SOUTH INDIAN Bank

DEPT : SECRETARIAL
REF No. SEC/ST EX.STT/128 /2021-22

January 20, 2022

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

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 Investor Presentation to Investors and Analysts in respect of financial results of The South Indian Bank Limited for the quarter ended 31st December, 2021.

The aforesaid information is also being hosted on the website of the Bank www.southindianbank.com.

Kindly take the same in your records.

Yours faithfully,

(JIMMY MATHEW)
COMPANY SECRETARY

Encl: a.a.







Investor Presentation

Q3-FY2022

SOUTH INDIAN Bank

Safe Harbour

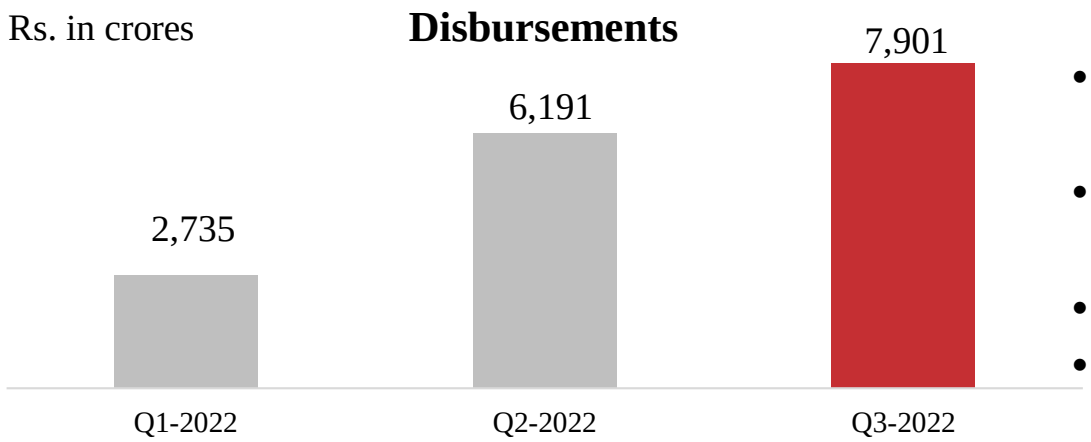
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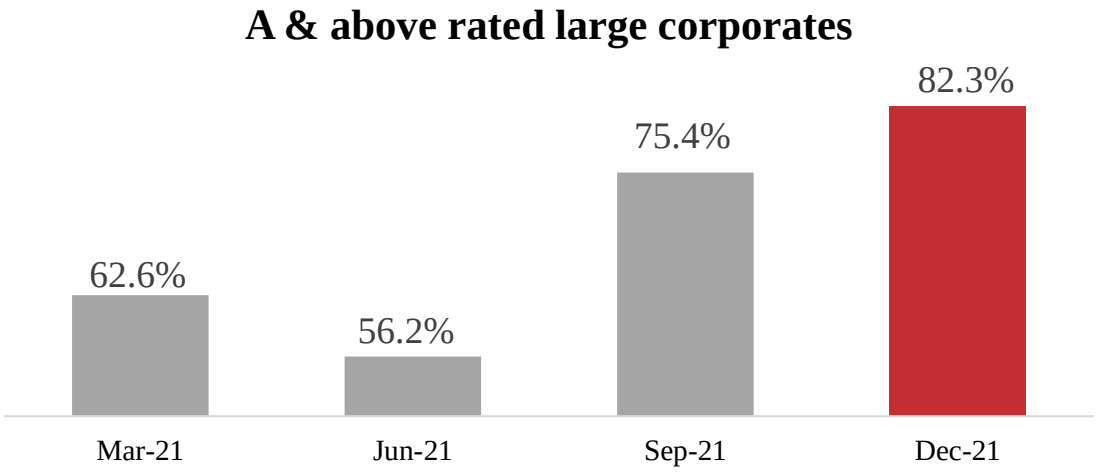
Consolidation of Advances

Churned about 30% of overall loan book since October 1, 2020



- New loan book of Rs. 18,000 crores based on new accounts opened since Oct 1, 2020
- Avg overall ticket size has decreased from Rs. 17 lakhs as at Sep 30, 2020 to less than Rs. 14 Lakhs as at Dec 31, 2021
- NPA from the new book is less than 0.1%
- SMA 2 within new book is about 0.6%

Churned corporate book with better rated corporates



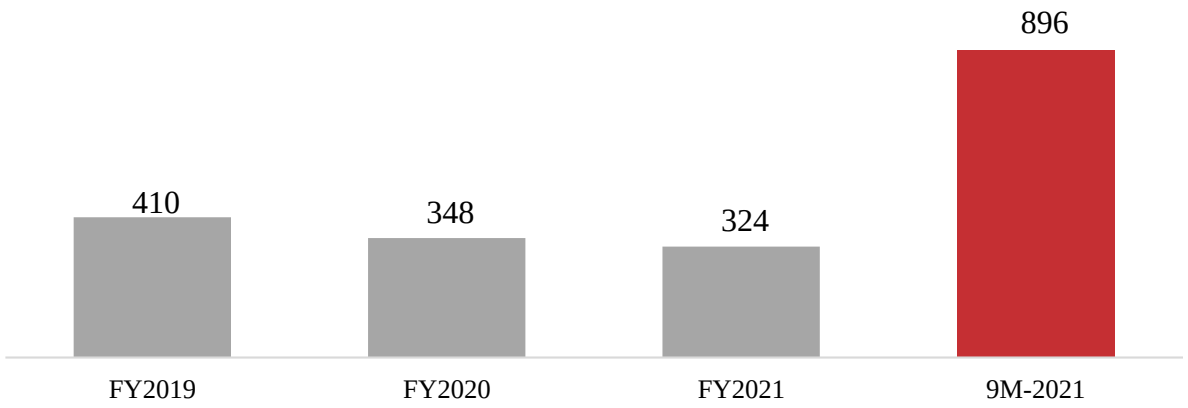
- Top 10 borrowers accounts for less than 5% of loan book
- 40% of large corporate book is to AAA rated corporates
- Zero delinquency in the new Corporate Book (post Oct 1, 2020)
- Zero SMA 2 within the new Corporate Book
- Focus on relationship RoE rather than credit RoE in each proposal

1. Does not include exposure to unrated state government owned entity

Concentrated efforts in recoveries and collections

Recoveries & Upgrades at all time high

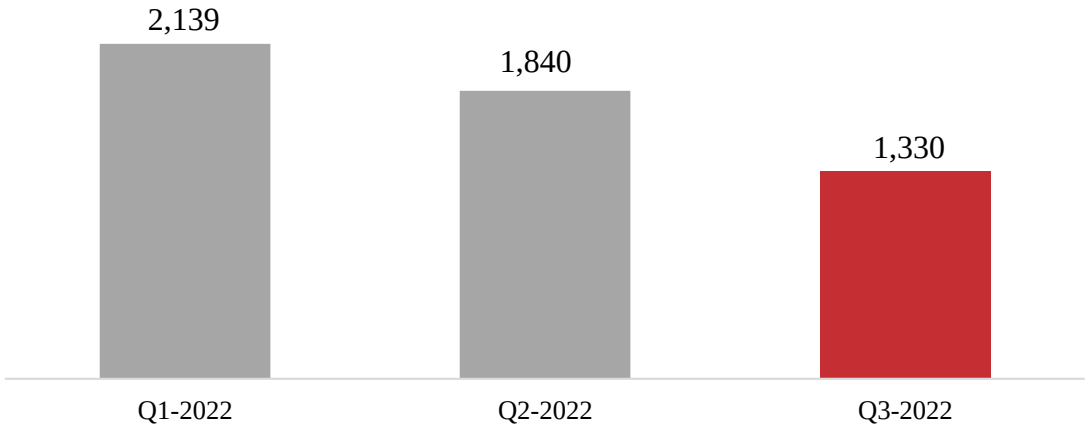
Rs. in crores



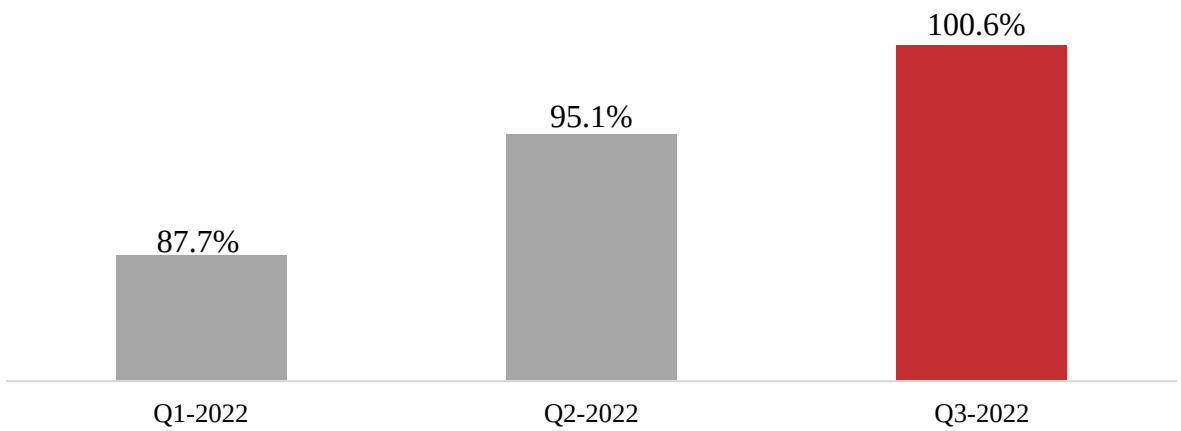
Note: It excludes recoveries from technical written off accounts

Sequential improvement in SMA2 book

Rs. in crores



Consistent improvement in Collection Efficiency



- Recoveries were granular in nature, without any major consortium account resolution
- Alignment of Recovery team with asset verticals to target each customer segments
- Beef up Collections teams
- Implementation of new collection system with better management capabilities
- Emphasis on one time settlement against long drawn regulatory processes

Key highlights for Q3-2022

- ✓ Overall disbursements increased by 81% YoY & 28% QoQ to Rs. 7,901 crores in Q3-2022
- ✓ Net Interest Margin improved by 15 bps QoQ to 2.64% in Q3-2022
- ✓ Provision coverage ratio improved by 306 bps QoQ to reach 68.1%
- ✓ GNPA ratio improved sequentially to 6.56% and Net NPA ratio improved by 33 bps QoQ to 3.52%
- ✓ Witnessed robust recovery and upgrade of Rs. 896 crores in 9M-FY22
- ✓ CASA amount increased by 21% YoY to Rs. 28,229 crores; CASA ratio improved by 112 bps QoQ to 32.0%
  - ✓ Signed MOU with CBDT and CBIC to collect direct and indirect taxes on behalf of the Central Government
- ✓ NRI deposits has grown consistently through pandemic to reach Rs. 27,144 crores
  - Remittance business grew by 35% YoY
- ✓ About 93% of banking transactions are done digitally
- ✓ Mobile banking transactions volume increased by 107% YoY to 57 million transactions
- ✓ Share of A & above rated large corporates improved from 75% in Sep 2021 to 82% in Dec 2021
- ✓ Gold loan continue to grow consistently and rose 12% YoY to Rs. 9,862 crores
- ✓ Core fee income grew by 23% YoY to Rs. 127 crores
- ✓ Capital adequacy position continued to be robust with CRAR of 15.68%

