








**FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

<b>KEY PERFORMANCE HIGHLIGHTS</b>			
<b>RoA</b>  <b>0.79%</b>			
<b>CASA growth</b>		<b>16.71% YoY</b>	<b>Net Interest Income</b>
<b>CRAR</b>		<b>14.34%</b>	 <b>18.32% YoY</b>
<b>Net Interest Margin</b>		<b>2.64%</b>	<b>Operating Profit</b>
			 <b>36.80% YoY</b>
			<b>Net Profit</b>
			 <b>9.71% YoY</b>

The Board of Directors of Indian Bank at its meeting held at Chennai today, approved the reviewed financial results of the Bank for the Quarter ended September 30, 2016.

The highlights of the Bank's performance are as under. Shri. Mahesh Kumar Jain, Managing Director & CEO informed that:

**Profitability:**

- **Net Interest Income (NII)** was at **₹1278.26 crore** for the QE September 30, 2016 recording a growth of **18.32%** over QE September 30, 2015 (₹1080.39 crore) and **3.39%** over QE June 30, 2016 (₹1236.32 crore).
- **Operating Profit** was at **₹1006.21 crore** for the QE September 30, 2016 recording a growth of **36.80%** over QE September 30, 2015 (₹735.51 crore) and **11.41%** over QE June 30, 2016 (₹903.18 crore).
- **Net Profit** was at **₹405.15 crore** for the QE September 30, 2016 recording a growth of **9.71%** over QE September 30, 2015 (₹369.30 crore) and **31.82%** over QE June 30, 2016 (₹307.36 crore).
- **Net interest margin** touched **2.64%** for the QE September 30, 2016 as against **2.26%** for the QE September 30, 2015 and **2.47%** for the QE June 30, 2016.
- **Other income** of the Bank touched **₹584.62 crore** for the QE September 30, 2016 registering a growth of **33.63%** over QE September 30, 2015 (₹437.48 crore).
- **Return on Average Assets (RoA)** improved to **0.79%** for the QE September 30, 2016 as against **0.74%** for the QE September 30, 2015 and **0.60%** for the QE June 30, 2016.
- Bank's Book Value per Share stood at **₹295.33** as on September 30, 2016, as compared to **₹273.63** as on September 30, 2015 and **₹287.42** as on June 30, 2016.

### Asset Quality:

- **Gross NPAs to Gross Advances** ratio stood at **7.28%** as on September 30, 2016 as against **6.97%** as on June 30, 2016.
- **Net NPAs to Net Advances** ratio stood at **4.62%** as on September 30, 2016 as against **4.48%** as on June 30, 2016.
- **Provision Coverage Ratio** stood at **55.11%** as on September 30, 2016 as against **53.89%** as on June 30, 2016.

### Capital:

- **Capital Adequacy Ratio (CRAR)** as per Basel III at **14.34%** as on September 30, 2016, of which, Tier I capital stood at **12.66%** and CET 1 at **12.24%**.
- Bank's **Networth** increased to **₹14184.36 crore** as on September 30, 2016 from **₹13,804.37 crore** as on June 30, 2016.

### Branch Network:

- During the quarter ended September 30, 2016, 13 new branches including 8 under the newly formed Verticals have been opened at various centres pan India, taking the total domestic distribution network of the Bank to 2594 branches besides overseas presence in Singapore, Colombo and Jaffna.

### Human Resources:

- Total staff strength as on September 30, 2016 stood at **20661**.

### Performance under National Goals:

- **Priority Sector** portfolio increased from ₹44909 crore as of September 30, 2015 to **₹50903 crore** as of September 30, 2016. Priority sector advances as a percentage of ANBC as of September 30, 2016 stood at **42.55%**.
- **Advances to Weaker Section** increased by 11.63% from ₹13411.65 crore as on September 30, 2015 to **₹14971.81 crore** as on September 30, 2016

### Other highlights:

- Having reoriented as a **“Mid Sized Bank with focus on Retail & Mid Corporate segment”** in its revamped Business Model, Bank shifted its focus to Retail Business through specialized Verticals viz., Retail loans, MSME & Mid Corporate, Agriculture/other loans.
- **PRADHAN MANTRI JAN DHAN YOJANA (PMJDY):** 100% of Point of Sales (POS) devices of the Bank enabled for carrying out RuPay Card transactions as against the industry average of 73.92%.

- **PRADHAN MANTRI MUDRA YOJANA (PMMY):** Disbursements to the tune of ₹656.68 crores made to 54,570 beneficiaries under various schemes viz., Shishu, Kishore and Tarun.

#### **CSR activities:**

- Conducted **Blood & Organ donation** awareness camps pan India as part of Bank's 110<sup>th</sup> Foundation day celebrations.
- To mark the above celebrations, Bank also completed 1.10 lakh **Tree Plantation**, besides commencing the second phase to achieve the target of planting 3 lakh sapling before 31<sup>st</sup> March 2017.

#### **Digital banking initiatives:**

- 249 ATMs/BNAs - Bunch Note Acceptors were installed during the quarter, taking the total number of ATMs/BNAs to 3207 including 715 offsite ATMs. BNAs helped customers, especially traders to deposit their money at late hours and 63.63% transactions were migrated from Branches. Passbook kiosks have been installed at 256 locations and 39.76% branch transaction were migrated.
- **Transactions on Alternate channels** (ATM/BNA, Mobile banking and Net banking) reached 59.61% reducing footfall in branches.
- **Statement of account through e-mail (Registration @ Website/Branch)** – Facility for auto generation and despatch of password protected PDF statement of account to Customer's registered e-mail ID at specified frequency viz., daily/weekly/ monthly.
- **M-Passbook** – Facility to view 50 transactions with full details in accounts through Bank's mobile app 'Indpay'.
- **Value Added Services** – Facility for making request for Cheque Book/Stop payment of cheques extended to Mobile Banking Customers also.
- **Value Added services through ATMs** – Request for Cheque Book/Aadhaar Seeding enabled through ATMs.
- **IB Customer App** – An exclusive app for our esteemed customers to provide feed back regarding customer service and cleanliness of ATMs. Besides, facility available to view Pension details and also register request for Loan.
- **Green PIN for Credit Cards through ATMs of Bank** – A green initiative for customer convenience. Facility to setup their own PIN in a secured manner.
- **E-TDA through Indpay** – A customer centric initiative facilitating opening and closing of term deposits through mobile app 'Indpay'.

- **Secure OTP in IB Customer Mobile App** – Generation of OTP for Net banking transactions in a single hop and in a secured manner to enhance customer experience.
- **Online Submission of Form A2 for International Remittance** – Facilitating International remittance by submission of Form A 2 through Net Banking. Branch will thereafter arrange for the remittance.
- **View of Credit Card Statement through IB Customer App.**

#### **Business:**

- The quarter witnessed healthy trend in CASA with the portfolio increasing to **₹58354 crore** as on September 30, 2016 from **₹49999 crore** as on September 30, 2015. Share of CASA Deposits (Domestic) reached a level of **33.56%** as on September 30, 2016 from **29.75%** as on September 30, 2015.

#### **Recognition:**

- **India's Best Bank Award** by Financial Express for strength and soundness.

#### **Looking ahead, thrust would be on:**

- Further augmenting low cost deposit (CASA) base to cut down costs.
- Promoting Retail and MSME/Mid Corporate credit through dedicated Verticals.
- Enhancing profitability through prudent pricing models.
- Maintaining strict vigil on Asset Quality.
- Employing best Risk Management practices.
- Strategically deploying Skilled and Specialized Manpower.

**Chennai**

**November 09, 2016**

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