



Corporate Office: Bangalore
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PRESS RELEASE

SyndicateBank announces Reviewed Financial Results for the Quarter ended 30th June, 2014

Performance Highlights for the First Quarter of Financial Year 2014-15

- ☛ Operating Profit increased to ₹ 1014 crore in Q1, FY 2014-15 as against ₹ 949 crore in Q1, FY 2013-14 (up 7% y-o-y)
- ☛ Net profit increased to ₹ 485 crore in Q1, FY 2014-15 as against ₹ 452 crore in Q1, FY 2013-14 (up 7% y-o-y)
- ☛ Global business increased from ₹ 331896 crore as at Q1, FY 2013-14 to ₹ 391305 crore as at Q1, FY 2014-15 (up 17.90 % y-o-y). However, domestic Business increased from ₹ 284649 crore as at Q1, FY 2013-14 to ₹ 327433 crore as at Q1, FY 2014-15 (up 15.03 % y-o-y)
- ☛ Global Deposits increased from ₹ 182513 crore as at Q1, FY 2013-14 to ₹ 214863 crore as at Q1, FY 2014-15 (up 17.72 % y-o-y). However Domestic Deposits increased from ₹ 162510 crore as at Q1, FY 2013-14 to ₹ 187750 crore as at Q1, FY 2014-15 (up 15.53% y-o-y).
- ☛ Global Advances increased from ₹ 149383 crore as at Q1, FY 2013-14 to ₹ 176442 crore as at Q1, FY 2014-15 (up 18.11% y-o-y). However Domestic Advances increased from ₹ 122139 crore as at Q1, FY 2013-14 to ₹ 139683 crore as at Q1, FY 2014-15 (up 14.36 % y-o-y).
- ☛ Domestic CASA deposits increased from ₹ 51,114 crore as at Q1, FY 2013-14 to ₹ 55430 crore as at Q1, FY 2014-15 (up 8.44% y-o-y). Domestic CASA deposits stood at 29.55 % of total domestic deposits as at 30.06.2014.
- ☛ Savings Bank deposits has gone up by 11.78% from ₹ 37370 crore as on 30.06.2013 to Rs.41771 crore as on 30.06.2014.
- ☛ Gross NPA ratio stood at 2.97% in Q1, FY 2014-15 as against 2.38 % in Q1, FY 2013-14.
- ☛ Net NPA ratio stood at 1.88% in Q1, FY 2014-15 as against 1.19% in Q1, FY 2013-14.

- ☛ Provision Coverage Ratio stood at 67.56% in Q1, FY 2014-15 as against 76.75% in Q1, FY 2013-14.
- ☛ Cost to income ratio stood at 43.90% in Q1, FY 2014-15 as against 41.87% in Q1, FY 2013-14.
- ☛ Book value per share increased from ₹ 183.46 in Q1, FY 2013-14 to ₹ 197.54 in Q1, FY 2014-15.
- ☛ Global Net Interest margin (NIM) stood at 2.47 % in Q1, FY 2014-15 as against 2.83% in Q1, FY 2013-14
- ☛ The yield on advances stood at 9.41% in Q1, FY 2014-15 as against 9.71% in Q1, FY 2013-14.
- ☛ Net Interest Income increased from ₹ 1338 crore in Q1, FY 2013-14 to ₹ 1351 crore in Q1, FY 2014-15 (up 1 %y-o-y).
- ☛ Return on Assets (RoA) annualised stood at 0.81% in Q1, FY 2014-15 as against 0.89% in Q1, FY 2013-14.
- ☛ Earnings per Share (EPS) stood at ₹ 31.09 in Q1, FY 2014-15 as against ₹ 30.05 in Q1, FY 2013-14.
- ☛ Capital Adequacy Ratio (Basel III) stood at 10.80 % as at 30.06.2014 as against 11.49% as at 30.06.2013.