Operating Performance

Deposits

Q3 FY22: Rs.88,348 Cr
+ 6%
Q3 FY21: Rs.83,537 Cr

Retail Deposits

Q3 FY22: Rs. 84,151.Cr
+ 10%
Q3 FY21: Rs.76,573 Cr

CASA

Q3 FY22: Rs.28,229 Cr
+21%
Q3 FY21: Rs.23,332 Cr

Advances

Q3 FY22: Rs.59,226 Cr
-7%
Q3 FY21: Rs.63,353 Cr

NII

Q3 FY22: Rs.573 Cr
- 4%
Q3 FY21: Rs.596 Cr

Operating Profit

Q3 FY22: Rs.280 Cr
- 16%
Q3 FY21: Rs.332 Cr

Provisions

Q3 FY22: Rs.346 Cr
- 24%
Q3 FY21: Rs.454 Cr

PCR

Q3 FY22: 68.08%
+ 306 bps
Q2 FY22: 65.02%

Profit & Loss Overview (Standalone)

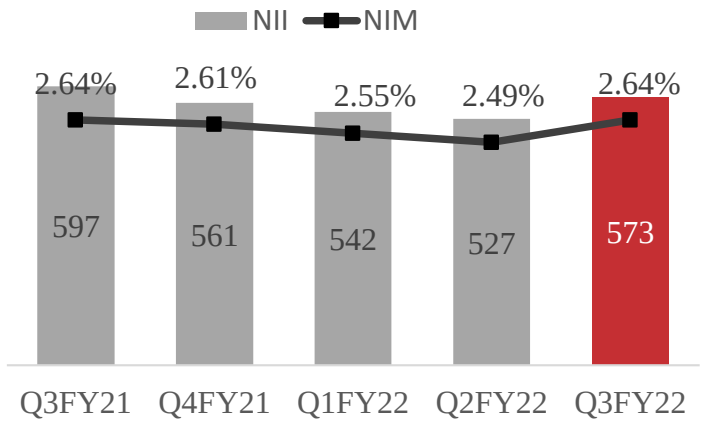
Rs. in Crore	Q3-FY22	Q3-FY21	Y-o-Y (%)	Q2-FY22	Q-o-Q (%)
Net Interest Income	573	596	-4%	527	9%
Non Interest Income	222	225	-1%	158	41%
- Core Fee Income	*127*	*103*	*23%*	*116*	*9%*
- Treasury & Forex[1]	*44*	*63*	*-30%*	*(115)*	*-*
- Other	*51*	*59*	*-12%*	*157*	*-68%*
Total Income	**795**	**821**	**-3%**	**685**	**16%**
Operating Expenses	515	489	5%	515	0%
Operating Profit	**280**	**332**	**-16%**	**170**	**65%**
Provisions & Contingencies	346	454	-24%	420	-18%
Profit Before Tax	**(66)**	**(122)**	**46%**	**(250)**	**74%**
Provision for Tax	(16)	(30)	47%	(63)	75%
Profit After Tax	**(50)**	**(92)**	**46%**	**(187)**	**73%**

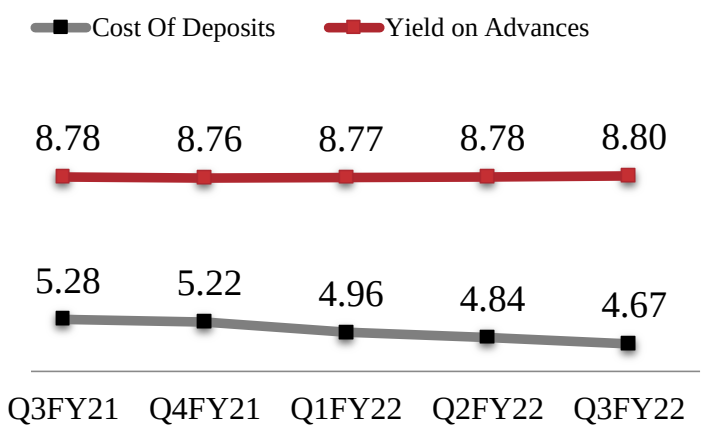
1. Includes depreciation on Investments

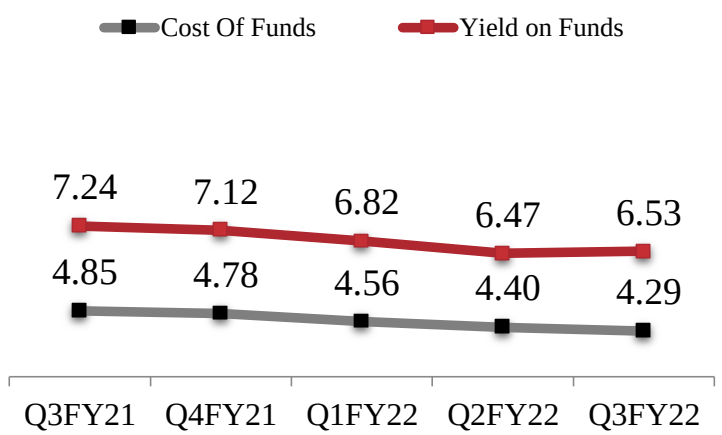
Net Interest Income

Quarterly

(Rs. in Crore)

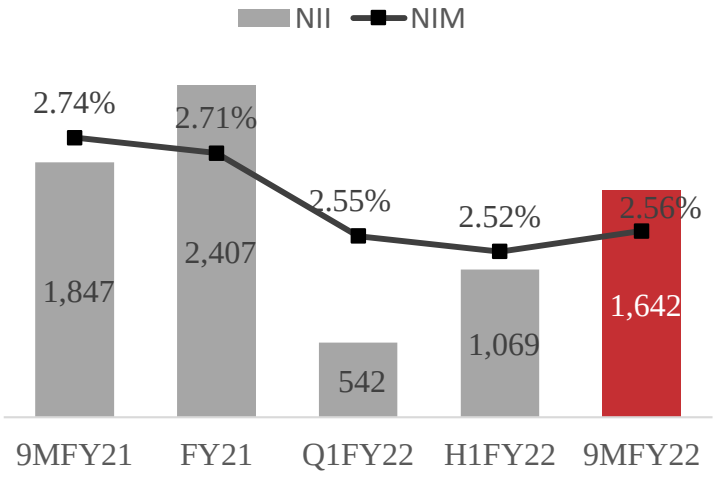


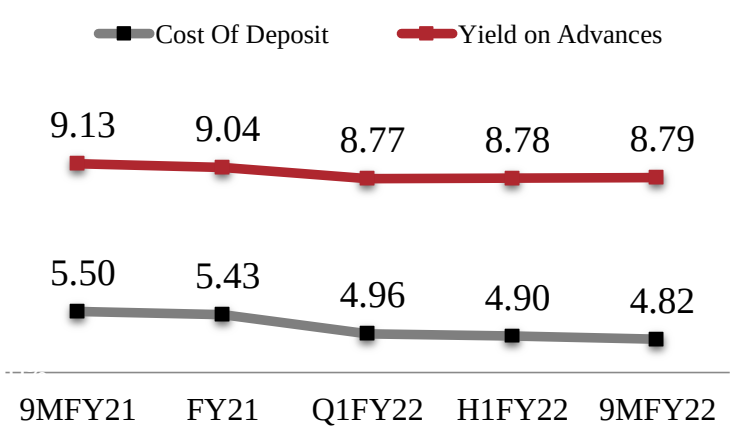


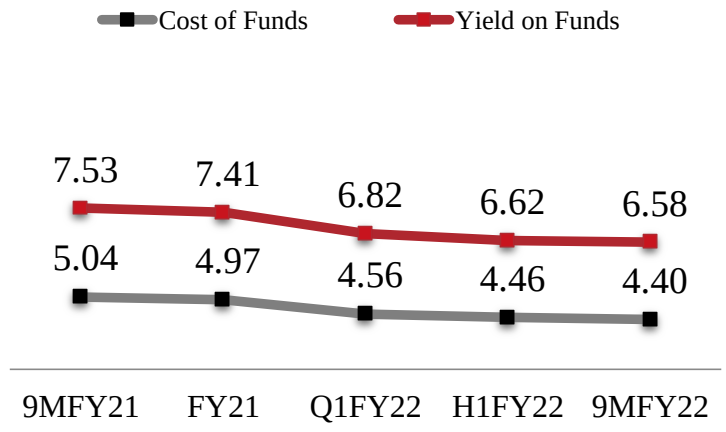


Cumulative

(Rs. in Crore)



