



Corporate Office: Bangalore
May 17, 2016

P R E S S R E L A S E

Syndicate Bank Announces Audited Financial Results for the FY 2015-16

Balance Sheet Cleaned up Focus on Mid Corporate, Retail & MSME Segment

Non Interest Income (y o y) Growth ↑ 19%
Retail Credit (y o y) Growth ↑ 19%
MSME Credit (y o y) Growth ↑ 12%
Agriculture Credit (y o y) Growth ↑ 14%
Priority Sector Credit (y o y) Growth ↑ 15%
Savings Deposit (y o y) Growth ↑ 12%
Cost of Deposits reduced to 6.27% as at Mar16 from 6.73% as at Mar 15
CRAR (Basel III) increased to 11.16% as at Mar16 from 10.54% as at Mar 15
Gross NPA Ratio as on 31.03.2016 stood at 6.70%
Net NPA Ratio as on 31.03.2016 stood at 4.48%
Provision Coverage Ratio as on 31.03.2016 stood at 53.73%

Performance Highlights for the Fourth Quarter of Financial Year 2015-16

- ☛ Global Business increased from Rs.461192 crore as at Q4, FY 2014-15 to Rs.468184 crore as at Q4, FY 2015-16 (increase by 1.52% y-o-y).
- ☛ Global Deposits increased from Rs.255388 crore as at Q4, FY 2014-15 to Rs.261735 crore as at Q4, FY 2015-16 (increase by 2.49% y-o-y).
- ☛ Global Advances increased from Rs.205804 crore as at Q4, FY 2014-15 to Rs.206449 crore as at Q4, FY 2015-16 (increase by 0.31% y-o-y).
- ☛ Operating Profit stood at Rs.1015 crore in Q4, FY 2015-16 as against Rs.1201 crore in Q4, FY 2014-15.
- ☛ Net Profit stood at Rs.-2158 crore in Q4, FY 2015-16 as against Rs.417 crore in Q4, FY 2014-15.
- ☛ Non Interest Income increased from Rs.794 crore in Q4, FY 2014-15 to Rs.843 crore in Q4, FY 2015-16 (up 6.11% y-o-y).

- ☞ Gross NPA ratio stood at 6.70% in Q4, FY 2015-16 as against 3.13% in Q4, FY 2014-15.
- ☞ Net NPA ratio stood at 4.48% in Q4, FY 2015-16 as against 1.90% in Q4, FY 2014-15.
- ☞ Provision Coverage Ratio stood at 53.73% in Q4, FY 2015-16 as against 66.61% in Q4, FY 2014-15.
- ☞ Cost to income ratio stood at 94.22% in Q4, FY 2015-16 as against 47.48% in Q4, FY 2014-15.
- ☞ Book value per share stood at Rs.175.41 in Q4, FY 2015-16 as compared to Rs.197.24 in Q4, FY 2014-15.
- ☞ Global Net Interest margin (NIM) stood at 2.14% in Q4, FY 2015-16 as against 2.29 % in Q4, FY 2014-15.
- ☞ Domestic NIM stood at 2.50% in Q4, FY 2015-16 as against 2.60% in Q4, FY 2014-15.
- ☞ The yield on advances stood at 8.20% in Q4 of 2015-16 as against 9.23% in Q4 of 2014-15.
- ☞ Return on Average Assets (RoA) annualised stood at -2.89% in Q4, FY 2015-16 as against 0.58% in Q4, FY 2014-15.
- ☞ Earnings per Share (EPS) stood at Rs.-33.27 in Q4, FY 2015-16 as against Rs.26.68 in Q4, FY 2014-15.
- ☞ Capital Adequacy Ratio (Basel III) stood at 11.16% as at 31.03.2016 as against 10.54% as at 31.03.2015.

