

27<sup>th</sup> July, 2013

**Performance Highlights for the Quarter ended 30<sup>th</sup> June 2013**

Shri Ashwani Kumar, Chairman and Managing Director, Dena Bank, announced the financial results of the Bank for the Quarter ended 30th June 2013 after adoption by the Board of Directors.

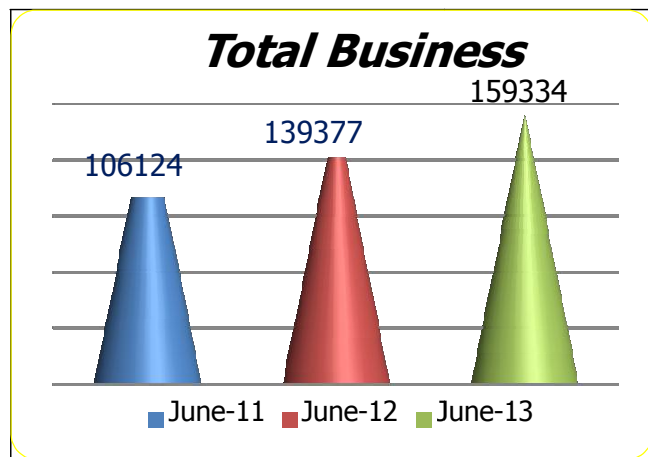
*Business Growth*

**1. Aggregate Business:**

Total Business of the Bank as on 30.06.13 stood at ₹ 1,59,334 cr as compared to ₹ 1,39,377 cr as on 30.06.2012.

Total business increased by ₹19,957 cr with a growth of 14.32% on y-o-y basis.

Business per Branch has improved from ₹ 110.09 cr as on 30.06.2012 to ₹ 113.49 cr as on 30.06.2013



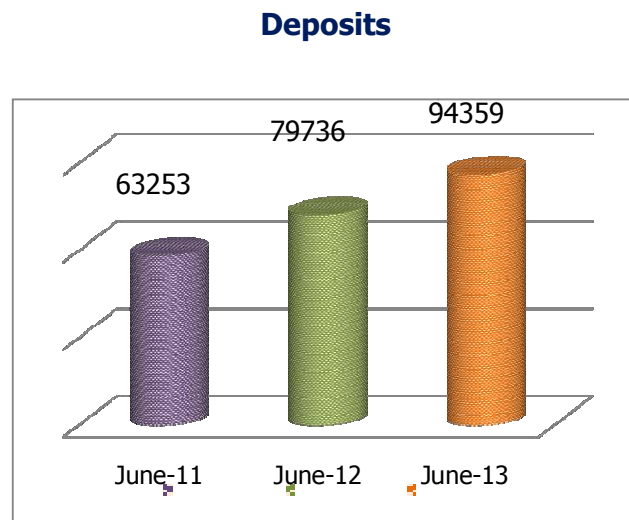
**2. Deposits:**

Deposits of the Bank increased to ₹ 94,359.25 cr as on 30.06.2013 from ₹ 79735.86 cr as on 30.06.2012 recording a growth of 18.34% on y-o-y basis.

**3. Advances:**

Advances of the Bank increased to ₹64,974.99 cr as on 30.06.2013 from ₹59,641.53 cr as on 30.06.2012 showing a growth of 8.94%.

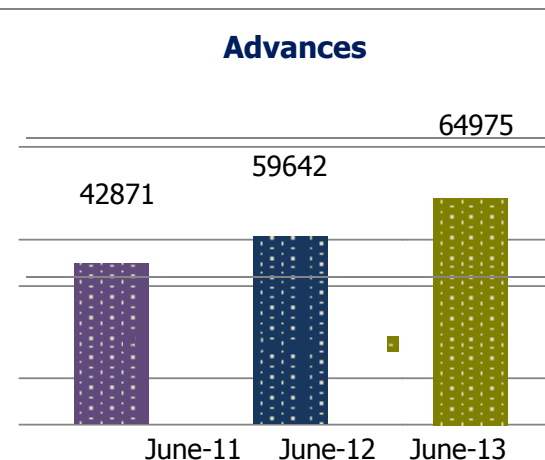
The Credit Deposit ratio stood at 68.86%.



a. **Direct Agricultural advances** of the Bank was at ₹ 5,733 cr as on 30.06.2013 as compared to ₹ 4,631 cr as on 30.06.2012 showing growth of 23.79%.

b. **MSME advances** of the Bank stood at ₹ 9,869 cr as at 30.06.2013 as against ₹ 8,313 cr as on 30.06.2012, showing growth of 18.72%.

c. **Retail advances** increased to ₹ 7,870 cr as on 30.06.2013 as against ₹ 7,441 cr as on 30.06.2012 showing growth of 5.76%.



