

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

Good People to Grow With

Touching Hearts Spreading Smiles

since 1937

Presentation to Analysts

March 2014

(in INR)



75 Years of Quiet & Dignified Service to the Society

Good People to Grow With

INDEX

| Particulars | Page No. | Particulars | Page No. |
|---|----------|------------------------------------|----------|
| Mile Stones | 4-5 | NPA Details | 30-35 |
| Share Holding Pattern | 6 | Profitability | 36-39 |
| Foreign Branches | 7 | Profitability - Details of Income | 40-44 |
| Joint Ventures | 8 | Net Profit | 45 |
| Credit Rating | 9 | Ratios - Cost & Yield Ratios & NIM | 46 |
| Highlights | 10 | Investments - Domestic & Foreign | 47-48 |
| I.T. Initiatives | 11-15 | Capital Adequacy | 49 |
| Major Business Parameters | 16 | Productivity | 50 |
| Deposits, CASA, Domestic Deposits - category wise | 17-19 | Financial Inclusion | 51 |
| Advances | 20-25 | Corporate Social Responsibility | 52-53 |
| Restructured Accounts | 26-29 | | |

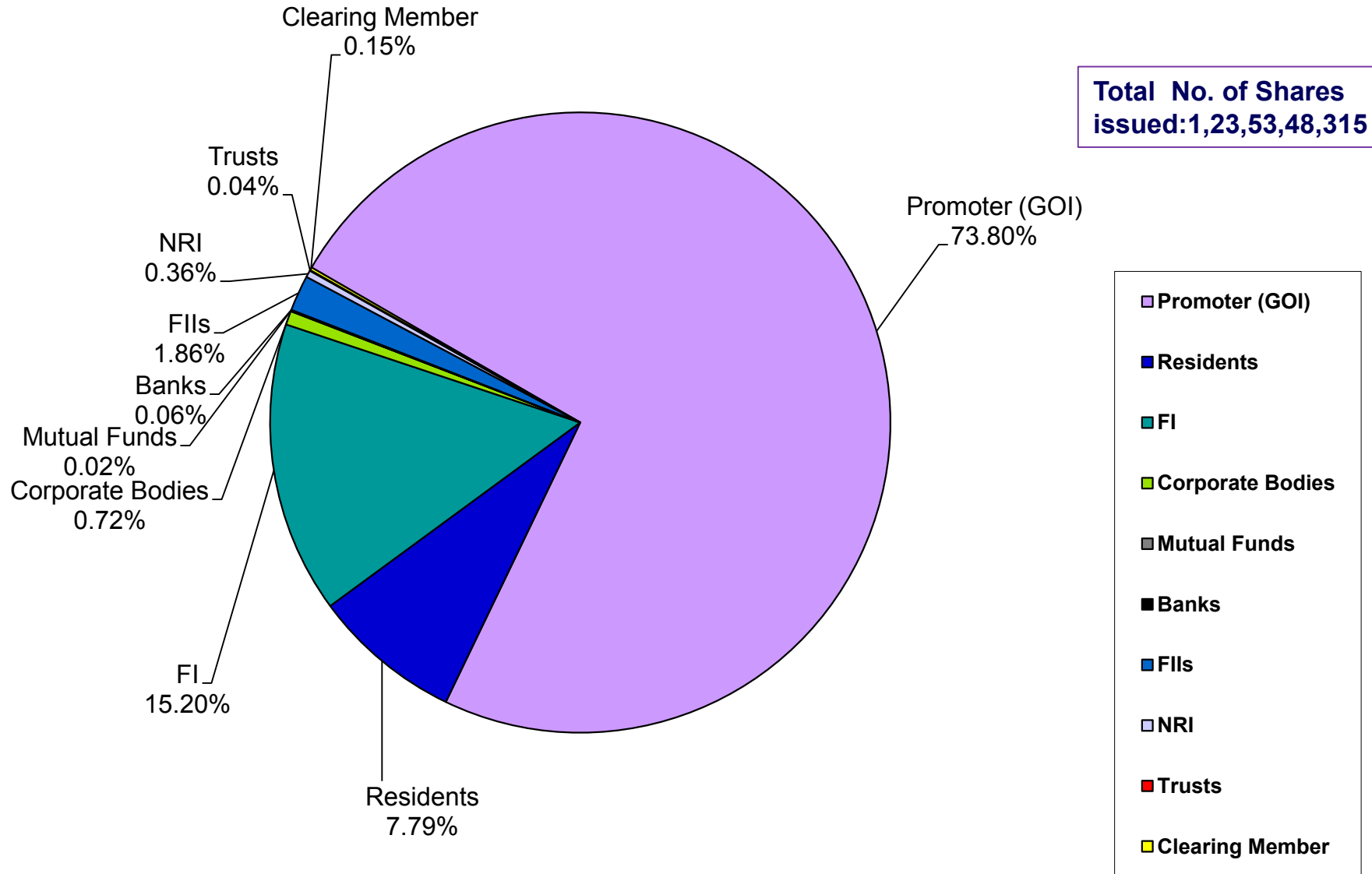
Milestones

| | |
|-------|--|
| 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 th 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 |
| 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 |

Milestones

| | |
|---------|--|
| 2006 | 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 th Branch - Yamuna Vihar, New Delhi - opened |
| 2011-12 | No. of Branches in Tamil Nadu reached One Thousand, IOB celebrated Platinum Jubilee |
| 2012-13 | As on 31.3.2013 Total Deposit reached INR 2,02,135 cr.; Total Advances reached INR 1,64,366 cr. |
| | As on 31.3.2013 Total Business Mix is at INR 3,66,501 cr. and No. of Branches was 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 th Branch Vaniangudi opened on 17.8.2013 by Hon. Finance Minister. No. of Branches as on 31.3.2014 - 3272 |
| | 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 |
| | Award for "BEST RSETI IN THE COUNTRY received by our RSETI Thanjavur |
| | <i>IBA Technology Award 2012-2013 for Best use of Business Intelligence awarded to IOB</i> |
| | Our bank has bagged Best bank Award from Govt of Tamil Nadu for its support to Self Help Group (SHGs) in the State. |
| | Our Bank bagged the National Award for Effective Implementation of PMEGP 2012 - 13 (South Zone) |
| | Our Bank awarded Customer Focus Award for constantly delivering industry leading service standards. |
| | Our Bank received "Banking Excellence Award " from Finance Ministry,GOI |

Investor Profile – Shareholding Pattern (%) as on 31.03.2014





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 (40%) and Andhra Bank (25%) with our Bank share of 35%
- Bank has obtained RBI permission for opening a branch at Sukhumvit, Bangkok. Sukhumvit branch is expected to commence operations by August 2014.
- 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.
- Bank is pursuing with RBI for permission to upgrade the Representative Office at Dubai into a full fledged branch

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 |
| Total | | 350.00 |

- 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 3.18 crores up to 31.03.2014 from Health Care Policies
- During the current year up to 31.03.2014, the Bank earned commission from Non Life Sompo (Asset) insurance INR 8.45 crores.

| 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/Stable for Tier I Perpetual Bonds and upper Tier II Bonds. A1 + for Certificate of Deposits Fixed Deposit Programme:"FAAA/Stable" | High Safety |
| ICRA | AA/Outlook Stable for lower Tier II Bonds AA / Outlook Stable for Upper Tier II and Perpetual Tier I Bonds A1+ for Certificate of Deposits | High Degree of Safety,Low Credit Risk High Degree of Safety,Low Credit Risk Strong Degree of Safety |
| CARE | AA for Lower Tier II Bonds | |
| Moody | Baa 3 / Outlook Negative | Moderate Credit Risk |

- @ Business touched INR 4,09,057Crores (**YoY Growth 11.61%**)
- @ Deposits stood at 2,27,976 INR Crores (**YoY Growth 12.78%**)
- @ CASA stood at 25.34%
- @ Advances is INR 1,81,081Crores (**YoY Growth 10.17%**)
- @ Operating Profit for FY 13-14 is INR 3,997Crores (**YOY Growth 4.72%**)
- @ Net Profit for FY 13-14 stands at INR 601.74Crores(**YOY Growth 6.08%**)
- @ Provision Coverage Ratio stood at 54.94%

■ **Core Banking Solution**

- Our bank has implemented the Core Banking Solution developed in-house, christened 'CROWN' (Centralized Resources Over Wide-area Network).
- As per recent advise of Ministry, we have planned to move to the COTS CBS model which is widely used by all other PSB banks in India.
- All the branches of the bank are enabled for NEFT and RTGS.
- Our Information Technology Department is ISO: 9001:2008 certified.

■ **Alternate Delivery Channels :**

■ **ATM :**

- Our ATM application server on Sun Solaris and the switch is from M/s YCS on AIX IBM Server. ATMs runs on port based programs.
- As on 31.03.2014 our Bank has 2533 ATMs spread across the country, of which 43 are at various Railway stations. Our bank is a member of NPCI and VISA consortiums. We have installed 899 cash dispensers under the new RFP, as at the end of March 2014.
- Our Bank has introduced e-kiosks and installed 102 kiosks in branches and ATMs.
- Our Bank has launched VISA International Gold/Platinum/Signature cards for high net worth customers We have also launched Kisan debit cards to our agricultural customers to enable them to draw the loan proceeds through ATMs.
- Our Bank has introduced specially designed CONNECT cards for boys/gentlemen and girls/ladies with separate designs and good value added features.

