



(Please scan this QR code to view the Letter of Offer)

**FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF
THE SOUTH INDIAN BANK LIMITED
("BANK" OR "ISSUER") ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated February 21, 2024 ("Letter of Offer"), which is available on the websites of the Registrar to the Issue, the Bank, the Lead Manager and the stock exchanges where the Equity Shares of the Bank are listed, i.e., BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", and together with BSE, the "Stock Exchanges"). You are encouraged to read greater details available in the Letter of Offer. Capitalized terms not specifically defined herein shall have the same meaning as ascribed to them in the Letter of Offer.

**THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES.
PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES**

Our Bank has made available, on the Registrar's website at www.linkintime.co.in and the Bank's website at www.southindianbank.com, the Letter of Offer, this Abridged Letter of Offer, along with the Rights Entitlement Letter and Application Form, to the Eligible Equity Shareholders. You may also download the Letter of Offer from the websites of Securities and Exchange Board of India ("SEBI"), the Stock Exchanges and the Lead Manager to the Issue, i.e., IIFL Securities Limited, at www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.iiflcap.com, respectively. The Application Form is also available on the respective websites of the Bank, Lead Manager, Registrar and Stock Exchanges.



THE SOUTH INDIAN BANK LIMITED

Registered and Corporate Office: SIB House, Mission Quarters, T.B. Road, Thrissur 680 001, Kerala, India;

Tel: + 91 487 2420 020/ 2429 333

Contact Person: Mr. Jimmy Mathew, Company Secretary and Compliance Officer

E-mail: ho2006@sib.co.in; **Website:** www.southindianbank.com; **Corporate Identity Number:** L65191KL1929PLC001017

OUR BANK IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE A PROMOTER IN TERMS OF THE SEBI ICDR REGULATIONS OR THE COMPANIES ACT, 2013

**FOR PRIVATE CIRCULATION TO ELIGIBLE EQUITY SHAREHOLDERS OF THE SOUTH INDIAN BANK LIMITED
(THE "BANK" OR THE "ISSUER") ONLY**

ISSUE DETAILS

ISSUE OF UP TO 52,31,85,254 EQUITY SHARES OF FACE VALUE OF ₹1 EACH OF OUR BANK (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹22 PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹21 PER RIGHTS EQUITY SHARE) AGGREGATING UP TO ₹1151.01 CRORE* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR BANK IN THE RATIO OF 1 RIGHTS EQUITY SHARES FOR EVERY 4 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON TUESDAY, FEBRUARY 27, 2024 ("RECORD DATE") (THE "ISSUE"). FOR FURTHER DETAILS, SEE "Terms of the Issue" ON PAGE 273 OF THE LETTER OF OFFER.

**Assuming full subscription with respect to Rights Equity Shares*

LISTING

The existing Equity Shares are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", and together with BSE, the "Stock Exchanges"). Our Bank has received the "in-principle" approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through their letters each dated February 14, 2024. Our Bank will also make applications to BSE and NSE to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purposes of the Issue, the Designated Stock Exchange is BSE.

ELIGIBILITY FOR THE ISSUE

Our Bank is a listed company and has been incorporated under the Indian Companies Act, 1913 on January 25, 1929 as ‘The South Indian Bank Limited’ in Thrissur. Our Equity Shares are presently listed on the Stock Exchanges. Our Bank is eligible to offer Equity Shares pursuant to the Issue in terms of Chapter III and other applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”). Further, our Bank is undertaking the Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations. Further, our Bank satisfies the conditions specified in Regulation 99 of the SEBI ICDR Regulations and accordingly, our Bank is eligible to undertake the Issue by way of a ‘fast track issue’.

Minimum Subscription: The objects of the Issue is to augment the Tier 1 capital base of our Bank. In terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

INDICATIVE TIMETABLE

Last Date for credit of Rights Entitlements	Tuesday, March 5, 2024	Finalisation of Basis of Allotment (on or about)	Thursday, April 04, 2024
Issue Opening Date	Wednesday, March 6, 2024	Date of Allotment (on or about)	Friday, April 05, 2024
Last Date for On Market Renunciation of Rights Entitlements[#]	Thursday, March 14, 2024	Date of credit (on or about)	Tuesday, April 9, 2024
Issue Closing Date*	Wednesday, March 20, 2024	Date of listing (on or about)	Friday, April 12, 2024

Note: The above timetable is indicative in nature and does not constitute any obligation on the Bank or the Lead Manager.

