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Investor Services Cell  
254-260, Avvai Shanmugam Salai  
Royapettah  
**Chennai 600 014**

Ref : ISC / 142 / 2020-21

17.07.2020

<p><b>The Vice President</b> <b>National Stock Exchange of India Limited</b> "Exchange Plaza", Bandra Kurla Complex, Bandra East <b>Mumbai - 400 051.</b> <b>NSE Symbol : INDIANB</b></p>	<p><b>The Manager</b> <b>B S E Limited</b> Phiroze Jeejibhai Towers Dalal Street <b>Mumbai - 400 001.</b> <b>BSE Scrip Code: 532814</b></p>
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**Sub : Outcome of Board Meeting**

Further to our letter dated 14.07.2020, we wish to inform that the Board of Directors of the Bank, in its meeting held today, i.e., on July 17, 2020 has considered and approved the Opening Balance Sheet of the Amalgamated Bank as at April 01, 2020, i.e., post amalgamation of Allahabad Bank into Indian Bank. A copy of the same is enclosed.

The meeting commenced at 10.30 a.m and concluded at 12.15 p.m

This is in compliance to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We request you to take on record the above.

Yours faithfully,

(Arun Kumar Bansal )

**General Manager (Accounts) / CFO**

B



OPENING BALANCE SHEET AS ON 01st APRIL 2020

(in thousands)

Particulars	Schedule	As on 01.04.2020
<b>CAPITAL &amp; LIABILITIES</b>		
Capital	1	1129 36 66
Reserves and Surplus	2	33622 67 59
Deposits	3	488549 86 07
Borrowings	4	30953 00 90
Other Liabilities & Provisions	5	12975 03 51
<b>TOTAL</b>		<b>567229 94 73</b>
<b>ASSETS</b>		
Cash & Balances with R B I	6	13102 73 38
Balances with Banks and Money at Call and Short Notice	7	22572 32 97
Investments	8	161908 26 54
Advances	9	341074 15 34
Fixed Assets	10	7466 42 48
Other Assets	11	21106 04 02
<b>TOTAL</b>		<b>567229 94 73</b>
Contingent Liabilities	12	149871 09 77
Bills for Collection	-	15344 62 89
Significant Accounting Policy	13	
Notes to Accounts	14	

The Schedules referred to above form an integral part of the Balance Sheet

Place : Chennai  
Date : 17.07.2020

*General Manager (Accounts)/CFO*



K Ramachandran  
Executive Director

Shenoy Vishwanath V  
Executive Director

M K Bhattacharya  
Executive Director

Padmaja Chunduru  
Managing Director & CEO

**DIRECTORS**

Sanjeev Kaushik  
Government Nominee Director

S K Panigrahy  
RBI Nominee Director

Salil Kumar Jha  
Non Official Director

Bharath Krishna Sankar  
Shareholder Director

**STATUTORY CENTRAL AUDITORS**

For M THOMAS & CO  
Chartered Accountants  
FR No. 004408S

For P S SUBRAMANIA IYER & CO  
Chartered Accountants  
FR No. 004104S

For K C MEHTA AND CO  
Chartered Accountants  
FR No. 106237W

A ROZARIO  
Partner  
(M. No 021230 )

UDIN: 20021230AAAAEF8605

V MOHAN  
Partner  
(M. No . 026590 )

UDIN: 20026590AAAAEL4127

CHIRAG BAKSHI  
Partner  
(M. No. 047164 )

UDIN: 20047164AAAAD39242

For SRIRAMAMURTHY & CO  
Chartered Accountants  
FR No: 003032S

M POORNA CHANDER RAO  
Partner  
(M No.027113)

UDIN: 20027113AAAAKV1350

For RAVI RAJAN & CO LLP  
Chartered Accountants  
FR No. 009073N / N500320

JAYANTH. A  
Partner  
(M No. 231549 )

UDIN: 200231549AAAA03606

(₹ in thousands)



**SCHEDULE 1 - CAPITAL**

Particulars	As on 01.04.2020
I. Authorised Capital	
300,00,00,000 Equity Shares of Rs.10/- each	3000 00 00
II. Issued, Subscribed and Paid up:	
Equity Shares:	
a. 99,45,49,600 Equity shares of Rs.10/- each held by Government of India	994 54 96
b. 13,48,16,970 Equity shares of Rs.10/- each held by Public	134 81 70
<b>TOTAL</b>	<b>1129 36 66</b>





### SCHEDULE 2 - RESERVES AND SURPLUS

Particulars	As on 01.04.2020	As on 01.04.2020
<b>I. STATUTORY RESERVES</b>		<b>7898 58 51</b>
<b>II. CAPITAL RESERVES</b>		
A Revaluation Reserve	5897 83 14	
B Others	865 29 75	
<b>TOTAL II (A + B)</b>		<b>6763 12 89</b>
<b>III. SHARE PREMIUM</b>		<b>19833 14 85</b>
<b>IV. REVENUE AND OTHER RESERVES</b>		
A) Revenue Reserve	10670 17 03	
B) Special Reserve U/S 36(1)(viii) of IT Act	2175 52 00	
C) Special Reserve U/S 36(1)(viii a) of IT Act	60 10 63	
D) Investment Fluctuation Reserve/ Investment Reserves	753 36 78	
E) Foreign Currency Translation Reserve	437 26 31	
<b>TOTAL IV (A + B + C + D+ E )</b>		<b>14096 42 75</b>
<b>V. AMALGAMATION RESERVE</b>		<b>4006 91 55</b>
<b>VI. PROFIT &amp; LOSS ACCOUNT</b>		<b>-18975 52 96</b>
<b>TOTAL (I+II+III+IV+V+VI)</b>		<b>33622 67 59</b>



( ₹ in thousands)



### SCHEDULE 3 - DEPOSITS

Particulars	As on 01.04.2020
<b>A. I. DEMAND DEPOSITS</b>	
i) From Banks	240 51 45
ii) From Others	24517 33 29
<b>TOTAL</b>	<b>24757 84 74</b>
<b>II. SAVINGS BANK DEPOSITS</b>	<b>174621 24 43</b>
<b>III. TERM DEPOSITS</b>	
i) From Banks	4119 43 01
ii) From Others	285051 33 89
<b>TOTAL</b>	<b>289170 76 90</b>
<b>TOTAL (I+II+III)</b>	<b>488549 86 07</b>
<b>B. i) Deposits of branches in India</b>	<b>481116 22 25</b>
ii) Deposits of branches outside India	7433 63 82
<b>TOTAL</b>	<b>488549 86 07</b>



