



Performance of the Bank



*For the Quarter ended
December 2010*



Awards..



Bank conferred with the Skoch Financial Inclusion Award 2011 for “SHG Initiatives – Urban Financial Inclusion”.

No.1 in Asset Quality & Efficiency for 2010 as per Businessworld and Pricewaterhouse Cooper's Study.

OUTLOOK
MONEY
AWARDS 2010



TENDER CARE

INDIAN BANK WINS AWARD

INDIAN BANK was declared as a Winner in **BEST BANKs** category and **Best Education Loan** category in the Banking Survey conducted by OUTLOOK MONEY Award 2010 on the basis of its performance during the year 2009-10. T M Bhasin, CMD, received the Award from Prithviraj Chavan, Maharashtra CM at Mumbai. The awardees were decided by a Six Member Jury headed by M Damodaran, former Chairman, SEBI.



T. M. Bhasin
CMD - Indian Bank; Best Bank (Runner-Up) & Best Education Loan Provider (Runner-Up)



Performance Highlights

NIM
3.84%

- ❖ NET INTEREST MARGIN IMPROVED TO **3.84% (Q3)** FROM **3.76 % (Q2)** & **3.71%** in Q1
- ❖ CORE OPERATING PROFIT UP BY **45% (YOY)**
- ❖ GROSS NPAs DOWN TO **1.02% IN Q3** FROM **1.45%** IN Q1
- ❖ NET NPAs DOWN TO **0.57% IN Q3** FROM **0.76%** IN Q1



Performance Highlights

Towards Pan
India Presence

- Global Branch Network has reached **1822** (1758 as on March 31, 2010); added 64 Branches.
- The Bank opened its **3rd International Branch at Jaffna** (Sri Lanka) - 3 days ago.
- 1085 ATMs spread across the Country (1005 as on March 31, 2010); added 80 ATMs.

ONE MORE BUD OF INDIAN BANK
BLOSSOMS IN SRI LANKA

1822 Branches (including 3 Overseas Branches)
₹175000 Crores of Total Business (Global)
23 Million Customers
1085 ATMs

Indian Bank
opens a Branch at
Jaffna (Sri Lanka)
No. 100, Stanley Road
Today (Jan 21, 2011)

Inauguration by
His Excellency
Shri Ashok K Kantha
High Commissioner of India,
Sri Lanka
|
Shri Ajith Nivard Cabraal
Governor, Central Bank of Sri Lanka,
Colombo

in the presence of
Shri T.M. Bhasin
Chairman & Managing Director, Indian Bank

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Toll Free No. 1800 425 00 000
Visit us at : www.indianbank.in

इंडियन बैंक
Indian Bank
Taking Banking Technology to the Common Man



Performance Highlights

Towards Higher Topline & Bottomline

Topline

Deposits Crosses ₹ One Lakh Crore Mark

- **Total Business:** ₹ 1,74,934 crore – up by **23.02 %** YoY.
- **Total Deposits:** crossed **₹ ONE LAKH CRORE MARK & reached a level of ₹ 1,01,015 crore – up by 19.22 %** YoY.
- Growth in **CASA deposits 22.65%**; CASA (Domestic) share to Aggregate Deposits **higher at 32.9 %** from **31.8%**.
- **Total Credit:** ₹ 73,919 crore – up by **28.63%** YoY.
- **CD Ratio** at **73.18%** as against **67.82%** for December 2009.
- **Agriculture Credit:** ₹10,798 crore (**22.47%** YoY growth).
- **MSME :** ₹ 9481 Crore from ₹ 7699 crore- a growth of **23.15 %** (YoY).



Bottomline

Net Profit at ₹ 491.29 crore

- **Q3 Operating Profit up by 17.55%. To ₹ 812 crore from ₹ 690.66 crore (Q3: 2009-10)**
- **Net Profit improved by 11.31% to ₹ 491.29 Crore from ₹ 441.38 crore**
- **Net Interest Income up by 30.04% to ₹ 2925 crore for nine months.**



Performance Highlights

Maximising
Stakeholders' Value

- EPS (Q3) higher at ₹ 44.63 from ₹ 37.60 (Q2) and ₹ 39.99 (Q3 2009-10)
- Healthy Capital Adequacy at 12.35% (Q3) from 11.77 % (Q3 2009-10)
- Book value per share higher at ₹ 184.34 (Q3) from ₹ 154.16 (Q3 2009-10)
- Networth up by 18.46% (YoY) ie. To ₹ 8322.24 crore (Q3) from ₹ 7025.32 crore (Q3 2009-10)
- RoA up at 1.73 % (Q3) from 1.51 % (Q2)
- RoE up at 24.33% (Q3) from 21.82% (Q2)
- Business Per Employee improved to ₹ 901.28 lakh (Q3) from ₹ 708.62 lakh (Q3 2009-10)
- Business Per Branch improved to ₹ 96.28 crore (Q3) from ₹ 83.45 crore (Q3 2009-10)

