

**REVIEWED FINANCIAL RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2015**

[₹ in Crore]

Sl. No.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		(REVIEWED)			(REVIEWED)		(AUDITED)
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
1	<b>INTEREST EARNED (a)+(b)+(c)+(d)</b>	11287.60	11139.65	10893.87	22407.15	21594.98	43750.04
	(a) Interest/discount on advances/bills	8126.01	8100.70	8004.71	16226.71	15909.67	32066.12
	(b) Income on Investments	2942.92	2850.08	2681.14	5793.00	5306.16	10923.75
	(c) Interest on balances with Reserve Bank of India & Other Inter-Bank Funds	198.57	188.87	208.02	387.44	379.16	759.79
	(d) Others	0.00	0.00	0.00	0.00	0.00	0.38
2	Other Income	1210.45	1112.99	1021.34	2323.44	2048.24	4550.25
3	<b>TOTAL INCOME (1+2)</b>	12477.95	12252.64	11915.21	24730.59	23643.22	48300.29
4	Interest Expended	8621.00	8623.15	8526.08	17244.15	16797.93	34086.37
5	<b>Operating Expenses (I)+(II)</b>	1912.85	1625.92	1763.59	3538.77	3424.76	7263.55
	(I) Employees Cost	1107.84	1058.75	1035.79	2166.59	2073.89	4274.25
	(II) Other Operating Expenses	805.01	567.17	727.80	1372.18	1350.86	2989.30
6	<b>TOTAL EXPENSES (4+5) excluding Provisions &amp; Contingencies</b>	10533.85	10249.07	10289.67	20782.92	20222.68	41349.92
7	<b>Operating Profit before Provisions and Contingencies (3-6)</b>	1944.10	2003.57	1625.54	3947.67	3420.54	6950.37
8	Provisions (Other than Tax) and Contingencies	1212.31	1359.73	813.70	2572.04	1601.84	3452.74
9	Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
10	<b>Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)</b>	731.79	643.84	811.84	1375.63	1818.70	3497.63
11	Tax expense	202.93	165.00	185.00	367.93	385.00	795.00
12	<b>Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)</b>	528.86	478.84	626.84	1007.70	1433.70	2702.63
13	Extraordinary Items (not of tax expense)	0.00	0.00	0.00	0.00	0.00	0.00
14	<b>Net Profit (+) / Loss (-) for the period (12-13)</b>	528.86	478.84	626.84	1007.70	1433.70	2702.63
15	Paid up Equity Share Capital (Face Value of each share-Rs.10/-)	542.99	515.20	461.28	542.99	461.28	475.20
16	Reserves excluding Revaluation Reserves						25978.18
17	<b>Analytical Ratios</b>						
	(i) Percentage of shares held by Government of India	66.30%	64.48%	69.00%	66.30%	69.00%	69.91%
	(ii) Capital Adequacy Ratio - Basel II	11.42%	11.16%	10.61%	11.42%	10.61%	10.98%
	(iii) Capital Adequacy Ratio - Basel III	11.04%	10.75%	10.19%	11.04%	10.19%	10.56%
	(iv) Earnings per Share (EPS) (Not Annualised)						
	a) Basic and diluted EPS before Extraordinary Items (not of tax expense) for the period, for the year to date and for the previous year	10.26	9.63	13.59	19.90	31.08	58.59
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year	10.26	9.63	13.59	19.90	31.08	58.59
	(v) NPA Ratios						
	(a) Amount of Gross Non Performing Assets	14021.34	13080.63	9164.26	14021.34	9164.26	13039.96
	(b) Amount of Net Non Performing Assets	9382.53	8888.14	7170.30	9382.53	7170.30	8740.09
	(c) Percentage of Gross Non Performing Assets	4.27%	3.98%	2.92%	4.27%	2.92%	3.89%
	(d) Percentage of Net Non Performing Assets	2.90%	2.74%	2.31%	2.90%	2.31%	2.65%
	(vi) Return on Assets (Annualised)	0.39%	0.36%	0.51%	0.37%	0.58%	0.55%
18	<b>Public shareholding</b>						
	- Number of Shares	183000000	183000000	143000000	183000000	143000000	143000000
	- Percentage of shareholding	33.70%	35.52%	31.00%	33.70%	31.00%	30.09%
19	<b>Promoters and promoter group shareholding</b>						
	a) Pledged / Encumbered						
	- Number of shares						
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)						
	- Percentage of shares (as a % of the total share capital of the Company)						
	b) Non-encumbered						
	- Number of shares	359991054	332196971	318258837	359991054	318258837	332196971
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the Company)	66.30%	64.48%	69.00%	66.30%	69.00%	69.91%