( ₹ in thousands)



**SCHEDULE 4 - BORROWINGS**

Particulars	As on 01.04.2020
<b>I. BORROWINGS IN INDIA</b>	
i) Reserve Bank of India	12111 90 30
ii) Other Banks	300 10 88
iii) Other Institutions and Agencies *	11234 50 15
<b>TOTAL</b>	<b>23646 51 33</b>
<b>II. BORROWINGS OUTSIDE INDIA **</b>	
	7306 49 57
<b>TOTAL (I+II)</b>	<b>30953 00 90</b>
Secured Borrowings included above	11529 90 00
* includes Tier II Capital - Subordinated debt of ` 6600 00 00 and Tier I Capital - Perpetual Debt Instrument of ` 500 00 00	
** Includes pipeline and un-adjusted items in Nostro Mirror Balances	



( ₹ in thousands)



**SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS**

Particulars	As on 01.04.2020
I. Bills Payable	998 71 70
II. Inter Office Adjustments(Net)	
III. Interest Accrued	1657 16 26
IV. Others(including Provisions)	10319 15 55
<b>TOTAL</b>	<b>12975 03 51</b>



(₹ in thousands)



**SCHEDULE 6 - CASH AND BALANCES  
WITH RESERVE BANK OF INDIA**

Particulars	As on 01.04.2020
I. Cash in hand (including foreign currency notes)	1641 48 10
II. Balances with Reserve Bank of India in Current Account	11461 25 28
<b>TOTAL (I+II)</b>	<b>13102 73 38</b>





(₹ in thousands)



**SCHEDULE 7 - BALANCES WITH BANKS AND  
MONEY AT CALL AND SHORT NOTICE**

Particulars	As on 01.04.2020
<b>I. IN INDIA</b>	
i) Balances with Banks	
a) in Current Account	3048 73 45
b) in Other Deposit Accounts	3687 14 07
<b>TOTAL (i)</b>	<b>6735 87 52</b>
ii) Money at Call and Short Notice (with Banks)	8900 00 01
<b>TOTAL (ii)</b>	<b>8900 00 01</b>
<b>TOTAL (i + ii)</b>	<b>15635 87 53</b>
<b>II. OUTSIDE INDIA</b>	
i) in Current Accounts	2097 53 68
ii) in other Deposit Accounts	4830 26 44
iii) Money at Call and Short Notice	8 65 32
<b>TOTAL (i + ii + iii)</b>	<b>6936 45 44</b>
<b>GRAND TOTAL (I +II)</b>	<b>22572 32 97</b>



**SCHEDULE 8 - INVESTMENTS**

Particulars	As on 01.04.2020
<b>I. INVESTMENTS IN INDIA</b>	
Gross Investments	162812 92 11
Less Provsion for Depreciation &NPI	3075 64 34
Net Investments	<b>159737 27 77</b>
i) Government Securities	144609 60 68
ii) Other approved Securities	2 98 83
iii) Shares	775 57 18
iv) Debentures and bonds	7991 94 17
v) Subsidiaries and/or joint ventures (Including Associates)	235 75 24
vi) Others	6121 41 66
<b>TOTAL</b>	<b>159737 27 76</b>
<b>II. INVESTMENT OUTSIDE INDIA</b>	
Gross Investments	<b>2268 26 80</b>
Less Provsion for Depreciation &NPI	97 28 03
Net Investments	<b>2170 98 77</b>
i) Government Securities (including local authorities)	2149 36 57
ii) Other investments	
(a) Shares	43 53
(b) Debt Securifies	21 18 67
<b>TOTAL</b>	<b>2170 98 77</b>
<b>NET GRAND TOTAL (A+B)</b>	<b>161908 26 54</b>





( ₹ in thousands)

### SCHEDULE 9 - ADVANCES

Particulars	As on 01.04.2020
i) Bills purchased and discounted	1749 47 69
ii) Cash Credit, Overdrafts and loans repayable on demand	172978 31 20
iii) Term Loans	166346 36 45
<b>TOTAL</b>	<b>341074 15 34</b>
i) Secured by tangible assets (includes advance against bookdebts)	287073 18 98
ii) Covered by bank/Government guarantee	9507 16 01
iii) Unsecured	44493 80 35
<b>TOTAL</b>	<b>341074 15 34</b>
<b>I. ADVANCES IN INDIA</b>	
i) Priority Sector	145468 88 93
ii) Public Sector	26964 61 48
iii) Banks	828 26 37
iv) Others	159621 43 08
<b>TOTAL</b>	<b>332883 19 86</b>
<b>II. ADVANCES OUTSIDE INDIA</b>	
i) Dues from Banks	2254 59 78
ii) Dues from others	
a) Bills Purchased and discounted	970 27 17
b) Syndicated loans	3355 58 88
c) Others	1610 49 65
<b>TOTAL</b>	<b>8190 95 48</b>
<b>GRAND TOTAL (I+II)</b>	<b>341074 15 34</b>



( ₹ in thousands)



### SCHEDULE 10 - FIXED ASSETS

Particulars	As on 01.04.2020
<b>I. PREMISES (Incl. Revalued Premises)</b>	
At cost/revaluation as per the last Balance Sheet	6851 39 86
Additions/Adjustments during the year	3 63 15
<b>Sub-Total</b>	6855 03 01
Deductions during the year	1 67 25
<b>Sub-Total</b>	6853 35 76
Depreciation to date	1111 64 41
<b>TOTAL</b>	<b>5741 71 35</b>
<b>II. LEASED ASSETS</b>	
At cost/revaluation as per the last Balance Sheet	530 52 79
Additions/Adjustments during the year	0
<b>Sub-Total</b>	530 52 79
Deductions during the year	0
<b>Sub-Total</b>	530 52 79
Depreciation to date	23 23 14
<b>TOTAL</b>	<b>507 29 65</b>
<b>II. BUILDINGS UNDER CONSTRUCTION</b>	<b>79 12</b>
<b>III. OTHER FIXED ASSETS</b> (including Furniture and Fixtures)	
At cost as per last Balance Sheet	3793 14 72
Additions/Adjustments during the year	426 57 50
<b>Sub-Total</b>	4219 72 22
Deductions during the year	98 59 39
<b>Sub-Total</b>	4121 12 83
Depreciation to date	2904 50 46
<b>TOTAL</b>	<b>1216 62 36</b>
<b>TOTAL (I+II+III)</b>	<b>7466 42 48</b>



