

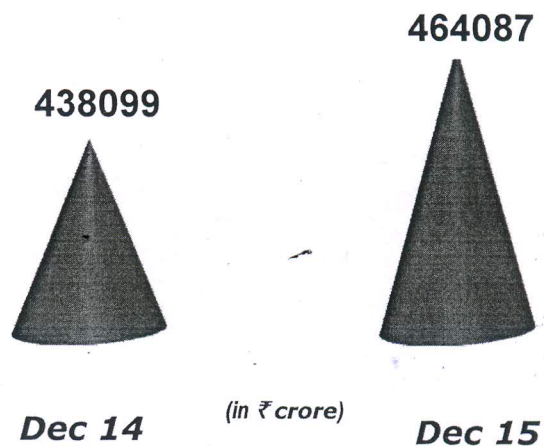


Corporate Office: Bengaluru
28th January, 2016

PRESS RELEASE

**Syndicate Bank Announces
Reviewed Financial Results for Quarter ended
31st December, 2015**

GLOBAL BUSINESS



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

- ☛ Global Business increased from Rs.438099 crore as at 31st Dec., 2014 to Rs.464087crore as at 31st Dec, 2015 (up 6% y-o-y).
- ☛ Domestic Business increased from Rs.372660 crore as at 31st Dec., 2014 to Rs.391664crore as at 31st Dec, 2015 registering a y-o-y growth of 5%.
- ☛ Global Advances increased from Rs.186630 crore as at 31st Dec., 2014 to Rs.208194crore as at as at 31st Dec, 2015 (up 12% y-o-y).
- ☛ Domestic Advances increased from Rs.148825 crore as at 31st Dec., 2014 to Rs.166521 crore as at 31st Dec., 2015 registering a y-o-y growth of 12%.
- ☛ Global Deposits increased from Rs.251469 crore as at 31st Dec., 2014 to Rs.255893crore as at as at 31st Dec, 2015 (up 2% y-o-y).
- ☛ Domestic Deposits increased from Rs.223835 crore as at 31st Dec., 2014 to Rs.225143crore as at 31st Dec, 2015 registering a y-o-y growth of 1%.
- ☛ CASA deposits (domestic) increased from Rs.62445 crore as at 31st Dec., 2014 to Rs.68036crore as at 31th Dec., 2015 (up 9% y-o-y). Domestic CASA deposits stood at 30.22% of total domestic deposits as at 31.12.2015.
- ☛ Savings deposits increased from Rs.44524 crore as at 31st Dec., 2014 to Rs.49380 crore as at 31st Dec., 2015 registering a y-o-y growth of 11%.
- ☛ Operating Profit stood at Rs.929 crore in Q3, FY 2015-16 as against Rs.838 crore in Q3, FY 2014-15 (up 11% y-o-y).
- ☛ Net profit stood at Rs.(119)crore in Q3, FY 2015-16 as against Rs.305 crore in Q3, FY 2014-15 ((139%) y-o-y).
- ☛ Gross NPA ratio stood at 4.61% in Q3, FY 2015-16 as against 3.60% in Q3, FY 2014-15.
- ☛ Net NPA ratio stood at 3.04.% in Q3, FY 2015-16 as against 2.38% in Q3, FY 2014-15.
- ☛ Provision Coverage Ratio stood at 58.67% in Q3, FY 2015-16 as against 62.96% in Q3, FY 2014-15.
- ☛ Cost to income ratio stood at 55.02% in Q3, FY 2015-16 as against 52.01% in Q3, FY 2014-15.
- ☛ Book value per share increased from Rs.201.84 in Q3, FY 2014-15 to Rs.205.13in Q3, FY 2015-16.

- ☛ Earnings per Share (EPS) - annualised stood at Rs. (7.12) in Q3, FY 2015-16 as against Rs.23.61 in Q3, FY 2014-15.
- ☛ Return on Equity (ROE) stood at 5.56% in Q3, FY 2015-16 as against 13.17% in Q3, FY 2014-15.
- ☛ Net Interest Margin (NIM) stood at 2.32% in Q3, FY 2015-16 as against 2.25% in Q3, FY 2014-15.
- ☛ Non-interest Income increased from Rs.422 crore in Q3, FY 2014-15 to Rs.551 crore in Q3, FY 2015-16 (up 29% y-o-y).
- ☛ Return on Average Assets (RoA) annualised stood at (0.16) % in Q3, FY 2015-16 as against 0.44% in Q3, FY 2014-15.
- ☛ Capital Adequacy Ratio (Basel III) stood at 10.91% as at 31.12.2015 as against 10.46% as at 31.12.2014.

