

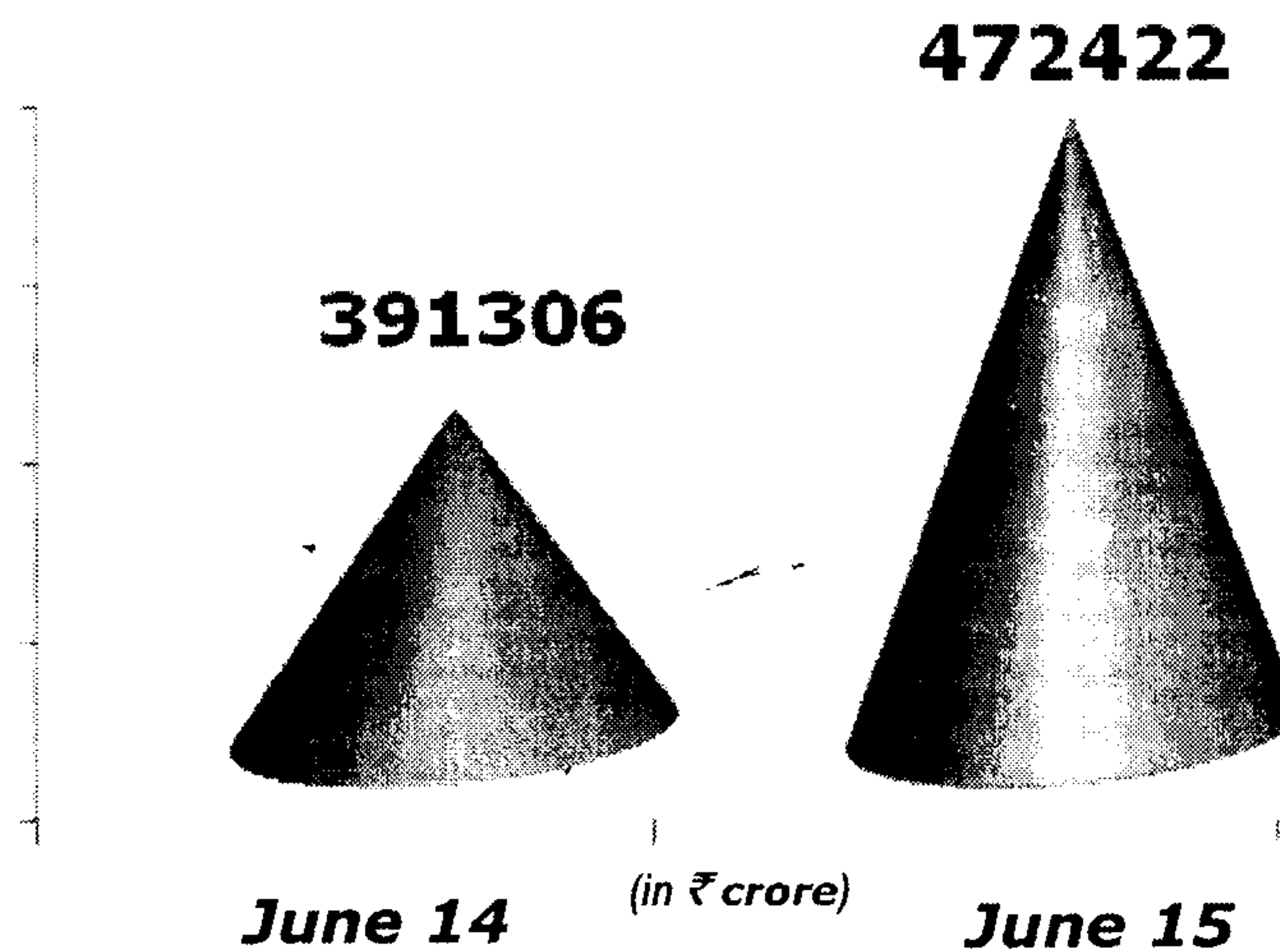


Corporate Office: Bengaluru
28th July, 2015

P R E S S R E L A S E

**Syndicate Bank Announces
Reviewed Financial Results for the Quarter ended
30th June, 2015**

GLOBAL BUSINESS



Performance Highlights for the First Quarter of Financial Year 2015-16

- ☞ Global Business increased from Rs.391306 crore as at Q1, FY 2014-15 to Rs 472422 crore as at Q1, FY 2015-16 (21% y-o-y).
- ☞ Domestic Business increased from Rs.327434 crore as at Q1, FY 2014-15 to Rs 402077 crore as at Q1, FY 2015-16 (23 % y-o-y).
- ☞ Global Deposits increased from Rs.214864 crore as at Q1, FY 2014-15 to Rs269495 crore as at Q1, FY 2015-16 (25% y-o-y).
- ☞ Domestic Deposits increased from Rs.187751 crore as at Q1, FY 2014-15 to Rs 239640 crore as at Q1, FY 2015-16 (28% y-o-y).
- ☞ Global Advances increased from Rs.176442 crore as at Q1, FY 2014-15 to Rs 202927crore as at Q1, FY 2015-16 (15% y-o-y).
- ☞ Domestic Advances increased from Rs.139683 crore as at Q1, FY 2014-15 to Rs 162437 crore as at Q1, FY 2015-16 (16% y-o-y).
- ☞ Domestic CASA deposits increased from Rs.55429 crore as at Q1, FY 2014-15 to Rs 65379 crore as at Q1, FY 2015-16 (18% y-o-y). Domestic CASA deposits stood at 27.28% of total domestic deposits as at 30.06.2015.
- ☞ Savings Bank deposits increased from Rs.41771 crore as at Q1, FY 2014-15 to Rs 47396 crore as at Q1, FY 2015-16 (13% y-o-y).
- ☞ Operating Profit increased from Rs.1014 crore in Q1, FY 2014-15 to Rs 1040 crore in Q1, FY 2015-16 (3% y-o-y).
- ☞ Net Profit decreased from Rs.485 crore in Q1, FY 2014-15 to Rs 302 crore in Q1, FY 2015-16 (38% y-o-y).
- ☞ Net Interest Income increased from Rs.1351 crore in Q1, FY 2014-15 to Rs 1412 crore in Q1, FY 2015-16 (5% y-o-y).
