Indian Bank 356, Galle Road, Colombo 03

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2021

INCOME STATEMENT	Bank-Sri Lankan Rupees Thousands Current Period from 01.04.2021 to 30.09.2021 (Unaudited)	Previous Period from 01.04.2020 to 30.09.2020 (Unaudited)
Interest Income	1,822,383	1,689,903
Interest Expenses	283,440	617,301
Net Interest Income	**1,538,943**	**1,072,602**
Fee and Commission Income	39,868	29,617
Fee and Commission Expenses	1,882	17,444
Net fee and commission income	**37,986**	**12,172**
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	138,295	9,070
Total Operating Income	**1,715,224**	**1,093,844**
Impairment Charges	40,119	294,491
Net Operating Income	**1,675,105**	**799,353**
Personnel Expenses	39,730	34,064
Depreciation and amortization expenses	10,051	2,079
Other expenses	52,723	59,534
Operating profit/(loss)before value added (VAT) and Nation Building Tax (NBT)on financial services	**1,572,601**	**703,676**
Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial services	177,895	34,954
Operating profit / (loss) after VAT & NBT	**1,394,706**	**668,721**
Profit /(loss) before tax	1,394,706	668,721
Income Tax expenses	59,080	(87,781)
Profit/(loss) for the period	**1,335,626**	**756,503**

SELECTED PERFORMANCE INDICATORS	30.09.2021 (Unaudited)	31.03.2021 (Audited)
Regulatory Capital Adequacy		
Common Equity Tier 1	9,961.63	9,961.63
Core (Tier 1) Capital	9,959.65	9,959.65
Total Capital Base	10,089.89	10,089.89
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement 7%)	36.64%	36.08%
Tier 1 Capital ratio (%) (Minimum Requirement 8.5%)	36.63%	36.07%
Total Capital Ratio % (Minimum Requirement 12.5%)	37.11%	36.55%
Leverage Ratio (Minimum Requirement 3%)	13.29%	10.10%
Regulatory Liquidity		
Statutory Liquid Asset Rs.Mn		
Domestic Banking Unit	12,020.30	7,825.82
Off-Shore Banking Unit	39,727.30	55,473.50
Statutory Liquid Asset Ratio % (Minimum requirement 20%)		
Domestic Banking Unit	92.08%	84.49%
Off-Shore Banking Unit	78.70%	97.51%
Total Stock of High-Quality Liquid Assests	3,126.94	2,999.44
Liquidity Coverage ratio (%) (Minimum requirement 90%)		
Rupee (%)	1895.00%	2781.00%
All Currency (%)	331.01%	331.20%
Net Stable Funding Ratio (%) - (Minimum requirement 90%)	140%	123%
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Advances % (net of interest in suspense)	9.42%	9.38%
Net-Non Performing Advances % (net of interest in suspense and Provision)	0.43%	0.43%
Impaired Loans (Stage 03) Ratio (%)	0.43%	0.43%
Impairment (Stage 3) to Stage 3Loans Ratio (%)	95.43%	95.40%
Profitability		
Interest Margin (%)	4.35%	3.50%
Return on Assets (Before Tax) (%)	4.07%	2.46%
Return on Equity (%)	22.23%	16.03%

STATEMENT OF FINANCIAL POSITION	Bank-Sri Lankan Rupees Thousands Current Period 30.09.2021 (Unaudited)	Previous Period 31.03.2021 (Audited)
Assets		
Cash and cash equivalents	1,902,328	934,728
Balances with central banks of Sri Lanka	144,475	51,612
Placements with banks	34,320,998	38,075,223
Derivative financial instruments	12,799	67,100
Financial assets recognized through profit or loss		
Measured at fair value	-	-
designated at fair value	-	-
Financial assets at amortised cost		
Loans and advances	18,514,969	18,563,091
Other instruments	8,200,053	11,559,308
Financial assets measured at fair value through other comprehensive income	10,555	10,443
Investment in subsidiaries	-	-
Investment in associates and joint ventures	-	-
Property plant and equipment	15,179	16,473
Investment properties	-	-
Goodwill and intangible assets	-	-
Deferred tax assests	-	-
Other assets	68,822	92,898
Total Assets	**63,190,178**	**69,370,876**
Liabilities		
Due to banks	38,484,152	46,916,148
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	10,991,127	10,178,298
due to debt securities holders	-	-
due to other borrowers	-	-
Debt securities issued	-	-
Retirement benefit obligations	8,985	9,639
Current tax liabilities	205,847	153,635
Deferred tax liabilities	350	350
Other provisions	-	-
Other liabilities	559,353	531,897
Due to subsidiaries	-	-
Total Liabilities	**50,249,814**	**57,789,967**
Equity		
Stated capital/Assigned capital	1,740,882	1,740,882
Statutory reserve fund	430,643	430,643
OCI reserve	1,866,789	1,842,960
Retained earnings	8,902,050	7,566,424
Other reserves	-	-
Total Shareholders' equity	-	-
Non-controlling interest	-	-
Total Equity	**12,940,364**	**11,580,909**
Total Equity and Liabilities	**63,190,178**	**69,370,876**
Contigent liabilities and commitments	**10,522,580**	**13,455,469**
Memorandum Information		
Number of Employees	24	26
Number of Branches	2	2

