



Indian Overseas Bank

Central Office
Chennai

Press Release

27.10.2021

Performance Highlights - 30.09.2021

	30.09.2021 (Q)	30.09.2020 (Q)	%	
Operating Profit	1419	1346	5.42%	↑
Net Profit / Loss	376	148	154.05%	↑
Deposits	250890	229607	9.27%	↑
Gross Advances	146940	135469	8.47%	↑
Investments	92578	94958	(2.51%)	↓
Business Mix	490408	460034	6.60%	↑
CASA	106806	92436	15.55%	↑
CASA Ratio	42.57	40.26%	5.74%	↑
Gross NPA	15666	17660	(11.29%)	↓
Net NPA	3741	5291	(29.30%)	↓
Net Interest Margin	2.43%	2.57%	(5.45%)	↓
Gross NPA Ratio	10.66%	13.04%	(18.25%)	↓
Net NPA Ratio	2.77%	4.30%	(35.58%)	↓
Cost to Income Ratio	48.46%	48.80%	(0.70%)	↓
PCR	92.00%	89.36%	2.95%	↑
CRAR	15.41%	10.90%	41.38%	↑
ROE	13.22%	9.80%	34.90%	↑
CD Ratio	58.57%	59.00%	(0.73%)	↓

- The Bank has successfully come out of Prompt Corrective Action on 29.09.2021.
- Profit for the quarter ended 30.09.2021 recorded at Rs.376 crore.
- Net NPA has stood at 2.77% which is within prescribed RBI guidelines.
- During the quarter GNPA reduced by Rs.286 crore. GNPA ratios improved to 10.66% from 13.64% QoQ
- The provision coverage ratio recorded at 92%



Performance Highlights for the Quarter ended September 30, 2021 Q o Q (Sequential)

1. **Total business** stood at Rs.4,90.408 crore as on 30th September 2021 as against Rs.4,78,365 crore as on 30th June 2021.
2. **Total deposits** stood at Rs.2,50,890 crore as on 30th September 2021 as against Rs.2,42,941 crore as on 30th June 2021.
3. CASA of the Bank stood at 42.57% as on 30th September 2021 against 41.63% as on 30th June 2021.
4. **Gross Advances** stood at Rs.1,46,940 crore as on 30th September 2021 as against Rs.1,38,944 crore as on 30th June 2021. The Bank has grown under retail and agri sector and rebalanced the advance balance by consciously reduced the stressed sector in corporate segment.
5. Operating Profit as on 30th September 2021 stood at Rs.1,419 crore as against Rs.1,202 crore for the quarter ended 30th June 2021.
6. Net profit for quarter ended 30th September 2021 stood at Rs.376 crore as against Rs.327 crore for quarter ended 30th June 2021.
7. Total income for the quarter ended 30th September 2021 is Rs.5376 crore as against Rs.5,155 crore for the quarter ended 30th June 2021.
8. Interest income stood at Rs.4255 crore for the quarter ended 30th September 2021 as against Rs.4,063 crore for the quarter ended 30th June 2021.
9. Non-interest income stood at Rs. 1121 crore for the quarter ended 30th September 2021 as against Rs.1,092 crore for the quarter ended 30th June 2021.
10. **NPA MANAGEMENT: Gross NPA as at 30th September 2021 stood at Rs.15666 crore with ratio of 10.66 % as against Rs.15,952 crore with ratio of 11.48 % as at 30th June 2021. GNPA has reduced both in quantum and as a percentage of Gross Advances QoQ.**



11. **Reduction in NPA for the quarter ended September 2021** stood at Rs. 1798 crore as against Rs.1,616 crore achieved for quarter ended June '21.
12. Total Cash Recovery for September 2021 was Rs.831.77 crore (includes Recovery from Tech write off of Rs.428.61 crore) as against Rs.751.97 crore (includes Recovery from Tech write off of Rs.233.74 crore) in June 2021.
13. Net NPA at 30th September 2021 stood at Rs.3741 crore with ratio of 2.77% as against Rs.3,998 crore with ratio of 3.15% as on 30th June 2021 thus reducing NPA by Rs. 257 crore in absolute terms.
14. **Provision Coverage Ratio improved to 92% as against 91.56% as on 30th June 2021. Bank has made required provisioning in advances in specific Accounts so as to improve Net NPA.**

