



Dear NRI Patrons,

I have great pleasure to inform you that your bank has declared an all time high net profit of Rs 104.12 crores for the financial year ended 31st March 2007 against that of Rs 50.90 crores of the previous year, thereby registering a growth of 105%. Your bank has recommended a dividend of 25% for the shareholders. The bank could also achieve Rs 20,549 crores in total business, recording year-to-year growth of 25.87%. The Net NPA as planned could be drastically brought down to 0.98 % from 1.86%. Against the regulatory Capital Adequacy ratio requirement of 9%, your Bank could maintain 11.08 %. The book value of the share has increased from Rs 91 to Rs 103.

With the unstinted support of our NRI patrons, the bank could show positive growth and exceed Rs. 3000 crores in NRI business. Your Bank now plans to achieve the milestone of Rs 25000 crores in total business during the end of this fiscal. The bank also will increase the branch network to 500 branches by the end of this financial year from 475 of the corresponding period; the number of ATMs also will be increased to 200.

Mr. Yusuff Ali M.A., Managing Director, Emke Group inaugurated on 6th May 2007 the second branch of M/s. Hadi Express Exchange (management support extended by South Indian Bank) in Sharjah. It is reported that 'SIB Express', the instant cash remittance facility is well accepted by NRIs. This facility is now available from UAE Exchange, UAE and Oman & UAE Exchange, Oman. In order to popularize SIB Express facility, a delegation from the bank visited Muscat and Bahrain recently. As a result, more Exchange Houses are expected to offer this facility shortly.

The Bank's ambitious technology up-gradation project named 'SIBERTECH' by introducing a Centralized Core Banking Solution 'Finacle' in technology partnership with the Infosys Technologies Limited, WIPRO and HCL is complete and all the branches/offices all over the country have been linked to the Centralized Data Centre at Kochi and hence 100 % of the Bank's business is now absolutely on-line. The Bank recently, as already informed, could bag the special award for banking technology excellence in the category of Information Security policies and practices from IDRBT which is the technical arm of Reserve Bank of India. These justify our new corporate slogan, "experience next generation banking" These would, it is hoped, make SIB the 'most preferred Bank for NRIs'.

I have no doubt that you would be interested to know what Mr.N.R.Narayana Murthy (who recently had been elected to head 'Asia Business Council') has said about us while announcing total implementation of CBS in our Bank: "South Indian Bank's implementation of Core Banking Solution was seamless for the customers. It was also implemented in a manner that every employee was enthusiastically involved in it", Mr. Narayana Murthy said. "SIB had shown its commitment to the core values of excellence which include openness to new ideas, focus on speed, focus on innovation and excellence in execution. I've no doubt that with this commitment to the core values of excellence, SIB will be more successful in future", Mr. Narayana Murthy concluded.

For the convenience of our valued NRI clients we have been providing their account details by SMS. Internet banking and International Debit Card powered by Master card are also available for NRIs. I request all NRIs to avail of this facility .

We are celebrating this year as the "year for youth" to serve more of the youth segment better. As you know Government of Kerala accorded an agreement with TECOM for developing a Smart City at Kakkanad, Kochi. This project is expected to provide more employment opportunities for the youth in Kerala. This also will increase the business relationship of Kerala with many other countries around the world .

Your support and patronage is solicited in future also.

With warm regards



Dr. V.A. JOSEPH
Chairman & CEO

Products available to NRI Customers

Global ATM- Debit card covering more than 8,30,000 ATMs and 7 million merchant establishments worldwide.
Add-on-card helps our customer's family members to access money, any time-any where.
Internet banking facility, to bank from their home/work place.
Mobile banking facility provides information at fingertips.
Any branch banking facility at more than 475 centers in 135 cities/banks.
Port-folio management system and wealth accumulation services.
Co-branded International Visa credit card of CITI Bank issued free of cost at selected centers in India.

