



Performance Analysis

Q1 2019-20

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Digital Banking

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Key Strengths



Performance Highlights – Q1 2019-20 (YoY)



↑
Total Business
₹4.26 lakh Cr
14%

↑
Deposits
₹2.41 lakh Cr
15%

↑
Advances
₹1.84 lakh Cr
12%

↑
Diversified Loan Book
RAM 60%

↑
Operating Profit
₹1374 Cr
6%

↑
Net Profit
₹365 Cr
75%

↑
RoA
0.52%
19 bps

↑
RoE
9.06%
381 bps

Domestic NIM
2.85 %

↑
CRAR (BASEL III)
13.62%

↑
PCR at
66.34%
196 bps

↓
Slippage Ratio
2.47%
136 bps

↓
Credit Cost
1.04%
12 bps

Gross NPA 7.33%

Net NPA 3.84%



Financials - Net Interest Income (NII) and Operating Profit



₹ in Cr

S No	Components	Quarter Ended			
		30.06.2018	31.03.2019	30.06.2019	Y-o-Y (%)
1	Interest Income	4692.17	4967.88	5137.58	9.5
2	Other income	439.80	569.59	694.54	57.9
	Of which :				
	Profit on sale of investment	17.18	95.81	202.31	
	Recovery of bad debts	24.85	54.31	33.33	34.1
	Fee income	279.13	335.34	280.61	0.5
	Forex	46.13	40.49	53.06	15.0
	Miscellaneous income	72.51	43.64	125.23	72.7
	of which PSLC Commssion	50.14	12.50	103.90	107.2
3	Total Income (1+2)	5131.97	5537.47	5832.12	13.6
4	Interest Expenses	2885.18	3204.42	3352.14	16.2
5	Net Interest Income (1-4)	1806.99	1763.46	1785.44	-1.2
6	Staff Expenses	554.32	571.94	596.19	7.6
6A	Discount on ESPS	--	--	73.88	--
7	Overheads	394.91	515.70	435.70	10.3
8	Operating Expenses (6+6A+7)	949.23	1087.64	1105.77	16.5
9	Total Expenses (4+8)	3834.41	4292.06	4457.91	16.3
10	Operating Profit (3-9)	1297.56	1245.41	1374.21	5.9



Net Profit - Snapshot



₹ in Cr

S No	Components	Quarter Ended			
		30.06.2018	31.03.2019	30.06.2019	Y-o-Y (%)
1	Operating Profit	1297.56	1245.41	1374.21	5.9
2	Total Provisions	1088.25	1435.18	1008.84	-7.3
	Of which :				
	Loan loss	456.59	1432.94	482.22	
	Depreciation on investments	648.09	116.32	293.03	
	Standard advances	-38.24	40.94	-13.49	
	Income-tax	58.68	-203.66	214.02	
	Others	-36.87	48.64	33.06	
3	Net Profit (1-2)	209.31	-189.77	365.37	74.6



Interest Income / Expenses and NII



₹ in Cr

S No	Components	Quarter Ended			
		30.06.2018	31.03.2019	30.06.2019	Y-o-Y (%)
1	Interest Income on Advances and Bills	3379.55	3659.13	3851.74	14.0
2	Interest on investments	1289.84	1254.63	1243.26	-3.6
3	Sundry interest income	22.78	54.12	42.58	86.9
4	Total Interest Income (1+2+3)	4692.17	4967.88	5137.58	9.5
5	Interest on deposits	2613.04	3017.08	3150.88	20.6
6	Interest on borrowings	236.54	165.08	201.26	-14.9
7	Sundry interest expenditure	35.60	22.26	0.00	--
8	Total Interest Expenditure (5+6+7)	2885.18	3204.42	3352.14	16.2
9	Net Interest Income (NII) (4-8)	1806.99	1763.46	1785.44	-1.2



Operating Expenses



₹ in Cr

S No	Components	Quarter Ended			
		30.06.2018	31.03.2019	30.06.2019	Y-o-Y (%)
1	Staff Expenses	554.32	571.94	596.19	7.6
	Of which				
	Salary	435.58	454.14	460.93	5.8
	Contribution for Employees	118.74	117.80	135.26	13.9
1A	Discount on ESPS	--	--	73.88	--
2	Overheads	394.91	515.71	435.70	10.3
	Of which				
	Rent, Taxes & Lighting	64.61	83.68	68.55	6.1
	Depreciation	57.55	70.56	71.18	23.7
	Insurance	68.70	64.78	65.66	-4.4
	Travelling and Halting	11.06	13.68	10.32	-6.7
	Postage, Telecommunications etc.	12.33	23.81	11.25	-8.8
	Repairs and Maintenance	21.49	24.35	22.51	4.7
	Printing and Stationery	6.40	9.60	7.13	11.4
	Advertisement & Publicity	0.92	1.99	0.74	-19.6
	Others	151.85	223.26	178.36	17.5
	Of which				
	ATM Issuer Fee paid	54.23	63.65	63.67	17.4
	Fee others	17.95	46.48	19.91	10.9
	Residual Expenses	12.75	16.21	15.72	23.3
	Audit Fees	8.42	16.87	7.61	-9.6
	Financial Inclusion Plan Expenses	12.23	13.60	13.81	12.9
3	Total Operating Expenses (1+1A+2)	949.23	1087.65	1105.77	16.5



