



# Indian Bank 356, Galle Road, Colombo 03

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2023

INCOME STATEMENT FOR THE PERIOD ENDED 31.03.2023				
In Rupees Thousands	Bank (in LKR)		Group (in INR)	
	Current Period	Previous Period	Current Period	Previous Period
	From 01.04.2022 To 31.03.2023 (Audited)	From 01.04.2021 To 31.03.2022 (Audited)	From 01.04.2022 To 31.03.2023 (Audited)	From 01.04.2021 To 31.03.2022 (Audited)
Interest Income	2,600,276	3,389,145	449,422,129	388,562,207
Interest Expenses	365,168	488,795	247,167,504	221,282,705
<b>Net Interest Income</b>	<b>2,235,109</b>	<b>2,900,350</b>	<b>202,254,625</b>	<b>167,279,502</b>
Fee and Commission Income	126,622	87,881	10,086,047	6,899,873
Fee and Commission Expenses	1,909	3,446	-	-
<b>Net fee and commission income</b>	<b>124,713</b>	<b>84,435</b>	<b>10,086,047</b>	<b>6,899,873</b>
Net gains/(losses) from trading	-	-	-	-
Net fair value gains/(losses) on:	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-
Net gains/(losses) on derecognition of financial assets:	-	-	-	-
at fair value through profit and loss	-	-	-	-
at amortised cost	-	-	-	-
at fair value through other comprehensive income	-	-	-	-
Net other operating income	116,295	266,567	63,926,269	66,910,206
<b>Total Operating Income</b>	<b>2,476,117</b>	<b>3,251,351</b>	<b>276,266,941</b>	<b>241,089,581</b>
Impairment Charges	320,228	174,493	65,179,285	84,513,426
<b>Net Operating Income</b>	<b>2,155,889</b>	<b>3,076,858</b>	<b>211,087,656</b>	<b>156,576,155</b>
Personnel Expenses	146,567	86,341	75,272,277	66,957,068
Depreciation and amortization expenses	26,462	19,663	21,558,057	21,974,622
Other expenses	132,599	123,073	55,113,216	35,602,130
<b>Operating profit/(loss) before value added (VAT) and Nation Building Tax (NBT) on financial services</b>	<b>1,850,262</b>	<b>2,847,781</b>	<b>59,144,106</b>	<b>32,042,335</b>
Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	287,520	329,930	-	-
<b>Operating profit / (loss) after VAT &amp; NBT on financial services</b>	<b>1,562,742</b>	<b>2,517,851</b>	<b>59,144,106</b>	<b>32,042,335</b>
Share of profits of associates and joint ventures	-	-	-	-
<b>Profit / (loss) before tax</b>	<b>1,562,742</b>	<b>2,517,851</b>	<b>59,144,106</b>	<b>32,042,335</b>
Income Tax expenses	558,481	59,446	6,327,085	(7,405,871)
<b>Profit/(loss) for the period</b>	<b>1,004,260</b>	<b>2,458,405</b>	<b>52,817,021</b>	<b>39,448,206</b>
<b>Profit attributable to:</b>				
Equity holders of the parent	-	-	-	-
Non-controlling interests	-	-	-	-
<b>Earnings per share on profit</b>				
Basic earnings per ordinary share	-	-	-	-
Diluted earnings per ordinary share	-	-	-	-

