

## FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014

### STRONG CAPITAL AT 13.71% AND IMPROVED CASA AT 29.18%

The Board of Directors of Indian Bank have adopted the Balance Sheet and Profit & Loss account for the first quarter of FY 2014-15 at its meeting held on July 25, 2014.

Sharing the highlights, Chairman and Managing Director, Shri.T M Bhasin informed the media that the Bank's Capital position is very healthy with Networth improving to ₹ 11,743 crore from ₹11,156 crore in June 2013. The Capital Adequacy Ratio (CRAR) as per Basel II was at 13.71 per cent for quarter-ended June, 2014, of which, Tier I capital stood at 10.97 per cent. As per Basel III, CRAR was at 13.28 per cent. Taking into account the plough back of profit, the CRAR improves to 13.91 per cent (Basel II) and 13.47 per cent (Basel III).

Global Business of Indian Bank was at ₹ 272,989 crore. Total Deposits have gone up to ₹ 155,336 crore from ₹ 149,582 crore in June 2013. CASA Deposits (Domestic) improved to ₹ 42,823 crore in June 2014 from ₹ 39,686 crore in June 2013, recording a growth of 7.90 per cent. CASA share improved to 29.18 per cent against 27.98 per cent as on June 2013. Gross Advances of the Bank have grown to ₹ 117,653 crore from ₹ 109,213 crore as on June 2013 and C-D Ratio improved to 75.74 per cent as against 73.01 per cent as on June 2013.

The MSME portfolio of the Bank recorded a y-o-y growth of 7.71 per cent to ₹ 15,176 crore while Priority Sector advances grew by 11.34 per cent to ₹ 41,784 crore. Under Retail loans, the Bank recorded a growth of 5.54 per cent (y-o-y) to ₹ 16,866 crore in June, 2014 while Housing loans increased by 15.24 per cent (y-o-y) to ₹ 7,543 crore. The education loan portfolio of the Bank stood at ₹ 3,469 crore as at end of June 2014.

Net NPA to Net Advances ratio was at 2.48 per cent and Gross NPA to Gross Advances ratio was at 4.01 per cent, as on 30<sup>th</sup> June 2014.

In Q1 of 2013-14 there was an exceptional profit of ₹ 314 crore on account of trading in securities as compared to ₹ 36 crore in Q1 of current fiscal. (A difference of ₹ 278 crore)

Bank's Operating Profit and Net Profit were at ₹ 637 crore and ₹ 207 crore respectively for the quarter-ended June, 2014 as against ₹ 859 crore and ₹ 317 crore in Q1 of last year. Setting aside the treasury profit, the net profit in the Q1 of the current year from core operations is higher by ₹ 168 crore.

The Net Interest Margin (NIM) was at 2.44 per cent and Cost-Income ratio was at 50.51 per cent for the quarter-ended June, 2014. Return on Average Assets (RoA) was at 0.45 per cent.

In the first quarter, 20 branches were opened taking the overall distribution network to 2270 branches as at end-June 2014, besides, the three foreign branches in Singapore, Colombo, and Jaffna. The Bank also has 2168 ATMs in operation including 530 off-site ATMs and 86 Biometric ATMs and 2 e-banking lounges at Chennai and ISB, Mohali campus. The Bank plans

to extend its network further by opening 108 branches on August 15<sup>th</sup>, 2014 to commemorate the founding day of the Bank.

#### **URBAN FINANCIAL INCLUSION INITIATIVES**

- ◆ RBI Governor Dr. Raghuram Rajan along with Shri. T.M. Bhasin inaugurated 2 Mobile Banks (with ATM facility) at Royapuram Branch and Taramani Link Road Branch in Chennai for providing banking services in the unbanked slum areas of Royapuram, Tiruvotriyur and Tondiarpet of North Chennai and Kannagi Nagar, Thanthai Periyar Nagar and Semmencherry of South Chennai.
- ◆ Bank proposes to launch 2 more Mobile Banks, one each in Mumbai and New Delhi.
- ◆ The mobile Bank will be manned by one officer, one clerical staff and will be stationed in the identified location in the areas of operation during the fixed timings and provide all banking facilities to the underprivileged population.
- ◆ Besides providing Cash dispensation through the ATM in the Mobile Bank, all banking facilities similar to a Bank branch such as account opening, deposits, withdrawals, remittances, etc., are extended at the Mobile Bank.

#### **IT INITIATIVE DURING THE QUARTER ENDED 30.06.2014**

- ◆ Various IT-initiative products were introduced to facilitate customer requirements on the technological front. Major products are:
  - **IB REMIT**- Remittance Product
  - **IB COLLECT**- Multi Utility Collection Product
  - **IB FUND MANAGER**- Fund Management Product
  - **IB FUND MONITOR**- Fund Monitoring Product

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**Chennai**  
**July 25, 2014**