

PRESS RELEASE**FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 2018**

The Board of Directors of Indian Bank approved the Bank's results for the Quarter ended March 31, 2018 and the audited results for the full year ended March 31, 2018 at their meeting held in Chennai on Thursday, May 10, 2018.

FY 2017 – 18 HIGHLIGHTS (YoY):**Operational Efficiency:**

- Operating profit - ₹5000.99 crore up by 25%.
- Net profit - ₹1258.99 crore.
- Net interest margin (NIM) (Global) at 2.90% grew by 31 bps.
- Return on Average Assets (RoA) - 0.53%.
- Net interest income grew by 21.72% - ₹6263.56 crore
- Non interest income - ₹2405.84 crore grew by 8.79%
- Cost-to-income ratio declined by 331 bps to 42.31%. (45.62%)
- Return on Equity (RoE) - 8.27%.

Business Parameters:

- Total Balance sheet size grew by 15.80% - ₹252716 crore.
- Total deposits (Global) - ₹208294 crore grew by 14.13%.
- Domestic CASA deposits up by 14.59%. CASA ratio - 37.78%
- Current account deposits up by 31.97% - ₹12426 crore and Savings account deposits grew by 11.73% - ₹63977 crore.
- Advances (Global) grew by 23.14% {₹30581 crore} to reach ₹162726 crore.
- RAM Sector grew by ₹18111 crore (26.12%) {Retail – 32.5%, Agriculture – 25.9% & MSME - 20.9%}

Asset Quality:

- Gross Non-performing assets down by 10 bps - 7.37%. (7.47%)
- Net non-performing assets down by 58 bps – 3.81%. (4.39%)
- Provision coverage ratio up by 613 bps – 64.27% (58.14%)
- Stressed assets as a percentage of Gross advances reduced to 8.65% from 10.74%.
- Recovery from Bad debts improved by 65.98%.

Capital Adequacy/Networth:

- Capital Adequacy Ratio (CAR) as per Basel III guidelines – 12.55%. Of which CET 1 - 11% + AT1 (0.33%) = Total Tier I - 11.33%, Tier II - 1.22%.
- Networth increased by 9.44% to ₹15826.98 crores.
- Book value per share increased to ₹329.53 (from ₹301.10).

Q4 2017 – 18 – HIGHLIGHTS (YoY):

- Operating profit grew by 8.75% - ₹1163.77 crore.
- Net profit - ₹131.98 crore.
- Net interest margin (NIM) (Global) grew by 14 bps - 2.84%.
- Return on Average Assets (RoA) - 0.21% & Return on Equity (RoE) - 3.35%.
- Net interest income grew by 18.25% - ₹1637.70 crore.
- Non interest income (non-interest revenue) - ₹490.33 crore.
- Cost-to-income ratio reduced by 38 bps - 45.31%.

NATIONAL GOALS – POSITION AS ON 31 03 2018:

- Priority Sector portfolio - ₹63036 crore (48.51% of ANBC) - {40% Target}
- Advances to Weaker Section - ₹16213 crore (12.48% of ANBC) - {10% Target}
- PRADHAN MANTRI MUDRA YOJANA (PMMY): ₹2037.46 crore disbursed during the Year under various schemes viz., Shishu, Kishore and Tarun – Targets exceeded.
- Atal Pension Yojana (APY) - 3.52 lakh customers enrolled during the year averaging 80 per branch as against the target of 70 per branch – Best performance award.
- Deendayal Antyodaya Yojana - ₹1317.18 crore disbursed to 40355 borrowers.

CUSTOMER TOUCH POINTS:

- 8964 (2820 Domestic branches, 3 Overseas branches, 3399 ATM/BNAs and 2742 active Business Correspondents).

KEY AWARDS AND ACCOLADES – FY 2017-18:

- Golden Peacock – “National Training” Award - Financial sector (Banking) PSU.
- Best Performing RSETI in the country to Indian Bank Self Employment Training Institute (INDSETI), Puducherry for the year 2017-18.
- Financial Express/EY ‘Best Bank 2016-17’ - Nationalised Banks.
- 'The Economic Times Best BFSI Brands Award 2018'.
- CVC Awards for ‘Significant Contribution in IT Initiative for Transparency in the Organization’ and ‘Outstanding Contribution – Vigilance Awareness Initiative’.

NEW TECHNOLOGY INITIATIVES:

- Bharat QR: Low cost point of sale solution to merchant customers.
- Ind PFMS: Public Fund Management System (PFMS) based solution for effective distribution of benefits by Government Department/Institutions.

DIVIDEND:

- The Board of Directors recommended a dividend of 60% for the year ended March 31, 2018 which is the same as in the previous year (Subject to approval by the shareholders at the next Annual General Meeting).