HOME LOAN TO NRIs

Housing Loans are available of purchase of ready built house/flat or for construction of new house/flat.
Maximum Loan Amount: Rs.100 lacs
Eligibility of amount: 50 times of average monthly remittance to NRE accounts with any bank in India.
Minimum Project Cost : Rs.10.00 lacs.
Maximum Repayment Period :10 years

Internet Banking - New Guidelines

Password Expiry Period – increased from 90 days to 180 days.
User Id Expiry Period – increased from 180 days to 360 days.
No. of Unsuccessful Login Attempts- increased from 3 to 5 attempts.

Travellers can keep forex for 180 days : RBI

As per the new guidelines, RBI has extended the time limit for retaining unspent foreign exchange upto 180 days. RBI has also fixed the time limit for return of unspent or unused foreign exchange by individuals for any other purpose like inheritance, settlement or gift for six months.
Source: Business line

INSURANCE TIE-UP

ICICI Prudential (Life Insurance)
United India Insurance Co (General Insurance)

Rupee: Asia's most performing currency

The rising rupee is generating immense interest among traders in offshore markets. The rupee has clearly outpaced most other Asian currencies due to strong capital inflows and is currently regarded as Asia's most performing currency against the dollar. Only the Indian rupee and the Chinese yuan, are outperforming currencies.
Source : The Economic Times

MUTUAL FUNDS- TIE-UP

Reliance Mutual Fund, Tata Mutal Fund, UTI Mutual Fund, ICICI Prudential Mutual Fund, Franklin Templeton, Sundaram BNP Paribas

Smart City Project: Agreement signed

The Government of Kerala and Dubai based Technology and Media Free Zone Authority (TECOM) on May 13, 2007 signed the agreement for setting up the Information Technology Infrastructure Park. The project named Smart City is proposed to implement in around 100 hectares of land in Kochi. Chief Secretary Lizzie Jacob and Ahmad Bin Byat, executive chairman of TECOM Investments signed the documents at Thiruvananthapuram on behalf of State Government and TECOM in the presence of Ministers, including Chief Minister V. S. Achuthanandan and officials of TECOM. The project envisages an investment to the tune of Rs. 1,500 crore. It aims at making the state of Kerala a prime IT destination in the country and also generating 90,000 job opportunities.

Source: Official website of Govt of Kerla.

STORY

"One day a farmer's donkey fell down in to a well. The animal cried piteously for hours as the farmer tried to figure out what to do. Finally he decided the animal was old and the well needed to be covered up anyway it just wasn't worth it to retrieve the donkey. He invited all his neighbors to come over and help him. They all grabbed a shovel and begin to shovel dirt in to the well. At first the donkey realized what was happening and cried horribly. Then to everyone's amazement he quietened down. A few shovel loads later, the farmer finally looked down the well and was astonished at what he saw. With every shovel of dirt that fell on his back, the donkey was doing something amazing. He would shake it off and take a step up. As the farmers neighbors continued to shovel dirt on top of the animal, he would shake it off and then take a step up. Pretty soon everyone was amazed as the donkey stepped up over the edge of the well and totted off! Life is going to shovel dirt on you, all kinds of dirt. The trick is, not to get bogged down by it. We can get out of the deepest wells by not stopping, and by never giving up! Shake it off and take a step up!"



Dr. V A Joseph, Chairman, Mr. G A Shenai, Director, Mr. K S Krishnan, Dy. General Manager, Sri. C T Devis, Asst General Manager with Mr.Habib A Macki, Vice-President, Mr.M. Shahed Shah, General Manager, Mr Raihan Uddin Ahmed, Manager of Oman International Exchange LLC, Oman



Dr V A Joseph, Chairman, Mr. G.A Shenai, Mr.K.S.Krishnan Dy.General Manager, Mr C T Devis, Asst General Manager with Mr. Ebrahim E Nonoo, Director, Mr. Leny P. Mathew, Financial Controller, Ms.Rosanna Deamer, Operations Manager and Mr Rajesh M P, Marketig Manager, Bahrain Financing Company.