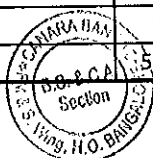
SEGMENT REPORTING FOR THE SECOND QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2015

[₹ in Crore]

BUSINESS SEGMENT		REVIEWED			REVIEWED		AUDITED
		Quarter ended			Half year ended		Year ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
(1)	Segment Revenue						
a	Treasury Operations	3307.87	3126.90	2891.81	6434.77	5625.25	12201.37
b	Retail Banking Operations	3754.30	3561.51	2975.18	7315.81	5989.77	12582.47
c	Wholesale Banking Operations	5389.15	5542.28	5867.90	10931.43	11649.42	22818.09
d	Other Banking Operations	0.00	0.00	0.00	0.00	0.00	0.00
e	Unallocated	26.63	21.95	180.32	48.58	378.78	698.36
	Total	12477.95	12252.64	11915.21	24730.59	23643.22	48300.29
(2)	Segment Results						
a	Treasury Operations	576.01	450.30	175.98	1026.31	284.34	1569.12
b	Retail Banking Operations	444.76	643.58	231.55	1088.34	753.08	1221.35
c	Wholesale Banking Operations	896.71	887.74	1059.69	1784.45	2052.73	3548.66
d	Other Banking Operations	0.00	0.00	0.00	0.00	0.00	0.00
	Total	1917.48	1981.62	1467.22	3899.10	3090.15	6339.13
(3)	Unallocated Income/Expenses	26.62	21.95	158.32	48.57	330.39	611.24
(4)	Operating Profit	1944.10	2003.57	1625.54	3947.67	3420.54	6950.37
(5)	Provisions and Contingencies	1212.24	1359.73	813.70	2571.97	1601.84	3452.74
(6)	Income Tax	203.00	165.00	185.00	368.00	385.00	795.00
(7)	Net Profit	528.86	478.84	626.84	1007.70	1433.70	2702.63
(8)	Segment Assets*						
a	Treasury Operations	206834.19	194921.45	191993.17	206834.19	191993.17	192632.54
b	Retail Banking Operations	127245.79	120134.13	107323.26	127245.79	107323.26	117466.87
c	Wholesale Banking Operations	202266.63	207855.99	210862.06	202266.63	210862.06	217195.46
d	Other Banking Operations	0.00	0.00	0.00	0.00	0.00	0.00
e	Unallocated Assets	17018.78	16373.17	13056.41	17018.78	13056.41	15299.84
	Total Assets	553365.39	539284.74	523234.90	553365.39	523234.90	542594.71
(9)	Segment Liabilities						
a	Treasury Operations	28339.04	29482.06	50409.37	28339.04	50409.37	50848.56
b	Retail Banking Operations	307049.87	282485.74	197496.73	307049.87	197496.73	251281.63
c	Wholesale Banking Operations	159341.22	170406.52	222224.62	159341.22	222224.62	183254.51
d	Other Banking Operations	0.00	0.00	0.00	0.00	0.00	0.00
e	Unallocated Liabilities	28638.20	28401.54	27800.01	28638.20	27800.01	30756.63
f	Capital and Reserves *	29997.07	28508.88	25304.17	29997.07	25304.17	26453.38
	Total Liabilities	553365.39	539284.74	523234.90	553365.39	523234.90	542594.71

(\* Excluding Revaluation Reserve)

GEOGRAPHICAL SEGMENT		REVIEWED			REVIEWED		AUDITED
		Quarter ended			Half year ended		Year ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
(1)	Domestic Operations						
a	Revenue	12130.09	11957.31	11603.38	24087.40	23022.39	47101.13
b	Assets	499332.18	492497.09	480588.97	499332.18	480588.97	494678.72
(2)	International Operations						
a	Revenue	347.86	295.33	311.83	643.19	620.83	1199.16
b	Assets	54033.21	46787.65	42645.93	54033.21	42645.93	47915.99
	Total						
a	Revenue	12477.95	12252.64	11915.21	24730.59	23643.22	48300.29
b	Assets	553365.39	539284.74	523234.90	553365.39	523234.90	542594.71



