

DEPT: SECRETARIAL

REF. No. : SEC/ST.EX.STT/76/2025-26

DATE : July 31, 2025

National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. SCRIP CODE: SOUTHBANK	BSE Ltd. Department of Corporate Services (Listing), First Floor, New Trading Wing, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001. SCRIP COD E: 532218
--	--

Dear Madam/Sir,

**Sub: Intimation of revision in Credit Rating**

Pursuant to Regulation 30(6) read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation"), we would like to inform that 'CARE Ratings Limited' vide intimation dated July 31, 2025 has revised the credit rating of the Debt Instruments of the Bank. Details of the same is provided below:

Credit rating agency	Instruments	Existing rating/ Outlook	Revised rating/ Outlook	Rating Action	Reason
CARE Ratings Limited	Basel III Tier 2 debt ₹1,040.00 Crore (One thousand and Forty crores only) Breakup: - I-(Tier-II Bonds (Basel III) – ₹300 Crore,  II-Tier-II Bonds (Basel III) - ₹490.00 Crore  And  III-Tier-II Bonds (Basel III) - ₹250.00 Crore - Unutilised)	CARE A+ /Stable	CARE AA-/ Stable	Upgraded	The revision in the long-term ratings assigned to the debt instruments of The South Indian Bank Limited factors in improvement in the bank's financial risk profile and business performance, aided by better asset quality and improving profitability over the past three years. The bank's return on total assets (ROTA) for FY25 increased to 1.08% compared to 0.95% for FY24, while its net NPA to net worth ratio improved to 8.10% (PY: 13.38%) and its net stressed assets to net worth ratio reduced to 12.11% (PY: 22.59%) as on March 31, 2025. The bank continues to maintain comfortable capitalisation supported by internal accruals post equity capital infusion in FY24.

					<p>The rating also factors in long track record of operations, established depositor base, and diversified advances portfolio. The Bank is expected to grow at par with the industry while maintaining adequate capitalisation and witnessing diversification in the advances mix with increase in proportion of retail and MSME advances. Asset quality parameters of the bank are expected to remain stable in the near term.</p> <p>The ratings are, however, constrained by regional concentration of its business and expected pressure on the net interest margin (NIM) in line with the overall banking scenario, where the advances would see faster re-pricing compared to deposits in the near term. As a result, SIBL's ability to maintain profitability would be a key monitorable.</p>
--	--	--	--	--	--

The rating rationale has been published and can be accessed at the below link:

[https://www.careratings.com/upload/CompanyFiles/PR/202507130748 The South Indian Bank Limited.pdf](https://www.careratings.com/upload/CompanyFiles/PR/202507130748%20The%20South%20Indian%20Bank%20Limited.pdf)

This information is also being uploaded on the Bank's website at [www.southindianbank.com](http://www.southindianbank.com).

Kindly take the same on record.

Yours faithfully,

(JIMMY MATHEW)  
COMPANY SECRETARY