

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

[₹ in Lakhs]

Particulars	Quarter ended		Year Ended		
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
	Audited #	Unaudited	Audited #	Audited	Audited
1. Interest earned (a) + (b) + (c) + (d)	1,36,788	1,40,766	1,32,243	5,55,720	5,28,622
(a) Interest/discount on advances/bills	1,05,808	1,11,447	1,04,305	4,36,359	4,15,297
(b) Income on investments	26,391	25,030	23,562	1,00,778	94,585
(c) Interest on balances with Reserve Bank of India and other inter-bank funds	569	312	1,110	2,877	7,952
(d) Others	4,020	3,977	3,266	15,706	10,788
2. Other Income	13,906	15,332	12,194	51,742	49,707
3. Total income (1+2)	1,50,694	1,56,098	1,44,437	6,07,462	5,78,329
4. Interest expended	99,359	1,00,094	97,534	4,04,750	3,91,999
5. Operating Expenses (i) + (ii)	29,106	29,697	30,405	1,14,784	1,04,704
(i) Employees cost	17,156	18,457	19,786	69,225	63,370
(ii) Other operating expenses	11,950	11,240	10,619	45,559	41,334
6. Total expenditure (4)+(5) excluding provisions and contingencies	1,28,465	1,29,791	1,27,939	5,19,534	4,96,703
7. Operating Profit before provisions and contingencies (3) - (6)	22,229	26,307	16,498	87,928	81,626
8. Provisions (other than tax) and contingencies	11,625	10,639	13,774	36,962	41,405
9. Exceptional Items (Refer Note 5)	-	-	-	-	(4,339)
10. Profit from Ordinary activities before tax (7)-(8)-(9)	10,604	15,668	2,724	50,966	44,560
11. Tax expense	3,307	5,505	1,092	17,639	13,840
12. Net Profit from Ordinary activities after tax (10)-(11)	7,297	10,163	1,632	33,327	30,720
13. Extra ordinary items (Net of Tax Expense)	-	-	-	-	-
14. Net Profit for the period (12+13)	7,297	10,163	1,632	33,327	30,720
15. Paid up Equity Share Capital (Face Value ₹ 1)	13,503	13,502	13,502	13,503	13,502
16. Reserves excluding revaluation reserves				3,57,328	3,31,581
17. Analytical Ratios					
i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
ii) Capital Adequacy Ratio (%) - BASEL III	11.82	11.70	12.01	11.82	12.01
iii) Earnings Per Share (EPS)					
(a) Basic EPS - before and after Extraordinary items (₹)	0.54 *	0.75 *	0.12 *	2.47	2.28
(b) Diluted EPS - before and after Extraordinary items (₹)	0.54 *	0.75 *	0.12 *	2.47	2.27
iv) NPA Ratios (a) Gross NPA	1,56,236	1,10,801	64,345	1,56,236	64,345
Net NPA	1,18,526	71,598	35,705	1,18,526	35,705
(b) % of Gross NPA	3.77	2.75	1.71	3.77	1.71
% of Net NPA	2.89	1.80	0.96	2.89	0.96
v) Return on Assets (Annualised)	0.47	0.66	0.12	0.55	0.56

* Not annualised

Refer Note 3



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Segmentwise Results

[₹ in Lakhs]

	Quarter ended			Year Ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
	Audited #	Unaudited	Audited #	Audited	Audited
1. Segment Revenue					
a) Treasury	33,762	36,509	31,453	1,36,291	1,32,047
b) Corporate/ Wholesale Banking	65,997	70,133	63,808	2,73,707	2,45,164
c) Retail Banking	45,664	46,399	46,253	1,83,435	1,89,462
d) Other Banking Operations	5,271	3,057	2,923	14,029	11,656
Total	1,50,694	1,56,098	1,44,437	6,07,462	5,78,329
Less : Inter – segment Revenue	-	-	-	-	-
Net Income from Operations	1,50,694	1,56,098	1,44,437	6,07,462	5,78,329
2. Segment Results					
Segment results net of provisions					
a) Treasury	(5,898)	(295)	(10,939)	(14,098)	(14,148)
b) Corporate/ Wholesale Banking	(1,132)	6,967	1,414	17,316	6,298
c) Retail Banking	13,371	6,521	9,939	36,370	38,525
d) Other Banking Operations	4,263	2,475	2,310	11,378	9,546
Total	10,604	15,668	2,724	50,966	40,221
Less: unallocated expenditure (Exceptional item)	-	-	-	-	(4,339)
Profit Before Tax and Exceptional item	10,604	15,668	2,724	50,966	44,560
3. Capital Employed					
a) Treasury	1,04,888	99,933	1,09,954	1,04,888	1,09,954
b) Corporate/ Wholesale Banking	1,28,569	1,17,139	1,21,627	1,28,569	1,21,627
c) Retail Banking	75,291	69,309	72,943	75,291	72,943
d) Other Banking Operations	-	-	-	-	-
e) Unallocated	75,445	98,601	54,417	75,445	54,417
Total	3,84,193	3,84,982	3,58,941	3,84,193	3,58,941

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.