## STATEMENT OF ASSETS AND LIABILITIES

[₹ In Crore]

	As on 30.09.2015 (REVIEWED)	As on 30.09.2014 (REVIEWED)	As on 31.03.2015 (AUDITED)
<b><u>CAPITAL AND LIABILITIES</u></b>			
CAPITAL	542.99	461.26	475.20
RESERVES AND SURPLUS	34937.14	30295.84	31384.03
DEPOSITS	485205.62	461192.96	473840.10
BORROWINGS	24164.87	22514.78	25671.57
OTHER LIABILITIES AND PROVISIONS	13997.93	14223.00	16629.66
<b>TOTAL</b>	<b>558848.45</b>	<b>528687.84</b>	<b>548000.56</b>
<b><u>ASSETS</u></b>			
CASH & BALANCES WITH RESERVE BANK OF INDIA	20052.74	18577.46	21971.95
BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE	33342.13	31140.99	28669.14
INVESTMENTS	153230.45	146395.31	145346.18
ADVANCES	323077.46	310859.59	330035.51
FIXED ASSETS	7212.00	6767.00	6949.45
OTHER ASSETS	21933.67	14947.49	17028.33
<b>TOTAL</b>	<b>558848.45</b>	<b>528687.84</b>	<b>548000.56</b>

## Notes:


- The above Financial Results were reviewed by the Audit Committee of the Board and approved by the Board of Directors in the meeting held on 04th November 2015. The results have been subjected to 'Limited Review' by the Statutory Central Auditors of the Bank.
- There has been no change in the accounting policies followed during the quarter / half year ended 30th September 2015 as compared to those followed in the preceding financial year ended 31st March 2015 except the following:
  - The useful lives of various Fixed Assets (except lease hold buildings and computers) have been changed by the Bank. These changes are based on the management's assessment of the useful lives of such Fixed Assets. The useful lives of Server Hardware, Network Equipment and Automated Teller Machines (ATMs) have been changed to five years (as against three years determined earlier) because these are no longer considered to be part of Computers. In respect of Computers, RBI guidelines have been followed for amortizing them over a period of three years. Further with regard to free hold building the useful life of the assets has been taken as 60 years, pending technical evaluation.
  - The Bank has also adopted a policy of charging depreciation during the initial year at 100% of the normal rate for assets ready for use for 180 days or more and at 50% of the normal rate for assets ready for use for less than 180 days during the year. The earlier policy of the Bank was to charge depreciation at 100% of the normal rate during the initial year irrespective of the number of days the asset was ready to use.
  - Depreciation in respect of those Fixed Assets including building and except Server Hardware, Network Equipment and ATM is now provided on Straight Line Method (SLM) as against the Written Down Value (WDV) method adopted in earlier years. This is done to make more appropriate presentation of the financial statements.
  - The aforesaid changes have resulted in surplus, which has been credited to the Profit and Loss account to the extent of Rs 168.61 crores and Rs 113.59 crores to the Revaluation Reserve Account, thereby increasing the profit by Rs 202.50 Crores and the written down values of certain fixed assets and revalued assets by Rs 280.20 Crores. The change has an overall impact in the current period profit by Rs 202.50 Crores, out of which Rs 35.89 crores relates to the half year ended 30th September 2015.
- The working results for the quarter ended 30th September 2015 have been arrived at after considering provision for Loan Losses in accordance with the extant guidelines and directions of RBI on Prudential Norms for 'Income Recognition, Asset Classification and Provisioning' and Provision for Income Tax and Deferred Tax, Depreciation on Investments and Fixed Assets, provision for exposure to entities with unhedged foreign currency and other necessary provisions. Provision for employee benefits, Income-tax and Depreciation on fixed assets are subject to adjustments, if any, at the year end.
- In terms of RBI Circular DBOD.BP.BC.2/21.08.201/2013-14 dated 01.07.2013 Banks are required to make Pillar 3 disclosures under Basel III Capital Regulations. These details are being made available on our website "www.canarabank.com". These disclosures have not been subjected to a Limited Review by the auditors.
- The Bank has allotted 2,77,94,083 equity shares of face value of Rs.10 each at a premium of Rs. 330.72 per equity share to Government of India on preferential basis on 30.09.2015 for a total consideration of Rs. 947.00 crores.
- In accordance with RBI circular DBR.BP.BC.No.31/21.04.018/2015-16 dated 16.07.2015, the Bank has classified deposits placed with NABARD/SIDBI/NHB during the period commencing from April 1, 2015 for meeting shortfall in Priority Sector Lending under the income from such deposits has been classified under the head 'Interest Income-Others', which was hitherto included under 'Interest Income-Investments'.
- The RBI has permitted the Bank to spread the provision in respect of certain non performing advances in three quarters commencing 30th June 2015, which stands fully provided in the June 2015 quarter itself. Further, in respect of one Standard Asset, the Bank has provided Rs.84.84 Crore during the past two quarters and remaining Rs.52.31 Crore in the current quarter.
- Provision Coverage Ratio as on 30th September 2015 is 59.81 %