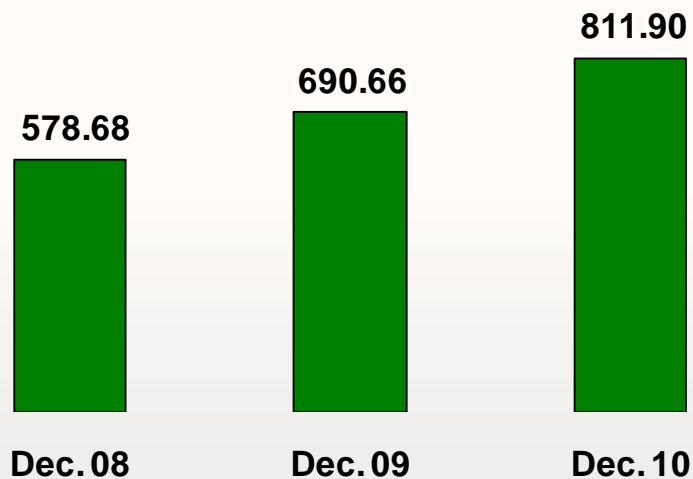
EPS
₹ 44.63

RoA
1.73%



Operating Profit

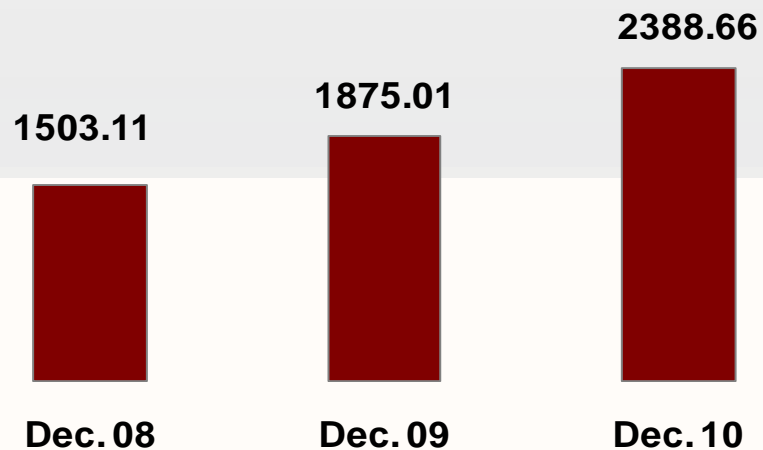
Operating Profit (₹ in crore)



Up by
17.55 %

Q3

Operating Profit (₹ in Crore)



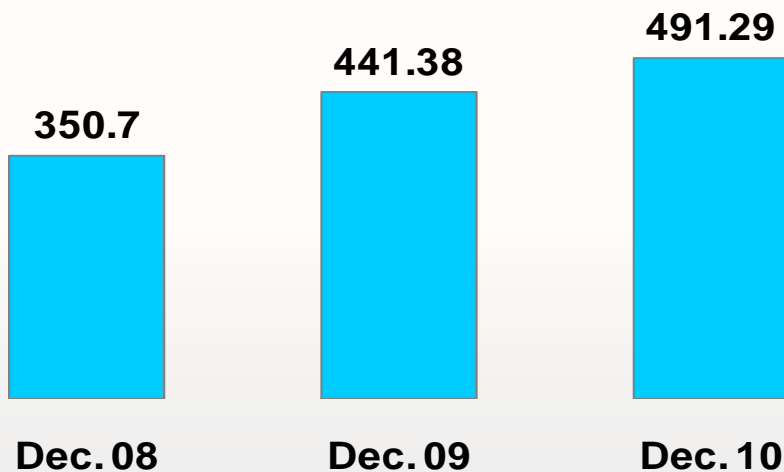
Up by
27.39 %

9 months



Net Profit

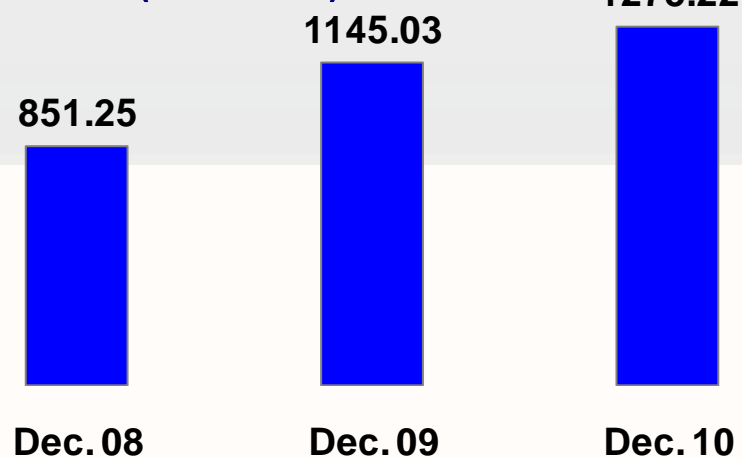
Net Profit (₹ in Crore)



Up by
11.31 %

Q3

Net Profit (₹ in Crore)



