



Indian Bank – Corporate Presentation

November, 2017

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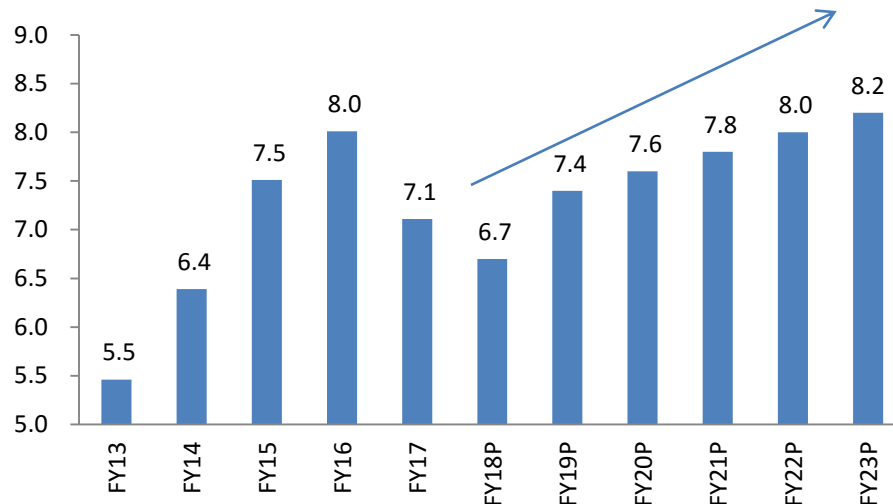
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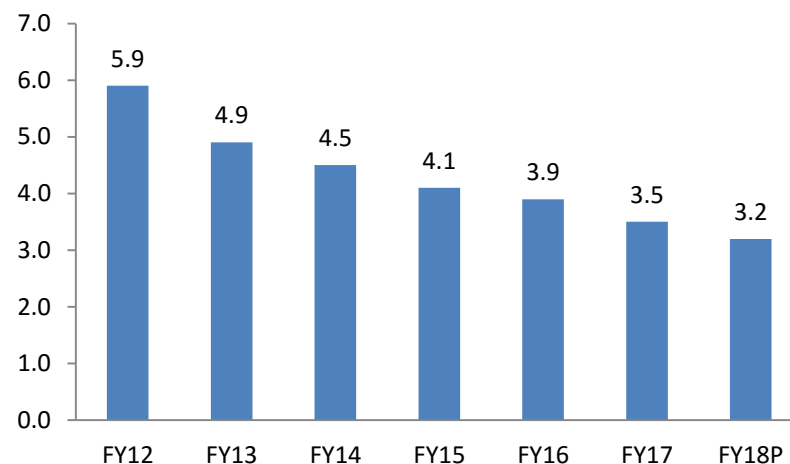


Indian Economy growing

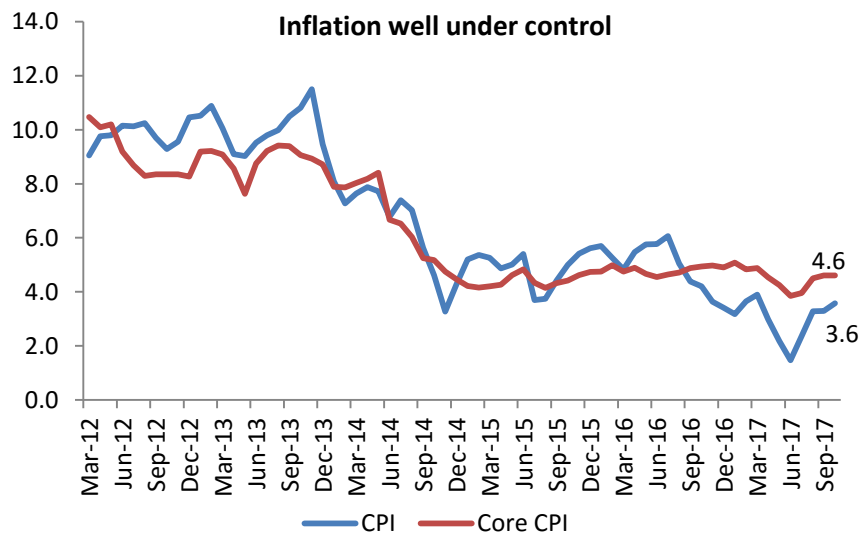
Real GDP Growth (%) to grow driven by structural reforms