[#]Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

**Our Board or the Capital Planning and Infusion Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

NOTICE TO INVESTORS

The distribution of the Letter of Offer, this Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, this Abridged Letter of Offer, the Rights Entitlement Letter or Application Form may come are required to inform themselves about and observe such restrictions. For more details, see “Restrictions on Purchases and Resales” beginning on page 302 of the Letter of Offer.

In accordance with the SEBI ICDR Regulations, the Letter of Offer, this Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the “Issue Materials”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Bank. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Bank, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Eligible Equity Shareholders who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access the Letter of Offer, this Abridged Letter of Offer and the Application Form from the websites of our Bank, the Registrar, the Lead Manager and the Stock Exchanges.

Our Bank, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, this Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholders or if there are electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letter are delayed or misplaced in transit.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in whole or in part, in (i) the United States or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons

receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Bank or its affiliates or the Lead Manager or their affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see “*Restrictions on Purchases and Resales*” beginning on page 302 of the Letter of Offer.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is outside the United States and is authorized to acquire the Rights Entitlements or Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person’s jurisdiction and India, without requirement for our Bank or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the “*Restrictions on Purchases and Resales*” section beginning on page 302 of the Letter of Offer.

Our Bank, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Bank or its agents to have been executed in, electronically transmitted from or dispatched from the United States or jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; or (iii) where either a registered Indian address is not provided or where our Bank believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Bank shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of the Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Bank’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer or the date of such information. The contents of the Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. Prospective Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of the Rights Equity Shares or the Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, neither our Bank nor the Lead Manager or their affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of the Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Letter of Offer and any other Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S SECURITIES ACT”) AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS ENTITLEMENTS (INCLUDING THEIR CREDIT) AND THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” AS DEFINED IN AND IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THE LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Bank, nor any person acting on behalf of our Bank, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Bank, or any person acting on behalf of our Bank, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched

from the United States or any other jurisdiction where it would be illegal to make an offer under the Letter of Offer or where any action would be required to be taken to permit the Issue. Our Bank is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer or the Abridged Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Bank. Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States and is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any U.S. federal or state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of the Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

In making an investment decision, investors must rely on their own examination of our Bank and the terms of the Issue, including the merits and risks involved.

GENERAL RISKS	
<p>Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Bank and the Issue, including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (the “SEBI”) nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. Specific attention of investors is invited to the statement of “<i>Risk Factors</i>” on page 17 of the Letter of Offer and “<i>Internal Risk Factors</i>” on page 7 of this Abridged Letter of Offer before making an investment in the Issue.</p>	
Name of the Lead Manager to the Issue and contact details	<p>IIFL Securities Limited 24th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India. Tel: (+ 91 22) 4646 4728 E-mail: sib.rights@iiflcap.com Investor Grievance ID: ig.ib@iiflcap.com Website: www.iiflcap.com Contact person: Pawan Kumar Jain/ Mukesh Garg SEBI Registration No.: INM000010940</p>
Name of the Registrar to the Issue and contact details	<p>Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India. Tel: +91 810 811 4949 E-mail: sib.rights2024@linkintime.co.in Investor Grievance E-mail: sib.rights2024@linkintime.co.in Website: www.linkintime.co.in Contact Person: Ms. Shanti Gopalkrishnan SEBI Registration No.: INR000004058</p>
Name of Auditors	CNK & Associates LLP, Chartered Accountants and K Venkatachalam Aiyer & Co, Chartered Accountants
Self-Certified Syndicate Banks (“SCSBs”)	The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.
Banker to the Issue	<p>The South Indian Bank Limited Fort Branch Mumbai EMCA House, 289 Ground Floor S B Singh Rd, Fort, Maharashtra - 400 001. Tel: 022-22611209 Contact person: Ms. Saija Sahadevan E-mail: br0263@sib.co.in; rightsissue@sib.co.in Website: www.southindianbank.com</p>

