

SBI Card Q3 profit zooms 84% to Rs 386 crore on higher card spends, fall in bad loans

Date: 24/01/2022 | Edition: Online | Page: NA | Source: PTI

THE TIMES OF INDIA



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The pure-play credit card issuer promoted by the country's largest lender SBI had posted a net profit of Rs 210 crore in the year- ago same quarter.

Total revenues of the company rose 24 per cent to Rs 3,140 crore during the quarter under review as against Rs 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, SBI Card said.

On the other key metrics, the company witnessed 10 per cent growth in new accounts volume at 10,08,000 as against 9,18,000 in the year-ago quarter. Card-in-force grew 15 per cent to 1.32 crore and total spends surged 47 per cent to Rs 55,397 crore.

Receivables rose 13 per cent to Rs 29,129 crore from Rs 25,749 crore in the year-ago period. Company's asset quality improved as gross non-performing assets (NPAs) fell to 2.40 per cent of gross credit as against 4.51 per cent as of third quarter of 2020-21.

Net NPAs fell to 0.83 per cent from 1.60 per cent.

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

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

SBI Card stock closed at Rs 814.10 on BSE, down 4.28 per cent from the previous close.