



# Indian Bank

57, Sir Baron Jayatilleke Mawatha, Colombo 01

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2019

| INCOME STATEMENT  | Bank-Sri Lanka Rupees Thousands             |  | SELECTED PERFORMANCE INDICATORS   |                      | STATEMENT OF FINANCIAL POSITION             |   |            |            |
|---|---|--|---|----------------------|---|---|------------|------------|
|   | Current Period as at 30.09.2019 (Unaudited) | Previous Period as at 30.09.2018 (Unaudited) | 30.09.2019 (Unaudited)  | 31.03.2019 (Audited) | Current Period as at 30.09.2019 (Unaudited) | Previous Period as at 31.03.2019 (Audited)              |            |            |
| Interest income   | 1,003,900                                   | 969,360                                      | Core Capital (Tier 1 Capital) Rs.Mn   | 7,736.43             | 7,193.23                                    | Assets  | 373,913    | 1,118,541  |
| Interest expenses   | 884,831                                     | 433,671                                      | Total Capital Base, Rs.Mn   | 7,893.42             | 7,207.06                                    | Cash and cash equivalents                               | 120,447    | 143,712    |
| Net interest income   | 716,969                                     | 535,689                                      | Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement 5%)                    | 32.66%               | 33.4%                                       | Placements with central banks of Sri Lanka              | 25,812,382 | 26,153,939 |
| Fee and Commission income   | 27,546                                      | 31,101                                       | Total Capital Adequacy Ratio as % of Risk Weighted Assets - Rs.Mn (Minimum Requirement 10%)           | 33.32%               | 32.65%                                      | Placements with banks                                   | 26,195     | 1,666,797  |
| Fee and Commission Expenses   | 2,654                                       | 2,495  | Assets Quality (Quality of Loan Portfolio)  | -                    | -   | Financial assets recognized through profit or loss      | -          | -          |
| Net fee and commission income   | 25,192                                      | 28,606                                       | Gross Non-Performing Advances % (Net of interest in suspense)   | 14.84%               | 11.32%                                      | Measured at fair value                                  | -          | -          |
| Net gains/(losses) from trading   | -   | -  | Net Non-Performing Advances % (Net of interest in suspense and Provision)                             | 3.88%                | 2.64%                                       | Designated at fair value                                | -          | -          |
| Net fair value gains/(losses) on  | -   | -  | Profitability   | -                    | -   | Financial assets at amortised cost                      | 11,140,431 | 13,741,619 |
| Financial assets at fair value through profit or loss   | -   | -  | Return Margin %   | 2.69%                | 2.72%                                       | Loans and advances                                      | 9,153,288  | 8,023,402  |
| Financial liabilities at fair value through profit or loss  | -   | -  | Return on Assets (After Tax%)   | 1.00%                | 1.04%                                       | Other instruments                                       | 11,020     | 10,687     |
| Net gains/(losses) on derecognition of financial assets at fair value through profit or loss          | -   | -  | Return on Equity %  | 14.22%               | 12.69%                                      | Investment in subsidiaries                              | -          | -          |
| at amortised cost   | -   | -  | Regulatory Liquidity  | -                    | -   | Investment in associates and joint ventures             | 20,573     | 22,119     |
| at fair value through other comprehensive income  | -   | -  | Statutory Liquidity Asset Rs.Mn   | 4,563.16             | 3,202.84                                    | Investment properties                                   | -          | -          |
| Net other operating income  | 5,901                                       | 14,776                                       | Domestic Banking Unit   | 38,912.72            | 24,460.50                                   | Goodwill and intangible assets                          | 4,852      | 2,027      |
| Net Operating Income  | 748,002                                     | 579,074                                      | Off-Shore Banking Unit  | -                    | -   | Deferred tax assets                                     | 72,227     | 6,624      |
| Impairment Charges  | 10,009                                      | 110,206                                      | Statutory Liquidity Asset Ratio % (Minimum requirement 20%)   | 60.55%               | 51.33%                                      | Other assets  | 46,735,328 | 52,889,420 |
