

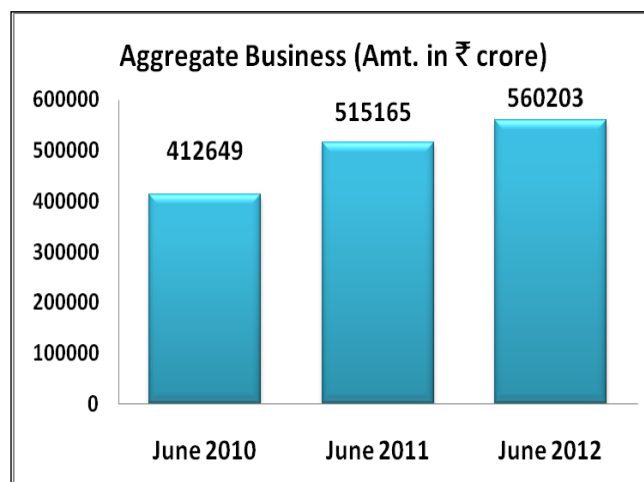
PRESS RELEASE

*Global Business at ₹ 5.6 lakh crore
Net Profit for Q1 at ₹ 775 crore*

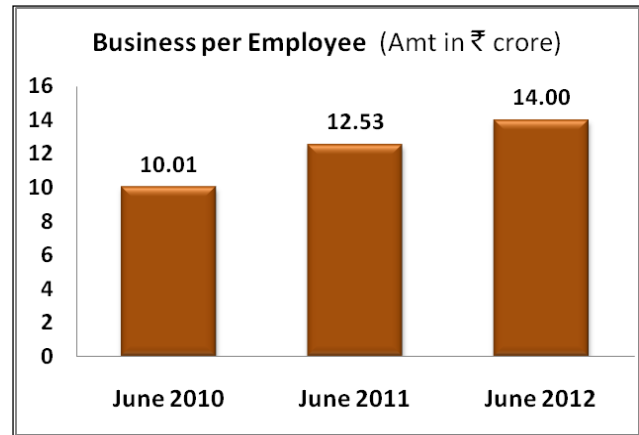
Major Highlights – Q1FY13

- Total business reached ₹560203 crore
- Total Deposits at ₹334619 crore
- Advances (net) at ₹225584 crore
- Net Profit at ₹775 crore
- NIM at 2.40%
- Capital Adequacy Ratio at 13.22%
...Tier I Capital Ratio at 10.06%
- Cash Recovery at ₹594 crore
- 9 New Branches and 249 ATMs added during Q1

- General economic slowdown has been impacting business growth, which is continuing to be sluggish at the industry level.
- **Total business** of the Bank rose to a level of ₹560203 crore as at June 2012 compared to ₹515165 crore a year ago.
- While **total deposits** reached ₹334619 crore, **advances (net)** of the Bank increased to ₹225584 crore as at June 2012.
- The Bank's **domestic business** constituted 96% of the total business.
- **CASA deposits** reached a level of ₹77902 crore as at June 2012. CASA deposits to domestic deposits constituted 24.07%.
- **Savings deposits** increased to ₹66504 crore as at June 2012.
- **Total Clientele** rose to 4.3 crore, with an addition of 38 lakhs clientele y.o.y.



- **Business per Employee** increased to ₹14 crore and **Business per Branch** was at ₹155.22 crore as at June 2012.
- **Operating Profit** for the quarter stood at ₹1394 crore.
- **Net Profit** for the Q1FY13 stood at ₹775 crore compared to ₹726 crore Q1FY12.
- Total provisions were at ₹619 crore, including provisions on NPAs at ₹477 crore.
- **Return on Average Assets (RoAA)** for Q1 FY13 was at 0.83%.
- While **Earnings Per Share (EPS)** for the quarter was at ₹17.50, **Book Value** rose to ₹452.75 compared to ₹378.08 as at June 2011.



Income and Expenses

- The Bank's **total income** for Q1FY13 increased by 18.9% to reach ₹9165 crore, including ₹6229 crore **income from loans/advances**, which grew by 13.6% y.o.y.
- **Non-interest income** of the Bank increased to ₹693 crore, with growth of 25.7%.
- Increase in **operating expenses** was contained at 8.8%.
- With a **Net interest income** of ₹1844 crore, **Net Interest Margin (NIM)** was 2.40% as at June 2012 compared to 2.39% a year ago.

Capital Adequacy

- **Capital Adequacy Ratio** at 13.22% compared to 13.37% as at June 2011. **Tier I capital ratio** rose to 10.06% as against 9.59% as at June 2011.
- Adequate headroom available under both Tier-I and Tier-II options to raise capital to support business growth momentum.
- The Bank has strong Common Equity Capital to meet the stringent Basel III norms during the current year and onwards.

Asset Quality

- The Bank's **gross NPA** stood at ₹4497 crore as at June 2012 compared to ₹4032 crore as at March 2012. The **gross NPA ratio** works out to 1.98% as at June 2012.
- **Net NPA ratio** stood at 1.66% (₹3756 crore) as at June 2012.
- **Cash recovery** during the first quarter of FY13 aggregated to ₹594 crore.

Diversified Credit Portfolio

- The Bank's credit growth was broad based across major segments, such as, **Retail, Priority, MSMEs, industries and infrastructure**.
- Outstanding **Priority Sector Credit** reached a level of ₹65249 crore in June 2012, covering 41.69 lakh borrowers
- Agricultural credit reached ₹31367 crore, covering 33.92 lakh farmers
- During the first quarter, an amount of ₹6949 crore has been disbursed under agriculture, higher by ₹1706 crore compared to the same quarter a year ago.
- Credit outstanding under **Kisan Credit Cards (KCC)** stood at ₹4928 crore, covering 5.77 lakh accounts.

