
**INDIAN BANK'S Y-O-Y OPERATING PROFIT & NET PROFIT
JUMP 34% & 25% RESPECTIVELY**

Indian Bank continued its performance par excellence during the year ended March 31, 2010 in all the key parameters. The Board of Directors, at its meeting held on 24.04.2010, have adopted the Audited Balance Sheet, P & L Statement of the Bank and proposed a dividend of 65% for the year.

PERFORMANCE OF THE BANK IN KEY PARAMETERS DURING 2009-10

- **Total Business** (Deposits and advances) crossed the landmark of Rs.1,50,000 crore
- **Net Profit** of the Bank improved to Rs.1554.99 Cr (24.87% growth) over Rs.1245.32 Cr. last year.
- **Operating Profit** recorded a growth of 33.64% and stood at Rs. 2747.35 Cr against Rs. 2055.83 Cr last year.
- **Q4 Operating Profit** up by 57.83 % from Rs. 552.72 Cr to Rs.872.34 Cr.
- **Total Deposits** stood at Rs. 88,228 Cr with an increase of 21.56% over the last year.
- **Gross Advances** stood at Rs. 62,658 Cr showing an increase of 20.89% over the last year.
- **CASA** stood at 32.90% compared to 32.50% last year.
- Expanded its Pan India presence with 1756 branches (opened 114 new branches) and 1005 ATMs (250 new ATMs) as on 31.03.2010.
- **Net Interest Margin (NIM)** improved to 3.71% compared to 3.54% last year.
- **Return on Assets (ROA)** increased to 1.67% compared to 1.62% last year.
- **Cost – Income Ratio** brought down to 38.64% from 43.58% last year.
- **Gross NPA** reduced to 0.81% (Rs. 510.11 Cr) as against 0.89% last year.
- **Net NPA** stood at 0.23% (Rs.144.93 Cr) of net advances.
- **CRAR** (Basel II) stood at 12.71% with Tier I Capital at 11.13%
- **Provision Coverage Ratio** stood at 93.65% as against the prescribed norm of 70%.
- **Priority Sector Credit** constituted 44.35% of aggregate Net Bank Credit as against the Govt. of India norm of 40%.
- **Lending to Agriculture** constituted 18.73% of aggregate Net Bank Credit against the norm of 18%.
- **Identified 1468 villages** to provide banking services through technology based Business Correspondent Model under Financial Inclusion.
- **Net Worth** improved to Rs. 7047.02 Cr. from Rs.5880.30 Cr year.
- **Book Value of Equity** improved to Rs.154.66 against Rs. 127.52 for Mar 09.
- **Earning Per Share** improved to Rs. 35.09 from Rs. 27.96.
- **Interest Income** improved by 15.03 % to Rs. 7857.06 crore from Rs. 6,830.33 crore last year.
- **Total Income** improved by 14.81% to Rs.9030.78 crore from Rs. 7,865.77 crore.

OTHER SPECIAL FEATURES

- ✧ **Special Agricultural Credit Plan:** Against the annual target of Rs.5300 crore for the year 2009-10, our disbursements were Rs.6580.11 crore, recording 124% achievement.
- ✧ **New Farmers financed:** During the year ended March 2010, 4.11 lakh new farmers have been financed, working out to 432 farmers per Rural / Semi Urban Branch against the norm of 250 in a year
- ✧ **Finance to Small and Marginal Farmers:** During the year ended March 2010, a total of 6.67 lakh farmers have been financed to the tune of Rs. 3204.76 crore, which works out to 56% of direct agricultural disbursements against the norm of 40%
- ✧ **Disbursement under Interest Subvention Scheme:** During the year ended March 2010, 9.51 lakh farmers have been extended credit under Interest Subvention scheme, amounting to Rs.3659.94 crore.

Financial Inclusion (FI)

- ✧ Total Financial Inclusion (involving all Banks) achieved in UT of Puducherry where our Bank holds SLBC responsibility and in Cuddalore (TN) & Kollam (Kerala) where our Bank has Lead Bank role. In remaining 11 other Lead Districts, our Branches have implemented 100% Financial Inclusion. 100% FI has also been completed by our Bank in Nilgiris (ST concentrated), Tiruvarur (SC concentrated) and Kanniyakumari (minorities concentrated) districts of Tamil Nadu as per RBI directions.
- ✧ Under Financial Inclusion project, a total of 22.31 lakh No-Frills accounts have been opened in 4637 villages. Cumulatively, Overdraft / General Credit Card facility has been allowed in 52678 accounts to the tune of Rs.11.60 crore.
- ✧ Under Janashree Bima Yojana (JBY), the Bank has provided insurance cover to 54177 members during the year ended March 2010, taking the total cumulative coverage to 1.30 lakh members.

