



Corporate Office: Bangalore

11th February, 2015

PRESS RELEASE

**SyndicateBank announces the Reviewed Financial Results for
Quarter ended 31st Dec, 2014**

**Performance Highlights for the Third Quarter of
Financial Year 2014-15**

- ☞ Net profit stood at Rs.305 crore in Q3, FY 2014-15 as against Rs.380 crore in Q3, FY 2013-14 (down 20% y-o-y).
- ☞ Operating Profit stood at Rs.838 crore in Q3, FY 2014-15 as against Rs.806 crore in Q3, FY 2013-14 (up 4% y-o-y).
- ☞ Global Deposits increased from Rs.195120 crore as at Q3, FY 2013-14 to Rs.251469 crore as at Q3, FY 2014-15 (up 29% y-o-y).
- ☞ Global Advances increased from Rs.157378 crore as at Q3, FY 2013-14 to Rs.186630 crore as at Q3, FY 2013-14 (up 19% y-o-y).
- ☞ Global business increased from Rs.352498 crore as at Q3, FY 2013-14 to Rs.438099 crore as at Q3, FY 2014-15 (up 24% y-o-y).
- ☞ CASA deposits (domestic) increased from Rs.52324 crore as at Q3, FY 2013-14 to Rs. 62445 crore as at Q3, FY 2014-15 (up 19% y-o-y). Domestic CASA deposits stood at 27.90 % of total domestic deposits as at 31.12.2014.
- ☞ Gross NPA ratio stood at 3.60% in Q3, FY 2014-15 as against 2.80% in Q3, FY 2013-14.
- ☞ Net NPA ratio stood at 2.38% in Q3, FY 2014-15 as against 1.66% in Q3, FY 2013-14.
- ☞ Cost to income ratio stood at 52.01% in Q3, FY 2014-15 as against 51.20% in Q3, FY 2013-14.
- ☞ Book value per share increased from Rs.198.17 in Q3, FY 2013-14 to Rs.201.84 in Q3, FY 2014-15.
- ☞ Net Interest margin (NIM) stood at 2.25% in Q3, FY 2014-15 as against 2.76% in Q3, FY 2013-14.

- ☞ Provision Coverage Ratio stood at 62.96% in Q3, FY 2014-15 as against 70.39% in Q3, FY 2013-14.
- ☞ Non-interest Income increased from Rs.292.34 crore in Q3, FY 2013-14 to Rs.428.13 crore in Q3, FY 2014-15 (up 46% y-o-y).
- ☞ Return on Average Assets (RoA) annualised stood at 0.44% in Q3, FY 2014-15 as against 0.68% in Q3, FY 2013-14.
- ☞ Earnings per Share (EPS)- annualised stood at Rs.23.61 in Q3, FY 2014-15 as against Rs.28.84 in Q3, FY 2013-14.
- ☞ Capital Adequacy Ratio (Basel III) stood at 10.46% as at 31.12.2014 as against 11.26% as at 31.12.2013.

Snap Shot of Performance

(₹ Crore)

Nine months period of FY 2014-15 Vs Nine months period of FY 2013-14			
Parameter	Dec 14	Dec 13	Growth (%)
Global Deposits	251469	195120	29
Global Advances	186630	157378	19
Global Business	438099	352498	24
Net Profit	1106	1302	(15)
Operating Profits	2806	2565	9
Interest Income	15804	13725	15
Other Income	1322	863	53
Net Interest Income	4091	4107	(0.39)
Gross NPA	6724	4401	53

Nine months period of FY 2014-15 Vs Nine months period of FY 2013-14		
Parameter	Dec 14	Dec 13
Cost to income Ratio%	48.16	48.39
Earnings per Share (₹.)	23.61	28.84
Book Value per Share (₹.)	201.84	198.17
Gross NPA Ratio (%)	3.60	2.80
Net NPA Ratio (%)	2.38	1.66
Provision Coverage Ratio (%)	62.96	70.39
Capital Adequacy Ratio (Basel II) (%)	10.67	11.55
Capital Adequacy Ratio (Basel III) (%)	10.46	11.26
NIM (%)	2.43	2.82

