Indian Bank 356, Galle Road, Colombo 03

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE 2022

INCOME STATEMENT	Bank-Sri Lankan Rupees Thousands Current Period from 01.04.2022 to 30.06.2022 (Unaudited)	Previous Period from 01.04.2021 to 30.06.2021 (Unaudited)
Interest Income	683,567	939,349
Interest Expenses	(95,948)	(165,532)
Net Interest Income	**587,618**	**773,817**
Fee and Commission Income	28,487	18,453
Fee and Commission Expenses	(544)	(1,044)
Net fee and commission income	**27,943**	**17,409**
Net gains/(losses) from trading	-	-
Net fair value gains/(losses) on:	-	-
Financial assests 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	52,887	69,396
Total Operating Income	**668,449**	**860,622**
Impairment Charges	(887,908)	(4)
Net Operating Income	**(219,459)**	**860,618**
Personnel Expenses	(24,452)	(19,702)
Depreciation and amortization expenses	(5,648)	(5,030)
Other expenses	(19,593)	(20,401)
Operating profit/(loss)before value added (VAT) and Nation Building Tax (NBT)on financial services	**(269,152)**	**815,485**
Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial services	(31,969)	(92,725)
Operating profit / (loss) after VAT & NBT	**(301,121)**	**722,760**
Profit /(loss) before tax	(301,121)	722,760
Income Tax expenses	(87,394)	(59,050)
Profit/(loss) for the period	**(388,515)**	**663,710**

SELECTED PERFORMANCE INDICATORS	30.06.2022 (Unaudited)	31.03.2022 (Audited)
Regulatory Capital Adequacy		
Common Equity Tier 1	14,556.99	14,556.99
Core (Tier 1) Capital	14,555.01	14,555.01
Total Capital Base	14,651.55	14,651.55
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement 7%)	51.90%	48.02%
Tier 1 Capital ratio (%) (Minimum Requirement 8.5%)	51.89%	48.01%
Total Capital Ratio % (Minimum Requirement 12.5%)	52.24%	48.33%
Leverage Ratio (Minimum Requirement 3%)	20.87%	15.49%
Regulatory Liquidity		
Statutory Liquid Asset Rs.Mn		
Domestic Banking Unit	11,955.50	11,302.39
Off-Shore Banking Unit	10,735.59	48,703.82
Statutory Liquid Asset Ratio % (Minimum requirement 20%)		
Domestic Banking Unit	107.49%	92.80%
Off-Shore Banking Unit	48.12%	75.76%
Total Stock of High-Quality Liquid Assests	4,179.66	2,674.59
Liquidity Coverage ratio (%) (Minimum requirement 90%)		
Rupee (%)	2183.00%	1430.00%
All Currency (%)	732.98%	327.79%
Net Stable Funding Ratio (%) - (Minimum requirement 90%)	113%	169.00%
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Advances % (net of interest in suspense)	13.89%	12.20%
Net-Non Performing Advances % (net of interest in suspense and Provision)	1.36%	1.36%
Impaired Loans (Stage 03) Ratio (%)	1.36%	1.36%
Impairment (Stage 3) to Stage 3Loans Ratio (%)	90.22%	88.85%
Profitability		
Interest Margin (%)	5.89%	4.69%
Return on Assets (Before Tax) (%)	1.15%	4.07%
Return on Equity (%)	0.96%	18.32%

