

DEPT : SECRETARIAL  
REF No. SEC/ST EX.STT/136/2019-20

November 21, 2019

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

Dear Sirs,

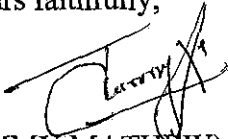
**Sub: Presentation to Investors and Analysts**

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed the Presentation given to Investors and Analysts in connection with the investor meet held on 20-11-2019.

The aforesaid information is also being hosted on the website of the Bank [www.southindianbank.com](http://www.southindianbank.com).

Kindly take the same in your records.

Yours faithfully,



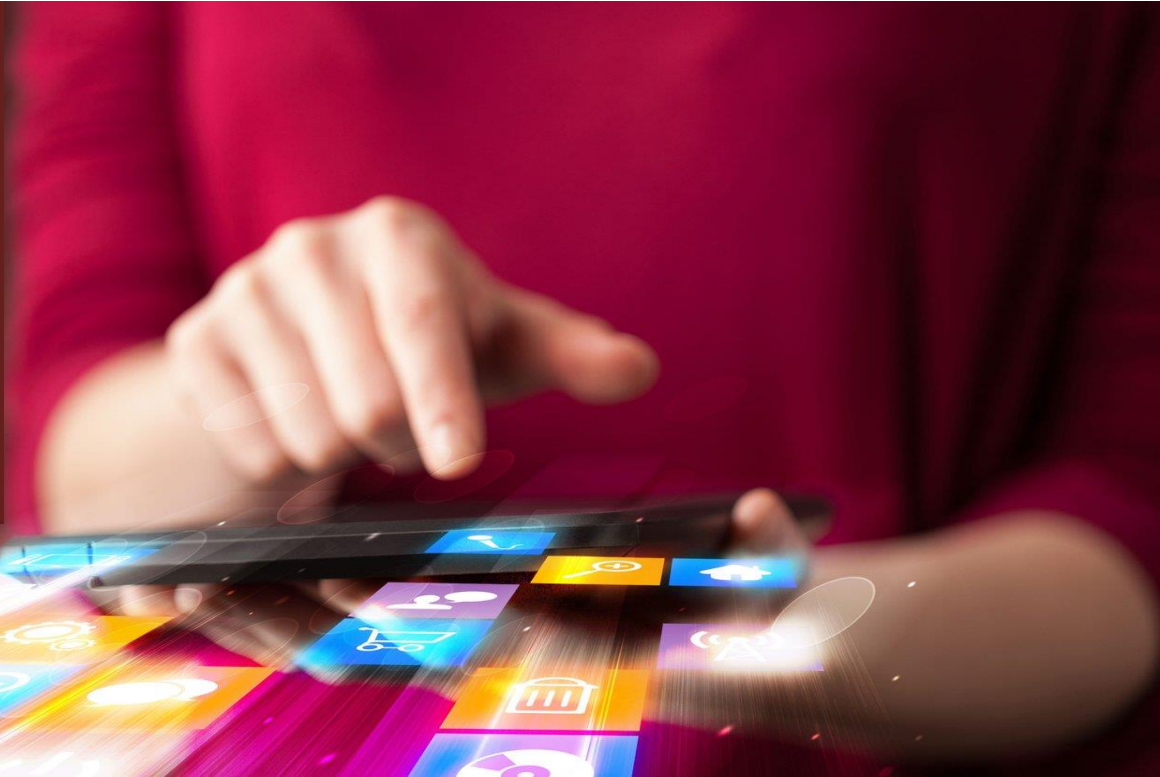
(JIMMY MATHEW)  
COMPANY SECRETARY

Encl: a.a.



**Experience Next Generation Banking**

***Bank  
On  
Us***



***Investor Meet - November 20, 2019***



## *South Indian Bank - Profile & Strategy*

*- Mr. V. G. Mathew, MD & CEO*



## Vision & Key Milestones

# Vision & Key Milestones



## VISION

**To be the most preferred bank in the areas of customer service, stakeholder value and corporate governance**



## KEY MILESTONES

**FIRST** among the private sector banks in Kerala to become a scheduled bank in 1946 under the RBI Act

**FIRST** bank in the private sector in India to open a Currency Chest on behalf of the RBI in April 1992

**FIRST** private sector bank to open a NRI branch in November 1992

**FIRST** bank in the private sector to start an Industrial Finance Branch in March 1993

**FIRST** among the private sector banks in Kerala to open an "Overseas Branch" to cater exclusively to the export and import business in June 1993

**FIRST** bank in Kerala to develop an in-house, a fully integrated branch automation software in addition to the in-house partial automation solution operational since 1992

**FIRST** Kerala based bank to implement Core Banking System



Board of Directors

# Board of Directors...



**MR. SALIM GANGADHARAN**  
*Part-time Chairman*

Mr. Salim Gangadharan is the Chairman and Non-Executive Director of the Board of our Bank. Mr. Gangadharan holds a Master's Degree in Economics from the University of Kerala. He is also a certified associate of the Indian Institute of Bankers. He has several years of experience in the Reserve Bank of India. He retired in October, 2013 as Principal Chief General Manager and Regional Director, RBI-Trivandrum. He has been on our Board since January, 2014. He is also a director in The National Securities Clearing Corporation Ltd (NSCCL), Northern Arc Capital Ltd, Kerala Infrastructure Investment Board.



**DR. JOHN JOSEPH**  
*Director*

Dr. John Joseph Alapatt is a Non-Executive Independent Director on our Board. He holds a Bachelor of Medicine and Bachelor of Surgery Degree as well as a Post-Graduate diploma from Bangalore University. He is an industrialist having several years of experience in managing a small scale industry unit and has been the Director of our Bank for 22 years.



**MR. V.G MATHEW**  
*Managing Director & CEO*

Mr. V. G. Mathew is the Managing Director and Chief Executive Officer of our Bank w.e.f. 01/10/2014. Mr. Mathew holds a Master's Degree in Science from the University of Kerala. Additionally, he is a certified associate of the Indian Institute of Bankers. Mr. Mathew was the Executive Vice President of our Bank from January 2, 2014 to September 30, 2014. Prior to joining our Bank, Mr. Mathew was employed at State Bank of India for more than 30 years. He retired from State Bank of India as Chief General Manager on November 30, 2013.



**MR. FRANCIS ALAPATT**  
*Director*

Mr. Francis Alapatt is a Non-Executive Independent Director on our Board. He holds a Bachelor's Degree in Science. He is a director of M/s CII Guardian International Ltd and an established business man. Mr. Francis Alapatt has been on the Board of the Bank since November 1, 2013.



# Board of Directors...



**MR. ACHAL KUMAR GUPTA**  
*Director*

Mr. Achal Kumar Gupta is a Non-Executive Director on our Board. Mr. Gupta holds a Master's Degree in Arts from Punjab University. Further, he is a certified associate of the Indian Institute of Bankers. Mr. Gupta retired on November 30, 2013 as the Managing Director of the State Bank of Patiala. He has previously worked in IFCI Limited as Deputy Managing Director from December 12, 2013 to December 11, 2016. He is also a director in Capital India Finance Ltd and Canara Robecco Asset Management Company Ltd. Mr. Gupta has been on the Board of the Bank since January 11, 2017.



**MS. RANJANA S. SALGAOCAR**  
*Director*

Ms. Ranjana S. Salgaocar is a Non-Executive Independent Director on our Board. Ms. Salgaocar holds a Bachelor's Degree in Social work from University of Bombay. Ms. Salgaocar is also a Director at International Wine and Food Society. Ms. Salgaocar has been on the Board of our Bank since October 1, 2014.



**MR. V J KURIAN**  
*Director*

Mr. V J Kurian is a Non-Executive Independent Director on our Board. He retired from Indian Administrative Services (IAS) of 1983 batch in Kerala cadre as Additional Chief Secretary, water resources. During the tenure of services, Sri Kurian held positions of Managing director in various companies for a total period of 22 years. Presently, Mr. Kurian is the Managing Director of Cochin International Airport Ltd, CIAL infrastructures Ltd & CIAL duty free and retail services Ltd. Mr. Kurian has been on the Board of the Bank since March 23, 2018.



**MR. PARAYIL GEORGE JOHN  
THARAKAN**  
*Director*

Mr. Parayil George John Tharakan is a Non-Executive Independent Director on our Board. Mr. Tharakan holds a Bachelor's Degree in Commerce from the University of Kerala and a LLB degree from Bangalore University. Mr. Tharakan has experience of 30 years in the field of agriculture. Mr. Tharakan has been on the Board of the Bank since November 25, 2014.



# Board of Directors



**MR. M. GEORGE KORAH**

*Director*

Mr. M.George Korah is an Additional Independent Director on our Board. He is a fellow member of the Institute of Chartered Accountants of India. He is a qualified Information System Auditor and was a rank holder in the I. S. Examination conducted by the Institute of Chartered Accountants of India. He is also a partner of M/s Korah & Korah, Chartered Accountants, has been in practice for over 30 years. Mr. Korah is a trustee of Greenstorm Foundation, Cochin (Not for Profit Public Registered Trust) and financial consultant to several business organizations including Information Technology companies. Mr. Korah has been on the Board of the Bank since August 31, 2018.



**MR. PRADEEP M GODBOLE**

*Director*

Mr. Pradeep M Godbole is an Additional Director in our Board .He is a Chartered Accountant with 30+ years of Banking, Technology, Consulting, Auditing, Accounting and Management experience. He has held senior management positions at reputation organizations – Big 4 consulting firm like Ernst & Young; IT organizations like Oracle Financial Services Software (OFSS) & Wipro. Mr. Godbole is currently working on capability building initiatives and is a guest faculty at The Institute of Chartered Accountants of India (ICAI). Mr. Godbole is also a Director of Riskintellect Solutions Private Limited and has been on the board of the bank with effect from 26th March, 2019.



## Key Management

# Management Team...

## Mr. Thomas Joseph K, EVP (Operations)

- Bachelors Degree in Engineering and Diploma in Management & CAIIB
- He is associated with SIB since 1984 and heads Departments such as Risk Management, Technology, Marketing, Corporate Financial Management, Human Resource and Inspection & Vigilance
- He was Head of Credit handling a portfolio of Rs. 40,000 crores and was instrumental in the execution of the Retail Strategy of the Bank which saw significant growth in the MSME & Agriculture Sectors

## Mr. G. Sivakumar, EVP (Credit)

- Postgraduate in Chemistry and holds Masters Degree in Business Administration & CAIIB
- He heads Credit and Legal Departments
- He has over 35 Years of Experience in Domestic and International Banking in India and Abroad
- Before joining SIB, he was the General Manager and Head of Private Equity Vertical in State Bank of India where he was responsible for Private Equity and Venture Capital Investments made by the Bank
- He was also a nominee director on the Board of Directors of four companies and Investment Committee of more than ten Alternative Investment Funds

## Mr. K. N. Reghunathan, EVP (Treasury)

- Commerce Graduate & CAIIB
- He is responsible for Treasury Operations of the Bank along with International Banking Division
- Before joining SIB, he was associated with Union Bank of India and was General Manager of Treasury and International Banking Division.
- He was the Bank's nominee on the Board of FIMMDA and SBI Global Factors and Member of the Advisory Committee of Metropolitan Stock Exchange of India, IDFC Investment Fund, TATA Growth Fund, TATA Innovative Fund, India Advantage Fund I & II

# Management Team...

## **Mr. Raphael T.J., Chief General Manager (Chief Information Officer)**

- **Bachelors Degree in Commerce, Masters in EXIM, Diploma in Financial Management and CAIIB**

## **Mr. John Thomas (Country Head - Business Development)**

- **Bachelors Degree in Science, MBA and CAIIB**

## **Mr. Sanchay Kumar Sinha (Country Head - Retail Banking)**

- **Bachelor's degree in Arts, Post Graduate Certificate in Business Management (XLRI)**

## **Mr. Benoy Varghese (Country Head - Wholesale Banking)**

- **Bachelors Degree in Arts & Masters Degree in Business Administration and CAIIB**

## **Mr. Biju E Punnachalil, Chief Risk Officer**

- **Masters Degree in Science**
- **Diploma in Treasury, Investment & Risk Management**
- **Certified Financial Planner**
- **Certified Associate of the Indian Institute of Banking & Finance**

# Management Team

## **Mrs. Chithra H, Chief Financial Officer**

- **Bachelors Degree in Commerce**
- **Associate member of the Institute of Chartered Accountants of India**
- **Certified Associate of the Indian Institute of Banking & Finance**

## **Mr. Sibi P M, Chief Compliance Officer**

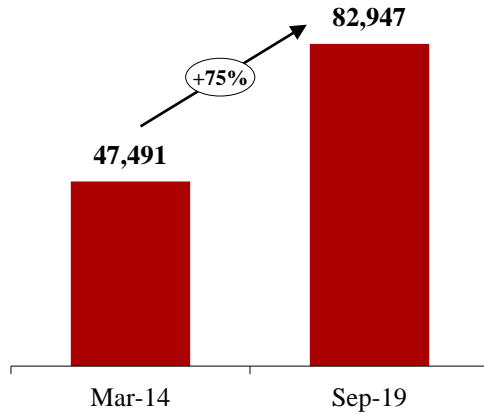
- **Bachelor of Technology**
- **Certified Associate of Indian Institute of Banking & Finance**
- **FRM and GARP**



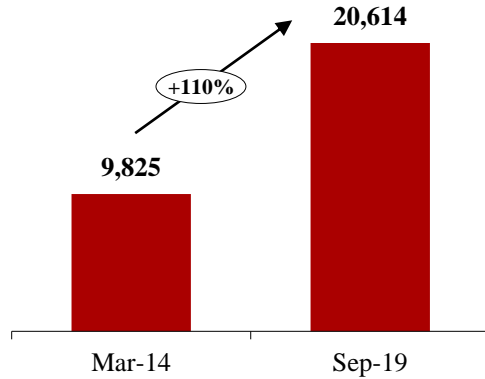
Brief profile

# Brief Profile...

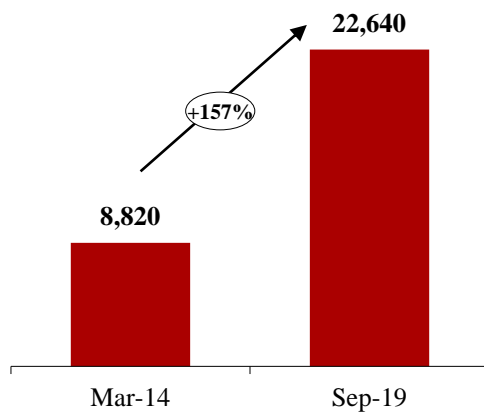
## Deposits (Rs. in crs)



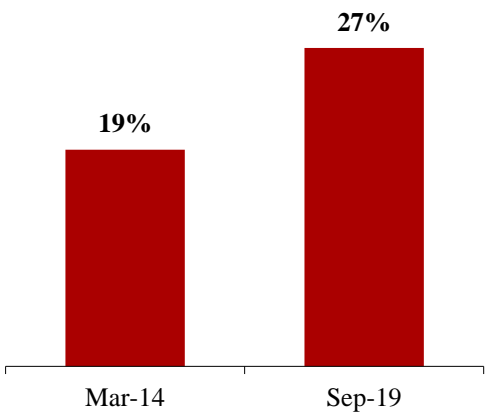
## CASA (Rs. in crs)



## NRI Deposits (Rs. in crs)



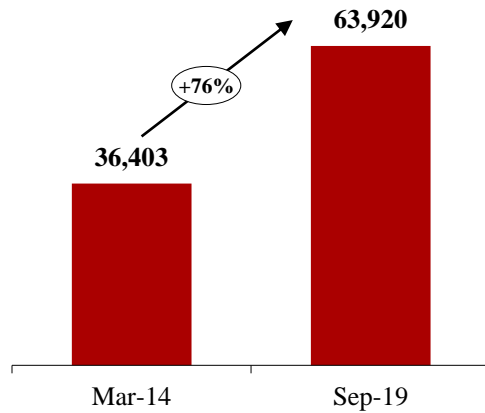
## NRI Deposits (% of Total Deposits)



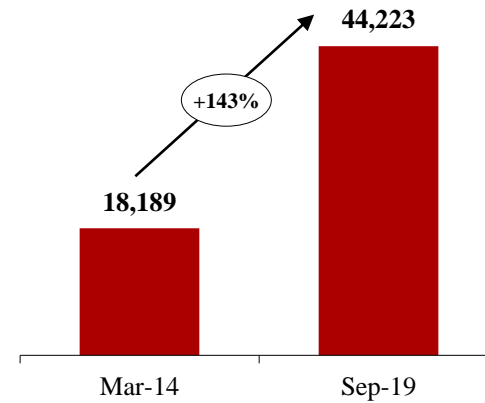


# Brief Profile...

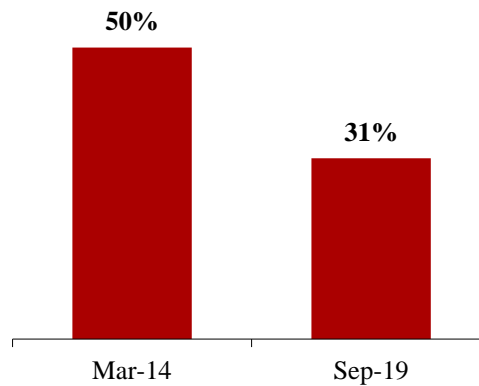
## Gross Advances (Rs. in crs)