Fiscal Deficit (% of GDP) under check

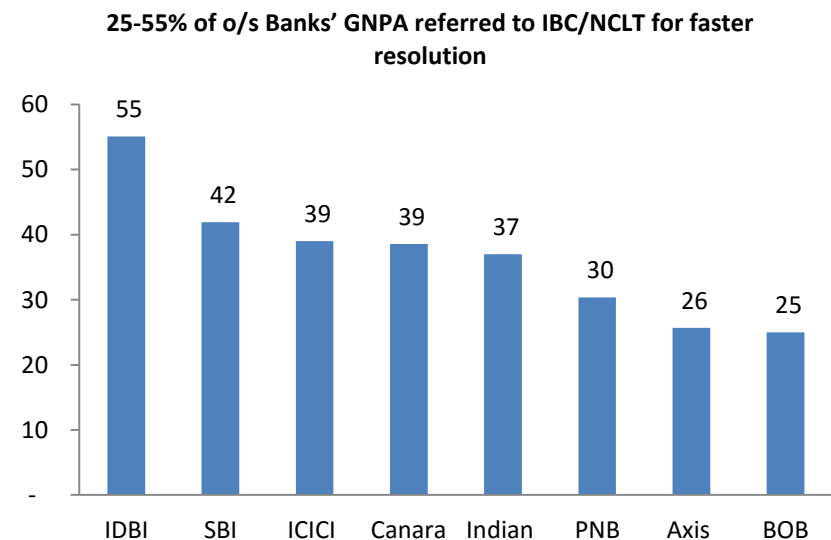
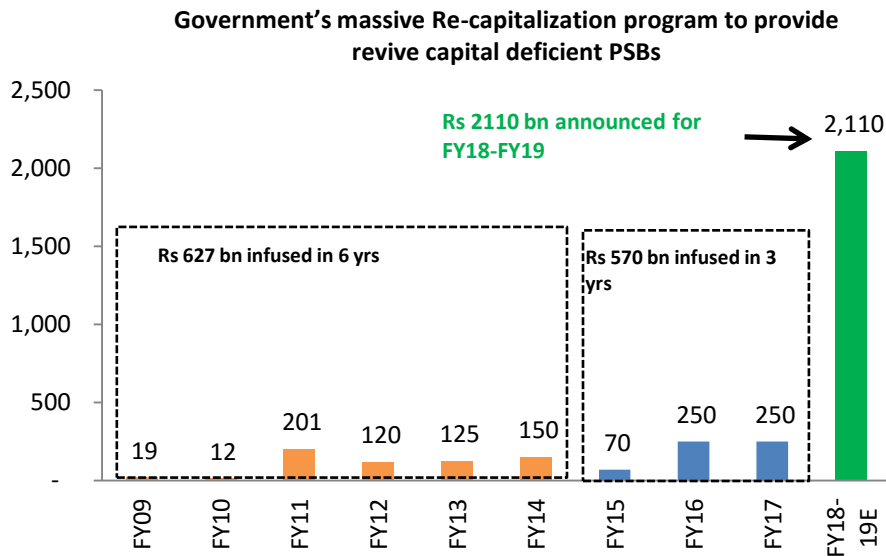
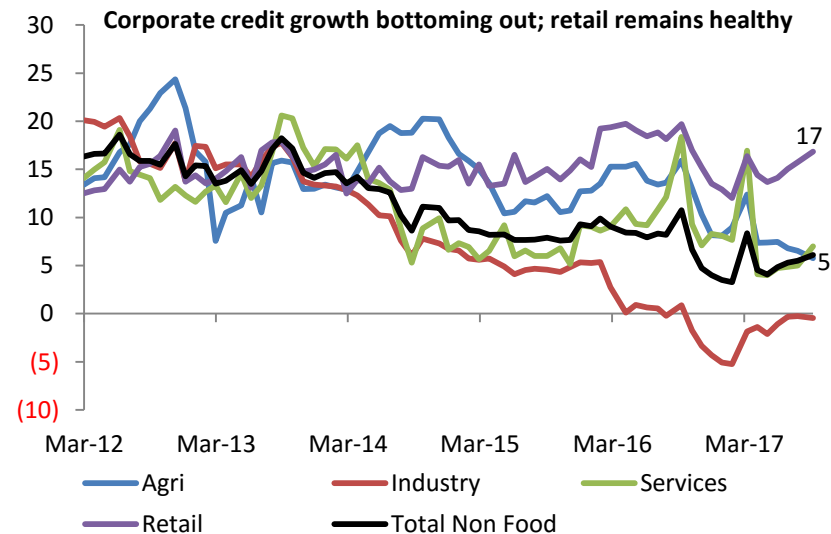
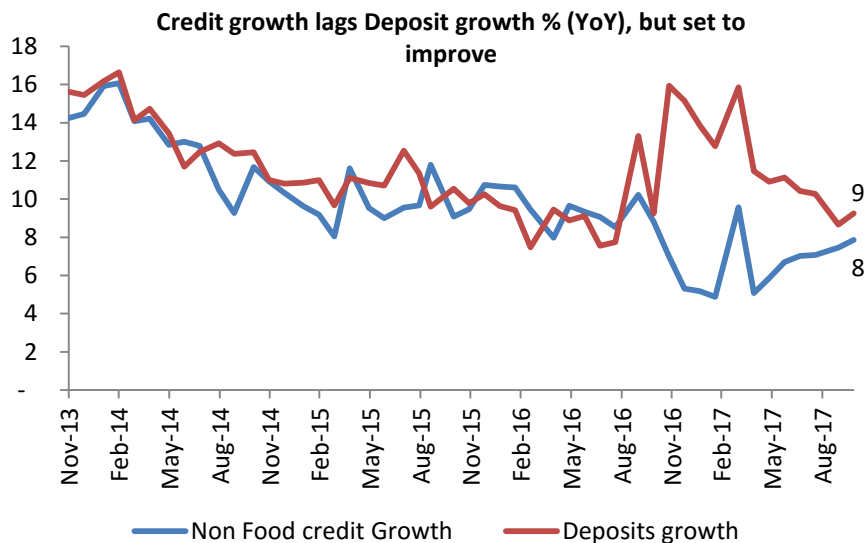


Inflation well under control



YoY Growth	Quarter ended				Month Ended			
	June 16	Sep 16	Dec 16	Mar 17	June 17	July 17	Aug 17	Sep 17
Auto volumes - Passenger (domestic)	9	15	-1	5	-1	11	12	12
Auto volumes - Goods (domestic)	16	-7	-3	6	-22	9	29	29
Steel production	4	16	13	13	6	12	2	6
Power generation	10	3	6	4	5	6	8	5
Rail Cargo volume	0	-3	1	4	4	6	8	6
Airline passengers	18	22	22	18	17	13	16	16
Non-Oil, Non Gems&Jewellery exports	-4	-3	5	18	10	5	18	NA
IIP (Quarterly average)	7	5	4	3	2	1	4	NA

Indian Banking sector set to revive



Indian Bank – Key Strengths

Pan India presence with 2695 domestic branches, 45 mn+ customers and strong 36.4% CASA – 1HFY18

A complete suite of Digital products; achieving Government targets for Digital transactions

Strong capital position (CAR – 13.2% incl. Tier/CET 1 at 11.7%/11.3%)

Loan book of Rs 1442 bn; Good growth (14% YoY in 1HFY18) with focus on RAM segment

