



INDIAN OVERSEAS BANK

IOB was among the first Indian banks to specialise in overseas banking and foreign exchange business



T S Narayanasami
Chairman & Managing Director

| Company Ranking | | |
|-----------------|------------|-----------|
| Income | Net Profit | Net Worth |
| 51 | 57 | 65 |

INDIAN OVERSEAS BANK

D&B D-U-N-S® No 65-006-7234

Registered Office

763, Anna Salai
Chennai - 600002

Chairman & Managing Director

T S Narayanasami

Executive Director

A V Dugade

Directors

M Prasad, C S Murthy,
S Srinivasan, J D Sharma,
S Khatri, M N Kandaswamy,
A K Bhargava, C Sen,
S K Sehgal, M N Venkatesan

Auditors

Amit Ray & Co
Ved & Co
C S Hariharan & Co
SRRK Sharma Associates
S K Singhanian & Co
R S Sipayya & Co

History

Indian Overseas Bank (IOB) was founded by MCiMC Chettyar in 1937. It began operations by opening branches simultaneously in Karaikudi and Chennai in TN and Yangon (then Rangoon). Later, it opened a branch in Penang, Malaysia. In 1969, IOB was nationalised. In 1973, IOB closed its five branches in Malaysia and created United Asian Bank Berhad in which IOB had 16.7% stake. In the same year, Bharat Overseas Bank Ltd was created in India with 30% equity participation from IOB, to take over IOB's branch at Bangkok in Thailand. In 1977, IOB opened a branch in Seoul. In 1990, IOB took over Bank of Tamil Nadu. In 2001, it came out with its IPO.

Products

IOB offers a range of products and services in corporate and retail banking. Its deposit schemes include *Varshik Aai Yojana*, *Multiple Deposit Account*, *Education Deposit* and *Vardhan* (for senior citizens). IOB's loan schemes include *Sahayika* (loan for social commitments), *NRI Home Loan Scheme* (a loan for NRIs), *Shubh Yatra* (for overseas travelers), *Subha Gruha Scheme* (home loan), *Vidya Jothi Scheme* (education loan), *Liquivent* (loan against rent receivables) and *Sanjeevini* (loan scheme for doctors). Recently IOB launched various products with a view to augment fee based income. Some of these schemes include *Vidya Suraksha*, *Vidya Jyothi with Suraksha*, Liability Insurance and Easy Trade Finance. IOB also entered into tie-up agreements with eight leading mutual funds companies for distribution of their mutual fund schemes.

Overseas Operations

IOB has five overseas branches – in Colombo, Hong Kong (two branches), Seoul and Singapore. It has representative offices in Guangzhou (China) and Kuala Lumpur and a remittances centre in Singapore.

The bank's remittance product called *e-Cash Home* was introduced to enable fast track remittances from the US. The bank has now entered into a tie-up for handling remittances of Western Union Money Transfer.

New Initiatives

Apart from achieving 100% computerisation, the bank has successfully launched CBS with software developed in-house, in 206 branches. IOB introduced 'Any Branch Banking' in select branches in major cities.

The bank launched *IOB Jeevan*, a group term assurance scheme for the bank's account holders, in association with LIC. *IOB Health Care Plus* is a mediclaim scheme the bank provides to its resident as well as non-resident customers in association with United Insurance. In Sept 2005, the bank launched multicity cheque facility.

Branch Network

During the period between FY05 to FY06, IOB opened 40 new branches and 31 extension counters in India. One branch was merged and two branches were converted into satellite offices. Besides, 19 extension counters were upgraded as full-fledged branches while five unviable extension counters was closed.

As at the end of Mar 2006, IOB had 1,517 branches in India comprising 548 rural, 378 semi-urban, 317 urban and 270 metropolitan / port town branches. There were 253 extension counters.

Operations

In FY05, IOB's total deposits went up 6.7% to Rs.442.4 bn. Net advances went up 24.2% to Rs 252.1 bn. Priority sector advances constituted 43.5% of net bank credit. Agricultural loans went up 30.4% to Rs 8.9 bn in FY05, accounting for 18.1% of net bank credit. Net NPA declined to 1.3% of net advances from 2.9% in FY04. CAR stood at 14.2% in FY05.

The Year in Review

For the year to Mar 31, 2005, total income increased to Rs 45.9 bn, up 2.1% over the previous year's figure. Net profit increased 27% to Rs 6.5 bn.

As per audited results for the twelve months ended Mar 31, 2006, the bank recorded an income of Rs 51.3 bn and a net profit of Rs 7.8 bn.