



PERFORMANCE HIGHLIGHTS MARCH 2012



HIGHLIGHTS Q4 FY12

Major Highlights

- **Total Business at `559544 crore, up by 10.9%**
- **Net Profit at ` 829 crore**
- **Return on Assets at 0.96%**
- **NIM at 2.50% ... Domestic NIM at 2.61%**
- **Strong Capital Adequacy Ratio at 13.76%**
- **Tier I Capital Ratio at 10.35%**
- **Improved Gross NPA ratio at 1.73% (1.81% Dec'11) and Net NPA ratio at 1.46% (1.49% Dec'11)**
- **Record Cash Recovery at `3295 crore during FY12 compared to `2032 crore during FY11**
- **343 New Branches and 642 ATMs added in FY12**



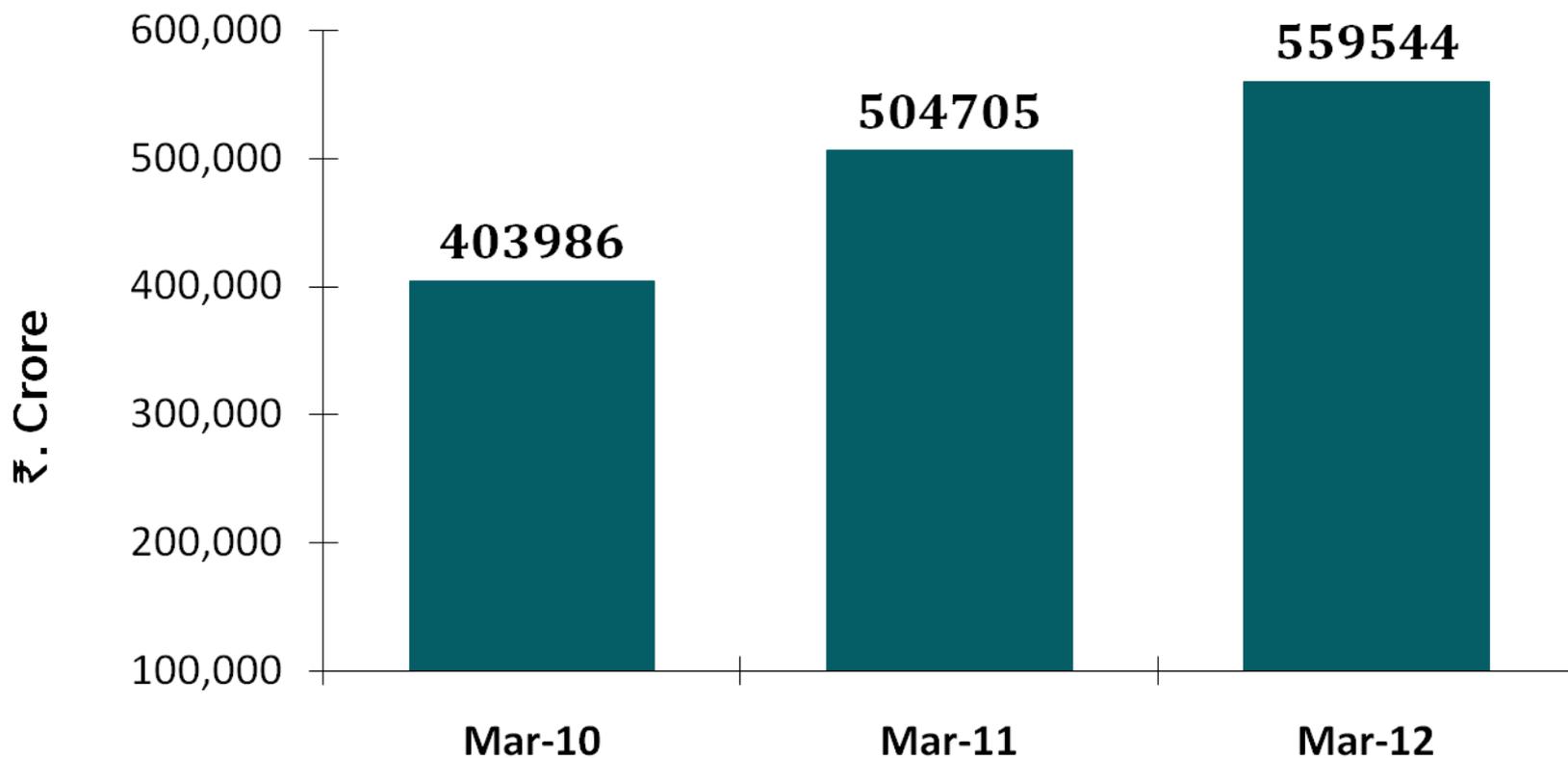
BUSINESS GROWTH

- **Lower business growth was mainly due to**
 - a) General slowdown in the economy worldwide**
 - b) Increase in stress in a number of industries like textiles, steel, mining, infrastructure etc.**
 - c) Bank also consciously decided to consolidate its asset portfolio. Towards the end, the Bank actively worked to reduce its recent dependence for growth on wholesale advances to the infrastructure sector- especially power, including electricity boards and distribution companies**
 - d) Bank was also more selective in sanctioning short term corporate loans on unsecured basis**



