

DEPT : SECRETARIAL
REF No. SEC/ST EX.STT/ 129 /2018-19

January 19, 2019

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

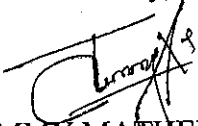
Dear Sirs,

Sub: Submission of Unaudited Financial Results for the quarter ended 31st December 2018

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 31st December 2018 which was approved and taken on record by the Board at its meeting held today, the 19th day of January, 2019.

We also enclose a copy of the "Limited Review Report" submitted by M/s. S. R. Batliboi & Co, LLP our Statutory Auditors, for the quarter ended 31st December 2018.

Yours faithfully,



(JIMMY MATHEW)
COMPANY SECRETARY

Encl: a/a

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2018

(₹ in Lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a) + (b) + (c) + (d)	173,516	169,651	157,696	508,558	460,383	619,281
(a) Interest/discount on advances/bills	136,533	133,176	122,726	398,363	354,465	476,918
(b) Income on investments	31,850	31,935	31,108	95,803	94,762	126,950
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	1,161	642	392	2,443	1,428	1,907
(d) Others	3,972	3,898	3,470	11,949	9,728	13,506
2. Other income	18,677	15,789	15,881	49,056	65,858	83,725
3. Total income (1+2)	192,193	185,440	173,577	557,614	526,241	703,006
4. Interest expended	121,554	119,004	106,757	356,524	313,051	422,729
5. Operating expenses (i) + (ii)	37,438	35,458	33,805	109,947	96,199	132,198
(i) Employees cost	20,220	19,625	18,489	60,952	51,991	71,322
(ii) Other operating expenses	17,218	15,833	15,316	48,995	44,208	60,876
6. Total expenditure (4) + (5) excluding provisions and contingencies	158,992	154,462	140,562	466,471	409,250	554,927
7. Operating profit before provisions and contingencies (3) - (6)	33,201	30,978	33,015	91,143	116,991	148,079
8. Provisions (other than tax) and Contingencies	20,312	20,468	15,428	63,933	83,227	98,090
9. Exceptional items	-	-	-	-	-	-
10. Profit from ordinary activities before tax (7)-(8)-(9)	12,889	10,510	17,587	27,210	33,764	49,989
11. Tax expense	4,504	3,497	6,087	9,508	11,685	16,500
12. Net profit from ordinary activities after tax (10)-(11)	8,385	7,013	11,500	17,702	22,079	33,489
13. Extra ordinary items (Net of tax expense)	-	-	-	-	-	-
14. Net profit for the period (12+13)	8,385	7,013	11,500	17,702	22,079	33,489
15. Paid-up equity share capital (Face Value ₹ 1)	18,097	18,097	18,058	18,097	18,058	18,088
16. Reserves excluding revaluation reserves						482,002
17. Analytical ratios						
i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii) Capital adequacy ratio (%) - BASEL III	11.81	12.11	12.51	11.81	12.51	12.70
iii) Earning per share (EPS) (Refer Note 4)						
(a) Basic EPS - before and after extraordinary items (₹) *	0.46	0.39	0.64	0.98	1.22	1.86
(b) Diluted EPS - before and after extraordinary items (₹) *	0.46	0.39	0.64	0.98	1.22	1.85
iv) NPA Ratios (a) Gross NPA	293,000	264,615	177,459	293,000	177,459	198,030
Net NPA	209,967	178,472	121,083	209,967	121,083	141,580
(b) % of Gross NPA	4.88	4.61	3.40	4.88	3.40	3.59
% of Net NPA	3.54	3.16	2.35	3.54	2.35	2.60
v) Return on Assets (Annualised)	0.39	0.33	0.58	0.28	0.39	0.43