9 Number of Investors Complaints received and disposed off during the quarter ended 30.09.2015

- i) Pending at the beginning of the quarter : Nil
- ii) Received during the quarter : 424
- iii) Disposed off during the quarter : 424
- iv) Lying unresolved at the end of the quarter : Nil

10 Figures of the corresponding previous period have been regrouped/restated wherever considered necessary.

  
HARIDEESH KUMAR B  
EXECUTIVE DIRECTOR

  
P S RAWAT  
EXECUTIVE DIRECTOR

  
RAKESH SHARMA  
MD & CEO

  
T.N. MANOHARAN  
CHAIRMAN

PLACE : BANGALORE  
DATE : 04.11.2015

<i>A. R. Das &amp; Associates</i> <i>Chartered Accountants</i> <i>FRN : 306109E</i>	<i>P. Chopra &amp; Co.</i> <i>Chartered Accountants</i> <i>FRN : 004957N</i>	<i>S. C. Vasudeva &amp; Co.</i> <i>Chartered Accountants</i> <i>FRN : 000235N</i>
<i>Vinay Kumar &amp; Co.</i> <i>Chartered Accountants</i> <i>FRN : 000719C</i>	<i>Ramraj &amp; Co.</i> <i>Chartered Accountants</i> <i>FRN : 002839S</i>	<i>V. K. Niranjan &amp; Co.</i> <i>Chartered Accountants</i> <i>FRN : 002468S</i>

### Limited Review Report

To  
The Board of Directors  
Canara Bank  
Bangalore

We have reviewed the accompanying financial results of Canara Bank for the Quarter and Half-year ended September 30, 2015. These financial results are the responsibility of the Bank's management and have been taken on record by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

The financial results incorporate the relevant returns of 20 branches reviewed by us, 3 foreign branches reviewed by other auditors specially appointed for this purpose and unreviewed returns in respect of 5753 branches. In the conduct of our review, we have taken note of the review report in respect of non performing assets submitted by the concurrent auditors of Nil branches to the bank management, inspection team of the bank of 184 branches and other firms of auditors of Nil branches specifically appointed for this purpose. These review reports cover 55.28 percent of the advances portfolio of the bank.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of Financial Results consists principally of applying analytical procedures to financial data and making enquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express an audit opinion.

Based on our review as aforesaid, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters, has not disclosed the information required to be disclosed in terms of clause





41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatements.

We draw attention to the following Note in the unaudited financial results:

Note No. 2 regarding the change in accounting policy with respect to change in the method charging depreciation, change in the useful life of certain fixed assets and the consequential effect on financial statements.

Our opinion is not qualified in respect of above matters.

