



इलाहाबाद

ALLAHABAD

Corporate Office, Chennai

**Notes forming part of Standalone and Consolidated Reviewed Financial Results for the Quarter / Nine months ended December 31, 2022**

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 January 25, 2023. 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 (as amended).
2. The above financial results have been arrived at after considering provision for Non-Performing Assets, Loan losses, Restructured Assets, Standard Assets, Stressed Sector accounts, Income Tax, Deferred Tax, Depreciation on Investments and Fixed Assets, Standard Derivative Exposure, Unhedged Foreign Currency Exposure, Employees' benefits, other necessary provisions on the basis of prudential norms and directions issued by Reserve Bank of India, in case of the subsidiary Ind Bank Housing Limited as per the Income Recognition, and Provisions on Loans and Advances norms laid down by National Housing Bank (NHB) and applicable Accounting Standards issued by the Institute of Chartered Accountants of India.
3. 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, 2022. The above financial results have been drawn in accordance with Accounting Standards 25 – 'Interim Financial Reporting'.
4. The consolidated financial results are prepared in accordance with Accounting Standard 21 – 'Consolidated Financial Statements', Accounting Standard 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements' and Accounting Standard 27 – 'Financial Reporting of Interests in Joint Ventures' issued by The Institute of Chartered Accountants of India and guidelines issued by Reserve Bank of India.
5. The details of Subsidiaries, Associates and Joint Ventures of the Bank along with the percentage of shares held are:
  - **Subsidiaries:** Indbank Merchant Banking Services Ltd (64.84%) and Ind Bank Housing Ltd (51%),
  - **Associates:** Tamil Nadu 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%).
6. In accordance with SEBI (LODR) Regulations, 2015 (as amended), for the purpose of consolidated financial results of the quarter / nine months ended December 31, 2022, minimum eighty percent of each of consolidated revenue, assets and profits have been subjected to review.





7. COVID-19 pandemic has adversely impacted the economic activity across the globe including the Indian economy for more than two years. However, the bank's results, operations and asset quality have not been affected much because of the pandemic. Further bank has made necessary provisions for all COVID related restructuring of loans. The Bank is however keeping a close watch on developments on an ongoing basis and taking proactive measures continuously to maintain and improve asset quality. The bank, therefore, believes that there may not be any significant impact on Bank's future financial results.
8. Other income includes profit/ loss on sale of assets (net), profit/ loss on sale of investments (net), profit/ loss on revaluation of investments (MTM) (net), earnings from foreign exchange and derivative transactions, income from sale of PSLC certificates, recoveries from accounts previously written off, dividend income etc.
9. In accordance with RBI Master Circular DOR.CAP.REC.3/21.06.201/2022-23 dated April 04, 2022 on 'Basel III Capital Regulations' and RBI Circular DBR.No.BP.BC.80 /21.06.201/2014-15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments', the banks are required to make Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III capital requirements. The disclosures are available on the Bank's website [www.indianbank.in](http://www.indianbank.in). These disclosures have not been subjected to Limited Review by Statutory Central Auditors of the Bank.
10. 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 on 'Capital and provisioning requirements for exposures to entities with unhedged foreign currency exposure', and the bank holds a provision of Rs. 15.10 Crores as on December 31, 2022.  
During the quarter ended December 31, 2022, incremental provision is not required.
11. Pending settlement of the Bipartite agreement on wage revision (due from November 01, 2022), an adhoc amount of Rs. 74.80 Crores has been provided during the quarter ended December 31, 2022 towards wage revision.
12. Non-Performing Assets Provision Coverage ratio is 93.59 % as on December 31, 2022. (91.08% as on September 30, 2022).
13. In accordance with the RBI Circulars DBR.No.BP.BC.18/21.04.048/2018-19 dated January 01, 2019, DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and DOR.No. BP.BC/4/21.04.048/2020-21 dated August 06, 2020 on 'Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances', the details of MSME restructured accounts under the Scheme are as under:

No. of Accounts Restructured	Outstanding as on 31.12.2022 (Rs. in Crores)
41733	2811.78



14. In accordance with the RBI Circular DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 on 'Resolution Framework 2.0: Resolution of COVID – 19 related stress of Individuals and Small Business', the number of borrower accounts where modifications were sanctioned and implemented and the aggregate exposure to such borrowers are as under:

No. of Accounts Restructured	Outstanding as on 31.12.2022 (Rs. in Crores)
591	93.99

15. As per RBI Circulars DBR.No. BP.15199/21.04.048/2016-17 dated June 23, 2017 and DBR No BP.1949/21.04.048/2017-18 dated August 28, 2017, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of Rs. 4494.46 Crores (100% of total outstanding amount less contingency fund) as on December 31, 2022.