TOTAL BUSINESS

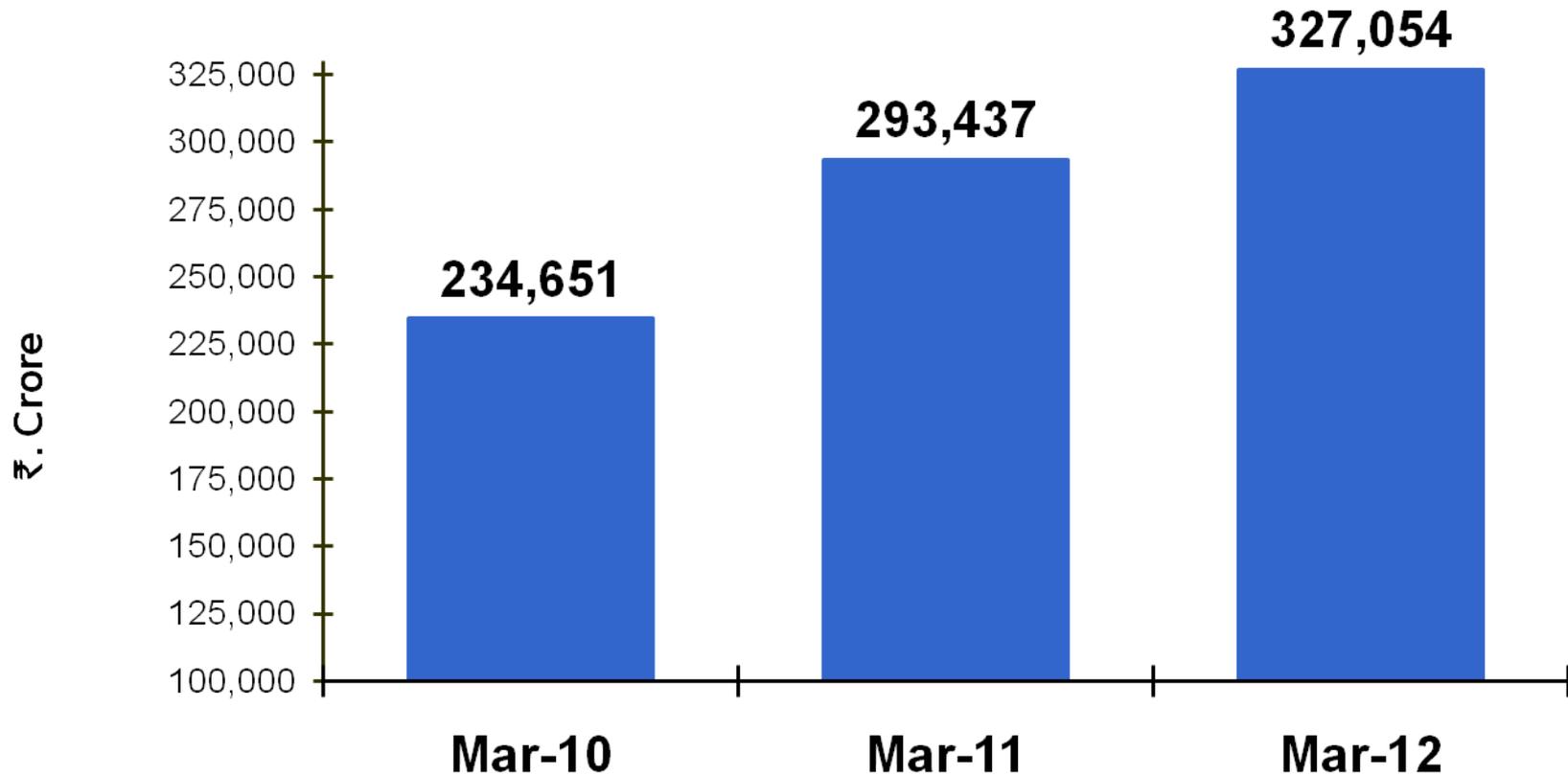
3 Yr CAGR at 18%





AGGREGATE DEPOSITS

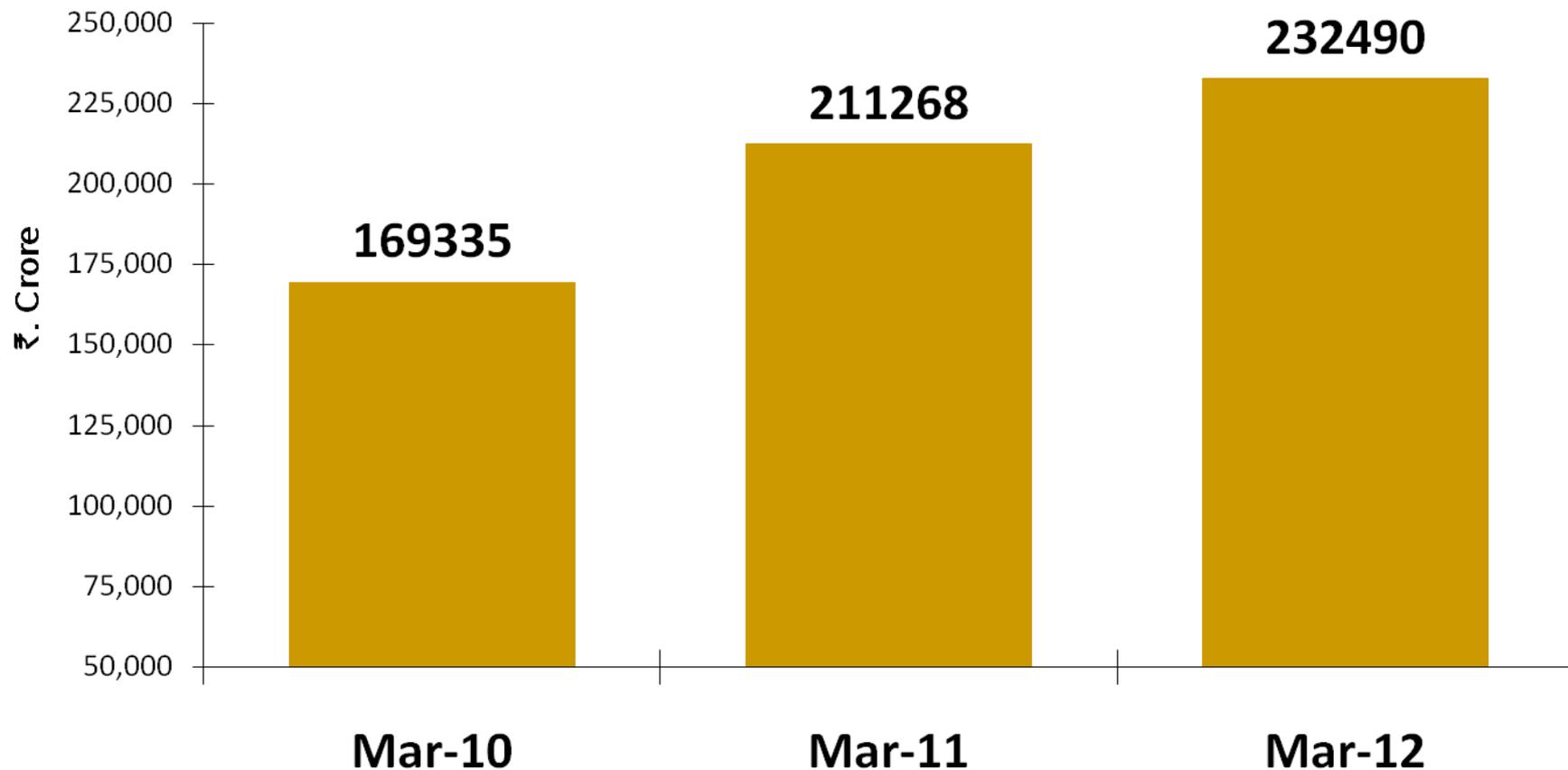
3 Yr CAGR at 18%





NET ADVANCES

3 Yr CAGR at 17%





INCOME, EXPENDITURE AND PROFIT

Amt. in ` Crore

	FY			Q4		
	FY11	FY12	Y-o-Y Incr (%)	FY11	FY12	Y-o-Y Incr (%)
Interest Income	22940	30851	34.48	6389	8267	29.4
Interest Expenditure	15241	23161	51.97	4445	6227	40.1
Net Interest Income	7699	7689	-	1944	2040	5.0
Non-Interest Income	2811	2928	4.13	962	769	-
Total Income	25752	33778	31.17	7351	9037	22.9
Total Expenditure	19660	27835	41.58	5656	7546	33.4
Operating Expenses	4419	4674	5.76	1211	1319	8.9
Employee Cost	2955	2973	0.62	783	826	5.6
Operating Profit	6091	5943	-	1695	1491	-