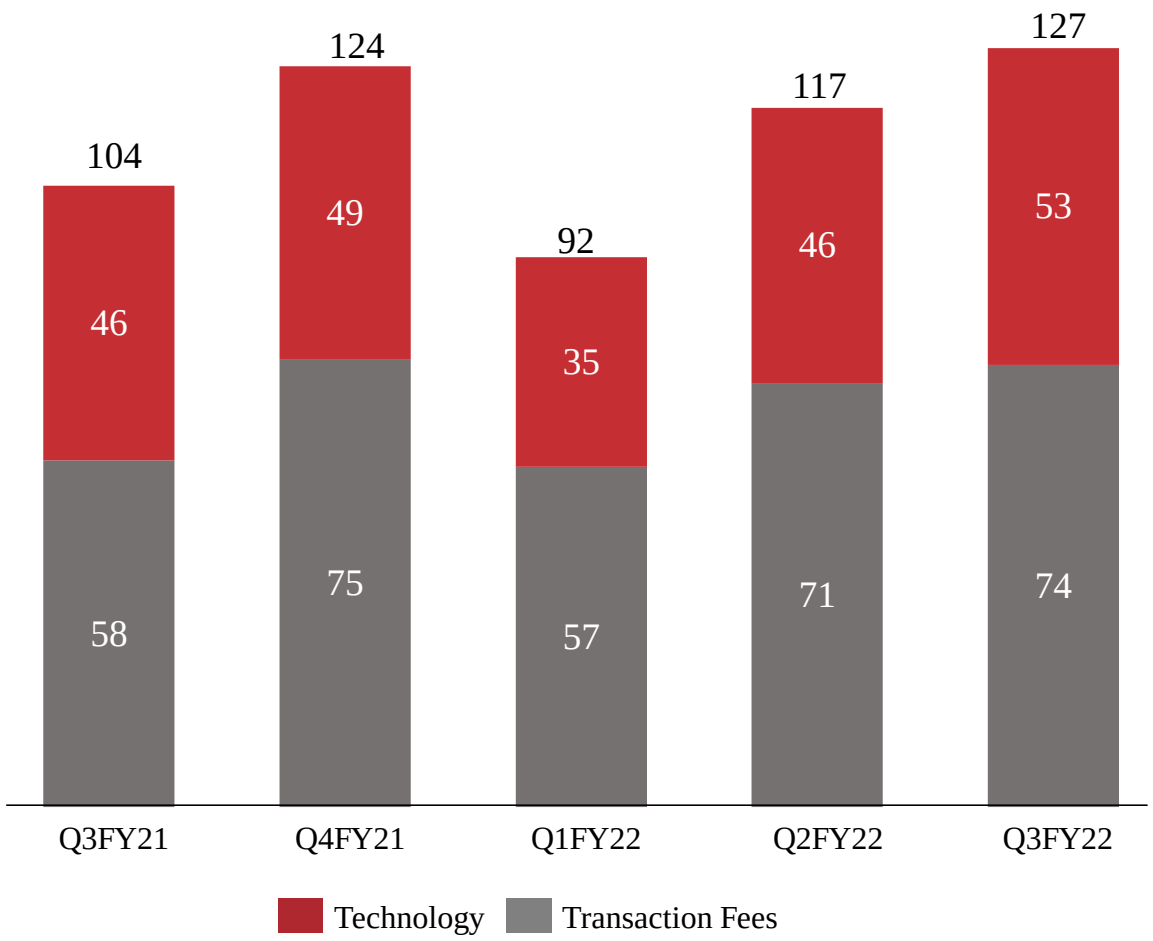




Non-Interest Income

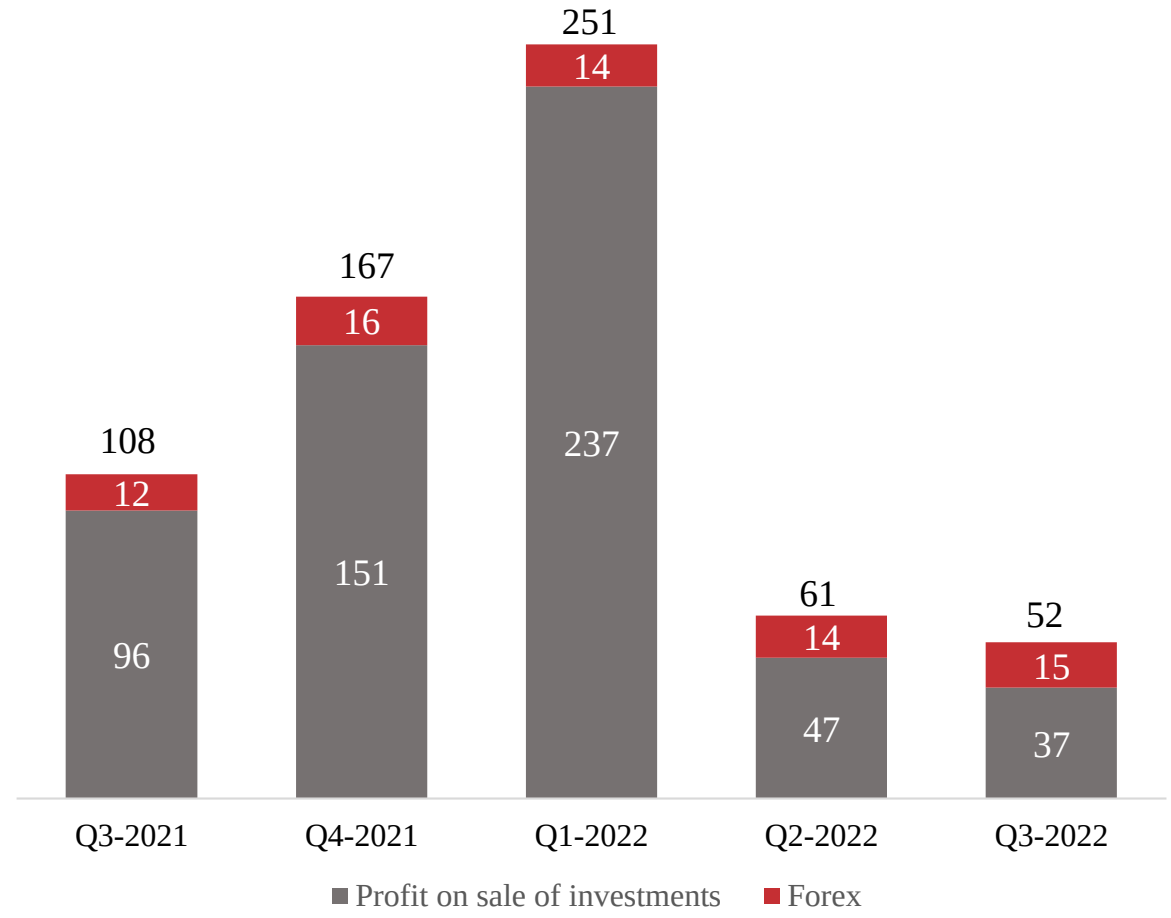
Core Fee Income

(Rs. in Crore)



Treasury & Forex Income[1]

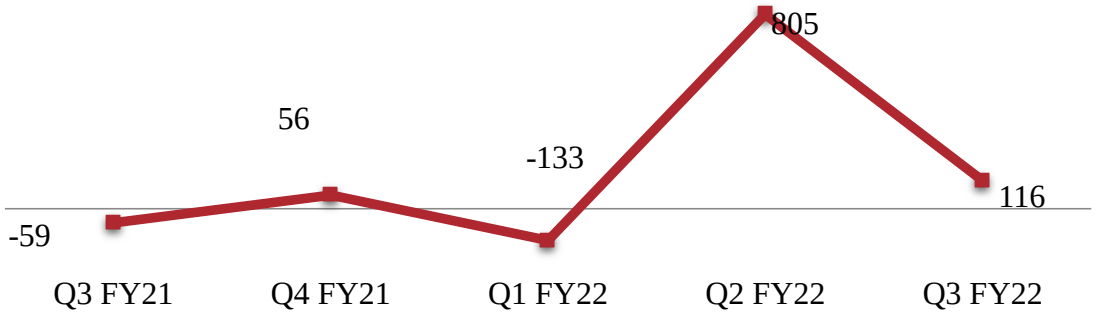
(Rs. in Crore)



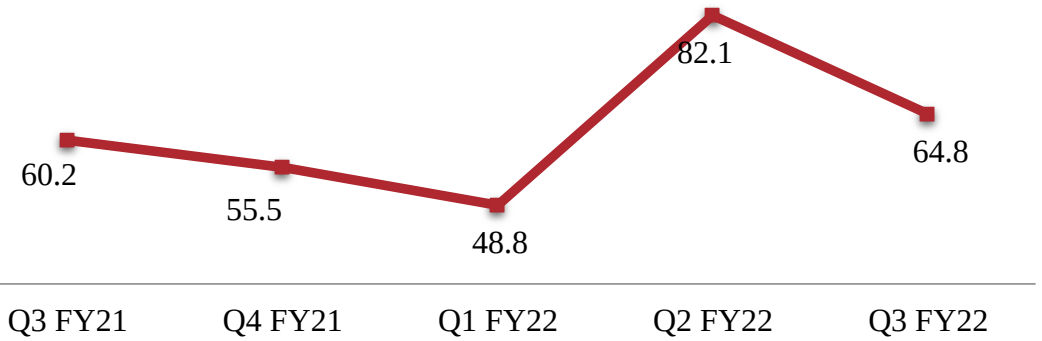
1. Excludes depreciation on Investments

Operating Efficiency

Employee Additions

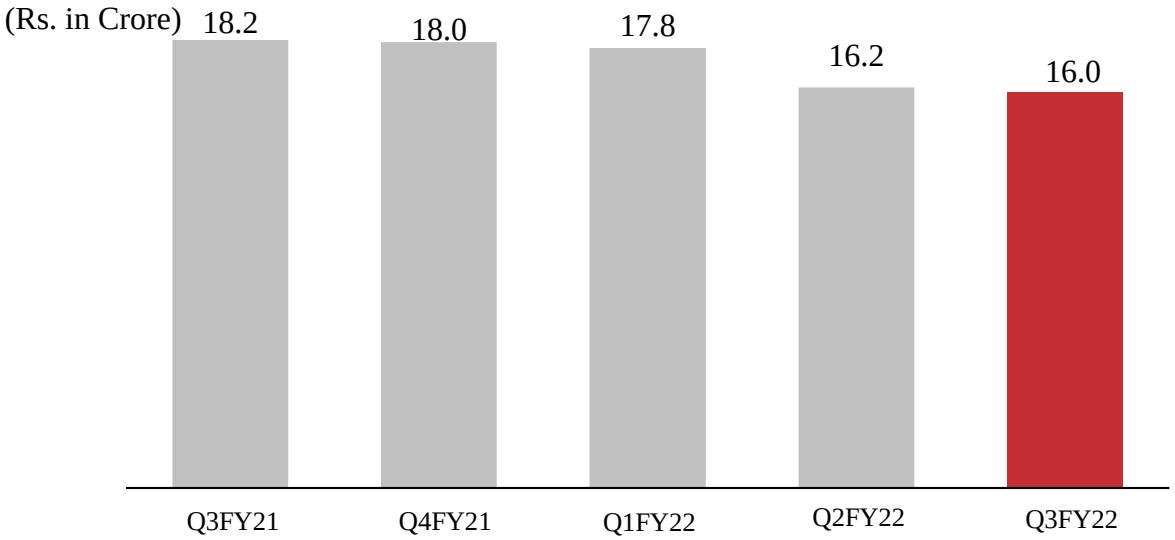


Cost-to-Income Ratio[1]

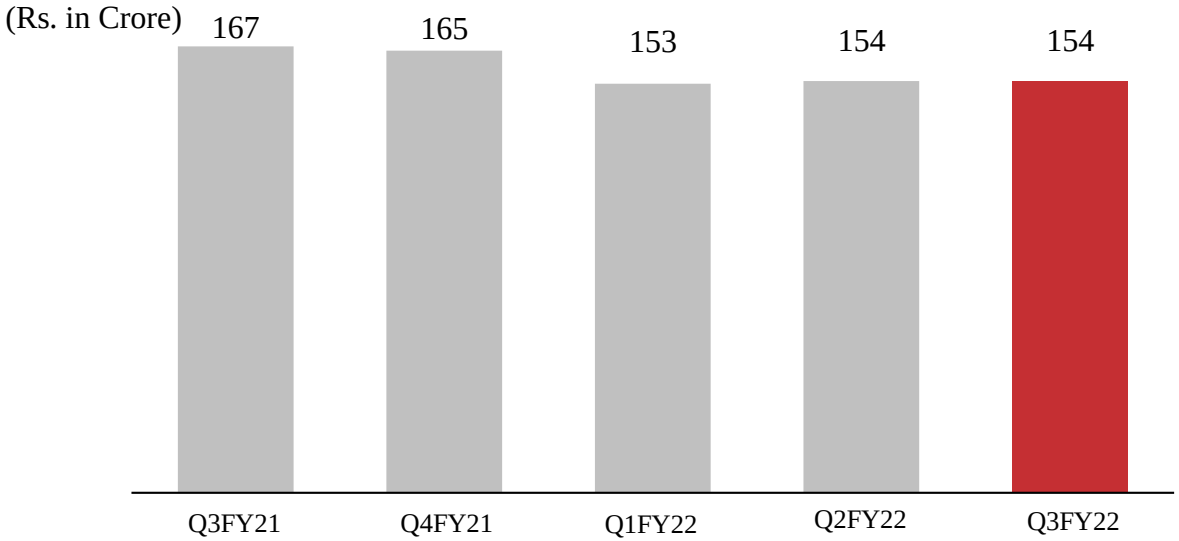


1. Ratio restated to give effect to new RBI directions on treatment of Depreciation on Investments and recoveries

Business per Employee



Business per Branch



Provisions

(Rs. in Crore)

Particulars	Q3 FY22	Q2 FY22	Q3 FY21
For NPA & NPI	279	327	285
For Standard Assets	40	55	155
For Restructured Advances/Sacrifices & FITL	28	52	11
For Unhedged Forex Exposure	-	(1)	4
Others	(1)	(13)	(1)
Taxes	(16)	(63)	(30)
Total Provisions	**330**	**357**	**424**

Balance Sheet Overview (standalone)

(Rs. in Crore)

