

केनरा बैंक Canara Bank

Ref :: CMD:SD:1653:1654/11/12:2014

May 26, 2014

The Manager
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street MUMBAI – 400 001
Fax: 022-22723121/22721557
22721278/3354/3577

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 मोदय/ Dear Sir,

विषय/ Subject: Consolidated Financial Results - 31.03.2014

Ref : Clause No. 20 & 41 of the Listing Agreement

The Audited Consolidated Financial Results of the Bank for the Year ended 31.03.2014 were approved / taken on record by the Board of Directors at its Meeting of 26.05.2014. A copy of the same is enclosed.

धन्यवाद / Thanking you,

भवदीय/ Yours faithfully,


बी नगेशबाबू / B NAGESH BABU
कंपनी सचिव/ COMPANY SECRETARY

सिवाय विभाग
अध्यक्ष व प्रबंध निदेशक का सिवालय
प्रधान कार्यालय
112 1 सी रोड, बंगलूर - 560002

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CONSOLIDATED FINANCIAL RESULTS (AUDITED) FOR THE YEAR ENDED 31ST MARCH 2014

(₹ in Crore)

S.No	PARTICULARS	YEAR ENDED		YEAR ENDED	
		CONSOLIDATED		PARENT	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
1	INTEREST EARNED (a+b+c+d)	39570.16	34069.87	39547.61	34077.93
	a) Interest/discount on advances/bills	28433.68	24339.47	28457.32	24379.91
	b) Income on Investments	10293.32	9142.29	10251.08	9112.42
	c) Interest on Balances with RBI & Other Inter-Bank Funds	733.58	585.53	730.82	585.23
	d) Others	109.58	2.58	108.39	0.37
2	Other Income	4143.68	3307.65	3932.76	3153.01
3	TOTAL INCOME (1+2)	43713.84	37377.52	43480.37	37230.94
4	Interest Expended	30605.53	26197.75	30603.17	26198.94
5	Operating Expenses (i)+(ii)	6116.26	5180.35	6081.01	5141.99
	(i) Payments to and provisions for employees	3706.53	3285.44	3672.38	3253.56
	(ii) Other Operating Expenses	2409.73	1894.91	2408.63	1888.43
6	TOTAL EXPENSES (4+5)(excluding Provisions & Contingencies)	36721.79	31378.10	36684.18	31340.93
7	Operating Profit before Provisions & Contingencies (3-6)	6992.05	5999.42	6796.19	5890.01
8	Provisions (Other than Tax) and Contingencies	3750.04	2228.03	3733.00	2217.91
9	Exceptional items	0.00	0.00	0.00	0.00
10	Profit (+)/Loss(-) from Ordinary Activities before tax (7-8-9)	3242.01	3771.39	3063.19	3672.10
11	Tax Expenses	652.49	819.56	625.00	800.00
12	Profit (+)/Loss(-) from Ordinary Activities after tax (10-11)	2589.52	2951.83	2438.19	2872.10
13	Extraordinary items (net of tax expense)	0.00	0.00	0.00	0.00
14	Net Profit (+)/Loss(-) for the year (12-13)	2589.52	2951.83	2438.19	2872.10
15	Add: Share of Earnings from Associates	82.74	42.94	-	-
16	Less: Minorities' Interest (Net Loss)	42.09	25.06	-	-
17	Consolidated Profit for the Year attributable to the Group	2630.17	2969.71	-	-
18	Paid up Equity Share Capital	461.26	443.00	461.26	443.00
19	Reserves excluding Revaluation Reserves	24216.75	22700.19	23660.60	22401.55
20	Analytical Ratios				
	(i) Percentage of Shares held by Government of India	69.00%	67.72%	69.00%	67.72%
	(ii) Capital Adequacy Ratio - BASEL -II	11.37%	12.61%	11.14%	12.40%
	(iii) Capital Adequacy Ratio - BASEL -III	10.75%	-	10.63%	-
	(iv) 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	58.77	67.04	54.48	64.83
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year	58.77	67.04	54.48	64.83
	(v) NPA Ratios				
	(a) Amount of Gross Non Performing Assets	7700.17	6355.92	7570.21	6260.16
	(b) Amount of Net Non Performing Assets	6074.14	5324.42	5965.46	5278.07
	(c) Percentage of Gross Non Performing Assets	2.53%	2.60%	2.49%	2.57%
	(d) Percentage of Net Non Performing Assets	2.01%	2.19%	1.98%	2.18%
	(vi) Return on Assets (Annualised)	0.57%	0.78%	0.54%	0.77%
21	Public shareholding				
	- Number of Shares	143000000	143000000	143000000	143000000
	- Percentage of shareholding	31.00%	32.28%	31.00%	32.28%
22	Promoters and promoter group shareholding				
	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	318258837	300000000	318258837	300000000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the Company)	69.00%	67.72%	69.00%	67.72%

