



CORPORATE OFFICE: GANDHINAGAR BANGALORE

PRESS RELEASE

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Syndicate Bank Announces its Audited Financial Results for the Year 2011 - 2012

SCALING NEW HEIGHTS OF PERFORMANCE



28 million customers • 2700+ Branches in 32 States & 2 Union Territories & 1 Overseas Branch.

Snap Shot of Performance

	Y-o-Y (₹ in Crores)			Q-o-Q (₹ in Crores)		
	2011-12	2010-11	Growth	2011-12	2010-11	Growth
Net Profit	1,313	1,048	25%	309	289	7%
Operating Profit	3,347	2,750	22%	790	672	18%
Interest Income	15,268	11,451	33%	4,124	3,162	30%
Other Income	1,076	915	18%	300	255	18%
Net Interest Income	5,085	4,383	16%	1,336	1,161	15%

	Y-o-Y		Q-o-Q	
	2011-12	2010-11	2011-12	2010-11
Net Interest Margin	3.43%	3.40%	3.60%	3.43%
Yield on Advances	10.98%	9.52%	11.01%	9.85%
Gross NPA	2.53%	2.40%	2.53%	2.40%
Net NPA	0.96%	0.97%	0.96%	0.97%
Provision Coverage Ratio	80.06%	77.18%	80.06%	77.18%

GLOBAL BUSINESS:

- Domestic Deposits have grown up from ₹ 1,26,796 Crores to ₹ 1,47,707 Crores registering a growth of 16%.
- Domestic Advances have gone up from ₹ 97,535 Crores to ₹ 1,10,954 Crores registering a growth of 14%.
- Global Business improved from ₹ 2,43,946 Crores (31-03-2011) to ₹ 2,83,558 Crores (31-03-2012) showing a growth rate of 16%.
- Savings Deposits has touched ₹ 34,295 Crores.
- Domestic CASA deposits increased by ₹ 4,571 Crores forming 31.47% of total domestic deposits.
- Credit Deposit Ratio stands at 79.53% as on 31.03.2012 as compared to 79.91% as on 31.03.2011.

OVERSEAS BUSINESS:

- London branch business has grown by 26.93% from ₹ 19,615 crores as on 31.03.2011 to ₹ 24,898 Crores as on 31.03.2012.
- Advances in London branch increases to ₹ 14,664 Crores as on 31.03.2012 as against ₹ 10,815 Crores registering a growth of 35.58%.
- Deposits crossed milestone of ₹ 10, 000 crores and touched ₹ 10,234 Crores as on 31.03.2012 as against ₹ 8,800 Crores in previous years thus registering a growth of 16.29%.

PROFITABILITY RATIOS (Y-o-Y):

- Net Profit zoomed from ₹ 1,048 Crores (31-03-2011) to ₹ 1,313 Crores (31-03-2012) registering a growth of 25.33 %.
- Operating Profit increases by ₹ 597 Crores from ₹ 2,750 Crores to ₹ 3,347 Crores as on 31.03.2012 registering a growth of 21.70 %.
- Net Interest Income increased by ₹ 702 crores from ₹ 4,383 crores as on 31.03.2011 to ₹ 5,085 Crores as on 31.03.2012 with 16.02 % growth.
- Yield on Advances has gone up from 9.52% to 10.98%.

PRIORITY SECTOR CREDIT ACHIEVEMENTS:

- Priority Sector Credit grew to ₹ 41,383 Crores with growth rate of 13.03%.
- Share of Priority Sector Credit to Adjusted Net Bank Credit (ANBC) stands at 45.21% against mandatory level of 40%.
- Total Agriculture Credit stood at ₹ 17,409 Crores forming 19.02% of ANBC (mandatory 18%).
- Credit to Direct Agriculture stood at ₹ 13,584 Crores with growth rate of 21.50%. It forms 14.84% of ANBC (mandatory 13.50%).
- Credit to Micro and Small Enterprises (MSE) grew by 13.28%.
- Credit to Weaker Section stands at ₹ 11,034 Cores forming 12.05% (mandatory 10%) of ANBC.
- Credit to Women Beneficiaries stood at ₹ 7,344 Crores forming 8.03% of ANBC (mandatory 5.00%).
- Credit to Minority Community stands at ₹ 6,609 Crores forming 15.97% (mandatory 15%) of Priority Sector Credit.

