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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/ 175/20-21

06.11.2020

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

The Vice President
National Stock Exchange Ltd.
"Exchange Plaza", C-1 Block G
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Dear Sir/Madam,

**Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015- Unaudited (Reviewed) Financial Results of the Bank for the
Quarter/ Half Year ended 30th September 2020**

We refer our letter no. IRC/158/2020-21 dated 27.10.2020 and inform that the Unaudited (Reviewed) Financial Results of the Bank for the quarter/ Half Year ended 30th September 2020 was approved by the Board at its meeting held today (i.e. 06.11.2020).

The Meeting of the Board of Directors commenced at 12 Noon and concluded at 1.05 p.m.

In this connection, we enclose the following:

1. Unaudited (Reviewed) Financial Results for the quarter ended 30th September 2020
2. Press Release – Performance Highlights for the quarter ended 30th September 2020
3. Auditors' Limited Review Report

The above information pursuant to Regulation 33 of SEBI (LODR) Regulations may be taken on record.

Thanking you.

Yours faithfully,


Rajalakshmi Bhavani Shankar

General Manager

Enc. As above



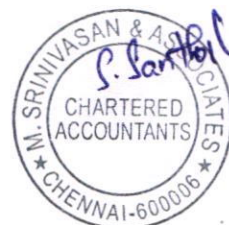
**INDIAN OVERSEAS BANK**

CENTRAL OFFICE, 763, ANNA SALAI, CHENNAI 600002

UNAUDITED (REVIEWED) FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2020

Rs. in lakhs

SL. NO.	Particulars	Quarter ended 30.09.2020 (Reviewed)	Quarter ended 30.06.2020 (Reviewed)	Quarter ended 30.09.2019 (Reviewed)	Half year ended 30.9.2020 (Reviewed)	Half year ended 30.9.2019 (Reviewed)	Year ended 31.3.2020 (Audited)
1	Interest Earned (a) + (b) + (c) + (d)	4,36,254	4,30,184	4,27,565	866,438	861,204	17,40,611
	(a) Interest/discount on advances/bills	284728	2,78,153	2,83,976	5,62,881	5,79,731	11,51,255
	(b) Income on Investments	143713	1,42,234	1,26,438	2,85,947	2,46,333	5,20,795
	(c) Interest on Balances with Reserve Bank of India and other Inter Bank Funds	7813	9,797	17,151	17,610	35,140	62,454
	(d) Others	0	0	0	0	0	6,107
2	Other Income	106804	93,179	74,835	1,99,983	1,41,844	3,30,637
3	TOTAL INCOME (1+2)	5,43,058	5,23,363	5,02,400	1,066,421	1,003,048	20,71,248
4	Interest Expended	280124	2,88,952	3,07,176	5,69,076	6,11,969	12,10,328
5	Operating Expenses (i) + (ii)	128312	1,24,996	1,20,623	2,53,308	2,33,662	5,12,883
	(i) Employees Cost	80319	88,398	74,181	1,68,717	1,47,776	3,24,072
	(ii) Other Operating expenses	47993	36,598	46,442	84,591	85,886	1,88,811
6	TOTAL EXPENDITURE (4+5) (excluding Provisions & Contingencies)	4,08,436	4,13,948	4,27,799	8,22,384	8,45,631	17,23,211
7	OPERATING PROFIT before Provisions & Contingencies(3-6)	1,34,622	1,09,415	74,601	2,44,037	1,57,417	3,48,037
8	Provisions (other than tax) and Contingencies	119,255	96,952	2,99,604	2,16,207	4,15,386	11,87,816
9	Exceptional Items	0	0	0	0	0	0
10	Profit (+)/Loss(-) from Ordinary Activities before tax(7-8-9)	15,367	12,463	(225,003)	27,830	(257,969)	(839,779)
11	Tax expenses	553	394	361	947	1,603	18,292
12	Net Profit (+) / Loss(-) from Ordinary Activities after tax (10-11)	14,814	12,069	(225,364)	26,883	(259,572)	(858,071)
13	Extraordinary items (net of tax expense)	0	0	0	0	0	5331
14	Net Profit (+) / Loss (-) for the period (12-13)	14,814	12,069	(225,364)	26,883	(259,572)	(852,740)
15	Paid up equity share capital (Face value of each share - Rs.10/-)	16,43,699	16,43,699	9,14,165	16,43,699	9,14,165	16,43,699
16	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)						-261,338
17	Analytical Ratios						
	(i) Percentage of shares held by Govt. of India	95.84	95.84	92.52	95.84	92.52	95.84
	(ii) Capital Adequacy Ratio (%) (Basel III)	10.90	10.93	11.86	10.90	11.86	10.72
	(a) CET 1 Ratio	8.36	8.38	9.20	8.36	9.20	8.21
	(b) Additional Tier 1 Ratio	0.00	0.00	0.00	0.00	0.00	0.00
	(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)	0.09	0.07	(2.47)	0.16	(2.84)	(8.04)
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualized)	0.09	0.07	(2.47)	0.16	(2.84)	(7.99)
	(iv) NPA Ratios						
	a) Gross NPA	17,65,963	18,29,084	28,67,395	17,65,963	28,67,395	19,91,270
	b) Net NPA	529,060	6,08,089	12,50,797	529,060	12,50,797	6,60,280
	c) % of Gross NPA	13.04%	13.90	20.00	13.04%	20.00	14.78
	d) % of Net NPA	4.30%	5.10	9.84	4.30%	9.84	5.44
	e) Return on assets (Annualised) (%)	0.20	0.16	(3.15)	0.18	(1.82)	(2.95)