Business - Snapshot

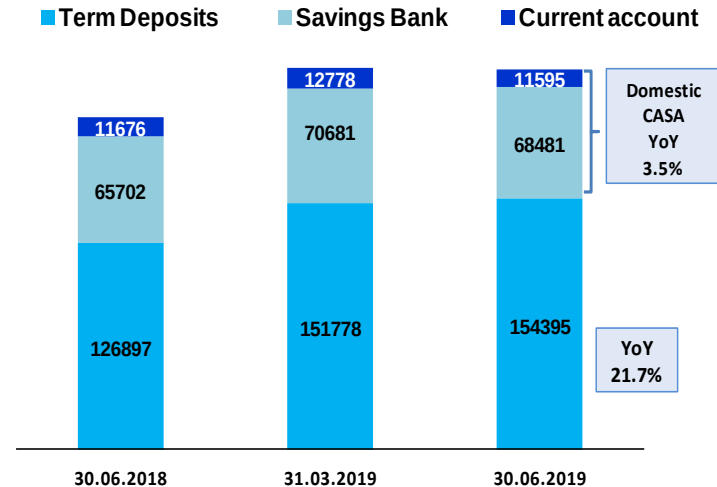


₹ in Cr

Parameter	30.06.2018	31.03.2019	30.06.2019	YOY (%)
Global Business	374551	429972	425793	13.7
Domestic	362337	415582	411029	13.4
Overseas	12214	14390	14764	20.9
Global Deposits	210170	242076	241457	14.9
Domestic	204275	235237	234471	14.8
Overseas	5895	6839	6986	18.5
Global Advances	164381	187896	184336	12.1
Domestic	158062	180345	176558	11.7
Overseas	6319	7551	7778	23.1

CASA Ratio 33.4%

Domestic Deposits



Business driven by growth in both Deposits and Advances portfolio



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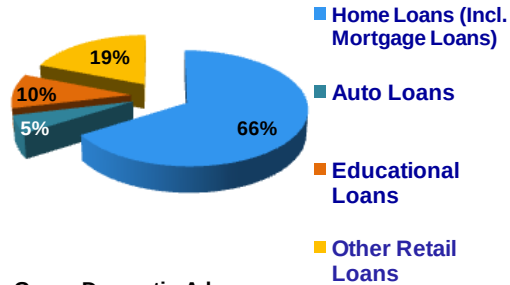


Advances (Domestic) - Breakup



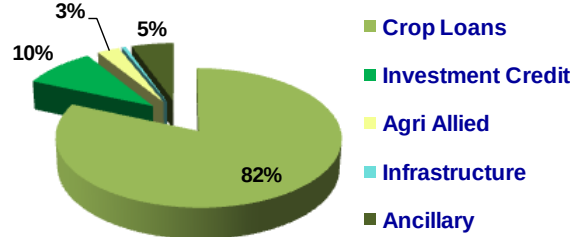
₹ in Cr

RETAIL : ₹33774Cr (18%)*

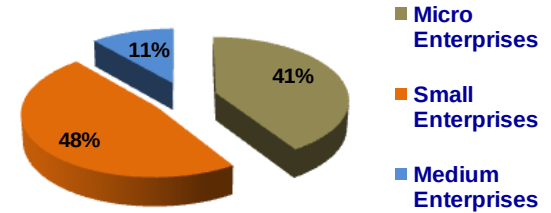


* % to Gross Domestic Advances

AGRICULTURE : ₹40022 Cr (23%)*



MSME : ₹32967 Cr (19%)*



Details	30.06.2018	31.03.2019	30.06.2019	YoY (%)
Gross Advances - Domestic	158062	180345	176558	11.7
R etail sector	27213	32853	33774	24.1
A griculture sector	32135	39005	40022	24.5
M SME sector	29874	33046	32967	10.4
Total (RAM)	89222	104904	106763	19.7
RAM % to Gross Advances	56.4	58.2	60.5	---
Corporates	68840	75441	69796	1.4

