

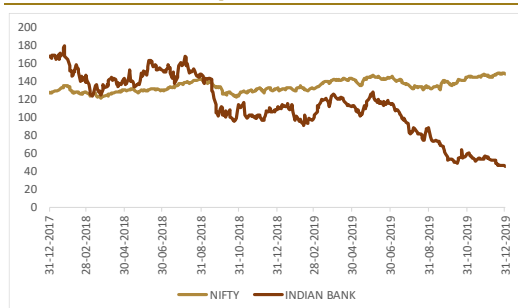
Market statistics as on December 31, 2019

Current stock price	102.7
Shares O/S (bn.)	0.61
Mcap (Rs bn.)	62.52
P/E (x)	12.98
52W H	292.7
52W L	100.5
Price to Book	0.25

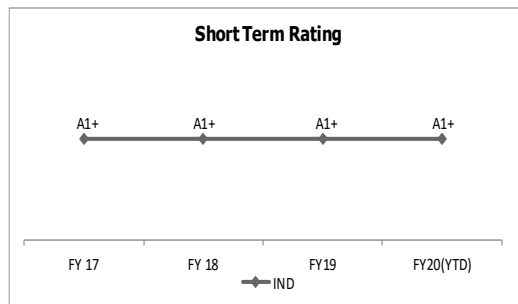
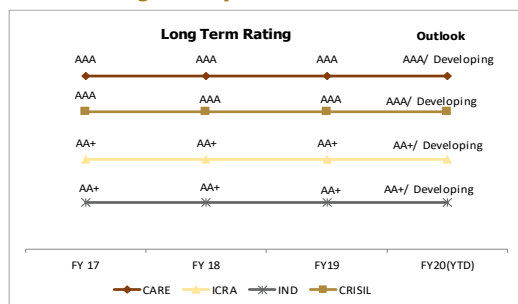
Shareholding pattern as on Dec. 31, 2019

Promoter & promoter Group	83.46%
Domestic Institution	7.80%
Foreign Institution	2.70%
Others	6.04%

Indian Bank Vs Nifty



Credit Rating History



Financial Performance

Particulars	H1FY20	H1FY19	% chg
Advances	1868.2	1669.7	11.9
Deposits	2531.7	2195.2	15.3
Net interest income (NII)	36.5	35.4	3.1
Other income	14.3	8.7	65.0
Total income	118.8	102.6	15.8
Operating expenses (excl. interest exp.)	22.0	19.2	15.0
PAT	7.2	3.6	101.4
CASA (%)	33.8	36.1	-
Cost to Income ratio	43.4	43.5	-
ROA (%)	0.5	0.3	-
Tier I (%)	12.7	11.5	-
CAR (%)	14.5	12.7	-
GNPA (%)	7.2	7.2	-
NNPA (%)	3.5	4.2	-

Source: company Reports, ACE Equity

Credit Drivers:

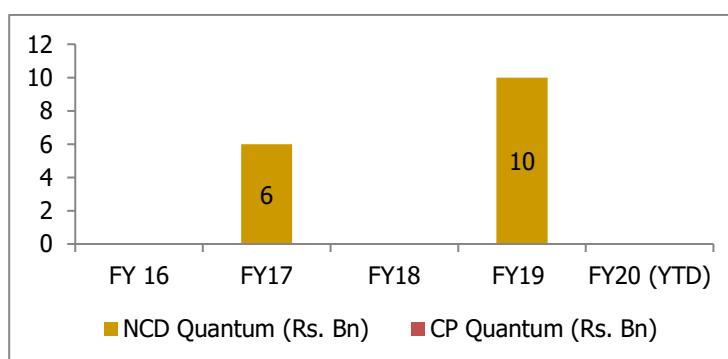
- Medium-sized bank with regional concentration:** Indian bank is a medium-sized bank with domestic banking business of Rs.4.31 trillion as on September 30, 2019 (Advances – Rs.1.86 trillion and Deposits – Rs.2.53 trillion)
- Average asset quality:** Indian Bank's average asset quality is reflected in gross NPAs of 7.2% and net NPAs of 3.5% as on September 30, 2019 (7.2% & 4.2% as on September 30, 2018). The asset quality has deteriorated over the past few years compared to previous levels, however, it is better than the Public sector average.
- Comfortable resource profile:** The resource profile is marked by a steady deposit base, and improving branch network. The deposit mix has been stable with CASA deposits accounting for 33.8% of total deposits as on September 30, 2019.
- Strong capital position:** The bank is well-capitalized, with Tier-I and overall CAR (under Basel III) at 12.7% and 14.5% respectively as on September 30, 2019 (11.5% and 12.7% respectively as on September 30, 2018).
- Modest earnings profile:** Increase in asset quality over the past few years has affected IB's earnings profile; the return on assets (RoA) ratio improved to 0.5% during H1FY20 from 0.2% in H1FY18. Profitability has also improved with PAT of Rs. 7.2 billion for H1FY20 as against Rs. 3.6 billion for H1FY19
- Comfortable liquidity:** The banks' liquidity is comfortable, supported by strong Liquidity Coverage Ratio (LCR) of 128.44% as on Sep 30, 2019 as against the regulatory requirement of 100%.

Latest Issuances:

Name	Type	Date	Tenor	Coupon (%)	Quantum (Rs. Bn)
Indian Bank	Unsecured	Jan 22, 2019	10 years	8.53 p.a.	6.00

*Source: NSDL

NCD Issuance over the last 5 years (*Source : Prime Database)



Credit Spread over 10 year G-sec (*Source : Reuters)