STATEMENT OF FINANCIAL POSITION	Bank-Sri Lankan Rupees Thousands Current Period 30.06.2022 (Unaudited)	Previous Period 31.03.2022 (Audited)
Assets		
Cash and cash equivalents	6,282,839	635,684
Balances with central banks of Sri Lanka	144,668	293,889
Placements with banks	5,821,678	20,904,808
Derivative financial instruments	-	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	19,852,370	20,763,823
Other instruments	4,100,384	7,278,146
Financial assets measured at fair value through other comprehensive income	7,947	9,641
Investment in subsidiaries	-	-
Investment in associates and joint ventures	-	-
Property plant and equipment	28,509	30,259
Investment properties	-	-
Goodwill and intangible assets	-	-
Deferred tax assests	1,872	-
Other assets	56,328	60,618
Total Assets	**36,296,595**	**51,191,068**
Liabilities		
Due to banks	9,208,154	19,785,885
Derivative financial instruments	12,710	-
Financial liabilities recognized through profit or loss	-	-
Measured at fair value	-	-
designated at fair value	-	-
Financial liabilities at amortised cost		
due to depositors	6,016,325	12,649,489
due to debt securities holders	-	-
due to other borrowers	-	-
Debt securities issued	-	-
Retirement benefit obligations	7,595	7,595
Current tax liabilities	504,994	192,702
Deferred tax liabilities	2,782	911
Other provisions	-	-
Other liabilities	437,083	568,184
Due to subsidiaries	-	-
Total Liabilities	**16,189,644**	**33,204,766**
Equity		
Stated capital/Assigned capital	1,740,883	1,740,882
Statutory reserve fund	554,547	554,547
OCI reserve	8,295,950	5,786,787
Retained earnings	9,515,572	9,896,272
Other reserves	-	7,814
Total Shareholders' equity	-	-
Non-controlling interest	-	-
Total Equity	**20,106,951**	**17,986,302**
Total Equity and Liabilities	**36,296,595**	**51,191,068**
Contigent liabilities and commitments	**8,865,200**	**19,811,785**
Memorandum Information		
Number of Employees	24	24
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 01.04.2022 (Opening balance)			**1,740,882**	**554,547**	**5,782,152**	**4,636**	**9,896,272**	**7,814**	**17,986,303**
Total comprehensive income for the year									
Profit/(loss) for the year							(388,515)		(388,515)
Other comprehensive income (net of tax)					2,510,857	(1,694)			2,509,163
Total comprehensive income for the year					**2,510,857**	**(1,694)**	**(388,515)**		**2,120,648**
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							-		-
Transfer to Other Reserve							7,814	(7,814)	
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 30.06.2022 (Closing balance)			**1,740,882**	**554,547**	**8,293,009**	**2,942**	**9,515,571**	**-**	**20,106,951**

STATEMENT OF COMPREHENSIVE INCOME	Bank-Sri Lankan Rupees Thousands Current Period from 01.04.2022 to 30.06.2022 (Unaudited)	Previous Period from 01.04.2021 to 31.03.2022 (Audited)
Profit /(loss) for the period	(388,515)	2,458,405
Items that will be reclassified to Income Statement		
Exchange differences on translation of foreign operations	2,510,857	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	(1,694)	(802)
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		3,288
Changes in revaluation surplus		
Less: Tax expense relating to items that will not be reclassified to Income Statement		(789)
Other comprehensive income for the period net of taxes	**2,509,163**	**3,946,326**
Total comprehensive income for the period	**2,120,648**	**6,404,731**
Attributable to:		
Non-controlling interests		

CASH FLOW STATEMENT	Bank-Sri Lankan Rupees Thousands Current Period 30.06.2022 (Unaudited)	Previous Period 31.03.2022 (Audited)
Cash flows from operating activities		
Profit before tax	(301,121)	2,517,851
Adjustments for:		
Non-cash items included in the profit before tax	2,817,450	4,188,362
Changes in operating assets	2,225,066	(3,571,872)
Changes in operating liabilities	(17,269,218)	(24,562,106)
Dividend income	-	(1,362)
Tax paid	(29,909)	(20,607)
VAT paid	(51,402)	(289,516)
Operating lease rental paid	(4,382)	(17,526)
Gratuity paid	-	(654)
Net cash generated from operating activities	**(12,312,395)**	**(24,275,281)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(221)	(18,767)
Sales of property, plant and equipment		-
Net investment in financial assets at amortized cost	3,177,761	4,281,163
Net investment in fair value through OCI assets	-	-
Net investment in other financial assets	-	-
Dividends received	-	1,362
Net cash used in investing activities	**3,177,540**	**4,263,758**
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	(9,435,976)	(17,493,672)
Cash and cash equivalents at the beginning of the year	21,540,493	39,034,165
Cash and cash equivalents at the end of the year	**12,104,517**	**21,540,493**

