





# PERFORMANCE HIGHLIGHTS

## MARCH 2013



## HIGHLIGHTS - FY13

### Major Highlights

- **Total Business – Rs 6 Lakh Crores**
- **Global Deposits - Rs.355856 crore**
- **Advances (Net) - Rs.242177 crore**
- **Capital Adequacy Ratio - 12.40%.**
- **Tier I Ratio - 9.77%.**
- **CASA Ratio at 25.12%**
- **Net Profit – Rs. 725 crore.**
- **Net Interest Margin (NIM) - 2.39%**



## HIGHLIGHTS - FY13

### Major Highlights

- **Return on Assets (RoA) - 0.77%**
- **Gross NPA Ratio - 2.57%, down from 2.77% at Dec'12**
- **Net NPA Ratio -2.18%, down from 2.35% at Dec'12**
- **Record Cash Recovery at 735 Million USD for FY13 compared to 605 million USD for FY12.**
- **128 New Branches and 668 ATMs added during the year.**



# CAPITAL ADEQUACY - BASEL II

## Capital Adequacy Ratio

- **CRAR of 12.40% at March 2013**
- **Tier I ratio at 9.77%**
- **Tier II ratio at 2.63%**
- **Govt. holding at 67.7%**
- **Paid-up Capital at 81.60 Million USD.**

**Capital Adequacy, with sufficient headroom for raising further capital**

**Mandated  
Targets  
under  
Priority  
Sector**

## **Achieved the mandated targets in respect of**

- **Agriculture (18.22% against 18% norm)**
- **Direct agriculture (16.97% against 13.5% norm)**
- **Credit to specified minority communities (18.19% against 15% norm)**
- **Weaker Section (11.73% against 10% norm)**
- **Women Beneficiaries (13.96% against 5% norm)**



# PERFORMANCE HIGHLIGHTS- BUSINESS

Amt. in ` Million  
USD

Parameters	MAR'12	MAR'13
Deposits	60047	65335
Advances	42685	44463
Investments	18641	22132
C-D Ratio	71.09	68.05



# PERFORMANCE HIGHLIGHTS- OVERSEAS BUSINESS

Parameters	MAR'12		DEC'12		MAR' 13	
	USD Mn	` Crs	USD Mn	` Crs	USD Mn	` Crs
<b>Deposits</b>	<b>2146</b>	<b>11650</b>	<b>2090</b>	<b>11347</b>	<b>2529</b>	<b>13730</b>
<b>Advances</b>	<b>2182</b>	<b>11846</b>	<b>2715</b>	<b>14739</b>	<b>2803</b>	<b>15219</b>
<b>Gross Income</b>	<b>117</b>	<b>631</b>	<b>88</b>	<b>478</b>	<b>117</b>	<b>632</b>
<b>Gross Expenditure</b>	<b>83</b>	<b>446</b>	<b>65</b>	<b>351</b>	<b>83</b>	<b>447</b>
<b>Gross Profit</b>	<b>34.19</b>	<b>184.58</b>	<b>23.26</b>	<b>126.53</b>	<b>34.37</b>	<b>185.56</b>
<b>Net Profit</b>	<b>21.93</b>	<b>118.4</b>	<b>13.01</b>	<b>70.77</b>	<b>24.92</b>	<b>134.54</b>





## PERFORMANCE HIGHLIGHTS- EXPANDING THE REACH

	Mar'12	Dec'12	Mar'13	Y-o-Y Incr
<b>Branch Network</b>	<b>3600</b>	<b>3681</b>	<b>3728</b>	<b>128</b>
<b>ATM Strength</b>	<b>2858</b>	<b>3281</b>	<b>3526</b>	<b>668</b>
<b>Debit Card (In Lakh)</b>	<b>71.92</b>	<b>84.10</b>	<b>95.53</b>	<b>23.61</b>