Particulars	Dec 2021	Dec 2020	Y-o-Y (%)	Jun 2021	Q-o-Q (%)
Capital & Liabilities	**98,000**	**95,554**	**3%**	**98,624**	**-1%**
Capital	209	181	16%	209	0%
Reserves and Surplus	5,372	5,379	0%	5,421	-1%
Deposits	88,348	83,537	6%	86,840	2%
Borrowings	2,298	4,438	-48%	4,381	-48%
Other Liabilities & Provisions	1,773	2,019	-12%	1,773	0%
Assets	**98,000**	**95,554**	**3%**	**98,624**	**-1%**
Cash & Balances with RBI	4,074	2,923	39%	4,155	-2%
Balances with Banks	9,677	1,770	447%	8,875	9%
Investments	20,069	22,195	-10%	22,077	-9%
Advances	57,409	61,602	-7%	56,655	1%
Fixed Assets	795	787	1%	792	0%
Other Assets	5,978	6,277	-5%	6,070	-2%
Business (Advances + deposits)	**1,45,757**	**145,139**	**0.1%**	**1,43,495**	**2%**
Current Accounts	4,660	19,547	23%	4,370	7%
Savings Accounts	23,569	3,785	21%	22,403	5%
CASA Ratio	32.0%	27.9%	-	30.8%	-

Key Metrics – Quarterly

Particulars	FY21				FY22		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net Interest Margin (NIM)	2.62%	2.94%	2.64%	2.61%	2.55%	2.49%	2.64%
CRAR Basel III	13.49%	13.94%	14.47%	15.42%	15.47%	15.74%	15.68%
RoAA (Annualized)	0.33%	0.27%	-	0.03%	0.04%	-	-
Provision Coverage	58.76%	65.21%	72.03%	58.73%	60.11%	65.02%	68.08%
CASA	26.89%	27.81%	27.93%	29.70%	30.40%	30.82%	31.95%
Gross NPA	4.93%	4.87%	4.90%	6.97%	8.02%	6.65%	6.56%
Net NPA	3.09%	2.59%	2.12%	4.71%	5.05%	3.85%	3.52%
Book Value per Share (Rs.)	30.79	31.23	30.73	27.7	27.8	26.9	26.7
Earnings per Share (Rs.) (Annualized)	1.81	1.62	-	0.15	0.20	-	-
Customer Touch Points							
Kerala	508	505	506	502	500	500	500
South Ex Kerala	272	272	273	276	273	273	273
Rest of India	149	149	149	151	151	151	151
Total	**929**	**926**	**928**	**929**	**924**	**924**	**924**

Deposits

Deposits (excl. CDs)

Rs. in Crore

Retail Deposit	Bulk Deposit	Total Deposits
Dec 2021: 84,151	Dec 2021: 4,197	Dec 2021: 88,348
10%	-40%	6%
Dec 2020: 76,573	Dec 2020: 6,964	Dec 2020: 83,537

CASA Deposits

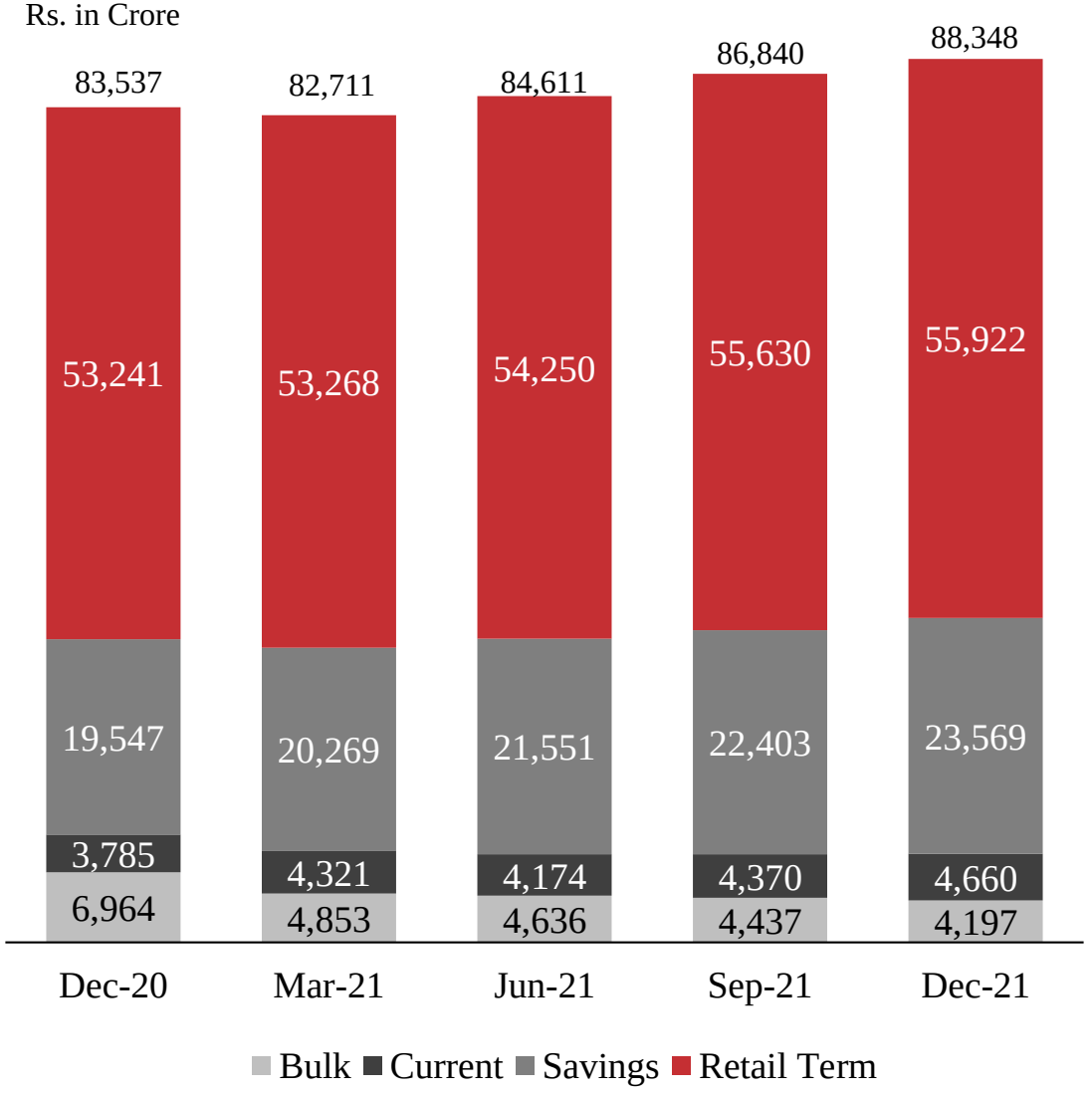
Rs. in Crore

Current Deposit	Savings Deposit	Total CASA
Dec 2021: 4,660	Dec 2021: 23,569	Dec 2021: 28,229
23%	21%	21%
Dec 2020: 3,785	Dec 2020: 19,547	Dec 2020: 23,332

Well Distributed Deposit Base

Breakup of Deposits

Rs. in Crore



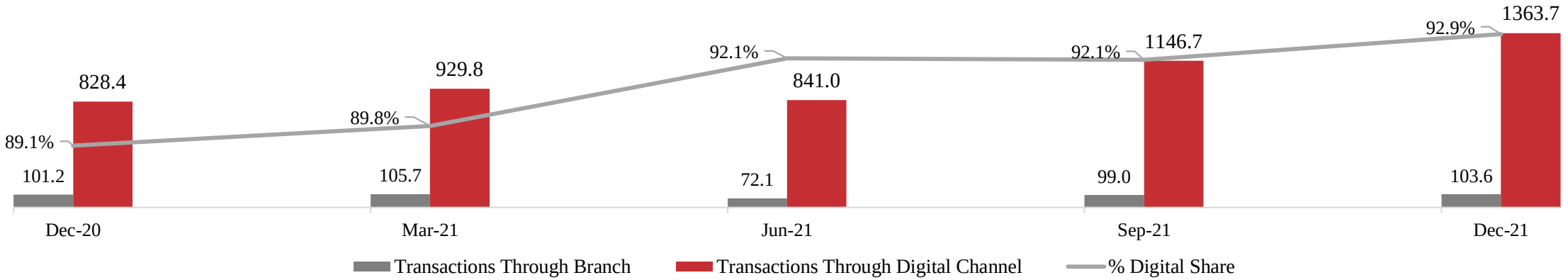
Break Up of Non-Resident Deposits

Rs. in Crore

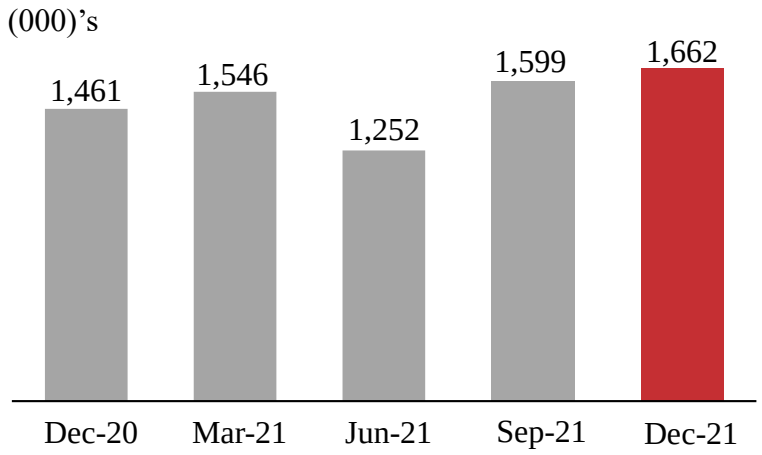
Deposit Type	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021
NR SB	6,048	6,065	6,566	6,535	6,824
NR CD	36	38	41	45	49
FCNR (B), RFC & Others	1,819	1,694	1,668	1,607	1,551
Low-Cost NRI Deposit	**7,903**	**7,797**	**8,275**	**8,187**	**8,424**
NRE Term Deposit	17,220	17,317	17,644	17,873	17,941
NRO Term Deposit	736	741	744	763	780
Total NRI Deposit	**25,859**	**25,855**	**26,663**	**26,823**	**27,145**

Digital Banking

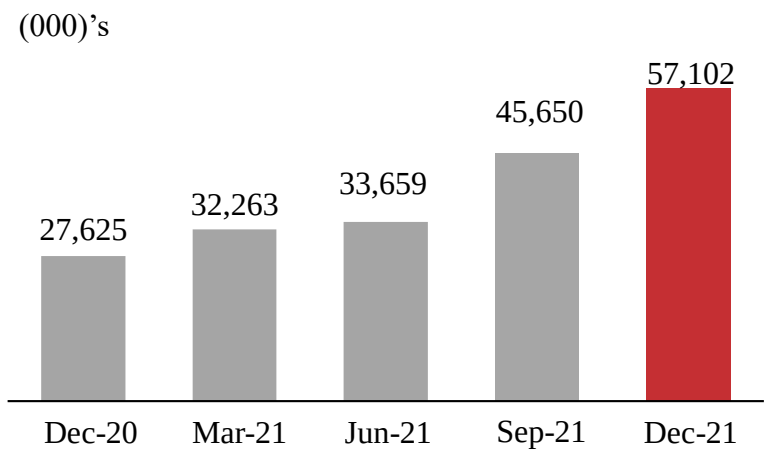
Digital vs Branch Transactions (no of transactions in Lakhs)