16. In accordance with RBI Circular DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 on 'Master Direction – Reserve Bank of India (Transfer of loan exposures) Directions, 2021', the details of loans transferred/ acquired during nine months ended December 31, 2022 are given below:

(a) Details of Loans not in default acquired:

Particulars	RBD	RETAIL	MSME
Mode of Acquisition	Direct Assignment	Direct Assignment	Direct Assignment
Aggregate Principal outstanding of loans acquired (Rs. in Crores)	1053.92	2657.15	1959.00
Weighted Average Residual Maturity (in years)	1.75	3.97	3.41
Weighted Average Holding Period by originator (in years)	0.25	0.30	0.34
Retention of beneficial economic interest by the originator (%)	5%- 10%	10%	10%
Tangible Security Coverage (%)	Not Applicable	144.19%	63%
Rating Wise Distribution of loans acquired by value (Rs. in Crores)	A : 1053.92	AAA : 199.62 AA : 2340.46 A : 117.07	AA(+/-) : 1460.00 A(+/-) : 499.00

(b) Details of Loans not in default transferred - NIL





(c) Details of stressed loan transferred or acquired:

(i) Transferred (NPA) during the period of nine months ended December 31, 2022:

Particulars	To ARCs	To permitted transferees	To other transferees
No. of Accounts	6	3	NIL
Aggregate principal outstanding loans transferred (Rs. in Crores)	344.96	11.68	
Weighted average residual tenor of the loans transferred	0.00	0.00	
Net book value of loans transferred (at the time of transfer) (Rs. in Crores)	38.23	0.00	
Aggregate Consideration (Rs. in Crores)	222.14	5.70	
Additional consideration realized in respect of accounts transferred in earlier years (Rs. in Crores)	0.00	0.00	

The Bank has reversed the amount of Rs. 177.31 Crores of excess provision to the profit and loss account on account of sale of stressed loans.

(ii) Transferred (SMA) during the period of nine months ended December 31, 2022 - NIL

(iii) Details of loans acquired during the nine months ended December 31, 2022 - NIL

(d) The distribution of Security Receipts (SRs) held by the Bank across the various categories of Recovery Ratings assigned to such SRs by the Credit Rating Agencies as on December 31, 2022 is given as under:

(Rs. in Crores)

Recovery Rating	Book Value
RR 1+ (Above 150%)	0.04
RR 1 (Above 100% up to 150%)	85.09
RR 2 (Above 75% up to 100%)	167.36
RR 3 (Above 50% up to 75%)	14.92
RR 4 (Above 25% up to 50%)	121.90
RR 5 (Up to 25%)	44.93
SRs with unrated (0%)	581.86
<b>TOTAL</b>	<b>1,016.10*</b>

\* The bank is holding 100 % provision



17. Impact of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated June 07, 2019 on 'Prudential Framework for resolution of stressed assets' is as follows: -

(Rs. in Crores)

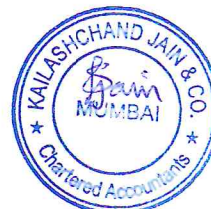
Amount of loans impacted by RBI circular (a)	Amount of loans to be classified as NPA (b)	Amount of loans as on 31.12.2022, out of (b) classified as NPA (c)	Addl. provision required for loans covered under RBI circular (d)	Provision out of (d) already made by 31.12.2022 (e)
15519.34	14731.53	14731.53	1360.03	1360.03 *

\*including provision of Rs. 619.81 Crores on Non-Fund outstanding of the NPA account as on December 31, 2022.

During the quarter ended December 31, 2022, the Bank has made additional provision of Rs. 247.35 Crores in certain stressed standard accounts in terms of RBI guidelines on Prudential Framework for resolution of stressed assets.

18. Provisions and Contingencies for the quarter ended 31.12.2022 includes an amount of Rs 634.60 Crores which is the additional provision during the quarter on standard restructured accounts under RP 1.0 and RP 2.0 Scheme at a higher rate of 15% as against the prescribed rate of 5% / 10% based on the evaluation of risk and stress in these sectors, in terms of RBI Circular DOR.STR.REC.4/21.04.048/2022-23 dated April 01, 2022.
19. As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on 'Establishment of Digital Banking Units (DBUs)', for the purpose of disclosure under Accounting Standard 17 – 'Segment reporting', 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). During the quarter ended December 31, 2022, the bank has commenced 3 DBUs. Reporting of Digital Banking as a separate segment under Retail banking Segment will be implemented by the bank based on the guidance to be received from Indian Bank's Association (IBA).
20. 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' and Accounting Standard 25 – 'Interim Financial Reporting'.
21. The number of investors' complaints received and disposed off during the quarter ended December 31, 2022:

Beginning : NIL	Received : 22	Resolved : 22	Closing : NIL
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22. Figures for the corresponding previous periods have been regrouped/reclassified/rearranged wherever considered necessary. The figures for the quarter ended December 31, 2022 are the balancing figures between reviewed figures in respect of the nine months ended December 31, 2022 and the published year to date figures up to September 30, 2022.

**Paramita Basu**  
Assistant General Manager

**Neelmani Bhardwaj**  
Assistant General Manager

**Sunil Jain**  
General Manager - CFO

**Mahesh Kumar Bajaj**  
Executive Director

**Ashwani Kumar**  
Executive Director

**Imran Amin Siddiqui**  
Executive Director

**S L Jain**  
Managing Director & CEO

Place: Chennai  
Date: January 25, 2023