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CONSOLIDATED SEGMENT REPORTING (AUDITED) FOR THE YEAR ENDED 31ST MARCH 2014					
(₹ in Crore)					
S.No	BUSINESS SEGMENT	YEAR ENDED		YEAR ENDED	
		CONSOLIDATED		PARENT	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
I	Segment Revenue				
a	Treasury Operations	11079.17	10294.45	11079.17	10294.45
b	Retail Banking Operations	10788.38	9463.97	10788.38	9463.97
c	Wholesale Banking Operations	20806.56	17223.41	20806.56	17223.41
d	Other Banking Operations	0.00	0.00	0.00	0.00
e	Unallocated	1039.73	395.69	806.26	249.11
	Total	43713.84	37377.52	43480.37	37230.94
II	Segment Results				
a	Treasury Operations	1463.00	1115.81	1463.00	1115.81
b	Retail Banking Operations	1722.43	1864.14	1722.43	1864.14
c	Wholesale Banking Operations	2946.74	2705.43	2946.74	2705.43
d	Other Banking Operations	0.00	0.00	0.00	0.00
e	Unallocated	0.00	0.00	0.00	0.00
	Total	6132.17	5685.38	6132.17	5685.38
III	Unallocated Income/(Expenses)	859.88	314.04	664.02	204.63
IV	Operating Profit	6992.05	5999.42	6796.19	5890.01
V	Provisions and Contingencies	3750.04	2228.03	3733.00	2217.91
VI	Income Tax	652.49	819.56	625.00	800.00
VII	Extraordinary Items	0.00	0.00	0.00	0.00
VIII	Net Profit for the year	2589.52	2951.83	2438.19	2872.10
IX	Add:- Share of Earnings in Associates	82.74	42.94	-	-
X	Less:- Minority Interest (Net Loss)	42.09	25.06	-	-
XI	Consolidated Profit for the Year attributable to the Group	2630.17	2969.71	-	-
	Other Information				
XII	Segment Assets*				
a	Treasury Operations	167100.83	150904.28	167100.83	150904.28
b	Retail Banking Operations	99619.98	78711.04	99619.98	78711.04
c	Wholesale Banking Operations	209370.03	171294.18	209370.03	171294.18
d	Other Banking Operations	0.00	0.00	0.00	0.00
e	Unallocated Assets	19500.50	16381.53	10332.76	9399.87
	Total	495591.34	417291.03	486423.60	410309.37
XIII	Segment Liabilities				
a	Treasury Operations	51466.11	28855.45	51466.11	28855.45
b	Retail Banking Operations	183552.33	156299.98	183552.33	156299.98
c	Wholesale Banking Operations	199789.78	180253.80	199789.78	180253.80
d	Other Banking Operations	0.00	0.00	0.00	0.00
e	Unallocated Liabilities	36105.11	28738.61	27493.52	22055.59
f	Capital and Reserves *	24678.01	23143.19	24121.86	22844.55
	Total	495591.34	417291.03	486423.60	410309.37
(* Excluding Revaluation Reserve)					
(₹ in Crore)					
	GEOGRAPHICAL SEGMENT	YEAR ENDED		YEAR ENDED	
		CONSOLIDATED		PARENT	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
a	Domestic Operations				
	Revenue	42648.64	36775.65	42431.73	36645.47
	Assets	458011.95	393092.93	449034.29	386312.09
b	International Operations				
	Revenue	1065.20	601.87	1048.64	585.47
	Assets	37579.39	24198.10	37389.31	23997.28
c	Total				
	Revenue	43713.84	37377.52	43480.37	37230.94
	Assets*	495591.34	417291.03	486423.60	410309.37
(* Excluding Revaluation Reserve)					

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2014

(₹ in Crore)

	As at 31.03.2014 (AUDITED)	As at 31.03.2013 (AUDITED)
CAPITAL AND LIABILITIES		
CAPITAL	461.26	443.00
RESERVES AND SURPLUS	29715.00	24733.43
MINORITY INTEREST	313.55	232.16
DEPOSITS	420603.68	355684.63
BORROWINGS	27309.73	20355.09
OTHER LIABILITIES AND PROVISIONS	22686.37	17875.96
TOTAL	501089.59	419324.27
ASSETS		
CASH & BALANCES WITH RESERVE BANK OF INDIA	22161.03	15414.99
BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE	22710.55	19364.22
INVESTMENTS	135445.35	127533.53
ADVANCES	301326.02	242435.76
FIXED ASSETS	6661.98	2884.00
OTHER ASSETS	12784.66	11691.77
TOTAL	501089.59	419324.27

Notes:

