



Corporate Office: Bangalore

28th October, 2013

PRESS RELEASE

**SyndicateBank announces Financial Results for the
Quarter ended 30TH Sept., 2013**

**Performance Highlights for the Second Quarter of
Financial Year 2013-14**

- ☞ Net profit increased from ₹ 463 crore in Q2 FY'13 to ₹ 470 crore in Q2 FY'14 (up 1.51% y-o-y).
- ☞ Operating Profit stood at ₹ 811 crore in Q2 FY'14 as against ₹ 843 crore in Q2 FY'13, as the treasury profit is less this year Q2 as compared to last year Q2 and interest income on account of refund of income tax is not there.
- ☞ Global Deposits increased from ₹ 155854 crore as at Q2 FY'13 to ₹ 190820 crore as at Q2 FY'14 (up 22.44% y-o-y).
- ☞ Global Advances increased from ₹ 128795 crore as at Q2 FY'13 to ₹ 155336 crore as at Q2 FY'14 (up 20.61% y-o-y).
- ☞ Global business increased from ₹ 284649 crore as at Q2 FY'13 to ₹ 346156 crore as at Q2 FY'14 (up 21.61% y-o-y).
- ☞ CASA deposits (domestic) increased from ₹ 46510 crore at at Q2 FY'13 to ₹ 53720 crore as at Q2 FY'14 (up 15.50% y-o-y). Domestic CASA deposits stood at 32.41% of total domestic deposits as at 30.09.2013.
- ☞ Gross NPA ratio stood at 2.88% in Q2 FY'14 as against 2.47% in Q2 FY'13, as a few big ticket loans have become NPA due to economic slowdown.

- ☛ Cost to income ratio improved from 47.62% in Q2 FY'13 to 46.99% in Q2 FY'14 due to cost cutting measures adopted by the bank.
- ☛ Book value per share increased from ₹ 164.95 in Q2 FY'13 to ₹ 191.93 in Q2 FY'14.
- ☛ Bank is able to maintain, net Interest margin (NIM) at 2.89% in Q2 FY'14 as against 3.26% in Q2 FY'13, in spite of stress in the economy and NPAs in the industry as well as in our Bank.
- ☛ Provision Coverage Ratio stood at 70.58% in Q2 FY'14 as against 82.26% in Q2 FY'13. Bank is able to maintain a healthy provision coverage ratio, which is one of the best in the industry.
- ☛ Non-interest Income increased from ₹ 270 crore in Q2 FY'13 to ₹ 276 crore in Q2 FY'14 (up 2.22% y-o-y).
- ☛ Return on Average Assets – (RoA) stood at 0.89% in Q2 FY'14 as against 1.03% in Q2 FY'13. Last year net profit was more due to MAT credit but this year MAT is not there but assets have gone up.
- ☛ Earnings per Share (EPS) improved from ₹ 30.02 in Q2 FY'13 to ₹ 30.65 in Q2 FY'14.
- ☛ Capital Adequacy Ratio (Basel II) stood at 11.94% and Capital Adequacy (Basel III) stood at 11.58% as at 30.09.2013.

Snap Shot of Performance

	H1 of FY 2013-14 Vs H1 of FY 2012-13		
	Sept 13	Sept 12	Growth (%)
Global Deposits (Rs. Crore)	190820	155854	22.44
Global Advances (Rs. Crore)	155336	128795	20.61
Global Business (Rs. Crore)	346156	284649	21.61
Net Profit (Rs. Crore)	922.40	903.59	2.08
Operating Profits (Rs. Crore)	1759.71	1684.23	4.48
Interest Income (Rs crore)	9005.62	8518.66	5.72
Other Income (Rs. Crore)	570.91	505.73	12.89
Net Interest Income (Rs crore)	2748.63	2709.93	1.43
Gross NPA (Rs crore)	4471.81	3178.57	

	H1 of FY 2013-14 Vs H1 of FY 2012-13	
	Sept 13	Sept 12
Cost to income Ratio	46.99	47.62
Earnings per Share (Rs.)	30.65	30.02
Book Value per Share (Rs.)	191.93	164.95
Gross NPA Ratio	2.88	2.47
Net NPA Ratio	1.66	0.92
Provision Coverage Ratio	70.58	82.26
Capital Adequacy Ratio (Basel II)	11.94	11.33
Capital Adequacy Ratio (Basel III)	11.58	NA

DOMESTIC BUSINESS: (Y-o-Y)

