

**INDIAN OVERSEAS BANK**

CENTRAL OFFICE, 763, ANNA SALAI, CHENNAI 600002

UNAUDITED (REVIEWED) FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2019

Rs. in lakhs

SL. NO.	Particulars	Quarter ended 30.09.2019 (Reviewed)	Quarter ended 30.06.2019 (Reviewed)	Quarter ended 30.09.2018 (Reviewed)	Half year ended 30.9.2019 (Reviewed)	Half year ended 30.9.2018 (Reviewed)	Year ended 31.3.2019 (Audited)
1	Interest Earned (a) + (b) + (c) + (d)	4,27,565	4,33,639	4,28,374	861,204	8,53,234	17,63,127
	(a) Interest/discount on advances/bills	2,83,976	2,95,755	2,90,508	5,79,731	5,80,899	11,72,701
	(b) Income on Investments	1,26,438	1,19,895	1,23,729	2,46,333	2,44,501	4,92,228
	(c) Interest on Balances with Reserve Bank of India and other Inter Bank Funds	17,151	17,989	14,137	35,140	27,834	61,415
	(d) Others	0	0	0	0	0	36,783
2	Other Income	74,835	67,009	1,06,461	1,41,844	2,14,272	4,20,632
3	TOTAL INCOME (1+2)	5,02,400	5,00,648	5,34,835	1,003,048	10,67,506	21,83,759
4	Interest Expended	3,07,176	3,04,793	3,07,543	6,11,969	6,11,593	12,35,213
5	Operating Expenses (i) + (ii)	1,20,623	1,13,039	96,873	2,33,662	2,12,291	4,45,158
	(i) Employees Cost	74,181	73,595	52,081	1,47,776	1,28,937	2,64,685
	(ii) Other Operating expenses	46,442	39,444	44,792	85,886	83,354	1,80,473
6	TOTAL EXPENDITURE (4+5) (excluding Provisions & Contingencies)	4,27,799	4,17,832	4,04,416	8,45,631	8,23,884	16,80,371
7	OPERATING PROFIT before Provisions & Contingencies(3-6)	74,601	82,816	1,30,419	1,57,417	2,43,622	5,03,388
8	Provisions (other than tax) and Contingencies	2,99,604	1,15,782	2,01,660	4,15,386	4,41,720	10,99,442
9	Exceptional Items	0	0	0	0	0	0
10	Profit (+)/Loss(-) from Ordinary Activities before tax(7-8-9)	(225,003)	(32,966)	(71,241)	(257,969)	(198,098)	(596,054)
11	Tax expenses	361	1,242	(22,515)	1,603	(57,428)	(222,266)
12	Net Profit (+) / Loss(-) from Ordinary Activities after tax (10-11)	(225,364)	(34,208)	(48,726)	(259,572)	(140,670)	(373,788)
13	Extraordinary items (net of tax expense)	0	0	0	0	0	0
14	Net Profit (+) / Loss (-) for the period (12-13)	(225,364)	(34,208)	(48,726)	(259,572)	(140,670)	(373,788)
15	Paid up equity share capital (Face value of each share - Rs.10/-)	9,14,165	9,14,165	4,89,077	9,14,165	4,89,077	9,14,165
16	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)						4,73,324
17	Analytical Ratios						
	(i) Percentage of shares held by Govt. of India	92.52	92.52	89.74	92.52	89.74	92.52
	(ii) Capital Adequacy Ratio (%) (Basel III)	11.86	10.02	9.16	11.86	9.16	10.21
	(a) CET 1 Ratio	9.20	7.59	7.11	9.20	7.11	7.82
	(b) Additional Tier 1 Ratio	0.00	0.03	0.04	0.00	0.04	0.03
	(iii) Earning Per Share (EPS) - in Rupees						
	a) Basic and diluted EPS before Extraordinary items (Net of tax expense) for the period, for the year to date and for the previous year (not annualized)	(2.47)	(0.37)	(1.00)	(2.84)	(2.88)	(6.83)
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualized)	(2.47)	(0.37)	(1.00)	(2.84)	(2.88)	(6.83)
	(iv) NPA Ratios						
	a) Gross NPA	28,67,395	33,26,200	37,10,996	28,67,395	37,10,996	33,39,812
	b) Net NPA	12,50,797	14,17,384	18,87,605	12,50,797	18,87,605	14,36,830
	c) % of Gross NPA	20.00	22.53	24.73	20.00	24.73	21.97
	d) % of Net NPA	9.84	11.04	14.34	9.84	14.34	10.81
	e) Return on assets (Annualised) (%)	(3.15)	(0.48)	(0.71)	(1.82)	(1.02)	(1.35)