| Net Operating Income  | 758,101                                     | 468,868                                      | Operating Profit/(Loss) before income tax (VAT) and National Building Tax (NBT) on financial services | 598,556              | 371,531                                     | Liabilities   | 30,214,576 | 36,526,692 |
| Personnel Expenses  | 43,234                                      | 35,126                                       | Value Added Tax (VAT) and National Building Tax (NBT) on financial services                           | 89,850               | 57,182                                      | Retirement financial instruments                        | -          | -          |
| Depreciation and amortization expenses  | 2,253                                       | 2,577  | Operating Profit/(Loss) after VAT & NBT   | 508,706              | 314,349                                     | Financial liabilities recognized through profit or loss | -          | -          |
| Other expenses  | 113,999                                     | 60,630                                       | Profit/(Loss) before tax  | 508,706              | 314,349                                     | Measured at fair value                                  | -          | -          |
| Operating Profit/(Loss) before income tax (VAT) and National Building Tax (NBT) on financial services | 598,556                                     | 371,531                                      | Income tax expenses   | 109,405              | 102,153                                     | Designated at fair value                                | -          | -          |
| Value Added Tax (VAT) and National Building Tax (NBT) on financial services                           | 89,850                                      | 57,182                                       | Profit/(Loss) for the period  | 399,301              | 212,196                                     | Due to depositors                                       | 6,973,946  | 5,815,019  |
| Operating Profit/(Loss) after VAT & NBT   | 508,706                                     | 314,349                                      | Statement of changes in Equity - Bank   | -                    | -   | Due to other borrowers                                  | 199,405    | 20,463     |
| Profit/(Loss) before tax  | 508,706                                     | 314,349                                      | In Sri Lanka Rupees Thousands   | -                    | -   | Debt to subsidiaries issued                             | -          | -          |
| Income tax expenses   | 109,405                                     | 102,153                                      | Balance as at 01.04.2019 (Opening balance)  | 1,740,883            | 299,888                                     | Retirement benefit obligations                          | 5,400      | 2,602      |
| Profit/(Loss) for the period  | 399,301                                     | 212,196                                      | Total comprehensive income for the year   | 134,447              | 134,447                                     | Current tax liabilities                                 | 207,353    | 397,465    |

| Statement of changes in Equity - Bank   | Statement of changes in Equity - Bank |                            |                  |                   |             | Reserves          |             |               |         |         |         |
|---|---------------------------------------|----------------------------|------------------|-------------------|-------------|-------------------|-------------|---------------|---------|---------|---------|
|   | Ordinary voting shares                | Ordinary non-voting shares | Assigned Capital | Statutory Reserve | OCI Reserve | Retained Earnings | OCI Reserve | Other Reserve | Total   |         |         |
| In Sri Lanka Rupees Thousands   | 1,740,883                             | 299,888                    | 1,006,849        | 5,399,764         | 8,447,384   | 309,301           | 309,301     | 309,301       | 309,301 | 309,301 | 309,301 |
| Balance as at 01.04.2019 (Opening balance)  |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Total comprehensive income for the year   |                                       |                            |                  | 134,447           | 134,447     |                   |             |               |         |         |         |
| Profit/(Loss) for the year  |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Other comprehensive income (net of tax)   |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Total comprehensive income for the year   |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Transactions with equity holders, recognised directly in equity                         |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Share issue/increase of assigned capital  |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Share options exercised   |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Bonus issue   |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Rights issue  |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Transfers to reserves during the period   |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| SLFRS 09 adjustment on impairment for the 2017/18                                       |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Dividends to equity holders   |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Profit transferred to head office   |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Gain/(Loss) on revaluation of Property, Plant and Equipment (if cost method is adopted) |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Others  |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Total transactions with equity holders  |                                       |                            |                  |                   |             |                   |             |               |         |         |         |
