

DEPT : SECRETARIAL
REF No. SEC/ST EX.STT/ 44 /2020-21

July 8, 2020

National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. SCRIP CODE: SOUTHBANK	BSE Ltd. Department of Corporate Services (Listing), First Floor, New Trading Wing, Rotunda Building, P J Towers, Dalal Street, Fort,Mumbai – 400 001. SCRIP CODE: 532218
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Dear Sir,

Sub: Submission of unaudited Financial Results for the quarter ended 30th June 2020.

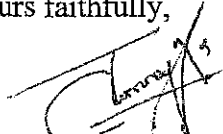
Pursuant to Regulation 33 and other applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, we submit herewith the unaudited Financial Results of the Bank for the quarter ended 30th June, 2020 which were reviewed and recommended by the Audit Committee of Board and duly approved and taken on record by the Board at their respective meetings held today, the 8th day of July ,2020.

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, 2020.

The Board Meeting commenced at 10.00 am and concluded at 4.30 PM

Kindly take the same on record.

Yours faithfully,



(JIMMY MATHEW)
COMPANY SECRETARY

Encl: as above

Limited Review Report on unaudited financial results of The South Indian Bank Limited for the quarter ended 30th June 2020, pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

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, 2020 ('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 (as amended), except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations as at 30th June 2020, 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. The statement, which is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors, has 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 the-statement 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.

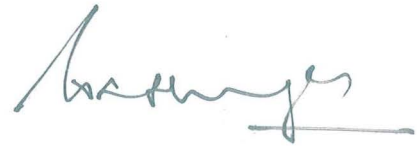


Varma & Varma

Chartered Accountants

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 (as amended) 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 of the accompanying statement of unaudited financial results, regarding the impact of COVID-19 pandemic and the adjustments made in the accounts for the quarter ended 30th June, 2020 on account of the same. As stated therein, in view of continuing uncertainties, the extent of impact of the pandemic on the Bank's operations and financial position would depend on several factors including the steps taken by the Governments, Reserve Bank of India (RBI) and the Bank to mitigate the same.
Our opinion is not modified in respect of this matter

For Varma & Varma
Chartered Accountants
FRN: 004532 S



V. Sathyanarayanan
Partner
M. No. 021941

Kochi-19
08.07.2020

UDIN: 20021941AAAAF93555



UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020
₹ in Lakhs

Particulars	Quarter ended			Year ended
	30.06.2020 Unaudited	31.03.2020 Audited *	30.06.2019 Unaudited	31.03.2020 Audited
1. Interest earned (a) + (b) + (c) + (d)	188,688	194,767	189,485	776,380
(a) Interest/discount on advances/bills	149,938	154,507	150,697	615,917
(b) Income on investments	33,348	34,767	34,000	139,106
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	1,339	702	866	3,997
(d) Others	4,063	4,791	3,922	17,360
2. Other Income	28,498	39,421	18,191	104,575
3. Total income (1+2)	217,186	234,188	207,676	880,955
4. Interest Expended	129,999	135,191	135,919	544,630
5. Operating Expenses (i) + (ii)	46,819	45,655	39,994	171,761
(i) Employees cost	28,030	24,501	22,362	94,135
(ii) Other operating expenses	18,789	21,154	17,632	77,626
6. Total expenditure (4) + (5) excluding provisions and contingencies	176,818	180,846	175,913	716,391
7. Operating Profit before Provisions and Contingencies (3) - (6)	40,368	53,342	31,763	164,564
8. Provisions (other than tax) and Contingencies	29,308	72,380	20,501	149,609
9. Exceptional Items	-	-	-	-
10. Profit/(Loss) from Ordinary Activities before tax (7)-(8)-(9)	11,060	(19,038)	11,262	14,955
11. Tax expense	2,895	(4,669)	3,936	4,496
12. Net Profit/(Loss) from Ordinary Activities after tax (10)-(11)	8,165	(14,369)	7,326	10,459
13. Extra ordinary items (Net of Tax Expense)	-	-	-	-
14. Net Profit/(Loss) for the period (12-13)	8,165	(14,369)	7,326	10,459
15. Paid-up Equity Share Capital (Face Value ₹ 1)	18,097	18,097	18,097	18,097
16. Reserves excluding Revaluation Reserves				497,273
17. Analytical Ratios				
i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
ii) Capital Adequacy Ratio (%) - BASEL III	13.49	13.41	12.17	13.41
iii) Earnings Per Share (EPS)				
(a) Basic EPS - before and after Extraordinary items (₹)*	0.45	(0.79)	0.40	0.58
(b) Diluted EPS - before and after Extraordinary items (₹)*	0.45	(0.79)	0.40	0.58
iv) NPA Ratios				
(a) Gross NPA	324,544	326,177	315,422	326,177
(b) Net NPA	199,286	215,078	213,473	215,078
(c) % of Gross NPA	4.93	4.98	4.96	4.98
(d) % of Net NPA	3.09	3.34	3.41	3.34
(e) Return on Assets (Annualised)	0.33	(0.59)	0.31	0.11