Snap Shot of Performance

(Rs. in crore)

Parameter	FY 2015-16 Vs FY 2014-15					
	Global			Domestic		
	Mar 16	Mar 15	Growth(%)	Mar 16	Mar 15	Growth (%)
Deposits	261735	255388	2.49	235162	225402	4.33
Advances	206449	205804	0.31	168152	165153	1.82
Business	468184	461192	1.52	403314	390555	3.27
Interest Income	23198	21615	7.32	22295	20712	7.64
Other Income	2509	2110	18.91	2470	1998	23.62
Net Interest Income	5985	5520	8.42	5887	5366	9.71
Gross NPA	13832	6442	114.72	11974	5904	102.81

Parameter	FY 2015-16Vs FY 2014-15	
	Mar 16	Mar 15
Cost to income Ratio%	60.83	47.48
Earnings per Share (Rs.)	-24.82	24.38
Book Value per Share (Rs.)	175.41	197.24
Gross NPA Ratio (%)	6.70	3.13
Net NPA Ratio (%)	4.48	1.90
Provision Coverage Ratio (%)	53.73	66.61
Capital Adequacy Ratio (Basel III) (%)	11.16	10.54
Net Interest Margin (NIM) (%)	2.28	2.38
Return on Assets (ROA) (%)	-0.56	0.58

Quarterly Comparison

Parameter	Q4 of FY 2015-16Vs Q4 of FY 2014-15	
	Mar 16	Mar 15
Cost to income Ratio (%)	94.22	47.48
Earnings per Share (Rs.)	-33.27	26.68
Book Value per Share (Rs.)	175.41	197.24
Gross NPA Ratio (%)	6.70	3.13
Net NPA Ratio (%)	4.48	1.90
Provision Coverage Ratio (%)	53.73	66.61
Capital Adequacy Ratio (Basel III) (%)	11.16	10.54

DOMESTIC BUSINESS: (Y-o-Y)

- ☞ Domestic Business increased from Rs.390555 crore in FY 2014-15 to Rs.403314 crore in FY 2015-16, registering a y-o-y growth of 3.27%.
- ☞ Domestic Deposits increased from Rs.225402 crore in FY 2014-15 to Rs.235162 crore in FY 2015-16, registering a y-o-y growth of 4.33%.
- ☞ Domestic Advances increased from Rs.165153 crore in FY 2014-15 to Rs.168152 crore in FY 2015-16, registering a y-o-y growth of 1.82%.
- ☞ Domestic CASA deposits increased from Rs.63671crore in FY 2014-15 to Rs.67925 crore in FY 2015-16 (up 6.68% y-o-y). Domestic CASA deposits stood at 28.88% of total domestic deposits as at 31.03.2016.
- ☞ Savings Bank deposits increased from Rs.46466 crore in FY 2014-15 to Rs.52048 crore in FY 2015-16,(increase by 12.01% y-o-y).

- ☞ Retail Credit increased from Rs.22256.44 crore as at 31.03.2015 to Rs.26529.21 crore as at 31.03.2016, registering a y-o-y growth of 19.20%. During the financial year, 27321 Housing Loans are mobilized amounting to Rs.3858.59 crore, 22275 Car loans are mobilized amounting to Rs.1245.78 crores and 16654 education loans were sanctioned amounting Rs.732.61 Crore
- ☞ MSME Credit increased from Rs.24665.05 crore as at 31.03.2015 to Rs.27677.06 crore as at 31.03.2016, registering a y-o-y growth of 12.21%. The advances to Micro and Small Enterprises constitute 89.89% of the total advances under MSME Sector, while advances to Medium Enterprises constitute 10.10% under MSME.
- ☞ As on 31.03.2016 bank has sanctioned 311696 accounts under MUDRA Scheme, amounting to Rs.3291.87 crore and disbursed Rs.3019 crore as against the target of Rs.2015 crore.

OVERSEAS BUSINESS: (Y-o-Y)

- ☞ London branch Business decreased by -8.16% from Rs.70637 crore in FY 2014-15 to Rs.64871 crore in FY 2015-16.
- ☞ Deposits to London branch decreased by -11.38% from Rs.29986 crore in FY 2014-15 to Rs.26574 crore in FY 2015-16.
- ☞ Advances to London branch decreased by -5.79% from Rs.40651 crore in FY 2014-15 to Rs.38297 crore in FY 2015-16.