| Balance as at 30.09.2019 (Closing balance)  | 1,740,883                             | 299,888                    | 1,141,296        | 5,709,065         | 8,891,132   | 309,301           | 309,301     | 309,301       | 309,301 | 309,301 | 309,301 |

| Measurement of Financial Instruments      |                          |                         |             | Loans and Receivables to other Customers |                |                 |  | COMPREHENSIVE INCOME |         |
|---|--------------------------|-------------------------|-------------|--|----------------|-----------------|--|----------------------|---------|
| In Sri Lanka Rupees Thousands             | a. Bank - Current Period | b. Bank - Previous Year | Total       | In Sri Lanka Rupees Thousands            | Current Period | Previous Period | Profit / (Loss) for the period   | 309,301              | 390,248 |
| ASSETS                                    | AC                       | FPVCL                   | FVOCI       | Total                                    | 30.09.2019     | 31.03.2019      |  |                      |         |
| Cash and cash equivalents                 | 373,913                  | -                       | 373,913     | 1,118,541                                | 1,969,892      | 1,879,415       | Profit/loss for the period   | 309,301              | 390,248 |
| Placements with central banks             | 25,812,382               | 26,195                  | 25,838,577  | 183,129                                  | 4,240,263      | 4,062,214       | Items that will be reclassified to profit or loss  | -                    | -       |
| Derivative financial instruments          | 11,140,431               | 11,020                  | 11,151,451  | 1,666,797                                | 933,556        | 458,232         | Exchange differences on translation of foreign operations  | 134,114              | 451,889 |
| Loans and advances                        | 9,153,288                | 8,023,402               | 17,176,690  | 10,687                                   | 7,053,787      | 5,993,901       | Net gains/(losses) on cash flow hedges   | -                    | -       |
| Other instruments                         | -                        | -                       | -           | 10,687                                   | 1,046          | 1,046           | Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income                                    | 333                  | (5,923) |
| Financial liabilities - due to depositors | 6,973,946                | 5,815,019               | 12,788,965  | 407                                      | 482,913        | 437,818         | Less: Tax expense relating to items that will be reclassified to profit or loss  | -                    | -       |
| Other financial liabilities               | 27,188,521               | 37,388,321              | 64,576,842  | 10,687                                   | 1,046          | 1,046           | Items that will not be reclassified to profit or loss  | -                    | -       |
| Total financial liabilities               | 34,162,467               | 43,203,340              | 77,365,807  | 10,687                                   | 1,046          | 1,046           | Change in fair value on investments in equity instruments designated at fair value through other comprehensive income                              | -                    | -       |
| Net loans and receivables                 | 3,955,157                | 3,810,544               | 7,765,701   | 10,687                                   | 1,046          | 1,046           | 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 | -                    | -       |
| LIABILITIES                               |                          |                         |             | 10,687                                   | 1,046          | 1,046           | Remeasurement of post-employment benefit obligations   | -                    | -       |
| Due to banks                              | 30,214,576               | 36,526,692              | 66,741,268  | 309,301                                  | 309,301        | 309,301         | Changes in revaluation surplus   | -                    | -       |
| Derivative financial instruments          | -                        | -                       | -           | 309,301                                  | 309,301        | 309,301         | Less: Tax expense relating to items that will be reclassified to profit or loss  | -                    | -       |
