

INDIAN OVERSEAS BANK
INCOME STATEMENT
FOR THE PERIOD ENDED 31.03.2023

In Rupees Millions	Bank		Group	
	Current Period From 01.04.2022 to 31.03.2023 in LKR (Audited)	Previous Period From 01.04.2021 to 31.03.2022 in LKR (Audited)	Current Period From 01.04.2022 to 31.03.2023 in INR (Audited)	Previous Period From 01.04.2021 to 31.03.2022 in INR (Audited)
Interest Income	2,323	3,329	194,003	167,298
Interest expenses	215	292	111,454	104,187
Net Interest income	2,108	3,037	82,549	63,111
Fee and Commission income	377	224	11,812	10,070
Fee and Commission expenses	-	-	-	-
Net fee and Commission income	377	224	11,812	10,070
Net gains/(losses) from trading	126	7	395	327
Net fair value gains/(losses) on :				
financial assets at fair value through profit or loss	-	-	-	-
financial liabilities at fair value through profit or loss	-	-	-	-
Net gains/(losses) on derecognition of financial assets :				
at fair value through profit or loss			-	-
at amortised cost	-	-	-	-
at fair value through other comprehensive income	-	-	-	-
Net other operating income	6	2	28,880	38,634
Total operating income	2,617	3,270	123,636	112,142
Impairment charges	52	133	35,939	39,839
Net Operating income	2,565	3,137	87,697	72,303
Personal expenses	61	47	40,991	34,858
Depreciation and amortization expenses	2	3	12,691	11,120
Other expenses	93	78	10,532	8,535
Operating profit / (loss) before VAT & NBT on financial services	2,409	3,009	23,483	17,790
Value added tax (VAT) on financial services	397	463	-	-
National building tax (VAT) on financial services	-	-	-	-
Operating profit / (loss) after VAT & NBT on financial services	2,012	2,546	23,483	17,790
Share of profits of associates and joint ventures	-	-	-	-
Profit / (loss) before tax	2,012	2,546	23,483	17,790
Income Tax expenses	565	682	2,495	695
Profit / (loss) for the period	1,447	1,864	20,988	17,095
Profit attributable to :				
Equity Holders of the parent	1,447	1,864	20,988	17,095
Non-controlling interests				
Earnings per share on profit				
Basic earnings per ordinary share				
Diluted earnings per ordinary share				

INDIAN OVERSEAS BANK
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31.03.2023

In Rupees Millions	Bank		Group	
	Current Period From 01.04.2022 to 31.03.2023 in LKR	Previous Period From 01.04.2021 to 31.03.2022 in LKR	Current Period From 01.04.2022 to 31.03.2023 in INR	Previous Period From 01.04.2021 to 31.03.2022 in INR
Profit (loss) for the period	1,447	1,864	20,988	17,095
Items that will be reclassified to income statement				
Exchange differences on translation of foreign operations	-	-	-	-
Net gains/(losses) on cash flow hedges	-	-	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	-	-	-
Share of profits of associates and joint ventures	-	-	-	-
Debt instruments at fair value through other comprehensive income	-	-	-	-
Others (specify)	-	-	-	-
Less : Tax expense relating to items that will be reclassified to income statement	-	-	-	-
Items that will not be reclassified to income statement				
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-	-	-
Re-measurement of post-employment benefit obligations	-	-	-	-
Changes in revaluation surplus	(6)	32	-	-
Share of profits of associates and joint ventures	-	-	-	-
Others - Foreign Exchange gain from FCBU	723	1,892		
Less: Tax expense relating to items that will not be reclassified to income statement	10	18	-	-
Other comprehensive income for the period, net of taxes	727	1,942	-	-
Total comprehensive income for the period attributable to :	2,174	3,806	20,988	17,095
Equity holders of the parent	2,174	3,806	20,988	17,095
Non-controlling interests	-	-	-	-

