

PRESS RELEASE

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Bank of Maharashtra announces Financial Results for Q1 of 2018-19

Board of Directors of Bank of Maharashtra announced the financial results for Quarter ended June 30, 2018.

Speaking on the occasion, Shri. A.C. Rout, Executive Director of the Bank stated, "The bank has focused all its efforts in recovery and improvement in asset quality. In the quarter ended June 2018, the Bank recovered NPAs of Rs.858 crore. During the period the Bank has reported 23.92% per cent growth in Net Interest Income as compared to the same period previous year. The same was possible due to effective liability management."

Elaborating on future plans of the Bank, Shri. Rout said, "We are in the process of rebalancing our asset portfolio with focus on retail, agri and MSME (RAM) sectors for diversification of risk. The Bank is committed to the reforms agenda initiated by the Govt of India for PSBs and the positive results can be seen in coming quarters."

Key Performance Highlights

Profitability:

- Net interest income of the Bank in quarter ended June 30, 2018 increased by 23.92% Y-o-Y to Rs.858.49 crore from Rs.692.80 crore in quarter ended June 30, 2017.
- Net Interest Margin (NIM) improved to 2.33% for Q1 of FY 2018-19 as compared to 1.87% in Q1 of FY 2017-18.
- Operating Profit for the quarter ended June 30, 2018 stood at Rs.470.32 crore as against Rs. 533.48 crore in June 2017 quarter.
- Operating Expenses have come down marginally for the quarter ended June 30, 2018 as compared to the quarter ended March 31, 2018.
- On the basis of sustained high CASA deposit ratio cost of deposit has come down by 59 basis points to 4.99% in June 2018 quarter from 5.58% in June 2017 quarter.
- Interest expenses for the June 30, 2018 quarter declined by 13.16% to Rs.1782.06 crore as compared to Rs 2052.09 crore in the corresponding period of previous year.
- Non-Interest income stood at Rs. 346.55 crore in the quarter ended 30.06.2018 as compared to Rs.464.95 crore in the corresponding quarter of previous year. The reduction in non-interest income was due to lower profits from sale of investment by Rs.104 crore in light of adverse interest rate scenario.
- Net loss of the Bank stood at Rs. 1119 crore for the quarter ended for June 30, 2018, as against net loss of Rs. 412.20 crore in corresponding period of previous year. For quarter ended March 31, 2018 net loss of the Bank stood at Rs. 113.49 crore.



Business:

- Total business of the Bank stood at Rs.219458.33 crore as on 30.06.2018 as compared to Rs.233724.94 crore as on 30.06.2017.
- As on 30.06.2018 total deposits stood at Rs.135410.85 crore & Gross advances stood at Rs.84047.48 crore.
- Retail advances have grown by 4.05% Y-o-Y to Rs. 16,767 crore mainly on account of handsome growth in Vehicle Loans (37.37%). Share of retail advances in the loan book has improved to 19.95% as on 30.06.2018 from 16.60% as on 30.06.2017.
- CASA deposits constitute 46.33% of total deposits and posted modest Y-o-Y growth of 4.15%.

NPA Management:

- Cash recovery and upgradations in Q1 of FY 2018-19 increased by 39% Y-o-Y to Rs. 1124 crore as compared to Rs 807 crore in the corresponding period of previous year.
- Gross NPAs and Net NPAs reduced by Rs.249 crore and Rs.2064 crore respectively Y-o-Y.
- As on 30.06.2018 Gross NPA stood at Rs, 17800 crore (21.18% of gross advances) and Net NPA stood at Rs. 9195 crore (12.20% of net advances).
- Provision Coverage Ratio has improved by about 15 percentage points to 62.19% as on June 30, 2018 from 47.32% as on June 30, 2017.