**3723 Branches across  
Population Groups in India**

**5 overseas branches at  
London, Leicester,  
Shanghai, Manama & Hong  
Kong**

<b>Rural</b>	<b>1062</b>	<b>29%</b>
<b>Semi-Urban</b>	<b>1055</b>	<b>28%</b>
<b>Urban</b>	<b>795</b>	<b>21%</b>
<b>Metro</b>	<b>811</b>	<b>22%</b>



# LOANS & ADVANCES SEGMENT

Amt. in Million USD

Parameters	MAR'12	MAR'13
<b>Advances (Net)</b>	<b>42685</b>	<b>44463</b>
<b>Total Priority</b>	<b>12371</b>	<b>14504</b>
<b>(% to total advances)</b>	<b>29.0</b>	<b>32.6</b>
<b>Agriculture</b>	<b>3865</b>	<b>7288</b>
<b>(% to total advances)</b>	<b>13.7</b>	<b>16.8</b>
<b>- Direct Agriculture</b>	<b>5093</b>	<b>6970</b>
<b>- Indirect Agriculture</b>	<b>772</b>	<b>514</b>
<b>MSE</b>	<b>4390</b>	<b>4845</b>
<b>(% to total advances)</b>	<b>10.3</b>	<b>10.9</b>
<b>Other Priority</b>	<b>2111</b>	<b>2166</b>
<b>(% to total advances)</b>	<b>4.9</b>	<b>4.9</b>
<b>MSME</b>	<b>6402</b>	<b>6792</b>
<b>(% to total advances)</b>	<b>15.0</b>	<b>15.3</b>
<b>Retail Credit</b>	<b>4547</b>	<b>4235</b>
<b>(% to total advances)</b>	<b>10.7</b>	<b>9.5</b>



# Performance of Retail Advances

Amt. in Million USD

Type of Advance	MAR'12	MAR'13
Housing loan	2901	2410
Vehicle loan	298	351
Other Pers Loan	614	647
Education loan	732	796
Grand total	4547	4235



## EXPANDED CLIENTELE BASE

(In Lakhs)

	Mar'12	Dec'12	Mar'13	Y-o-Y Increase
<b>Clientele Base</b>	<b>420</b>	<b>456</b>	<b>470</b>	<b>50</b>
<b>No. of Deposit A/Cs</b>	<b>375</b>	<b>405</b>	<b>417</b>	<b>42</b>
<b>No. of Borrowal A/Cs</b>	<b>45</b>	<b>51</b>	<b>53</b>	<b>8</b>

**4.7  
Crore  
Strong  
Clientele  
Base**

**50 lakhs Clientele added Y-o-Y**



# AWARDS

- **Best Bank Award among large banks by IDRBT for "Use of Technology for Financial Inclusion" handed over by Governor, RBI, Dr. D Subbarao.**
- **Skoch Award for Financial Inclusion, handed over by Chairman, PMEAC, Dr. C Rangarajan.**
- **1<sup>st</sup> Rank for Self Help Groups Linkage for the year 2011-12 in the State of Bihar**
- **Award for 'Best Online Bank' among Public Sector Banks- IBA Banking Technology Awards 2011**
- **Award for 'Best Customer Relationship Initiative' among Public Sector Banks - IBA Banking Technology Awards 2011.**





## AWARDS



- **The Greatest Corporate Leaders of India – Leadership in Banking Award, instituted by World HRD Congress, Feb' 2013.**
- **Canara Bank bestowed with the prestigious Platinum Greentech HR Award 2013 under HR Oriented CEO by M/s Greentech Foundation, New Delhi.**
- **2 Platinum awards, for Best HR Strategy and Training Excellence by M/s Greentech Foundation, New Delhi.**
- **National Vigilance Excellence Award – 2012 for the second consecutive year from Vigilance Study Circle, Hyderabad under the auspices of the Central Vigilance Commission.**