Place: Chennai
Date : 06.11.2020AJAY KUMAR SRIVASTAVA
EXECUTIVE DIRECTORPARTHA PRATIM SENGUPTA
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 2020
SUMMARISED BALANCE SHEET

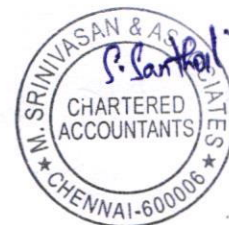
(Rs. In Lakhs)			
	As at 30.09.2020 (Reviewed)	As at 30.09.2019 (Reviewed)	As at 31.03.2020 (Audited)
Capital & Liabilities			
Capital	1643699	9,14,165	16,43,699
Reserves and Surplus	-2760	4,66,988	-28,201
Deposits	22960742	2,22,25,809	2,22,95,188
Borrowings	532564	4,57,110	5,41,973
Other Liabilities & Provisions	6356208	10,58,569	16,20,024
Total	3,14,90,453	2,51,22,641	2,60,72,683
Assets			
Cash & Balances with Reserve Bank of India	8,34,423	11,33,077	3,15,522
Balances with Banks & Money at call and Short Notice	13,42,774	13,20,328	20,90,543
Investments	91,86,308	77,60,412	79,41,608
Advances	1,22,96,779	1,26,92,127	1,21,33,341
Fixed Assets	3,03,641	3,25,095	3,12,734
Other Assets	75,26,528	18,91,602	32,78,935
Total Assets	3,14,90,453	2,51,22,641	2,60,72,683

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 their respective meetings held on November 6, 2020. 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 loan losses, restructured assets, standard assets, stressed sector accounts, employees' estimated wage revision, income tax, depreciation on investments and fixed assets, provision for employees' benefits and other necessary provisions on the basis of prudential norms and directions issued by RBI. Provision for employee benefits pertaining to Pension, Gratuity and Leave Encashment and other benefits has been made on the basis of actuarial valuation.
- 3 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, 2020.
- 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.ioab.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, 2020.
- 6 The Honourable Supreme Court in its interim order dated September 3, 2020 in the Public Interest Litigation case of Gajendra Sharma vs Union of India & Anr has directed Banks that the accounts which were not classified as NPA till August 31, 2020 shall not be so classified till further orders of Supreme Court. Pursuant to the order, the Bank has not classified any domestic borrowal account which has not been classified as NPA as at August 31, 2020 as per RBI Prudential Norms on Income Recognition, Asset Classification, Provisioning and other related matters, as NPA after August 31, 2020.