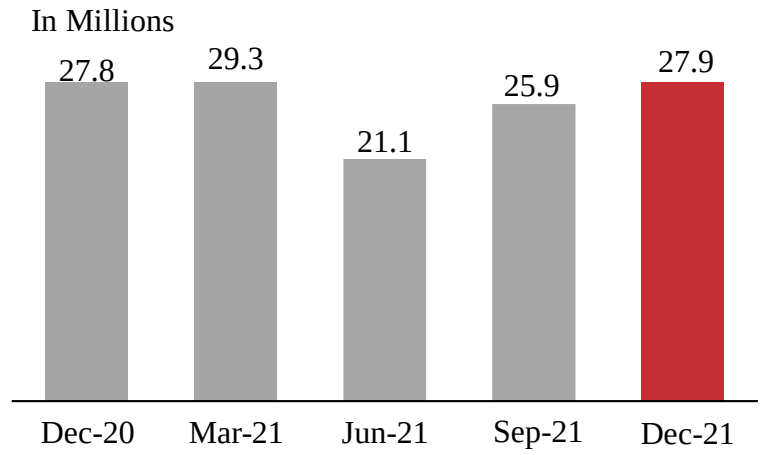
Internet Transaction Volume



Mobile Transaction Volume

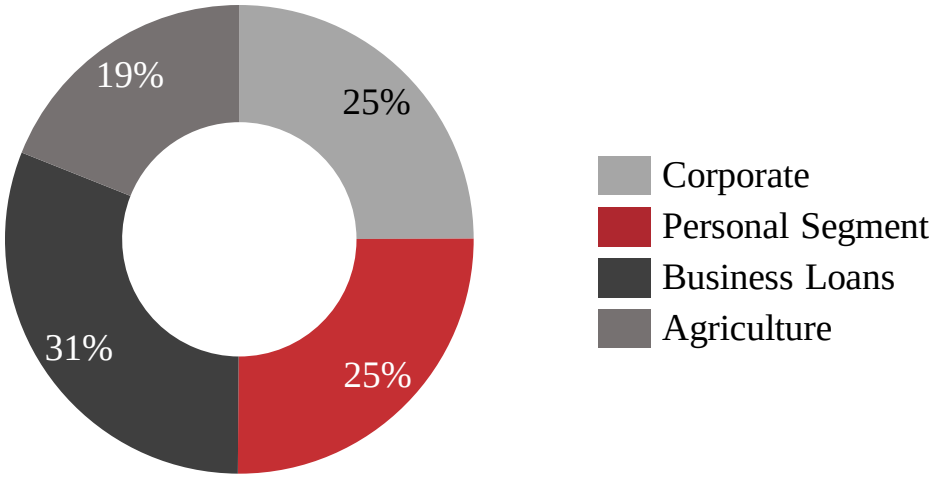


Debit Card Transaction Volumes

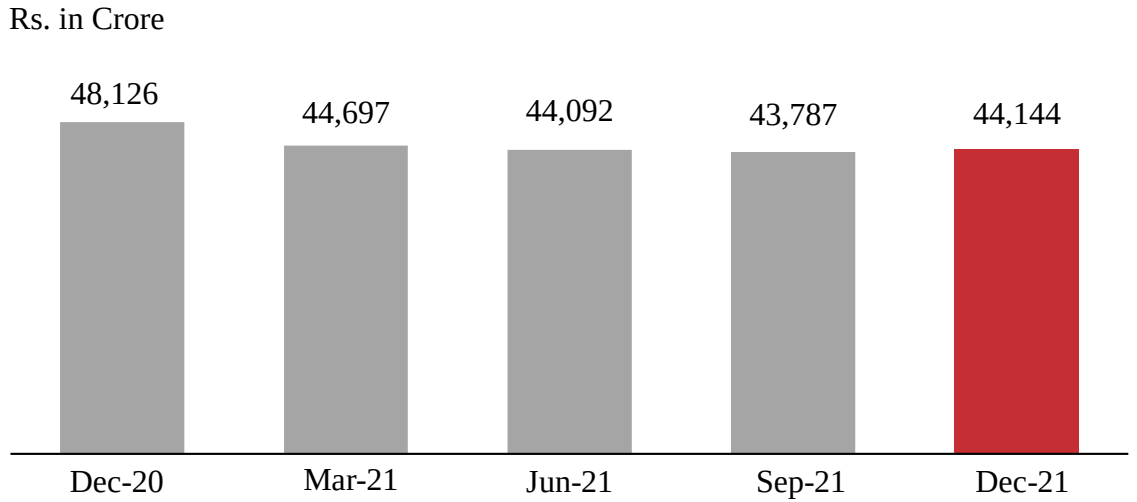


Composition of Loan Book

Segment wise Break Up of Total Loan Book



Loan Book (Excluding Corporate)



Break up of Loan book

Rs. in Crore	Dec-20		Sep-21		Dec-21	
	Number	Value	Number	Value	Number	Value
Less than 5 Cr	378,103	32,032	3,82,544	31,775	3,96,525	32,293
5 - 25 Cr	1,419	14,661	1,382	11,503	1,313	11,045
25 - 100 Cr	202	9,375	183	6,811	181	6,899
More than 100 Cr	23	4,182	22	4,340	24	5,106
Total	**379,747**	**60,250**	**3,84,131**	**54,429**	**3,98,043**	**55,343**
Gross NPA	7,035	3,103	9,269	3,880	7,641	3,883
Gross Advances	**386,782**	**63,353**	**3,93,400**	**58,309**	**4,05,684**	**59,226**

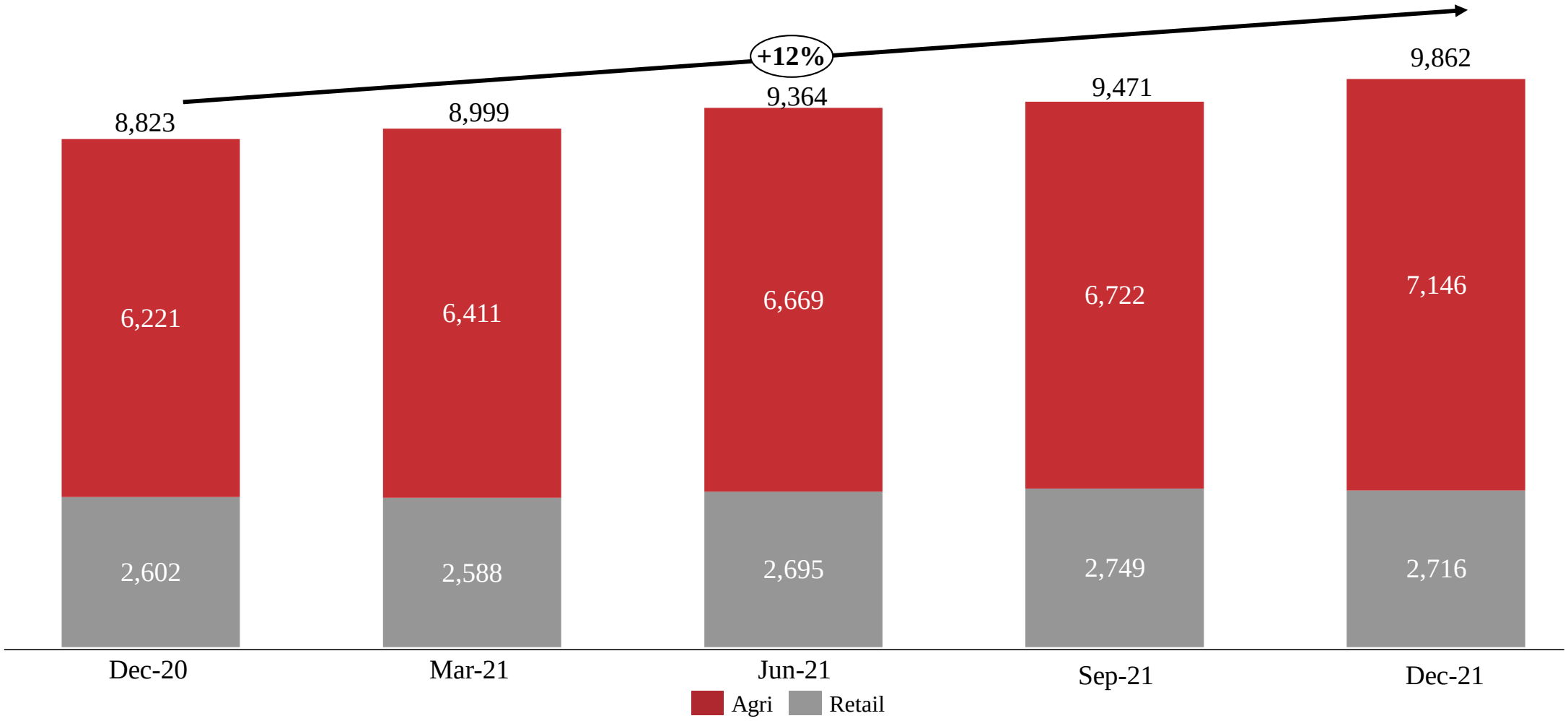
Loan Book Across Regions

Rs. in Crore	Dec-20	Sep-21	Dec-21
Kerala	27,610	25,663	25,841
South Ex-Kerala	20,813	20,763	20,460
Rest of India	14,930	11,884	12,925
Total	**63,353**	**58,309**	**59,226**

Gold loans

Consistent traction in Gold loans…

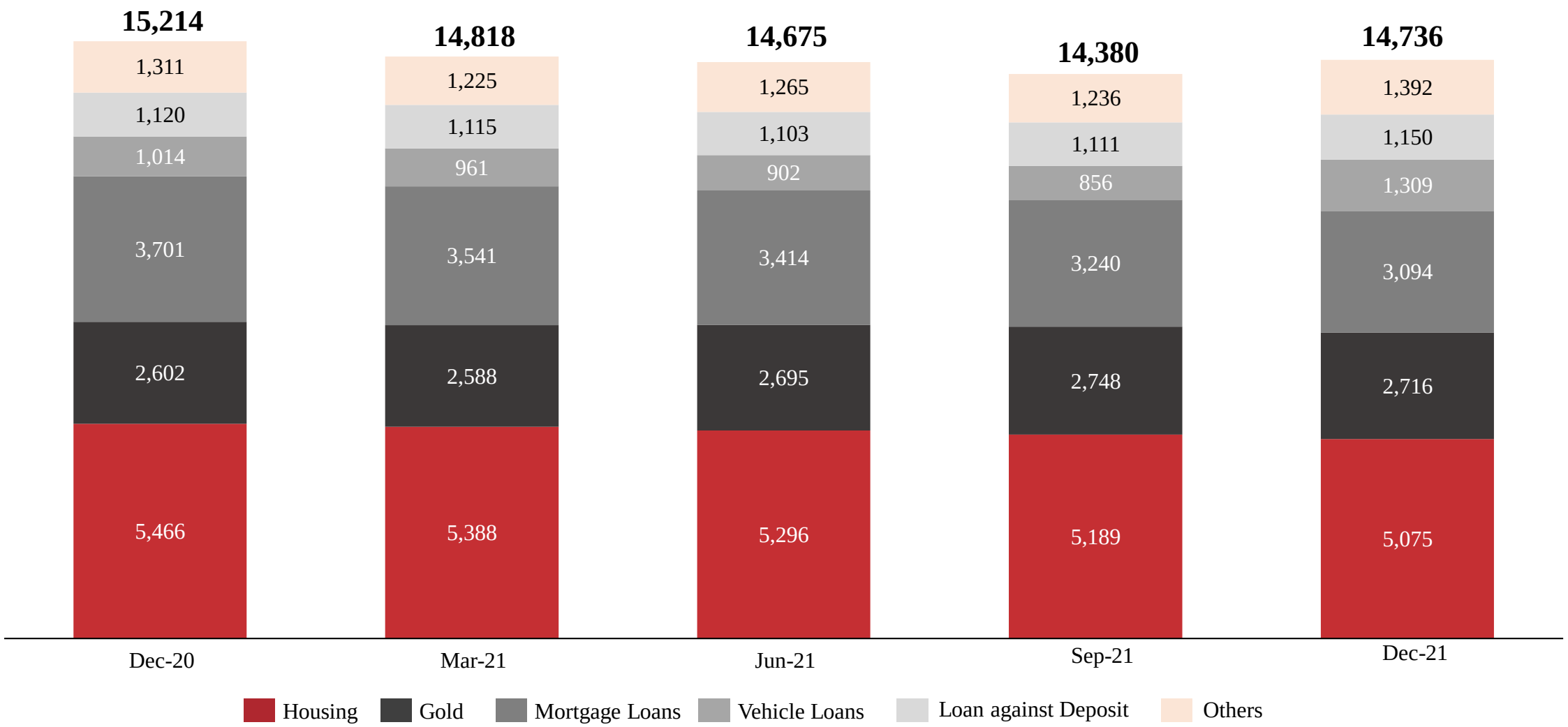
(Rs. in Crore)