Microfinance

- ✧ The Bank has established 27 MICROSATE branches (specialized Micro Finance branches) of which 5 were opened during current financial year. During 09-10, 23901 groups have been financed to the tune of Rs.398.24 crore. Total credit outstanding of these Microsate Branches as at the end of March 2010 stood at Rs.467.30 crore covering 37424 groups.
- ✧ Our Bank has been adjudged by Government of Tamil Nadu as the “Best Performing Bank in the State of Tamil Nadu - First Place” for the year 08-09.

Education loan scheme:

- ✧ On-line Educational Loan Application system has been implemented in our Bank since 15.10.08.
- ✧ Total Education Loan portfolio stood at Rs. 2300 Cr as on 31st March 2010 benefiting 1,65,594 students.

Personal Banking

The Bank's exposure under Personal Segment Advances as on 31.03.2010 amounted to Rs.10856 Cr registering a growth of 12.34%.

Lending to MSME

- 62 Specialised SME Branches are catering to the needs of this segment. For quick and quality appraisal of SME proposals, the bank has setup Central Processing Units at 9 key centres (Ahmedabad, Bangalore, Chennai, Coimbatore, Kancheepuram, Kolkata, Mumbai, New Delhi and Pune).
- During the year, MSME advances grew by Rs.1799 crore (28.14%) to Rs.8193 crore from Rs.6394 crore.

Technology initiatives

- 11 Biometric ATMs were opened to facilitate use by even uneducated customers.
- Contact less Smart Cards introduced for payment of wages under National Rural Employment Guarantee Act and Social Security Pension in select districts of AP.
- Utility bills payments and TNEB Bills payment facility enabled for Net Banking customers.
- Applications Supported by Blocked Amount (ASBA) module implemented as an enhancement to the CBS software.
- Anti-phishing measures initiated for internet banking.
- In compliance to the RBI guidelines, the Bank has implemented 3D Secure Authentication services.
- 100% CBS implemented in 3 Regional Rural Banks sponsored by the Bank viz. Pallavan Grama Bank, Pudukkottai Bharathiar Grama Bank and Saptagiri Grameena Bank enabling their customers to access Indian Bank ATMs.

Awards & Accolades

- Ranked No. 1 Bank among Public Sector Banks by Hindustan Times – MARS Consumer Satisfaction Survey (2010).
- Ranked 6th among 39 big banks for the year 2008 – 09 : Business Today.
- Placed in the top 500 Global Financial Brands 2009 by Banker Magazine.
- Ranked at 1568th position for the year 2010 (1659th position for 2009) by FORBES 2000.
- Economic Times intelligence group's first survey on publicly listed banks in India (published in their issue dated 23.11.09) ranked Indian Bank 4th based on overall performance and stated that - "in terms of efficiency and financial strength, it (Indian Bank) ranks among the Best "
- The Bank was also awarded Business World's FASTEST GROWING BANK. The Bank is among the best for any measure of efficiency – ROE, ROA or Cost of deposits."

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- Celent, a member of Oliver Wyman Group, USA, a research & advisory firm, recently selected **Indian Bank** as the '**model bank**' for innovative and extensive use of Core Banking Software (CBS).
 - Conferred with the 'Golden Peacock National Training Award' for the year 2009. The award was presented to our CMD on October 9, 2009 at the 10th International Conference of Corporate Governance held in London.
 - Won the IBA AWARD for "Best Risk Management Initiatives" under Public sector Banks category for the year 2009. The Award was adjudged on the basis of the initiatives undertaken to strengthen risk framework, risks identified and steps taken to mitigate the same and also the tangible benefits in terms of the monetary, reputation and compliance requirements brought about by these initiatives.
 - Best Commercial Bank in lending to SHGs in Madurai District for the year 2008-09.
 - Best performing Bank in rendering full support to SHGs by disbursing credit in Vellore District.
