



Indian Overseas Bank

(Incorporated in India)

Central Office: 763, Anna Salai, Chennai 600 002

BALANCE SHEET AS AT 31.03.2022

Schedules	(Rs in 000's)	
	As at 31.03.2022	As at 31.03.2021
CAPITAL & LIABILITIES		
Capital	18902 41 23	16436 98 83
Reserves and Surplus	4097 98 46	507 82 25
Deposits	262158 92 48	240288 29 56
Borrowings	3070 63 66	3671 57 65
Other Liabilities & Provisions	11147 21 07	13105 67 06
TOTAL	299377 16 90	274010 35 35
ASSETS		
Cash & Balances with Reserve Bank of India	16705 99 35	12188 25 39
Balances with Banks and Money at Call and Short Notice	20067 19 93	18588 08 30
Investments	98179 31 28	95494 22 37
Advances	144243 52 45	127720 65 26
Fixed Assets	3364 89 66	2918 77 96
Other Assets	16816 24 22	17100 36 07
TOTAL	299377 16 90	274010 35 35
Contingent Liabilities	97998 90 15	68276 44 51
Bills for Collection	17216 22 01	15547 89 10
Significant Accounting Policies		
Notes on Accounts		
	2021 - 22	2020 - 21
Tier 1 Capital (%)	10.71%	12.91%
Total Capital Ratio (CRAR)%	13.83%	15.32%

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2022

Schedules	(Rs in 000's)	
	Year Ended 31.03.2022	Year Ended 31.03.2021
INCOME		
Interest earned	16729 86 62	16965 53 25
Other income	4903 01 99	5559 01 83
TOTAL	21632 88 61	22524 55 08
EXPENDITURE		
Interest expended	10418 72 85	11067 02 42
Operating expenses	5451 24 36	5561 72 12
Provisions & Contingencies (Net)	4053 37 13	5064 33 53
TOTAL	19923 34 34	21693 08 07
PROFIT / LOSS (-)		
Net Profit / Loss (-) for the year	1709 54 27	831 47 01
Profit / Loss (-) brought forward	-18813 86 23	-18977 12 39
Less: Set off against Share Premium	0	0
TOTAL	-17104 31 96	-18145 65 38
APPROPRIATIONS		
Transfer to Statutory Reserve	493 20 56	0
Transfer to Revenue and Other Reserves	0	0
Transfer to Capital Reserve	111 76 22	568 20 85
Transfer to Invest. Fluctuation Reserve	290 00 00	100 00 00
Proposed Dividend (including Dividend Tax)	0	0
Balance carried over to Balance Sheet	-17999 28 74	-18813 86 23
TOTAL	-17104 31 96	-18145 65 38
Basic & Diluted Earnings per Share (Rs.)	0.92	0.51
Nominal Value per Equity Share (Rs.)	10.00	10.00

INDEPENDENT AUDITORS' REPORT

To the Members of Indian Overseas Bank
Report on the Audit of the Standalone Financial Statements
Opinion

1. We have audited the accompanying standalone financial statements of **Indian Overseas Bank** ("the Bank"), which comprise the Balance Sheet as at 31st March 2022, the Profit and Loss Account and the Statement of Cash Flows for the year then ended and notes to financial statements including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date of the Central Office.

(i) 20 branches audited by us and
(ii) 1203 branches including 2 Regional Offices, audited by the Statutory Branch Auditors
(iii) 3 foreign branches audited by local 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, the Profit and Loss account and Statement of Cash Flows are the returns from 2049 branches (which includes 46 regional offices and Singapore Branch) which have not been subjected to audit for the current year. These unaudited branches account for 21.55% of advances, 41.74% of deposits, 22.09% of Interest Income and 43.51% of Interest expenses.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949 in the manner so required for bank and are in conformity with accounting principles generally accepted in India and:

- 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 31st March, 2022;
- the Profit and Loss Account, read with the notes thereon shows a true balance of profit for the year ended on that date; and
- the Cash Flow Statement gives a true and fair view of the Cash Flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Standalone financial statements prepared in accordance with the Accounting Principles generally accepted in India including the Accounting Standards issued by the ICAI, and provisions of section 29 of the Banking Regulation Act, 1949 and circular and guidelines issued by the Reserve Bank of India ("RBI") from time to time and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