(₹ in thousands)



### SCHEDULE 11 - OTHER ASSETS

Particulars	As on 01.04.2020
I. Inter Office Adjustment (net)	1599 71 68
II. Interest Accrued	2710 47 95
III. Tax paid in advance/tax deducted at source (net)	7486 87 30
IV. Stationery and Stamps	39 50 09
V. Non-banking assets acquired in satisfaction of claims	55 80 71
VI. Others	9213 66 29
<b>TOTAL</b>	<b>21106 04 02</b>





### SCHEDULE 12 - CONTINGENT LIABILITIES

Particulars	As on 01.04.2020
I. Claims against the bank not acknowledged as debts*	4508 13 42
II. Liability for partly paid investments	400 48 98
III. Liability on account of outstanding forward exchange contracts	108566 39 24
IV. Guarantee given on behalf of constituents*	
a) In India	17445 64 53
b) Outside India	1464 03 98
V. Acceptance, Endorsements and other obligations*	11554 94 25
VI. Other items for which the bank is contingently liable	5931 45 37
<b>TOTAL</b>	<b>149871 09 77</b>

\* Contingent Liability has been considered net of margin



## SCHEDULE 13 – SIGNIFICANT ACCOUNTING POLICIES

### 1 ACCOUNTING CONVENTION

The financial statements are prepared by following the going concern concept on historical cost convention unless otherwise stated. They conform to generally accepted accounting principles in India, which comprises statutory provisions, regulatory / Reserve Bank of India guidelines, accounting standards / guidance notes issued by the Institute of Chartered Accountants of India and the practices prevalent in the Banking Industry in India. In respect of foreign branches as per statutory provisions and practices prevailing in the respective countries.

### 2 USE OF ESTIMATES

The preparation of financial statements requires the management to make estimates and assumptions for considering the reported assets and liabilities (including contingent liabilities) as on the date of financial statements and the income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

### 3 TRANSACTIONS INVOLVING FOREIGN EXCHANGE

Foreign Currency transactions of Indian operations and non-integral foreign operations are accounted for as per Accounting Standard-11 (AS-11) issued by the Institute of Chartered Accountants of India (ICAI).

#### 3.1 Translation in respect of Indian operations

- Foreign exchange transactions are recorded at the Weekly Average Rate (WAR) notified by Foreign Exchange Dealers' Association of India (FEDAI).
- Foreign currency assets and liabilities are translated at the closing rates notified by FEDAI at the year end.
- Acceptances, endorsements and other obligations and guarantees in foreign currency are carried at the closing rates notified by FEDAI at the year end.
- Exchange differences arising on settlement and translation of foreign currency assets and liabilities at the end of the financial year are recognized as income or expenses in the period in which they arise.
- Outstanding forward exchange contracts are disclosed at the Contracted rates, and revalued at FEDAI closing rates, and the resultant effect is recognized in the Profit and Loss account.

#### 3.2 Translation in respect of non-integral foreign operations.

Foreign branches are classified as non-integral foreign operations and the financial statements are translated as follows:

- Assets and liabilities including contingent liabilities are translated at the closing rates notified by FEDAI at the year end.
- Income and expenses are translated at the Quarterly Average Closing rate notified by FEDAI at the end of the respective quarter.
- All resulting exchange differences are accumulated in a separate account "Foreign Currency Translation Reserve" (FCTR) till the disposal of the net investments.



#### 4. INVESTMENTS

4.1 The entire investment portfolio of the Bank is classified in accordance with the RBI guidelines into three categories viz.

- Held To Maturity (HTM)
- Available For Sale (AFS)
- Held For Trading (HFT)

The securities acquired with the intention to be held till maturity are classified under “**HTM**” category. The securities acquired with the intention to trade by taking advantage of short-term price / interest movements are classified as “**HFT**”. All other securities which do not fall under any of the two categories are classified under “**AFS**” category.

An investment is classified as Held to Maturity, Available for Sale or Held for Trading at the time of its purchase/acquisition and subsequent shifting is done in conformity with the Regulatory guidelines. Transfer of scrips, if any, from one category to another is done at the lowest of acquisition cost/book value/market value on the date of transfer and depreciation, if any, on such transfer is fully provided for.

Investment in Subsidiaries, Joint Ventures and Associates are classified as Held to Maturity.

4.2 Profit on sale of securities under HTM category is first taken to Profit and Loss account and thereafter appropriated to Capital Reserve account (net of taxes and amount required to be transferred to statutory reserves) and loss, if any, charged to Profit & Loss account.

4.3 Investments in India are valued in accordance with RBI guidelines, as under:

- a) Securities in **HTM** category are valued at acquisition cost except where the acquisition cost is higher than the face value, in which case, such excess of acquisition cost over the face value is amortised over the remaining period of maturity. Any diminution, other than temporary, in value of investments in subsidiaries/joint ventures/Associates which are included under HTM category is recognized and provided. Such diminution is being determined and provided for each investment individually. Investment in units of Venture Capital funds (VCF) / Alternate Investment Fund (AIF) made after 23.08.2006 are classified under HTM category for initial period of 3 years and valued at cost.
- b) Investment in Subsidiaries, Joint Ventures and Associates are valued at historical cost. Investment in sponsored Regional Rural Banks (RRB) are valued at carrying cost (i.e. Book value).
- c) Investments in **AFS** category are marked to market, scrip-wise and classification wise, at quarterly intervals. Net depreciation, if any, is provided for in the Profit and Loss account while net appreciation, if any, is ignored. The book value of the individual securities does not undergo any change after marking to market.
- d) The individual scrips in the **HFT** category are marked to market at daily intervals. Net depreciation, if any, is provided for in the Profit and Loss account while net appreciation, if any, is ignored. The Book Value of the individual securities in this category does not undergo any change.





e) Securities in **AFS and HFT** categories are valued as under:

- Central Government Securities are valued at prices / YTM rates as announced by Primary Dealers Association of India (PDAI) jointly with Fixed Income Money Market and Derivatives Association of India (FIMMDA) / Financial Benchmark India Private Ltd (FBIL).
- State Government and Other approved securities are valued applying the YTM method by marking up 25 basis points above the yields of the Central Government Securities of equivalent maturity put out by PDAI / FIMMDA/ FBIL periodically.
- Equity shares are valued at market price, if quoted. Unquoted equity shares are valued at break-up value (without considering revaluation reserves if any) as per the company's latest balance sheet (not more than one year prior to the date of valuation). Otherwise, the shares are valued at Re. 1 per company.
- Preference shares are valued at market price, if quoted; otherwise at lower of the value determined based on the appropriate YTM rates or redemption value.
- All debentures/bonds, other than those which are in the nature of advances, are valued on the YTM basis.
- Treasury bills, Certificate of deposits and Commercial papers are valued at carrying cost.
- Units of Mutual Funds are valued at market price, if quoted; otherwise at lower of repurchase price or Net Asset Value (NAV). In case of funds with a lock-in period, where repurchase price / market quote is not available, units are valued at NAV, else valued at cost till the end of the lock-in period.
- Investment in units of Venture Capital funds (VCF)/Alternate Investment Fund(AIF) made after 23.08.2006 are classified under HTM category for initial period of 3 years and valued at cost. After period of 3 years from the date of disbursement, it will be shifted to AFS and marked-to-market as per RBI guidelines.
- In respect of investment at Overseas branches, RBI guidelines or those of the host countries whichever are more stringent are followed. In case of those branches situated in countries where no guidelines are specified, the guidelines of RBI are followed.

4.4 Non-performing investment (NPI) are identified as stated below, as per guidelines issued by RBI.

- Securities/Non-cumulative Preference shares where interest/fixed dividend/installment (including maturity proceeds) is due and remains unpaid for more than 90 days.
- If any credit facility availed by the issuer from the Bank is a Non-performing advance, investment in any of the securities including preference shares issued by the same issuer is also treated as NPI and vice versa . However, if only the preference shares are classified as NPI, the investments in any of the other performing securities issued by the same issuer may not be classified as NPI and any performing credit facilities granted to that borrower need not be treated as NPA.



- Investments backed by guarantee of the Central Government though overdue are treated as Non Performing Asset (NPA) only when the Government repudiates its guarantee when invoked.
  - Investment in State Government guaranteed securities, including those in the nature of 'deemed advances', are subjected to asset classification and provisioning as per prudential norms if interest/ installment of principal (including maturity proceeds) or any other amount due to the Bank remains unpaid for more than 90 days.
  - Equity instrument classified as NPI should be valued at market value, if quoted, and in case where equity is not quoted, it should be valued at Re.1
- 4.5 Brokerages / Commission / incentive received on subscriptions are deducted from the cost of securities. Brokerage / Commission / Stamp duty paid in connection with acquisition of securities are treated as revenue expenses.
- 4.6 Interest Rate Swap transactions for trading is marked to market at quarterly intervals. The fair value of the total swaps is computed on the basis of the amount that would be received/ receivable or paid/ payable on termination of the swap agreements as on the balance sheet date. Losses arising there from, if any, are fully provided for, while the profit, if any, is ignored.
- 4.7 Exchange traded FX Derivatives i.e. Currency Futures, are valued at the Exchange determined prices and the resultant gains and losses are recognized in the Profit and Loss account.
- 4.8 Premium/interest arising at the inception of forward exchange swap facility of RBI for FCNR (B) dollar deposits is amortized as expense over the period of the swap contract.
- 4.9 Cost of investments is determined based on the Weighted Average Cost method in each category. Investments classified under HTM are carried at acquisition cost as arrived under Weighted Average Cost method and in case the weighted average cost is more than the face value, the premium is amortised over the remaining period of maturity.
- **Accounting for Repo/Reverse Repo transactions:**  
All types of repo/reverse repo transactions with RBI including LAF, variable rate term operations, Long term Repo operations (LTRO) ,MSF and also Market Repo transactions are accounted as per RBI guidelines.

The securities sold and purchased under Repo/Reverse Repo are accounted as Triparty Repo wherein securities are transferred as in the case of normal outright sale/purchase transactions and such movement of securities is reflected using the Repo/Reverse Repo Accounts and Contra entries. The above entries are reversed on the date of maturity. Costs and revenues are accounted as Interest expenditure / income, as the case may be. Balance in Repo Account is classified under Schedule 4 (Borrowings) and balance in Reverse Repo Account is classified under Schedule 7 (Balance with Banks and Money at Call & Short Notice).

## 5. FINANCIAL ASSETS SOLD TO RECONSTRUCTION COMPANIES (RC)

5.1 Security Receipts (SR) issued by SCs/RCs in respect of financial assets sold to them is recognized at lower of redemption value of SRs and Net Book Value of financial assets. SRs are valued at:



(a) SRs issued by SCs/RCs prior to 01.04.2017 at Net Asset Value declared by SCs/RCs on the Balance Sheet date and depreciation, if any, is provided for and appreciation is ignored.

(b) As per amended guidelines issued by RBI with effect from April,01,2017, provisioning requirement on SRs will be higher of

(i) provisioning rate in terms of Net Asset Value declared by the SCs/RCs

(ii) provisioning rate as applicable to the underlying loans, assuming that the loans notionally continued in the books of the bank

5.2 In case of financial assets sold to RC, the valuation and, income recognition is being done as per RBI Guidelines. If the sale is for value lower than the Net Book Value (NBV) (i.e, book value less provisions held), the shortfall is debited to the Profit and Loss account or met out of utilisation of Floating provision held, as per extant RBI guidelines

If the cash received (by way of initial consideration and /or redemption of security receipts) is higher than the Net Book value of the Non Performing Asset (NPA) sold to RC, then excess provision is reversed to the profit and Loss account. The quantum of excess provision reversed to profit and loss account is limited to the extent to which cash received exceeds the NBV of the NPA sold.

## 6. ADVANCES

6.1 In accordance with the prudential norms issued by RBI, advances in India are classified into Standard, Sub-Standard, Doubtful and Loss assets borrower-wise.

Provisions are made for non performing advances as under:

a) Sub Standard:

i) A general provision of 15% on the total outstanding

ii) Additional provision of 10% for exposure which are unsecured ab-initio (ie., where realizable value of securities is not more than 10% ab-initio)

b) Doubtful category-1

i) 25 % for Secured portion.

ii) 100% for Unsecured portion.

c) Doubtful Category – 2

i) 40 % for Secured portion.

ii) 100% for Unsecured portion.

d) Doubtful category-3 and Loss advances – 100 %.

- Provision is made for standard advances including Restructured / Rescheduled standard advances as per RBI directives.
- In respect of foreign branches, income recognition, asset classification and provisioning for loan losses are made as per local requirement or as per RBI prudential norms, whichever is more stringent.

