

For immediate release
Standalone Financial Results for the Quarter ended December 31, 2019 (Q3 FY20)

RBL Bank reports advances growth of 20% in Q3 FY20 and operating profit increase of 47% on a YoY basis

Key financial highlights:

- Advances (Net) at ₹ 59,635.0 crore and Deposits at ₹ 62,907.2 crore, up by 20% and 21% respectively on Year on Year (YoY) basis
- Current Accounts & Savings Accounts (CASA) ratio improved to 26.79% as at December 31, 2019 from 24.57% as at December 31, 2018
- Operating profit for Q3 FY20 up by 47% and 9M FY20 up by 44%
- NIM improves to 4.57% up from 4.12% in Q3 FY19. Cost to income ratio is at 48.1%
- Gross NPA ratio at 3.33% (1.38% in Q3 FY19); Net NPA ratio at 2.07% (0.72% in Q3 FY19); Provision coverage ratio at 58.07% (63.22% in Q3 FY19)

Commenting on the performance Mr. Vishwvir Ahuja, MD & CEO, RBL Bank said “The Bank has demonstrated strong growth in operating profits amidst a challenging business environment. However, challenges in a few corporate accounts and related provisioning requirements have impacted the bottom line for the quarter. We are digesting this short term pain and are looking to put this behind us over the next few months. In the quarter gone by the Bank also raised equity capital of Rs. 2,701 crore enhancing the long term capital resources of the Bank. This should enable the Bank to continue to invest in expanding in its chosen business segments and distribution franchise”

Mumbai, January 22, 2020: The Board of Directors of **RBL Bank Limited** at its meeting held today, approved the financial results for the quarter (Q3 FY20) and nine months ended December 31, 2019.

Key Financials:

Rs. in crore	Q3 FY20	Q3 FY19	YoY	Q2 FY20	QoQ	9M FY20	9M FY19	YoY
Net Interest Income	922.6	655.1	41%	868.7	6%	2,608.7	1,800.8	45%
Other Income	487.0	374.1	30%	441.5	10%	1,409.7	1,033.1	36%
Net Total Income	1,409.6	1,029.2	37%	1,310.2	8%	4,018.4	2,833.9	42%
Operating Profit	732.2	498.5	47%	635.8	15%	1,986.8	1,379.9	44%
Net profit (after tax)	69.9	225.2	(69%)	54.3	29%	391.3	619.8	(37%)

Rs. in crore	December 31, 2019	December 31, 2018	YoY	September 30, 2019	QoQ
Advances (Net)	59,635.0	49,892.6	20%	58,476.1	2%
Deposits	62,907.2	52,187.1	21%	62,829.1	-
Investments (Net)	19,099.6	14,814.5	29%	19,778.0	(3%)

Key ratios:

Particulars (in %)	Q3 FY20	Q3 FY19	9M FY20	9M FY19
Net Interest Margin	4.57	4.12	4.41	4.08
Cost to Income	48.1	51.6	50.6	51.3
Return on Assets	0.32	1.27	0.61	1.26
Return on Equity	3.13	12.38	6.36	11.72
Gross NPA	3.33	1.38	3.33	1.38
Net NPA	2.07	0.72	2.07	0.72
Provision Coverage Ratio	58.07	63.22	58.07	63.22

Performance highlights – Quarter ended December 31, 2019 (Q3 FY20):

- Net Interest Income (NII) at ₹ 922.6 crore as against ₹ 655.1 crore in Q3 FY19, an increase of 41%
- Other Income at ₹ 487.0 crore as against ₹ 374.1 crore in Q3 FY19, an increase of 30%
- Core fee income at ₹ 473.7 crore as against ₹ 346.0 in Q3 FY19, an increase of 37%
- Operating profit at ₹ 732.2 crore as against ₹ 498.5 crore in Q3 FY19, an increase of 47%
- Net profit at ₹ 69.9 crore as against ₹ 225.2 crore in Q3 FY19
- Net Interest Margin (NIM) at 4.57% as against 4.12% in Q3 FY19
- Cost to Income ratio at 48.1% as against 51.6% in Q3 FY19

