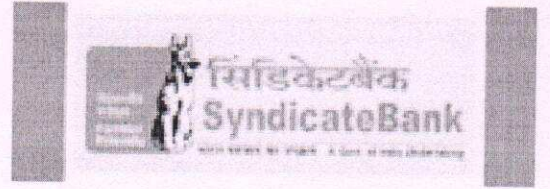


नैगम कार्यालय/Corporate Office
सिंडिकेटबैंक भवन / SyndicateBank Building
दूसरा क्रॉस, गांधीनगर / 2nd Cross Gandhinagar
बेंगलूरु / BENGALURU - 560 009



निवेशक संपर्क केंद्र / Investor Relations Centre

संदर्भ सं/ Ref. No.90/2914/CO/BNG

दिनांक/Date: 16.05.2018

The Vice President (Listing) NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza Bandra Kurla Complex Bandra (E), MUMBAI - 400 051	The Vice President – (Listing) BSE LIMITED Phiroze Jeejeebhoy Towers Dalal Street, MUMBAI - 400 001
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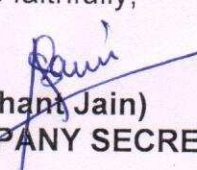
Dear Sir/Madam,

Sub: Updated Audited Financial Results of the Bank for the quarter/year ended 31.03.2018

Further to our letter no.87/2914/CO/BNG dated 15.05.2018, we enclose a copy of updated Audited Financial Results of the Bank (both standalone and consolidated) in lieu of the Audited Financial Statements of the Bank uploaded on 15.05.2018.

Thanking you,

Yours faithfully,


(Sushant Jain)
COMPANY SECRETARY



HEAD OFFICE : MANIPAL - 576 104 ; KARNATAKA
AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH 2018

(₹ in Lakhs)

