

DEPT: SECRETARIAL
REF No. SEC/ST EX.STT/ 74 /2019-20

July 25, 2019

BSE Ltd.
First Floor, New Trading Wing,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai - 400 001.
SCRIP CODE: 532218

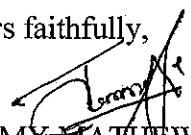
Dear Sirs,

Sub: Submission of unaudited Financial Results for the quarter ended 30th June 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 30th June 2019 which was approved and taken on record by the Board at its meeting held today, the 25th day of July, 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 30th June 2019.

Yours faithfully,


(JIMMY MATHEW)
COMPANY SECRETARY

Encl: a/a

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019
₹ in Lakhs

Particulars	Quarter ended			Year ended 31.03.2019 Audited
	30.06.2019 Unaudited	31.03.2019 Audited *	30.06.2018 Unaudited	
1. Interest earned (a) + (b) + (c) + (d)	1,89,485	1,79,094	1,65,391	6,87,652
(a) Interest/discount on advances/bills	1,50,697	1,41,281	1,28,709	5,39,644
(b) Income on investments	34,000	32,811	32,018	1,28,614
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	866	1,109	640	3,552
(d) Others	3,922	3,893	4,024	15,842
2. Other Income	18,191	23,565	14,590	72,621
3. Total income (1+2)	2,07,676	2,02,659	1,79,981	7,60,273
4. Interest Expended	1,35,919	1,29,158	1,15,966	4,85,682
5. Operating Expenses (i) + (ii)	39,994	40,746	37,051	1,50,693
(i) Employees cost	22,362	21,191	21,107	82,143
(ii) Other operating expenses	17,632	19,555	15,944	68,550
6. Total expenditure (4) + (5) excluding provisions and contingencies	1,75,913	1,69,904	1,53,017	6,36,375
7. Operating Profit before Provisions and Contingencies (3) - (6)	31,763	32,755	26,964	1,23,898
8. Provisions (other than tax) and Contingencies	20,501	21,915	23,153	85,848
9. Exceptional Items	-	-	-	-
10. Profit from Ordinary Activities before tax (7)-(8)-(9)	11,262	10,840	3,811	38,050
11. Tax expense	3,936	3,789	1,507	13,297
12. Net Profit from Ordinary Activities after tax (10)-(11)	7,326	7,051	2,304	24,753
13. Extra ordinary items (Net of Tax Expense)	-	-	-	-
14. Net Profit for the period (12-13)	7,326	7,051	2,304	24,753
15. Paid-up Equity Share Capital (Face Value ₹ 1)	18,097	18,097	18,095	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
ii) Capital Adequacy Ratio (%) - BASEL III	12.17	12.61	12.23	12.61
iii) Earnings Per Share (EPS)				
(a) Basic EPS - before and after Extraordinary items (₹)*	0.40	0.39	0.13	1.37
(b) Diluted EPS - before and after Extraordinary items (₹)*	0.40	0.39	0.13	1.37
iv) NPA Ratios				
(a) Gross NPA	3,15,422	3,13,167	2,55,218	3,13,167
(b) Net NPA	2,13,473	2,16,362	1,81,388	2,16,362
(c) % of Gross NPA	4.96	4.92	4.54	4.92
(d) % of Net NPA	3.41	3.45	3.27	3.45
(e) Return on Assets (Annualised)	0.31	0.31	0.11	0.29

* Quarterly numbers are not annualised

* Refer Note No. 5



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

Head Office: S.I.B. House, T.B. Road, PB No. 28, Thrissur - 680 001, Kerala. (Tel) 0487-2420 020, (Fax) 91 487-244 2021.
e-mail: sibcorporate@sib.co.in, CIN: L65191KL1929PLC001017, Toll free (India) 1800-843-1800, 1800-425-1809 (BSNL)