PROFITABILITY RATIOS: (Y-o-Y)

- ☞ Net profit stood at Rs.-1643 crore in FY 2015-16 as against Rs. 1523 crore in FY 2014-15.
- ☞ Operating profit stood at Rs.4209 crore in FY 2015-16 as against Rs.4007 crore in FY 2014-15.
- ☞ The yield on advances stood at 8.63% in FY 2015-16 as against 9.34% in FY 2014-15.
- ☞ Cost of deposit stood at 6.27% in FY 2015-16 as against 6.73% in FY 2014-15.
- ☞ Global Net Interest margin (NIM) stood at 2.28% in 2015-16 as against 2.38% in 2014-15.
- ☞ Interest Income of the bank grew by 7% from Rs 21615 crore in FY 2014-15 to Rs.23198 crore in FY 2015-16.
- ☞ Interest Expenses of the bank stood at Rs.17213 crore in FY 2015-16 as against Rs.16095 crore in FY 2014-15.



- ☛ Operating Expenses of the bank stood at Rs.5167 crore in FY 2015-16 as against Rs 3623 crore in FY 2014-15.

VALUE TO INVESTORS: (Y-o-Y)

- ☛ Earnings per Share (EPS) stood at Rs.-24.82 in FY 2015-16 as against Rs 24.38 in FY 2014-15.
- ☛ Book Value per Share stood at Rs.175.41 in FY 2015-16 as against Rs.197.24 in FY 2014-15.
- ☛ Return on Equity (ROE) stood at -14.44% in FY 2015-16 as against 13.30% in FY 2014-15.
- ☛ Return on Average Assets (RoA) stood at -0.56% in FY 2015-16 as against 0.58% in FY 2014-15.

NON PERFORMING ASSETS: (Y-o-Y)

- ☛ Gross NPA Ratio stood at 6.70% in FY 2015-16 as against 3.13% in FY 2014-15.
- ☛ Net NPA Ratio stood at 4.48% in FY 2015-16 as against 1.90% in FY 2014-15.
- ☛ Provision Coverage Ratio stood at 53.73% in FY 2015-16 as against 66.61 % in FY 2014-15.
- ☛ Cash Recovery in NPAs (Domestic) was at Rs.2702 crore in FY 2015-16 as against Rs.2195 crore in FY 2014-15.

BRANCH EXPANSION

- ☛ Bank has opened 251 branches during the year, leading total number of branch network to 3766 as at 31.03.2016 (including a branch in London) comprising of 1231 Rural, 1030 Semi Urban, 823 Urban and 681 Metro Branches. Bank has presence in all the States and Union Territories of the country.

PRIORITY SECTOR CREDIT ACHIEVEMENTS:

- ☞ Priority Sector Credit increased by 15.12% from Rs.57281.44 crore as at 31.03.2015 to Rs.65944.98 crore as at 31.03.2016 which stands at 40.69% of ANBC against the required level of 40%.
- ☞ Total Agricultural Credit increased by 14.09% from Rs.26205.38 crore as at 31.03.2015 to Rs.29898.86 crore as at 31.03.2016, forming 18.45% of ANBC against the required level of 18%.
- ☞ Credit to Micro and Small Enterprises (MSE) increased by 21.67% from Rs.19874.34 crore as at 31.03.2015 to Rs 24180.15 crore as at 31.03.2016.
- ☞ Credit to Weaker Section increased by 25.04% from Rs.14405.22 crore as at 31.03.2015 to Rs.18012 crore as at 31.03.2016, forming 11.11% of ANBC (mandatory 10%).
- ☞ Credit to Minority Community increased by 13.23% from Rs.9012.28 crore as at 31.03.2015 to Rs.10204.51 crore as at 31.03.2016, forming 15.48% (mandatory level of 15%) of Priority Sector Credit.
- ☞ To assist the farmers in taking up timely agricultural operations and increase crop production, credit assistance of Rs.8274.65 crore has been extended as on 31.03.2016.
- ☞ To augment crop production credit, 7.58 lakh Syndicate Kisan Credit Cards have been issued with credit assistance of Rs.8274.65 crore.
- ☞ For rural households, 41230 General Purpose Credit Cards (GCCs) have been issued amounting to Rs.68.52 crore.
- ☞ Our Bank has adopted 26 villages spread over the country under Synd Samagra Gram Vikas Yojana (SSGVY) for their all round development.