Increased focus towards RAM Sector which now constitutes 60% of Bank's Loan Book

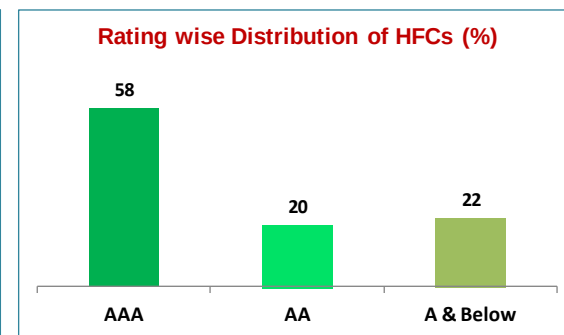
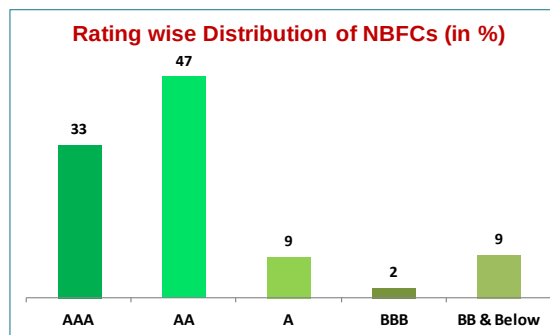
Corporate Sector portfolio - Overview



₹ in Cr

Composition	30.06.2018	% to Gross Advances	31.03.2019	% to Gross Advances	30.06.2019	% to Gross Advances
NBFCs	16968	10.7	19865	11.0	19035	10.8
NBFC - PSUs	609	0.4	56	0.0	49	0.0
NBFC - HFC	4905	3.1	7223	4.0	7044	4.0
NBFC- MFI	574	0.4	923	0.5	772	0.4
NBFCs -Others	10880	6.9	11663	6.5	11171	6.3
Exposure to PSUs	18682	11.8	23102	12.8	20469	11.6
Exposure to other Corporates	33190	21.0	32474	18.0	30291	17.2
Total Corporates	68840	43.6	75441	41.8	69796	39.5

Composition of NBFC & HFC	₹ in Cr
NBFC	
Bank sponsored	2225
Private Institutions & others	16810
Total	19035
HFC	
Bank sponsored	1786
Private Institutions	5258
Total	7044



Sectoral Deployment - Domestic Advances



₹ in Cr

Sector	30.06.2018	% share to Gross Advances	30.06.2019	% share to Gross Advances
Infrastructure	24208	15.32	23059	13.06
Of which				
Power	9474	5.99	8496	4.81
Telecom	151	0.10	102	0.06
Roads	4158	2.63	3257	1.84
Other infrastructure	10425	6.60	11204	6.35
Basic Metal	5022	3.18	6584	3.73
Of which				
Iron & Steel	4004	2.53	5498	3.11
Textiles	4381	2.77	4345	2.46
Petroleum	2867	1.81	2096	1.19
All Engineering	3080	1.95	2874	1.63
Food Processing	3940	2.49	4039	2.29
Chemicals & Chemical Products	1215	0.77	1372	0.78
Trade	6906	4.37	7191	4.07
Commercial Real Estate	3778	2.39	5124	2.90
Home Loans	14795	9.36	18769	10.63
Auto Loans	1491	0.94	1740	0.99
Other Retail Loans	10928	6.91	13265	7.51
Agriculture	32135	20.33	40022	22.67
NBFC	16968	10.74	19035	10.78
Others (Other Industries/Sectors)	26348	16.67	27043	15.32
Total Domestic Advances	158062	100	176558	100



Power Sector Exposure



₹ in Cr

Category	Central Government	State Government	Private Sector	Total
Generation	373	2962	4015	7349
Distribution	0	1422	217	1640
Transmission	0	103	377	481
Investment	78	428	319	825
Total Exposure	451	4915	4929	10295
<i>Of which NPA</i>	0	0	2120 *	2120

* includes NPI of ₹49 Cr

Standard Domestic Credit exposure – Profile of External rating



₹ in Cr

External Rating Grades	30.06.2018		31.03.2019		30.06.2019	
	Exposure	% to Total	Exposure	% to Total	Exposure	% to Total
AAA	14753	12.8	11464	10.6	12753	11.8
AA+	19538	16.9	16735	15.4	23066	21.4
A	10820	9.4	9298	8.6	13347	12.4
BBB	18833	16.3	16144	14.9	18124	16.8
BB and below	11107	9.6	11298	10.4	14826	13.8
Unrated	40591	35.1	43682	40.2	25719	23.9

