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Press Release

BUSINESS INCREASES BY 15.1% TO ` 286,633 CRORE

INDIAN BANK'S NET NPA MAINTAINED AT 2.26%

Indian Bank has announced the Financial Results for FY 2013-14. Sharing the highlights, Chairman and Managing Director, Shri. T M Bhasin informed the media that the Global Business of Indian Bank recorded a year-on-year (y-o-y) growth of 15.1 per cent to ` 2,86,633 crore. Total Deposits have gone up to ` 1,62,275 crore, registering a growth of 14.3 per cent, and the Gross Advances of the Bank have grown at 16.1 per cent to ` 1,24,359 crore.

Regarding Asset Quality, Shri. T M Bhasin said that the Bank has made a robust NPA recovery of ` 625 crore and the Net NPA to Net Advances ratio has been maintained at 2.26 per cent. Gross NPA to Gross Advances ratio was at 3.67 per cent, which is much less than that of the industry average.

The Bank has reached all the stipulated norms under Priority Sector Advances which at ` 41,157 crore was 40.63 per cent of the Adjusted Net Bank Credit (ANBC). Under MSME advances, the Bank recorded a growth of 17.2 per cent to reach a level of ` 16,104 crore and was **conferred with the coveted National Award for Excellence in lending to Micro Enterprises by the Hon'ble Prime Minister of India, Dr. Manmohan Singh, for the second consecutive year.**

Operating Profit and Net Profit were at ` 2901 crore and ` 1159 crore respectively for FY 2013-14.

With regard to Key Ratios, the Chairman informed that Return on Average Assets (RoA) stood at 0.67 per cent, Net Interest Margin (NIM) was at 2.60 per cent and Cost-Income ratio was at 49.40 per cent for the year ended March 2014.

The Bank's Capital position is healthy with Net worth improving to ` 11,535.58 crore from ` 10,838.84 crore in March 2013, the Chairman said. Capital Adequacy Ratio (CRAR) as per Basel II was at 13.10 per cent for FY 2013-14, of which, Tier I capital stood at 10.51 per cent. *As per Basel III, CRAR was at 12.64 per cent.* The Bank has head room of ` 8,646 crore to raise Tier II Bonds.

In the last financial year, 164 branches were opened, including 108 branches on a single day on February 8th 2014 taking the total distribution network to 2250 branches; besides, the three foreign branches in Singapore, Colombo and Jaffna. The Bank plans to extend its network by another 150 branches in India and 3 branches overseas in Hambantota, Batticaloa and Trincomalee in Sri Lanka.

The Bank has received many awards and accolades in the recent past. Among them are:

- ***National Award for Excellence in lending to Micro Enterprises for the year 2012-13 (First Rank) for the second consecutive year, received from Hon'ble Prime Minister of India on March 1st 2014.***

- **Received National Award for Excellence in MSE lending for the year 2012-13 (Second Rank).**
- **Received Best Bank Award for extending credit to SHGs for the fifth consecutive year (2011-12) in Tamil Nadu from Selvi Dr J Jayalalithaa, Hon'ble Chief Minister of Tamil Nadu on February 24th 2014.**
- **The Sunday Standard Best Bankers' Awards 2013 has conferred on the Bank the award of "Best Public Sector Banker – SMEs".**
- **Bagged Outlook Money Awards – 2013 for Best Education Loan Provider (2nd Prize)**
- **Received Best Public Sector Bank Award from ABP News - Banking Financial Services and Insurance (BFSI).**

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Chennai

May 12th 2014