

Notes forming part of the Audited Financial Results of the Bank (Standalone basis) for the Quarter / Year ended March 31, 2015

1. The above audited financial results have been reviewed by the Audit Committee of Board and approved by the Board of Directors in their meetings held on May 14, 2015.
2. The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
3. The financial results have been prepared following the same accounting policies and practices as those followed in the Annual Financial Statements for the year ended March 31, 2014, except decrease in provisioning from 25% to 15% for all non performing assets classified as substandard (secured exposure) w.e.f. 01.10.2014 onwards and reversal of excess provision of earlier years on sale of financial assets.
4. The working results of the Bank have been arrived at after considering provisions for Non-Performing Advances, Non-Performing Investments, Standard Advances, Restructured Advances, Provision for exposure to entities with Unhedged Foreign Currency Exposure and Depreciation on Investments and other usual and necessary provisions. Provision for employee benefits pertaining to Pension, Gratuity and Leave Encashment has been made on the basis of actuarial valuation.
5. Based on the available financial statements and the declaration from borrowers, the Bank has estimated the liability and made a provision of ₹ 23.20 crore and allocated capital of ₹ 300.75 crore as on 31.03.2015 on Unhedged Foreign Currency Exposure to their constituents in terms of RBI circular dated January 15, 2014.
6. In accordance with the guidelines of RBI Circular No.DBOD.BP.BC.80/21.04.018/2010-11 dated February 09, 2011 on Second Option Pension and enhancement in Gratuity Limits pertaining to existing employees, an amount of ₹ 162.64 crore and ₹ 33.20 crore towards Pension and Gratuity, respectively have been charged to Profit and Loss Account, being the proportionate amount for the current year by the Bank. Upon amortization of the liabilities over last five years, the balance unrecognized liability to be amortized towards Second Option Pension and Gratuity as on March 31, 2015 is NIL.
7. During the quarter, pursuant to Government of India communication letter dated February 09, 2015, conveying its decision to infuse capital funds in the Bank to the tune of ₹ 280 crore by way of issue of equity in favour of the Government of India on preferential basis, 1,54,43,163 equity shares of face value of ₹ 10/- each was issued and allotted at an Issue Price of Rs.181.31 (including premium of Rs.171.31) per share to Government of India on preferential basis on March 31, 2015. Consequently, the Government of India's holding in Bank's equity has increased from 81.51% to 82.10%.
8. The Bank (Parent) has recommended a final dividend of ₹ 4.20 (42%) per equity share of face value of ₹ 10/- each for the year 2014-15.
9. Provision of ₹ 30 crore has been made during the quarter towards arrears for wage revision, which will be effective from November 01, 2012, pending negotiation by IBA. The aggregate provision as on 31.03.2015 is ₹ 290 crore.
10. In accordance with RBI circular DBOD.No.BP.BC.2/21.06.201/2013-14 dated July 01, 2013, banks are required to make quarterly Pillar 3 disclosures under Basel III capital requirements with effect from September 30, 2013. The disclosures are being made available on the Bank's website www.indianbank.in. These quarterly Pillar 3 disclosures have not been subjected to limited review by the Statutory Central Auditors of the Bank.
11. Pursuant to Reserve Bank of India Circular No.DBR.No.BP.BC.79/21.04.048/2014-15 dated March 30, 2015, the Bank has utilized 50% of its floating provision held as at December 31, 2014. Accordingly, an amount of ₹ 46.76 crore out of floating provision of ₹ 93.52 crore held has been utilized towards specific provisions for non performing assets.



12. Non Performing Loan Provision Coverage Ratio is 60.08% as on March 31, 2015.
13. The Bank has no direct exposure to the coal blocks / mines cancelled by the Hon'ble Supreme Court of India. However, the impact, if any, of such cancellation on the valuation of security, penalty imposed and consequent viability of the projects financed by the Bank dependant on such coal blocks / mines, being unascertainable at this stage has not been considered.
14. Figures for the previous periods have been regrouped / reclassified, wherever considered necessary.
15. The number of investors' complaints received and disposed off during the period from January 01, 2015 to March 31, 2015:

Beginning : Nil	Received : 13	Resolved : 13	Closing : Nil
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Mahesh Kumar Jain
Executive Director

B Raj Kumar
Executive Director

T M Bhasin
Managing Director & CEO

Place : Chennai
Date : May 14, 2015