Net Profit	4026	3283	-	899	829	-

Operating Expenses under Control



PROVISIONS

Amt. in ` Crore

	FY		Q4	
	FY11	FY12	FY11	FY12
Provisions for NPA	1001	1294	541	390
Standard Assets	184	171	93	111
Income Tax	1000	800	250	200
Provision for Investments	27	154	13	-107
Other Provisions	-147	241	-101	68
Total Provisions	2066	2660	796	662



OTHER INCOME

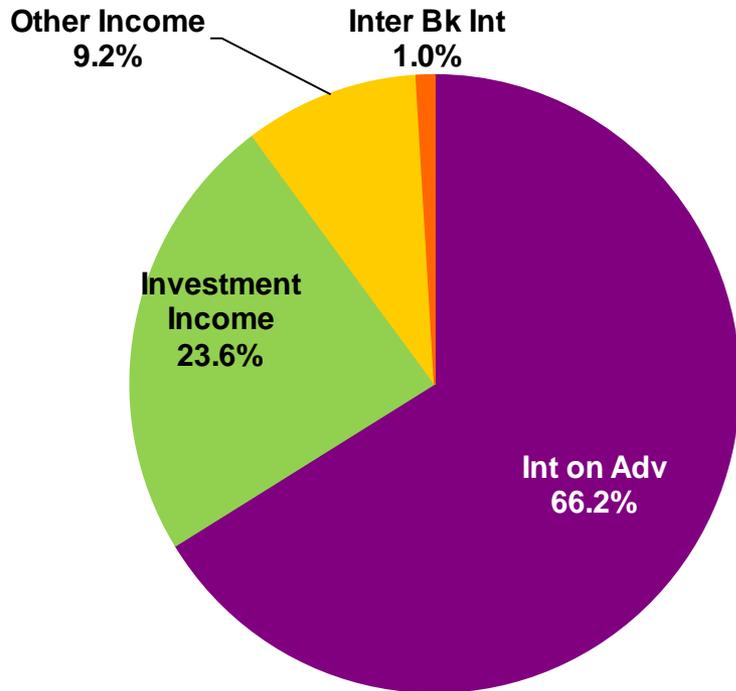
Amt. in ` Crore

	FY		Q4	
	FY11	FY12	FY11	FY12
Commission & Exchange	756	797	249	215
Profit from Exchange Transaction	381	435	116	131
Trading Profit	236	324	-18	95
Dividend Income	199	112	87	14
Recovery in w/off A/cs	555	368	327	98
Other Misc. Income	684	892	201	215
Total Other Income	2811	2928	962	769

