

Annual Report 2012 - 2013



STATE BANK OF TRAVANCORE

JOURNEY THROUGH THE DECADES

(₹ in crore)

	December 1963	December 1973	December 1983	March 1993	March 2003	March 2013
1. Paid up Capital & Reserves	1.38	1.60	3.58	73.86	722.8	4365
2. Deposits	21.25	95.27	719.80	3208.41	15926.28	84624
3. Advances	7.81	62.02	425.42	1896.27	9170.66	67484
4. Gross Investment	8.09	27.70	185.50	1122.74	8063.63	27273
5. Priority Sector Lendings	----	19.41	165.53	625.54	3387.77	24378
6. Export Finance	----	4.02	11.47	159.90	575.96	2064
7. Net Profit	0.10	0.09	0.29	8.10	171.04	615
8. No. of Branches	104	265	562	615	671	1013
9. Number of Employees	1673	3866	9478	12363	12005	12150

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STATE BANK OF TRAVANCORE

(Associate of the State Bank of India)

HEAD OFFICE : THIRUVANANTHAPURAM

NOTICE

The Fifty- third Annual General Meeting of the Shareholders of the State Bank of Travancore will be held in the A.K.G.Memorial Hall, Gas House Junction, Palayam, Thiruvananthapuram-695 034, on Tuesday , the 28th May, 2013 at 2.30 P.M. (Indian Standard Time) to transact the following business:

“To discuss and adopt the Balance Sheet and Profit and Loss Account of the Bank made upto the 31st March, 2013, the report of the Board of Directors and the Auditors Report on the Balance Sheet and Accounts.”

Thiruvananthapuram
29th, April 2013.

P. Nanda Kumaran
Managing Director

BOARD OF DIRECTORS AS ON 31.03.2013

Shri Pratip Chaudhuri	Chairman under Clause (a) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri P Nanda Kumaran	Director under Clause (aa) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959.
Dr J Sadakkadulla	Director under Clause (b) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri Rajeev Nandan Mehra	Director under Clause (c) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri Pradip Kumar Sanyal	Director under Clause (c) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri C N Venugopalan	Director under Clause (c) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri K Muraleedharan Pillai	Director under Clause (ca) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri C Rajkumar	Director under Clause (cb) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri T Balakrishnan	Director under Clause (d) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri K T Rajagopalan	Director under Clause (d) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959
Shri Jitendar Kumar Mehan	Director under Clause (e) of sub-section (1) of Section 25 of the State Bank of India (Subsidiary Banks) Act, 1959

MANAGEMENT COMMITTEE

Shri P Nanda Kumaran	Managing Director
Shri Sajeev Krishnan	Chief General Manager (Retail Banking)
Shri E K Harikumar	Chief General Manager (Commercial Banking)
Smt Bhanu Raman	General Manager (Information Technology)
Shri V Kannan Kutty	General Manager (Risk Management)
Shri Krishnan A N	General Manager (Human Resources)
Shri S Vasudevan	General Manager (Priority Sector & Rural Banking)
Shri G Madana Mohan Rao	General Manager (Inspection & Audit)
Shri K N Murali	General Manager (Retail Network I)
Shri A Chandrasekhara Sarma	General Manager (Retail Network II)
Shri S Chandrasekharan	General Manager (Treasury) & Chief Financial Officer
Shri T Keshav Kumar	General Manager (CNW)
Shri Venugopan G	General Manager (CBG Network)
Shri D Babujayaraj	General Manager (SAMG)
Shri S Harikrishnan	General Manager & Chief Vigilance Officer

Report of the Board of Directors to the State Bank of India, the Reserve Bank of India and the Central Government in terms of Section 43(1) of State Bank of India (Subsidiary Banks) Act, 1959

Period covered by the Report: 1st April 2012 to 31st March 2013

I. MANAGEMENT DISCUSSIONS & ANALYSIS

I.1 Global Economy

Global economy, which turned weak in 2012, is expected to remain sluggish in 2013. The fiscal adjustments undertaken by the advanced economies (AE) have resulted in a deceleration of growth and, in turn, delayed the recovery process in Emerging Markets and Developing Economies (EMDEs). The International Monetary Fund, in its World Economic Outlook, has forecast that global growth will remain sluggish at 3.3% in 2013. The downside risks have abated in early 2013. Signs of stabilization in global economy have been in evidence in the recent past, with stronger than expected growth in the US, the measures taken by the US to tackle the "Fiscal Cliff", supportive policy action taken by the Euro Zone and pick-up in industrial production in EDEs. Among the BRICS (Brazil, Russia, India, China and South Africa) countries, growth accelerated in Brazil and South Africa. However, the slowing down of the Chinese economy has increased the prospects of delay in global recovery.