Personal Segment

Personal Segment Loans

Rs. in Crore

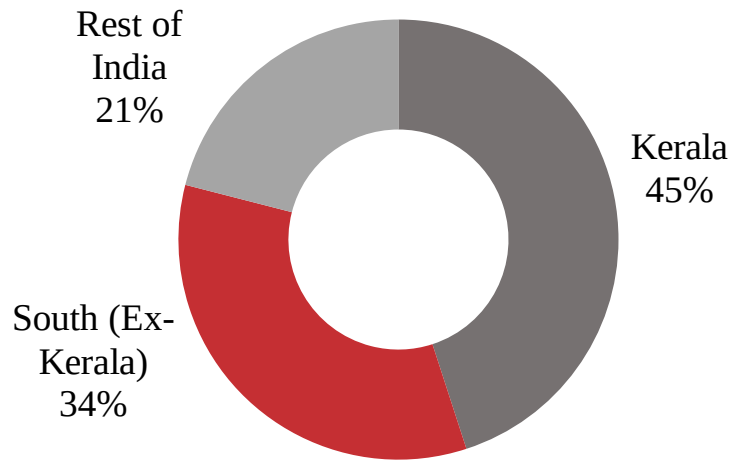


Business loans

Business Loans (Less than Rs. 25 Crore exposure)

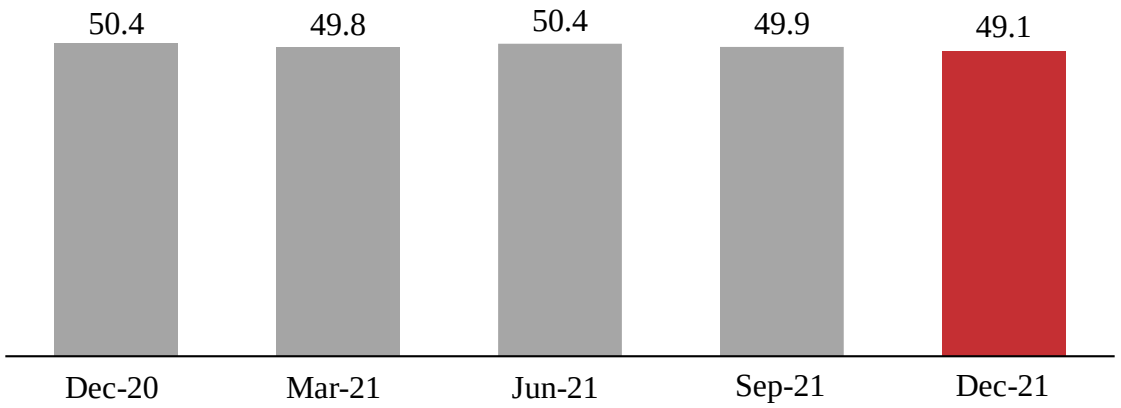
Rs. in Crore	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
MSME/SME	15,812	15,084	14,509	14,008	13,576
Others	4,809	4,372	4,401	4,746	4,789
Total	**20,621**	**19,456**	**18,910**	**18,754**	**18,365**

MSME Loan Book by Geography



Average MSME Loan / Account

(Rs. in Lakhs)

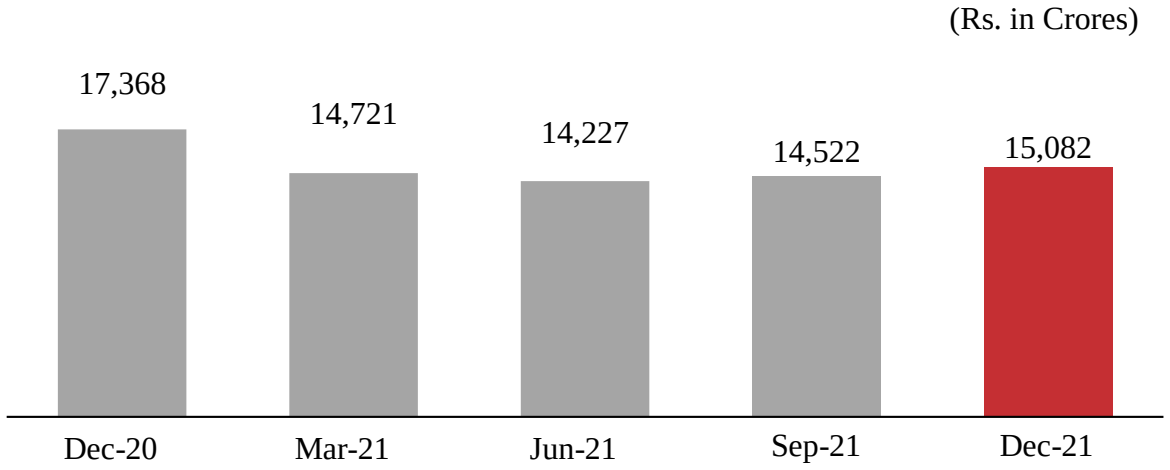


MSME strategic initiatives

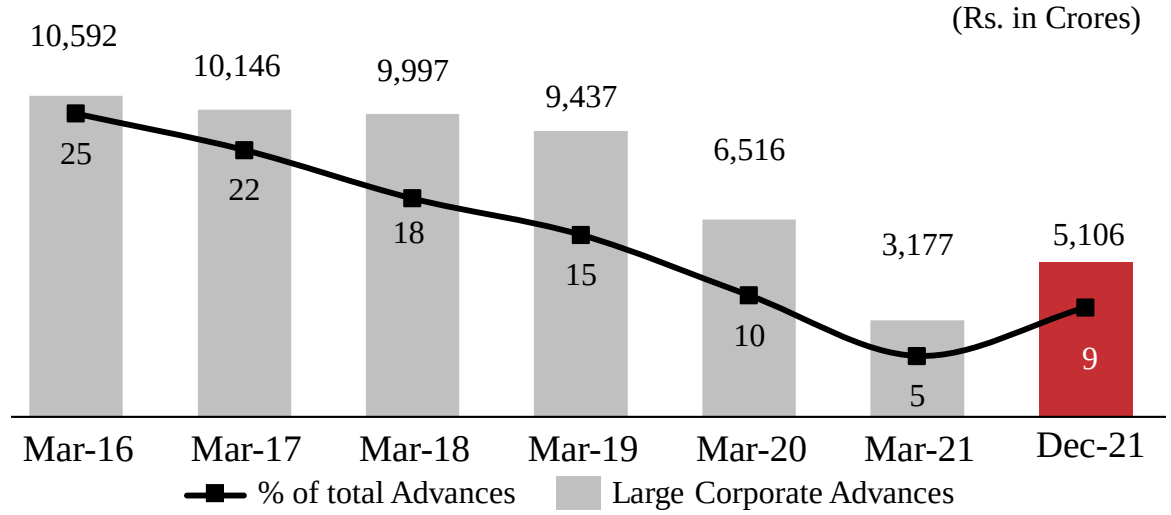
- Co-lending platform & Fintech tie up for instant Business Loans
- Decentralisation of MSME credit processing centre with regional CPCs
- SIB MSME Integrated Lending Engine for MSME proposals upto Rs.2 crores launched in 3 pilot regions with focus on quality, ease & credit process transformation

Corporate lending

Corporate Loan Book

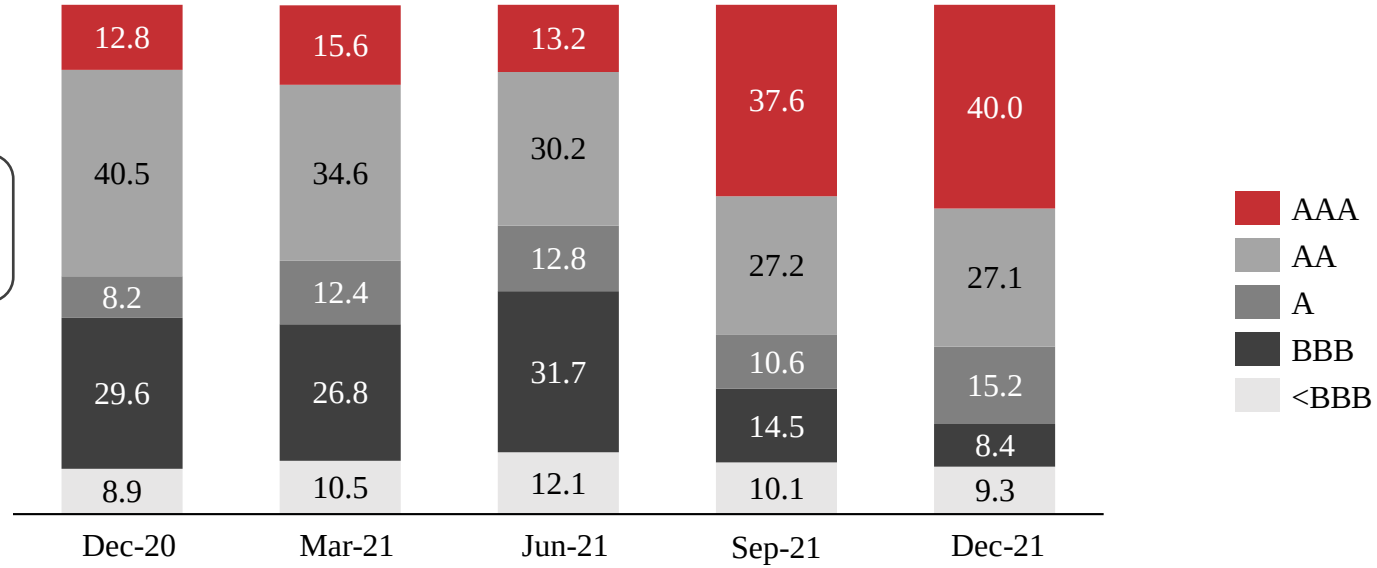


Standard Large Corporate Advances (Rs.100 Cr and above)



Rating Profile of Large Corporate Loan Book (in %)

Standard Advances above Rs. 100 Cr. (External Rating)



