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SBI CARDS AND Payment Services on Monday reported an 84% jump in its net profit to ₹386 crore for the December quarter because of healthy card spends, fall in bad loans and higher income from other sources.

The pure-play credit card issuer, promoted by State bank of India, had posted a net profit of ₹210 crore in the year-ago period.

Total revenues rose 24% to ₹3,140 crore, compared with ₹2,540 crore in the same period of 2020-21, SBI Card said in a release. The increase in income was primarily due to higher income from fees and services during the quarter, it said.

On the other key metrics, the company

witnessed 10% growth in new accounts volume at 10,08,000, against 9,18,000 in the year-ago quarter. Card-in-force grew 15% to 1.32 crore and total spends surged 47% to ₹55,397 crore. Receivables rose 13% to ₹29,129 crore from ₹25,749 crore in the year-ago period.

The asset quality improved as gross non-performing assets (NPAs) fell to 2.40% of gross credit, against 4.51% in the same period last year. Net NPAs fell to 0.83% from 1.60%.

However, there was an increase of 6% to its finance cost during the quarter at ₹277 crore, while total operating cost was higher by 28% to ₹1,719 crore.

Total gross advances (credit card receivables) at the end of December 2021 stood at ₹29,129 crore, compared with ₹25,114 crore as of March 31, 2021, SBI Card said.