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Forex reserves drop to \$688.26 billion



Mumbai: India's forex reserves dropped by \$2.16 billion to \$688.27 billion for the week ended October 18, the Reserve Bank said on Friday.

J&K Bank Q2 profit rises 45% to ₹51 crore

Srinagar: Jammu and Kashmir Bank on Friday reported 45 per cent rise in September quarter standalone profit at ₹51 crore.

IDBI Bank's Q2 profit rises 39% to ₹1,836 crore

Q2 scorecard

Table with 4 columns: IDBI Bank, Q2FY25 (₹ cr), Q2FY24 (₹ cr), Change %

Our Bureau

IDBI Bank reported a robust 39 per cent increase in second quarter (Q2FY25) standalone net profit at ₹1,836 crore on the back of healthy growth in net interest income as well as other income despite a rise in provisions for standard assets.

INTEREST INCOME

The private sector lender had reported a net profit of ₹1,323 crore in the year ago quarter.

Orient Electric Q2 net profit falls 43.4%

Press Trust of India

Orient Electric Ltd on Friday reported a 43.41 per cent decline in its net profit to ₹10.44 crore for the second quarter ended September 2024.

It had posted a net profit of ₹18.45 crore in the July-September quarter a year ago, according to a regulatory filing from the CK Birla group firm.

However, its revenue from operations increased 16.44 per cent to ₹ 660.15 crore during the period under review. It was ₹566.9 crore in the corresponding period of the last fiscal.

The revenue growth was driven by "...encouraging performance in the lighting, appliances and Fans segments on the back of digital thrust, festival lifting and higher realisations".

Shares of Orient Electric Ltd on Friday settled at ₹210.30 apiece on BSE, down 1.61 per cent from the previous close.

Banks increased their overseas presence during 2023-24: RBI

EXPANSION DRIVE. Number of branches, staff of foreign banks in India also saw a rise



GROWTH MODE. Banks' staff strength increased by 8.2 per cent in overseas branches and 1.7 per cent in subsidiaries overseas

Indian banks increased their overseas presence during 2023-24 both in terms of balance sheet size as well as in terms of number of branches and employees, according to the Reserve Bank of India's 2023-24 round of its survey on international trade in banking services.

Banks' employee strength increased by 8.2 per cent in overseas branches and 1.7 per cent in subsidiaries. During the year, the number of branches and employees of foreign banks in India also expanded by 0.6 per cent and 1.4 per cent, respectively.

Consolidated balance sheets of overseas branches and subsidiaries of Indian banks grew by 4.3 per cent and 0.4 per cent, respectively, during the year whereas that of foreign banks in India recorded higher increase of 7.2 per cent, in US dollar terms.

In US dollar terms, overseas branches of Indian banks recorded 48.8 per cent growth in deposits while

their lending declined marginally by 0.8 per cent during the year; these changes, inter alia, also reflected cross-currency movements.

SUBSTANTIAL INCREASE

Continued tightening of the global monetary policy cycle resulted in a substantial increase in interest income and expenses across all the three cohorts during the year; interest income and interest expenses of overseas branches of Indian banks

grew by 72 per cent and 87.5 per cent, respectively, whereas the corresponding growth for foreign banks in India were 27.1 per cent and 47.7 per cent, respectively.

Total income to assets ratio of overseas branches of Indian banks increased to 6.2 per cent in 2023-24 (3.9 per cent in 2022-23) but it remained lower than that of Indian banks' subsidiaries (7.3 per cent) and foreign banks' operating in India (7.6 per cent).

A big rise in interest rates resulted in acceleration in total income during 2023-24; fee income of overseas branches of Indian banks and the foreign banks operating in India also increased during the year but it declined for the relatively minor segment of overseas subsidiaries of Indian banks.

SHARE OF FEE

A major share of fee income for overseas branches of Indian banks was generated by rendering (a) credit-related services; (b) derivative, stock, securities and foreign exchange trading services; and (c) trade finance-related services.

In the case of the foreign bank branches operating in India, a significant portion of fee income accrued from (a) derivative, stock, securities, foreign exchange trading services; (b) payment and money transmission services; and (c) trade finance-related services. Branches of Indian banks in the UK generated highest fee income, followed by those in the UAE, Singapore and Hong Kong.

Bank of Baroda Q2 net rises 23% to ₹5,238 cr on income growth

Our Bureau

Mumbai: Bank of Baroda reported a 23 per cent year-on-year increase in the second quarter (Q2FY25) standalone net profit at ₹5,238 crore on the back of moderate growth in net interest income and robust growth in non-interest income even as it increased provisioning for standard assets.

Q2 scorecard

Table with 4 columns: Bank of Baroda, Q2FY25 (₹ cr), Q2FY24 (₹ cr), Change %

in Q3 and Q4.\*

Net interest income/NII (difference between interest earned and interest expended) was up about 7 per cent y-o-y at ₹11,622 crore (₹10,831 in Q2FY24).