- Our Bank also successfully launched Domestic RuPay cards of NPCI which can be used for domestic transactions only. We have plans to issue these cards in Semi Urban and Rural areas where the usage will not be for international transactions.
- Launched Gift Cards to be issued to customers with denominations upto Rs.50000/-.
- Our Bank has introduced reward points to our customers for usage of our Debit and Credit cards in Pos and Ecom transactions. The process is outsourced to M/s Loyalty Rewards who will be managing awarding of points and exchange of points by the customers through various merchants.
- **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) Pondicherry, v)Karnataka, vi) Andhra Pradesh, vii) Tamilnadu, viii) Jharkhand and ix) West Bengal which ensures float funds for the Bank. 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. We have introduced online opening / closure / renewal of Deposits opened through internet banking.
- Our Bank has now introduced an one-Stop Super market named as **IOB Super Market** with links to all categories of merchants like Telecom, Insurance etc.
- OTP facility enabled for the inter bank/intrabank funds transfer above Rs.50000/-
- OTP introduced for all Ecom/Utility payment transactions
- Puducherry Electricity Bill Collection/Excise Collection through internet banking introduced.
- Integrated with AMet University for Fee Collection
- Customers can close/renew deposits which was opened through online
- Scheduling of payments for future dates is made available to customers.

- E-Payment of fees has been introduced to Ujjain Engineering College
- **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 net banking, debit and credit cards and other bank VISA cards for payment of college fees.
- Our Bank has 9 aggregators with 7000 plus sub merchants under them. We have 10 Direct Merchants whose payments are being routed through our payment gateway.
- **Mobile Banking** : Mobile Banking solution is two way authentication through OTP (One Time Pin) and transactions can be done through SMS Mode and Mobile Browser (GPRS).
- The following services are available in Mobile Banking :Account Balance Enquiry, Last few transactions, Cheque paid status, Loan balance enquiry, Loan payment history (last few), Deposit balance enquiry, Funds transfer facilities, Payment to IOB Credit Card, branch locator, ATM locator, Suspend ATM/Debit card, Cheque book request, Stop payment of cheque, opening of term deposit, Loan Statement request, movie ticket booking, air ticket booking, mobile topup etc.,
- **CTS – Implementation**
- Our Bank has implemented CTS in 1484 branches covering 54 regions. The average number of instruments of handled by CBO, Chennai during March 2014 is 77000.
- The bank has achieved 68.60% of electronic transactions as the end of March 2014.
- **GENNEXT** Branch to cater to the needs of techsavvy younger generation of customers has been opened in Chennai, Bangalore and Manipal.
- **Aadhaar** Our bank is actively participating in the Aadhaar related initiatives of the Government / NPCI. Linking of Aadhaar numbers to account number through Branch channel is in operation for the past 1-1/2 years. Similarly APBS and NACH platforms are in operation.

- **Financial Inclusion Project** : Our Financial inclusion application enables funds transfer, deposits and remittances towards advances in real time and it is also BC-interoperable enabling any customer to transact through any Business Correspondent.
- **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 is one of the 5 banks identified to process transactions of e-FMS (electronic Funds Management System) in the state of Tamil Nadu wherein NREGA scheme payments are released by Government of Tamil Nadu every week. Transactions are being processed on a day-to-day basis and credited to beneficiaries of both intra-bank and inter-bank.
- We are the only Nationalised Bank to collect Chennai Corporate tax across counters.
- **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/ Data cards.
- **IT Organization Structure** :
 - Developing software in-house resulted in perfect alignment of business and IT aspirations, reduced cost, increased agility and nimble footedness and the all-important flavor of domain knowledge.
 - 3 Data Centers has revolutionalized the BCP-DR readiness of the bank.

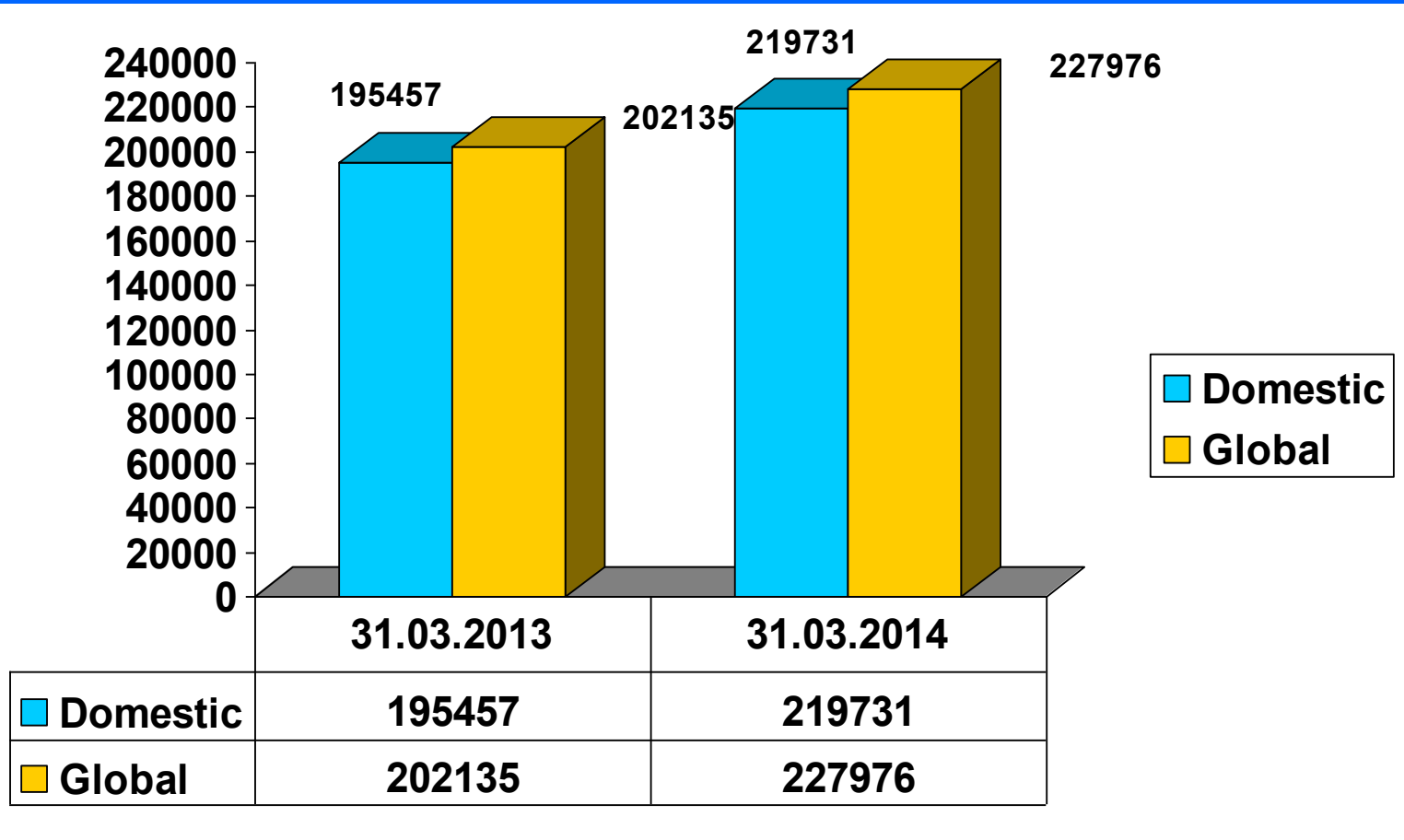
- The Data Centers are connected to the network nodes situated mostly at our Regional Offices by means of MPLS clouds from BSNL (Primary link- except Mumbai & Delhi where MTNL is the Primary link) and Bharati Airtel and to branches directly through the BSNL (Primary) cloud and TCL/ Tulip cloud as secondary links. The last mile for secondary link from TCL/Tulip is in the form of RF/VSAT links.
- 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.
- Information System Security Policy conforms to ISO Standards.
- **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.**

Major Business Parameters

Quarter ending

INR Crs

| Key performance indicators | Mar 2013 | Jun 2013 | Sep 2013 | Dec 2013 | Mar 2014 |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Business Mix | 3,66,501 | 3,63,087 | 3,89,005 | 3,87,406 | 4,09,057 |
| Deposits | 2,02,135 | 1,96,213 | 2,12,705 | 2,13,319 | 2,27,976 |
| Advances (Gross) | 1,64,366 | 1,66,874 | 1,76,300 | 1,74,087 | 1,81,081 |
| Operating Profit | 1,146 | 1,054 | 791 | 961 | 1,191 |
| Net Profit | 59 | 126 | 133 | 75 | 268 |
| NIM (%) | 2.30 | 2.24 | 2.39 | 2.26 | 2.22 |
| Gross NPA | 6,608 | 7,432 | 8,202 | 9,168 | 9,020 |
| Net NPA | 4,027 | 4,580 | 4,875 | 5,481 | 5,658 |
| Return on Assets (%) | 0.09 | 0.19 | 0.20 | 0.11 | 0.39 |
| Return on Equity (%) | 2.23 | 4.61 | 4.79 | 2.55 | 8.43 |
| Book Value (INR) | 117.68 | 119.05 | 120.48 | 102.02 | 105.71 |