## Gross Advances (excl. Corporate) (Rs. in crs)

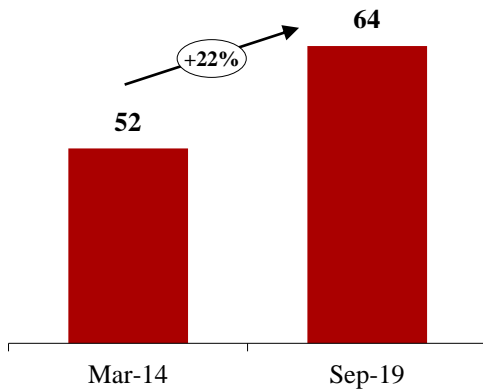


## Share of Corporate Loans (%)

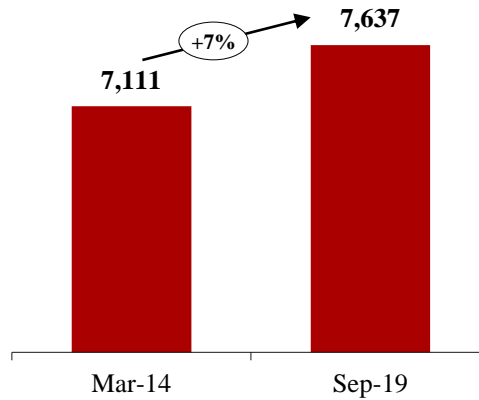


# Brief Profile

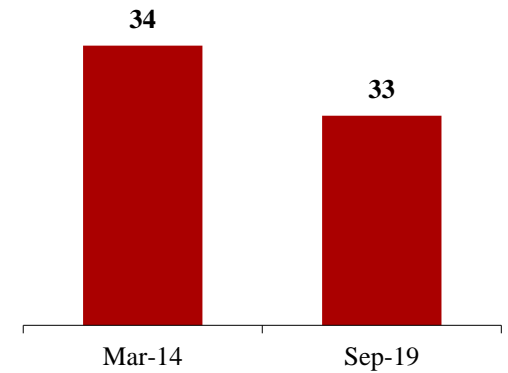
**No. of Customers (in lacs)**



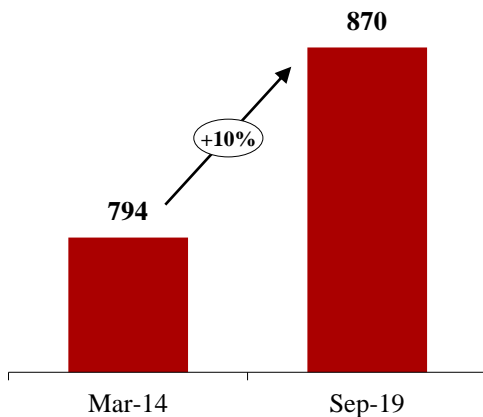
**No. of Employees**



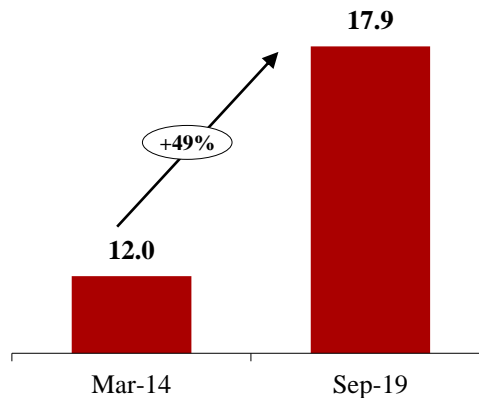
**Average Age of Employees**



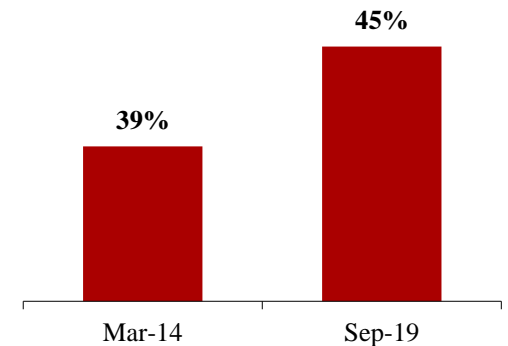
**No. of Branches**



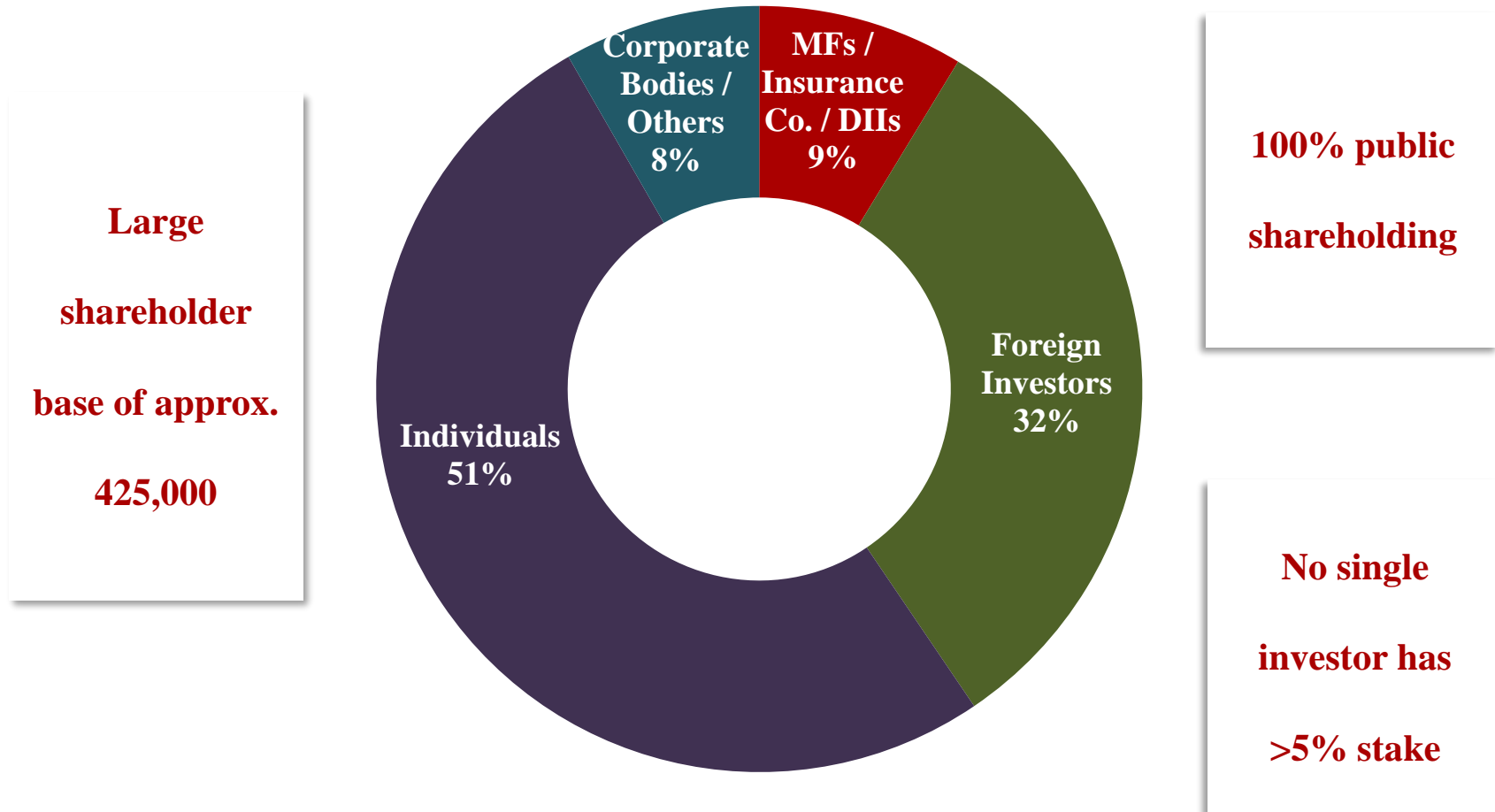
**Business per Employee (Rs. in crs)**



**Gender Diversity (% of female employees)**



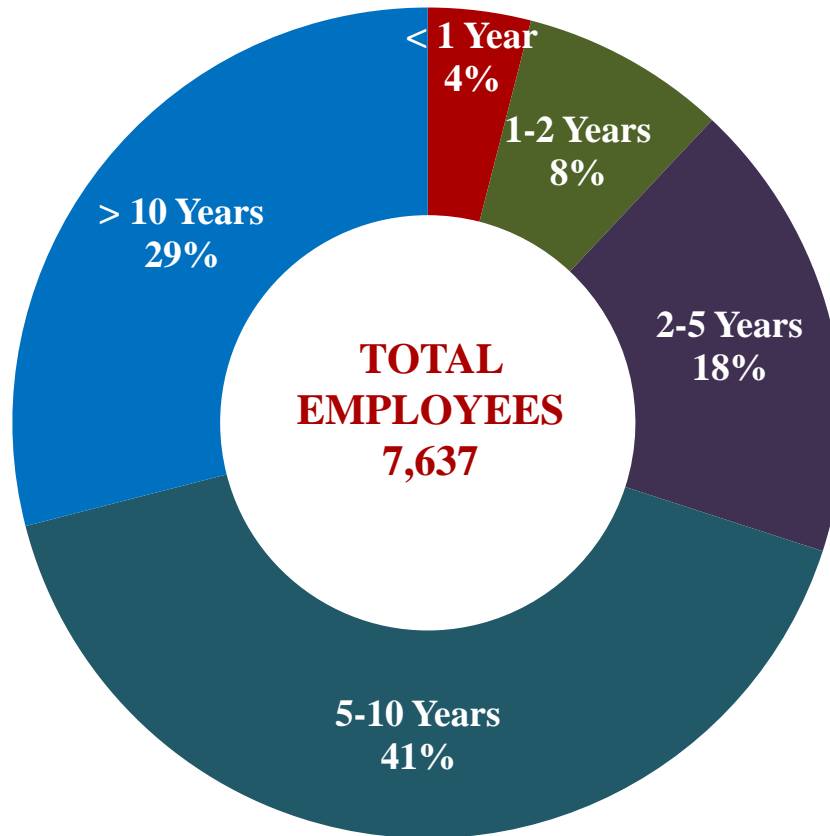
# Shareholding Pattern



\* As on September 30, 2019

# Experienced & Young Talent

**70% of the employees have been with the Bank for over 5 years**



**Average age is at 33 years**

\* Full-time officers and clerks



## Corporate Governance

# Corporate Governance...

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- **Governed by RBI, SEBI, PFRDA and MCA**
- **The Board is comprised of 10 Directors of eminent stature and expertise in respective fields**
- **Independent Directors comprise of 60% of the Board of Directors**
- **Role of Chairman and Chief Executive Officer has been split**
- **Duly constituted committees of Board such as Audit, Risk Management, Nomination and Remuneration, Corporate Social Responsibility, Stakeholders Relationship are in place**
- **Minutes of the meetings of all Committees are placed before the Board**

# Corporate Governance

- **Board provides strategic guidance, monitors operational performance and ensures that adequate policies and processes are in place**
- **Audit Committee of Board in place and chaired by an independent director**
- **Active involvement of independent directors in guiding operating policies and procedures and risk management strategies**
- **Risk Management Department directly reports to the MD & CEO**
- **Risk Management Committee meets periodically, and minutes are placed before the Board**
- **Necessary ethics management, whistle blower mechanism and prevention of insider trading policies are in place**



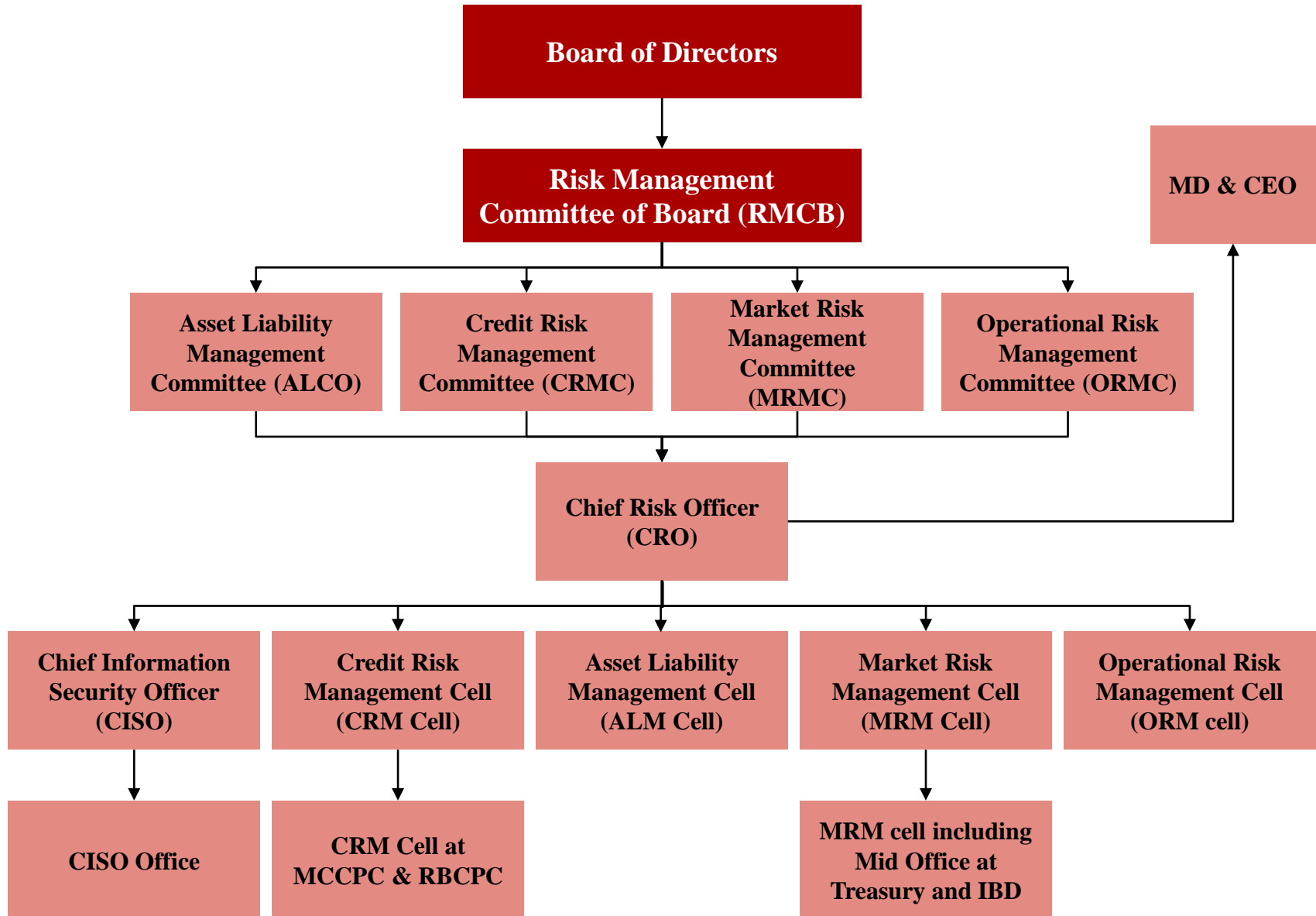


## Risk Management Framework

# Risk Management strategy

- **Comprehensive and independent risk management system** exists at different levels of management
- Robust governance structure with **independent overseeing by the Board**
- **Enterprise wide risk appetite established** through the risk appetite framework
- **Strong risk culture embedded at grass root level** across systems through effective communication of organizational risk appetite
- Comprehensive Risk Dashboard is disseminated to all executives on a weekly basis
- Identification & assessment of various risk events in terms of likelihood and magnitude of impact
- **Robust and timely capital planning process** ensuring strict adherence to regulatory requirements
- **Sustained focus on delivering superior and optimized returns for all stake holders**
- **External validation of independence and effectiveness of risk management function**

# Organisational structure





Road Ahead

# Advances

## Retail Advances

- Full retail product suite in line with the best-in-the-industry
- Focused approach towards growing the gold loan portfolio
- DSA-DST being rolled out selectively

## MSME Lending

- Specific CRMs to deepen relationships with existing borrowers
- Dedicated teams have been created to source fresh business; cluster heads manage business in designated areas
- CRMs are entrusted with liability and cross selling targets
- More emphasis is being given to vendor financing & dealer financing

## Agri Loans

- Higher business volumes from identified agriculture clusters
- Food & Agri processing units

## Corporate Loans

- Very selective cases with exposure above Rs. 100 crore
- Focus on lower ticket size in identified geographies (Rs. 25 - 50 crore)
- Share of corporate exposures to reduce to 25%

**Increased share of higher-yielding non-corporate loans and reduced slippages to improve yields**

# Liabilities

## Acquisition strategy

- Equal focus on New-to-Bank clients and on deepening existing relationships

## Focus more on Retail Term Deposits

## Share of NR deposits to grow; emphasis on low-cost NRI deposits

- Exclusive NR Relationship Managers in Kerala
- Representative offices in the Middle East, headed by bank executives
- New Tie ups with banks / exchange houses for facilitating remittance to SIB accounts

## Government Business Department to focus on Government business

- Customized collection and payment solutions for govt. institutions

**Share of CASA deposits to increase to 30% in the near term**

# Fee Income and Others

## **Product suite in place to improve the non-fund based income**

- **Active and risk-appropriate treasury management**
- **Trade and Retail Forex business**

## **Mutual Fund**

- **Online investment platform “i-invest”; mobile app version to be launched soon**
- **Additional tie-ups with AMCs to provide customers more options**

## **Income from sale of Third-party Insurance products**

- **Centrally driven common campaigns for all forms of Insurance**
- **Cross selling to the over 6 million strong existing customer base**
- **100% coverage of retails loans through credit life products**

## **More thrust to corporate NPS accounts by clubbing it with current accounts**

## **SIBerTrade Business**

- **Increased tie-ups with stock broking companies**
- **Online Demat & Trading Account opening to reduce TAT**



# Key enablers

## **Human Resources**

- **Revamped medium-to-long term plan for Talent Acquisition, Performance Management, Career Management and Total Rewards under implementation**

## **Digitisation and Analytics is a strong theme across all spheres within the Bank**

- **Business, Operations, Risk management and Customer relations**

## **Increase and deepen our geographical presence profitably**

- **1,000+ brick-n-mortar touch points by 2022**
- **Branches in all industrial areas**
- **Focus areas for branch expansion: Coastal Andhra, Western India, North East**
- **Operational efficiency to improve further through retail assets & CASA**



## Summary

# Key Takeaways

**Transformation into a Retail Banking Powerhouse nearly complete**

**Experienced and hands-on management; diversified and independent Board**

**Robust corporate governance and risk management framework in place**

**Asset quality issues identified and adequately provided for**

**Long & fruitful history with over 6 million domestic and NRI customers**

**Continuous value accretion for all internal and external stakeholders**

**Mantra of “Profitable Growth” strictly adhered to at all times**



## ***South Indian Bank - Retail Banking***

***- Mr. Sanchay Sinha***

***(Country Head, Retail Banking)***

# Our Strategy...



## Expand Retail Business

- New Retail Banking Department to focus on retail loan & liability/investment products
- Efficient branches & processing centers for faster processing of loans
- Outbound Sales team
- Continuous training of work force
- Advanced technology for ease of customers
- Invest in Brand Building

## Strengthen SME Base

- Cluster based approach in industry hubs
- Sole Banker to SMEs for all banking needs
- Dedicated vertical to penetrate SME banking

## Improve CASA

- Strategy & Road map in place to increase CASA funds
- Alternate channels for mobilising CASA
- Centralized processes allowing branches to focus on garnering low cost funds
- Continuous improvement/review of products

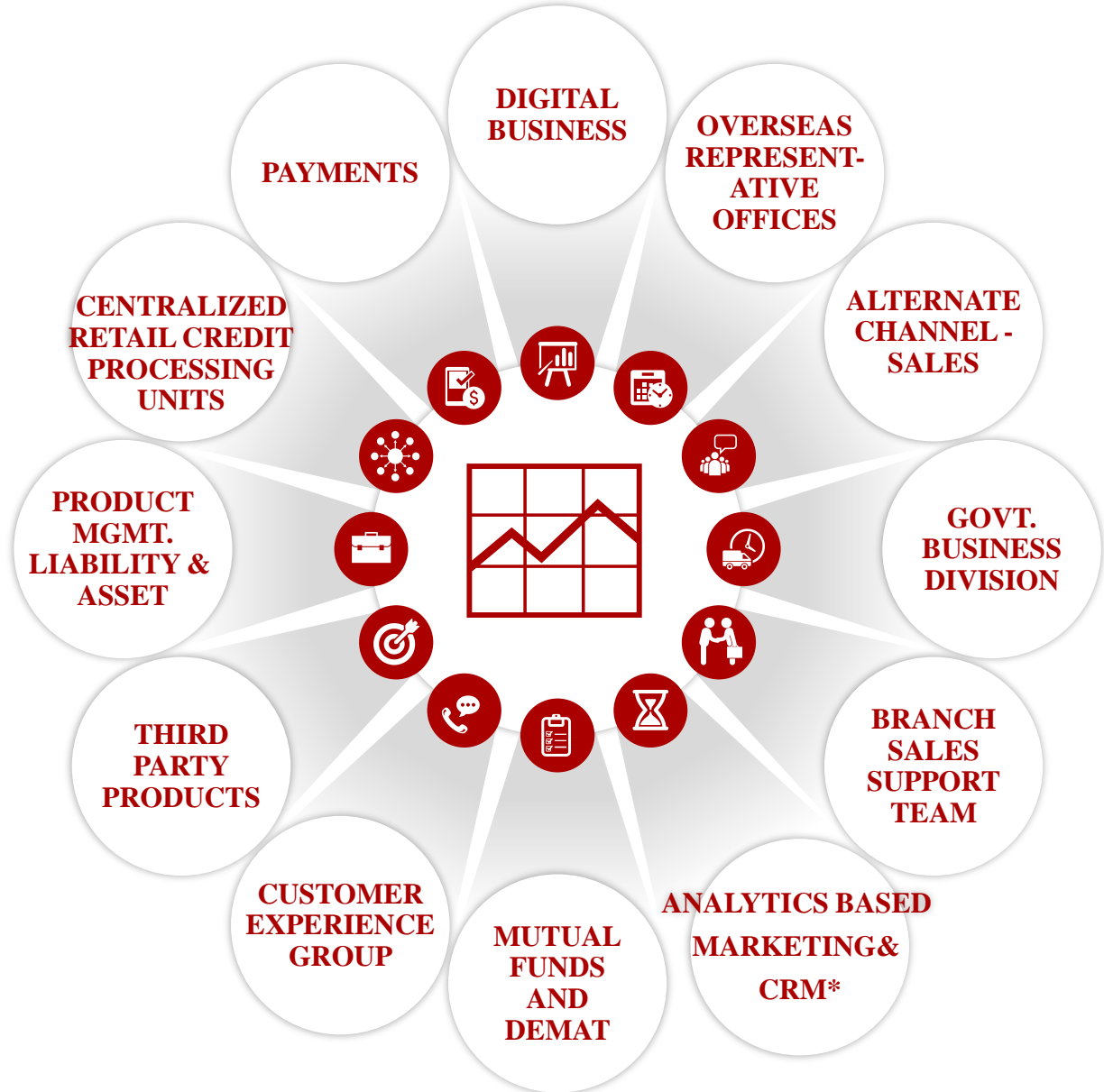
## Enhance Asset Quality

- Granulize loan portfolio to spread out risk
- Cautious approach on large corporate lending
- Special cell for monitoring non performing and restructured assets

## Improve share of other Income

- Focus on increasing banking services for SME, Retail, NRI
- Enhance treasury capabilities & increase branch strength
- Expand POS/ATM Network and all digital channels
- Leveraging technology to introduce modern & new-age banking products
- Focus on 3<sup>rd</sup> Party/Investment products to generate more other income

# Retailization of SIB



\*New center at Kakknad by FY 20-21

# Contents



**Q2 Highlights**



**RBD Assets**



**CASA, Deposits**



**NRI & HNW Business**



**Government Business**



**Digital Products**



**Insurance & TPP**



**Prime Banking**

# Q2 FY2020 - Highlights

YoY Growth %



**CASA**

↑ 12%

**DEPOSITS\***

↑ 17%

Retail Deposits	13%
Bulk Deposits	50%

**OTHER INCOME**

↑ 58%

**RETAIL ADVANCE**

↑ 20%

GL	49.3%
Mortgage	48.7%
HL	25.3%
VL	23.9%
MSME & Agri	18.0%

**NET INTEREST INCOME**

↑ 15%

**NR DEPOSITS**

↑ 11%

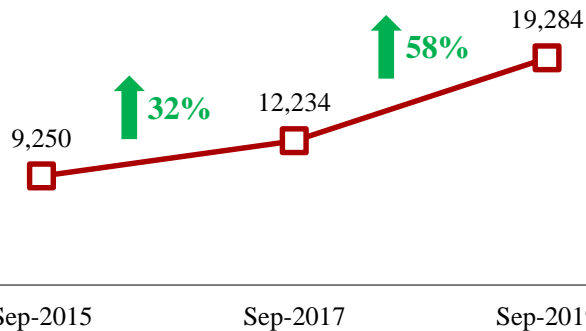
\* Deposits (excluding Certificate of Deposits)



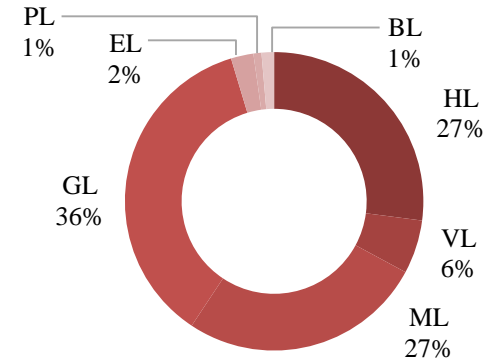
# Retail Asset Portfolio

## Performance so far (Rs. in cr.)

Retail Asset Performance



Product Mix - Amount



### Highlights

- Retail and Agriculture Loans rose by 108% during the period
- 58% Growth from Sep-2017 to Sep-2019 as compared with 32% Growth from Sep-2015 to Sep-2017
- 36% contribution to Retail Product Mix by Gold Loan
- Semi Urban Branches contribute to 44% of Retail Business volume

### Instant Online Pre approved Personal Loan

- First in- house asset digital initiative of Online Pre approved Personal Loan with instant disbursement through SIB Mirror +
- 2 seasons launched this calendar year - 3007 a/c opened.
- “NIL” NPA as on date

### Critical Success Factors

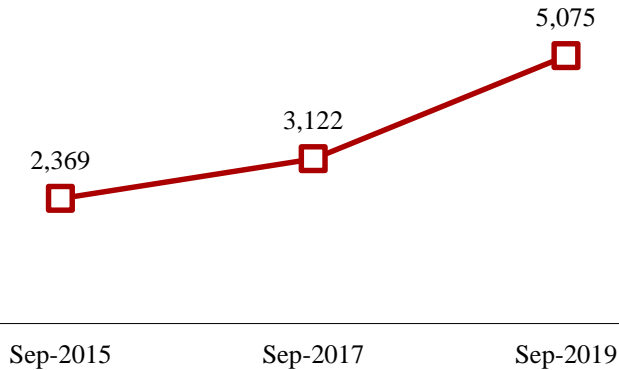
- **Alternate sourcing models - BDO, DSA, DST, Tie Ups and Branch Sales**
- Internal customer penetration through campaigns
- Centralized Processing with improved TAT and optimal productivity
- RLOS Implementation – catalyst to centralized processing.
- Product innovation
- Fintech collaborations

**Funding of Kotak Shield, SIB CRITICARE PLUS (Max Bupa) and SIB Universal Protection Plan (Bharti AXA) for all HL, VL, ML and PL- Secure Asset and Other Income Generation through Insurance**

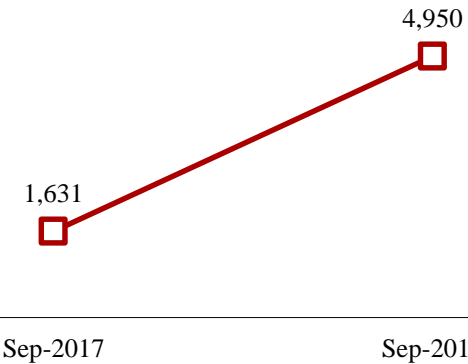
# Housing Loan & Mortgage Loan

Rs. in cr.