* Quarterly/Nine months numbers are not annualised



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

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www.southindianbank.com

Segmentwise Results

(₹ in Lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
a) Treasury	36,436	35,042	33,402	106,554	115,211	148,389
b) Corporate/ Wholesale Banking	84,923	82,838	75,008	247,646	216,361	301,842
c) Retail Banking	64,600	61,701	60,758	185,140	177,755	228,881
d) Other Banking Operations	6,234	5,859	4,409	18,274	16,914	23,894
Total	192,193	185,440	173,577	557,614	526,241	703,006
Less: Inter segment Revenue	-	-	-	-	-	-
Net Income from Operations	192,193	185,440	173,577	557,614	526,241	703,006
2. Segment Results (net of provisions)						
a) Treasury	3,114	(2,722)	646	(6,234)	(16,534)	(11,771)
b) Corporate/ Wholesale Banking	(6,193)	(533)	4,276	(8,748)	(102)	(4,083)
c) Retail Banking	10,948	9,022	9,144	27,521	36,498	46,357
d) Other Banking Operations	5,020	4,743	3,521	14,671	13,902	19,486
Total	12,889	10,510	17,587	27,210	33,764	49,989
Less: unallocated expenditure (exceptional item)	-	-	-	-	-	-
Profit Before Tax	12,889	10,510	17,587	27,210	33,764	49,989
3. Segment Assets						
a) Treasury	1,957,772	1,923,728	1,951,282	1,957,772	1,951,282	1,938,043
b) Corporate/ Wholesale Banking	3,857,392	3,684,770	3,396,750	3,857,392	3,396,750	3,624,695
c) Retail Banking	2,761,802	2,650,008	2,329,770	2,761,802	2,329,770	2,478,248
d) Other Banking Operations	1,199	1,089	1,295	1,199	1,295	1,314
e) Un allocated	246,694	238,507	252,347	246,694	252,347	226,287
Total	8,824,859	8,498,102	7,931,444	8,824,859	7,931,444	8,268,587
4. Segment Liabilities						
a) Treasury	1,856,959	1,825,014	1,849,865	1,856,959	1,849,865	1,833,515
b) Corporate/ Wholesale Banking	3,688,473	3,519,644	3,247,214	3,688,473	3,247,214	3,453,080
c) Retail Banking	2,640,860	2,531,253	2,227,206	2,640,860	2,227,206	2,360,913
d) Other Banking Operations	-	-	-	-	-	-
e) Un allocated	105,199	97,297	95,097	105,199	95,097	96,957
Total	8,291,491	7,973,208	7,419,382	8,291,491	7,419,382	7,744,465
5. Capital Employed (Segment Assets-Segment Liabilities)						
a) Treasury	100,813	98,714	101,417	100,813	101,417	104,528
b) Corporate/ Wholesale Banking	168,919	165,126	149,536	168,919	149,536	171,615
c) Retail Banking	120,942	118,755	102,564	120,942	102,564	117,335
d) Other Banking Operations	1,199	1,089	1,295	1,199	1,295	1,314
e) Un allocated	141,495	141,210	157,250	141,495	157,250	129,330
Total	533,368	524,894	512,062	533,368	512,062	524,122

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:

- The above financial results were reviewed by the Audit Committee and approved by Board of Directors at their meeting held on January 19, 2019. The results for the quarter and nine months ended December 31, 2018 are subjected to limited review by the Statutory Central Auditor of the Bank.
- During the nine months ended December 31, 2018 stock options aggregating 8,51,071 were exercised by eligible employees. No options were exercised during the quarter ended December 31, 2018. As at December 31, 2018, 40,48,665 stock options were outstanding.



- 3 The mark to market depreciation on AFS/HFT investment category was ₹ 6,104 Lakhs for the quarter ended June 30, 2018. RBI circular DBR.No.BP.BC.113/ 21.04.048/ 2017-18 dated June 15, 2018, permitted banks an option to spread provisioning for mark to market losses on investments held in AFS and HFT for the quarter ended June 30, 2018 equally over up to four quarters, commencing with the quarter in which the loss was incurred. The bank had availed the option to spread the mark to market loss on investments for the quarter ended June 30, 2018 over four quarters. Accordingly the Bank has charged the proportionate MTM loss of ₹1,526/4,578 Lakhs during the quarter/nine months ended December 31, 2018 to the profit and loss account. The unamortised MTM loss as at December 31, 2018 is ₹ 1,526 Lakhs.
- 4 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 dues between September 1, 2017 and December 31, 2018 are paid not later than 180 days from their respective original due dates. Accordingly, the bank has retained advance of ₹ 9,226 Lakhs as standard as at December 31, 2018. In accordance with the provisions of the circular, the bank had not recognised interest income of ₹ 435 Lakhs and created a standard asset provision of ₹ 461 Lakhs in respect of such accounts.
- 5 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.
- 6 In computing the Segment information certain estimates and assumptions have been made by the management which have been relied upon by the Statutory Central Auditor.
- 7 Previous period's / year's figures have been regrouped, wherever necessary to conform to the current period's classification.

Date: January 19, 2019
Place: Kochi



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 and nine month ended December 31, 2018 (the "Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The disclosure relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio", and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link have been provided in aforesaid Statement have not been reviewed by us. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (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 bank 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.
3. In the conduct of our review we have relied on the review reports in respect of non-performing assets received from concurrent auditors of 175 branches. These review reports cover 68.19 percent of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank.
4. 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.
5. We draw attention to note no 3 regarding exercise of the option by the Bank, as permitted by the Reserve Bank of India vide notification number DBR.No.BP.BC.113/21.04.048/2017-18 dated June 15, 2018, for spreading the mark to market (MTM) losses over four quarters resulting into carrying forward of un-amortized MTM losses of Rs 1,526 lakhs as at December 31, 2018 for amortization in remaining quarter. Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

CAI Firm registration number: 301003E/E300005

Shrawan Jalan

per **Shrawan Jalan**

Partner

Membership No.: 102102



Place: Mumbai

Date: January 19, 2018