Improving margin trajectory - NIMs @ 2.8% in 1HFY18, up from 2.3% in FY16

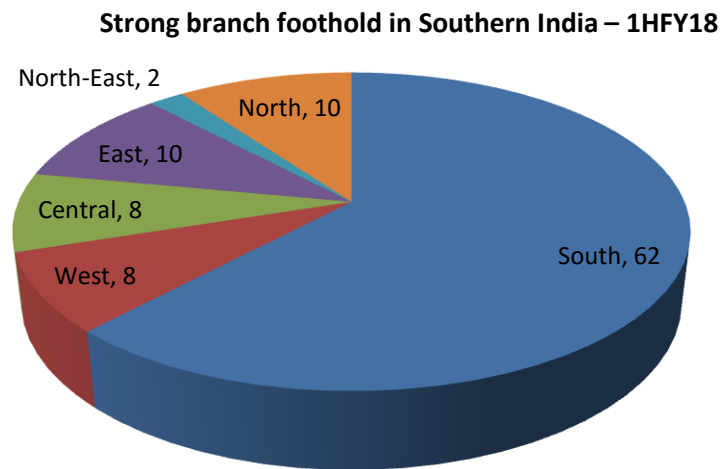
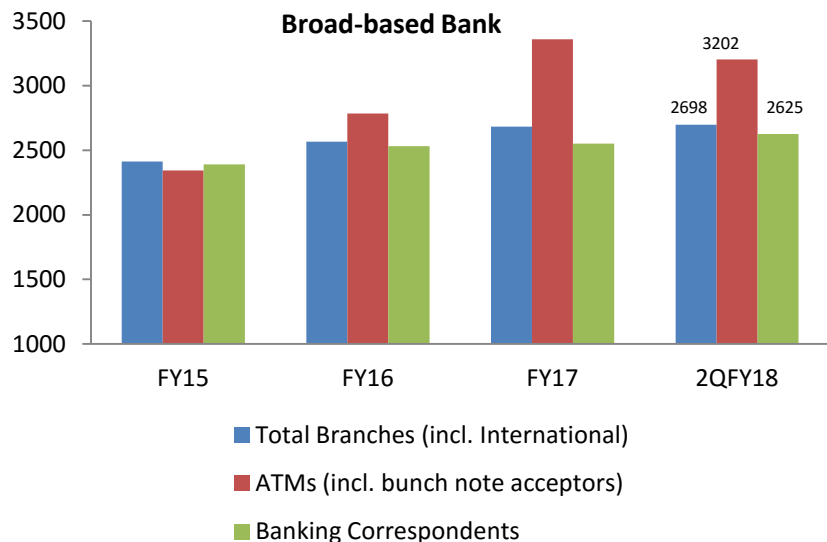
Lowest GNPA amongst PSBs (1HFY18 – 6.67%); slippages moderating in 1HFY18 and PCR at 65.40%

Improving Ratios – RoA – 0.67% in FY17 and 0.73% in 1HFY18. RoE – 11.08% (1HFY18)

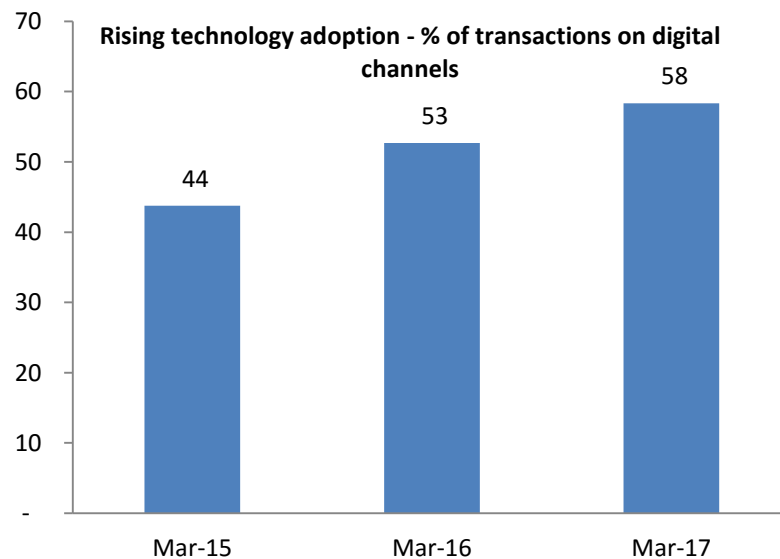
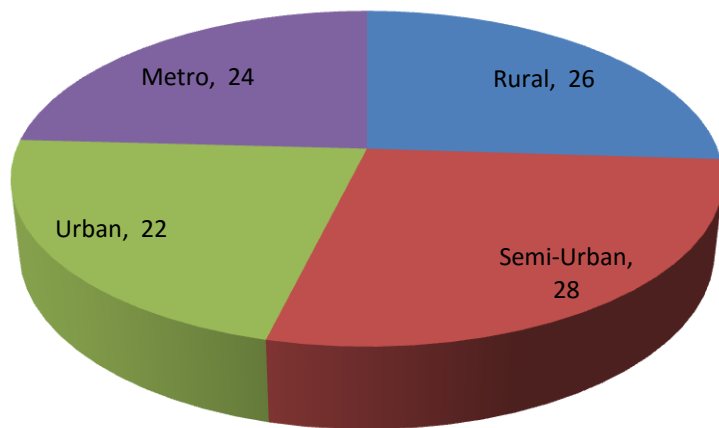
Healthy rating profile: S&P Global – BBB-/Stable/A-3; CRISIL/Care – AT I AA+/Stable