Statement of changes In Equity - Bank

In Sri Lanka Rupees Thousands	Stated capital/Assigned capital: Ordinary voting shares	Ordinary non-voting shares	Assigned capital	Reserves: Statutory Reserve fund	OCI Reserve	Fair value reserve	Retained earnings	Other Reserve	Total
Balance as at 01.04.2021 (Opening balance)			**1,740,882**	**430,643**	**1,837,522**	**5,437**	**7,566,424**		**11,580,909**
Total comprehensive income for the year									
Profit/(loss) for the year							1,335,626		1,335,626
Other comprehensive income (net of tax)					23,718	112	-		23,830
Total comprehensive income for the year					**23,718**	**112**	**1,335,626**		**1,359,456**
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				-			-		-
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 30.09.2021 (Closing balance)			**1,740,882**	**430,643**	**1,861,240**	**5,549**	**8,902,050**		**12,940,364**

STATEMENT OF COMPREHENSIVE INCOME	Bank-Sri Lankan Rupees Thousands Current Period from 01.04.2021 to 30.09.2021 (Unaudited)	Previous Period from 01.04.2020 to 31.03.2021 (Audited)
Profit /(loss) for the period	1,335,626	1,808,460
Items that will be reclassified to Income Statement		
Exchange differences on translation of foreign operations	23,718	352,791
Net gains/(losses) on cash flow hedges		
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	112	(124)
Less: Tax expense relating to items that will be reclassified to profit or loss		
Items that will not be reclassified to Income Statement		
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	-	(455)
Changes in revaluation surplus		
Less: Tax expense relating to items that will not be reclassified to Income Statement	-	109
Other comprehensive income for the period net of taxes	**23,830**	**352,320**
Total comprehensive income for the period	**1,359,456**	**2,160,780**
Attributable to:		
Non-controlling interests		

CASH FLOW STATEMENT	Bank-Sri Lankan Rupees Thousands Current Period 30.09.2021 (Unaudited)	Previous Period 31.03.2021 (Audited)
Cash flows from operating activities		
Profit before tax	1,335,625	1,803,008
Adjustments for:		
Non-cash items included in the profit before tax	96,460	254,060
Changes in operating assets	392,288	(6,031,092)
Changes in operating liabilities	(7,779,692)	(486,556)
Dividend income	(642)	(1,908)
Tax paid	(6,869)	(23,889)
VAT paid	(172,742)	(160,957)
Operating lease rental paid	1,311	(5,623)
Gratuity paid	(654)	(3,304)
Net cash generated from operating activities	**(6,134,915)**	**(4,656,261)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(13,615)	(3,537)
Sales of property, plant and equipment	-	2,285
Net investment in financial assets at amortized cost	3,361,832	4,727,688
Net investment in fair value through OCI assets	-	(1,000)
Net investment in other financial assets	642	(1,152,962)
Dividends received	-	1,908
Net cash used in investing activities	**3,348,859**	**3,574,382**
Cash flows from financing activities		
Assigned capital received from head office	-	-
Net cash generated from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	(2,786,056)	(1,081,879)
Cash and cash equivalents at the beginning of the year	39,033,502	40,115,381
Cash and cash equivalents at the end of the year	**36,247,446**	**39,033,502**

