



Indian Overseas Bank
Central Office
Chennai

PRESS RELEASE

Indian Overseas Bank Reports a 26.60% Increase in Net Profit to ₹633 Crores, Significant Improvement in Slippages and Asset Quality

Chennai, India, [Date] – Indian Overseas Bank (IOB) has reported a significant increase in its financial performance for the quarter, with net profit rising by 26.60% to ₹633 crores, compared to ₹500 crores in the same period last year. This robust growth reflects the bank's strong operational efficiencies and strategic initiatives.

Key financial highlights include:

Operating Profit: Increased by 24.61% to ₹1,676 crores from ₹ 1,345 Crores

Total Business: Surged by 16.04% to ₹5,28,773 crores, with deposits at ₹2,98,681 crores and advances at ₹2,30,092 crores.

CASA (Current Account Savings Account): Improved to ₹1,25,947 crores from ₹ 1,16,694 Crores, stood at 42.17 %.

The bank's asset quality also showed marked improvement:

Control of Slippage: Reduced to ₹277 Crores

Slippage Ratio: Improved by 18 basis points to 0.13%.

Gross Non-Performing Assets (NPA): Declined to 2.89% as against 3.10% in March 2024, 7.13% as of June 2023

Net NPA: Decreased to 0.51% as against 0.57% as in March 2024, 1.44% as of June 2023

Provision Coverage Ratio (PCR): Improved to 96.96%. from 94.03% as of June 2023.

About Indian Overseas Bank

Founded on February 10, 1937, by Shri M.Ct.M. Chidambaram Chettyar, Indian Overseas Bank (IOB) has a rich heritage and a strong presence in the banking industry. Nationalized in 1969, IOB today operates 3,236 branches, 3,506 ATMs, and has 6,379 business correspondents across India. The bank also has an international footprint in four countries: Singapore, Hong Kong, Thailand, and Sri Lanka, serving over 41 million active customers.

IOB is renowned for its pioneering digital solutions aimed at enhancing customer experience and convenience. The bank's robust technology infrastructure includes:

- Top-rated Core Banking Solution Suite
- State-of-the-art Private Cloud for On-demand Resource Provisioning

- Container Orchestration Platform for Building and Scaling Modern Applications
- API Hub for Seamless Collaboration and Frictionless Delivery
- Integrated Payment Hub for Handling Diverse Payment Types and Large Transaction Volumes
- Innovative services introduced by IOB include:
- Tab Banking: Delivering services anytime, anywhere by bank staff.
- My Account My Name: Allowing customers to name their accounts as they wish.
- Instant Safe Deposit Locker: Accessible through a web-based portal.
- Instant Account Number Portability
- Instant Jansuraksha Policy Enrolment: Available via the bank's website.

These advancements and strategic measures underscore IOB's commitment to providing comprehensive banking and financial solutions while fostering customer satisfaction and loyalty.

FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2024

PERFORMANCE HIGHLIGHTS (QUARTER ENDED 30TH JUNE 2024 OVER 30TH JUNE 2023)

- ❖ **Total Business** grew by 16.04% to ₹5,28,773 Crore from ₹4,55,664 Crore.
- ❖ **Total Deposits** up by 12.96% to ₹2,98,681 Crore from ₹2,64,401 Crore.
- ❖ **Gross Advance** increased by 20.30% to ₹2,30,092 Crore from ₹1,91,263 Crore.
- ❖ **Gross Investments** increased to ₹1,03,029 Crore from ₹95,328 Crore.
- ❖ **Operating Profit** grew by 24.61% to ₹ 1,676 Crore from ₹1,345 Crore.
- ❖ **Net Profit** up by 26.60% to ₹633 Crore from ₹500 Crore.
- ❖ **Gross NPA Ratio** stood at 2.89% as on 30.06.2024 as against 7.13% as on 30.06.2023, with a reduction of 424 bps.
- ❖ **Net NPA Ratio** stood at 0.51% as on 30.06.2024 as against 1.44% as on 30.06.2023, with a reduction of 93 bps.
- ❖ **CASA** improved to ₹1,25,947 Crore from ₹1,16,694 Crore, reflecting Y-o-Y growth of 7.93 %
- ❖ **CASA Ratio** stood at 42.17% for the quarter ended 30 June, 2024
- ❖ **Credit to Deposit (CD) Ratio** improved to 77.04% registering an improvement of 470 bps.
- ❖ **Net Interest Margin** stood at 3.06% for the quarter ended 30 June, 2024.
- ❖ **Provision Coverage Ratio** improved to 96.96%, registering an improvement of 293 bps.
- ❖ **CRAR** improved to 17.82% of which Tier I is 14.99%, registering an improvement of 126 bps.
- ❖ **Return on Assets (ROA)** improved to 0.70%, registering an improvement of 8bps.
- ❖ **Return on Equity** improved to 14.10% from 13.44% over corresponding period of last year.

PROFITABILITY

(QUARTER ENDED 30TH JUNE 2024 OVER 30TH JUNE 2023)

- ❖ **Net Profit** has increased to ₹633 Crore for the Q1FY25 from ₹500 Crore for the Q1FY24, registering a growth of ₹133 Crore at 26.60% Y-o-Y basis.
- ❖ **Operating Profit** has increased to ₹1,676 Crore for Q1FY25 from ₹1,345 Crore for Q1FY24, registering a growth of ₹331 Crore at 24.61% Y-o-Y basis.
- ❖ **Total Income** improved by 21.54% to ₹7,568 Crore for Q1FY25 from ₹6,227 Crore for Q1FY24.
- ❖ **Interest Income** grew by 20.48% on Y-o-Y basis to ₹6,535 Crore in Q1FY25 as against ₹5,424 Crore for Q1FY24.
- ❖ **Non-Interest Income** grew by 28.64% on Y-o-Y basis to ₹1,033 Crore in Q1FY25 as against ₹803 Crore for Q1FY24.
- ❖ **Return on Assets (ROA)** improved to 0.70% for Q1FY25 as against 0.62% for Q1FY24.
- ❖ **Return on Equity (ROE)** also improved to 14.10% for Q1FY25 as against 13.44% for Q1FY24.

ASSET QUALITY

(QUARTER ENDED 30TH JUNE 2024 OVER 31ST MARCH 2024 & 30TH JUNE 2023)

- ❖ **Gross Non-Performing Assets (GNPA) ratio** stood at 2.89% as of June 2024 as against 3.10% in March 2024 and 7.13% as of June 2023.
- ❖ **Net Non-Performing Assets (NNPA) ratio** stood at 0.51% as of June 2024 as against 0.57% as in March 2024, 1.44% as of June 2023.
- ❖ **Provision Coverage Ratio (PCR)** improved to 96.96% as of June 2024 from 94.03% as of June 2023. (As on March 2024, PCR was 96.85%)

RECOVERY

- ❖ **Total Recovery** for the quarter ended Q1FY25 stood at ₹582.27 Crore.
- ❖ **Recovery from the Technically written off accounts** for the Q1FY25 is ₹311.37 Crore.

CAPITAL ADEQUACY

- ❖ **BASEL III Capital Adequacy Ratio (CRAR)** improved to 17.82% as of 30th June 2024, out of which CET1 is 14.99% and Tier-II is 2.83%.