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
M. BASHEER AHAMED
CHIEF EXECUTIVE OFFICER
Date : 26-08-2022

Sd
DILANI PERERA
COMPLIANCE OFFICER

SUMMARISED BALANCE SHEET	Global - Indian Rupees Thousands Current Period as at 30/06/2022 (Unaudited)	Previous Period as at 31/03/2022 (Audited)
On-Balance Sheet Assets		
Cash in Hand	24,132,680	19,623,975
Balances with Central Bank of Sri Lanka/Other Central Banks	340,759,082	221,540,530
Due from Banks and Other Financial Institutions	228,201,110	557,996,011
Investments - Trading Account	**483,500,320**	**375,810,456**
Government Securities	356,955,633	250,533,808
Other Securities	126,544,687	125,276,648
Investments - Held-to-Maturity (Net of provisions made for decline in value of investments)	1,320,850,312	1,367,613,743
Government Securities	1,124,273,091	1,170,356,261
Other Securities	196,577,221	197,257,482
Less: Provision for decline in value of investments		
Investments in Associates and Subsidiaries	**2,266,417**	**2,161,681**
Total Loans and Advances	**4,252,026,760**	**4,156,247,538**
Total Performing loans and Advances	**3,906,293,373**	**3,804,104,994**
Bills of Exchange	38,883,497	33,994,769
Overdrafts	2,296,128,313	2,080,727,342
Lease Rentals Receivable		
Other Loans	1,571,281,563	1,689,382,883
Total Non-performing loans and Advances	**345,733,387**	**352,142,544**
Bills of Exchange	18,441	819,038
Overdrafts	160,892,682	290,288,212
Lease Rentals Receivable		
Other Loans	184,822,264	61,035,294
Interest Receivables		
Total Gross Loans and Advances	**4,252,026,760**	**4,156,247,538**
Less:		
Interest in Suspense	5,010,126	4,748,049
Specific Loan Loss Provisions	256,007,331	258,931,257
General Loan Loss Provisions	707,600	707,600
Net Loans and Advances	3,990,301,703	3,891,860,632
Other Assets	135,323,434	164,507,300
Intangible Assets	39,189,712	38,729,107
Investment properties	-	-
Fixed Assets (Net of accumulated depreciation)	76,064,677	76,837,116
Total on Balance Sheet Assets	**6,640,589,447**	**6,716,680,551**
On-Balance Sheet Liabilities		
Total Deposits	**5,842,505,518**	**5,936,178,137**
Demand Deposits	324,770,223	367,203,295
Savings Deposits	2,054,903,744	2,112,058,614
Time Deposits	3,462,831,551	3,456,916,228
Margin Deposits	-	-
Other Deposits	-	-
Total Borrowings	**203,783,961**	**171,443,084**
Borrowings from CBSL	2,359	18,368
Borrowings from Banks and Financial Institutions in Sri Lanka	-	-
Borrowings from Banks and Financial Institutions Abroad	5,797,212	3,415,604
Securities sold under repurchase agreements		
Subordinated Term Debt	90,000,000	90,000,000
Other Borrowings	107,984,390	78,009,112
Deferred Taxation		
Current Taxation		
Other Liabilities	145,017,618	171,971,288
Total on Balance Sheet Liabilities	**6,191,307,097**	**6,279,592,509**
Minority Interest		
Equity Capital and Reserve	**449,282,350**	**437,088,042**
Share Capital/ Assigned Capital	12,454,411	12,454,411
Statutory Reserve Fund	96,359,651	96,359,651
Total Other Reserves	340,468,288	328,273,980
Total On-Balance Sheet Liabilities and Equity Capital and Reserve	**6,640,589,447**	**6,716,680,551**
Off-Balance Sheet Items and Contra Accounts		
Contingencies		
Commitments and Contra Accounts	4,413,809,567	3,622,843,696
Memorandum Information		
Number of Employees	39,855	39,516
Number of Branches	5,724	5,735