Domestic Deposits

❖ Y-o-Y Growth: 12.42%

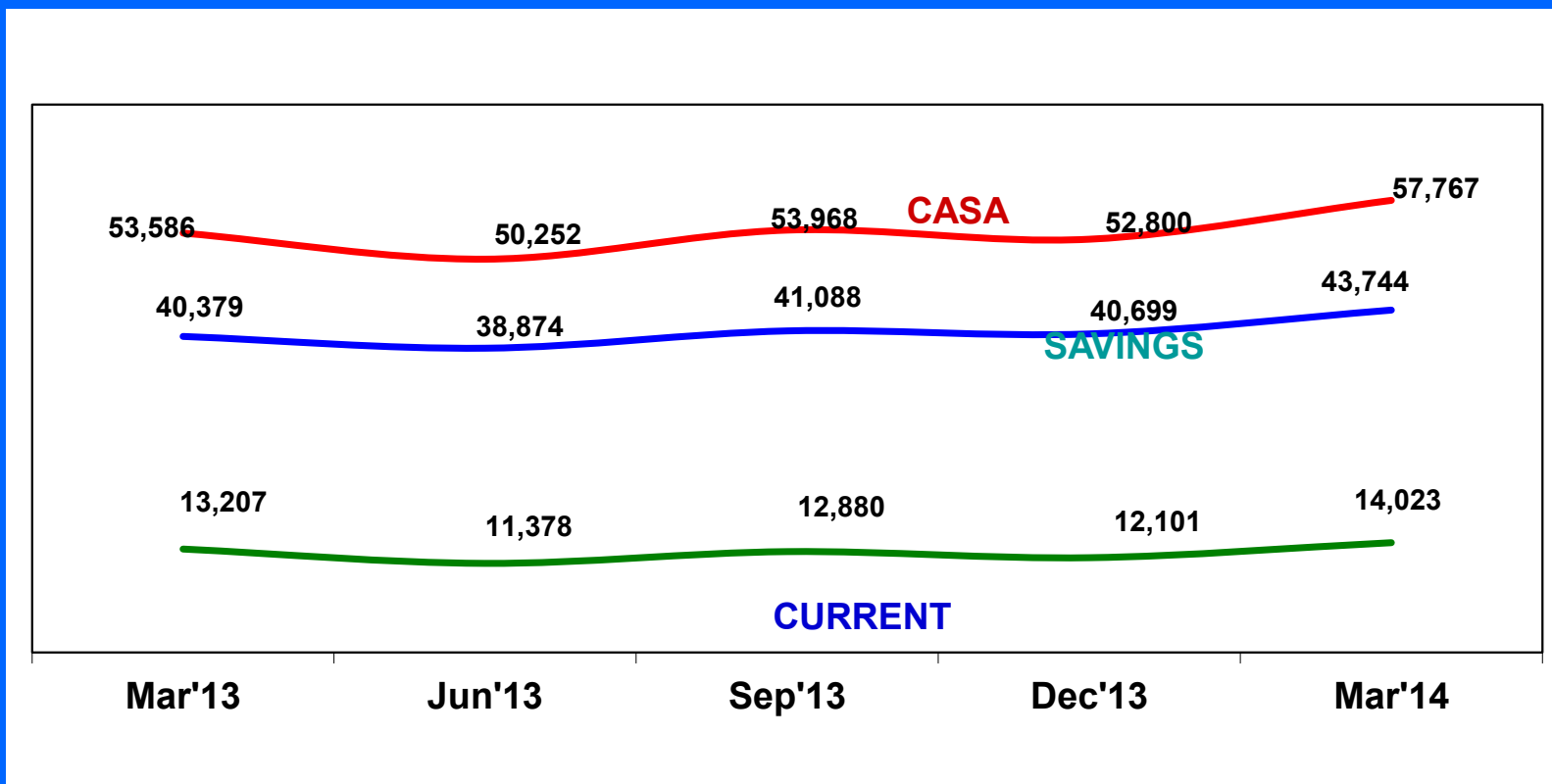
Global Deposits

❖ Y-o-Y Growth: 12.78%

Deposits - CASA

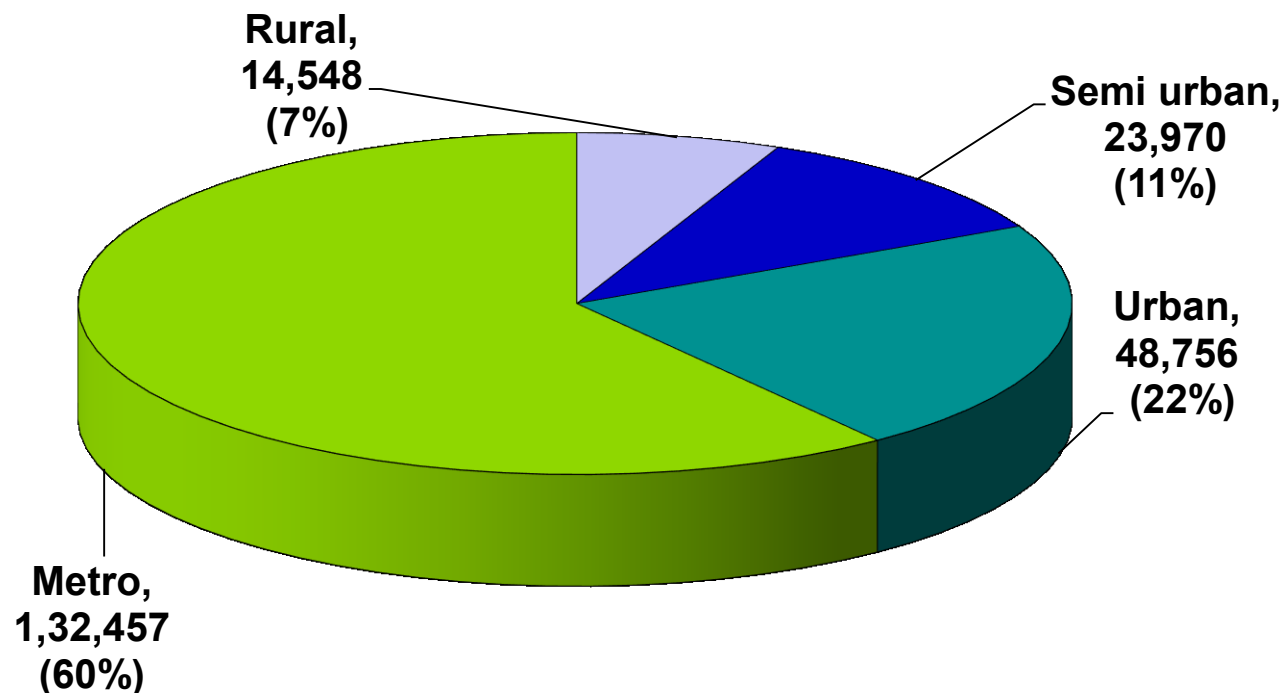


INR Crs



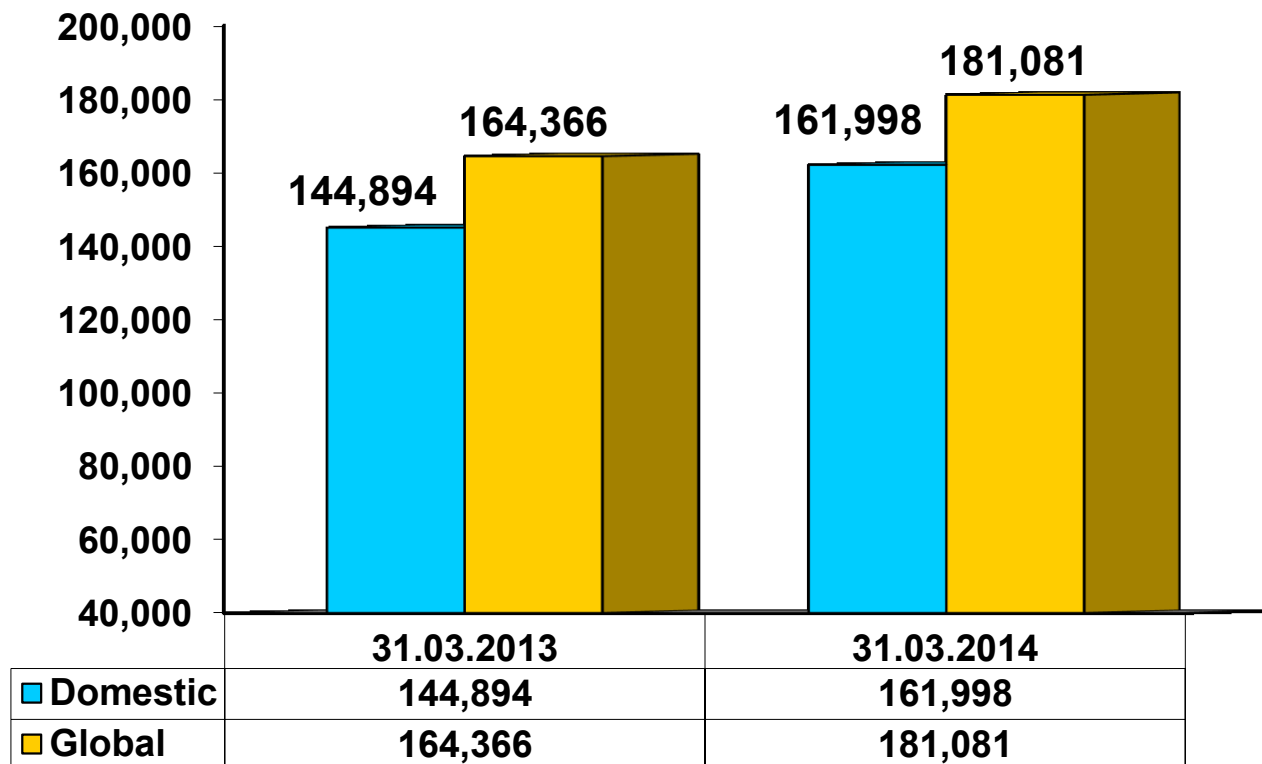
| | | | |
|---|---|-------------------------------------|--|
| Current Deposits ❖ Y-o-Y Growth:6.18% | Savings Bank ❖ Y-o-Y Growth:8.33% | CASA ❖ Y-o-Y Growth:7.80% | Share of CASA to Aggregate Deposits Mar'13: 26.51% Mar'14 :25.34% |
|---|---|-------------------------------------|--|

