

इण्डियन ओवरसीज़ बैंक  
Indian Overseas Bank

*Good People to Grow With*

*Touching Hearts Spreading Smiles*

*since 1937*

*Presentation to Analysts*  
*September 2013*  
*(in INR)*



*75 Years of Quiet & Dignified Service to the Society*

*Good People to Grow With*

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**FIRST 50 YEARS**

1937	Opening of Bank Branch simultaneously in India & Abroad
1938	Opening Branch in Kuala Lumpur
1941	Opening Branch in Singapore
1945	Opening Branch in Colombo
1955	Opening Branch in Hong Kong
1957	Bank established its own training centre
1960s	Was a decade of inorganic expansion for the Bank. The Bank took over: The Coimbatore Standard Bank Ltd., The Nanjinnad Bank Ltd., The Coimbatore Vasunthara Bank Ltd., The Kulitalai Bank Ltd., The Srinivasaperumal Bank and The Venkateswara Bank
1964	Inauguration of IOB's Head Office in Mount Road – A monument of highest banking tradition
1969	Nationalisation of the Bank
1973	Formation of United Asian Bank Berhad (Indian Bank / IOB / United Commercial Bank)
1974	Official Language Department established in 1974
1977	Bank opened its Tsim Tsa Tsui Branch at Kowloon side of Hongkong
1984	1000 <sup>th</sup> branch – Commercial & Industrial Credit – opened
1990	Took over Bank of Tamilnad
1991	Bank moved its Staff College premises to a own spacious learning zone at Koyambedu
1996	Banks profit reached INR 100 cr. For the first time

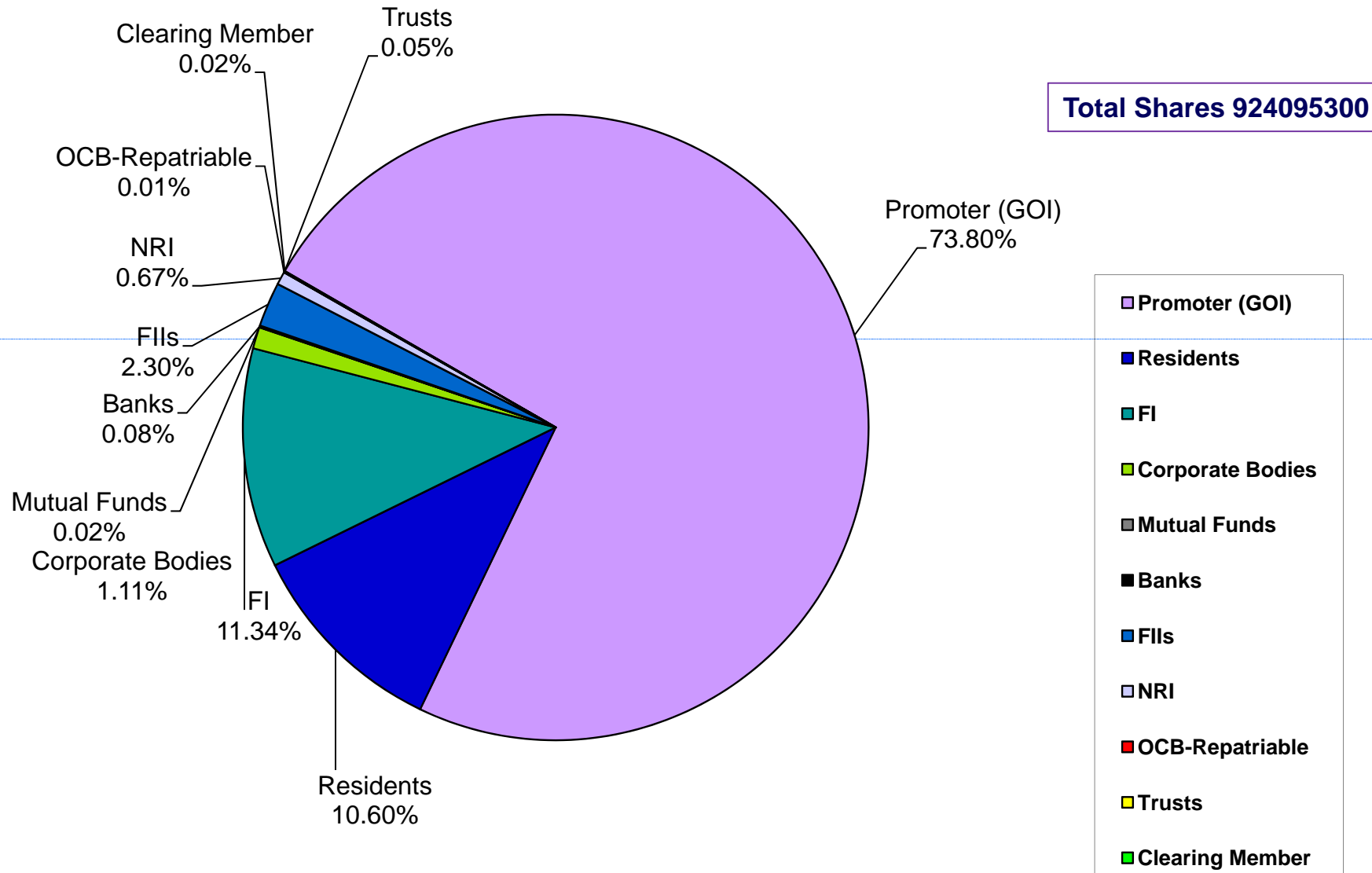


# Milestones - IOB Young at 75 Years

## NEXT 25 YEARS

2000	Initial Public Offer. Follow on Public Offer in 2003
2005	Launched Debit Card
2006	Launched VISA card, Retail Sale of Gold and Non Life Joint Insurance
	Bank reached INR 1 lac crore mark in Total Business
2006-07	Net Profit reached INR 1000 Cr.; Bharat Overseas Bank Ltd. was merged with IOB
2007	First Off site ATM at Kamatchi Hospital, Chennai
2009	100% CBS
2010	2000 <sup>th</sup> Branch - Yamuna Vihar, New Delhi - opened
2011-12	No. of Branches in Tamil Nadu reached One Thousand
2011-12	IOB celebrated Platinum Jubilee
2012-13	Total Deposit reached INR 2,02,135 cr.; Total Advances reached INR 1,64,366 cr.
	Total Business Mix is at INR 3,66,501 cr.
2012-13	Total No. of Branches as on 31.03.2013 is 2908
2012-13	Received National Award For Excellence in MSME Lending and for outstanding performance for implementing PMEGP programme in South Zone.
2012-13	Received BANKERS' EXCELLENCE AWARD from <u>ROTARY INTERNATIONAL, USA</u>
2013-14	3000 <sup>th</sup> Branch Vaniangudi opened on 17.8.2013 by Hon. Finance Minister
	IOB adjudged Best Public Sector Bank in Priority Sector Lending by Dun & Bradstreet.
	IOB's Official Facebook launched by our CMD.
	The New Indian Express and Sunday Standard's Best Bankers' Award presented to IOB
	Agriculture Leadership Award 2013 conferred to our Bank

# Investor Profile – Shareholding Pattern (%) as on 30.09.2013



# Global Footprints – Foreign Branches of the Bank

Branches	Representative Office	J V Subsidiary	Remittance Centres
❖ Singapore	❖ Guangzhou – China	❖ Malaysia	❖ Singapore - Serangoon Road
❖ Hong Kong Main	❖ Vietnam		❖ Singapore - Boon Lay
❖ Hong Kong TST	❖ Dubai		
❖ Colombo			
❖ Bambalapitiya			
❖ Seoul			
❖ Bangkok			

- Malaysia: Joint Venture with Bank of Baroda and Andhra Bank
- During February 2013, Bank has obtained RBI permission for opening a branch at Sukhumvit, Bangkok .
- EC at Colombo has been upgraded into a branch during August 2013
- Ministry of Finance, Government of India has allocated the following overseas centres for opening of overseas JV/WOS by the Bank. 1.Thailand,2.Vietnam,3.Mongolia,4.Srilanka and 5.Republic of Korea.

# Strategic Investments - Joint Ventures

- IOB entered into Non Life Insurance Business with Universal Sompo General Insurance (USGI) Company Limited with equity participation of 19% along with the Following Banks and Institutions

Joint venture Equity Contributors	%	INR Crs
Allahabad Bank	30	105.00
Indian Overseas Bank	19	66.50
Karnataka Bank	15	52.50
Dabur Investments	10	35.00
Universal Sompo Insurance Inc	26	91.00
<b>Total</b>		<b>350.00</b>

- The Company has entered into Bancassurance tie ups with Allahabad Bank, IOB and Karnataka Bank.
- Our Bank has entered into Corporate Agency arrangements with effect from 20.12.08 for distribution of USGI products
- Bank earned net commission of INR 1.31 crores up to 30.09.2013 compared to INR 1.04 crores up to 30.09.2012 from Health Care Policies
- During the current year up to 30.09.2013, the Bank earned commission from Non Life Sompo (Asset) insurance INR 4.43 crores compared to INR 4.07 crores up to 30.09.2012.