I.2 National Economy

GDP growth slowed down from 6.6 per cent in 2011-12 to 5.0 per cent in 2012-13. This was attributable to the continued weakness in industrial activity accompanied by bottlenecks on the supply side and slowdown in the services sector resulting from weak external demand. With consumption demand slowing down and both investment and exports declining, the decline in the GDP growth rate became broad-based. The moderation in corporate sales and weakening consumer confidence suggest that the slowdown could be spreading to consumption spending as well. Wholesale price index (WPI) declined to an average of 7.3 per cent last year from 8.9 per cent in the year before. The decline was particularly significant in the fourth quarter of last year with WPI inflation touching 6.0 per cent in March 2013, the lowest in the last three years.

The unusual upsurge in vegetable prices, early in the year, coupled with a rise in cereal prices contributed to an upward pressure on food inflation through the year. Similarly, the upward revisions in administered prices and the pass through of high international crude prices caused fuel inflation to average in double digits during 2012-13. On the supply side, there are indications that the sluggish global growth is beginning to affect the services sector also. According to the projections of the IMF, India's economy is expected to grow at a faster pace (6.4%) in 2014 aided by the

modest strengthening of global economic outlook.

Money supply (M3) growth was around 14.3 per cent by end-March. The total flow of resources to the financial sector to the commercial sector increased by more than 10% to Rs. 12.8 trillion in 2012-13 from ₹11.6 trillion in the previous year. This increase was accounted for, among other things, by higher non-SLR investment by scheduled commercial banks (SCBs).

I.3 Kerala Economy

Kerala's economy has become one of the fastest growing state economies in the country, with the GSDP clocking growth of 9.5% in 2011-12, highest among the all southern states. Kerala has won international recognition for its outstanding achievements in the health sector and in education sector. Kerala is much ahead of most other states in India in terms of Human Development Index and life standard of the people, and, on par with some of the developed countries in certain parameters. The prime driver of economy still is the remittances from abroad by lakhs of Non Resident Keralites. In Agriculture, food crops such as paddy and coconut have faced setbacks due to dwindling area of cultivation and high cost of inputs. Tourism continues to flourish and IT sector is on the growth path, with the flagship Techno Park at Thiruvananthapuram and Techno city at Ernakulam gaining further traction. The new initiatives and mega projects, like Vallarpadam International Container Transshipment Terminal will give a fillip to the economy. The proposed Info Park and Smart City near Kochi, is expected to propel Kerala to become one of the leading IT destinations in the country. The State's prestigious Greenfield airport project 'Kannur International Airport' is expected to transform the North Malabar region into a highly developed growth centre for travel, tourism and industries. These projects are expected to give further thrust to the growth of construction field, expansion of white goods market, further promotion of tourism and small and medium industries in the state.

I.4 Banking Environment

Indian banking sector demonstrated strong resilience during the global financial crisis and was able to maintain profitability, with asset quality remaining relatively unaffected. In India, reforms have continued with a view to building a robust and resilient financial system. More stringent capital and liquidity measures for commercial banks have been implemented and steps have been taken to build provision buffers. RBI has initiated preliminary steps for implementation of the Basel III norms embedded with provisions and guidelines for higher capital adequacy norms for adoption and implementation by Banks in India. RBI's decision to cut cash reserve ratio thrice in the recent past to ease tightness in liquidity demonstrates the timely surveillance exercised by the Regulator in this regard. The key focus areas for Indian Banks include liquidity management; gainful deployment of funds; availability of cheaper technology to serve thinly populated

unbanked areas; grooming suitable replacement for large number of the experienced manpower bidding adieu to the banking industry; IT security; advanced Risk management approaches; and introduction of innovative products. The Indian Banking sector is continuing to grow with rapid transformation, with almost all the Banks having migrated to Centralised Core Banking Environment, supported by technology enabled products. The revolution in information technology is forcing banks to redefine the existing business practices. The need of the hour is to think to develop technologies beyond core banking.

