

10th November, 2014

Performance Highlights for the Quarter / Half Year ended 30th Sept 2014

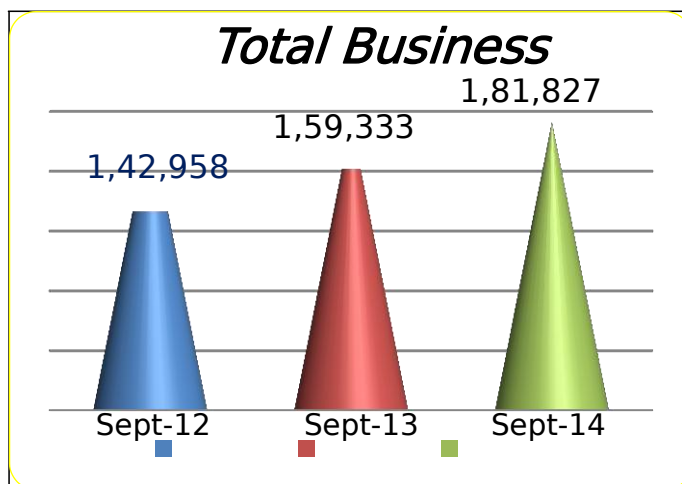
Shri Ashwani Kumar, Chairman and Managing Director, Dena Bank, announced the financial results of the Bank for the Quarter/ Half Year ended 30th Sept 2014 after adoption by the Board of Directors.

Business Growth

1. Aggregate Business:

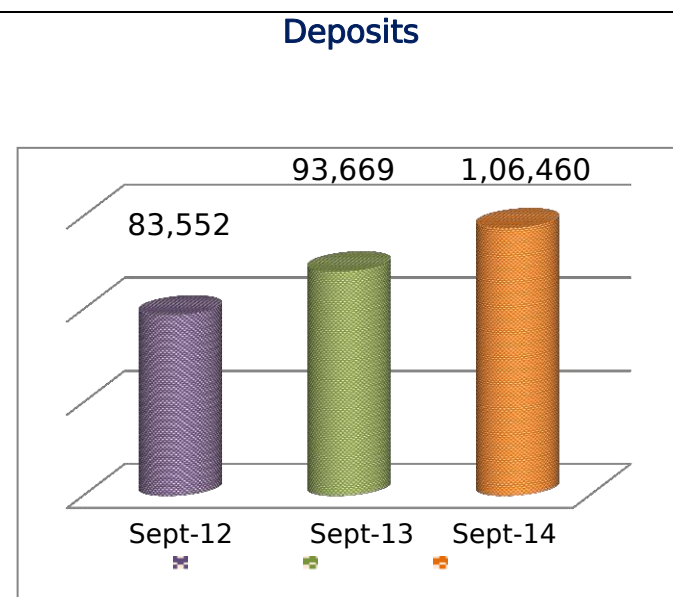
Total Business of the Bank as on 30.09.14 stood at Rs. 1,81,827 cr as compared to ₹ 1,59,333 cr as on 30.09.2013.

Total business increased by ₹ 22,495 cr with a growth of 14.12% on y-o-y basis.



2. Deposits:

Deposits of the Bank increased to ₹ 1,06,460 cr as on 30.09.2014 from ₹ 93,669 cr as on 30.09.2013 recording a growth of 13.66% on y-o-y basis.



3. Advances:

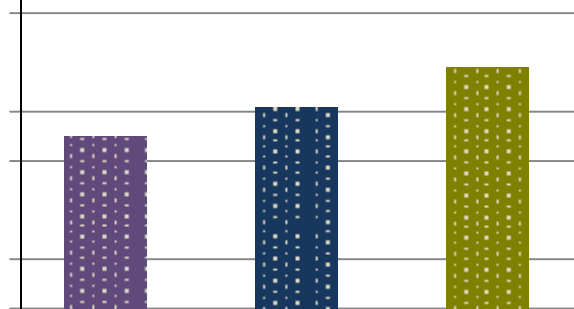
Advances of the Bank increased to ₹ 75,367 cr as on 30.09.2014 from ₹ 65,664 cr as on 30.09.2013 showing a growth of 14.78%

Credit Deposit ratio stood at 70.79%

a. **Direct Agricultural advances** of the Bank stood at ₹ 7,736 cr as on 30.09.2014 as compared to ₹ 6,145 cr as on 30.09.2013 showing growth of 25.89%.

b. **MSME advances** of the Bank stood at ₹ 12,964 cr as at 30.09.2014 as against ₹ 10,364 cr as on 30.09.2013, showing growth of 25.08%

c. **Retail advances** increased to ₹ 9,633 cr as on 30.09.2014 as against ₹ 8,325 cr as on 30.09.2013 showing growth of 15.71%.



Highlights for the Half Year ended 30.09.2014

- Business Mix has increased by 14.12% on Y-o-Y at ₹ 1,81,827 cr as against growth of 12.14% witnessed by the Scheduled Commercial Banks during the same period.
- Deposits have increased by 13.66% on Y-o-Y at ₹ 1,06,460 cr as against growth of 10.95% witnessed by the Scheduled Commercial Banks during the same period.
- CASA deposits have increased by 10.51% on Y-o-Y at ₹ 30,027.21 cr
- CASA % to Total Deposits has increased by 99 basis points at 28.20% as compared to 27.21% as on 30.06.2014.