# Credit Rating – International & Domestic

Rating Agency	Rating	
Standard and Poor	BBB- / Negative / A-3	BBB- Adequate capacity to meet its financial commitments A-3 Adequate capacity to meet its financial obligations
CRISIL	AA / Stable for Lower Tier II Bonds. AA / Negative for Tier I Perpetual Bonds and upper Tier II Bonds. A1 +ve for Certificate of Deposits	High Safety
ICRA	AA+ Lower Tier II Bonds/Outlook Negative	LAA+ High credit quality Low credit risk
CARE	AA+ Lower Tier II Bonds	AA+ 1)ownership by Government of India & Support from GOI 2)IOB's large scale operations 3)Adequate capitalisation 4) Healthy resources 5)Ability to improve spreads
ICRA	AA upper Tier II & Perpetual Tier I/Outlook Negative	LAA High credit quality & Low Credit Risk
CARE	AA upper Tier II	AA High safety for timely servicing of debt obligations Very low credit risk
Moody	Baa 3/Outlook Negative	Moderate Credit Risk

- ④ Business touched INR 3,89,005 Crores ( **YoY Growth 13.58%**)
- ④ Deposits stood at INR 2,12,705 Crores (**YoY Growth 12.47%**)
- ④ CASA stood at 25.37 %
- ④ Advances is INR 1,76,300 Crores (**YoY Growth 14.93%**)
- ④ Operating Profit for H1 is INR 1845.42 Crores (**YOY Growth 11.59%**)
- ④ Net Profit for H1 stands at INR 258.34 Crores
- ④ Provision Coverage Ratio stood at 59.34%



- **Awards and Accolades :**
- **During the current year, our Bank was awarded two Skoch Order of Merit for India's Best in SMART Governance and Digital Inclusion Awards. One for Paperless Board- Step towards Green Initiative and other for High Availability of WAN.**
- **Initiatives taken**
- **Core Banking, Internet Banking Software is developed in house**
- Our CBS software 'CROWN' implemented in both RRBs sponsored by the BANK. All branches are enabled for NEFT/RTGS. NEFT is implemented in both RRBs.
- Now as per the Ministry guidelines we are moving to the COTS CBS Model at par with all banks. Accordingly, an RFP was floated for appointment of consultant and M/S Ernst & Young was selected as the consultant for CBS Migration. They have commenced work of studying the existing setup of our Bank CBS and discussions with various departments about the functionalities and submitted a draft RFP for selection of System Integrator for our discussion and validation.
- Our Information Technology Department is ISO:9001:2008 certified.
- All the Overseas branches under a common CBS platform-MIDAS PLUS Core Banking Software of M/S Misys Ltd., under HUB and SPOKES Model, with the HUB at Singapore. At present, Singapore, Bangkok and Sri Lanka branches are brought under Midas Plus CBS software.
- **Alternate Delivery Channels :**
- As on 30.09.2013 our Bank has 2149 ATMs spread across the country, of which 1358 are onsite, 791 ATMs are off-site of which 43 are at various Railway stations. Our bank is a member of NPCI and VISA consortiums. The average number of ATM transactions per ATM per day is 70. Under the new GOI directives, a common RFP was floated for selection of vendors for ATM deployment and maintenance. We have installed 519 cash dispensers under the new RFP, as at the end of September 2013.



- **Internet Banking** : Bank has home-grown internet Banking suite, which has contemporary offerings; Opening of Term Deposits, Funds Transfer using RTGS through Internet Banking have been enabled.
- E-PAYMENT OF following state VAT has been made online.
- i)Lucknow, ii)Delhi, iii)Maharashtra (GRAS) (Multi Dept. Portal), iv) Pondichery, v)Karnataka, vi) Andhra Pradesh, vii) Tamilnadu, viii) Jharkhand and ix) West Bengal which ensures float funds for the Bank.
- E-payment of West Bengal GRIPS (Govt. Receipt Portal System) for collection of Tax and Non-Tax revenue systems such as Professional Tax, Land and Land reforms, Registration and Stamp Revenue, Excise, Commercial Taxes, VAT, Motor Vehicle Tax etc., are made online. Ours is the first Bank to provide this service in West Bengal.
- Payment of port charges has been enabled for Chennai and Tuticorin Ports which ensures float funds for the Bank.
- Multiple scheduling of payments to SB/CDCC/RD/ loan accounts on the lines of branches has been introduced in internet banking. This is a unique feature and not available in most banks
- E-Accounting system for electronic remittance to customs by Importers is enabled through our Internet Banking.
- Average number of registrations per month during 2013-14 is 11236 and the cumulative registrations upto September 2013 is 5,35,474.
- **Payment Gateway** : Payment Gateway for payment of utility bills like mobile payment, insurance premium, other banks' credit cards, telephone bill payments etc., using debit cards has been implemented. Loyola College, Chennai, Madras Christian College, Amet University and TN MGR Medical University has been brought under payment gateway with netbanking, debit and credit cards and other bank VISA cards for payment of college fees. The average number of transactions per month during 2013-14 is 48761.





- **Mobile Banking** : Our Mobile banking enables funds transfer between accounts, payment of credit card dues, booking of air and movie tickets, payments to post paid mobiles / DTH, suspension of ATM/Debit cards and demat services in addition to the query services like transaction status, balance enquiry in SB, deposit and Loan accounts. ATM and branch locators are also enabled.
- The cumulative number of accounts registered since inception is 27,540 and 1,34,868 transactions have been put through. We have launched mobile android app for displaying our branch products. It also has ATM/branch locator. Customer complaint through Mobile implemented.
- Online opening of Savings Bank accounts and Deposit has been enabled through our website [www.ioib.in](http://www.ioib.in).
- **Infrastructure Space**
- Our Bank is the first bank to establish 3 Data Centres setup to ensure Zero data loss among the Public Sector Banks.
- Our Bank has provided alternate connectivity to all our Data Centres and also to the branches wherever feasible through alternate service providers/medium.
- Connectivity for Ultra Small Branches is provided through a VAN based broadband 3G modem/ Datacards. 420 branches in 32 Regional Offices started using data cards.
- **Product Space**
- With a view to increase Security, Biometric solutions were procured and implemented across all our branches facilitating foolproof operational safety at all our branches. The solution envisages capturing biometric information of all CBS branch users storing the same in a database and authenticating the user every time he logs into the CBS. **We are one of the first bank to implement biometric authentication successfully.**
- **GENNEXT** Branch to cater to the needs of techsavvy younger generation of customers has been opened in Chennai, Bangalore and Manipal.



- **CTS** : Cheque truncation system has been implemented in 28 regions covering 808 branches upto September 2013.
- **Aadhar** registration through our branches has been enabled. Aadhar Bridge payments have also been enabled.
- **Financial Inclusion Project** : Our Financial inclusion application enables funds transfer, deposits and remittances towards advances in real time and it is also interoperable enabling any customer to transact through any Business Correspondent.
- e-BRC (e bills realization certificates) for Director General of Foreign Trade is being uploaded directly from the system.
- **Online Loan Processing** : Upgradation of RAM Rating facility from CRISIL alongwith integration of Loan Appraisal Software has been implemented.
- **City Back Office** : For centralized opening of accounts and centralized processing of inward clearing, so far 37 CBOs have been opened as on September 2013 for processing of inward clearing cheques.
- **Central Plan Schemes Monitoring System (CPSMS)** : CPSMS is a project initiated by Department of Expenditure, Ministry of Finance, Government of India, primarily to track the disbursement of funds to the ultimate beneficiaries. Our Software for processing and accepting these funds through our Bank is already in place.
- **GePG** (Government E-Payment Gateway) has been implemented to disburse bulk payments from Central Government departments to Central Govt. employees/vendors through our bank's NEFT platform.



- Our Bank has 490 POS terminals installed till September 2013 and number of monthly average POS transactions upto September 2013 is 12605 and average monthly amount of transaction is Rs.1.42 crores. The POS transactions using our debit cards have been 3.81 lacs average per month and average amount of POS transactions using our Debit cards is Rs.68.24 cr. Per month.
- Our Bank has introduced e-kiosks and installed 102 kiosks in branches and ATMs.
- We have launched VISA International Gold/Platinum/Signature cards for high net worth customers and have so far issued more than 3000 such cards to our customers.
- We have also launched Kisan debit cards to our agricultural customers to enable them to draw the loan proceeds through ATMs. We have as at the end of September issued more than 105000 cards to various customers.
- Student cards have also been introduced and so far issued more than 1,26,000 cards.
- Corporate connectivity has been introduced with SAP-ERP solution, which enables corporate to reconcile online, authorize on-line transfer of funds, e-presentment of bills, on-line trade finance etc., The Pilot run has been completed.
- We are the only Nationalised Bank to collect Chennai Corporate tax across counters.
- We have introduced direct remittance facility at our overseas branches.
- **Data Warehousing** : Data relating to 12 years have been ware-housed and moved to Oracle-Essbase.
- **Business Intelligence** : We have introduced Oracle-Business Intelligence Suite, reportedly first Bank to do so, which gives interactive Dash Boards, alerts, analytics etc., Many returns have been generated using BI tool to reduce the work load of the branches.



- **Other Initiatives :**
- **IT Governance Initiatives :**
- **IT Organization Structure :** For effective IT Governance, a Board level IT Strategy Committee and a Top Management level IT Steering Committee have been formed in addition to the existing IT security Committee headed by the Executive Director of the Bank and an IT Technology Committee with external consultant from IIT, Chennai.
- Policies like Information Security Policy, IT Outsourcing Policy, IT Purchase Policy and Manual , Disaster Recovery and Business Continuity Plan, IS Audit Policy, Data Archival Policy, Data Retention Policy and Data Ownership Policy have been put in place.
- **Knowledge Portal :**
- A knowledge Management Kit is deployed in our Bank's intranet which facilitates all employees to have direct access to all latest RBI guidelines / Circulars, important enactments, Court Judgement etc., Many public websites are also linked to through portal.
- **Green Initiatives :**
- **Paperless Banking Initiatives :** As a step towards paperless banking initiative, we have implemented Microsoft SharePoint which enables the members to access the Agenda papers through their IPADs using Wi-Fi. All agenda papers are ported on the website and no notes need be carried by the members.
- We have provided IP telephones which has effectively cut down our Phone Bills.