EFFICIENCY RATIOS:

- Capital Adequacy Ratio stood at 12.24% well above the bench mark of 9%.
- Net Interest Margin (NIM) stood at 3.43%.
- Net Profit per employee stand at ₹ 5.29 Lacs.
- Return on Assets increased to 0.81% from 0.76% (Y-o-Y).
- Cost to Income Ratio is brought down from 48.10% to 45.68%.

VALUE TO INVESTORS:

- Earnings per Share improved from ₹ 20.03 to ₹ 22.89 per share.
- Book Value per Share increased from ₹ 122.99 to ₹ 150.13
- Return on Equity stood at 16.33%.
- Bank proposes a Dividend of 38% as against 37% in the previous year.

RECOVERY:

- Gross NPA stands at 3,183 Crores at 2.53%.
- Net NPA has come down from 0.97% to 0.96% (Y-o-Y).
- Provision Coverage Ratio stood at 80.06% up from 77.18%.

BRANCH NETWORK EXPANSION:

Bank has more than 2700 branches including 14 Ultra Small Branches in addition to 89 Satellite Branches and 14 Central Processing Centres as at 31.03.2012. Bank has got 1240 ATM outlets and has good network of 10 branches in Andaman & Nicobar Islands and 9 branches in Lakshadweep Union Territories. It has opened 108 branches in various states and Union Territory of Lakshadweep on 31.03.2012 through the hands of Sri Namonarain Meena, Hon'ble MOS for Finance.

Bank has opened 2 all women branches and 3 MSME branches during the year and rebranded a Branch as Synd Yuva –Next Generation Branch. Bank has targeted to achieve network of 3000 branches by 31.03.2013 with business size of ₹ 3,50,000 crore plus.

CUSTOMER SERVICE INITIATIVES:

All the branches of the Bank have conducted Uniform Customers Meet on 23.09.2011 and the salient features and benefits of the various products and services of the Bank have been explained to the customers in the meet. These meets at some Branches have also been attended by the Officials / Executives of Regional Offices, Head Office & Corporate Office of the Bank to assess the feedback of the customers.

Bank has conducted "Meet & Greet Customer", a customer initiative campaign to meet the customers at their house / office and to take their suggestions.

All the branches of the Bank have conducted Customer Contact Week from 12.12.2011 to 17.12.2011. The Executive Directors and General Managers from Corporate Office interacted with the customers of select Regions through Video Conference. The Customers who attended the direct interaction

through Video Conference appreciated this initiative. Bank at Branch / RO / CO level regularly conducts Customer Service Committee meetings.

A system of grading of Regions of the Bank based on their performance under customer service and grievances redressal is in vogue in our Bank. The Bank has been reviewing the performance of the Regions on a regular basis and is issuing necessary directions for improving the customer service / Grievance redressal so as to achieve better grades. Weekly review of position of customer complaints and grievance redressal is done by the Top Management of the Bank.

PRIORITY SECTOR, FINANCIAL INCLUSION AND SLBC:

- Syndicate Bank is the Convener of State Level Bankers' Committee in Karnataka and Union Territory of Lakshadweep.
- The Bank has covered 1553 villages under Financial Inclusion as on 31.03.2012. Of this, in 334 villages Brick and Mortar Branches are opened and in 1219 villages, Business Correspondents are engaged. 8.89 lacs No Frill Accounts are opened in FI Villages. 46289 General Credit Cards with a total credit outlay of ₹ 81.19 crores have been issued during the year covering the FI Villages also.
- An In-built Overdraft facility of ₹ 500/- has been provided in all No Frill Accounts to enable the account holders to draw money at the time of contingencies. Further non-farmer rural households have been provided with Overdraft facility upto ₹ 10,000/- in their Savings Bank Accounts to meet consumption expenses based on need.
- **MEWAT (Haryana) – Role Model for Financial Inclusion implemented by the Bank.**

During the year, Mewat District in Haryana State, populated predominantly by Minority Community has been financially included with special focus. Our Bank has been allotted 12 villages under Financial Inclusion and has opened 4 Brick & Mortar Branches and 8 Ultra Small Branches where Business Correspondents are available for transaction daily. Officers from base branches are visiting USBs on fixed days in a week alongwith Lap Top to extend the Banking Services. Interoperability of transaction between the BCAs of different Banks has been initiated and Proof of Concept has been already tested. All the eligible and willing farmers have been issued KCC and for non-farmer rural households, General Credit cards have been issued. The Concept of Anchor NGO to facilitate formation of SHGs and credit linkage has been implemented and more than 100 fresh SHGs have been formed under this Anchor NGO concept in Mewat District. Mobile Publicity Van is visiting FI