March 2014 INR Crs





INR Crs



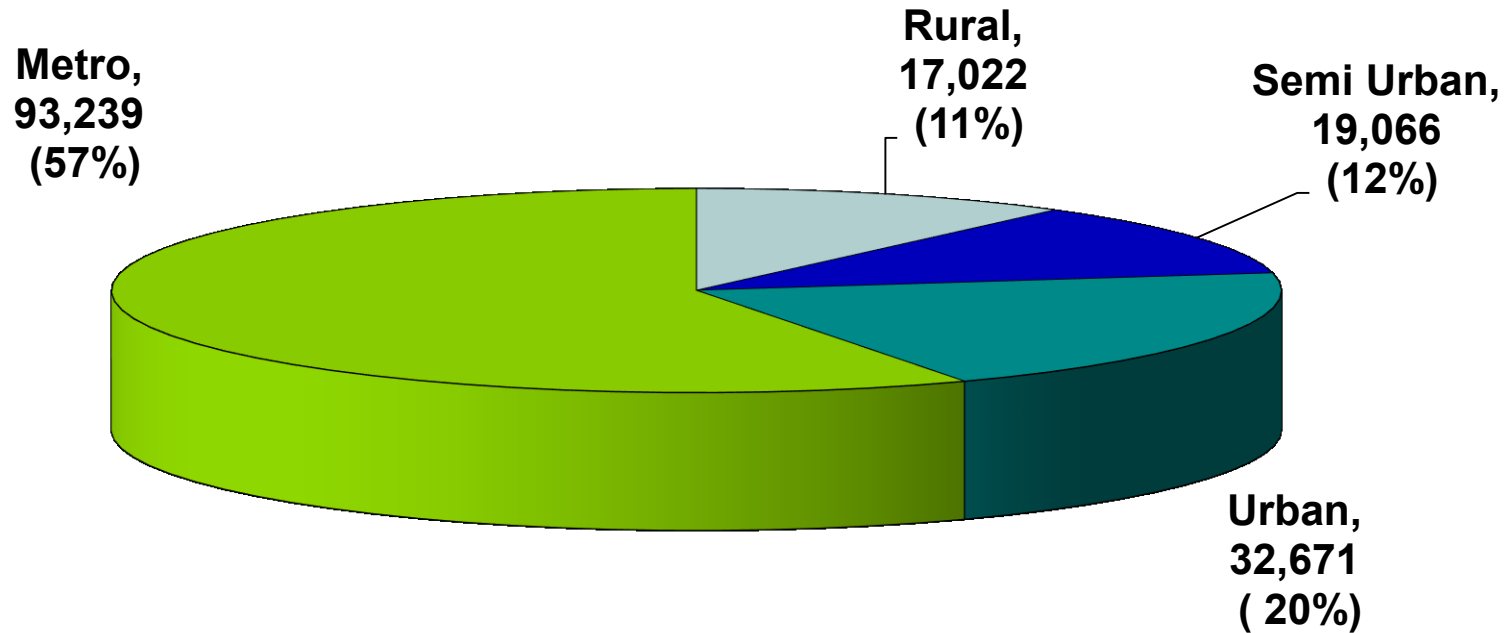
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|--|--|
| <p>Domestic Advances</p> <p>❖ Y-o-Y Growth:11.80%</p> | <p>Global Advances</p> <p>❖ Y-o-Y Growth:10.17%</p> |
|--|--|



Domestic Advances-Category Wise

March 2014

INR Crs



Key Sectors (Domestic Credits)

INR Crs

| Sector | Mar 2013 | Mar 2014 |
|--------------------------|---------------|---------------|
| 1.Agriculture | 23,393 | 26,254 |
| 2.SME | 19,976 | 24,575 |
| of which Micro | 8,342 | 10,608 |
| 3.Retail Credit | 15,060 | 17,040 |

INR Crs

| Sector | Mar 2013 | Mar 2014 |
|----------------------|----------|----------|
| Retail Credit | 15,060 | 17,040 |
| Of which | | |
| - Housing Loans | 5,041 | 6,078 |
| - Misc.CC | 1,320 | 1,356 |
| - Pushpaka | 782 | 1,074 |
| - Educational Loan | 2,978 | 3,597 |
| - Others | 1,008 | 1,180 |
| Jewel Loan to Others | 3,931 | 3,755 |

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

Advances to Sensitive Sectors - Domestic

(FUND + NON FUND)

INR Crs

| Sector | Mar 2013 | Mar 2014 |
|-------------------------------|----------|----------|
| CAPITAL MARKET | 1,034 | 713 |
| REAL ESTATE | 17,599 | 22,153 |
| of which | | |
| HOUSING LOAN * | 5,658 | 8,246 |
| COMMERCIAL REAL ESTATE | 7,548 | 8,630 |
| OTHERS (DIRECT & INDIRECT) | 4,393 | 5,277 |

* Includes Non-Priority Housing Loans

Overseas Advances - Breakup

INR Crs

| | Mar 2013 | Mar 2014 |
|----------------------|---------------|---------------|
| Trade | 6,237 | 7,538 |
| Manufacturing | 6,269 | 6,761 |
| Real Estate | 288 | 381 |
| Buyers Credit | 4,895 | 1,752 |
| Others | 1,783 | 2,651 |
| Total | 19,472 | 19,083 |

| Sector | 31.03.2014 Accounts | 31.03.2014 Amount | 31.03.2014 % |
|-----------------------|------------------------|----------------------|-----------------|
| Chemical & Pharma | 5 | 122.74 | 0.87 |
| Sugar | 3 | 62.53 | 0.44 |
| Textile | 11 | 436.42 | 3.08 |
| Iron & Steel | 28 | 1725.28 | 12.19 |
| Auto & Ancillary | 3 | 375.88 | 2.66 |
| Paper | 3 | 230.57 | 1.63 |
| Food Processing | 2 | 38.82 | 0.27 |
| Engineering | 13 | 1155.15 | 8.16 |
| Telecom | 5 | 1130.71 | 7.99 |
| Metal Processing | 4 | 651.39 | 4.60 |
| Power | 14 | 3212.16 | 22.69 |
| Airways | 1 | 921.67 | 6.51 |
| Electronic & Software | 1 | 26.86 | 0.19 |
| Cement | 1 | 85.07 | 0.60 |
| Logistics | 3 | 83.66 | 0.60 |
| Other industries | 11 | 529.98 | 3.74 |
| Sub Total | 108 | 10788.89 | |

| Sector | 31.03.2014 Accounts | 31.03.2014 Amount | 31.03.2014 % |
|---------------------------------|------------------------|----------------------|-----------------|
| Sub Total | 108 | 10788.89 | |
| SME | 240 | 590.90 | 4.17 |
| Micro Finance | 8 | 117.91 | 0.83 |
| Infrastructure | 17 | 1491.72 | 10.54 |
| Comm. Real Estate(CRE) | 6 | 120.01 | 0.86 |
| Trade | 27 | 210.98 | 1.49 |
| Agriculture | 423 | 280.68 | 1.98 |
| HL/EDU/Others | 397 | 38.56 | 0.27 |
| Real Estate (other than CRE) | 5 | 464.19 | 3.28 |
| Ceramic, Granite, marble | 3 | 37.28 | 0.27 |
| Gem & Jewels | 1 | 13.25 | 0.09 |
| GRAND TOTAL | 1235 | 14154.37 | 100.00 |

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 (31.03.2014) | Amount (INR Crs) (31.03.2014) | % to Total |
|----------------------|---------------------------------|-------------------------------------|---------------|---------------------------------|-------------------------------------|---------------|
| Standard Assets | 1038 | 14678 | 96.00 | 823 | 12314 | 87.00 |
| Sub-Standard Assets | 314 | 266 | 2.00 | 335 | 1560 | 11.02 |
| Doubtful Assets | 92 | 277 | 2.00 | 77 | 280 | 1.98 |
| Total | 1444 | 15221 | | 1235 | 14154 | 100 |