CERTIFICATION:

We, the undersigned, being the Chief Executive Officer and Manager (Finance) 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
M. BASHEER AHAMED
CHIEF EXECUTIVE OFFICER
Date : 26-11-2021

Sd
MALSHA SENARATHNA
MANAGER (FINANCE)

SUMMARISED BALANCE SHEET	Global - Indian Rupees Thousands Current Period as at 30/09/2021 (Unaudited)	Previous Period as at 31/03/2021 (Audited)
On-Balance Sheet Assets		
Cash in Hand	19,222,631	16,582,776
Balances with Central Bank of Sri Lanka/Other Central Banks	352,170,044	258,868,041
Due from Banks and Other Financial Institutions	389,375,529	265,147,954
Investments - Trading Account	**524,464,231**	**478,740,723**
Government Securities	403,855,745	356,315,896
Other Securities	120,608,486	122,424,827
Investments - Held-to-Maturity (Net of provisions made for decline in value of investments)	**1,282,634,725**	**1,284,467,258**
Government Securities	1,060,301,830	1,063,011,325
Other Securities	222,332,895	221,455,933
Less: Provision for decline in value of investments	-	-
Investments in Associates and Subsidiaries	2,161,681	**2,161,681**
Total Loans and Advances	**3,857,300,682**	**3,903,169,562**
Total Performing loans and Advances	**3,488,439,949**	**3,518,616,099**
Bills of Exchange	30,094,108	23,032,106
Overdrafts	1,952,816,807	1,933,423,775
Lease Rentals Receivable	-	-
Other Loans	1,505,529,034	1,562,160,218
Total Non-performing loans and Advances	**368,860,733**	**384,553,463**
Bills of Exchange	813,102	599,985
Overdrafts	170,615,264	219,932,810
Lease Rentals Receivable	-	-
Other Loans	197,432,367	164,020,668
Interest Receivables	-	-
Total Gross Loans and Advances	**3,857,300,682**	**3,903,169,562**
Less:		
Interest in Suspense	4,154,447	3,429,264
Specific Loan Loss Provisions	248,070,672	258,930,292
General Loan Loss Provisions	707,600	707,600
Net Loans and Advances	**3,604,367,963**	**3,640,102,406**
Other Assets	150,211,371	211,771,374
Intangible Assets	35,375,240	28,444,872
Investment properties	-	-
Fixed Assets (Net of accumulated depreciation)	72,287,183	73,763,114
Total on Balance Sheet Assets	**6,432,270,604**	**6,260,050,199**
On-Balance Sheet Liabilities		
Total Deposits	**5,514,715,292**	**5,380,711,149**
Demand Deposits	305,195,956	323,445,669
Savings Deposits	1,947,889,353	1,952,502,937
Time Deposits	3,261,629,983	3,104,762,543
Margin Deposits	-	-
Other Deposits	-	-
Total Borrowings	**209,719,937**	**261,745,981**
Borrowings from CBSL	45,133	50,089
Borrowings from Banks and Financial Institutions in Sri Lanka	-	-
Borrowings from Banks and Financial Institutions Abroad	24,368,696	40,083,743
Securities sold under repurchase agreements		
Subordinated Term Debt	90,000,000	96,000,000
Other Borrowings	95,306,108	125,612,149
Deferred Taxation		
Current Taxation		
Other Liabilities	284,533,514	233,473,620
Total on Balance Sheet Liabilities	**6,008,968,743**	**5,875,930,750**
Minority Interest		
Equity Capital and Reserve	**423,301,861**	**384,119,449**
Share Capital/ Assigned Capital	12,454,411	11,293,666
Statutory Reserve Fund	86,497,551	86,497,551
Total Other Reserves	324,349,899	286,328,232
Total On-Balance Sheet Liabilities and Equity Capital and Reserve	**6,432,270,604**	**6,260,050,199**
On-Balance Sheet Items and Contra Accounts		
Contingencies		
Commitments and Contra Accounts	2,803,335,969	2,935,334,610
Memorandum Information		
Number of Employees	40,668	41,630
Number of Branches	5,762	6,007