Web: www.southindianbank.com

Segmentwise Results
₹ in Lakhs

Particulars	Quarter ended			Year ended
	30.06.2019 Unaudited	31.03.2019 Audited *	30.06.2018 Unaudited	31.03.2019 Audited
1. Segment Revenue				
a) Treasury	41,057	41,928	35,076	1,48,482
b) Corporate/ Wholesale Banking	83,668	82,582	79,885	3,30,228
c) Retail Banking	77,042	71,330	58,839	2,56,470
d) Other Banking Operations	5,909	6,819	6,181	25,093
Total	2,07,676	2,02,659	1,79,981	7,60,273
Less : Inter segment Revenue	-	-	-	-
Net Income from Operations	2,07,676	2,02,659	1,79,981	7,60,273
2. Segment Results (net of provisions)				
a) Treasury	1,348	2,037	(6,626)	(4,197)
b) Corporate/ Wholesale Banking	(6,996)	(3,916)	(2,022)	(12,664)
c) Retail Banking	12,139	7,271	7,551	34,792
d) Other Banking Operations	4,771	5,448	4,908	20,119
Total	11,262	10,840	3,811	38,050
Less: unallocated expenditure	-	-	-	-
Profit Before Tax	11,262	10,840	3,811	38,050
3. Segment Assets				
a) Treasury	21,41,466	20,16,258	19,35,329	20,16,258
b) Corporate/ Wholesale Banking	39,39,272	40,32,712	36,18,844	40,32,712
c) Retail Banking	30,38,987	29,44,695	25,40,283	29,44,695
d) Other Banking Operations	1,371	1,396	1,192	1,396
e) Un allocated	2,59,275	2,32,861	2,37,116	2,32,861
Total	93,80,371	92,27,922	83,32,764	92,27,922
4. Segment Liabilities				
a) Treasury	20,36,454	19,12,833	18,35,393	19,12,833
b) Corporate/ Wholesale Banking	37,74,346	38,57,688	34,55,828	38,57,688
c) Retail Banking	29,11,754	28,16,893	24,25,852	28,16,893
d) Other Banking Operations	-	-	-	-
e) Un allocated	1,07,196	1,06,975	89,123	1,06,975
Total	88,29,750	86,94,389	78,06,196	86,94,389
5. Capital Employed (Segment Assets-Segment Liabilities)				
a) Treasury	1,05,012	1,03,425	99,936	1,03,425
b) Corporate/ Wholesale Banking	1,64,926	1,75,024	1,63,016	1,75,024
c) Retail Banking	1,27,233	1,27,802	1,14,431	1,27,802
d) Other Banking Operations	1,371	1,396	1,192	1,396
e) Unallocated	1,52,079	1,25,886	1,47,993	1,25,886
Total	5,50,621	5,33,533	5,26,568	5,33,533

* Refer Note No. 5

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.



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Notes:

- 1 The above financial results were reviewed by the Audit Committee and approved by Board of Directors at their meeting held on July 25, 2019. The results for the quarter ended June 30, 2019 are subjected to limited review by the Statutory Central Auditor of the Bank and an unmodified review report has been issued.
- 2 RBI circular DBR.No.BP.BC.108/21.04.048/2017-18 dated June 6, 2018 permitted banks to continue the exposures to MSME borrowers to be classified as standard assets where the payments fall due between January 1, 2019 to February 28, 2019 and March 01, 2019 to March 31, 2019 are paid not later than 150 days and 120 days respectively from their original due dates. Accordingly, the bank has retained advance of ₹ 23,056 Lakhs as standard as at June 30, 2019. In accordance with the provisions of the circular, the bank had not recognised interest income of ₹ 788 Lakhs and created a standard asset provision of ₹ 1153 Lakhs in respect of such accounts.
- 3 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 June 30, 2019 and March 31, 2019 and the unamortised balance carried forward as at June 30, 2019 is ₹ 2200 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, ₹ 1100 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.
- 4 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 audit/review by the Statutory Central Auditor.
- 5 The figures of the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2019 and the unaudited published year to date figures up to the December 31, 2018 being the date of the end of the third quarter of the financial year which were subjected to Limited Review.
- 6 Previous period's / year's figures have been regrouped, wherever necessary to conform to the current period's classification. The figures of previous year/periods were audited/reviewed by a firm of Chartered Accountants other than M/s. Varma & Varma.

Kochi
July 25, 2019



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



Limited Review Report

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 30th June, 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 30th June 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 Statements have 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 5th 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.
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



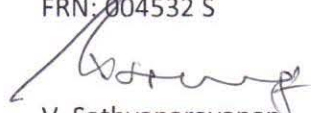
of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

6. We draw attention to Note no. 3 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/424/02.02.006/20 18-19 dated May 2, 2019 to the bank prescribing asset classification and provisioning norms for DAS transactions and the unamortized balance of Rs. 2200 Lakhs as at 30th June, 2019 for amortization in the subsequent two quarters. Our conclusion is not modified in respect of this matter.
7. We draw attention to the fact that the figures for the 3 months ended 31st March 2019 as reported in the financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures upto the third quarter of the previous financial year. The figures upto the end of the third quarter of the previous financial year had only been reviewed and not subjected to audit.
8. The review of unaudited quarterly financial results for the quarter ended 30th June 2018 and audit of financial results for the quarter and year ended 31st March 2019 included in the Statement was carried out and reported by Predecessor auditor who has expressed unmodified conclusion vide their review report dated 21st July, 2018 and unmodified opinion vide their audit report dated 9th 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
25.07.2019



For Varma & Varma
Chartered Accountants
FRN: 004532 S


V. Sathyanarayanan
Partner
M. No. 021941

UDIN:19021941AAAAAA7273