INDIAN OVERSEAS BANK
STATEMENT OF FINANCIAL POSITION
AS AT 31.03.2023

In Rupees Millions	Bank		Group	
	Current Period As at 31.03.2023 in LKR	Previous Period As at 31.03.2022 in LKR	Current Period As at 31.03.2023 in INR	Previous Period As at 31.03.2022 in INR
	(Audited)	(Audited)	(Audited)	(Audited)
Assets				
Cash and cash equivalents	1,259	7,538	173,147	169,067
Balances with central banks	1,694	339	1,796	1,896
Placements with banks	-	-	32,923	198,665
Derivative financial instruments	-	-	-	-
Financial assets recognized through profit or loss				
- measured at fair value	-	-	-	-
- designated at fair value	-	-	-	-
Financial assets at amortised cost				
- loans and advances	22,498	12,614	1,780,526	1,442,435
- debt and other instruments	5,954	7,649	553,303	769,710
Financial assets measured at fair value through other comprehensive income	2	2	386,605	210,187
Investments in subsidiaries	-	-	-	-
Investments in associates and joint ventures	-	-	-	-
Property, plant and equipment	249	252	37,100	33,649
Investment properties	-	-	-	-
Goodwill and intangible assets	-	-	-	-
Deffered tax assets	4	-	60,343	62,632
Other assets	190	79	111,715	105,531
Total assets	31,850	28,473	3,137,458	2,993,772
Liabilities				
Due to banks	4	13	34,890	11,775
Derivative financial instruments	-	-	-	-
Financial liabilities recognized through profit or loss				
- measured at fair value	-	-	-	-
- designated at fair value	-	-	-	-
Financial liabilities at amortised cost				
- due to depositors	13,546	12,104	2,603,042	2,616,024
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Debts securities issued	-	-	-	-
Retirement benefit obligations	8	5	28	25
Current tax liabilities	402	523	-	-
Deffered tax liabilities	-	17	4	8
Other provisions	161	256	-	-
Other liabilities	-	-	246,865	135,936
Due to subsidiaries	-	-	-	-
Total liabilities	14,121	12,918	2,884,829	2,763,768
Equity				
Stated capital / Assigned capital	2,289	2,289	189,024	189,024
Statutory reserve fund	603	531	40,867	35,620
OCI reserve	3,272	2,549	-	-
Retained earnings	11,137	9,752	-	-
Other reserves	428	434	22,738	5,360
Total shareholders' equity	17,729	15,555	252,629	230,004
Non-controlling interests	-	-	-	-
Total equity	17,729	15,555	252,629	230,004
Total equity and liabilities	31,850	28,473	3,137,458	2,993,772
Contingent liabilities and commitments	8,293	11,350	1,961,314	979,989
Memorandum Information				
Number of Employees	19	18	22,055	22,367
Number of Branches	1	1	3,220	3,214

Note: Amounts stated are net of impairment and depreciation.

INDIAN OVERSEAS BANK
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31.03.2023

Bank

In Rupees Millions	LKR	Stated capital/Assigned capital			Reserves					Total	Non controlling interest	Total equity
		Ordinary voting shares	Ordinary non-voting shares	Assigned capital	Statutory Reserve fund	OCI reserve	Revaluation reserve	Retained earnings	Other reserves			
Balance as at 01.04.2022 (Opening balance)		-	-	2,289	531	2,549	90	9,752	344	15,555	-	15,555
Total comprehensive income for the year												
Profit/(loss) for the year (net of tax)		-	-	-	-	-	-	1,447	-	1,447	-	1,447
Other comprehensive income (net of tax)		-	-	-	-	723	-	-	-	723	-	723
Total comprehensive income for the year		-	-	2,289	531	3,272	90	11,199	344	17,725	-	17,725
Transactions with equity holders, recognised directly in equity												
Share issue/increase of assigned capital		-	-	-	-	-	-	-	-	-	-	-
Share options exercised		-	-	-	-	-	-	-	-	-	-	-
Bonus issue		-	-	-	-	-	-	-	-	-	-	-
Rights issue		-	-	-	-	-	-	-	-	-	-	-
Transfers to reserve during the period		-	-	-	72	-	-	(72)	-	-	-	-
Dividends to equity holdres		-	-	-	-	-	-	-	-	-	-	-
Profit transferred to head office		-	-	-	-	-	-	-	-	-	-	-
Gain / (loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)		-	-	-	-	-	-	-	-	-	-	-
Others (Please specify)		-	-	-	-	-	(6)	10	-	4	-	4
Total transactions with equity holders		-	-	-	72	-	(6)	(62)	-	4	-	4
Balance as at 31.03.2023 (Closing balance)		-	-	2,289	603	3,272	84	11,137	344	17,729	-	17,729