- RTGS/NEFT implemented in all branches. Straight Thru Processing introduced. Account number based credit is given.
- NEFT implemented in both RRBs sponsored by the Bank.
- The Bank has been taking various initiatives towards saving precious natural resources and energy by adopting the latest technological advances. Video Conferencing is very widely used – both for Top Management level meetings / promotion interviews / performance reviews and for virtual classrooms.
- Payment made by the Bank to its various vendors are effected electronically.
- Microsoft Lync services are being implemented for select users across the country. This will enable IM Chat, VOIP and will be integrated with MS Exchange. 3489 Lync Client configured in CO, ROs and Branches. STC Chennai and STC Madurai were also provided with Lync facility. The same will be extended to all STCs.
- SCCM (System Center Configuration Manager) is to be installed in all the PCs, which are joined to Domain through Active Directory. After joining the AD, this will update the Windows patches automatically. So far 8432 agents installed.
- In order to secure the PCs, latest patches of Symantec End Point Protection (antivirus) is being updated. So far 11122 PCs covering 59 regions were completed.
- All staff members can submit Asset Liability Statement & Annual Performance Appraisal report (APAR) online as registered login users provided in the bank's intranet.
- Leave Online Module for supervisory employees has been made online in CHRIS package on pilot basis for PAD, IRD, HRDD and ITD. On stabilization it will be extended to others.

- Telephone and mobile bills at Central Office are reimbursed through online application utility ported in the bank's intranet.
- **How the initiative contributed to the success of the organization :**
- Developing software in-house resulted in perfect alignment of business and IT aspirations, reduced cost, increased agility and nimble footedness and the all-important flavour of domain knowledge.
- 3 Data Centres has revolutionalized the BCP-DR readiness of the bank.
- Apart from introducing network redundancy, this has given us double-bandwidth at half the cost, because of the competition.
- The excess bandwidth has been tapped to introduce Video Conferencing and IP – Video / Audio telephony thereby enhancing reach, at reduced cost. Since, IP telephony is introduced to 3 of our overseas branches, the benefit is absolute.
- Bank has all the products in its repertoire, as USP for the Bank.
- Business Intelligence has enhanced the quality in Decision Making. Our Bank's implementation of Business Intelligence application has been awarded the Skoch Digital Inclusion Gold Award during September 2012.
- **IT Security :**
- Information System Security Policy conforms to ISO Standards.

# Major Business Parameters

Quarter ending

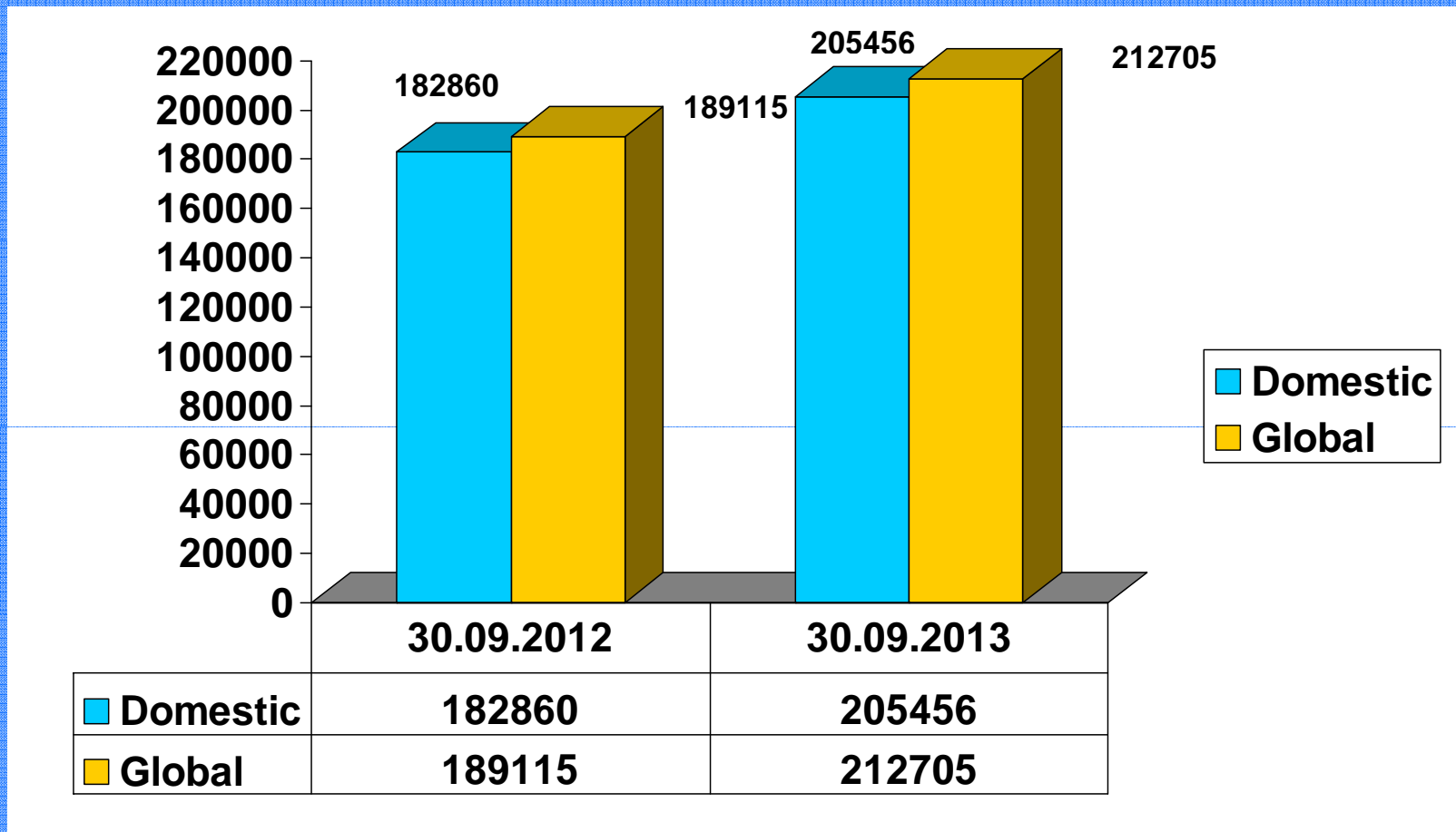
INR Crs

Key performance indicators	Sep 2012	Dec 2012	Mar 2013	Jun 2013	Sep 2013
Business Mix	3,42,508	3,43,186	3,66,501	3,63,087	3,89,005
Deposits	1,89,115	1,85,573	2,02,135	1,96,213	2,12,705
Advances (Gross)	1,53,393	1,57,613	1,64,366	1,66,874	1,76,300
Operating Profit	807	1,017	1,146	1,054	791
Net Profit	158	116	59	126	133
NIM (%)	2.33	2.51	2.30	2.24	2.39
Gross NPA	5,930	6,516	6,608	7,432	8,202
Net NPA	3,378	3,595	4,027	4,580	4,875
Return on Assets (%)	0.27	0.19	0.09	0.19	0.20
Return on Equity (%)	6.32	4.62	2.23	4.61	4.79
Book Value (INR)	125.79	127.25	117.68	119.05	120.48



# Deposits

INR Crs

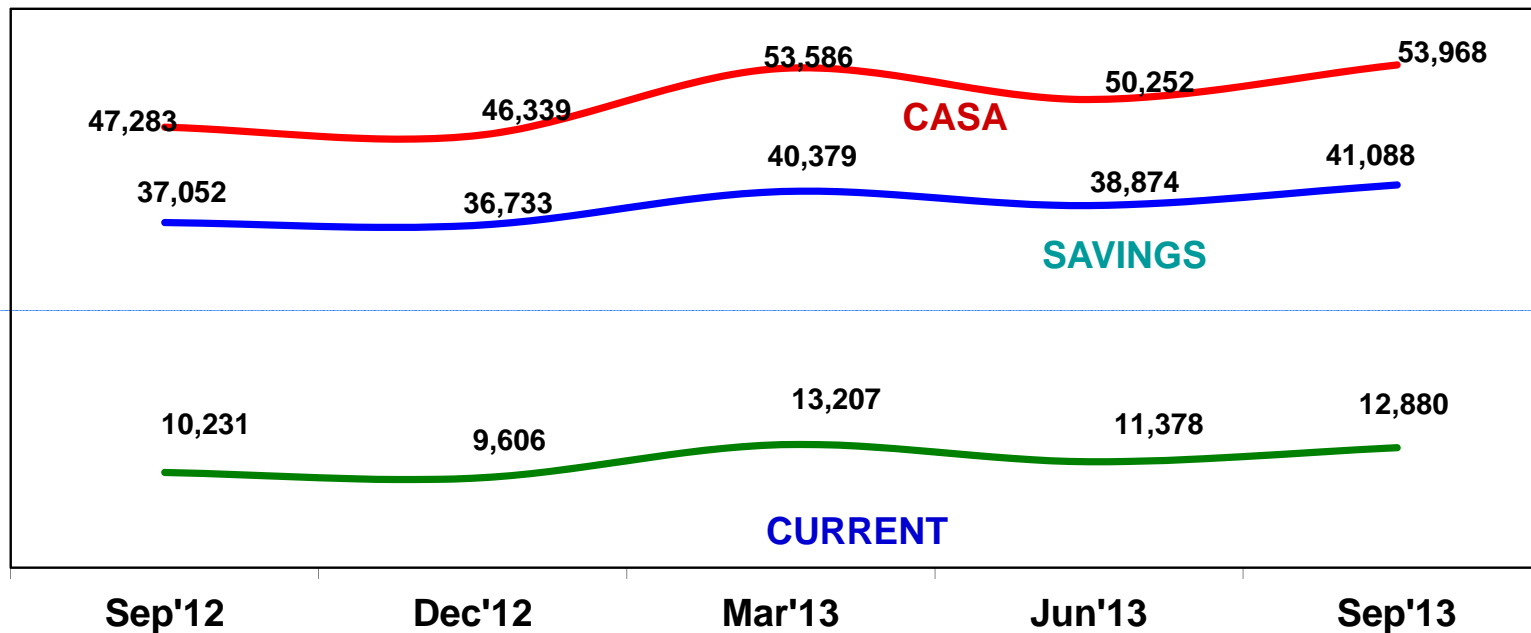


<p><b>Domestic Deposits</b> ❖ Y-o-Y Growth:12.36%</p>	<p><b>Global Deposits</b> ❖ Y-o-Y Growth:12.47%</p>
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# Deposits - CASA

