

PRESS RELEASE**FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2017**

The Board of Directors of Indian Bank approved the Bank's results for the quarter ended March 31, 2017 and the audited results for the full year ended March 31, 2017 at their meeting held in Chennai on Tuesday, April 25, 2017.

Profitability – Quarter ended March 31, 2017

- The Bank's **total income** for the quarter ended March 31, 2017 was ₹4601.88 crore, up from ₹4512.18 crore for the quarter ended March 31, 2016.
- **Net revenues (net interest income plus other income)** increased by 18.41% to ₹1970.29 crore for the quarter ended March 31, 2017 as against ₹1664.02 crore for the corresponding quarter of the previous year.
- **Net interest income (interest income less interest expenditure)** for the quarter ended March 31, 2017 grew by 22.06% to ₹1384.92 crore from ₹1134.65 crore for the quarter ended March 31, 2016.
- **Other income (non-interest revenue)** at ₹585.38 crore was 29.71% of the net revenues for the quarter ended March 31, 2017 and grew by 10.58% over ₹529.37 crore in the corresponding quarter ended March 31, 2016. The major components of other income for the quarter ended March 31, 2017 were profit on sale of investments of ₹135.18 crore and commission & exchange income of ₹257.36 crore.
- **Operating expenses** for the quarter ended March 31, 2017 were ₹900.15 crore, an increase of 7.60% over ₹836.60 crore during the corresponding quarter of the previous year.
- **Cost-to-income ratio** for the quarter was 45.69% as against 50.28% for the corresponding quarter ended March 31, 2016.
- **Provisions and contingencies** for the quarter ended March 31, 2017 were ₹750.46 crore as against ₹742.92 crore for the corresponding quarter ended March 31, 2016.
- Bank earned a **net profit** of ₹319.70 crore for the quarter ended March 31, 2017, an increase of 278.39% over ₹84.49 crore for the quarter ended March 31, 2016.

Profitability – Year ended March 31, 2017

- For the year ended March 31, 2017, the Bank earned **total income** of ₹18251.12 crore. **Net revenues (net interest income plus other income)** for the year ended March 31, 2017 were ₹7357.43 crore, up by 18.14% over ₹6227.61 crore for the year ended March 31, 2016.

- For the year ended March 31, 2017, the **net interest margin** was 2.59% as against 2.33% for the year ended March 31, 2016.
- **Cost to income ratio** was at 45.62% for the year ended March 31, 2017, as against 51.31% for the previous year.
- The Bank's **Net profit** for year ended March 31, 2017 was ₹1405.68 crore, up by 97.60%, over ₹711.38 crore for the year ended March 31, 2016.

Assets & Liabilities – As on March 31, 2017

- Total **balance sheet size** as of March 31, 2017 was ₹218,233 crore as against ₹203,710 crore as of March 31, 2016.
- Total **deposits** as of March 31, 2017 were ₹182509 crore, an increase of 2.37% over March 31, 2016. **Current account deposits** grew by 7.53% over the previous year to reach ₹9833 crore and **Savings account deposits** by 23.35% over the previous year to reach ₹57333.87 crore. **CASA deposits to total domestic deposits** increased to 37.65% as on March 31, 2017 from 31.94% as on March 31, 2016. **Advances** as of March 31, 2017 were ₹132,144.70 crore, an increase of 5% over December 31, 2016.

Capital Adequacy – As on March 31, 2017

- The Bank's total **Capital Adequacy Ratio (CAR)** as per Basel III guidelines, was at 13.64% as at March 31, 2017 (13.20% as at March 31, 2016) as against a regulatory requirement of 10.25% including Capital Conservation Buffer of 1.25%. Tier-I CAR was at 12.20% as on March 31, 2017 compared to 12.08% as at March 31, 2016. Risk-weighted Assets were at ₹131436.47 crore (₹124743.79 crore as at March 31, 2016).

Dividend

- The Board of Directors recommended a **dividend** of ₹6 per equity share of ₹10 for the year ended March 31, 2017, as against ₹1.50 per equity share of ₹10 for the previous year (Subject to approval by the shareholders at the next annual general meeting)

Asset Quality

- **Gross non-performing assets (NPAs)** were at 7.47% of gross advances as on March 31, 2017, as against 7.69% as on December 31, 2016 and 6.66% as on March 31, 2016.

- **Net non-performing assets** were at 4.39% of net advances as on March 31, 2017, as against 4.76% as on December 31, 2016 and 4.20% as on March 31, 2016.

Performance under National Goals

- **Priority Sector portfolio** increased from ₹50333.52 crore as of March 31, 2016 to ₹54975.82 crore as of March 31, 2017. Priority sector advances as a percentage of quarterly average ANBC for the Year 2016 – 17 stood at 42.31%.
- **Advances to Weaker Section** increased from ₹13918.33 crore as on March 31, 2016 to ₹14787.17 crore as on March 31, 2017.

Other Highlights

- **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.
- **PRADHAN MANTRI MUDRA YOJANA (PMMY):** Disbursements during FY 2016-17 were to the tune of ₹ 2173.71 crore under various schemes viz., Shishu, Kishore and Tarun.

Network

As of March 31, 2017, the Bank's distribution network was at 2679 Domestic branches, 3 Overseas Branch and 3358 ATM/BNAs as against 2562 Domestic branches and 3 Overseas Branch besides 2784 ATM/BNAs as of March 31, 2016. Of the branches, 1437 are in semi-urban and rural areas. Number of employees was at 20,924 as of March 31, 2017.

New products launched

- Unified Payment Interface (UPI) App
- Unified Payment Interface (UPI) through USSD
- Payment of Non Tax revenue (Bharatkosh) through Indian Bank Payment Gateway
- Collection of EPFO (Employees Provident Fund Organisation) subscription through IB Customer App
- Digi Lock in IB Customer App for locking/unlocking all transactions through alternate delivery channels like Debit/Credit Cards, Net Banking and Mobile Banking
- Direct tax payment through Debit Card

Corporate Social Responsibility

- Cancer Awareness Camp was organized in association with Penn Nalam and Sri AMKM Jain Centre for economically poor women.
- Sponsored construction of individual household toilets by Kulithalai Municipality Council (KMC) at Kulithalai, Trichy.
- Successfully completed 3 lakh tree plantations pan-India to mark the Bank's 110th year of service to the nation.
- Conducted Blood and Organ donation awareness camps pan-India as part of Bank's 110th Foundation day celebrations.

Awards and Accolades – Q4 FY 2016-17

- Bank won the following awards at ASSOCHAM 12th Annual Business Summit-cum-Social Banking Excellence Awards 2016 from Shri Arjun Ram Meghwal, Hon'ble Minister of State for Finance.
 - Best Social Bank Award (under Large Bank Category)
 - Runner-up Award (under Large Bank Category) in Government Schemes
- Bank won 2 MSME Banking Excellence Awards 2016 instituted by Chamber of Indian Micro, Small, Medium Enterprises, New Delhi:
 - Best MSME Bank Award (Mid - sized category)
 - Financially Inclusive Bank Award (Mid-sized category)
- Bank bagged 3 NPCI (National Payments Corporation of India) awards:
 - NACH - Winner award
 - Excellent Performance in RuPay - Winner award
 - Excellent Performance in AePS (Aadhaar enabled Payment Services) - Runner up award

Chennai
April 25, 2017