**INDIAN OVERSEAS BANK
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31.03.2023**

In Rupees Millions	Bank (in LKR)		Group(in INR)	
	Current Period 31.03.2023 (Audited)	Previous Period 31.03.2022 (Audited)	Current Period 31.03.2023 (Audited)	Previous Period 31.03.2022 (Audited)
Cash flows from operating activities				
Interest receipts	2,323	3,329	194,003	167,298
Interest payments	(215)	(292)	(111,454)	(104,187)
Net commission receipts	377	224	11,812	10,070
Trading income	126	7	395	327
Payments to employees	(61)	(47)	(40,991)	(34,858)
VAT & NBT on financial services	(397)	(463)	-	-
Receipts from other operating activities	6	2	28,880	38,634
Payments on other operating activities	(147)	(214)	(59,163)	(59,494)
Operating profit before change in operating assets & liabilities	2,012	2,546	23,482	17,790
(Increase) / decrease in operating assets				
Balances with Central Bank of Sri Lanka			-	-
Financial assets at amortised cost – loans & advances			-	-
Other assets (please specify)	(11,330)	(3,775)	(283,911)	(176,937)
Increase / (decrease) in operating liabilities				
Financial liabilities at amortised cost – due to depositors		-	-	-
Financial liabilities at amortised cost – due to debt securities holders		-	-	-
Financial liabilities at amortised cost – due to other borrowers		-	-	-
Other liabilities (please specify)	1,345	5,962	110,649	222,885
Net cash generated from operating activities before income tax	(7,974)	4,733		
Income tax paid	(717)	(418)	(6,414)	(7,481)
Net cash (used in) / from operating activities	(8,691)	4,315	(156,194)	56,257
Cash flows from investing activities				
Purchase of property, plant & equipment	-	2	(5,822)	(549)
Proceeds from the sale of property, plant & equipment	(0)	-	227	69
Purchase of financial investments	1,695	39,263	-	-
Proceeds from the sale and maturity of financial investments	-	-	-	-
Net purchase of intangible assets	-	-	-	-
Net cash flow from acquisition of investment in subsidiaries, joint ventures and associates	-	-	-	-
Net cash flow from disposal of subsidiaries, associates and joint ventures	-	-	-	-
Dividends received from investment in subsidiaries & associates	2	2	-	-
Others (please specify)	-	-	-	-
Net cash (used in) / from investing activities	1,697	39,267	(5,595)	(480)
Cash flows from financing activities				
Net proceeds from the issue of ordinary share capital	-	-	-	-
Net proceeds from the issue of other equity instruments	-	-	-	-
Net proceeds from the issue of subordinated debt	-	-	-	-
Repayment of subordinated debt	-	-	-	-
Interest paid on subordinated debt	-	-	(1,873)	(1,860)
Dividend paid to non-controlling interest	-	-	-	-
Dividend paid to shareholders of the parent company	-	-	-	-
Dividend paid to holders of other equity instruments	-	-	-	-
Others (please specify)	(9)	(40,800)	2,000	6,650
Net cash (used in) / from financing activities	(9)	(40,800)	127	4,790
Net increase/(decrease) in cash & cash equivalents	(7,003)	2,782	(161,662)	59,969
Cash & cash equivalents at the beginning of the period	7,538	2,864	367,732	307,763
Exchange difference in respect of cash & cash equivalent	723	1,892	-	-
Cash & cash equivalents at the end of the period	1,259	7,538	206,070	367,732

INDIAN OVERSEAS BANK
SELECTED PERFORMANCE INDICATORS (BASED ON REGULATORY REPORTING)
31.03.2023

Financial Parameters	Bank		Group	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	in LKR million (Audited)	in LKR million (Audited)	in INR milion (Audited)	in INR milion (Audited)
Regulatory Capital Adequacy (LKR in Millions)				
Common Equity Tier 1	17,644	14,362	167,361	124,281
Core (Tier 1) Capital	17,644	14,362	167,361	124,281
Total Capital Base	17,836	14,514	209,250	160,503
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%) (Minimum Requirement - 7.00%)	62.21%	53.38%	12.88%	10.71%
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.50%)	62.21%	53.38%	12.88%	10.71%
Total Capital Ratio (%) (Minimum Requirement - 12.50%)	62.89%	53.94%	16.10%	13.83%
Leverage Ratio (Minimum Requirement - 3%)	50.43%	44.86%	5.14%	4.07%
Regulatory Liquidity				
Statutory Liquid Assets (LKR in Millions)	9,782	23,324	903,142	919,446
Statutory Liquid Assets Ratio, % (Minimum Requirement, 20%)				
Domestic Banking Unit	43.06%	56.90%	25.10%	25.83%
Off - shore Banking Unit	35.06%	99.78%		
Total Stock of High-Quality Liquid Assets (LKR in Millions)	6,114	7,155	692,693	720,489
Liquidity Coverage Ratio (%) (Minimum Requirement - 100%)				
Rupee (%)	4139%	2996.00%		
All Currency (%)	266.24%	191.52%	171.16%	177.90%
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	131%	156%	143.21%	150.90%
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio % (net of IIS)	0.57%	1.02%	7.44%	9.82%
Net-Non Performing Advances, % (net of IIS and provision)	0.00%	0.00%	1.83%	2.65%
Profitability				
Interest Margin %	6.61%	4.97%	2.93%	2.41%
Return on Assets (befor Tax) %	6.19%	5.50%	0.76%	0.59%
Return on Equity %	11.12%	20.96%	15.55%	17.89%
Impaired Loans (Stage 3) Ratio (%)	0.00%	0.09%	NA	NA
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	100.00%	100.00%	NA	NA

