

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER 2014

(₹ in Lakhs)

Particulars	3 months ended			9 months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a) + (b) + (c) + (d)	130,679	131,232	125,012	396,379	371,247	501,507
(a) Interest/discount on advances/bills	103,271	103,187	98,267	310,992	291,779	394,974
(b) Income on investments	25,906	26,148	24,683	78,545	70,285	95,448
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	1,502	1,897	2,062	6,842	9,183	11,085
(d) Others	-	-	-	-	-	-
2. Other income	16,034	9,363	8,462	37,513	27,188	36,846
3. Total income (1+2)	146,713	140,595	133,474	433,892	398,435	538,353
4. Interest expended	98,688	95,397	89,966	294,465	267,837	361,629
5. Operating expenses (i) + (ii)	26,083	24,106	21,920	74,299	62,655	88,289
(i) Employees cost	15,504	13,492	12,738	43,584	36,788	52,896
(ii) Other operating expenses	10,579	10,614	9,182	30,715	25,867	35,393
6. Total expenditure (4) + (5) excluding provisions and contingencies	124,771	119,503	111,886	368,764	330,492	449,918
7. Operating profit before provisions and contingencies (3) - (6)	21,942	21,092	21,588	65,128	67,943	88,435
8. Provisions (other than tax) and Contingencies	8,597	9,571	202	27,631	12,713	15,541
9. Exceptional items	-	-	-	(4,339)	-	-
10. Profit from ordinary activities before tax (7)-(8)-(9)	13,345	11,521	21,386	41,836	55,230	72,894
11. Tax expense	4,552	3,891	7,255	12,748	16,940	22,144
12. Net profit from ordinary activities after tax (10)-(11)	8,793	7,630	14,131	29,088	38,290	50,750
13. Extra ordinary items (Net of tax expense)	-	-	-	-	-	-
14. Net profit for the period (12+13)	8,793	7,630	14,131	29,088	38,290	50,750
15. Paid-up equity share capital (Face Value □ 1)	13,501	13,479	13,422	13,501	13,422	13,439
16. Reserves excluding revaluation reserves						310,200
17. Analytical ratios						
i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii) Capital adequacy ratio (%) - BASEL II	11.57	12.35	12.35	11.57	12.35	12.53
- BASEL III	11.38	12.13	12.20	11.38	12.20	12.42
iii) Earning per share (EPS)						
(a) Basic EPS - before and after extraordinary items (□) *	0.65	0.57	1.05	2.16	2.86	3.78
(b) Diluted EPS - before and after extraordinary items (□) *	0.65	0.56	1.01	2.15	2.81	3.77
iv) NPA Ratios (a) Gross NPA	66,127	55,317	55,463	66,127	55,463	43,262
Net NPA	37,956	31,842	39,193	37,956	39,193	28,167
(b) % of Gross NPA	1.80	1.55	1.66	1.80	1.66	1.19
% of Net NPA	1.04	0.90	1.18	1.04	1.18	0.78
v) Return on assets (Annualised)	0.63	0.56	1.12	0.71	1.02	1.00
18. Public Shareholding						
- No. of Shares (in Lakhs)	13,501	13,479	13,422	13,501	13,422	13,439
- Percentage of shareholding	100%	100%	100%	100%	100%	100%
19. Promoters and promoter group shareholding						
(a) Pledged/ Encumbered						
- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of shares [as a % of the total shareholding of the promoter and promoter group]	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of shares [as a % of the total share capital of the Company]	NIL	NIL	NIL	NIL	NIL	NIL
(b) Non encumbered						
- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of shares [as a % of the total shareholding of the promoter and promoter group]	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of shares [as a % of the total share capital of the Company]	NIL	NIL	NIL	NIL	NIL	NIL

* Quarterly/half-yearly numbers are not annualised

Segmentwise Results

(₹ in Lakhs)