India has the highest growth in young population who want a great banking service, tailored to meet their needs and in a time frame that works. The next generation wants to get banking facility "here, now and at an arm's length" in a manner that is simpler, convenient and easy to access. The next generation banking has to provide customer-centric features, giving users an extremely personalized experience while at the same time providing increased intelligence and automation to help banks sell appropriate products and services to their customers. Banks are gradually moving towards a right mix of assisted and self-served channels to provide a rich unified and consistent banking experience. Bright and clean branches, customer friendly business hours and short queues have become the key differentiators. Green Channel Counters are the latest innovations in the series for Banks to serve its customers in an eco friendly atmosphere. Regulatory changes have opened up newer opportunities for Banks in areas such as financial inclusion, mobile banking and rural banking. The penetration of banks in rural areas has increased manifold due to the progress made under Financial Inclusion Plans of banks.

1.5 ASCB Performance

All Scheduled Commercial Banks grew by ₹ 8,42,340 crore (14.30%) between 30th March 2012 and 22nd March 2013 to reach ₹ 67,51,420 crore, as on 22nd March 2013. The Gross Advances grew by ₹ 6,50,980 crore (14.10%) in the same period to touch ₹ 52,62,830 crore. Food credit increased by 20.84% to ₹ 96,420 crore. Non-Food credit grew by 11.70% and reached the level of ₹ 51,66,410 crore.

1.6 Regulatory Measures and Monetary Policy

The year 2012-13 witnessed a series of monetary measures initiated by Reserve Bank of India to contain rising inflation, more liberalization in the Branch Authorisation Policy and more security measures for electronic payment system in scheduled commercial banks.

RBI has announced further liberalization of the Branch Authorisation Policy. To provide enhanced banking services in Tier 2 centres, domestic scheduled commercial banks (other than RRBs) will be allowed to open branches in Tier 2 centres (with population 50,000 to 99,999 as per Census 2001) without the

need to take prior permission from the Reserve Bank in each case, subject to reporting.

The following are the other important regulatory initiatives and developments initiated by Reserve Bank of India during the financial year.

- All banks providing cheque facility to their customers are to issue only 'CTS-2010' standard cheques. These cheques would ensure uniformity in all cheque forms issued by banks in the country, expected to act as a deterrent against cheque frauds, while the standardisation of field placements on cheque forms would enable the straight-through-processing both under CTS and MICR clearing
- RBI has reduced the Cash Reserve Ratio (CRR) of scheduled banks by 25 basis points from 4.75 per cent to 4.5 per cent of their Net Demand and Time Liabilities (NDTL) effective from September, 22, 2012. Further reduction of the CRR by 25 basis points from 4.50 per cent to 4.25 per cent was effected from 3rd November 2012 and from 4.25 per cent to 4.00 per cent was effected from February 9, 2013.
- Statutory Liquidity Ratio has also undergone a change.
- Bank Rate has been reduced by 50 bps from 9.50% to 9% w.e.f. 17/04/2012. It was again reduced twice by 25 bps each from 9.00 to 8.75% and from 8.75% to 8.50% w.e.f. 29/01/2013 and 19/03/2013 respectively.
- The Reserve Bank of India had issued guidelines on implementation of Basel III capital regulation in India on May 2, 2012.
- RBI has decided to permit resident individuals to include non-resident close relative(s) (relatives as defined in Section 6 of the Companies Act, 1956) as a joint holder(s) in their resident bank accounts on 'former or survivor' basis. However, such non-resident Indian close relatives shall not be eligible to operate the account during the life time of the resident account holder.
- RBI, vide DBOD No.BRBC.21/21.04.048/2010-11 dated 1st July 2010, issued instructions on the enhanced provisioning requirements on certain categories of non-performing advances and restructured advances.
- The Reserve Bank of India has recently announced a new set of guidelines with regard to security and risk measures that banks need to take for electronic payment transactions.
- International use of debit and credit cards: A key change being made is that, by default, credit and debit cards should be issued only for domestic use. Debit cards enabled for international transactions may be issued to customers only against their specific requisition.

The deadline for this was June 30th 2013.

- Second Factor Authentication for International transactions: Banks should move towards a system that facilitates implementation of additional factor of authentication for cards issued in India and used internationally (transactions acquired by banks located abroad).