Villages to create financial awareness by organizing Puppet Shows and Magic Shows. In Mewat District, the Bank has issued Debit Cards as well as Smart Cards to enable people in the District to operate through ATMs, Micro-ATMs (HMM) and POS. In order to inculcate Card culture for transaction, Bank has provided EDC POS machines to 2 Merchant Establishments. 60 Farmers Clubs have been formed in Mewat District by the Bank alongwith Gurgaon Gramin Bank, an RRB sponsored by Syndicate Bank. Mewat district has been made a Role Model Financial Inclusion District with 4353 SHGs of which 4253 are credit linked. The Ministry of Finance, Government of India has appreciated the steps taken by the Bank in the Financial Inclusion Process in Mewat District.

- The Bank facilitated formation of 1.02 lac Self Help Groups (SHGs) with a credit linkage of more than ₹ 1200 crores. The Bank was conferred an Award by NABARD, Bangalore Regional Office for Highest Average SHG Loan.
- The Bank, as a part of social responsibility, initiated several schemes like Village Pond Cleaning, providing Solar Street Lighting, construction of Bus Shelters, providing infrastructure to Schools like furniture, electrical fittings, water purifiers etc. The Bank has also donated ₹ 40 lacs for establishing the Professors Chair in University of Agricultural Sciences, Dharwad to promote education on Agriculture and Agricultural Finance.
- The Bank is having Lead Bank responsibilities in 27 Lead Districts including Union Territory of Lakshadweep Islands.
- Realizing the need for encouraging Self Employment Ventures, the Bank had taken measures for Rural Entrepreneurial Training way back in 1982 along with Canara Bank and Sri Dharmasthala Manjunatheshwara Educational Trust by establishing Rural Development and Self Employment Training Institutes (RUDSETIs). There are 26 RUDSETIs functioning successfully as on 31.03.2012 with a settlement rate of 71%. Further as an extension of the concept of Rural Development Training Institutes and in tune with the Government of India guidelines, 16 Rural Self Employment Training Institutes (SyndRSETIs) are functioning in different states as on 31.03.2012. These institutes help in imparting need based training to the rural youth and equip them with knowledge and skills to take up self-employment ventures. The settlement rate under SyndRSETIs is about 68%.
- As a part of promoting Financial Literacy, the Bank has promoted Jnana Jyothi Financial Credit Counseling Trust along with Vijaya Bank and Karnataka Bank Ltd., for imparting financial education and creating awareness among the villagers. The Trust is taking active steps in conducting Financial Literacy and Capacity Building Programmes. The Trust has opened 24 Financial Literacy and Credit Counseling Centres in our Lead Districts as

on 31.03.2012. Further, the Bank has also opened 21 Financial Inclusion Resource Centres as on 31.03.2012 which serves as permanent store houses of exhibition of banking information.

- Regional Rural Banks – There are 5 Regional Rural Banks sponsored by Syndicate Bank as on 31.03.2012. They are Karnataka Vikas Grameena Bank in Karnataka, Andhra Pragathi Grameena Bank in Andhra Pradesh, North Malabar Gramin Bank in Kerala, Gurgaon Gramin Bank in Haryana and Prathama Bank in Uttar Pradesh. All our 5 RRBs are constantly making profit and have got a total business of ₹ 38,417 crores with deposits of ₹ 20,603 crores and advances of ₹ 17,814 crores. The RRBs are working under 100% CBS and are actively taking part in the Financial Inclusion Process by opening No Frill Accounts, extending credit through SHGs, issuing KCCs, GCCs and other micro credit. They are also actively supporting SHGs and JLGs by extending need based credit.
- Bhoomi Bank Integration – Under the Bhoomi Project of Government of Karnataka, the Bank has started creation/modification/release of charge of immovable properties “On Line” thereby creating comfort to the farmers who otherwise have to approach the Revenue Officials and SROs by spending their valuable time. The scheme will help in extending faster credit to the farmers.