- Gross Advances have increased by 14.78% on Y-o-Y at ₹ 75,367 cr as against growth of 13.05% witnessed by the Scheduled Commercial Banks during the same period.
- Priority Sector Advances have increased by 36.84% on Y-o-Y at ₹ 25,945 cr.
- Direct Agriculture has increased by 25.89% on Y-o-Y at ₹ 7,736 cr.
- MSME has increased by 25.08% on Y-o-Y at ₹ 12,964 cr.
- Retail has increased by 15.71% on Y-o-Y at ₹ 9,633 cr.
- NIM for Sept 2014 Q has improved by 9 basis points at 2.32% as compared to 2.23 % for June 2014 Q.
- Total Interest Income for Q2 of FY 2014-15 has increased by 10.44% to ₹ 2,705.86 cr from ₹ 2,450.09 cr for Q2 of FY 2013-14.
- CD Ratio has improved by 69 basis points on Y-o-Y basis at 70.79% as on 30.09.2014
- Operating Profit for Q2 of FY 2014-15 stood at ₹ 318.82 cr which is increased from ₹313.75 cr for Q1 of current Financial Year.
- The Bank has been allotted total 5,900 villages comprising of 2105 SSAs (Sub-Service Area) under Financial Inclusion and Bank has covered all the 5900 villages/SSAs Through Brick and Mortar Branches and 1424 Business Correspondents .
- Bank opened 12.93 lac accounts as against target of 7.50 lac accounts under PMJDY as on 07.11.2014, having balance of ₹.51.14 cr and RuPay cards have been issued to 8,64,829 accounts holders

Asset Quality & Recovery

- **1. NPA:** Gross NPA Ratio of the Bank as on September 2014 is at 5.12% including the fraud at Malabar Hill Branch which is an exceptional event. Without this fraud. Gross NPA Ratio would be 4.83% as against 4.21% as on June-14. Similarly, Net NPA ratio is 3.59% (3.41% without fraud at Malabar Hill). as against 2.94% as on June-14
- 2. Cash Recovery:** Bank effected cash recovery and up gradation of ₹ 427.21 cr, during the Quarter ended 30th Sept 2014 compared to ₹ 115.09 cr in the corresponding quarter of previous year.
- 3. Provision Coverage:** Provision Coverage Ratio for the quarter is 51.90%.

Capital & Net worth

1. **Capital Adequacy Ratio:** CRAR under Basel III norms stood at 10.99 % as of Sept, 2014 with Tier I at 7.28% as compared to 10.21% with Tier I at 6.78% as of Sept. 2013.
2. **Net worth:** Net worth of the Bank stood at ₹ 5,771.06 as on 30.09.2014 as compared to ₹ 4,910.43 cr as on 30.09.2013.

Going Forward

- Business Growth
 - Bank is targeting a growth of 18% in business during FY 2014-15.
 - Bank targets to:
 - Open 150 new branches during FY 2014-15.
 - Establish Specialized NRI Branch.
 - Strengthening of Retail Processing Hubs.
 - Strengthening of SME Processing Centers.
- IT Initiatives
 - Bank has provided 1309 on-site ATMs and 123 off-site ATMs.
 - Issue of RuPay Platinum Debit Card.
 - Mobile Banking on USSD platform has been made operational
 - E-KYC has been made operational
- Credit Monitoring - Bank has initiated close monitoring of borrowal accounts to prevent slippages. At present, Bank is monitoring all accounts above Rs 10 cr on daily basis.
- NPA Reduction - In compliance to DFS directives for Resolution of NPAs, Bank will strive to offload NPAs to ARCs.
- 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 initiated close monitoring of borrowal accounts to prevent slippages. At present, Bank is monitoring all accounts above ₹ 10 cr on daily basis.
- Bank has launched various new IT Products viz. Issue of Gift & Travel Cards, Issuance of On-Line Fixed Deposits, SMS based Help for Customers Grievance Redressal and Service, App on Smart Phones and Tablets, Self Service Lobbies etc
- To cater to needs of new branches being opened and provide personalized customer service, Bank has offered appointment to total 446 officers, 114 specialist officers and 503 clerks up to 30.09.2014.

Financial Indicators

[₹ in cr]

Particulars	[HY] Sep13	[HY] Sep14	Increase		[Q] Sep13	[Q] Sep14	Increase	
			Absolute	[%]			Absolute	[%]
Net Profit	296.58	133.10	[163.48]	[55.12]	107.38	51.58	[55.80]	[51.96]
Operating Profit	955.60	632.57	(323.03)	(33.80)	369.37	318.82	[50.55]	[13.69]
Total Income	5365.62	5709.80	344.18	6.41	2599.94	2885.22	285.28	10.97
Interest Income	4850.26	5386.03	535.76	11.05	2450.09	2705.86	255.77	10.44
Net Interest Income	1229.90	1236.80	6.90	0.56	625.17	624.84	[0.33]	[0.05]
Non Interest Income	515.36	323.78	(191.58)	(37.17)	149.85	179.36	29.51	19.69

[₹ in cr]

Particulars	Sep13	Sep14	Growth	
			Amount	[%]
Total Business	1,59,333.06	1,81,827.63	22,494.57	14.12
Deposits	93,668.81	1,06,460.65	12,791.84	13.66
Net Advances	64,785.18	73854.99	9069.81	14.00
Net Investments	33,561.99	34,853.79	1,291.80	3.85
CRAR Basel – II	10.73	11.73		
Tier – I	7.06	7.47		
Tier - II	3.67	4.26		
CRAR Basel – III	10.21	10.99		
Tier – I	6.78	7.28		
Tier - II	3.43	3.71		
Net Worth	4,910.43	5,771.06	860.63	17.53
Gross NPA [₹ cr]	1,968.26	3,861.26	1,893.00	96.18
Gross NPA Ratio [%]	3.00	5.12		
Net NPA [₹ cr]	1,308.59	2648.28	1,339.69	102.38
Net NPA Ratio [%]	2.02	3.59		