7	In view of the continuing uncertainties prevailing in the Global and Indian economy consequent to the COVID-19 pandemic, the extent of impact on the Bank's operations and financial position remain uncertain and would depend on several factors including actions taken to mitigate its impact and other regulatory measures. Despite these prevalent conditions, in the opinion of Management there would not be significant impact on Bank's financial results and on going concern assumptions.
8	In accordance with RBI guidelines related to 'COVID 19 Regulatory Package' on asset classification and provisioning, dated 27.03.2020 17.04.2020 and 23.05.2020 and clarification issued by RBI through Indian Banks Association dated 06.05.2020, Bank has granted a moratorium of instalments and or interest as applicable, falling due between March 1, 2020 and August 31, 2020 to eligible borrowers classified as Standard, even if overdue, as on February 29, 2020 . The moratorium period wherever granted, shall be excluded by the Bank from the number of days the account is past due for the purpose of asset classification under RBI's Income Recognition and Asset Classifications Norms. The Bank holds provision as on 30th September, 2020 against the potential impact of Covid-19 based on the information available upto a point in time.
The disclosure requirements as per RBI circular dated 17th April, 2020 for the half year ended 30.09.2020 is given below.	
Particulars	
	(Rs in crore)
Respective amounts in SMA / overdue categories, where the moratorium / deferment was extended (O/s as on 31.08.2020)	4655.86
Respective amounts where asset classification benefit was extended (O/s as on 30.09.2020)	3854.87
Provisions made during the Q4 FY 2019-20 and Q1 FY2020-21	402.96
Additional Provision made during the current quarter.	279.88
Total Provisions held as on 30.09.2020.	682.84 [^]
Provisions adjusted during the respective accounting periods against slippages and the residual provisions	0
[^] Total Provision held as on 30.09.2020 includes Provision towards interest income reckoned in operating profit on the above accounts aggregating Rs.328.44 crores.	
9	The Bank has restructured 18615 MSME accounts and treated them as standard assets amounting to Rs.706.48 crore upto September 30, 2020 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.42.03 crore on such standard assets.
10	The Government of India has pronounced Section 115BAA of the Income Tax Act 1961 through Taxation Laws (Amendment) ordinance 2019. Bank has evaluated the options available under section 115BAA of Income Tax Act and opted to continue to recognise the taxes on income for the quarter / Half Year ended 30.09.2020 as per the earlier provisions of Income Tax Act. Further, the Bank has recognized net Deferred Tax Assets upto 31st March 2020 aggregating to Rs.6285.40 crore, on timing differences in accordance with Accounting Standard - 22 on "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India, and no incremental Deferred Tax Asset / Liability is recognised for the quarter/ half year under review and the same will be recognised upon remeasurement at the end of the year.
11	In respect of various Direct Tax and Indirect Tax litigation pending before appellate authorities, taking into consideration certain judicial rulings and expert advice from independent tax consultants, Bank is of the view that there is a fair chance of succeeding in the appeals filed with the appellate authorities and accordingly no additional provision has been made in respect of disputed income tax liability of Rs.5734.33 Crores and Indirect Tax liability of Rs.192.28 crores.
12	As per RBI circular No DBR.No.BP.15199/21.04.048/2016-17 and DBR.No.BP.1906/21.04.048/2017-18 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of IBC (Insolvency and Bankruptcy Code), the Bank is holding a total provision of Rs.19,790.52 crore as on 30.09.2020.
13	The Bank has during the Quarter ended September 30, 2020 made an adhoc provision of Rs.123.00 crore towards revision of wages due with effect from November 2017. The bank is holding cumulative provision of Rs.649.06 crores taking into consideration adhoc payment of Rs.121.33 crore.



14	The position of Investors' Complaints for the period from July 1, 2020 to September 30, 2020 is as under:
	Pending complaints at the beginning of the Quarter - 0
	Complaints received during the Quarter - 2
	Complaints redressed during the Quarter - 2
	Closing balance at the end of the Quarter - 0

15 The Provision Coverage Ratio of the Bank as on September 30, 2020 stood at 89.36 %.

16 Previous period/year figures have been regrouped /reclassified/rearranged wherever necessary.

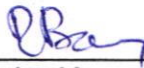

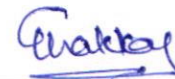




Place: Chennai
Date : 06.11.2020





AJAY KUMAR SRIVASTAVA
EXECUTIVE DIRECTOR

PARTHA PRATIM SENGUPTA
MANAGING DIRECTOR & CEO

For R SUBRAMANIAN AND COMPANY LLP	For SARC & ASSOCIATES
Chartered Accountants	Chartered Accountants
FRN 004137S/S200041	FRN 006085N

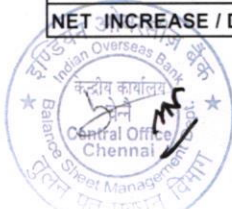
 	 
(R Prakash)	(Chetan Thakkar)
Partner	Partner
M No. 205869	M No. 114196
UDIN: 20205869 AAAACX1371	UDIN 20114196 AAAADT3820