- ☞ Book value per share increased from Rs.197.54 in Q1, FY 2014-15 to Rs 202.30 in Q1, FY 2015-16.
- ☞ Gross NPA ratio stood at 3.72% in Q1, FY 2015-16 as against 2.97 % in Q1, FY 2014-15.
- ☞ Net NPA ratio stood at 2.36% in Q1, FY 2015-16 as against 1.88% in Q1, FY 2014-15.

- ☞ Provision Coverage Ratio stood at 63.24% in Q1, FY 2015-16 as against 67.56% in Q1, FY 2014-15.
- ☞ Cost to income ratio stood at 45.67% in Q1, FY 2015-16 as against 43.90% in Q1, FY 2014-15.
- ☞ Global Net Interest Margin (NIM) stood at 2.21% in Q1, FY 2015-16 as against 2.47% in Q1, FY 2014-15.
- ☞ The Yield on Advances stood at 8.95% in Q1, FY 2015-16 as against 9.41% in Q1, FY 2014-15.
- ☞ Return on Assets (RoA) annualised stood at 0.42% in Q1, FY 2015-16 as against 0.81% in Q1, FY 2014-15.
- ☞ Earnings per Share (EPS) stood at Rs 18.24 in Q1, FY 2015-16 as against Rs.31.09 in Q1, FY 2014-15.
- ☞ Capital Adequacy Ratio (Basel III) stood at 10.17% as at 30.06.2015 as against 10.80% as at 30.06.2014.

Quarterly Comparison

Parameter	June 15	June 14
Cost to income Ratio (%)	45.67	43.90
Earnings per Share (Rs.) annualised	18.24	31.09
Book Value per Share (Rs.)	202.30	197.54
Gross NPA Ratio (%)	3.72	2.97
Net NPA Ratio (%)	2.36	1.88
Return on Assets	0.42	0.81
Cost of Deposits	6.66	6.74
Yield on Advances	8.95	9.41
Net Interest Margin (NIM)	2.21	2.47
Provision Coverage Ratio (%)	63.24	67.56
Capital Adequacy Ratio (Basel II) (%)	10.51	11.18
Capital Adequacy Ratio (Basel III) (%)	10.17	10.80

BRANCH EXPANSION

Bank has opened 8 branches during Q1, FY 2015-16 taking total number of branches to 3559 as at 30.06.2015 (including a branch in London) comprising of 1152 Rural, 936 Semi Urban, 786 Urban and 684 Metro branches. Bank has presence in all the States and Union Territories of the country.

