



Corporate Office: Bangalore

31st January, 2014

PRESS RELEASE

**SyndicateBank announces Financial Results for the
Quarter ended 31st Dec, 2013**

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

- ☛ Net profit stood at ₹ 380 crore in Q3, FY 2013-14 as against ₹ 508 crore in Q3, FY 2012-13 (down 25.20% y-o-y). MAT credit of ₹ 141 crore was availed in Q3 of 2012-13 which is not available now. If the same is excluded, there is an increase of ₹ 13 crore in net profit in Q3 of 2013-14.
- ☛ Operating Profit stood at ₹ 806 crore in Q3, FY 2013-14 as against ₹ 864 crore in Q3, FY 2012-13 (down 6.71% y-o-y) as the NII during the quarter is less by ₹ 52 crore.
- ☛ Global Deposits increased from ₹ 164075 crore as at Q3, FY 2012-13 to ₹ 195120 crore as at Q3, FY 2013-14 (up 18.92% y-o-y).
- ☛ Global Advances increased from ₹136648 crore as at Q3, FY 2012-13 to ₹ 157378 crore as at Q3, FY 2013-14 (up 15.17% y-o-y).
- ☛ Global business increased from ₹ 300723 crore as at Q3, FY 2012-13 to ₹ 352498 crore as at Q3, FY 2013-14 (up 17.22% y-o-y).
- ☛ CASA deposits (domestic) increased from ₹48323 crore as at Q3, FY 2012-13 to ₹ 52324 crore as at Q3, FY 2013-14 (up 8.28 % y-o-y). Domestic CASA deposits stood at 30.82 % of total domestic deposits as at 31.12.2013.
- ☛ Gross NPA ratio stood at 2.80% in Q3, FY 2013-14 as against 2.31% in Q3, FY 2012-13 due to high slippage in these 9 months. However, it has come down from 2.88% as on Sept 2013 to present level of 2.80% as on Dec 2013.
- ☛ Net NPA ratio stood at 1.66% in Q3, FY 2013-14 as against 0.85% in Q3, FY 2012-13.

- ☛ Cost to income ratio stood at 48.39% in Q3, FY 2013-14 as against 47.83% in Q3, FY 2012-13 as the net interest income was less in this quarter and also due to the superannuation of staff.
- ☛ Book value per share increased from ₹ 173.33 in Q3, FY 2012-13 to ₹ 198.17 in Q3, FY 2013-14.
- ☛ Net Interest margin (NIM) at 2.76% in Q3, FY 2013-14 as against 3.29% in Q3, FY 2012-13 on account of the stress in the economy and more NPAs in the industry as well as in our Bank.
- ☛ Provision Coverage Ratio stood at 70.39% in Q3, FY 2013-14 as against 83.01% in Q3, FY 2012-13. However, compared to previous quarter level of 70.58% (Sept 13), the Bank is able to hold at that level.
- ☛ Non-interest Income increased from ₹ 269.31 crore in Q3, FY 2012-13 to ₹ 292.34 crore in Q3, FY 2013-14 (up 8.55% y-o-y).
- ☛ Return on Average Assets (RoA) annualised stood at 0.68% in Q3, FY 2013-14 as against 1.10% in Q3, FY 2012-13 due to lower net profit and non-availability of MAT.
- ☛ Earnings per Share (EPS) stood at ₹ 28.84 in Q3, FY 2013-14 as against ₹ 31.28 in Q3, FY 2012-13.
- ☛ Capital Adequacy Ratio (Basel II) stood at 11.55% and Capital Adequacy (Basel III) stood at 11.26% as at 31.12.2013.

