

DEPT : SECRETARIAL  
REF No. SEC/ST EX.STT/ 117 /2019-20

October 17, 2019

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
**Mumbai – 400 051.**  
SCRIP CODE: SOUTHBANK

Dear Sirs,

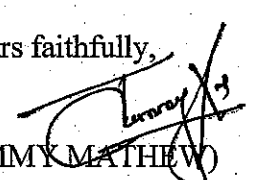
**Sub: Submission of unaudited Financial Results for the quarter ended 30<sup>th</sup> September 2019**

As required under the Listing Agreement entered into by us with your Stock Exchange and as per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, we submit herewith the unaudited Financial Results of the Bank for the quarter ended 30<sup>th</sup> September 2019 which was approved and taken on record by the Board at its meeting held today, the 17<sup>th</sup> day of October, 2019.

We also enclose a copy of the "Limited Review Report" submitted by M/s.Varma and Varma Chartered Accountants our Statutory Auditors, for the quarter ended 30<sup>th</sup> September ,2019.

The meeting concluded at :- 3.55 pm

Yours faithfully,

  
(JIMMY MATHIEW)  
COMPANY SECRETARY

Encl: a/a

Limited Review Report on unaudited financial results of The South Indian Bank Limited for quarter and six months ended 30<sup>th</sup> September 2019, pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Review Report to  
The Board of Directors,  
The South Indian Bank Limited.

1. We have reviewed the accompanying statement of unaudited financial results of The South Indian Bank Limited ('the Bank') for the quarter ended 30<sup>th</sup> September, 2019 and for the period from April 1, 2019 to September 30, 2019 ('the Statement') attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations as at 30<sup>th</sup> September 2019, including Leverage Ratio and Liquidity Coverage Ratio as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement, which have not been reviewed by us.
2. This statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard -25 'Interim Financial Reporting' (AS-25), prescribed under section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time, SEBI circular CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016 and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. 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 the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Our review primarily is conducted on the basis of review of the books of account and records of the Bank. We have also relied on the information and explanations furnished to us by the Bank and the returns as considered necessary by us for the review.





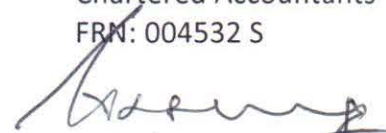
# Varma & Varma

Chartered Accountants

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with 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) Regulations, 2015 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.
6. We draw attention to Note no. 5 to the financial results regarding deferment of additional provision requirement on account of Debt Asset Swap transactions ("DAS") entered into by the Bank in earlier years as permitted by the Reserve Bank of India's letter DBS (T) No/424/02.02.006/2018-19 dated May 2, 2019 to the bank prescribing asset classification and provisioning norms for DAS transactions and the unamortized balance of Rs. 1100 Lakhs as at 30<sup>th</sup> September, 2019 for amortization in the subsequent quarter. Our conclusion is not modified in respect of this matter.
7. The review of unaudited quarterly/half yearly financial results for the quarter/half year ended 30<sup>th</sup> September 2018 and audit of financial results for the year ended 31<sup>st</sup> March 2019 included in the Statement was carried out and reported by predecessor auditor who has expressed unmodified conclusion vide review report dated 15<sup>th</sup> October, 2018 and unmodified opinion vide audit report dated 9<sup>th</sup> May, 2019 respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