Hadi Express Exchange opens second branch in Sharjah

Hadi Express Exchange, which is being provided management support by South Indian Bank (SIB), has opened its second branch in Sharjah on 6th May 2007.

The first branch of Hadi Express Exchange was opened in Dubai last year. With the opening of the second branch in Sharjah now, more NRIs working in UAE would be able to transfer their funds to the branches of the South Indian Bank, instantaneously.



Mr. Yusuf Ali M.A opens Sharjah Branch of Hadi Express exchange in the presence of Dr. V.A. Joseph, Chairman & CEO, Mr. G.A. Shenai, Director of South Indian Bank and Mr. Mohammad Sharif Mohammad Al Hadi, Chairman, Hadi Express Exchange

QUOTE

"You cannot control what happens to you, but you can control your attitude toward what happens to you, and in that, you will be mastering change rather than allowing it to master you."

Brian Tracy

HEALTH

Exercise is good for the mind, not just the body. Exercise can help with stress relief because it provides a way for the body to release tension and pent-up frustration.

Breathing Exercises Relieve Stress

When you're facing a stressful situation, you can reduce your stress simply by deep breathing. Deep breathing involves not only the lungs but also the abdomen.

To experience abdominal breathing,

1. Sit comfortably with your back straight. Put one hand on your chest and the other on your stomach.
2. Inhale through your nose and the hand on your stomach should begin to rise. Your other hand should move very little.
3. Exhale as much air as you can while contracting your abdominal muscles. Once again, the hand on your stomach should move in as you exhale, but your other hand should move very little.

Source : www.helpguide.org/mental/stress_relief

Foreign Exchange Drawing facilities available to Indian Residents

Purpose	Limit
Private Visit	USD 100000 Per Financial year
Medical Treatment Abroad	USD 100000
Emigration	USD 100000
Employment	USD 100000
Maintenance of close relatives abroad	USD 100000
Studies abroad	USD 100000
Business trip/ conference/ training	USD 25000
Gift/Donation	USD 5000
Liberalized Remittance Scheme (Current/Capital account transactions)	USD 100000 Per Financial Year

NRI BRANCHES

Our Bank continues to occupy the premier position of having the maximum network of exclusive NRI Branches in Kerala.

NRI BRANCH	MANAGER	CONTACT NO	E-MAIL ADDRESS
ANGAMALY	VARGHESE C.D SR. MANAGER	0484-2454462 0484-2453292 0484-2463698 (Res)	br0331@sib.co.in
CHANGANACHERRY	K.P.DEVASIA SR.MANAGER	0481-2410688 0481-2423813 Mob: 9447956771 0481-2415317 (Res)	br0340@sib.co.in
CHANGARAMKULAM	SEBASTIAN KM ASST. MGR-IN-CHARGE	0494-2650869 Mob: 9446234354 04885-235422 (Res)	br0328@sib.co.in
CHAVAKKAD	P.A. PAUL ASST. MGR-IN-CHARGE	0487-2509127 0487-2508308 (Fax)	br0332@sib.co.in
CHEGGANNUR	ANTO M.D CHIEF MANAGER	0479-2453998 Mob : 9895242706	br0341@sib.co.in
ERNAKULAM	A.A. THOMAS CHIEF MANAGER	0484-2373301 0484-2380580 0484-2370770 (Fax) Mob: 9995200737	br0307@sib.co.in
IRINJALAKUDA	M.L. JOSE MANAGER	0480-2821760 Mob : 9446533326 0487-2253326 (Res)	br0333@sib.co.in
KOTTAYAM	GEORGE JOSE MANAGER	0481-2569603 0481-2569602 (Fax) 0481-2575242 (Res) Mob:94466275738	br0344@sib.co.in
KOZHENCHERY	SHAJI K MATHEWS MANAGER	0468-2215141 0468-2214180 0468-2219006 (Res)	br0345@sib.co.in
KUNNAMKULAM	NARAYANAN V.C MANAGER	04888-211332 04885-224912 Mob: 9387603753	br0334@sib.co.in
MUVATTUPUZHA	POULOSE M.I MANAGER	0485-2835063 Mob: 9447369325	br0342@sib.co.in
THRISSUR	GEORGE K VARGHESE MANAGER	0487-2335940 Mob: 9495509243	br0346@sib.co.in
THIRUVANANTHAPURAM	P.K. DAMODARAN SR. MANAGER	0471-2333089 0471-2337635 0471-2333069 (Fax) 0471-2351183 (Res) Mob: 9447320955	br0336@sib.co.in