Particulars		Quarter Ended 31.03.2018 (Audited)	Quarter Ended 31.12.2017 (Reviewed)	Quarter Ended 31.03.2017 (Audited)	Year Ended 31.03.2018 (Audited)	Year Ended 31.03.2017 (Audited)	Year ended 31.03.2018 Consolidated (Audited)	Year ended 31.03.2017 Consolidated (Audited)
1	Interest Earned (a + b + c + d)	535,724	537,557	578,801	2,177,595	2,300,379	2,177,595	2,300,379
	a) Interest / Discount on Advances / Bills	387,949	393,637	416,408	1,572,283	1,685,617	1,572,283	1,685,617
	b) Income on Investments	139,995	134,015	133,547	519,959	533,108	519,959	533,108
	c) Interest on balances with Reserve Bank of India and other Inter Bank Funds	7,639	9,800	13,367	71,314	62,137	71,314	62,137
	d) Others	141	105	15,479	14,039	19,517	14,039	19,517
2	Other Income	68,876	56,958	112,508	280,590	345,739	291,533	361,345
3	TOTAL INCOME (1 + 2)	604,600	594,515	691,309	2,458,185	2,646,118	2,469,128	2,661,724
4	Interest Expended	367,847	375,240	392,700	1,522,393	1,672,782	1,522,301	1,672,707
	Operating Expenses (i) + (ii)	143,338	141,699	147,170	549,407	550,013	549,256	549,704
5	i) Employees Cost	89,238	96,110	107,284	360,444	379,394	360,521	379,464
	ii) Other Operating Expenses	54,100	45,589	39,886	188,963	170,619	188,735	170,240
6	TOTAL EXPENDITURE (4 + 5) (excluding Provisions and Contingencies)	511,185	516,939	539,870	2,071,800	2,222,795	2,071,557	2,222,411
7	OPERATING PROFIT (3 - 6) (before Provisions and Contingencies)	93,415	77,576	151,439	386,385	423,323	397,571	439,313
8	Provisions (other than tax) and Contingencies (of which Provisions for Non-Performing Assets)	393,730 354,468	208,999 194,880	126,820 119,254	825,233 762,008	358,127 354,544	825,233 762,008	358,127 354,544
9	Exceptional Items	-	-	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before Tax (7 - 8 - 9)	(300,315)	(131,423)	24,619	(438,848)	65,196	(427,662)	81,186
11	Tax Expenses	(80,803)	(44,446)	14,235	(116,564)	29,301	(116,493)	29,441
12	Net Profit (+) / Loss (-) from Ordinary Activities After Tax (10 - 11)	(219,512)	(86,977)	10,384	(322,284)	35,895	(311,169)	51,745
13	Extraordinary items (net of Tax Expense)	-	-	-	-	-	-	-
14	Net Profit (+) / Loss (-) for the period (12-13)	(219,512)	(86,977)	10,384	(322,284)	35,895	(311,169)	51,745
15	Paid-up Equity Share Capital (Face value of ₹ 10/- per share)	141,727	104,130	90,454	141,727	90,454	141,727	90,454
16	Reserves excluding Revaluation Reserves (as per Balance Sheet of Previous Accounting Year)	1,197,471	1,168,402	1,168,402	1,197,471	1,168,402	1,360,532	1,321,400
Analytical Ratios								
i)	Percentage of shares held by Government of India	73.07	63.34	72.92	73.07	72.92	73.07	72.92
ii)	Capital Adequacy Ratio (%) (Basel III):	12.24%	11.88%	12.03%	12.24%	12.03%	NA	NA
	(a) CET 1 Ratio	7.56%	7.15%	7.50%	7.56%	7.50%	NA	NA
	(b) Additional Tier 1 Ratio	1.85%	1.91%	1.76%	1.85%	1.76%	NA	NA
17	Earning per Share (in ₹) Basic and diluted EPS before and after Extraordinary items, net of Tax Expense [not annualised]	(20.67)	(9.97)	1.15	(34.00)	4.21	(32.83)	6.08
	NPA Ratios:							
	a) Amount of Gross Non Performing Assets	2,575,860	2,110,295	1,760,931	2,575,860	1,760,931	2,575,860	1,760,931
iv)	b) Amount of Net Non Performing Assets	1,323,946	1,141,025	1,041,098	1,323,946	1,041,098	1,323,946	1,041,098
	c) % of Gross NPA	11.53	9.62	8.50	11.53	8.50	11.53	8.50
	d) % of Net NPA	6.28	5.44	5.21	6.28	5.21	6.28	5.21
	v) Return on Assets (Annualised) - %	(2.87)	(1.13)	0.14	(1.05)	0.12	(1.05)	0.12
Public Shareholding								
18	- Number of Shares	381,732,665	381,732,665	244,976,741	381,732,665	244,976,741	381,732,665	244,976,741
	- Percentage of Shareholding	26.93	36.66	27.08	26.93	27.08	26.93	27.08
Promoters and Promoter Group Shareholding								
19	Pledged / Encumbered							
	- Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of Shares (as a % of the total share capital of the Bank)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Non - Encumbered							
	- Number of Shares	1,035,539,388	659,562,697	659,562,697	1,035,539,388	659,562,697	1,035,539,388	659,562,697
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of Shares (as a % of the total share capital of the Bank)	73.07	63.34	72.92	73.07	72.92	73.07	72.92



AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH 2018

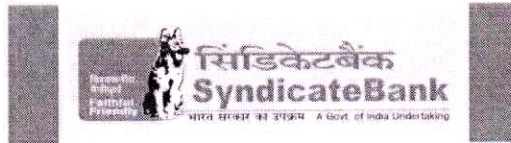
PARTICULARS	Quarter Ended 31.03.2018 (Audited)	Quarter Ended 31.12.2017 (Reviewed)	Quarter Ended 31.03.2017 (Audited)	Year Ended 31.03.2018 (Audited)	Year Ended 31.03.2017 (Audited)	Year ended 31.03.2018 Consolidated (Audited)	Year ended 31.03.2017 Consolidated (Audited)
Part A: Business Segment							
Segment Revenue							
a) Treasury Operations	157,847	161,056	200,611	704,291	787,796	704,291	787,796
b) Corporate / Wholesale Banking Operations	204,537	193,445	238,730	804,169	927,272	804,169	927,272
c) Retail Banking Operations	230,382	228,755	221,285	892,105	871,079	892,105	871,079
d) Other Banking Operations	11,834	11,259	15,224	43,891	40,541	54,834	56,147
Less : Inter Segment Revenue	-	-	-	-	-	-	-
Net Sales / Income from operation	604,600	594,515	675,850	2,444,456	2,626,688	2,455,399	2,642,294
Segment Results							
a) Treasury Operations	1,903	11,280	55,579	96,845	158,158	96,845	158,158
b) Corporate / Wholesale Banking Operations	(277,107)	(149,741)	(71,797)	(595,038)	(263,365)	(595,038)	(263,365)
c) Retail Banking Operations	(2,410)	26,808	45,480	132,249	251,513	132,249	251,513
d) Other Banking Operations	(22,701)	(19,770)	(20,102)	(86,633)	(100,540)	(75,447)	(84,550)
TOTAL	(300,315)	(131,423)	9,160	(452,577)	45,766	(441,391)	61,756
Less:							
I) Interest	-	-	-	-	-	-	-
II) Other Un - Allocated Expenditure	-	-	-	-	-	-	-
Add : Other Un - Allocable Income	-	-	15,459	13,729	19,430	13,729	19,430
Profit Before Tax:	(300,315)	(131,423)	24,619	(438,848)	65,196	(427,662)	81,186
Income Tax (Net)	(80,803)	(44,446)	14,235	(116,564)	29,301	(116,493)	29,441
Extraordinary Profit / (Loss)	-	-	-	-	-	-	-
Net Profit	(219,512)	(86,977)	10,384	(322,284)	35,895	(311,169)	51,745
Segment Assets							
a) Treasury Operations	8,595,423	8,117,016	7,277,125	8,595,423	7,277,125	8,595,423	7,277,125
b) Corporate / Wholesale Banking Operations	13,229,660	13,700,650	12,959,981	13,229,660	12,959,981	13,229,660	12,959,981
c) Retail Banking Operations	7,838,727	7,254,903	7,006,955	7,838,727	7,006,955	7,838,727	7,006,955
d) Other Banking Operations	2,486,094	2,296,771	2,417,866	2,486,094	2,417,866	2,486,094	2,417,866
e) Unallocated Assets	247,810	245,621	245,407	247,810	245,407	409,365	397,111
Total	32,397,714	31,614,961	29,907,334	32,397,714	29,907,334	32,559,269	30,059,038
Segment Liabilities							
a) Treasury Operations	8,262,200	7,810,697	6,989,344	8,262,200	6,989,344	8,262,200	6,989,344
b) Corporate / Wholesale Banking Operations	12,716,779	13,183,617	12,447,465	12,716,779	12,447,465	12,716,779	12,447,465
c) Retail Banking Operations	7,534,839	6,981,118	6,729,858	7,534,839	6,729,858	7,534,839	6,729,858
d) Other Banking Operations	2,389,715	2,210,096	2,322,249	2,389,715	2,322,249	2,389,715	2,322,249
e) Unallocated	-	-	-	-	-	(1,506)	(1,294)
Total	30,903,533	30,185,528	28,488,916	30,903,533	28,488,916	30,902,027	28,487,622
Capital employed:							
(Segment Assets-Segment Liabilities)							
a) Treasury Operations	333,223	306,319	287,781	333,223	287,781	333,223	287,781
b) Corporate / Wholesale Banking Operations	512,881	517,033	512,516	512,881	512,516	512,881	512,516
c) Retail Banking Operations	303,888	273,785	277,097	303,888	277,097	303,888	277,097
d) Other Banking Operations	96,379	86,675	95,617	96,379	95,617	96,379	95,617
e) Unallocated Assets	247,810	245,621	245,407	247,810	245,407	410,871	398,405
Total	1,494,181	1,429,433	1,418,418	1,494,181	1,418,418	1,657,242	1,571,416
Part B: Geographic Segment							
Revenue:							
Domestic Operations	577,608	565,875	666,965	2,352,911	2,551,261	2,363,854	2,547,437
Foreign Operations	26,992	28,640	24,344	105,274	94,857	105,274	94,857
Total	604,600	594,515	691,309	2,458,185	2,646,118	2,469,128	2,642,294
Assets:							
Domestic Operations	28,624,804	27,559,206	26,701,182	28,624,804	26,701,182	28,786,359	26,852,886
Foreign Operations	3,772,910	4,055,755	3,206,152	3,772,910	3,206,152	3,772,910	3,206,152
Total	32,397,714	31,614,961	29,907,334	32,397,714	29,907,334	32,559,269	30,059,038



AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH 2018
SUMMARISED BALANCE SHEET

	As on 31.03.2018 (Stand Alone Audited)	As on 31.03.2017 (Stand Alone Audited)	As on 31.03.2018 (Consolidate d Audited)	As on 31.03.2017 (Consolidate d Audited)
CAPITAL AND LIABILITIES:				
Capital	141,727	90,454	141,727	90,454
Reserves and Surplus	1,352,454	1,327,964	1,515,515	1,480,962
Deposits	27,277,611	26,056,086	27,276,108	26,054,795
Borrowings	2,961,361	1,747,553	2,961,361	1,747,552
Other Liabilities and Provisions	664,561	685,277	664,558	685,275
TOTAL	32,397,714	29,907,334	32,559,269	30,059,038
ASSETS:				
Cash and Balances with Reserve Bank of India	1,168,417	1,310,895	1,168,417	1,310,895
Balances with Banks and Money at Call and Short Notice	983,208	1,212,323	983,208	1,212,323
Investments	8,035,423	6,546,540	8,197,002	6,698,243
Advances	21,068,387	19,966,935	21,068,387	19,966,935
Fixed Assets	247,810	245,407	247,812	245,410
Other Assets	894,469	625,234	894,443	625,232
TOTAL	32,397,714	29,907,334	32,559,269	30,059,038





NOTES:

1. The above financial results were reviewed by the Audit Committee of the Bank and approved by the Board of Directors of the Bank at the meeting held on May 15, 2018. The results have been subjected to audit by Statutory Central Auditors of the Bank and are in compliance to requirements of SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015.
2. The Bank has followed the same Accounting Policies adopted during the quarter/year ended March 31, 2018 as compared to those followed in the annual financial statements for the year ended March 31, 2017.
3. Financial results for the period ended March 31, 2018 have been arrived at after considering provisions for Standard Assets, Non Performing Advances and Depreciation / Provision on Investments as per Reserve Bank of India guidelines. Provision for Income Tax, Deferred Taxes, Depreciation on Fixed Assets and other necessary provisions have been made.
4. In terms of RBI circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015, banks are required to make Pillar 3 disclosures under Basel III Capital requirements. These disclosures are being made available on the Bank's website.
5. During the quarter ended March 31, 2018, the Bank had issued 37,59,76,691 shares of Rs.10 each at a premium of Rs.65.51 per share to Government of India per share aggregating to Rs.2,839 crore by way of preferential issue.
6. In terms of RBI vide letter no.DBR.No.BP.8756/21.01.048/2017-18 dated April 2, 2018 in respect of certain NPA accounts under Insolvency and Bankruptcy Code,2016 (IBC), the requirement of provisions is reduced from 50% to 40%.The Bank, however, has maintained the provision at 50% in respect of secured portion.
7. RBI vide its circular no.DBR.NO.BP.BC.101/21.04.048/2017-18 dated February 12, 2018 has issued framework on resolution of stressed assets which supersedes the existing guidelines on SDR, change in ownership outside SDR(except projects under implementation) and S4A with immediate effect. Under the revised framework, the benefits for accounts where any of these schemes has been invoked but not yet fully implemented were revoked and accordingly these accounts have been classified as per the extent RBI norms on income recognition and asset classification.
8. RBI vide circular no.DBR.No.BP.BC.102/21.04.048/2017-18 dated April 2, 2018 grants an option to spread mark to market loss on AFS and HFT investments for quarters ended December 31,2017 and March 31,2018, equally over four quarters commencing with the quarter in which loss is incurred. Accordingly, the Bank has charged on Government Securities Rs.105.45 Crore related to quarter ended



December 31, 2017 and Rs. 53.08 Crore related to quarter ended March 31, 2018 for the year 2017-18 and spread over the balance MTM losses on Government Securities to the tune of Rs.105.45 Crore and Rs.159.26 Crore for the quarters ended December 31, 2017 and to quarter March 31, 2018 respectively to the next financial year i.e. 2018-19.