- Enhanced Rates of Provisioning for Non-Performing Assets for 2012-13

(a) Sub-standard assets will attract a provision of 15 per cent as against the existing 10 per cent.

(b) Unsecured exposures in sub-standard assets will attract an additional provision of 10 per cent [i.e. 25%].

© DA1, DA2, DA3 to have 5%/10% higher provision at 25%/40%/100% (Secured)

(d) DA (all categories) & LA (unsecured) provision 100%.

(e) Higher Standard Asset Provision for restructured accounts.

2. The Bank's Operations and Performance

2.1 Total Business

The Bank's gross business crossed the major milestone of Rupees One lakh fifty thousand crore during the last quarter of this fiscal. The total business of the Bank reached the level of ₹152,108 crore as on 31st March, 2013, reflecting a growth of 19.94% from ₹1,26,816 crore as on 31st March, 2012.

2.2 Working Results and Operating Profit

Operating profit (after Staff Provisions) for the year 2012-13 increased by 8.17% to ₹1,351 crore from ₹1,248.80 crore registered a year ago. Net Profit for the year stood at ₹615.04 crore as compared to ₹510.46 crore for the previous year 2011-12, indicating a growth of ₹20.49% over last year.

The earnings per share (face value of ₹10) are at ₹123.01 as against ₹102.09 as at the end of previous year.

The Net Interest Income increased by 12.12% from ₹1,830.37 crore in FY 2011-12 to ₹2,128.20 crore during this fiscal. Net interest Margin (NIM) stood at 2.56%.

2.3 Dividend

The Bank declared a dividend of ₹20 per share (200%) for the year to the shareholders, entailing a total pay out of ₹100 crore. Of this, an interim dividend of ₹17 per share (170%) was paid out on 16th April, 2013. The dividend Pay-out Ratio works out to 16.65% of the Net Profit.

2.4 Capital Adequacy

The Bank's capital funds improved from ₹5,867.09 crore as at the end of March 2012 to ₹6,175.70 crore as at the end of

March 2013. The capital adequacy ratio under Basel II stood at 11.70% as on March 31, 2013 as compared to 13.55% as on March 31, 2012 against a minimum of 9% stipulated by RBI. The Tier-I CRAR on this date is 8.46% as against 9.35% as at the end of the previous year.

2.5 Deposits

Bank's aggregate deposits showed a growth of 18.43% and stood at ₹84,047 crore as on 31st March, 2013 compared to ₹70,965 crore in the previous year. Major contribution came from Personal Segment Deposits, which grew by ₹7,213 crore to touch the level of ₹52,591 crore. NRI Deposits registered an impressive 26% growth amounting to ₹4,003 crore and the level is at ₹19,312 crore. This represents 22.98% of the Aggregate Deposits of the Bank as on 31st March, 2013. Total Deposits of the Bank (including Inter Bank Deposits) went up to ₹84,624 crore as on 31st March, 2013 from the level of ₹71,470 crore as on 31st March,

2.6 Advances

The total advances of the Bank reached ₹67,484 crore as at the end of 31st March 2013 from the level of ₹55,346 crore a year ago registering a growth of 21.93%. Personal segment advance contributed a growth of ₹4,600 crore (34.53%), whereas the share of C&I segment is to the tune of ₹5,530 crore. The Retail lending stood at ₹33,178 crore and constituted 49.16% of the total advances as at the end of 31st March, 2013. The Credit Deposit Ratio of the Bank is 79.75% as on 31st March, 2013 as against 77.44% as on 31st March, 2012.

2.7 Market Share

The excellent performance of the Bank during the year has enabled the Bank to improve its All India market share. The Bank's market share in Deposits moved up to 1.22% as on March, 2013 from 1.16% during March, 2012. The market share in Advances has improved from 1.18% in March 2012 to 1.25% as on March, 2013. The Bank's All India Market share in total business as at the end of March 2013 is at 1.23%.

The Bank continues to maintain its position as Premier Bank in Kerala with a market share of 21.88% in business with 14.28% of the total branch network. In respect of NRI deposits, our market share in the state is 27.52%.

2.8 Priority Sector Lending

The Bank continued to give special emphasis on lending to the priority sector in conformity with national policies, expectations and fulfillment of social objectives. Bank's gross Advances to the Priority sector increased from ₹20,287 crore as at the end of March 2012 to ₹24,378 crore as at the end of March 2013 and constituted 43.50% of the Adjusted Net Bank Credit against the

benchmark of 40%.

