



Corporate Office, Chennai

**Notes forming part of Standalone and Consolidated Reviewed Financial Results for the Quarter ended June 30, 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 30.07.2022. 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 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.
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 Standard 25 (AS 25) on Interim Financial Reporting.
4. The consolidated financial results are prepared in accordance with Accounting Standard 21 on "Accounting for Consolidated Financial Statements", 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.
5. 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%).
6. In accordance with provision under SEBI (LODR) Regulations, 2015 for the purpose of consolidated financial results of the quarter ended June 30, 2022, minimum eighty percent of each of consolidated revenue, assets and profits have been subjected to review.



7. 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.

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), earning 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 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 limited review by Statutory Central Auditors.
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 and holds a provision of Rs 15.10 Crore as on 30.06.2022 including a provision of Rs 11.22 crores made during the quarter ended 30<sup>th</sup> June 2022. (Quarter ended 31<sup>st</sup> March 2022-Retrieval Rs 4.52 Crores)
11. Non-Performing Asset Provision Coverage ratio is 88.08 % as on June 30, 2022. (87.38% as on Mar 31st, 2022).
12. 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 30.06.2022 (Rs. in Crore)
49236	3280

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. 6243.48 Crore (100% of total outstanding amount) as on 30.06.2022.



14. 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 quarter ended June 30, 2022 are given below:

i. Details of loans acquired and not in default:

Particular	RBD	RETAIL	MSME
Mode of Acquisition	Direct Assignment (Pool Purchase)	Direct Assignment	Direct Assignment
Aggregate Principal outstanding of loans acquired (Rs. in Crore)	265.65	911.48	255.66
Weighted Average Residual Maturity (in years)	1.75	3.64	6.17
Weighted Average Holding Period by originator (in years)	0.25	0.27	0.42
Retention of beneficial economic interest by the originator (%)	10%	10%	10%
Tangible Security Coverage (%)	110%	132.47%	162%
Rating Wise Distribution of loans acquired by value	A Rated Accounts	AA: Rs 825.36 crore AA- : Rs 86.12 crore	AA(+/-): Rs 207.81 crore A (+/-): Rs 47.85 crore

ii. Details of loans not in default transferred: Nil

iii. Details of stressed loan transferred: Nil

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 30.06.2022 is given as under:

(Rs. in Crore)

Recovery Rating	Book Value
RR1+ (More than 150%)	5.15
RR1 (100%-150%)	330.32
RR2 (75% - 100%)	553.14
RR3 (50% - 75%)	242.92
RR4 (25%-50%)	293.17
RR5 (0%-25%)	101.62
SRs - Rating Exempted during planning period	1610.05
<b>TOTAL</b>	<b>3136.37*</b>

\* The bank is holding 99.79% provision (inclusive of hived off provision)



15. 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 30.06.2022, out of (b) classified as NPA (c)	Addl. provision required for loans covered under RBI circular (d)	Provision out of (d) already made by 30.06.2022 (e)
16535.48	16450.51	16450.51	1742.35	1742.35*

\* including provision of Rs 873.02 Crore on Non Fund outstanding of the NPA account as on 30.06.2022.

16. As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022, 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). However, as the proposed Digital Banking Unit (DBU) of the Bank has not yet commenced operations and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), held on July 14, 2022, reporting of the Digital Banking as a separate sub-segment under Retail Banking Segment in the Segment reporting will be implemented based on the decision of DBU working group.
17. 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" respectively.
18. 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.
19. The number of investors' complaints received and disposed off during the period from April 01, 2022 to June 30, 2022:

Beginning : 01	Received : 44	Resolved : 43	Closing : 02
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*Ashwani Kumar*  
Ashwani Kumar  
Executive Director

*Imran Amin Siddiqui*  
Imran Amin Siddiqui  
Executive Director

*S L Jain*  
S L Jain  
Managing Director & CEO

Place: Chennai  
Date: 30.07.2022