For PATRO & CO	For M. SRINIVASAN & ASSOCIATES
Chartered Accountants	Chartered Accountants
FRN 310100E	FRN 004050S

 	 
(M Ananda Rao)	(S Santhosh)
Partner	Partner
M No. 051656	M No. 230839
UDIN: 20051656 AAAAES079	UDIN 20230839 AAAABR1733



INDIAN OVERSEAS BANK		
CASH FLOW STATEMENT		
STATEMENT OF CASH FLOW FOR THE HALF YEAR ENDED 30.09.2020		
	Rs in Lakhs	Rs in Lakhs
	Half Year ended	Half Year ended
	30.09.2020	30.09.2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss) After Tax	2 68 83	- 25 95 72
Add: Provision for Tax	9 47	16 03
Net (Loss) before Income Tax	2 78 30	- 25 79 69
Adjustments for :		
Amortisation of HTM Investments	- 22 91	- 19 57
Loss on Revaluation of Investments	14	1 20 76
Depreciation on Fixed Assets	1 24 80	1 43 56
(Profit) / Loss on Sale of Assets	- 37	- 6 26
Transfer from Reserves	- 14 42	47 37
Provision for NPAs	14 51 14	39 73 22
Provision for Standard Assets	6 50 88	99 68
Depreciation on Investments (net)	54 96	70 92
Provision for Other Items	5 09	10 02
Interest on IOB Bonds	1 65 44	1 86 78
	24 14 75	46 26 49
Adjustments for :		
Increase / (Decrease) in Deposits	66 55 54	- 2 75 99
Increase / (Decrease) in Borrowings	- 94 09	- 15 74 94
Increase / (Decrease) in Other Liabilities & Provisions	-1 07 94 95	15 57 95
(Increase) / Decrease in Investments	-1 24 79 19	-1 08 43 96
(Increase) / Decrease in Advances	- 30 85 52	17 03 14
(Increase) / Decrease in Other Assets	1 48 96 00	- 26 71 11
	- 49 02 21	-1 21 04 90
Direct Taxes (Net)	- 11 99	- 10 89
NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	- 22 21 16	-1 00 68 99
CASH FLOW FROM INVESTING ACTIVITIES		
Sale / disposal of Fixed Assets	44	52 81
Purchase of Fixed Assets	- 33 94	- 1 04 16
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	- 33 49	- 51 35
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of Equity Share Issue (including Share premium)		
Redemption of Tier I & Tier II Bonds (Net)		
Issue of Basel III Tier II Bonds		
Interest Paid on Tier II Capital	- 34 04	- 94 11
Interest paid on perpetual (AT1) bonds		
Share Application Money received from GOI		38 57 00
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES (C)	- 34 04	37 62 89
NET INCREASE IN CASH AND CASH EQUIVALENTS (A) +(B) + (C)	- 22 88 69	- 63 57 45
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
Cash & Balances with RBI	31 55 22	1 02 92 53
Balances with Banks & Money at Call	2 09 05 43	2 05 98 97
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
Cash & Balances with RBI	83 44 23	1 13 30 77
Balances with Banks & Money at Call	1 34 27 74	1 32 03 28
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS	- 22 88 69	- 63 57 45



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Handwritten signature: *P. Santhosh*



Indian Overseas Bank
Central Office
Chennai

Press Release

06.11.2020

Performance Highlights - 30.09.2020

	30.09.2020 (Q)	30.09.2019 (Q)	
Operating Profit	1346	746	↑
Net Profit / Loss	148	-2254	↑
Deposits	229607	222258	↑
Gross Advances	135469	143350	↓
Investments	94958	79697	↑
Business Mix	460034	445305	↑
CASA	92436	84595	↑
CASA Ratio	40.26%	38.06%	↑
Gross NPA	17660	28674	↓
Net NPA	5291	12508	↓
Net Interest Margin	2.27%	1.86%	↑
Gross NPA Ratio	13.04%	20.00%	↓
Net NPA Ratio	4.30%	9.84%	↓
Cost to Income Ratio	48.80%	61.79%	↓
PCR	89.36%	75.85%	↑
CRAR	10.90%	11.86%	↓
RoE	9.80%	-203.09%	↑
CD Ratio	59%	64.50%	↓