Kochi-19  
17.10.2019

For Varma & Varma  
Chartered Accountants  
FRN: 004532 S

  
V. Sathyanarayanan  
Partner  
M. No. 021941

UDIN: 19021941AAAAA07212



**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER 2019**

(₹ in Lakhs)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a) + (b) + (c) + (d)	1,95,397	1,89,485	1,69,651	3,84,882	3,35,042	6,87,652
(a) Interest/discount on advances/bills	1,55,031	1,50,697	1,33,176	3,05,728	2,61,830	5,39,644
(b) Income on investments	35,306	34,000	31,935	69,306	63,953	1,28,614
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	918	866	642	1,784	1,282	3,552
(d) Others	4,142	3,922	3,898	8,064	7,977	15,842
2. Other income	24,921	18,191	15,789	43,112	30,379	72,621
3. Total income (1+2)	2,20,318	2,07,676	1,85,440	4,27,994	3,65,421	7,60,273
4. Interest expended	1,36,967	1,35,919	1,19,004	2,72,886	2,34,970	4,85,682
5. Operating expenses (i) + (ii)	42,206	39,994	35,458	82,200	72,509	1,50,693
(i) Employees cost	23,316	22,362	19,625	45,678	40,732	82,143
(ii) Other operating expenses	18,890	17,632	15,833	36,522	31,777	68,550
6. Total expenditure (4) + (5) excluding provisions and contingencies	1,79,173	1,75,913	1,54,462	3,55,086	3,07,479	6,36,375
7. Operating profit before provisions and contingencies (3) - (6)	41,145	31,763	30,978	72,908	57,942	1,23,898
8. Provisions (other than tax) and Contingencies	30,634	20,501	20,468	51,135	43,621	85,848
9. Exceptional items	-	-	-	-	-	-
10. Profit from ordinary activities before tax (7)-(8)-(9)	10,511	11,262	10,510	21,773	14,321	38,050
11. Tax expense	2,063	3,936	3,497	5,999	5,004	13,297
12. Net profit from ordinary activities after tax (10)-(11)	8,448	7,326	7,013	15,774	9,317	24,753
13. Extra ordinary items (Net of tax expense)	-	-	-	-	-	-
14. Net profit for the period (12-13)	8,448	7,326	7,013	15,774	9,317	24,753
15. Paid-up equity share capital (Face Value ₹ 1)	18,097	18,097	18,097	18,097	18,097	18,097
16. Reserves excluding revaluation reserves						4,91,577
17. Analytical ratios						
i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii) Capital adequacy ratio (%) - BASEL III	12.08	12.17	12.11	12.08	12.11	12.61
iii) Earning per share (EPS)						
(a) Basic EPS - before and after extraordinary items (₹) *	0.47	0.40	0.39	0.87	0.51	1.37
(b) Diluted EPS - before and after extraordinary items (₹) *	0.47	0.40	0.39	0.87	0.51	1.37
iv) NPA Ratios (a) Gross NPA	3,14,520	3,15,422	2,64,615	3,14,520	2,64,615	3,13,167
Net NPA	2,19,315	2,13,473	1,78,472	2,19,315	1,78,472	2,16,362
(b) % of Gross NPA	4.92	4.96	4.61	4.92	4.61	4.92
% of Net NPA	3.48	3.41	3.16	3.48	3.16	3.45
v) Return on assets (Annualised)	0.35	0.31	0.33	0.33	0.22	0.29

\* Quarterly/half-yearly numbers are not annualised



The South Indian Bank Ltd., Regd. Office: Thrissur, Kerala

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 e-mail: sibcorporate@sib.co.in, CIN: L65191KL1929PLC001017, Toll free (India) 1800-102-9408, 1800-425-1809 (BSNL)

[www.southindianbank.com](http://www.southindianbank.com)