Particulars	3 months ended			9 months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
a) Treasury	35,442	29,935	28,273	100,594	88,645	116,345
b) Corporate/ Wholesale Banking	61,913	60,533	57,482	181,356	164,457	225,208
c) Retail Banking	46,349	46,759	45,537	143,209	139,888	188,215
d) Other Banking Operations	3,009	3,368	2,182	8,733	5,445	8,585
Total	146,713	140,595	133,474	433,892	398,435	538,353
Less : Inter segment Revenue	-	-	-	-	-	-
Net Income from Operations	146,713	140,595	133,474	433,892	398,435	538,353
2. Segment Results						
Profit(+)/Loss (-) before tax and after interest from each segment						
a) Treasury	(498)	(1,513)	(5)	(3,209)	(229)	(3,277)
b) Corporate/ Wholesale Banking	1,301	2,032	6,962	4,884	17,422	18,898
c) Retail Banking	10,069	8,208	12,599	28,586	33,448	50,095
d) Other Banking Operations	2,473	2,794	1,830	7,236	4,589	7,178
Total	13,345	11,521	21,386	37,497	55,230	72,894
Profit Before Tax and exceptional item	13,345	11,521	21,386	37,497	55,230	72,894
3. Capital Employed						
a) Treasury	104,276	94,289	94,388	104,276	94,388	101,512
b) Corporate/ Wholesale Banking	122,194	118,834	113,862	122,194	113,862	133,700
c) Retail Banking	75,711	77,003	79,347	75,711	79,347	84,661
d) Other Banking Operations	-	-	-	-	-	-
e) Un allocated	63,724	66,607	49,677	63,724	49,677	16,931
Total	365,905	356,733	337,274	365,905	337,274	336,804

Notes:

- 1 The above financial results for the quarter ended December 31, 2014 reviewed by the Audit Committee of the Board have been approved by the Board of Directors at their meeting held on January 20, 2015 and subjected to limited review by the Statutory Central Auditor.
- 2a 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 first quarter, reversed an amount of ₹6,574 lakhs 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.
- 2b 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 :
 - i) recognised an additional depreciation charge of ₹ 733 lakhs and ₹ 2,358 lakhs for the three month and nine month periods ended December 31, 2014 respectively being the depreciation on the carrying value of assets as at April 1, 2014 on the remaining useful lives, and;
 - ii) 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.
- 3 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 has accrued a provision of Rs. 2,809 lakhs based on special dispensation issued by RBI vide their letter no.DBOD.No.BP.5886/21.04.132/2014-15 dated October 20, 2014. The balance provision necessary as of December 31, 2014 of Rs. 2,809 lakhs shall be recognised during the remaining period of the current financial year as permitted by RBI.
- 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 December 31, 2014, the Bank allotted 22,13,200 shares, pursuant to the exercise of stock option by certain employees.
- 6 The Reserve Bank of India vide its letter dated April 8, 2011 has permitted the Bank to amortize over a period of five years, beginning with the financial year ended March 31, 2011, the additional liability of ₹ 15,653 lakhs on account of reopening of pension option and enhancement in gratuity limit to its existing employees. Accordingly, the results for the quarter ended December 31, 2014 are after considering a provision of ₹ 562 lakhs being the proportionate charge for the quarter towards the deferred pension and gratuity costs and the balance unamortized deferred expenditure is ₹ 562 lakhs.
- 7 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>
 .These disclosures have not been subjected to a limited review by the auditors.
- 8 In computing the segment information certain estimates and assumptions have been made by our management which have been relied upon by the Statutory Central Auditor of the Bank.
- 9 Details of Investor complaints received and disposed off:
 No. of complaints pending resolution at the beginning of the quarter: nil ; received during the quarter 164; resolved during the quarter 164; closing position: nil
- 10 Previous period's/year's figures have been regrouped, wherever necessary to conform to the current period's classification.

Date: January 20, 2015
 Place: Thrissur

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