# Initiatives of the Bank .....

**Initiatives of the Bank  
To  
Popularise the solar scheme**





# Corporate Philosophy

Solar

- **Bank has a corporate social responsibility programme.**
- **Is a strong believer in clean environment.**
- **Some schemes of the bank have a demonstrative value.**
- **Aims to create more awareness among the people**





# CANARA BANK'S ROLE IN FINANCING SOLAR WATER HEATING SYSTEMS

Solar

- **Implemented since 1996. Subsidy support from Ministry of New and Renewable Energy (MNRE), Govt. of India**
- **The new guidelines was implemented upto December 2010.**
- **Later, Solar Offgrid scheme under JNNSM including the Solar water heater and solar lighting.**



# CANARA BANK'S ROLE IN FINANCING SOLAR WATER HEATING SYSTEMS

Solar

- **Implemented since 2003**
- **First bank to enter into MOU with United Nations Environment Programme, Centre for Conservation of Energy and Environment, Denmark (UNEP– CCEE)**
- **Subsidy support UNEP ( upto Dec 2006).**
- **Implemented in the states of Karnataka and Kerala**



# EXPOSURE

Solar

## **SOLAR WATER HEATERS :**

- ✓ **More than 25000 borrowers.**
- ✓ **Loan sanctioned – 11.60 Million USD**



## **SOLAR HOME LIGHTING SYSTEM :**

- ✓ **More than 6000 borrowers.**
- ✓ **Loan Sanctioned - 1.80 Million USD**





# Viability and appraisal Solar Water Heating systems

Solar

**Finance for 100 LPD system onwards Domestic, Commercial and Industrial users are covered.**

**Flat plate collector systems & Evacuated Tube Collector systems are covered**

**Domestic Users – Concessional Rate of Interest at 5% upto 400 LPD.**



# Viability and appraisal Solar Water Heating systems

Solar

## ✓ Domestic Users –

- ✓ Capital Subsidy – 30%. (Either capital subsidy or soft loan @ 5% is available).
- ✓ For Special Category States i.e. Himachal Pradesh, Uttarakhand, J&K and NE states : Domestic and Institutional users -Subsidy will be calculated based on 60% of benchmark cost or @ Rs.6600/- per sq.m of collector area whichever is less
- ✓ Release of Subsidy given by Ministry of New and Renewable Energy, Government of India through IREDA and NABARD.
- ✓ Capital subsidy available - Since July 2010.
- ✓ Subsidy given upfront for entire repayment period. Lock in period is 3 years back ended.



## Viability and appraisal Solar Water Heating systems

### Domestic Users –

✓ Packaged with Housing Finance to make appraisal simple as the average finance for 100 LPD works out approximately 28,000/-.

✓ The indicative benchmark cost is Min Rs.22,000 to 31,000 for 100 LPD (Max Rs.88,000 upto 400 LPD).

✓ The savings in Electricity Bill and capital subsidy covers most of the repayment.

Solar



# Viability and appraisal Solar Water Heating systems

Solar

## COMMERCIAL USERS IN SPECIAL CATEGORY STATES.

**Hospitals, Hotels , Institutions, Hostels,  
Educational Institutions**

**Min Eligible subsidy is Rs. 6,600/- (100 LPD)**

**Max Eligible subsidy is Rs.26400/- (400 LPD)**



## Viability and appraisal SOLAR LIGHTING SYSTEMS

Solar

- Bank implemented solar lighting scheme under UNDP project upto 2008.
- Revised capital subsidy scheme for Solar lighting initiated during the year 2012.
- Suitable for remote Hilly areas
- Commercially poultry units requiring longer lighting periods are using solar lighting.
- Higher capital cost affects viability of commercial usage.
- Technological breakthrough and reduction in capital cost may improve commercial usage