- ☞ Domestic Business grew from ₹ 255400 crore as on 30th Sept, 2012 to ₹ 288383 crore as on 30th Sept, 2013 registering a y-o-y growth of 12.91%.
- ☞ Domestic Deposits grew from ₹ 143603 crore as on 30th Sept, 2012 to ₹ 165710 crore as on 30th Sept, 2013 registering a y-o-y growth of 15.39%.
- ☞ Domestic advances grew from ₹ 111797 crore as on 30th Sept, 2012 to ₹ 122673 crore as on 30th Sept, 2013 registering a y-o-y growth of 9.73%.
- ☞ Savings deposits grew from ₹ 36125 crore as on 30th Sept, 2012 to ₹ 39173 crore as on 30th Sept, 2013 registering a y-o-y growth of 8.44%.
- ☞ Domestic CASA deposits grew from ₹ 46510 crore as on 30th Sept, 2012 to ₹ 53720 crore as on 30th Sept, 2013 registering a y-o-y growth of 15.50%. Domestic CASA deposits stood at 32.41% of total domestic deposits as at 30.09.2013.

OVERSEAS BUSINESS: (Y-o-Y)

- ☞ London branch business increase by 97.53% from ₹ 29248 crore as on 30th Sept, 2012 to ₹ 57773 crore as on 30th Sept, 2013.
- ☞ Advances at London branch increase by 92.17% from ₹ 16997 crore as on 30th Sept, 2012 to ₹ 32663 crore as on 30th Sept, 2013.
- ☞ Deposits at London branch increase by 104.96% from ₹ 12251 crore as on 30th Sept, 2012 to ₹ 25110 crore as on 30th Sept, 2013.

PROFITABILITY RATIOS (Half Year):

- ☞ Net Profit increased from ₹ 903.59 crore as on 30th Sept, 2012 to ₹ 922.40 crore as on 30th Sept, 2013 recording a growth of 2.08% on year on year basis.
- ☞ Operating Profit increased from ₹ 1684.23 crore as on 30th Sept, 2012 to ₹ 1759.71 crore as on 30th Sept, 2013 recording a growth of 4.48%.

VALUE TO INVESTORS:

- ☞ Earnings per Share (EPS) improved from ₹ 30.02 in Q2 FY'13 to ₹ 30.65 in Q2 FY'14.
- ☞ Book Value per Share increased from ₹ 164.95 in Q2 FY'13 to ₹ 191.93 in Q2 FY'14.
- ☞ Return on Equity (ROE) stood at ₹ 18.40 in Q2 FY'14 as against ₹ 21.30 in Q2 FY'13.

NON PERFORMING ASSETS:

- ☞ Gross NPA Ratio stood at 2.88% in Q2 FY'14 as against 2.47% in Q2 FY'13. In Q1 of the FY'14 the ratio was 2.38%.
- ☞ Net NPA Ratio stood at 1.66% in Q2 FY'14 as against 0.92% in Q2 FY'13. In Q1 of the FY'14 the ratio was 1.19%.
- ☞ Provision Coverage Ratio stood at 70.58% in Q2 FY'14 as against 82.26% in Q2 FY'13. In Q1 of the FY'14 the ratio was 76.75%.
- ☞ In order to maximise cash recovery of NPAs and upgrading the existing NPAs, Bank has a focused recovery team called "Stressed Tiny Assets Recovery Team" (START), resulting in recovery of NPAs (Domestic) amounted to ₹ 264 crore upto 30th Sept, 2013.
- ☞ Close monitoring of restructured accounts is given highest priority to contain slippages. Greater thrust is being given not only to cash recovery but also on upgradation of asset quality.

BRANCH EXPANSION

- ☞ Bank has opened 43 branches during Q2 FY'14 and 113 branches in H1 and reached a mile stone of 3047 branches as at 30.09.2013. Bank opened 88 branches on Foundation Day taking the total to 3135. Bank proposes to reach 3235 branches before 31.03.2014.
- ☞ Bank has at present 1363 ATMs and also endeavouring to ensure that every branch has one ATM.