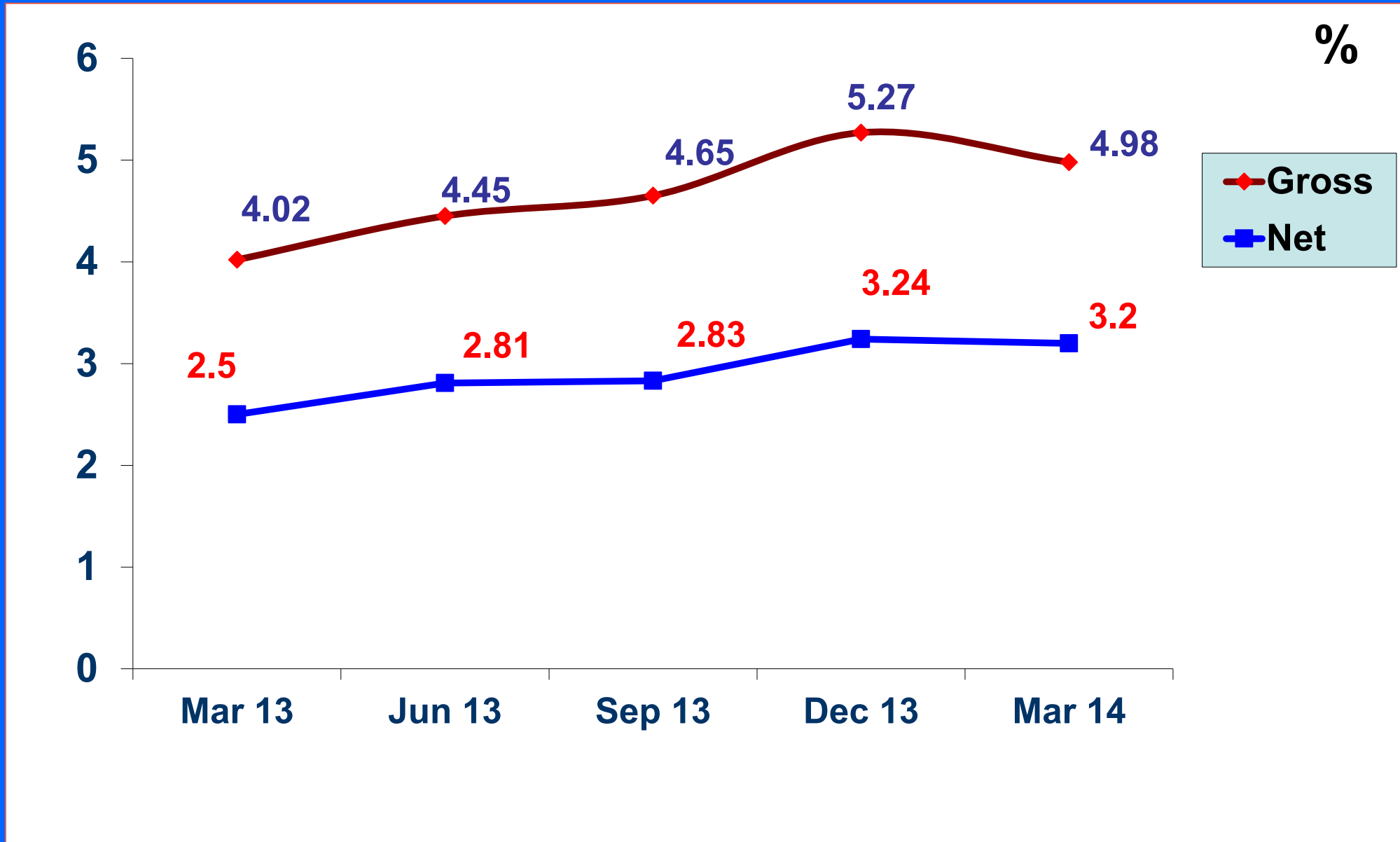
RESTRUCTURED Accounts slipped - (INR 1 Crore & above)-Domestic

| | Mar 13 | Jun 13 | Sep 13 | Dec 13 | Mar 14 |
|--|--------|--------|--------|--------|--------|
| No. of A/cs slipped during the quarter | 13 | 10 | 20 | 13 | 16 |
| Amount in INR Crs | 152 | 373 | 344 | 503 | 913 |

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

INR Cr

| | Domestic | | | Foreign | Global |
|---|-----------|-----------|-----------|---------|----------|
| | > 1 crore | < 1 crore | Total | | |
| As on 31.12.2013 O/S | 12210.19 | 58.17 | 12,268.36 | 72.35 | 12340.71 |
| Fresh Restructuring during Q4 of 2013-14 | 1237.75 | 2.76 | 1240.51 | 0.00 | 1240.51 |
| Additions during Q4 of 2013-14 includes debit of interest, other debits, additional dosages | 408.80 | 26.48 | 435.28 | 0.00 | 435.28 |
| Less: Recovery/Slippage during Q4 of 2013-14 | 1654.24 | 26.07 | 1680.31 | 21.87 | 1702.18 |
| As on 31.03.2014 O/S | 12202.50 | 61.34 | 12263.84 | 50.48 | 12314.32 |



NPA SEQUENTIAL MOVEMENT

INR Crs

| | Mar 2013 | Jun 2013 | Sep 2013 | Dec 2013 | Mar 2014 |
|---|----------|----------|----------|----------|----------|
| OPENING GROSS NPA | 6516 | 6608 | 7432 | 8202 | 9168 |
| ADD Slippages | 1788 | 1668 | 1309 | 1650 | 2275 |
| LESS | | | | | |
| Cash Recovery | 221 | 198 | 222 | 207 | 411 |
| Upgradation | 324 | 92 | 302 | 135 | 465 |
| Write Off | 1151 | 554 | 15 | 342 | 564 |
| Sale to ARC | | | | | 983 |
| Total Reduction in NPA | 1696 | 844 | 539 | 684 | 2423 |
| Total Nettable Credits | 2581 | 2851 | 3327 | 3687 | 3362 |
| NPA Provision | 2558 | 2829 | 3306 | 3666 | 3342 |
| Other Credits | 23 | 22 | 21 | 21 | 20 |
| CLOSING GROSS NPA | 6608 | 7432 | 8202 | 9168 | 9020 |
| Net NPA | 4027 | 4580 | 4875 | 5481 | 5658 |
| Gross NPA Ratio | 4.02% | 4.45% | 4.65% | 5.27% | 4.98% |
| Net NPA Ratio | 2.50% | 2.81% | 2.83% | 3.24% | 3.20% |
| Provision Coverage Ratio | 58.89% | 58.69% | 59.34% | 56.59% | 54.94% |
| NPA of Overseas Branches (included in Gross NPA above) | 987 | 1004 | 1137 | 1310 | 1182 |

Sector Wise Break Up of NPAs as of 31.03.2014 (Domestic)

INR Cr

| Category | NPA as of 31.03.2014 | % to total Domestic NPA |
|------------------------|-------------------------|----------------------------|
| Agriculture | 1092.01 | 13.93 |
| Industry | 4877.24 | 62.22 |
| Services | 1460.15 | 18.63 |
| Personal | 408.97 | 5.22 |
| Total | 7838.37 | 100.00 |
| of Which | | |
| Commercial Real Estate | 67.01 | 0.85 |

| Industry | NPA as of 31.03.2014 | Outstanding as of 31.03.2014 | % of NPA to the respective outstanding | % to the total Domestic NPA |
|--------------------------------|-------------------------|---------------------------------|---|--------------------------------------|
| Iron and Steel | 1026.38 | 10799.19 | 9.50 | 13.09 |
| Cotton Textiles/Other Textiles | 586.80 | 7219.28 | 8.13 | 7.49 |
| Other Metal & Metal Products | 122.42 | 2207.33 | 5.55 | 1.56 |
| Chemicals, Dyes, Paints etc. | 111.88 | 2201.56 | 5.08 | 1.43 |
| Infrastructure | 202.18 | 24764.45 | 0.82 | 2.58 |
| Paper & Paper Products | 470.46 | 1809.96 | 25.99 | 6.00 |
| Construction | 296.51 | 2393.06 | 12.39 | 3.78 |
| Sugar | 129.43 | 971.49 | 13.32 | 1.65 |
| Gems and Jewellery | 227.64 | 1029.95 | 22.10 | 2.90 |
| Food Processing | 157.82 | 3408.98 | 4.63 | 2.01 |
| All Other Industries | 1545.72 | 16565.83 | 9.33 | 19.72 |
| Sub Total | 4877.24 | 73371.08 | 6.65 | 62.22 |
| Others | 2961.13 | 88626.95 | 3.34 | 37.78 |
| Total Domestic NPA | 7838.37 | 161998.03 | 4.84 | 100.00 |

INR Cr.

| Category | Amount |
|---|-------------|
| Services(Other than Commercial Real Estate) | 208 |
| Agriculture | 214 |
| Personal | 198 |
| Commercial Real Estate | 14 |
| Sub Total | 634 |
| Industry Breakup | |
| Mining | |
| All Engineering/All other Industries | 490 |
| Paper | 83 |
| Other Metals | 85 |
| Food Processing (other than Sugar,Vegetable oil,vanaspathi and tea) | 41 |
| Steel | 297 |
| Textile | 36 |
| Chemicals, Dyes, Drugs & Pharma | 76 |
| Other Industry | 419 |
| Gem and Jewellery | 76 |
| Sub Total (Industry) | 1603 |
| Total Slippages – Domestic | 2237 |
| Overseas | 38 |
| Total-Global | 2275 |

