

**Indian Bank announces financial results for Q3FY22 and 9MFY22
Net Profit up by 34% YoY at ₹690 Cr**

Highlights - Quarter ended Dec'21

- **Operating Profit** up by **16%** YoY at **₹3288 Cr** from **₹2846 Cr**.
- **Net Profit** up by **34%** YoY at **₹690 Cr** from **₹514 Cr**.
- **Net interest Income (NII)** increased by **2%** YoY to **₹4395 Cr**. Sequentially on QoQ basis NII grew by **8%**.
- **NIM (Domestic)** improved from **2.89%** in Sep'21 to **3.03%** in Dec'21.
- **Non-Interest Income** rose by **36%**, supported by Fee Income growth of **11%**. Growth in Forex Income was at **32%**, PSLC commission was at **47%** and Recovery in Bad Debts was at **111%**. **Operating Expenses** showed marginal increase of **2%**, almost flat.
- **Total Business** recorded YoY growth of **6%** reaching the level of **₹963007 Cr** in Dec'21 as against **₹910894 Cr** in Dec'20. On a sequential QoQ basis it increased by **3%**.
- **Total Deposits** grew by **8%** YoY and **2%** QoQ and stood at **₹562575 Cr** in Dec'21 as against **₹521248 Cr** in Dec'20.
- **CASA Deposits** grew by **10%** YoY and by **4%** QoQ and touched **₹234422 Cr** in Dec'21. Current account deposits grew by **15%** YoY and Savings account deposits by **9%** YoY in Dec'21.
- **CASA ratio** improved by **80 bps** YoY to **42%**.
- **Advances** grew by **3%** to **₹400432 Cr** in Dec'21 from **₹389646 Cr** a year ago. On a sequential QoQ basis advances grew by **4%**.
- **RAM Sector** grew by **11%**.
- **RAM contribution** to domestic advances is **61%**.
- Retail Loans grew by **13%**, backed by growth in Housing Loan by **11%**, Personal Loan by **36%**, Jewel Loan by **43%**, Auto Loan by **6%** and Other Retail Loans by **11%**.
- **Agriculture Loan** grew by **14%** on the back of increase of Jewel Loan by **24%**, Investment Credit by **30%**, Agri allied by **72%** and SHG by **16%**.
- **MSME** grew by **6%**.

- **Priority Sector portfolio** increased to **₹144433 Cr** in Dec'21 from **₹134015 Cr** in same quarter of the previous year. Priority sector advances as a percentage of ANBC stood at **42.66%** as against the regulatory requirement of **40%**.
- **GNPA%** decreased from **9.56%** in Sep'21 to **9.13%** in Dec'21, i.e. **43 bps** on QoQ basis. **NNPA%** reduced from **3.26%** in Sep'21 to **2.72%** in Dec'21, i.e. **54 bps** on QoQ basis. **PCR** improved from **83.32%** in Sep'21 to **85.49%** in Dec'21.
- Cash recovery was higher at **₹1096 Cr** during Dec'21 as against **₹744 Cr** in Dec'20. AUC recovery was higher at **₹278 Cr** as compared to **₹129 Cr** in Dec'20.
- **Capital Adequacy Ratio** at **15.47%**, increased by **141 bps** YoY. **CET** improved by **103 bps** YoY from **10.35%** to **11.38%**. **Tier I** improved by **85 bps** YoY from **11.18%** to **12.03%**.

Highlights - 9 months ended Dec'21

- For the 9 months ended Dec'21, **Operating Profit** at **₹ 9979 Cr** grew by **16% YoY** from **₹8581 Cr** and **Net Profit** at **₹ 2961 Cr** recorded a growth of **128% YoY** from last year level of **₹1296 Cr**.
- **Net Interest Income (NII)** increased by **1% YoY** to **₹12473 Cr** in 9 month ended Dec'21 from **₹12332 Cr** in Dec'20.
- **Net Revenues** (Net interest income plus other income) for 9 month ended Dec'21 grew by **9%** to **₹17816 Cr** from **₹16401 Cr** in Dec'20.
- **Non- Interest Income** for 9 month ended Dec'21 up by **31% YoY**. It stood at **₹5343 Cr** as against **₹4069 Cr** in Dec'20 on account of higher recovery in bad debts, increase in Fee income, Forex Income and PSLC commission.
- **Return on Equity (RoE)** for 9 month ended Dec'21 was **12.24%** as against **6.20%** as on Dec'20.
- **Return on Average Assets (RoA)** was at **0.62%** for 9 month ended Dec'21 as against **0.30%** in Dec'20.
- **Cost-to-Income Ratio** has improved to **43.99%** for 9 month ended Dec'21 from **47.68%** in Dec'20 due to higher increase in non-interest income.
- **Provisions & Contingencies** for 9 month ended Dec'21 were at **₹7018 Cr** as against **₹7285 Cr** for the previous year. Cumulatively, it reduced by **4%**.
- On 9 months' basis, **Operating Expenses** grew marginally to **₹7837 Cr** in Dec'21 from **₹7820 Cr** in Dec'20.

Focus areas

The need of the hour is to focus on consistent growth in business and enhanced income stream. The focal point will be to offer efficient and seamless customer service with more customer engagement and involving them in Bank's digital journey. Our aim is to achieve higher growth with improved profit.

Key Summary of Q3FY22 results

	Q3FY21	Q2FY22	Q3FY22	QoQ%	YoY%	9MFY21	9MFY22	YoY%
Earnings & Profit								
Interest Income	10025	9476	9926	5	-1	30202	29024	-4
Interest Expenses	5711	5391	5531	3	-3	17870	16551	-7
Net Interest Income	4314	4084	4395	8	2	12332	12473	1
NIM % Domestic	3.13	2.89	3.03	14 bps	-10 bps	3.03	2.93	-10 bps
Non-Interest Income	1143	1966	1556	-21	36	4069	5343	31
Operating Profit	2846	3276	3288	0.37	16	8581	9979	16
Loan loss provisions	738	2216	2439	10	230	4448	6401	44
Net Profit	514	1089	690	-37	34	1296	2961	128

In Rs Cr	Q3FY21	Q2FY22	Q3FY22	QoQ%	YoY%
Balance Sheet					
Gross Advances (Global)	389646	385730	400432	4	3
Domestic Corporate	168549	148007	151357	2	-10
Domestic RAM	210524	226501	233738	3	11
Deposits(Global)	521248	551472	562575	2	8
Domestic CASA	212297	224544	233597	4	10
Domestic Term Deposits	300398	318011	319940	1	7
CASA ratio % (Global)	41	41	42	81 bps	80 bps
Gross NPA	35237	36886	36540	-1	4
Net NPA	8537	11749	10155	-14	19

Ratios %	Q3FY21	Q2FY22	Q3FY22	QoQ bps	YoY bps
Asset Quality					
GNPA	9.04	9.56	9.13	-43	9
NNPA	2.35	3.26	2.72	-54	37
PCR (with AUC)	86.51	83.32	85.49	217	-102
PCR (without AUC)	75.77	68.15	72.21	406	-356

Ratio %	Q3FY21	Q2FY22	Q3FY22	QoQ bps	YoY bps
Capital Ratios					
CET -I	10.35	11.68	11.38	-30	103
Tier -1	11.18	12.34	12.03	-31	85
CAR	14.06	15.88	15.47	-41	141