SELECTED PERFORMANCE INDICATORS (BASED ON REGULATORY REPORTING) 31.03.2023				
ITEM	Bank (in LKR)		Group (in INR)	
	31.03.2023 (Audited)	31.03.2022 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
<b>Regulatory Capital Adequacy</b>				
Common Equity Tier 1 Rs. Mn	13,544	14,557	449,644	387,251
Core (Tier 1) Capital Rs. Mn	13,542	14,555	-	-
Total Capital Base Rs. Mn	13,607	14,652	549,919	511,008
<b>Regulatory Capital Ratios (%)</b>				
Common Equity Tier 1 Capital (%) (Minimum Requirement 7%)	51.25%	48.02%	13.48%	13.17%
Tier 1 Capital ratio (%) (Minimum Requirement 8.5%)	51.24%	48.01%	-	-
Total Capital Ratio (%) (Minimum Requirement 12.5%)	51.94%	48.33%	16.49%	16.53%
<b>Leverage Ratio (Minimum Requirement 3%)</b>	<b>36.75%</b>	<b>15.49%</b>	<b>5.86%</b>	<b>5.64%</b>
<b>Regulatory Liquidity</b>				
Statutory Liquid Asset Rs.Mn				
Domestic Banking Unit	8,436	11,302	1,578,499	1,746,919
Off-Shore Banking Unit	4,246	48,704	-	-
Statutory Liquid Asset Ratio % (Minimum requirement 20%)				
Domestic Banking Unit	92.31%	92.80%	26.60%	32.01%
Off-Shore Banking Unit	58.18%	75.76%	-	-
Total Stock of High-Quality Liquid Assets Rs. Mn	3,745	2,675	1,466,146	1,581,321
Liquidity Coverage ratio (%) (Minimum requirement 100%)				
Rupee (%)	1906.00%	1430.00%	147.55%	181.80%
All Currency (%)	564.11%	327.79%	-	-
Net Stable Funding Ratio (%) - (Minimum requirement 100%)	120%	169.00%	143.70%	160.23%
<b>Assets Quality (Quality of Loan Portfolio)</b>				
Gross Non-Performing Advances % (net of interest in suspense)	11.77%	12.20%	5.95%	8.47%
Net-Non Performing Advances % (net of interest in suspense and Provision)	0.29%	1.36%	0.90%	2.27%
Impaired Loans (Stage 03) Ratio (%)	0.29%	1.36%	-	-
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	97.56%	88.85%	-	-
<b>Profitability</b>				
Interest Margin (%)	6.64%	4.69%	3.37%	2.93%
Return on Assets (Before Tax) (%)	4.64%	4.07%	0.86%	0.51%
Return on Equity (%)	9.55%	18.32%	14.73%	12.13%

CERTIFICATION:  
We, the undersigned, being the Chief Executive Officer and Compliance officer of Indian Bank certify jointly that:  
a) the above statement have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.  
b) the information contained in these statements have been extracted from the unaudited financial statements of the Bank unless indicated as audited.

Sd. MOHANDOSS P. CHIEF EXECUTIVE OFFICER  
Date : 30.06.2023

Sd. KIRUPAKARAN J. MANAGER (FINANCE)

**Corporate Governance:-**  
Corporate Governance is a process by which the bank is controlled and guided to enhance business in an ethical manner. It acts as a catalyst between the Management, Board, shareholders and other stakeholders to achieve the set goals of Indian Bank while abiding the law of the land in conducting day to day business in a most efficient, transparent and ethical way. The Board has constituted committees which provide specific and focused governance in important functional areas and to oversee the affairs of the bank. The few of the committees are: Management Committee, Audit Committee, Risk Management Committee, IT Strategy Committee, Customer Service Committee, Vigilance Committee, Credit Approval Committee, Remuneration Committee, etc.  
The Board Members and Senior Management have affirmed compliance of Code of Conduct framed by the Bank applicable to Board of Directors and Senior Management Personnel of Indian Bank. Visit our website [www.indianbank.lk](http://www.indianbank.lk) for the detailed Corporate Governance Report available in our Annual Report.