INR Crs



## Current Deposits

❖ Y-o-Y Growth:25.89%

## Savings Bank

❖ Y-o-Y Growth:10.89%

## CASA

❖ Y-o-Y Growth:14.14%

## Share of CASA to Aggregate Deposits

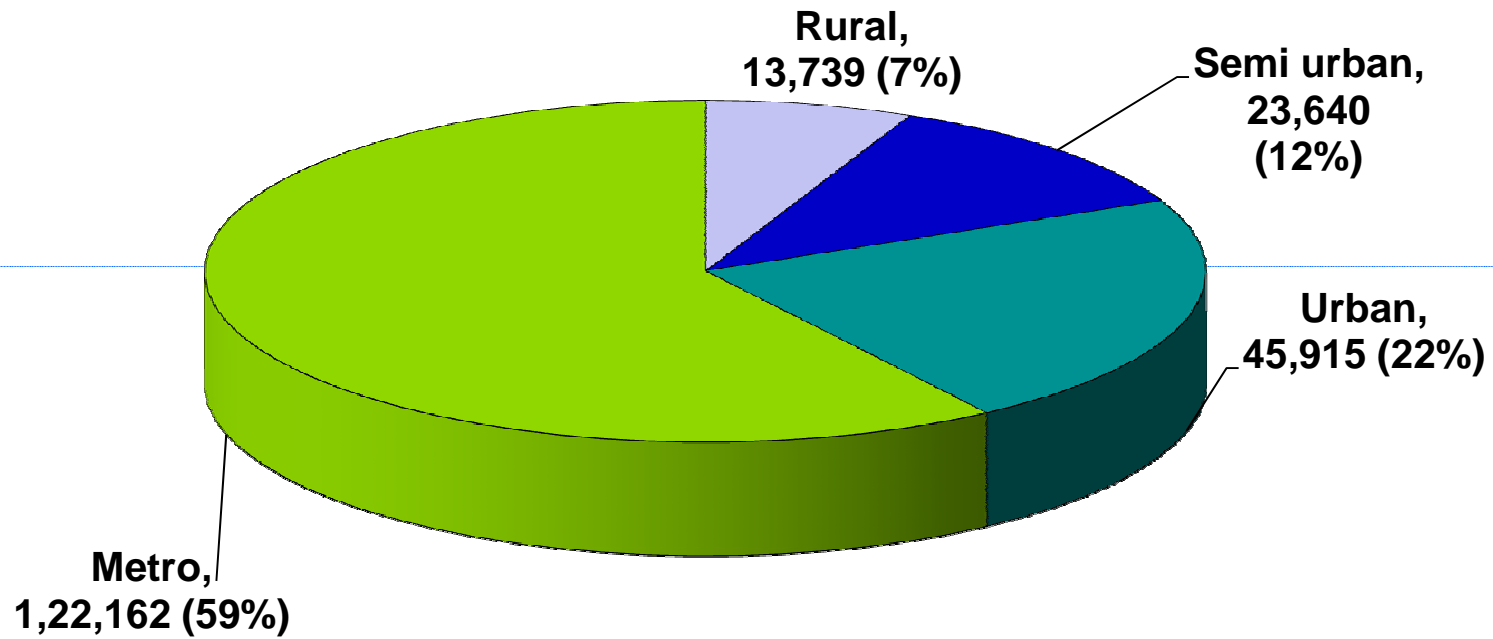
Sep'12: 25.00%

Sep'13 :25.37%

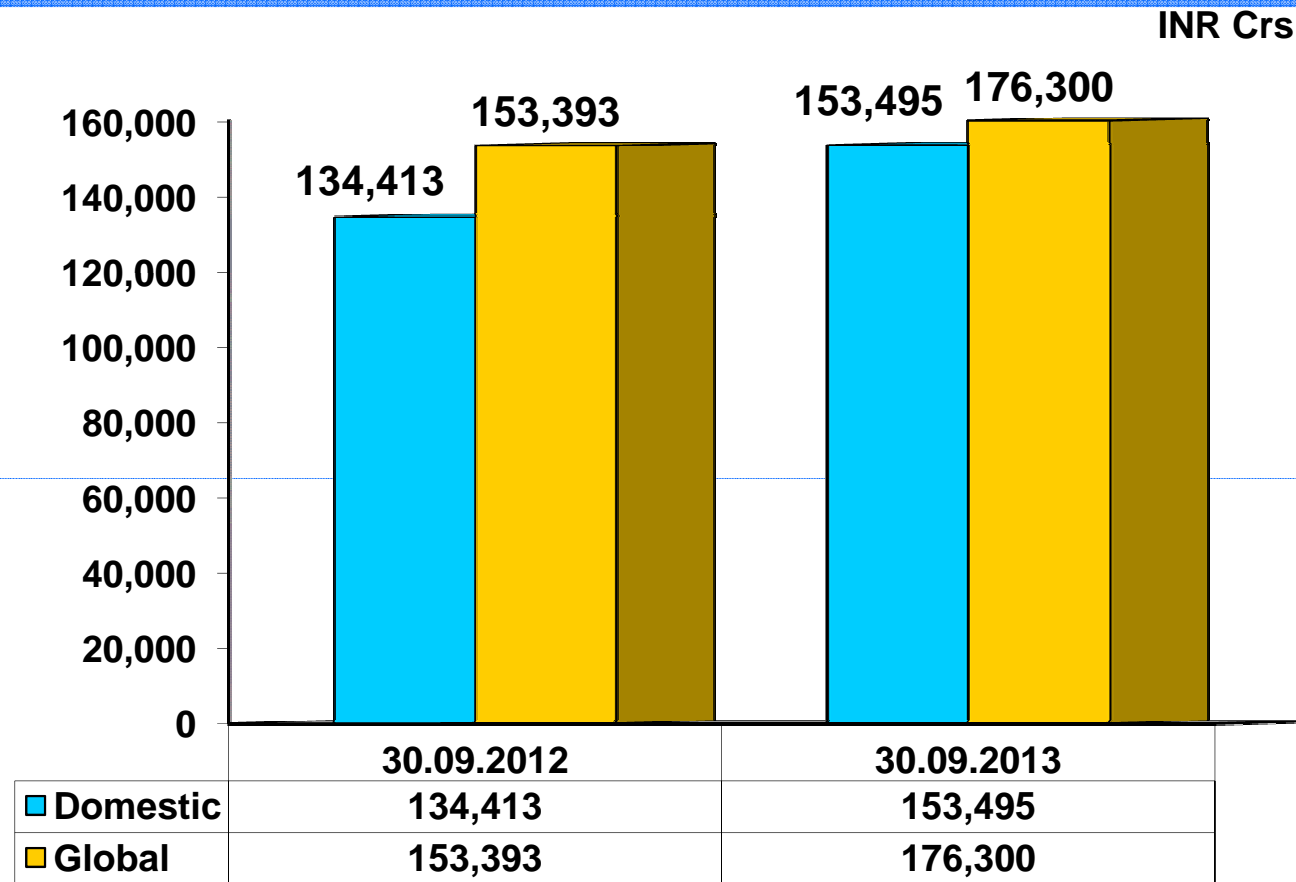
# Domestic Deposit-Category Wise



Sep 2013 INR Crs



# Gross Advances



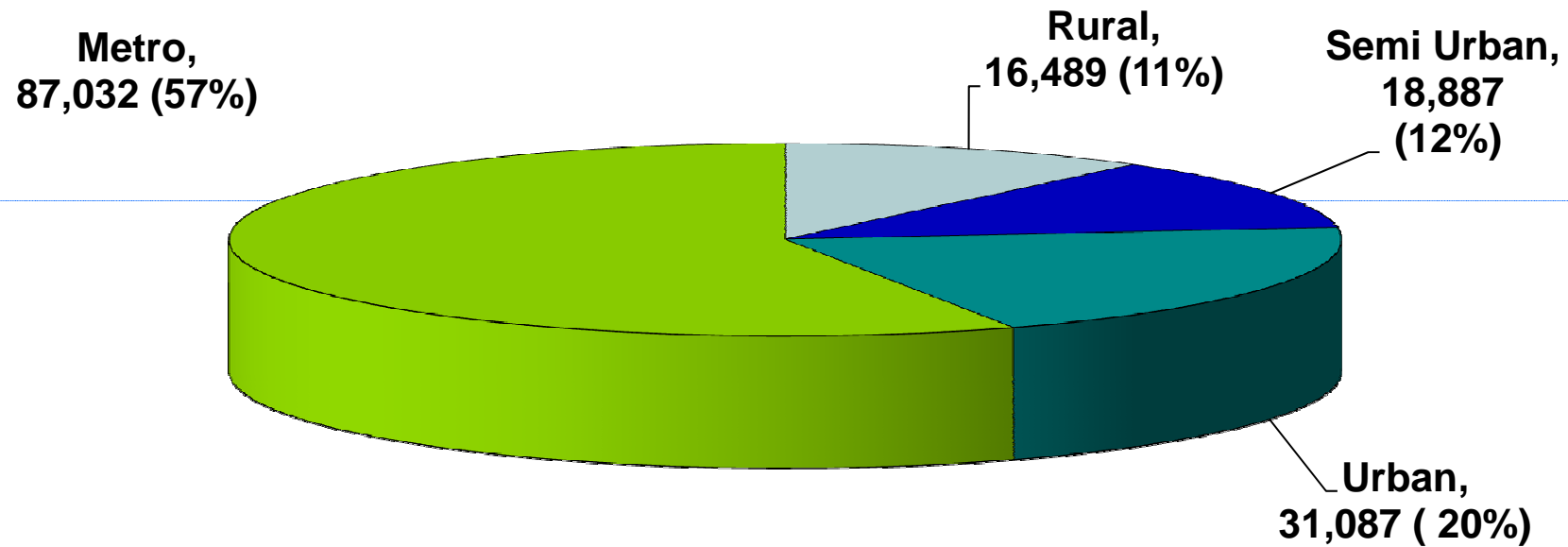
**Domestic Advances**  
❖ Y-o-Y Growth:14.20%

