

PRESS RELEASE

RBL BANK ANNOUNCES UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER 2023

The Board of Directors of RBL Bank Limited approved the unaudited financial results for the quarter ended 31st Dec 2023 at its meeting held on Friday, 19th Jan 2024.

Results at a Glance for Q3 FY24

- Operating profit grew 35% YoY & 5% QoQ to ₹765 crore
- Net Advances grew 20% YoY & 5% QoQ to ₹79,949 crore
- Retail Advances grew at faster pace; grew by 33% YoY & 5% QoQ to ₹46,371 crore; Retail: Wholesale mix was 58:42
- Retail Disbursements for Q3 FY24 was ₹5,958 crore; of which ₹2,631 crore was towards new secured retail products
- 5.75 Lakhs credit cards issued; 6.60 lakhs new customers added during the quarter
- Total Deposits grew 13% YoY & 3% QoQ to ₹92,746 crore; CASA Ratio at 33.8%
- Deposits less than 2 crore grew 23% YoY to ₹41,275 crore; at 44.5% of total deposits
- Overall Capital Adequacy was 16.4%; CET 1 was 14.6%
- Average LCR for the quarter was 132%
- Gross NPA ratio was 3.12%; Net NPA ratio was 0.80%
- Provision Coverage Ratio including Technical Writeoff was 89.3%
- **As per RBI directions dated 19th December 2023; Bank has created contingent provision of ₹115 crore on AIF investments**
- **Excluding this contingent provision, Net Profit grew 53% YoY & 9% QoQ to ₹319 crore; Reported Net Profits grew 12% YOY to ₹233 crore**
- **Excluding this contingent provision, ROA was 1.03% vs 0.78% for Q3 FY23; Reported ROA was 0.75% for Q3 FY24**

Commenting on the performance, Mr. R Subramaniakumar, MD&CEO, RBL Bank said "We are happy to announce another quarter of strong financial performance. Our advances & deposits have experienced robust growth with granularity of both sides of Balance Sheet catching pace. As per our plan, the Profitability growth has outpaced Balance Sheet growth. Notably, our execution of strategic goals, have contributed to our performance. We remain well capitalised to take advantage of opportunities for growth".

Results Summary for Q3FY24

- **Strong Profit Growth:**
 - Operating profit grew 35% YoY & 5% QoQ to ₹765 crore
 - Total Revenue grew 23% YoY and 7% QoQ to ₹2,323 crore
 - Net Interest Income grew 21% YoY and 5% QoQ to ₹1,546 crore; NIM was 5.52% vs 5.27% for Q3 FY23
 - Other Income grew 26% YoY and 10% QoQ to ₹778 crore
 - Core Fee Income grew 23% YoY and 7% QoQ to ₹729 crore
 - Cost to Income was 67.1% vs 70.1% for Q3 FY23, down 300bps YoY
 - **Excluding contingent provision on AIF investments, Net Profit grew 53% YoY & 9% QoQ to ₹319 crore;** Reported Net Profits grew 12% YoY to ₹233 crore
 - **Excluding contingent provision on AIF investments, ROA was 1.03% vs 0.78% for Q3 FY23;** Reported ROA was 0.75% for Q3 FY24
- **Steady Deposits Growth; with increased focus on Granular Retail Deposits:**
 - Total Deposits grew 13% YoY to ₹92,746 crore
 - CASA grew 5% YoY to ₹31,338 crore. CASA ratio at 33.8% vs. 36.6% as at 31st Dec 2022
 - Deposits less than 2 crore grew 23% YoY & 5% QoQ to ₹41,275 crore; at 44.5% of total deposits
- **Strong Advances Growth; with focus on secured retail assets & commercial banking:**
 - Net Advances book grew 20% YoY and 5% sequentially to ₹79,949 crore
 - Retail Advances book grew 33% YoY and 5% sequentially to ₹46,371 crore
 - Retail disbursement for Q3 FY 24 at ₹5,958 crore
 - Retail: Wholesale mix at 58:42
 - Housing loans grew 48% YoY; Rural vehicle finance grew 157% YoY
 - 5.75 Lakhs credit cards issued in this quarter; Total cards outstanding at 5.04mn
 - Commercial Banking grew 19% YoY & 7% QoQ to ₹8,912 crore
 - Total customers at 14.97mn vs 12.00mn in Q3 FY23, an increase of 2.97mn
- **Well capitalized for growth with stable liquidity:**
 - Overall capital adequacy was 16.42% vs 17.07% for Sep 23; Common Equity Tier 1 ratio was 14.58% vs 15.15% for Sep 23
 - Average Liquidity Coverage Ratio at 132%
- **Improving Asset Quality:**
 - Gross NPA ratio improved to 3.12% vs 3.61% as at 31st Dec 2022, improved by 49 bps in a year
 - Net NPA ratio improved to 0.80% vs. 1.18% as at 31st Dec 2022, improved by 39 bps in a year
 - Provision Coverage Ratio including technical write offs was 89.3% vs 84.7% as at 31st Dec 2022, improved 460 bps in a year
 - Credit cost at 48bps
 - The total provisions of the Bank including specific, general and contingent at 108% of GNPA

- **Expanding Distribution Presence**

- As of 31st December 2023, the Bank has 538 bank branches and 1,217 business correspondent branches, of which 290 are banking outlets. RBL Finserve Limited ("RBL Finserve"), a 100% subsidiary of the Bank, accounts for 897 business correspondent branches

Key financials:

₹ in crore	Q3 FY24	Q3 FY23	YoY	Q2 FY24	QoQ	9M FY24	9M FY23
Net Interest Income	1,546	1,277	21%	1,475	5%	4,443	3,641
Other Income	778	618	26%	704	10%	2,167	1,815
Net Total Income	2,323	1,896	23%	2,179	7%	6,610	5,456
Operating Profit	765	567	35%	731	5%	2,144	1,609
Net profit (excl. contingent provision on AIF investments)	319	209	53%	294	9%	902	612
Reported Net Profits	233	209	12%	294	(21%)	815	612
Net Interest Margin	5.52%	5.27%		5.54%		5.53%	5.11%

₹ in crore	Dec 31, 2023	Dec 31, 2022	YoY	Sep 30, 2023	QoQ
Advances (Net)	79,949	66,684	20%	76,324	5%
Retail Advances (Net)	46,371	34,977	33%	44,092	5%
Deposits	92,746	81,746	13%	89,780	3%
CASA Deposits	31,338	29,948	5%	32,089	(2%)
Investments (Net)	27,852	26,777	4%	29,643	(6%)

Key ratios:

Particulars (in %)	Q3 FY24	Q3 FY23	Q2 FY24	9M FY24	9M FY23
Net Interest Margin	5.52	5.27	5.54	5.53	5.11
Cost to Income	67.1	70.1	66.5	67.6	70.5
Return on Assets	1.03*	0.78	1.00	1.01*	0.77
Return on Equity	8.89*	6.25	8.38	8.56*	6.21
Gross NPA	3.12	3.61	3.12	3.12	3.61
Net NPA	0.80	1.18	0.78	0.80	1.18
PCR incl. Technical Write-offs	89.3	84.7	88.4	89.3	84.7
PCR	75.1	68.0	75.6	75.1	68.0

*Reported ROA & ROE for Q3 FY24 was 0.75% & 6.48% respectively and ROA & ROE for 9M FY24 was 0.92% & 7.74% respectively

Rs 1 crore = Rs 10 million