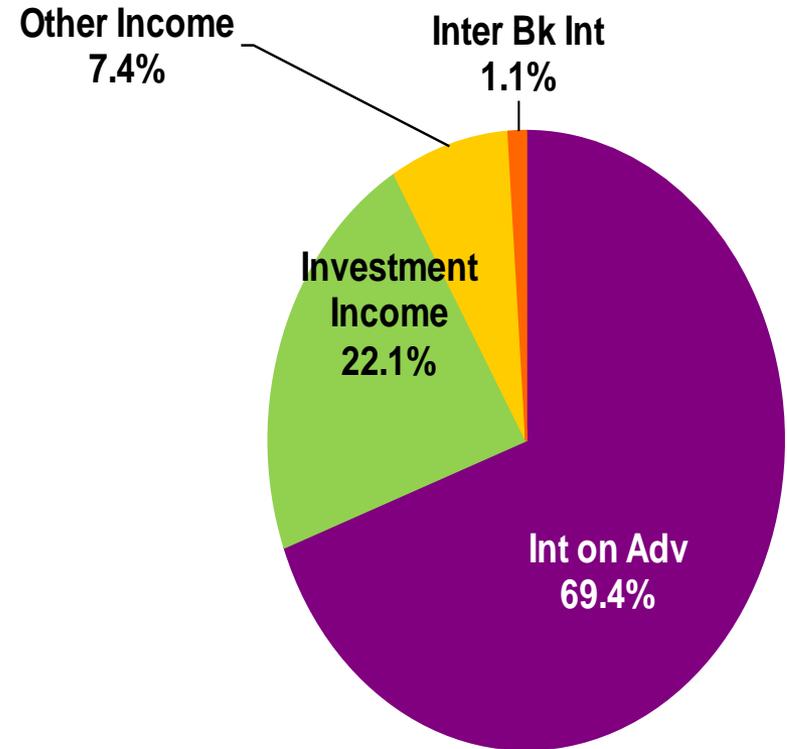


MAJOR COMPONENTS OF INCOME

MARCH 2011



MARCH 2012





EARNINGS PROFILE

In Percent

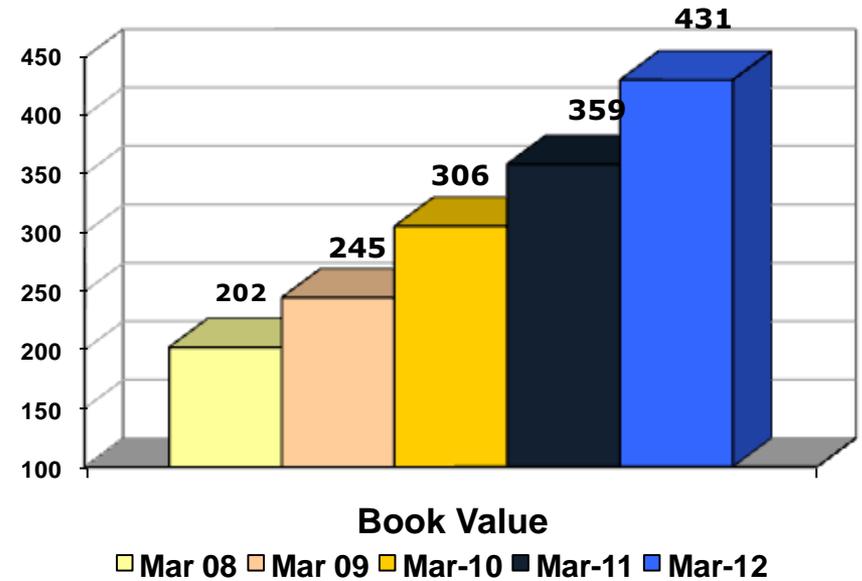
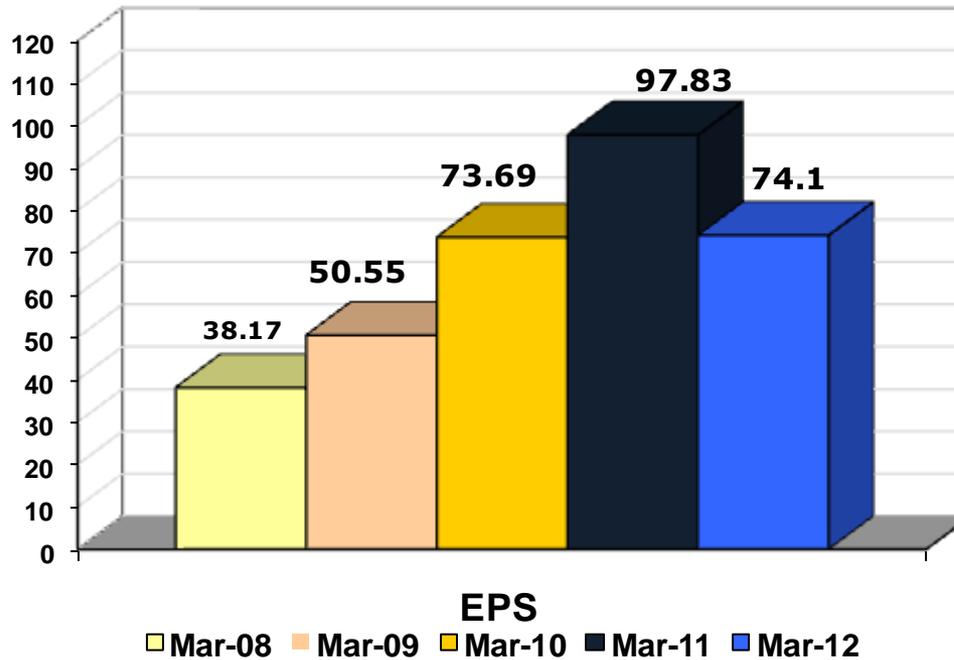
	FY		Q4	
	FY11	FY12	FY11	FY12
NIM	3.12	2.50	3.12	2.50
Domestic NIM	3.19	2.61	3.19	2.61
ROAA	1.42	0.95	1.27	0.96
EPS (´)	97.83	74.10	20.29	18.72
Book Value	359.25	431.26	359.25	431.26
ROE	29.47	18.71	29.47	18.71
Cost-Income Ratio	41.98	44.02	41.67	46.94

