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इण्डियन ओवरसीज़ बैंक

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

निवेशक सम्पर्क कक्ष

Indian Overseas Bank

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

Investor Relations Cell

Balance Sheet Management Department

IRC/BSMD/ 36 /2015-16

May 08. 2015

To

The Vice President

National Stock Exchange Limited

"Exchange Plaza", C-1, Block G

Bandra-Kurla Complex, Bandra (E)

Mumbai- 400 051

Dear Sir,

INTIMATION UNDER CLAUSE 41 OF LISTING AGREEMENT

With reference to the above, we confirm that the Board Meeting for consideration of Audited Financial Results for the year ended 31.03.2015 was held today (i.e., 08.05.2015) and the Board approved the same.

In this connection, we enclose the following:

1. Audited Financial Results for the quarter/year ended 31.03.2015
2. Press Release dated 08.05.2015
3. Independent Auditors' Report dated 08.05.2015 and
4. Form A dated 08.05.2015

Please take the above information on record.

Thanking you,

Yours faithfully,

Radha Venkatakrishnan
GENERAL MANAGER

Encl: as above





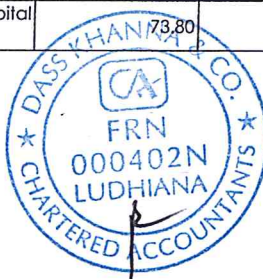
INDIAN OVERSEAS BANK

CENTRAL OFFICE, 763, ANNA SALAI, CHENNAI - 600 002

AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31st MARCH 2015

(Rs. in Lakhs)

SL. NO.	Particulars	Quarter ended			Year ended	
		31.03.2015 (Audited)	31.12.2014 (Reviewed)	31.03.2014 (Audited)	31.03.2015 (Audited)	31.03.2014 (Audited)
1	Interest Earned (a) + (b) + (c) + (d)	5,90,976	6,05,923	5,87,475	23,93,833	22,68,373
	(a) Interest/discount on advances/bills	4,34,354	4,53,335	4,42,284	17,94,558	17,28,245
	(b) Income on Investments	1,45,660	1,39,806	1,29,725	5,46,974	4,99,020
	(c) Interest on Balances with Reserve Bank of India and other Inter Bank Funds	10,962	12,782	15,466	46,584	37,090
	(d) Others	0	0	0	5,717	4,018
2	Other Income	79,427	58,822	60,118	2,13,860	2,16,934
3	TOTAL INCOME (1+2)	6,70,403	6,64,745	6,47,593	26,07,693	24,85,307
4	Interest Expended	4,65,399	4,70,237	4,46,409	18,55,438	17,10,692
5	Operating Expenses (i) + (ii)	86,986	1,21,876	82,075	4,20,021	3,74,891
	(i) Employees Cost	40,272	85,120	40,111	2,64,954	2,36,261
	(ii) Other Operating expenses	46,713	36,756	41,964	1,55,068	1,38,630
6	TOTAL EXPENDITURE (4+5) (excluding Provisions & Contingencies)	5,52,385	5,92,113	5,28,484	22,75,459	20,85,583
7	OPERATING PROFIT before Provisions & Contingencies(3-6)	1,18,018	72,632	1,19,109	3,32,234	3,99,724
8	Provisions (other than tax) and Contingencies	98,623	1,18,304	1,20,426	3,36,091	3,47,840
9	Exceptional Items (refer note no. 10 - cyclical provision)	-15,000	0	-32,420	-15,000	-32,420
10	Profit (+)/Loss(-) from Ordinary Activities before tax(7-8-9)	34,395	-45,672	31,103	11,143	84,304
11	Tax expenses	30,845	5,931	4,270	56,576	24,130
12	Net Profit (+) / Loss(-) from Ordinary Activities after tax (10-11)	3,550	-51,603	26,833	-45,433	60,174
13	Extraordinary items (net of tax expense)	0	0	0	0	0
14	Net Profit (+) / Loss (-) for the period (12-13)	3,550	-51,603	26,833	-45,433	60,174
15	Paid up equity share capital (Face value of each share - Rs.10/-)	1,23,535	1,23,535	1,23,535	1,23,535	1,23,535
16	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	13,15,346	13,28,910	13,28,910	13,15,346	13,28,910
17	Analytical Ratios					
	(i) Percentage of shares held by Govt. of India	73.80	73.80	73.80	73.80	73.80
	(a) Capital Adequacy Ratio (%) (Basel I)	NA	NA	NA	NA	NA
	(b) Capital Adequacy Ratio (%) (Basel II)	NA	NA	NA	NA	NA
	(c) Capital Adequacy Ratio (%) (Basel III)	10.11	10.15	10.78	10.11	10.78
	(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)	0.29	-4.18	2.29	-3.68	6.05
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualized)	0.29	-4.18	2.29	-3.68	6.05
	(iv) NPA Ratios					
	a) Gross NPA	14,92,245	14,50,051	9,02,048	14,92,245	9,02,048
	b) Net NPA	9,81,333	9,51,115	5,65,812	9,81,333	5,65,812
	c) % of Gross NPA	8.33	8.12	4.98	8.33	4.98
	d) % of Net NPA	5.68	5.52	3.20	5.68	3.20
	e) Return on assets (Annualised) (%)	0.05	-0.72	0.39	-0.16	0.23
18	Public Shareholding					
	- No. of Shares	32 36 37 467	32 36 37 467	32 36 37 467	32 36 37 467	32 36 37 467
	- Percentage of share holding	26.20	26.20	26.20	26.20	26.20
19	Promoters and Promoter Group Shareholding					
	(a) Pledged/Encumbered					
	- Number of Shares					
	- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the company)					
	(b) Non-encumbered					
	- Number of Shares	91 17 10 848	91 17 10 848	91 17 10 848	91 17 10 848	91 17 10 848
	- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	73.80	73.80	73.80	73.80	73.80