3. We draw attention to the following:

- Note No. 7.3 of Schedule 18 relating to the fact that the bank has decided to continue with the existing tax regime and has recognized Net Deferred Tax Assets during the year on timing differences in accordance with Accounting Standard -22 on "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India.
 - Note No.7.1 of Schedule 18 relating to non-providing of any additional liability provisioning towards various disputed income tax and indirect taxes for the reasons stated therein.
 - Note No.14.h(1) of Schedule 18 of the financial statement regarding amortization of additional liability on account of revision in family pension amounting to Rs. 425.86 Crores The Bank has charged an amount of Rs.85.17 Crores to the profit and loss account for the year ended 31st March 2022 and the balance unamortized expense of Rs.340.69 Crores has been carried forward in terms of RBI Circular No.RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021. Had the bank charged the entire additional liability to the profit and loss account, the net profit for the year ended March 31, 2022 would have been lower by Rs.340.69 Crores.
- Our Opinion is not modified in respect of the above matters.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters prescribed below to be the Key Audit Matters to be communicated in our Report.

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

Information Other than the Standalone Financial Statements and Auditors' Report thereon

5. The Bank's Board of Directors are responsible for the other information. The other information comprises the Corporate Governance report (but does not include the Standalone Financial Statements and our auditors' report thereon).

Our opinion on the Standalone Financial Statements does not cover the other information and Pillar 3 disclosures under the Basel III Disclosure and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The Bank's Board of Directors are responsible with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ("RBI") from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter, or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

8. We did not audit the financial statements / information of 1206 branches (including 2 Regional Offices and 3 overseas branches) included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of Rs.1,83,310.63 (in crores) as at 31st March 2022 and total revenue of Rs.12,526.64 (in crores) for the year ended on that date, as considered in the standalone financial statements. These branches and processing centers cover 46.16% of advances, 55.35% of deposits, and 20.95% of Non-performing assets as at 31st March 2022 and 35.80% of revenue for the year ended 31st March 2022. The financial statements / information of these branches, have been audited by the branch auditors and 3 overseas Branches audited by Independent Auditor's whose reports have been furnished to us and in our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949.

Subject to the limitations of the audit indicated in paragraph 6 to 8 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, and subject also to the limitations of disclosure required therein, we report that:

- 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;
- The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and
- The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.

10. As required by letter No. DOS.ARG.No.6270/08.91.001/2019-20 dated March 17, 2020 on "Appointment of Statutory Central Auditors (SCAs) in Public Sector Banks - Reporting obligations for SCAs from FY 2019-20", read with subsequent communication dated May 19, 2020 issued by the RBI, we further report on the matters specified in paragraph 2 of the aforesaid letter as under:

- In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards issued by ICAI, to the extent they are not inconsistent with the accounting policies prescribed by the RBI.
- There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the bank.
- On the basis of the written representations received from the directors as on March 31, 2022, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of sub-section (2) of Section 164 of the Companies Act, 2013.
- There are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith.
- Our Audit report on the adequacy and operating effectiveness of the bank's internal financial controls over financial reporting is given in Annexure -A to this report. Our Report Expresses an unmodified opinion on the Bank's Internal financial control over financial reporting as at 31st March, 2022.

We further report that:

- In our opinion, proper books of account as required by law have been kept by the Bank so far it appears from our examination of those books
- The Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows dealt with by this report are in agreement with the books of account
- the reports on the accounts of the branch offices audited by branch auditors of the Bank under section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report; and
- in our opinion, the Balance Sheet, the statement of Profit and Loss Account and the Statement of Cash Flows comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

Disclosure as required in MAS Notice 608:

"We wish to state that in the event of receivership, winding up proceedings or such equivalent proceedings of the bank, the regulatory authority in the country where the bank is incorporated does not require our Head Office to confer a lower priority in the repayments of deposits to depositors of the branches of the bank located outside of the home country, as compared to depositors of the bank in its home country."

PARTHA PRATIM SENGUPTA
Managing Director & CEO

AJAY KUMAR SRIVASTAVA
Executive Director

S SRIMATHY
Executive Director

DIRECTORS

**ANNIE GEORGE MATHEW, NAVIN PRAKASH SINHA,
SURESH KUMAR RUNGTA,
B CHANDRA REDDY, DEEPAK SHARMA**

Chartered Accountants

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For **S N KAPUR & ASSOCIATES**
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Partner
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18.05.2022 Chennai, India

The notes to the accounts form an integral part of the audited financial statements and a full understanding of the statements and the state of affairs of the Bank can only be achieved by referring the complete set of the Bank's audited financial statements. This can be obtained upon request from

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