Further,if an asset in the overseas books of the Bank requires to be classified as NPA at any point of time in terms of regulations issued by Reserve Bank of India, then all the



facilities granted by the bank to the borrower and investment in all the securities issued by the borrower will be classified as NPAs/NPIs.

However, accounts classified as Non-performing/Impaired assets (NPAs) by host regulators for reasons other than record of recovery, would be classified as NPAs at the time of consolidating financial statements in India and provided for, as required; whereas asset classification of other credit exposures to the same counterparties in other jurisdictions (including India) will continue to be governed by the extant guidelines in the respective jurisdictions.

- Advances disclosed are net of provisions made for non-performing assets, DICGC/ ECGC/ CGTMSE claims received and held pending adjustment, repayments received and kept in sundries account, participation certificates, usance bills rediscounted and provision in lieu of diminution in the fair value of restructured accounts classified as standard assets.

## 7. FIXED ASSETS / DEPRECIATION

- 7.1. Premises and other fixed assets are stated at historical cost and at the revalued amount in respect of assets revalued.
- 7.2. Depreciation on buildings (including cost of land wherever inseparable/ not segregated) and other fixed assets in India is provided for on the straight-line method at the same rates in which the said assets were charged, as specified below:

SL No	Nature of Asset	Rate of Depreciation (SLM)
I	Buildings	1.63%
II	Other Fixed Assets	
	• General Plant and Machinery	4.75%
	• Furniture, Fixtures	6.33%
	• Electrical Machinery and Fittings	7.07%
	• Cycles	7.07%
	• Scooters, Motor Cycles, Jeeps	9.50%
	• Vans	11.31%
	• Coin Vending Machine	16.66%
	• Motor cars	20.00%
	• Data processing machines including computers and UPS	33.33%
	• Cell Phones and on small value items costing upto ₹ 5000/-	100.00%

- 7.3. Depreciation relatable to revalued component is charged under revenue expenditure and an equivalent amount will be charged straightway against revaluation reserve and credited to the revenue reserve, as per revised AS 10 issued by ICAI.

Depreciation on fixed assets acquired and put in to use on or before 30th September is charged at 100% of the prescribed rates and at 50% of the prescribed rates on the fixed assets acquired and put in to use thereafter. No depreciation on the fixed assets is provided for in the year of sale / disposal. In respect of Assets where subsidy is received



from Government, the same is credited to the respective asset account and depreciation has been charged accordingly.

- 7.4 Premium on leasehold land is capitalized in the year of acquisition and amortized over the period of lease.
- 7.5 Depreciation in respect of fixed assets at foreign branches is provided as per the practice prevailing in the respective countries.
- 7.6 In respect of Non Banking Assets, no depreciation is charged.

## 8. REVENUE RECOGNITION

- 8.1 Income and expenditure are generally accounted for on accrual basis, unless otherwise stated.
- 8.2 Income from non-performing assets, Central Government guaranteed assets (where it is overdue beyond 90 days), dividend income, insurance claims, commission on letters of credit/ guarantees issued (other than those relating to project finance), income from Bancassurance products, income from wealth management, additional interest/ overdue charges on bills purchased, finance charges on credit cards, income on Bank's right to recompense, AMC charges on debit cards are accounted for on realisation basis and locker rent received is accounted on accrual basis.
- 8.3 In case of overdue foreign bills, interest and other charges are recognised till the date of crystallisation as per FEDAI guidelines.

## 9. CREDIT CARD REWARD POINTS

Reward points earned by card members on use of Card facility is recognized as expenditure on such use.

## 10. NET PROFIT / LOSS

The result disclosed in the Profit and Loss Account is after considering:

- Provision for Non-Performing Advances and / or Investments.
- General provision on Standard Advances
- Provision for Restructured Advances
- Provision for Depreciation on Fixed Assets
- Provision for Depreciation on Investments
- Transfer to/ from Contingency Fund
- Provision for direct taxes
- Provision for Unhedged Foreign Currency Exposure
- Usual or/and other necessary provisions

## 11. STAFF RETIREMENT BENEFITS

### i) PROVIDENT FUND

Provident fund is a statutory obligation and in the case of Contributory Provident Fund Optees, the Bank pays fixed contribution at pre-determined rates. The obligation of the Bank is limited to such fixed contribution. The contributions are charged to Profit and Loss Account. The fund is managed by Indian Bank Staff Provident Fund Trust.



ii) GRATUITY

Gratuity liability is a statutory obligation as per Indian Bank Employees' Gratuity Fund Rules and Regulations and is provided for on the basis of an actuarial valuation made at the end of the financial year. The gratuity liability is funded by the Bank and is managed by Indian Bank Employees Gratuity Fund Trust.

iii) PENSION

- Pension liability is a defined benefit obligation under Indian Bank (Employees) Pension Regulations 1995 and is provided for on the basis of actuarial valuation, for the employees who have joined Bank up to 31.03.2010 and opted for pension.
- New Pension Scheme (NPS) which is applicable to employees who joined bank on or after 01.04.2010 and it is a defined contribution scheme. Under NPS the Bank pays fixed contribution at pre determined rate and the obligation of the Bank is limited to such fixed contribution. The contribution is charged to Profit and Loss Account.

iv) COMPENSATED ABSENCES

Accumulating compensated absences such as Privilege Leave and Sick Leave are provided for based on actuarial valuation.

v) OTHER EMPLOYEE BENEFITS

Other Employee benefits such as Leave Fare Concession and Additional Retirement Benefit on Retirement are provided for based on actuarial valuation. In respect of overseas branches and offices, the benefits in respect of employees other than those on deputation are valued and accounted for as per laws prevailing in the respective territories.

**12. ACCOUNTING FOR LEASES**

Lease payments including cost escalation for assets taken on operating lease are recognized in the Profit and Loss Account over the lease term or life whichever is lower.

**13. CONTINGENT LIABILITIES AND PROVISIONS**

13.1 Contingent liability: Past events leading to, possible or present obligations are recognized as contingent liability in the following instances where:

- (a) The existence of such obligations has not been confirmed
- (b) no outflow of resources are required to settle such obligations
- (c) a reliable estimate of the amount of the obligations cannot be made
- (d) such amounts are not material

13.2 (a) Provision is recognized in case of present obligations where a reliable estimate can be made and/or where there are probable outflow of resources embodying foregoing of economic benefits to settle the obligations, excluding frivolous claims.