**Global Advances**  
❖ Y-o-Y Growth:14.93%

# Domestic Advances-Category Wise

Sep 2013

INR Crs



# Key Sectors (Domestic Credits)

INR Crs

Sector	Sep 2012	Mar 2013	Sep 2013
<b>1.Agriculture</b>	21,174	23,393	23,415
<b>2.SME</b>	16,135	19,976	20,080
of which <b>Micro</b>	6,297	8,342	8,195
<b>3.Retail Credit</b>	10,308	15,060	16,824

# Retail Credit (Breakup)

INR Crs

Sector	Sep 2012	Mar 2013	Sep 2013
<b>Retail Credit</b>	<b>10,308</b>	<b>15,060</b>	<b>16,824</b>
<b>Of which</b>			
- Housing Loans	4,638	5,041	5,479
- Misc.CC	1,178	1,320	1,276
- Pushpaka	708	782	864
- Educational Loan	2,807	2,978	3,323
- Others	977	1,008	1,070
<b>Jewel Loan to Others</b>	-	3,931	4,812

Jewel Loan to Others portfolio included in Retail Credit from 2<sup>nd</sup> Half of 2012-13

# Advances to Sensitive Sectors - Domestic



(FUND + NON FUND)

INR Crs

Sector	Sep 2012	Mar 2013	Sep 2013
CAPITAL MARKET	1,121	1,034	881
REAL ESTATE	17,527	17,599	18,943
of which			
HOUSING LOAN *	5,121	5,658	5,992
COMMERCIAL REAL ESTATE	7,877	7,548	8,449
OTHERS (DIRECT & INDIRECT)	4,529	4,393	4,502

\* Includes Non-Priority Housing Loans

# Overseas Advances - Breakup

INR Crs

	Sep 2012	Mar 2013	Sep 2013
<b>Trade</b>	6,514	6,237	7,641
<b>Manufacturing</b>	5,106	6,269	7,038
<b>Real Estate</b>	282	288	306
<b>Buyers Credit</b>	5,082	4,895	5,415
<b>Others</b>	1,996	1,783	2,405
<b>Total</b>	<b>18,980</b>	<b>19,472</b>	<b>22,805</b>



# RESTRUCTURED ACCOUNTS (INCLUDES ALL F.B. FACILITIES OF THE BORROWER)

INR Crs

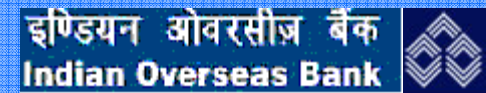
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Indian Overseas Bank



	Domestic			Foreign	Global
	> 1 crore	< 1 crore	Total		
As on 31.03.2013	14,357	155	14,512	709	15,221
Addition during Q1 of 13-14	1,035	1	1,036	80	1,116
Less: Repayment in Restructured A/Cs	2,478	28	2,506	0	2,506
As on 30.06.2013	12,914	128	13,042	789	13,831
Addition during Q2 of 13-14	1,174	2	1,176	154	1,330
Less: Repayment in Restructured A/Cs	1,984	59	2,043	0.00	2,043
As on 30.09.2013	12,104	71	12,175	943	13,118

# Restructured Accounts Outstanding Position As On 30.09.2013

INR Crs



Sector	30.09.2013 Accounts	30.09.2013 Amount	30.09.2013 %
Chemical & Pharma	4	102	0.78
Sugar	5	70	0.53
Textile	13	340	2.59
Rubber & Plastics	-	-	
Iron & Steel	23	1409	10.74
Auto & Ancillary	3	325	2.48
Paper	5	416	3.17
Glass	1	76	0.58
Engineering	11	866	6.60
Telecom	4	1019	7.77
Food Processing	2	236	1.80
Power	21	2871	21.89
Airways	1	903	6.88
Petroleum	-	-	
Entertainment & Media			
Electronic & Software	1	27	0.21
Cement	1	84	0.64
Logistics	1	79	0.60
Other industries	15	274	2.09
<b>Sub Total</b>	<b>111</b>	<b>9097</b>	

Contd.....



Sector	30.09.2013 Accounts	30.09.2013 Amount	30.09.2013 %
Sub Total	111	9097	
SME	243	556	4.24
Micro Finance	9	139	1.06
Infrastructure	18	882	6.72
Comm. Real Estate(CRE)	5	356	2.71
Trade	44	1341	10.22
Agriculture	621	266	2.03
HL/EDU/Others	671	53	0.40
Real Estate (other than CRE)	4	428	3.26
<b>GRAND TOTAL</b>	<b>1726</b>	<b>13118</b>	

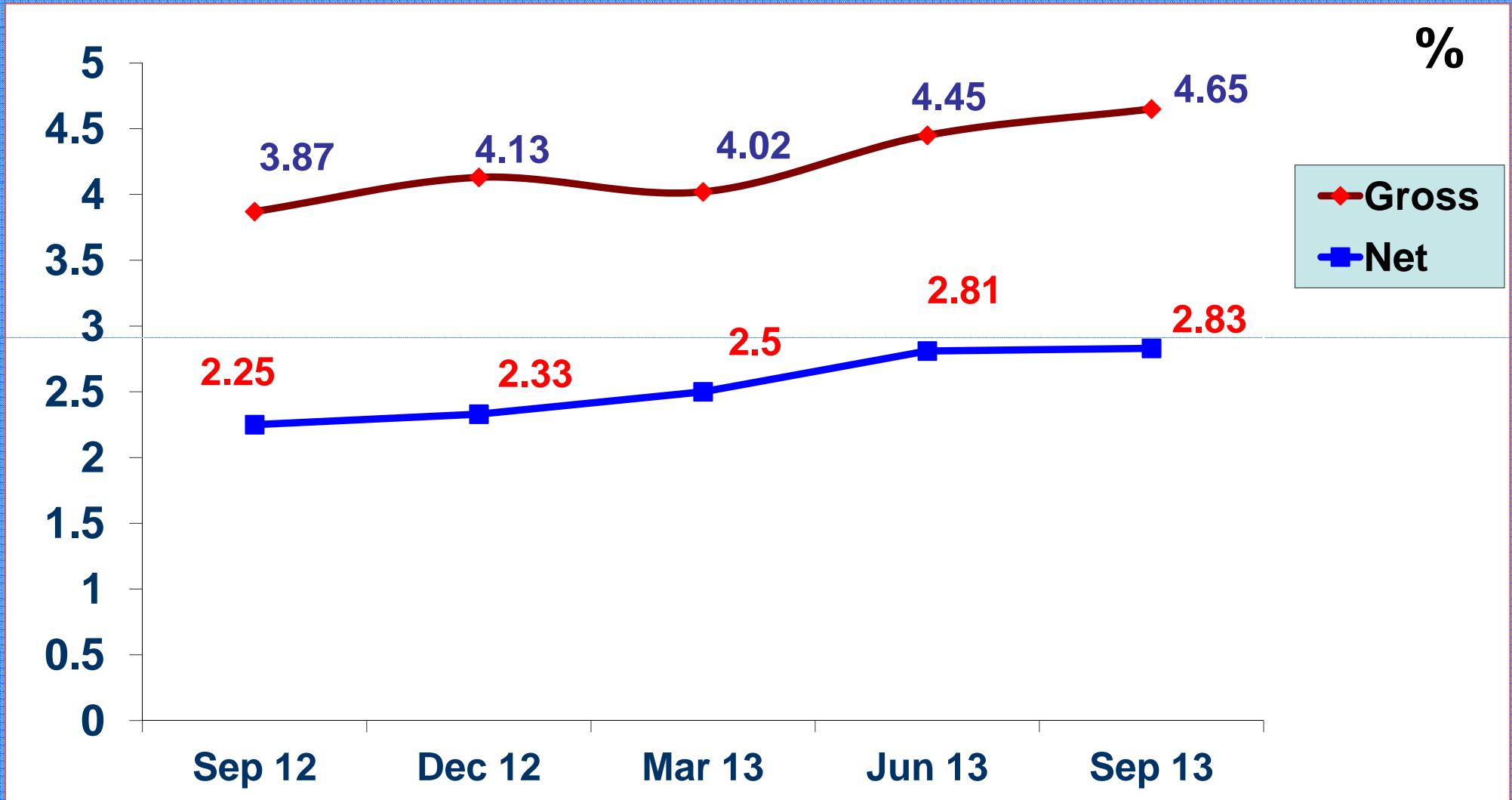
## Asset Classification wise details of Restructured Accounts Outstanding

Asset Classification	No. of Accounts (31.03.2013)	Amount (INR Crs) (31.03.2013)	% to Total	No. of Accounts (30.09.2013)	Amount (INR Crs) (30.09.2013)	% to Total
Standard Assets	1038	14678	96.00	1305	12024	92.00
Sub-Standard Assets	314	266	2.00	332	767	6.00
Doubtful Assets	92	277	2.00	89	327	2.00
<b>Total</b>	<b>1444</b>	<b>15221</b>		<b>1726</b>	<b>13118</b>	

