

Indian Bank reports 10% growth in net profit

Our Bureau

Net interest income grows 18% to Rs. 1,278 crore

Chennai, November 9:

Indian Bank on Wednesday reported a 10 per cent growth in net profit to Rs. 405 crore for quarter ended September 30, 2016 as against Rs. 369 crore for the same quarter last year.

Net interest income grew 18 per cent to Rs. 1,278 crore (Rs. 1,080 crore), said a press release from the bank's Managing Director and CEO Mahesh Kumar Jain.

Net interest margin touched 2.64 per cent for September 2016 quarter as against 2.26 per cent in the same quarter last year.

Net NPAs to net advances ratio stood at 4.62 per cent as on September 30, 2016, as against 4.48 per cent as on June 30, 2016, the release said.

Capital Adequacy Ratio as per Basel III was at 14.34 per cent as on September 30, 2016, of which, tier-I capital stood at 12.66 per cent and CET1 at 12.24 per cent.

The release said the bank's networth increased to Rs. 14,184 crore as on September quarter, up from Rs. 13,804 crore as on June 30, 2016.

Network

During the quarter ended September 30, 2016, 13 new branches, including eight under the newly formed verticals, were opened at various centres pan India. This takes the total domestic distribution network of the bank to 2,594 branches, besides overseas presence in Singapore, Colombo and Jaffna.

The bank's total employees as on September 30 was 20,661, the release said.

Reorientation

The release said that having reoriented as a "Mid-Sized Bank" with focus on retail and mid-corporate segment in its revamped business model, the bank has shifted its focus to retail business through specialised verticals such as retail loans, MSME and mid corporate, agriculture/other loans.

September quarter witnessed healthy trend in CASA with the portfolio increasing to Rs. 58,354 crore as on September 30, 2016 (Rs. 49,999 crore).

On the BSE, the bank's share price closed at Rs. 230.85, up 7.05 per cent.

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2

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