(b) Provision for Market Risk, Country Risk, etc., are made in terms of extant instructions of RBI.

(c) Floating provision as identified by the Bank Management is provided for.



- Floating provision may be utilized as per extant RBI guidelines, for -
- (i) Making specific provisions for non-performing assets;
  - (ii) Meeting any shortfall in sale of non-performing assets.

#### 14. IMPAIRMENT OF ASSETS

Impairment losses, if any, on Fixed Assets (including revalued assets) are recognised and charged to Profit and Loss Account in accordance with the Accounting Standard 28 "Impairment of Assets". However, an impairment loss on a revalued asset is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for that same asset.

#### 15. TAXES ON INCOME

- 15.1 Provision for tax is made for both Current Tax and Deferred Tax.
- 15.2 Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates, tax laws and favourable judicial pronouncements / legal opinion.
- 15.3 Deferred Tax Assets and Liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognised using the tax rates and tax laws that have been enacted or substantively enacted till the date of the Balance Sheet. Deferred Tax Assets are not recognised unless there is "virtual certainty" that sufficient future taxable income will be available against which such deferred tax assets will be realised.



## INDEPENDENT AUDITORS' REPORT

To,

The Board of Directors,  
Indian Bank,  
Corporate Office  
Avvai Shanmugam Salai  
Royapettah, Chennai

### Report on the Audit of Financial Statements as at the beginning of April 01, 2020

#### Opinion

1. We have audited the accompanying financial statements of Indian Bank (hereinafter referred to as "the Bank"), which include standalone Balance Sheet, summary of significant accounting policies and other explanatory information as at the beginning of April 01, 2020. The Financial Statements have been prepared by the Management of the Bank to give effect to the Scheme of Amalgamation (the "Scheme") whereby Allahabad Bank got amalgamated with the Bank with effect from the date as aforesaid.
2. In our opinion, the financial statements of the Bank as at the beginning of April 01, 2020 is prepared in accordance with the provisions of the Scheme of Amalgamation, applicable Accounting Standard 14 on "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India ("ICAI") and accounting principles generally accepted in India relevant to the preparation of such financial statements and gives a true and fair view of the state of affairs of the Bank as at the beginning April 1, 2020.

#### Basis of opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Balance Sheet, summary of significant accounting policies and other explanatory information as at the beginning of April 01, 2020. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Balance Sheet, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





## Emphasis of Matter

4. We draw attention to Schedule 14 of the Balance Sheet: 'Notes to Accounts' regarding:
- i. Note No. 1 regarding the basis for preparation of the Balance Sheet as at the beginning April 01, 2020 which is based on the audited Balance Sheets as on March 31, 2020 of the Bank and Allahabad Bank, along with the details of the adjustments required to be made in respect thereto in Note 2(ii) and 2(iv) as stated in the said Note;
  - ii. Note no. 2 regarding the Scheme of Amalgamation and accounting treatment thereof;
  - iii. Note no 4 regarding the uncertainties due to unprecedented outbreak of Covid 19 pandemic and the management's outlook of its impact on the business operations of the bank and its current financial position.
  - iv. Note no .5 regarding the Integration Process and
  - v. Specific Note no. 7.2 regarding the consideration of amalgamation reserve amounting to Rs. 4006.91 crores crore as a part of Common Equity Tier 1 for the purpose of calculation of CRAR in the Balance Sheet as at the beginning April 1, 2020.

Our opinion is not modified in respect of these matters.

## Other Matters

5. In order to give the effect of the approved scheme of Amalgamation, we have relied upon the audited Balance Sheet of Amalgamating Bank as at March 31, 2020 merged in the Balance Sheet of the Bank as at the beginning of April 01, 2020 referred to in this report. The Amalgamating Bank's Balance Sheet as on March 31, 2020 was audited by other Auditors whose reports have been furnished to us and we have relied on such reports in framing our opinion on the Balance Sheet of the Bank as at the beginning of April 01, 2020

## Responsibilities of Management and Those Charged with Governance for the Financial Statements.

6. Management of the Bank is responsible for the preparation of financial statements in accordance with the requirement of the Accounting Standard 14 issued by ICAI, accounting principles generally accepted in India, Scheme of Amalgamation notified by the Government of India dated 4<sup>th</sup> March, 2020 and as mandated by the Audit Committee and Board of Directors of the Bank.



7. Management of the Bank is responsible to prepare the said financial statements considering the audited Balance Sheet of the Bank as well as those of Allahabad Bank as on March 31, 2020 and incorporating accounting treatment and disclosures as stipulated in the Scheme as well as Accounting Standard 14 issued by ICAI.

8. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection, application, implementation and maintenance of appropriate accounting policies and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the opening Balance Sheet of the Bank that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, Management and Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

#### **Auditor's Responsibilities for the audit of the Financial statements.**

10. Our responsibility is to express an opinion on the Financial statements of the Bank based on our procedures, which were conducted in accordance with the relevant Standards on Auditing issued by ICAI. Those standards were applied with an objective to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion

11. Misstatements that may arise from fraud or error are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

12. Our responsibility is to verify the accounting treatment given by the Bank so as to ensure uniform accounting policies in cases where the Amalgamating Bank had conflicting accounting policies as compared to the accounting policies of the Bank and also to verify whether the amalgamation is accounted by following the Pooling of Interest method as prescribed under Accounting Standard 14 issued by ICAI.

13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for



one resulting from error, as fraud may involve collusion forgery, intentional omissions, misrepresentations, or the override of internal control.

- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Bank has internal financial controls with reference to financial statement in place and the operating effectiveness of such controls with respect to the preparation of the Financial statements as at the beginning April 1, 2020.
  - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
  - e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide to those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



## Restriction on Distribution and Use

16. The Financial statements has been prepared to assist the Bank in ascertaining the impact of amalgamation as referred to above. As a result, the Balance Sheet is not suitable for any other purpose. This report is issued solely for the internal use of the Bank and is not intended to be used, referred to or distributed for any other purpose without our prior written consent.