PRIORITY SECTOR CREDIT ACHIEVEMENTS:

- ☛ Priority Sector Credit increased by 4.84% from ₹ 43578 crore as at 30.09.2012 to ₹ 45689 crore as at 30.09.2013.
- ☛ Total Agricultural Credit increased from ₹ 18777 crore as at 30.09.2012 to ₹ 18999 crore as at 30.09.2013, forming 15.78% of ANBC.
- ☛ Credit to Micro and Small Enterpriser (MSE) increased by 11.82% from ₹ 14158 crore as at 30.09.2012 to ₹ 15831 crore as at 30.09.2013.
- ☛ Credit to Weaker Section increased from ₹ 11529 crore as at 30.09.2012 to ₹ 12164 crore as at 30.09.2013, forming 10.10% of ANBC (mandatory 10%).
- ☛ Credit to Minority Community increased from ₹ 7007 crore as at 30.09.2012 to ₹ 7404 crore as at 30.09.2013, forming 16.21% (mandatory level of 15%) of Priority Sector Credit.

FINANCIAL INCLUSION

- ☛ Bank has provided new banking outlets in **1574 villages** having population of less than 2000, thereby achieving over 74% of the yearend target under Financial Inclusion Plan.
- ☛ Bank has 958 Ultra Small Branches as at 30.09.2013 and has engaged **1733 BCAs** so far to assist the branches in implementation of FI and DBT programmes.
- ☛ Bank has opened 62.62 lakh Basic Savings Bank Deposit Accounts (BSBDA). Of which over four lakh accounts were opened during Q2 FY'14.
- ☛ To assist the farmers in taking up timely agricultural operations and increase crop production, **credit assistance of Rs.5988.24 crores** has been extended by issuing **7.55 lakhs Syndicate Kisan Credit Cards**.
- ☛ For the rural households, **41970 General Purpose Credit Cards (GCCs)** have been issued amounting to **Rs.68.46 crores**.
- ☛ **Number of transactions** carried out through the BCAs during the quarter was **60.41 lakh**.
- ☛ To promote financial literacy in the villages, **2233 financial literacy programmes** were organized during the quarter, in which 87254 persons were benefitted.

DIRECT BENEFIT TRANSFER

- ☞ Under DBT, **136027 beneficiaries'** accounts have been opened with our Bank and benefits amounting to **Rs.2537.48 lakhs** have been credited to beneficiaries accounts.
- ☞ Bank has **established 375 ATMs in DBT Districts** to facilitate DBT beneficiaries to withdraw benefits credited to their accounts without any hassels. **397 Business Correspondent Outlets** have also been established in DBT Districts

INFORMATION TECHNOLOGY

- ☞ Bank has added 22 new ATMs during Q2 FY'14, taking total number of ATMs to 1363 as at 30.09.2013 .
- ☞ Bank has issued 368496 new VISA/Maestro Debit cards and 465 credit cards during Q2 FY'14, leading to a total number of debit card base to 8060348 and credit card base to 76308 as at 30.09.2013.

CORPORATE STRATEGIES

- ☞ To shore-up the deposit base, particularly, Low Cost Deposits, Bank has recently launched '**Super Deal CASA Campaign**', offering multiple benefits / facilities to account holders.
- ☞ In order to tap fresh business from industrial houses, Mid Corporate Branches are further activated to increase lending under these segments.
- ☞ Govt.business vertical is established to tap all Govt. business/tax collection and pension payment services to improve customer service.
- ☞ E-Lounge started as pilot basis is extended to other metros duly branding the same.
- ☞ In commemoration with its 88th foundation day the bank announced the opening of 88 branches in different states of the country. It also initiated various CSR (Corporate Social Responsibility) activities.
- ☞ Reiterating its commitment towards developing MSME sector, Bank has launched 5 new products viz.SyndDoctor, SyndGranite, SyndTextiles, SyndCashew and SyndTransport which are tailor made schemes to meet the credit requirements of the cashew industry, transport operators and weavers among others.

- ☛ In order to provide much better customer service, Bank is in the process of introducing “**Missed Call Banking**” concept where customers can know balance outstanding in their CASA account instantly, by giving a missed call to a particular number allotted for this purpose.

GOING FORWARD

- ☛ In order to ensure quick Turn Around Time (TAT) for credit and also to ensure top executive being close to customers & branches, Bank has introduced the concept of “**Field General Manager**”. 8 FGMs Offices will be operational from 01/11/2013. These offices will be headed by General Manager to ensure quicker decisions and to take care of development and recovery activities of the Regions coming under their control.
- ☛ In view of the increase in network Bank is carving out two new Regions at Ongole and Madurai for better customer service effective from 01/11/2013. Further Bank has got plans to set up Regional Offices at Visakhapatnam, Varanasi, Jalandhar, second Region in Gujarat and 4th Region in Tamil Nadu.
- ☛ Existing Centralised Processing Cells for Housing Loan will be enlarged and similar cells for SME credit will be opened shortly.

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