* Quarterly numbers are not annualised

Refer Note No. 5



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

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www.southindianbank.com

Segmentwise Results

₹ in Lakhs

Particulars	Quarter ended			Year ended
	30.06.2020 Unaudited	31.03.2020 Audited *	30.06.2019 Unaudited	31.03.2020 Audited
1. Segment Revenue				
a) Treasury	49,341	57,248	41,057	184,600
b) Corporate/ Wholesale Banking	76,941	87,042	83,668	338,069
c) Retail Banking	84,603	80,807	77,042	327,314
d) Other Banking Operations	6,301	9,091	5,909	30,972
Total	217,186	234,188	207,676	880,955
Less : Inter segment Revenue	-	-	-	-
Net Income from Operations	217,186	234,188	207,676	880,955
2. Segment Results (net of provisions)				
a) Treasury	14,264	(12,822)	1,348	(8,166)
b) Corporate/ Wholesale Banking	(21,573)	(13,564)	(6,996)	(42,751)
c) Retail Banking	13,426	30	12,139	40,939
d) Other Banking Operations	4,943	7,318	4,771	24,933
Total	11,060	(19,038)	11,262	14,955
Less: unallocated expenditure	-	-	-	-
Profit/(Loss) Before Tax	11,060	(19,038)	11,262	14,955
3. Segment Assets				
a) Treasury	2,077,790	2,158,660	2,141,466	2,158,660
b) Corporate/ Wholesale Banking	3,842,462	3,826,223	3,939,272	3,826,223
c) Retail Banking	3,410,648	3,423,268	3,038,987	3,423,268
d) Other Banking Operations	1,432	1,086	1,371	1,086
e) Un allocated	299,879	294,053	259,275	294,053
Total	9,632,211	9,703,290	9,380,371	9,703,290
4. Segment Liabilities				
a) Treasury	1,975,542	2,063,339	2,036,454	2,063,339
b) Corporate/ Wholesale Banking	3,687,936	3,689,877	3,774,346	3,689,877
c) Retail Banking	3,273,487	3,301,282	2,911,754	3,301,282
d) Other Banking Operations	-	-	-	-
e) Un allocated	138,078	101,312	107,196	101,312
Total	9,075,043	9,155,810	8,829,750	9,155,810
5. Capital Employed (Segment Assets-Segment Liabilities)				
a) Treasury	102,248	95,321	105,012	95,321
b) Corporate/ Wholesale Banking	154,526	136,346	164,926	136,346
c) Retail Banking	137,161	121,986	127,233	121,986
d) Other Banking Operations	1,432	1,086	1,371	1,086
e) Unallocated	161,801	192,741	152,079	192,741
Total	557,168	547,480	550,621	547,480

* 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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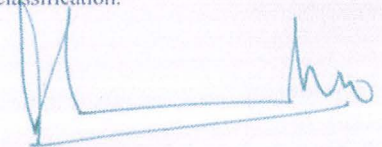
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Notes:

- 1 The above financial results for the quarter ended June 30, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 08, 2020. These results are subjected to limited review by the Statutory Central Auditor of the Bank.
- 2 As permitted by Reserve Bank of India (RBI) vide circular DBR No. BP. BC.92/21.04.048/2015-16 dated April 18, 2016, the bank has exercised the option to make provisions towards Non-Performing Advances identified as fraud accounts over a period of four quarters. Accordingly, the Bank has debited a sum of ₹13,156 Lakhs to the Profit and Loss Account for the quarter ended June 30, 2020 being 25% of the provision required towards eight accounts identified as fraud (including three accounts identified during earlier periods) and the remaining unprovided amount of ₹36,424 Lakhs will be debited to the Profit and Loss account for the ensuing quarters in the same proportion. Proportionate reversal of provision created by debit to 'Other Reserves' towards amounts un-provided at as at March 31, 2020 as required by RBI has been done.
- 3 The outbreak of COVID – 19 pandemic has affected several countries across the world, including India; and the consequent lock-down restrictions imposed by the Governments have affected the financial operations of the Bank. In view of continuing uncertainties, the extent of impact on the Bank's operations and financial position would depend on several factors including the steps taken by the Governments, RBI and the bank to mitigate the same.
In accordance with the Covid-19 Regulatory Package announced by RBI vide Notifications dated March 27, 2020, April 17, 2020 and May 23 2020, the bank has offered an optional moratorium on repayments falling due between March 1, 2020 and August 31, 2020 in respect of accounts classified as standard on February 29, 2020. As permitted by the RBI guidelines, the bank has considered these concessions for the purpose of asset classification, provisioning and income recognition.
As per RBI guidelines, in respect of accounts in default but standard as on February 29, 2020 where the asset classification benefit is extended, bank is required to make general provision of not less than 10% of the total outstanding of such accounts. Accordingly, the bank has recognised provision of 10% on the total outstanding of such accounts as on June 30,2020 (after considering remittances up to July 4, 2020), aggregating to ₹5,062 Lakhs in the quarter ended June 30, 2020, (₹2,075 Lakhs in the quarter ended March 31, 2020). Further, as a matter of prudence, the bank is carrying an additional provision (over and above the 10% mandated by RBI as above) amounting to ₹2,908 Lakhs as at the quarter ended June 30, 2020 (₹5,570Lakhs as at the quarter ended March 31, 2020) to meet any future impact of the pandemic.
- 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 review by the Statutory Central Auditor.
- 5 The figures of the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2020 and the unaudited published year to date figures up to the December 31, 2019 being the date of the end of the third quarter of the financial year which were subjected to Limited Review.
- 6 Other Income includes Profit on sale of investments (net), earnings from foreign exchange and derivative transactions, commission from non – fund based banking activities, income from sale of PSL Certificates, recoveries from advances written off etc.
- 7 Previous period's / year's figures have been regrouped, wherever necessary to conform to the current period's classification.

Thrissur
July 08, 2020



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

