

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2015

[₹ in Lakhs]

Particulars	3 months ended			Year Ended	
	31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
	Audited #	Unaudited	Audited #	Audited	Audited
1. Interest earned (a) + (b) + (c) + (d)	132,243	130,679	130,260	528,622	501,507
(a) Interest/discount on advances/bills	104,305	103,271	103,195	415,297	394,974
(b) Income on investments	26,828	25,906	25,163	105,373	95,448
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	1,110	1,502	1,902	7,952	11,085
(d) Others	-	-	-	-	-
2. Other Income	12,194	16,034	9,658	49,707	36,846
3. Total income (1+2)	144,437	146,713	139,918	578,329	538,353
4. Interest expended	97,534	98,688	93,792	391,999	361,629
5. Operating Expenses (i) + (ii)	30,405	26,083	25,634	104,704	88,289
(i) Employees cost	19,786	15,504	16,108	63,370	52,896
(ii) Other operating expenses	10,619	10,579	9,526	41,334	35,393
6. Total expenditure (4)+(5) excluding provisions & contingencies	127,939	124,771	119,426	496,703	449,918
7. Operating Profit before provisions and contingencies (3) - (6)	16,498	21,942	20,492	81,626	88,435
8. Provisions (other than tax) and contingencies	13,774	8,597	2,828	41,405	15,541
9. Exceptional Items	-	-	-	(4,339)	-
10. Profit from Ordinary Activities before tax (7)-(8)-(9)	2,724	13,345	17,664	44,560	72,894
11. Tax expense	1,092	4,552	5,204	13,840	22,144
12. Net Profit from Ordinary Activities after tax (10)-(11)	1,632	8,793	12,460	30,720	50,750
13. Extra ordinary items (Net of Tax Expense)	-	-	-	-	-
14. Net Profit for the period (12+13)	1,632	8,793	12,460	30,720	50,750
15. Paid up Equity Share Capital (Face Value ₹ 1)	13,502	13,501	13,439	13,502	13,439
16. Reserves excluding revaluation reserves				331,581	310,200
17. Analytical Ratios					
i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
ii) Capital Adequacy Ratio (%) - BASEL II	12.06	11.57	12.53	12.06	12.53
BASEL III	12.01	11.38	12.42	12.01	12.42
iii) Earnings Per Share (EPS)					
(a) Basic EPS - before and after Extraordinary items (₹)	0.12 *	0.65 *	0.93 *	2.28	3.78
(b) Diluted EPS - before and after Extraordinary items (₹)	0.12 *	0.65 *	0.92 *	2.27	3.77
iv) NPA Ratios (a) Gross NPA	64,345	66,127	43,262	64,345	43,262
Net NPA	35,705	37,956	28,167	35,705	28,167
(b) % of Gross NPA	1.71	1.80	1.19	1.71	1.19
% of Net NPA	0.96	1.04	0.78	0.96	0.78
v) Return on Assets (Annualised)	0.12	0.63	0.94	0.56	1.00
18. Public Shareholding					
- No. of Shares (in lakhs)	13,502	13,501	13,439	13,502	13,439
- Percentage of shareholding	100%	100%	100%	100%	100%
19. Promoters and promoter group shareholding					
(a) Pledged/ Encumbered					
- Number of shares	NIL	NIL	NIL	NIL	NIL
- Percentage of shares [as a % of the total shareholding of promoter and promoter group]	NIL	NIL	NIL	NIL	NIL
- Percentage of shares [as a % of the total share capital of the company]	NIL	NIL	NIL	NIL	NIL
(b) Non Encumbered					
- Number of shares	NIL	NIL	NIL	NIL	NIL
- Percentage of shares [as a % of the total shareholding of promoter and promoter group]	NIL	NIL	NIL	NIL	NIL
- Percentage of shares [as a % of the total share capital of the company]	NIL	NIL	NIL	NIL	NIL

* Not annualised

Refer Note 3

Segmentwise Results

[₹ in Lakhs]

	3 months ended			Year Ended	
	31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
	Audited #	Unaudited	Audited #	Audited	Audited
1. Segment Revenue					
a) Treasury	31,453	35,442	27,700	132,047	116,345
b) Corporate/ Wholesale Banking	63,808	61,913	60,751	245,164	225,208
c) Retail Banking	46,253	46,349	48,327	189,462	188,215
d) Other Banking Operations	2,923	3,009	3,140	11,656	8,585
Total	144,437	146,713	139,918	578,329	538,353
Less : Inter – segment Revenue	-	-	-	-	-
Income from Operations	144,437	146,713	139,918	578,329	538,353
2. Segment Results					
Profit(+)/Loss(-) before tax and after interest from each segment					
a) Treasury	(10,939)	(498)	(3,048)	(14,148)	(3,277)
b) Corporate/ Wholesale Banking	1,414	1,301	1,476	6,298	18,898
c) Retail Banking	9,939	10,069	16,647	38,525	50,095
d) Other Banking Operations	2,310	2,473	2,589	9,546	7,178
Total	2,724	13,345	17,664	40,221	72,894
Less: unallocated expenditure	-	-	-	-	-
Profit Before Tax	2,724	13,345	17,664	40,221	72,894
3. Capital Employed					
a) Treasury	109,954	104,276	101,512	109,954	101,512
b) Corporate/ Wholesale Banking	121,627	122,194	133,700	121,627	133,700
c) Retail Banking	72,943	75,711	84,661	72,943	84,661
d) Other Banking Operations	-	-	-	-	-
e) Unallocated	54,417	63,724	16,932	54,417	16,932
Total	358,941	365,905	336,805	358,941	336,805