- 1 The above results have been taken on record by the Board of Directors of the Bank at its meeting held on 26th May 2014.
- 2 There has been no change in the accounting policies and practices followed during the year ended 31st March 2014 as compared to those followed in the preceding financial year ended 31st March 2013.
- 3 The financial results of 7 subsidiaries are consolidated in the above result. Further, the financial statements of the Joint Venture has been proportionately consolidated and 3 associates have been considered for computation of investments under Equity method and parent's share of profit.
- 4 In terms of RBI Circular DBOD.BP.BC.2/21.06.201/2013-14 dated 01.07.2013 Banks are required to make Pillar 3 disclosures under Basel III Capital Regulations. The disclosures are being made available on the Bank's website "www.canarabank.com". These disclosures have not been subjected to audit by the auditors.
- 5 Applicable Accounting Standards have been complied with.
- 6 Previous Year figures have been regrouped / rearranged, wherever considered necessary.



P S RAWAT
EXECUTIVE DIRECTOR



V S KRISHNA KUMAR
EXECUTIVE DIRECTOR



ASHOK KUMAR GUPTA
EXECUTIVE DIRECTOR



R K DUBEY
CHAIRMAN & MANAGING DIRECTOR

PLACE : DELHI

DATE : 26.05.2014

Loonker & Co.
Chartered Accountants
FRN : 000172W

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

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

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

Vinay Kumar & Co.
Chartered Accountants
FRN : 000719C

Ford Rhodes Parks & Co.
Chartered Accountants
FRN : 102860W

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To

The Board of Directors
Canara Bank

Report on the Financial Statements

1. We have audited the accompanying Consolidated financial statements of Canara Bank, its Subsidiaries, Associates, and Joint Venture (the Group) which comprise the Consolidated Balance sheet as at 31st March 2014, and the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the Year ended on that date annexed thereto, and a summary of significant accounting policies and other explanatory information, in which are incorporated:
 - i. Audited Accounts of Canara Bank audited by us.
 - ii. Audited Accounts of Seven (7) Subsidiaries, Three (3) Associates and One (1) Joint Venture audited by other auditors.

Management's Responsibility for the Consolidated Financial Statements

2. These consolidated financial statements are the responsibility of the Bank's management and have been prepared by the management on the basis of separate financial statements and other financial information of the different entities in the group. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



4. An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend upon the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the Bank's preparation and presentation of the financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing the opinion on the effectiveness on the bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

5. We report that the consolidated financial statements have been prepared by the management of the Group in accordance with the requirement of the accounting Standard (AS) 21-“Consolidated Financial Statements”, Accounting Standard (AS) 23-“Accounting for Investments in Associates in Consolidated Financial Statements” and Accounting Standard (AS) 27 –“Financial Reporting of Interest in Joint Ventures” issued by the Institute of Chartered Accountants of India.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us:

- i) the Consolidated Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Group as at 31st March 2014 in conformity with accounting principles generally accepted in India;
- ii) the Consolidated Profit and Loss Account, read with the notes thereon shows a true balance of Profit of the Group, in conformity with accounting principles generally accepted in India, for the year covered by the account; and
- iii) the Consolidated Cash Flow Statement gives a true and fair view of the cash flows of the Group for the year ended on that date.

7. Other Matters

We did not audit the financial statements of Seven (7) subsidiaries, Three (3) Associates and One (1) Joint Venture whose financial statements reflect total assets of Rs. 40,707.52 Crore as at 31st March 2014, total revenues of Rs. 3,236.29 Crore and net cash flows of Rs. 1,100.07 Crore for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of other entities, are based solely on the report of the other auditors.



8. Report on Other Legal and Regulatory Requirements

- a) The Balance Sheet and the Profit and Loss Account have been drawn up in Form "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949.
- b) In our opinion, the Consolidated Balance Sheet, Profit and Loss Account and Cash Flow Statement of the Group comply with the applicable Accounting Standards.

**For Loonker & Co.
Chartered Accountants
FRN : 000172W**



**(Gopi Kishan Jangid)
Partner
M. No. 078853**

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



**(Rakesh Jain)
Partner
M. No. 087925**

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



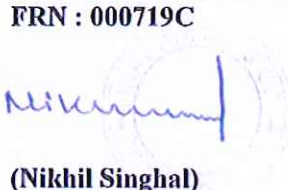
**(Piyali Basu)
Partner
M. No. 054704**

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



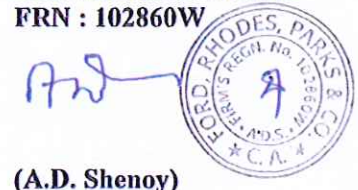
**(Sanjay Vasudeva)
Partner
M. No. 090989**

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



**(Nikhil Singhal)
Partner
M. No. 079557**

**For Ford Rhodes Parks & Co.
Chartered Accountants
FRN : 102860W**



**(A.D. Shenoy)
Partner
M. No. 011549**

Place: Delhi

Date: 26.05.2014