**Segmentwise Results**

(₹ in Lakhs)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. Segment Revenue</b>						
a) Treasury	45,534	41,057	35,042	86,591	70,118	1,48,482
b) Corporate/ Wholesale Banking	82,309	83,668	82,838	1,65,977	1,62,723	3,30,228
c) Retail Banking	85,794	77,042	61,701	1,62,836	1,20,540	2,56,470
d) Other Banking Operations	6,681	5,909	5,859	12,590	12,040	25,093
Total	2,20,318	2,07,676	1,85,440	4,27,994	3,65,421	7,60,273
Less: Inter segment Revenue	-	-	-	-	-	-
Net Income from Operations	2,20,318	2,07,676	1,85,440	4,27,994	3,65,421	7,60,273
<b>2. Segment Results (net of provisions)</b>						
a) Treasury	4,608	1,348	(2,722)	5,956	(9,348)	(4,197)
b) Corporate/ Wholesale Banking	(17,315)	(6,996)	(533)	(24,311)	(2,555)	(12,664)
c) Retail Banking	17,817	12,139	9,022	29,956	16,573	34,792
d) Other Banking Operations	5,401	4,771	4,743	10,172	9,651	20,119
Total	10,511	11,262	10,510	21,773	14,321	38,050
Less: unallocated expenditure	-	-	-	-	-	-
<b>Profit Before Tax</b>	10,511	11,262	10,510	21,773	14,321	38,050
<b>3. Segment Assets</b>						
a) Treasury	21,70,072	21,41,466	19,23,728	21,70,072	19,23,728	20,16,258
b) Corporate/ Wholesale Banking	38,72,325	39,39,272	36,84,770	38,72,325	36,84,770	40,32,712
c) Retail Banking	31,86,691	30,38,987	26,50,008	31,86,691	26,50,008	29,44,695
d) Other Banking Operations	1,330	1,371	1,089	1,330	1,089	1,396
e) Un allocated	2,65,117	2,59,275	2,38,507	2,65,117	2,38,507	2,32,861
Total	94,95,535	93,80,371	84,98,102	94,95,535	84,98,102	92,27,922
<b>4. Segment Liabilities</b>						
a) Treasury	20,62,588	20,36,454	18,25,014	20,62,588	18,25,014	19,12,833
b) Corporate/ Wholesale Banking	37,08,505	37,74,346	35,19,644	37,08,505	35,19,644	38,57,688
c) Retail Banking	30,51,876	29,11,754	25,31,253	30,51,876	25,31,253	28,16,893
d) Other Banking Operations	-	-	-	-	-	-
e) Un allocated	1,17,844	1,07,196	97,297	1,17,844	97,297	1,06,975
Total	89,40,813	88,29,750	79,73,208	89,40,813	79,73,208	86,94,389
<b>5. Capital Employed</b>						
[Segment Assets - Segment Liabilities]						
a) Treasury	1,07,484	1,05,012	98,714	1,07,484	98,714	1,03,425
b) Corporate/ Wholesale Banking	1,63,820	1,64,926	1,65,126	1,63,820	1,65,126	1,75,024
c) Retail Banking	1,34,815	1,27,233	1,18,755	1,34,815	1,18,755	1,27,802
d) Other Banking Operations	1,330	1,371	1,089	1,330	1,089	1,396
e) Un allocated	1,47,273	1,52,079	1,41,210	1,47,273	1,41,210	1,25,886
Total	5,54,722	5,50,621	5,24,894	5,54,722	5,24,894	5,33,533

For the above segment reporting, the reportable segments are identified into Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in Compliance with the revised RBI Guidelines. The Bank operates in India.





Notes:

1. Statement of Assets and Liabilities as on 30<sup>th</sup> September 2019 is given below:

(₹ in Lakhs)

	As at		
	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Audited
<b>CAPITAL AND LIABILITIES</b>			
Capital	18,097	18,097	18,097
Employees' Stock Options (Grants) Outstanding	231	267	175
Reserves and Surplus	5,36,625	5,06,797	5,15,436
Deposits	82,94,701	74,91,124	80,42,012
Borrowings	4,77,270	3,43,605	4,90,320
Other Liabilities and Provisions	1,68,611	1,38,212	1,61,882
<b>Total</b>	<b>94,95,535</b>	<b>84,98,102</b>	<b>92,27,922</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank of India	4,07,648	3,26,551	3,66,182
Balances with Banks and money at call & short notice	90,239	1,32,143	1,16,094
Investments	20,53,002	18,16,880	19,08,138
Advances	62,99,336	56,57,247	62,69,374
Fixed Assets	79,199	68,652	70,866
Other Assets	5,66,111	4,96,629	4,97,268
<b>Total</b>	<b>94,95,535</b>	<b>84,98,102</b>	<b>92,27,922</b>