2.9 Agricultural Finance

The Bank has achieved the business level of ₹10,329.57 crore as on 31st March, 2013, that is 18.43% of ANBC, against a benchmark of 18% stipulated by Government of India.

Bank has disbursed an amount of ₹ 9,436.18 crore under agriculture segment as at the end of March 2013 against the Special Agricultural Credit Plan target of ₹ 6,000 crore. The level of lending to agriculture sector stood at ₹ 10,329.57 crore as on 31st March 2013. Agri segment showed a growth of ₹ 1,427.83 crore during the financial year 2012-13 compared to a growth of ₹ 3,322 crore, during the same period last year.

During the current fiscal 13,949 Kisan Credit Cards (working capital facility to farmers) for ₹160.58 crore and 2,453 Kisan Gold Cards (Investment credit to farmers) for ₹ 115.95 crore were issued. Revised scheme for Kisan Credit Card with a period of 5 years was introduced. Bank is undertaking a special drive to cover all farmers having Kisan Credit Card with ATM-cum-Debit cards to make transactions in the account more convenient.

The Bank has conducted an intensive agriculture lending campaign called "SBT- Haritotsavam-2012" during the period 1st June, 2012 to 30th September 2012. As against a lending target of Rs.1,500 crore to 58,000 new accounts, an amount of Rs.2,525 crore was disbursed during the period. Advertisements were given in leading newspapers and farm magazines highlighting our various Agricultural products/ schemes. A special brochure on agricultural schemes in local language was made available to the branches for the benefit of farmers.

Farmers Clubs

Farmer's club meetings were conducted at various centres to give wide publicity to the schemes available to farmers. Through these meetings, issues faced by farmers were brought to the notice of the Bank and other Agencies working in the field and necessary solutions were suggested. During the year one new Farmers Club was formed. There are 223 Farmers clubs sponsored by the Bank so far.

Farmers Meets and Celebration of 'Chingam I' (Farmer's day)

Many of our Branches have organized Farmers Meets at various centers, in which the presence of farmers was excellent. The Bank representatives have explained various loan schemes and cleared the doubts raised by them.

Bank celebrated Farmer's Day on Chingam I (17.8.2012), associated with Krishi Bhavans, Animal Husbandry Dept etc. Best

farmers were felicitated in the function. Loans for various agricultural activities were disbursed to farmers on the occasion.

Drought Relief

Govt. of Kerala and Govt. of Tamil Nadu declared the states as drought hit. Various relief measures like moratorium for loans, Conversion of crop loans to term loans, Repayment of loans were implemented to assist farmers to tide over the difficult situation

Hi-Tech Farming

Introduced the scheme for financing Hi-Tech Farming (Establishment of Polyhouse) with Govt. subsidy to support progressive farmers coming forward to implement modern technology in agriculture.

Loans against Warehouse Receipts of NCMSL

Bank has launched a scheme for loans against security of Warehouse Receipts issued by National Collateral Management Services Ltd., to help farmers avoid undertaking distress sale of their products.

2.10 Lending to Micro, Small and Medium Enterprises (MSMEs)

MSMEs play a major role in the country's economic development. The bank gives due importance for the growth of this vital segment of the economy. Total lending to MSME sector as on March 2013 stood at ₹ 9,230.23 crore, registering a growth of ₹ 971.85 crore over the previous year. The lending to Micro & Small Enterprises (MSEs) stood at ₹ 5,658.88 crore which is 20.73% higher over the previous year level.

The growth in this sector was fuelled by an intensive MSME lending campaign conducted from 1st October 2012 to 28th February 2013. The total loan disbursement during the campaign period was ₹685 crore covering 5,249 accounts.

Road Transport Operators (RTO) is an important sub-segment under service enterprise. The relaxation in security norms and reduction in interest rate and entering into tie-up with automobile companies have contributed to steady growth under this vital segment. Outstanding under RTO segment, as on March 2013, is ₹ 409.33 crore comprising 9,362 accounts.

