

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016**

[₹ in Lakhs]

| Particulars  | Quarter ended |            |            | Year Ended |            |
|--|---------------|------------|------------|------------|------------|
|  | 31.03.2016    | 31.12.2015 | 31.03.2015 | 31.03.2016 | 31.03.2015 |
|  | Audited #     | Unaudited  | Audited #  | Audited    | Audited    |
| 1. Interest earned (a) + (b) + (c) + (d)                                       | 1,36,788      | 1,40,766   | 1,32,243   | 5,55,720   | 5,28,622   |
| (a) Interest/discount on advances/bills  | 1,05,808      | 1,11,447   | 1,04,305   | 4,36,359   | 4,15,297   |
| (b) Income on investments  | 26,391        | 25,030     | 23,562     | 1,00,778   | 94,585     |
| (c) Interest on balances with Reserve Bank of India and other inter-bank funds | 569           | 312        | 1,110      | 2,877      | 7,952      |
| (d) Others   | 4,020         | 3,977      | 3,266      | 15,706     | 10,788     |
| 2. Other Income  | 13,906        | 15,332     | 12,194     | 51,742     | 49,707     |
| 3. Total income (1+2)  | 1,50,694      | 1,56,098   | 1,44,437   | 6,07,462   | 5,78,329   |
| 4. Interest expended   | 99,359        | 1,00,094   | 97,534     | 4,04,750   | 3,91,999   |
| 5. Operating Expenses (i) + (ii)   | 29,106        | 29,697     | 30,405     | 1,14,784   | 1,04,704   |
| (i) Employees cost   | 17,156        | 18,457     | 19,786     | 69,225     | 63,370     |
| (ii) Other operating expenses  | 11,950        | 11,240     | 10,619     | 45,559     | 41,334     |
| 6. Total expenditure (4)+(5) excluding provisions and contingencies            | 1,28,465      | 1,29,791   | 1,27,939   | 5,19,534   | 4,96,703   |
| 7. Operating Profit before provisions and contingencies (3) - (6)              | 22,229        | 26,307     | 16,498     | 87,928     | 81,626     |
| 8. Provisions (other than tax) and contingencies                               | 11,625        | 10,639     | 13,774     | 36,962     | 41,405     |
| 9. Exceptional Items (Refer Note 5)  | -             | -          | -          | -          | (4,339)    |
| 10. Profit from Ordinary activities before tax (7)-(8)-(9)                     | 10,604        | 15,668     | 2,724      | 50,966     | 44,560     |
| 11. Tax expense  | 3,307         | 5,505      | 1,092      | 17,639     | 13,840     |
| 12. Net Profit from Ordinary activities after tax (10)-(11)                    | 7,297         | 10,163     | 1,632      | 33,327     | 30,720     |
| 13. Extra ordinary items (Net of Tax Expense)                                  | -             | -          | -          | -          | -          |
| 14. Net Profit for the period (12+13)  | 7,297         | 10,163     | 1,632      | 33,327     | 30,720     |
| 15. Paid up Equity Share Capital (Face Value ₹ 1)                              | 13,503        | 13,502     | 13,502     | 13,503     | 13,502     |
| 16. Reserves excluding revaluation reserves                                    |               |            |            | 3,57,328   | 3,31,581   |
| 17. Analytical Ratios  |               |            |            |            |            |
| i) Percentage of shares held by Government of India                            | Nil           | Nil        | Nil        | Nil        | Nil        |
| ii) Capital Adequacy Ratio (%) - BASEL III                                     | 11.82         | 11.70      | 12.01      | 11.82      | 12.01      |
| iii) Earnings Per Share (EPS)  |               |            |            |            |            |
| (a) Basic EPS - before and after Extraordinary items (₹)                       | 0.54 *        | 0.75 *     | 0.12 *     | 2.47       | 2.28       |
| (b) Diluted EPS - before and after Extraordinary items (₹)                     | 0.54 *        | 0.75 *     | 0.12 *     | 2.47       | 2.27       |
| iv) NPA Ratios   |               |            |            |            |            |
| (a) Gross NPA  | 1,56,236      | 1,10,801   | 64,345     | 1,56,236   | 64,345     |
| Net NPA  | 1,18,526      | 71,598     | 35,705     | 1,18,526   | 35,705     |
| (b) % of Gross NPA   | 3.77          | 2.75       | 1.71       | 3.77       | 1.71       |
| % of Net NPA   | 2.89          | 1.80       | 0.96       | 2.89       | 0.96       |
| v) Return on Assets (Annualised)   | 0.47          | 0.66       | 0.12       | 0.55       | 0.56       |