**Housing Loan Portfolio**



**Mortgage Loan Portfolio**



Note: \* Mortgage Loan introduced in June 2015

**Highlights**

- Housing Loan Portfolio rose by 114% from Sep-2015 to Sep-2019
- 63% Growth in Housing Loan Portfolio from Sep-2017 to Sept-2019 as compared with 32% Growth from Sep-2015 to Sep-2017

**Critical Success Factors**

- Campaign for internal customer penetration
- Campaign for sourcing channels for new business brought in a Business of Rs. 168 cr in Home Loan

**Highlights**

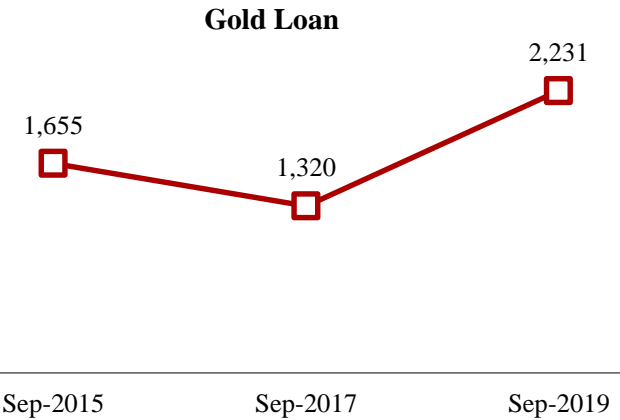
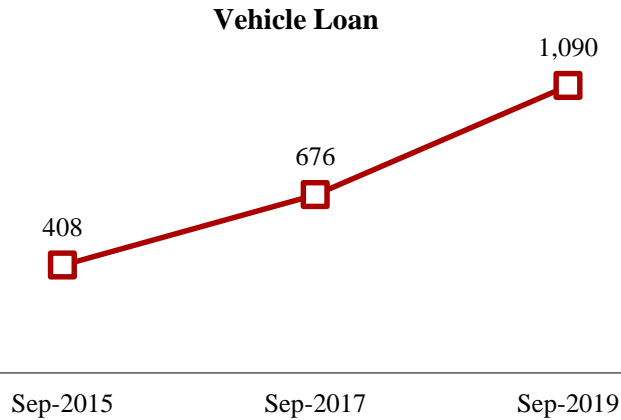
- Mortgage Loan Portfolio rose by 203% from Sep-2017 to Sep-2019
- 49% growth in Mortgage Loan
- Constitutes 27% of the Bank’s Retail Portfolio
- 57% business from Kerala, 33% from Rest of South India and 10% from Rest of India

**Special Mention**

- Emerged as ‘HUDCO’s BEST PRIVATE LENDING INSTITUTION’

# Vehicle Loan & Gold Loan

Rs. in cr.



Note: \* The Gold Portfolio is Rs. 6,755 cr inclusive of Agri / MSME Gold

## Highlights

- Vehicle Loan Portfolio rose by 167% from Sep-2015 to Sep-2019
- 24% YoY Growth in Vehicle Loan Portfolio
- Dedicated Auto Vertical to ensure sustainable growth
- OEM Tie Up with Mahindra & Mahindra and TATA Motors. Ongoing discussion with Maruti

## Highlights

- Grown by Rs. 546 cr in 6 months of this Fiscal
- Average of 110 Cr. growth for the past 3 months
- Gold to hit Rs.1200Cr. Growth by March 2020
- Customer acquisition through Third Party Digital Tie Ups (Details mentioned in Digital Initiatives Slide)

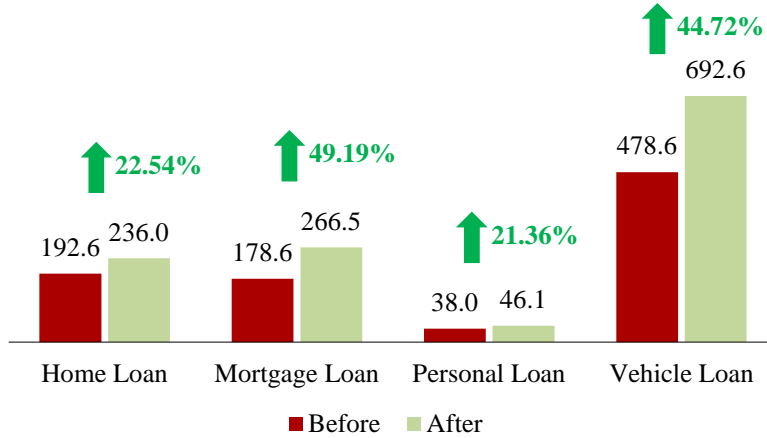
## Critical Success Factors

- Vehicle Loan Campaign for internal customers with special benefits like higher LTV, Processing fee waiver etc.
- Vehicle Loan campaigns for sourcing channels Business Impact - Rs. 232 cr
- Gold Loan campaign for Branches to induce Business - Impact - Growth of Rs. 599 cr in this FY
- Exclusive drive on Branches and Regional Offices by the Branch Sales Support Team

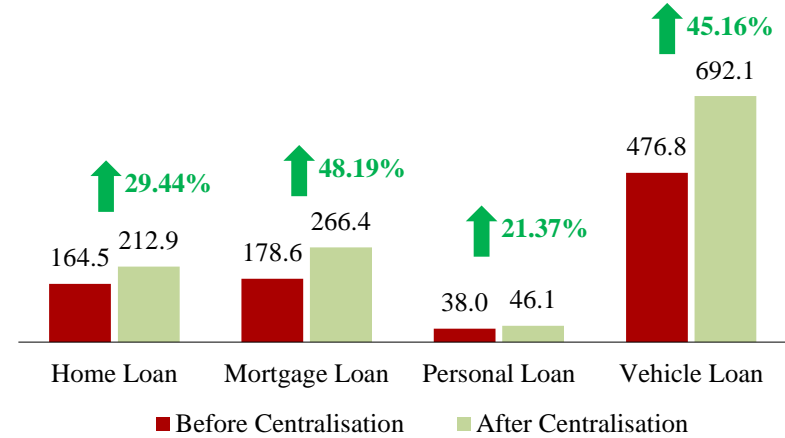
# Movement in CASA of Loan Customers

Rs. in cr.

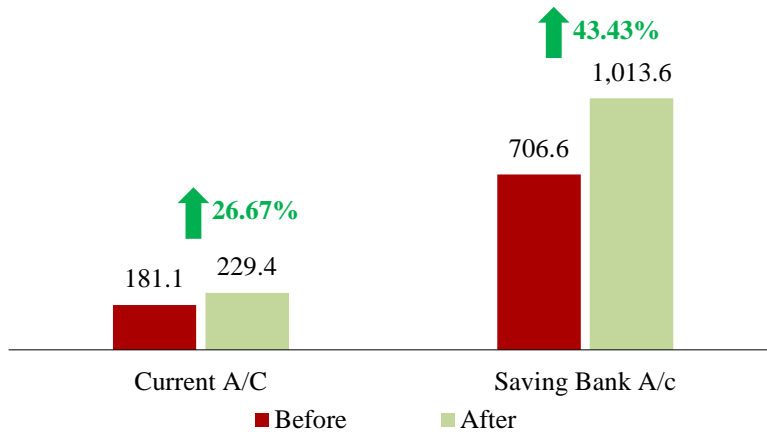
**CASA Increase - Before and After Loan A/c opening**



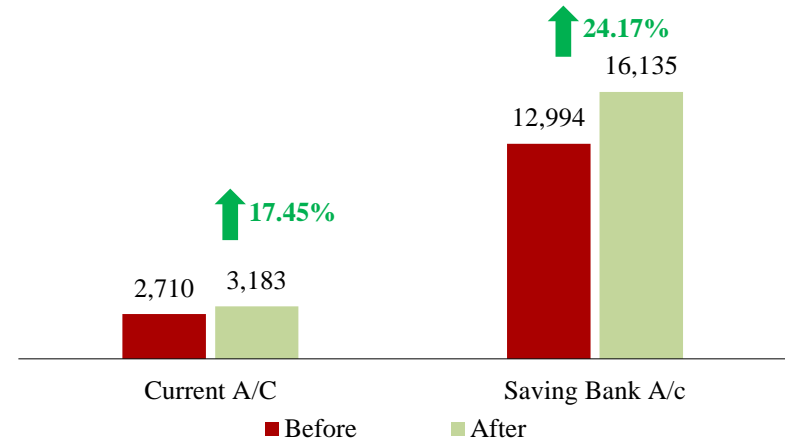
**AMB of Asset Linked Customers - Post Centralisation**



**AMB of Asset Linked Customer**



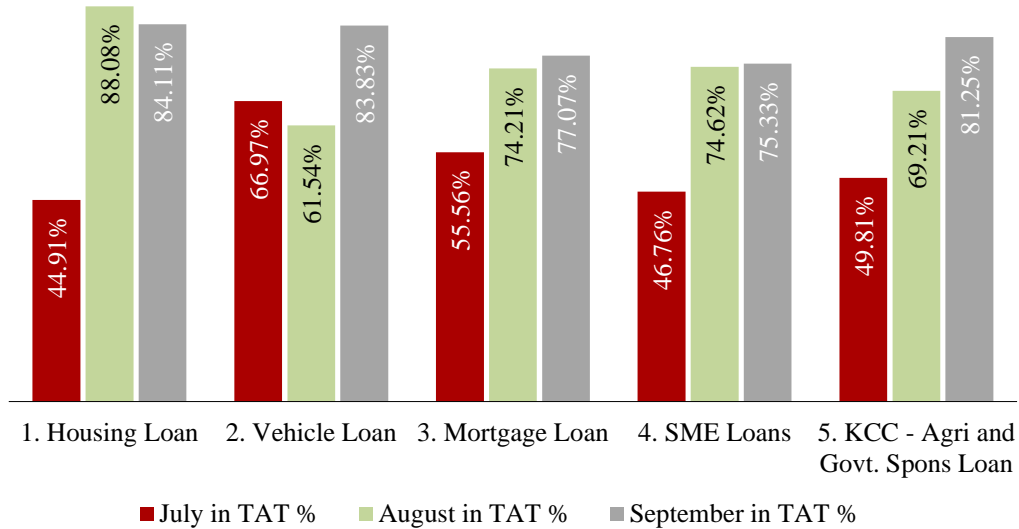
**AMB of All CASA Customers**



Note:

Period - Before: CASA before the loan; After: CASA after 12-24 months the Loan accounts were opened

# Retail Loans - Centralised Processing Centre



- Increase of 89% in file numbers and 88% in amount (Sep-18 to Sep-19)
- Implementation of RLOS for all Retail Products excluding Agri Loans & Loans to MSME
- Credit Analyst Productivity: Improvement of 25% in productivity of Credit Analyst seen in 2<sup>nd</sup> quarter as compared with 1<sup>st</sup> quarter
- RBCPC TAT-Product Wise: TAT improved from 52% in July 2019 to 80% in September 2019

## Critical Success Factors

- Product specific teams created to increase the speed of processing
- Branch support team formed for making Inward & outward calls to Branches for resolving Branch issues, faster disposal of files
- Integration of CIBIL in RLOS initiated
- Suggested for implementing centralized operations for facilitating loan disbursement and property document storage

## Road Ahead

- TAT to be improved to 90% by year end
- Per Month Productivity per Credit Analyst to be increased by 20% by year end
- Dedicated Vertical for each Retail Product to be created

# Way Forward

## Digital Initiatives

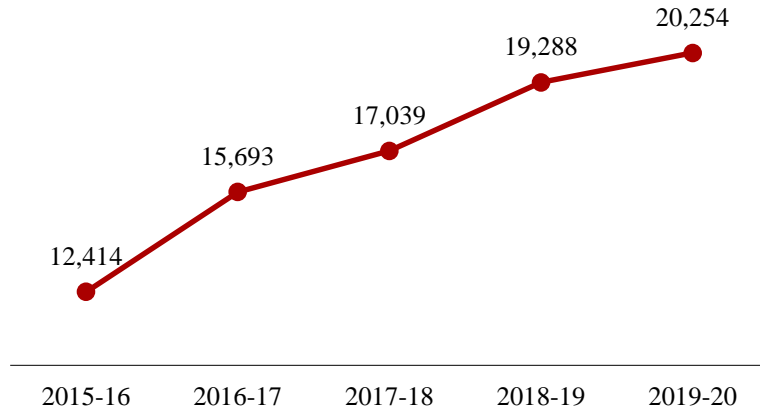
<b>Initiative</b>	<b>Proposition</b>
Hunter	<ul style="list-style-type: none"> <li>Next level Fraud Risk Management Solution from M/s. Experian</li> </ul>
Tie Up with M/s. OpenTap FinTech	<ul style="list-style-type: none"> <li>Small Ticket Personal Loan to employees from their empaneled companies</li> </ul>
Tie Up with M/s. CreditVidya	<ul style="list-style-type: none"> <li>Completely automated end to end digital loan journey using alternate data for Unsecured loans</li> </ul>
Tie Up with M/s. FTL Technology Systems	<ul style="list-style-type: none"> <li>Personal Loan to existing customers through SIBermart Platform in tie up with NBFC</li> </ul>
Tie up with M/s. Rupeek	<ul style="list-style-type: none"> <li>Tie up for Online Gold Loan that includes Customer acquisition (Gold Loan at Doorstep)</li> </ul>
Tie up with M/s. Qolar Technologies Pvt. Ltd	<ul style="list-style-type: none"> <li>Gold Loan at Doorstep mainly through telecalling</li> </ul>

## Other Initiatives

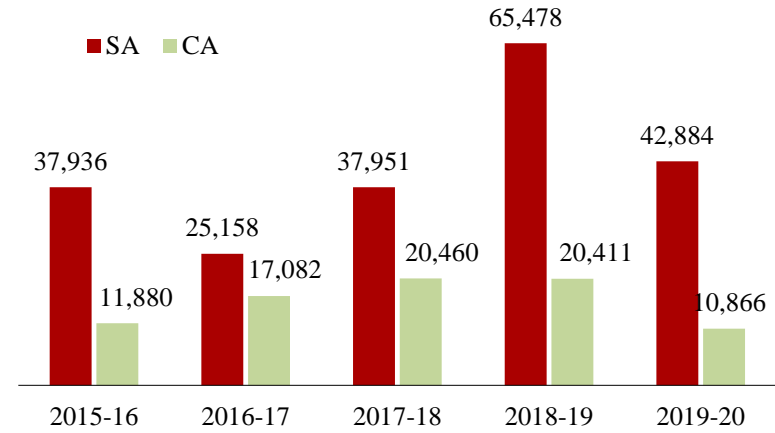
<b>Initiative</b>	<b>Brief</b>
Spot Credit	<ul style="list-style-type: none"> <li>Instant credit to Proprietary Current Account Holders</li> </ul>
Branch Sales Model	<ul style="list-style-type: none"> <li>To support Branches in Retail Asset acquisition through outsourced staff</li> </ul>

# CASA Movement

**CASA Value Trend**



**CASA Numbers Trend**



Note: \*\* 2019-20 figures are as of Sept'19

**Highlights**

- CASA EOD has grown by **15%** YoY and AMB by **12%**
- CASA Ratio improved to **25%** from **24%**
- CASA is steadily growing from FY 15-16 to FY 19-20
- Rs. 145 cr NTB value acquired through introduction of SB high value account (SIB Ruby)

**Highlights**

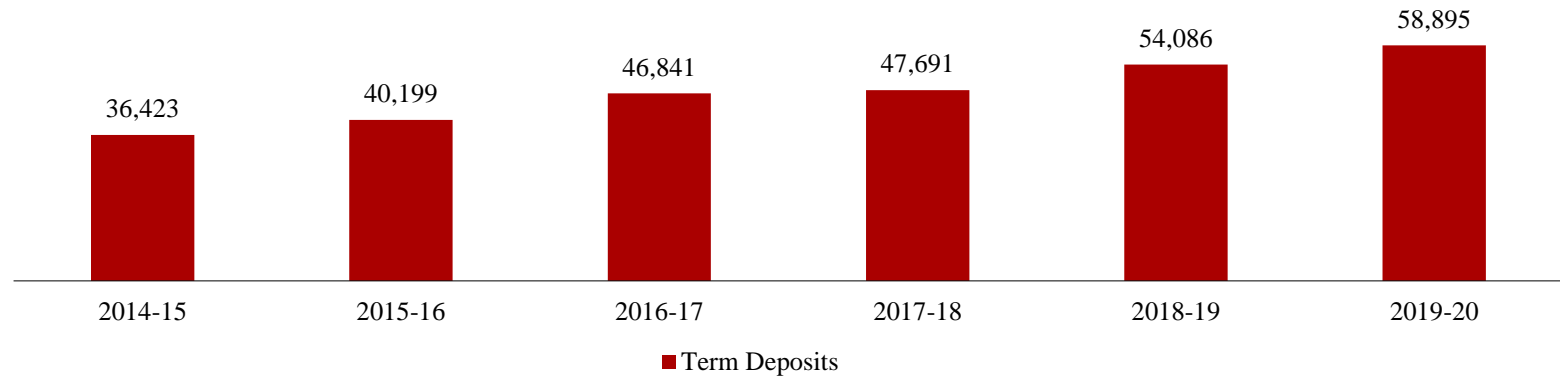
- SB Silver & Above accounts opened so far is 42884 which has a growth of 65% over same time last FY
- Sourcing of quality accounts is trending extremely positive . FY 17-18, FY 18-19 & FY 19-20 , 37951, 65478 & 42884 (Till Sept 19) respectively

**Critical Success Factors**

- Achievement measurement in AMB instead of EOD Balance and Growth split into NTB & deepening of base
- Implementation of IP has helped getting quality accounts and has improved NTB value
- Dedicated verticals for Savings, CA & Corporate Salary

# Term Deposits

## Dedicated Deposits vertical



Note: \*\* 2019-20 figures are as of Sept '19

### Highlights

- Term Deposits has grown by 9% from Base, compared to previous year growth of 4%
- YOY growth has improved to 18% from last year 6%
- TD is continuously growing from FY 15-16 to FY 19-20; on comparing the last 5 FYs, highest YTD growth is registered in the current FY (Rs. 4809 cr)
- The number of RDs opened during Q2 has surpassed the total number of RDs opened during the last FY, which marked a YOY growth of 258%

### Critical Success Factors

- Introduction of value added products, FD Vantage with Insurance benefits
- Introduction of online opening of Term deposits incl. RD
- Driving TD by allotting targets to sales verticals
- Special schemes for attract senior citizen