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31.03.2023		
In Rupees Thousands	Bank (in LKR)	
	Current Period	Previous Period
	31.03.2023 (Audited)	31.03.2022 (Audited)
<b>Cash flows from operating activities</b>		
Profit before tax	1,562,742	2,517,851
<b>Adjustments for:</b>		
Non-cash items included in the profit before tax	930,946	4,188,983
Changes in operating assets	(685,870)	(3,571,872)
Changes in operating liabilities	(16,636,686)	(24,562,065)
Dividend income	(1,465)	(1,362)
Tax paid	(183,676)	(20,607)
VAT paid	-	(289,516)
SSCL paid	-	-
Operating lease rental paid	(18,488)	(17,526)
Gratuity paid	-	(654)
<b>Net cash generated from operating activities</b>	<b>(15,032,498)</b>	<b>(21,756,768)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(17,135)	(18,767)
Sales of property, plant and equipment	-	-
Net investment in financial assets at amortised cost	3,533,025	4,281,163
Net investment in fair value through OCI assets	277	-
Net investment in other financial assets	-	-
Dividends received	1,465	1,362
<b>Net cash used in investing activities</b>	<b>3,517,631</b>	<b>4,263,758</b>
<b>Cash flows from financing activities</b>		
Assigned capital received from head office	-	-
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(11,514,866)</b>	<b>(17,493,672)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>21,540,492</b>	<b>39,034,164</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>10,025,626</b>	<b>21,540,492</b>

STATEMENT OF FINANCIAL POSITION AS AT 31.03.2023				
In Rupees Thousands	Bank (in LKR)		Group (in INR)	
	Current Period	Previous Period	Current Period	Previous Period
	as at 31.03.2023 (Audited)	as at 31.03.2022 (Audited)	as at 31.03.2023 (Audited)	as at 31.03.2022 (Audited)
<b>Assets</b>				
Cash and cash equivalents	222,013	635,684	12,424,809	19,623,975
Balances with central banks of Sri Lanka	153,035	293,889	315,623,840	221,540,530
Placements with banks	9,803,613	20,904,808	173,277,139	557,996,011
Derivative financial instruments	(147,450)	1,214,200	-	-
Financial assets recognized through profit or loss	-	-	-	-
Measured at fair value	-	-	-	-
designated at fair value	-	-	-	-
Financial assets at amortised cost	-	-	-	-
Loans and advances	22,464,498	20,763,823	4,492,967,337	3,891,860,632
Other instruments	3,633,311	7,278,146	1,857,672,504	1,743,424,199
Financial assets measured at fair value through other comprehensive income	9,365	9,641	-	-
Investment in subsidiaries	-	-	2,210,021	2,161,681
Investment in associates and joint ventures	-	-	-	-
Property plant and equipment	48,180	30,259	74,590,404	76,837,116
Investment properties	-	-	-	-
Goodwill and intangible assets	-	-	44,345,577	38,729,107
Deferred tax assets	-	-	-	-
Other assets	531,626	60,617	131,895,681	164,507,300
<b>Total Assets</b>	<b>36,718,190</b>	<b>51,191,068</b>	<b>7,105,007,312</b>	<b>6,716,680,551</b>
<b>Liabilities</b>				
Due to banks	6,879,089	19,785,885	2,820,301	3,433,972
Derivative financial instruments	-	-	-	-
Financial liabilities recognized through profit or loss	-	-	-	-
Measured at fair value	-	-	-	-
designated at fair value	-	-	-	-
Financial liabilities at amortised cost	-	-	-	-
due to depositors	7,517,069	12,649,489	6,211,657,565	5,936,178,137
due to debt securities holders	-	-	-	-
due to other borrowers	-	-	217,910,008	168,009,112
Debt securities issued	-	-	-	-
Retirement benefit obligations	11,279	7,595	-	-
Current tax liabilities	567,994	192,702	-	-
Deferred tax liabilities	(1,035)	911	-	-
Other provisions	-	-	-	-
Other liabilities	2,360,425	568,184	192,891,881	171,971,288
Due to subsidiaries	-	-	-	-
<b>Total Liabilities</b>	<b>17,334,821</b>	<b>33,204,766</b>	<b>6,625,279,755</b>	<b>6,279,592,509</b>
<b>Equity</b>				
Stated capital/Assigned capital	1,740,883	1,740,882	12,454,411	12,454,411
Statutory reserve fund	604,760	554,547	109,563,951	96,359,651
OCI reserve	6,176,293	5,786,787	-	-
Retained earnings	10,800,615	9,896,272	-	-
Other reserves	60,819	7,814	357,709,195	328,273,980
<b>Total Shareholders' equity</b>	<b>19,383,369</b>	<b>17,986,302</b>	<b>479,727,557</b>	<b>437,088,042</b>
Non-controlling interest	-	-	-	-
<b>Total Equity</b>	<b>19,383,369</b>	<b>17,986,302</b>	<b>479,727,557</b>	<b>437,088,042</b>
<b>Total Equity and Liabilities</b>	<b>36,718,190</b>	<b>51,191,068</b>	<b>7,105,007,312</b>	<b>6,716,680,551</b>
<b>Contingent liabilities and commitments</b>	<b>7,769,235,171</b>	<b>19,811,785</b>	<b>3,973,851,947</b>	<b>3,676,589,397</b>
<b>Memorandum Information</b>				
Number of Employees	26	24	40,781	39,516
Number of Branches	2	2	5,791	5,735

