

**Corporate Office, Chennai**

**Notes forming part of Standalone and Consolidated Reviewed Financial Results for the Quarter ended June 30, 2021**

1. The above financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in their respective meetings held on 19.07.2021. The results have been subjected to limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The above financial results have been arrived at after considering provision for loan losses, restructured assets, standard assets, stressed sector accounts, income tax, depreciation on investments and fixed assets, provision for employees' benefits and other necessary provisions on the basis of prudential norms and directions issued by RBI. Provision for employee benefits pertaining to Pension, Gratuity and Leave Encashment has been made on the basis of actuarial valuation. The Bank has applied its significant accounting policies in the preparation of these financial results that are consistent with those followed in the annual financial statements for the year ended March 31, 2021.
3. In accordance with RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 and DBR.No.BP.BC.80/21.06.201/2014-15 dated 31.03.2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standard Amendments', the banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under Basel III capital requirements. The disclosures are available on the Bank's website [www.indianbank.in](http://www.indianbank.in).
4. In accordance with provision under SEBI (LODR) Regulations, 2015 for the purpose of consolidated financial results of the quarter ended June 30, 2021, minimum eighty percent of each of consolidated revenue, assets and profits have been subject to review.
5. Based on the available financial statements and the declaration from borrowers, the Bank has estimated the liability towards Unhedged Foreign Currency Exposure to their constituents in terms of RBI circular DBOD.NO.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 and holds a provision of Rs 9.21 Crores as on 30.06.2021. During the quarter ended 30th June 2021 there was retrieval of provision amounting to Rs 0.28 Crore.
6. In accordance with the RBI Cir. No. DBR.No.BP. BC. 18/21.04.048/2018-19 dated 01.01.2019, DOR.No.BP. BC 34/21.04.048/2019-20 dated 11.02.2020 and RBI/2020-21/17 DOR.No. BP.BC/4/21.04.048/2020-21 dated 06.08.2020 on "Relief for MSME borrowers either exempted or registered under Goods and Service Tax (GST)", the details of MSME restructured accounts under the scheme are as under;

No. of Accounts Restructured	Outstanding as on 30.06.2021 (Rs in Crores)
95862	4298.19



7. During quarter ended June 30, 2021, the Bank has raised equity capital of Rs 1650 Crores through Qualified Institutions Placement at an issue price of Rs 142.15 per equity share including a premium of Rs 132.15 per equity share.

8. Post allotment of 11,60,74,569 new equity shares of face value of Rs 10 each under QIP as mentioned in Para 7 above, the total paid up shares of the Bank increased from 112,93,66,570 to 124,54,41,139. Accordingly the dividend amount of the Bank for FY 2020-21 increased from Rs 225.87 Crores to Rs 249.09 Crores. The additional amount of Rs 23.22 Crores will be transferred from balance in Profit & Loss Account for FY 2020-21. The Record Date fixed by the Bank for payment of dividend was 09.07.2021.

9. Non-Performing Loan Provision Coverage ratio is 82.00% as on June 30th, 2021.

10. The spread of COVID-19 across the globe resulted in declined economic activity and increased volatility in financial markets. Though the calibrated and gradual withdrawal of lockdown by the government had led to resumption of economic activities, the current second wave of COVID 19 pandemic, has resulted in imposition of localised / regional lockdown measures in various parts of the country. In this situation, the challenges continue to unfold and the Bank is gearing itself on all fronts to meet the same and 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 to the business environment. Considering the regulatory actions, Government intervention to support the economic recovery, the Bank expects realisable value of the assets not to be significantly impacted.

11. In accordance with the instructions of RBI Circular dated 07.04.2021 on "Asset Classification and Income Recognition following the expiry of COVID 19 regulatory package", the Bank shall refund / adjust 'interest on interest' charged to all borrowers including those who had availed of working capital facilities during moratorium period i.e. 01.03.2020 to 31.08.2020, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount to be refunded / adjusted for different facilities has been circulated by the Indian Banks' Association (IBA) as required by RBI notification. Accordingly the bank created an estimated liability of Rs. 230 crores towards interest relief and the same is yet to be refunded/adjusted.

12. In accordance with the RBI guidelines dated 26th Oct, 2020 relating to Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to the borrowers of specified categories of loan accounts, the Bank has paid an amount of Rs 74.79 Crores and is yet to be received from GOI.

13. During the quarter ended June 30, 2021, the Bank has reported that fraud was committed in 12 borrowal accounts. The Total amount involved in these accounts was Rs. 387.87 Crores. In respect of loans and advances classified as fraud, Bank holds 100% provision.



