



## Press Release

30.11.2010

HEALTHY LOAN BOOK & ROBUST RECOVERIES FROM NPAs:  
Says INDIAN BANK CMD T.M. BHASIN.

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Indian Bank continues to have a healthy Credit portfolio, with sound collateral securities and has witnessed robust recoveries from Non Performing and Technically written off accounts in the past eight months, said T.M. Bhasin, Chairman & Managing Director, Indian Bank.



Mr. Bhasin said that Indian Bank has reviewed all the commercial Real Estate accounts wherein the Bank has a total exposure of Rs.2022 crore as on date.

The analysis has revealed that Indian Bank holds two to three times assets and collateral securities in these accounts. Mr. Bhasin also said that the repayment of instalments of principal and monthly interest is being serviced on time by all commercial real estate borrowal accounts. It is noteworthy that Indian Bank migrated to CBS system generated NPA identification from June 2010 Quarter. This has totally removed subjectivity and obviated the chances of suppression of NPAs by field functionaries. Mr. Bhasin said that Indian Bank has set up "On Line Loan Accounts Monitoring Department" headed by a General Manager at Central Office Level, which generates "AUTO ALERTS" of the loan

accounts, where the instalments are falling due in next seven days. These early alerts are pushed to concerned Branches and Zonal Offices, having dedicated staff for this purpose to expedite recovery efforts, so as not to allow to slip the borrowal accounts into "Special Mention Accounts" and consequently into "Non Performing Assets" category after 90 days' period. Mr. Bhasin said that this On Line borrowal account tracking system has proved very very useful and successful in stemming the rot of NPAs.

CMD, Indian Bank, Mr. T.M. Bhasin further stated that during the eight months period of current fiscal Indian Bank has recovered and upgraded NPA accounts worth Rs.550 crore, as against Rs.382 crore during the corresponding period last year. Sarfaesi Notices have been issued in all 10156 eligible NPA accounts. taking physical possession and sale of properties are being done expeditiously . During the year 2796 cases were referred to Lok Adalats at 40 centres across the country through which compromise settlements have been reached in 1221 cases unlocking Rs.30 crore from NPA accounts. Indian Bank plans to bring down the Gross NPA to less than 1% from 1.45% as of June 2010 and Net NPA to less than 0.5% from 0.76% as of June 2010.

Mr. Bhasin reassured members of the Press and Media that "ALL IS WELL" and there is no need for anxiety, worry or panic on account of isolated and individual acts of misdemeanour by a handful of people in some other banks. There is neither systemic Failure nor any such Risk to Banking system. Mr. Bhasin reiterated that Indian Bank in particular has no such problems or issues, since the preventive and punitive Vigilance Administration is very strong, robust and effective, in Indian Bank; which send strong demonstrative signal down the spine of such unscrupulous people.

Sharing the Long Term Plan of Indian Bank Mr. Bhasin said that our Board has set an ambitious Fiye Year Plan to reach Rs.5 lakh crore Total Core

Business, Rs.5000 crore Net Profit, Zero Net NPA, 2500 PAN-INDIA Branches, 2500 onsite/offsite ATMs, 50 million customer accounts, handled by 25000 strong and committed Indian Bank Family Members by March 2015. All updated Tech Savvy Products and services shall be made available through Alternate Delivery channels such as Mobile Banking, Internet Banking, SMS Banking, on-line funds transfer, and e-Branches so as to render 24 hour, all 7 days in a week working throughout 365 days of the year.