

**Notes forming part of Standalone & Consolidated Unaudited Financial Results (Reviewed) of the Bank for the Quarter / Nine months ended December, 31, 2019**

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 24.01.2020. 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 for the quarter / Nine months ended December 31, 2019 have been prepared following the same accounting policies and practices as those followed in the Annual Financial Statements for the year ended March 31, 2019.
3. The financial results for the quarter / Nine months ended December 31, 2019 have been arrived at after considering provision for loan losses, restructured assets, standard assets, stressed sector accounts, employees' wage revision, 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.
4. In accordance with RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01,2015 banks are required to make Pillar 3 disclosures under Basel III capital requirements. The disclosures are available on the Bank's website [www.indianbank.in](http://www.indianbank.in). These Pillar 3 disclosures have not been subjected to limited review by the Statutory Central Auditors of the Bank.
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. 9.16 Crores as on December 31, 2019
6. In accordance with the RBI Cir. No. DBR.No.BP. BC. 18/21.04.048/2018-19 dated 01.01.2019, on "Relief for MSME borrowers registered under GST", the details of MSME restructured accounts from 01.01.2019 to 31.12.2019 are as under;

No. of Accounts Restructured	Outstanding on 31.12.2019( Amt in crore)
47073	1794.58

7. Pending settlement of the Bipartite Agreement on wage revision (due from November, 2017), an adhoc amount of Rs.39 crores has been provided during the current quarter towards wage revision and cumulative provision held as on December 31, 2019 for wage revision is Rs.338 crores.
8. Bank has reported one loan account in the Power and Steel sector in consortium lending of 33 lenders, under Borrowal Fraud category to RBI during Quarter II of current FY and the amount of outstanding was Rs 832.44 crores as on 31.12.2019. The account was already under NPA category since FY 2016 and provision amounting to Rs 482.15 crores is held in the account as at 31.12.2019. The remaining provision in the fraud account will be made as per RBI guidelines.
9. Non Performing Loan Provision Coverage is 70.84% as on December 31, 2019.



10. The consolidated financial results are prepared in accordance with Accounting Standard 21 on "Accounting for consolidated Financial Statement" and Accounting Standard 23 on Accounting for "Investment in Associates" issued by Institute of Chartered Accountants of India.
11. The consolidated financial statement of the group companies comprises the result of Indian Bank and its subsidiaries namely: Ind Bank Merchant Banking Services Ltd (64.84%) and Ind Bank Housing Ltd. (51%) and Associates namely Tamilnadu Grama Bank (35%), Saptagiri Grameena Bank (35%), Pudukkottai Bharathiar Grama Bank (35%). The consolidated financial results are prepared in accordance with section 133 of the Companies Act, 2013 and regulation 33 of Securities Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements, 2015).
12. During Quarter II of the current Financial Year, Bank received Rs.2534 crores from Government of India towards preferential allotment of Equity shares. On 11.12.2019, Bank has allotted 11,72,65,954 equity shares of face value of Rs.10/- each at an issue price of Rs.216.09 (including premium of Rs.206.09) per share to Govt of India, Promoter of the Bank, on preferential basis, in accordance with the applicable provisions.
13. On September 20, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019, the Government of India inserted Section 115BAA in the Income Tax Act 1961, which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective April 01, 2019 subject to certain conditions. The Bank has exercised the said option permitted under Section 115BAA of the Income Tax Act, 1961. Accordingly, the Bank has recognised provision for income tax for the quarter and nine months ended 31<sup>st</sup> December, 2019 and re-measured the balance of net deferred tax assets on the basis of the rate prescribed in the aforesaid section and recognised the effect of change in the profit and loss account. The re-measurement has resulted in a write down of the net deferred tax assets pertaining to earlier years by Rs.142.60 crores which has been fully charged to the profit and Loss account.
14. The Bank has received "In-principle" approval from Alternative Mechanism of Govt of India vide DFS letter dated 13.11.2019 to proposed amalgamation of Allahabad Bank into Indian Bank with Indian Bank as Transferee Bank and Allahabad Bank as Transferor Bank.
15. The Bank has provided Rs.1004 crores for divergence in provisioning and also re-classified Three Standard accounts amounting to Rs.184 crore as Fresh NPA, as pointed out by RBI as part of RBS exercise for the year ended 31.03.2019.
16. The figures for nine months ended December 31, 2019 have been arrived by adding the reviewed figures in respect of the half year ended September 30, 2019 and the reviewed figures of quarter ended December 31, 2019.
17. Figures for the corresponding previous periods have been regrouped / reclassified wherever considered necessary.
18. The number of investors' complaints received and disposed off during the period from October 01, 2019 to December 31, 2019:

Beginning : Nil	Received : 6	Resolved : 6	Closing : Nil
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*Sd/-*  
**Shenoy Vishwanath V**  
 Executive Director

*Sd/-*  
**M K Bhattacharya**  
 Executive Director

*Sd/-*  
**Padmaja Chundurur**  
 Managing Director & CEO

Place: Chennai  
 Date : 24.01.2020