Performance Highlights for the Quarter ended September 30, 2020 Q o Q (Sequential)

1. **Total business** stood at Rs.460034 crore as on 30th September 2020 as against Rs.440609 crore as on 30th June 2020.
2. **Total deposits** stood at Rs.229607 crore as on 30th September 2020 as against Rs.225546 crore as on 30th June 2020.
3. CASA of the Bank stood at 40.26% as on 30th September 2020 against 41.02% as on 30th June 2020.
4. **Gross Advances** stood at Rs.135469 crore as on 30th September 2020 as against Rs.131565 crore as on 30th June 2020. The Bank has grown under retail and agri sector and rebalanced the advance balance by consciously reduced the stressed sector in corporate segment.
5. Operating Profit as on 30th September 2020 stood at Rs.1346 crore as against Rs.1094 crore for the quarter ended 30th June 2020. Other income improved under commission on exchange and miscellaneous income over June 2020.
6. Net profit for quarter ended 30th September 2020 stood at Rs.148 crore as against Rs.121 crore for quarter ended 30th June 2020.
7. Total income for the quarter ended 30th September 2020 is Rs.5431 crore as against Rs.5234 crore for the quarter ended 30th June 2020.
8. Interest income stood at Rs.4363 crore for the quarter ended 30th September 2020 as against Rs.4302 crore for the quarter ended 30th June 2020.
9. Non-interest income stood at Rs.1068 crore for the quarter ended 30th September 2020 as against Rs.932 crore for the quarter ended 30th June 2020.
10. **NPA MANAGEMENT: Gross NPA as at 30th September 2020 stood at Rs.17660 crore with ratio of 13.04% as against Rs.18291 crore with**





Performance Highlights for the Quarter ended September 30, 2020 Q o Q
(Sequential)

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10. **NPA MANAGEMENT: Gross NPA as at 30th September 2020 stood at Rs.17660 crore with ratio of 13.04% as against Rs.18291 crore with**





4. Net Profit for the quarter ended 30th September 2020 stood at Rs.148 crore against loss of Rs.2254 crore for the quarter ended 30th September 2019.
5. **Interest income** stood at Rs.4363 crore for the quarter ended 30th September 2020 as against Rs.2840 crore for the quarter ended 30th September 2019.
6. **Provision Coverage Ratio improved to 89.36% as on 30th September 2020 as against 75.85% as on 30th September 2019.**

Performance Highlights for the Half Year ended September 30, 2020

1. **Operating Profit** for the half year ended 30.09.2020 stood at Rs.2440 crore as against Rs.1574 crore for the half year ended 30.09.2019.
2. **Net profit** for the half year ended 30.09.2020 stood at Rs.269 crore as against Net Loss of Rs.2596 crore for the half year ended 30.09.2019.
3. **Interest income** stood at Rs.8664 crore for the half year ended 30.09.2020 as against Rs.8612 crore for the corresponding half year of the previous year (2019-20)

➤ CAPITAL ADEQUACY RATIO (CRAR):

Particulars	Basel III	Regulatory Requirement*
CET I	8.36%	5.50%
Tier I	8.36%	7.00%
Total CRAR	10.90%	9.00%

* Excluding CCB

➤ KEY FINANCIAL RATIOS:

- **Average Cost of Deposit** is 4.89% as on 30.09.2020 as against 5.41% as on 30.09.2019.
- **Average Yield on Advances** stood at **6.86%** as on 30.09.2020.
- **Net Interest Margin** stood at 2.18% for quarter ended 30.09.2020 as against 1.86% as on 30.09.2019.
- **Credit Deposit Ratio** is 58.90% as on 30.09.2020 as against 58.33% as on 30.06.2020.





ratio of 13.90% as at 30th June 2020. GNPA has reduced both in quantum and as a percentage of Gross Advances QoQ.

11. **Reduction in NPA for the quarter ended September 2020** stood at Rs.504 crore as against Rs.1969 crore achieved for quarter ended June '20 while the total fresh slippage (other debits to existing NPA accounts) for quarter ended September'20 was contained at Rs.292 crore.
12. Total cash recovery for September 2020 was Rs.513 crore (including Cash Recovery to P&L) as against Rs.172 crore in June 2020.
13. Net NPA at 30th September 2020 stood at Rs.5291 crore with ratio of 4.30% as against Rs.6081 crore with ratio of 5.10% as on 30th June 2020 thus reducing NPA by Rs.790 crore in absolute terms.
14. **Provision Coverage Ratio improved to 89.36% as against 87.97% as on 30th June 2020.** Bank has made required provisioning in advances in specific Accounts so as to improve Net NPA.