For P. Chopra & Co.  
Chartered Accountants  
FRN : 004957N



(Rakesh Jain)  
Partner  
M. No.087925

For A.R. Das & Associates  
Chartered Accountants  
FRN : 306109E



(Syamal Kumar Nayak)  
Partner  
M. No.051353

For S. C. Vasudeva & Co.  
Chartered Accountants  
FRN : 000235N



(Ashish Agarwal)  
Partner  
M. No. 093790

For Vinay Kumar & Co.  
Chartered Accountants  
FRN : 000719C

(V. K. Agrawal)  
Partner  
M. No. 013795



For Ramraj & Co.  
Chartered Accountants  
FRN : 002839S

(K Siva Subramanya Prasad)  
Partner  
M. No. 024456



For V. K. Niranjana & Co.  
Chartered Accountants  
FRN: 002468S

(Jayarajan M)  
Partner  
M. No. 011105



Place: Bangalore  
Date: November 4, 2015

**PRESS RELEASE**

**Total Business at ₹8.08 lakh crore  
Net Profit for Q2 at ₹529 crore**

**Major Highlights - Q2FY16**

- Net profit for Q2FY16 at Rs.529 crore, up by 10.44% sequentially.
- Gross profit for Q2FY16 at Rs.1944 crore, up by 19.54% y.o.y
- Total provision for Q2FY16 was at Rs.1415 crore compared to Rs.999 crore last year.
- Total Business at Rs.8.08 lakh crore, up by 4.69% y.o.y.
- Total Deposits at Rs.4.85 lakh crore, up by 5.21% y.o.y.
- CASA deposits grew by 11.51% y.o.y to Rs.1.16 lakh crore and CASA ratio (domestic) improved to 25.49% y.o.y from 23.71% last year.
- Advances (net) at Rs.3.23 lakh crore, up by 3.93% y.o.y.
- Sustained good growth in retail business (y.o.y)- Total Priority (27.84%), Agriculture (15.76%), MSME (17.70%), MSE (19.78%), Retail Lending (14.32%), Housing (direct) (27.83%), Vehicle (11.78%), Education (19.25%) and Other Personal loans (10.22%).
- Total Expenditure increase was contained at 2.37% y.o.y. Interest expenses increase, including interest paid on deposits, moderated to 1.12% y.o.y.
- Non-Interest Income at Rs.1210 crore, up by 18.55% y.o.y.
- Net Interest Margin (NIM) (Domestic) improved to 2.38% against 2.36% last year and NIM (Global) maintained at 2.24% against same level last year.
- Return on Assets (RoA) increased to 0.39% from 0.36% as at June 2015 and 0.51% as at September 2014.
- Return on Equity (RoE) improved to 7.14% from 7.01% as at June 2015 and 11.78% as at September 2014.
- Cost-income ratio down to 47.27% from 50.03% last year.
- Gross NPA at Rs.14021crore vis-à-vis Rs.13081 crore at June 2015.
- Gross NPA Ratio stood at 4.27% compared to 3.98% at June 2015 and 2.92% last year.
- Net NPA ratio stood at 2.90% from 2.74% at June 2015 and 2.31% last year.
- Cash Recovery at Rs.2266 crore.
- Provision Coverage ratio improved to 59.81%.
- 5734 branches and 9132 ATMs as at September 2015.
- Enhanced E-transactions to 53.73% from 44.99% last year.

### Income and Expenses- Q2 FY16

- Total income for Q2FY16 increased to ₹12478 crore, with a y-o-y growth of 4.72%.
- Income from loans/advances increased to ₹8126 crore.
- Non-interest income for the quarter increased by 18.55% to ₹1210 crore.
- Total Expenditure increase was contained at 2.37% y.o.y. Interest expenses increase, including interest paid on deposits, moderated to 1.12% y.o.y.
- Net interest income for the quarter increased by 11.78% to ₹2647 crore.

### Profits and Profitability - Q2 FY16

- Operating Profit for the quarter was at ₹1944 crore, up by 19.54% y-o-y.
- Total provision for the quarter was at ₹1415 crore compared to ₹999 crore for Q2FY15. The provision for NPAs during the quarter was ₹979 crore.
- Net profit for Q2FY16 stood at ₹529 crore compared to ₹479 crore as at Q1FY16 and ₹627 crore last year.
- NIM (Domestic) improved to 2.38% from 2.36% last year and NIM (Global) maintained at 2.24% same level as last year.
- Cost-income ratio declined to 47.27% from 50.03% last year.
- Return on Assets (RoA) increased to 0.39% from 0.36% as at June 2015 and 0.51% as at September 2014.
- Return on Equity (RoE) improved to 7.14% from 7.01% as at June 2015 and 11.78% as at September 2014.
- Book Value rose to ₹547.56 compared to ₹538.01 as at September 2014.