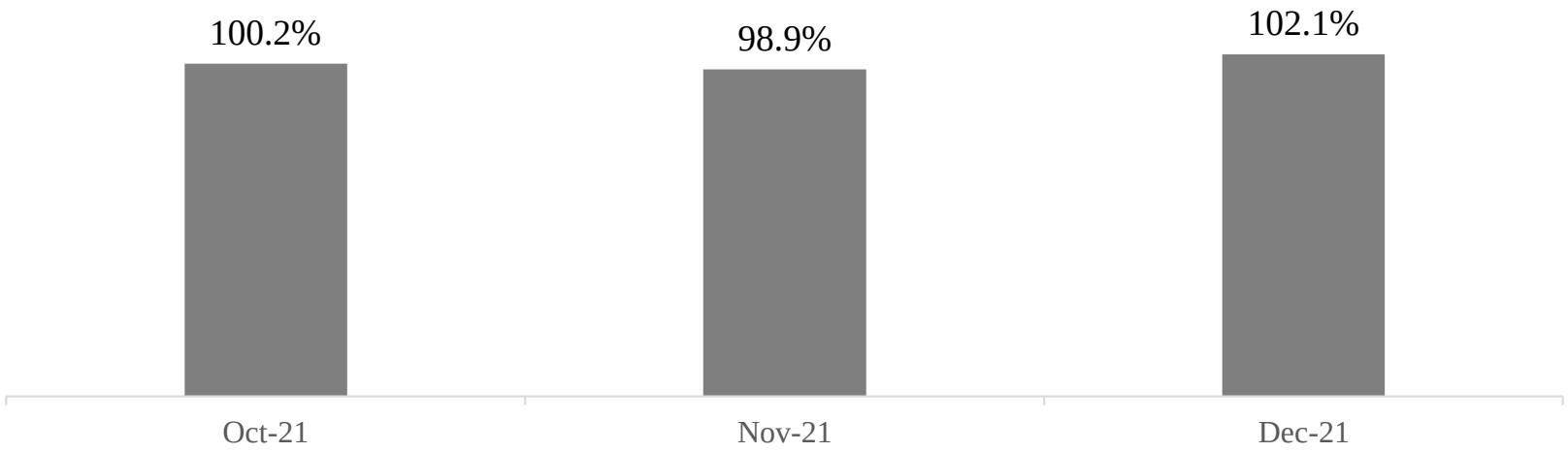
1. Does not include exposure to unrated state government owned entity

Slippages & collection efficiency

Segment wise NPA slippages

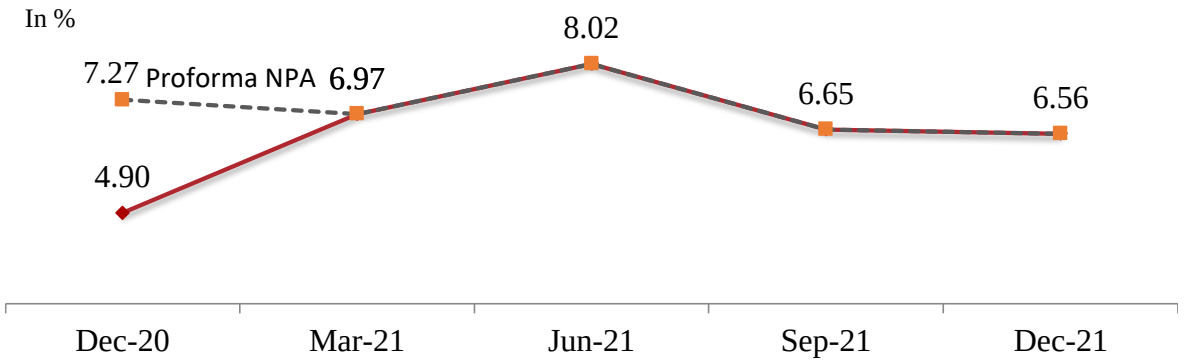
Rs. in Crore	Q3-2022
Agriculture	56
Business Loans	185
Personal Segment	63
Corporate	83
Total	**387**

Collection efficiency

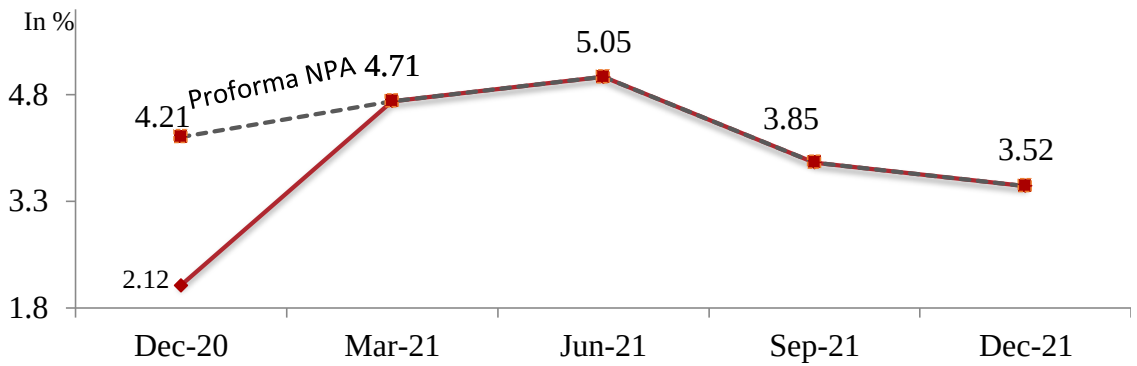


Non-Performing Assets

Gross NPA



Net NPA



Gross NPA Movement

Rs. Cr.	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
Opening	3,182	3,103	4,143	4,677	3,880
Additions	5	2,123	883	535	396
Deductions	83	1,083	350	1,332	393
Closing	**3,103**	**4,143**	**4,677**	**3,880**	**3,883**

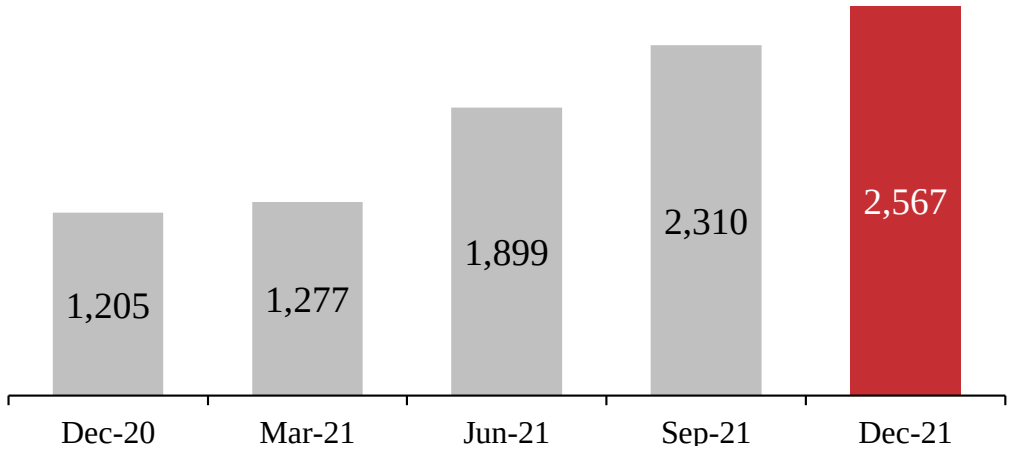
Net NPA Movement

Rs. Cr.	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
Opening	1,655	1,305	2,735	2,855	2,179
Additions	3	1,721	732	371	286
Deductions	354	292	612	1,047	446
Closing	**1,305**	**2,735**	**2,855**	**2,179**	**2,019**

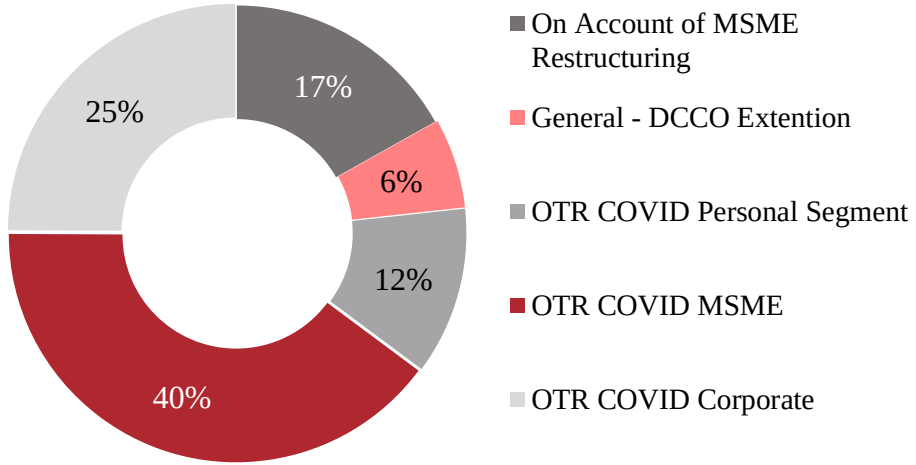
Stressed Assets

Restructured Standard Advance

(Rs. in Crores)



Sector Break up



Covid One Time Restructuring (OTR)

Rs. in Crore	Covid 1.0	Covid 2.0	Total
MSME	381	643	1,024
Personal loans	12	294	306
Other exposures	552	88	640
Total	**945**	**1025**	**1,970**

Security Receipts

(Rs. in Crores)

Security Receipts Outstanding as on Dec 31, 2021		
Book Value	Provision	NAV
1,574.4*	810.7	763.7

*of which Rs.826 Crore pertains to a single pool and this pool now holds a provision coverage of 70.0%

