



इलाहाबाद

ALLAHABAD

Corporate Office, Chennai

**Notes forming part of Standalone and Consolidated Audited Financial Results for the Quarter/ Year ended March 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 11.05.2022. The results have been subjected to audit 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 RBI and applicable Accounting Standards issued by the Institute of Chartered Accountants of India. 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, 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 audit by Statutory Central Auditors.
4. In accordance with provision under SEBI (LODR) Regulations, 2015 for the purpose of consolidated financial results of the quarter/ year ended March 31, 2022, minimum eighty percent of each of consolidated revenue, assets and profits have been subjected to audit.
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 3.88 Crore as on 31.03.2022. During the quarter ended 31st March 2022 there was retrieval of provision amounting to Rs. 4.52 Crore.
6. The Bank has provided for the entire additional liability of Rs. 464.59 Crore during the year ended 31.03.2022, on account of revision in family pension for employees covered under XI Bi-partite settlement and Joint note dated November 11<sup>th</sup> 2020. There is no unamortized expenditure in the balance sheet on account of family pension.



7. Non-Performing Loan Provision Coverage ratio is 87.38 % as on March 31st, 2022. (Previous Quarter 85.49% as on Dec 31st, 2021).

8. The outbreak of COVID-19 pandemic continues to spread across the globe and India resulting in significant volatility in the global and Indian economy. The extent to which the COVID-19 pandemic will impact the Bank's result will depend on future developments which are uncertain.

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.

9. Other income includes profit/ loss on sale of assets (net), profit/ loss on sale of investments (net), profit/ loss on revaluation of investments (net), earning from foreign exchange and derivative transactions, income from sale of PSLC certificates, recoveries from accounts previously written off, dividend income etc.

10. 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 31.03.2022 (Rs. in Crore)*
56263	4478

\*includes NPA

11. 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 March 31, 2022:

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

12. 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 was sanctioned and implemented and the aggregate exposure to such borrowers are as under-

No. of Accounts	Aggregate exposure as on 31.03.2022 (Rs. in Crore)
697	110.61



The details on resolution plan implemented are as under: -

(Rs. in Crore except number of accounts)

Sl. No.	Description	Individual Borrower		Small Business
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolution process under Part A	97282		34230
(B)	Number of accounts where resolution plan has been implemented under this window	96636		34020
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	7941		1152
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	801	-	118

13. 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. 6235.18 Crore (100% of total outstanding amount) as on 31.03.2022.

14. Details of resolution plan implemented under the Resolution Framework for COVID-19 related Stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 5, 2021 (Resolution Framework 2.0) at March 31, 2022 are as under:

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (September 30, 2021) (A)	Of (A), aggregate debt that slipped into NPA during the half-year (March 31, 2022)	Of (A) amount written off during the half-year (March 31, 2022)	Of (A) amount paid by the borrowers during the half-year (March 31, 2022)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (March 31, 2022)
Personal Loans	7999	188	0	266	7831
Corporate Persons*	5665	1020	0	860	4680
Of which MSME	2587	169	0	220	3068
Others	5557	314	0	316	5911
<b>Total</b>	<b>19221</b>	<b>1522</b>	<b>0</b>	<b>1442</b>	<b>18422</b>

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016



15. In accordance with RBI Circular No DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 the details of loans transferred/ acquired during year ended March 31, 2022 are given below:

i. Details of loans not in default acquired:

Particular	RBD	RETAIL	MSME
Mode of Acquisition	Direct Assignment	Direct Assignment	Direct Assignment
Aggregate Principal outstanding of loans acquired (Rs. in Crore)	465.69	2230.60	1566.25
Weighted Average Residual Maturity (in years)	2	11.47	4.50
Weighted Average Holding Period by originator (in years)	0.25	0.51	0.49
Retention of beneficial economic interest by the originator (%)	10%	10%	10%
Tangible Security Coverage (%)	110%	110%	114%
Rating Wise Distribution of loans acquired by value	A Rated Accounts	AA Rs 399.27 Cr AA- Rs. 1721.30 Cr A+ Rs. 110.03 Cr	AA(+/-): Rs 1327.10 Cr A(+/-): Rs 239.15 Cr

ii. Details of loans not in default transferred: NIL

iii. Details of stressed loan transferred:

(Rs. in Crore except number of accounts)

<b>Details of Stress loans (NPA Accounts) transferred during the period of 01.04.2021 to 31.03.2022</b>			
Particular	To ARCs	To permitted transferees	To other transferees
No. of Accounts	2	1	NIL
Aggregate principal outstanding loans transferred	309.85	10.09	
Weighted average residual tenor of the loans transferred	40 Months	NIL	
Net book value of loans transferred (at the time of transfer)	9.33	0.00	
Aggregate Consideration	101.53	2.80	
Additional consideration realized in respect of accounts transferred in earlier years	0.00	0.00	



**Details of loans acquired during the year:**

Particular	From SCBs, RRBs, UCBs, StCBs, DCCBs, AIFs, SFBs and NBFCs including Housing Finance Companies (HFCs)	From ARCs
Aggregate principal outstanding of loans acquired	NIL	
Aggregate consideration paid		
Weighted average residual tenor of loans acquired		

The Bank has reversed the amount of Rs 95 Cr of excess provision to the profit and loss account on account of sale of stressed loans.

- iv. 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 31.03.2022 is given as under:

(Rs. in Crore)

Recovery Rating	Book Value
RR1+ (More than 150%)	2.39
RR1 (100%-150%)	777.65
RR2 (75% - 100%)	424.23
RR3 (50% - 75%)	289.98
RR4 (25%-50%)	636.33
RR5 (0%-25%)	1023.04
SRs - Rating Exempted during planning period	57.36
<b>TOTAL</b>	<b>3210.98*</b>

\* The bank is holding 100% provision (inclusive of hived off provision).

16. 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.

17. Consequent to the amalgamation with erstwhile Allahabad Bank, losses are available for set-off against future income of the bank under Income Tax Act, 1961. Therefore, no provision for current tax is considered necessary except in case of foreign branches.

From the quarter ended June 2021 the bank has been recognizing deferred tax provisions on quarterly basis which, prior to that quarter, was on an annual basis. Taxes on income for the current quarter include net DTA of Rs. 162.12 Crores. Provision for taxes on income for current year of Rs.740.59 Crores includes net DTA of Rs.1028.44 Crores, provision for income tax on income of foreign branches relating to



earlier assessment years amounting to Rs. 275 Crores, and provision for income tax made by the foreign branches Rs.12.85 Crores.

18. Impact of RBI Circular No RBI/2018-19/203 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 Crore)

Amount of loans impacted by RBI circular (a)	Amount of loans to be classified as NPA (b)	Amount of loans as on 31.03.2022, out of (b) classified as NPA (c)	Addl. provision required for loans covered under RBI circular (d)	Provision out of (d) already made by 31.03.2022 (e)
16129.57	16015.05	16015.05	1643.32	1643.32*

\* including provision of Rs 737.70 Crore on Non Fund outstanding of the NPA account as on 31.03.2022.

19. During year ended Mar 31, 2022, the Bank has raised equity capital of Rs 1650 Crore 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.
20. Post allotment of 11,60,74,569 new equity shares of face value of Rs 10 each under QIP as mentioned in Para 19 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 Crore to Rs 249.09 Crore. The additional amount of Rs 23.22 Crore 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.
21. The Board of the bank has recommended dividend for the financial year 2021-22 @ 65% of the paid up capital of the bank i.e. Rs 6.50 per equity share.
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 The Institute of Chartered Accountants 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 Sompo 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 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

24. Figures for the corresponding previous periods have been regrouped/ reclassified wherever considered necessary. The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of the year ended March 31, 2022 and the published year to date figures up to December 31, 2021.



25. The number of investors' complaints received and disposed off during the period from January 01, 2022 to March 31, 2022:

Beginning : NIL	Received : 26	Resolved : 25	Closing : 1
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(Ashwani Kumar)  
Executive Director

  
(Imran Amin Siddiqui)  
Executive Director

  
(S L Jain)  
Managing Director & CEO

Place: Chennai  
Date: 11.05.2022