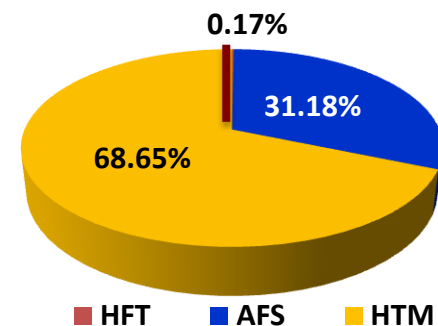


Investment - Domestic

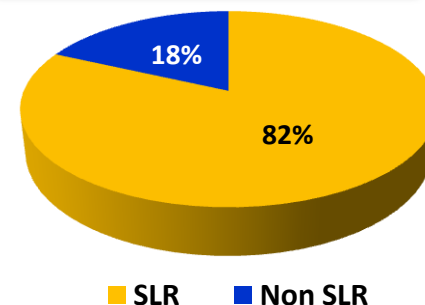


₹ in Cr

Composition	30.06.2018	31.03.2019	30.06.2019	Y-o-Y (%)
Central Government Securities	44284	38139	40616	-8.3
State Government Securities	13204	13880	15384	16.5
Other Approved Securities	24	5	4	-83.4
Debentures & Bonds	8364	9275	8908	6.5
Treasury Bills	0	0	200	--
Shares	854	820	829	-2.9
Others	746	3639	2752	268.9
Gross Domestic Investment (Without netting LAF)	67476	65758	68693	1.8
A. SLR	57512	52024	56204	-2.3
Non SLR	9964	13734	12489	25.3
Total	67476	65758	68693	1.8
B. Held For Trading (HFT)	135	122	116	-14.1
Available For Sale (AFS)	25075	26798	21419	-14.6
Held To Maturity (HTM)	42266	38838	47159	11.6
Total	67476	65758	68693	1.8
Modified Duration of AFS & HFT portfolio	3.60	3.16	2.79	--



Composition of Investment



Performance Ratios



% Annualized

Parameters	Quarter Ended		
	30.06.2018	31.03.2019	30.06.2019
Cost of Deposits	5.15	5.34	5.40
Cost of Funds	5.20	5.37	5.42
Cost to Income Ratio	42.25	46.62	44.59
Yield on Advances	8.57	8.43	8.40
Return on Assets (RoA)	0.33	-0.28	0.52
Net Interest Margin (NIM) Domestic	3.14	2.95	2.85
Return on Investments (Domestic)	7.21	7.61	8.30
Return on Average Networth (RoE)	5.25	-4.71	9.06
Earnings per Share (₹)	17.43	-15.80	30.12
Book Value per Share (₹)	334.68	328.64	334.93
Business per Employee (₹ in crore)	18.99	21.74	21.95
Business per Branch (₹ in crore)	132.73	149.56	148.10



Capital Adequacy & Risk Management

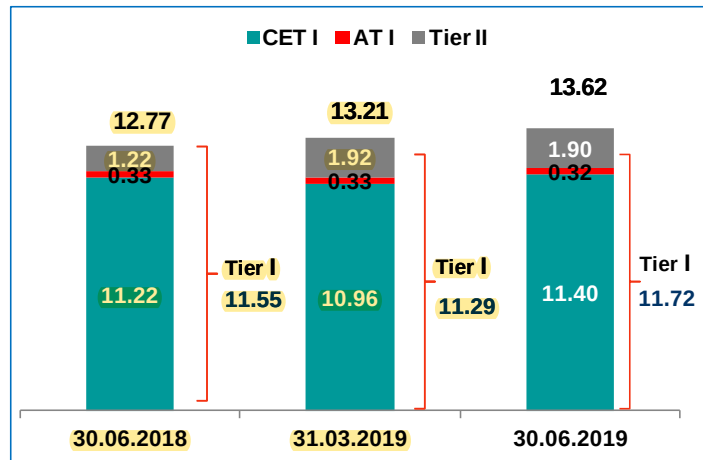


Parameters	30.06.2018	31.03.2019	30.06.2019
Capital	19169	20234	21034
Common Equity Tier I (CET I)	16840	16790	17604
Additional Tier I	500	500	500
Tier II	1829	2944	2930
Total Risk Weighted Assets	150136	153188	154370
CRAR %	12.77	13.21	13.62

₹ in Cr

Risk Weighted Assets (RWA)	30.06.2018	31.03.2019	30.06.2019
Credit	123780 (75.30%)	127604 (67.91%)	129276 (70.13%)
Market	13013 (54.13%)	12241 (44.64%)	10063 (45.99%)
Operational	13343 ---	13343 ---	15031

Figures in bracket denotes density



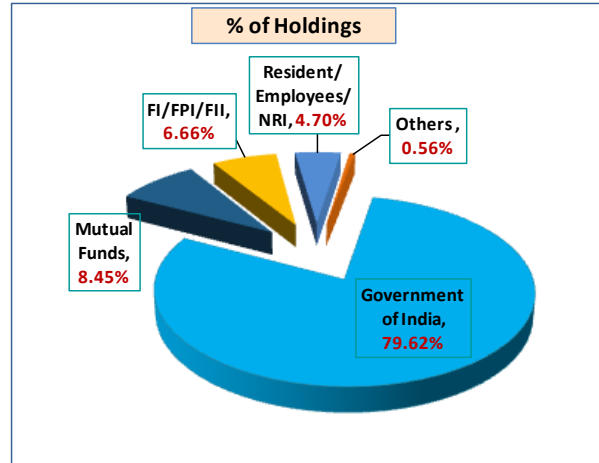
Bank's CRAR upon plough back of Quarterly Profit will be higher at 13.86%