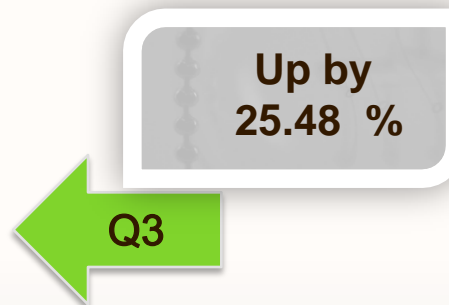
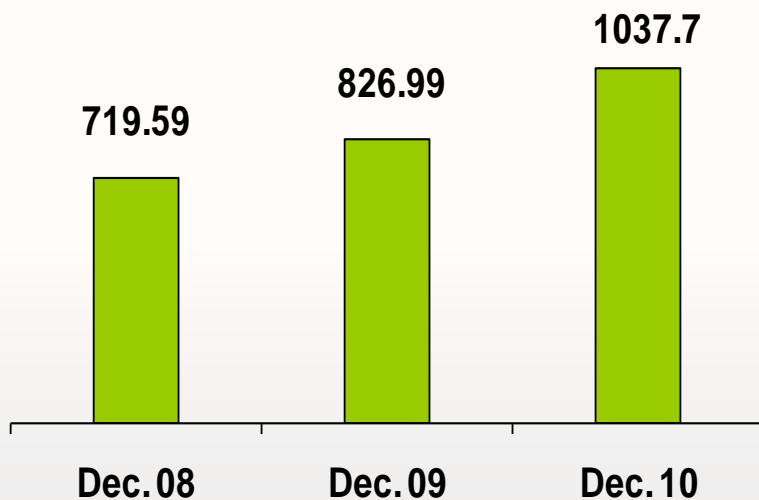
Up by
11.37 %

9 months

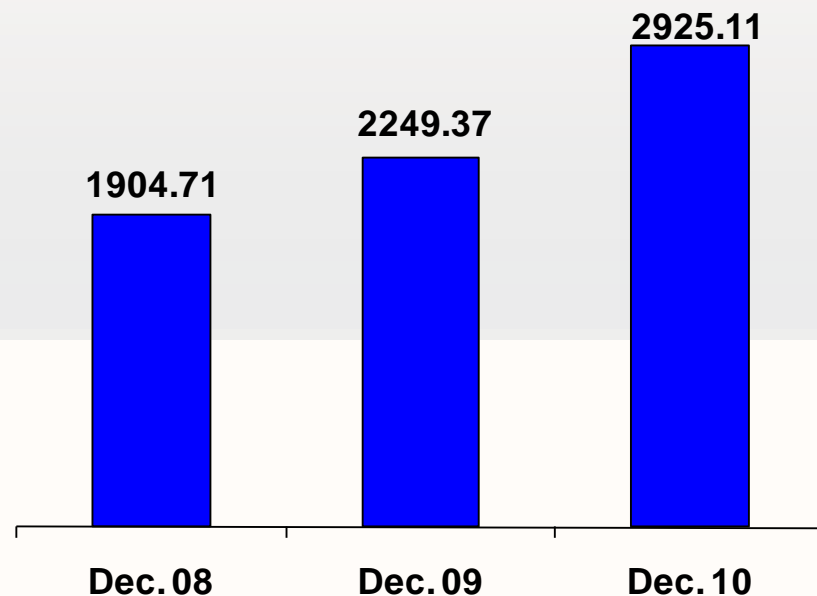


Net Interest Income

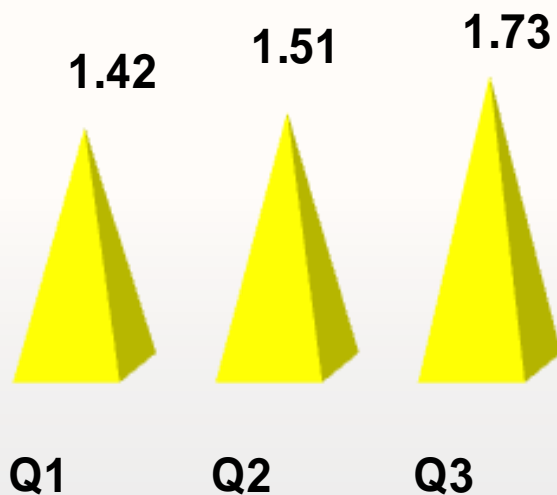
Net Interest Income (₹ in Crore)



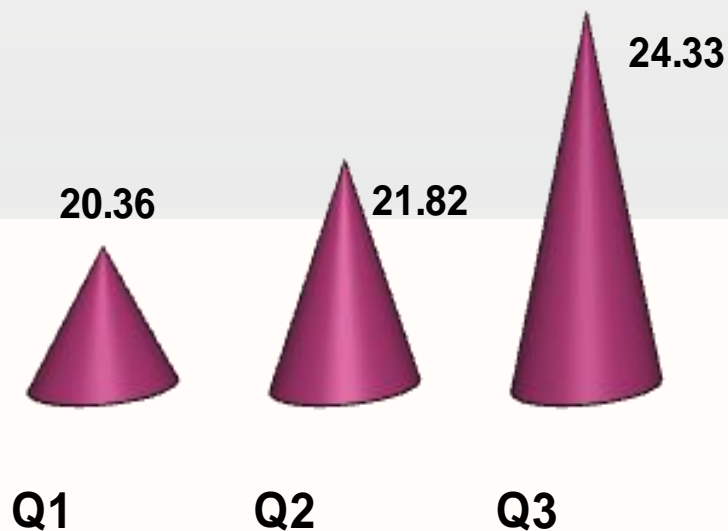
Net Interest Income (₹ in Crore)



