

PRESS RELEASE

FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

| | Growth | |
|----------------------------|----------------------|----------------------|
| | 30.06.16 vs 30.06.15 | 30.06.16 vs 31.03.16 |
| Net Interest Income | 10.35% | 8.96% |
| Operating profit | 27.45% | 9.16% |
| Net profit | 42.77% | 263.78% |
| | 30.06.2016 | 31.03.2016 |
| RoA | 0.60% | 0.17% |
| Gross NPA | 6.97% | 6.66% |
| Net NPA | 4.48% | 4.20% |
| CRAR | 13.98% | 13.20% |
| NIM | 2.47% | 2.38% |

- The Board of Directors of Indian Bank at its meeting held at Chennai today, approved the reviewed financial results of the Bank for the Quarter ended June 30, 2016.

The highlights of the Bank's performance are as under. Shri. Mahesh Kumar Jain, Managing Director & CEO informed that:

Profitability:

- **Net Interest Income (NII)** was at **₹1236.32 crore** for the QE June 30, 2016 recording a growth of **10.35%** over QE June 30, 2015 (₹1120.35 crore) and **8.96%** over QE March 31, 2016 (₹1134.65 crore).
- **Operating Profit** was at **₹903.18 crore** for the QE June 30, 2016 recording a growth of **27.45%** over QE June 30, 2015 (₹708.64 crore) and **9.16%** over QE March 31, 2016 (₹827.41 crore).
- **Net Profit** was at **₹307.36 crore** for the QE June 30, 2016 recording a growth of **42.77%** over QE June 30, 2015 (₹215.28 crore) and **263.78%** over QE March 31, 2016 (₹84.49 crore).

- **Net interest margin** touched **2.47%** for the QE June 30, 2016 as against **2.36%** for the QE June 30, 2015 and **2.38%** for the QE March 31, 2016.
- **Other income** of the Bank touched **₹441.67 crore** for the QE June 30, 2016 registering a growth of **17.60%** over QE June 30, 2015 (₹375.56 crore).
- **Return on Average Assets (RoA)** improved to **0.60%** for the QE June 30, 2016 as against **0.43%** for the QE June 30, 2015 and **0.17%** for the QE March 31, 2016.
- Bank's Book Value per Share stood at **₹287.42** as on 30th June 2016, as compared to **₹265.94** as on 30th June, 2015 and **₹280.63** as on 31st March, 2016.

Asset Quality:

- **Gross NPAs to Gross Advances** ratio stood at **6.97%** as on 30th June 2016 as against **6.66%** as on 31st March, 2016.
- **Net NPAs to Net Advances** ratio stood at **4.48%** as on 30th June 2016 as against **4.20%** as on 31st March, 2016.
- **Provision Coverage Ratio** stood at **53.89%** as on 30th June 2016 as against **53.37%** as on 31st March, 2016.
- **Stressed Ratio** stood at **11.91%** as on 30th June 2016 as against **11.46%** as on 31st March, 2016.

Capital:

- **Capital Adequacy Ratio (CRAR)** as per Basel III at **13.98%** as on 30th June 2016, of which, Tier I capital stood at **12.76%** and CET 1 at **12.34%**.
- Bank's **Networth** increased to **₹13,804.37 crore** as on 30.06.2016 from **₹13,478.35 crore** as on 31.03.2016.

Branch Network:

- During the quarter ended June 30, 2016, 19 new branches under the newly formed Verticals for Retail loans, MSME and Mid-Corporate advances have been opened taking the total domestic distribution network of the Bank to 2581 branches besides its overseas presence in Singapore, Colombo and Jaffna.

Human Resources:

- Total staff strength as on 30.06.2016 stood at **19934**.

Performance under National Goals:

- **Priority Sector** portfolio increased from ₹46861 crore as of 30.06.2015 to **₹50015 crore** as of 30.06.2016. Priority sector advances as a percentage of ANBC as of 30.06.2016 stood at **42.03%**.
- **Advances to Weaker Section** increased by 8.2% from ₹13247.39 crore as on 30.06.2015 to **₹14335.71 crore** as on 30.06.2016.

Other highlights

- With strong and sufficient capital, Bank has positioned itself as a **'Self sustaining Mid-segment Bank'** with focus on Retail Business. To support this business model, specialized verticals for Retail loans, MSME & Mid Corporate, Agriculture and other loans have been created during the quarter.
- Reorientation of the business focus towards **Retail sector** is being supported by Organizational realignment, Human Resources Reforms and Business Process Engineering.
- **PRADHAN MANTRI JAN DHAN YOJANA (PMJDY)**: 100% of Point of Sales (POS) devices of the Bank are enabled for carrying out RuPay Card transactions as against the industry average of 64.85%.
- **PRADHAN MANTRI MUDRA YOJANA (PMMY)**: Disbursements to the tune of **₹303.88 crore** made to 20480 beneficiaries under various schemes of PMMY, viz., Shishu, Kishore and Tarun.

Social responsiveness:

- **Project 3 lakh – A Go Green Initiative** to plant Saplings by **28 02 2017** has been undertaken by the Bank as a Corporate Social Responsibility through its Zonal Office and Branches.
- **Voluntary blood donation camp** was organised on 12th June 2016 at Chennai wherein more than 80 donors participated. 30 participants volunteered for eye donation.
- Target to plant **1,10,000** saplings by **15th August 2016** and **3,00,000** saplings by **31st March 2017**.

Digital banking initiatives:

- In its continuous endeavour to strengthen technology channels for extending added convenience to its customers, Bank had installed 174 new ATMs/BNAs (Bunch Note Acceptors) during the quarter enlarging the total number of ATMs/BNAs to 2958 including 685 offsite ATMs. This in turn had resulted in migration of **54.87%** of the branch transactions.

- **Transactions on Digital channels** (Mobile banking and Net banking) crossed the 50% mark to reach **56.75%** reducing footfall in branches.
- As a customer centric measure, provision has been made for the constituents of the Bank to upload Form 15 G/H through net banking and also download interest certificate for their accounts through Net banking or through the Bank's website.
- To facilitate ease of search, digital app '**Ind Product Seeker**' has been launched to provide customers with a quick link for locating deposit and loan products of the Bank. The customer in turn is directed to the nearest branch based on the pin code information provided.
- **E Locker facility** – Online facility for customer to apply for locker by registering themselves through Bank's website launched.
- **My Card, My Design** – Issue of Debit cards with customized design as per the choice of the customer.
- **Go Green** – Green pin facility for debit cards enables creation of PIN on the go and reduces dependency on logistics.
- **Online view facility** to enquire status of issued/presented cheque through Net Banking obviates the need for keeping track of cheques issued.
- Training on Technology products of the bank provided to customers as part of customer literacy initiative.
- **Logging customer complaints through ATM** - Yet another avenue for redressal of customer grievances.
- **Master Card Award for Best Innovation – e-Purse and Best Acquirer Business – POS**

Business:

- The quarter witnessed healthy trend in CASA with the portfolio increasing to **₹55764 crore** as on 30.06.2016 from **₹50017 crore** as on 30.06.2015. Share of CASA Deposits (Domestic) reached a level of **32.09% (Domestic)** as on 30.06.2016 from **29.45%** as on 30.06.2015.

Chennai

August 02, 2016