

PRESS RELEASE**FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 2018**

The Board of Directors of Indian Bank approved the Bank's results for the Quarter ended December 31, 2018 at their meeting held in Chennai on January 25th 2019.

BUSINESS:

- **Global Deposits** grew YoY by **9.35%** to touch **₹225847 Cr** from **₹206533 Cr**.
- **Global Advances** registered a YoY growth of **15.51%** to reach **₹176864 Cr** from **₹153120 Cr**.
- **Global Business** crossed the milestone figure of **₹4 lakh crore** to reach **₹402711 Cr** with a YoY growth of **11.97%**.
- **CASA** grew by **6.85%** YoY (Up from **₹73835 Cr** to **₹78890 Cr**)
- **RAM Sector** grew by **₹17185 Cr** {Retail – **17.0%**, Agriculture – **26.3%** & MSME – **18.7%**}. **RAM sector** forms **58.7%** of the total Domestic advances of the Bank.

Q3 2018 – 19 HIGHLIGHTS (YoY):**OPERATIONAL EFFICIENCY:**

- **Interest Income** grew by **10.8%** (Up from **₹4354 Cr** to **₹4824 Cr**).
- **Net Interest Income** grew by **5.8%** (Up from **₹1623 Cr** to **₹1717 Cr**).
- **Net Interest Margin** improved by **3 bps** (Up from **2.85%** to **2.88%**).
- **Operating profit** declined by **5.2%** i.e. from **₹1209 Cr** to **₹1147 Cr** on account of increase in interest expenditure by **13.75%** (Y-o-Y increase of **10.75%** in Term Deposits)
- **Net profit: ₹152 Cr** declined by **49.8%** from **₹303 Cr** on account of higher provisions towards bad debts.
- **Cost-to-income ratio** at **46.96%**.

Nine months ended December 2018 HIGHLIGHTS (YoY):**OPERATIONAL EFFICIENCY:**

- **Interest Income** grew by **12.4%** (Up from **₹12650 Cr** to **₹14217 Cr**)
- **Net Interest Income** grew by **13.6%** (Up from **₹4626 Cr** to **₹5255 Cr**)
- **Net Interest Margin** improved by **18 bps** (Up from **2.81%** to **2.99%**).

- **Fee Income: ₹835 crore, grew by 9.6% YoY against ₹762 Cr during the Year ago period.**
- **Operating profit declined by 5.3% (from ₹3837 Cr to ₹3635 Cr) on account of increase in interest expenditure by 11.7% and decline in profit on sale of Investments. Excluding profit on sale of Investments, the growth was 11.25%.**
- **Net profit: ₹511.7 crore, declined by 54.6% from ₹1127 crore.**
- **Cost-to-income ratio at 44.65%.**

ASSET QUALITY:

- **Stressed assets (Gross NPA + Restructured Standard) as a percentage of Gross advances reduced by 52 bps to 8.36% as on 31.12.2018 vis-à-vis corresponding period level of 8.88% (8.02% as on 30.09.18).**
- **Gross Non-performing assets as on 31.12.2018 was at 7.46% as against 6.27% as on 31.12.2017 (GNPA as on 30.09.2018 was 7.16%).**
- **Net non-performing assets as on 31.12.2018 was at 4.42% as against 3.30% as on 31.12.2017 (NNPA as on 30.09.2018 was 4.23%).**
- **Provision coverage ratio as on 31.12.2018 was at 60.91% as against 64.73% as on 31.12.2017 (PCR as on 30.09.2018 was 60.82%).**

CAPITAL ADEQUACY/NETWORTH:

- **Capital Adequacy Ratio (CAR) as per Basel III guidelines – 12.67%. Of which Total Tier I was 11.24% (CET 1: 10.92% + AT1: 0.32%) and Tier II was 1.43%.**
- **Networth increased by 5.15% YoY to ₹16470 crores.**
- **Book value per share increased to ₹342.93 (from ₹326.13).**

NATIONAL GOALS – POSITION AS ON 31 12 2018:

- **Priority Sector portfolio - ₹65438 crore (45.20% of ANBC) - {Target 40%}.**
- **Advances to Weaker Section - ₹16300 crore (11.26% of ANBC) - {Target 10%}.**
- **PRADHAN MANTRI MUDRA YOJANA (PMMY): ₹1282 crore disbursed during the Nine months period ended December 2018.**
- **PSB LOAN IN 59 MINUTES - 236 loans amounting to ₹73.77 crore sanctioned.**

CUSTOMER TOUCH POINTS:

- **9451 (2839 Domestic branches, 3 Overseas branches, 3787 ATM/BNAs and 2822 active Business Correspondents).**

PERFORMANCE UNDER DIGITAL CHANNELS – CURRENT YEAR.

- **Mobile banking transactions** grew by **247%** (**22.7 Mio** from **6.55 Mio**).
- **Internet banking transactions** touched **6.74 Mio** growing by **11.6%** from **6.04 Mio**.
- Volume of **POS transactions** grew by **47.55%** from **23.51 lakhs** to **34.69 lakhs**.

NEW INITIATIVES:

- **TReds (Trade Receivables Discounting – Enlisted with 2 Platforms viz., RXIL and INVOICEMART.**
- **Two new clusters viz., Hosiery (Erode) and Pharmaceuticals (Surat) identified for MSME lending.**
- **Entered into MoU with Good Shepherd Health Education Centre and Dispensary, a NGO for financing SHGs sponsored by them.**

KEY AWARDS AND ACCOLADES:

- **“India’s Best Bank” - Winner under Nationalised Bank Category awarded by Financial Express in January 2019.**
- **‘Award for Leadership Capital Campaign for MD&CEOs’ for Atal Pension Yojana by Government of India.**
- **“Best Public Sector Bank’ – Banking Excellence Award 2018 by State Forum of Banker’s Clubs Kerala.**
- **1st Prize – Excellence in Performance among PSBs under SHG Bank Linkage Programme in Tamil Nadu - 2017-18.**
- **First Prize for Best Performance – Financial Literacy (2018-19) in Tamil Nadu awarded by NABARD.**
- **“Rajbhasha Kirti Puraskar” under Official Language by Government of India.**

Chennai**January 25th 2019**