RE-ORGANISATION OF REGIONS

During the quarter, Bank has created two new Regional Offices at Vadodara, by carving out branches from existing Ahmedabad Region and at Dehradun by carving out branches from existing Meerut and Moradabad Regions. Reorganization will help the Bank to increase business by rationalizing branch network and better monitoring and control.

HUMAN RESOURCES

- ☞ Bank has recruited 1516 Probationary Officers and 1688 Probationary Clerk during the quarter and is planning to recruit more staff in general as well as specialists to meet future needs and business development.
- ☞ Bank has trained 2015 employees during the quarter comprising of 1785 officers and 230 workmen. In addition to above, 258 officers were trained in the External Institutions and 3 Executives were trained abroad.

PRIORITY SECTOR CREDIT

- ☞ Priority Sector Credit increased by 13.78% from Rs.51359.05 crore as at 30.06.2014 to Rs.58436.58 crore as at 30.06.2015 which is 36.05% of ANBC.
- ☞ Total Agricultural Credit increased by 16.75% from Rs.22024.91 crore as at 30.06.2014 to Rs.25713.31 crore as at 30.06.2015, forming 15.86% of ANBC.
- ☞ Credit to Micro and Small Enterprises (MSE) increased by 21.53% from Rs.17643.35 crore as at 30.06.2014 to Rs.21439.13 crore as at 30.06.2015, forming 13.23% of ANBC.
- ☞ Credit to Weaker Section increased from Rs.14793.95 crore as at 30.06.2014 to Rs.17148.72 crore as at 30.06.2015, forming 10.58% of ANBC.
- ☞ Credit to Minority Community increased from Rs.8154.84 crore as at 30.06.2014 to Rs.9332.96 crore as at 30.06.2015, forming 15.97% of Priority Sector Credit.
- ☞ To assist the farmers in taking up timely agricultural operations and increase crop production, credit assistance of Rs.7452.91 crore has been extended by issuing 6.83 lakhs Syndicate Kisan Credit Cards as on 30.06.2015.

- ☞ For Rural Households, 17561 General Purpose Credit Cards (GCCs) have been issued amounting to Rs.30.23 crore.

FINANCIAL INCLUSION

- ☞ Bank has opened 2.18 lakh Basic Savings Bank Deposit Accounts (BSBDA) during Q1 FY 2015-16. The balance outstanding overall in 1.06 crore BSBD accounts is Rs. 3408.68 crore as on 30.06.2015.
- ☞ To promote financial literacy in the villages, 3,275 financial literacy programmes were organized during Q1 FY 2015-16 (from April 2015 to June 2015), in which 1.25 lakh persons were benefitted.

PMJDY

- ☞ Bank has opened 37,14,952 number of accounts under PMJDY with a balance of Rs.585.05 crore as at 30.06.2015. During Q1 FY 2015-16, 2.18 lakh PMJDY accounts were opened.
- ☞ 35,11,957 RuPay Cards have been issued under PMJDY as at 30.06.2015

DIRECT BENEFIT TRANSFER (LPG)

- ☞ During the period 15.11.2014 to 30.06.2015 under re-launched DBTL, 75.93 lakh credits have been received with benefit amounting to Rs. 213.63 crore credited to beneficiaries' accounts. During Q1 FY 2015-16 up to 30.06.2015, 32.96 lakh credits have been received with benefit amounting to Rs. 69.90 crore credited to beneficiaries' accounts.

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 Rs.42273 crore and 1357 branches.

SYND SAMGRA GRAM VIKAS YOJANA

- ☞ Our bank has adopted 26 villages in our Lead Districts across the country for all round development and Rs.5.20 crore is being utilized for development.

SLBC CONVENER

- ☞ Our Bank is convener of SLBC in Karnataka State and Union Territory of Lakshadweep and is taking proactive steps for implementation of Government directives.