Return on Average Assets (%) up

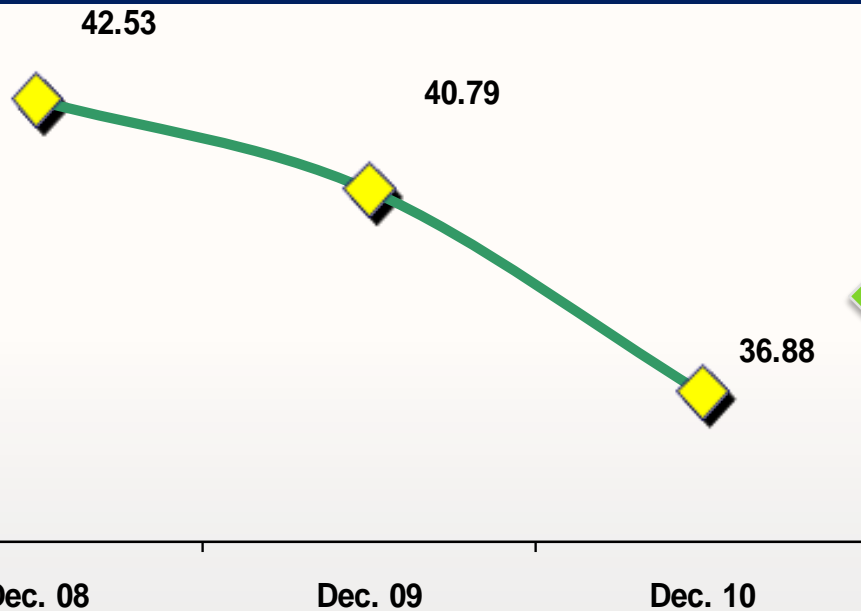


Return on Equity (%)

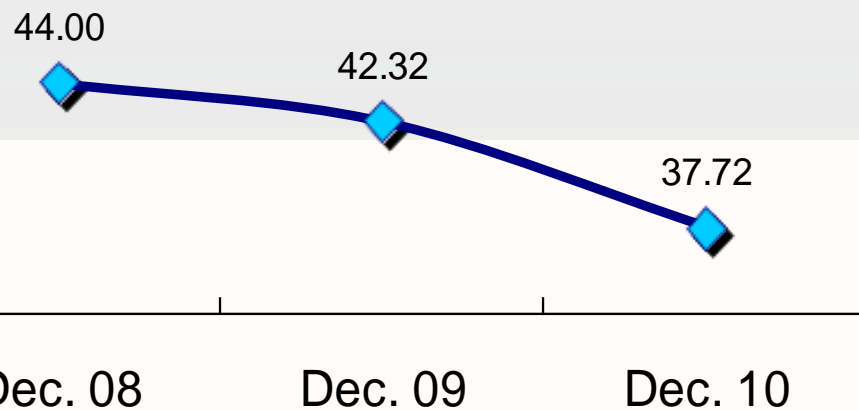




Cost Income Ratio (%)



9 months

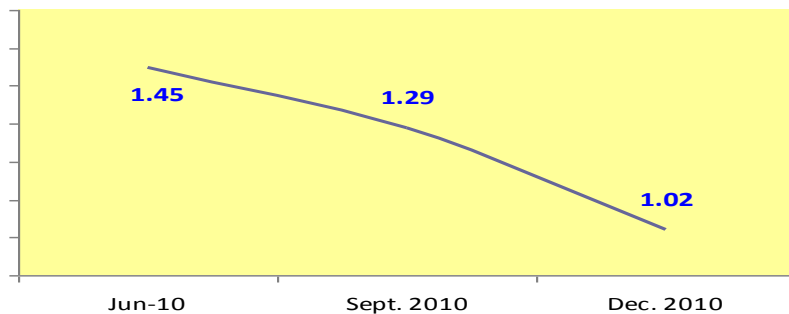




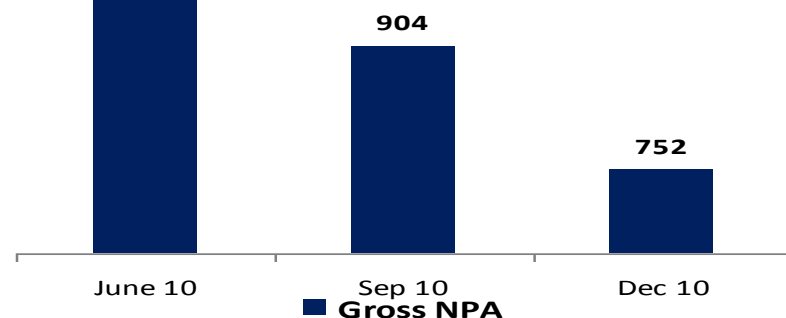
NPA Management

(Amount in Crore of ₹)

