

**Global Business at ₹8 lakh crore**  
**Operating Profit increase to ₹7147 crore**

**Major Highlights FY16**

- Reorienting towards retail business and recovery for a sustained path of growth and profitability.
- Total Business at ₹8.05 lakh crore, with total Deposits at ₹4.80 lakh crore and Advances (net) at ₹3.25 lakh crore.
- Retail term deposits at ₹1.72 lakh crore, up by 21.62% y.o.y.
- Retail term deposits share in domestic term deposits at 56.5%, up from 48.5% a year ago.
- CASA deposits at ₹1.24 lakh crore & CASA%(domestic) at 27.4%, up from 25.5% a year ago.
- Retail Assets (Agriculture, MSME, Housing & other Retail Schemes) at ₹1.88 lakh crore, up by 16.17% y.o.y.
- Sustained y.o.y growth in Priority Credit (23%), Agriculture (14%), MSME (10%), Retail Lending (27.8%), including Housing Loans (38.6%).
- Mandatory norms complied under Priority Credit, Agriculture, MSE (Accounts), Minority Communities, Weaker Section & women beneficiaries.
- Overriding emphasis on expanding Digital Banking- enhanced E-transactions at 54.21%.
- Mobile Banking users at 38.50 lakhs (22.16 lakh last year) & Net banking users at 24.10lakhs (15.36 lakh last year).
- Enhanced delivery channels- 5849 branches, 170 e-lounges, 9251 ATMs & 3.2 crore Debit Cards.
- Gross NPA Ratio at 9.40% and Net NPA ratio at 6.42%.
- Cash Recovery at ₹4758 crore.
- Comfortable CRAR at 11.08%, CET 1 ratio at 8.18%.
- Non-interest income for FY16 at ₹4875 crore, up by 7.14% y-o-y.
- Interest Expenses marginally up by 0.51% y.o.y vis-à-vis 11.38% last year.
- Control on cost; operating expenses increase curtailed to 3.14% y.o.y vis-à-vis 19.45% last year.
- NIM (Domestic) at 2.34% and NIM (Global) at 2.19%.
- Cost of Deposit down to 6.94% from 7.38% last year.
- Operating profit for FY16 at ₹7147 crore, up by 2.82% y.o.y.
- Total Provisions for FY16 at ₹9959 crore and net loss for FY16 at ₹2813 crore

**Major Highlights: Q4 FY16**

- Non-interest income at ₹1383 crore, up by 4.33% y-o-y.
- Interest Expenses declined by 3% y.o.y vis-à-vis 7.66% increase last year.

- Operating expenses increase curtailed to 1.5% y.o.y vis-à-vis 20.68% last year.
- Operating profit at ₹1647 crore.
- Total Provisions for Q4FY16 at ₹5552 crore and net loss for Q4 FY16 at ₹3905 crore.

### Business Performance

- Global Business reached ₹804506 crore compared to ₹803876 crore as at March 2015.
- Global Deposits reached ₹479792 crore compared to ₹473840 crore as at March 2015.
- Global Advances (Net) stood at ₹324715 crore compared to ₹330036 crore as at March 2015.
- Overseas business constituted 6.32% of the total business. Total business of 8 overseas branches stood at ₹50868 crore.
- Clientele base increased to 7.25 crore from 6.57 crore last year.

### Deposit Portfolio- Thrust on CASA & Retail Deposits

- CASA deposits increased to ₹123542 crore, with a y.o.y growth of 8.82%. CASA (domestic) percentage improved to 27.4% from 25.5% a year ago.
- Retail term deposits increased to ₹172285 crore with a y.o.y growth of 21.62%.
- Bulk Term Deposits reduced to ₹132431 crore from ₹150274 crore last year.
- Share of retail term deposits increased to 56.5% from 48.5% last year.
- Cost of Deposits came down to 6.94% from 7.38% last year.