9. As per RBI letter no.DBR.BP.9730/21.04.018/2017-18 dated April 27, 2018 the Banks are permitted to amortize additional provisions on gratuity due to increase in limit to Rs.20 lakhs. Accordingly the Bank has assessed additional liability to the extent of Rs.167.19 crore to be amortised over four quarters starting from quarter ended March 2018 and charged Rs.41.80 crore during the March quarter 2018.
10. Divergence in Asset Classification and Provisioning for NPAs in compliance to Risk Assessment Report (RAR) of RBI for the year 2016-17 are reported as under—

Sr.	Particulars	(Rs. in Crores)
1.	Gross NPAs as on March 31, 2017 as reported by the Bank	17609.31
2.	Gross NPAs as on March 31, 2017 as assessed by RBI	19946.01
3.	Divergence in Gross NPAs (2-1)	2336.70
4.	Net NPAs as on March 31, 2017 as reported by the Bank	10410.98
5.	Net NPAs as on March 31, 2017 as assessed by RBI	12135.18
6.	Divergence in Net NPAs (5-4)	1724.20
7.	Provisions for NPAs as on March 31, 2017 as reported by the Bank	7049.74
8.	Provisions for NPAs as on March 31, 2017 as assessed by RBI	7662.24
9.	Divergence in provisioning (8-7)	612.50
10.	Reported Net Profit after Tax (PAT) for the year ended March 31, 2017	358.95
11.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2017 after taking into account the divergence in provisioning (10-9)	-253.55

Further, the supervisory team of RBI had assessed divergence in investment of Rs.1012.00 crore (as on 31.03.2017) and short provisioning of Rs.254.60 crore and the Bank has classified the above as NPA/NPI.

Note: The above amount includes investments made in DISCOMs with State Government Guarantee considered under UDAY scheme, but are serviced regularly and there are no overdues as on 31.03.2018.





11. The Provision Coverage Ratio as on March 31, 2018 stood at 60.71%.
12. The Bank had outstanding provision of ₹ 92.30 Crs being 15% of the outstanding food credit availed by the State Government of Punjab as at 31.12.2017. Vide ref.No.7201/21.04.132/2017-18 dated 08 Feb 2018, RBI has advised the Bank may write back the provision of 10 % and shall continue to maintain 5 % provisions. Accordingly the bank has written back Rs.61.67 Crs after retaining 5 % provision of Rs. 30.63 Crore on the outstanding of such food credit amounting to ₹ 612.59 Crs as on 31st March, 2018.
13. Number of Investors complaints pending at the beginning of the quarter were NIL, complaints received during the quarter were 218 resolved during the quarter are 218 and the complaints pending at the end of the quarter are Nil.
14. Consolidated figure as on 31.03.2018 includes profit of ₹ 109.28 Crs of RRBs (Associates).
15. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figure upto the third quarter of the present financial year.
16. Figures of previous period / year have been reclassified / regrouped/ restated wherever considered necessary to make them comparable with the period under review.

DEEPESH DEVCHAND DEDHIA
ASST. GENERAL MANAGER

G MOHAN RAO
GENERAL MANAGER

CH SS MALLIKARJUNA RAO
EXECUTIVE DIRECTOR

S KRISHNAN
EXECUTIVE DIRECTOR

MELWYN REGO
MANAGING DIRECTOR AND CEO

AJAY VIPIN NANAVATI
CHAIRMAN

PLACE : BENGALURU
DATE: 15.05.2018