2. Summarised Cash Flow Statement


(₹ in Lakhs)

	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Audited
i. Cash flows from operating activities	1,57,770	98,430	1,67,792
ii. Cash flows from/(used in) investing activities	(1,28,866)	(49,985)	(1,17,453)
iii. Cash flows from/(used in) financing activities	(13,293)	(11,856)	9,832
iv. Net increase / (decrease) in cash and cash equivalents (i+ii+iii)	15,611	36,589	60,171
v. Cash and cash equivalents as at beginning of the period/year	4,82,276	4,22,105	4,22,105
vi. Cash and cash equivalents as at the end of the period/year	4,97,887	4,58,694	4,82,276

- The above financial results were reviewed by the Audit Committee and approved by Board of Directors at their meeting held on October 17, 2019. The results for the quarter and half year ended September 30, 2019 are subjected to limited review by the Statutory Central Auditor of the Bank.
- During the quarter and half year ended September 30, 2019 stock options aggregating 40,000 were exercised by eligible employees and 33,16,706 stock options were outstanding as at September 30, 2019.
- The Bank had acquired certain land parcels under a partial Debt Asset Swap transactions ("DAS") in earlier years aggregating ₹ 11,000 Lakhs and classified them as "Non-Banking Assets acquired in satisfaction of claims" in the Balance Sheet up to March 31, 2018. The Reserve Bank of India vide their letter dated May 2, 2019 ref DBS (T) No/424/02.02.006/2018-19 to the bank prescribed provisioning requirement for DAS transactions in respect of assets acquired under DAS from a particular borrower pursuant to which the Bank has provided an amount of ₹ 1,100 Lakhs each for the quarter ended September 30, 2019, June 30, 2019 and March 31, 2019 and the unamortised balance carried forward as at September 30, 2019 is ₹ 1,100 Lakhs. The said unamortised balance had been drawn down from Revenue and other reserves during the year ended March 31, 2019. In accordance with the aforesaid RBI letter, ₹ 2,200 Lakhs being the amount drawn down from Revenue and other reserves during the year ended March 31, 2019 has been credited back to the said reserve.
- In accordance with the RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III capital regulations dated July 1, 2015, as amended and RBI circular DBR.NO.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 on prudential guidelines on Capital Adequacy and Liquidity Standards amendments, Banks are required to make Pillar III disclosures including leverage ratio and liquidity coverage ratio under Basel III framework. The Bank has made these disclosures which are available on its website at the following link.  
<https://www.southindianbank.com/content/disclosure-under-basel-2-basel-3-guidelines/880>  
These disclosures have not been subjected to a limited review by the Statutory Central Auditor.
- In accordance with the Taxation Laws (Amendment) Ordinance 2019 promulgated on September 20, 2019, the bank has opted to pay tax at the lower rate prescribed therein with effect from the current financial year. Consequently, tax expenses for the quarter / half year ended September 30, 2019 comprising current and deferred tax as per Accounting Standard-22 (Accounting for Taxes on income) has been recognised using the reduced tax rates applicable.
- Previous period's / year's figures have been regrouped, wherever necessary to conform to the current period's classification. The figures for the quarter/half year ended September 30, 2018 and year ended March 31, 2019 were reviewed/audited by a firm of Chartered Accountants other than M/s. Varma & Varma.

Place: Kochi  
Date: October 17, 2019



  
V.G. Mathew  
(Managing Director & C E O)  
(DIN : 05332797)

The South Indian Bank Ltd., Regd. Office: Thrissur, Kerala  
Head Office: S.I.B. House, T.B. Road, P.B. No: 28, Thrissur - 680 001, Kerala. (Tel) 0487-2420 020, (Fax) 91 487-244 2021.  
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