### Credit Portfolio- Thrust on Retail Assets

- Retail Assets (Agriculture, MSMEs, Housing and Other Retail Schemes) constitutes 58% of the Bank's credit portfolio from 49% a year ago.
- Advances to Priority Sector increased to ₹145558 crore, with 23.11% y.o.y growth.
- Advances to Agriculture grew by 14.11% y.o.y to ₹67176 crore.
- Credit to Micro, Small and Medium Enterprises (MSMEs) recorded a y.o.y growth of 10.04% to ₹66689 crore.
- Credit to M&SE segments reached ₹50898 crore, with a growth of 9.92% y-o-y. The number of Micro Enterprises Accounts recorded a growth of 24.21%.
- 27.46 lakh women beneficiaries assisted to the tune of ₹42066 crore, constituting 14.25% of ANBC.
- Advances to Weaker Sections reached ₹43498 crore, with a y-o-y growth of 12.55%.
- Lending to Specified Minority Communities reached ₹25849 crore, with a y-o-y growth of 13.54%.
- Achieved the mandated targets in respect of Total Priority (49.29% against 40% norm), Agriculture (22.75% against 18% norm), credit to specified minority communities (17.76% against 15% norm) and weaker sections (14.73% against 10% norm). Number of Micro Enterprises accounts (24.21% growth against 10% norm) & Credit to women beneficiaries (14.25% against 5% norm).
- Retail Lending Portfolio increased to ₹54069 crore, with a y-o-y growth of 27.83%.
- Outstanding Direct Housing Loan Portfolio increased to ₹20475 crore, with a y-o-y growth of 24.24%.
- Vehicle loans and other personal loans recorded good growth of 14.24% (₹4307 crore) and 14.31% (₹12049 crore) respectively.
- Education Loan Portfolio increased to ₹6738 crore, with a y.o.y growth of 19.55%, covering 2.91 lakh students.

## Income, Expenditure & Profit: FY16

- Total income increased by 1.24% to ₹48897 crore.
- Non-interest income increased by 7.14% to ₹4875 crore.
- Total expenses marginally increased by 0.97% to ₹41751 crore.
- Operating expenses increase contained at 3.14% to ₹7492 crore.
- Net Interest Income at ₹9763 crore compared to ₹9664 crore in FY15.
- Gross Profit increased to ₹7147 crore compared to ₹6950 crore last year.
- Domestic Net Interest Margin (NIM) stood at 2.34% and Global NIM at 2.19%.

## Income, Expenditure & Profit- Q4 FY16

- Total income stood at ₹12116 crore.
- Non-interest income stood at ₹1383 crore.
- Total expenditure declined by 2.12% to ₹10470 crore.
- Operating expenses increase moderated to 1.5% to ₹2110 crore.
- Gross profit stood at ₹1647 crore.
- Total provision made in the quarter at ₹5552 crore compared to ₹1120 crore last year. The provision for NPAs at ₹5883 crore against ₹782 crore last year.

## Capital Adequacy

- Capital Adequacy Ratio as per Basel III norms improved to 11.08% (against 9.625% norm).
- CET 1 ratio at 8.18%.
- Tier I ratio at 8.80%.
- The Bank raised ₹4867 crore capital (₹2467 crore equity capital and ₹2400 crore Tier II capital) during the year.
- Government shareholding is at 66.30%. Adequate headroom available for business growth.

## Asset Quality

- With continued stress in the asset quality at the industry level, Gross NPA ratio increased to 9.40% from 5.84% as at Dec'15 and 3.89% at March 2015.
- Net NPA ratio was at 6.42% from 3.90% as at Dec'15 and 2.65% at March 2015.
- Cash Recovery aggregated to ₹4758 crore.
- The Bank's outstanding restructured portfolio at ₹23227 crore, constituted 6.90% of gross advances.

## Pradhan Mantri Jan Dhan Yojana (PMJDY)

- 74.31 lakhs accounts opened under PMJDY, securing CASA deposits of ₹1317 crore.
- 250920 PMJDY account holders have been provided with overdraft facility, amounting to Rs.48 crore.
- 70 Financial Literacy Centres (FLCs) opened at District/Block levels, educating 13.14 lakh persons.
- 161 lakh residents have been enrolled under Aadhaar. With 128 lakh accounts mapped with Aadhaar numbers to NPCI mapper.

- As a part of grievances redressal mechanism for customers, the Bank established Toll free number 1800 425 11222.