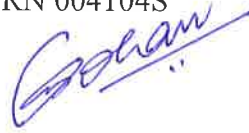
**For M THOMAS & CO.**  
Chartered Accountants  
FRN 004408S

  
**A Rozario**

(Partner)  
Membership No. 021230  
UDIN: 20021230AAAAEF8605



**P S SUBRAMANIA IYER & CO.**  
Chartered Accountants  
FRN 004104S



**V Mohan**  
(Partner)  
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UDIN:20026590AAAAEL4127



**For KC MEHTA & Co.**  
Chartered Accountants  
FRN 106237W

**Chirag Bakshi**  
(Partner)  
Membership No. 047164  
UDIN: 20047164AAAAES9242



**For SRIRAMAMURTHY & CO.**  
Chartered Accountants  
FRN 003032S

**M. Poorna Chander Rao**  
(Partner)  
Membership No.027113  
UDIN: 20027113AAAAKV1350



**For RAVI RAJAN & CO. LLP**  
Chartered Accountants  
FRN 009073N/N500320

**Jayanth A**  
(Partner)  
Membership No.231549  
UDIN: 20231549AAAAACO3606



Date: 17<sup>th</sup> July, 2020  
Place: Chennai

## Schedule 14: Notes to Accounts

### 1. Basis for preparation of Opening Balance Sheet (consequent to the amalgamation) as on April 01, 2020

Consequent to the amalgamation of erstwhile Allahabad Bank (eAB) with Indian Bank (IB or the Bank) effective from April 01, 2020, the Opening Balance Sheet(OBS) along with accounting policies and selective notes to account of the amalgamated entity as at the beginning of April 01, 2020 is prepared by the management and adopted by the Audit Committee of the Board(ACB) and approved by the Board of Directors(BOD) in its meeting held on 17.07.2020.

For the purpose of preparing the OBS, the carrying book values of assets and liabilities as per the audited financials as on March 31, 2020 of eAB has been incorporated with the carrying book value of assets and liabilities based on the audited financial statements of IB as on March 31, 2020 in accordance with the principles prescribed in Accounting Standard 14 (AS-14) "Accounting for Amalgamations". The Opening Balance Sheet has been prepared based on the accounting policies adopted by IB as on March 31, 2020 and changes have been considered in eAB only to the extent required to bring uniformity in the accounting policies as required by AS-14. The adjustments made to the assets and liabilities consequent to amalgamation have been explained in Note 2(iii) below. Bank is in the process of making necessary accounting entries in the books of account to give effect to the amalgamation.

### 2. Scheme of Amalgamation:

In exercise of powers conferred by section 9 of Banking Companies (Acquisition and Transfer of Undertakings) Act of 1970 (5 of 1970), The Government of India(GOI) after consultation with the Reserve Bank of India, the GOI has notified the Following Scheme Called "The Amalgamation of Allahabad Bank into Indian Bank Scheme 2020" (The Scheme) on March 4, 2020. As per the GOI gazette notification dated March 4, 2020, the Scheme came into force on the 1st day of April, 2020. On the commencement of the Scheme, the undertakings of the Transferor Bank shall be transferred to and shall vest into the Transferee Bank.

- i. On the commencement of the Scheme, in consideration for the transfer and vesting of the undertakings of Transferor Bank in the Transferee bank without any further application, act, instrument or deed, the Transferee Bank shall, subject to the provisions of the Scheme, issue shares to the shareholders of transferor bank as per the Share Exchange Ratio determined as follows:

115 Equity shares of Indian Bank with the face value of Rs. 10/- each fully paid up for every 1000 Equity Shares of Allahabad Bank of face value of Rs. 10/-each fully paid up.

Further in terms of clause 6(2) of the scheme of amalgamation, bank shall not issue fractional shares but make payment of amount equal to the value of such fractional share determined in accordance with the valuation of the shares of the Bank (Transferee Bank).

- ii. Allotment of 52,05,65,990 equity shares (14,98,895 physical shares + 51,90,67,095 shares in D-mat form) of Rs. 10/- each of Indian Bank to the shareholders of Allahabad Bank pursuant to the "Amalgamation of Allahabad Bank into Indian Bank Scheme, 2020" notified by the Government of India under section 9 of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970.



The new Equity shares to be issued shall rank pari passu with the existing equity shares of Indian Bank in all respects, include dividend.

Further the payment of fractional entitlements to 1,92,666 shareholders of Allahabad Bank amounting to Rs. 2.51 crore.

- iii. The amalgamation is accounted under the 'pooling of interest' method as prescribed in AS-14 "Accounting for Amalgamation". All assets and liabilities (including contingent liabilities), duties and obligations of transferor Bank are proposed to be recorded in the books of account of transferee bank at their existing carrying amounts and in the same form as on April 01, 2020 except for adjustments to bring uniformity of accounting policies as required under AS-14. Any further changes in liabilities/assets (including those consequents to changes in Accounting Standards) that may arise after the date on which the scheme has come into force will be made subsequently in the books of account of the Transferee Bank.
- iv. Summarized values of assets and liabilities transferred in accordance with the terms of the Scheme are as detailed below:

(Amount in Rs. crores)

Particulars	eAB
<b>Assets Taken Over</b>	
Cash and Balances with RBI	7366.61
Balances with Banks and Money at Call and Short Notice	14383.82
Investments	80666.58
Advances	142964.78
Fixed Assets	3510.42
Other Assets	9109.91
<b>Total Assets (A)</b>	<b>258002.12</b>
<b>Liabilities Taken Over</b>	
Reserves and Surplus	8135.29
Deposits	228608.51
Borrowings	9102.57
Other Liabilities and Provisions	7628.27
<b>Total Liabilities (B)</b>	<b>253474.64</b>
<b>Net Assets C=(A-B)</b>	<b>4527.48</b>
<b>Less:</b>	
Shares of face value Rs 10/- each issued by IB as consideration (D)	520.57
<b>Difference transferred to Amalgamation Reserve as per the Pooling of Interest Method as per AS-14, Accounting for Amalgamation (E-(C-D))</b>	<b>4006.91</b>



3. Reconciliation of Inter office, branch and zonal Offices are being reconciled on an ongoing basis.
4. The spread of COVID-19 across the globe has resulted in declined economic activity and increased volatility in financial markets. In this situation, though the challenges continue to unfold, the Bank is gearing itself on all fronts to meet the same. The situation continues to be uncertain and the Bank is evaluating the situation on an ongoing basis. The extent to which the COVID-19 pandemic will impact the Bank's results will depend on future developments, which are highly uncertain. Major challenges for the Bank would be from extended working capital cycle and reduced cash flows. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period.
5. The Indian Bank has finalized integration plan. The process of integration has been initiated from the effective date of amalgamation. The integration process is to be completed in phased manner. In this process, change in organizational structure, harmonization of product & policies, mutation of properties, IT integration etc. are in progress.
6. The shareholding of Indian Bank (amalgamated entity) has exceeded 30% in one company. A reference has been made to RBI seeking dispensation for one year up to 31.03.2021.