INR Crs

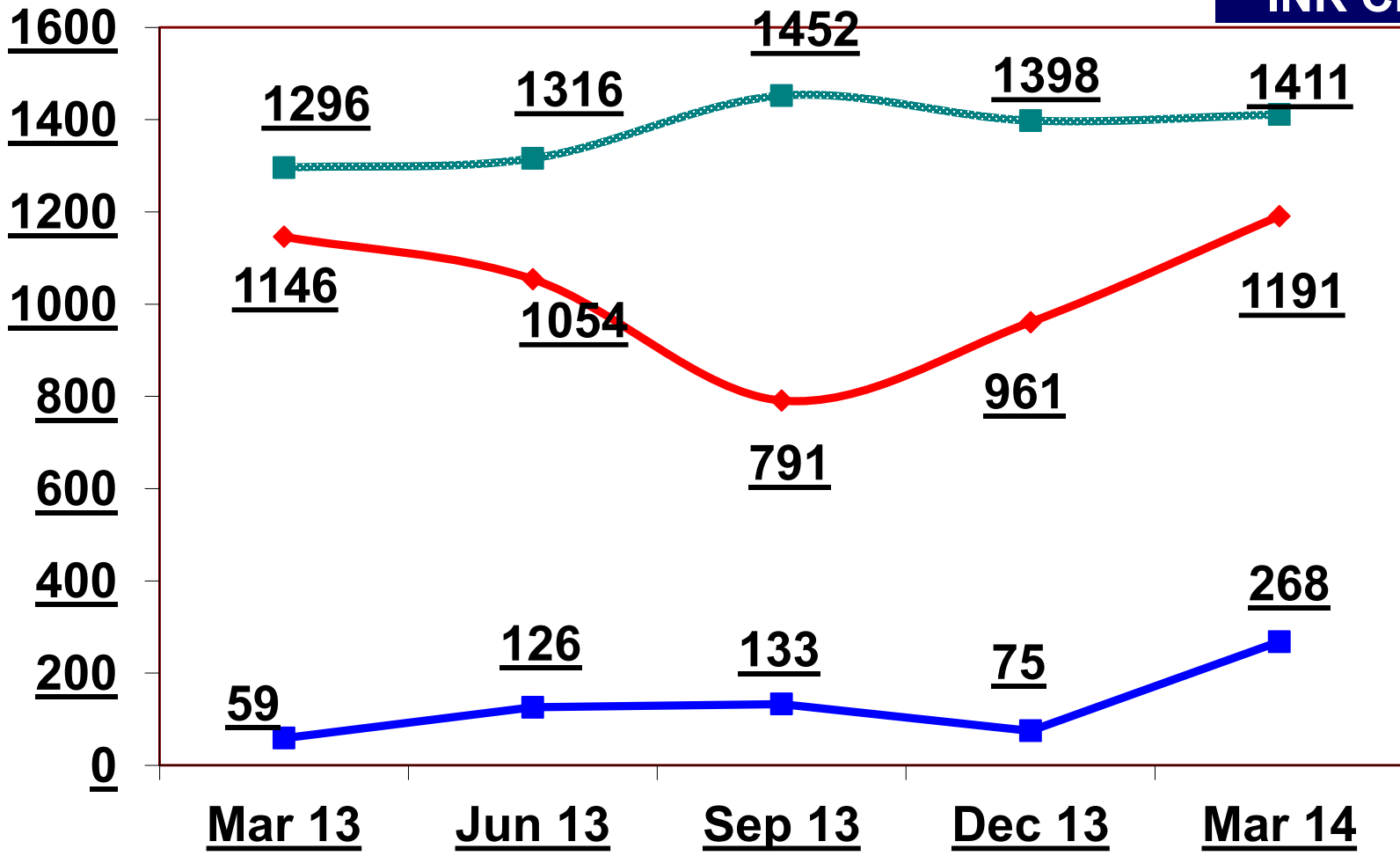
| | Mar 2013 | Mar 2014 |
|----------------------|-----------------|-----------------|
| Trade | 469.78 | 786.70 |
| Manufacturing | 248.01 | 118.45 |
| Real Estate | 58.91 | 64.08 |
| Others | 210.55 | 212.88 |
| TOTAL | 987.25 | 1182.11 |



Profitability (Quarter Sequential)

INR Crs

- Net Interest Income
- ◆ Operating Profit
- Net Profit



INR Crs

| | Quarter Ending | | | | |
|------------------------|----------------|--------|--------|--------|--------|
| | Mar 13 | Jun 13 | Sep 13 | Dec 13 | Mar 14 |
| Interest Earned | 5,227 | 5,403 | 5,669 | 5,737 | 5,875 |
| Interest Expended | 3,931 | 4,087 | 4,217 | 4,339 | 4,464 |
| Net Interest Income | 1,296 | 1,316 | 1,452 | 1,398 | 1,411 |
| Non Interest Income | 671 | 785 | 331 | 453 | 601 |
| Total Operating Income | 1,967 | 2,101 | 1,783 | 1,851 | 2,012 |
| Operating Expenses | 821 | 1047 | 992 | 890 | 821 |
| Operating Profit | 1,146 | 1054 | 791 | 961 | 1,191 |
| Total Provision | 1,087 | 928 | 658 | 886 | 923 |
| Net Profit | 59 | 126 | 133 | 75 | 268 |

INR Crs

| Particulars | Q4 12-13 | Q4 13-14 | Variance % |
|--|----------------|----------------|---------------|
| TOTAL INCOME | 5897.89 | 6475.93 | 9.80 |
| Interest Earned | 5226.80 | 5874.75 | 12.40 |
| Other Income | 671.09 | 601.18 | -ve |
| TOTAL EXPENDITURE (excl. provisions and contingencies) | 4752.01 | 5284.84 | 11.21 |
| Interest Expended | 3930.87 | 4464.09 | 13.56 |
| Operating Expenses | 821.14 | 820.75 | -ve |
| i) Payments to and provisions for employees | 517.53 | 401.11 | -ve |
| ii) Other Operating Expenses | 303.61 | 419.64 | 38.22 |
| OPERATING PROFIT (profit bef. provisions and contingencies) | 1145.88 | 1191.09 | 3.95 |
| Total Provisions and Contingences | 1087.28 | 922.76 | -ve |
| Of which Provisions for NPAs | 815.18 | 313.43 | -ve |
| Provision for Taxes | 300.05 | 175.70 | -ve |
| Others | -27.95 | 433.63 | |
| NET PROFIT | 58.60 | 268.33 | 357.90 |

PROFIT – Geographical Distribution – Q4

INR Crs

| Particulars | Q4 12-13 | Q4 13-14 | Variance % |
|-------------------------|----------------|----------------|---------------|
| OPERATING PROFIT | | | |
| Global | 1145.88 | 1191.09 | 3.95 |
| Domestic | 1041.91 | 1067.15 | 2.42 |
| Overseas | 103.97 | 123.94 | 19.21 |
| PROVISIONS | | | |
| Global | 1087.28 | 922.76 | -ve |
| Domestic | 943.79 | 856.09 | -ve |
| Overseas | 143.49 | 66.67 | -ve |
| NET PROFIT | | | |
| Global | 58.60 | 268.33 | 357.90 |
| Domestic | 98.12 | 211.05 | 115.09 |
| Overseas | -39.52 | 57.27 | 244.91 |

PROFIT - NET INTEREST INCOME

Quarter Ending

INR Crs

| Particulars | Mar 13 | Jun 13 | Sep 13 | Dec 13 | Mar 14 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total Interest Income | 5,227 | 5,403 | 5,669 | 5,737 | 5,875 |
| Of which | | | | | |
| Int Income from Advances | 4,000 | 4,155 | 4,370 | 4,339 | 4,424 |
| Int. Income from Investments | 1,122 | 1,173 | 1,247 | 1,285 | 1,297 |
| Other Interest Income | 105 | 75 | 52 | 113 | 153 |
| Total Interest Expended | 3,931 | 4,087 | 4,217 | 4,339 | 4,464 |
| Of which | | | | | |
| Int. Expended on Deposits | 3,499 | 3,695 | 3,752 | 3,889 | 4,072 |
| Int. Expended on borrowings | 432 | 392 | 311 | 450 | 392 |
| Other Int. Expenses | 0 | 0 | 154 | 0 | 0 |
| NET INTEREST INCOME | 1296 | 1,316 | 1,452 | 1,398 | 1,411 |
| NET INTEREST MARGIN | 2.30% | 2.24% | 2.39% | 2.26% | 2.22% |
| Domestic | 2.36% | 2.31% | 2.48% | 2.32% | 2.26% |
| Overseas | 1.74% | 1.60% | 1.62% | 1.74% | 1.94% |