### Social Security Schemes

- 66.19 lakhs enrolments have been done under both Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY-20.04 lakhs) & Pradhan Mantri Suraksha Bima Yojana (PMSBY-46.15 lakhs).
- Under Atal Pension Yojana (APY) the Bank has clocked 66821 accounts.
- Under Sukanya Samridhi Yojana, the Bank has mobilized 10768 accounts.

### Pradhan Mantri Mudra Yojana (PMMY) & Gold Monetization Scheme

- Under Mudra Yojana, the Bank disbursed ₹7701 crore, covering 7.90 lakhs accounts.
- Under Gold Monetization Scheme, the Bank mobilized 195 kg of gold, amounting to ₹52.56 crore

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

- The Bank has provided banking facilities in all the allotted 10049 villages.
- Covered all 3962 allotted SSAs by opening of 848 Brick & Mortar branches and engaging 2459 Business Correspondent agents.
- Besides FI branches, the Bank has opened 477 Ultra Small Branches.
- Financial Inclusion branches have garnered business of ₹12219 crore (deposits ₹5546 crore and advances of ₹6673 crore).
- 18 Micro Finance branches have garnered a total business of ₹519 crore.
- 1.55 crore BSBD accounts are opened with outstanding CASA deposits of ₹3303 crore.
- The Bank has formed 724 farmers' clubs.
- 44027 Self Help Groups (SHGs) have been formed and 46668 SHGs have been credit linked to the extent of ₹932 crore. Exposure under SHGs increased to ₹2344 crore under 1.22 lakh SHGs accounts.
- Business Correspondent agents have done 52 lakh transactions, amounting to ₹989 crore.

### Enhanced Delivery Channels & Digital Foot Prints

- The Bank has opened **167 branches** during the year, taking total branch network to **5849**, including 8 overseas branches (Johannesburg, New York, London, Leicester, Hong Kong, Manama, Shanghai and Dubai).
- **718 ATMs** added in the year, taking the total number to **9251**. **170 e-lounges** were established across major cities.
- The Bank's debit card base rose to 3.20 crore and Credit card base increased to 2.11 lakhs.
- 38.50 lakhs Mobile Banking users and 24.10 lakhs Net Banking users.
- Ratio of e-transactions increased to **54.21%** against 50.21% as at March 2015.

### New Products & Important Customer-friendly Technology Initiatives

- New customer-friendly Mobile Banking, Canara e-infobook & Canara mWallet apps.
- Instant loan application sanction portal for Housing Loan and Car Loan.
- MUDRA Debit Card for issuing overdraft accounts under MUDRA Card scheme.
- PMJDY OD automation made live.

- P2U (Person to UIDAI) funds transfer through Mobile Banking in WAP channel.
- Aadhar seeding through BC terminal.
- Subscription of Social Security Schemes of Govt. of India through ATM, SMS and Internet Banking
- Jeevan Praman (digital life certificate for pensioners) implemented.
- Canara Galaxy, a combo product launched, comprising SB, Demat, OLT, Internet & Mobile Banking, Insurance, card services and other add-ons

### Awards and Accolades

In recognition of the varied initiatives, the Bank was conferred with the following Awards during the Q4 FY16.

- 'SKOCH Achiever Award' as a top Bank in 'SME Enablement' by SKOTCH Group.
- 'Best Use of Digital and Channels Technology' award amongst large banks in IBA Banking Technology Awards, 2014-15.
- Best MSME Bank award by Chamber of Indian Micro, Small & medium Enterprises (CI MSME).
- " Agricultural and Best Social Bank"award (under large bank category) by ASSOCHAM, for its outstanding performance under Agricultural Banking and Social Banking.
- Golden Peacock Award for 'Corporate Social Responsibility, 2015' in recognition of its pioneering work done through CSR initiatives.
- 'Vigilance Excellence Award, 2015-16' ,3<sup>rd</sup> Best in Banking Sector, instituted by M/s Institute of Public Enterprise.

### Goals: March 2017

- Thrust on Retail Business & Asset Quality- CASA, retail deposits, retail credit, fee income, recovery and improving operational financial ratios, such as, NIM, RoA, RoE and Cost-to-Income.

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