Performance Highlights for the Quarter ended September 30, 2020 - YoY

1. **CASA of the Bank improved to 40.26% as on 30th September 2020 as against 38.06% as on 30th September 2019 with YoY growth at bps.** Total CASA has increased from Rs.84595 crores as on 30.09.2019 to Rs.92436 crores as on 30.09.2020, SB (Savings Bank) registered 2.20% YoY growth as at 30th September '20 over 30th September '19.
2. **Gross Advances** stood at Rs.1,35,469 crore as on 30th September 2020 as against Rs.1,43,350 crore as on 30th September 2019. The Bank has evolved a policy of not taking fresh exposures in stressed sectors, below hurdle rated accounts and BB and below rated accounts. The Bank has also exited from accounts in the stressed sectors, wherever feasible.
3. **Operating Profit for quarter ended 30th September 2020 was Rs.1346 crore as against Rs.746 crore for the quarter ended 30th September 2019, thus increase of Rs.600 crores.**





On noticing that the lockdown is being relaxed due to the moderation in COVID 19 impact, Bank have started the Mega E Auction PANINDIA process for sale of properties and first of such E auction was conducted fetching countable recovery by sale of properties and such E auctions are planned to be conducted every month as being done in FY 2019-20.



Independent Auditors' Review Report on the Unaudited Standalone Financial Results of Indian Overseas Bank for the quarter and Half ended September 30, 2020 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended

To
The Board of Directors
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 and Half year ended September 30, 2020 ('the Statement'), being prepared and submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

The disclosure relating to Pillar 3 disclosure as at September 30, 2020, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations' has been disclosed on the Bank's website and in respect of which a link has been provided in the Statement (Note No. 4) and have not been reviewed by us. This Statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review 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 Statement is free of material misstatement. A review is limited primarily to inquiries of the Bank's Personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

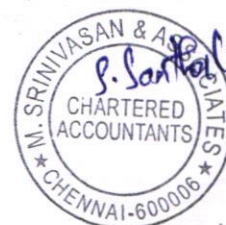


3. The Unaudited Standalone financial results incorporate the relevant returns of 20 domestic branches and treasury division reviewed by us and 2 foreign branches reviewed by the Local Auditors of the Foreign Branches, specifically appointed for this purpose. Our review reports cover 37.78% of the advances portfolio of the bank and 79.87% of the non-performing assets of the bank. Apart from these review reports in the conduct of our review, we have relied on the review reports in respect of non-performing assets submitted by Inspection team of the Bank for 105 domestic branches and two foreign branches and review report by local auditors in respect of two foreign branches which cover 16.06% of the advances portfolio of the bank and 7.41% of the non-performing assets of the bank. We have also relied upon various returns and information received from un reviewed Branches of the Bank and generated through centralized data base at the Bank's Head office.
4. 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 statement of un-audited Standalone financial results, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 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.

5. Emphasis of Matters

We draw attention to: -

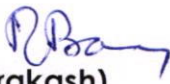
- A. Note No 6 to the accompanying financial results regarding impact of Hon'ble Supreme Court order on provisioning and classification of Loans and advances as per prudential norms.
- B. Note No 7 to the accompanying financial results which explains that the extent to which the COVID-19 Pandemic will impact the bank's operations will depend on future developments, which are highly uncertain at this stage
- C. Note No 10 to the accompanying financial results which explains the fact that no Incremental Deferred Tax Asset /Liability has been recognized during the quarter/half year under review and the same will be recognized upon re measurement at the end of the year.



D. Note No 11 to the accompanying financial results relating to Non provisioning towards various disputed Income tax and indirect taxes for the reasons stated therein.

Our Conclusion is not modified in respect of these matters.

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


(R Prakash)
Partner
M No: **205869**



UDIN: 20205869AAAACX1371

For **S A R C & ASSOCIATES**
Chartered Accountants
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(Chetan Thakkar)
Partner
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For **PATRO & CO**
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For **M. SRINIVASAN & ASSOCIATES**
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Place : Chennai
Date : 06.11.2020