INFORMATION TECHNOLOGY

- ☞ Bank has added 105 new ATMs during Q1, FY 2015-16, taking total number of ATMs to 3532 as at 30.06.2015.
- ☞ Bank has issued 6.04 lakh new VISA/MAESTRO/RuPay Debit cards and 834 credit cards during Q1 FY 2015-16. The Debit Card base increased to 145.21 lakh of which 105.97 lakh are active cards. Credit Card base increased to 82565 of which 28457 are active cards as at 30.06.2015.
- ☞ Bank has installed 2332 POS Terminals as on 30.06.2015.

STRATEGIC TIE-UP

- ☞ **Tie-up with M/S Oil India Limited** for extending top-up housing loan or takeover of housing loan of the employees who are retiring either on superannuation or on voluntary retirement from the services of the company/organisation.
- ☞ **Tie-up with M/S LIC of India Ltd** for providing Life insurance cover under Pradhan Mantri Jeevan Jyoti Bima Yojna (PMJJBY). Bank has enrolled 723957 members under the scheme as on 30.06.2015.
- ☞ **Tie-up with M/S United India Insurance Co Ltd (UIICO)** for implementation of Pradhan Mantri Suraksha Bima Yojana PMSBY for providing accidental death insurance and has obtained Master Policy. Bank has made available a 'Web Based Application' for enrolling members at all its branches. Bank has enrolled 2032336 members under the scheme as on 30.06.2015.
- ☞ **Registration under PFRDA (Pension Fund Regulatory & Development Authority) for Atal Pension Yojana (APY):** Bank is already registered under PFRDA and all branches are having the registration IDs for selling APY. Bank has enrolled 11222 members under APY as on 30.06.2015.

CORPORATE STRATEGIES

- ☞ To achieve significant growth in CASA deposits which has many fold advantages including reducing cost of funds as well as dependency on high cost deposits, Bank has launched "**Savings Bank Account Campaign**" from 01/06/2015 to 30/06/2015. Bank was able to achieve an accretion of Rs.780 crore SB deposits during the campaign period.
- ☞ Keeping in view the stiff competition in retail segment and to motivate the branch level functionaries to mobilize business under these sectors, Bank has launched incentive based campaigns for housing loans under SyndNivas scheme and four wheeler loans under SyndVahan scheme from 15/06/2015 to 30/09/2015. Further to make these schemes more attractive, Bank has also waived 50% of applicable processing and documentation charges.

- ☛ Bank has implemented the “Pradhan Mantri MUDRA Yojana” (PMMY) and started financing loans under PMMY, as per the direction of Government of India.
- ☛ To augment the flow of credit to MSME and Retail segments, Bank is organising MSME and Retail credit camps. These camps will help in spreading awareness among MSME and Retail borrowers about the product & services offered by the Bank.

NEW PRODUCTS

- ☛ **Syndicate Bank RuPay Platinum Debit Card:** Bank has issued a new variant of RuPay Debit Card namely “Syndicate Bank RuPay Platinum Debit Card” with higher limits facilitating the segmentation of the Debit Card product to attract HNI customers.
- ☛ **SYND RD PLUS:** A special product which allows customers to deposit more than one installment during the month and no penalty levied for premature withdrawal or delayed payment.

CAPITAL PLANNING

Bank has taken shareholders’ approval to raise equity capital up to Rs.2000 crore to augment its capital base by way of Qualified Institutional Placement (QIP) Issue, Rights Issue, follow on Public Issue or any other mode approved by Government of India or Reserve Bank of India to comply with Basel-III norms and cater to its growing business.

GOING FORWARD

- ☛ Bank is planning to open 355 new branches during the financial year 2015-16.
- ☛ **Fast Track Branches:** Bank has planned to open about 100 branches as Fast Track Branches, wherein business level is expected to be at least Rs.25 crore in a year.
- ☛ Bank has also planned to open at least 8 State of the Art branches which would be of International Standard both in outlook and in Infrastructure.
- ☛ Bank is aggressively marketing loans products namely SyndVahan, Synd Nivas, SyndVidya, Synd Saral, Synd Mortgage, Synd Kuteer, Synd Connect and Synd Delight for strengthening its credit portfolio.
- ☛ Focus is being given on financing Manufacturing units during 2015-16, to take advantage of “Make in India “campaign of GOI.

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