### Specific Notes to Account

#### 7. Equity Capital

##### 7.1. Shareholding Pattern post issuing shares under amalgamation is as under:

Particulars	Equity shares	
	Nos	%
Promoter Holding (GOI)	994549600	88.06
Others	134816970	11.94
<b>Total</b>	<b>1129366570</b>	<b>100.00</b>

##### 7.2. Capital Ratio - As per Basel III

S No	Items	As on the beginning of the April 01,2020
1	Common Equity Tier 1 Capital Ratio (%)**	10.23
2	Tier 1 capital ratio (%) **	10.41
3	Tier 2 capital ratio (%)	2.86
4	Total capital ratio (%) **	13.27

### Explanatory Notes

\*\* The Bank has adopted Pooling of Interest method prescribed under the Accounting Standard 14 on Accounting for Amalgamations to record amalgamation of Allahabad Bank (the amalgamating bank) with the Bank with effect from April 1, 2020. Accordingly, the difference of Rs. 4006.91 crores between the net asset of the amalgamating bank and the amount of shares issued to the shareholders of the amalgamating bank has been recognized as Amalgamation Reserve. The Bank has considered this amount under CET1 for the purpose of calculation of CRAR.

Gross income of the last three years for the erstwhile Allahabad Bank along with Indian Bank have been considered for computation of RWA pertaining to Operational Risk on conservative basis as on period 01 April 2020.



## 8. Investments

(Amount in Rs. crores)

### 8.1.1 Break-up of Investments

Particulars	As on the beginning of April 01, 2020
(i) Gross Value of Investments	
(a) in India	162812.92
(b) Outside India	2268.27
(ii) Provisions for Depreciation	
(a) In India	3075.64
(b) Outside India	97.28
(iii) Net Value of Investments	
(a) In India	159737.28
(b) Outside India	2170.99

### 8.1.2 Non Performing Non-SLR Investments

(Amount in Rs. crores)

Items	As on the beginning of April 01, 2020
Balance of Non-SLR Investments	1623.50
Balance of Provisions held	1224.80

## 9. Advances

### 9.1.1. Non- Performing Assets

(Amount in Rs. Crores)

Items	As on the beginning of April 01, 2020
Net NPAs to Net Advances (%)	4.23
Gross NPA	41997.71
Net NPA	14441.34
Provisions for NPA	27556.37

### 9.1.2. Provisions on Standard Assets

(Amount in Rs. Crores)

Particulars	As on the beginning of April 01, 2020
Provisions towards Standard Assets as per RBI norms	2034.58





**9.1.3. Amount of Unsecured Advances**

(Amount in Rs. Crores)

Particulars	As on the beginning of April 01, 2020
Unsecured Loan backed by intangible assets, such as charge over the rights, licenses, authority etc. taken as collateral security.	NIL
Unsecured Loans other than above	44493.80

**9.1.4. Disclosure on 'Restructuring of Advances - Micro, Small and Medium Enterprises (MSME) Sector' (One Time Restructuring) as on the beginning of April 01, 2020**

No of Accounts Restructured	Amount (in Rs. Crores)
54850	2419.53

**10. Risk Category wise Country Exposure**

(Amount in Rs. crores)

As on the beginning of 01-Apr-2020

Category	Exposure (net)	Provision held
Insignificant	7421.74	3.18
Low	4710.39	
Moderate	449.09	
High	0.11	
Very High	0.00	
Restricted	14.03	
Off-credit	0.00	
Not Rated	0.00	
<b>Total</b>	<b>12595.36</b>	

**11. Provision Coverage Ratio (PCR)**

Particulars	As on the beginning of April 01, 2020
Provision Coverage Ratio (PCR)	77.91%

**12. Overseas Assets and NPA**

(Amount ₹ in crore)

Particulars	As on the beginning of April 01, 2020
Total Assets	9592.99
Total NPAs (Gross NPA)	586.41



**13. Floating Provisions:**

(Amount ₹ in crore)

Particulars	As on the beginning of April 01, 2020
Balance of floating provisions	70.76

**14. Restructured Accounts:**

(Amount ₹ in crore)

Particulars	As on the beginning of April 01, 2020
a) Under CDR Mechanism	465.02
b) Under SME Debt Restructuring Mechanism	2616.80
c) Others	4202.20
d) Provisions on restructured accounts	77.53

**15. Sector-wise Gross Advances**

(Amount ₹ in crore)

Particulars	As on the beginning of April 01, 2020
<b>A. Priority Sector</b>	
Agriculture and allied activities	68742.21
Advances to industries sector eligible as priority sector lending	20411.03
Services	40380.92
Personal loans	24179.39
Sub-total (A)	153713.55
<b>B. Non Priority Sector</b>	
Agriculture and allied activities	31.79
Industry	141208.78
Services	43438.13
Personal loans	30326.40
Sub-total (B)	215005.10
<b>Total (A+B)</b>	<b>368718.65</b>



**16. Accounting for Taxes on Income**

(Amount in Rs. Crores)

Particulars	As on the beginning of April 01, 2020
<b>Deferred Tax Assets (DTA)</b>	
Liabilities provision allowable on payment / crystallization	67.70
FCTR (Foreign Currency Translation Reserve)	109.15
Provision for unutilized leave / Leave encashment	113.82
Provision for FITL	8.88
Provision for Gratuity	0.12
Provision for bad debts	2430.61
Provision for restructured assets, AQR, S4A, Stressed assets	70.66
Depreciation on Fixed Assets	73.87
Loss as per income tax	813.18
Provision for Head Office expenses	0.18
<b>Total DTA</b>	<b>3688.17</b>
<b>Deferred Tax Liabilities (DTL)</b>	
Depreciation on Fixed assets	45.32
Provision for written off accounts	363.15
Staff welfare retrieval	4.11
Special Reserves u/s 36(1)(viii) of Income Tax Act 1961	538.22
<b>Total DTL</b>	<b>950.81</b>
<b>Net Deferred Tax Assets (A)</b>	<b>2737.37</b>

**K Ramachandran**  
Executive Director

  
**Shenoy Vishwanath V**  
Executive Director

  
**M K Bhattacharya**  
Executive Director

  
**Padmaja Chunduru**  
Managing Director & CEO