1. Primary Business of our Bank

Our Bank operates in three primary segments, i.e., retail banking, corporate/wholesale banking, and treasury operations, along with certain other banking operations. As part of its retail banking offerings, our Bank offers several products and services to its retail customers, such as deposits (including term deposits, savings accounts and current accounts), banking services for non-resident Indians (“NRIs”), agricultural loans, housing loans and top-ups, loan against property (“LAP”), automobile loans, retail gold loans, personal loans, and cards and payment services. These products are offered with certain variations as customized products to certain target groups such as senior citizens, students and salaried employees. Our Bank’s corporate/wholesale banking business offerings include several commercial banking and corporate institutional banking products and services, such as working capital, term loans, documentary letters of credit, bank guarantees, supply chain finance and foreign exchange services. Our Bank has also entered into third party partnerships to offer insurance products, such as life insurance, general insurance and health insurance, and mutual fund products, among others. For further details, see “Our Business” beginning on page 59 of the Letter of Offer.

2. Summary of Objects of the Issue

The details of the Net Proceeds are summarized in the table below:

(in ₹ crore)

Particulars	Amount
Issue Proceeds*	1,151.01
Less: Estimated Issue related expenses**	13.64
Net Proceeds**	1,137.37

*Assuming full subscription and Allotment with respect to the Rights Equity Shares, and to be adjusted per the Rights Entitlement ratio.

**Estimated and subject to change. Please see “Estimated Issue related expenses” on page 50 of the Letter of Offer.

3. Requirement of Funds and Utilisation of Net Proceeds

We intend to apply the Net Proceeds for augmenting our Bank’s tier 1 capital base to meet our future capital requirements which are expected to increase out of growth in our assets, primarily loans/advances and investment portfolio, and to ensure compliance with Basel III regulations and/or other RBI guidelines. Basel III regulations require banks to strengthen their capital base and to increase both the quantity and quality of their capital and maintain a capital buffer to withstand economic stress.

4. Means of Finance

Our Bank proposes to meet the entire funding requirements for the proposed Object of the Issue from the Net Proceeds. Accordingly, our Bank is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue. For further details, see “Objects of the Issue” beginning on page 49 of the Letter of Offer.

5. Name of Monitoring Agency - Not applicable

6. Shareholding Pattern

- The shareholding pattern of the Bank as on December 31, 2023 can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/south-indian-bank-ltd/southbank/532218/shareholding-pattern/> and on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SOUTHBANK&tabIndex=equity>.
- Statement showing holding of securities of persons belonging to the “Public” category as on December 31, 2023 can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=532218&qtrid=119.00&QtrName=December%202023> and on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SOUTHBANK&tabIndex=equity>.

For more details please refer to the section titled “Capital Structure” beginning on page 47 of the Letter of Offer.

7. Board of Directors

Sr. No.	Name	Designation	Other Directorships
1.	VJ Kurian	Independent, Non- Executive Director and part time Chairman	Indian Companies: NIL Foreign Companies: NIL
2.	Peruvemba Ramachandran Seshadri	Managing Director & Chief Executive Officer	Indian Companies: SIB Operations and Services Limited Foreign Companies: NIL

Sr. No.	Name	Designation	Other Directorships
3.	Mazhuvancheri George Korah	Non-Executive, Independent Director	Indian Companies: SIB Operations and Services Limited Foreign Companies: NIL
4.	Pradeep Mahadeo Godbole	Non-Executive, Independent Director	Indian Companies: 1. Belief Impex Private Limited 2. Risk and Compliance Professionals Association 3. Riskintellect Solutions Private Limited Foreign Companies: NIL
5.	Paul Antony	Non-Independent, Non-Executive Director	Indian Companies: 1. Malabar Sports and Recreation Foundation 2. Kerala Lifesciences Industries Parks Private Limited 3. Kerala State Industrial Development Corporation Limited Foreign Companies Nil
6.	R. A Sankara Narayanan	Independent, Non-Executive Director	Indian Companies 1. Centrum Wealth Limited 2. Centrum Capital Limited Foreign Companies Nil
7.	Benny P Thomas	Non-Independent, Non-Executive Director	Indian Companies SIB Operations and Services Limited Foreign Companies Nil
8.	Lakshmi Ramakrishna Srinivas	Independent, Non- Executive Director	Indian Companies: NIL Foreign Companies: NIL

For further details, see “Our Management” beginning on page 69 of the Letter of Offer.