14. The disclosures as required under RBI circular DOR.No.BP.BC.62/21.04.048/2019-20 dated April 17, 2020 with respect to the number of accounts and the amount involved in those accounts where the Resolution period was extended is given below for the quarter ended June 30, 2021:

No. of Accounts in which Resolution Period extended	NIL
Amount involved (Rs in Crores)	NIL

15. Details of resolution plan implemented under the Resolution Framework for COVID-19 related Stress as per RBI circular dated August 6, 2020 are given below:

Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan (Rs in Crores)	(C) Of (B), aggregate amount of debt that was converted in to other securities	(D) Additional funding sanctioned, if any, including invocation of the plan and implementation	(E) Increase in provision on account of the implementation of the resolution (Rs in Crores)
Retail	2861	319.98	-	-	32.00
MSME	13980	1344.81	-	-	67.24
Corporate	17	3098.95	-	-	409.42
Others	-	-	-	-	-
<b>Total</b>	<b>16858</b>	<b>4763.74</b>	<b>-</b>	<b>-</b>	<b>508.66</b>

16. In accordance with the RBI Cir. No. DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 on "Resolution Framework – 2.0: Resolution of Covid – 19 related stress of Individuals and Small Business", the number of borrower accounts where modification were sanctioned and implemented and the aggregate exposure to such borrowers are as under :-

No. of Accounts	Aggregate exposure as on 30.06.2021 (Rs in Crores)
151	14.60

17. As per RBI Circular No DBR.No. BP.15199/21.04.048/2016-17 dated 23.06.2017 and DBR No BP.1949/21.04.048/2017-18 dated 28.08.2017, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of Rs 6933.22 Crores (100% of total outstanding amount) as on 30.06.2021.

18. The current tax expenses and deferred tax expenses are determined in accordance with the provisions of the Income Tax Act, 1961 and as per the Accounting Standard 22- "Accounting for Taxes on Income" respectively after taking into account taxes paid at the foreign offices, which are based on the tax laws of respective jurisdictions.



19. Consequent to the amalgamation with erstwhile Allahabad Bank, losses are available for set-off against future income of the bank under Income Tax laws. Therefore, no provision for income tax is considered necessary except for the foreign branches. From the quarter ended June 2021 the bank would be recognizing deferred tax provisions on quarterly basis which hitherto was annual. During the quarter, the bank has created net DTA of Rs. 330.01 Crores.

20. Impact of RBI Circular No RBI/2018-19/2013 DBR No BP.BC.45/21.04.048/2018-19 dated 07.06.2019 on resolution of stressed assets - Revised framework is as follows:-

(Rs in Crores)

Amount of loans impacted by RBI circular (a)	Amount of loans to be classified as NPA (b)	Amount of loans as on 30.06.2021, out of (b) classified as NPA (c)	Addl. provision required for loans covered under RBI circular (d)	Provision out of (d) already made by 30.06.2021 (e)
13322.28	13118.13	13118.13	1270.50*	1270.50

\* Including provision of Rs 608.93 Crores on Non Fund outstanding of the NPA accounts as on 30.06.2021.

21. Disclosure in respect of Delhi Airport Metro Express Pvt. Ltd. (DAMEPL)

As per the directions of RBI vide letter 10655/21.04.048/2018-19 dated 21.06.2019 disclosure is given below:-

Position as on 30th June 2021:-

(Rs in Crores)

Particulars	Amount not treated as NPA as per IRAC norms	Provisions required to be made as per IRAC norms	Provisions actually held
Principal	117.23	46.89	117.23
Interest	38.10	38.10	38.10
<b>Total</b>	<b>155.33</b>	<b>84.99</b>	<b>155.33*</b>

\*Out of the total provision of Rs 155.33 Crores, the Bank has already made the provision of Rs 150.42 Crores upto March 2021.

22. The consolidated financial results are prepared in accordance with Accounting Standard 21 on "Accounting for consolidated Financial Statement", Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 on "Financial Reporting of Interests in Joint Ventures" issued by Institute of Chartered Accountant of India.

23. The details of Subsidiaries, associates and Joint Ventures of the Bank along with the percentage of share held are:-

- Subsidiaries : Indbank Merchant Banking Services Ltd (64.84%) and Ind Bank Housing Ltd. (51%)
- Associates : Tamilnadu Grama Bank (35%), Saptagiri Grameena Bank (35%), Pudukkottai Bharathiar Grama Bank (35%) and
- Joint ventures : Universal Sompoo General Insurance Company Ltd (28.52%) and ASREC (India) Ltd (38.26%).

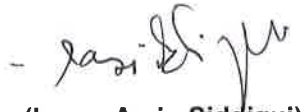


The consolidated financial results are prepared in accordance with section 133 of the Companies Act, 2013 and Regulation 33 of Securities the SEBI (Listing Obligations and Disclosure Requirements, 2015) Regulations, 2015.

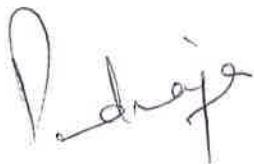
24. Figures for the corresponding previous periods have been regrouped / reclassified wherever considered necessary. The figures for the quarter ended March 31, 2021 are the balancing figures between audited figures in respect of the financial year 2020-21 and the published year to date figures upto December 31, 2020.

25. The number of investors' complaints received and disposed off during the period from April 01, 2021 to June 30, 2021:

Beginning : NIL	Received : 20	Resolved : 20	Closing : NIL
-----------------	---------------	---------------	---------------

  
(Imran Amin Siddiqui)  
Executive Director

  
(Shenoy Vishwanath V)  
Executive Director

  
(Padmaja Chundurur)  
Managing Director & CEO

Place: Chennai  
Date: 19.07.2021

