

The Manager
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street MUMBAI – 400 001
Fax: 022-22722037/39/2041/2061/
3121/1557/1278/3354/3577

The Manager
Listing Department
National Stock Exchange of India Ltd
EXCHANGE PLAZA
Bandra-Kurla Complex
Bandra [E] MUMBAI 400051 Fax: 022 -
26598237 / 238 / 26598347 / 348

प्रिय महोदय/ Dear Sir,

विषय/ Subject: Reviewed Financial Results - 30.06.2016

Ref : Regulation 33 of the SEBI (LODR) Regulations, 2015

The Reviewed Financial Results of the Bank for the First Quarter ended 30.06.2016 were approved by the Board of Directors at its Meeting of 25.07.2016. A copy of the same is enclosed along with Limited Review Report of the Auditors.

The meeting of the Board of Directors commenced at 2.00 p.m. and concluded at 3.30 p.m.

धन्यवाद / Thanking you,

भवदीय/ Yours faithfully,


बी नगेशबाबू / B NAGESH BABU
कंपनी सचिव/ COMPANY SECRETARY

सचिवीय विभाग

प्रबंध निदेशक व मुख्य कार्यकारी अधिकारी सचिवालय
प्रधान कार्यालय

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MD & CEO's Secretariat

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REVIEWED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2016

(₹ in Crore)

SL No	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2016 (REVIEWED)	31.03.2016 (AUDITED)	30.06.2015 (REVIEWED)	31.03.2016 (AUDITED)
1	INTEREST EARNED (a)+(b)+(c)+(d)	10201.70	10732.91	11139.65	44022.13
	(a) Interest/discount on advances/bills	7436.00	7521.40	8049.28	31377.25
	(b) Income on Investments	2505.11	2841.32	2850.08	11407.79
	(c) Interest on balances with Reserve Bank of India & Other Inter-Bank Funds	224.22	163.16	188.87	879.50
	(d) Others	36.37	207.03	51.42	357.59
2	Other Income	1584.65	1383.23	1112.99	4875.23
3	TOTAL INCOME (1+2)	11786.35	12116.14	12252.64	48897.36
4	Interest Expended	7894.30	8359.15	8623.15	34258.77
5	Operating Expenses (i)+(ii)	2073.18	2110.44	1625.92	7491.93
	(i) Employees Cost	1208.17	1239.54	1058.75	4445.88
	(ii) Other Operating Expenses	865.01	870.90	567.17	3046.05
6	TOTAL EXPENSES ((4+5) excluding Provisions & Contingencies)	9967.48	10469.59	10249.07	41750.70
7	Operating Profit before Provisions and Contingencies (3-6)	1818.87	1646.55	2003.57	7146.66
8	Provisions (Other than Tax) and Contingencies	1492.92	6331.54	1359.73	10332.43
9	Exceptional Items	0.00	0.00	0.00	0.00
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	325.95	(4684.99)	643.84	(3185.77)
11	Tax expense	97.00	(779.50)	165.00	(372.95)
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	228.95	(3905.49)	478.84	(2812.82)
13	Extraordinary Items (net of tax expense)	0.00	0.00	0.00	0.00
14	Net Profit (+) / Loss (-) for the period (12-13)	228.95	(3905.49)	478.84	(2812.82)
15	Paid up Equity Share Capital (Face Value of each share-Rs.10/-)	542.99	542.99	515.20	542.99
16	Reserves excluding Revaluation Reserves (As per Balance Sheet of previous accounting year)				25615.55
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	66.30%	66.30%	64.48%	66.30%
	(ii) Capital Adequacy Ratio - Basel III	12.11%	11.08%	10.75%	11.08%
	(iii) Earnings per Share (EPS) (Not Annualised)				
	a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year	4.22	(71.92)	9.63	(53.61)
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year	4.22	(71.92)	9.63	(53.61)
	(iv) NPA Ratios				
	(a) Amount of Gross Non Performing Assets	32334.07	31637.83	13080.63	31637.83
	(b) Amount of Net Non Performing Assets	21493.92	20832.91	8888.14	20832.91
	(c) Percentage of Gross Non Performing Assets	9.71%	9.40%	3.98%	9.40%
	(d) Percentage of Net Non Performing Assets	6.69%	6.42%	2.74%	6.42%
	(v) Return on Assets (Annualised)	0.17%	(2.88%)	0.36%	(0.52%)