Quarterly Comparison

Q3 of FY 2014-15 Vs Q3 of FY 2013-14		
Parameter	Dec 14	Dec 13
Cost to income Ratio (%)	52.01	51.20
Earnings per Share (₹.) (annualised)	23.61	28.84
Book Value per Share (₹.)	201.84	198.17
Gross NPA Ratio (%)	3.60	2.80
Net NPA Ratio (%)	2.38	1.66
Provision Coverage Ratio (%)	62.96	70.39
Capital Adequacy Ratio (Basel II) (%)	10.67	11.55
Capital Adequacy Ratio (Basel III) (%)	10.46	11.26

DOMESTIC BUSINESS: (Y-o-Y):

- ☞ Domestic Business grew from Rs.294504 crore as at 31st Dec., 2013 to Rs.372660 crore as at 31st Dec., 2014 registering a y-o-y growth of 26%.
- ☞ Domestic Deposits grew from Rs.169769 crore as at 31st Dec., 2013 to Rs.223835 crore as at 31st Dec., 2014 registering a y-o-y growth of 32%.
- ☞ Domestic advances grew from Rs.124735 crore as at 31th Dec., 2013 to Rs.148825 crore as at 31st Dec., 2014 registering a y-o-y growth of 19%.
- ☞ MSME credit grew by 15% from Rs.18591 crore as at 31st Dec., 2013 to Rs.21324 crore as at 31st Dec., 2014.
- ☞ Savings deposits increased from Rs.39709 crore as at 31st Dec., 2013 to Rs.44524 crore as at 31st Dec., 2014 registering a y-o-y growth of 12%.
- ☞ Domestic CASA deposits increased from Rs.52324 crore as at 31st Dec., 2013 to Rs.62445 crore as at 31st Dec., 2014 registering a y-o-y growth of 19%. Domestic CASA deposits stood at 27.90% of total domestic deposits as at 31.12.2014.

OVERSEAS BUSINESS: (Y-o-Y):

- ☞ London branch business increased from Rs. 57994 crore as at 31st Dec., 2013 to Rs.65439 crore as at 31st Dec., 2014 registering a y-o-y growth of 13%.
- ☞ Deposits at London branch increased from Rs. 25351 crore as at 31st Dec., 2013 to Rs.27634 crore as at 31st Dec., 2014 registering a y-o-y growth of 9%.
- ☞ Advances at London branch increased from Rs. 32643 crore as at 31st Dec., 2013 to Rs 37805 crore as at 31st Dec., 2014 registering a y-o-y growth of 16%.

PROFITABILITY RATIOS (Nine month period):

- ☞ Net profit stood at Rs.1106.01 crore for 9 months in FY 2014-15 as against Rs.1302.16 crore for 9 months in FY 2013-14 (down 15 % y-o-y).

- ☞ Operating profit stood at Rs2805.96 crore for 9 months in FY 2014-15 as against Rs.2565.34 crore for 9 months in FY 2013-14 (up 9% y-o-y).

VALUE TO INVESTORS:

- ☞ Earnings per Share (EPS) annualized stood at Rs23.61 in Q3, FY 2014-15 as against Rs.28.84 in Q3, FY 2013-14.
- ☞ Book Value per Share increased from Rs.198.17 in Q3, FY 2013-14 to Rs.201.84 in Q3, FY 2014-15.
- ☞ Return on Equity (ROE) stood at 13.17% in Q3, FY 2014-15 as against 17% in Q3, FY 2013-14.

