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इण्डियन ओवरसीज़ बैंक

केंद्रीय कार्यालय- पोस्ट बॉक्स सं 3765, 763 अण्णा सालै, चेन्नै 600 002

Indian Overseas Bank

Central Office: P.B.No.: 3765, 763 Anna Salai, Chennai 600 002

Investor Relations Cell

IRC/ 394 /2018-19

21.02.2019

The Senior General Manager
Dept. of Corporate Services
BSE Limited
Floor 1, P J Towers, Dalal Street
Mumbai – 400 001

Dear Sir / Madam,

Clarification on News Article

This is with reference to clarification sought on recent news article titled "Allahabad Bank, IOB's stake sale in Universal Sompo General Insurance gathers pace" which appeared in www.economicstimes.indiatimes.com on 20.02.2019.

Our point wise reply is given below :

a) Clarification on the news item

We have floated a Request for Proposal (which is in public domain) to undertake the process of valuation of our investment in Universal Sompo General Insurance Co. Limited (USGIC), which is normally done by any entity to ascertain present worth of its investment. No firm decision has been taken on the process of disinvestment.

We consider that this information does not have bearing on the operation / performance of the Bank and is not price sensitive information as per the provisions of Regulation 30.

b) Whether the Bank is aware of any information that has not been announced to the Exchanges which could explain the aforesaid movement in the trading? If so, you are advised to provide the said information and the reasons for not disclosing the same to the Exchange earlier as required under regulation 30 of the SEBI (LODR) Regulations, 2015.





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As regards information which could explain today's share price movement, we point out that shares of public sector banks (PSBs) have seen a major rally on the Stock Exchanges today after it was reported that the Government of India had on Wednesday (20.02.2019) approved a capital infusion of Rs. 48,239 crore into 12 PSBs including our Bank. Hence the movement of the price of our shares on your Exchange appears to be a consequence of the announcement of capital infusion by the Government of India.

We would like to inform that we have today received a communication from Government of India advising about capital infusion of Rs. 3806 crore in our Bank, which we note to inform to Stock Exchanges separately.

c) Whether the Bank is denying or is unaware of the abovementioned news item and its source

At the outset, this news item has not been generated from the Bank. While the news article appears to carry inputs from USGIC in which the Bank has a stake of 18.06% as well as information available in public domain, it is speculative as regards stake sale. We would therefore not like to comment on such speculative reports.

This is for your information.

Yours faithfully,

Radha Venkatakrishnan
General Manager & CFO

