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Bank of Maharashtra posts lower Net Losses and Slippages sequentially during Q2 of FY' 17

Bank of Maharashtra today released its working results for Q2 of FY' 17 showing lower Net Losses and lesser slippages sequentially over Q1 of FY' 17

The Bank posted a Net Loss of Rs 337 Crore in Q2 as against Rs 397 Crore during Q1 of FY' 17. The Net Losses were largely driven by higher provisioning requirements for NPAs and a decline in operating profit both sequentially and Y-O-Y basis. However Non Interest Income for Q2 rose by 15 % over Q2 of FY' 16 which was mainly contributed by Treasury Income as also core fee Income.

The Gross and Net NPAs of the Bank increased during Q2 to 14.08% and 9.94 % respectively as against 12.64 % and 8.73 % as of 30th June 2016. The standard restructured advances dropped to Rs. 3518 Crore i.e. 3.43 % of Total Advances thereby taking the total stressed assets booked to 17.51 % as of September 2016.

While Business Growth was on a low key at 2.65 % Y-O-Y, CASA deposits grew by 15.39 % and formed 39.78 % of total deposits.

The net Interest Margin (NIM) stood at 2.20 % for Q2 of FY' 17 as compared to 2.21 % in Q1 of current year.

The Bank has maintained its Capital Adequacy above the bench mark level for CET-I, Tier I & Total Capital (CRAR) at 7.31 %, 8.48 % & 11.14 % respectively.

Shri R. P. Marathe, the new MD & CEO informed its Board that, high CASA ratio, reasonable growth of Retail Credit & Saving Deposits and easing up of the pace of incremental slippages as well as Net Losses are the key indicators for improving financials of the Bank in the coming quarters.