NON PERFORMING ASSETS:

- ☞ Gross NPA Ratio stood at 3.60% in Q3, FY 2014-15 as against 2.80% in Q3, FY 2013-14.
- ☞ Net NPA Ratio stood at 2.38% in Q3, FY 2014-15 as against 1.66% in Q3, FY 2013-14.
- ☞ Provision Coverage Ratio stood at 62.96% in Q3, FY 2014-15 as against 70.39% in Q3, FY 2013-14.
- ☞ During the year upto 31.12.2014 upgradation of NPAs for Rs.953.97 crore and cash recoveries of Rs.1219.19 crore have been made. Out of which cash recovery in NPAs (Domestic) amounting to Rs.893.87 crore and cash recovery in Prudentially Written Off Accounts were Rs.325.28 crore.
- ☞ To accelerate recovery performance under NPA, during the current financial year upto 31.12.2014 three Bruhat Synd Adalats were conducted. Bank has mobilized 39197 proposals involving one time settlement amount of Rs.408.74 crore.

BRANCH EXPANSION:

- ☞ Bank has opened 101 branches during Q3, FY 2014-15 taking total number of branches opened to 3463 as at 31.12.2014 (including a branch in London) comprising of 1125 rural, 906 Semi Urban, 772 Urban and 659 Metro branches. Bank has presence in all the States and Union Territories of the country.
- ☞ **Re-organization of Regions:** In order to improve the efficiency and business of the organization, institutionalise more effective span of control over the branches/business units, rationalizing geographical spread of branches across the regions, the Bank has proposed to open two new Regional Offices, one at "**Vadodara**" by carving out branches from existing Ahmedabad Region and another at "**Dehradun**" by carving out branches from existing Meerut and Moradabad Regions. This re-organization of Regions will help the Regional Heads to devote more time in developing new business, canvassing more Corporate / Government accounts, improving customer service and also to reduce turn around time.

PRIORITY SECTOR CREDIT ACHIEVEMENTS:

- ☞ Priority Sector Credit increased by 10.89% from Rs.47883.26 crore as at 31.12.2013 to Rs.53099.85 crore as at 31.12.2014 forming 37.46% of ANBC.
- ☞ Total Agricultural Credit increased by 20.01% from Rs.19824.56 crore as at 31.12.2013 to Rs.23792.25 crore as at 31.12.2014, forming 16.79% of ANBC.
- ☞ Credit to Micro and Small Enterprises (MSE) increased by 11.54% from Rs.15953.74 crore as at 31.12.2013 to Rs.17794.28 crore as at 31.12.2014.
- ☞ Credit to Weaker Section increased from Rs.12641.43 crore as at 31.12.2013 to Rs.14245.57 crore as at 31.12.2014, forming 10.05% of ANBC.
- ☞ Credit to Minority Community increased from Rs.7689.68 crore as at 31.12.2013 to Rs.8060.48 crore as at 31.12.2014, forming 15.18% of Priority Sector Credit.
- ☞ To assist the farmers in taking up timely agricultural operations and increase crop production, credit assistance of Rs.13949.88 crore has been extended as on 31.12.2014.
- ☞ To augment crop production credit, 7.03 lakhs Syndicate Kisan Credit Cards have been issued with the credit assistance of Rs.6524.03 crore.
- ☞ For the rural households, 45824 General Purpose Credit Cards (GCCs) have been issued amounting to Rs.89.24 crore.

REGIONAL RURAL BANKS:

- ☞ Presently, we have 3 RRBs-Prathama Bank, Karnataka Vikas Grameena Bank and Andhra Pragathi Grameena Bank under our sponsorships, all are profit making having total business of Rs.40268 crore and 1313 branches.

FINANCIAL INCLUSION:

- ☞ Bank has opened 97.87 lakh Basic Savings Bank Deposit Accounts (BSBDA) as on 31.12.2014. Of which 10.52 lakh accounts were opened during the quarter ended as on 31.12.2014. The balance outstanding in these accounts is Rs. 207.15 crore as on 31.12.2014 (28.89 lakh PMJDY accounts).
- ☞ To promote financial literacy in the villages, 10,834 financial literacy programmes were organized during the year upto 31.12.2014, in which 4.37 lakh persons were benefitted.