SyndRural Self Employment Training Institutes

- ☞ Bank has established 16 SyndRural Self Employment Training Institutes (Synd RSETIs) in 5 States and 1 Union Territory for imparting training to Rural poor. During the FY 2014-15 all our 15 SyndRSETIs have secured "AA" rating under Category I (Institutes which are in existence for more than 3 years). One Institute was not eligible for grading.

FINANCIAL INCLUSION

- ☞ Bank has covered all the allotted 3229 SSAs covering 6950 villages and deployed 2615 Bank Mitra across the country, to provide banking services to the villagers.
- ☞ Bank has opened 1.44 lakh Basic Savings Bank Deposit Accounts (BSBDA) during Q4 FY 2015-16. The balance outstanding overall in 112.28 lakh BSBD accounts is Rs.4208.91 crore as on 31.03.2016.

- ☛ To promote financial literacy in the villages, 14412 financial literacy programmes were organized during the FY 2015-16, in which 6.14 lakh persons were benefitted.

PMJDY

- ☛ Bank has opened 40.08 lakh accounts under PMJDY having a balance of Rs.862.38 crore as at 31.03.2016. During Q4 FY 2015-16, 0.42 lakh PMJDY accounts were opened.
- ☛ 36.52 lakh RuPay Cards have been issued under PMJDY as at 31.03.2016.

DIRECT BENEFIT TRANSFER

- ☛ During the period April-March 2015-16, under re-launched DBTL, 200.24 lakh credits have been received by our Bank with benefit amounting to Rs.414.33 crore have been credited to beneficiaries' accounts. During Q4 FY 2015-16, 65.22 lakh credits have been received with benefit amounting to Rs.166.18 crore have been credited to beneficiaries' accounts.

GOVT SPONSORED SCHEMES

- ☛ Bank has enrolled 7,53,010 subscribers under PMJJBY during 2015-16 and the premium collected in these accounts as on 31.03.2016 is Rs.24.85 crore.
- ☛ Bank has enrolled 21,80,968 subscribers under PMSBY during 2015-16 and the premium collected in these accounts as on 31.03.2016 is Rs.2.62 crore.
- ☛ Bank has enrolled 61715 subscribers under APY during 2015-16 and the contribution in these accounts as on 31.03.2016 is Rs.14.76 crore.

REGIONAL RURAL BANKS

- ☛ Presently, we have 3 RRBs –Prathama Bank, Karnataka Vikas Grameena Bank and Andhra Pragathi Grameena Bank under our sponsorship. All are profit making having total business of Rs.49760 crore with 1512 branches.

SLBC CONVENER

- ☛ Our Bank is convener of SLBC in Karnataka State and Union Territory of Lakshadweep and is taking all proactive steps for implementation of Government directions. Bank has assigned lead bank responsibility in 27 districts.

INFORMATION TECHNOLOGY

- ☛ The Bank has 3730 ATMs as at 31.03.2016.
- ☛ Bank has issued 5.05 lakh new VISA/Maestro/Rupay/RupayKisan, RuPay Platinum, Mudra, AEPS, RuPay EMV Debit cards and 1510 Credit cards

during Q4 FY 2015-16, leading to a total number of Debit cards issued to 118.88 lakh active cards (162.67 lakh total cards issued) and Credit card base to 40336 active cards (87317 total cards issued) as on 31.03.2016.

- ☞ Bank has installed 2317 POS Terminals as on 31.03.2016.