| Financial liabilities - due to depositors | 6,973,946                | 5,815,019               | 12,788,965  | 443,748                                  | 443,748        | 443,748         | Other comprehensive income for the period  | 134,447              | 134,447 |
| Other financial liabilities               | 27,188,521               | 37,388,321              | 64,576,842  | 309,301                                  | 309,301        | 309,301         | Total comprehensive income for the period  | 443,748              | 839,008 |
| Total liabilities                         | 64,397,043               | 79,758,034              | 144,155,077 | 309,301                                  | 309,301        | 309,301         | Attributable to:   |                      |         |
| Net loans and receivables                 | 3,955,157                | 3,810,544               | 7,765,701   | 309,301                                  | 309,301        | 309,301         | Non-controlling interests  | -                    | -       |

| Due to other Customer - By Product |                |                 |            | SUMMARISED PROFIT AND LOSS ACCOUNT                               |                  |                     |             |
|------------------------------------|----------------|-----------------|------------|--|------------------|---------------------|-------------|
| In Sri Lanka Rupees Thousand       | Current Period | Previous Period | Total      | Interest Income  | Interest Expense | Net Interest Income | 104,452,485 |
| By product - Domestic currency     |                |                 |            | Interest Income on Loans and Advances                            | 67,967,766       | 67,967,766          | 93,930,114  |
| Demand deposits (Current accounts) | 541,420        | 331,256         | 872,676    | Interest Income on Other Interest Earning Assets                 | 1,042,728        | 1,042,728           | 67,175,713  |
| Savings deposits                   | 194,502        | 208,161         | 402,663    | Less: Interest Expense on Deposits                               | 3,710,584        | (3,710,584)         | 26,254,082  |
| Fixed deposits                     | 1,441,324      | 1,609,650       | 3,050,974  | Interest Expense on Other Interest Bearing Liabilities           | 6,973,946        | (6,973,946)         | 58,550,881  |
| Others                             | 61,883         | 80,552          | 142,435    | Net Interest Income  | 36,484,719       | 36,484,719          | 64,327,182  |
| Sub Total                          | 2,239,126      | 2,229,619       | 4,468,745  | Non-Interest Income  | 14,431,271       | 14,431,271          | 9,001,682   |
| By product - Foreign Currency      |                |                 |            | Foreign Exchange Income  | 1,042,728        | 1,042,728           | 1,042,728   |
| Demand deposits (Current accounts) | 56,730         | 127,341         | 184,071    | Less: Provision for Bad and Doubtful Debts and Loans Written Off | 12,022,557       | (12,022,557)        | 8,389,710   |
| Savings deposits                   | 733,289        | 481,992         | 1,215,281  | Provisions - General   | (8,606)          | (8,606)             | (852,337)   |
| Fixed deposits                     | 3,944,803      | 2,976,617       | 6,921,420  | Provisions - Specific  | 12,031,163       | 12,031,163          | 12,090,750  |
| Others                             | 4,734,320      | 3,285,450       | 8,019,770  | Recoveries (-)   | -                | -                   | -           |
| Sub Total                          | 6,973,946      | 8,815,019       | 15,788,965 | Loans Written Off  | -                | -                   | -           |

| SUMMARISED BALANCE SHEET  | Current Period         | Previous Period      | Current Period   | Previous Period      |
|---|------------------------|----------------------|--|----------------------|
| In Sri Lanka Rupees Thousands   | 30.09.2019 (Unaudited) | 31.03.2019 (Audited) | 30.09.2019 (Unaudited)   | 31.03.2019 (Audited) |
| On-Balance Sheet Assets   | 1,007,511              | 1,037,546            | Interest Income  | 104,452,485          |
| Cash in Hand  | 94,514,837             | 106,711,096          | Interest Income on Loans and Advances                            | 67,175,713           |
| Placements with Central Bank of Sri Lanka/Other Central Banks                               | 83,185,154             | 83,185,154           | Interest Income on Other Interest Earning Assets                 | 26,254,082           |
| Due from Banks and Other Financial Institutions   | 261,747,293            | 263,942,282          | Less: Interest Expenses  | 58,550,881           |
| Investments - Trading Account   | 190,862,332            | 172,878,362          | Interest Expenses on Deposits                                    | 3,710,584            |
| Other Securities  | 70,885,061             | 111,064,920          | Interest Expense on Other Interest Bearing Liabilities           | 5,341,393            |
| Investments - Held-to-Maturity (Net of provisions made for decline in value of investments) | 492,244,285            | 365,841,271          | Net Interest Income  | 36,484,719           |