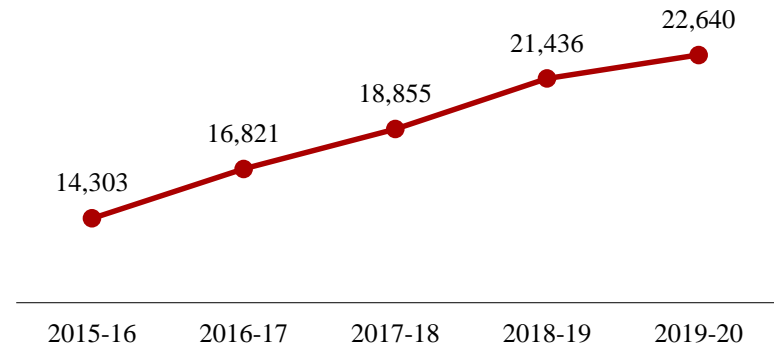


# NR Business

## Snapshot

- NR Customer Base: **3.6 Lacs**
- Demographic Spread:
  - GCC - **82%** , Rest of world - **18%**
- Remittance Tie ups: **40**
- Correspondent Banks: **12**
- Total NR Portfolio: **Rs. 22,640 crores**
- Market Share ( Kerala ) - **10.2% (SLBC data Sept 19)**
- NR RM's deputed abroad: **12**

## NR Portfolio



## Highlights

- Past 4 Years Portfolio grew by Rs. 8,337 cr from Rs. 14,303 cr to Rs. 22,640 cr
- FY 19-20 Portfolio grew by Rs. 1,204 cr to reach Rs. 22,640 cr as on Sep 2019
- Average growth of Rs. 2,400 cr per year
- Ratio of NR Deposit to Total Deposit of the Bank has grown from 23% to 27% in the last 5 years

## Critical Success Factors

- 45,000 fresh NRI accounts are added on an average every year
- Representative office at Dubai opened on April 2018
- NRI Meets abroad – 5, Inside India – 10, on yearly basis
- Tie-ups for Transit Stay facility near airports for NR HNI customers
- NRI Support desk – One stop solution for NR customers
- Door step courier pick up facility for NR customers to open accounts

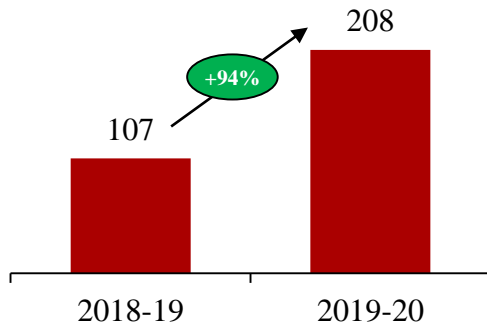
## Going Forward

- NR Deposit is expected to grow by Rs. 35,660 cr to reach Rs. 58,300 cr by 2024
- To expand the Bank's presence abroad by increasing the number of NR RMs to 20 by next FY

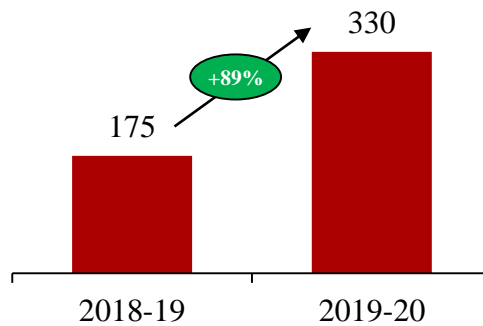
# Prime Banking

SIB Prime Platinum and SIB Prime are the exclusive Priority Banking services offered to our HNW customers since 2018

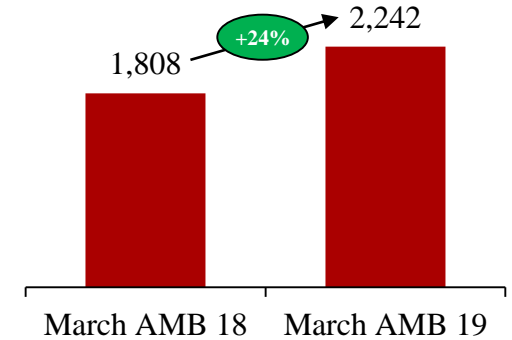
## PRIME CUSTOMERS (in '000s)



## PURPLE BRANCHES



## PRIME CUSTOMER'S SAVING BOOK GROWTH

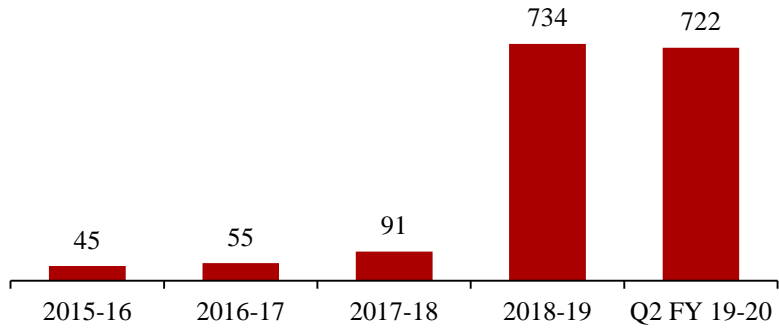


Critical Success Factors	Initiatives	Way forward....
<p><b>Family Accounts</b> (Customer to Group Ratio 3.00) 21% value growth in Family Grouped accounts during 2019-20</p>	<p><b>Virtual RM</b> - Regular engagement with 76,000 Prime Customers for deepening, product holding &amp; cross selling</p>	<p><b>NTB sourcing</b> - 2,500 A/c's per Qtr. with ATS of Rs. 7-8 lakhs form current rate of 1500 per Quarter</p> <p><b>Product Holding</b> 4.00 per customer by 2020-21 from current 2 per customer</p>
<p><b>Prime Portfolio</b> Prime Portfolio of Rs. 9,265 cr is 58% of Banks Savings Portfolio of Rs. 16,015</p>	<p>New Products/ Tie ups exclusively designed for HNI clientele- Rupay Select Debit Card, International Airport Lounge Access, Airport Pick &amp; Drop for HNI NR Customers</p>	<p><b>Number of Purple Branches</b> 450 branches from current 330 (Purple Br- Branches having RMs with more than 150 HNW Prime customers)</p>

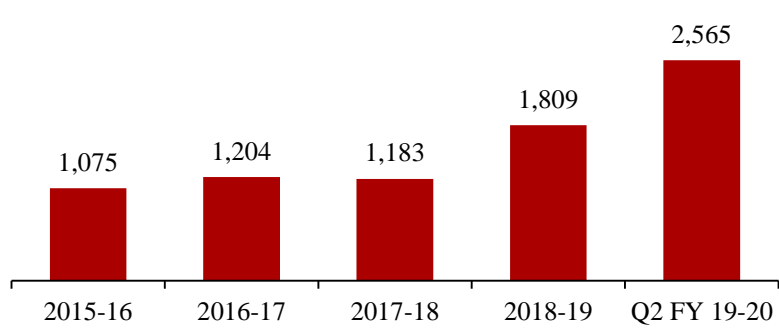
# Government Business

**A specialized Government Business Division (GBD) was institutionalized at RBD (2018)**

## GB CASA Business (Rs. in cr.)



## TASC CASA Business (Rs. in cr.)



- Highlights**
- GB CASA EOD has grown by 244% (Value as on 31-09-2018 is Rs. 187 Cr and as on 31-09-2019 is Rs. 645)
  - TASC CASA EOD has grown by 35% (Value as on 31-09-2018 is Rs. 1,976 and as on 31-09-2019 is Rs. 2,662)

- Critical Success Factors**
- More focus and drive across Regions outside Kerala for canvassing Govt. accounts, especially for sourcing the accounts of LSGDS by GBD
  - 53 SPOCs identified for exploring the potential business on a pan India basis
  - Special drive on Digitalization project of Govt. departments

# Customer Experience Group

## Objective: High Customer Satisfaction & Cost Neutral Channel

### 1. Inbound Channel

#### Key Deliverables

- 24\*7 assistance for all products and services
- Dedicated NRI helpdesk for NRI customers
- Technical support for digital services (I-banking and Mobile Banking)
- E-Mail service for customers

#### Parameters of Performance

- Average talk time
- TAT for Email

#### Highlights

- Mirror+ activation conversion of new accounts 43%
- Debit card usage activation of new accounts 58%
- 11,424 Leads generated through CEG and converted 26.1 cr Retail loans and 17.4 lacs Insurance business

#### Critical Success Factor

- 50% activation in mirror plus and 65% activation in debit card usage for all welcome calls done through CEG
- CEG aims to achieve 35 cr RA disbursal and 30 Lacs TPP by Mar 2020

### 2. Outbound Channel

#### Key Deliverables

- On boarding of CASA customers and getting them digitally activated
- On boarding of asset customers
- Introducing Bank product/services to our new to Bank customers
- Time to time campaign calls for service and Bank offerings

#### Parameters of Performance

- Connectivity on welcome calls
- Leads generated
- Digital Activations

# Insurance Business

## Life Insurance Partners

- SBI Life Insurance
- Kotak Mahindra Life Insurance
- LIC of India

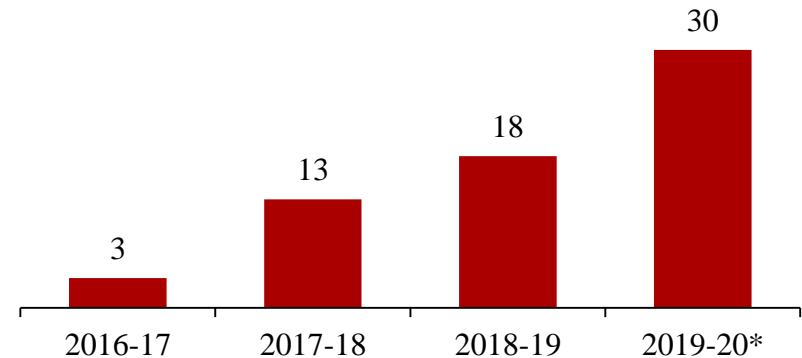
## Health Insurance Partners

- Max Bupa Health Insurance
- Manipal Cigna Health Insurance

## General Insurance Partners

- Bajaj Allianz General Insurance
- New India Assurance
- Bharti AXA General Insurance

## Income Achievement & Projection



## Highlights

- **PSM Channel:** Product Sales Managers deployed at 10 regions exclusively looking after Insurance and other Third party products. The initiative has helped us grow by 40% which is significantly better than the market rate
- **YOY Growth** of 48% in commission and 42% in premium collected
- **Mutual Fund** AUM crossed 116Cr and registered more than 100% growth (63Cr growth from 2017) .

## Critical Success Factor

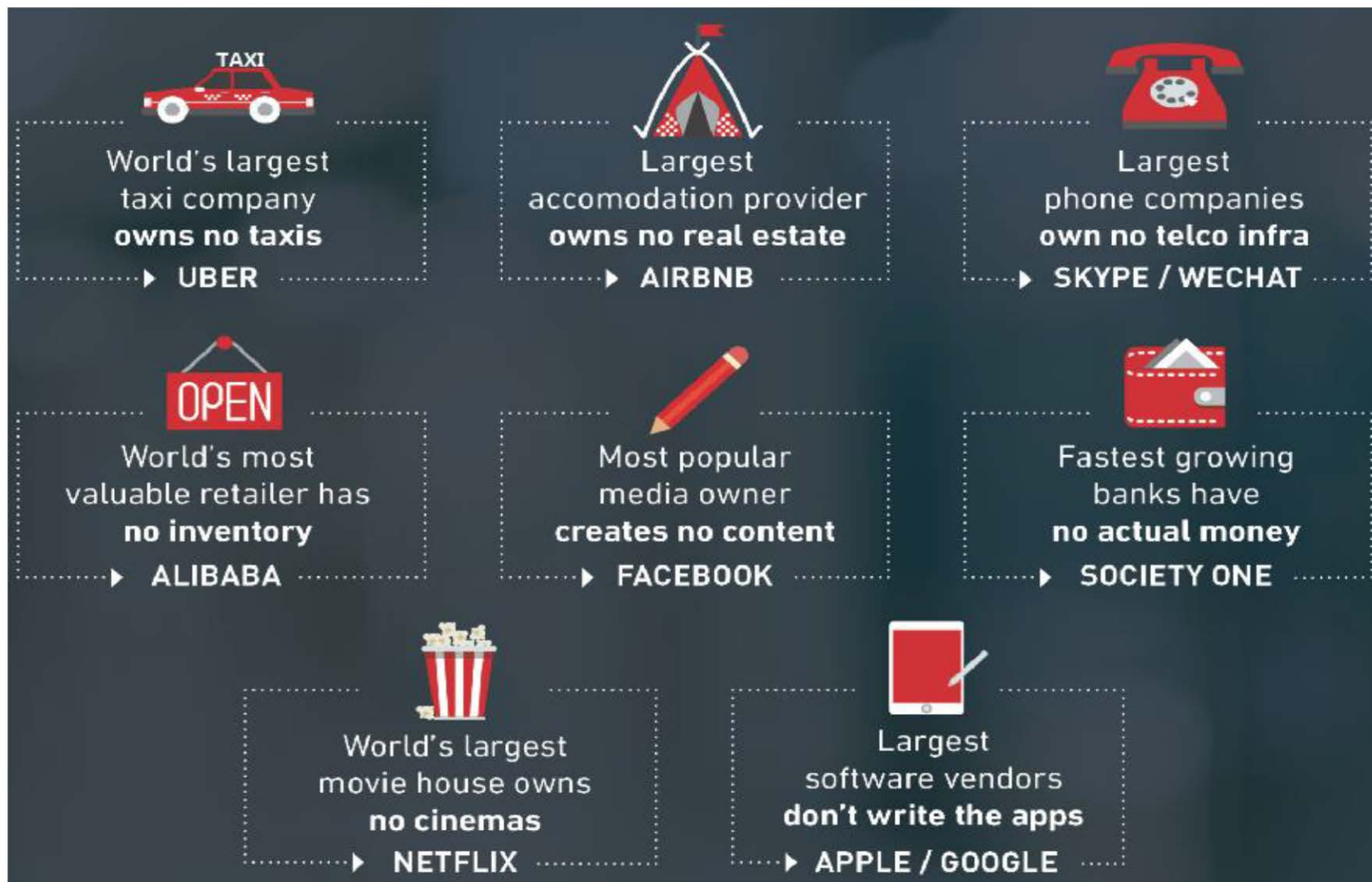
- **Score Card:** Score cards have been implemented for all staff members ,the same will have a direct impact on their performance linked incentive scheme and Promotions
- **BI Analytics:** Outflow Analytics data being shared with Branch for identifying potential leads and prevent income leakage
- **Contests Driven By Bank:** Mission 2020, an Insurance contest for all staff members
- **Specified Person Drive:** As on date, we have crossed 1,200 Specified persons ensuring ethical sales at branches
- **Channel wise strategies:** Various Channels such as RM channels, BDO Channels and NRI relationship Managers have been instructed to specifically engage customers for business generation