Experienced Board and Professional Management

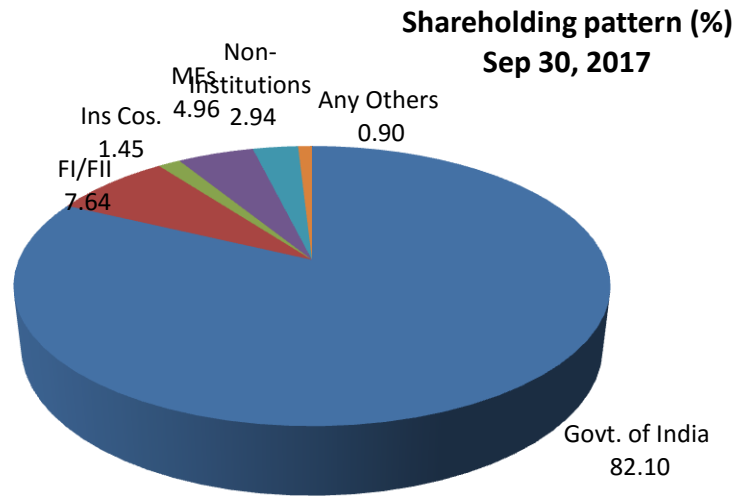
Strong franchise and digital footprint



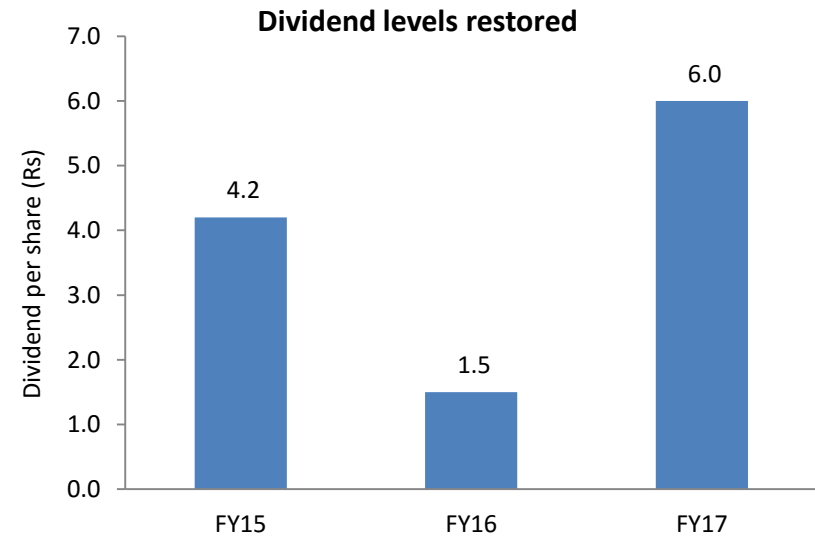
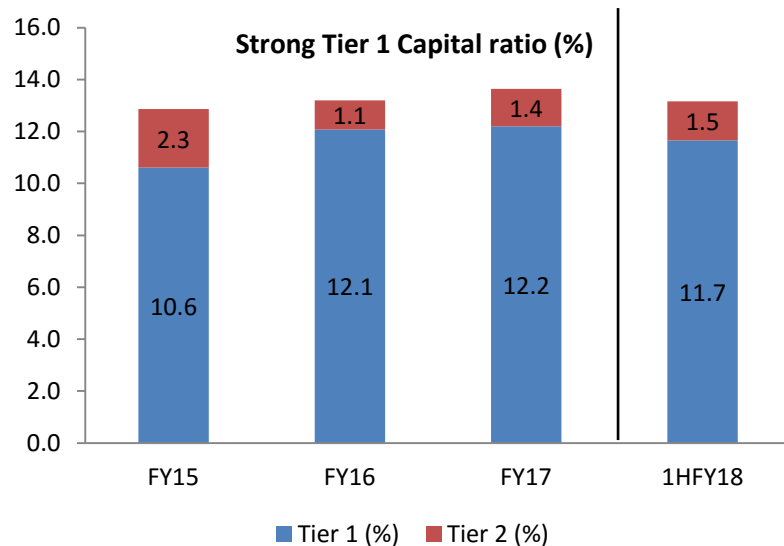
Domestic Branches (2,695) Mix: Rural + Semi-Urban at ~54% - 1HFY18



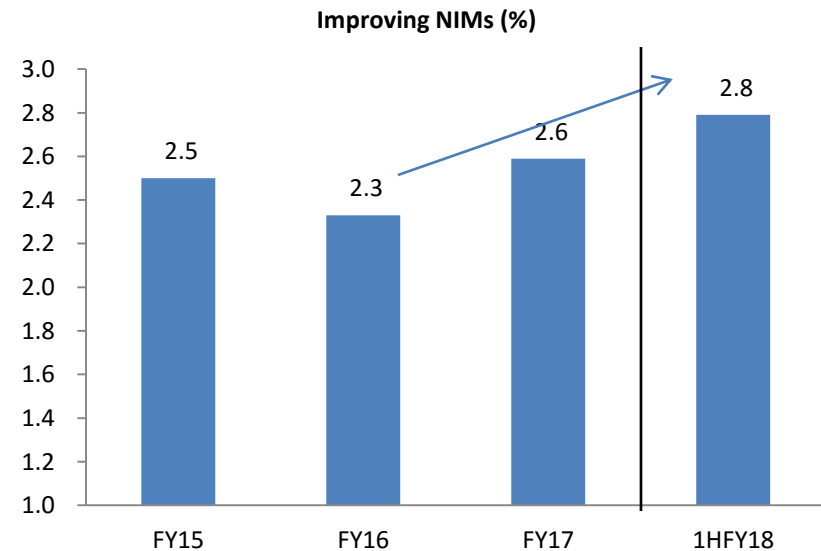
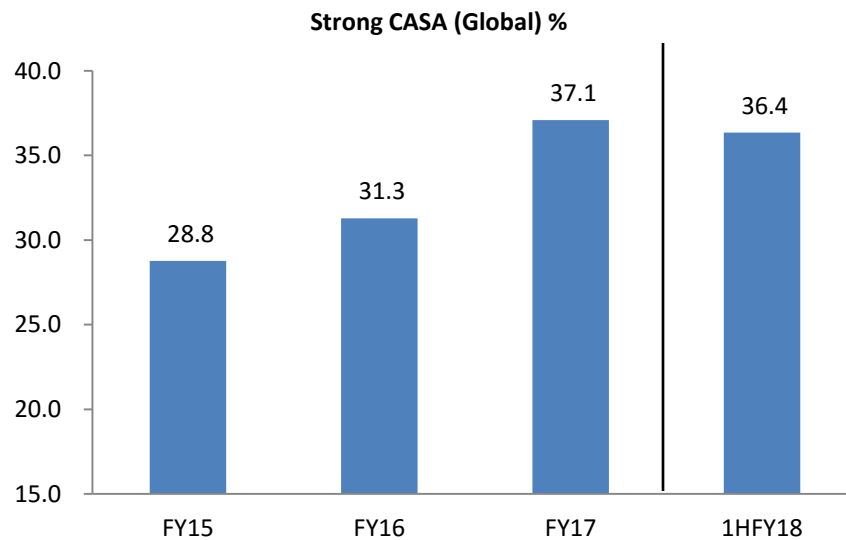
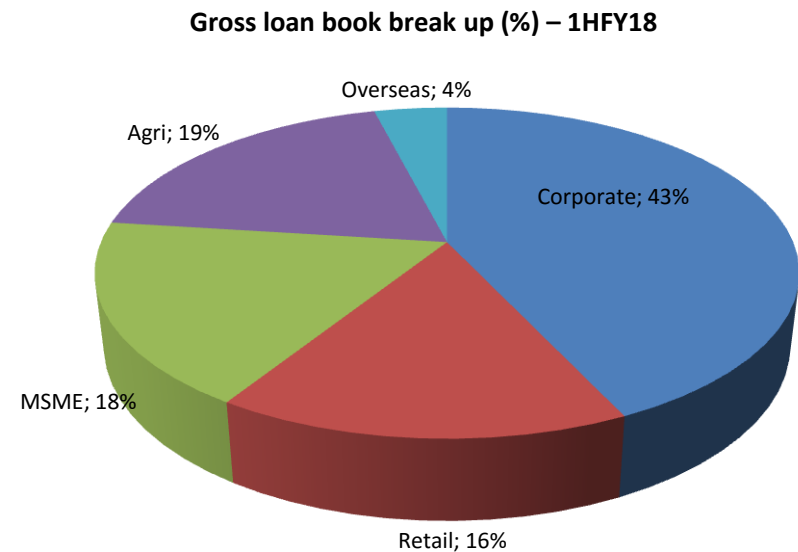
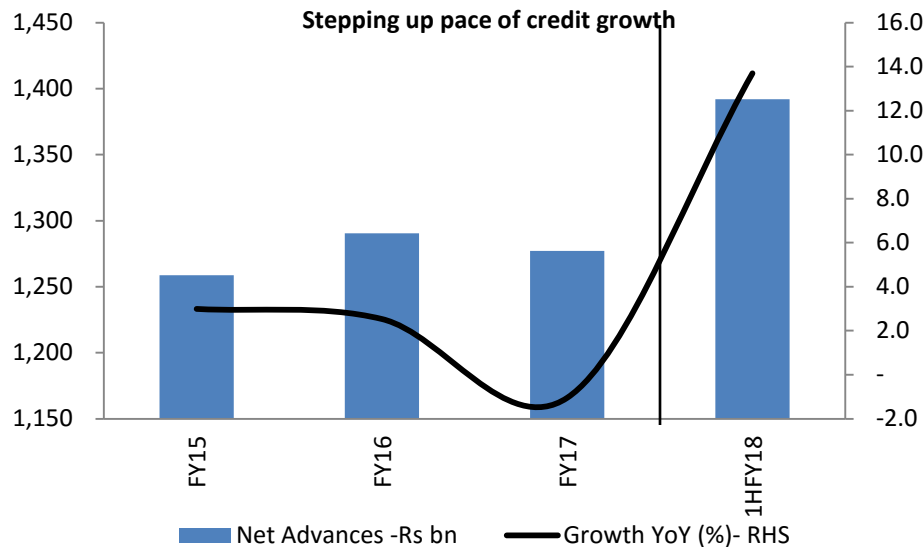
Strong Capital and Dividend track record