Dr V A Joseph, Chairman, Mr. G A Shenai, Director
Mr. K S Krishnan Dy, General Manager, Mr. C T Devis, Asst General Manager
with Mr. Hamad Abdulla Abul, Chairman and
Mr Ali Hamad Abul, Mg Director, Zenj Exchange Co. Bahrain

GDP races to 9.405 in FY 07

India's economy grew 9.4 % in the fiscal year that ended in March, its fastest rate in 18 years, second to China among major global economies, as per the government data

Source : Economic Times 01/06/2007

US Growth slowed to 0.6 per cent.

US economic growth slowed to 0.6 per cent last quarter in the worst performance for the economy in four years, according to the latest government estimates.

Source: Financial Times

RBI for 3 year Lock-in for FII allotments

The RBI has suggested to the government that it impose a three-year lock-in-period for share allotment to foreign institutional investors(FIIs) during a public offer to plug the post IPO allotments and check short term foreign exchange inflows

Source : Business Standard

Govt Plans lock-in for NRI Pre-IPO realty funding

The government is planning to plug another potential source of foreign funds for the real estate sector. Non-Resident Indians planning to invest prior to initial public offers (IPO) of real estate companies could face a three-year lock in period along with foreign institutional investors.

Source: Economic times

SIB Launches A Unique Product For the Youth Segment

H.E.Venu Rajamony, Consul General of India in UAE launched South Indian Bank's 'Youth Plus', an exclusive Savings Bank Account with many attractive features designed exclusively for the youth segment. Dr.V.A.Joseph, Chairman &CEO of the Bank presided over the function.

Youth Plus - Features

- ★ Admit age: 20 to 35 years.
- ★ Minimum balance Rs.1, 000/-
- ★ FREE Mobile Banking Service
- ★ FREE Personalised Cheques book
- ★ FREE International ATM cum debit card
- ★ FREE Depository account opening
- ★ FREE Any Branch Banking facility
- ★ FREE For life International Credit Card
- ★ FREE Internet Banking facility & fund transfer
- ★ FREE Subscription of Student's Economic Forum by e-mail



Cine star Ms.Maria handover the first pass book of the 'Youth Plus Savings Bank Account' to the play back singer Ms.Cicily in the presence of Dr.V.A.Joseph Chairman and H.E. Venu Rajamony, Consul General, UAE. Also seen are Olympian Mr. Lijo David Thottan, Playback singers Mr.Afsal and Mr.Vidhu Pratap .



Mr.K.S.Krishnan Dy.General Manager, Dr. V. A. Joseph, Chairman, H.E. Balakrishna Shetty, Indian Ambassador, Bahrain, Mr. G.A. Shenai, Director and Mr. C. T Devis, Asst General Manager

Centre for NRI Investment

Mr Vayalar Ravi Minister for Overseas Indian Affairs, launched the Overseas Indian Facilitation Centre(OIFC). The centre is an effort of the ministry to set up an institutional mechanism to achieve the desired level of investment from overseas Indians. The centre would be a joint partnership of the Ministry of Overseas Indian Affairs and the Confederation of Indian Industry and would be a not-for-profit trust. The Ministry said that the trust would facilitate business-to-business partnerships between Indian business and overseas Indians and extend a host of advisory services to PIOs and NRIs. India is the highest recipient of remittances from overseas Indian workers at \$23billion.