Snap Shot of Performance

Parameter	(₹ Crore)		
	31.12.15	31.12.14	Growth (%)
Global Deposits	255893	251469	2
Global Advances	208194	186630	12
Global Business	464087	438099	6
Gross NPA	9603	6724	43
Net NPA	6210	4370	42
Gross NPA Ratio (%)	4.61	3.60	
Net NPA Ratio (%)	3.04	2.38	
Provision Coverage Ratio (%)	58.67	62.96	
Book Value per Share (₹.)	205.13	201.84	
Capital Adequacy Ratio (Basel II) (%)	11.21	10.67	
Capital Adequacy Ratio (Basel III) (%)	10.91	10.46	

(₹ Crore)

Nine months period of FY 2015-16 Vs Nine months period of FY 2014-15			
Parameter	Dec 15	Dec 14	Growth (%)
Net Profit	515	1106	-ve
Operating Profit	3194	2806	14
Interest Income	17515	15810	11
Other Income	1667	1316	27
Net Interest Income	4523	4097	10
Cost to income Ratio%	48.39	48.16	
Earnings per Share (₹.) (Annualised)	10.37	23.61	
NIM (%)	2.34	2.43	

Quarterly Comparison

(₹ Crore)

Parameter	Dec 15	Dec 14
Net Profit	-ve	305
Operating Profit	929	838
Interest Income	5499	5637
Other Income	422	551
Net Interest Income	1322	1516
NIM (%)	2.32	2.25
Cost to income Ratio (%)	55.02	52.01
Earnings per Share (₹.) (Annualised)	-ve	19.53

PROFITABILITY RATIOS (Nine month period):

- Net profit stood at Rs.515 crore for 9 months in FY 2015-16 as against ₹ 1106 crore for 9 months in FY 2014-15 ((53) % y-o-y).
- Operating profit stood at Rs.3194 crore for 9 months in FY 2015-16 as against Rs.2806 crore for 9 months in FY 2014-15 (14% y-o-y).

PRIORITY SECTOR CREDIT ACHIEVEMENTS:

- ☛ Priority Sector Credit increased by 14.47% from ₹ 53099.85 crore as at 31.12.2014 to ₹ 60781.61 Crore as at 31.12.2015 forming 37.50% of ANBC.
- ☛ Total Agricultural Credit increased by 8.81% from ₹ 23792.25 crore as at 31.12.2014 to ₹ 25887.63 crore as at 31.12.2015, forming 15.97% of ANBC.
- ☛ Credit to Micro and Small Enterprises (MSE) increased by 29.39% from ₹ 17794.28 crore as at 31.12.2014 to ₹ 23283.22 crore as at 31.12.2015.
- ☛ Credit to Weaker Section increased from ₹ 14245.57 crore as at 31.12.2014 to ₹ 17684.57 crore as at 31.12.2015, forming 10.91% of ANBC.
- ☛ Credit to Minority Community increased from ₹ 8060.48 crore as at 31.12.2014 to ₹ 9662.41 crore as at 31.12.2015, forming 15.90% of Priority Sector Credit.
- ☛ To assist the farmers in taking up timely agricultural operations and increase crop production, credit assistance of ₹ 22093.50 crore has been extended as on 31.12.2015.
- ☛ To augment crop production credit, 7.37 lakhs Syndicate Kisan Credit Cards have been issued with the credit assistance of ₹ 7792.58 crore.
- ☛ For the rural households, 42656 General Purpose Credit Cards (GCCs) have been issued amounting to ₹ 71.57 crore.

MSME:

- ☛ The total outstanding advances to MSME Sector grew by 24.68% from ₹21323.64 crore as at 31.12.2014 to ₹26587.11 crore as at 31.12.2015.

RETAIL CREDIT:

- ☛ The total outstanding advances under Retail Credit portfolio grew by 20.93% from ₹21090.09 crore as at 31.12.2014 to ₹25503.13 crore as at 31.12.2015.

RECOVERY:

- ☛ During the year up to 31.12.2015, upgradation of NPAs was ₹ 1052.89 crore and recoveries of ₹ 2018.85 crore was made. Out of which, cash recovery in NPAs-Domestic was ₹ 2018.85 crore including cash recovery in Prudentially written off Accounts amounting to ₹ 319.16 crore.
- ☛ To accelerate recovery performance under NPA, during the current financial year 3 Bruhat Synd Adalats were conducted. Bank has mobilized 51404 proposals involving one time settlement amount of ₹ 490.45 crore.

BRANCH EXPANSION:

- ☛ Bank has opened 137 branches during Q3, FY 2015-16 taking total number of branches to 3702 as on 31.12.2015 (including a branch in London) comprising of 1215 Rural, 998 Semi Urban, 813 Urban and 675 Metro branches. Bank has presence in all the States and 6 Union Territories of the country.
- ☛ In commemoration of the 90th Foundation Day, Bank opened 90 branches across the country on 20.10.2015

REGIONAL RURAL BANKS:

- ☛ Bank has sponsored 3 RRBs - Prathama Bank, Karnataka Vikas Grameena Bank and Andhra Pragathi Grameena Bank having a branch network of 1463. All three RRBs are profit making and have a total business of ₹ 47462 crore.

SYND SAMAGRA GRAM VIKAS YOJANA:

- ☛ Bank has adopted 26 villages in our Lead Districts across the country for all round development. An amount of ₹ 5.20 Crore is being utilized under this scheme.