Shareholders	Holding (%)
Govt. of India (Promoter)	82.10
HDFC Mid-Cap Opportunities Fund	1.85
HSBC Global Investment Fund	1.66
LIC of India	1.32

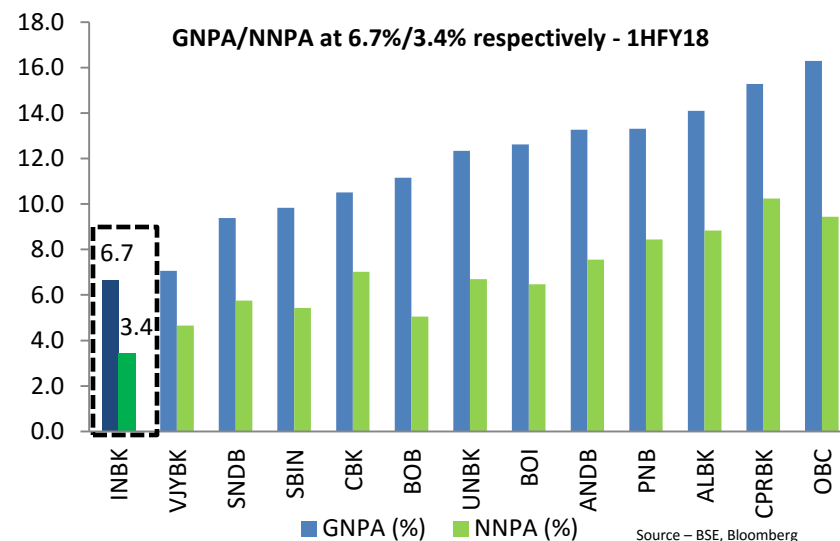
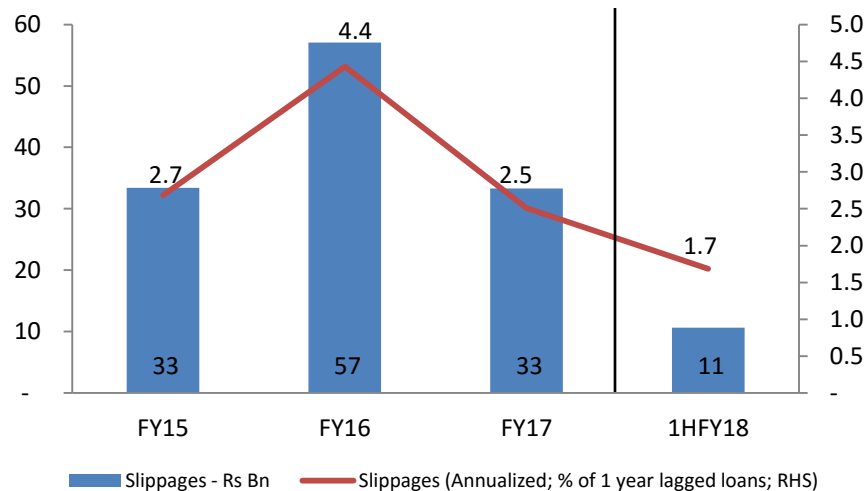


Improving Credit growth and NIM trajectory...



Healthy Asset Quality...

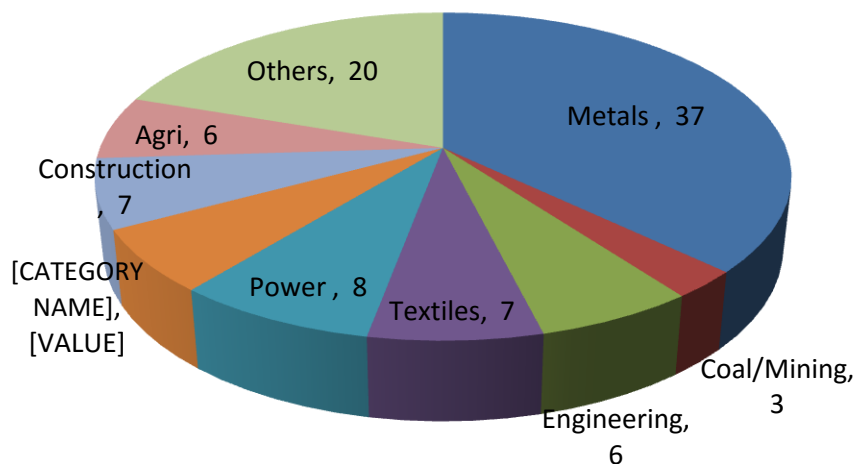
Movement of NPAs - Rs Mn	FY15	FY16	FY17	1HFY18
Gross NPA - opening	45,622	56,704	88,270	98,651
Additions	33,389	57,038	33,307	10,656
Reductions of which	22,306	25,472	22,926	13,068
Recovery + Upgrades	6,629	6,166	8,512	5,714
Write-off	5,497	9,264	12,525	7,354
Transfer to ARCs	10,179	10,042	1,888	-
Gross NPA Closing	56,704	88,270	98,651	96,239
Provisions	25,235	34,076	42,586	48,757
Net NPA	31,470	54,194	56,066	47,482
Provision cover - Specific (%)	44.5	38.6	43.2	50.7
Provision cover - incl TWO (%)	60.1	53.4	58.1	65.4
GNPA %	4.4	6.7	7.5	6.7
Net NPA %	2.5	4.2	4.4	3.4