Performance Highlights for the Quarter ended September 30, 2021 - YoY

1. **CASA of the Bank improved to 42.57% as on 30th September 2021 as against 40.26% as on 30th September 2020 with YoY growth at bps. Total CASA has increased from Rs.92,436 crores as on 30.09.2020 to Rs.106,806 crores as on 30.09.2021, SB (Savings Bank) registered 11.48 % YoY growth as at 30th September '21 over 30th September '20.**
2. **Gross Advances** stood at Rs.1,46,940 crore as on 30th September 2021 as against Rs.1,35,469 crore as on 30th September 2020. The Bank has evolved a policy of not taking fresh exposures in stressed sectors, below hurdle rated accounts and BB and below rated accounts. The Bank has also exited from accounts in the stressed sectors, wherever feasible.
3. **Operating Profit for quarter ended 30th September 2021 was Rs.1,419 crore as against Rs.1,346 crore for the quarter ended 30th September 2020, thus increase of Rs.73 crores.**
4. Net Profit for the quarter ended 30th September 2021 stood at Rs.376 crore against net profit of Rs.148 crore for the quarter ended 30th September 2020.



5. **Interest income** stood at Rs.4254 crore for the quarter ended 30th September 2021 as against Rs.4,363 crore for the quarter ended 30th September 2020.
6. **Provision Coverage Ratio improved to 92.00% as on 30th September 2021 as against 89.36% as on 30th September 2020.**

Performance Highlights for the Half Year ended September 30, 2021

1. **Operating Profit** for the half year ended 30.09.2021 stood at Rs.2,721 crore as against Rs.2,440 crore for the half year ended 30.09.2020.
2. **Net profit** for the half year ended 30.09.2021 stood at Rs.703 crore as against Net Profit of Rs.269 crore for the half year ended 30.09.2020.
3. **Interest income** stood at Rs.8318 crore for the half year ended 30.09.2021 as against Rs.8,664 crore for the corresponding half year of the previous year (2020-21)

➤ CAPITAL ADEQUACY RATIO (CRAR):

Particulars	Basel III	Regulatory Requirement
CET 1	12.84	5.50%
Tier I	12.84	7.00%
Total CRAR	15.41	9.00%

➤ KEY FINANCIAL RATIOS:

- **Average Cost of Deposit** is 4.26% as on 30.09.2021 as against 4.80% as on 30.09.2020.
- **Average Yield on Advances** stood at **7.36** % as on 30.09.2021 as against 6.96% as on 30.09.2020.
- **Net Interest Margin** stood at 2.43% for quarter ended 30.09.2021 as against 2.57% as on 30.09.2020.
- **Credit Deposit Ratio** is 58.57% as on 30.09.2021 as against 57.19% as on 30.06.2021.



Housing Loans:

Modifications in the Schemes:

- Increase in Loan Quantum for purchase of residential plots located in Urban/ Metropolitan Areas for the purpose of construction of independent house:
 - Maximum period for construction of house is increased to 3 years.
 - Inclusion of GST & Other in project cost subject to a cap of 10% of the cost of the house or Rs.25.00 lacs whichever is lower.
2. During this festive season, Bank has launched campaign on Housing Loan and Vehicle Loans with attractive concessions / waivers:
- a) Waiver of Processing Charges
 - b) 0.10% - 0.15% - Interest Concession for Women Borrowers under Housing Loan Schemes

Corporate Credit:

Bank has floated a separate scheme for “bill discounting and short term loans, linked with Repo based rate of interest, to Profit Making PSUs (Rated AAA & AA), PSUs with State Government guarantee (irrespective of rating), State Government organizations / corporations / quasi Government entities etc., with State Government guarantee and Pharmaceutical companies (Rated AAA & AA). A new scheme “**IOB REPO LINKED SHORT TERM LOAN**” has been launched on the above lines **on 11.08.2021**.

On similar lines, another new scheme – **IOB CORPORATE LONG TERM LOAN** was launched **on 16.09.2021**, where the interest rate would be linked to Repo rate and intended to tap new business with AAA & AA rated PSUs and Government guaranteed accounts including State government, for their medium to long term credit requirement.

Marketing & Development:

- Bank has launched New Retail Health Insurance - REASSURE – (unlimited reinstatement of sum insured applicable for any illness or anyone insured with coverage up to Rs.1.00 Crore) in tie up with our channel partner M/s Niva Bupa Health Insurance.
- Bank has launched Special Marketing Campaign on the occasion of Branch opening day anniversary with a special campaign on Marketing our CASA / Para Banking products.



Customer Service:

**Top Achievers in Points Earned – Recognition from IBA
PSB alliance Door Step Banking**

Shikhar Campaign launched for DSB Registration and our Bank received the Award from IBA.

NIL Awards passed by the Banking Ombudsman:

Bank has resolved complaints to the satisfaction of the Customers. Thereby No AWARD was Passed against the Bank by Banking Ombudsman in September 2021 quarter.

Improvement in NPA Recovery:

“Voice Blasts” for recovery of Bank Dues through Call Centre put in place, which improved the Recovery Percentage.
