

[SBI Card has come out of the Covid-19 crisis relatively unscathed: CEO](#)

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# THE HINDU Business Line

## SBI Card has come out of the Covid-19 crisis relatively unscathed: CEO

KR SRIVATS

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SBI Card has, to a large extent, been able to come out of the Covid-19 crisis unscathed, said its new Managing Director and CEO, Rama Mohan Rao Amara.

### Contactless payments rise

He also said that contactless payments have taken wings with increased adoption by its customers and account for 25 per cent of the overall transactions through its cards.

"If I look at this spends wise, industry was able to reach pre-Covid levels of spends in November last year, while we were able to get back in October itself and that way we were ahead. If you look at the market share on cards and spends, it has improved steadily year-on-year.

"Profitability was impacted marginally because credit costs had gone up due to Covid-19. But we continued to be profitable even during the lockdown months. It is only a matter of time before we reach the normal trends of profitability," Amara told *BusinessLine*.

This was his first media inter-



Rama Mohan Rao Amara, MD and CEO of SBI Cards

action after assuming charge at the helm of SBI Card on January 30 this year. Amara had moved to SBI Card after being part of its parent State Bank of India for almost three decades in several key assignments, both in India and abroad.

Asserting that SBI Card was aiming for sustainable growth, Amara expressed confidence about the robustness of the business model, and noted that both medium- and long-term prospects are completely intact.

Barring the moratorium pool, rest of the portfolio is performing in business-as-usual fashion, and SBI Card was at pre-Covid levels in terms of delinquency, he added. He said

that SBI Card continued to focus on new customer acquisitions even during the lockdown months. "In fact, in the third quarter, we were doing 10,000 new customers a day which was on a par with the typical run rate before Covid-19," he said.

The Reserve Bank of India's (RBI) move to double the spend limit for contactless credit card payment to ₹5,000 from ₹2,500 has helped increase the adoption of such mode of payments. This has enabled SMEs to accept digital payments for larger ticket transactions.

"During Covid-19, the concern was about touching things. That is where contactless payments came in handy. No need to punch or swipe your card, just wave and go," he noted.

### Net profit

For the quarter ended December 31, 2020, SBI Card had reported a net profit of ₹210 crore on a total come of ₹2,540 crore. For the nine months period ended December 31, 2020, profit after tax stood at ₹809 crore on a total income of ₹7,245 crore.