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31.03.2023				
In Rupees Thousands	Bank (in LKR)		Group (in INR)	
	Current Period	Previous Period	Current Period	Previous Period
	From 01.04.2022 To 31.03.2023 (Audited)	From 01.04.2021 To 31.03.2022 (Audited)	From 01.04.2022 To 31.03.2023 (Audited)	From 01.04.2021 To 31.03.2022 (Audited)
<b>Profit/(loss) for the period</b>	<b>1,004,260</b>	<b>2,458,405</b>	<b>52,817,021</b>	<b>39,448,206</b>
<b>Items that will be reclassified to Income Statement</b>				
Exchange differences on translation of foreign operations	394,142	3,944,629	-	-
Net gains/(losses) on cash flow hedges	-	-	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	511	(802)	-	-
Share of profits of associates and joint ventures	-	-	-	-
Debt instruments at fair value through other comprehensive income	-	-	-	-
Others (Specific)	-	-	-	-
Less: Tax expense relating to items that will be reclassified to income statement	(426)	(789)	-	-
<b>Items that will not be reclassified to Income Statement</b>				
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-
Change in fair value attributable to change in the bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-	-	-
Remeasurement of post-employment benefit obligations	(1,420)	3,288	-	-
Changes in revaluation surplus	-	-	-	-
Share of profits of associates and joint ventures	-	-	-	-
Others (foreign exchange gain from FCBU)	-	-	-	-
Less: Tax expense relating to items that will not be reclassified to Income Statement	(426)	(789)	-	-
<b>Other comprehensive income for the period net of taxes</b>	<b>392,806</b>	<b>3,946,326</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>1,397,066</b>	<b>6,404,731</b>	<b>52,817,021</b>	<b>39,448,206</b>
<b>Attributable to:</b>				
Equity holders of the parent	-	-	52,817,021	39,448,206
Non-controlling interests	-	-	-	-

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31.03.2023													
Bank (In Rupees Thousands)	Stated capital/Assigned capital					Reserves					Total	Non-controlling interest	Total Equity
	Ordinary voting shares	Ordinary non-voting shares	Assigned capital	Reserve Fund	Share Premium	Statutory Reserve Fund	OCI Reserve	Fair value Reserve	Retained Earnings	Other Reserves			
<b>Balance as at 01.04.2022 (Opening balance)</b>			1,740,883			554,547	5,782,152	4,636	9,896,272	7,814	17,986,303	-	17,986,303
<b>Total comprehensive income for the period</b>							394,142	511	1,004,260	-	1,004,260	-	1,004,260
<b>Profit/(loss) for the year (net of tax)</b>							394,142	511	1,004,260	-	1,004,260	-	1,004,260
<b>Other comprehensive income (net of tax)</b>							-	(1,846)	392,806	-	392,806	-	392,806
<b>Total comprehensive income for the</b>													