



# Indian Bank

57, Sir Baron Jayatilleke Mawatha, Colombo 01

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 2016

INCOME STATEMENT	Bank-Sri Lankan Rupees Thousands		SELECTED PERFORMANCE INDICATORS	Bank-Sri Lankan Rupees Thousands		STATEMENT OF FINANCIAL POSITION	Bank-Sri Lankan Rupees Thousands	
	Current Period From 01-04-2016 to 31-12-2016 (Un-Audited)	Previous Period From 01-04-2015 to 31-12-2015 (Un-Audited)		31.12.2016 (Un-Audited)	31.03.2016 (Audited)		Current Period 31.12.2016 (Un-Audited)	Pervious Period 31.03.2016 (Audited)
Interest Income	1,836,714	1,524,966	<b>Regulatory Capital Adequacy</b>	5,728.55	5,007.87	<b>Assets</b>		
Less: Interest expenses	802,502	653,044	Core Capital (Tier 1 Capital) ,Rs.Mn	5,730.20	5,005.71	Cash and cash equivalents	303,133	401,588
<b>Net Interest Income</b>	<b>1,034,212</b>	<b>871,922</b>	Total Capital Base, Rs.Mn			Balances with central banks	111,355	119,442
Fee and commission income	18,333	17,014	Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement 5%)	33.36%	26.63%	Placements with banks	24,632,911	29,233,956
Less: Fee and Commission Expenses	2,764	9,382	Total Capital Adequacy Ratio as % of Risk Weighted Assets -Rs.Mn (minimum Requirement 10%)	33.37%	26.61%	Derivatives	19,797	40,955
<b>Net Fee and Commission Income</b>	<b>15,569</b>	<b>7,632</b>				Other financial assets held-for-trading	-	-
Net gain/(loss) from trading	-	-	<b>Assets Quality (Quality of Loan Portfolio)</b>			Financial assets designated at fair value through profit or loss	-	-
Net gain/(loss) from financial instruments designated at fair value through profit or loss	-	-	Gross Non-Performing Advances % (net of interest in suspense)	29.91%	19.10%	Loans and receivables for banks	-	-
Net Gain/(loss) from financial investment	-	-	Net-Non Performing Advances % (net of interest in suspense and Provision)	14.95%	8.82%	Loans and receivables for customers	8,725,807	10,973,880
Other Operating Income (net)	9,449	(17,957)				Financial investments - Available-for- Sale	19,006	19,070
<b>Total Operating Income</b>	<b>1,059,230</b>	<b>861,597</b>	<b>Profitability</b>			Financial investments - Held-for-maturity	19,671,027	21,191,294
Impairment for loans and other losses	-	-	Interest Margin %	1.99%	2.02%	Financial Investments - Loans & Receivables	-	-
Individual Impairment	250,719	37,782	Return on Assets (After Tax)%	0.64%	0.72%	Investments in subsidiaries	-	-
Collective Impairment	2,481	4,202	Return on Equity %	7.33%	7.91%	Investments in associates and joint ventures	26,298	28,831
Other	-	-	<b>Regulatory Liquidity</b>			Property, plant and equipment	-	-
<b>Net Operating Income</b>	<b>806,030</b>	<b>819,613</b>	Statutory Liquid Asset Rs.Mn	4,781.78	7,150.44	Investment properties	-	-
Personnel Expenses	44,356	45,226	Domestic Banking Unit	49,985.06	44,714.59	Goodwill and intangible assets	-	-
Depreciation and amortisation	4,794	3,252	Off-Shore Banking Unit	-	-	Deferred tax assets	2,782	2,713
Other Expenses	81,923	99,261	Statutory Liquid Asset Ratio % (Minimum requirement 20%)	-	-	Other assets	73,689	57,426
<b>Operating Profit/(Loss) before VAT</b>	<b>674,958</b>	<b>671,874</b>				<b>Total Assets</b>	<b>53,585,806</b>	<b>62,069,155</b>
Less: VAT on Financial Services	132,862	100,365				<b>Liabilities</b>		
<b>Operating Profit/(loss) after VAT</b>	<b>542,096</b>	<b>571,509</b>				Due to banks	43,133,849	48,808,069
Share of Profits of associates and joint ventures	-	-				Derivative Financial Instruments	13,480	2,055
<b>Profit/(loss) before tax</b>	<b>542,096</b>	<b>571,509</b>				Other financial liabilities held-for trading	-	-
Less: Tax Expenses	226,583	88,831				Financial liabilities designated at fair value through profit or loss	-	-
<b>Profit/(loss) for the period</b>	<b>315,513</b>	<b>482,678</b>				Due to other customers	3,662,972	7,143,304