Domestic NIM at 2.61%



EARNINGS

(In `)



Increase in Book Value on Enlarged Capital



TREND IN COST AND YIELD (%)

In Percent

	Mar'11	Jun'11	Sep'11	Dec'11	Mar'12
Cost of Deposits	5.80	7.05	7.13	7.27	7.35
Cost of Funds	5.37	6.50	6.55	6.59	6.72
Yield on Advances	9.73	10.50	10.72	10.85	10.93
Yield on Funds	8.13	8.63	8.76	8.79	8.95
Yield on Investments	7.72	7.86	7.89	7.93	7.96



BUSINESS PROFILE

Amt. in ` Crore

	Mar'11	Mar'12	Y-o-Y Growth (%)
Global Business	504705	559544	10.9
Global Deposits	293437	327054	11.5
Global Advances (Net)	211268	232490	10.0
CD Ratio (%)	72.00	71.09	



COMPOSITION OF DEPOSITS

Amt. in ` Crore

	Mar'11	Mar'12	Y-o-Y Growth (%)
Savings Deposits	58617	64792	10.5
CASA Deposits	83117	79611	--
CASA Ratio	29.21	25.19	--
Term Deposits	210320	247443	17.7



COMPOSITION OF CREDIT PORTFOLIO

Amt. in ` Crore

	Mar'11	Mar'12	Y-o-Y Growth(%)
Priority Sector Credit	62108	67383	8.5
Agriculture Credit	26305	31946	21.4
- Direct Agriculture	22154	27848	25.7
MSME Advances	37684	34893	-7.4
Retail Lending	25259	24782	-1.9
Housing	15219	15808	3.9
Education	3499	3948	12.8
Infrastructure Advances	34702	40436	16.5
Industrial Advances	118281	136514	15.4

**Mandated
Targets
under
Priority
Sector**

Achieved the mandated targets in respect of

- **Direct agriculture (13.83% of ANBC against 13.5% norm)**
- **Credit to specified minority communities (19.62% of ANBC against 15% norm)**
- **Credit to weaker section (11.06% of ANBC against 10% norm)**
- **Agricultural disbursement target of `27000 crore by achieving `27327 crore.**



FINANCIAL INCLUSION

Holistic
Approach
to
Financial
Inclusion

- The Bank has opened 167 new branches at Financial Inclusion villages. These new branches mobilized over 4 lakh accounts and `405 crore business with a per branch business of ` 2.43 crore.
- Opened 30 Ultra Small Branches
- All 1618 villages allotted to the Bank covered.
- Opened 17 lakh No-frill Accounts, taking the total number of No-frill accounts to 44 lakh.
- The Bank has issued 2.14 lakh Smart Cards.
- The Bank formed 3.71 lakh Self Help Groups as at March 2012, with credit linking of 3.59 lakh SHGs.
- The Bank has so far issued 4.19 lakh General Credit Cards (GCCs), amounting to `727 crore.