Shareholding Pattern & Balance Sheet



₹ in Cr



Pattern of Equity Shareholding		
Shareholder		%
Government of India		79.62
Mutual Funds		8.45
FI/FPI/FII		6.66
Resident/Employees/NRI		4.70
Others		0.56
Of which	Corporate Body	0.43
	Clearing Member	0.10
	Trust	0.03

Liabilities	30.06.2018	30.06.2019
Capital	480	492
Reserves & Surplus	18196	19550
Deposits	210170	241457
Borrowings	15379	11954
Other Liabilities & Provisions	6529	8464
Total	250754	281916

Assets	30.06.2018	30.06.2019
Cash & Balance with RBI	10272	11683
Bal. with banks & money at call	3311	10527
Investments	67213	67637
Advances	158433	177581
Fixed Assets	3426	3959
Other Assets	8099	10528
Total	250754	281916



₹ in Cr

S No	Details	QE		
		30.06.2018	31.03.2019	30.06.2019
1	Gross NPA opening balance	11990	13198	13353
	ADDITIONS :			
	Fresh Slippages	1391	962	1035
	To old NPAs / Others	51	43	42
2	Sub-Total	1442	1005	1077
	LESS:			
	Cash Recovery	698	255	342
	Upgradation	236	56	157
	Technical Write off + Exchange difference	339	374	370
	Normal Write off	331	16	50
	Assigned to ARCs	0	148	0
3	Sub-Total	1604	850	919
4	Gross NPA closing Balance (1+2-3)	11828	13353	13511
	Gross NPA%	7.20	7.11	7.33
5	Provisions	5391	6158	6269
6	Others (Interest Realisable,etc.)	438	402	418
7	Net NPA [4-(5+6)]	5999	6793	6824
	Net NPA%	3.79	3.75	3.84
	AUC Recovery	26	61	36
	PCR % (including Technical Writeoff)	64.38	65.72	66.34
	PCR % (excluding Technical Writeoff)	49.28	49.13	49.49
	Slippage Ratio (%)	3.83	2.46	2.47
	Credit Cost (%)	1.16	3.28	1.04

Sectorwise Fresh Slippages

Category	Q1 2018-19	Q1 2019-20
Retail	205	228
Agriculture	168	164
MSME	290	217
Corporate	728	426
Total	1391	1035

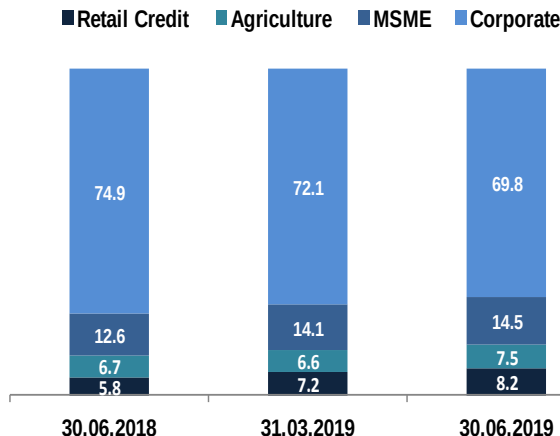
NPA Position – Sector wise



₹ in Cr

Sector	30.06.2018		31.03.2019		30.06.2019		
	Gross NPA	% to respective portfolio	Gross NPA	% to respective portfolio	Outstanding	Gross NPA	% to respective portfolio
Retail Credit	747	2.75	963	2.96	33774	1120	3.31
Of which							
Home Loan	278	1.88	292	1.61	18769	350	1.86
Education Loan	359	10.79	547	16.81	3302	599	18.13
Vehicle Loan	27	1.80	34	1.93	1740	41	2.36
Agriculture	788	2.45	886	2.27	40022	1009	2.52
MSME	1495	5.01	1886	5.71	32967	1959	5.94
Corporate & Overseas	8798	11.71	9619	11.53	77573	9424	12.15
Total	11828	7.20	13353	7.11	184336	13511	7.33
Of which							
Priority	2755	3.86	3429	4.15	59500	3704	6.22

Sectorwise Gross NPA to Total Gross NPA %



NPA Position – Industry wise



₹ in Cr

Industry	30.06.2018		31.03.2019		30.06.2019	
	Gross NPA	% to respective portfolio	Gross NPA	% to respective portfolio	Gross NPA	% to respective portfolio
Metal and Metal Products (Incl. Iron & Steel)	3030	54.21	1962	29.64	2116	30.25
Coal and Mining	293	57.76	830	81.12	837	80.98
All Engineering	876	29.96	643	25.16	649	23.98
Textiles	316	6.92	580	12.10	581	12.61
Infrastructure	3256	13.29	4157	17.72	4261	18.11
Of which						
Power	2123	22.38	2102	23.34	2124	24.46
Commercial Real Estate	174	3.51	191	3.91	204	3.99
Other Industries (including other Sectors)	3883	3.20	4989	3.45	4862	3.46
Total	11828	7.20	13353	7.11	13511	7.33