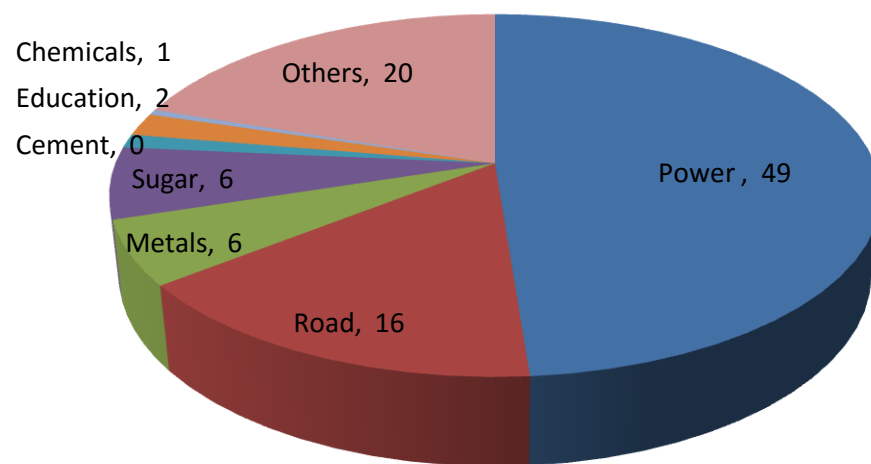
Source – BSE, Bloomberg

Healthy Asset Quality... (Continued)

Break-up (%) of Gross NPA - Rs 96.2 bn – 1HFY18

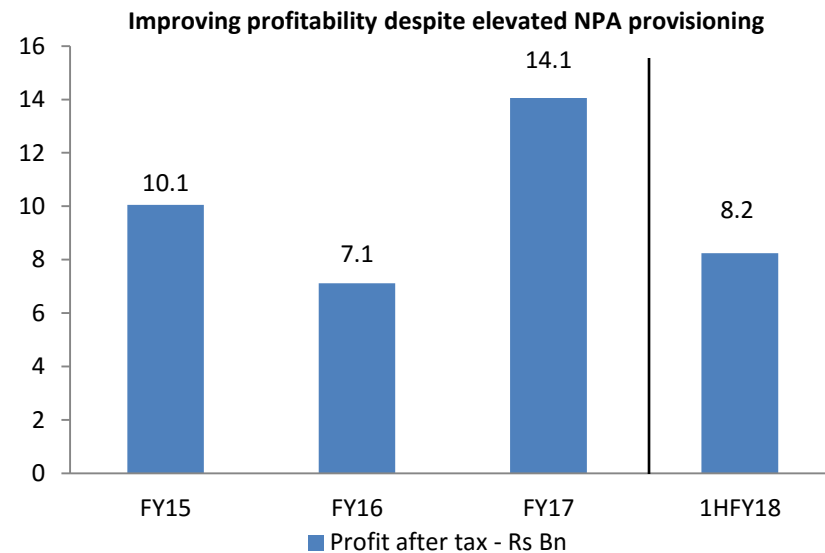
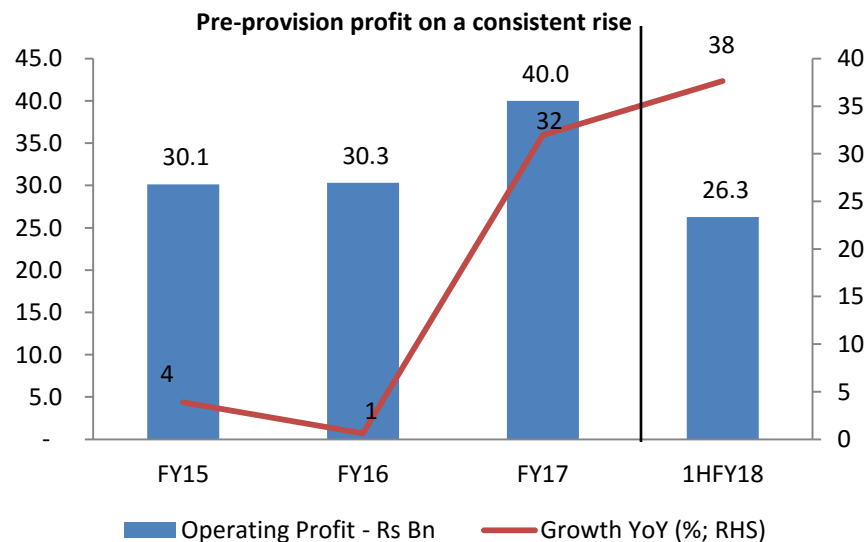
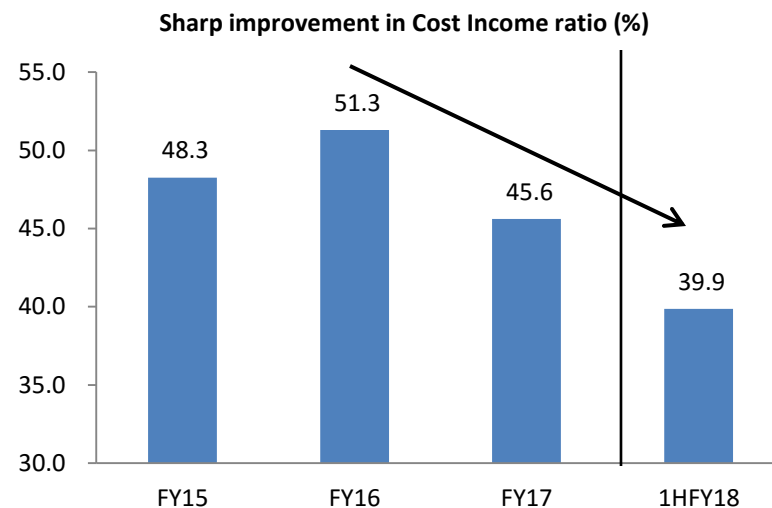
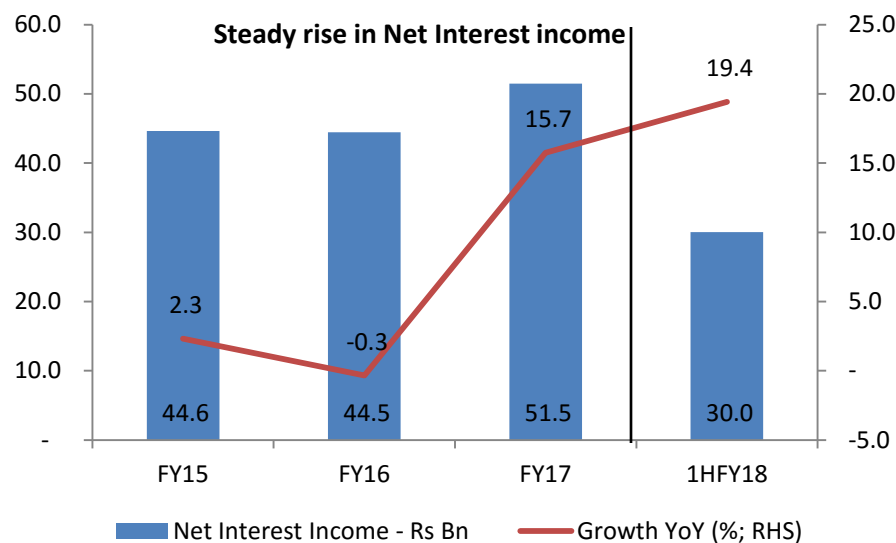