\* Not annualised

# Refer Note 3

**Segmentwise Results**

[₹ in Lakhs]

|  | Quarter ended |               |              | Year Ended    |               |
|--|---------------|---------------|--------------|---------------|---------------|
|  | 31.03.2016    | 31.12.2015    | 31.03.2015   | 31.03.2016    | 31.03.2015    |
|  | Audited #     | Unaudited     | Audited #    | Audited       | Audited       |
| <b>1. Segment Revenue</b>                        |               |               |              |               |               |
| a) Treasury                                      | 33,762        | 36,509        | 31,453       | 1,36,291      | 1,32,047      |
| b) Corporate/ Wholesale Banking                  | 65,997        | 70,133        | 63,808       | 2,73,707      | 2,45,164      |
| c) Retail Banking                                | 45,664        | 46,399        | 46,253       | 1,83,435      | 1,89,462      |
| d) Other Banking Operations                      | 5,271         | 3,057         | 2,923        | 14,029        | 11,656        |
| Total  | 1,50,694      | 1,56,098      | 1,44,437     | 6,07,462      | 5,78,329      |
| Less : Inter – segment Revenue                   | -             | -             | -            | -             | -             |
| Net Income from Operations                       | 1,50,694      | 1,56,098      | 1,44,437     | 6,07,462      | 5,78,329      |
| <b>2. Segment Results</b>                        |               |               |              |               |               |
| Segment results net of provisions                |               |               |              |               |               |
| a) Treasury                                      | (5,898)       | (295)         | (10,939)     | (14,098)      | (14,148)      |
| b) Corporate/ Wholesale Banking                  | (1,132)       | 6,967         | 1,414        | 17,316        | 6,298         |
| c) Retail Banking                                | 13,371        | 6,521         | 9,939        | 36,370        | 38,525        |
| d) Other Banking Operations                      | 4,263         | 2,475         | 2,310        | 11,378        | 9,546         |
| Total  | 10,604        | 15,668        | 2,724        | 50,966        | 40,221        |
| Less: unallocated expenditure (Exceptional item) | -             | -             | -            | -             | (4,339)       |
| <b>Profit Before Tax and Exceptional item</b>    | <b>10,604</b> | <b>15,668</b> | <b>2,724</b> | <b>50,966</b> | <b>44,560</b> |
| <b>3. Capital Employed</b>                       |               |               |              |               |               |
| a) Treasury                                      | 1,04,888      | 99,933        | 1,09,954     | 1,04,888      | 1,09,954      |
| b) Corporate/ Wholesale Banking                  | 1,28,569      | 1,17,139      | 1,21,627     | 1,28,569      | 1,21,627      |
| c) Retail Banking                                | 75,291        | 69,309        | 72,943       | 75,291        | 72,943        |
| d) Other Banking Operations                      | -             | -             | -            | -             | -             |
| e) Unallocated                                   | 75,445        | 98,601        | 54,417       | 75,445        | 54,417        |
| Total  | 3,84,193      | 3,84,982      | 3,58,941     | 3,84,193      | 3,58,941      |

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.

# Refer Note 3

Notes:

1. Statement of Assets and Liabilities as on March 31, 2016 is given below:

[₹ in Lakhs]