Status of NCLT Accounts – Q1 FY 19-20



₹ in Cr

Category	No.of Accounts	Exposure	Provision	PCR%
RBI List I	6	1630	1242	76.2
RBI List II	8	621	608	97.9
Others *	50	3238	2736	84.5
Total	64	5489	4586	83.6

*** of which accounts filed by other banks at NCLT: 21 accounts - ₹1228 Cr**

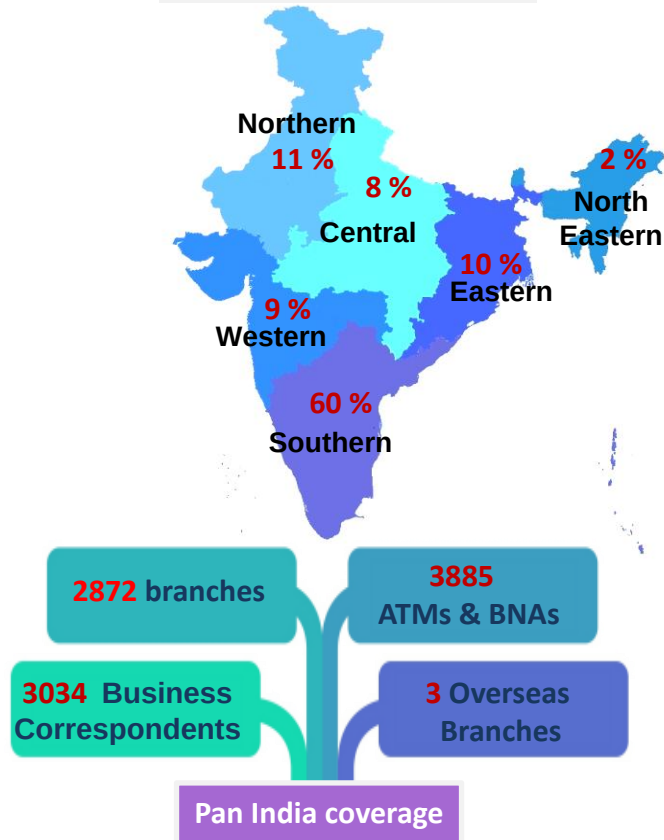
- Recovery through Resolution Plan : Nil
- NCLT adjudicated 16 accounts with exposure of ₹1097 Cr for liquidation



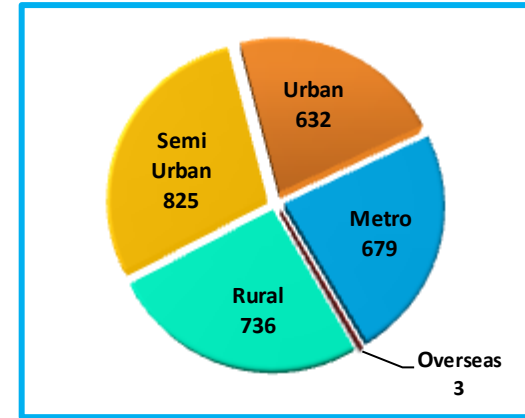
Business Network



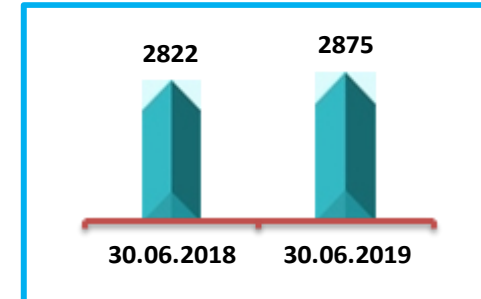
Region wise



Population Group wise



Growth – in Branch Network (Global)



igital Products for igital India



Cash @ POS Facility

Cash Withdrawal facility at Bank's POS terminals using Debit/Prepaid cards.