Break-up (%) of Standard Restructured book - Rs 44 bn – 1HFY 18

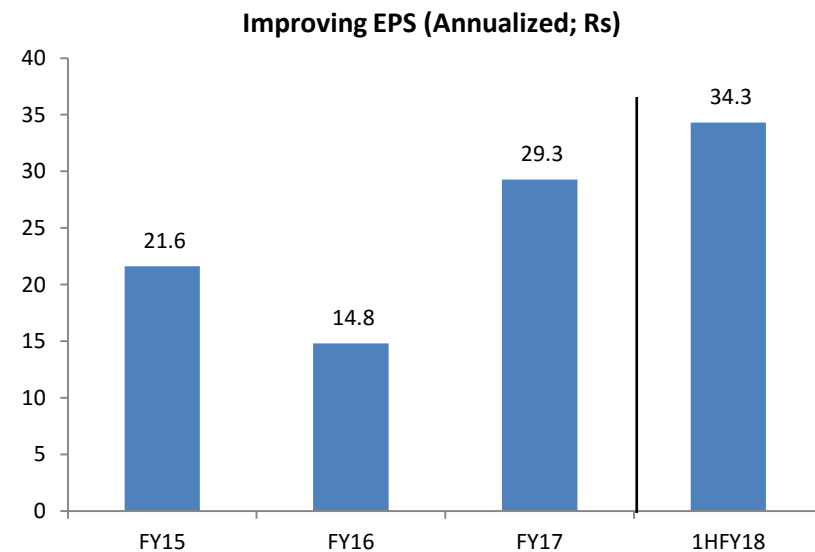
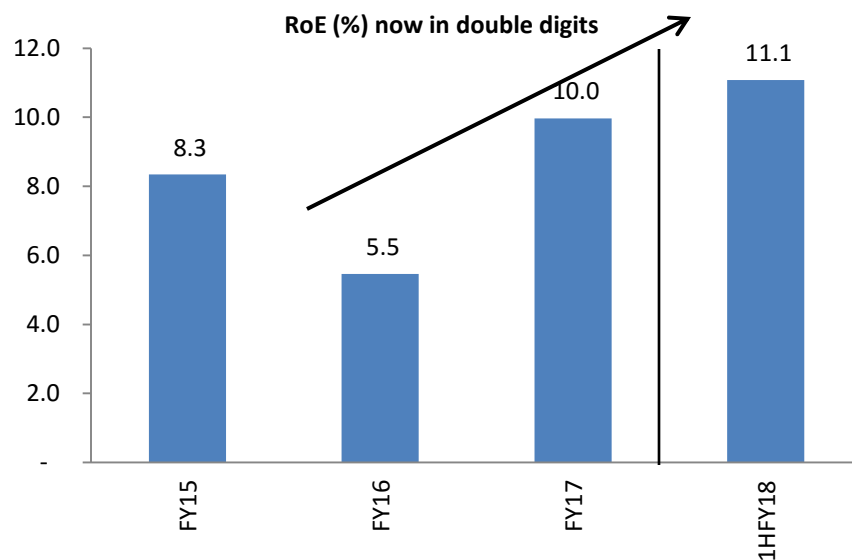
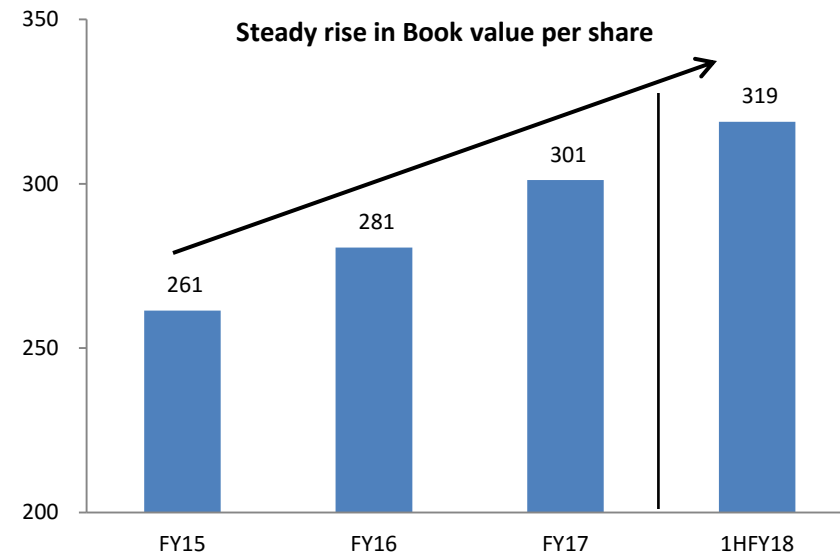
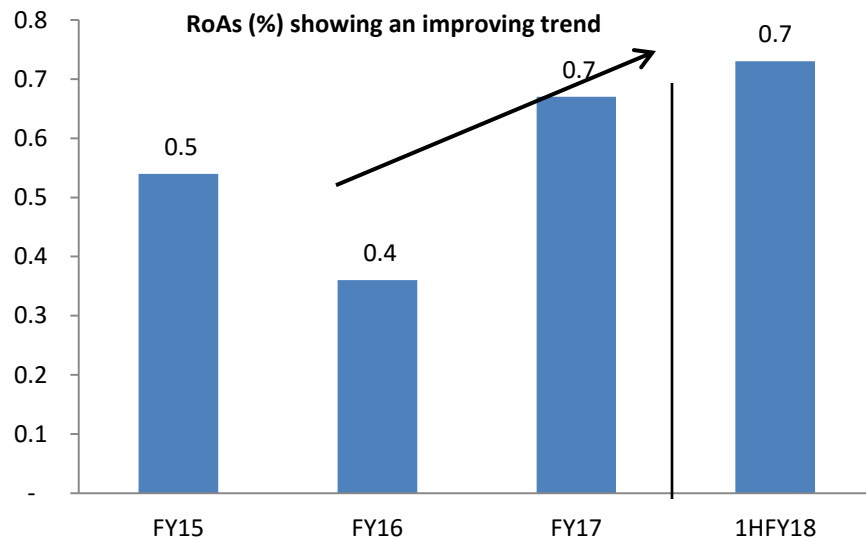


