

PRESS RELEASE
FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 2018

The Board of Directors of Indian Bank approved the Bank's results for the Quarter ended September 30, 2018 at their meeting held in Chennai on November 09th 2018.

BUSINESS:

- **Deposits** grew YoY by **10.5%** to touch **₹219523 Cr** from **₹198669 Cr**.
- **Advances** registered a YoY growth of **19.50%** to reach **₹172322 Cr** from **₹144206 Cr**.
- **Total Business** reached **₹391844 Cr** with a YoY growth of **14.28%** over **₹342875 Cr** during the Year ago period.
- **CASA** grew by **7.29%** YoY (Up from **₹71813 Cr** to **₹77048 Cr**)
- **RAM Sector** grew by **₹19120 Cr (24.6%)** {Retail – 26%, Agriculture – 27.5% & MSME – 20.2%}. **RAM sector** forms **58.7%** of the total Domestic advances of the Bank.

Q2 2018 – 19 HIGHLIGHTS (YoY):

OPERATIONAL EFFICIENCY:

- **Interest Income** grew by **13.01%** (Up from **₹4160 Cr** to **₹4701 Cr**)
- **Net Interest Income** grew by **12.13%** (Up from **₹1544 Cr** to **₹1731 Cr**)
- **Net Interest Margin** improved by **12 bps** (Up from **2.85%** to **2.97%**)
- **Fee Income: ₹293 crore**, grew by **6.34%** (Up from **₹275 Cr**).
- **Operating profit** declined by **13.42%** i.e. from **₹1376 Cr** to **₹1191 Cr** mainly on account of decline in profit on sale of Investments. Excluding the same, **Operating profit** grew by **6.53%**.
- **Net profit: ₹150 Cr**, declined by **66.75%** from **₹452 Cr** on account of MTM losses, lower trading income and higher provisions towards bad debts.
- **Cost-to-income ratio** at **44.84%**.

H1 2018 – 19 HIGHLIGHTS (YoY):

OPERATIONAL EFFICIENCY:

- Interest Income grew by 13.23% (Up from ₹8296 Cr to ₹9393 Cr)
- Net Interest Income grew by 17.81% (Up from ₹3003 Cr to ₹3538 Cr)
- Net Interest Margin improved by 25 bps (Up from 2.79% to 3.04%)
- Fee Income : ₹572 crore, grew by 13.85% YoY against ₹502 Cr during the Year ago period.
- Operating profit declined by 5.30% (from ₹2628 Cr to ₹2489 Cr) on account of decline in profit on sale of Investments. Excluding profit on sale of Investments, the growth was 19.59%.
- Net profit: ₹359 crore, declined by 56.37% from ₹824 crore.
- Cost-to-income ratio at 43.52%

ASSET QUALITY:

- Stressed assets (Gross NPA + Restructured Standard) as a percentage of Gross advances reduced by 167 bps to 8.02% as on 30.09.2018 vis-à-vis corresponding period level of 9.69%. (Was 8.42% as on 30.06.18).
- Gross Non-performing assets as on 30.09.2018 was at 7.16% as against 6.67% as on 30.09.2017 (GNPA as on 30.06.2018 was 7.20%)
- Net non-performing assets as on 30.09.2018 was at 4.23% as against 3.41% as on 30.09.2017 (NNPA as on 30.06.2018 was 3.79%)
- Provision coverage ratio as on 30.09.2018 was at 60.82% as against 65.40% as on 30.09.2017 (PCR as on 30.06.2018 was 64.38%).

CAPITAL ADEQUACY/NETWORTH:

- Capital Adequacy Ratio (CAR) as per Basel III guidelines – 12.73%. Of which Total Tier I was 11.53% (CET 1: 11.20% + AT1: 0.33%) and Tier II was 1.20%.
- Networth increased by 6.38% to ₹16290 crores.
- Book value per share increased to ₹339.17 (from ₹318.82).

NATIONAL GOALS – POSITION AS ON 30 09 2018:

- Priority Sector portfolio - ₹64822 crore (46.32% of ANBC) - {Target 40%}
- Advances to Weaker Section - ₹15833 crore (11.31% of ANBC) - {Target 10%}
- PRADHAN MANTRI MUDRA YOJANA (PMMY): ₹821 crore disbursed during the Half year ended September 2018.

CUSTOMER TOUCH POINTS:

- **9157** (2827 Domestic branches, 3 Overseas branches, **3579** ATM/BNAs and **2748** active Business Correspondents).

PERFORMANCE UNDER DIGITAL CHANNELS – CURRENT YEAR

- **Mobile banking transactions** grew by **78%** (**13.21 Mio** from **7.42 Mio**).
- **Internet banking transactions** touched **6.75 Mio** growing by **8.17%** from **6.24 Mio**.
- Volume of **POS transactions** grew by **15.08%** from **26.65 lakhs** to **30.7 lakhs**.

PERFORMANCE UNDER ATAL PENSION YOJANA CAMPAIGN:

- Bank emerged as **No:1** among all major banks in the recently concluded “**Makers of Excellence 2.0**” and “**Rise Above Rest**” campaigns based on the per branch average with an increase of **13** and **10** respectively during the campaign.

NEW INITIATIVES:

- **PSB LOAN IN 59 MINUTES** - **602** loans amounting to **₹328.04 crore** approved.

KEY AWARDS AND ACCOLADES:

- **ASSOCHAM SMEs Excellence Award - 2018** under ‘**Micro Lending**’
- ‘**Best Performance under Lending to SHG**’ in the State of Tamil Nadu for FY 2017-18
- **Government of India’s “Rajbhasha Kirti Puraskar”** for ‘**Outstanding Performance in implementation of Official Language**’ during the year 2017-18.

Chennai

November 09th, 2018