Snap Shot of Performance

	Nine months period of FY 2013-14		
	Vs		
	Nine months period of FY 2012-13		
	Dec 13	Dec 12	Growth (%)
Global Deposits (Rs. Crore)	195120	164075	18.92
Global Advances (Rs. Crore)	157378	136648	15.17
Global Business (Rs. Crore)	352498	300723	17.22
Net Profit (Rs. Crore)	1302.16	1412.08	(7.78)
Operating Profits (Rs. Crore)	2565.34	2548.44	0.66
Interest Income (Rs crore)	13725	12739	7.74
Other Income (Rs. Crore)	863	775	11.35
Net Interest Income (Rs crore)	4107	4109	
Gross NPA (Rs crore)	4401	3160	

	Nine months period of FY 2013-14 Vs Nine months period of FY 2012-13	
	Dec 13	Dec 12
	Cost to income Ratio%	48.39
Earnings per Share (Rs.)	28.84	31.28
Book Value per Share (Rs.)	198.17	173.33
Gross NPA Ratio (%)	2.80	2.31
Net NPA Ratio (%)	1.66	0.85
Provision Coverage Ratio (%)	70.39	83.01
Capital Adequacy Ratio (Basel II) (%)	11.55	11.38
Capital Adequacy Ratio (Basel III) (%)	11.26	NA

Quarterly Comparison

	Q3 of FY 2013-14 Vs Q2 of FY 2013-14	
	Dec 13	Sept 13
	Cost to income Ratio (%)	48.39
Earnings per Share (Rs.)	28.84	30.65
Book Value per Share (Rs.)	198.17	191.93
Gross NPA Ratio (%)	2.80	2.88
Net NPA Ratio (%)	1.66	1.66
Provision Coverage Ratio (%)	70.39	70.58
Capital Adequacy Ratio (Basel II) (%)	11.55	11.94
Capital Adequacy Ratio (Basel III) (%)	11.26	11.58

DOMESTIC BUSINESS: (Y-o-Y)

- ☛ Domestic Business grew from ₹ 267070 crore as at 31st Dec., 2012 to ₹ 294504 crore as at 31st Dec, 2013 registering a y-o-y growth of 10.27%.
- ☛ Domestic Deposits grew from ₹ 150723 crore as at 31st Dec., 2012 to ₹ 169769 crore as at 31st Dec, 2013 registering a y-o-y growth of 12.64%.
- ☛ Domestic advances grew from ₹ 116347 crore as at 31th Dec., 2012 to ₹ 124735 crore as at 31st Dec., 2013 registering a y-o-y growth of 7.21%.
- ☛ Growth in MSME credit was 17% and MSE credit was 19%, vehicle loan 19%. Bank has sanctioned housing loan of ₹ 870 crore and more thrust is given for the same and we expect more growth since the further release will be taking place under this sanctions. The growth rate under this sector is 8%. Business growth in retail sector is doing well due to the thrust given by the Bank. Going forward the Bank's thrust area will be in retail sector.

- ☛ Savings deposits grew from ₹ 36931 crore as at 31st Dec., 2012 to ₹ 39709 crore as at 31st Dec., 2013 registering a y-o-y growth of 7.52%.
- ☛ Domestic CASA deposits grew from ₹48323 crore as at 31st Dec., 2012 to ₹ 52324 crore as at 31st Dec., 2013 registering a y-o-y growth of 8.28%. Domestic CASA deposits stood at 30.82% of total domestic deposits as at 31.12.2013.

OVERSEAS BUSINESS: (Y-o-Y)

- ☛ London branch business increased by 72.32% from ₹ 33654 crore as at 31st Dec., 2012 to ₹ 57994 crore as at 31st Dec., 2013.
- ☛ Advances at London branch increased by 60.80% from ₹ 20301 crore as at 31st Dec., 2012 to ₹ 32643 crore as at 31st Dec., 2013.
- ☛ Deposits at London branch increased by 89.85% from ₹ 13353 crore as at 31st Dec., 2012 to ₹ 25351 crore as at 31st Dec., 2013.