Place: Chennai
Date : 04.11.2019AJAY KUMAR SRIVASTAVA
EXECUTIVE DIRECTORK SWAMINATHAN
EXECUTIVE DIRECTORKARNAM SEKAR
MANAGING DIRECTOR & CEO

INDIAN OVERSEAS BANK
CENTRAL OFFICE, 763, ANNA SALAI, CHENNAI 600002

UNAUDITED (REVIEWED) FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2019


SUMMARISED BALANCE SHEET

(Rs. In Lakhs)			
	As at 30.09.2019 (Reviewed)	As at 30.09.2018 (Reviewed)	As at 31.03.2019 (Audited)
Capital & Liabilities			
Capital	9,14,165	4,89,077	9,14,165
Reserves and Surplus	4,66,988	7,17,924	7,21,823
Deposits	2,22,25,809	2,23,16,906	2,22,53,408
Borrowings	4,57,110	4,27,561	6,14,604
Other Liabilities & Provisions	10,58,569	6,09,987	4,96,836
Total	2,51,22,641	2,45,61,455	2,50,00,836
Assets			
Cash & Balances with Reserve Bank of India	11,33,077	6,33,174	10,29,253
Balances with Banks & Money at call and Short Notice	13,20,328	12,67,592	20,59,897
Investments	77,60,412	74,55,776	66,93,227
Advances	1,26,92,127	1,31,41,318	1,32,59,763
Fixed Assets	3,25,095	2,96,238	3,33,691
Other Assets	18,91,602	17,67,357	16,25,005
Total Assets	2,51,22,641	2,45,61,455	2,50,00,836

NOTES

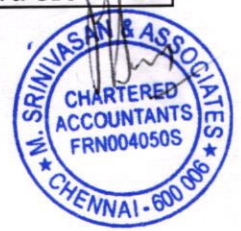
1	The above Standalone Unaudited Financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in the meeting held on November 4, 2019. The results have been subjected to limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.
2	The above Standalone Unaudited 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, 2019.
3	The working results for the Quarter ended September 30, 2019 have been arrived at after considering provision for NPAs, Standard Assets, Unhedged Foreign Currency Exposure, Depreciation on Investments & Non - Performing Investments, as per RBI guidelines, Provision for taxes (after adjustment for Deferred Taxes), Provision for Contingencies, Employee Benefits, Depreciation on Fixed Assets and other usual and necessary provisions.
4	In accordance with RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015, banks are required to make Quarterly Pillar 3 disclosures including Leverage Ratio and Liquidity Coverage Ratio under Basel III Framework. The disclosures are being made available on bank website at the following link http://www.iob.in/investor_cell.aspx . The disclosures are not subjected to verification by the Statutory Central Auditors of the Bank.
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.11.08 crores as on September 30, 2019.
6	The Bank has on September 27, 2019 received infusion to the tune of Rs. 3857 crore from Government of India towards contribution of the Central Government in the preferential allotment of equity shares of the Bank, as Government's investment, which is pending for allotment as on date and reflected under share application money. Based on the permission received from Reserve Bank of India vide letter dated October 15, 2019, the Bank has considered the same for the purpose of CET1 capital. Approval of Shareholders for issue of shares to Govt. of India on preferential Basis is being obtained through Postal Ballot and voting period for the same began on 29th October 2019 at 9.00 a.m.(IST), and ends on 27th November 2019 at 5.00 p.m.(IST).