Refer Note 3

Notes:

1. Statement of Assets and Liabilities as on March 31, 2015 is given below:

[₹ in Lakhs]

	As at	
	31.03.2015	31.03.2014
	Audited	Audited
CAPITAL AND LIABILITIES		
Capital	13,502	13,439
Employees Stock Option Outstanding	238	230
Reserves and Surplus	345,439	323,365
Deposits	5,191,249	4,749,109
Borrowings	223,247	273,078
Other Liabilities and Provisions	137,957	139,375
Total	5,911,632	5,498,596
ASSETS		
Cash and Balances with Reserve Bank of India	244,158	220,081
Balances with Banks and money at call & short notice	115,350	101,712
Investments	1,671,716	1,435,178
Advances	3,739,164	3,622,985
Fixed Assets	47,905	41,220
Other Assets	93,339	77,420
Total	5,911,632	5,498,596

- 2 The above audited financial results for the year ended March 31, 2015 reviewed by the Audit Committee of the Board have been approved the Board of Directors at their meeting held on May 05, 2015.
- 3 The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto the end of the third quarter of the financial year which was subject to Limited Review.
- 4 The financial results have been arrived at after providing for Standard/Non performing assets as per RBI norms, taxes and other necessary provisions.
- 5 During the quarter ended March 31 2015, the Bank has assigned certain non-performing financial assets having a net book value of ₹ 8,207 lakhs to an Asset Reconstruction company. The Bank has, in terms of RBI Circular DBOD.BP.BC.No.9/21.04.048/2014-15 on "Prudential norms on income recognition, asset classification and provisioning pertaining to advances" dated July 1, 2014 spread the net shortfall in recovery of net book value of ₹ 832 lakhs over a period of two years. Consequently an amount of ₹ 166 lakhs has been charged to the profit and loss account during the quarter ended March 31 2015 and the unamortised balance as at March 31 2015 amounts to ₹ 666 lakhs.

- 6a Effective April 1, 2014, the Bank has changed its accounting policy for charging depreciation from Written Down Value ("WDV") method to Straight Line Method ("SLM") in respect of all fixed assets other than computers which were already being depreciated under SLM. The management believes that such change better reflects the actual use of assets acquired. On account of this change in accounting policy, the Bank had in the current year reversed an amount of ₹ 6,574 lakhs during the quarter ended June 30, 2014 representing the excess depreciation charge for the period upto March 31, 2014 and disclosed the same net of related tax effect of ₹2,235 lakhs as an exceptional item.
- 6b In accordance with the requirements of Schedule II to the Companies Act, 2013, the Bank has also re-assessed the useful lives of the fixed assets and :
- recognised an additional depreciation charge of ₹ 525 lakhs and ₹ 2,883 lakhs for the quarter and year ended March 31, 2015 respectively being the depreciation on the carrying value of assets as at April 1, 2014 on the remaining useful lives, and;
 - an amount of ₹ 938 lakhs (net of tax) has been charged to the opening balance of the retained earnings in respect of assets whose useful remaining life is nil as at April 1, 2014.
- 7 Pursuant to the clarification issued by Reserve Bank of India ('RBI') vide para 14.2.5 of Master Circular dated July 1, 2014 in relation to "Prudential norms for conversion of unpaid interest into Funded Interest Term loan, Debt or Equity instruments, the Bank based on special dispensation issued by RBI vide their letter no.DBOD.No.BP.5886/21.04.132/2014-15 dated October 20, 2014, deferred the provision over the current financial year. Accordingly, the bank has charged ₹ .2,809 lakhs during the quarter ended March 31, 2015 and the amortisation is completed as permitted by Reserve Bank of India.
- 8 The additional Pension and Gratuity liability arising on exercise of second option of pension by employees (other than separated/retired employees) and enhancement of gratuity limit of ₹ 15,653 lakhs is being amortized equally over a period of 5 years commencing from the year ended on March 31, 2011, and accordingly an amount of ₹ 2,249 lakhs, being the proportionate liability in respect thereof, for the year ended 31.03.2015 (₹ 562 lakhs for the quarter ended 31.03.2015) have been charged to Profit and Loss Account and the amortization is complete as permitted by the Reserve Bank of India vide letter No. DBOD.BP.BC.15896/21.04.018/2010-11 dated 08 th April,2011.
- 9 During the quarter ended March 31, 2015, the Bank allotted 7,635 shares, pursuant to the exercise of stock option by certain employees.
- 10 In accordance with the RBI Circular DBOD.No.BP.BC.6/21.06.201/2014-15 dated July 1, 2014, Banks are required to make half yearly Pillar 3 disclosures under BASEL III capital requirements. The Bank has made these disclosures which are available on its website at the following link.
<http://www.southindianbank.com/content/viewContentLv11.aspx?linkIdLv12=5&LinkIdLv13=532&linkId=532>.
- 11 The Board of Directors have recommended a dividend of ₹0.60 per share (60%) for the year ended March 31, 2015 (Previous year ₹ 0.80 per share (80%)), subject to approval of the members in the ensuing Annual General Meeting.
- 12 Details of Investor complaints received and disposed off:

Complaints at the beginning of the quarter	Received during the quarter	Redressed during the quarter	Unresolved as on March 31, 2015
Nil	52	52	Nil

- 13 In computing the Segment information certain estimates and assumptions have been made by the management which have been relied upon by the Statutory Central Auditor.
- 14 Previous period's/year's figures have been regrouped, wherever necessary to conform to the current period's classification.

Kochi
May 5, 2015

V.G Mathew
(MD & CEO)