

Indian Bank to offer ₹40k cr of corporate loans in FY25

TIMES NEWS NETWORK

Chennai: Public sector Indian Bank has a corporate loan pipeline to the tune of Rs 40,000 crore for the current fiscal of FY25, said its MD & CEO S L Jain. The corporate loan is spread over multiple sectors including iron and steel, road, NBFC, renewable energy and city gas distribution.

Briefing newsmen here on Tuesday, he said, the undisbursed working capital is around Rs 19,000 crore out of the Rs 40,000 crore in the pipeline. "Apart from our top corporate sectors such as road, NBFC, renewable energy, smart metering and city gas distribution, we have also taken exposure in metal," he added.

Corporate lending accounts for 38% of the bank's loan book, while the retail, agri-



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MD & CEO, Indian Bank

culture and MSME (RAM) sector constitutes the rest. In total, the state-owned bank's corporate outstanding stood at Rs 1.9 lakh crore. "The corporate collection efficiency is at 99%," he said. On attracting deposits, he said, it remains a

challenge as several avenues such as mutual funds and government securities were available for customers for returns. "Getting the low cost deposits is a challenge. We have started around 100 resource acquisition centres, which will bring business from individual and institutional customers," he said.

To a question on RBI's draft guidelines on Liquidity Coverage Ratio (LCR), Jain said, the bank will have an impact of 5% on its LCR of 120%. According to the draft guidelines on LCR released recently, banks have been asked to set aside a higher stock of liquid securities as a buffer on deposits amid risk involving increased use of technology to transfer funds.

On the other hand, Indian Bank is looking to make a recovery of Rs 7,000 crore in this fiscal (FY25).