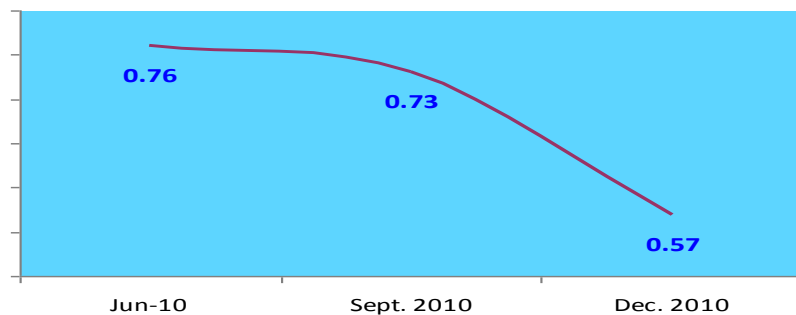
Gross NPA %



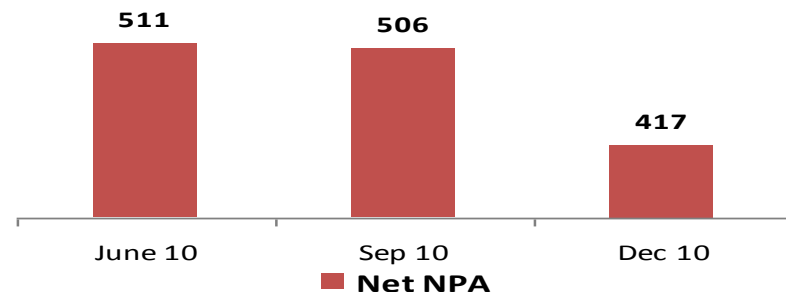
Gross NPA



Net NPA %



Net NPA



The Banks' provision Coverage Ratio at **83.01%** "the prescribed norm of 70%"

1. The Bank has migrated to identifying NPA through online CBS system, which has enabled the Bank to track each Non Performing and Special Mention Account on day to day basis, helping the bank to take immediate steps to recover the overdues.
2. The Bank has a prudent provisioning policy to provide more than RBI prescription: Besides providing 100% for unsecured portion of NPA as per RBI norms, the Bank has provided 20%, 100% & 100% for secured portion of Substandard, D1 & D2 as against the RBI prescription of 10%, 20% & 30% respectively.



Capital Adequacy ratio

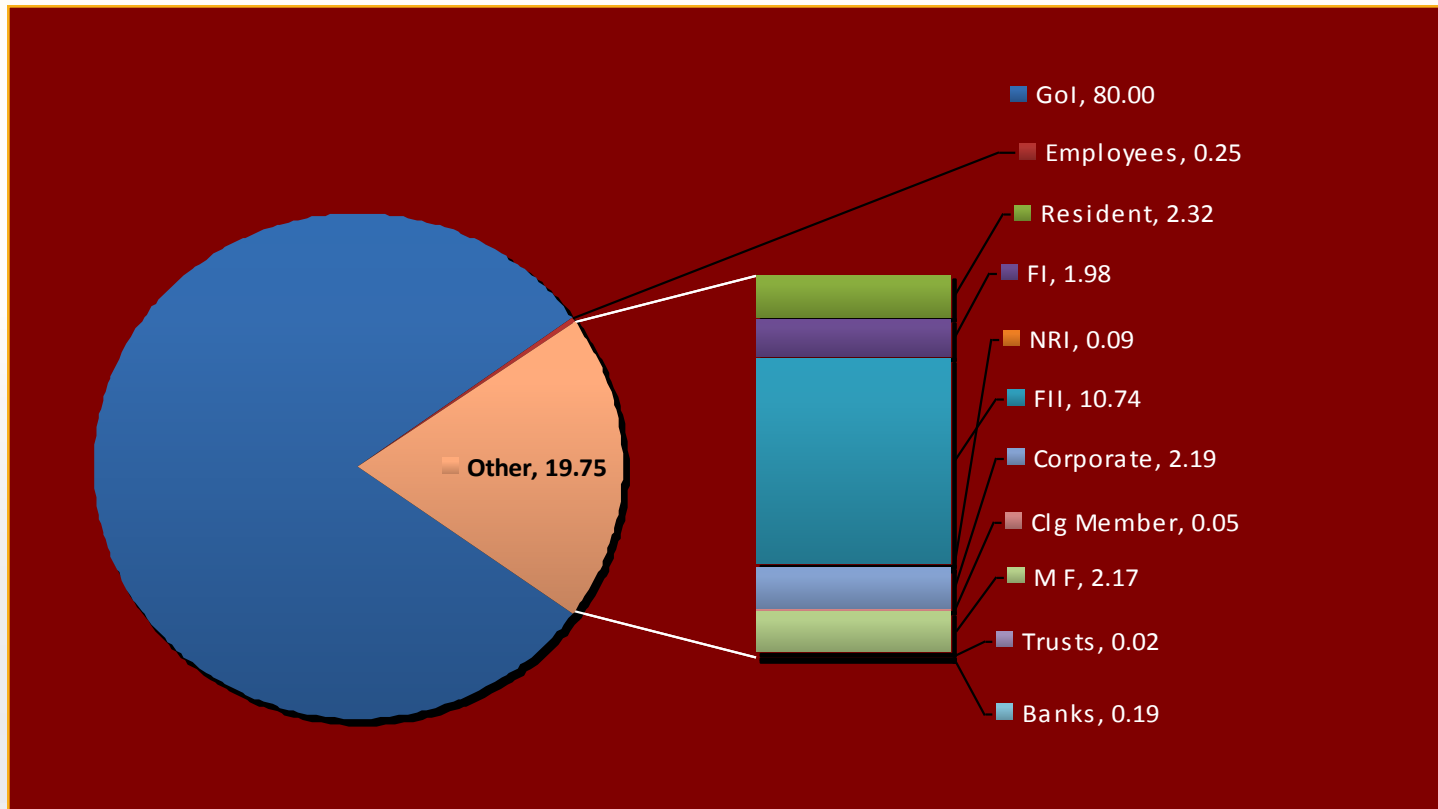
(Amount in Crore of ₹)