## ***South Indian Bank - Digital Banking***

***- Mr. Sony A.  
(Head, Digital Banking)***

# Digital Disruption Has Already Happened





# India Digital Story

**Total No. of Wireless Subscribers**

**117 Cr.**

**Total No. of Aadhaar Cards**

**124 Cr.**

**Indians with Internet Access**

**55 Cr.**

**Active Internet Users**

**49 Cr.**

**Urban**

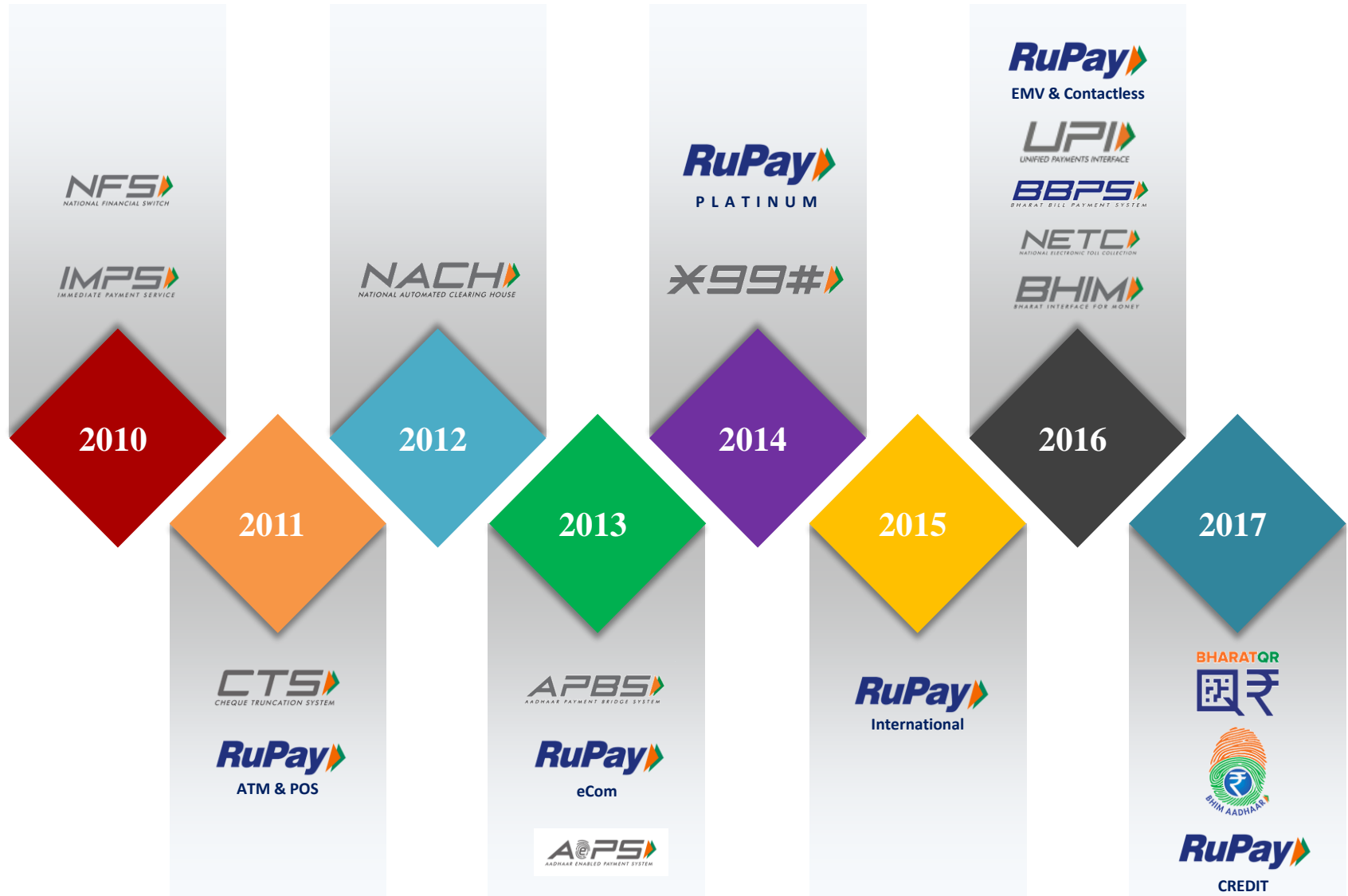
**29 Cr.**

**Rural**

**20 Cr.**

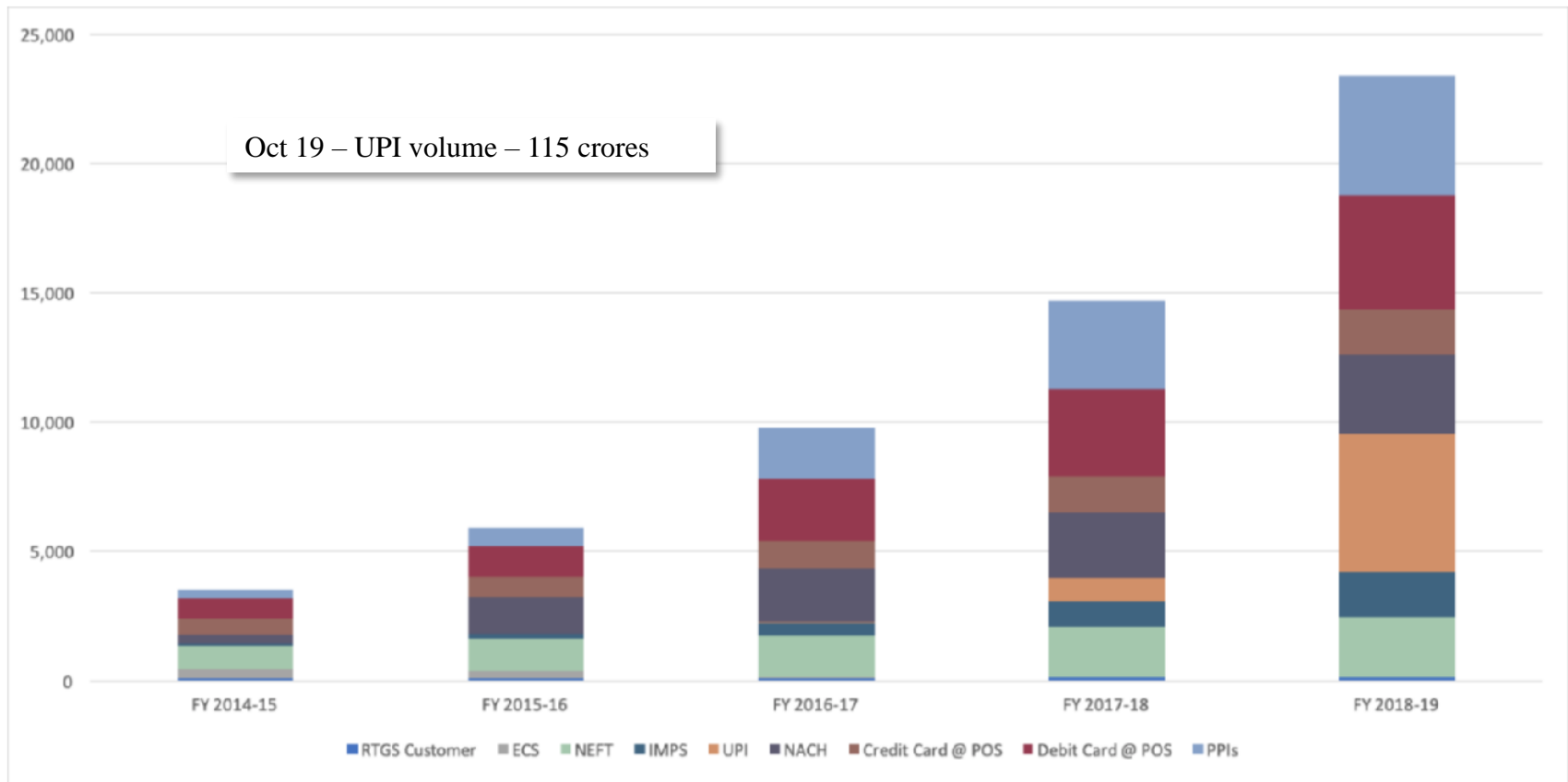


# Payment Options in India



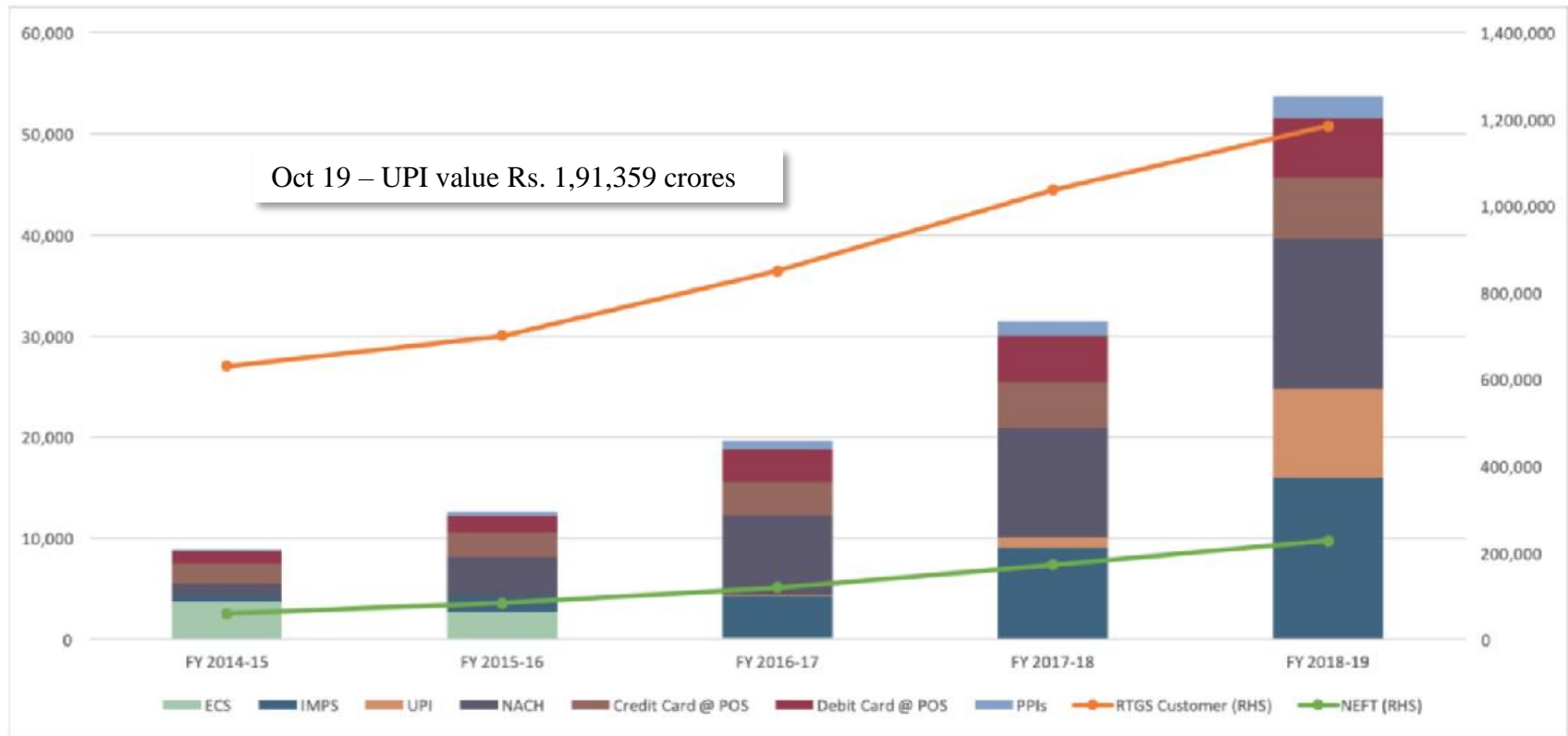
# Digital Payment in India - Volume

*Figures in Millions: FY 2014-15 → FY 2018-19*



# Digital Payment in India - Value

*Figures in Billions: FY 2014-15 → FY 2018-19*





**1.**

**Strong Technology Platform**

**2.**

**Expanding Digital Capabilities**

**3.**

**Governance, Risk, Compliance**

**4.**

**Awards & Testimonials**



1.

**Strong Technology Platform**

2.

Expanding Digital Capabilities

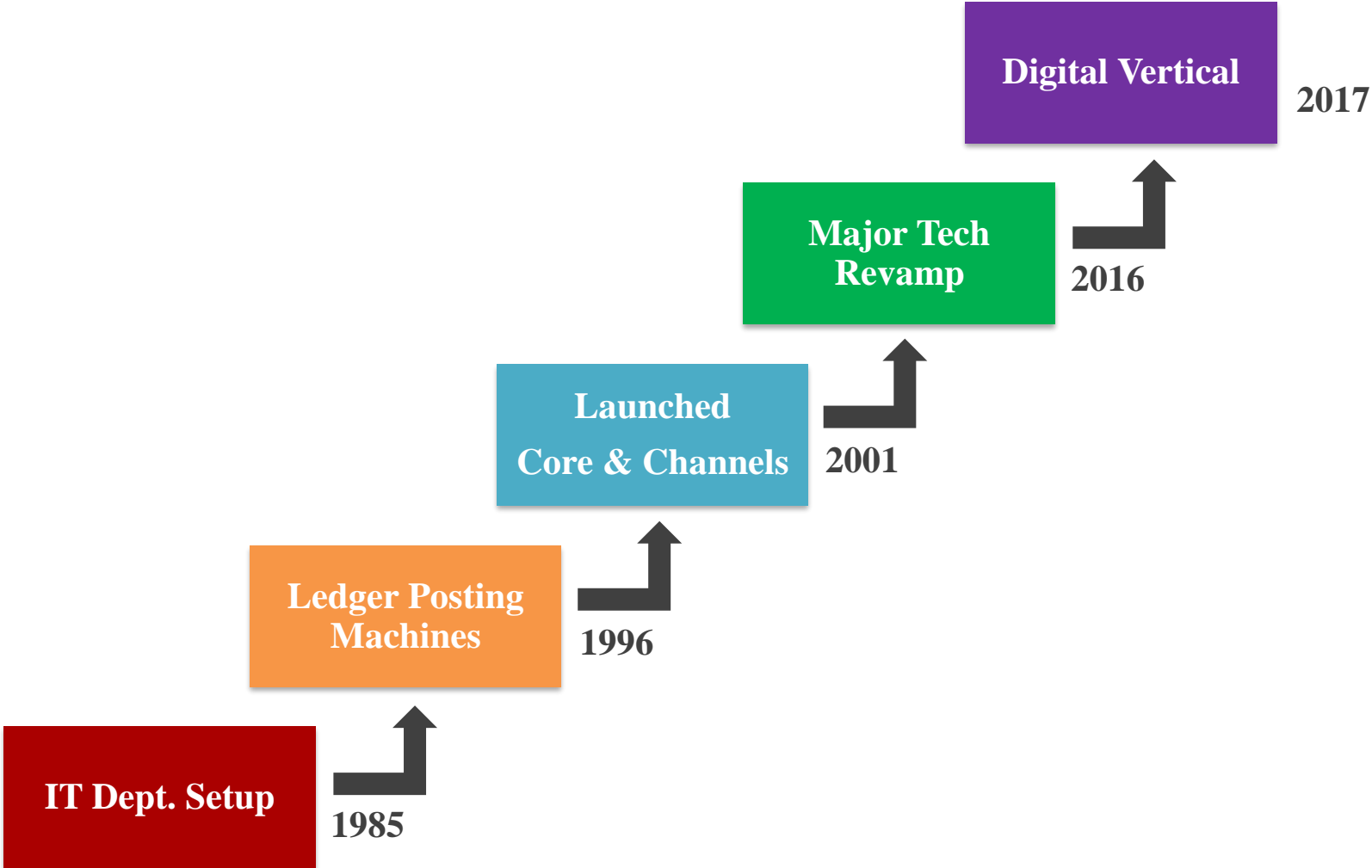
3.

Governance, Risk, Compliance

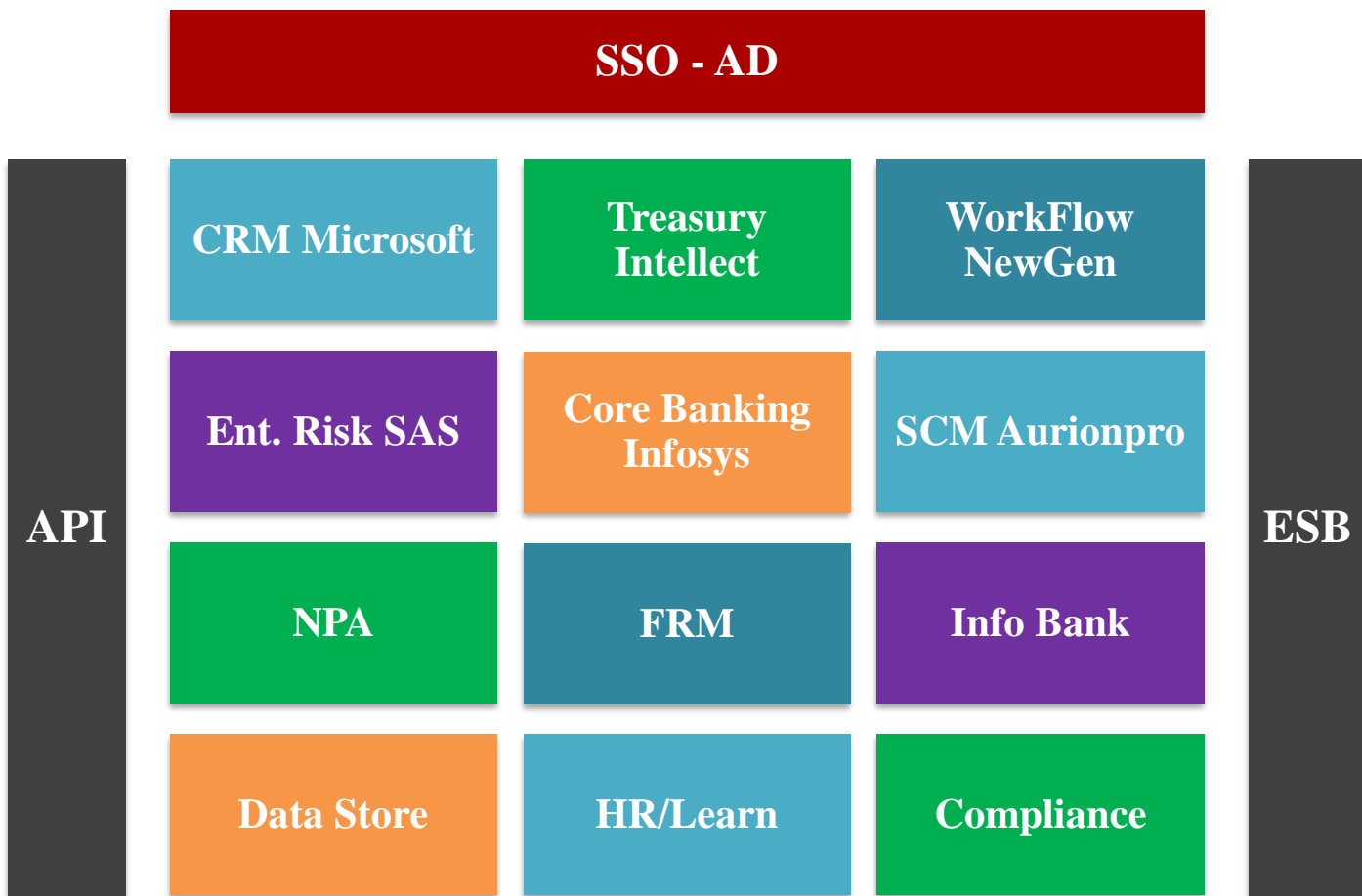
4.

Awards & Testimonials

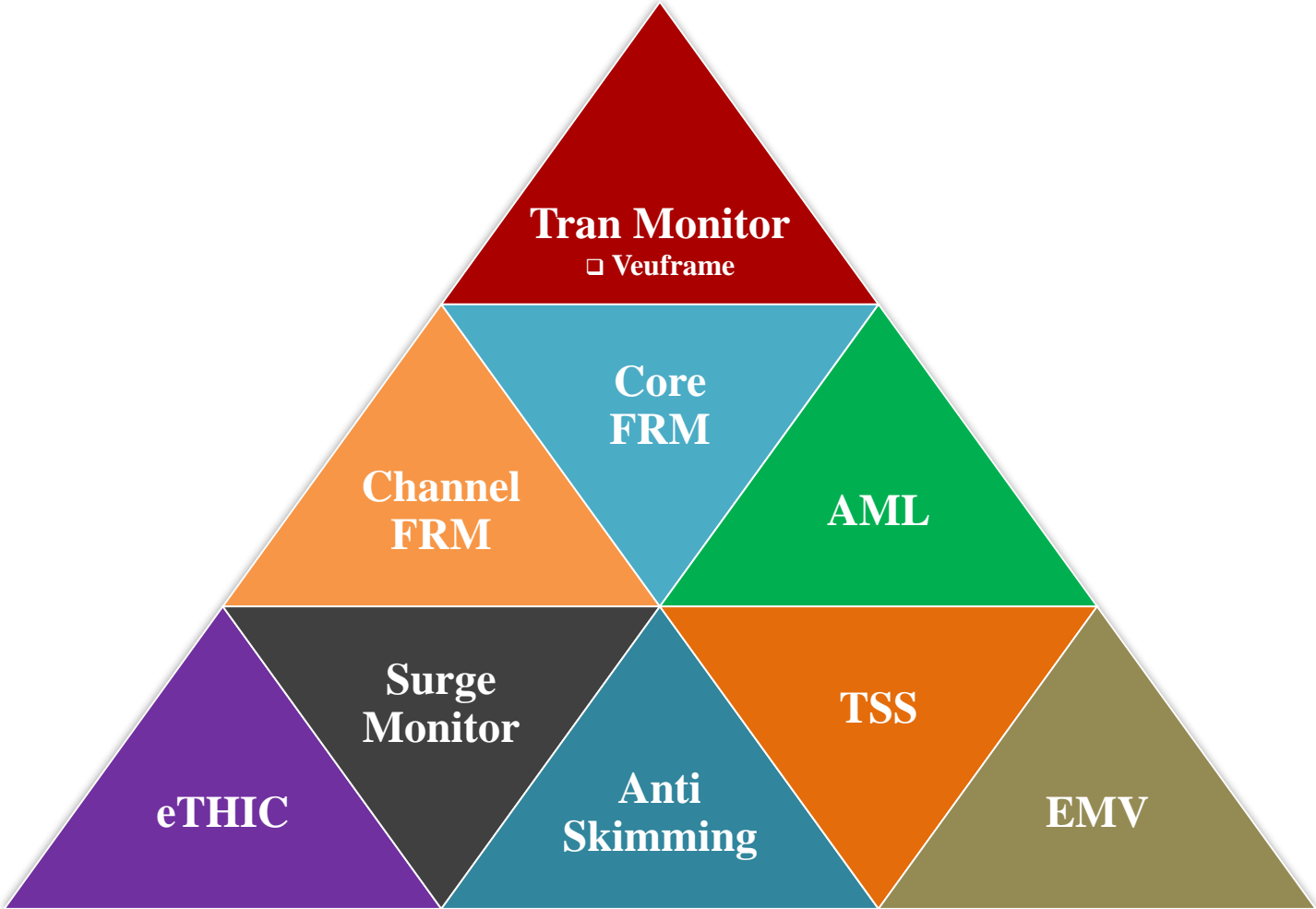
# Technology Footprint



# Core Application Stack



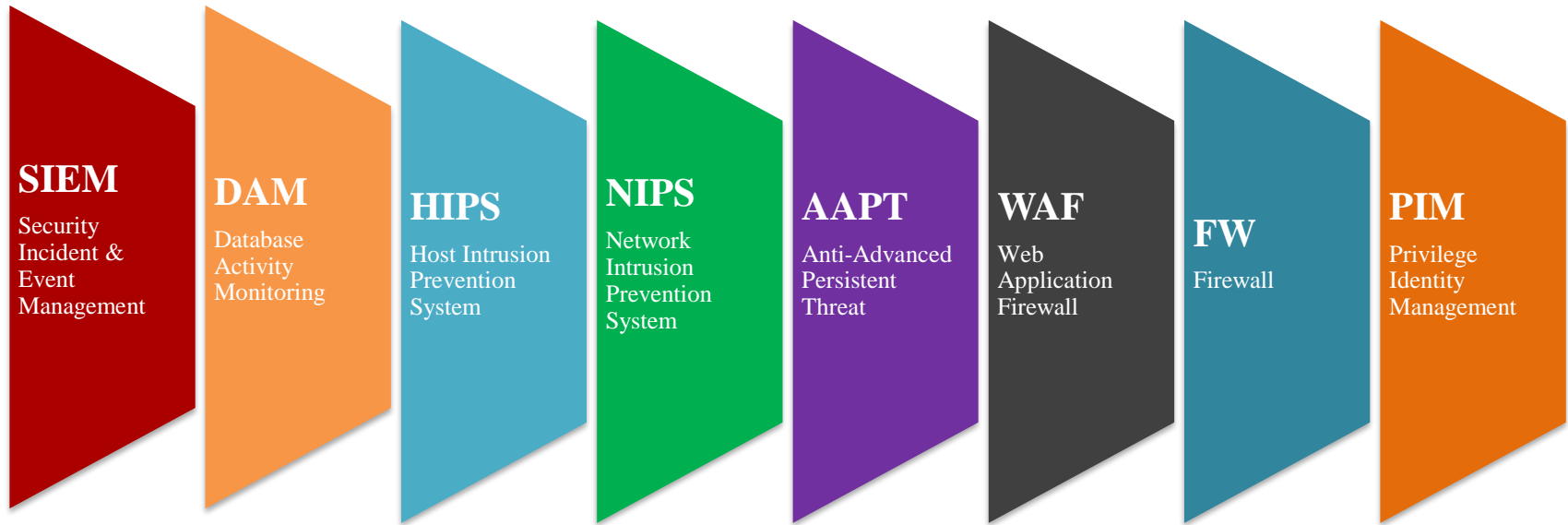
# Fraud Detection / Prevention Systems



TSS – Terminal Security Solutions, EMV, Anti Skimming etc. enforces security in ATMs



# Security Operation Centre



# Physical Infrastructure



# Data Centre & DR Site



Data Centre - (Tier III + standards compliant)

Connected to all service outlets over a robust MPLS network with built in redundancy

Core Infra – ORACLE RISC servers, HITACHI Storage supporting 3 site architecture

BMS from Siemens - CCTV Surveillance, Fire suppression system, Smoke detection system, Water Leakage Detection Systems, Biometric access etc.

ISO 9001:2008 certified

4000 Sq. Ft, 44 server racks and 13 network racks having around 300 servers for hosting more than 60 applications

# Data Centre & DR Site



DR Site is hosted at Bangalore at the premises of Airtel & a near line DR site at Kochi.