PROFIT - NET INTEREST INCOME

INR Crs

| Particulars | Q4 12-13 | Q4 13-14 | Variance % |
|---|----------------|----------------|--------------|
| Total Interest Income | 5226.80 | 5874.75 | 12.40 |
| Of which | | | |
| Int Income from Advances | 3999.84 | 4424.20 | 10.61 |
| Int. Income from Investments | 1122.05 | 1297.25 | 15.61 |
| Other Interest Income | 104.91 | 153.30 | 46.13 |
| Total Interest Expended | 3930.87 | 4464.09 | 13.56 |
| Of which | | | |
| Int. Expended on Deposits | 3498.62 | 4072.38 | 16.40 |
| Int. Expended on borrowings | 432.23 | 391.31 | -ve |
| Other Int. Expenses | 0.02 | 0.39 | |
| NET INTEREST INCOME | 1295.93 | 1410.66 | 8.85 |
| NET INTEREST MARGIN in % (on avg. earning assets) | 2.30 | 2.22 | |
| Domestic | 2.36 | 2.26 | |
| Overseas | 1.74 | 1.90 | |

PROFIT - NET INTEREST INCOME

INR Crs

| Particulars | FY 12-13 | FY 13-14 | Variance% |
|---|-----------------|-----------------|--------------|
| Total Interest Income | 20676.73 | 22683.73 | 9.71 |
| Of which | | | |
| Int Income from Advances | 15909.44 | 17288.80 | 8.67 |
| Int. Income from Investments | 4372.29 | 5007.75 | 14.53 |
| Other Interest Income | 395.00 | 387.18 | -ve |
| Total Interest Expended | 15424.78 | 17106.92 | 10.91 |
| Of which | | | |
| Int. Expended on Deposits | 13872.98 | 15408.83 | 11.07 |
| Int. Expended on borrowings | 1551.72 | 1697.57 | 9.40 |
| Other Int. Expenses | 0.08 | 0.52 | 550.00 |
| NET INTEREST INCOME | 5251.95 | 5576.81 | 6.19 |
| NET INTEREST MARGIN in % (on avg. earning assets) | 2.43 | 2.28 | |
| Domestic | 2.51 | 2.34 | |
| Overseas | 1.69 | 1.74 | |

INR Crs

| Particulars | Quarter Ending | | | | |
|----------------------------------|----------------|------------|------------|------------|------------|
| | Mar 13 | Jun 13 | Sep 13 | Dec 13 | Mar 14 |
| Total Non Interest Income | 671 | 785 | 331 | 453 | 601 |
| Of which | | | | | |
| Exchange / Commission | 248 | 199 | 224 | 215 | 292 |
| Profit on Sale of Investments | 173 | 398 | 12 | 32 | 46 |
| Profit on Revaln. Of Investments | 0 | -10 | -94 | 0 | 0 |
| Recovery in written off Accounts | 109 | 73 | 69 | 47 | 113 |
| Other Non interest Income | 141 | 125 | 120 | 159 | 150 |

INR Crs

| Particulars | FY 12-13 | FY 13-14 | Variance % |
|----------------------------------|----------------|----------------|-------------|
| Total Non Interest Income | 1972.90 | 2169.34 | 9.96 |
| Of which | | | |
| Exchange / Commission | 895.33 | 929.07 | 3.77 |
| Profit on Sale of Investments | 311.42 | 488.80 | 56.96 |
| Profit on Revaln. Of Investments | -68.34 | -104.51 | -ve |
| Recovery in written off accounts | 330.00 | 302.00 | -ve |
| Other Non interest Income | 504.49 | 553.98 | 9.81 |

NET PROFIT (Quarterly Comparison)

INR Crs

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank



| Particulars | Quarter Ending | | | | |
|--------------------------------------|----------------|---------|--------|--------|---------|
| | Mar 13 | Jun 13 | Sep 13 | Dec 13 | Mar 14 |
| OPERATING PROFIT | 1145.88 | 1054.42 | 791.00 | 960.73 | 1191.09 |
| Total Provision | 1087.28 | 928.62 | 658.45 | 885.66 | 922.76 |
| Of which | | | | | |
| NPA | 779.57 | 723.21 | 485.87 | 688.29 | 313.43 |
| Counter cyclical Provisioning Buffer | 47.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Standard Advances | 102.56 | 11.24 | 93.82 | 35.93 | 105.15 |
| Depreciation on Investments | 131.59 | 13.34 | 4.34 | 17.75 | 418.08 |
| Staff Welfare Fund | 5.00 | 4.00 | 4.00 | 4.00 | 5.00 |
| Deferred Tax Liability | -399.33 | 0.00 | 0.00 | 0.00 | -133.00 |
| Income Tax | 299.55 | 85.62 | 38.55 | 74.42 | 174.98 |
| Wealth Tax | 0.50 | 0.00 | 0.00 | 0.00 | 0.72 |
| Contingencies | 0.03 | 0.26 | 0.00 | 0.58 | 16.36 |
| Other General Provisions | -11.39 | 0.00 | 0.00 | 0.00 | 0.00 |
| Non Performing Investments | 7.88 | 1.46 | 0.00 | 0.00 | 0.00 |
| Diminution of Securities | 0.00 | 0.00 | 0.00 | 0.00 | -0.18 |
| Restructured accounts | 128.29 | 88.39 | 30.07 | 60.75 | 18.43 |
| Other Assets | -0.75 | 0.54 | 0.34 | 0.00 | 1.88 |
| Country-wise risk | -3.21 | 0.56 | 1.46 | 3.94 | 1.90 |
| NET PROFIT | 58.60 | 125.80 | 132.55 | 75.07 | 268.33 |

Cost & Yield Ratios (Quarterly Comparison)

| | Mar 13 | Jun 13 | Sep 13 | Dec 13 | Mar 14 |
|------------------------------|--------|--------|--------|--------|--------|
| Avg. Cost of Deposits (%) | 7.55 | 7.52 | 7.58 | 7.57 | 7.61 |
| Avg. Yield on Advances(%) | 9.90 | 9.89 | 10.08 | 9.99 | 10.07 |
| Avg. Yield on Investments(%) | 7.28 | 7.28 | 7.31 | 7.21 | 7.18 |
| Avg. Cost of Funds(%) | 7.18 | 7.14 | 7.15 | 7.40 | 7.51 |
| Avg. Yield on Funds(%) | 9.28 | 9.20 | 9.34 | 9.30 | 9.01 |
| Net Interest Margin(%) | 2.30 | 2.24 | 2.39 | 2.26 | 2.22 |

| | Mar 13 (Annual) | Jun 13 | Sep 13 | Dec 13 | Mar 14 | Mar 14 (Annual) |
|----------------------------|--------------------|--------|--------|--------|--------|--------------------|
| Cost to Income Ratio(%) | 47.17 | 49.81 | 55.63 | 48.09 | 40.80 | 48.40 |
| Return on Assets (%) | 0.24 | 0.19 | 0.20 | 0.11 | 0.39 | 0.23 |
| Return on Equity (%) | 5.49 | 4.60 | 4.79 | 2.55 | 8.43 | 6.70 |
| Earning Per share (INR) | 6.14 | 5.45 | 5.74 | 2.61 | 8.69 | 4.87 |
| Book Value per Share (INR) | 117.68 | 119.05 | 120.48 | 102.02 | 105.71 | 105.71 |

INR Crs

| | 31.03.2013 | | | | 31.03.2014 | | | |
|-------------------------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|--------------|-----------------|
| | AFS | HTM | HFT | TOTAL | AFS | HTM | HFT | TOTAL |
| SLR Investments | 9659.71 | 44370.18 | 293.94 | 54323.83 | 10175.35 | 49086.84 | 72.92 | 59335.11 |
| Of which | | | | | | | | |
| Government. Securities | 9599.31 | 44368.14 | 293.94 | 54261.39 | 10123.52 | 49083.73 | 72.92 | 59280.17 |
| Other Approved Securities | 60.40 | 2.04 | 0.00 | 62.44 | 51.83 | 3.11 | 0.00 | 54.94 |
| M Duration (for SLR) | | | | 5.92 | | | | 5.68 |
| Non SLR Investments | 5729.37 | 134.26 | 7.39 | 5871.02 | 8346.35 | 322.08 | 2.30 | 8670.73 |
| M Duration (Non SLR) | | | | 1.97 | | | | 4.14 |
| M Duration (Entire Portfolio) | 4.14 | 6.13 | 7.25 | 5.67 | 4.06 | 6.21 | 5.98 | 5.66 |
| Total | 15389.08 | 44504.44 | 301.33 | 60194.85 | 18521.70 | 49408.92 | 75.22 | 68005.84 |

INR Crs

| Type of Investment | Book Value (Gross) | Total Provision |
|--------------------------|-----------------------|--------------------|
| G - Sec | 2,328.08 | 1.56 |
| Bonds - Others | 9.17 | - |
| MTN,FCCB | 695.90 | 62.56 |
| Shares | 0.09 | - |
| Joint Venture - Malaysia | 193.20 | - |
| Total | 3,226.44 | 64.12 |