SEGMENT REPORTING FOR THE QUARTER ENDED 30.06.2016

Rs. In Crore

BUSINESS SEGMENT		QUARTER ENDED			YEAR ENDED
		30.06.2016 (REVIEWED)	31.03.2016 (AUDITED)	30.06.2015 (REVIEWED)	31.03.2016 (AUDITED)
(1)	Segment Revenue				
a	Treasury Operations	3160.46	3208.46	3126.90	12811.13
b	Retail Banking Operations	3684.20	4530.66	3561.51	15459.48
c	Wholesale Banking Operations	4756.06	4201.46	5542.28	20382.09
d	Unallocated	205.63	175.56	21.95	244.66
	Total Revenue	11786.35	12116.14	12252.64	48897.36
	Less: Inter Segment Revenue	0.00	0.00	0.00	0.00
	Income from operations	11786.35	12116.14	12252.64	48897.36
(2)	Segment Results				
a	Treasury Operations	734.17	649.83	450.30	2156.28
b	Retail Banking Operations	318.73	792.69	643.58	2372.04
c	Wholesale Banking Operations	560.39	28.47	887.74	2373.68
d	Other Banking Operations	0.00	0.00	0.00	0.00
	Total	1613.29	1470.99	1981.62	6902.00
	Unallocated Income/Expenses (including provisions and contingencies)	(1,287.34)	(6,155.98)	(1,337.78)	(10,087.77)
0	Total Profit Before tax	325.95	(4684.99)	643.84	(3185.77)
	Income tax	97.00	(779.50)	165.00	(372.95)
	Net Profit	228.95	(3905.49)	478.84	(2812.82)
(3)	Capital Employed				
a	Treasury Operations	13922.76	15771.98	16490.03	15771.98
b	Retail Banking Operations	8629.86	10069.32	11047.22	10069.32
c	Wholesale Banking Operations	9331.22	10773.20	13000.02	10773.20
d	Other Banking Operations	0.00	0.00	0.00	0.00
e	Unallocated Assets	(75.23)	(5,011.32)	(6,644.50)	(5,011.32)
	Total Capital Employed	31808.61	31603.18	33892.77	31603.18

GEOGRAPHICAL SEGMENT		QUARTER ENDED			YEAR ENDED
		30.06.2016 (REVIEWED)	31.03.2016 (AUDITED)	30.06.2015 (REVIEWED)	31.03.2016 (AUDITED)
(1)	Revenue				
a	Domestic	11458.10	11792.39	11957.32	47634.87
b	International	328.25	323.75	295.32	1262.49
	Total	11786.35	12116.14	12252.64	48897.36
(2)	Assets				
a	Domestic	490159.64	498586.52	497881.00	498586.52
b	International	49607.57	54374.26	46787.65	54374.26
	Total	539767.21	552960.78	544668.65	552960.78

Notes on Segment Reporting:

- As per guidelines of RBI on compliance with Accounting Standards, the Bank has adopted "Treasury Operations", Wholesale, Retail and "Other Banking Operations" as Primary business segments and "Domestic" and international as secondary / geographic segments for the purpose of compliance with AS-17 on Segment Reporting issued by ICAI.
- Segment revenue represents revenue from external customers.
- Capital employed for each segment has been allocated proportionate to the assets of the segment.
- The figures of the previous period/year have been regrouped/rearranged wherever necessary so as to make them comparable with those of the current period.



(₹ in Crore)

PARTICULARS	As on 30.06.2016	As on 30.06.2015	As on 31.03.2016
	(REVIEWED)	(REVIEWED)	(AUDITED)
CAPITAL AND LIABILITIES			
CAPITAL	542.99	515.20	542.99
RESERVES AND SURPLUS	31265.61	33377.59	31060.21
DEPOSITS	465314.16	471876.73	479791.56
BORROWINGS	28544.86	23904.81	26873.32
OTHER LIABILITIES AND PROVISIONS	14099.59	14994.32	14692.70
TOTAL	539767.21	544668.65	552960.78
ASSETS			
CASH & BALANCES WITH RESERVE BANK OF INDIA	21612.92	20446.36	20664.05
BALANCES WITH BANKS AND MONEY AT CALL AND INVESTMENTS	33558.90	25717.53	36069.61
ADVANCES	130655.49	149576.93	142309.30
FIXED ASSETS	321283.28	324062.92	324714.83
OTHER ASSETS	7160.95	7089.90	7198.10
TOTAL	539767.21	544668.65	552960.78

Notes:

- The above Financial Results were reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 25th July 2016. The results have been subjected to a 'Limited Review' by the Statutory Central Auditors of the Bank.
- There has been no change in the accounting policies followed during the quarter ended 30th June 2016 as compared to those followed in the preceding financial year ended 31st March 2016.
- The Financial results for the quarter ended 30th June 2016 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, Unhedged Foreign Currency Exposure and other necessary provisions. As per Board approved policy, the Bank has made additional provision of 5% on the Substandard assets and 10% on the advances under Doubtful II category.
- In compliance to the RBI letter DBR.BNP.NO.11643/21.04.132/2015-16 dated 17.03.2016 on Ujwal Discom Assurance Yojna (UDAY) scheme, the Bank has made a provision of Rs.399.36 Crore in respect of segment not envisaged to be converted into SDL in F.Y 2016-17 and Rs.131.01 Crore for diminution in the fair value of loan / Discom Bonds. The required provision for UDAY scheme as at June 30th, 2016 works out Rs. 417.71 Crore in respect of segment not envisaged to be converted into SDL in F.Y 2016-17 and Rs.68.97 Crore for diminution in the fair value of loan / Discom Bonds. Thereby write back of Rs. 43.69 Crore for the quarter ended June 2016 in respect of Diminution in the fair value of loan.
- The bank had made a provision of Rs. 335.08 Crore being 15% of the outstanding food credit availed by the State Government of Punjab as at 31.03.2016 as against the requirement of 7.50% as on 31st March 2016 and 7.50% as on 30th June 2016. During the current quarter an excess provision of Rs.88.93 Crore has been written back after retaining 15% on the outstanding of such food credit amounting to Rs.1641.03 Crore as on 30th June 2016.
- In terms of RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 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.
- In accordance with RBI guidelines, the bank has shifted the securities from HTM to AFS category amounting to RS.9496.19 Crore and AFS to HTM category amounting to Rs. 4742.73 Crore during the quarter and the resultant depreciation Rs. 33.70 crore has been accounted.
- Provision Coverage Ratio as on 30th June 2016 is 50.82%

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9 Number of Investors Complaints received and disposed off during the quarter ended 30.06.2016

- i) Pending at the beginning of the quarter - 0
- ii) Received during the quarter - 123
- iii) Disposed off during the quarter - 123
- iv) Lying unresolved at the end of the quarter - 0

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

DINA BANDHU MOHAPATRA
EXECUTIVE DIRECTOR

HARIDEESH KUMAR B
EXECUTIVE DIRECTOR

RAKESH SHARMA
MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

T N MANOHARAN
CHAIRMAN

PLACE : BENGALURU
DATE : 25.07.2016

<i>S. C. Vasudeva & Co.</i> <i>Chartered Accountants</i> <i>FRN : 000235N</i>	<i>Vinay Kumar & Co.</i> <i>Chartered Accountants</i> <i>FRN : 000719C</i>	<i>Ramraj & Co.</i> <i>Chartered Accountants</i> <i>FRN : 002839S</i>
<i>V. K. Niranjana & Co.</i> <i>Chartered Accountants</i> <i>FRN : 002468S</i>	<i>J L Sengupta & Co.</i> <i>Chartered Accountants</i> <i>FRN : 307092E</i>	<i>J Singh & Associates</i> <i>Chartered Accountants</i> <i>FRN : 110266W</i>

Limited Review Report

To
The Board of Directors
Canara Bank
Bangalore

1. We have reviewed the accompanying financial results of Canara Bank (the "Bank") for the Quarter ended June 30, 2016. The disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link have been provided in the aforesaid financial results have not been reviewed by us. These financial results are the responsibility of the Bank's management and have been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 is limited primarily to inquiries of the Bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 un-reviewed returns in respect of 5351 branches. In the conduct of our review, we have relied on the review reports in respect of non-performing assets submitted by the Inspection Officials of the Bank of 195 branches. These review reports cover 56.67 percent of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the Bank.
4. Based on our review as aforesaid, subject to limitations in scope as mentioned in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying



statement of unaudited financial results together with the notes thereon, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

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


(CA Ashish Agarwal)
Partner
M. No. 093790



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


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



For Ramraj & Co.
Chartered Accountants
FRN : 002839S


(CA K S S Prasad)
Partner
M. No. 024456



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


(CA Niranjan V K)
Partner
M. No. 021432

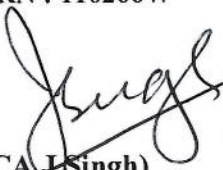


For J L Sengupta & Co.
Chartered Accountants
FRN : 307092E


(CA S R Ananthakrishnan)
Partner
M. No. 018073



For J Singh & Associates
Chartered Accountants
FRN : 110266W


(CA J Singh)
Partner
M. No. 042023



Place: Bangalore
Date: July 25, 2016