|  | As at            |                  |
|--|------------------|------------------|
|  | 31.03.2016       | 31.03.2015       |
|  | Audited          | Audited          |
| <b>CAPITAL AND LIABILITIES</b>                       |                  |                  |
| Capital  | 13,503           | 13,502           |
| Employees Stock Option Outstanding                   | 365              | 238              |
| Reserves and Surplus                                 | 3,70,690         | 3,45,439         |
| Deposits   | 55,72,073        | 51,91,249        |
| Borrowings   | 2,31,496         | 2,23,247         |
| Other Liabilities and Provisions                     | 1,29,361         | 1,37,957         |
| <b>Total</b>   | <b>63,17,488</b> | <b>59,11,632</b> |
| <b>ASSETS</b>  |                  |                  |
| Cash and Balances with Reserve Bank of India         | 2,47,613         | 2,44,158         |
| Balances with Banks and money at call & short notice | 62,334           | 1,15,350         |
| Investments  | 14,61,893        | 14,08,614        |
| Advances   | 41,08,575        | 37,39,164        |
| Fixed Assets   | 48,699           | 47,905           |
| Other Assets   | 3,88,374         | 3,56,441         |
| <b>Total</b>   | <b>63,17,488</b> | <b>59,11,632</b> |

- 2 The above results have been approved by the Board of Directors at its meeting held on May 11, 2016. There are no qualifications in the auditor's report for the year ended Mar 31, 2016. The information presented above is extracted from the audited financial statements as stated.
- 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 respective financial year.
- 4 The working results for the quarter and year ended March 31, 2016 have been arrived at after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposures, non performing assets (NPAs), depreciation on investments, income tax and other usual and necessary provisions.

- 5 During the previous year, effective April 1, 2014, the Bank had changed its accounting policy for charging depreciation from Written Down Value ("WDV") method to Straight Line Method ("SLM"), impact of the same is disclosed as an exceptional item.
- 6 Pursuant to RBI Circular DBR.BP.BC.No.31/21.04.018/2015-16 dated July 16, 2015, the Bank has, effective from September 30, 2015 included its deposits placed with NABARD, SIDBI, and NHB on account of shortfall in lending to priority sector under 'Other Assets'. Hitherto these were included under 'Investments' and Interest income thereon was included under 'Interest Earned - Income on Investments'. Arising out of regrouping in line with the above mentioned RBI guidelines, interest income on deposit placed with NABARD, SIDBI and NHB is included under "Interest Earned - Others". Figures for the previous periods have been regrouped/reclassified to conform to current periods classification. The above change in classification has no impact on the profit of the Bank for the quarter and year ended March 31, 2016.
- 7 The Bank had assigned certain non-performing financial assets having a net book value of ₹ 196,18 Lakhs during the current financial year (₹ 8207 Lakh during the year ended March 31, 2015) to Asset Reconstruction Companies. The Bank has, in terms of RBI Circular DBOD.No.BP.BC.9/21.04.048/2014-15 on "Prudential norms on income recognition, asset classification and provisioning pertaining to advances" dated July 1, 2014, as amended, spread the net shortfall in recovery of net book value of ₹ 4150 Lakhs over a period of two years.  
In respect of such assignments, an amount of ₹ 760 Lakhs / ₹ 1610 Lakhs has been charged to the profit and loss account during the quarter/ year ended March 31, 2016 and the unamortised balance carried forward as at March 31, 2016 is ₹ 2374 Lakhs.
- 8 During the quarter/ year ended March 31, 2016, the Bank allotted 1,34,905/1,57,005 shares respectively, pursuant to the exercise of stock option by certain eligible employees.
- 9 In accordance with the RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III capital regulation dated July 1, 2015 and RBI circular DBR.NO.BP.BC.80/21.06.201/2014-15 dated March 31, 2016 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.  
<http://www.southindianbank.com/content/viewContentLv11.aspx?linkIdLv12=854&LinkIdLv13=880&linkId=880>  
These disclosures have not been subjected to audit by the Statutory Central Auditor.
- 10 The Board of Directors have recommended a dividend of ₹0.50 per share (50.00%) for the year ended March 31, 2016 (Previous year ₹ 0.60 per share (60%)), subject to approval of the members in the ensuing Annual General Meeting.
- 11 Other income includes fees earned from providing services to customers, commission from non-fund based banking activities, earnings from foreign exchange transactions, selling of Third party products, profits/loss on sale of investments (net), recoveries from accounts written off.
- 12 The above financial results for the quarter/year ended 31st March, 2016 are audited by the statutory auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants. The financial results for the quarter/year ended 31st March, 2015 were subjected to audit by another firm of chartered accountants.
- 13 Previous period/s/year's figures have been regrouped, wherever necessary to conform to the current period's classification.

Kochi  
May 11, 2016

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