CAPITAL ADEQUACY

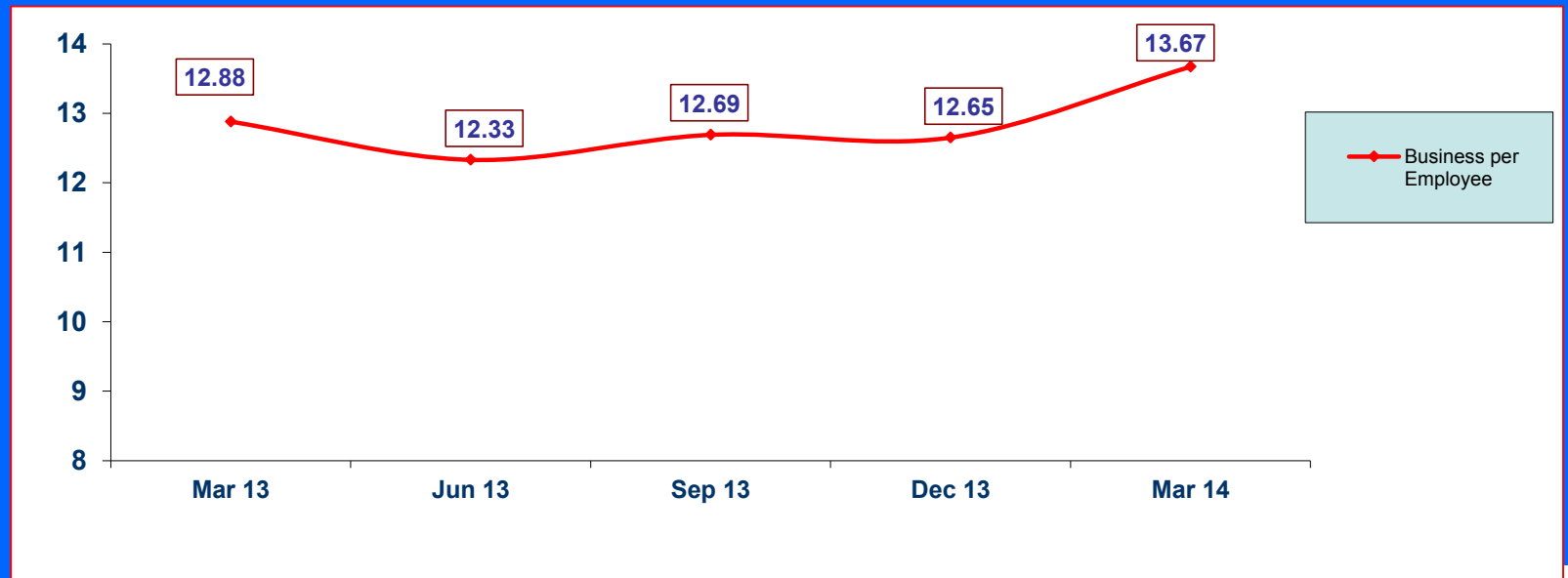
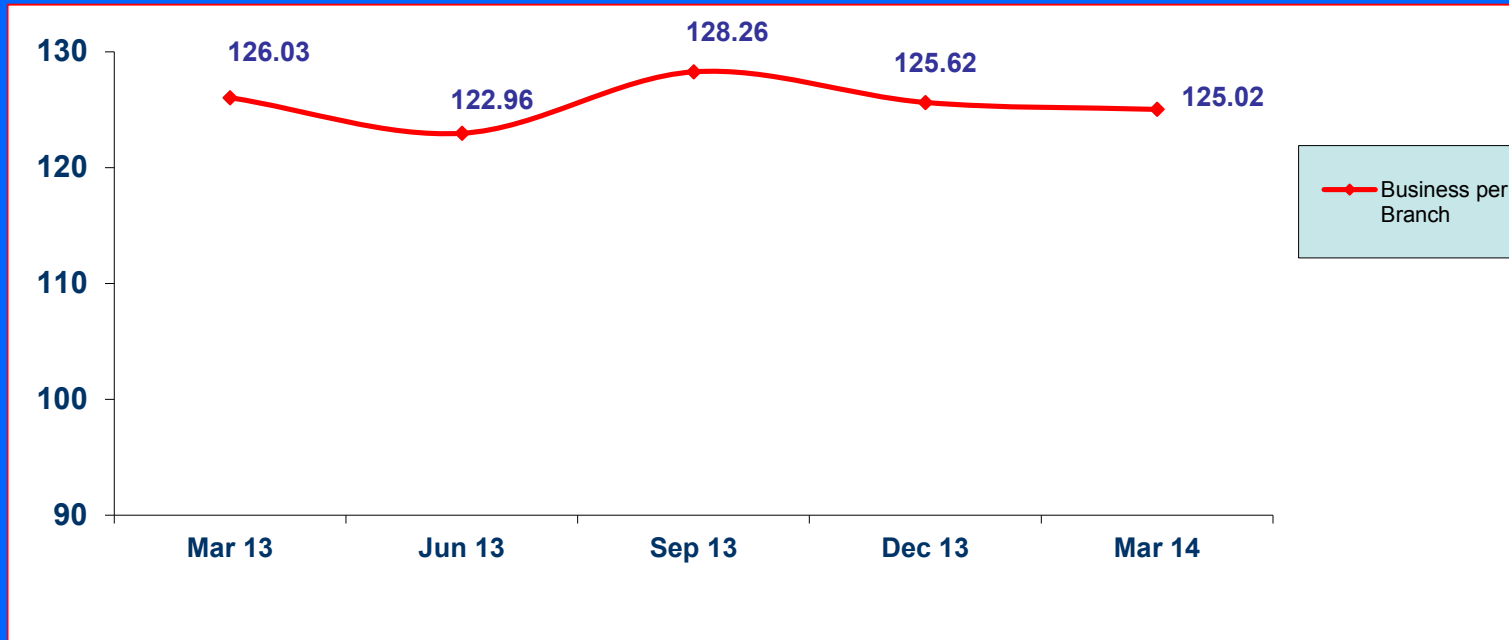
INR Crs

| | Mar 13 | Jun 13 | Sep 13 | Dec 13 | Mar 14 |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Tier I Capital | | | | | |
| BASEL II | 12,088.45 | 12,043.10 | 12,043.15 | | 14068.15 |
| BASEL III | | 11,694.08 | 11,689.10 | 12,891.74 | 13853.25 |
| Tier II Capital | | | | | |
| BASEL II | 6,277.58 | 6,305.20 | 6,145.37 | | 6484.32 |
| BASEL III | | 6,208.58 | 6,056.31 | 6,052.06 | 6135.49 |
| Total Capital | | | | | |
| BASEL II | 18,366.03 | 18,348.30 | 18,188.52 | | 20552.47 |
| BASEL III | | 17,902.66 | 17,745.42 | 18,943.80 | 19,988.73 |
| Common Equity Tier I | | 11,087.08 | 11,082.10 | 12,284.74 | 13,314.25 |
| Total Net Assets (Terminal) | 2,44,607.03 | 2,48,901.28 | 2,59,770.16 | 2,65,372.53 | 2,74,904.84 |
| Risk Weighted Assets | | | | | |
| BASEL II | 1,55,016.14 | 1,62,687.81 | 1,65,241.89 | | 1,84,389.06 |
| BASEL III | | 1,63,775.19 | 1,66,476.93 | 1,72,306.53 | 1,85,476.43 |
| CRAR – TIER I (%) | | | | | |
| BASEL II | | 7.40 | 7.29 | | 7.63 |
| BASEL III | 7.80 | 7.14 | 7.02 | 7.48 | 7.47 |
| CRAR – TIER II (%) | | | | | |
| BASEL II | 4.05 | 3.88 | 3.72 | | 3.52 |
| BASEL III | | 3.79 | 3.64 | 3.51 | 3.31 |
| CRAR (%) | | | | | |
| BASEL II | 11.85 | 11.28 | 11.01 | | 11.15 |
| BASEL III | | 10.93 | 10.66 | 10.99 | 10.78 |
| CET I | | 6.77 | 6.66 | 7.13 | 7.18 |



PRODUCTIVITY

INR Crs



◆ **Basic Savings Bank Deposit Accounts(BSBDA):** As per the guidelines issued by Reserve Bank of India, our branches are opening BSBD Accounts to bring the excluded segment of population into banking fold. General Purpose Credit Cards(GCC),Kissan Credit cards(KCC) and Temporary Over Draft(TOD) against BSBD Accounts are granted to meet their credit requirements.

◆ **Smart Card Banking:** To extend banking service to the villages and provide banking outlet in un-banked centers, our Bank has introduced 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 | 31.03.2013 (Nos.) | 31.03.2014 (Nos.) |
|---------|--|----------------------|----------------------|
| 1 | No-Frills SB Accounts Opened | 43,70,173 | 59,21,110 |
| 2 | General Purpose Credit Cards Granted | 12,765 | #4,48,246 |
| 3 | Branches Under Smart Card Banking | 804 | 866 |
| 4 | Villages Covered Under Smart Card Banking | 2,880 | 3,838 |
| 5 | Business Correspondents engaged | 2,287 | 2,456 |
| 6 | Bio-Metric Smart Card issued | 5,19,174 | 11,05,215 |
| 7 | Smart Card Banking Coverage- Regions | 54 | 56 |
| 8 | Smart Card Banking Coverage-States/Union Territory | 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 128 villages and improving the tribal’s living standards through development education & empowerment education of their children. During the year 2013-14 our Bank has sponsored 98 EKAL VIDYALAYA SCHOOL.

- **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. Our Bank in association with Max Academy implemented the project on uplifting educational standards of the under privileged children in 6 villages of which 5 villages during the year 2013-14.

- **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 Sampoorna 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".

Thank You