SUMMARISED PROFIT AND LOSS ACCOUNT	Global-Indian Rupees Thousands Current Period as at 30/06/2022 (Unaudited)	Previous Period as at 30/06/2021 (Unaudited)
Interest Income	**101,536,635**	**96,235,927**
Interest Income on Loans and Advances	70,645,979	67,494,369
Interest Income on Other Interest Earning Assets	30,890,656	28,741,558
Less: Interest Expenses	**56,196,828**	**56,294,308**
Interest Expenses on Deposits	53,082,794	53,719,717
Interest Expense on Other Interest Bearing Liabilities	3,114,034	2,574,591
Net Interest Income	**45,339,807**	**39,941,619**
Non-Interest Income	**18,767,778**	**19,021,566**
Foreign Exchange Income	3,566,191	1,531,417
Other Income	15,201,587	17,490,149
Less: Non - Interest Expenses	**26,103,874**	**24,245,373**
Personnel Costs	12,183,759	11,444,800
Provision for Staff Retirement Benefits	3,209,109	3,215,740
Premises, Equipment and establishment Expenses	4,946,333	4,939,638
Loss on Trading / Investment Securities	361,558	255,439
Amortization of Intangible Assets	-	-
Other Operating Expenses	5,403,115	4,389,756
Operating Profit	**38,003,711**	**34,717,812**
Less : provision for Bad and Doubtful Debts and loans Written Off	**17,982,161**	**24,749,432**
Provisions - General	(2,040,778)	7,279,693
Provisions - Specific	20,022,939	17,469,739
Recoveries (-)		
Loans Written Off		
Less : provision for Decline in Value of Investments (Net)	**2,359,925**	**559,306**
Operating Profit on Ordinary Activities Before Taxes	**17,661,625**	**9,409,074**
Less : Value Added Tax on Financial Services		
Operating Profit on Ordinary Activities Before Corporate Tax	**17,661,625**	**9,409,074**
Share of Subsidiares / Associate Companies' profit	-	-
Operating Profit Before Corporate Tax	**17,661,625**	**9,409,074**
Less: Tax on Profits on Ordinary Activities	(1,320,058)	(3,243,830)
Operating Profit for the Period	**16,341,567**	**12,652,904**
Other Provisions	4,207,135	836,303
Net Profit	**12,134,432**	**11,816,601**

SELECTED PERFORMANCE INDICATORS	Current Period As at 30/06/2022 (Unaudited)	Previous Period As at 31/03/2022 (Audited)
Regulatory Capital Adequacy		
Core Capital (Tier I Capital), Rs. Mn	406,597.40	387,251.00
Total Capital Base, Rs.Mn	509,928.90	511,008.00
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	12.53%	12.53%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	16.51%	16.53%
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Advances Ratio, % of(net of Interest in Suspense)	8.13%	8.47%
Net Non-Performing Advances Ratio, % (Net of interest in suspense and provisions)	2.12%	2.27%
Profitability		
Interest Margin, %	3.07%	2.93%
Return on Assets (before Tax), %	0.81%	0.51%
Return on Assets (After Tax), %	0.73%	0.63%
Return on Equity, %	14.18%	12.13%

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 01/04/2022 (Opening Balance)	**12,454,411**	**-**	**-**	**-**	**96,359,651**	**23,915,444**	**62,110,226**	**150,677,445**	**90,273,148**	**1,297,718**	**437,088,043**
Issue of Shares/Increase of assigned capital	-	-	-	-	-	-	-	-	-	-	-
Bonus Issue	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-
Surplus on revaluation of property	-	-	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	-	-	-	12,134,432	12,134,432
Transfer to reserves during the period		-	-	-	-	-	(280,310)	280,310	59,875	-	59,875
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-
Profits Transferred to Head office	-	-	-	-	-	-	-	-	-	-	-
Restructuring of Capital	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30/06/2022 (Closing Balance)	**12,454,411**	**-**	**-**	**-**	**96,359,651**	**23,915,444**	**61,829,916**	**150,957,755**	**90,333,023**	**13,432,150**	**449,282,350**