SLBC CONVENER:

- ☛ Bank is convener of SLBC in Karnataka State and in the Union Territory of Lakshadweep and is taking proactive steps for implementation of Government directives.

FINANCIAL INCLUSION:

- ☛ Bank has opened 1.28 lakh Basic Savings Bank Deposit Accounts (BSBDA) during Q3 FY 2015-16. The balance outstanding overall in 110.84 lakh BSBD Accounts is ₹3731.35 crore as on 31.12.2015.
- ☛ To promote financial literacy in the villages, 10367 financial literacy programmes were organized upto 31.12.2015 (from April 2015 to Dec 2015), in which 4.45 lakh persons were benefitted.

PMJDY:

- ☛ Bank has opened 39.66 lakh accounts under PMJDY having a balance of ₹ 720.97 crore as at 31.12.2015. During Q3 FY 2015-16, 0.46 lakh PMJDY accounts were opened.
- ☛ 35.27 lakh RuPay Cards have been issued under PMJDY.

DIRECT BENEFIT TRANSFER (LPG):

- ☞ During the period 15.11.2014 to 31.12.2015 under re-launched DBTL, 177.99 lakh credits have been received by our Bank with benefit amounting to ₹ 390.07 crore credited to beneficiaries' accounts. During Q3 FY 2015-16, 24.11 lakh credits have been received with benefit amounting to ₹ 49.75 crore credited to beneficiaries' accounts.

INFORMATION TECHNOLOGY:

- ☞ Bank has operationalized 3671 ATMs.
- ☞ Bank has issued 4.74 lakh new VISA/Maestro/Rupay/Rupay Kisan, RuPay Platinum, Mudra, AEPS, RuPay EMV Debit Cards
- ☞ The total number of Debit cards issued is 157.61 lakh and Credit cards is 85471.
- ☞ Bank has installed 2259 POS Terminals.

CAPITAL PLANNING:

- ☞ Bank has raised ₹750 crore Basel III Compliant Tier II bonds in December 2015 in addition to ₹1000 crore raised in earlier quarters during FY 2015-16.
- ☞ Bank has obtained permission from Government of India for issue of Basel III Compliant Additional Tier 1 Bonds to the extent of Rs.1800 Crore.
- ☞ Bank has taken shareholders' approval to raise equity capital up to ₹2000 crore to augment its capital base by way of Qualified Institutional Placement (QIP) Issue, Rights Issue, follow on Public Issue or any other mode approved by Government of India or Reserve Bank of India to comply with Basel-III norms and cater to its growing business.

CORPORATE STRATEGIES:

- ☞ **Campaign under Housing Loans and Four Wheeler Loans**
Bank has waived 50% of Processing and Documentation charges on Four Wheeler Loans under SyndVahan Scheme up to 31.03.2016.
- ☞ **"Mutual Fund Bonanza" campaign**
Bank launched "Mutual Fund Bonanza" campaign from 15.10.2015 to 15.12.2015 to increase the base of Systematic Investment Plans (SIP) and to generate revenue for the Bank from the lump sum investments with all nine mutual fund companies

NEW PRODUCTS:

☛ **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.

☛ **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.

☛ **SyndMortgage Scheme modified**

Bank has waived 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.

☛ **Synd Defence Plan**

Bank has extended a special package for Defence Personnel including offering higher interest rate on deposits and cheaper advances under select schemes.

☛ **Synd Swayam-Savings Bank Online Account Opening Service**

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

CORPORATE SOCIAL RESPONSIBILITY:

Bank recognizes CSR as a tool for improving society & building a sustainable environment. During the quarter, Bank has undertaken various CSR activities, including the activities mentioned below:

- Donation of mobility appliances / wheeler chairs to handicapped and differently abled persons.
- Donation of computers to educational institutions & school bags to poor students of Govt. schools.
- Donation of water purifiers, air conditioners and waste disposal units to hospitals.
- Donation towards construction of toilets as well as replacement of sanitary pipeline for toilets in Government schools.
- Donation of white canes for blind / visual impaired, as well as tables with chairs to the Deaf Aid Society.
- Donation to Charitable Trust for cancer check up camps and Sanskriti Parishad for carrying out free eye operation camp.
- Donation of relief materials to flood victims of Chennai.
- Donation to corporation for waste management under Swachh Bharat Abhiyan.

HUMAN RESOURCE PLANNING:

During the year 2015-16, up to 31st December 2015, Bank has recruited 3426 staff comprising of 1759 Officers and 1667 Clerks.

ACCOLADES & AWARDS:

- ☛ 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.
- ☛ 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.
- ☛ SyndicateBank 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)

GOING FORWARD:

Bank is in the process of undertaking *Business Process Re-engineering* in order to perk up its operations, enhance profitability, unfold potential of human resources and reduce overall transaction costs of various products & services. The project covers broadly the following areas:

- Digital Banking
- Sales & CRM
- Human Resource Development

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