Capital Adequacy Ratio	March.2010	Dec. 2009	Dec.-2010
Tier I Capital	7003	5865	6988
Tier II Capital	991	964	1916
Total Capital	7994	6829	8904
Tier I (%)	11.13	10.11	9.69
Tier II (%)	1.58	1.66	2.66
CRAR as per Basel II	12.71	11.77	12.35

- Headroom available in Tier II is ₹ 5072 Crore.
- The Current year Profit is not taken for computation of CRAR under RBI norms if the same is taken into account CRAR improves to 14.12% (Tier I -11.46%).
- Net worth improved to ₹ 8322 crore from ₹ 7047 crore as on 31.03.2010 and ₹ 7025 crore as on 31.12.2009.



Pattern of Equity Shareholding (%) as on 31.12.2010



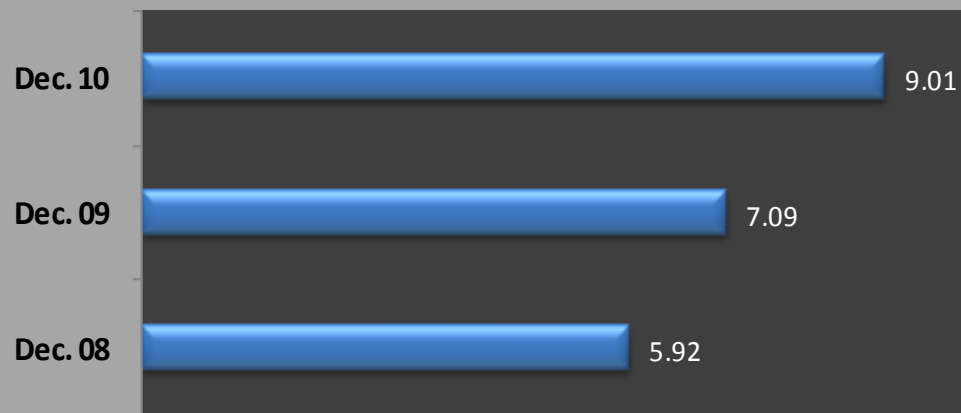
- Paid up share capital - ₹ 429.77 Crore



Productivity

Increasing Business & Net Profit per Employee

Increasing Business Per Employee
(₹ crore)

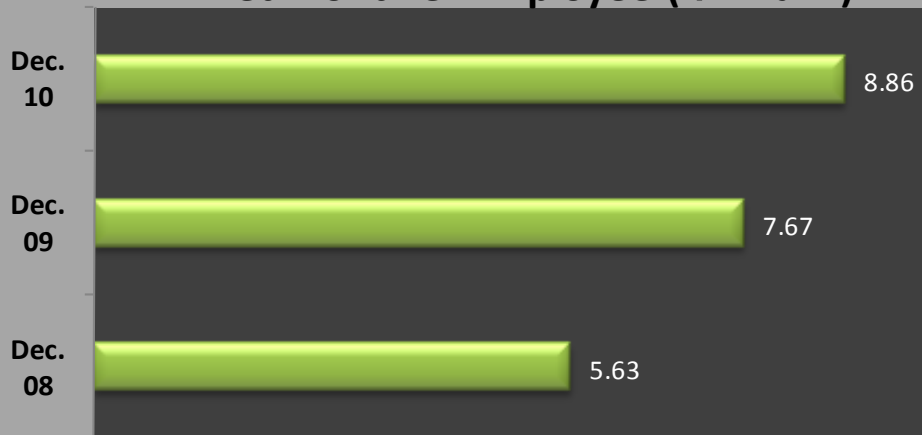


Up by
27.08 %

Up by
15.51%

9 months

Net Profit Per Employee (₹ in lakh)