Refer Note 3

Notes:

- Statement of Assets and Liabilities as on March 31, 2016 is given below:

[₹ in Lakhs]

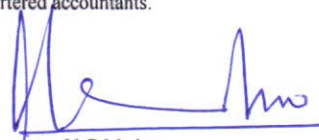
	As at	
	31.03.2016	31.03.2015
	Audited	Audited
CAPITAL AND LIABILITIES		
Capital	13,503	13,502
Employees Stock Option Outstanding	365	238
Reserves and Surplus	3,70,690	3,45,439
Deposits	55,72,073	51,91,249
Borrowings	2,31,496	2,23,247
Other Liabilities and Provisions	1,29,361	1,37,957
Total	63,17,488	59,11,632
ASSETS		
Cash and Balances with Reserve Bank of India	2,47,613	2,44,158
Balances with Banks and money at call & short notice	62,334	1,15,350
Investments	14,61,893	14,08,614
Advances	41,08,575	37,39,164
Fixed Assets	48,699	47,905
Other Assets	3,88,374	3,56,441
Total	63,17,488	59,11,632

- The above results have been approved by the Board of Directors at its meeting held on May 11, 2016. There are no qualifications in the auditor's report for the year ended Mar 31, 2016. The information presented above is extracted from the audited financial statements as stated.
- The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto the end of the third quarter of the respective financial year.
- The working results for the quarter and year ended March 31, 2016 have been arrived at after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposures, non performing assets (NPAs), depreciation on investments, income tax and other usual and necessary provisions.

- 5 During the previous year, effective April 1, 2014, the Bank had changed its accounting policy for charging depreciation from Written Down Value ("WDV") method to Straight Line Method ("SLM"), impact of the same is disclosed as an exceptional item.
- 6 Pursuant to RBI Circular DBR.BP.BC.No.31/21.04.018/2015-16 dated July 16, 2015, the Bank has, effective from September 30, 2015 included its deposits placed with NABARD, SIDBI, and NHB on account of shortfall in lending to priority sector under 'Other Assets'. Hitherto these were included under 'Investments' and Interest income thereon was included under 'Interest Earned - Income on Investments'. Arising out of regrouping in line with the above mentioned RBI guidelines, interest income on deposit placed with NABARD, SIDBI and NHB is included under "Interest Earned - Others". Figures for the previous periods have been regrouped/reclassified to conform to current periods classification. The above change in classification has no impact on the profit of the Bank for the quarter and year ended March 31, 2016.
- 7 The Bank had assigned certain non-performing financial assets having a net book value of ₹ 196.18 Lakhs during the current financial year (₹ 8207 Lakh during the year ended March 31, 2015) to Asset Reconstruction Companies. The Bank has, in terms of RBI Circular DBOD.No.BP.BC.9/21.04.048/2014-15 on "Prudential norms on income recognition, asset classification and provisioning pertaining to advances" dated July 1, 2014, as amended, spread the net shortfall in recovery of net book value of ₹ 4150 Lakhs over a period of two years.
In respect of such assignments, an amount of ₹ 760 Lakhs / ₹ 1610 Lakhs has been charged to the profit and loss account during the quarter/ year ended March 31, 2016 and the unamortised balance carried forward as at March 31, 2016 is ₹ 2374 Lakhs.
- 8 During the quarter/ year ended March 31, 2016, the Bank allotted 1,34,905/1,57,005 shares respectively, pursuant to the exercise of stock option by certain eligible employees.
- 9 In accordance with the RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III capital regulation dated July 1, 2015 and RBI circular DBR.NO.BP.BC.80/21.06.201/2014-15 dated March 31, 2016 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.
<http://www.southindianbank.com/content/viewContentLvl1.aspx?linkIdLvl2=854&LinkIdLvl3=880&linkId=880>
These disclosures have not been subjected to audit by the Statutory Central Auditor.
- 10 The Board of Directors have recommended a dividend of ₹0.50 per share (50.00%) for the year ended March 31, 2016 (Previous year ₹ 0.60 per share (60%)), subject to approval of the members in the ensuing Annual General Meeting.
- 11 Other income includes fees earned from providing services to customers, commission from non-fund based banking activities, earnings from foreign exchange transactions, selling of Third party products, profits/loss on sale of investments (net), recoveries from accounts written off.
- 12 The above financial results for the quarter/year ended 31st March, 2016 are audited by the statutory auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants. The financial results for the quarter/year ended 31st March, 2015 were subjected to audit by another firm of chartered accountants.
- 13 Previous period's/year's figures have been regrouped, wherever necessary to conform to the current period's classification.

Kochi
May 11, 2016




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

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

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF THE SOUTH INDIAN BANK LIMITED

1. We have audited the accompanying Statement of Financial Results of **THE SOUTH INDIAN BANK LIMITED** ("the Bank") for the year ended 31st March, 2016 ("the Statement"), being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements for the year ended 31st March, 2016 prepared in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable to banks, other accounting principles generally accepted in India and the Guidelines issued by the Reserve Bank of India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, and evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

These financial results incorporate the relevant returns of 19 branches audited by us and 840 branches audited by the other auditors appointed for this purpose.

3. In our opinion and to the best of our information and according to the explanations given to us, and based on the audit reports received from the Branch Auditors for the 840 branches audited by them, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) the financial results give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, as applicable to banks,



and the Guidelines issued by the Reserve Bank of India, of the net profit and other financial information of the Bank for the year ended 31st March, 2016.

4. The Statement includes the financial results for the quarter ended 31st March, 2016 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter ended 31st December, 2015 of the current financial year, which were subject to limited review by us.
5. Attention is drawn to Note No.7 of the Statement regarding deferment of shortfall arising from the sale of certain non-performing assets during the year ended 31st March, 2016 and earlier years in terms of RBI Master Circular DBOD. No. BP. BC. 9/21. 04. 048/2014-15 on Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances, dated July 1, 2014, as amended and the unamortised balance as at 31st March, 2016 of Rs.2374 Lakhs.

Our report is not qualified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)



S. Sundaresan
Partner
(Membership No. 25776)

BENGALURU, 11th May, 2016.