| Other Securities  | 445,567,433            | 365,841,271          | Non-Interest Income  | 9,001,682            |
| Other Securities  | 48,656,321             | 10,459,602           | Foreign Exchange Income  | 1,042,728            |
| Less: Provision for decline in value of investments   | 1,379,469              | 11,246,051           | Less: Provision for Bad and Doubtful Debts and Loans Written Off | 12,022,557           |
| Investments in Associates and Subsidiaries  | 1,011,525              | 923,637              | Provisions - General   | (8,606)              |
| Total Loans and Advances  | 1,942,481,708          | 1,878,960,644        | Provisions - Specific  | 12,031,163           |
| Total Performing Loans and Advances   | 1,802,674,323          | 1,745,426,125        | Recoveries (-)   | -                    |
| Bills of Exchange   | 17,911,158             | 17,032,381           | Loans Written Off  | -                    |
| Overdrafts  | 942,649,385            | 900,092,611          | Less: provision for Decline in Value of Investments (Net)        | 4,477,021            |
| Lease Rentals Receivable  | 842,113,780            | 768,301,133          | Operating Profit on Ordinary Activities Before Taxes             | 12,260,231           |
| Other Loans   | 139,077,385            | 138,534,819          | Less: Value Added Tax on Financial Services                      | 3,906,698            |
| Less: Rental Receivable   | 194,783                | 172,433              | Operating Profit on Ordinary Activities Before Corporate Tax     | 12,260,231           |
| Other Loans   | 103,391,796            | 102,467,965          | Share of Subsidiaries / Associate Companies' Profit              | -                    |
| Interest Receivables  | 1,942,481,708          | 1,878,960,644        | Operating Profit Before Corporate Tax                            | 12,260,231           |
| Total Gross Loans and Advances  | 1,942,481,708          | 1,878,960,644        | Less: Tax on Profit on Ordinary Activities                       | 7,781,549            |
| Less:   |                        |                      | Operating Profit for the Period                                  | 2,954,228            |
| Interest in Suspense  | 3,060,016              | 2,985,006            | Other Provisions   | (640,553)            |
| Specific Loan Loss Provisions   | 70,724,932             | 62,888,914           | Net Profit   | 743,312              |
| General Loan Loss Provisions  | 467,600                | 467,600              |  |                      |
| Net Loans and Advances  | 1,868,229,164          | 1,812,610,124        |  |                      |
| Other Assets  | 103,012,308            | 85,099,549           |  |                      |
| Intangible Assets   | 13,194,786             | 13,194,786           |  |                      |
| Investment properties   | 39,544,443             | 39,614,048           |  |                      |
| Fixed Assets (Net of accumulated depreciation)  | 2,976,621,486          | 2,800,652,736        |  |                      |
| Total on Balance Sheet Assets   | 2,531,719,557          | 2,420,759,467        |  |                      |
| On-Balance Sheet Liabilities  | 2,531,719,557          | 2,420,759,467        |  |                      |
| Demand Deposits   | 136,377,601            | 132,327,750          |  |                      |
| Savings Deposits  | 719,594,690            | 707,660,630          |  |                      |
| Time Deposits   | 1,675,747,264          | 1,580,541,587        |  |                      |
| Margin Deposits   | -                      | -                    |  |                      |
| Other Deposits  | -                      | -                    |  |                      |
| Total Borrowings  | 156,758,202            | 121,375,428          |  |                      |
| Borrowings from CBSL  | -                      | -                    |  |                      |
| Borrowings from Banks and Financial Institutions in Sri Lanka                               | 22,931,236             | 19,506,119           |  |                      |
| Borrowings from Banks and Financial Institutions in Sri Lanka                               | 26,000,000             | 26,000,000           |  |                      |
| Borrowings from Banks and Financial Institutions in Sri Lanka                               | 107,826,966            | 75,860,511           |  |                      |
| Securities sold under repurchase agreements   | 8,095,260              | 8,103,325            |  |                      |
| Subordinated Term Debt  | 50,604,802             | 56,527,599           |  |                      |
| Other Borrowings  | 2,747,177,821          | 2,606,765,819        |  |                      |
| Deferred Taxation   | 229,443,665            | 193,866,917          |  |                      |
| Current Taxation  | 4,915,346              | 4,802,917            |  |                      |
| Other Liabilities   | 179,469,738            | 144,025,419          |  |                      |
| Total on Balance Sheet Liabilities and Equity Capital and Reserve                           | 2,531,719,557          |                      |  |                      |