Summarized Balance Sheet		(Rs. in Lakhs)	
		As at 31.03.2015 (Audited)	As at 31.03.2014 (Audited)
Capital & Liabilities			
Capital		123534.83	123534.83
Reserve & Surplus		1440566.94	1510301.27
Deposits		24604872.15	22797608.66
Borrowings		1823241.08	2445603.60
Other Liabilities & Provisions		571483.35	613435.65
Total		28563698.35	27490484.01
Assets			
Cash & Balances with RBI		1263777.47	1173509.75
Balances with Banks and Money at Call and Short Notice		1226077.15	727368.03
Investments		8131034.72	7023679.96
Advances		17175602.06	17588776.68
Fixed Assets		250706.48	260437.71
Other Assets		516500.47	716711.88
Total		28563698.35	27490484.01

NOTES:

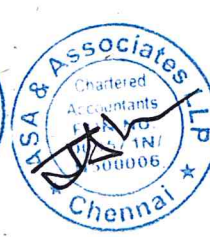
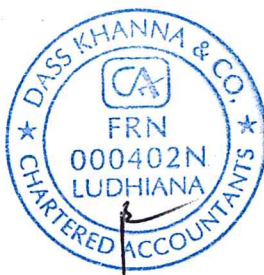
- The above financial results are drawn in accordance with the accounting policies consistently followed by the Bank.
- The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- The working results for the Year ended 31/03/2015 have been arrived at after considering provision for NPAs, Standard Assets, Unhedged Forex Exposures, Restructured Advances, Depreciation on Investments & Non - Performing investments, as per RBI guidelines, Provision for taxes, Depreciation on Fixed Assets and other usual and necessary provisions.
- Based on the available data, financial statements and the declaration from borrowers where ever received, the Bank has estimated the liability of Rs.9.96 Crore on Unhedged Foreign Currency Exposure to their constituents in terms of RBI circular dated January 15, 2014. The estimated amount has been fully provided.
- The employees' cost for the year ended 31.03.2015 includes an amount of Rs. 151.73 crore and Rs. 49.315 crore being contribution towards unamortized Pension Fund Liability and Gratuity Fund Liability for the whole year.
- In accordance with RBI circular DBOD.No.BP.BC.2/21.06.201/2013-14 dated 1st July, 2013, banks are required to make half yearly Pillar 3 disclosures under Basel III capital requirements with effect from 30th September, 2013. The disclosures are being made available on our website at the following link http://www.iob.in/investor_cell.aspx.
- Provision of Rs.132 Crore has been made during the whole year (Rs.33 crore for the quarter) towards arrears for wage revision, which will be effective from 1st November 2012, pending negotiation by IBA, to make an aggregate provision of Rs.319 crore up to 31.03.2015.
- The Provision Coverage Ratio of the Bank as on 31.03.2015 stood at 50.92%
- During the year ended 31.03.2015, Tier II Bonds of Rs.200 crore issued on 26.07.2004, were redeemed on its due date 26.07.2014.
- As permitted by RBI vide its circular No.DBOD.BP.BC.79/21.04.048/2014-15 dated 30.03.2015 and also in pursuance to Bank's Board approved policy, the bank has utilised a sum of Rs. 150 crore from Floating Provisions / Counter Cyclical Provisioning Buffer towards specific provision for non performing assets.
- During the financial year 2014-15 Bank has raised capital funds by way of issue of Basel III Compliant Additional Tier I Perpetual Bonds to the tune of Rs.1000 crore at a coupon of 10% per annum.
- The above financial results, have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on 8th May, 2015.
- Previous period/year figures have been regrouped/reclassified wherever necessary.
- The position of Investors' Complaints for the period 01.04.2014 to 31.03.2015 is as under:
- | | |
|---|-----|
| Pending Complaints at the beginning of the year | 1 |
| Complaints received during the year | 261 |
| Complaints redressed during the year | 262 |
| Closing balance at the end of the year | 0 |