DIRECT BENEFIT TRANSFER (LPG):

- ☞ Under re-launched DBTL, 22.70 lakh credits have been received with our Bank and benefit amounting to Rs. 92.49 crores has been credited to beneficiaries accounts.
- ☞ Bank has opened 28,89,169 no. of accounts under PMJDY with a balance of Rs. 207.15 crore as at 31.12.2014.

- ☞ 26,40,446 RuPay Cards have been issued under PMJDY as at 31.12.2014.

INFORMATION TECHNOLOGY:

- ☞ The Bank has operationalised 3185 ATMs as at 31.12.2014 spreading over 860 centres across the country.
- ☞ Bank has issued 20.83 lakh new VISA/Maestro/Rupay/Rupay Kisan Debit cards and 1219 Credit cards during Q3 FY 2014-15, leading to a total number of Debit cards issued to 79.30 lakh active cards (127.44 lakh total cards issued) and Credit card base to 27586 active cards (80540 total cards issued) as on 31.12.2014.
- ☞ Bank has installed 1938 POS Terminals.

CAPITAL PLANNING:

Bank has raised Tier-II capital of Rs 750 crore through a bond offering to strengthen its capital base during December 2014 under Basel-III requirement. Bank is also planning to raise capital of Rs.2100 crore by way of bonds, before end of March this year and is in the process of completing the necessary approvals in this regard.

ACCOLADES & AWARDS:

- ☞ Bank has been conferred "**Special awards**" by National Payments Corporation of India (NPCI) in appreciation & recognition for being one of the highest Rupay cards issuing Bank using NPCI services as platform.
- ☞ State Forum of Bankers Clubs (Kerala) has conferred our Kakkanad Branch as "**the third best performing branch in the State of Kerala for the year 2013-14**" under Public Sector Banks category.
- ☞ Our Bank has received "**Second Best Bank**" award under PSU category by Financial Express India's Best Banks Survey 2012-13.

CORPORATE STRATEGIES:

- ☞ With a view to popularize its newly launched product "**SyndBalashakthi**" among the children of 10 years and above age and to augment the CASA base, Bank has launched a campaign from 14.11.2014 to 21.11.2014 coinciding with Children's Day Celebrations on 14.11.2014.
- ☞ In order to have a more focused attention in canvassing Core Term Deposits, Bank has launched a special term deposit campaign "**SYND WELCOME-2015**" from 23.12.2014 to 31.12.2014, with the introduction of a new Term Deposit tenor for 500 days.

- ☛ To augment credit flow to MSME sector, Bank has organized **"MSME Meet"** in Bangalore in association with the Peenya Industries Association on 23rd Dec 2014 (Monday). The Meet was attended by over 300 MSME beneficiaries. Bank issued sanction letters to MSME borrowers and felicitated successful entrepreneurs on this occasion. Bank is also planning to hold similar MSME Meets at all centers across the country. Bank has already taken various steps to boost the flow of credit towards this sector during the recent past which include reduction in rates of interest, reduction in processing charges, launching of new products to target identified sectors, organization of awareness camps to MSME borrowers, holding of credit camps, sensitization of branch staff etc.
- ☛ In order to extend financial assistance to large number of women entrepreneurs, Bank observed **"SyndMahilaShakthi Week"** during the period from 15 to 20th December 2014, which is a step towards Financial Inclusion of Women Entrepreneurs. During the week, over 17500 loans amounting to Rs 250.00 crore were sanctioned, which is a land mark in the history of the Bank.
- ☛ To improve the efficiency and business level of branches having potential to grow exponentially and become Exceptionally Large Branch in a span of 3 years, Bank has articulated an innovative strategy of adoption of at least 300 such large/medium branches by the Executives of Asst. General Manager cadre and above functioning in Regional Offices/Field General Manager Offices/Corporate Office/Head Office. The purpose of adoption of these branches is to work out business strategies, in close liaison with respective Branch heads for overall business development of the branch and to achieve an additional business level of minimum 150 Crore (Deposits 50 crore and Advances 100 crore) in the ensuing six months.