### Highlights for the Quarter ended 30.06.2013

- 1. Net Profit:** Net Profit has increased by 50.55% sequentially over March-13 at ₹189.20 cr. However, Net Profit has declined from ₹ 238.63 cr to ₹ 189.20 cr on y-o-y basis mainly due to higher provisions and contingencies of ₹ 397.03 cr against ₹ 219.29 cr during the corresponding quarter of previous year. Higher provision is on NPA ₹ 109.15 cr against ₹ 94.80 cr, Standard Assets ₹ 139.63 cr against ₹ 41.99 cr due to restructuring/ restructuring in pipeline and Taxation provision of ₹ 168.89 cr against ₹ 115.88 cr.
- 2. Operating Profit:** Operating Profit has increased by 46.28% sequentially over March-13 and 28.02% y-o-y at ₹ 586.23 cr during the quarter.
- 3.** During current Quarter, the **Total income** stood at ₹ 2,765.68 cr in comparison with ₹ 2,278.85 cr for the Quarter ended 30.06.2012 showing an increase of ₹ 486.83cr [21.36%].
- 4. Interest income** increased by ₹262.97 cr from ₹ 2,137.20 cr for the quarter ended 30<sup>th</sup> June 2012 to ₹ 2,400.17 cr [12.30%] for the Quarter ended 30<sup>th</sup> June 2013.
- 5. Non-interest income** has increased substantially from ₹ 141.65 cr to ₹ 365.51 cr during the quarter ended 30<sup>th</sup> June 2013 showing a growth of 158.04% mainly due to multifold increase in profit on sale of investments from ₹ 32.04 cr to ₹ 248.35 cr during the quarter.
- 6. Net interest Income [NII]** of the Bank has sequentially increased by 7.61% from ₹ 561.96 cr to ₹ 604.73 cr during the quarter. However there is marginal decline of 1.23% on y-o-y basis.
- 7. Return on Assets [ROA]** has been improved sequentially from 0.49% to 0.72%

8. **Cost to Income Ratio** has substantially improved from 49.74% to 39.58% on sequential basis. However it has marginally increased from 39.26% to 39.58% on y-o-y basis.
9. **Earnings per share** is at ₹ 5.40 for the quarter ended 30<sup>th</sup> June 2013 as against ₹ 3.59 for the quarter ended 31<sup>st</sup> March 2013.
10. **Book Value per Share** rose to ₹ 161.22 as on 30.06.2013 as compared to ₹156.68 as on 31.03.2013.
11. **Net Interest Margin:** Sequentially NIM has improved by 9 bps from 2.46% to 2.55% during the quarter. Cost of Deposit has improved by 11 bps from 7.70% to 7.59% and Yield on Advances has also marginally improved from 11.33% to 11.34%
12. The **Net Profit per employee** at ₹ 6.23 lakh and the **Net Profit per Branch** was at ₹ 53.90 lakh during quarter ended 30.06.2013.
13. During the quarter, the Bank opened 28 Branches across the country.

## *Asset Quality & Recovery*

- 1. NPA:** Sequentially Gross NPA Ratio of the Bank has increased from 2.19% to 2.70% during the quarter. In absolute terms, it increased from ₹ 1452.45 cr to ₹ 1757.45 cr. Major slippages were observed in IT, Steel, textile, infrastructure sectors etc. Similarly sequentially Net NPA ratio has increased from 1.39% to 1.74%. In absolute terms, Net NPA has increased from ₹ 917.18 cr to ₹ 1,114.06 cr.
- 2. Cash Recovery:** Bank effected cash recovery and upgradation of ₹ 102.70 cr, during the Quarter ended 30<sup>th</sup> June 2013 compared to ₹ 70.77 cr in the previous financial year Quarter ended 30<sup>th</sup> June 2012.
- 3. Provision Coverage:** Provision Coverage Ratio for the quarter is 66.14%.

## *Capital & Net worth*

- 1. Capital Adequacy Ratio:** CRAR under Basel II norms stood at 11.12% as of June, 2013 with Tier I at 7.28%, as compared to 11.03% with Tier I at 7.26% as of March, 2013. CRAR under Basel III stood at 10.55% with Tier-I at 6.98%. Bank has requested GOI for capital infusion of ₹ 2,180 cr.
- 2. Net worth:** Net worth of the Bank stood at ₹ 4,797.26 cr as on 30.06.2013 as compared to ₹ 4453.81 cr as on 30.06.2012.

## *Going Forward*

- Bank is targeting credit and deposit growth of 16%.
- Bank expects to maintain NIM in the range of 2.75% to 3.00%.
- Having opened 28 branches during the first quarter, Bank plans to open 150 branches during the FY 2013-14.
- As a part of Platinum Jubilee Celebrations, Bank has undertaken various CSR activities like Medi claim to farmer borrowers, donation of wheel chairs to the physically challenged persons, water tanks in the drought hit areas of Maharashtra, Health Checkup Camps, and Scholarships to girl child etc.

- Bank has launched various new IT Products viz. Gift & Travel Cards, Issuance of On-Line Fixed Deposits, SMS based Customers Grievance Redressal Service, App on Smart Phones and Tablets etc.
- Bank has initiated monitoring of borrowal accounts online to prevent slippages. At present, Bank is monitoring all accounts above ₹ 10 cr on daily basis.
- Bank has completed the promotion process wherein 573 officers have been promoted in all cadres.

#### **FINANCIAL INCLUSION PLAN**

- The Bank has successfully implemented Financial Inclusion Plan (FIP) envisaging road map for provision of banking services through banking outlets in 1347 villages.
- Similarly, Bank has embarked upon urban financial inclusion plan for providing banking services to urban poor, slum dwellers and other inhabitants including migrant workers & Street Vendors/hawkers in select urban areas in the state of Gujarat. Bank has set up 199 Kiosks against target of setting up 100 Kiosks in urban areas upto June 2013.
- Bank has also launched Direct Cash Transfer Scheme as per Govt. Of India Guidelines through Aadhaar Payment Bridge System (ABPS) and Aadhaar Enabled Payment System (AEPS).