Sources: Business line 29/5/2007

NEWLY OPENED BRANCHES

Chelari (Malappuram Dist.)
Areacode (Malappuram Dist.)
Ranchi (Jharkhand)
Bidadi (Bangalore)
Koorkencherry (Thrissur)
Chengaloor (Thrissur)
Ottanchatram (TN)

QUOTE

"If what you are doing is not moving you towards your goals, then it is moving you away from the goals."

Brian Tracy

Hadi Express Exchange (Management Support by South Indian Bank)

Mr Shelly Joseph - General Manager - Mobile : 00971 50 4516418

Bur Dubai Branch:-

Mr. A F Paul - Manager - Mobile : 00971 50 4552871

HADI EXPRESS EXCHANGE, PO BOX 28909, AL SOUK ROAD,
NEAR ABBRA STATION, BUR DUBAI

Phone : 009714 3537650/ 3534802 email:- hadiexp@emirates.net.ae

Sharjah Branch:-

Mr. Rajesh. K - Manager - Mobile : 00971 50 4826120

HADI EXPRESS EXCHANGE, PO BOX:69446,SHOP:NO:4,
AL GUWAIR -2 STREET, ROLLA, BEHIND JOY ALUKKAS CENTRE ,
NEAR ROLLA SQUARE, OPPOSITE JOEL CARGO SHARJAH, UAE
Phone : :009716-5634464, 009716-5634474

EMAIL:hadisib@emirates.net.ae

Loans to Non Residents against security of NRE/FCNR(B) Deposits.

As per latest RBI guideline maximum loan against NRE and FCNR(B) deposits are restricted upto Rs.20.00 lacs. Permission for Foreign Currency Loan against FCNR(B) deposits stands withdrawn.



Mr K S Krishnan, Dy General Manager, Mr. G A Shenai, Director, H.E. Venu Rajamony Consul General of UAE, Dr. V.A. Joseph, Chairman Mr. Shelly Joseph, General Manager, Hadi Express Exchange.

LIST OF CORRESPONDENT BANKS WITH SOUTH INDIAN BANK A/C NUMBER THE SOUTH INDIAN BANK LTD-SWIFT CODE: SOININ 55

Currency Details	Bank & Address	SIB's a/c no. with them	Swift code
USD	1. HSBC bank, USA, International Banking department 140,Broadway,Newyork-10005 ABA Routing No. 021001088	000-03881- 4	MRMDUS33
	2. The Bank of Newyork,1 Wall street, New York,NY 10286 ABA Routing No. 021000018	803-3162-716	IRVTUS3N
	3. American Express Bank Ltd, New York Agency,P.O Box 740, New York,NY 10008	000727586	AEIBUS33
	4. Alrajhi Banking & Investment Corporation, P O Box No.28,Riyadh-11411,KSA	000752006655/1	RJHISARI
GBP	1. HSBC Bank, International Branch, London EC2P 2 BX IBAN: GB34MIDL40051535832431	35832431604-055988-001	MIDLGB22
	2. Bank of America,N.A. 5, Canada Square, London E 14 5AQ IBAN: GB53BOFA16505023968011	23968011	BOFAGB22
EURO	1. Dresdner Bank AG,Jurgen-Ponto-Platz 1, 60301 Frankfurt AM Main, Germany IBAN: DE5650080000806321711	499 8 063 21711	DRESDEFF
	2. American Express Bank, GmbH,Theodor-Heuss-Alee 112 D-60036 Frankfurt Main	018160002	AEIBDEFX
JPY	1. Hongkong & Shanghai Banking Corp. CPO Box No 336, Kyobashi,Itchome Bldngs., 13-1, Kyobashi, 1 Chome, CHUO KUM Tokyo, Japan	009 -102385 -026	HSBCJPJT
CAD	1. HSBC Bank Canada, International Services Dept.,5th floor, 70 York Street, Toronto,Ontario, M5J 1S9	930-134265- 060	HKBCCATT
CHF	1. UBS AG P O Box No 8098, Zurich	0230-35300 05Q	UBSWCHZH
AUD	1. HSBC Bank Australia Ltd., Level 6, 580 George Street, Sydney NSW 2000, Australia	011-795952-041	HKBAU2S
SEK	1. Nordbanken, S 10571, Stockholm, Sweden	3952 79 07357	NDEASESS