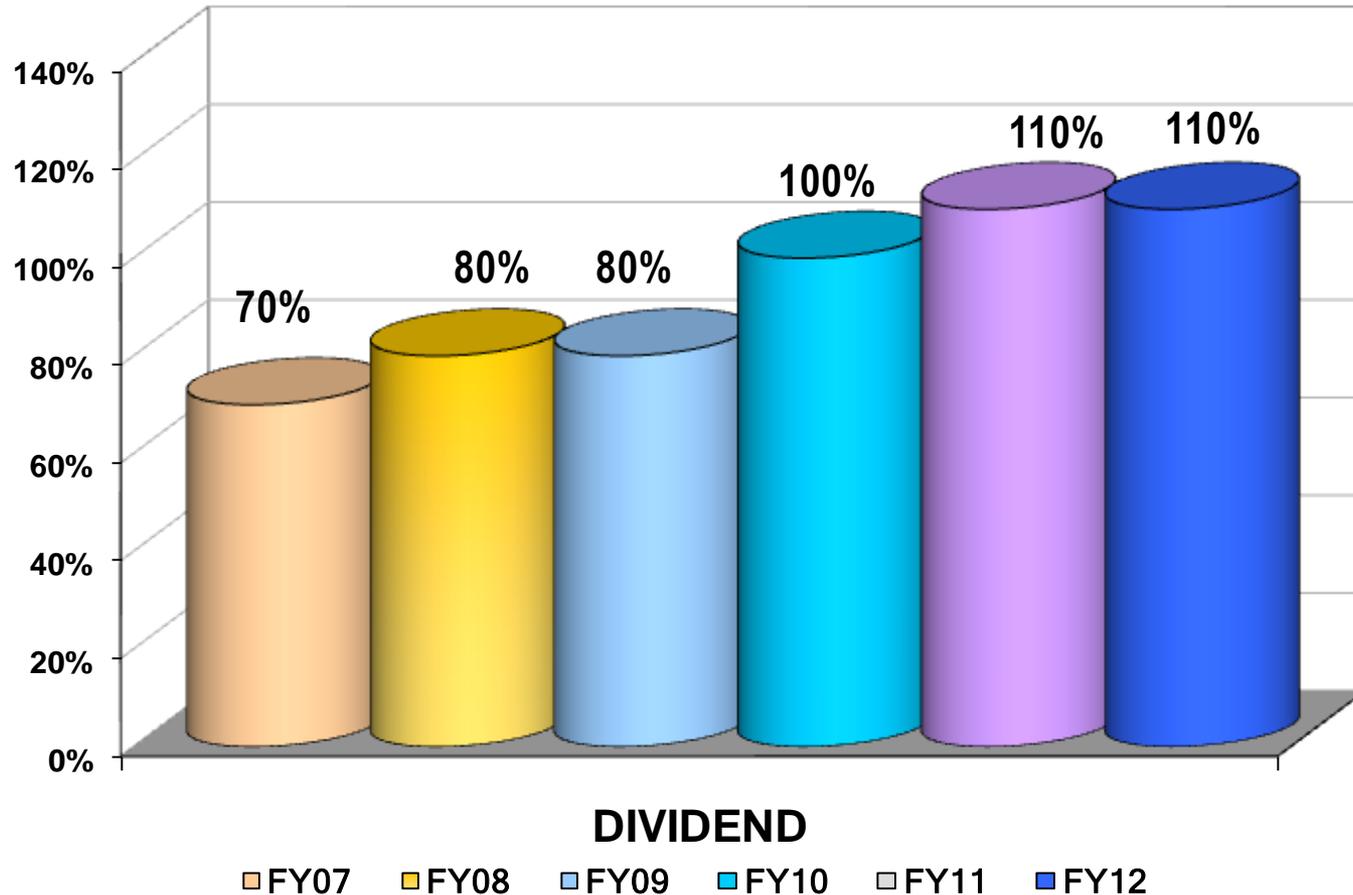
FINANCIAL INCLUSION

Holistic Approach to Financial Inclusion

- Extended Micro insurance scheme to more than 20000 customers and is implementing Pilot Micro Pension Scheme.
- Electronic Benefit Transfer (EBT) has been taken up in 4 districts of Karnataka and 2 districts of Tamil Nadu.
- The Bank has undertaken AADHAAR enrollments in 8 States covering 1.95 lakh residents.
- 19 micro-finance branches have contributed a total business of 150 crore.
- Under the Canara Financial Advisory Trust, the Bank is managing 26 Financial Literacy and Credit Counseling Centres (FLCCs) in the lead districts.
- Formed 1360 Farmers Clubs and has provided Canara Gramin Vikas Vahini – Vehicles in 35 districts for spreading financial awareness among rural households.
- Installed 29 Biometric ATMs for easy usage by the rural customers.
- On Founder's Day on 19th November 2011, the Bank issued 1.06 lakh Smart Cards, 25000 GCCs, Credit linking of 5000 SHGs, opened 106 Farmers Clubs and 15 FLCCs on the occasion.



RETURNS FOR THE SHAREHOLDERS

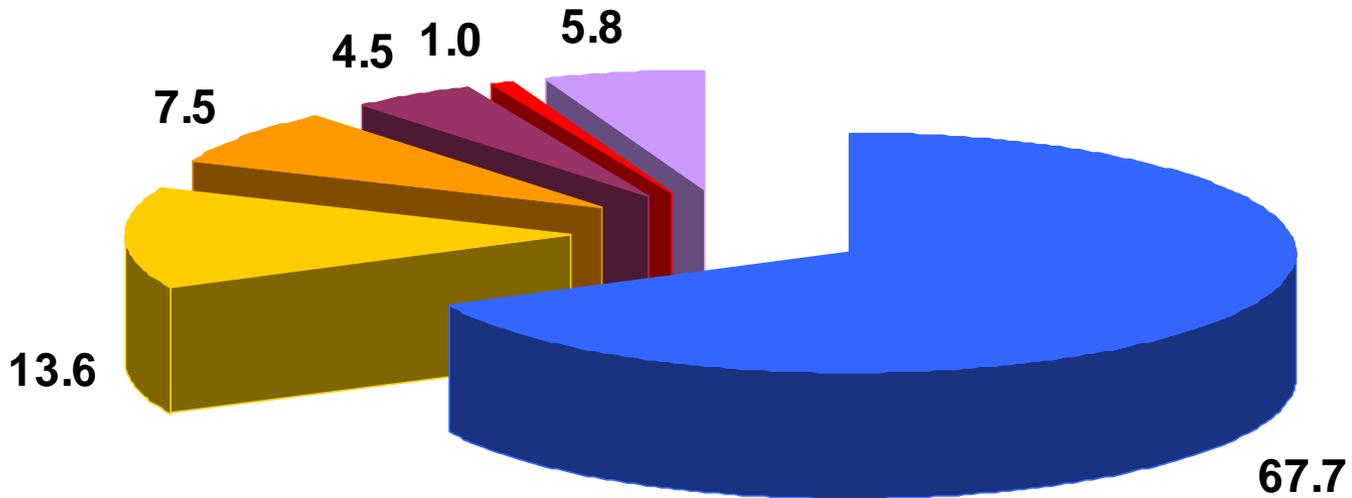


The Board has proposed a dividend of 110% for FY12



SHAREHOLDING PATTERN

As on March 31, 2012



■ Govt of India ■ FIIs ■ Insurance Companies ■ Resident Individuals ■ Banks ■ Others