8. Neither our Bank nor any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

9. Consolidated financial statements

A summary of the financial information of our Bank, on a consolidated basis, as at and for the nine-month period ended December 31, 2023 and the Financial Year ended on March 31, 2023.

(in ₹ crore, except per share data)

Particulars	As of and for the nine months ended December 31, 2023 (Unaudited)	As of and for the Financial Year ended March 31, 2023 (Audited)
Income	7,506.77	8,044.55
Total Expenditure	6,723.92	7,269.24
Net Profit(Loss) for the year	782.85	775.31
Capital	209.27	209.27
Employees’ Stock Options Outstanding	1.78	0.11
Reserves and Surplus	7,185.42	6,465.35
Basic Earnings per Share (in ₹)	3.74*	3.70
Diluted Earnings per Share (in ₹)	3.74*	3.70
Return on Net Worth (%)	11.21%*	12.71%
Net asset value per Equity Share (in ₹)	33.36	29.14

*Not annualised

For further details, including financial information of our Bank on a standalone basis, as at and for the nine-month period ended December 31, 2023 and the Financial Year ended on March 31, 2023, see “*Financial Information*” beginning on page 74 of the Letter of Offer.

10. Internal Risk Factors

The below mentioned are top 5 risk factors as per the Letter of Offer:

1. Our results of operations and cash flows depend to a great extent on our net interest income. Volatility in interest rates and other market conditions could materially and adversely impact our cash flows and results of operations.
2. We are exposed to non-uniform movement in interest rate benchmarks.
3. The value of collateral may decrease or we may experience delays in enforcing the sale of collateral when borrowers default on their obligations to us, which may result in failure to recover the expected value of collateral security, exposing us to a potential loss.
4. If we are not able to control the level of NPAs in our portfolio effectively or if we are unable to improve our provisioning coverage as a percentage of gross NPA, our business may be adversely affected.
5. A portion of our advances are unsecured. If we are unable to recover such advances in a timely manner or at all, our financial condition and results of operations may be adversely affected.

For further details, see “*Risk Factors*” beginning on page 17 of the Letter of Offer.

11. Summary of Outstanding Litigations

A summary of outstanding legal proceedings involving our Bank and our Subsidiary as on the date of the Letter of Offer is set forth in the table below:

Nature of cases	Number of cases	Amount involved
		(₹ crore)
Bank		
Proceedings that would materially and adversely affect the operations or the financial position of our Bank if they result in an adverse outcome	NIL	NIL
Proceedings involving issues of moral turpitude or criminal liability on the part of our Bank	1	NIL
Material violations of the statutory regulations by our Bank	4	NIL
Matters involving economic offences where proceedings have been initiated against our Bank	1 [^]	NIL [^]
Civil proceedings where the amount involved is equivalent to or in excess of ₹14.70 crore	43	2,084
Total	48	2,084
Subsidiary		
Proceedings that would materially and adversely affect the operations or the financial position of our Bank if they result in an adverse outcome	NIL	NIL
Proceedings involving issues of moral turpitude or criminal liability on the part of our Subsidiary	NIL	NIL
Material violations of the statutory regulations by our Subsidiary	NIL	NIL
Matters involving economic offences where proceedings have been initiated against our Subsidiary	NIL	NIL
Civil proceedings where the amount involved is equivalent to or in excess of ₹14.70 crore	NIL	NIL
Total	NIL	NIL

*To the extent quantifiable.

[^] This includes the case filed by ED against our Bank as disclosed under ‘Proceedings involving material violations of the statutory regulations by our Bank’ on page 254 of the Letter of Offer.

