



PRESS RELEASE

**INDIAN BANK'S BUSINESS GROWS BY 16.1% in H1 FY 2013-14
MSME PORTFOLIO GROWS AT 25.7%
LAUNCHES SEVEN TECH SAVVY PRODUCTS/SERVICES**

The Board of Directors of Indian Bank have adopted the Balance Sheet and Profit & Loss account for the first half of the financial year 2013-14 at its meeting held on November 8, 2013.

The Chairman informed the media that the Global Business of the Bank recorded a year-on-year (y-o-y) growth of 16.1 per cent to ₹2,63,758 crore. Total Deposits stood at ₹1,52,687 crore, registering a growth of 16.4 per cent while Gross Advances of the Bank grew at 15.8 per cent to ₹1,11,071 crore.

The MSME portfolio of the Bank saw a strong y-o-y growth of 25.7 per cent to ₹14,906 crore while Agriculture advances grew by 16.1 per cent to ₹17,484 crore. Under Retail loans, the Bank recorded a growth of 17.4 per cent (y-o-y) to ₹16,434 crore in H1 FY2013-14 and Housing loans increased by 16.1 per cent to ₹6,737 crore.

Operating Profit and Net profit stood at ₹706 crore and ₹306 crore respectively for Q2 FY 2013-14, despite reduced earnings from profit on sale of investments at ₹ 11 crore as against ₹ 314 crore in Q1.

With regard to Key Ratios, the Chairman informed that Return on Average Assets (RoA) stood at 0.74 per cent, Net Interest Margin (NIM) was at 2.68 per cent and Cost-Income ratio was maintained at 47.78 per cent for half year ended September 2013.

Net worth of the Bank has improved to ₹11,462.00 crore from ₹10,838.84 crore in March 2013, the Chairman stated. While the Capital Adequacy Ratio as per Basel II improved to 13.27 per cent for end-September 2013, taking into account the plough back of profits in H1, the CRAR improves to 13.92 per cent, out of which, Tier I capital stands at 11.64 per cent. *As per Basel III, CRAR stands at 12.82 per cent and after plough back of profits, it improves to 13.46 per cent.*

The Bank has head room available to raise Tier II Bonds worth ₹ 8411 crore. Indian Bank is the only Public Sector Bank which has not requested the Government of India to infuse any capital in the past 5 years. Indian Bank is generating enough net profits to take care of its Loan Book growth in the ensuing year.

Regarding Asset Quality, the CMD shared that the Bank has made a robust NPA recovery of ₹410 crore. Gross NPA to Gross Advances ratio and Net NPA to Net Advances ratio stood at 3.76 per cent and 2.56 per cent respectively as at end-September 2013.

The Bank has extended its distribution network to 2131 branches as at end-September 2013, besides, the three foreign branches in Singapore, Colombo and Jaffna. The Bank also has 1607 ATMs in operation including 403 off-site ATMs and 86 Biometric ATMs and 2 e-banking lounges

at Alwarpet, Chennai and ISB, Mohali campus. In the current year up to September 2013, 42 branches and 285 ATMs were opened/installed; further the Bank has plans to open another 108 branches and 3 branches overseas in Hambantota, Batticaloa and Trincomalee in Sri Lanka.

To further financial inclusion, Bank has opened 1415 ultra small branches in the villages with population above 2000 covered under BC model.

Bank has implemented the ICT based BC model in Koyambedu market, Chennai, wherein a BC has been engaged to enroll and issue smart cards to the vendors. Bank has also established Urban Financial Literacy Centres in Chennai, Mumbai and New Delhi.

To take care of Innovation/start up finance for MSMEs, the Bank has opened a Special cell at Corporate Office, besides the 73 special SME branches across various zones in the country.

Shri T M Bhasin, Chairman and Managing Director of the Bank, also launched 7 tech savvy products –

1. **Just Dial for Balance:** Our customers can just dial Mobile number 09289592895 from their registered mobile to get the balances in all the SB/CA tagged to the Customer number. The call will get disconnected automatically. Customers will get SMS from the Bank conveying their available balance in all the SB/CA tagged to the Customer number.
2. **e-standing instruction:** Our customers can register their standing instruction through internet banking for transfer of funds to SB/CA/RD/VRD/Loan accounts of the customer himself/others within the bank. Customers can also delete/modify any standing instruction created through internet banking.
3. **Exclusive website link for Wealth management services:** The website www.indianbank.in will provide information about all our services, form downloads, useful link, current information etc.
4. **SMS for noting Lien on Deposits:** Customers will get SMS alerts whenever lien/hold is marked on their deposits which have been pledged for availing loan facilities.
5. **SMS for cheque returns (inward/outward):** Customers will get SMS alert for return of cheques (both MICR and CTS) presented by them in clearing as also for cheques returned for want of funds to enable them to take immediate recourse.
6. **Remittance facility for migrant workers through mobile:** Migrant workers can remit funds to their family member's account through SMS money transfer facility. Under this facility, the customer has to register the beneficiary's account number with us.
7. **e-LC:** Customers will be able to submit LC application through net banking facility; on receipt of physical application, branch will complete other formalities and open LC.

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.**
- **National Award for Excellence in MSE lending for the year 2012-13 (Second Rank).**

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Chennai
November 8, 2013