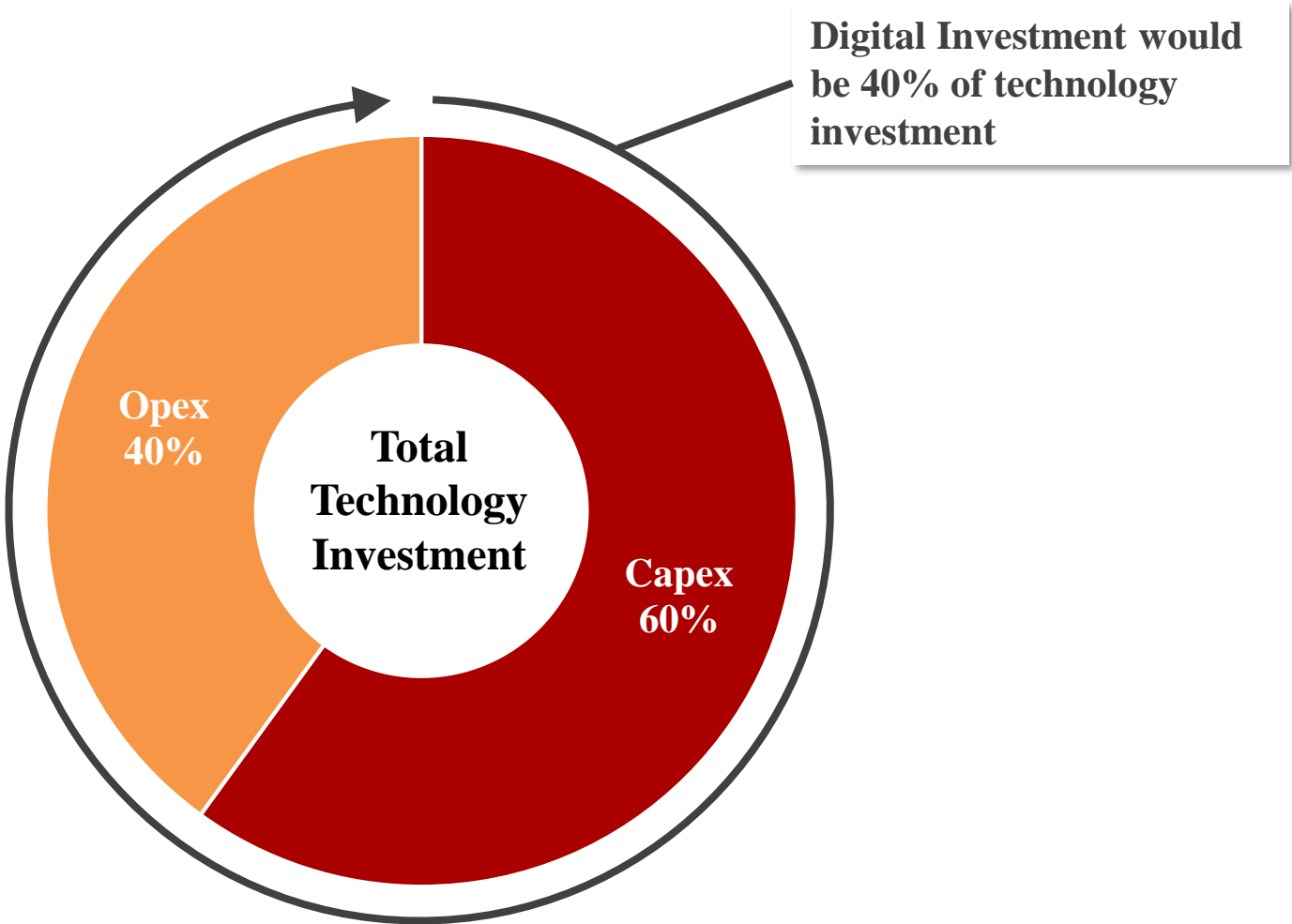
High speed cutting edge technology implemented for network in DC/DR

All efforts have been taken to ensure adherence to green norms, lowest power consumption etc.

Server and Storage Virtualization already implemented for large number of applications (400 VMs running)

Cloud Adoption Strategy for non-critical applications (email, select applications)

# Digital Investment





1.

Strong Technology Platform

2.

Expanding Digital Capabilities

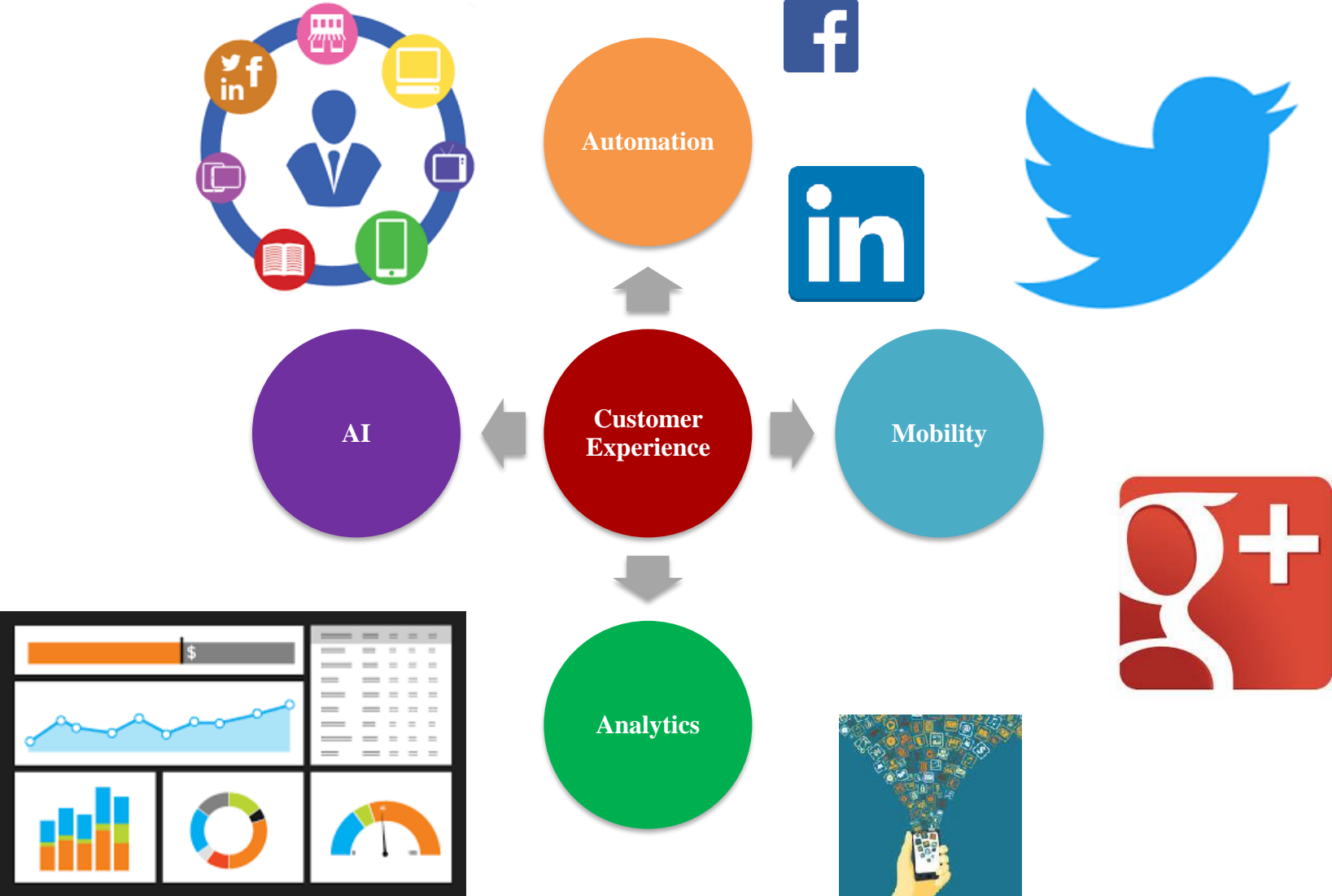
3.

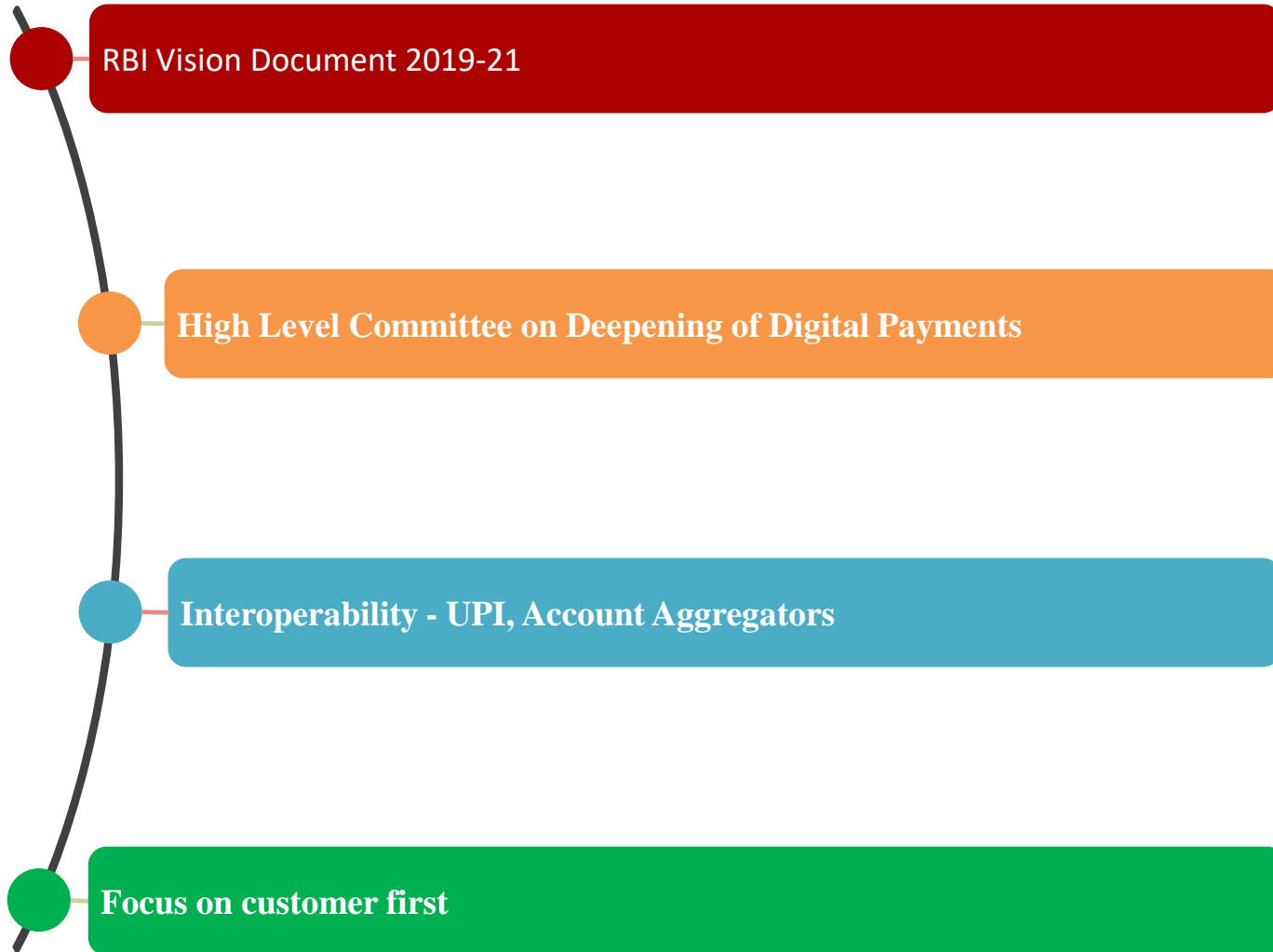
Governance, Risk, Compliance

4.

Awards & Testimonials

# Digital – The New Paradigm







# India Digital Story

South India Bank 23092019



भारतसरकार  
Government of India  
इलेक्ट्रॉनिक्स और सूचना प्रौद्योगिकी मंत्रालय  
Ministry of Electronics & Information Technology

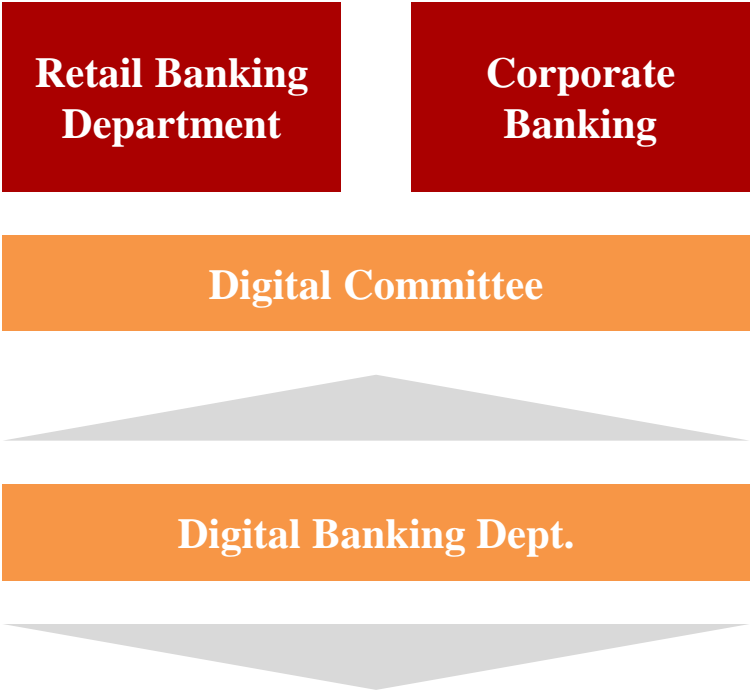
## Individual Bank's Summary as on 31st July 2019

#	Banks Name	% Digital Transactions Achievement	% of Merchant Deployment	% of active Merchant in Urban area of Data	Average % of TD (UPI)	Average % of TD (AePS)	Overall Score	Banks Performance Categorisation Overall Score
1	HDFC BANK	110.37%	70.55%	40%	0.40%	3.90%	71	Good
2	FINO PAYMENTS BANK LIMITED	196.92%	100.00%	75%	0.74%	3.89%	70	Good
3	PAYTM PAYMENTS BANK LIMITED	102.01%	100.00%	76%	0.03%	Not Live	69	Good
4	HSBC	156.75%	NA	NA	0.34%	Not Live	67	Good
5	KICI BANK	95.57%	15.40%	49%	0.16%	4.93%	67	Good
6	IDBI BANK	100.03%	27.39%	42%	0.30%	7.40%	65	Good
7	CANARA BANK	97.47%	100.00%	5%	1.43%	4.71%	65	Good
8	AXIS BANK	101.67%	7.04%	44%	0.36%	4.07%	60	Average
9	SBS BANK	116.00%	NA	NA	0.55%	Not Live	58	Average
10	INDUSIND BANK LTD.	102.42%	9.49%	42%	0.49%	63.99%	57	Average
11	KOTAK MAHINDRA BANK	96.73%	27.92%	16%	1.74%	1.93%	57	Average
12	STANDARD CHARTERED BANK	84.03%	NA	NA	1.34%	Not Live	57	Average
13	STATE BANK OF INDIA	90.39%	32.28%	31%	1.75%	3.60%	56	Average
14	CITI BANK	86.22%	NA	NA	2.04%	Not Live	56	Average
15	SOUTH INDIAN BANK LTD.	104.18%	20.02%	41%	0.03%	7.31%	55	Average
16	KARNATAKA BANK	114.06%	1.08%	0%	1.27%	2.23%	54	Average
17	JAMMU AND KASHMIR BANK LTD	119.33%	80.04%	78%	2.73%	2.13%	53	Average
18	AIRTEL PAYMENTS BANK	89.37%	33.27%	31%	0.40%	Not Live	53	Average
19	RBL BANK	82.53%	100.00%	85%	1.92%	33.74%	53	Average
20	BANK OF INDIA	116.19%	1.30%	41%	4.04%	2.45%	52	Average
21	ANDHRA BANK	104.70%	0.57%	73%	0.93%	2.07%	52	Average
22	TAMILNAD MERCANTILE BANK	100.09%	1.96%	84%	6.86%	3.27%	52	Average
23	CENTRAL BANK OF INDIA	97.00%	0.80%	0%	0.78%	2.52%	52	Average
24	YES BANK	132.09%	0.00%	Data Not Shared	0.03%	2.56%	51	Average
25	KARUR VYSYA BANK LTD.	111.39%	2.76%	57%	1.26%	9.36%	51	Average
26	FEDERAL BANK	108.95%	10.21%	20%	0.66%	Not Live	51	Average
27	BANK OF MAHARASHTRA	100.92%	14.86%	22%	3.24%	6.51%	51	Average
28	SYNDICATE BANK	97.76%	100.00%	31%	7.84%	19.10%	51	Average
29	CITY UNION BANK	96.73%	2.98%	4%	1.34%	2.27%	51	Average
30	IDFC FIRST BANK	80.34%	0.00%	Data Not shared	1.02%	2.32%	50	Average