SUMMARISED PROFIT AND LOSS ACCOUNT	Global-Indian Rupees Thousands Current Period as at 30/09/2021 (Unaudited)	Previous Period as at 30/09/2020 (Unaudited)
Interest Income	**190,981,035**	**201,773,336**
Interest Income on Loans and Advances	134,333,262	142,971,592
Interest Income on Other Interest Earning Assets	56,647,773	58,801,744
Less: Interest Expenses	**110,204,527**	**121,590,028**
Interest Expenses on Deposits	105,163,770	114,520,658
Interest Expense on Other Interest Bearing Liabilities	5,040,757	7,069,370
Net Interest Income	**80,776,508**	**80,183,308**
Non-Interest Income	**38,370,590**	**30,115,291**
Foreign Exchange Income	2,684,059	1,289,309
Other Income	35,686,531	28,825,982
Less: Non - Interest Expenses	**52,233,644**	**52,815,671**
Personnel Costs	23,448,414	26,420,617
Provision for Staff Retirement Benefits	8,341,735	7,644,319
Premises, Equipment and establishment Expenses	10,591,646	9,933,430
Loss on Trading / Investment Securities	504,687	730,352
Amortization of Intangible Assets	9,347,162	8,086,953
Other Operating Expenses	66,913,454	57,482,928
Operating Profit		
Less : provision for Bad and Doubtful Debts and loans Written Off	**51,145,419**	**43,376,169**
Provisions - General	11,506,259	5,275,199
Provisions - Specific	39,639,160	37,100,970
Recoveries (-)		
Loans Written Off		
Less : provision for Decline in Value of Investments (Net)	**-**	**-**
Operating Profit on Ordinary Activities Before Taxes	**15,768,035**	**14,979,278**
Less : Value Added Tax on Financial Services		
Operating Profit on Ordinary Activities Before Corporate Tax	**15,768,035**	**14,979,278**
Share of Subsidiares / Associate Companies' profit		**-**
Operating Profit Before Corporate Tax	**15,768,035**	**14,979,278**
Less: Tax on Profits on Ordinary Activities	(6,852,146)	5,435,119
Operating Profit for the Period	**22,620,181**	**9,544,159**
Other Provisions	(88,154)	1,728,707
Net Profit	**22,708,335**	**7,815,452**

SELECTED PERFORMANCE INDICATORS	Current Period As at 30/09/2021 (Unaudited)	Previous Period As at 31/03/2021 (Audited)
Regulatory Capital Adequacy		
Core Capital (Tier I Capital), Rs. Mn	371,059.50	355,889.39
Total Capital Base, Rs.Mn	477,526.30	468,445.11
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	12.34%	11.93%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	15.88%	15.71%
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Advances Ratio, % of (net of Interest in Suspense)	9.56%	9.85%
Net Non-Performing Advances Ratio, % (Net of interest in suspense and provisions)	3.26%	3.37%
Profitability		
Interest Margin, %	2.84%	2.81%
Return on Assets (before Tax), %	0.50%	0.49%
Return on Assets (After Tax), %	0.72%	0.50%
Return on Equity, %	14.30%	10.63%

Statement of changes In Equity

Global Indian Rupees Thousands

Item	Equity Capital: Ordinary Voting Shares	Ordinary Non-voting Shares	Non -Cumulative Reedeemable Preference Shares	Assigned Captial	Reserve Fund	Share Premium	Reserves: Revaluation Reserves	General Reserves	Other Reserves	Income Statement	Total
Balance as at 01/04/2021 (Opening Balance)	**11,293,666**	-	-	-	**86,497,551**	**8,576,190**	**57,549,663**	**131,243,194**	**87,957,557**	**1,001,628**	**384,119,449**
Issue of Shares/Increase of assigned capital	1,160,745	-	-	-	-	-	-	-	-	-	**1,160,745**
Bonus Issue	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-
Surplus on revaluation of property	-	-	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	-	-	-	22,476,186	22,476,186
Transfer to reserves during the period		-	-	-	-	15,339,254	(726,122)	726,122	206,228	-	15,545,482
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-
Profits Transferred to Head office	-	-	-	-	-	-	-	-	-	-	-
Restructuring of Capital		-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30/09/2021 (Closing Balance)	**12,454,411**	-	-	-	**86,497,551**	**23,915,444**	**56,823,541**	**131,969,316**	**88,163,785**	**23,477,814**	**423,301,862**