M- SIP

Merchants Software Integrated POS for collection of payments



Mandate Collect

ECS Mandate for utility payments



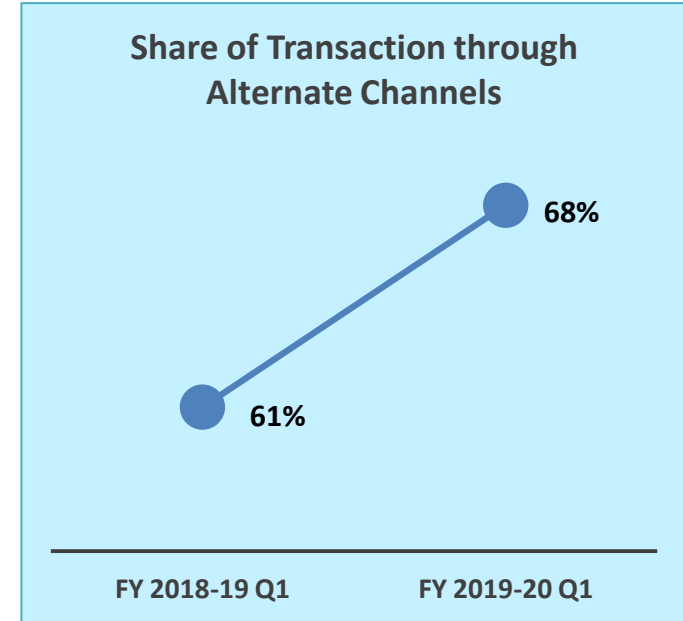
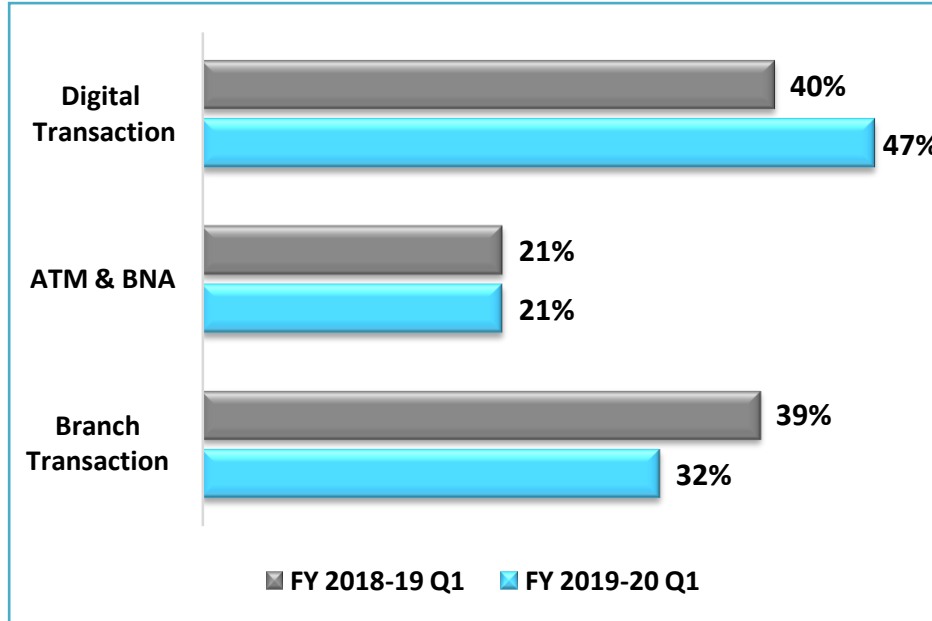
UPI Collect

Merchant Payment integration module through Bank's UPI for collection of fees and other Charges

Migration to Digital Channels



 Digital Products for  Digital India



Transactions at Branch Counters  7%

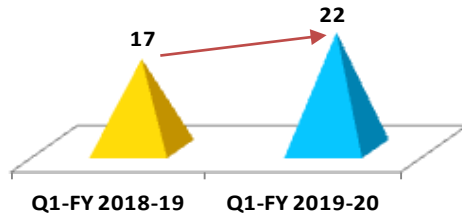
Transactions through Digital Channels  7%



Net Banking

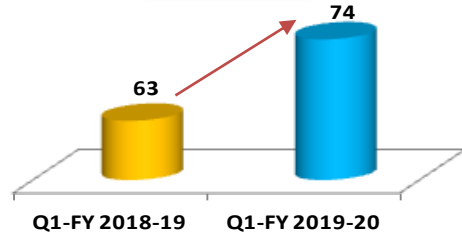
Net Banking Users

YoY 26%



Net Banking Transactions

YoY 16%

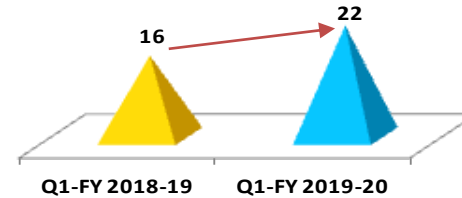


in lakhs

Mobile Banking

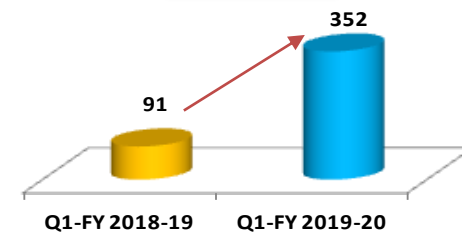
Mobile Banking Users

YoY 40%



Mobile Banking Transactions

YoY 289%



Net EASE - Facilitating ease of customer operations under single Net Banking portal