CHENNAI
08.05.2015

(PAWAN KUMAR BAJAJ)
EXECUTIVE DIRECTOR

(ATUL AGARWAL)
EXECUTIVE DIRECTOR

(R. KOTEEWARAN)
MANAGING DIRECTOR & CEO





INDIAN OVERSEAS BANK

CENTRAL OFFICE, 763, ANNA SALAI, CHENNAI 600002

SEGMENT RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH 2015

Rs. in lacs

Particulars	Quarter ended			Year ended	
	31.03.2015 (Audited)	31.12.2014 (Reviewed)	31.03.2014 (Audited)	31.3.2015 (Audited)	31.3.2014 (Audited)
1) Segment Revenue					
a) Treasury Operations	1,86,454	1,64,846	1,48,128	6 26 073	5 91 311
b) Corporate / Wholesale Banking	2,88,363	2,97,374	2,91,604	11 75 380	11 52 098
c) Retail Banking	1,88,706	1,93,778	2,12,140	7 73 770	7 13 888
d) Other Banking Operations	6,847	8,727	(4,337)	26 637	23 806
e) Unallocated	33	20	58	5 833	4 204
Total	6 70 403	6 64 745	6 47 593	26 07 693	24 85 307
Less: Inter segment Revenue	0	0	0	0	0
Income from Operations	6 70 403	6 64 745	6 47 593	26 07 693	24 85 307
2) Segment Results Before Provisions & Before Tax					
a) Treasury Operations	37,488	11 157	16,373	43 457	1 17 439
b) Corporate / Wholesale Banking	37,051	17,482	68,463	97 645	1 73 410
c) Retail Banking	39,330	35,962	39,159	1 63 342	1 08 807
d) Other Banking Operations	5,909	8,026	(4,921)	23 792	(4,071)
e) Unallocated	(1,759)	5	36	3 998	4 139
Operating Profit	1 18 018	72 632	1 19 109	3 32 234	3 99 724
Less: Provisions & Contingencies	98,623	1,18,304	1,20,426	3,36,092	3,47,840
Less: Income Tax	30,845	5,931	4,270	56 575	24 130
Less: exceptional items	(15,000)	0	(32,420)	(15,000)	(32,420)
Net Profit	3 550	(51,603)	26 833	(45,433)	60 174
3) Capital Employed : Segment Assets - Segment Liabilities					
a) Treasury Operations	5 19 071	5 27 849	5 51 363	5 19 071	5 56 594
b) Corporate / Wholesale Banking	6 23 822	6 94 148	7 38 465	6 23 822	7 31 069
c) Retail Banking	3 21 279	2 11 955	1 86 098	3 21 279	1 83 553
d) Other Banking Operations	9 330	50 384	4 198	9 330	8 907
e) Unallocated	90 600	75 834	1 36 896	90 600	1 36 896
Total	15 64 102	15 60 170	16 17 020	15 64 102	16 17 019
GEOGRAPHIC SEGMENTS					
Revenue					
Domestic	6,45,687	6,40,959	6,19,471	25,04,458	23 74 507
Overseas	24,716	23,786	28,122	1,03,235	1 10 800
Total	6 70 403	6 64 745	6 47 593	26 07 693	24 85 307
Assets					
Domestic	2 65 30 931	2 56 26 142	2 52 27 104	2 65 30 931	2 52 27 104
Overseas	20 32 767	20 68 755	22 63 380	20 32 767	22 63 380
Total	2 85 63 698	2 76 94 897	2 74 90 484	2 85 63 698	2 74 90 484

Notes on Segment Reporting

1. Segment expenses and liabilities have been apportioned on the basis of average segment assets, wherever direct allocation is not possible.