### RESTRUCTURED Accounts slipped - ( INR 1 Crore & above)-Domestic

	Sep 12	Dec 12	Mar 13	Jun 13	Sep 13
No. of A/cs slipped during the quarter	9	7	13	10	20
Amount in INR Crs	173	209	152	373	344

# NPA Ratio



# NPA SEQUENTIAL MOVEMENT

INR Crs

	Sep 2012	Dec 2012	Mar 2013	Jun 2013	Sep 2013
<b>OPENING GROSS NPA</b>	4410	5930	6516	6608	7432
<b>ADD Slippages</b>	1854	1093	1788	1668	1309
<b>LESS</b>	103	199	221	198	222
Cash Recovery	70	163	324	92	302
Upgradation	161	145	1151	554	15
Write Off					
<b>Total Reduction in NPA</b>	334	507	1696	844	539
<b>Total Nettable Credits</b>	2552	2921	2581	2851	3327
<b>NPA Provision</b>	2531	2899	2558	2829	3306
<b>Other Credits</b>	21	22	23	22	21
<b>CLOSING GROSS NPA</b>	5930	6516	6608	7432	8202
<b>Net NPA</b>	3378	3595	4027	4580	4875
<b>Gross NPA Ratio</b>	3.87%	4.13%	4.02%	4.45%	4.65%
<b>Net NPA Ratio</b>	2.25%	2.33%	2.50%	2.81%	2.83%
<b>Provision Coverage Ratio</b>	58.53%	59.00%	58.89%	58.69%	59.34%
<b>NPA of Overseas Branches (included in Gross NPA above)</b>	629	606	987	1004	1137

## Sector Wise Break Up of NPAs as of 30.09.2013 (Domestic)

INR Crs

Category	NPA as of 30.09.2013	% to total Domestic NPA
Agriculture	1094.27	15.49
Industry	3895.10	55.14
Services	1680.07	23.78
Personal	394.81	5.59
Total	7064.25	100.00
Of which		
Commercial Real Estate	148.26	2.10

# NPAs-Industry Wise-Domestic

INR Crs

Sl. No	Industry	NPA as of 30.09.2013	Outstanding under each category as of 30.09.2013	% of NPA to the respective outstanding	% to the total Domestic NPA
1	Cotton Textiles/Other Textiles	837.23	3719.08	22.51	11.85
2	Iron and Steel	470.05	10678.48	4.40	6.65
3	Infrastructure	104.75	23770.55	0.44	1.48
4	Chemicals,Dyes,Paints etc.	225.22	2274.32	9.90	3.19
5	Gems and Jewellery	178.72	1096.41	16.30	2.53
6	Construction	23.16	2013.13	1.15	0.33
7	Other Metal & Metal Products	136.90	2196.94	6.23	1.94
8	Paper & Paper Products	427.01	1819.73	23.47	6.04
9	Food Processing	109.85	2431.23	4.52	1.56
10	Sugar	115.95	1016.68	11.40	1.64
	All Other Industries	1266.26	19410.03	6.52	17.92
	<b>Sub Total</b>	<b>3895.10</b>	<b>70426.58</b>	<b>5.53</b>	55.14
	Others	3169.15	83068.39	3.82	44.86
	<b>Total Domestic</b>	<b>7064.25</b>	<b>153494.97</b>	<b>4.60</b>	100.00



# Sectoral Slippages during the quarter ended 30.09.2013

Category	Amount(In Crs)
Agriculture	213
Services( Other than Commercial Real Estate)	202
Personal	114
Commercial Real Estate	0
Sub Total	529
Industry	
Other Metals	8
Gem and Jewellery	20
Leather	0
Food Processing(Other than sugar, Vegetable Oil , Vanaspathi & Tea)	1
Textile	96
Steel	83
Mining	0
Chemicals, Dyes, Drugs & Pharma	15
Paper	91
Rubber and Rubber Products	0
All Engineering/All other Industries	324
Sub Total (Industry)	638
Total Slippages - Domestic	1167
Overseas	142
Total-Global	1309

# Overseas NPAs

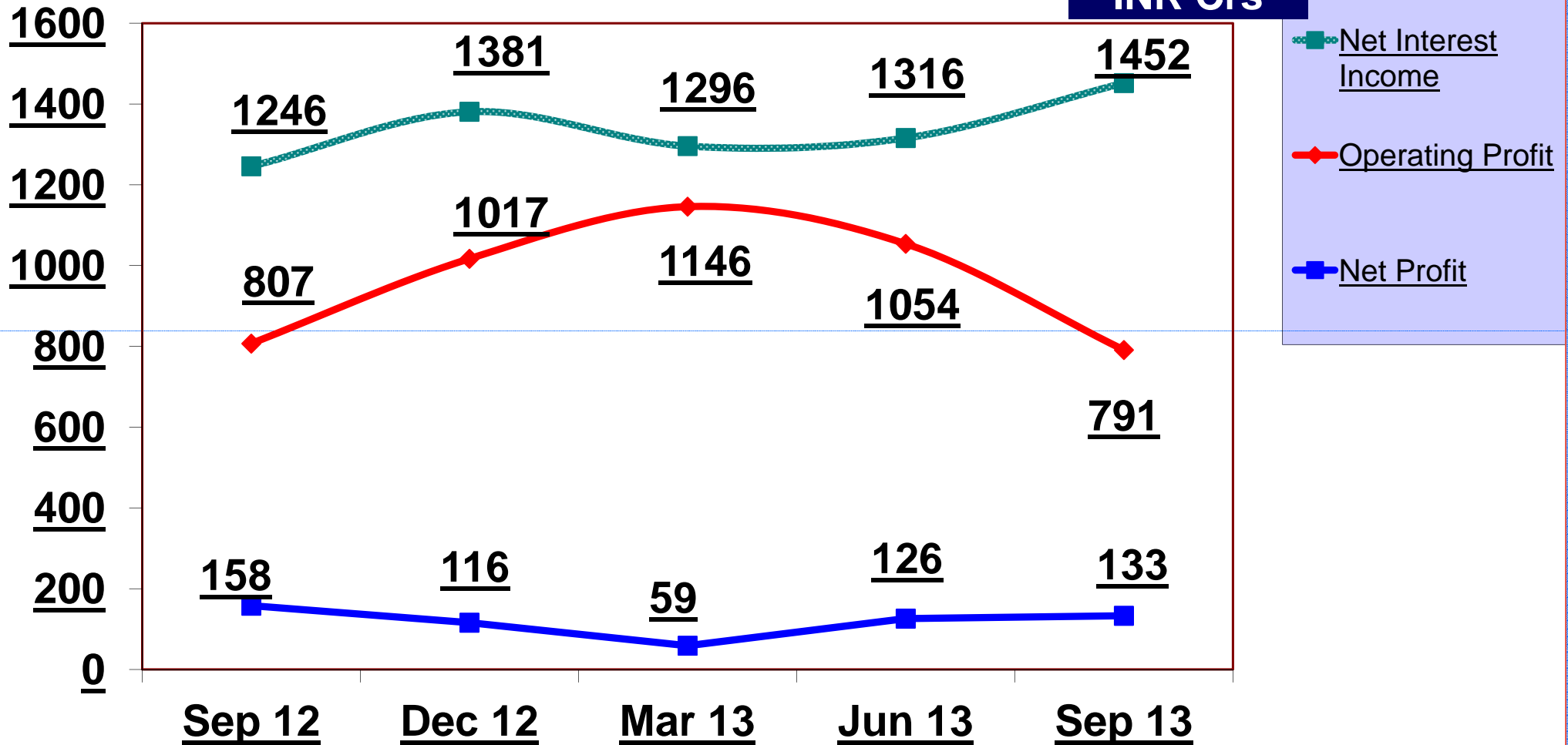
INR Crs

	Sep 2012	Mar 2013	Sep 2013
Trade	335.12	469.78	605.06
Manufacturing	242.90	248.01	291.05
Real Estate	8.95	58.91	66.90
Others	42.01	210.55	174.30
<b>TOTAL</b>	<b>628.98</b>	<b>987.25</b>	<b>1,137.31</b>

# Profitability (Quarter Sequential)



INR Crs



# PROFIT - SUMMARY

**INR Crs**

## Quarter Ending

	Sep 12	Dec 12	Mar 13	Jun 13	Sep 13
Interest Earned	5,104	5,333	5,227	5,403	5,669
Interest Expended	3,858	3,952	3,931	4,087	4,217
Net Interest Income	1,246	1,381	1,296	1,316	1,452
Non Interest Income	411	514	671	785	331
Total Operating Income	1,657	1,895	1,967	2,101	1,783
Operating Expenses	850	878	821	1047	992
Operating Profit	807	1,017	1,146	1054	791
Total Provision	649	901	1,087	928	658
Net Profit	158	116	59	126	133

# PROFITABILITY - Q2

INR Crs

Particulars	Q2 12-13	Q2 13-14	Variance %
<b>TOTAL INCOME</b>	<b>5,515</b>	<b>6,000</b>	<b>8.79</b>
Interest Earned	5,104	5,669	11.07
Other Income	411	331	-ve
<b>TOTAL EXPENDITURE (excl. provisions and contingencies)</b>	<b>4,708</b>	<b>5,209</b>	<b>10.64</b>
Interest Expended	3,858	4,217	9.31
Operating Expenses	850	992	16.71
i) Payments to and provisions for employees	562	669	19.05
ii) Other Operating Expenses	288	323	12.15
<b>OPERATING PROFIT (profit bef. provisions and contingencies)</b>	<b>807</b>	<b>791</b>	<b>-ve</b>
Total Provisions and Contingences	<b>649</b>	<b>658</b>	<b>1.39</b>
Of which Provisions for NPAs	479	486	1.46
Provision for Taxes	97	38	-ve
Others	73	134	83.56
<b>NET PROFIT</b>	<b>158</b>	<b>133</b>	<b>-ve</b>