STRATEGIC ALLIANCE

- ☛ Bank has signed MOU with SBI Life Insurance Co Ltd on 30th Dec 2014 for providing Life Insurance cover to the Savings Bank Holders of the Bank under SyndSuraksha and for providing Life Insurance cover to customers who have opened their accounts under Financial Inclusion Plan of the Bank (Micro Insurance) both under Group Term Insurance Master Policies for the year 2015.

NEW PRODUCTS:

Synd SmartGen: To provide savings opportunity to customers for meeting towards life's important goal viz. children's' education, family holiday, children's marriage etc., Bank has launched a smart savings scheme **"Synd SmartGen"** for limited period. Under the scheme, on the last day of every month, amount over Rs 10,000/- or average balance of the current month-whichever is less, will be transferred to term deposit in multiples of Rs.10000/- for 366 days carrying an attractive interest rate of 9% pa.

Synd SmartSHE: To commemorate International Women's Day, Bank has introduced a new savings product exclusively designed for women **"Synd SmartSHE"**. Under the scheme, the balance amount in the account over and above the minimum balance of Rs.500/- will be transferred in multiples of Rs.500 to a term deposit and earn attractive interest of 9% per annum.

SyndJuniorMillionaire: Bank has designed a unique combo product (Savings Bank account and Recurring Deposit) named "SyndJuniorMillionaire" for the existing and prospective customers who desire to make their minor children millionaire within a period of 10 years. A special rate of interest is being given for the Recurring Deposit up to a period of 10 years. This scheme will be available upto 31st March 2015.

SyndHotel: Keeping in view the huge potential of Hotel, Tourism and Hospitality industry, Bank has launched a new tailor-made product – "SyndHotel" to extend credit facilities to Hotels/Restaurants and Lodges /Fast Food Centres / Motels (Daba) /Bakeries/High Way Inns / Pizza Centres (Franchises) / Mess/Canteen/Catering Service/Service Apartment entrepreneurs at a very affordable & competitive interest rate. The maximum amount of loan that can be granted under the scheme is Rs.10 crore.

SyndJeweller: In order to cater to the needs of Gold Jewellery Traders, Bank has launched a new tailor made product "SyndJeweller" to meet the working capital requirements of entrepreneurs engaged in Gold/Silver ornaments business under MSE-Services (Retail Trade). The maximum amount of loan that can be granted under the scheme is Rs.5 crore.

CORPORATE SOCIAL RESPONSIBILITY:

Considering CSR as its integral part of activities, Bank is actively involved and progressive in social domain by supporting various social, cultural, charitable & philanthropy activities. Some of the CSR activities undertaken by the Bank during the quarter include distribution of blankets to needy persons; water coolers to Govt. school; donation to temple, trust,, charitable and philanthropic society for conducting various service activities for poor people, providing training to the children with development disorders such as SLI, DVD, PDD and Autism; donation to hospitals for providing free meals for one day to the patients; donation towards river rejuvenation project, donation to Hud Hud cyclone relief camps for victims in Vishakhapatnam; donation to schools for construction of toilets and so on.

GOING FORWARD:

- ☞ Presently Bank is using Security System for Online Card Transactions (SSOCT) services i.e. Verified by VISA (VbV) & Master Secure for security of e-commerce transactions of its customers. To ensure that customers enjoy the complete benefits of SSOCT services for VISA, Maestro and RuPay cards, Bank is under process to implement Security System for Online Card Transactions under fully outsourced model for providing additional authentication and validation in the form of OTP for use of Debit Card on internet for On-line transactions. For all such Online and IVR, Card Not Present transactions, authentication / validation should be based on information which is not visible on the cards.
- ☞ To improve the credit portfolio, Bank has been aggressively marketing special loans for doctors, textiles, transport operator, marble trading and women entrepreneur.

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