2. Figures of the previous years/Current year/quarters have been regrouped / reclassified / rearranged wherever considered necessary to correspond with the current year /quarters classification presentation

Chennai-2
08.05.2015

(PAWAN KUMAR BAJAJ)
EXECUTIVE DIRECTOR

(ATUL AGARWAL)
EXECUTIVE DIRECTOR

(R KOTESWARAN)
MANAGING DIRECTOR & CEO





INDIAN OVERSEAS BANK
CENTRAL OFFICE
CHENNAI

PRESS RELEASE

08.05.2015

FINANCIAL PERFORMANCE HIGHLIGHTS AS ON 31ST MARCH 2015

(1) TOTAL BUSINESS: Total business stood at Rs.4,25,090 crore as on 31st March 2015 as against Rs.4,09,057 crore as on 31st March 2014 recording a year on year **growth of 4 %**

(2) DEPOSITS: Total deposits grew to Rs. 2,46,049 crore as on 31st March 2015 from Rs. 2,27,976 crore as on 31st March 2014, recording a year on year **growth of 8%**

(3) ADVANCES: Gross Advances stood at Rs.1,79,041 crore as on 31st March 2015 as against Rs 1,81,081 crore as on 31st March 2014. As the Bank was in consolidation mode, credit growth was contained consciously, in the backdrop of low credit off-take.

(4) OPERATING PROFIT: Operating Profit for the year ended 31st March 2015 was Rs. 3322.34 crore. Operating Profit for Q4 2014-15 was Rs.1,180.17 crore as against Rs. 726.31 Crore for the quarter ended 31.12.2014, registering a growth of 62.50%

(5) NET PROFIT: The Bank turned around its performance during Q4 of 2014-15 registering net profit of Rs.35.50 crore as against net loss of Rs 516.03 crore in Q3 of 2014-15. Net loss for the year ended 31.03.2015 was Rs.454.32 crore. Strategic initiatives taken in the fourth quarter towards reduction in the cost of deposits, improved recovery performance and stringent measures on cost control contributed to net profit of Rs.35.50 crore.

(6) TOTAL INCOME: Total income for the year ended 31.03.2015 increased to Rs. 26,076.93 crore from Rs 24,853.07 crore for the year ended 31.03.2014, registering a growth of 5%

(7) INTEREST INCOME: Interest income increased to Rs. 23,938.33 crore for the year ended 31st March 2015 from Rs. 22,683.73 crore for the year ended 31st March 2014 registering a growth of 6%. Shedding of high cost deposits and efficient asset liability management resulted in improved interest income.

(8) NON INTEREST INCOME: Non-interest income was Rs.2138.60 crore for the year ended 31st March 2015.





(9) NPA MANAGEMENT: Gross NPA as at 31st March 2015 was at Rs. 14922.45 crore with Gross NPA ratio of 8.33% and Net NPA stood at 5.68%. For Q3 of 2014-15, Gross NPA and Net NPA stood at 8.12% and 5.52% respectively. Focused efforts towards recovery and upgradation helped in efficient NPA management.

(10) PROVISION COVERAGE RATIO improved to 50.92% as of 31.03.2015 from 50.03% as on 31.12.2014.

(11). CAPITAL ADEQUACY RATIO (CRAR):

	Basel III
CET I	6.55%
Tier I	7.30%
Tier II	2.81%
Total	10.11%

The Bank raised Basel III Complaint Additional Tier I Perpetual bonds of Rs.1000 crore during the year 2014-15 to augment capital requirements of the Bank under Basel III.

12. BUSINESS PER EMPLOYEE stood at Rs. 13.24 Crore (as on 31.3.2015) as against Rs. 13.67 crore (as on 31.3.2014)

13. KEY FINANCIAL RATIOS:

13.1. Net Interest Margin: For the year ended 31.3.2015: 2.06%

13.2. Credit Deposit Ratio: Stood at 72.77% as on 31.03.2015 as against 79.43% as on 31.03.2014.

13.3. CASA ratio: The ratio improved to 25.09% as on 31.03.2015 as against 23.98% as on 31.12.2014.

13.4. Cost to income ratio: For Q4 2014-15 was at 42.43%, significantly improved from 62.66% for Q3 – 2014-15

(14) IT INITIATIVES: Bank has embarked on Technology Upgrade and IT Transformation, to improve the operational efficiency and customer service. CBS migration project has been taken up on a fast track mode. Mobile banking solution with enquiry services and real time funds transfer (IMPS) has been launched along with other new IT initiatives.