7	During the quarter ended September 30, 2019, the Bank has redeemed Lower Tier II Bonds Series XIII aggregating Rs.290 cores on 23.08.2019. The Bank has exercised call option on Upper Tier II Bonds Series III aggregating Rs.510 crores on 03.09.2019. The Bank has also exercised call option on perpetual Bonds Series IV aggregating Rs.300 crores on 30.09.2019.
	During the quarter the Bank has raised Tier II Capital of Rs.500 crore through Basel III Compliant Tier II Bonds Series III on 24.09.2019.
8	The Bank has restructured 9098 MSME accounts and treated them as standard assets amounting to Rs.450.98 crore upto September 30, 2019 as per RBI Circular 2018-19 DBR No BP.BC. 18/21.04.048/2018-19 dated January 1, 2019 and maintained provision of Rs 23.68 crore on such standard assets.
9	Deferred Tax Asset / Liability will be recognised at the year end.
10	The Bank has during the Quarter ended September 30, 2019 made an adhoc provision of Rs.45 crore towards revision of wages due with effect from November 2017 and cumulative provision (including provision made during F Y 2018-19) stood at Rs.159.96 Crore.
11	Government of India has pronounced Section 115 BAA of Income Tax Act 1961 through Taxation Laws (Amendment) Ordinance, 2019 which provides a non reversible option to pay corporate tax at reduced rate effective 1st April 2019 subject to certain conditions. The Bank is currently in the process of evaluating this option. Bank continues to recognise the taxes on Income for the quarter and half year ended 30.09.2019 as per the earlier provisions of Tax Laws.
12	The position of Investors' Complaints for the period from July 1, 2019 to September 30, 2019 is as under: Pending complaints at the beginning of the Quarter - 0 Complaints received during the Quarter - 2 Complaints redressed during the Quarter - 1 Closing balance at the end of the Quarter - 1 The pending 1 complaint as on 30.09.2019 has been resolved.
13	The Provision Coverage Ratio of the Bank as on September 30, 2019 stood at 75.85%.
14	Previous period/year figures have been regrouped /reclassified/rearranged wherever necessary.
	
Place: Chennai Date : 04.11.2019	AJAY KUMAR SRIVASTAVA EXECUTIVE DIRECTOR
	K SWAMINATHAN EXECUTIVE DIRECTOR
	KARNAM SEKAR MANAGING DIRECTOR & CEO



INDIAN OVERSEAS BANK		
STATEMENT OF CASH FLOW		
	Rs in '000s	
	For the Half Year ended	
	30-Sep-19	30-Sep-18
CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss) After Tax	-25 95 71 84	-14 06 70 39
Add: Provision for Tax	16 03 14	70 36 02
Net (Loss) before Income Tax	-25 79 68 70	-13 36 34 36
Adjustments for :		
Amortisation of HTM Investments	- 19 56 79	- 35 55 09
Loss on Revaluation of Investments	1 20 75 85	27 61
Depreciation on Fixed Assets	1 43 56 41	1 15 71 42
(Profit) / Loss on Sale of Assets	- 6 26 32	- 81 65
Transfer from Reserves	47 37 14	2 02 73 07
Provision for NPAs	39 73 22 01	39 38 37 79
Provision for Standard Assets	99 68 12	14 11 26
Depreciation on Investments	70 92 40	3 86 93 06
Provision for Other Items	10 02 31	-5 66 85 11
Interest on IOB Bonds	1 86 77 67	2 40 66 71
	46 26 48 81	42 95 59 07
Adjustments for :		
Increase / (Decrease) in Deposits	-2 75 98 51	63 37 24 98
Increase / (Decrease) in Borrowings	-15 74 93 83	-49 52 46 60
Increase / (Decrease) in Other Liabilities & Provisions	15 57 95 45	-41 42 48 73
(Increase) / Decrease in Investments	-108 43 96 10	-62 63 48 41
(Increase) / Decrease in Advances	17 03 13 75	-28 62 74 70
(Increase) / Decrease in Other Assets	-26 71 10 54	-3 37 51 30
	-121 04 89 78	-122 21 44 77
Direct Taxes (Net)	- 10 89 29	- 11 56 16
NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	-100 68 98 97	-92 73 76 22
CASH FLOW FROM INVESTING ACTIVITIES		
Sale / disposal of Fixed Assets	52 81 01	1 84 17
Purchase of Fixed Assets	-1 04 16 04	-1 85 68 24
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	- 51 35 03	-1 83 84 08
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of Equity Share Issue (including Share premium)		
Redemption of Tier I & Tier II Bonds		
Issue of Basel III Tier II Bonds		
Interest Paid on Tier II Capital	- 94 10 78	-2 36 73 16
Interest paid on perpetual (AT1) bonds		
Share Application Money received from GOI	38 57 00 00	21 57 00 00
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	37 62 89 22	19 20 26 84
NET INCREASE IN CASH AND CASH EQUIVALENTS (A) +(B) + (C)	-63 57 44 78	-75 37 33 45
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
Cash & Balances with RBI	102 92 53 22	115 79 45 04
Balances with Banks & Money at Call	205 98 96 56	149 65 54 04
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
Cash & Balances with RBI	113 30 77 47	63 31 73 77
Balances with Banks & Money at Call	132 03 27 53	126 75 91 86
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS	-63 57 44 78	-75 37 33 45
Chennai	AJAY KUMAR SRIVASTAVA	K. SWAMINATHAN
04.11.2019	EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR
		KARNAM SEKAR
		MANAGING DIRECTOR & CEO



