



SyndicateBank

PRESS RELEASE

Q2 FY 19/H1 FY 19 RESULTS

Highlights

- ❖ Global business of the bank stood at Rs.4,77,265 Crores as on 30.09.2018.
- ❖ CASA % to Domestic Deposits have improved from 30.41% as 30.09.2017 to 33.46% as on 30.09.2018.
- ❖ The share of retail deposits including CASA as a percentage to domestic deposits has also improved from 64% to 71% on Y-o-Y.
- ❖ The Bank's credit portfolio continue to be diversified with share of Retail, Agriculture, MSME (RAM) at 55% of the domestic advances.
- ❖ The Retail Advances grew by 9% Y-o-Y with the Housing Loans grew by 13%.
- ❖ The Net Interest Income (NII) has improved by 4%, from Rs.1,506 Crore in June 2018 quarter to Rs.1,572 Crores in Sep. 2018 quarter.
- ❖ Gross NPA Ratio stood at 12.98% as on 30.09.2018
- ❖ Net NPA Ratio stood at 6.83% as on 30.09.2018.
- ❖ Provision Coverage Ratio has improved from 56.21% as on Sep 2017 to 64.02% as on Sep 2018.
- ❖ Upgradation & Recovery improved by 58% from Rs.1,772 Crores in H1 of FY 2018 to Rs.2,796 in H1 of FY 2019.
- ❖ The Bank continue to target Capital Lite Assets and the share of A and above rated advances improved from 58% to 67%.
- ❖ The ratio of Risk Weighted Assets (RWA) to Gross Advances has come down from 85% to 80%.
- ❖ The CRAR Ratio as on Sep 2018 stood at 10.95%.

Performance Highlights for the Second Quarter and First Half Year Ended of FY 2018-19

Interest Income:

The interest income for the Half Year ended Sep 2018 stood at Rs.10,656 crore against Rs.11,043 crore posted in its corresponding period of previous year.

The interest income for the Sep 2018 quarter decreased to Rs.5,399 crore from Rs.5,559 crore in its corresponding period of previous year.

Other Income:

The other income declined by 43.80% to Rs.870 crore for the Half Year ended Sep 2018 from Rs.1,548 crore as against corresponding period of previous year. The decline is due to fall in treasury income.

The other income for Sep 2018 quarter declined by 43% to Rs.490 crore from Rs.961 crore in its corresponding period of previous year.

Interest Expenses:

The interest expenses for the Half Year ended Sep 2018 at Rs.7,579 crore declined by 3 % from Rs. 7,793 crore in its corresponding period of previous year.

The Interest expenses for Sep 2018 quarter declined by 2 % to Rs. 3,827 crore against Rs. 3,909 crore in its corresponding period of previous year.

Net Interest Income (NII):

The Net Interest Income for the Half Year ended Sep 2018 declined to Rs.3,078 crore from Rs.3,250 crore in its corresponding period of previous year.

The NII for Sep 2018 quarter declined to Rs.1,572 Crores against Rs.1,650 Crores in its corresponding period of previous year.

Operating expenses:

The operating expenses for the Half Year ended Sep 2018 increased to Rs.2,819 crore from Rs.2,644 crore in its corresponding period of previous year..

The operating expenses for Sep 2018 quarter was Rs.1,492 crore against Rs.1,336 crore in its corresponding period of previous year.

Operating Profit:

The operating Profit for the Half Year ended Sep 2018 stood at Rs.1,129 crore as against Rs.2,154 crore reported in corresponding period of previous year.

The operating Profit for Sep 2018 quarter stood at Rs.570 crore as against Rs.1,173 crore reported in corresponding period of previous year.

Provisions & Contingencies:

The overall provisions for the Half Year ended Sep 2018 stood at Rs.3,953 crore as against Rs.2,312 crore in its corresponding period of previous year.

The Bank has made provision and contingencies of Rs.2,113 crore during Sep 2018 quarter against Rs.1,069 crore during Sep 2017 quarter.

Net Profit/Loss:

The Bank incurred net loss of Rs.2,825 crore for the Half Year ended Sep 2018 compared to Net loss of Rs.158 crore reported in its corresponding Half Year ended Sep 2017, due to higher provisioning towards NPA and MTM losses.

Other Financial Ratio:

Half Year Ended Comparison

Parameter	H1 of FY 2017-18	H1 of FY 2018-19
Cost to income Ratio (%)	55.10	71.41
Earnings Per Share (Ann.) Rs.	(1.75)	(39.86)
Book Value Per Share Rs.	155.06	85.71
Return of Assets (Ann.) (%)	(0.10)	(1.87)
Cost of Deposits (%)	5.23	5.13
Cost of Funds (%)	5.03	5.01
Yield on Advances (%)	7.71	7.16
Yield on Funds (%)	7.12	7.05
Net Interest Margin (NIM) (Ann) (%)	2.46	2.32
Return on Equity (Ann) (%)	(2.58)	(56.24)

Business Parameters:

Business:

The Bank's total Business declined to Rs.4,77,265 crore as on Sep of 2018 as against Rs.4,97,488 crore recorded in Sep 2017. The Domestic Business declined by 2 % and was at Rs.4,13,344 crore as on Sep 2018 as compared to Rs.4,19,889-crore reported in its earlier corresponding period i.e. Sep 2017.