PROFITABILITY RATIOS (Nine month period):

- ☛ Net profit stood at ₹ 1302.16 crore for 9 months in FY 2013-14 as against ₹ 1412.08 crore for 9 months in FY 2012-13 (down 7.78% y-o-y). MAT credit of ₹ 459 crore was availed for 9 months of 2012-13 which is not available now. If the same is excluded, there is an increase of ₹ 349 crore in net profit for 9 months of 2013-14.
- ☛ Operating profit stood at ₹ 2565.34 crore 9 months in FY 2013-14 as against ₹ 2548.44 crore for 9 months in FY 2012-13 (up 0.66% y-o-y) due to low margin.

VALUE TO INVESTORS:

- ☛ Earnings per Share (EPS) annualized stood at ₹ 28.84 in Q3, FY 2013-14 as against ₹ 31.28 in Q3, FY 2012-13.
- ☛ Book Value per Share increased from ₹ 173.33 in Q3, FY 2012-13 to ₹ 198.17 in Q3, FY 2013-14.
- ☛ Return on Equity (ROE) stood at 17% in Q3, FY 2013-14 as against 21.55% in Q3, FY 2012-13.
- ☛ Bank has declared interim dividend of 25% on 9th Jan 2014.
- ☛ Bank has issued share capital to the tune of ₹ 200 crore to Govt of India on preferential basis on 13.01.2014
- ☛ Board has permitted for raising capital by QIP route for ₹ 1500 crore.
- ☛ Board has permitted for raising of Basel III compliant Tier II bonds for ₹ 1500 crore.

NON PERFORMING ASSETS:

- ☛ Gross NPA Ratio stood at 2.80% in Q3, FY 2013-14 as against 2.31% in Q3, FY 2012-13. Gross NPA as on 31.12.2013 has come down compared to Sept 2013 both in quantum as well as in percentage. The Gross NPA ratio has come down from 2.88% to 2.80%.
- ☛ Net NPA Ratio stood at 1.66% in Q3, FY 2013-14 as against 0.85% in Q3, FY 2012-13. In Q2 of the FY 2013-14 the ratio was 1.66% which was the lowest in the industry. We are able to maintain the same Net NPA ratio in this quarter vis-à-vis previous quarter.
- ☛ Provision Coverage Ratio stood at 70.39% in Q3, FY 2013-14. as against 83.01% in Q3, FY 2012-13. As compared to Q2, FY 2013-14, the same level is maintained.
- ☛ Cash recovery in NPAs (Domestic) was ₹ 562 crore upto 31st Dec., 2013. Cash recovery in Prudentially Written Off Accounts were ₹ 107 crore upto 31st Dec.,2013

BRANCH EXPANSION

- ☛ Bank has opened 97 branches during Q3, FY 2013-14 and 210 branches during the current year upto 31.12.2013 and reached a mile stone of 3144 branches as at 31.12.2013 (including a branch in London).

PRIORITY SECTOR CREDIT ACHIEVEMENTS:

- ☛ Priority Sector Credit increased by 6.48% from ₹44970 crore as at 31.12.2012 to ₹ 47883 crore as at 31.12.2013 which stands at 39.76% of ANBC against the required level of 40%. Bank will be crossing the stipulated level of 40% by 31.03.2014.
- ☛ Total Agricultural Credit increased from ₹19751 crore as at 31.12.2012 to ₹ 19825 crore as at 31.12.2013, forming 16.46% of ANBC.
- ☛ Credit to Micro and Small Enterprises (MSE) increased by 13.28% from ₹ 14464 crore as at 31.12.2012 to ₹ 16385 crore as at 31.12.2013.
- ☛ Credit to Weaker Section increased from ₹11716 crore as at 31.12.2012 to ₹ 12641 crore as at 31.12.2013, forming 10.50% of ANBC (mandatory 10%).
- ☛ Credit to Minority Community increased from ₹7327 crore as at 31.12.2012 to ₹ 7690 crore as at 31.12.2013, forming 16.06% (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 31.12.2013 and has engaged 1733 BCs so far to assist the branches in implementation of FI and DBT programmes.
- ☞ Bank has opened 65.23 lakh Basic Savings Bank Deposit Accounts (BSBDA). Of which 2.61 lakh accounts were opened during Q3, FY 2013-14.
- ☞ To promote financial literacy in the villages, 2384 financial literacy programmes were organized during the quarter, in which 95077 persons were benefitted.
- ☞ To assist the farmers in taking up timely agricultural operations and increase crop production, credit assistance of Rs.6206.90 crore has been extended by issuing 7.63 lakhs Syndicate Kisan Credit Cards.
- ☞ For the rural households, 43152 General Purpose Credit Cards (GCCs) have been issued amounting to Rs.69.31crore.