Sector	Exposure		Stressed loans - Rs Mn				Stress loans as % of sectoral loans			
	Rs Mn	% of Loans	GNPA	Restructured Standard	Other stress	Total	GNPA	Restructured Standard	Other stress	Total
Power	94,757	6.6	7,778	21,419	846	30,042	8.2	22.6	0.9	31.7
Telecom	4,892	0.3	285	-	522	807	5.8	-	10.7	16.5
Roads & Ports	48,133	3.3	1,297	6,830	2,196	10,322	2.7	14.2	4.6	21.4
Metals	51,992	3.6	36,088	2,513	-	38,602	69.4	4.8	-	74.2
Textile	46,601	3.2	6,669	-	579	7,248	14.3	-	1.2	15.6
Engineering	27,434	1.9	6,130	20	627	6,777	22.3	0.1	2.3	24.7

Improving Cost efficiency and Profitability



Strong and improving return ratios...



Board of Directors



Shri. T C Venkat Subramanian

Part-Time Non-Official Director & Non-Executive Chairman appointed by Government of India



Shri. A S Rajeev

Executive Director



Ms. Mudita Mishra

Government nominee Director appointed by Government of India



JK Dash

RBI nominee Director



Vijay Kumar Goel

Chartered Accountant Director appointed by Government of India



Shri. Kishor Kharat

Managing Director and CEO



Shri M K Bhattacharya

Executive Director



Padmanaban Vittal Dass

Part-Time Non-Official Director by Government of India



Vinod Kumar Nagar

Shareholder nominee Director

Summary Financials - Profit & Loss Statement

Rs mn	FY15	FY16	FY17	YoY (%)	1HFY18
Interest Earned	1,58,529	1,62,438	1,60,397	(1.3)	82,955
Interest Expended	1,13,917	1,17,976	1,08,937	(7.7)	52,924
Net Interest Income	44,613	44,462	51,461	15.7	30,031
Other Income	13,634	17,814	22,114	24.1	13,667
Total Income	1,72,163	1,80,252	1,82,511	1.3	96,622
Total Net Income	58,246	62,276	73,574	18.1	43,698
Staff Expenses	17,426	20,064	19,915	(0.7)	10,207
Other operating expenses	10,683	11,891	13,652	14.8	7,211
Pre-provision profit	30,137	30,321	40,007	31.9	26,280
Provision & Contingencies	15,451	20,768	22,425	8.0	14,601
Provision for tax	4,634	2,439	3,526	44.5	3,439
Reported Profit	10,052	7,114	14,057	97.6	8,239

The above financials are on a Standalone basis

Summary Financials - Balance Sheet

Rs Mn	FY15	FY16	FY17	YoY (%)	1HFY18
Capital	4,803	4,803	4,803	-	4,803
Reserves & Surplus	1,46,152	1,57,795	1,66,817	5.7	1,74,933
Deposits	16,92,253	17,82,858	18,25,093	2.4	19,86,688
Borrowings	26,461	35,093	1,26,369	260.1	81,294
Other Liabilities & Provisions	58,691	56,554	59,250	4.8	51,864
Total	19,28,360	20,37,104	21,82,331	7.1	22,99,581
Cash & Balance with RBI	83,011	91,745	55,887	-39.1	41,799
Bal. with banks & money at call	47,801	28,248	44,530	57.6	40,996
Investments	4,58,986	5,30,893	6,75,518	27.2	6,86,736
Advances	12,58,635	12,90,491	12,76,993	-1.0	13,92,061
Fixed Assets	29,687	35,111	34,426	-2.0	34,271
Other Assets	50,239	60,616	94,978	56.7	1,03,719
Total	19,28,360	20,37,104	21,82,331	7.1	22,99,581

The above financials are on a Standalone basis

Key Financial Ratios

Key Financial Ratios	FY15	FY16	FY17	1HFY18
Cost of Deposits (%)	7.1	6.8	6.0	5.4
Yield on Advances (%)	10.2	9.6	9.2	8.7
Net Interest Margins (NIMs) (%)	2.5	2.3	2.6	2.8
CASA Global (%)	28.8	31.3	37.1	36.4
Credit Deposits ratio (%)	76.4	73.6	71.5	71.4
Cost income ratio (%)	48.3	51.3	45.6	39.9
Return on Assets (%)	0.5	0.4	0.7	0.7
Return on Equity (%)	8.3	5.5	10.0	11.1
Gross NPA (%)	4.4	6.7	7.5	6.7
Net NPA (%)	2.5	4.2	4.4	3.4
Provision coverage Ratio (%)	60.1	53.4	58.1	65.4
Tier 1 (%)	10.6	12.1	12.2	11.7
Capital Adequacy Ratio (%)	12.9	13.2	13.6	13.2
EPS Annualised (Rs)	21.6	14.8	29.3	34.3
Book Value per share (Rs)	261.5	280.6	301.1	318.8

The above financial ratios are on a Standalone basis

GNPA	Gross Non-Performing Assets
NNPA	Net Non-Performing Assets
IBC	Insolvency Bankruptcy Code
NCLT	National Company Law Tribunal
PSB	Public Sector Banks
CASA	Current Account and Savings Account
RAM	Retail, Agriculture & MSME segment
RoE	Return on Equity
RoA	Return on Asset
NIM	Net Interest Margins
PCR	Provisioning Coverage Ratio
GDP	Gross Domestic Product

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