Deposits:

The Bank's Total deposits reached a level of Rs.2,68,222 crore as on Sep 2018 from Rs. 2,82,600 crore in its corresponding period of a year ago.

Advance:

The total Advance as on Sep 2018 stood at Rs.2,09,043 crore declined from Rs.2,14,887 crore in its corresponding period of a year ago.

Priority Sector Advance:

(Rs. in Crore)

Sectoral Advance	30.09.2017	30.09.2018	% of ANBC
Priority Sector	70,797	71,413	42
Agriculture	33,652	32,410	19
Other Priority Sector	37,145	39,003	23

Investments:

Investment Portfolio stood at Rs.81,463 crore as on Sep 2018 against Rs.73,253 crore during corresponding period of previous year i.e. Sep 2017.

Other Performance Indicators:

Capital Adequacy Ratio (CAR):

The CAR (Basel III) stood at 10.95% as on Sep 2018 as against 12.17% in its corresponding period of previous year.

GOI has infused capital of Rs.728 Crores on 17th Oct 2018, and the same is kept in Share Application Money pending allotment. This is not factored in the above CRAR ratios, post allotment the ratios will improve by 43 bps.

Net Interest Margin (NIM)

Domestic NIM improved by 8 bps from 2.60% in June 2018 quarter to 2.68% in Sep 2018 quarter. Global NIM improved by 8 bps from 2.30% in June 2018 quarter to 2.38% in Sep 2018 quarter. Half Yearly Domestic NIM declined by 26 bps Y-o-Y from 2.87% as on Sept 2017 to 2.61% as on Sept 2018 and Half Yearly Global NIM declined by 14 bps Y-o-Y from 2.46% as on Sept 2017 to 2.32% as on Sep 2018.

NPA Management:

The Gross NPA increased to Rs.27,131 crore as at Sep 2018 from Rs. 26,362 crore during June 2018 and in percentage terms, the Gross NPA ratio is 12.98% as at Sep 2018 against 12.59% in June 2018. It was at Rs. 20,177 crore and 9.39% as at Sep 2017.

The Net NPA increased to Rs.13,321 crore as at Sep 2018 from Rs. 13,011 crore during June 2018 and in percentage terms, the Net NPA ratio is 6.83% as at Sep 2018 against 6.64% in June 2018. It was at Rs. 11,894 crore and 5.76 % as at Sep 2017.

Period	Gross NPA	Net NPA	(In %)
			PCR
September-17	9.39	5.76	56.21
June-18	12.59	6.64	63.04
September-18	12.98	6.83	64.02

During the half year of FY 2019, the Bank has upgraded and recovered of Rs.2,796 Crores against Rs.1,772 Crores in the half year FY 2018. Besides the Bank has also

recovered Rs.254 Crores in prudentially written Off Accounts against Rs.177 Crores recovered during the Half year FY 2018.

Networth:

The Networth of the Bank stood at Rs.8,317 crore as on Sep 2018 in comparison to Rs.12,068 crore as of its previous year period.

ANNEXURE

Details of Profit and Loss account are as follows.

(Rs. in Crore)

Parameters	Quarter Ended		Half Year Ended		Y-o-Y Growth (%)	
	Q2 FY 18	Q2 FY 19	H1 FY 18	H1 FY 19	Quarterly	Half Yearly
Interest Income	5,559	5,399	11,043	10,656	-3	-4
Other Income	860	490	1,548	870	-43	-44
Total Income	6,419	5,889	12,591	11,526	-8	-8
Interest Expenses	3,909	3,827	7,793	7,579	-2	-3
Employees Cost	896	989	1,751	1,858	10	6
Operating Expenses	441	503	893	961	14	8
Total Expenses	5246	5319	10437	10397	1	0
Operating Profit+ Exceptional Item & one-time items	1173	570	2154	1129	-51	-48
Less: Exceptional Item & one-time items	-	-	-	-	-	-
Operating Profit Excl. Exceptional Item & one-time items	1173	570	2154	1129	-51	-48
Operating Profit	1173	570	2154	1129	-51	-48
Total Provisions	1069	2217	2312	4544	107	97
Net Profit	105	(1543)	(158)	(2825)	-1570	-1688
Net Interest Income	1650	1572	3250	3078	-5	-5