DIRECT BENEFIT TRANSFER

- ☞ Under DBT, 130163 beneficiaries' accounts have been opened with our Bank and benefits amounting to Rs.2553.09 lakhs have been credited to beneficiaries accounts.
- ☞ Bank has established 460 ATMs in DBT Districts to facilitate DBT beneficiaries to withdraw benefits credited to their accounts without any hassles. 397 Business Correspondent Outlets have also been established in DBT Districts

INFORMATION TECHNOLOGY

- ☞ Bank has added 69 new ATMs during Q3, FY 2013-14, taking total number of ATMs to 1432 as at 31.12.2013.
- ☞ Bank has issued 8.86 lakh new VISA/Maestro Debit cards and 1841 credit cards till Q3 FY 2013-14, leading to a total number of debit card issued to 84.17 lakh and credit card base to over 77000 as at 31.12.2013.

ACCOLADES & AWARDS

- ☞ Bank has been conferred "**Best Bank Award**" amongst all the Banks in the RSETI movement by Sri Jairam Ramesh, Hon'ble Minister for Rural Development, Government of India.
- ☞ Bank has been awarded "**Banking Excellence Award 2013 for the second best public Bank in overall performance**" by State forum of Bankers Club Kerala.
- ☞ Bank has been awarded for **Record Breaking Performance during Synd LIC Saptah (2nd to 7th December, 2013)** by marketing 15119 policies Highest by any of the Bancassurance Partners during a week by Life Insurance Corporation of India (LIC).

CORPORATE STRATEGIES

- ☛ As part of a Bank's brand building exercise and to harness its image, Bank has repositioned its Logo by changing the colour combinations. The combinations of Orange, Yellow, Black & White colours give uniqueness to our Logo. The repositioning of logo is aimed at providing a more clear understanding for which the organisation stands for, build loyalty from customers, establishing a brand identity, and also to provide a more contemporary look to its logo in a continuously changing & dynamic business environment.

GOING FORWARD

- ☛ Bank has proposed to introduce two new deposit products viz. Synd E-Term Deposit and Synd Flexi Recurring Deposit scheme. Introduction of Accidental Insurance Linked Savings Bank Account and Term Deposit Account is on the anvil.
- ☛ Bank continues its focus on SMEs, small scale industries and Mid Corporates by setting up specialized mid corporate branches. It has already identified around 20 centres to locate these branches. Besides, it would set up SME processing centres in various clusters.
- ☛ Commemorating our Foundation Day on Oct 20th (during the quarter) we have launched tailor-made products like SyndMarble, SyndTextile, SyndDoctor SyndCashew and SyndTransport to extend finance to targeted sector under MSME at competitive rates of interest.
- ☛ Coinciding with festival period bank is extending housing loan at base rate that is 10.25% p.a. irrespective of the loan amount and tenor. For four wheelers vehicle loan also Bank slashed rate of interest to 10.75%
- ☛ Corporate social responsibility:- On Foundation Day we have arranged blood donation camps at Regional Offices and Corporate Office where staff and customers voluntarily donated blood. On the same day, Bank donated water filters/ fans to 88 Govt. schools all over India where the Bank is the lead district bank.
- ☛ We are proposing to open around 15 e-Lounges at important centres in addition to the one we are already having in Bangalore.

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