23-04-2019

# SIB Digital – Key Internal Stakeholders



- BI & Analytics
- Finance
- Infosec
- ITOD
- Compliance
- Legal
- Risk

# SIB Broad Digital Strategy

**Enrich Sales Service Channel**

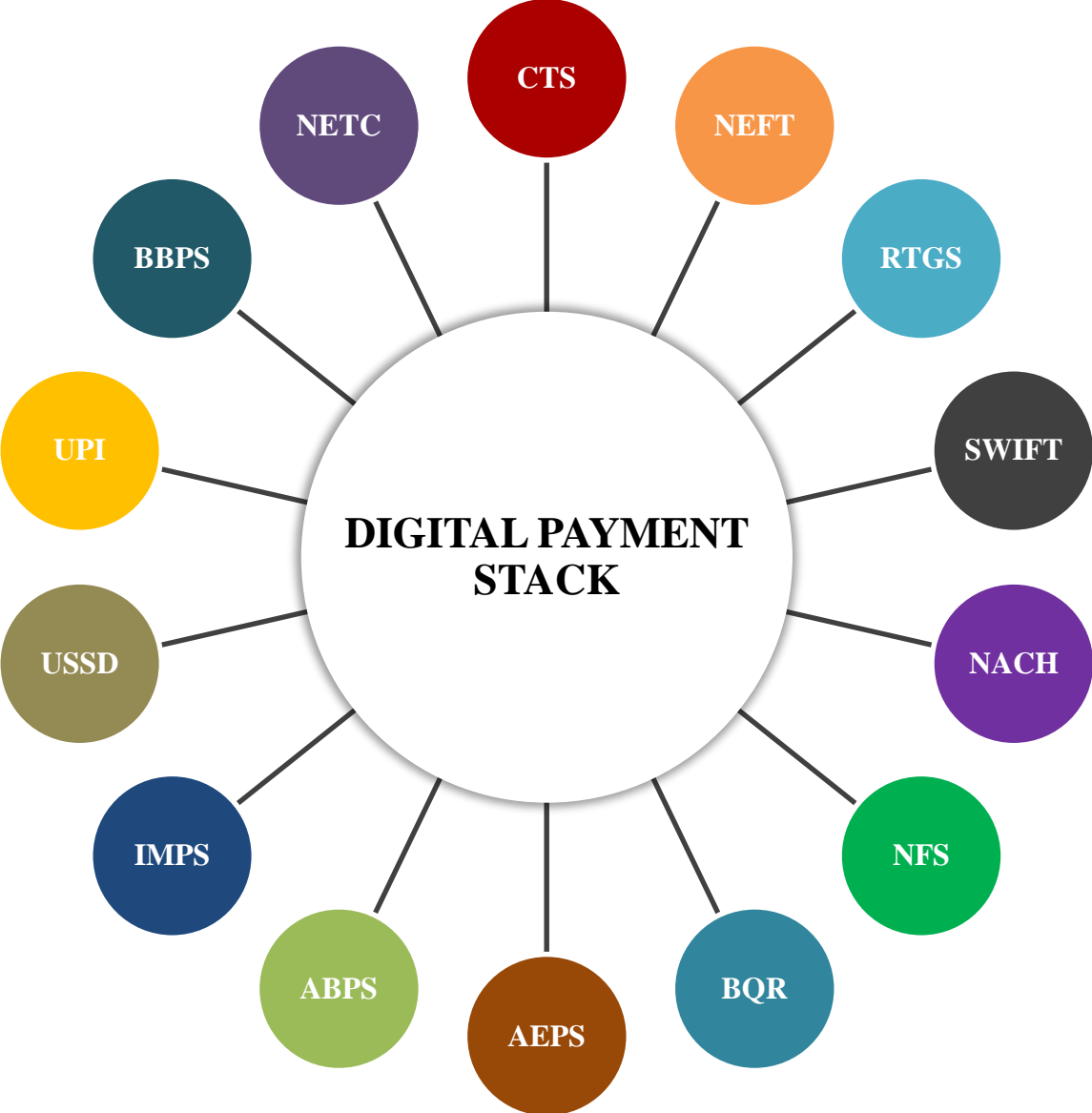
**Empower Branches – Assisted Digital**

**Digitise and Automate Backend  
processes for better customer  
experience**

# Customer Digital Touchpoints



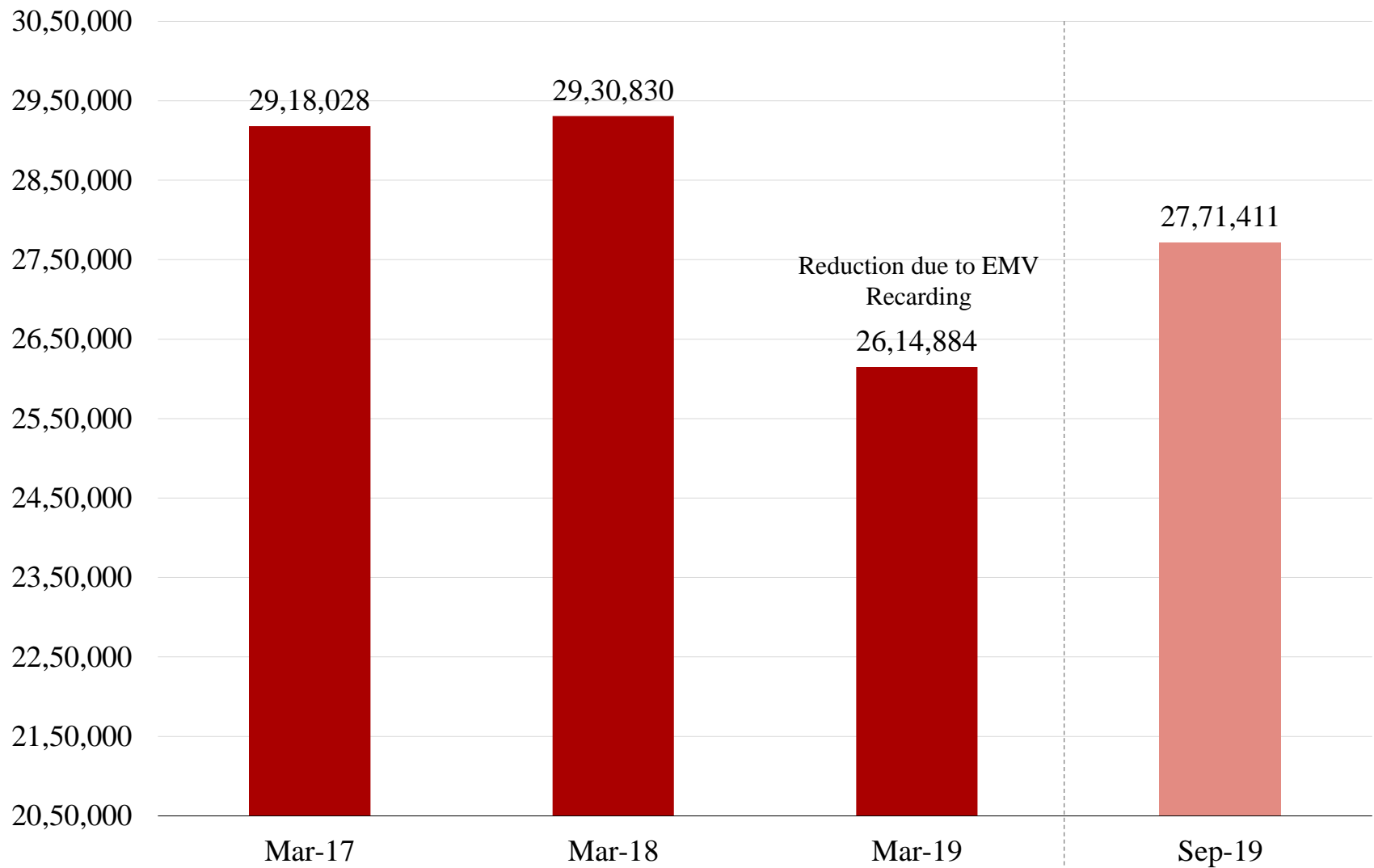
# Digital Payment Capabilities



# Cards



# Card Growth (Activated Unique Customers)



# Digital Offerings (Internet/Mobile) to Retail Customers



## Online Features – A Comparison

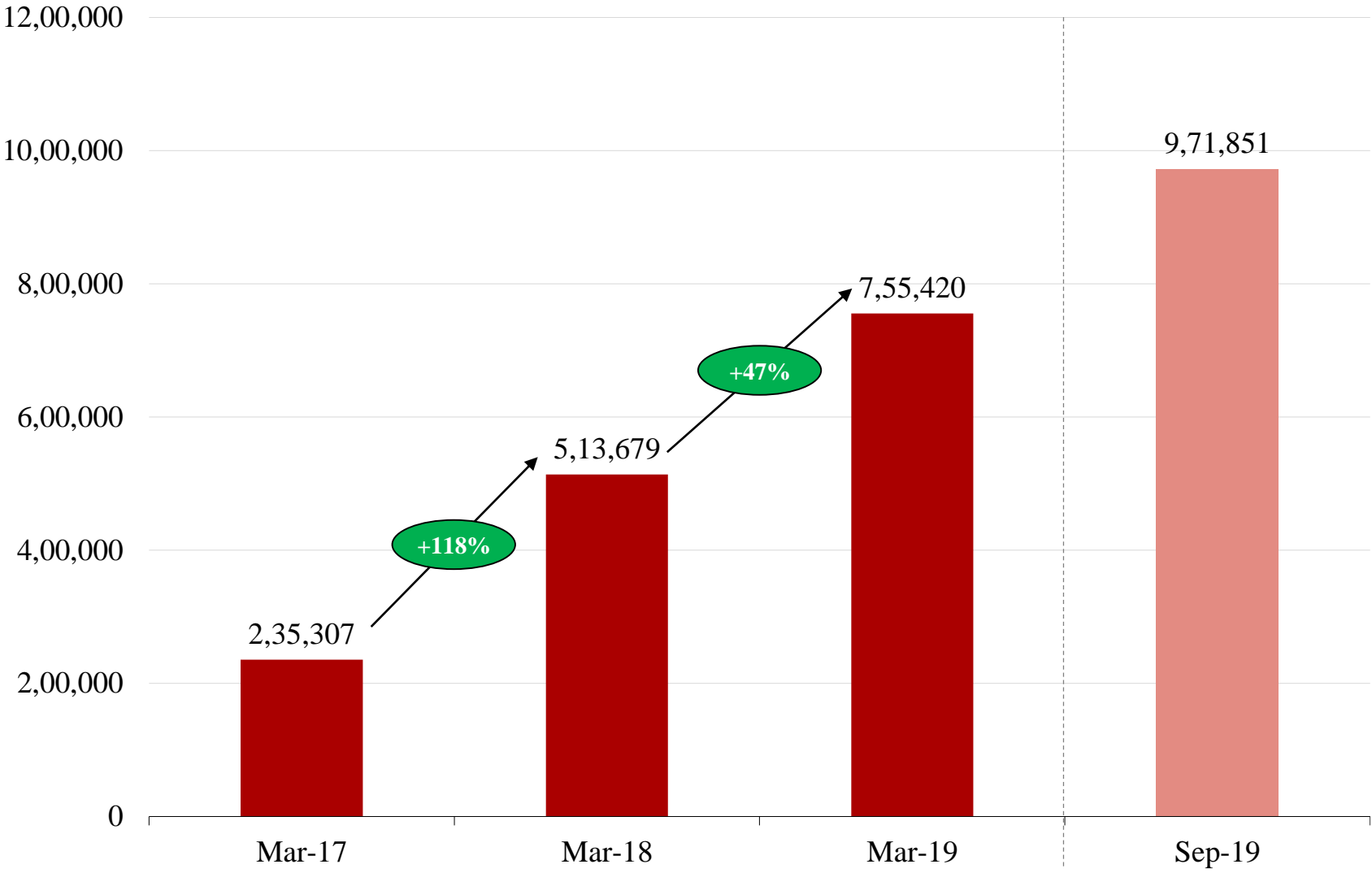
Features	SIB	SBI	Axis	ICICI
Fund Transfer	✓	✓	✓	✓
Biometric Access	✓	✓	✓	✓
Deposit Opening & Closure	✓	✓	✓	✓
Loan Against Deposit & Pre Approved Personal Loan	✓	✓	✓	✓
Digital E Lock	✓			
Tax Management	✓	✓	✓	✓
Bill Payments	✓	✓	✓	✓
Debit Card & Cheque Book Management	✓	✓	✓	✓
Mutual Fund Investment	✓	✓	✓	✓
ASBA / Equity Investment	✓	✓	✓	✓
Online Shopping / QR	✓	✓	✓	✓



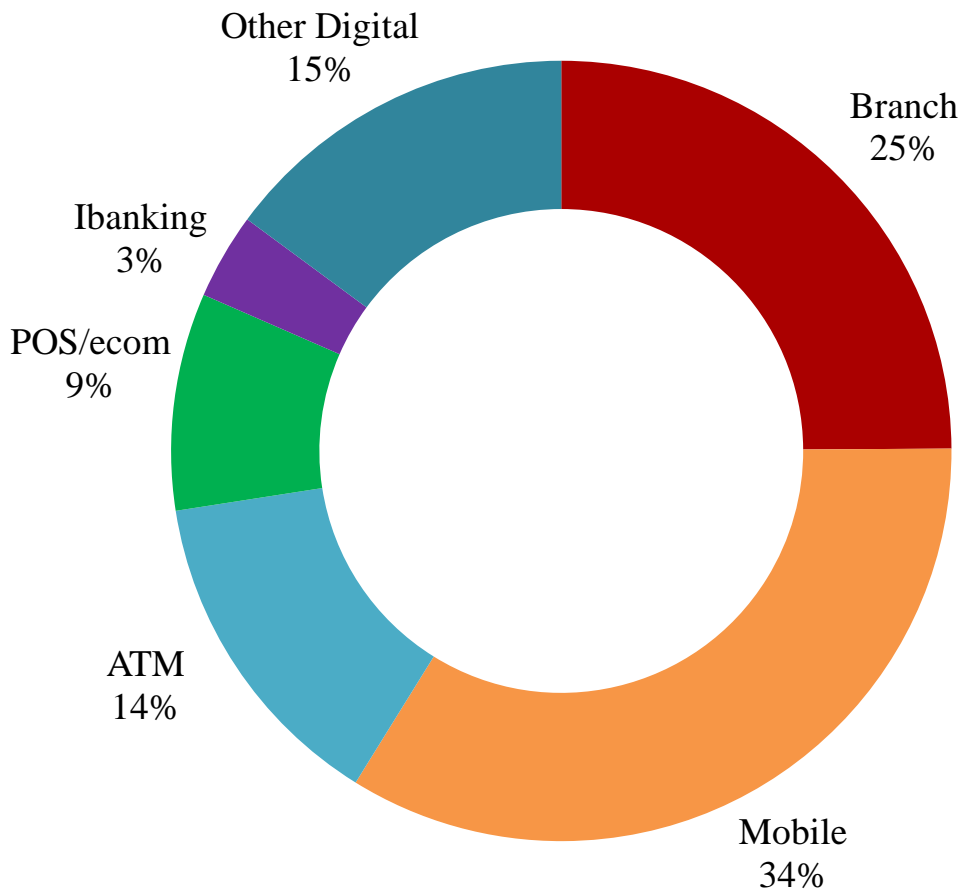
# Digital Offerings to Business Customers



# Mobile Banking Growth (Activated Unique Customers)

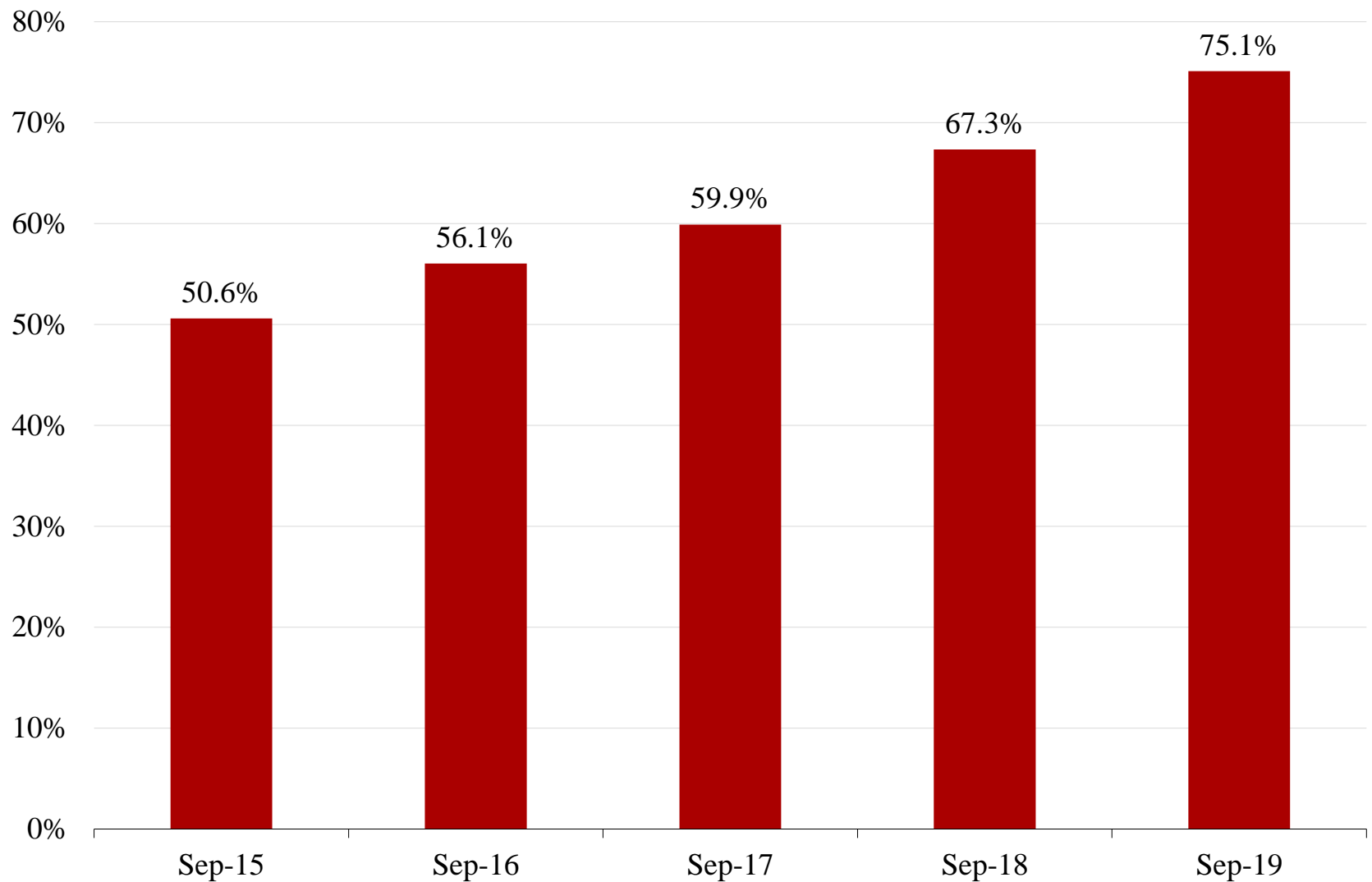


# Avg Daily Tran Breakup - Sep 2019

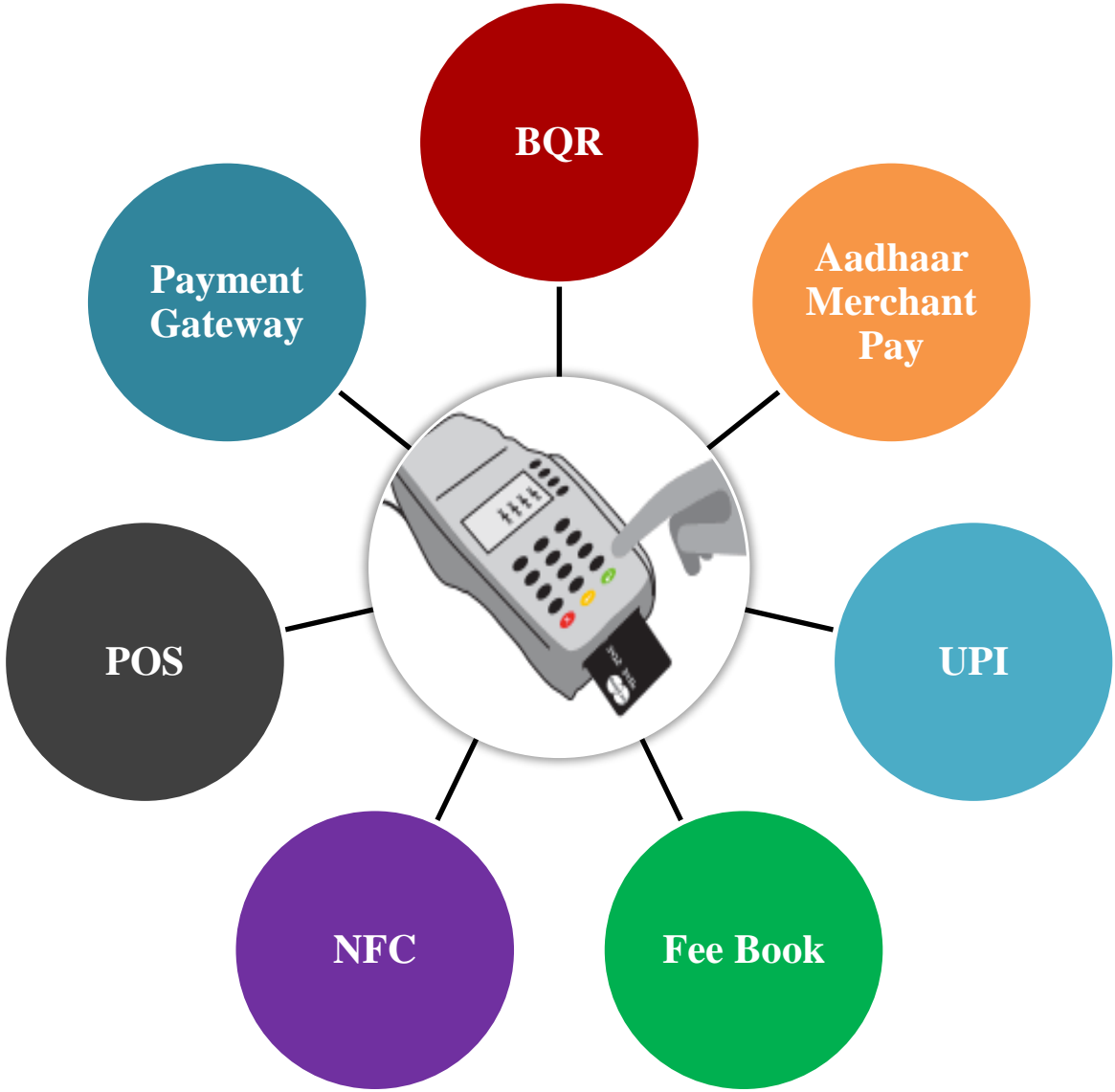


<b>Digital</b>
<b>75.10%</b>
<b>6.52 Lakh</b>
<b>Branch</b>
<b>24.90%</b>
<b>2.43 Lakh</b>