# PROFIT – Geographical Distribution – Q2

INR Crs

Particulars	Q2 12-13	Q2 13-14	Variance %
<b>OPERATING PROFIT</b>			
<b>Global</b>	<b>807</b>	<b>791</b>	<b>-ve</b>
Domestic	714	673	-ve
Overseas	93	118	26.60
<b>PROVISIONS</b>			
<b>Global</b>	<b>649</b>	<b>658</b>	<b>1.39</b>
Domestic	570	583	2.28
Overseas	79	75	-ve
<b>NET PROFIT</b>			
<b>Global</b>	<b>158</b>	<b>133</b>	<b>-ve</b>
Domestic	144	90	-ve
Overseas	14	43	207.14

# PROFIT - NET INTEREST INCOME

Quarter Ending

INR Crs

Particulars	Sep 12	Dec 12	Mar 13	Jun 13	Sep 13
<b>Total Interest Income</b>	<b>5,104</b>	<b>5,333</b>	<b>5,227</b>	<b>5,403</b>	<b>5,669</b>
Of which					
Int Income from Advances	3,868	4135	4,000	4,155	4,370
Int. Income from Investments	1,093	1123	1,122	1,173	1,247
Other Interest Income	143	75	105	75	52
<b>Total Interest Expended</b>	<b>3,858</b>	<b>3952</b>	<b>3,931</b>	<b>4,087</b>	<b>4,217</b>
Of which					
Int. Expended on Deposits	3,493	3548	3,499	3,695	3,752
Int. Expended on borrowings	212	251	432	392	311
Other Int. Expenses	153	153	0	0	154
<b>NET INTEREST INCOME</b>	<b>1,246</b>	<b>1381</b>	<b>1296</b>	<b>1,316</b>	<b>1,452</b>
<b>NET INTEREST MARGIN</b>	<b>2.33%</b>	<b>2.51%</b>	<b>2.30%</b>	<b>2.24%</b>	<b>2.39%</b>
Domestic	2.42%	2.61%	2.36%	2.31%	2.48%
Overseas	1.54%	1.53%	1.74%	1.60%	1.62%

# PROFIT - NET INTEREST INCOME

INR Crs

Particulars	Q2 12-13	Q2 13-14	Variance %
<b>Total Interest Income</b>	<b>5,104</b>	<b>5,669</b>	<b>11.07</b>
Of which			
Int Income from Advances	3,868	4,370	12.98
Int. Income from Investments	1,093	1,247	14.09
Other Interest Income	143	52	-ve
<b>Total Interest Expended</b>	<b>3,858</b>	<b>4,217</b>	<b>9.31</b>
Of which			
Int. Expended on Deposits	3,493	3,752	7.41
Int. Expended on borrowings	212	311	46.70
Other Int. Expenses	153	154	0.65
<b>NET INTEREST INCOME</b>	<b>1,246</b>	<b>1,452</b>	<b>16.53</b>
<b>NET INTEREST MARGIN in %</b> (on avg. earning assets)	<b>2.33</b>	<b>2.39%</b>	
Domestic	2.42	2.48%	
Overseas	1.54	1.62%	



# Non Interest Income (Quarterly Comparison)



**INR Crs**

Particulars	Quarter Ending				
	Sep 12	Dec 12	Mar 13	Jun 13	Sep 13
<b>Total Non Interest Income</b>	<b>411</b>	<b>514</b>	<b>671</b>	<b>785</b>	<b>331</b>
Of which					
Exchange / Commission	201	217	248	199	224
Profit on Sale of Investments	36	59	173	398	12
Profit on Revaln. Of Investments	0	0	0	-10	-94
Recovery in written off Accounts	64	99	109	73	69
Other Non interest Income	110	139	141	125	120

# Non Interest Income -Q2

INR Crs

Particulars	Q2 12-13	Q2 13-14	Variance %
<b>Total Non Interest Income</b>	<b>411</b>	<b>331</b>	<b>-ve</b>
Of which			
Exchange / Commission	201	224	11.44
Profit on Sale of Investments	36	12	-ve
Profit on Revaln. Of Investments	0.	-94	-ve
Recovery in written off accounts	64	69	7.81
Other Non interest Income	110	120	9.09

# NET PROFIT (Quarterly Comparison)

INR Crs

इण्डियन ओवरसीज़ बैंक  
Indian Overseas Bank



## Quarter Ending

Particulars	Sep 12	Dec 12	Mar 13	Jun 13	Sep 13
OPERATING PROFIT	807.00	1017.10	1145.88	1054.42	791.00
Total Provision	649.00	900.60	1087.28	928.62	658.45
Of which					
NPA	454.41	436.40	779.57	723.21	485.87
Countercyclical Provisioning Buffer	25.00	50.00	47.00		0.00
Standard Advances	18.83	119.20	102.56	11.24	93.82
Depreciation on Investments	-57.78	48.80	131.59	13.34	4.34
Staff Welfare Fund	5.00	5.00	5.00	4.00	4.00
Deferred Tax Liability	0.00	0.00	-399.33	0.00	0.00
Income Tax	97.03	89.60	299.55	85.62	38.55
Wealth Tax	0.00	0.00	0.50	0.00	0.00
Contingencies	0.11	0.90	0.03	0.26	0.00
Other General Provisions	0.00	0.00	-11.39	0.00	0.00
Non Performing Investments	-5.84	-4.20	7.88	1.46	0.00
Diminution of Securities	5.63	0.00	0.00	0.00	0.00
Restructured accounts	105.52	155.70	128.29	88.39	30.07
Other Assets	0.24	-0.80	-0.75	0.54	0.34
Country-wise risk	0.45	0.00	-3.21	0.56	1.46
NET PROFIT	158.43	116.50	58.60	125.80	132.55

## Cost & Yield Ratios (Quarterly Comparison)

	Sep 12	Dec 12	Mar 13	Jun 13	Sep 13
Avg. Cost of Deposits (%)	7.68	7.58	7.55	7.52	7.58
Avg. Yield on Advances(%)	10.21	10.53	9.90	9.89	10.08
Avg. Yield on Investments(%)	7.31	7.33	7.28	7.28	7.31
Avg. Cost of Funds(%)	7.36	7.27	7.18	7.14	7.15
Avg. Yield on Funds(%)	9.56	9.68	9.28	9.20	9.34
Net Interest Margin(%)	2.33	2.51	2.30	2.24	2.39
	Sep 12	Dec 12	Mar 13 (Annual)	Jun 13	Sep 13
Cost to Income Ratio (%)	51.30	46.34	47.17	49.81	55.63
Return on Assets (%)	0.27	0.19	0.24	0.19	0.20
Return on Equity (%)	6.32	4.62	5.49	4.60	4.79
Earning Per share (INR)	7.95	5.85	6.14	5.45	5.74
Book Value per Share (INR)	125.79	127.25	117.68	119.05	120.48

# INVESTMENTS - Domestic

**INR Crs**

	31.03.2013				30.09.2013			
	AFS	HTM	HFT	TOTAL	AFS	HTM	HFT	TOTAL
SLR Investments	9659.71	44370.18	293.94	54323.83	9929.01	50219.98	61.93	60210.92
Of which								
Government. Securities	9599.31	44368.14	293.94	54261.39	9877.18	50217.94	61.93	60157.05
Other Approved Securities	60.40	2.04	0.00	62.44	51.83	2.04	0.00	53.87
M Duration (for SLR)				5.92				5.76
Non SLR Investments	5729.37	134.26	7.39	5871.02	5175.52	142.01	1.41	5318.94
M Duration (Non SLR)				1.97				2.28
M Duration (Entire Portfolio)	4.14	6.13	7.25	5.67	3.38	6.21	6.04	5.61
Total	15389.08	44504.44	301.33	60194.85	15104.53	50361.99	63.34	65529.86

# INVESTMENTS – Foreign -30.09.2013

**INR Crs**

Type of Investment	Book Value (Gross)	Total Provision
G - Sec	2,057.03	0.97
Bonds - Others	9.90	
MTN,FCCB	634.76	74.31
Shares	0.09	
Joint Venture - Malaysia	186.31	
<b>Total</b>	<b>2,888.09</b>	<b>75.28</b>