NON-INTEREST INCOME

Total non-interest income, comprising fee income (loan processing charges, miscellaneous fee income, etc), forex income, profit or loss on sale/realisation of investments, and recovery from technically written-off accounts, etc, rose about 24 per cent to ₹5,181 crore (₹4,171 crore). Provisions for standard assets rose to ₹336 crore in the year ago quarter. Provisions for bad loans &

bad debts written-off declined 24 per cent to ₹1,733 crore (₹2,285 crore). Provision for non-performing investment rose 33 per cent to ₹122 crore (₹92 crore). Asset quality improved, with gross non-performing assets (NPAs) declining to 2.5 per cent of gross advances as at September-end 2024 against 3.32 per cent as at September-end 2023. NPAs nudged lower to 0.6 per cent of net advances from 0.76 per cent. Net interest margin edged up to 3.10 per cent in the reporting quarter against 3.07 per cent in the year ago quarter. As on March-end 2024, global advances increased by 11.6 per cent y-o-y to ₹11,43,039 crore. Global deposits were up 9.1 per cent to ₹13,63,486 crore.

Shriram Finance PAT up 18%, announces 1:5 stock split

Piyush Shukla

Mumbai



Umesh Revankar, Executive Vice-Chairman

Non-banking finance company (NBFC) Shriram Finance on Friday reported 18 per cent year-on-year (y-o-y) rise in its net profit for the quarter ended September at ₹ 2,071 crore, led by strong core income growth.

The vehicle finance focused NBFC also announced a 1-to-5 stock split, along with a dividend of ₹ 22 per share today.

Shriram Finance's net interest income (NII) grew 16 per cent y-o-y to ₹5,607 crore in Q2FY25, while net interest margin (NIM) moderated by 5 basis points (bps) sequentially to 8.74 per cent. Its total assets under management grew 20 per cent to ₹ 2.43 lakh crore.

GUIDANCE FOR H2FY25

Speaking to businessline, Shriram Finance's Executive Vice-Chairman Umesh Revankar acknowledged that there is a slowdown in vehicle sales in pre-festival season as compared to last fiscal, but affirmed that overall AUM will continue to grow in similar 20 per cent range in H2FY25.

"This festival season, sales are not as buoyant as last year.

A slow pickup is there. But this doesn't mean there will be flat growth, there will be growth, maybe a little lower than anticipated. Overall environment is positive and I expect higher growth in rural areas due to higher income led by better MSP (minimum support price) and higher output."

Urban consumption may be slow on account of higher inflation, he said. The NBFC, he said, is being cautious in growing in certain Eastern parts of country, where economic activity is slower and there is lower vehicle demand.

Overall, the NBFC is targeting close to 5 per cent gross non-performing asset (GNPA) ratio and 2.4 per cent net NPA (NNPA) ratio by FY25 end, as against 5.32 per cent GNPA and 2.64 per cent NNPA in Q2FY25.

Bandhan Bank profit jumps 30% to ₹937 cr

Our Bureau

Kolkata



Ratan Kumar Kesh, MD CEO (Interim), Bandhan Bank

Private sector lender Bandhan Bank on Friday reported around 30 per cent year-on-year jump in its net profit to ₹937.44 crore for the second quarter as its operating profit witnessed over 17 per cent y-o-y rise during the period.

The Kolkata-based lender had posted a net profit of ₹721.16 crore for the first quarter last fiscal. On a quarter-on-quarter basis, net profit witnessed an 11.85 per cent decline in the period under review.

The bank's operating profit during the second quarter of FY25 grew 17.16 per cent y-o-y at ₹1855.09 crore as against ₹1583.39

crore for the corresponding period of FY24, according to stock exchange filing.

During the quarter, Net interest income (NII) rose 20.66 per cent y-o-y to ₹2948.26 crore from ₹2443.36 crore for the year ago period.

Net interest margin increased to 7.4 per cent from

Q2 scorecard

Table with 4 columns: Bandhan Bank, Q2FY25 (₹ cr), Q2FY24 (₹ cr), Change %

7.2 per cent in Q2FY24.

During Q2FY25, gross advances grew 21 per cent y-o-y, while deposits grew 27 per cent y-o-y.

GOOD SHOW

"On a year-on-year basis the EEB portfolio (erstwhile microfinance segment) grew 10.6 per cent, but quarter-on-quarter we have decided to hold onto the portfolio, given the overheating and over leveraging in the micro-

finance industry and decided not to grow rapidly at this stage and contain portfolio quality." Bandhan Bank MD and CEO Ratan Kumar Kesh told reporters.

"We should see a better turnaround going forward, if the market condition improves for the overall microfinance industry by the fourth quarter," Kesh added. The lender's collection efficiency for EEB loans was marginally lower at 98.1 per cent for the second quarter this fiscal.

Gross non-performing assets (GNPA) ratio improved to 4.7 per cent in Q2FY25 from 7.3 per cent in Q2FY24. Net NPA ratio improved to 1.3 per cent in the second quarter this fiscal compared to 2.3 per cent in the year ago period.

Chola Finance Company Limited advertisement with logo and contact details.

Large financial statement table with multiple columns for quarters and years, including a detailed breakdown of income and expenses.

GMR Aero financial statement table with columns for quarters and years, detailing financial performance.