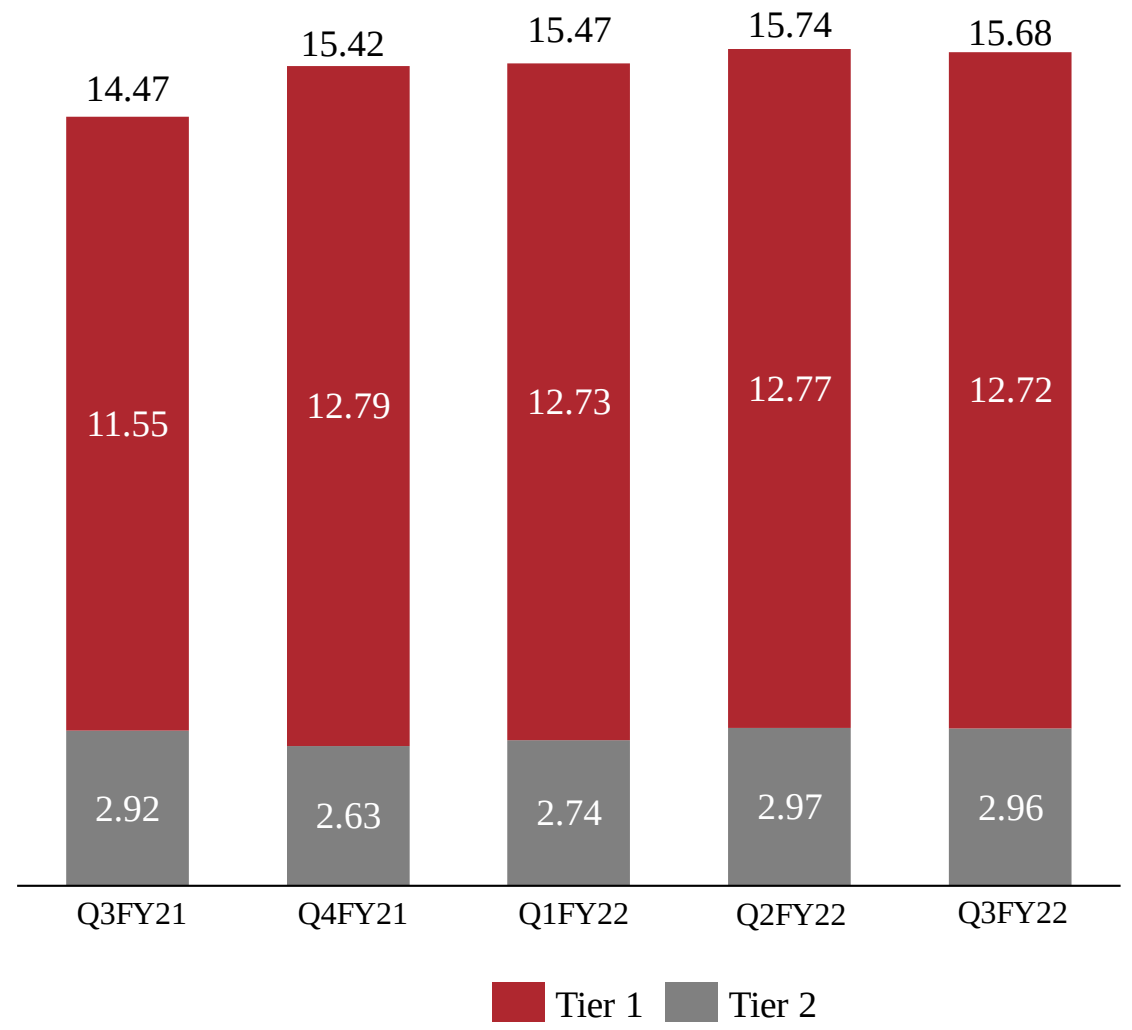
Capital Composition

Risk Weighted Assets

Rs. in Crore	Dec 31, 2021		Sep 30, 2021	
Total Capital	7,151.5	15.68%	7,214.2	15.74%
- Tier I	5,803.3	12.72%	5,853.4	12.77%
- Of which CET1	5,303.3	11.63%	*5,353.4*	*11.69%*
- Tier II	1,348.2	2.96%	1,360.8	2.97%
Risk Weighted Assets	**45,598.0**		**45,846.6**	

Capital adequacy ratios well above the minimum regulatory requirement of CET1 ratio of 7.38%, Tier I ratio of 8.88% and total capital adequacy ratio of 10.88%

BASEL III



Investments

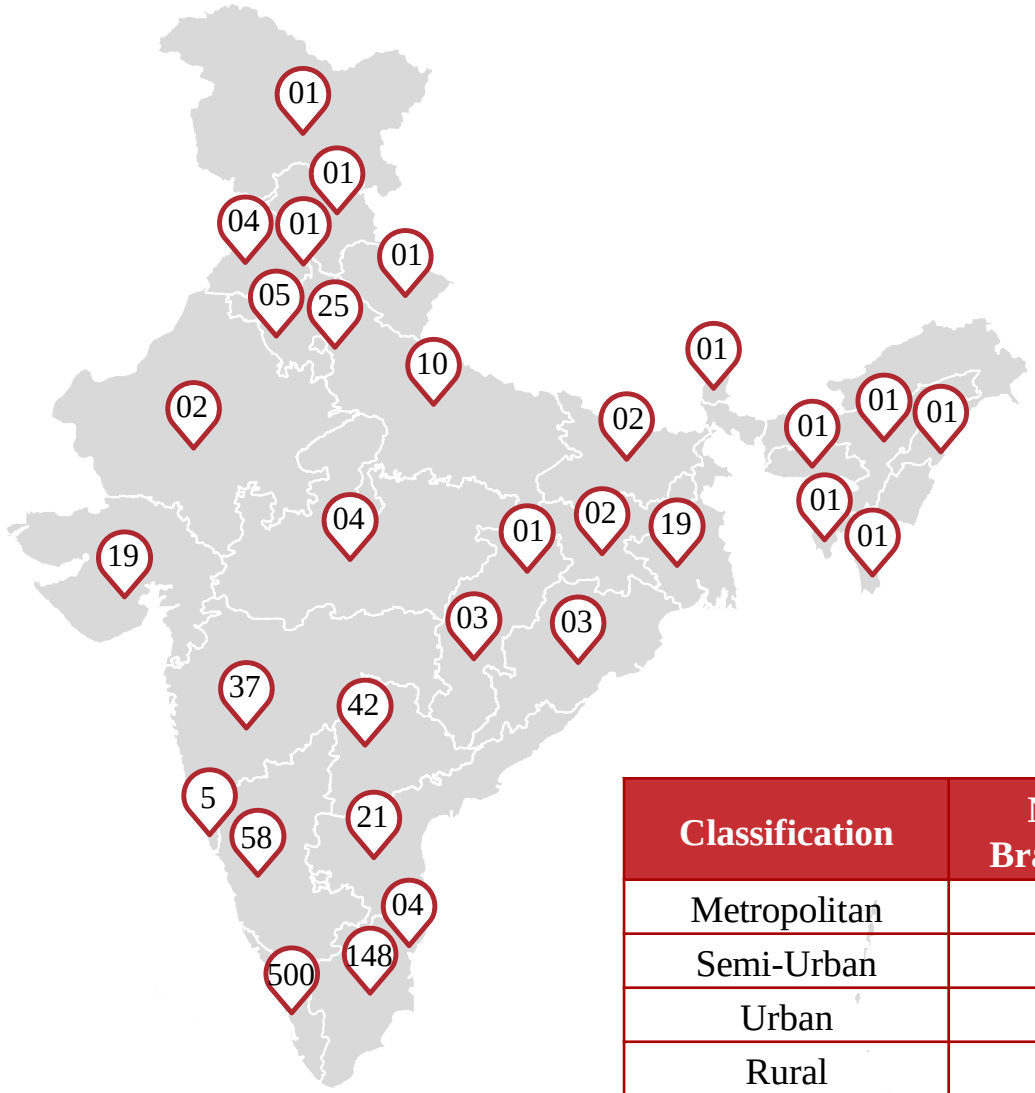
Investment Book as on Dec-21

Details	Rs. in Crore	Modified Duration
HTM	18,585	3.25
AFS	2,455	1.70
HFT	26	0.02
Total	**21,066**	**3.20**

SLR & NON-SLR

Rs. in Crore	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
SLR	20,821	18,951	18,944	20,567	18,485
NON-SLR	2,146	2,230	2,388	2,489	2,581
Total	**22,967**	**21,180**	**21,333**	**23,056**	**21,066**

Wide network and young work force

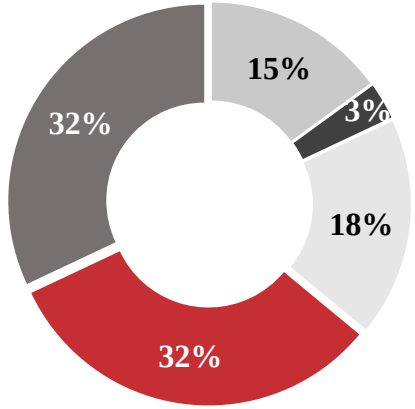


*Map for illustration purpose only

Classification	No of Branches[1]
Metropolitan	191
Semi-Urban	460
Urban	171
Rural	102
Total	**924**

Total Employees
Q3 FY22: 9,077
Q2 FY22: 8,487

Experienced Work Force



< 1 Year | 1-2 Years | 2-5 Years | 5-10 Years | > 10 Years

Legacy Customer Base of 67 lakhs

Branches[1]
Q3 FY22: 925
Q2 FY22: 926

ATM
Q3 FY22: 1,293
Q2 FY22: 1,294

1. Includes extension counters converted as Administratively Independent Outlets w.e.f 01.04.2021 & excludes 3 USBs & 3 Satellite branches operated by Business Correspondent.

Strong Management Team (1/2)

Mr. Murali Ramakrishnan, MD & CEO

- Post Graduate Diploma in Finance and Marketing from IIM Bangalore; More than 32 years of experience in Retail & MSME Credit, Risk Management Policy and Business Intelligence Unit.
- Previously, Head SME, Head Credit & Risk and Regional Head International Banking Group of ICICI Bank.

Mr. Thomas Joseph K, EVP and Group Business Head

- Bachelors Degree in Engineering and Diploma in Management & CAIIB. Associated with SIB for 37 years.
- Managed various portfolio including Credit, Risk Management, Technology, Marketing, Corporate Financial Management, Regional Head, and Human Resource.

Mr. Anto George T, Head HR & Admin

- MBA in Human Resource management, Associated with SIB for more than 25 years.
- Managed Internal Audit & Vigilance, Fraud Management, Regional Head and Retail Banking.

Mr. Sanchay Kumar Sinha, Country Head – Liabilities & Branch Banking

- More than 30 years of extensive experience in retail distribution and institutional sales in industries like financial services, logistics and office automation.
- Associated with HDFC Bank, IndusInd Bank & Mahindra & Mahindra Ltd; Prolific experience in distribution and product management through branches, direct sales, telesales and partners

Mr. Sony A, Head Technology & Digital Banking

- Certified Information Systems Auditor from ISACA, USA and MBA. Over 25 years of experience in banking technology. Instrumental in setting up key systems like Business Process
- Management tools, CRM systems, Treasury & Risk Management. Leads the payment channels such as UPI, IMPS, Bharat QR, Bhim Aadhaar etc in the Bank.

Ms. Minu Moonjely, GM Credit

- Associated with SIB for more than 25 years.
- Vast experience across business functions like Credit underwriting, Branch Banking, Corporate Finance & Forex. Headed largest MSME region of the Bank

Ms. Biji S S, Head Corporate Business

- MBA in Human Resource Management. Associated with SIB for more than 25 years.
- Managed relationship with mid and large corporate clients in various regions of the Bank and vast experience in Branch banking. Successfully lead the largest region of the Bank..

Strong Management Team (2/2)

Mr. Nandakumar G, Head SME Business

- Associated with SIB for more than 25 years.
- Vast experience across business functions like Branch/RO management, Retail Banking including Bancassurance and Marketing. Headed three large metro regions of the Bank.

Ms. Chithra H, Chief Financial Officer

- Fellow member of the Institute of Chartered Accountants of India & Certified Associate of the Indian Institute of Banking & Finance.
- Associated with SIB for over 25 years. Rich experience in the field of Finance, Compliance, Treasury Back office, Branch operations and Regional Head.

Mr. Thallam Sreekumar, Head Unsecured Products

- More than 25 years of experience spanning across various asset and liability business lines.
- Associated with ICICI Bank for more than 16 years and was Zonal Head of ICICI Bank for South India Region.

Mr. Leelanand Kodoganti, Head Treasury

- Over 30 years of rich experience with consistent achievement in directing diverse areas of Treasury Management, Forex Derivatives and Risk Management responsibilities.
- Associated with multiple corporates including ICICI Bank, Global Trust Bank, SBM Bank Mauritius and Andhra Bank.

Mr. Harikumar L, Head Branch Banking

- More than 16 years of experience in the field of Branch Banking, Wealth Management and Retail Banking strategy.
- Previously associated with Axis Bank as Business & Operation Head of Chennai Circle comprising of 135 Branches.

Mr. Abey Abraham, Head Housing Loan Business Group

- Chartered Accountant with business management and associated with ICICI Bank for 17 years.
- Managed profiles like National Head – Key account management, South Head – Housing loans & Mortgages with creation of distribution and channel networks.

Mr. Senthil Kumar, Head Recovery & Collections

- Management graduate with 27 years of experience in banking and finance
- 21 years of experience with ICICI Bank across Sales, Credit, Product, Recovery and Collection functions

For further information, please contact:

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Mr. Chetan Parmar, Head IR
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THANK YOU