SIB Express (On-line money transfer)

SI No	Exchange Companies
1	Hadi Express Exchange, UAE
2	Thomas Cook Al Rostamani Exchange, UAE
3	Wall Street Exchange Centre, UAE
4	Al Razouki International Exchange, UAE
5	UAE Exchange Centre, Abu Dhabi, UAE
6	National Exchange Company, Kuwait
7	Musandam Exchange, Oman
8	Bahrain Financing Company, Bahrain
9	Oman & UAE Exchange Centre, Al Hamariya, Sultanate of Oman

TT REMITTANCE

(Both the facility -Rs.50000/- and below cash payment and account credit of any amount available)

Al Rajhi Banking & Investment Corporation, Saudi Arabia

Money Transfer Service Scheme (Cash Payment /Account Credit other than NRE/FCNR(B) accounts

SI No	Exchange Companies
1	UAE Exchange Co., UAE (X Press Money)
2	Wall Street Exchange Centre, UAE (Insta Cash)
3	Money Gram

Draft Drawing Arrangement with banks

SI No	Banks
1	Abudhabi Commercial Bank, Abu Dhabi, UAE
2	Union National Bank, Abu Dhabi, UAE
3	Doha Bank, Doha - Qatar

Draft Drawing Arrangements with Exchange Houses

SI No	Exchange Companies
	<u>UAE</u>
1	Thomas Cook Al Rostamani Exchange, UAE
2	Wall Street Exchange Centre, UAE
3	Al Razouki International Exchange, UAE
4	UAE Exchange Centre, Abu Dhabi, UAE
5	Hadi Express Exchange, Dubai, UAE
6	Al Fardan Exchange, Abu Dhabi, UAE
7	Al Ahalia Money Exchange Bureau, UAE
8	Al Ansari Exchange UAE
	<u>Kuwait</u>
9	National Exchange Company, Kuwait
10	UAE Exchange Centre, Kuwait
	<u>Sultanate of Oman</u>
11	Musandam Exchange, Oman
12	Hamdan Exchange, Salalah, Sultanate of Oman
13	Modern Exchange Company, Oman
14	Oman & UAE Exchange Centre, Al Hamaria, Sultanate of Oman
	<u>Qatar</u>
15	Alfardan Exchange Co., Doha Qatar
16	Gulf Exchange, Doha, Qatar
	<u>Bahrain</u>
17	Bahrain Financing Company, Bahrain
18	Zenj Exchange Company, Manama, Bahrain
	<u>Singapore</u>
19	HBZ International Exchange Co.(Singapore) Pte Ltd., Singapore

What Mr.Narayana Murthy Told About Us ?



Announcing the total implementation of CBS in SIB, Mr. Narayana Murthy, Chairman & Chief Mentor of Infosys Technologies who recently has been elected as the Chairman of the Asian Business Council said: 'Completing one's job in time and also with efficiency is a sign of excellence. This is where I've got tremendous respect for South Indian Bank'. In this context Mr. Murthy referred to the dismal performance of the India Cricket team who had commenced their celebrations even before the play, and said, 'South Indian Bank, on the other hand, had waited for one month to confirm the efficacy of the new system and then only celebrated even though they had completed implementation of CBS in the month of February itself. In India we usually celebrate even before performing one's duties. So my earnest wish is 'Let there be thousands to emulate SIB's example'.

"South Indian Bank's implementation of Core Banking Solution was seamless for the customers. It was also implemented in a manner that every employee was enthusiastically involved in it", Mr. Narayana Murthy said adding, 'SIB had shown its commitment to the core values of excellence which include openness to new ideas, focus on speed, focus on innovation, excellence in execution. I've no doubt that with this commitment to the core values of excellence, SIB will be more successful in future", Mr. Narayana Murthy concluded.