CAPITAL PLANNING

Bank has raised the total capital funds of Rs.3576.94 crore during the financial year 2015-16 in various forms, namely (i) Equity capital infusion by Govt. of India for an amount of Rs.740.00 crore, (ii) Equity preferential allotment to LIC for an amount of Rs.216.94 crore, (iii) Unsecured perpetually fully paid-up non-convertible Basel-III-compliant additional Tier-I bonds for an amount of Rs.870.00 crore and (iv) Basel compliant Tier-II bonds for an amount of Rs.1750.00 crore.

ACCOLADES & AWARDS

- ☞ Our Bank is awarded with two prestigious awards under Agricultural Banking and Rural banking category by ASSOCHAM Social Banking Excellence Awards 2015 under Large Bank Class.
- ☞ Bank has been awarded "MSME Banking Excellence Awards-2015" in the following categories by Chamber of Indian Micro Small & Medium Enterprises (CIMSME)
 - Best Bank Award for CSR & Business Responsibility "Mid Sized Banks"-Winner.
 - Best Bank Award for Financial Inclusion "Mid Sized Banks"-Winner.
 - Best Bank Award for PMJDY "Mid Sized Banks"-Runner Up.
- ☞ Synd e-Passbook wins "SKOCH Award, for India's Best-2015 in Smart Technology".
- ☞ Adjudged first under *Rajbhasha Kirti Puraskar for the Financial Year 2014-15 among Nationalised Banks and Financial Institutions of Region 'C'* for outstanding implementation of Official Language Policy.
- ☞ Syndicate Bank is one among the Five from Karnataka in *Forbes' 2000 list of most powerful public companies*.
- ☞ Our Bank has been awarded the following *NPCI Excellence Award* for the year 2015 under Mid-sized Bank Category:
 - Winner of *NFS ATM Network Performance Award* of National Financial Switch.
 - Runner Up Award for *Cheque Truncation System (CTS)* Performance.
 - Joint Runner Up award for performance in *National Automated Clearing House (NACH)*.



- ☛ Bank has been awarded “Banking Excellence Award 2015, for the 3rd best Bank at national level under Public Sector Banks category for the year 2014-15” by State forum of Bankers Club Kerala.
- ☛ Bank has been awarded “the 7th PSU Award 2015” by Dalal Street- Investment Journal for lowest net NPA to net Advances ratio.
- ☛ Our Hindi Magazine ‘Jagriti’ got award in *Hindi House Journal Competition* conducted by Reserve Bank of India.

CORPORATE SOCIAL RESPONSIBILITY:

Bank recognizes its role towards society and undertook various CSR activities during the quarter Q4, FY 2015-16. Some of which are outlined below:

- ❖ donated funds towards construction of toilet/toilet blocks in Govt. Schools/public places under Swachh Bharat Abhiyan Scheme,
- ❖ donated computer to educational institutions/police station,
- ❖ donated tempo/ambulance to medical colleges/ city municipal council
- ❖ donated funds for installation of 5 KW rooftop solar power plant,
- ❖ donated towards relief measures to flood affected areas,
- ❖ donated towards education and daily expenses of tribal children,
- ❖ donated school bags to poor students of Govt. Schools and also water coolers to Govt. Primary School,
- ❖ donated funds for construction of class room in school/mess building in hostel/public utility hall,
- ❖ donated to Trust, Corporation, Societies and Humanitarian Service Organisation for their various social purposes.

NEW PRODUCTS

Bank has launched the following new products:

Liability Product

- a) **SYND RD PLUS:** A special product which allows customers to deposit more than one installment during the month and no penalty levied for premature withdrawal or delayed payment.

Asset Product

- a) **SyndProfessional:** Bank extends credit facilities to professionally qualified persons having professional degree / diploma / certification such as Engineering / Architects cum builders /Doctors / CAs etc. Loans up to Rs.5 crore is provided at concessional interest rate.
- b) **SyndSolar:** To promote renewable and green energy, Bank has launched a new Scheme namely “SyndSolar” for financing Off Grid Solar Roof Top Systems as a part of Home Improvement loan/Home loan provided by the Bank.