Limited review report on unaudited quarterly standalone financial results and standalone year to date financial results of The Indian Overseas Bank pursuant to requirement of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018

To
**The Board of Directors of
Indian Overseas Bank
Chennai**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Indian Overseas Bank ('the Bank') for the quarter ended September 30, 2019 and year to date results for the period from 1st April 2019 to 30th September 2019 ("the Statement") attached herewith, being submitted by the Bank pursuant to the requirement of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Listing regulations"). The disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid statements have not been reviewed by us.
2. This Statement which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", ('AS 25') the relevant provisions of Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to making inquiries of the bank's personnel and applying analytical and other review procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



4. The statement incorporates the relevant returns of 20 branches reviewed by us, 2 foreign branch reviewed by other auditors specially appointed for this purpose, and unreviewed returns in respect of 3150 branches (including 48 Regional Offices and 7 Zonal Offices). In the conduct of our Review, we have relied on the review reports in respect of non-performing assets submitted by the Internal Inspectors of bank for 105 branches. These review reports cover 55.25 percent (of which 39.60 percent has been covered by us) of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.
5. Based on our review conducted as above, subject to limitation in scope as mentioned in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Statements together with the Notes thereon, prepared in accordance with applicable accounting standards issued by the Institute of Chartered Accountants of India and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of requirement of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

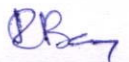
6. Emphasis of Matter:

We draw attention to:

- a. Note No. 8 to the statement relating to MSME restructuring.
b. Note No. 9 to the statement relating to recognition of Deferred Tax Asset/ Liability.

Our Opinion is not modified in respect of the above matters.

For **R SUBRAMANIAN AND COMPANY LLP**
Chartered Accountants
FRN 004137S/S200041


(R PRAKASH)

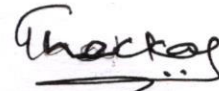
Partner

M.No.205869

UDIN: 19205869AAAABW1786



For **S A R C & ASSOCIATES**
Chartered Accountants
FRN 006085N


(CHETAN THAKKAR)

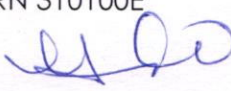
Partner

M.No. 114196

UDIN: 19114196AAA AEZ5737



For **PATRO & CO**
Chartered Accountants
FRN 310100E


(N ANANDA RAO)

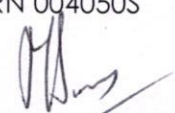
Partner

M.No.051656

UDIN: 19051656AAA AHB6529



For **M. SRINIVASAN & ASSOCIATES**
Chartered Accountants
FRN 004050S


(M. SRINIVASAN)

Partner

M.No.022959

UDIN: 19022959AAA ACA3848