INDEPENDENT AUDITORS' REPORT

To

The President of India

Report on the Financial Statements

1. We have audited the accompanying financial statements of Indian Overseas Bank as at 31.3.2015, which comprise the Balance Sheet as at 31.3.2015, and Profit and Loss Account and the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. Incorporated in these financial statements are the returns of 20 branches audited by us and 1928 branches including 8 overseas branches audited by branch auditors. The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also incorporated in the Balance Sheet and the Statement of Profit and Loss are the returns from 1456 branches and 59 Regional Offices which have not been subjected to audit. These unaudited branches account for 5.35 per cent of advances, 16.14 per cent of deposits, 15.85 per cent of interest income and 14.91 per cent of interest expenses.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements in accordance with Banking Regulations Act 1949. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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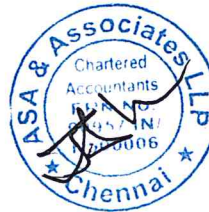
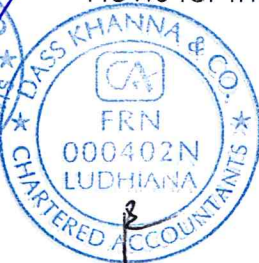


Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, as shown by books of the Bank, and to the best of our information and according to the explanations given to us:
 - (i) the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at 31.3.2015 in conformity with accounting principles generally accepted in India;
 - (ii) the Profit and Loss Account, read with the notes thereon shows a true balance of loss in conformity with accounting principles generally accepted in India, for the year covered by the account; and
 - (iii) the Cash Flow Statement gives a true and fair view of the Cash Flows for the year ended on that date.



7. Emphasis of Matter

- a) We draw attention to Note No.8 regarding amortization of pension and gratuity liability of Rs. 1005.21 crore over a period of 5 years from 31.3.2011.
- b) We draw attention to Note No 3.5 regarding utilization of floating provision and counter cyclical provisioning buffer held as on 31.12.2014 for meeting specific provision for non performing assets during the year ended 31.3.2015 amounting to Rs. 150 crores (Previous year Rs. 324.20 crore).

Our opinion is not qualified in respect of the above.

Report on Other Legal and Regulatory Requirements

8. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949.
9. Subject to the limitations of the audit indicated in paragraph 1 to 5 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, and subject also to the limitations of disclosure required therein, we report that:

(a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory.

(b) The transactions of the Bank, which have come to our notice have been within the powers of the Bank.

(c) The returns received from the offices and branches of the Bank have been found adequate for the purpose of our audit.



:4:

In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the applicable Accounting Standards.

P R MEHRA & Co
Chartered Accountants
FRN 000051N


(RAMESH CHAND GOYAL)
Partner
M.No.012628

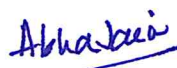


DASS KHANNA & Co
Chartered Accountants
FRN 000402N


(RAKESH SONI)
Partner
M.No.083142



VARDHAMAN & CO
Chartered Accountants
FRN 004522S


(ABHA JAİN)
Partner
M.No.015454



ASA & ASSOCIATES LLP
Chartered Accountants
FRN 009571N / N500006


(J SIVASANKARAN)
Partner
M.No.022103



A V DEVEN & CO
Chartered Accountants
FRN 000726S


(A VASUDEVEN)
Partner
M.No.023882



Place : Chennai

Date : 08.5.2015



Indian Overseas Bank
Central Office, 763 Anna Salai,
Chennai 600 002

FORM A

Format of Covering Letter of the Annual Audit Report to be filed with the Stock Exchanges

1	NAME OF THE COMPANY	INDIAN OVERSEAS BANK
2	ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED	31 ST MARCH 2015
3	TYPE OF AUDIT OBSERVATION	UNQUALIFIED
4	FREQUENCY OF OBSERVATION	NOT APPLICABLE


(Radha Venkatakrishnan)
General Manager & CFO


(N.K. Agarwal)
Audit Committee Chairman

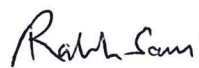

(R Koteeswaran)
Managing Director & CEO

For P.R.MEHRA & Co
FRN 000051N


(RAMESH CHAND GOYAL)
Partner
M.No.012628

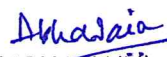


For DASS KHANNA & Co
FRN 000402N


(RAKESH SONI)
Partner
M.No.083142



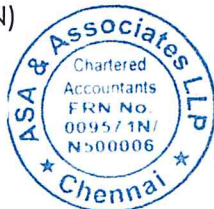
For VARDHAMAN & CO
FRN 004522S


(ABHA JAIN)
Partner
M.No.015454



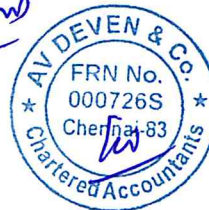
For ASA & ASSOCIATES LLP
FRN 009571N / N500006


(J. SIVASANKARAN)
Partner
M.No.022103



For A V DEVEN & CO
FRN 000726S


(A VASUDEVEN)
Partner
M.No.023882



Place : Chennai
Date : 08.05.2015