fund-raising plan this year, around ₹ 700 crore has already been raised. The remaining will be raised through ESPS (employee stock purchase scheme). "We are awaiting some clearances. ESPS could happen before or after the QIP, depending on the clearance," she said. The bank has a total capital requirement of ₹ 3,000-3,500 crore.

### Q2 net up

Allahabad Bank posted an 8 per cent growth in net profit at ₹ 70 crore for the quarter ending September (Q2FY18). Net profit in the year-ago-period stood at ₹ 65 crore. Net interest margin dipped to 2.37 per cent (2.64 per cent). During the quarter, provisions saw a near-30 per cent year-on-year jump to ₹ 1,152 crore (₹ 905 crore). The bank's gross non-performing assets (NPAs) saw a 12 per cent jump to ₹ 21,454 crore while the gross NPA as percentage to total loans rose to 14.1 per cent.



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