For further details, see “*Outstanding Litigation and Defaults*” beginning on page 254 of the Letter of Offer.

12. Terms of the Issue

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI ICDR Master Circular and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this

Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please see “- *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” on page 286 of the Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “—*Grounds for Technical Rejection*” on page 282 of the Letter of Offer. Our Bank, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see “—*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 278 of the Letter of Offer.

Making of an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Bank, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilise the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Bank, being 'The South Indian Bank Limited';
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Bank or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as at Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹22 per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at sib.rights2024@linkintime.co.in; and
17. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in "Restrictions on Purchases and Resales" on page 302 of the Letter of Offer, and shall include the following:

"I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the

“United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to Eligible Equity Shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Bank, nor the Registrar, the Lead Manager or any other person acting on behalf of the Bank will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Bank, the Registrar, the Lead Manager or any other person acting on behalf of the Bank have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled “Restrictions on Purchases and Resales” on page 302 of the Letter of Offer.

I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

I/ We acknowledge that we, the Lead Manager, our affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Bank, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in.

Our Bank, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

Rights Entitlement Ratio: The Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1 Rights Equity Shares for every 4 Equity Shares held as on the Record Date.

Fractional Entitlement: The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 1 Equity Share for every 4 Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 4 Equity Shares or not in the multiple of 4 Equity Shares, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Rights Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any, subject to availability of Rights Equity Shares in the Issue post allocation towards rights entitlement applied for.

Further, the Eligible Equity Shareholders holding less than 4 Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Credit of Rights Entitlements in dematerialised account of Eligible Equity Shareholders: In this regard, our Bank has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: INE683A20015. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Renunciation of Rights Entitlements: The Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. In accordance with the SEBI ICDR Master Circular, Shareholders holding shares in physical form shall be required to provide their demat account details to the Bank and the Registrar for credit of Rights Entitlements not later than two Working Days prior to the Issue Closing Date, such that credit of Rights Entitlements in their demat account takes place at least one day before the Issue Closing Date.

Application for Additional Rights Equity Shares: Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled “*Terms of the Issue - Basis of Allotment*” on page 294 of the Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted. For details, see “*Terms of the Issue - Allotment Advice or Refund / Unblocking of ASBA Accounts*” on page 295 of the Letter of Offer.

- 13. Minimum Subscription:** In terms of the SEBI ICDR Regulations, the requirement of minimum subscription of 90% is not applicable to the Issue.
- 14. Availability of offer document of the immediately preceding public issue or rights issue for inspection:** A copy of the Letter of offer of our Bank dated February 20, 2017 in relation to a rights issue of equity shares of face value of ₹1 each, aggregating to ₹630.99 crore by our Bank is available for inspection at the Registered Office between 10 a.m. and 5 p.m. on all working days and will also be available on the website of our Bank from the date of the Letter of Offer until the Issue Closing Date.
- 15. Any other important information as per Lead Manager and the Issuer:** Nil

DECLARATION BY THE BANK

We hereby certify that no statement made in the Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

We further certify that all disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF THE BANK

Name and Designation	Signature
VJ Kurian <i>Designation: Independent, Non- Executive Director and part time Chairman</i>	Sd/-
Peruvemba Ramachandran Seshadri <i>Designation: Managing Director & Chief Executive Officer</i>	Sd/-
Mazhuvancheri George Korah <i>Designation: Non-Executive, Independent Director</i>	Sd/-
Pradeep Mahadeo Godbole <i>Designation: Non-Executive, Independent Director</i>	Sd/-
Paul Antony <i>Designation: Non-Independent, Non-Executive Director</i>	Sd/-
R. A Sankara Narayanan <i>Designation: Independent, Non-Executive Director</i>	Sd/-
Benny P Thomas <i>Designation: Non-Independent, Non-Executive Director</i>	Sd/-
Lakshmi Ramakrishna Srinivas <i>Designation: Independent, Non- Executive Director</i>	Sd/-
Chithra Hariharan <i>Designation: Chief Financial Officer</i>	Sd/-

Place: Thrissur

Date: February 21, 2024