Quarterly Comparison

Parameter	June 13	June 14
Cost to income Ratio (%)	41.87	43.90
Earnings per Share (Rs.) annualised	30.05	31.09
Book Value per Share (Rs.)	183.46	197.54
Gross NPA Ratio (%)	2.38	2.97
Net NPA Ratio (%)	1.19	1.88
Return on Assets	0.89	0.81
Cost of Deposits	6.59	6.74
Yield on Advances	9.71	9.41
Net Interest Margin (NIM)	2.83	2.47
Provision Coverage Ratio (%)	76.75	67.56
Capital Adequacy Ratio (Basel II) (%)	11.93	11.18
Capital Adequacy Ratio (Basel III) (%)	11.49	10.80

BRANCH EXPANSION

- ☛ Bank has opened 22 branches during Q1, FY 2014-15 taking total number of branches opened to 3272 as at 30.06.2014 (including a branch in London) comprising of 1044 rural, 856 Semi Urban, 708 Urban and 663 Metro branches. Bank has presence in all the States and Union Territories of the country.
- ☛ Bank proposes to open 350 branches and 27 Mid Corporate Branches during the year.
- ☛ Bank is also approaching for permission to open branches in Hong Kong, Dubai Financial Centre, Johannesburg and China.
- ☛ Bank has opened new Regional Office at Salem and shortly opening Regional Offices at Varanasi, Vishakhapatnam, Ludhiana & Shimoga also.

HUMAN RESOURCES

- ☛ Bank has recruited 1816 Probationary Officers and 1371 Clerk during the current year and is also planning to make lateral recruitment in senior cadre to meet succession needs/business requirements.
- ☛ Bank has initiated HRMS project to ensure transparency in various areas of HR activities. Under this project, the functions of the Personnel Department like personal records, leave sanction, salary payment, payment of terminal benefits, performance appraisal and review of APR etc. are to be maintained online.

PRIORITY SECTOR CREDIT ACHIEVEMENTS:

- ☛ Priority Sector Credit increased by 9.17% from ₹ 47046.40 crore as at 30.06.2013 to ₹ 51359.05 crore as at 30.06.2014 which stands at 36.24% of ANBC against the required level of 40%.
- ☛ Total Agricultural Credit increased from ₹ 20312.17 crore as at 30.06.2013 to ₹ 22024.91 crore as at 30.06.2014, forming 15.54% of ANBC.
- ☛ Credit to Micro and Small Enterprises (MSE) increased by 25% from ₹ 15074 crore as at 30.06.2013 to ₹ 18795 crore as at 30.06.2014, forming 13.26% of ANBC.
- ☛ Credit to Weaker Section increased from ₹ 12107.71 crore as at 30.06.2013 to ₹ 14793.95 crore as at 30.06.2014, forming 10.44% of ANBC (mandatory 10%).
- ☛ Credit to Minority Community increased from ₹ 7750.89 crore as at 30.06.2013 to ₹ 8154.84 crore as at 30.06.2014, forming 15.88% (mandatory level of 15%) of Priority Sector Credit.

- ☞ To assist the farmers in taking up timely agricultural operations and increase crop production, credit assistance of ₹ 6333.96 crore has been extended by issuing 7.26 lakhs Syndicate Kisan Credit Cards as on 30.06.2014.
- ☞ For the rural households, 42846 General Purpose Credit Cards (GCCs) have been issued amounting to ₹ 79.25 crore.

FINANCIAL INCLUSION

- ☞ Bank has opened 68.31 lakh Basic Savings Bank Deposit Accounts (BSBDA) as on 30.06.2014. Of which 0.85 lakh accounts were opened during the quarter ended as on 30.06.2014. The balance outstanding in these accounts is ₹ 2910.59 crore as on 31.03.2014 (67,46,742 accounts) and ₹ 2638.01 crore as on 30.06.2014 (68,31,338 accounts).
- ☞ To promote financial literacy in the villages, 2825 financial literacy programmes were organized during the year, in which 0.95 lakh persons were benefitted.