# INITIATIVES FOR POPULARISING SOLAR ENERGY FINANCE

- ✓ **Our Bank had won the maiden award for Best performance in financing solar water heaters for the year 2005-06 instituted by MNRE, Govt. of India.**
- ✓ **Our Vidyanagar Shimoga branch had won the National Best Branch Award during 2006-07 for solar water heater financing.**
- ✓ **Installation of model plants in Bank's training institutes and branches to create awareness.**
- ✓ **Two branches of the Bank situated in interior rural places in Karnataka viz., Bidare and Santesivara Branches are entirely operational on solar power.**





# Comparison of Solar Water Heating and Solar Lighting

**Solar**

Parameters	Solar Water Heater	Solar Lighting
Purpose	For purchase & installation	
Eligibility	Salaried individuals, Institutions, Associations, Small Business establishments, Industrial establishments, Hospitals, Hotels, Hatcheries, and other non-salaried class, individuals.	
Quantum of Loan	Not exceeding 80% of the project cost	Not exceeding 80% of the project cost
Margin	20% of project cost.	20% of project cost.
Capital Subsidy	30% of project cost	40% of project cost.

Type of Borrowers	Solar Water Heaters	Soft Loan without Subsidy	Solar Lighting
Domestic Users	12.25%	5% Only in case of Water Heaters	12.25%
Institutional/Individual /Commercial Users	13.25%		13.25%



# Comparison of Solar Water Heating and Solar Lighting

Parameters	Both for Solar PV & Thermal
<b>Repayment</b>	Branches may fix the same in consultation with the borrowers (not exceeding 5 years).
<b>Security</b>	✓ Hypothecation of the equipments to be purchased and suitable co-obligation good for the loan amount or adequate approved securities equal to the loan amount as collateral.
<b>Insurance</b>	✓ Loans upto Rs.50,000/- - No insurance ✓ Above Rs.50,000/- - Insurance to be obtained
<b>Types of systems and unit size</b>	✓ Systems of any capacity will be eligible for loan. ✓ The bench mark cost to be considered. ✓ Only need based finance. ✓ For SWH - Subsidy available only to the extent of permissible models financed upto 400 LPD. ✓ For Lighting - Subsidy available only to the extent of permissible models financed.

Solar



# MARKETING INITIATIVES

Solar

- ✓ **Sensitization programmes for staff.**
- ✓ **Conducting campaigns / field meetings for creating awareness.**
- ✓ **Sponsoring conferences / seminars for promotion of renewable energy models**
- ✓ **Advertisements in print media**
- ✓ **Posters & pamphlets**
- ✓ **Installation of model plants in Bank's training institutes and branches to create awareness**



# Solar projects financed by us recently.....

- Bank has recently financed M/s Sai Sudhir Energy Systems Ltd (SSEL)
- Hyderabad to set up a 20 MW capacity Solar Photo Voltaic Power Plant.
- CIS Thin Film Solar PV Technology utilised for setting up the power plant.
- Plant located at Borampally Village, Anantapur District, Andhra Pradesh.
- Estimated total cost of project is 37.5 Million USD.
- Project Finance of 25 Million USD financed by Canara Bank
- Promoters equity : 12.63 Million USD.

Solar





# Solar projects financed by us recently.....

Glimpse of Solar lighting system financed by our Bank in Chickballapur, Karnataka



Solar



# Solar projects financed by us recently.....

Glimpse of Solar Water heating system financed by our Bank in Karnataka

Solar





# ISSUES

## Solar

- ✓ **Lack of awareness among users.**
- ✓ **Very high initial cost.**
- ✓ **Longer payback period.**
- ✓ **Lack of Technical support for high end users.**
- ✓ **Need for demonstration of Models where new technology is involved.**
- ✓ **More concentration in the state of Karnataka which needs to be replicated in other parts of the country especially in North & North east region.**





# ISSUES

## Solar

- ✓ **Canara bank is on the look out for newer opportunities for financing alternate energy sources.**
- ✓ **To promote off-grid application of solar energy (Solar Thermal and Photovoltaic) and reorienting work force to achieve the same.**
- ✓ **Hopes to be a front runner in financing renewable energy sources**



**THANK YOU**