### First Half Year (H1FY16) Performance

- Operating profit increased to ₹3948 crore compared to ₹3421 crore last year, with a y.o.y growth of 15.40%. Net Profit for H1FY16 aggregated to ₹1008 crore compared to ₹1434 crore last year.
- Net Interest Income increased to ₹5163 crore, with a y-o-y growth of 7.63%.
- Total income rose by 4.60% to ₹24731 crore, including ₹16227 crore income from loans/advances. Total Expenses increase was contained at 2.77% to ₹20783 crore.
- Non-interest income for the half year increased by 13.45% to ₹2323 crore.

### Business Performance

- Global Business of the Bank rose to ₹808283 crore compared to ₹772053 crore as at September 2014, with a y-o-y growth of 4.69%.
- Global Deposits of the Bank increased to ₹485206 crore compared to ₹461193 crore as at September 2014, with a growth of 5.21%.
- Global Advances (Net) reached a level of ₹323077 crore compared to ₹310860 crore as at September 2014, with a growth of 3.93%.
- Overseas business constituted 6.73% of the total business. Total business of the 7 foreign branches increased to ₹54384 crore from ₹46310 crore last year.



- **CASA deposits** to domestic deposits increased to 25.49% compared to 23.71% last year. The Bank's CASA deposits increased to ₹116002 crore as at September 2015 compared to ₹104030 crore as at September 2014, with a growth 11.51%.
- **Clientele base** increased to 6.96 crore, comprising 6.19 crore under deposit and 77.10 lakh under borrowal accounts. About 94 lakh clientele added during the year.
- **Business per Employee** was at ₹14.25 crore and **Business per Branch** was at ₹140.96 crore.

#### Capital Adequacy under New Basel III norms

- **Capital Adequacy Ratio** as per Basel III norms stood at 11.04% (as against mandatory requirement of 9%). CET ratio was at 7.98% (against mandatory requirement of 5.5%) and Tier I ratio stood at 8.63% (as against mandatory requirement of 7%).
- Adequate headroom available to raise capital to support business growth momentum. Government shareholding is at 66.30%.

#### Asset Quality

- **Gross NPA** stood at ₹14021 crore, with a gross NPA ratio of 4.27% compared to 3.98% as at June 2015 and 2.92% last year.
- **Net NPA** stood at ₹9383 crore, with a net NPA ratio of 2.90% compared to 2.74% as at June 2015 and 2.31% last year.
- **Cash Recovery** during Q2FY16 amounted to ₹1210 crore and Cash Recovery during the half year aggregated to ₹2266 crore.
- The Bank's **outstanding restructured portfolio** at ₹29026 crore constituted 8.83% of the gross advances.

#### Diversified Credit Portfolio

- Outstanding advances to various **Priority Segments** rose to ₹139021 crore compared to ₹108747 crore as at September 2014, with y.o.y growth of 27.84%, accounting for 48.45% to ANBC against 40% norm.
- Advances under **Agriculture** portfolio increased by 15.76% y.o.y to reach ₹63541 crore, achieving 22.15% to ANBC as against 18% norm.
- Credit to **Micro, Small and Medium Enterprises (MSMEs)** reached ₹64749 crore, with a y-o-y growth of 17.70%.
- Credit to **M&SE** reached ₹49383 crore, with a y-o-y growth of 19.78% (against mandated norm of 20%). The number of micro enterprises accounts recorded a growth of 24.37% against 10% norm.
- Under **MUDRA YOJANA**, the Bank has disbursed ₹4350 crore covering 3.35 lakh accounts.
- Credit to **women beneficiaries** increased to ₹40581 crore (14.14% against 5% norm).
- **Retail lending portfolio** increased to ₹44451 crore, with a y-o-y growth of 14.32%. The share of retail credit in domestic advances increased to 14.83% compared to 13.43% last year.
- Outstanding **housing loan (direct)** increased to ₹18396 crore, with a y.o.y growth of 27.83%.

- Education loan portfolio rose to ₹6363 crore, with a y-o-y growth of 19.25%, covering over 2.8 lakh students.
- Vehicle loans (₹3901 crore) and other personal loans (₹10785 crore) recorded a growth of 11.78% and 10.22% y.o.y respectively.

