

SBI Card Q2 net jumps 67%

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SBI CARDS AND Payment Services (SBI Card) on Thursday reported a 67% jump in its net profit at ₹345 crore for the September quarter, backed by a good growth in retail and corporate spends. The pure-play credit card company had registered a net profit of ₹206 crore in the same period a year ago.

Total income increased 7% to ₹2,695 crore during the quarter under review, compared with ₹2,510 crore in Q2

FY21. The increase is primarily due to higher income from fees and services, SBI Card said in a release.

The company's finance cost fell by 4% in the reported quarter to ₹254 crore from ₹264 crore. However, total operating cost went up by 25% to ₹1,383 crore.

The increase in operating cost is due to higher business volumes, SBI Card noted.

The company significantly reduced its bad assets, as the gross non-performing assets (NPAs) fell to 3.36% from

7.46%. Net NPAs too came down to 0.91% from 2.70%.

With relation to market share (available till August 2021), SBI Card said the card-in-force share stood at 19.4%, while spends were at 19% for H1FY22.

The credit card company said it has made a total management overlay provision of ₹231 crore as of September 2021.

Stock of SBI Card closed at ₹1,124.55 apiece on the BSE, down 1.01% from the previous close.