DIRECT BENEFIT TRANSFER

- ☞ Under DBT, 131926 beneficiaries' accounts have been opened with our Bank and benefit amounting to ₹ 2599.09 lakhs have been credited to beneficiaries accounts.
- ☞ Bank has established 743 ATMs in DBT Districts to facilitate DBT beneficiaries to withdraw benefits credited to their accounts without any hassles. 442 Business Correspondent Outlets have also been established in DBT Districts.

REGIONAL RURAL BANKS

- ☞ Presently, we have 3 RRBs- Prathama Bank, Karnataka Vikas Grameena Bank and Andhra Pragathi Grameena Bank under our sponsorships, all are profit making having total business of ₹ 36661 crore and 1302 branches.

SLBC CONVENER

- ☞ Our Bank is convener of SLBC in Karnataka State and Union Territory of Lakshadweep and taking all proactive steps for implementation of Government directions. Bank has got 27 lead districts.

INFORMATION TECHNOLOGY

- ☞ Bank has added 458 new ATMs during Q1, FY 2014-15, taking total number of ATMs to 2404 as at 30.06.2014.

- ☛ Bank has issued 3.20 lakh new VISA/Maestro/Rupay/Rupay Kisan Debit cards and 549 credit cards during Q1 FY 2014-15, leading to a total number of debit card issued to 51.20 lakh active cards (92.42 lakh total cards issued) and credit card base to 26129 active cards (78141 total cards issued) as at 30.06.2014.
- ☛ Bank has installed 1915 POS Terminals as on 30.06.2014.

ACCOLADES & AWARDS

- ☛ Our Bank has been awarded as “Best Bank of the year” by Bangalore Management Association on its 61st anniversary award function on 25th May 2014, in collaboration with Dalal Street.

CORPORATE STRATEGIES

- ☛ Bank has conducted Strategy Meet 2014-15 on 13th and 14th June, 2014 at Bangalore and chalked out various strategies for improving business, CASA growth, alternate delivery channels, customer service and other income.
- ☛ Bank has launched “**CASA Advantage Campaign**” from 21/07/2014 to 30/09/2014 to increase CASA deposit base. We are also targeting to have more customers with Internet & Mobile Banking.
- ☛ Lending Automation Processing Systems have been introduced for retail loans initially and will be extended to MSME, Mid Corporate, Large Credit applications. This will enable Top Management to closely monitor proposals and ensure quick turnaround time. Applicants will also be enabled to track status of their applications.
- ☛ Tie-up has been made for large scale training of newly joined clerks & officers.

NEW PRODUCTS

- ☛ **Synd Contractor:** Bank has launched a new products “SyndContrator” for financing MSE to acquire new equipments/ Machinery/Vehicles for expansion of activity. This will also help MSE in meeting their working capital requirements.
- ☛ **Synd Disha III:** Bank has launched a new deposit product SyndDisha III on 05.06.2014. The deposit will be for a period of 444 days and carries attractive interest rate of 9.15% pa. for deposits less than Rs.10 crore. Senior citizens will get an additional interest of 0.50% pa. This will be beneficial to salaried class, pensioners and other public etc.
- ☛ **Synd Balasakti:** Bank has launched new product for minors by name “SyndBalasakti” to encourage minors to save and have their savings accounts.

CAPITAL

Bank has got adequate CRAR to support lending/credit expansion. However to meet Basel III requirements, Bank has applied to GOI to raise capital of ₹ 1100 crore by QIP route.

GOING FORWARD

- ☛ Bank is planning to implement “**ACRM- Analytic Customer Relationship Management**” as a part of DWH project. This will enable the Bank to cross sell and up sell its products effectively.
- ☛ Bank has initiated steps to implement “**Tablet Banking**” to attract Gen Next customers.
- ☛ To tap the potential of MSME financing, Bank is planning to introduce a new scheme “**Supply Chain Finance Scheme for MSME**”. The proposed scheme will increase the liquidity, profitability and efficiency of Micro & Small Enterprises.
- ☛ Bank is also in the process of introducing insurance linked SB product.
- ☛ Bank is in the process of launching BPR-Business Process Reengineering to improve operational efficiency.