#### **Performance under Pradhan Mantri Jan Dhan Yojana (PMJDY)**

- Bank has opened 70.59 lakh PMJDY accounts till September 2015 and mobilized CASA deposits of ₹1101 crore. Rupay Debit cards have been issued to all the accounts.
- Aadhaar seeding in PMJDY accounts has been completed in 36.25 lakh accounts (51.36%)
- Zero balance accounts have been brought down to 19.84 lakhs (27.88%). Govt of India has appreciated the efforts of the Bank and the success story has been posted in the PMJDY website of Govt. of India.
- Over Draft facility has been sanctioned in 94267 PMJDY accounts with total disbursements of ₹17.11 crore.
- Rupay Card operations have been enabled at all the Bank Mitra locations.

#### **Social Security Schemes**

- 51.86 lakhs enrolments have been done so far under both Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY-18.89 lakhs) & Pradhan Mantri Suraksha Bima Yojana (PMSBY - 43.98 lakhs). Under Atal Pension Yojana (APY) the Bank has mobilized 67590 applications.

#### **A Holistic Approach to Financial Inclusion (FI)**

- Bank has provided banking facilities in all the allotted 10049 villages.
- Covered all 3962 allotted Sub Service Areas (SSAs) by opening of 808 Brick & Mortar branches and engaging 2459 BC agents.
- Besides FI branches, the bank has opened 479 Ultra Small Branches.
- Financial Inclusion branches have mobilized a business of ₹10444 crore (deposits ₹4748 crore and advances ₹5696 crore).
- 18 Micro Finance branches mobilized a total business of ₹476 crore.
- The number of BSBD accounts increased to 1.50 crore, with outstanding CASA deposit of ₹2726 crore.
- Bank has formed 370 farmers club during the current FY.
- Exposure under Self-Help Groups (SHGs) increased to ₹2555 crores to 119319 SHGs.
- Business Correspondent agents have done about 20 lakh transactions amounting to ₹350 crore during the current FY.
- The Bank has adopted 1757 schools all over the country under School Champ Programme, imparting financial education to the students.

#### **Customer Friendly New Products/ InfoTech Initiatives**

- Enquiry portal for Social Security Schemes released.
- Subscription for Social Security Scheme- 'Surakshabandhan' enabled.

- Jeevan Praman (digital life certificate for pensioners) functionality has been implemented, making it easy for pensioners.
- Enabled Proactive Risk Manager Tools for ATMs/POS transactions.
- Auto SMS/E-mail facility enabled for the customers who opened the accounts on daily basis, informing how to enroll for Net Banking.
- ACSIS (Dr. Ambedkar Central Scheme of Interest Subsidy for Education Loan for studies Abroad) Portal released in live environment.

#### **Enhanced Delivery Channels**

- As at September 2015, the number of branches increased to 5734, including 7 foreign branches. Number of ATMs increased to 9132. Besides, the Bank has 147 e-lounges.
- The Bank's debit card base rose to 2.88 crore and e-transactions increased to 53.73% from 44.99% last year.

#### **Awards and Accolades**

In recognition of the varied initiatives, the Bank was conferred with the following awards received during second quarter of FY16.

- **Global Visa Service Quality Performance Award, 2014**, for consistent and superior operating performance.
- **Dun & Bradstreet Banking Awards 2015** for Best Bank under Priority Sector Lending and Best Retail Growth performer amongst the PSBs.
- **National Awards for Excellence in CSR & Sustainability, 2015**, constituted by World CSR Congress under Best Overall Excellence in CSR category.
- **Best Bank Award for implementation of RSETIs for the year 2013-14** by the Ministry of Rural Development, Govt. of India on 'RSETI Diwas'.
- **Best Banker Award** instituted by Elets Technomedia under "Financial Inclusion" for special focus on Micro Finance & Financial Literacy.
- **Pandit Madan Mohan Malaviya Gold Award** for the project Canara Sahara, a CSR activity in education and rehabilitation of physically challenged.
- **2<sup>nd</sup> Prize in Region 'C' under Rajbhasha Kirti Pursakar, 2014-15.**
- **Awarded 36<sup>th</sup> rank in Brandz India's 50 Most Valuable Indian Brands 2015** compiled by the research agency Millward Brown and commissioned by WPP Plc, a worldwide communications service group.

#### **Goals for FY16**

- **Thrust on Retail Business & Asset Quality** - CASA, Retail Deposits, Retail Credit, Fee Income and NPA Management and improving operational ratios, such as, NIM, RoA, RoE and Cost-to-Income.

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