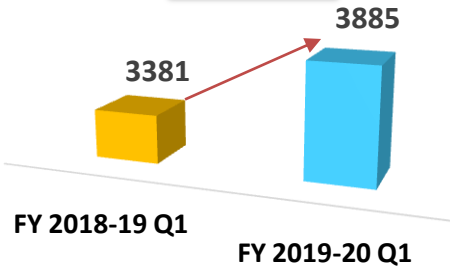
5th highest Mobile Banking transactions among all PSU Banks in India

Digital Footprint – Performance under 24*7 Banking



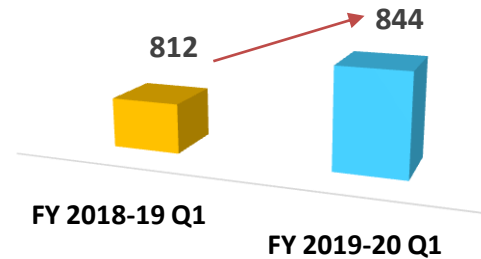
No. of ATM and BNAs

YoY 15%



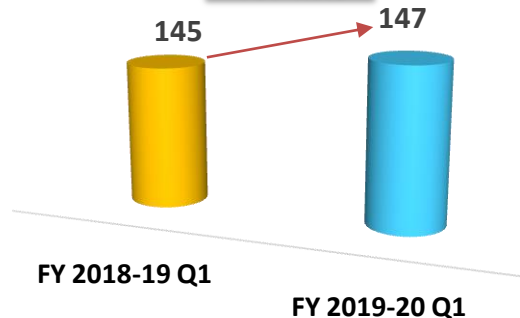
No of ATM Transactions(in lakhs)

YoY 4%



POS/e-Com Transactions

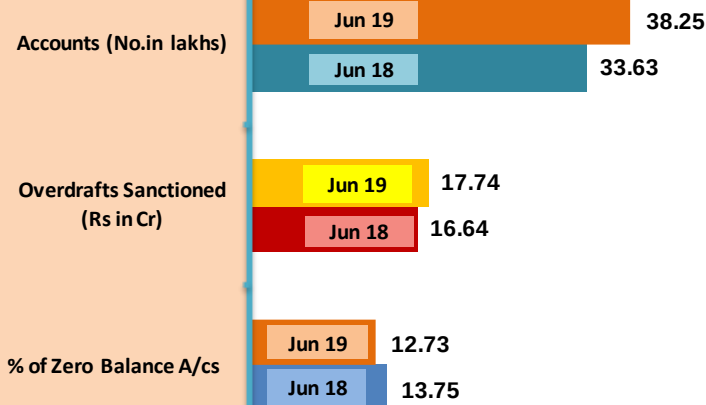
YoY 1.3%



Number of Debit Cards as on 30.06.2019
147.60 Lakh

- Highest RuPay platinum card issuer among all banks in India.
- 100% Debit cards migrated to EMV
- Enabled 95% of Bank's ATM to accept EMV cards.

Financial Inclusion – Performance under PMJDY



14% increase in
number of accounts

8% reduction in
number of zero
balance accounts



26% increase in the
amount of deposits

Government Schemes



**PRADHAN MANTRI
SURAKSHA BIMA
YOJANA**

**23.02 lakh
Policies**



**PRADHAN MANTRI
JEEVAN JYOTHI
BIMA YOJANA**

**10.18 lakh
Policies**



MUDRA

**Disbursement
₹414.64 Cr in
24887 accounts
(Q1 FY19-20)**



**ATAL PENSION
YOJANA**

**6.18 lakh
enrolments
Persistency
Ratio 72%**



**PSB Loans in 59
Minutes**

**₹146.52 Cr
sanctioned in
390 accounts
(Q1 FY19-20)**



Awards & Accolades



Financial Express

**FE India's Best Bank
2017-18
Nationalised Bank
category**



Reader's Digest

**Voted as a
'Trusted Bank'
in the Nationalised
Banks
Category
April 2019**



NABARD

**First
among PSBs for
Excellence in
performance under
"SHG Bank Linkage
Programme"
in Tamil Nadu –
2018-19**



Business World

**2nd Runner-up
in Mid-Size Bank
Category at
Magna Awards 2019
for Best Banks**



Disclaimer



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Except for the historical information contained herein, statements in this release which contain words or phrases such as “will”, “aim”, “will likely result”, “would”, “believe”, “may”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “strategy”, “philosophy”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions may constitute “forward-looking statements”.

These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion, the adequacy of our allowance for credit losses, our provisioning policies, technological changes, investment income, cash flow projections, our exposure to market risks as well as other risks. Indian Bank undertakes no obligation to update the forward-looking statements to reflect events or circumstances after the date thereof.

Note: All financial numbers in the presentation are from Audited Financials or Limited Reviewed financials or based on Management estimates.



Thank you