Statement of changes In Equity - Bank									
In Sri Lanka Rupees Thousands	Stated capital/Assigned capital			Reserves					Total equity
	Ordinary Voting Shares	Ordinary non-voting shares	Assigned Capital	Statutory Reserve fund	Available for sale Reserve	Investment	Retained earnings	Foreign currency Translation Reserve	
<b>Balance as at 31.03.2016 (Opening balance)</b>			<b>1,740,883</b>	<b>160,078</b>	<b>15,064</b>	-	<b>3,489,424</b>	<b>356,291</b>	<b>5,761,740</b>
<b>Total comprehensive income for the year</b>							315,513		315,513
Profit/(loss) for the year									-
Other comprehensive income (net of tax)					(64)			48,091	48,027
<b>Total comprehensive income for the year</b>									-
<b>Transactions with equity holders, recognised directly in equity</b>									-
Share issue/increase of assigned capital									-
Share options exercised									-
Bonus issue									-
Rights issue									-
Transfers to reserves during the period				29,869		-	(29,869)		-
Dividends to equity holders									-
Profit transferred to head office									-
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)									-
Others									-
<b>Total transactions with equity holders</b>									-
<b>Balance as at 31.12.2016 (Closing balance)</b>			<b>1,740,883</b>	<b>189,947</b>	<b>15,000</b>	-	<b>3,775,068</b>	<b>404,382</b>	<b>6,125,280</b>

Measurement of Financial Instruments												
In Sri Lanka Rupees Thousands	a. Bank- Current year 31.12.2016						b. Bank- Previous year 31.03.2016					
	HFT	Designated at fair value	HTM	Amortised cost	AFS	Hedging	HFT	Designated at fair value	HTM	Amortised cost	AFS	Hedging
<b>ASSETS</b>	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	303,133	-	-	-	-	-	401,588	-	-
Balances with central banks	-	-	-	111,355	-	-	-	-	-	119,442	-	-
Placements with banks	-	-	-	24,632,911	-	-	-	-	-	29,233,956	-	-
Derivative financial instruments	-	19,797	-	-	-	-	-	-	-	-	40,955	-
Other financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables to banks	-	-	-	-	-	-	-	-	-	-	-	-
Loans and receivables to other customers	-	-	-	8,725,807	-	-	-	-	-	10,973,880	-	-
Financial investments	-	19,671,027	-	-	19,006	-	-	21,191,294	-	19,070	-	-
<b>Total financial assets</b>	<b>19,797</b>	<b>19,671,027</b>	<b>33,773,206</b>	<b>19,006</b>	<b>53,483,036</b>	<b>40,955</b>	<b>21,191,294</b>	<b>40,728,866</b>	<b>19,070</b>	<b>61,980,185</b>	<b>40,270</b>	<b>61,980,185</b>
<b>LIABILITIES</b>	-	-	-	-	-	-	-	-	-	-	-	-
Due to banks	-	-	-	43,133,849	-	-	-	-	48,808,069	-	-	-
Derivative financial instruments	-	13,480	-	-	-	-	-	-	-	-	2,055	-
Other financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Due to other customers	-	-	-	3,662,972	-	-	-	-	7,143,304	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-	-	-	-	-
Other borrowings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>13,480</b>	<b>46,796,821</b>	<b>-</b>	<b>46,810,301</b>	<b>2,055</b>	<b>55,951,373</b>	<b>-</b>	<b>55,953,428</b>	<b>-</b>	<b>2,055</b>	<b>55,953,428</b>