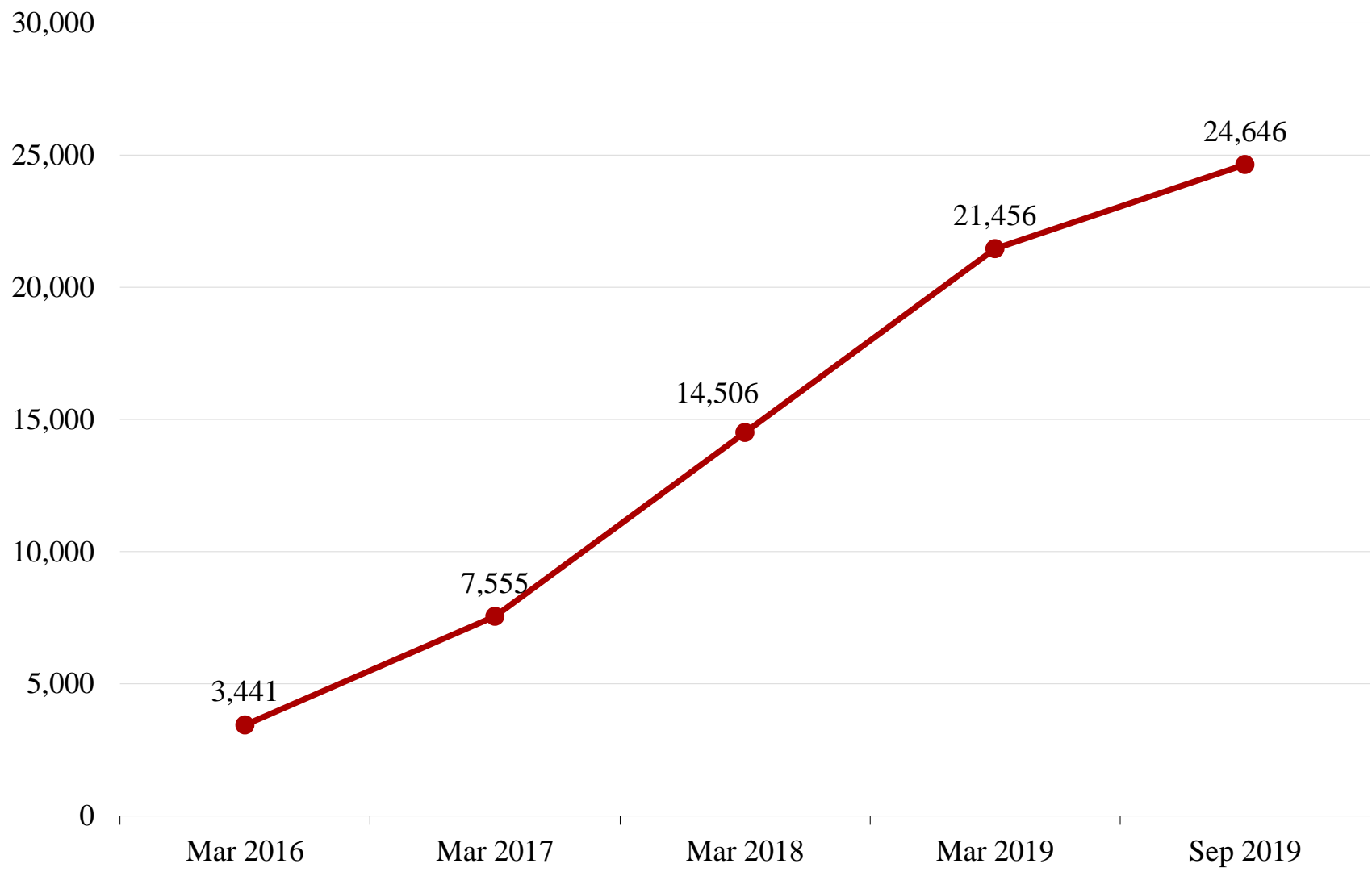
# Digital Transaction %



# Merchant/Business Acquiring

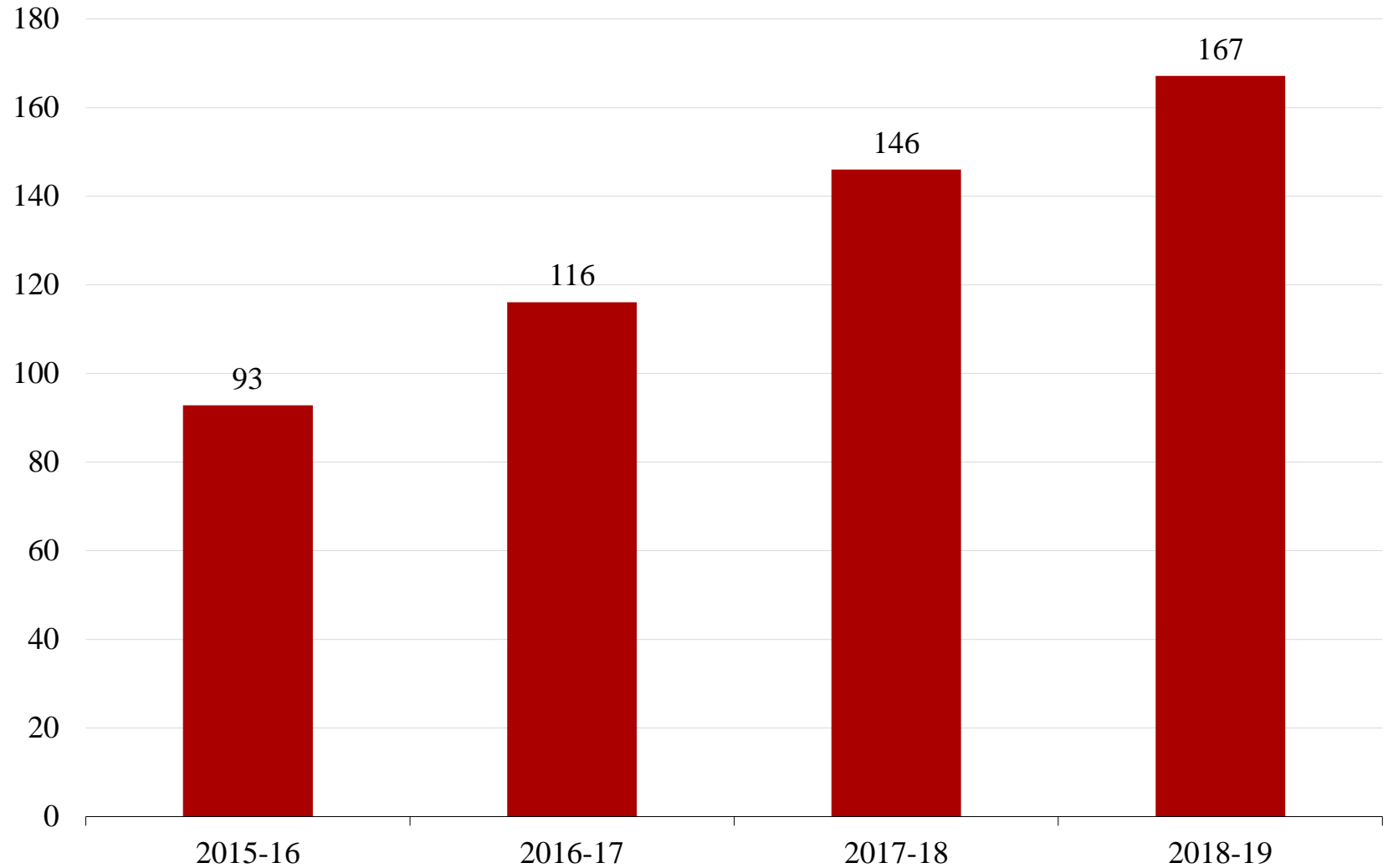


# Merchant Payment Outlets (POS & Digital)



# Digital Income Growth

*Rs. in Cr.*



## Do It Yourself Using Aadhaar – DIYA



**Digital On boarding**

**TAB based on field**

**App Based App A/c Opening\***



# Assisted Digital – KIOSKS

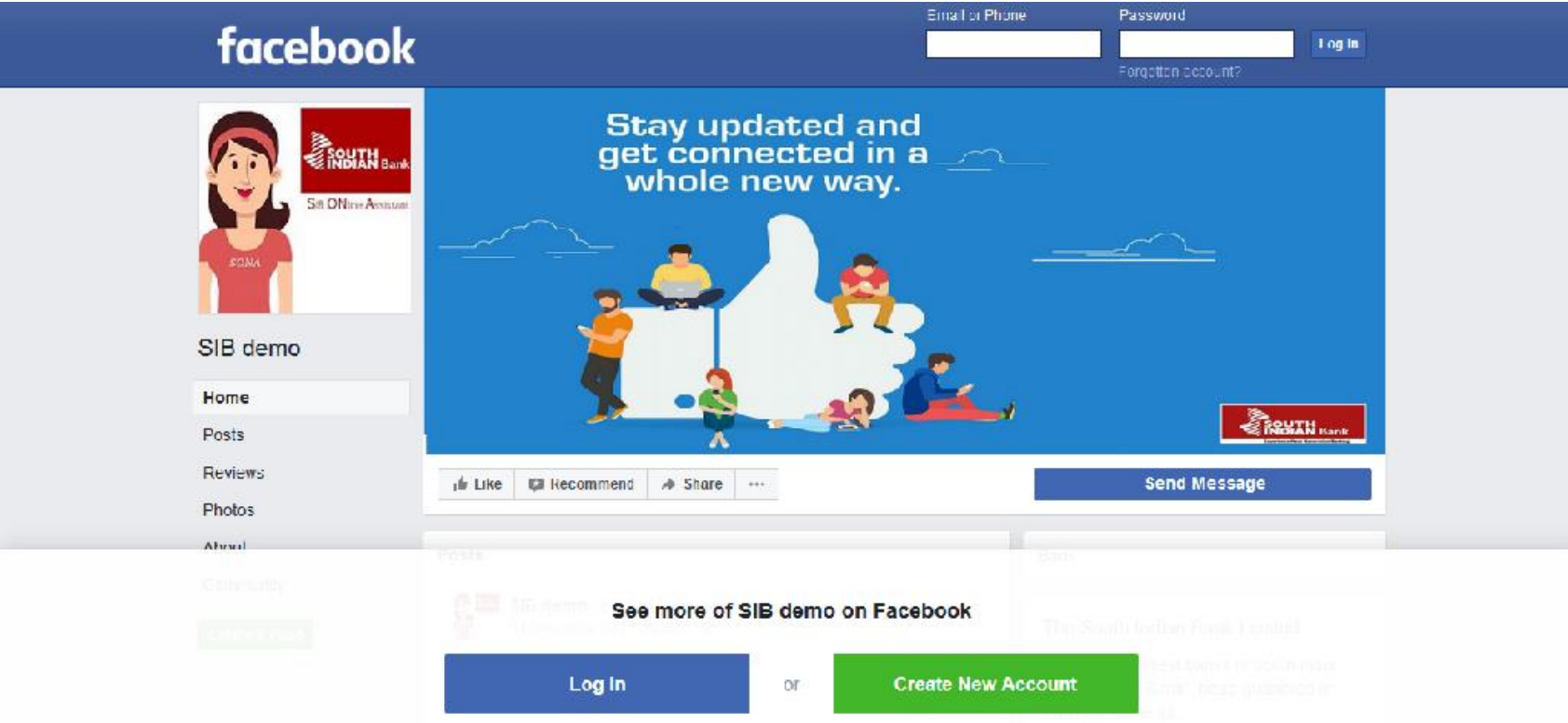
**Self Passbook  
Kiosk**

**A/c Op + Cheque  
Deposit Kiosk**



# Digital – AI

## **SONA – SIB Online Assistant (Chatbot - AI)**



# Digital Centralisation

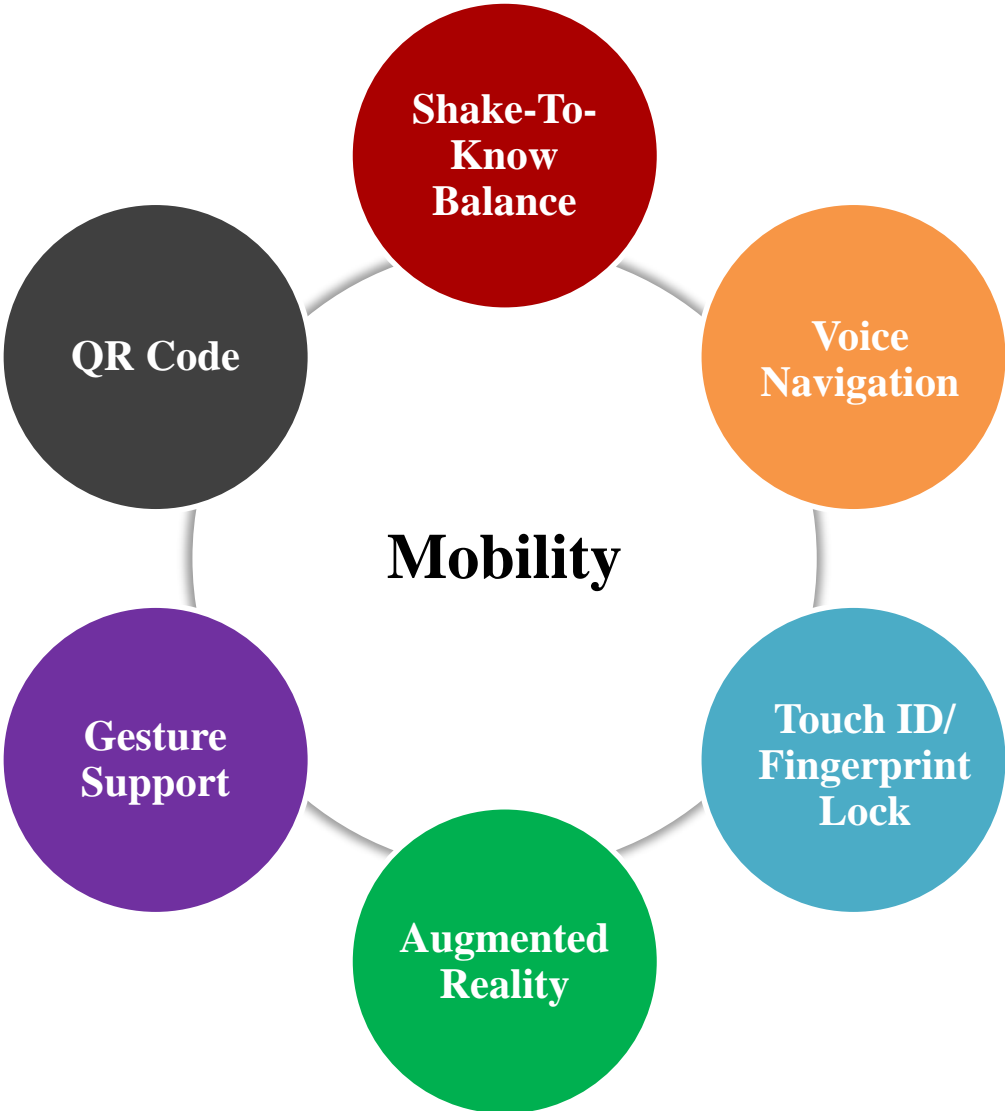
- Liabilities & Retail Assets Opening - Process fully centralised & digitised
- Business Process Management suite from Newgen for
  - Workflow Management
  - Document Management
- Helps standardisation of operations
- Improved compliance
- Brings down cost due to outsourcing of routine activities
- Revamping all our customer journey processes on an ongoing basis



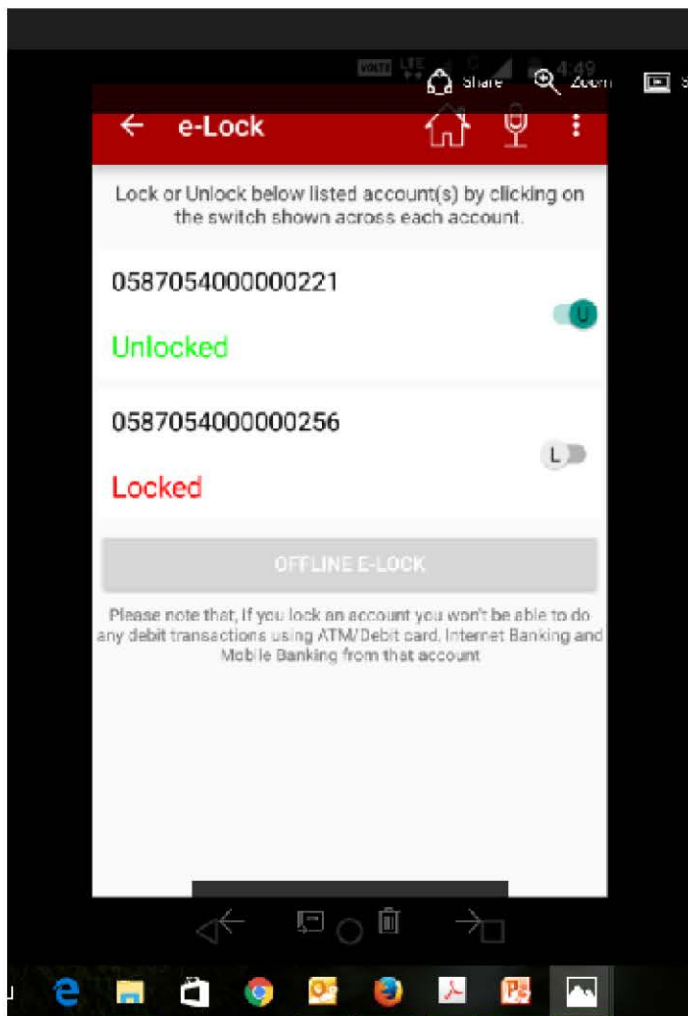
- 24 back office core processes automated
- Critical front office/back office customer based journey automated
  - Cross Border Inward remittance
  - Instant Card Activation
  - Recon related processes to speed up TAT
- More customer backend processes being automated



# Innovations



# Innovations – e-lock



# Innovations – SIBermart

**FIND THE  
BETTER DEAL  
AMONG THE  
BEST DEALS.**



Your online shopping begins here

An online portal from South Indian Bank that lets you compare prices listed on e-commerce websites.

# Innovations – Blockchain

- Block Chain – gone live (in pilot mode) on Cross border remittance
- Founding member – Proposed New Blockchain Infrastructure Co. (9 banks) – Trade Finance



**HYPERLEDGER**

**c.rda**

**Digiledge**

Trust and intelligence



# Innovations – Open Banking-API

## API Connect

- South Indian Bank has rolled out Fund Transfer, Accounts, Customer, Remittance products under the API banking
- Under Fund Transfer product an entity can initiate within bank fund transfer including GST components. Additional to this user can Lift a Lien, check the balance, Inquire the lien of an account.
- Under remittance an entity can initiate inter bank fund transfer using services like NEFT,RTGS,IMPS. The customer can also check the status of the NEFT/RTGS transaction using the inquiry API.
- For the Accounts product a user can inquire the details, modify certain fields of an account. Additional to this a user can also open a pre approved loan with instant credit to the corresponding account.
- In Customer product a user can inquire his customer related details, modify certain fields etc.



IBM apiconnect

# Innovation – Analytics

- We have a new team for Analytics
- Digital Personal Loan
  - Based on analytical data models
  - 3,233 new accounts opened in a short period
  - Avg. Ticket Size - 2.23 Lakh
  - The entire process is completed within 3 clicks (3 mins)
  - Loans availed – Internet/Mobile





1.

Strong Technology Platform

2.

Expanding Digital Capabilities

**3.**

**Governance, Risk, Compliance**

4.

Awards & Testimonials

## **IT Governance**

### ***Board Committees***

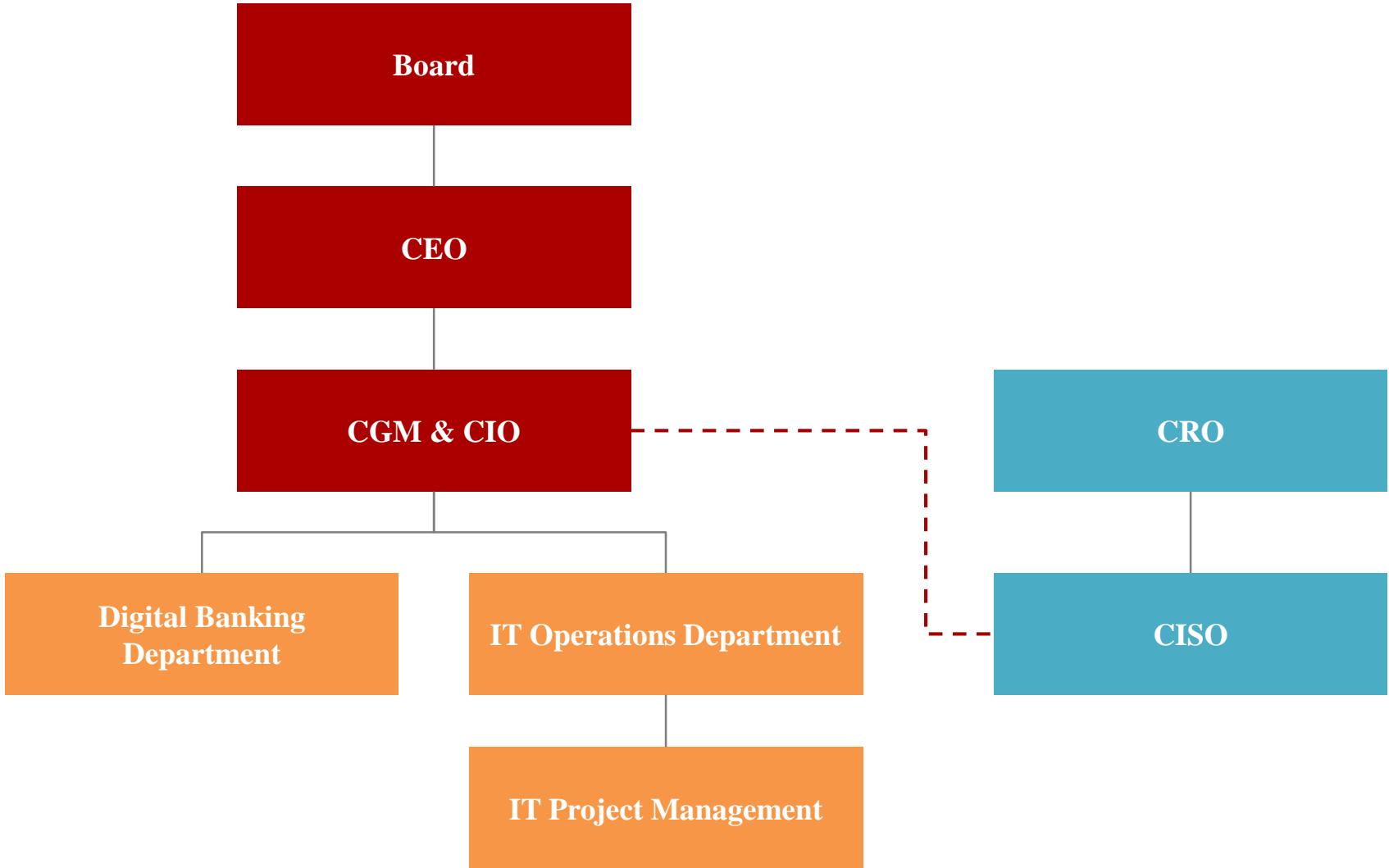
- IT Strategy Committee of Board
- Risk Management Committee of Board
- Audit Committee of Board
- Management Committee of Board

### ***Executive Committees***

- Digital & Tech Business Committee
- IT Steering Committee
- Information Security Committee
- Audit Committee of Executives



# Organizational Structure for Technology



# IT Assurance

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- IT Assurance
  - Policies – IT Vision, IS Security, Outsourcing,....
  - Procedures – SOP
  - Processes – Documented & Check listed
- CISO – Chief Infosec Officer & team
- Concurrent Audit Team stationed at IT
- IS Audit by leading firms, VAPT round the year

# Cyber Risk Management

- Board-approved Cyber Security policy is in place
- Cyber Crisis Management Plan (CCMP) to provide the requisite strategy, direction and roadmap towards cyber threat mitigation
- Comprehensive Incident Management procedure to proactively address potential threats / risks arising out of cyber security incidents
- Security Incident and Event Management System (SIEM) is active and is monitored on 24x7
- Regular IS audits and VA/PT to assess the vulnerabilities in the IT systems



1.

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Awards & Testimonials



# Awards & Recognitions



**Most Customer Centric Bank using  
Technology amongst Small Banks**



**Best Payments Initiatives amongst  
Small Banks**



**Best Payments Initiatives amongst  
Small Banks**



**Best Use of Digital & Channels  
Technology amongst Small Banks**



**Technology Bank of the Year  
amongst Small Banks**



**Best Financial Inclusion Initiative  
amongst Small Banks**



**Best IT Risk & Cyber Security  
Initiatives amongst Small Banks**



**National Payment Excellence Award -  
Rupay**



**Digital India Excellence Award -  
Innovation in mobile app**



Thank you

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