Corporate Governance

The Bank facilitates good Corporate Governance by its commitments for ethical practices in the conduct of its business to ensure transparency and efficiency. Objectives can be summarized as, to protect and enhance share holder value, to protect the interest of all share holders. This will ensure transparency and integrity in communication and to make available full accurate and clear information to all stakeholders concerned, to ensure accountability for excellent customer service levels.

Bank's full statement on Corporate Governance can be found in the Bank's Annual Report at https://www.ioab.in/Annual_Reports.aspx

Risk Management

Risk taking is an integral part of the banking business. Banks assume various types of risks in its activities, while providing different kinds of services based on its risk appetite. In the normal course of business, a bank is exposed to various risks including Credit Risk, Market Risk and Operational Risk. With a view to manage such risks efficiently and strengthen its risk management systems, bank has put in place various risk management measures and practices which includes policies, tools, techniques, monitoring mechanism and Management Information System.

The Bank has adopted the new Capital Adequacy Framework (Basel II) with effect from January 2008. In line with Regulator's guidelines, the Bank adopted the Standardized Approach (SA) for computation of Credit Risk Capital, Basic Indicator approach for calculating the capital for Operational Risk and Standardized Measurement Method (SMM) for Market Risk Capital computation. The Bank has put in place a Board approved Policy on Internal Capital Adequacy Assessment Process (ICAAP) to address second pillar requirements.

Certification

We, the undersigned, being the Chief Executive Officer and the Compliance Officer of Indian Overseas Bank certify jointly that:

(a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.

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(b) The information contained in these statements have been extracted from the **audited** financial statement of the Bank.

Shameer S

Country Head

Date: 26.06.2023

RJW N Chathurani

Compliance Officer

Date: 26.06.2023

INDIAN OVERSEAS BANK
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS
AS AT 31.03.2023

a. Bank - Current period				
In Rupees Millions	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	1,259	-	-	1,259
Balances with central banks	1,694	-	-	1,694
Placements with banks	-	-	-	-
Derivative financial instruments	-	-	-	-
Loans and advances	22,498	-	-	22,498
Debt instruments	5,954	-	-	5,954
Equity instruments	-	-	2	2
Others (specify)	-	-	-	-
Total financial assets	31,404	-	2	31,406

In Rupees Millions	AC	FVPL	Total
LIABILITIES			
Due to banks	4	-	4
Derivative financial instruments	-	-	-
Financial liabilities			
- due to depositors	13,546	-	13,546
- due to debt securities holders	-	-	-
- due to other borrowers	-	-	-
Debt securities issued	-	-	-
Total financial liabilities	13,550	-	13,550

AC - Financial assets/liabilities measured at amortised cost

FVPL - Financial assets/liabilities measured at fair value through profit or loss

FVOCI - Financial assets measured at fair value through other comprehensive income

INDIAN OVERSEAS BANK
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

b. Bank - Previous Period - 31.03.2022				
In Rupees Millions	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	7,538	-	-	7,538
Balances with central banks	339	-	-	339
Placements with banks	-	-	-	-
Derivative financial instruments	-	-	-	-
Loans and advances	12,614	-	-	12,614
Debt instruments	7,649	-	-	7,649
Equity instruments	-	-	2	2
Others (specify)	-	-	-	-
Total financial assets	28,140	-	2	28,142

In Indian Rupees Millions	AC	FVPL	Total
LIABILITIES			
Due to banks	13	-	13
Derivative financial instruments	-	-	-
Financial liabilities			
- due to depositors	12,104	-	12,104
- due to debt securities holders	-	-	-
- due to other borrowers	-	-	-
Debt securities issued	-	-	-
Total financial liabilities	12,117	-	12,117

AC - Financial assets/liabilities measured at amortised cost

FVPL - Financial assets/liabilities measured at fair value through profit or loss

FVOCI - Financial assets measured at fair value through other comprehensive income

INDIAN OVERSEAS BANK
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS
AS AT 31.03.2023

c. Group - Current period				
In Indian Rupees Millions	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	173,147			173,147
Balances with central banks	1,796			1,796
Placements with banks	32,923			32,923
Derivative financial instruments				-
Loans and advances	1,780,526			1,780,526
Debt instruments	553,303			553,303
Equity instruments			386,605	386,605
Others (specify)				-
Total financial assets	2,541,695	-	386,605	2,928,300