Loans and Receivables to other Customers				Loans and Receivables to other Customers				Movements in Individual and Collective Impairment Charges during the Period for Loans and Receivables to Other Customers				Due to Other Customers - By Product			
In Sri Lanka Rupees Thousand	Current Period As At 31.12.2016	Previous Period As At 31.03.2016		In Sri Lanka Rupees Thousand	Current Period As At 31.12.2016	Previous Period As At 31.03.2016		In Sri Lanka Rupees Thousand	Current Period As At 31.12.2016	Previous Period As At 31.03.2016		In Sri Lanka Rupees Thousand	Current Period As At 31.12.2016	Previous Period As At 31.03.2016	
Gross loans and receivables	10,259,920	12,230,311		By product - Domestic Currency				Individual impairment charges	1,223,516	808,460		By product - Domestic Currency			
(Less): Individual impairment	(1,498,463)	(1,223,516)		Overdraft	1,918,556	1,905,638		Opening balance	250,719	323,235		Demand Deposits (Current Accounts)	143,492	131,640	
Collective impairment	(35,650)	(32,915)		Term Loan	1,992,253	1,781,144		Charges/(Write back) to income statements	0	0		Savings Deposits	193,078	169,879	
Net Loan and receivables including those designated at fair value through profit or loss	-	-		Other Loans	734,077	565,529		Net-write-off during the year	24,228	91,821		Fixed Deposits	995,988	1,589,745	
	-	-		<b>Sub Total</b>	<b>4,644,886</b>	<b>4,252,311</b>		Other movements	-	-		Other Deposits	40,270	222,387	
	-	-		<b>By product - Foreign Currency</b>				<b>Closing balance</b>	<b>1,498,463</b>	<b>1,223,516</b>		<b>Sub Total</b>	<b>1,372,828</b>	<b>2,113,651</b>	
	-	-		Overdraft	133,995	20,803		Collective impairment charges				<b>By product - Foreign Currency</b>			
	-	-		Term Loan	2,925,112	2,956,720		Opening balance at 1st April	32,915	34,220		Demand Deposits (Current Accounts)	56,159	205,799	
	-	-		Other Loans	2,555,927	5,000,477		Charges/(Write back) to income statements	2,481	(2,770)		Savings Deposits	231,477	226,068	
<b>Net Loans and Receivables</b>	<b>8,725,807</b>	<b>10,973,880</b>		<b>Sub Total</b>	<b>5,615,034</b>	<b>7,978,000</b>		Net-write-off during the year	-	-		Fixed Deposits	2,002,508	4,597,786	
				<b>Total</b>	<b>10,259,920</b>	<b>12,230,311</b>		Other movements	254	1,465		Other Deposits	0	0	
								<b>Closing balance at Total</b>	<b>1,534,113</b>	<b>1,256,431</b>		<b>Sub Total</b>	<b>2,290,144</b>	<b>5,029,653</b>	