CAPITAL ADEQUACY

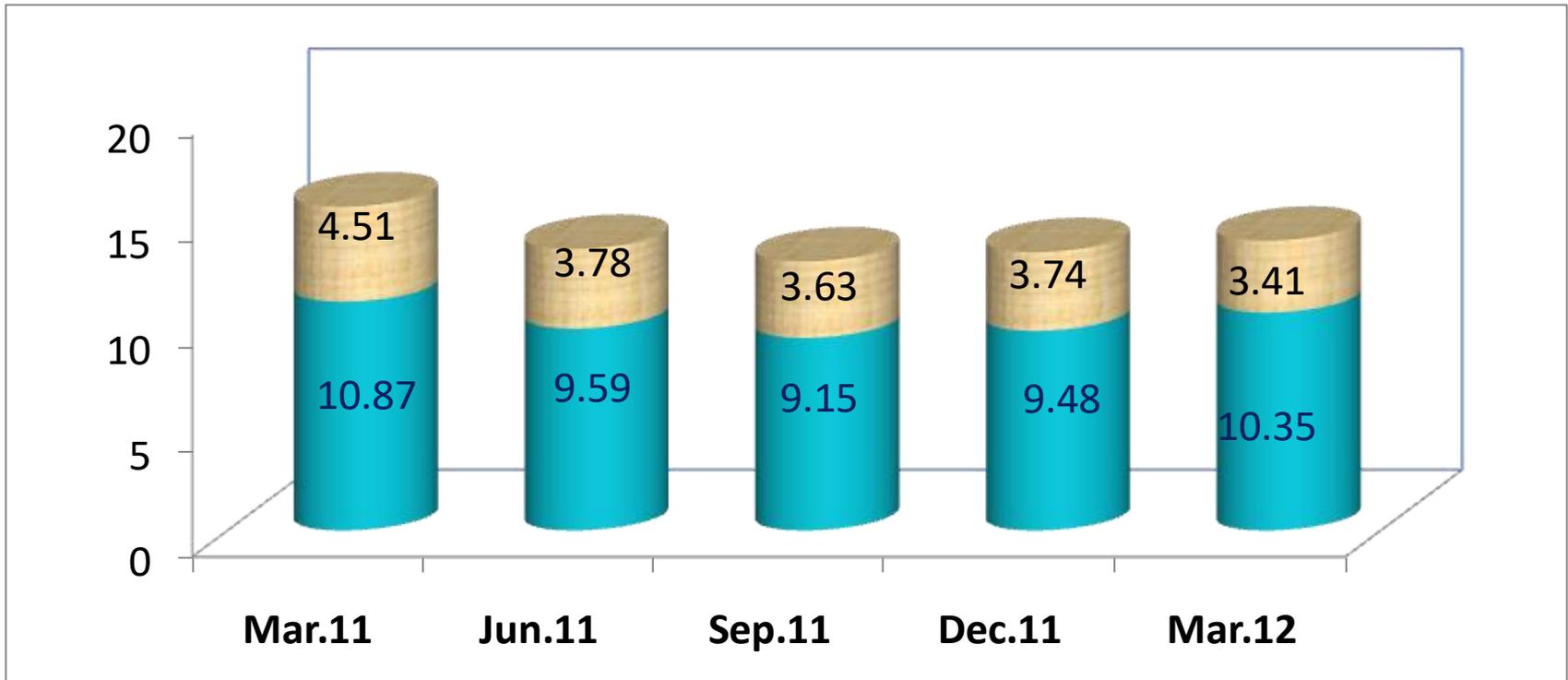
**Strong
Capital
Adequacy
Ratio**

- **CRAR of 13.76% at March 2012**
- **Tier I ratio at 10.35%**
- **Tier II ratio at 3.41%**
- **Govt. holding at 67.72%**
- **Paid-up Capital at `443 crore**

Strong Capital Adequacy, with sufficient headroom for raising further capital



CAPITAL ADEQUACY - BASEL II



Total CRAR %

15.38%

13.37%

12.78%

13.22%

13.76%



PRODUCTIVITY RATIOS

	March' 11	March'12
Business Per Employee (` Crore)	11.96	13.74
Business Per Branch (` Crore)	154.96	155.43
Gross Profit Per Employee (` lakh)	14.77	14.86
Net Profit per Employee (` lakh)	9.76	8.21



INVESTMENTS

Amt. in ` Crore

	March' 11	March'12
Net Investments (Domestic)	83174	101531
Held to Maturity	61126	70612
Available for Sale	21797	29771
Held for Trading	251	1148
SLR Portfolio to NDTL (%)	26.27	29.25



DURATION OF INVESTMENT PORTFOLIO

**Duration of AFS
book and Total
Investment book**

	Mar'11	Mar'12
Duration of AFS Book	2.35 yrs	3.39 yrs
Duration of HTM Book	5.87 yrs	5.45 yrs
Duration of Total Investment Book	4.95 yrs	4.83 yrs

**Duration of AFS
book and Total
Investment book**

	Mar'11	Mar'12
Modified duration of AFS Book	2.23 yrs	3.23 yrs
Modified duration of Total Investment Book	4.75 yrs	4.62 yrs