Performance highlights – Nine Months ended December 31, 2019 (9M FY20):

- Net Interest Income (NII) at ₹ 2,608.7 crore as compared to ₹ 1,800.8 crore in the nine months ended December 31, 2019 (9M FY19), registering an increase of 45%
- Other Income at ₹ 1,409.7 crore as against ₹ 1,033.1 crore in 9M FY19, an increase of 36%
- Core fee income at ₹ 1272.5 crore as against ₹ 960.2 in 9M FY19, an increase of 33%
- Operating profit at ₹ 1,986.8 crore as against ₹ 1,379.9 crore in 9M FY19, an increase of 44%
- Net profit at ₹ 391.3 crore as against ₹ 619.8 crore in 9M FY19
- Net Interest Margin (NIM) at 4.41% as against 4.08% in 9M FY19
- Cost to Income ratio at 50.6% as against 51.3% in 9M FY19
- Net Advances as at December 31, 2019 stood at ₹ 59,635.0 crore as compared to ₹ 49,892.6 crore as at December 31, 2018, a growth of 20%
- Gross NPA ratio 3.33% as at December 31, 2019 against 1.38% as at December 31, 2018. Net NPA ratio 2.07% as at December 31, 2019 against 0.72% as at December 31, 2018
- Deposits as at December 31, 2019 stood at ₹ 62,907.2 crore as compared to ₹ 52,187.1 crore as at December 31, 2018, a growth of 21%
- Current Accounts & Savings Accounts (CASA) ratio improved to 26.79% as at December 31, 2019 from 24.57% as at December 31, 2018
- Capital Adequacy Ratio as per BASEL III Capital regulations as at December 31, 2019 was 15.66% against 12.86% as at December 31, 2018
- Ratings for the Tier II bonds of the Bank was reaffirmed at AA- by ICRA Limited
- The bank has 371 branches as of December 31, 2019. In addition the Bank also has 1,245 business correspondent branches, of which 255 are banking outlets. RBL Finserve Limited ("RBL Finserve") (Formerly Swadhaar Finserve Private Limited), a 100% subsidiary of the Bank, accounts for 610 business correspondent branches

Operating review

Asset growth and quality

The Bank's growth in advances portfolio continued to be robust at 20% on a year-on-year basis. The net advances as at December 31, 2019 were ₹ 59,635.0 crore as against ₹ 49,892.6 on December 31, 2018. The non-wholesale portfolio constituted about 51% of the loan portfolio of the Bank as at December 31, 2019.

The gross NPA ratio is 3.33% as at December 31, 2019 as against 1.38% as at December 31, 2018. The restructured standard assets portfolio has decreased to 0.06% as at December 31, 2019 from 0.09% as at December 31, 2018. The net NPA ratio is 2.07% as at December 31, 2019 as against 0.72% as at December 31, 2018. The Bank's provisioning coverage ratio (including technical write-offs), stood at 58.07% as at December 31, 2019 as against 63.22% as at December 31, 2018.

Deposit growth

The Bank's deposits grew 21% year on year basis with CASA growing faster at 31%. Deposits grew to ₹ 62,907.2 crore as at December 31, 2019 as against ₹ 52,187.1 crore as at December 31, 2018. CASA ratio increased to 26.79% as at December 31, 2019 compared to 24.57% as at December 31, 2018.

Capital adequacy

The Bank's capital adequacy ratio as at December 31, 2019 was 15.66%, higher than the regulatory requirements.

Capital Raise

During the quarter and nine months ended December 31, 2019, the Bank has raised an additional capital of

- a) ₹ 2,025.27 crores through Qualified Institutional Placement (QIP) of 57,700,000 equity shares of face value of ₹ 10/- each at a price of ₹ 351.00 and
- b) ₹ 675.80 crores on preferential basis through issuance of 19,835,610 equity shares of face value of ₹ 10/- each at a price of ₹ 340.70.

₹1 crore = ₹10 million