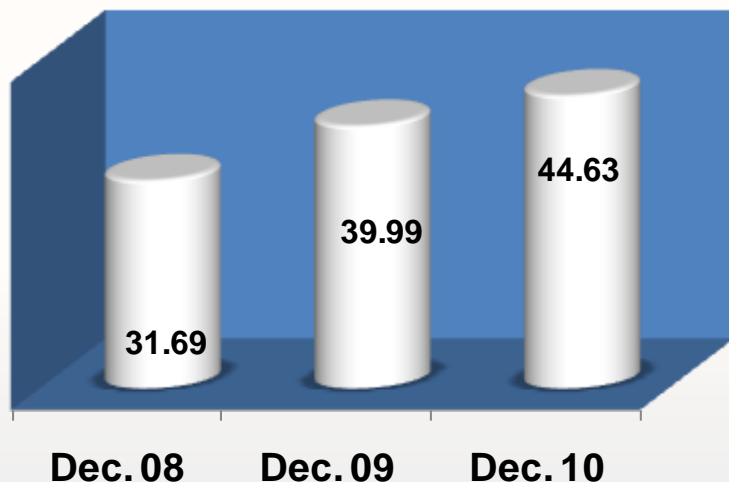




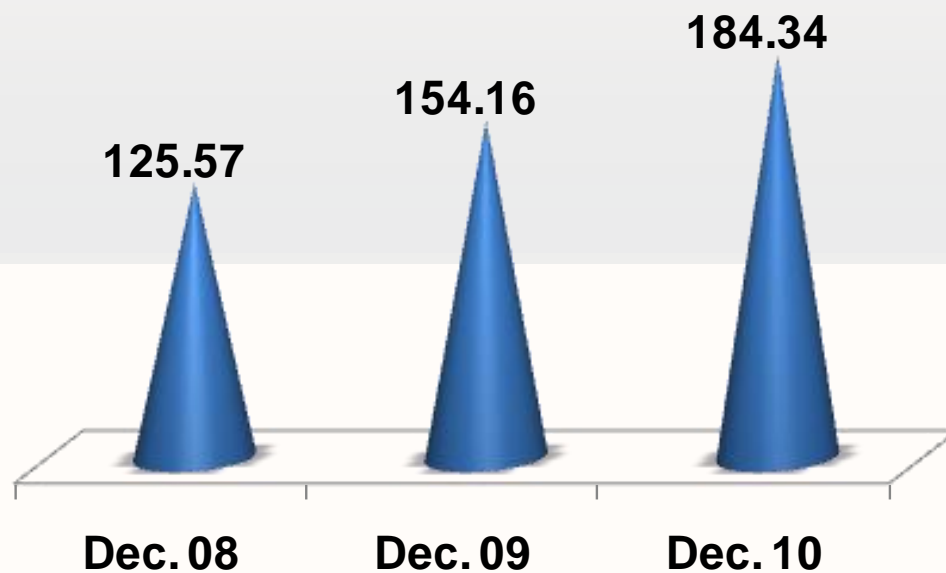
Shareholders' Value

Q3

Earnings per share (Annualised `)



Bookvalue per share (₹)





Income & Expenditure

₹ in Crore

Particulars	Q3 2009-10	Q3 2010-11	Y-o-Y Growth %
Interest income	1969	2392	21.5
Total Income	2308	2641	14.4
Interest Expenditure	1142	1354	18.6
Total Expenditure	1618	1829	13.0
Operating profit	691	812	17.6
Core Operating profit (excl: Trading profit & Bad debts recy)	525	761	45.0
Trading profit & Bad debts recovery	156	50	-67.6
Net Profit	441	491	11.3

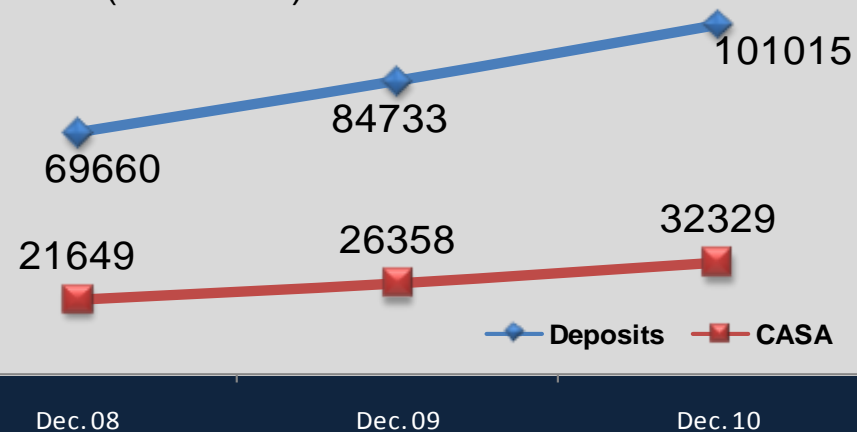


Deposits

**CASA growth
22.65% (YoY) .
Deposits Up by
₹ 16,282 Crore
or 19.22 % (YoY) to
₹ 1,01,015 Crore**

(₹ in crore)

Deposits (₹ in crore)



CASA	Dec. 09	Dec. 10	Growth(%)
Current deposits	5654	6358	12.44
Savings deposits	20704	25972	25.44
Total CASA	26358	32329	22.65
% of CASA (Domestic)	31.83	32.87	



• Growth In Advances

- Global Gross credit grew by ₹ 16,451 Crore or 28.63% to ₹ 73,919 Crore as on 31.12.10 from ₹ 57468 Crore as on 31.12.2009.
- CD Ratio (gross) was at 73.18% as on 31.12.2010 as against 67.82 % as on 31.12.2009

• Composition of Advances

(₹ in crore)

Credit to	Dec.09	Dec.10	Y-o-Y Growth (%)
Agriculture	8817	10798	22.47
Retail	10605	11365	7.17
MSME	7699	9481	23.15
Corporate & Com	27972	39111	39.82
Overseas Credit	2375	3164	33.22
Total	57468	73919	28.63

Up by
₹ 16,451 Crore
or 28.63 %

- Priority sector credit increased by ₹ 4,188 crore or (19.9%) to ₹ 25,211 crore as on 31.12.2010 constituting 42.38% of Adjusted Net Bank Credit. Agricultural credit increased by ₹ 1,981 crore or (22.5%) to ₹ 10,798 crore as on 31.12.2010 constituting 18.15% of Adjusted Net Bank Credit.