SUMMARISED BALANCE SHEET	Global - Indian Rupees Thousands	
	Current Period as at 31.12.2016 (un - Audited)	Previous Period as at 31.03.2016 (Audited)
<b>On-Balance Sheet Assets</b>		
Cash in Hand	6,657,446	5,371,302
Balances with Central Bank of Sri Lanka/Other Central Banks	87,148,583	86,373,211
Due from Banks and Other Financial Institutions	21,321,437	28,248,394
<b>Investments - Trading Account</b>	<b>281,040,818</b>	<b>247,033,850</b>
Government Securities	216,728,772	166,296,503
Other Securities	64,312,046	80,737,347
Investments - Held-to-Maturity (Net of provisions made for decline in value of investments)	392,081,871	283,407,785
Government Securities	363,247,820	254,524,567
Other Securities	28,834,051	28,883,219
Less: Provision for decline in value of investments	-	-
<b>Investments in Associates and Subsidiaries</b>	<b>451,500</b>	<b>451,500</b>
<b>Total Loans and Advances</b>	<b>1,258,576,135</b>	<b>1,326,321,439</b>
<b>Total Performing loans and Advances</b>	<b>1,161,825,151</b>	<b>1,238,051,015</b>
Bills of Exchange	11,240,872	13,755,768
Overdrafts	281,423,877	330,827,680
Lease Rentals Receivable	-	-
Other Loans	869,160,402	893,467,567
<b>Total Non-performing loans and Advances</b>	<b>96,750,984</b>	<b>88,270,424</b>
Bills of Exchange	49,439	805,304
Overdrafts	17,185,586	17,522,272
Lease Rentals Receivable	-	-
Other Loans	79,515,959	69,942,848
Interest Receivables	-	-
<b>Total Gross Loans and Advances</b>	<b>1,258,576,135</b>	<b>1,326,321,439</b>
<b>Less:</b>		
Interest in Suspense	-	-
Specific Loan Loss Provisions	39,459,061	35,363,076
General Loan Loss Provisions	467,600	467,600
<b>Net Loans and Advances</b>	<b>1,218,649,474</b>	<b>1,290,490,763</b>
Other Assets	68,111,017	59,904,334
Intangible Assets	709,191	711,960
Investment properties	-	-
Fixed Assets (Net of accumulated depreciation)	34,398,959	35,110,720
<b>Total on Balance Sheet Assets</b>	<b>2,110,570,295</b>	<b>2,037,103,821</b>
<b>On-Balance Sheet Liabilities</b>		
<b>Total Deposits</b>	<b>1,836,522,105</b>	<b>1,782,858,426</b>
Demand Deposits	112,820,458	92,774,433
Savings Deposits	593,947,130	464,817,686
Time Deposits	1,129,754,517	1,225,266,306
Margin Deposits	-	-
Other Deposits	-	-
<b>Total Borrowings</b>	<b>42,235,144</b>	<b>35,093,165</b>
Borrowings from CBSL	-	-
Borrowings from Banks and Financial Institutions in Sri Lanka	-	-
Borrowings from Banks and Financial Institutions Abroad	18,545,630	20,092,136
Securities sold under repurchase agreements	-	-
Subordinated Term Debt	16,000,000	10,000,000
Other Borrowings	7,689,514	5,001,029
Deferred Taxation	7,838,983	7,840,780
Current Taxation	-	-
Other Liabilities	-	-
<b>Total on Balance Sheet Liabilities</b>	<b>1,938,033,122</b>	<b>1,874,506,053</b>
<b>Minority Interest</b>		
<b>Equity Capital and Reserve</b>	<b>172,536,942</b>	<b>162,597,768</b>
Share Capital/ Assigned Capital	4,802,917	4,802,917
Statutory Reserve Fund	37,591,081	37,591,081
Total Other Reserves	130,142,944	120,203,771
<b>Total On-Balance Sheet Liabilities and Equity Capital and Reserve</b>	<b>2,110,570,295</b>	<b>2,037,103,821</b>
<b>On-Balance Sheet Items and Contra Accounts</b>		
Contingencies	-	-
Commitments and Contra Accounts	277,005,129	297,525,228
<b>Memorandum Information</b>		
Number of Employees	21219	20140
Number of Branches	2617	2565

SUMMARISED PROFIT AND LOSS ACCOUNT	Global-Indian Rupees Thousands	
	Current Period From 01.04.2016 To 31.12.2016 (Un - Audited)	Previous Period from 01.04.2015 to 31.12.2015 (Un - Audited)
<b>Interest Income</b>	<b>120,232,408</b>	<b>122,595,377</b>
Interest Income On Loans & Advances	87,027,540	90,313,177
Interest Income on Other Interest Earning Assets	33,204,868	32,282,200
<b>Less: Interest Expenses</b>	<b>82,620,923</b>	<b>89,479,867</b>
Interest Expenses on Deposits	80,151,072	87,636,536
Interest Expenses on Other Interest Bearing Liabilities	2,469,851	1,843,331
<b>Net Interest Income</b>	<b>37,611,485</b>	<b>33,115,509</b>
<b>Non-Interest Income</b>	<b>16,420,461</b>	<b>12,586,321</b>
Foreign Exchange Income	1,955,539	23,833,961
Other Income	14,464,922	10,202,360
<b>Less: Non-Interest Expenses</b>	<b>24,726,357</b>	<b>23,655,011</b>
Personnel Costs	14,772,186	15,191,533
Provision for Staff Retirement Benefits	-	-
Premises, Equipment and Establishment Expenses	3,988,756	3,480,185
Loss on Trading/Investment Securities	160,635	65,738