- c) **SyndMortgage:** The scheme is modified by waiving obtention of Guarantor/Surety of adequate Net worth acceptable to the Bank, in respect of SyndMortgage loans against the mortgage of Residential and Commercial properties only.
- d) **SyndDefence Plan:** Bank has extended a special package for Defence Personnel including offering higher interest rate on deposits and cheaper advances under select schemes.

Convenience Banking Products & Services

- a) **SyndSwayam-Savings Bank Online Account Opening Service:** Keeping in view the gen-Y customers, Bank has initiated digitization of many services. "SyndSwayam-Savings Bank Online Account Opening Service" would facilitate customers to open account at ease and convenience by simply filling their personal data.

CORPORATE TIE UP

New Arrangements during the year:

Bank has entered into MOU with the following corporate during the year:

- ☞ **MOU with M/s LIC:** Bank has entered into MOU with LIC on 10.04.2015 to implement Pradhan Mantri Jeevan Jyoti BimaYojana (PMJJBY).
- ☞ **MOU with M/s Birla Sun Life Insurance Co Ltd (BSLI):** Bank has entered into MOU with M/s Birla Sun Life Insurance Co Ltd (B S L I) since 15.05.2015 for providing free life insurance cover to housing loan borrowers under special package.
- ☞ **MOU with AzimPremji University:** Bank has tied up with M/s Azim Premji University since 27.05.2015 for Education Loans and to attract young customers.
- ☞ **MOU with M/s Oil India Limited:** Bank has signed MOU with M/s Oil India Limited for extending top-up housing loan or takeover of housing loan of the employees who are retiring either on superannuation or on voluntary retirement from the services of the company/organization.
- ☞ **Registration under PFRDA for APY:** Bank has registered under Pension Fund Regulatory & Development Authority (PFRDA) and all branches are having the registration IDs for selling Atal Pension Yojana.
- ☞ **With a view to improve the credit delivery, particularly to the farmers,** Bank has entered into Collateral Management Agreement (CMA) with M/s Star Agri Warehousing & Collateral Management Services Pvt. Ltd. (M/s STARAGRI) in addition to the existing Tie-up arrangements with M/s National Bulk Holding Corporation Ltd (NBHC) for extending pledge loans under tie-up arrangement against Negotiable Warehouse Receipt issued for agricultural produce stored in the accredited warehouses of NBHC / STARAGRI

CORPORATE STRATEGIES

- ☛ To increase the RuPay Debit Card base and the fee based income, Bank launched "Campaign for promoting POS and e-commerce transactions" from 01.03.2016 to 31.03.2016 to increase the RuPay Debit Card base and to educate the Debit Cardholders for maximizing their purchases / transactions through RuPay Debit Cards on POS Terminals at Merchant Establishments and on-line purchases for e-Commerce transactions, which will ultimately result in higher fee based income for the Bank.
- ☛ Bank participated in Sovereign Gold Bonds (SGB) Series II with renewed enthusiasm and made the present issue also a grand success.

GOING FORWARD

- ☛ Bank is planning to open 240 new branches during FY 2016-17. Efforts are being made to identify emerging growth centres for business growth.
- ☛ Bank will continue to focus on Agriculture, Mid Corporate, Retail and MSME segment to boost its credit growth.
- ☛ Bank has appointed M/s BCG (India) Pvt Ltd as Management Consultant for implementation of Business Process Re-engineering-"ANANYA" project which is expected to help the Bank to re-energize its good old operations, step up its business and sales plans, to enhance profitability, unfold the potential of the human resources and to reduce the overall transaction costs of various products & services offered by the Bank.
- ☛ Bank has appointed M/s DDB Mudra Pvt Ltd, as Corporate Communication Consultant for a period of 3 years. The Consultant will assist the bank to enhance its image & reputation and build better communication with its various stake holders.

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