Lending to SHG .. Continued Thrust

- During the year the Bank has disbursed ₹1185 crore to 56938 SHGs. Number of new SHG linked – 17081.
- The Bank has got 32 MICROSATE branches (specialized branches for Micro finance)- of which, Five were opened during the year.
- Indian Bank has been awarded with the prestigious “SKOCH” Financial award for “SHG Initiatives” - Urban Financial Inclusion

Focus on Education Loan

₹ in Crore

Period	No. of students financed during the year	Amount of Credit disbursed	Outstanding
Dec. 2008	49399	426.68	1592
Dec.2009	78412	495.04	2202
Dec.2010	80973	510.44	2679

- Web Based Online Education Loan Application System put in place.
- Interest Concession of 0.50% on the applicable card rate on Fresh Education Loans sanctioned to Girl Students.
- Central Scheme to provide interest subsidy for the moratorium period of education loan availed by students from economically weaker section is being implemented.
- The Bank received **OUTLOOK MONEY Award 2010 for Best Bank under Education loan category**



Financial Inclusion

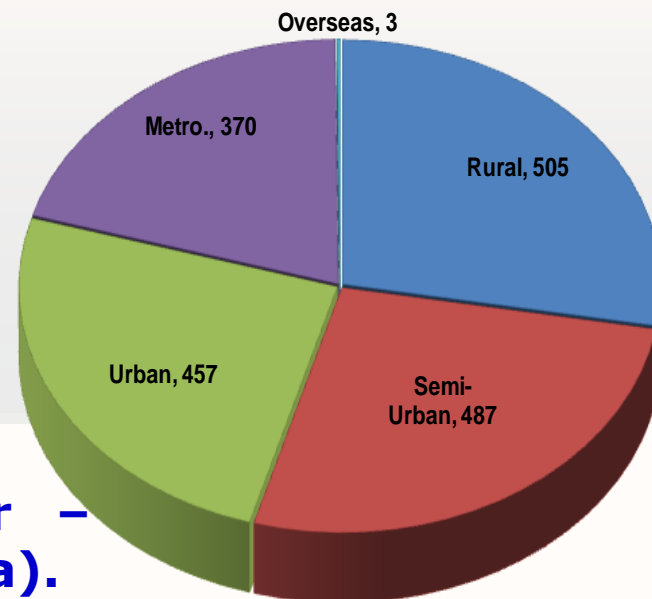
- **INDIAN BANK** has been conferred with the **Skoch Financial Inclusion Award 2011** for **“SHG Initiatives – Urban Financial Inclusion”** .
- Under Financial Inclusion Plan, out of 1536 allotted villages with population above 2000, 1423 villages will be covered through ICT based smart card enabled BC model, 53 villages through Banking Service Centre/ Branch and 60 villages through mobile vans.
- As on 31.12.2010, 293 villages have been provided with banking services under FI plan 2010-12 by opening brick and mortar branch (1 village), through Banking Service Centres (19 villages), through Business correspondent (BC) (267 villages) and through Mobile Branch (6 villages)
- 24.96 lakh “nofrills” accounts are opened in various parts of the country including villages allocated under FI plan.
- Overdraft /GCC provided to 55,278 individuals to the tune of ₹ 12.45 crore.



Distribution channel

	31.03.2010	Latest
1.Domestic Branches	1756	1819
2.Overseas Branches (Singapore, Colombo & Jafna)	2	3
Total Branches	1758	1822
3. Extension Counters	41	37
4. Satellite Offices	26	24
5. ATMs	1005	1085
6. Banking Service Centre	20	38
7. Manpower	19641	19188

Banking
Outlets 3006



- **64 Branches opened during the year – including one at overseas–Jaffna (Sri Lanka).**
- **Proposed to open 100 more Branches before March 2011.**



IT initiatives

- 80 new ATMs opened during the year taking the total to 1,085.
- ATM cum Debit card base increased to 53.8 lakh from 40.42 lakh as on 31.12.2009.
- 78 biometric ATMs are in operation enabling joint operations by SHG members
- Our customers can access more than 65,000 ATMs across the country through our sharing arrangements with other Banks and to all member establishments for merchandise purchases / availing services under Maestro Debit Cards.



Initiatives

New schemes launched in the current financial year:

- A unique current account product 'SUPREME CURRENT ACCOUNT' offering health and wealth insurance cover has been introduced
- Jewel loan for senior citizens
- Setting up of exclusive branches for Jewel loan
- Combo loan of housing, vehicle and retail
- Applications Supported by Blocked Amount (ASBA) has been implemented for all categories of investors including Qualified Institutional Buyers for applying to Public Issues and Rights Issues
- SME product - IB Contractors launched
- Tie up with Bajaj Auto Ltd. for financing Three Wheelers
- Loan syndication desk set up



Initiatives...

- Customer First website to interact with Chairman and Managing Director directly through E-mail- customerfirst.cmd@indianbank.com
- Focused attention is given for marketing of Mutual fund schemes, Life Insurance, Non-life insurance and health insurance policies
- Public Provident Fund (PPF) accounts brought under CBS
- Facility of Online Customer Complaint Redressal launched wherein customers can log on to www.indianbank.com for this facility.
- CD on the Bank's IT products and services
- Wealth Management Services extended to Mumbai, Chandigarh, Delhi, Bangaluru and Hyderabad in addition to Chennai
- Tie-up with M/S. TCS for Financial Inclusion Project.



Thank You...