Prime Minister's Employment Generation Programme (PMEGP)

The Bank has been actively supporting the programme to generate employment for youth and has stood first in the state of Kerala having achieved 226% of the targets during the year as against 154% and 162% during 2010-11 and 2011-12 respectively. The

Bank has financed 423 projects creating around 2,100 jobs as against the target of 187 projects.

Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

The Bank is a Member Lending Institution of CGTMSE which provides guarantee cover to collateral free loans. Awareness programmes/workshops /seminars were conducted in all Regional Offices of the Bank and other important centres for operating staff about the scheme. Meetings of entrepreneurs were also conducted to educate them about the scheme. 16,697 loan accounts amounting to ₹ 601.73 crore have been extended under the scheme so far. The Bank is at 17th place among 118 Member Lending Institutions of CGTMSE in terms of number of accounts and also amount covered.

New Schemes introduced

During 2012-13 the following new schemes were introduced

SBT Contractor plus

A scheme to provide financial assistance to contractors for working capital needs and long term investment needs to purchase construction equipments like Cranes, Tippers, Excavators, Proclaimers, JCBs, and Concrete Mixing Box etc.

SBT Vyapar Mithra

Trading is an important activity in the State of Kerala and to take care of the needs of Trading Community, separate schemes have been launched. Under the scheme all retail traders can avail loans for their working capital requirement and also for purchase of fixed assets, furnishing of shops etc.

SBT MSME Gold loan

Scheme for financing against security of gold ornaments to MSME customers for their Manufacturing/Business needs.

2.11 Commercial & Institutional Finance

The Bank performed well under the segment by tapping the potential in the market and C&I advance of the Bank reached ₹ 35,212 crore as on 31st March 2013, registering a growth of 18.63% over March, 2012. This segment contributes more than 51.26% of Bank's total advances, which comprises financing Trade and Services, Industry, Infrastructure, financing corporate customers and other institutions.

Commercial Net-work (CNW) Branch System was introduced in the Bank for giving focused attention to select branches to achieve substantial growth in large value advances. Commercial branches

at Bangalore, Chennai, Ernakulam and New Delhi, Corporate Finance Branch Mumbai, Mumbai Main and Karol Bagh Branch (New Delhi) were brought under the system. The 7 CNW branches put together have a business level of ₹ 32,705 crore. The credit portfolio of CNW branches is ₹ 21,257 crore, which is about 30.92% of the Bank's total advances. They also handle Non-Fund Based advances of ₹ 3,447.57 crore.

With the objective of improving the market share in corporate segment and enhancing the business mix to global standards, Bank has established a separate network called "Commercial Business Group" (CBG).

The core idea behind the formation of CBG network is to cater to the banking needs of Mid Corporates, Emerging Business Groups and large SMEs, which contribute to the bank's asset portfolio. Now, CBG has in its fold, 13 branches across the country and it is proposed to add more branches during 2013 – 14.

CBG branches, being credit focused, have great potential to contribute towards the future growth of business. The CBG network is expected to become a flagship segment of the bank in future. At the end of 2012-13, the total business of CBG has been ₹ 9,202 crore, with deposits at ₹ 2,208 crore and advances at ₹ 6,994 crore.

Project Finance Unit (PFU) was formed in the Bank in order to develop project appraisal skills in-house, and also to prevent good business proposals from going past us for want of Techno Economic Viability (TEV) Study. The PFU undertakes Technical and Financial appraisal of small and medium & large sized projects, which have not been vetted by agencies of national/international repute.

Earlier, the Technical Consultancy Cell (TCC) attached to MSME Business Department has been merged and functioning under PFU with effect from June 14, 2011.

Apart from conducting viability studies, PFU is exploring the avenues for preparation of Information Memorandum and Debt syndication also, so as to supplement the Bank's income.

During the period (2012-13) under review, PFU has conducted TEV study on 18 projects, having total project cost of ₹ 1,500 crore involving Term loan amount of ₹ 770 crore and earned an income (study charges) of ₹ 33 Lakh and an amount of ₹ 20 Lakh is in the pipeline. Further, PFU with the assistance of TCC has conducted rehabilitation studies of four units.

2.12 Personal Deposits

Deposits under Personal Segment grew from ₹ 45,377.71 crore as on 31.03.2012 to ₹ 52,590.92 crore as on 31.03.2013 thus recording a growth of 15.90%. Domestic Deposits grew by ₹ 3,210.64 crore while NRI deposits grew by ₹ 4,002.57