# CAPITAL ADEQUACY

INR Crs

इण्डियन ओवरसीज़ बैंक  
Indian Overseas Bank

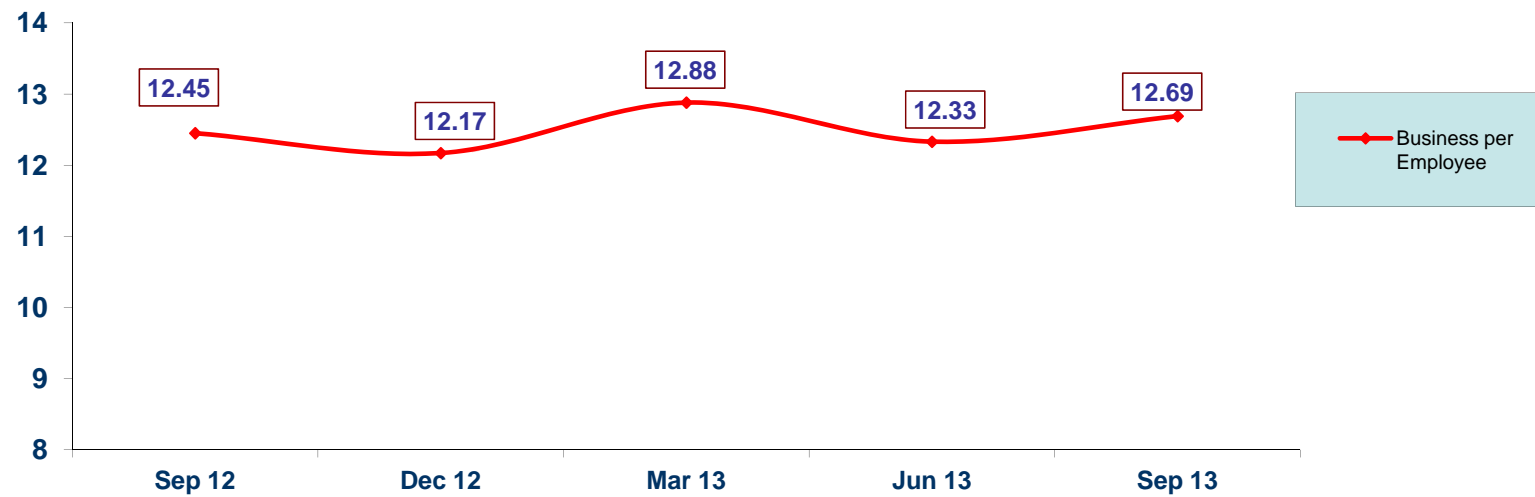
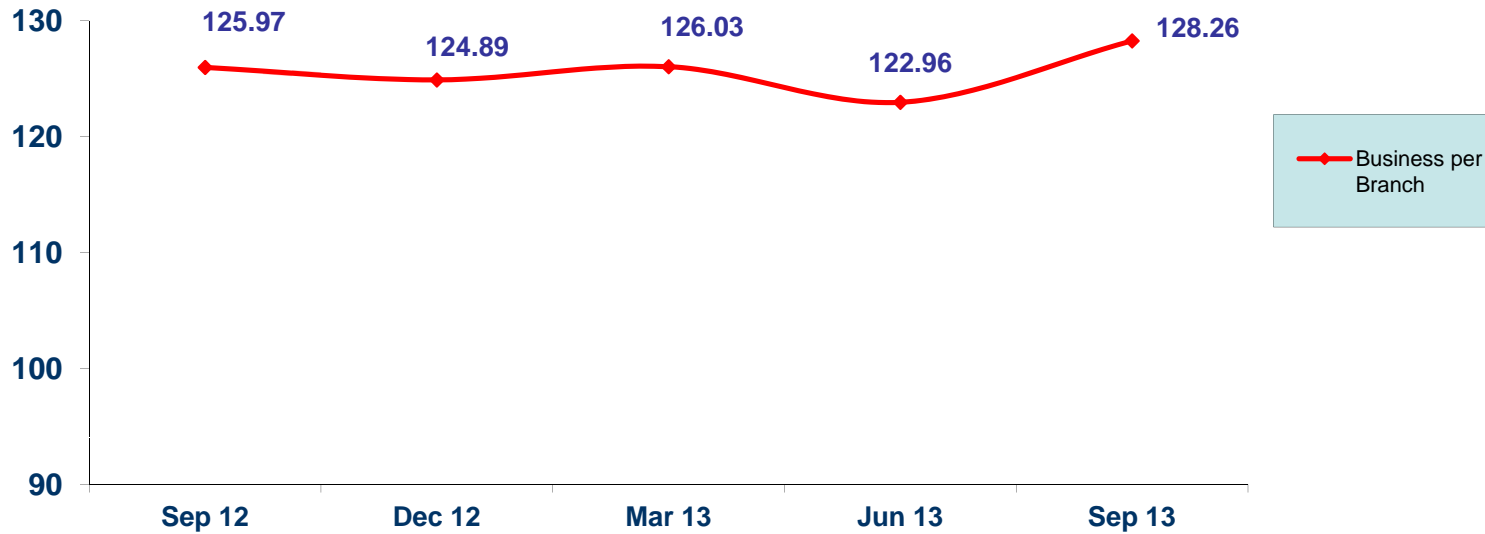


	Sep 12	Dec 12	Mar 13	Jun 13	Sep 13
<b>Tier I Capital</b>					
BASEL II	10,833.24	10,833.28	12,088.45	12,043.10	12043.15
BASEL III				11,694.08	11689.10
<b>Tier II Capital</b>					
BASEL II	6,304.59	6,386.66	6,277.58	6,305.20	6145.37
BASEL III				6,208.58	6056.31
<b>Total Capital</b>					
BASEL II	17,137.83	17,219.94	18,366.03	18,348.30	18188.52
BASEL III				17,902.66	17745.42
<b>Common Equity Tier I</b>				11,087.08	11082.10
<b>Total Net Assets (Terminal)</b>	2,28,316.44	2,31,328.36	2,44,607.03	2,48,901.28	259770.16
<b>Risk Weighted Assets</b>					
BASEL II	1,42,044.52	1,47,727.79	1,55,016.14	1,62,687.81	165241.89
BASEL III				1,63,775.19	166476.93
<b>CRAR – TIER I (%)</b>					
BASEL II	7.63	7.33	7.80	7.40	7.29
BASEL III				7.14	7.02
<b>CRAR – TIER II (%)</b>					
BASEL II	4.44	4.32	4.05	3.88	3.72
BASEL III				3.79	3.64
<b>CRAR (%)</b>					
BASEL II	12.07	11.65	11.85	11.28	11.01
BASEL III				10.93	10.66
<b>CET I</b>				6.77	6.66

# PRODUCTIVITY



INR Crs





- ◆ **No Frills Savings Bank Accounts:** As per the guidelines issued by Reserve Bank of India, our branches open No-Frills Savings Bank Accounts under simplified Know Your Customer norms to bring the excluded segment of population into banking fold. General Purpose Credit Cards are granted to meet their credit requirements.
- ◆ **Smart Card:** To extend banking service to the villages and provide banking outlet in un-banked centers, our Bank is introducing Smart Card Banking. Under this method villagers can operate their account with Bio-metric Smart Card at the Hand Held Device with a Business Correspondent

**Progress under Financial Inclusion Furnished below:**

Sl. No.	Particulars	30.09.2012 (Nos.)	31.03.2013 (Nos.)	30.09.2013 (Nos)
1	No-Frills SB Accounts Opened	34,21,743	43,70,173	55,77,370
2	General Purpose Credit Cards Granted	11,986	12,765	12,749
3	Branches Under Smart Card Banking	627	804	804
4	Villages Covered Under Smart Card Banking	1,639	2,880	3,018
5	Business Correspondents engaged	1,371	2,287	2,367
6	Bio-Metric Smart Card issued	3,72,321	5,19,174	8,22,452
7	Smart Card Banking Coverage- Regions	49	54	54
8	Smart Card Banking Coverage-States/Union Territory	21/2	21/2	21/2



- **Financial Literacy seminars:**

- Our Bank has conducted seminars on financial literacy in 25 centres in association with knowledge partner namely NITTE Education Trust, Mangalore. On the occasion a booklet on “Financial Inclusion” was released that contains comprehensive information about various aspects of financial literacy.

- **Educating Tribals - Friends Of Tribal Society**

- Our Bank collaborated with M/s Friends of Tribals Society, an NGO to attack illiteracy at the grass root level through a unique concept viz. “One Teacher School” or EKAL Vidyalaya.
- The Bank has contributed to the society’s mission by adopting 30 villages and improving the tribal’s living standards through development education & empowerment education of their children.

- **New Education technique – Max Academy :**

- To improve the educational standards of the under privileged children and thereby literacy level, IOB invoked the services of M/s Max Academy, an educational trust. A school at Alanguppam village in Vellore district was sponsored and two day training on scientific learning skills, motivation, Values and Virtues & Social responsibility etc have been imparted.

- **IOB–Sampoorna:**

- IOB has launched a unique programme in the year 2008 unveiling stream of activities to facilitate Total Village Development viz., IOB-Sampoorna. As the name implies, IOB-Sampoorna aims at total inclusive growth for Integrated Rural Development covering all aspects of social and economical life of people. “IOB-Sampoorna” project is a curtain raiser for IOB’s involvement and commitment to rural development.
- The project aims to create a sustainable model for rural development encompassing environmental up-gradation, better quality of life, enhanced income, generation of new revenue streams etc.
- This Total Village development Project is currently implemented in 100 villages all over India.



- Education scholarship is being extended to meritorious BPL girl students hailing from Sampurna villages.
- Bank provides Rs.25000/- for setting up rural library in each village adopted by Bank. Bank encouraged Govt Agency, NGO, Voluntary Organisation, Farmers' club etc to set up libraries in rural areas thus facilitating financial literacy in rural areas.
- **IOB –MSSRF Farm School:**
- Our Bank has collaborated with M S Swaminathan Research Foundation (MSSRF) and donated Rs.25 Lakhs for establishment and Operationalisation of 5 Farmer's School with Rs.5 Lakhs for each School. These schools were established in the Tamil Nadu (2 schools), Kerala, Maharashtra and Orissa States.
- The objective of the Farm Schools is to sensitize the farmers on Integrated Crop Management using Learning by doing method of training. The School shall operationalise Front line season long demonstration in one or more crops and or Allied Activities focusing on integrated crop Management including Field preparations, Seed treatment etc. The partnership with IOB is named as "IOB –MSSRF Farm School".
- **Contribution to National Agro Foundation (NAF)**
- National Agro Foundation is a public charitable Trust founded in 2000 by Bharat Ratna Shri.C.Subramaniam, the architect of India's Green Revolution. It undertakes Agriculture Development, Cattle development, Water shed development and Training through 'Centre for Rural Development' situated at Illedu village, Kancheepuram District.
- National Agro Foundation in collaboration with Indra Gandhi National Open University (IGNOU) organize 6 months certification programme on agriculture. Our Bank sponsored 2 certification programmes of the foundation by donating Rs.8 lakhs.
- \*\*\*\*\*

Thank You