- The Bank has launched **new technology enabled Kisan Credit Card** with NPCI-Rupay logo for farmers' convenience and use at ATMs.
- While **advances to weaker sections** stood at ₹21587 crore, **advances to specified minorities** reached a level of ₹12875 crore.
- Educational loan outstanding increased to ₹4000 crore, covering 2.07 lakh students.
- The Bank has formulated a new Education Loan Scheme for Vocational Education and Training Courses.
- During the quarter, 58 Self Employment Institutes trained 10920 candidates in 342 batches taking the total tally of trained candidates to 4.47 lakh candidates. Further, the share of women and SC/ST beneficiaries stood at 72% and 31% respectively.
- Credit to various **Micro, Small and Medium Enterprises (MSME)** reached ₹32048 crore.
- Outstanding advances under **retail lending portfolio** stood at ₹22848 crore, including **housing loan** of ₹13747 crore. Housing loan constituted 60.2% of the total retail lending portfolio.

A Holistic Approach to Financial Inclusion

- The Bank covered all the **1618 allotted villages in 23 states**, under Brick and Mortar Branch Model (206 villages) and Business Correspondent Model (1412 villages).
- **Customer Service Providers** appointed by Corporate BCs (M/s i25 Rural Mobile Commerce Services and M/s Bartronics India limited) in 1426 allotted villages as at June 2012.
- 179 **Ultra Small Branches (USB)** opened in FI villages during the first quarter, taking the total number of USBs to 209.
- 3.19 lakh **No-frill Accounts** mobilized during Q1FY13, taking the tally of such accounts to 47.92 lakh as at June 2012, with deposits level reaching ₹844 crore.
- The Bank has issued 2.49 lakh **Smart Cards** as at June 2012. 28000 transactions amounting to ₹1.83 crore recorded during the first quarter.
- The Bank formed 3.72 lakh **Self Help Groups (SHGs)** as at June 2012, with credit linking of 3.65 lakh SHGs.
- Credit outstanding under 86276 SHGs accounts amounted to ₹1330 crore.
- The Bank disbursed credit amounting to ₹111.36 crore in 5580 SHGs during the first quarter.
- The Bank has so far issued 4.44 lakh **General Credit Cards (GCCs)**, amounting to ₹783crore.
- Credit to the extent of ₹1439 crore provided to 6.30 lakh no-frill account holders under various credit products.
- The Bank covered 2562 SHG members under **Micro Insurance Policy** during the quarter.
- 10 Canara Gramin Vikas Vahini (Vehicles) added in Q1, taking the total number of such vehicles to 45 in 45 districts.
- 19 **micro-finance branches** contributed a total business of ₹150 crore.
- 167 brick and mortar branches opened in FI villages have garnered a business of ₹556 crore through 4.8 lakh accounts, with per branch business of ₹3.33 crore.
- **Electronic Benefit Transfer (EBT)** for payment of MGNREGA wages and Social Security Pension implemented in Chitradurga district of Karnataka, with ₹8.38 crore released to 52000 social security pensioners.

- In Tamil Nadu, 75000 beneficiaries have been covered, out of 80000 beneficiaries allotted to the Bank under Social Security Pension.
- The Bank is participating in the pilot project on direct credit of subsidy for LPG consumers in Mysore district, Karnataka in association with Oil Marketing Companies.
- The Bank is also participating in the pilot project on Inter-operability of BC transaction in Mewat district in Haryana State. The pilot project has been successfully tested.
- Under **Canara Financial Advisory Trust**, the Bank is managing 26 **Financial Literacy and Credit Counseling Centres (FLCCs)** in the lead districts.
- 19 **Biometric ATMs** are functioning for easy usage by the rural customers.
- All 3 sponsored **Regional Rural Banks (RRBs)** of the Bank covered all 967 allotted villages through 30 brick & mortar branches, 189 USBs and 744 customer service providers.

Enhanced Delivery Channels & New InfoTech Initiatives

During the first quarter, the Bank added 9 domestic **branches**, taking the total number of branches to 3609, including 5 overseas branches one each at London, Leicester, Hong Kong, Shanghai and Manama. The Bank opened 4 **Specialized SME branches** during the quarter, taking the total tally to 57 branches across the country. With addition of 249 **ATMs** during the quarter, number of ATMs further increased to 3107 as at June 2012. **Debit Card base** rose to 73.77 lakh as at June 2012.

New InfoTech Initiatives

- **Public Grievances Redressal System** for online registration of grievances.
- **Online Loan Application and Status Tracking System** is in place for Retail, Education and MSME borrowers.
- **400 Machines for generation of counterfoils for cash deposits transactions** rolled out in 400 branches, covering 4 Metros.
- **Alert messages** for HNI customers in CBS system for better customer service.
- **Government e-Payment Gateway (GePG)** implemented for automated payment mechanism through digitally signed messages.
- **Internet web portal for education loan subsidy.**
- Facility of **Inter Bank Payments** through IMPS (Inter Bank Mobile Payment Services) and facility for merchant payments introduced.
- **Common USSD platform** through NPCI for accessing Canmobile services introduced.

Goals for FY13

- Thrust on **Retail Business**, especially retail deposits and retail advances.
- Expanding the **delivery channels**, the Bank plans
 - To open 325 branches.
 - To take ATM strength to 4000.
- Thrust on **technology and business process reengineering** to enhance business.
- The Project on **Enterprise-wide Data Warehousing and Business Analytics** is under progress.
- Expanding global footprints, the Bank plans to open branches/ offices in **Johannesburg, Qatar, Frankfurt, New York and Tokyo.**

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