ASSET QUALITY

Amt. in ` Crore

	Mar'11	June'11	Sep'11	Dec'11	Mar'12
Gross NPA (` Crore)	3137	3606	3793	3999	4032
Gross NPA Ratio (%)	1.49	1.67	1.73	1.81	1.73
Net NPA (` Crore)	2330	2871	3117	3266	3386
Net NPA Ratio (%)	1.10	1.34	1.43	1.49	1.46
Cash Recovery (` Crore)	2032	750	1558	2346	3295

Record Cash Recovery of `3295 crore during FY12



MOVEMENT OF NPA

Amt. in ` Crore

	March'11	March'12
Opening Balance	2590	3137
Fresh Slippages (+)	3508	4592
Upgradation (-)	889	761
Cash Recovery (-)	1023	1475
Write-off (-)	1049	1461
Closing Balance	3137	4032



SECTORAL NPA

Amt. in ` Crore

	Mar'11	Mar'12
Micro & Small Enterprises	555	959
Agriculture	663	665
Other Priority Segments	474	297
Medium Enterprises	135	214
Large Industries	300	1233
Non-Priority Segments	1010	664
Total	3137	4032



COMPOSITION GROSS NPA

Amt. in ` Crore

	March'11	March'12
Substandard Assets	1586 (50.6%)	2445 (60.6)
Doubtful Assets	1525 (48.6%)	1539 (38.2)
Loss Assets	26 (0.8%)	48 (1.2)
Total NPA	3137	4032

Figures in brackets denote percentage to total



AMOUNT RESTRUCTURED DURING FY12

		Amt. in ` Crore
	No. of Accounts	Amount
Agriculture	2126	194.10
MSME	874	118.79
Housing	259	18.55
Large Advances	71	2387.76
Others	2752	1785.06
Total	6082	4504.26



OUTSTANDING RESTRUCTURED ADVANCES AS AT MAR 2012

		Amt. in ` Crore
	No. of Accounts	Amount
Agriculture	11586	217.86
MSME	15081	342.98
Housing	7120	281.88
Large Advances	358	4546.29
Others	2818	2507.17
Total	36963	7896.18

Total Slippages at ` 387.87crore



EXPANDING THE REACH

	Mar'11	Mar'12	Y-o-Y Incr
Branch Network	3257	3600	343
ATM Strength	2216	2858	642
Debit Card Base (In Lakh)	59.69	71.92	12.23

**New
Branches
and ATMs
Opened
During the
Year**

- **Record addition of 343 branches and 642 ATMs during FY12**
- **5th Overseas Branch opened at Manama, Bahrain**



DEDICATING 106 BRANCHES AND 106 ATMS TO THE NATION - ON 19th Nov' 2011- The Bank's Founder Day



The Grand Function was Graced by the Hon'ble Union Finance Minister Shri Pranab Mukherjee in Mumbai



EXPANDED CLIENTELE BASE

(In Lakhs)

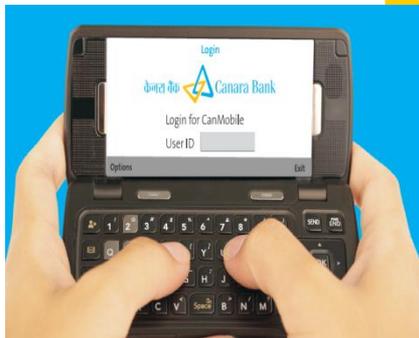
	Mar'11	Mar'12	Y-o-Y Increase
Clientele Base	387	420	33
No. of Deposit A/Cs	342	375	33
No. of Borrowal A/Cs	45	45	0

**4.2
Crore
Strong
Clientele
Base**

33 lakhs Clientele Added During FY12



NEW INFOTECH INITIATIVES



- Funds Transfer through Interbank Mobile Payment Services (IMPS) enabled in ATMs
- Funds Transfer through net banking and introduction of financial supply chain management for corporate customers.
- ASBA facility to net banking users enabled.
- E-filing of tax returns and facility for viewing details of tax deducted at source
- Terminal at 223 branches for customers to use net banking
- SMS/e-mail alerts for all transactions done through ATM, net banking, POS, mobile banking, online payments irrespective of amounts
- Online loan applications and tracking facility
- Issue of Non Personalized debit cards on opening of current and savings account
- Automatic pass sheets through e-mail and automatic renewal of term deposits



NEW INFOTECH INITIATIVES - GOVT. BUSINESS

NEW IT INITIATIVES FOR GOVT. BUSINESS

- **Internet based application for UGC Maulana Azad National Fellowship Scheme**
- **Web portal for national Scheme for Girl Child Secondary Education Scheme**
- **Electronic Accounting Systems of e-Receipts-Customs (EASeR-C) for collection of customs duty and e-payment of commercial taxes module for UP, Karnataka, Delhi and Tamil Nadu.**



AWARDS



- **National Award - 2011 for excellence in the field of Khadi and Village Industries – Best Bank, South Zone for PMEGP.**
- **Corporate Social Responsibility Award for the year 2010-11 conferred by Institute of Public Enterprises and Subir Raha Centre for Corporate Governance, Hyderabad.**
- **Coveted 'SKOCH Award' for the Bank's financial inclusion activities.**
- **NABARD's Best Performance Award, 2010-11, for SHG credit linkage and Best Performing Farmers' Club Award of NABARD, 2010-11, in Karnataka.**



GOALS FOR FY13

FUTURE PLANS

- **Aiming at a Total Business of `6.5 lakh crore**
- **Thrust on Retail Business, especially retail deposits and retail advances.**
- **To open 325 branches and 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 has been initiated.**
- **Expanding global footprints, the Bank plans to open branches/ offices in Johannesburg, Qatar, Frankfurt, New York and Tokyo.**



THANK YOU