In Indian Rupees Millions	AC	FVPL	Total
Due to banks	34,890		34,890
Derivative financial instruments			-
Financial liabilities			-
- due to depositors	2,603,042		2,603,042
- due to debt securities holders			-
- due to other borrowers			-
Debt securities issued			-
Total financial liabilities	2,637,932	-	2,637,932

AC - Financial assets/liabilities measured at amortised cost

FVPL - Financial assets/liabilities measured at fair value through profit or loss

FVOCI - Financial assets measured at fair value through other comprehensive income

INDIAN OVERSEAS BANK
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

d. Group - Previous period - 31.03.2022				
In Indian Rupees Millions	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	169,067			169,067
Balances with central banks	1,896			1,896
Placements with banks	198,665			198,665
Derivative financial instruments				-
Loans and advances	1,442,435			1,442,435
Debt instruments	769,710			769,710
Equity instruments			210,187	210,187
Others (specify)				-
Total financial assets	2,581,773	-	210,187	2,791,960

In Indian Rupees Millions	AC	FVPL	Total
Due to banks	11,775		11,775
Derivative financial instruments			-
Financial liabilities			-
- due to depositors	2,616,024		2,616,024
- due to debt securities holders			-
- due to other borrowers			-
Debt securities issued			-
Total financial liabilities	2,627,799	-	2,627,799

AC - Financial assets/liabilities measured at amortised cost

FVPL - Financial assets/liabilities measured at fair value through profit or loss

FVOCI - Financial assets measured at fair value through other comprehensive income

INDIAN OVERSEAS BANK
ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND
IMPAIRMENT
AS AT 31.03.2023

In Rupees Millions	Bank	
	Current Period as at 31.03.2023 In LKR	Previous Period as at 31.03.2022 In LKR
Product-wise Gross loans & advances		
By Product - Domestic Currency		
Overdrafts	749	414
Term Loans	2,688	2,967
Lease Rentals Receivable	-	-
Credit Cards	-	-
Pawning	-	-
Other Loans (Demand /Staff/Bills/NPA)	133	131.45
Sub Total	3,569	3,512
By Product - Foreign Currency		
Overdrafts		
Term Loans	2,084	2,775
Guarantees		
Bonds		
Other Loans (Demand /Staff/Bills/NPA)	17,085	6,517
Sub Total	19,169	9,292
Total	22,738	12,804
Product-wise commitments and contingencies		
By Product - Domestic Currency		
Guarantees		
Bonds		
Undrawn credit lines	480	289
Letters of Credits		
Bills of Exchange		
Other Contigent Items		
Sub Total	480	289
By Product - Foreign Currency		
Guarantees		
Bonds		
Undrawn credit lines		
Letters of Credits	1,881	1,319
Bills of Exchange	-	3,166
Other Contigent Items		
Sub Total	1,881	4,485
Total	2,360	4,774

Stage-wise impairment on loans & advances, commitments and contingencies		
Gross loans & advances, commitments and contingencies		
Less : Accumulated impairment under stage 1	113	69
Accumulated impairment under stage 2	0	0
Accumulated impairment under stage 3	127	127
Net value of loans & advances, commitments and contingencies	24,858	17,382
Movement of impairment during the period		
Under Stage 1	69	7
Charge/(Write back) to income statement	44	62
Write-off during the year		
Other movements	-	-
Closing balance as 31.03.2023	113	69
Under Stage 2	-	-
Charge/(Write back) to income statement	-	-
Write-off during the year	-	-
Other movements	-	-
Closing balance as 31.03.2023	0	0
Under Stage 3	127	63
Charge/(Write back) to income statement	-	64
Write-off during the year	-	-
Other movements	-	-
Closing balance 31.03.2023	127	127
Total impairment	240	196

**INDIAN OVERSEAS BANK
ANALYSIS OF FINANCIAL DEPOSITS
AS AT 31.03.2023**

In Rupees Millions	Bank	
	Current Period as at 31.03.2023	Previous Period as at 31.03.2022
By Product - Domestic Currency		
Demand Deposits (Current Accounts)	297	1,884
Savings Deposits	103	118
Fixed Deposits	1,359	970
Other (Dormant/Margin/Vostro)	24	20
Sub Total	1,784	2,992
By Product - Foreign Currency		
Demand Deposits (Current Accounts)	2,051	43
Savings Deposits	1,506	2,352
Fixed Deposits	8,097	6,685
Other (Dormant/Margin/Vostro)	5	5
Sub Total	11,658	9,085
Total	13,442	12,077